MILTON CORPORATION LIMITED

ABN 18 000 041 421

APPENDIX 4E PRELIMINARY FINAL REPORT
RESULTS FOR ANNOUNCEMENT TO THE MARKET
YEAR ENDED 30 JUNE 2011

(Comparative figures being for the year ended 30 June 2010)

			$'000
Revenue:			
Operating revenue	up 33.0%	to	96,172
Special investment revenue	up 43.1%	to	3,628
Profits:			
Operating profit after tax (before special investment revenue and acquisition related costs of subsidiaries)	up 31.4%	to	90,481
Special investment revenue after tax	up 44.8%	to	3,602
Acquisition related costs of subsidiaries after tax			(199)
Net profit for the year attributable to shareholders	up 28.4%	to	93,884
Earnings per share:			**Cents**
Basic and diluted earnings per share including after tax special investment revenue and acquisition related costs of subsidiaries	up 7.3%	to	83.9
Basic and diluted earnings per share based on operating profit before special investment revenue and acquisition related costs of subsidiaries	up 9.6%	to	80.8
Dividends per ordinary share:			
Interim fully franked dividend	up 5.7%	to	37.0
Final fully franked dividend	up 8.3%	to	39.0
Total ordinary fully franked dividend	up 7.0%	to	76.0
Special fully franked dividend (2010: nil)			5.0

Record date of the final ordinary and special dividend is 6 September 2011

Payment date is 20 September 2011

Refer to the attached media release for commentary and explanation of the results.
This report is based on accounts which are in the process of being audited.
All the documents comprise the information required by listing rule 4.3A

MILTON CORPORATION LIMITED

ABN 18 000 041 421

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ASX+MEDIA RELEASE **28 JULY 2011**

RESULTS FOR THE YEAR ENDED 30 JUNE 2011

MILTON LIFTS FINAL DIVIDEND AND DECLARES A SPECIAL DIVIDEND

Announcing its financial results for the year to 30 June 2011, listed investment company Milton Corporation Limited advised the Australian Securities Exchange that its underlying operating profit after tax(1) was $90.5 million and the company will pay an increased fully franked final dividend of 39 cents per share as well as a fully franked special dividend of 5 cents per share.

Milton's managing director, Mr Frank Gooch said, "Milton's underlying operating profit was boosted by higher investment income from its long term Australian equity portfolio, which was significantly expanded in December 2010 through the acquisition of Choiseul Investments."

"Many of the companies in the portfolio improved their dividends this year with increases of note coming from Rio Tinto, Campbell Brothers and most of the banks," he added.

Milton also received special dividends which amounted to $3.6 million, with large receipts from Washington H Soul Pattinson and Choiseul Investments.

Mr Gooch said, "Special dividend receipts are irregular in nature and so they are not included in operating profit and not distributed as part of the ordinary dividends each year. This year, we are pleased to be paying a fully franked special dividend of 5 cents per share and thereby passing on to shareholders the benefit of the special dividends that Milton has received since its last payment of a special dividend in 2008."

The strong operating profit performance combined with the increased special dividends to produce net profit for the year of $93.9 million, which was 28% more than the prior year.

The weighted average earnings per share, based on the underlying operating profit, were 80.8 cents compared with 73.7 cents for the prior year. Importantly this 9.6% increase enabled the final dividend to be raised to 39 cents per share.

Milton shares will trade "ex" the final and special dividends on 31 August 2011 and the dividends will be paid on 20 September 2011.

Mr Gooch said, "Milton's investment portfolio at 30 June 2011 had a total value of $1.9 billion and its cash assets were $127 million. This provides Milton with sufficient funds to continue to invest for the foreseeable future."

During the year Milton invested $37 million into the long term equity portfolio with the majority of funds used to top up existing holdings. The larger increases to existing holdings in the portfolio were: Adelaide Brighton Limited, ANZ Banking Group Limited, Bradken Limited, Insurance Australia Group Limited, Leighton Holdings Limited, Metcash Limited, Orica Limited, Transfield Services Limited, Woolworths Limited and Worley Parsons Limited. Companies added to the portfolio for the first time were Automotive Holdings Group Limited, Qube Logistics, and Ramsay Health Care Limited.

The major disposals during the year were takeover related and included Ammtec Limited, Crane Group Limited, Healthscope Limited and Intoll Group.

The merger with Choiseul also increased the portfolio by $411 million, net of the Milton shares held by Choiseul. The addition of the Choiseul portfolio increased Milton's relative weightings in BHP Billiton Limited, Campbell Brothers Limited, QBE Insurance Group Limited and Washington H Soul Pattinson & Company Limited.

During the year, the value of Milton's net tangible assets before provision for tax on unrealised capital gains (NTA) increased to $17.36 per share and the company paid out 73 cents per share in fully franked dividends. This provided a total return of 9.6% for the year. Over the same period the Milton share price reduced to $15.60 from $15.98 so that at 30 June 2011 the shares were trading at a discount to the NTA of 10.1%.

The Australian sharemarket is operating under a great deal of uncertainty which is affecting investors' appetite for equity investments. The uncertainty is not restricted to domestic issues but includes concerns over the resolution of European debt problems, ongoing economic issues in the United States and the effects of monetary policy tightening particularly in the emerging markets.

Domestically consumer sentiment is low as there is uncertainty over the direction of interest rates, the effects of the proposed carbon tax, house prices and rising costs. The mining sector and its related industries are benefiting from the continuing strong global demand for Australia's resources. However many other sectors are finding conditions challenging. Certainly there has been a significant reduction in earnings forecasts over the year and analysts are likely to be revisiting their forecasts for 2012 after the August reporting season.

These conditions may provide opportunities for long term investors. Milton is well placed to identify these opportunities and will continue to invest in well-run companies that are expected to continue to pay increasing dividends over time.

The 2011 Annual General Meeting will be held on Thursday 13 October 2011 at 3.00pm at The Lyceum Room, Wesley Conference Centre, 220 Pitt Street, Sydney. The Notice of Meeting is expected to be sent to shareholders on 26 August 2011.

(1)Underlying operating profit after tax is the operating profit before special investment revenue and acquisition related cost of subsidiaries.

ISSUED FOR:	**MILTON CORPORATION LIMITED**
FOR FURTHER INFORMATION	**MR FRANK GOOCH, MANAGING DIRECTOR**
	MILTON CORPORATION LIMITED
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BACKGROUND

Milton is a listed investment company that was incorporated in 1938 and listed in 1958.

Milton invests for the long-term in well managed companies with a profitable history and the expectation of dividend growth. Its key objective is to pay increasing fully franked dividends per share.

Milton operates with an internal management structure and does not have an external manager. Hence the administration costs as a percentage of total assets remains low when compared to many externally managed entities.

Milton's administration costs at 30 June 2011 were 0.17 % p.a. (2010: 0.17% p.a.) of average total assets.

MILTON'S INVESTMENT PROFILE

The 20 largest investments at 30 June 2011 are set out below.

