



Caledonia Investments plc

Interim Management Statement for the quarter ended 30 June 2014

Caledonia is a self-managed investment trust, with net assets of £1.4bn. It invests in well-managed, long term businesses and funds, both listed and private, in a range of sectors and regions. It has a long term investment horizon - often over ten years - and a predominantly value investment style. Caledonia focuses 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. It aims to be a core investment for those seeking capital growth coupled to an increasing income stream over the long term.

Caledonia presents its interim management statement for the quarter ended 30 June 2014 and up to the date of publication.

Material events

- o Investments during the period totalled £73.6m, including £26.8m in two Asian public equity funds.
- o Realisations during the period totalled £148.3m, including £70.2m for the sale of Oval, the UK insurance broker, £14.8m for the sale of part of the company's holding Dewan Housing Finance, the Indian housing lender, and £13.3m for the sale of Petroceltic International, the Ireland-based international oil and gas exploration company.
- o A final dividend of 35.7p per share was proposed on 28 May 2014, an increase in annual dividend of 4.0% over the previous year. Subject to approval by shareholders at the annual general meeting to be held on 17 July 2014, the dividend, totalling £19.7m, will be paid on 7 August 2014 to holders of ordinary shares on the register on 11 July 2014. The ex-dividend date is 9 July 2014.
- o On 19 June 2014, the company announced a potential increase in NAV of £46m, representing 83p per share, to provide an indication of the level of value of its look-through interest in JD.com, which was the subject of a recent IPO. JD.com, an online direct sales company, is one of the investments held within the Capital Today China Growth Fund LP ('CTC Fund'), in which Caledonia is a limited partner. The company will revise the valuation of the CTC Fund in its NAV at the half-year, in line with its policy for valuing externally managed funds.
- o On 25 June 2014, Richard Goblet d'Alviella retired from the board and Harold Boël, Chief Executive Officer of Sofina SA, the Belgian investment company, was appointed as a new independent non-executive director.

Financial position and performance summary

	<i>At 30 Jun 2014</i>	<i>At 31 Mar 2014</i>
Net asset value	£1,448m	£1,446m
NAV per share	2593p	2593p
Discount	14.2%	25.8%

1. NAVs per share are calculated on a diluted, cum-income basis.
2. 30 June 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 30 June 2014, the company had £70.8m of net cash (including £20.0m drawn against its facilities), compared with £7.1m of net debt at 31 March 2014.

Investment portfolio

Ten largest holdings as at 30 June 2014

<i>Name</i>	<i>Business</i>	<i>£m</i>	<i>%</i>
Cobehold	Investment company	97.1	6.7
Park Holidays	Caravan parks operator	81.3	5.6
Bristow Group	Helicopter services	77.5	5.4
AG Barr	Soft drinks	60.1	4.1
Close Brothers	Financial services	58.4	4.0
Choice Care	Care homes provider	50.2	3.5
Sloane Club	Residential club	43.8	3.0
Capital Today China	Private equity fund	41.8	2.9
Polar Capital	Fund management	40.6	2.8
Avanti Communications	Satellite communications	38.6	2.7
		589.4	40.7
Other investments		791.9	54.7
Cash and other items		67.1	4.6
Net assets		1,448.4	100.0

Pool distribution

	<i>At 30 Jun 2014</i>	<i>At 31 Mar 2014</i>
Quoted pool	33%	35%
Unquoted pool	34%	39%
Funds pool	15%	14%
Income & Growth pool	13%	13%
Cash and other	5%	-1%

Enquiries

Caledonia Investments plc
Will Wyatt (Chief Executive)
Stephen King (Finance Director)
Tel: +44 20 7802 8080

Tulchan Communications
Peter Hewer
Tel: +44 20 7353 4200

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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.