



CALEDONIA INVESTMENTS

31 March 2015

Share price: 2281p

NAV/share: 2902p

Discount: 21.4%

About Caledonia

Caledonia is a self-managed investment trust, with net assets of £1.6bn. We invest in well-managed, long term businesses and funds, both listed and private, in a range of sectors and regions. We have a long term investment horizon – often over ten years – and a predominantly value investment style.

We focus on established businesses, where return on capital employed is a differentiator of longer term performance and where underlying real assets provide risk mitigation to the balance sheet.

We aim to be a core investment for those seeking capital growth coupled to an increasing income stream over the long term.

Review

Our NAV total return over the month, which includes our biannual revaluations of unquoted investments, was 3.5%, bringing the full year performance to 14.0%. This represents the third consecutive year of strong returns and extends our record of outperformance against RPI over five years and the FTSE All-Share TR index over ten years.

During the month, we invested £13.9m and realised £45.4m. Investments included \$10m (£6.7m) in the Longleaf Partners Global UCITS fund, managed by Southeastern Asset Management. We received a distribution of £9.7m from the Capital Today China Growth Fund, on the partial realisation of its investment in JD.com, the Chinese direct sales company. We also received £7.8m from Brookshire Capital, from the sale of part of its property portfolio, a £6.2m distribution from Nova Springboard, from the sale of one of its underlying investments, and £10.5m from the realisation of holdings in the Income & Growth pool.

At the end of the month, we held net cash of £129.6m.

Ten largest holdings

| Name | Business | Mar 2015 £m | Sep 2014 £m |
|----------------------|------------------------|----------------|----------------|
| Capital Today China | Private equity fund | 105.7 | 92.3 |
| Park Holidays | Caravan parks operator | 101.1 | 81.1 |
| Cobehold | Investment company | 92.2 | 96.2 |
| TGE Marine | LNG engineering | 64.9 | 45.3 |
| Bristow Group | Helicopter services | 60.8 | 68.3 |
| AG Barr | Soft drinks | 57.6 | 58.4 |
| Close Brothers | Financial services | 56.1 | 65.5 |
| The Sloane Club | Residential club | 55.0 | 45.7 |
| Choice Care Group | Care homes provider | 51.5 | 50.2 |
| Sterling Industries | Engineering | 35.5 | 39.2 |
| | | 680.4 | 642.2 |
| Other investments | | 808.9 | 785.7 |
| Cash and other items | | 135.7 | 65.5 |
| Net assets | | 1,625.0 | 1,493.4 |

| | Year Mar 2015 | 6 mths Sep 2014 |
|---------------------------|------------------|--------------------|
| NAV total return (note 1) | 14.0% | 4.6% |

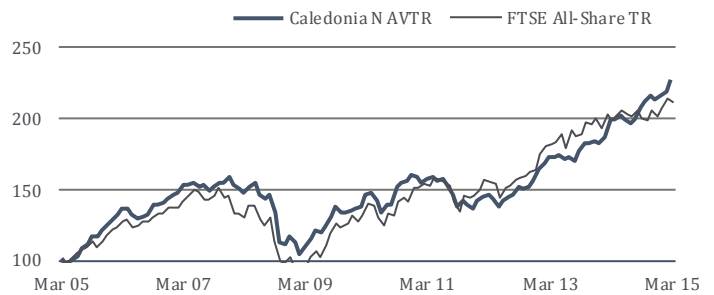
1. Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

Caledonia Investments plc

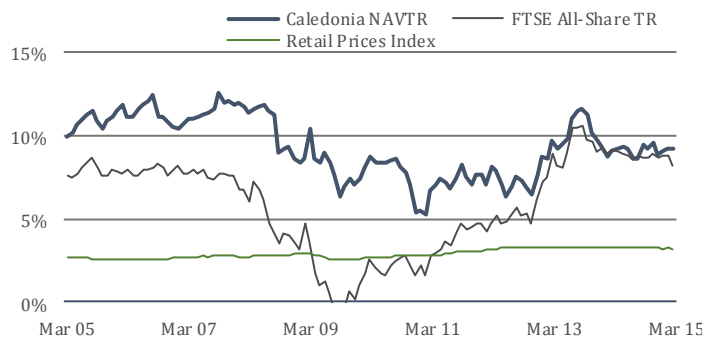
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The price of shares and the income from them may go down as well as up. Past performance is no indication of future performance. Under no circumstances should this information be considered as an offer, or solicitation, to deal in investments.

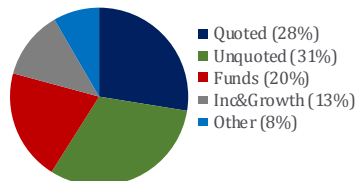
NAV total return performance ten years



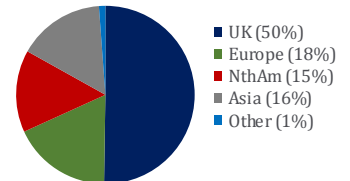
Annualised ten year rolling performance



Pool allocation



Geographic allocation



Annualised performance

| | 1 year % | 3 year % | 5 years % | 10 years % |
|------------------------------------|-------------|-------------|--------------|---------------|
| Cumulative NAV total return | 14.0 | 56.1 | 55.3 | 126.9 |
| NAV total return | 14.0 | 16.0 | 9.2 | 8.5 |
| Retail Prices Index | 1.1 | 2.3 | 3.1 | 3.1 |
| Outperformance against RPI | 12.9 | 13.7 | 6.1 | 5.4 |
| FTSE All-Share TR | | | | 7.7 |
| Outperformance against FTSE | | | | 0.8 |

1. NAV per share is calculated on a diluted, cum-income basis.

2. The performance record is updated biannually, concurrent with the revaluation of unquoted investments and funds.

Investor information

Sector: Global
 Fund type: Investment Trust
 Listing: London Stock Exchange (SEDOL 0163992, TIDM CLDN)
 Investing: Direct, Caledonia Savings Scheme and ISA
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