COMPANY	MARKET VALUE $'000		COMPANY	*MARKET VALUE* $'000
Westpac Banking Corporation	231.9		QBE Insurance Group	46.7
Commonwealth Bank	157.5		Rio Tinto Limited	37.4
BHP Billiton	136.8		Brickworks	32.9
Washington H Soul Pattinson	119.1		Woodside Petroleum	32.2
National Australia Bank	110.9		Telstra Corporation	30.7
Campbell Brothers	99.2		AGL Energy	27.4
Wesfarmers	88.8		Suncorp-Metway	23.1
Woolworths	69.8		Perpetual	20.4
ANZ Banking Group	61.2		CSL	19.4
Bendigo and Adelaide Bank	50.6		Total market value of Top 20	1,443.8
Bank of Queensland	47.8		Total Assets	2,113.3

CLASSIFICATION OF ASSETS

The following table shows assets at 30 June 2011 classified by Global Industry Classification Standard ("GICS") as adopted by the ASX.

CLASSIFICATION	TOTAL ASSETS %		CLASSIFICATION	TOTAL ASSETS %
Banks	31.7		Capital goods	2.5
Diversified financials	9.7		Real estate	2.1
Materials	12.9		Other shares	8.6
Consumer staples	10.1		Total shares	91.2
Insurance	4.9		Cash & liquid assets	6.8
Commercial services	5.3		Other assets	2.0
Energy	3.4		Total	100.0

Milton Corporation Limited
Consolidated income statement
for the year ended 30 June 2011

	Note	2011 $'000	2010 $'000
Operating revenue	2a	**96,172**	72,305
Share of net profits of joint ventures – equity accounted	20b	**2,164**	3,689
Administration expenses	3	**(3,211)**	(2,827)
Operating profit before income tax expense, special investment revenue, acquisition related costs of subsidiaries and realised gains		**95,125**	**73,167**
Income tax expense thereon*	4a	**(4,644)**	(4,316)
Operating profit (before special investment revenue, acquisition related costs of subsidiaries and realised gains and losses)		**90,481**	**68,851**
Special investment revenue before tax	2b	**3,628**	2,536
Income tax expense thereon*	4b	**(26)**	(48)
		3,602	2,488
Acquisition related costs of subsidiaries before tax		**(284)**	(573)
Income tax benefit thereon*		**85**	172
		(199)	(401)
Realised gains on investments before tax		**-**	2,993
Income tax expense thereon*	4c	**-**	(832)
Net realised gains on investments		**-**	2,161
Profit attributable to shareholders of Milton		**93,884**	73,099
*Total income tax expense		**(4,585)**	(5,024)
Basic and diluted earnings per share based on profit attributable to shareholders of Milton (cents)	8	**83.9**	78.2
Basic and diluted earnings per share based on operating profit before special investment revenue, acquisition related costs of subsidiaries and realised gains (cents)	8	**80.8**	73.7

The consolidated income statement is to be read in conjunction with the notes to the consolidated financial statements.

Milton Corporation Limited
Consolidated statement of comprehensive income
for the year ended 30 June 2011

	2011	2010
	$'000	$'000
Profit attributable to shareholders of Milton	**93,884**	73,099
Other comprehensive income		
Revaluation of investments	**62,258**	121,296
Provision for tax expense on revaluation of investments	**(18,478)**	(37,023)
Reduction of deferred tax on Choiseul consolidation	**10,323**	-
Net realised gains on investments transferred to the income statement from the asset revaluation reserve	**-**	(2,161)
Other comprehensive income net of income tax	**54,103**	82,112
Total comprehensive income attributable to shareholders of Milton	**147,987**	155,211

The consolidated statement of comprehensive income is to be read in conjunction with the notes to the consolidated financial statements.

Milton Corporation Limited
Consolidated statement of financial position
as at 30 June 2011

	Note	2011	2010
		$'000	$'000
Current assets			
Cash	9	**127,479**	100,637
Receivables	10a	**19,188**	13,224
Other financial assets	11	**15,889**	16,671
Total current assets		**162,556**	130,532
Non-current assets			
Receivables	10b	**2,947**	3,700
Investments	12	**1,928,404**	1,453,150
Joint ventures – equity accounted	20c	**18,277**	16,646
Plant and equipment		**113**	125
Deferred tax assets	13	**1,067**	908
Total non-current assets		**1,950,808**	1,474,529
Total assets		**2,113,364**	1,605,061
Current liabilities			
Payables		**188**	303
Current tax liabilities		**1,075**	1,183
Provisions		**89**	95
Total current liabilities		**1,352**	1,581
Non-current liabilities			
Deferred tax liabilities	14	**151,792**	130,757
Provisions		**400**	415
Total non-current liabilities		**152,192**	131,172
Total liabilities		**153,544**	132,753
Net assets		**1,959,820**	1,472,308
Shareholders' equity			
Issued capital	15	**1,373,857**	963,192
Capital profits reserve		**99,084**	70,080
Asset revaluation reserve		**341,531**	318,373
Retained profits		**145,348**	120,663
Total equity attributable to shareholders of Milton		**1,959,820**	1,472,308
Net tangible assets per share before provision for tax on unrealised capital gains and net of tax on realised capital losses		**$17.36**	$16.51
Net tangible assets per share after provision for tax on unrealised capital gains and net of tax on realised capital losses		**$16.11**	$15.17

The consolidated statement of financial position is to be read in conjunction with the notes to the consolidated financial statements.

Milton Corporation Limited
Consolidated statement of changes in equity
for the year ended 30 June 2011

	Issued capital $'000	Capital profits reserve $'000	Asset revaluation reserve $'000	Retained profits $'000	Total shareholders equity $'000
Balance at 1 July 2010	**963,192**	**70,080**	**318,373**	**120,663**	**1,472,308**
Net profit	**-**	**-**	**-**	**93,884**	**93,884**
Other Comprehensive Income:					
Net revaluation of investments	**-**	**-**	**43,780**	**-**	**43,780**
Reduction of deferred tax on Choiseul consolidation	**-**	**10,323**	**-**	**-**	**10,323**
Total comprehensive income	**-**	**10,323**	**43,780**	**93,884**	**147,987**
Net realised losses	**-**	**(8,058)**	**8,058**		**-**
Gains on initial investment on Choiseul consolidation	**-**	**28,680**	**(28,680)**	**-**	**-**
Transactions with shareholders in their capacity as shareholders:					
Share issues	**410,665**	**-**	**-**	**-**	**410,665**
LIC dividends paid	**-**	**(1,941)**	**-**	**-**	**(1,941)**
Dividends paid	**-**	**-**	**-**	**(69,199)**	**(69,199)**
Balance at 30 June 2011	**1,373,857**	**99,084**	**341,531**	**145,348**	**1,959,820**

	Issued capital $'000	Capital profits reserve $'000	Asset revaluation reserve $'000	Retained profits $'000	Total shareholders equity $'000
Balance at 1 July 2009	826,141	72,545	233,956	111,081	1,243,723
Net profit	-	-	-	73,099	73,099
Other Comprehensive Income:					
Net realised gains	-	-	(2,161)	-	(2,161)
Net revaluation of investments	-	-	84,273	-	84,273
Total comprehensive income	-	-	82,112	73,099	155,211
Net realised losses transferred to capital profits reserve	-	(160)	-	160	-
Transfer to asset revaluation reserve	-	(2,305)	2,305	-	-
Transactions with shareholders in their capacity as shareholders:					
Share issues	137,051	-	-	-	137,051
Dividends paid	-	-	-	(63,677)	(63,677)
Balance at 30 June 2010	963,192	70,080	318,373	120,663	1,472,308

The consolidated statement of changes in equity is to be read in conjunction with the notes to the consolidated financial statements.

