

Monthly fact sheet

31 January 2006



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, we invested a total of £15.9m and realised £1.1m. We provided a further £8.0m in loan finance to Edinmore, our wholly owned property group, in connection with the purchase of a farming estate in Scotland. Caledonia purchased from Amber, our wholly owned speciality chemicals group, an 11.8% stake in MTI Global, the Canadian listed company providing engineered materials to a range of industries, for £3.5m. We also invested a total of £4.4m in a number of follow-on situations and realised £1.1m, principally from fund distributions.

On 10 January 2006, an interim dividend of 9.1p per share was paid in respect of the financial year to 31 March 2006, amounting to £5.8m. Caledonia had £146.9m of liquidity at the month end.

Ten largest holdings

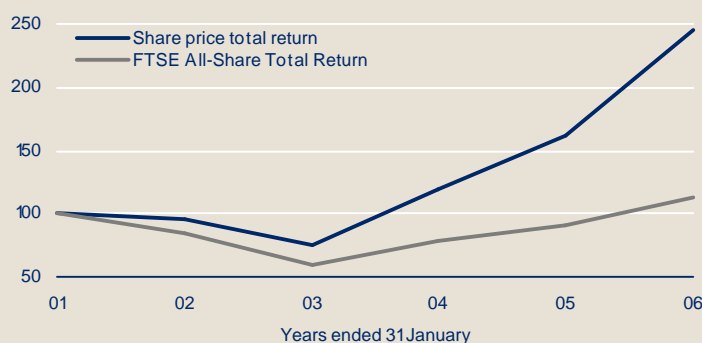
Name	Business	£m	%
Close Brothers	Merchant bank	175.1	14.3
British Empire Securities	Investment trust	140.3	11.5
Kerzner International	Resort operator	107.1	8.8
Quintain Estates	Property developer	56.8	4.7
Rathbone Brothers	Fund manager	49.2	4.0
Polar Capital funds	Managed funds	39.8	3.3
Sterling Industries	Engineering	33.2	2.7
Offshore Logistics/Bristow	Helicopter operator	27.1	2.2
Cobepa	Investment company	26.2	2.1
Melrose Resources	Oil and gas exploration	24.7	2.0
		679.5	55.6
Other investments		410.7	33.6
Net current assets		132.6	10.8
Net assets		1,222.8	100.0

Sterling Industries includes cash proceeds from the sale of its hydraulics business, which is planned to be remitted to Caledonia in the near future.

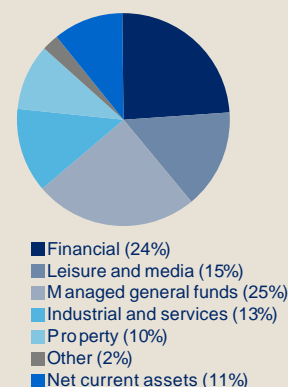
Caledonia Investments plc

All figures as at 31 January 2006. 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 indication of future performance. Under no circumstances should this information be considered as an offer, or solicitation, to deal in investments.

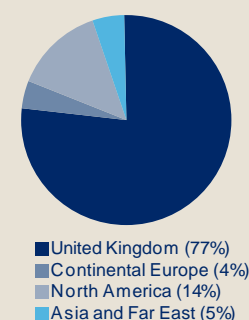
Total return growth



Sector analysis



Geographic analysis



Performance

	Value	Cumulative change %	
	31/01/06	5 yr	10 yr
NAV per share (p)	1931		
Share price (p)	1969		
FTSE All-Share	2928.6		
Share price total return		145.3	327.1
FTSE All-Share Total Return		13.0	114.9
Outperformance		132.3	212.2

Source: Caledonia Investments plc and FTSE/Datastream.

Investor information

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