

# Monthly fact sheet

31 December 2007



**CALEDONIA**  
INVESTMENTS

Caledonia is one of the UK's largest investment trusts and is self-managed. We aim to be a core investment for those seeking a store of increasing value, by investing for the longer term in a range of assets.

Our ability to identify opportunities through our extensive network, invest in significant stakes and involve ourselves with the managements of investee companies underpins our investment approach, through which we seek 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.

## Review

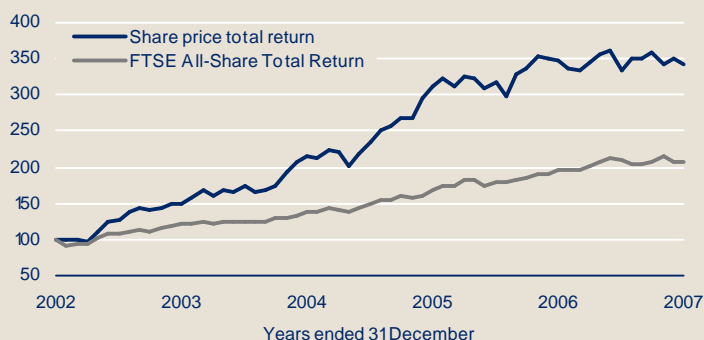
During the month, we invested a total of £13.6m and realised £16.3m. We invested £5.1m in a \$52m (£25.3m) equity placing by Serica Energy, the AIM listed international oil and gas exploration and production company, increasing our stake to 11.5%. We invested £5.0m in the newly launched Polar Capital Healthcare Opportunities fund, a long-only fund investing globally in the healthcare sector. We also invested £1.7m in a number of follow-on investments and £1.8m in fund drawdowns. We realised £6.1m on the redemption of our investment in the Polar Capital Asia ex-Japan fund and £6.0m on the sale of our holding in the BIA Pacific fund. In addition, we received £4.0m in fund distributions £0.2m from other realisations.

During the month we agreed to sell, with an expected completion in early 2008, our stake in Marketform, an insurance business; as a result we increased the carrying value of our interest by £4.5m. We also increased the value of our holding in Oval, an insurance broking business, by £17.0m as a result of a recent third party share transaction.

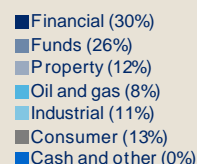
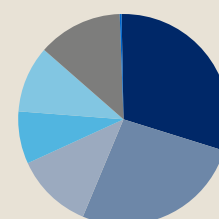
During the month, we bought 50,000 of our own shares, to be held in treasury, at a price of 1950p per share.

At the end of the month, net liquidity totalled £27.9m. Other net assets included a £5.7m accrual for the interim dividend of 9.9p per share, declared on 27 November 2007. The dividend will be paid on 8 January 2008 to shareholders registered on 7 December 2007.

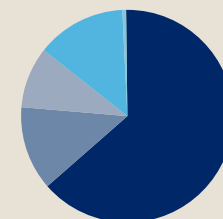
## Total return growth



## Business analysis



## Geographic analysis



## Ten largest holdings

Name	Business	£m	%
Close Brothers	Merchant banking	170.4	12.6
British Empire Securities	Investment trust	128.7	9.5
Quintain Estates	Property investor/developer	64.8	4.8
Bristow Group	Helicopter services	58.1	4.3
Oval	Insurance broking	56.8	4.2
Rathbone Brothers	Fund management	47.9	3.5
Cobepa	Investment company	43.9	3.3
Polar Capital funds	Hedge and long only funds	41.9	3.1
Alok Industries	Textiles manufacturer	34.1	2.5
Incisive Media	Business publisher	32.1	2.4
		678.7	50.2
Other investments		668.8	49.5
Cash and other net assets		3.9	0.3
Net assets		1,351.4	100.0

## Caledonia Investments plc

All figures as at 31 December 2007. 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.

## Performance

	Value at 31/12/07	Cumulative change % 5 yr	10 yr
NAV per share – undiluted (p)	2343		
NAV per share – diluted (p)	2314		
Share price (p)	2025		
FTSE All-Share	3287		
Share price total return		242.5	293.5
FTSE All-Share Total Return		106.5	82.4
Outperformance		136.0	211.1

NAV's per share are calculated on a cum-income basis.  
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 Direct, savings plan, ISA, PEP/ISA qualifying  
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