Milton Corporation Limited
Consolidated statement of cash flows
for the year ended 30 June 2011

	Note	2011 $'000	2010 $'000
Cash flows from operating activities			
Dividends and distributions received		**90,450**	65,606
Interest received		**6,840**	4,823
Distributions received from joint venture entities		**2,350**	2,350
Other receipts in the course of operations		**587**	697
Proceeds from sales of trading securities		**1,146**	9,909
Payments for trading securities		**(500)**	(8,670)
Other payments in the course of operations		**(3,354)**	(3,759)
Income taxes paid		**(4,582)**	(3,522)
Net cash provided by operating activities	19a	**92,937**	67,434
Cash flows from investing activities			
Proceeds from disposal of investments		**21,537**	16,722
Payments for investments		**(37,333)**	(54,784)
Cash on acquisition of subsidiaries		**47,078**	4,464
Payments for acquisition of subsidiaries		**(284)**	(573)
Payments of pre acquisition liabilities of subsidiary		**(26,522)**	-
Payments for plant and equipment		**(20)**	(21)
Loans repaid by other entities		**753**	1,008
Net cash provided by (used in) investing activities		**5,209**	(33,184)
Cash flows from financing activities			
Proceeds from issue of shares		**-**	63,578
Payments for issue of shares		**(164)**	(139)
Ordinary dividends paid		**(71,140)**	(63,677)
Net cash used in financing activities		**(71,304)**	(238)
Net increase in cash assets held		**26,842**	34,134
Cash assets at the beginning of the year		**100,637**	65,343
Cash assets at the end of the year	9	**127,479**	100,637

The consolidated statement of cash flows is to be read in conjunction with the notes to the consolidated financial statements.

Milton Corporation Limited
Notes to the consolidated financial statements
for the year ended 30 June 2011

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements include the consolidated entity ("Milton") consisting of Milton Corporation Limited and its subsidiaries.

a. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian accounting interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

These financial statements have been prepared on an accruals basis and are based on the historical cost basis except as modified by the revaluation of certain financial assets and liabilities measured at fair value.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated under the option available in ASIC Class Order 98/100.

b. Basis of consolidation

The consolidated financial statements include the financial statements of Milton, being the parent entity, and its subsidiaries. The balances and effects of transactions between subsidiaries included in the consolidated financial statements have been eliminated in full.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

Where entities have come under the control of the parent entity during the year, their operating results have been included in the group from the date control was obtained. Entities cease to be consolidated from the date on which control is transferred out of the group and the consolidated financial statements include the result for the part of the reporting period during which the parent entity had control.

c. Income tax

The income tax expense is the tax payable on the current year's taxable income based on the current income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax is recognised using the balance sheet method.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

1. Summary of significant accounting policies (continued)

c. Income tax (continued)

Deferred tax balances attributable to revaluation amounts are recognised directly in equity through the asset revaluation reserve.

Milton Corporation Limited (the parent entity) and its wholly-owned subsidiaries have formed an income tax consolidated group. Each entity in the group recognises its own current and deferred tax, except for any deferred tax assets arising from unused tax losses from subsidiaries, which are immediately assumed by the parent entity. The current tax liability of each group entity is subsequently assumed by the parent entity. There is no tax funding agreement between Milton and its subsidiaries.

d. Cash

Cash includes cash at bank, deposits at call and term deposits, and are recognised initially at fair value and subsequently measured at amortised cost.

Interest from deposits and bank accounts is brought to account on an accruals basis as it is earned.

e. Trading securities

Trading securities are recognised initially at cost and subsequently measured at fair value.

Changes in fair value are taken directly through the income statement.

Dividends are brought to account on the date that the shares are traded "ex-dividend".

f. Other liquid securities

Other liquid securities include listed securities such as reset preference shares which are classified as equity instruments and may be realised within 12 months.

Other liquid securities are recognised initially at cost and Milton has elected to present subsequent changes in fair value in other comprehensive income through the asset revaluation reserve after deducting a provision for the potential deferred capital gains tax liability.

On disposal, the cumulative gain or loss net of tax thereon, is transferred from the asset revaluation reserve to the capital profits reserve.

Distribution income from these securities is brought to account on the day that these securities trade “ex-dividend”.

g. Investments

Subsidiaries

Investments in subsidiaries are carried at net asset value which approximates fair value of the controlled entities.

Income from dividends is brought to account when they are declared.

Other companies

Investments are recognised initially at cost and Milton has elected to present subsequent changes in fair value of equity instruments in other comprehensive income through the asset revaluation reserve after deducting a provision for the potential deferred capital gains tax liability as these investments are long term holdings of equity instruments.

Quoted investments are valued continuously at fair value, which is the price quoted on the Australian Securities Exchange.

When an investment is disposed, the cumulative gain or loss, net of tax thereon, is transferred from the asset revaluation reserve to the capital profits reserve.

Dividends and distributions are brought to account on the date that the investment trades "ex-dividend".

Ordinary dividends and ordinary trust distributions are included in operating revenue.

Special dividends and special trust distributions are included in special investment revenue as this revenue is of an irregular nature.

De-merger dividends arising from company de-consolidations are treated as a return of capital and not as a dividend.

1. Summary of significant accounting policies (continued)

h. Employee benefits

The provision for employee entitlements relates to amounts expected to be paid to employees for long service leave and annual leave (including on-costs) and is based on legal and contractual entitlements and assessments having regard to experience in relation to staff departures and leave utilisation. Employees are not paid on termination for untaken sick leave.

Under the Employee Share Plan, shares are acquired for employees as part of their remuneration and the cost of the shares is recorded in employee benefit expenses (refer note 18a).

Under the Senior Staff Share Plan, shares are acquired for eligible employees as part of their remuneration and held on their behalf by the trustee of the Plan. The purchase of the Plan Shares is financed by a loan from Milton (refer note 18b).

i. Operating segments

The consolidated entity operates in Australia only and the principal activity is investment.

j. Business Combinations

The acquisition method of accounting has been used to account for all business combinations, regardless of equity instruments or other assets acquired. The business combinations have been accounted from the date Milton attained control of the subsidiaries. The considerations transferred for the acquisitions comprise the fair values of the identifiable assets transferred and the liabilities assumed.

