



CALEDONIA INVESTMENTS

30 September 2015

Share price: 2180p

NAV/share: 2770p

Discount: 21.3%

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 six months to 30 September 2015 was -3.4%, which includes our biannual revaluations of unquoted investments.

During the month, we invested £99.7m and realised £117.4m. As previously announced, we invested £73.6m for 93.6% of Seven Investment Management, the UK provider of discretionary fund management, retail investment fund and platform services to UK investors. In addition, we disposed of our 67.9% holding in TGE Marine AG, the German gas engineering business, for £78.7m to Mitsui Engineering & Shipbuilding. This investment delivered a lifetime IRR of 39% and a MoM of 3.5x over nine years.

At the end of the month, we had net debt of £47.5m. This excluded the proceeds from the sale of TGE, which were included as a receivable at the month end and received on 1 October 2015.

From 1 October until 18 November 2015, being the day prior to the planned release of our half-year results, we have given an irrevocable mandate to Winterflood Securities to purchase the company's shares on our behalf, within certain parameters.

Ten largest holdings

Name	Business	Sep 2015 £m	Mar 2015 £m
Park Holidays	Caravan parks operator	113.4	101.1
Cobehold	Investment company	96.9	92.2
Capital Today China	Private equity fund	90.7	103.6
Seven Investment Management	Investment management	73.6	-
The Sloane Club	Residential club	59.4	55.0
Choice Care Group	Care homes provider	52.6	51.5
AG Barr	Soft drinks	49.6	57.6
Close Brothers	Financial services	47.0	56.1
Quintain Estates	Property services	34.0	23.5
British American Tobacco	Tobacco	33.4	9.0
		650.6	549.6
Other investments		851.2	938.2
Cash and other items		56.2	139.1
Net assets		1,558.0	1,626.9

	6 mths Sep 2015	Year Mar 2015
NAV total return (note 1)	-3.4%	14.2%

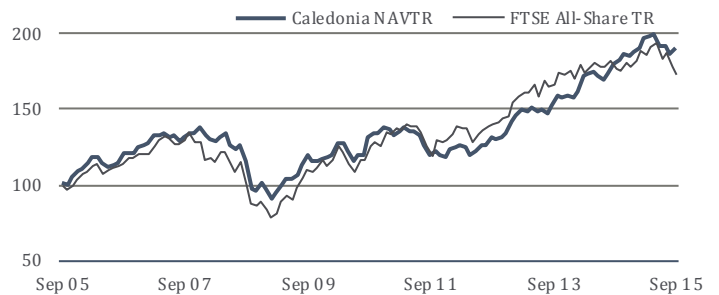
1. Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

Caledonia Investments plc

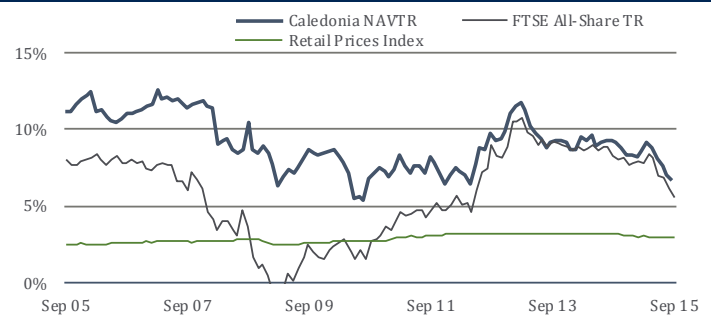
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The price of shares and the income from them may go down as well as up. Past performance is no indication of future performance. Under no circumstances should this information be considered as an offer, or solicitation, to deal in investments.

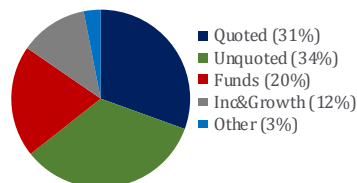
NAV total return performance ten years



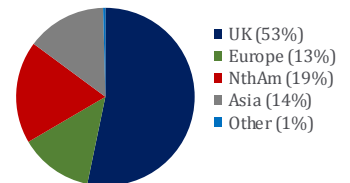
Annualised ten year rolling performance



Pool allocation



Geographic allocation



Annualised performance to 30 September 2015

	6 months %	1 year %	3 years %	5 years %	10 years %
Cumulative NAV total return	-3.4	5.4	45.5	45.0	89.9
NAV total return	-3.4	5.4	13.3	7.7	6.6
Retail Prices Index	1.2	1.1	2.3	3.0	3.0
Performance against RPI	-4.6	4.3	11.0	4.7	3.6
FTSE All-Share TR					5.6
Performance against FTSE					1.0

- NAV per share is calculated on a diluted, cum-income basis.
- The performance record is updated biannually, concurrent with the revaluation of unquoted investments and funds. Pool and geographic allocation charts are updated monthly.
- The RPI change is calculated to 31 August 2015, being the latest information available.

Investor information

Sector: Global
 Fund type: Investment Trust
 Listing: London Stock Exchange (SEDOL 0163992, TIDM CLDN)
 Investing: Direct, Caledonia Savings Scheme and ISA
 Contact: 2nd Floor Stratton House, 5 Stratton Street, London W1J 8LA
 tel +44 20 7802 8080, fax +44 20 7802 8090
 enquiries@caledonia.com, www.caledonia.com