



Caledonia Investments plc

Interim Management Statement for the quarter ended 31 December 2014

Caledonia is a self-managed investment trust company with net assets of £1.5bn. It aims to deliver growth in shareholder capital, measured over the long term, and in annual dividends. It invests in well-managed businesses with good long term prospects and via funds, both listed and private, across a range of sectors and regions.

Caledonia presents its interim management statement for the quarter ended 31 December 2014 and up to the date of publication.

Material events

- o Over the quarter, NAV increased by 2.2%, from £1,493m to £1,526m, and the NAV per share total return was 2.6%. Unquoted investments are revalued in March and September. Consequently, the NAV at 31 December 2014 did not include any valuation adjustments to unquoted investments in the past three months.
- o Significant contributors to the performance in the quarter were Avanti Communications, the satellite communications provider, and Latshaw Group, the group of US manufacturing businesses, resulting from the sale of one of its subsidiaries.
- o Investments during the period totalled £61.3m, including £19.1m in the Macquarie Asia New Stars public equity fund.
- o Realisations during the period totalled £76.5m, including £29.0m for our holding in Dewan Housing Finance, the Indian housing finance provider, a £15.1m distribution from the unquoted Latshaw Group, relating to the sale of one of its subsidiaries, and £9.6m from the sale of our ordinary share holding in the Polar Capital Global Financials Trust.
- o An interim dividend of 13.8p per share was declared on 25 November 2014, an increase in interim dividend of 3.0% over the previous year. The dividend, totalling £7.6m, will be paid on 8 January 2015 to holders of ordinary shares on the register on 12 December 2014. The ex-dividend date was 11 December 2014.

Financial position and performance summary

	<i>At 31 Dec 2014</i>	<i>At 30 Sep 2014</i>
Net asset value	£1,526m	£1,493m
NAV per share	2725p	2675p
Discount	14.9%	19.3%

1. NAVs per share are calculated on a diluted, cum-income basis.

2. 31 December 2014 was the latest date on which an NAV per share was prepared.

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

At 31 December 2014, the company held net cash of £75.5m, compared with £49.1m at 30 September 2014.

Investment portfolio

Ten largest holdings as at 31 December 2014

<i>Name</i>	<i>Business</i>	<i>31 Dec 2014</i>	<i>30 Sep 2014</i>
		<i>£m</i>	<i>£m</i>
Cobehold	Investment company	95.8	96.2
Capital Today China	Private equity fund	89.1	92.3
Park Holidays	Caravan parks operator	81.1	81.1
Bristow Group	Helicopter services	69.6	68.3
Close Brothers	Financial services	65.4	65.5
AG Barr	Soft drinks	55.3	58.4
Choice Care Group	Care homes provider	51.2	50.2
The Sloane Club	Residential club	45.7	45.7
TGE Maine	LNG engineering	45.1	45.3
Sterling Industries	Engineering	39.2	39.2
		637.5	642.2
Other investments		802.0	785.7
Cash and other items		86.3	65.5
Net assets		1,525.8	1,493.4

Pool distribution

	<i>31 Dec 2014</i>	<i>30 Sep 2014</i>
Quoted pool	31%	32%
Unquoted pool	31%	32%
Funds pool	19%	19%
Income & Growth pool	13%	13%
Cash and other	6%	4%

Enquiries

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8 January 2015

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Caledonia publishes monthly fact sheets, which give further details of the investment and other activities during each month. These fact sheets and other information are available on the Company's website at www.caledonia.com. Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.