Costs related to the acquisitions, other than those associated with the issue of equity securities, are expensed to the consolidated income statement as incurred.

k. Critical accounting estimates and judgments

Judgements, estimates and assumptions are required to prepare financial statements.

Deferred tax liabilities have been recognised for capital gains tax on the unrealised gain in the investment portfolio at current tax rates.

As Milton does not intend to dispose of the investment portfolio this tax may not be payable at the amount disclosed in note 14. Any tax liability that may arise on disposal of investments is subject to tax legislation relating to the treatment of capital gains and the applicable tax rate at the time of disposal.

Deferred tax assets have been recognised relating to carried forward capital losses, based on current tax rates. Utilisation of the tax losses requires the realisation of capital gains in subsequent years and the ability to satisfy certain tests at the time the losses are recouped. The deferred tax assets related to carried forward capital losses have been offset against the related deferred tax liability as disclosed in note 14.

Apart from this, there are no key assumptions or sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

l. New standards and interpretations not yet adopted

A number of new Australian accounting standards and interpretations, that have been issued but are not effective at 30 June 2011, have not been adopted.

None of these are expected to have any material effect on the consolidated financial statements.

		2011 $'000	2010 $'000
2.	**Revenue**		
a.	**Operating revenue**		
	Dividends and distributions:		
	investments held in portfolio at 30 June	**87,995**	64,238
	investments sold during the year	**794**	26
	Interest	**6,782**	5,269
	Net realised gains on trading portfolio	**362**	2,083
	Other revenue	**239**	689
		96,172	72,305
b.	**Special investment revenue**		
	Dividends and distributions:		
	investments held in portfolio at 30 June	**2,899**	2,185
	investments sold during the year	**729**	351
		3,628	2,536
3.	**Administration expenses**		
	Employment and administration	**2,953**	2,661
	Occupancy	**226**	143
	Depreciation	**32**	23
		3,211	2,827
4.	**Income tax expense**		
a.	**Operating profit**		
	Prima facie income tax expense calculated at 30% on the profit after special investment revenue, acquisition related costs of subsidiaries and before realised gains	**29,540**	22,539
	Increase (decrease) in income tax expense due to:		
	Tax offset for franked dividends	**(24,260)**	(17,876)
	Non taxable distributions	**(502)**	(331)
	Overprovision in prior year	**(199)**	(146)
	Other differences	**65**	130
	Income tax expense attributable to operating profit after special investment revenue and acquisition related costs of subsidiaries and before realised gains	**4,644**	4,316
b.	**Special investment revenue**		
	Prima facie income tax expense calculated at 30% on special investment revenue	**1,089**	761
	Rebates on dividend and distribution income	**(1,063)**	(713)
	Income tax expense attributable to special investment revenue	**26**	48
c.	**Realised gains on investments**		
	Prima facie income tax expense calculated at 30% on realised gains on investments	**-**	898
	Tax effected difference between accounting and tax cost base for capital gains purposes	**-**	(66)
	Income tax expense attributable to realised gains on investments	**-**	832

		2011	2010
5.	**Auditor's remuneration**	**$'000**	$'000
	Audit services	**115**	96
	Liquidation of non-operating subsidiaries	**18**	10
	Due diligence for acquisition of subsidiaries	**28**	21
	Other services	**-**	9
		161	136

6.	**Ordinary fully franked dividends**		
a.	**Recognised in the current year**		
	A final dividend in respect of the 2010 year of 36 cents per share paid on 1 September 2010 (2010: 35 cents per share paid on 11 September 2009)	**34,946**	31,147
	An interim dividend of 37 cents per share paid on 5 January 2011 (2010: 35 cents per share paid on 3 March 2010)	**36,194**	32,530
		71,140	63,677
b.	**Not recognised in the current year**		
	Since the end of the financial year, the directors declared a fully franked ordinary final dividend in respect of the 2011 year of 39 cents per share (2010: 36 cents per share) and fully franked special dividend of 5 cents per share (2010: nil) payable on 20 September 2011	**53,515**	34,946
c.	**Dividend franking accounts**		
	The amount of franking credits available to shareholders for the subsequent financial year, adjusted for franking credits that will arise from the payment of the current tax liability	**103,859**	91,211
	Subsequent to year end, the franking account will be reduced by the proposed final ordinary and special dividends (2010: final ordinary dividend) to be paid on 31 August 2011	**(22,935)**	(14,977)
		80,924	76,234

The franking account balance would allow Milton to frank additional dividend payments up to an amount of $188,823,534 (2010:$177,879,000) which represents 155 cents per share (2010: 183 cents per share).

7.	**Listed Investment Company capital gain account**		
	Balance of the Listed Investment Company (LIC) capital gain account	**1,156**	2,685
	(2010: LIC capital gain dividend of 2 cents was included in the final dividend per share paid on 1 September 2010)	**-**	(1,941)
		1,156	744

Distributed LIC capital gains may entitle certain shareholders to a special deduction in their income tax return. LIC capital gains available for distribution are dependent upon the disposal of investment portfolio holdings which qualify for LIC capital gains and the receipt of LIC capital gain distributions.

		2011	2010
		cents	cents
8.	**Earnings per share**		
	Basic earnings per share	**83.9**	78.2
	Basic earnings per share before special investment revenue, acquisition related costs of subsidiaries and realised gains	**80.8**	73.7
		$'000	$'000
	Profit attributable to shareholders of the parent entity	**93,884**	73,099
	Special investment revenue, acquisition related costs of subsidiaries and realised gains	**(3,403)**	(4,248)
	Earnings used in the calculation of basic earnings per share excluding special investment revenue, acquisition related costs of subsidiaries and realised gains	**90,481**	68,851
		No.	No.
	Weighted average number of ordinary shares used in the calculation of basic earnings per share	**111,964,506**	93,458,216

Diluted earnings per share figures are the same because there are no dilutive potential ordinary shares.

		$'000	$'000
9.	**Cash**		
	Cash at bank	**1,607**	1,022
	Deposits at call	**16,266**	9,615
	Fixed term deposits	**109,606**	90,000
		127,479	100,637

The weighted average interest rate for cash as at 30 June 2011 is 5.7% p.a. (2010: 5.6% p.a.). Fixed term deposits have an average maturity date of September 2011 (2010: August 2010) and an average interest rate of 5.9% (2010: 5.7% pa).

10. Receivables

a. Receivables – current

	Income receivable	**19,183**	13,024
	Sundry debtors	**5**	200
		19,188	13,224
b.	**Receivables – non-current**		
	Loans receivable – secured	**-**	973
	Senior staff share plan loans	**2,947**	2,727
		2,947	3,700

c. Terms and conditions

Loans receivable – secured (2010: secured by real property – due within 13 months with a fixed interest rate of 8.0% p.a.). Sundry debtors are due within 30 days and no interest is charged.

