

Monthly fact sheet

31 December 2009



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 £25.8m and realised £12.9m. We invested £20.3m to take up our pro rata share of the rights issue by Quintain Estates, the UK-listed property company, which raised £191.2m to reduce its borrowings, thereby maintaining our holding at 10.6%. We also invested £4.0m in the £86.0m share placing by Avanti Communications, the AIM quoted satellite communications company, which, together with associated debt facilities, raised £280m to fund the proposed launch of its second HYLAS satellite. As a consequence of the placing, our interest in Avanti Communications has been diluted to 16.4%. We invested a further £0.6m in fund drawdowns and £0.9m in other follow-on investments. We realised £6.5m from our stake in Novera Energy, the AIM quoted renewable power company, following a recommended cash offer for that company by Infinis Energy. We also realised £6.4m from fund distributions and other disposals, including £2.0m from the sale of part of our holding in AG Barr, the UK listed soft drinks manufacturer.

At the end of the month, net liquidity totalled £8.1m. Other net liabilities included a £6.1m accrual for the interim dividend of 10.6p per share, declared on 25 November 2009. The dividend will be paid on 7 January 2010 to shareholders registered on 4 December 2009.

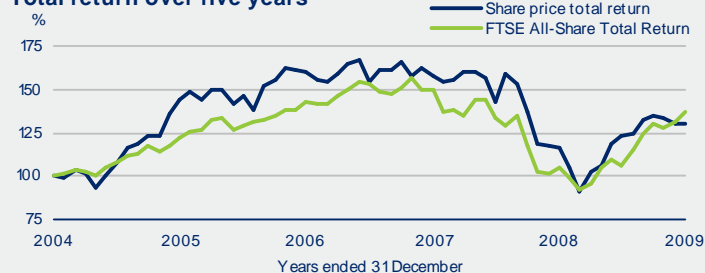
Ten largest holdings

Name	Business	£m	%
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

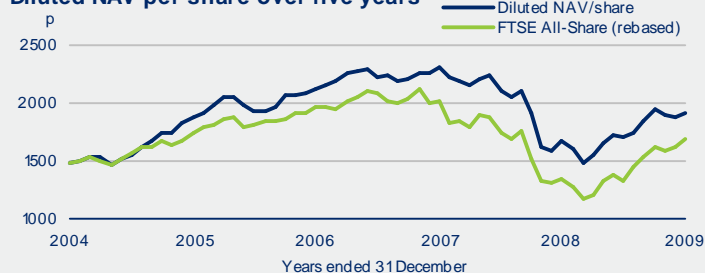
Caledonia Investments plc

All figures as at 31 December 2009. 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.

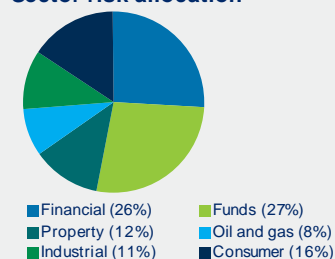
Total return over five years



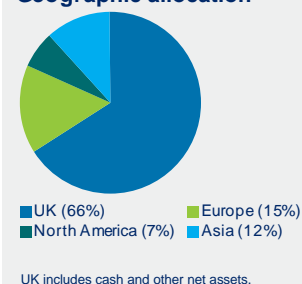
Diluted NAV per share over five years



Sector risk allocation



Geographic allocation



Performance

	Value at 31/12/09	Cumulative change % 5 yr	10 yr
Diluted NAV per share (p)	1901	28.9	n/a
Share price (p)	1598	18.7	117.9
FTSE All-Share	2761	14.5	(14.8)
Share price total return		29.9	202.1
FTSE All-Share Total Return		36.8	17.7
Outperformance		(6.9)	184.4

NAV per share is 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 scheme, ISA, PEP/ISA qualifying
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