

Monthly fact sheet

31 January 2005



CALEDONIA
INVESTMENTS

Caledonia is a self-managed investment trust company investing in and actively managing a focused portfolio of significant stakes in companies and situations where we believe there to be good opportunities for building value. We usually take a board position in our investee companies. Our objective is consistently to achieve a long term shareholder return in excess of the FTSE All-Share Total Return whilst maintaining a progressive annual dividend.

Whilst the source of funding for new investments generally comes from our own resources, the policy of the board is to allow the company to enhance returns by incurring third party borrowings when appropriate up to a maximum amount of 20% of net assets.

Review

During the month, Caledonia invested a further £2.0m in Oval, the UK unquoted commercial lines insurance broker, a further £1.0m in Omniport, the unquoted UK regional airport operator, and a further £0.5m in Alok Industries, the Indian listed textiles company. In addition, we invested a further €4.0m (£2.8m) as part of a new issue of shares by Cobehold to enable it to buy the remaining 25% in Compagnie Benelux Paribas ('Cobepa'), an investment company with a portfolio comprising principally investments in Benelux based companies, from BNP Paribas. We have a 9.4% holding in Cobehold/Cobepa. We also invested a further £1.4m in the Pragma FCPR, a French regulated fund managed by Pragma Capital. During the month, we received distributions from limited partnership funds of £4.6m and sold our 6.4% stake in Close Finsbury Eurotech, the UK investment trust, for £0.8m. Caledonia had no bank borrowings at the month end.

During the month, \$50m of our forward currency contracts matured, realising a gain of £1.0m. To maintain the current level of hedging against our US dollar denominated investment in Kerzner International, we entered into a new one year contract to sell \$50m forward at \$1.8405.

Ten largest holdings

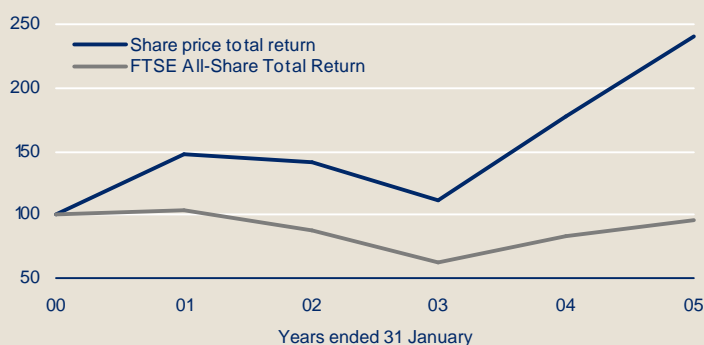
Name	Business	£m	%
Kerzner International	Resort operator	144.2	14.9
Close Brothers	Merchant bank	144.2	14.9
British Empire Securities	Investment trust	101.0	10.4
Paladin Resources	Oil and gas operator	52.3	5.4
Quintain Estates	Property developer	51.3	5.3
Rathbone Brothers	Fund manager	40.3	4.2
Cobepa	Investment company	25.9	2.7
Aberforth LP fund	Investment fund	24.6	2.4
F&C Asset Management	Fund manager	23.5	2.4
Offshore Logistics	Helicopter operator	22.9	2.4
		630.2	65.0
Other investments		340.8	35.1
Net current liabilities		(1.3)	(0.1)
Net assets		969.7	100.0

In addition to British Empire Securities shown above, Caledonia has the following holdings in other investment companies: Discovery Trust (£7.4m).

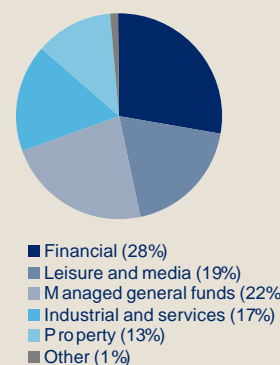
Caledonia Investments plc

All figures as at 31 January 2005. All sources Caledonia Investments plc unless otherwise stated. The price of shares and the income from them may go down as well as up. Past performance is no guarantee of future performance. Under no circumstances should this information be considered as an offer, or solicitation, to deal in investments.

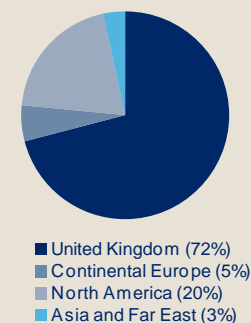
Total return growth



Sector analysis



Geographic analysis



Performance

	Value 31/01/05	Cumulative change % 5 yr	10 yr
NAV per share (p)	1525		
Share price (p)	1327		
FTSE All-Share	2441.2		
Share price total return		140.7	226.2
FTSE All-Share Total Return		(5.1)	125.8
Outperformance		145.8	100.4

Source: Caledonia Investments plc and FTSE/Datastream.

Investor information

AITC sector Global Growth
Fund type Investment Trust
Listing London Stock Exchange (SEDOL 0163992)
New Zealand Exchange (code CDN)
Investing Direct, savings plan, ISA, PEP/ISA qualifying
Contact Cayzer House, 30 Buckingham Gate, London SW1E 6NN
tel 020 7802 8080, fax 020 7802 8090
email enquiries@caledonia.com, web www.caledonia.com