		2011	2010
		$'000	$'000
11.	**Other financial assets**		
	Other liquid securities - at fair value	**15,247**	15,753
	Trading securities - at fair value	**389**	826
	Prepaid expenses	**253**	92
		15,889	16,671
12.	**Investments – non-current**		
	Quoted investments - at fair value	**1,928,224**	1,452,758
	Unquoted investments - at fair value	**180**	392
		1,928,404	1,453,150
a.	**Included in quoted investments are:**		
	Shares in other corporations	**1,867,718**	1,405,070
	Stapled securities in other entities	**36,178**	25,601
	Units in trusts	**24,328**	22,087
		1,928,224	1,452,758
b.	**Included in unquoted investments are:**		
	Securities in other corporations	**6**	131
	Units in trusts	**174**	261
		180	392

c. Terms and conditions

(2010: Unquoted stapled securities had a maturity date of 30 June 2011 and an average interest rate of 9.75% p.a.).

d. Investments disposed of during the year

	Fair value at disposal date	
	$'000	$'000
Equity investments	**33,785**	16,702

	Gain (Loss) on disposal after tax	
	$'000	$'000
Equity investments	**(7,129)**	1,960

The disposals occurred in the normal course of Milton's operations as a listed investment company or as a result of takeovers or mergers.

		2011	2010
		$'000	$'000
13.	**Deferred tax assets**		
	The balance comprises temporary differences attributable to :		
	Revenue tax losses carried forward	**38**	38
	Provisions	**248**	426
	Retirement benefit obligations	**61**	61
	Share issue expenses	**281**	340
	Other	**439**	43
	Total deferred tax assets	**1,067**	908
	Movements:		
	Balance at 1 July	**908**	1,184
	Charged (credited) to the income statement	**208**	(234)
	Credited to equity	**(49)**	(42)
	Balance at 30 June	**1,067**	908
	To be recovered within 12 months	**86**	181
	To be recovered after more than 12 months	**981**	727
		1,067	908
14.	**Deferred tax liabilities**		
	The balance comprises temporary differences attributable to:		
	Amounts recognised directly in equity:		
	Revaluation of investments	**147,365**	125,200
	Realised capital losses	**(12,860)**	(11,700)
	Amounts recognised in profit:		
	Realised capital gains	**832**	832
	Unrealised gains on trading securities	**-**	14
	Income receivable which is not assessable for tax until receipt	**16,455**	16,411
		151,792	130,757
	Movements:		
	Balance at 1 July	**130,757**	94,370
	Charged (credited) to income statement	**30**	(168)
	Charged (credited) to other comprehensive income	**18,478**	37,023
	Charged (credited) to equity	**2,527**	(468)
	Balance at 30 June	**151,792**	130,757
	To be settled within 12 months	**-**	-
	To be settled beyond 12 months	**151,792**	130,757

		2011	2010
		$'000	$'000
15.	**Issued capital**		
a.	**Movement in share capital**		
	Balance at 1 July 2010: 97,075,280 shares (1 July 2009: 88,988,740 shares)	**963,192**	826,141
	(2010: share purchase plan issues of 3,953,829 shares for cash)	**-**	63,578
	26,250,375 shares issued as consideration for acquisitions (2010: 4,132,711 shares)	**439,341**	73,570
	Elimination of 1,700,000 shares in Milton held by Choiseul (1)	**(28,560)**	-
	Share issue costs net of tax	**(116)**	(97)
	Balance at 30 June 2011: 121,625,655 shares (30 June 2010: 97,075,280 shares)	**1,373,857**	963,192

(1) Choiseul owns 1,700,000 Milton shares which subject to shareholder approval at Milton's annual general meeting in October 2011 are proposed to be cancelled through a selective capital reduction.

b. Ordinary shares

All capital consists of fully paid ordinary shares which are listed on the ASX and carry one vote per share and the right to receive dividends.

16. Nature and purpose of reserves

Changes in fair value of investments are presented in other comprehensive income through the asset revaluation reserve as referred to in note 1g.

Upon disposal of investments, the net gain or loss is transferred from the asset revaluation reserve to the capital profits reserve as referred to in note 1g.

17. Management of financial risk

The risks associated with the financial instruments, such as investments and cash include market risk, credit risk and liquidity risk.

The Audit Committee has approved policies and procedures established to manage these risks. The effectiveness of these policies and procedures is continually reviewed by management and annually by the Audit Committee.

a. Financial instruments' terms, conditions and accounting policies

Milton's significant accounting policies are included in note 1, while the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at the reporting date, are included under the appropriate note for that instrument.

b. Net fair values

The carrying amounts of financial instruments in the consolidated statement of financial position approximate their net fair value.

c. Credit risk exposures

Milton's principal credit risk exposures arise from the investment in liquid assets, such as cash, bank term deposits and income receivable.

The risk that a financial loss will occur because counterparty to a financial instrument fails to discharge an obligation is known as credit risk. The credit risk on Milton's financial assets, excluding investments, is the carrying amount of those assets.

Individual bank limits have been approved by the board for the investment of cash.

Income receivable is comprised of accrued interest and dividends and distributions which were brought to account on the date the shares or units traded ex-dividend.

There are no financial instruments overdue.

All financial assets and their recoverability are continuously monitored by management and reviewed by the board on a quarterly basis.

17. Management of financial risk (continued)

d. Market risk

Market risk is the risk that changes in market prices will affect the fair value of the financial instrument.

Milton is exposed to market risk through the movement of the security prices of the companies and trusts in which it is invested. Milton's long term investment experience is that the fair value of the portfolio increases over the long term.

The market value of individual companies fluctuates every day and the fair value of the portfolio changes continuously, with this change in the fair value recognised through the asset revaluation reserve.

Investments represent 91% (2010: 90%) of total assets. A 5% fall in movement in the market value of investments in each of the companies and trusts within the portfolio would result in a 4.6% (2010: 4.5%) movement in the net assets before provision for tax on unrealised capital gains at 30 June 2011 (2010: 30 June 2010). The net asset backing before provision for tax on unrealised capital gains would move by 79 cents per share at 30 June 2011 (2010: 75 cents at 30 June 2010).

Milton's management regularly monitor the performance of the companies within its portfolio and make portfolio recommendations which are considered by the Investment Committee. The Milton board reviews the portfolio on a quarterly basis.

Milton is not exposed to foreign currency risk as all its investments are quoted in Australian dollars.

The fair value of Milton's other financial instruments is unlikely to be materially affected by a movement in interest rates as they generally have short dated maturities and variable interest rates.

e. Liquidity risk

Liquidity risk is the risk that Milton is unable to meet its financial obligations as they fall due.

Milton manages liquidity risk by monitoring forecast and actual cashflows.

f. Capital risk management

The parent entity invests its equity in a diversified portfolio of assets that generates a growing income stream for distribution to shareholders in the form of fully franked dividends.

The capital base is managed to ensure there are funds available for investment as opportunities arise. Capital may be increased annually through the issue of shares under the Share Purchase Plan. Other means of increasing capital could include rights issues and acquisitions of unlisted investment companies.

g. Fair value measurement

Financial instruments carried at fair value are comprised of investments and other financial assets. The fair value of these financial instruments is the quoted prices (unadjusted) in active markets for identical assets. The Australian Securities Exchange is the active market for all financial instruments.

