



CALEDONIA INVESTMENTS

31 December 2015

Share price: 2374p

NAV/share: 2837p

Discount: 16.3%

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

During the month, we invested £128.8m and realised £48.5m. Following a change of control approval from the Gambling Commission and finalisation of a £155m senior debt facility, we invested £92.3m for 98.9% of the equity of Gala Bingo, the UK's largest retail bingo operator, in a transaction valuing the business at £241m. We also invested a further £13.3m in the Macquarie Asia New Stars fund. Realisations included the sale of our holding in Rolls-Royce, a further distribution of £11.2m from the Capital Today China fund on the sale of part of its holding in JD.com and proceeds from the sale of our holding in the Ocean Dial Gateway to India fund.

At the end of the month, we had net debt of £6.6m. Other items included a £7.9m accrual for the interim dividend of 14.3p per share, declared on 19 November 2015. The dividend was paid on 7 January 2016 to shareholders registered on 4 December 2015.

Ten largest holdings

Name	Business	Dec 2015 £m	Sep 2015 £m
Park Holidays	Caravan parks operator	113.4	113.4
Cobehold	Investment company	97.0	96.9
Gala Bingo	Bingo operator	92.8	
Capital Today China	Private equity fund	82.0	90.7
Seven Investment Management	Investment management	73.6	73.6
The Sloane Club	Residential club	59.4	59.4
Choice Care Group	Care homes provider	52.6	52.6
AG Barr	Soft drinks	50.1	49.6
Bristow Group	Helicopter services	40.5	29.3
British American Tobacco	Tobacco	34.6	33.4
		696.0	598.9
Other investments		894.4	895.9
Cash and other items		5.2	57.0
Net assets		1,595.6	1,551.8

	9 mths Dec 2015	Year Mar 2015
NAV total return (note 1)	-0.6%	14.2%

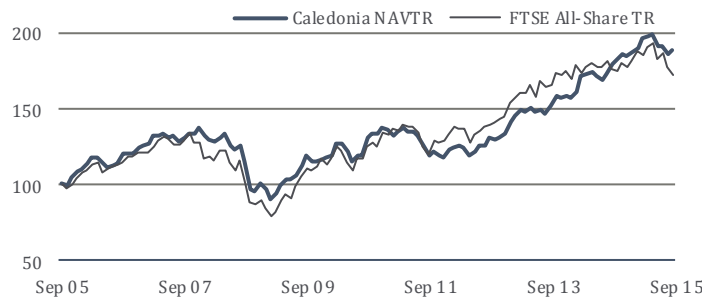
1. Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

Caledonia Investments plc

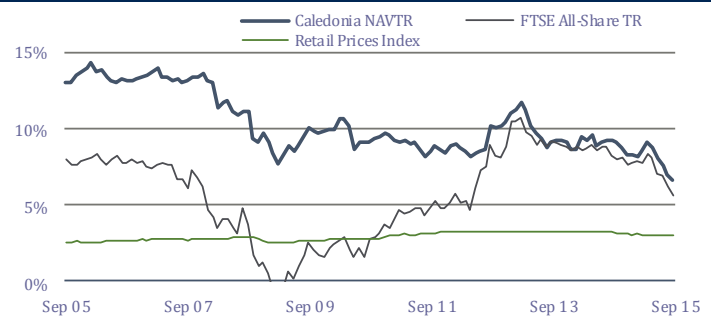
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The price of shares and the income from them may go down as well as up. Past performance is no indication of future performance. Under no circumstances should this information be considered as an offer, or solicitation, to deal in investments.

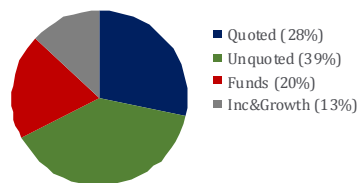
NAV total return performance ten years



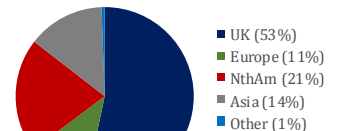
Annualised ten year rolling performance



Pool allocation



Geographic allocation



Performance to 30 September 2015

	6 months %	1 year %	3 years %	5 years %	10 years %
NAV total return	-3.8	5.0	44.9	44.5	89.1
<i>Annualised</i>					
NAV total return		5.0	13.2	7.6	6.6
Retail Prices Index		0.8	2.1	2.9	3.0
Performance against RPI		4.2	11.1	4.7	3.6
FTSE All-Share Total Return					5.6
Performance against FTSE					1.0

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. Pool and geographic allocation charts are updated monthly.

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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