



Caledonia Investments plc

Interim Management Statement for the quarter ended 31 December 2009

Caledonia Investments plc ("Caledonia" or the "Company") is one of the UK's largest investment trusts and is self-managed. The ability to identify opportunities through an extensive network, invest in significant stakes and become involved with the managements of investee companies underpins its investment approach, through which it seeks to deliver both a long term shareholder return in excess of the FTSE All-Share Total Return and a positive total return over rolling five year periods, whilst maintaining a progressive annual dividend.

Caledonia presents its interim management statement for the quarter ended 31 December 2009 and up to the date of publication.

Material events

- o Investments during the period, totalling £33.5m, included a further £20.3m in a rights issue by Quintain Estates, the UK listed property company, and £6.7m in TGE Marine, the formerly AIM quoted, Germany based engineer of liquefied gas handling systems, as part of a joint tender offer with Gas Fin Investments SA.
- o Realisations during the period totalled £17.4m, included £6.5m from the sale of our entire holding in Novera Energy, the AIM quoted renewable energy company.
- o 10.6p interim dividend, totalling £6.1m, declared on 25 November 2009 in respect of the year ending 31 March 2010. The ex-dividend date was 2 December 2009 and the dividend will be paid on 7 January 2010 to holders of shares on the register on 4 December 2009.
- o On 9 December 2009, Stephen King joined the board as Finance Director, succeeding Jonathan Cartwright.

Financial position and performance summary

	At 31 Dec 2009	At 30 Sep 2009
Net assets	£1,109m	£1,132m
Diluted NAV per share	1901p	1945p
Share price	1598p	1667p
Discount	15.9%	14.3%
FTSE All-Share index	2761	2635

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

2. 31 December 2009 was the latest date on which an NAV per share was prepared.

At 31 December 2009, the Company had £8.1m of net liquidity, compared with £7.3m at 30 September 2009. The Company also has £100m of committed term bank facilities through two bilateral agreements for £50m revolving credit facilities with ING and The Royal Bank of Scotland, expiring in 2013, together with an overdraft facility of £10m. None of the facilities are presently drawn.

Investment portfolio

Ten largest holdings as at 31 December 2009

Name	Business	£m	Net assets
			%
Close Brothers	Merchant banking	135.5	12.2
British Empire Securities	Investment trust	117.9	10.6
Cobepa	Investment company	66.6	6.0
Bristow Group	Helicopter services	57.3	5.2
Avanti Communications	Satellite communications	56.8	5.1
Oval	Insurance broking	49.4	4.4
London & Stamford Property	Property investment	37.2	3.4
Eddington Capital funds	Funds of hedge funds	36.2	3.3
Quintain Estates	Property company	32.8	3.0
Melrose Resources	Oil and gas E&P	32.1	2.9
		621.8	56.1
Other investments		501.2	45.2
Cash and other net liabilities		(14.4)	(1.3)
Net assets		1,108.6	100.0

Further information

Caledonia publishes monthly fact sheets, which give further details of the investment and other activities during each month. These fact sheets and other information can be found on the Company's website at www.caledonia.com.

7 January 2010

Enquiries

Caledonia Investments plc
 Tim Ingram, Chief Executive
 Stephen King, Finance Director
 Tel: 020 7802 8080

College Hill Associates
 Tony Friend
 Roddy Watt
 Tel: 020 7457 2020