18. Employee entitlements

a. Employee Share Plan

The Employee Share Plan ("ESP") is available to all eligible employees to acquire ordinary shares in Milton in lieu of a cash bonus of up to $1,000 per year as part of the employee's remuneration. The transaction and administration costs of acquiring the shares and administering the plan are paid by Milton.

In 2011 there were no shares acquired. (2010: 360 shares were acquired by Milton on behalf of eligible employees under the ESP at a cost of $6,008 and with a total market value at 30 June 2010 of $5,753).

Any shares acquired cannot be disposed of or transferred until the earlier of 3 years from the date of issue or acquisition or on the date that the employee's employment ceases with Milton.

b. Senior Staff Share Plan

The Senior Staff Share Plan ("SSSP") was approved by shareholders at Milton's Annual General Meeting on 9 October 2001. Eligible employees are given the opportunity to apply for Plan Shares in Milton which are subscribed for or acquired and held on their behalf by the trustee of the plan. The purchase of these Plan Shares is financed by an interest-free limited recourse loan from Milton with recourse only to plan shares. The loan will be repaid partially from any dividends received. Milton administers the SSSP and meets the transactional and administration costs.

In August 2010, 21,000 shares (2010: nil shares) were acquired by the trustee of the plan on behalf of eligible employees under the SSSP at a cost of $327,590 (2010: $ nil). The loans to eligible employees are as disclosed in note 10b. The shares acquired by the trustee during the year had a market value of $327,600 at $15.60 per share as at 30 June 2011.

Any shares acquired are held in the name of the trustee and classified as Restricted Shares which cannot become Unrestricted Shares until the earlier of 3 years from the date of issue to the trustee or acquisition by the trustee or on the date that the employee’s employment ceases with Milton. The trustee may transfer Unrestricted Shares to the participant provided that any outstanding loan has been repaid in full.

	2011	2010
	$’000	$’000

19. Note to the cash flow statements

a. Reconciliation of net profit to net cash provided by operating activities

	2011 $’000	2010 $’000
Profit attributable to shareholders	**93,884**	73,099
Net realised (gains) losses on investments	**-**	(2,161)
Share of net profits of joint ventures – equity accounted	**(2,164)**	(3,689)
Distributions received from joint venture entities	**2,350**	2,350
Depreciation of non-current assets	**32**	23
Increase in receivables	**(1,108)**	(1,907)
Decrease in payables and provisions	**(59)**	(951)
Increase in income taxes payable	**2**	670
Net cash provided by operating activities	**92,937**	67,434

b. Non-cash financing and investing activities

As described in note 22b, Milton acquired an unlisted investment company through the issue of 2,446,521 new Milton shares with a fair value of $41,413,000 and acquired 88.1% of Choiseul through the issue of 23,803,854 new Milton shares with a fair value of $397,928,000. (2010: acquired three unlisted investment companies and their subsidiaries through the issue of 4,132,711 new Milton shares with a fair value of $73,570,000.)

20. Investment in joint venture entities

a. Details of joint venture entities

Companies in the consolidated entity have entered into joint ventures to develop real property. These joint ventures which are held by subsidiaries have been accounted for using the equity accounting principles.

b. Contribution from joint venture entities

Milton has interests in the following joint venture entities:

	2011 $’000	2010 $’000
33.33% interest in the Ellenbrook Syndicate Joint Venture contribution to operating profit before tax	**2,001**	3,125
23.33% interest in the Mews Joint Venture contribution to operating profit before tax	**163**	564
50% interest in the LWP Huntlee Syndicate No 2 Joint Venture	**-**	-
Share of net profits of joint ventures	**2,164**	3,689

		2011 $'000	2010 $'000
20.	**Investment in joint venture entities (continued)**		
c.	**Consolidated interest in the assets and liabilities of the joint ventures**		
	Current assets	**17,413**	17,311
	Non-current assets	**9,315**	8,149
	Current liabilities	**(1,233)**	(1,596)
	Non-current liabilities	**(6,675)**	(6,675)
		18,820	17,189
	Provision for diminution in value	**(543)**	(543)
	Net assets	**18,277**	16,646

d. Contingent liabilities and commitments

Each venturer is liable for its share of the debts of the joint ventures. The finance facilities have recourse only to the assets of the joint ventures. The LWP Huntlee Syndicate No 2 Joint Venture was formed in June 2010 and Milton is committed to providing further capital of $1.484 million over the next two years (2010: $3.562 million). Apart from this commitment there are no further financial commitments.

21 Parent entity disclosures

In accordance with the Corporations Amendment (Corporate Reporting Reform) Act 2010 and the Corporations Act 2001 the following summarised parent entity information is set out below.

As at, and throughout, the financial year ended 30 June 2011 the parent entity is Milton Corporation Limited.

	2011	2010
Profit of the parent entity		
Profit for the year	**90,505**	70,447
Total comprehensive income for the year	**138,296**	152,559
Financial position (Balance Sheet) of the parent entity		
Current assets	**162,234**	130,297
Total assets	**2,636,901**	1,749,312
Current liabilities	**493,171**	143,342
Total liabilities	**658,843**	277,004
Net assets	**1,978,058**	1,472,308
Total equity of the parent entity comprising of		
Issued capital	**1,402,417**	963,192
Capital profits reserves	**69,407**	72,726
Asset revaluation reserve	**405.850**	356,681
Retained profits	**100,384**	79,709
Total equity attributable to shareholders of the parent entity	**1,978,058**	1,472,308

22. Particulars in relation to subsidiaries

a. Milton Corporation Limited's subsidiaries

The following subsidiaries have been included in the consolidated accounts:	**2011**	2010
	Interest held %	
85 Spring Street Properties Pty Ltd	**100**	100
Chatham Investment Co. Pty Limited	**100**	100
Incorporated Nominees Pty Limited	**100**	100
Milhunt Pty Limited	**100**	100
Choiseul Investments Limited	**100**	-

The parent entity and all subsidiaries are incorporated in Australia

b. Acquisition of subsidiaries

In August 2010 Milton acquired 100% of the shares in an unlisted investment company with the consideration consisting of the issue of 2,446,521 new Milton shares with a fair value of $41,413,000.

In December 2010 Milton increased its ownership of Choiseul to 100% when it acquired 88.1% of the issued capital of Choiseul with the consideration consisting of 23,803,854 new Milton shares with a fair value of $397,928,000.

(2010: Acquired three unlisted investment companies and their subsidiaries through the issue of 4,132,711 new Milton shares with a fair value of $73,570,000).

The main activity of the companies is investing in listed securities.

The operating results of the companies from the date of acquisition have been included in the consolidated income statement, while the assets and liabilities have been included in the consolidated statement of financial position.

Choiseul contributed revenues of $2,841,000 and net profit of $2,200,000 to Milton for the period from 3 December 2010 to 30 June 2011. If the merger had occurred on 1 July 2010 consolidated revenue and consolidated profit for the year ended 30 June 2011 would have been $113,950,000 and $104,125,000 respectively.

The results of the unlisted investment company from 1 July 2010 to the date of acquisition and subsequent to that are not considered material to warrant separate disclosure.

The basis of fair value of the net assets acquired is the price quoted in an active market being the Australian Securities Exchange.

	$'000	$'000
The assets and liabilities recognised as a result of the acquisitions are as follows:		
Choiseul		
Fair value of the net assets acquired:		
Investments	**439,661**	-
Fair value of Milton's holding in Choiseul	**(53,524)**	-
Liquid and other assets	**51,634**	-
Liabilities	**(39,843)**	-
	397,928	**-**

		2011	2010
		$'000	$'000
22.	**Particulars in relation to subsidiaries (continued)**		
	Unlisted Investment companies		
	Fair value of the net assets acquired:		
	Investments	**39,621**	69,233
	Liquid and other assets	**2,781**	4,493
	Liabilities	**(989)**	(156)
		41,413	73,570

Total acquisition costs of $284,000 are included in the consolidated income statement (2010: $573,000) and share issue costs of $165,000 (2010: $139,000) have been included in issued capital.

c. Disposal of subsidiaries

In December 2010 the unlisted investment company that was acquired and referred to in note 22b was placed into voluntary liquidation (2010: three unlisted investment companies and their subsidiaries were placed into voluntary liquidation).

23. Related parties

a. Directors and Key Management Personnel compensation

	2011	2010
Short-term benefits	**927**	894
Other long-term benefits	**15**	13
Post-employment benefits	**166**	173
Share-based payments	**139**	114
	1,247	1,194

b. Shareholdings of non-executive directors and their related parties – number of shares held

		Balance 1 July	Acquisition	Balance 30 June
R.D. Millner	**2011**	**4,747,967**	**4,833,855**	**9,581,822**
	2010	4,741,443	6,524	4,747,967
J.N. Aitken	**2011**	**21,400**	**-**	**21,400**
	2010	20,780	620	21,400
J.F. Church	**2011**	**5,664,451**	**233,353**	**5,897,804**
	2010	5,651,637	12,814	5,664,451
G.L. Crampton	**2011**	**20,307**	**7,000**	**27,307**
	2010	17,511	2,796	20,307
I.A. Pollard	**2011**	**25,455**	**1,982**	**27,437**
	2010	22,659	2,796	25,455

23. Related parties (continued)

c. Executives' and their related parties shareholdings – number of shares held

		Balance 1 July	Received as Remuneration	Other Acquisitions	Balance 30 June
F.G. Gooch	**2011**	**128,967**	**10,000**	**23,770**	**162,737**
Managing director	2010	128,367	-	600	128,967
A.R. Davison	**2011**	**38,012**	**5,000**	**-**	**43,012**
CFO, secretary	2010	38,012	-	-	38,012

d. Loans to executives in relation to the Senior Staff Share Plan

Details regarding loans outstanding at the reporting date to specified directors and specified executives, where the individual's aggregate loan balance exceeded $100,000 at any time in the reporting period, are as follows:

		Balance 1 July	Net change	Balance 30 June	Highest balance in the period	Notional Interest
		$	$	$	$	$
F.G. Gooch	**2011**	**1,360,242**	**100,164**	**1,460,406**	**1,516,238**	**97,526**
Managing director	2010	1,411,067	(50,825)	1,360,242	1,411,067	80,829
A.R. Davison	**2011**	**564,465**	**55,661**	**620,126**	**642,463**	**41,228**
CFO, secretary	2010	584,528	(20,063)	564,465	584,528	33,220

Terms and conditions of the loans are referred to in note 18b.

e. Other related party transactions

All non-executive directors have entered into the Deed of Indemnity, Insurance and Access that was approved at the Annual General Meeting held on 10 October 2000. Milton has a Remuneration and Retirement Benefits Deed with each of the non-executive directors except Graeme Lindsay Crampton. During the 30 June 2004 year, Milton and the directors varied the Remuneration and Retirement Benefits Deed, whereby the maximum retirement benefit payable to a non-executive director on retirement will be the provision for the director as at 30 June 2003. Apart from the details disclosed in this note no director has entered into a material contract with the parent entity or Milton since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at the end of the year.

Loans to and from subsidiaries

Loans have been made to and by the parent entity to wholly owned subsidiaries for capital transactions. The loans between the parent and its subsidiaries have no fixed date of repayment and are non-interest bearing.

During the year ended 30 June 2011, such loans to subsidiaries totalled $76,392,021 (2010: $124,640,485) and loans from subsidiaries totalled $426,333,493 (2010: $75,024,122).

Other arrangement with non executive director

Mr J.F.Church rented office space from Milton at commercial rates from 1 July 2010 to 30 June 2011 and rental income received by Milton during the financial year was $12,911 (2010: $10,659).

24. Contingencies

At the reporting date the directors are not aware of any material contingent liabilities.

25. Events subsequent to reporting date

Since the end of the financial year, the directors declared a fully franked final dividend of 39 cents per share and a fully franked special dividend of 5 cents per share, payable on 20 September 2011.

26. Holdings at Fair Value through Other Comprehensive Income at 30 June 2011

The following holdings are valued at fair value through Other Comprehensive Income.

	2011	2010
Investments in equity instruments	**$'000**	$'000
Adelaide Brighton Limited	**4,986**	3,271
Adtrans Group Limited	**-**	1,435
AGL Energy Limited	**27,432**	19,990
Alumina Limited	**2,156**	1,360
Amalgamated Holdings Limited	**3,598**	3,245
Amcor Limited	**6,274**	4,889
Ammtec Limited	**-**	3,055
AMP Limited	**9,658**	7,101
A P Eagers Limited	**10,839**	10,370
APA Group	**3,964**	2,707
APN News & Media Limited	**1,722**	2,600
ARB Corporation Limited	**5,374**	2,684
Argo Investments Limited	**4,539**	4,733
ASX Limited	**11,178**	5,874
Austbrokers Limited	**5,582**	4,016
Australand Property Group	**2,382**	1,382
Australia & New Zealand Banking Group Limited		
- ordinary shares	**61,168**	51,662
- convertible preference shares	**2,004**	1,017
- CPS 1	**204**	-
Australian Foundation Investment Company Limited	**5,765**	6,169
Automotive Holdings Limited	**1,019**	-
AWB Limited	**-**	433
Axa Asia Pacific Holdings Limited	**-**	547
Bank of Queensland Limited		
- ordinary shares	**47,797**	49,660
- reset preference shares	**-**	1,560
Bendigo & Adelaide Bank Limited	**50,588**	37,846
BHP Billiton Limited	**136,844**	83,683
Billabong International Limited	**575**	837
BKI Investment Company Limited	**1,388**	1,314
Blackmores Limited	**9,267**	7,740
Bluescope Steel Limited	**1,195**	1,528
Boral Limited	**7,161**	6,557
Bradken Limited	**4,460**	3,214
Brambles Limited	**8,433**	4,526
Brickworks Limited	**32,891**	25,890
Bunnings Warehouse Property Trust	**2,495**	1,858
Cabcharge Australia Limited	**694**	692
Caltex Australia Limited	**561**	450
Campbell Brothers Limited	**99,215**	49,713
Cardno Limited	**1,792**	988
Carlton Investments Limited	**6,014**	5,837
CFS Retail Property Trust	**16,522**	17,205
Charter Hall Office Trust	**764**	458
Charter Hall Retail Trust	**1,963**	1,528
Choiseul Investments Limited	**-**	51,109
Coal & Allied Industries Limited	**4,436**	3,910
Coca-Cola Amatil Limited	**13,917**	10,336
Cochlear Limited	**2,290**	2,259
Coffey International Limited	**419**	675
Commonwealth Bank of Australia	**157,532**	109,330
Commonwealth Bank of Australia – PERLS V	**104**	-
Commonwealth Property Office Fund	**1,621**	1,039
Consolidated Media Holdings Limited	**698**	448
Crane Group Limited	**-**	5,117
Crown Limited	**2,387**	1,094

26. Holdings at Fair Value through Other Comprehensive Income at 30 June 2011 continued

	2011	2010
	$'000	$'000
CSL Limited	**19,408**	19,029
CSR Limited	**605**	1,052
David Jones Limited	**1,446**	1,082
Diversified United Investment Limited	**733**	781
Equity Trustees Limited	**3,273**	3,428
Fletcher Building Limited	**5,325**	-
Fairfax Media Limited	**4,637**	4,852
FKP Property Group	**2,541**	1,927
Fleetwood Corporation Limited	**1,660**	1,208
Foster's Group Limited	**15,810**	15,045
Goodman Fielder Limited	**339**	430
Goodman Group	**651**	587
Goldman Sachs JB Were Collateral Mezzanine Fund	**104**	104
Goldman Sachs JB Were Private Equity Fund	**9**	9
Graincorp Limited	**2,558**	1,161
Gresham Private Equity Co-Investment Fund	**60**	60
GWA International Limited	**6,256**	4,632
Healthscope Limited	**-**	2,943
Hills Industries Limited	**3,012**	3,696
Insurance Australia Group Limited		
- ordinary shares	**11,579**	7,501
- reset preference shares	**303**	296
IAG Finance(NZ) Limited Perpetual Reset Exchangeable Notes	**1,236**	1,200
Incitec Pivot Limited	**5,349**	3,014
Infigen Energy	**431**	732
Intoll Group	**-**	1,660
InvoCare Limited	**12,508**	6,443
IOOF Holdings Limited	**495**	450
Leighton Holdings Limited	**17,209**	17,210
Lend Lease Corporation Limited	**3,653**	1,458
Lindsay Australia Limited	**288**	296
Macarthur Coal Limited	**3,860**	4,272
MAP Group	**1,444**	700
Macquarie Global Infrastructure Trust	**-**	1
Macquarie Group Limited	**15,440**	12,093
Metcash Limited	**18,760**	11,401
Mirvac Group	**409**	431
Mystate Limited	**1,562**	1,388
National Australia Bank Limited	**110,901**	67,989
New Hope Corporation Limited	**6,734**	3,118
Noni B Limited	**564**	915
Nufarm Limited	**-**	1,218
Oakton Limited	**-**	901
OneSteel Limited	**6,901**	8,437
Orica Limited	**4,350**	1,970
Origin Energy Limited	**5,101**	4,022
Perpetual Limited	**20,396**	18,273
Plantation Land Limited	**6**	6
Plantation Land Limited Unsecured Notes	**-**	125
Premier Investments Limited	**2,342**	2,063
QBE Insurance Group Limited	**46,674**	18,539
Qantas Airways Limited	**-**	1,482
Qube Logistics Limited	**964**	-
Reece Australia Limited	**2,334**	2,632
Ramsay Health Care Limited	**1,362**	-
Rio Tinto Limited	**37,419**	28,836
Santos Limited	**19,052**	13,191
Schaffer Corporation Limited	**225**	315
Sedgman Limited	**1,515**	755
Select Harvests Limited	**460**	619

26. Holdings at Fair Value through Other Comprehensive Income at 30 June 2011 continued

	2011 $'000	2010 $'000
Seven Group Holdings Limited - Transferable Equity Linked Yield Shares 4	**630**	541
Seven West Media Limited (previously West Australian Newspapers Holdings Limited)	**6,557**	6,927
Sigma Pharmaceuticals Limited	**-**	368
Sims Metal Management Limited (previously Sims Group Limited)	**13,997**	10,147
Sonic Healthcare Limited	**5,817**	3,312
Stockland Corporation Group	**7,335**	2,673
Suncorp-Metway Limited		
- ordinary shares	**23,060**	18,810
- convertible preference shares	**3,857**	2,867
Tabcorp Holdings Limited	**-**	226
Tatts Group Limited	**624**	582
Telstra Corporation Limited	**30,695**	25,883
Ten Network Holdings Limited	**1,336**	1,707
The Platinum Trust - Japan Fund	**-**	87
Toll Holdings Limited	**4,824**	4,311
TPG Telecom Limited	**6,288**	3,665
Transfield Services Limited	**4,737**	2,998
Transurban Group Limited	**11,282**	7,481
The Trust Company Limited	**16,172**	12,386
Treasury Wine Estates Limited	**3,479**	-
UGL Limited	**16,836**	14,272
Washington H. Soul Pattinson & Company Limited	**119,142**	62,719
Wesfarmers Limited		
- ordinary shares	**77,837**	51,981
- partially protected shares	**10,987**	5,241
Westfield Group	**4,139**	5,321
Westfield Retail Trust	**1,601**	-
Westpac Banking Corporation	**231,898**	186,178
Wide Bay Australia Limited	**3,538**	3,328
Woodside Petroleum Limited	**32,192**	29,023
Woolworths Limited	**69,821**	53,944
Worley Parsons Limited	**5,603**	1,253
	1,928,404	1,453,150
Other liquid securities		
Adelaide Managed Funds	**375**	2,010
AMP - notes	**2,803**	1,717
Bank of Queensland- perpetual equity preference 07	**4,665**	4,475
Commonwealth Bank of Australia		
- Perls III	**929**	815
- Perls IV	**1,181**	1,155
Fairfax Media Limited - stapled preference securities	**-**	645
Goodman Funds Management – perpetual listed unsecured securities	**855**	616
Macquarie CPS Trust – convertible preference shares	**1,045**	1,065
Orica Limited – step-up preference shares	**808**	746
Suncorp convertible preference shares	**1,015**	957
Westpac Banking Corporation - preference shares (stapled preferred securities)	**1,012**	1,004
Woolworths Limited - notes	**559**	548
	15,247	15,753