

MILTON CORPORATION LIMITED

ABN 18 000 041 421

APPENDIX 4E PRELIMINARY FINAL REPORT RESULTS FOR ANNOUNCEMENT TO THE MARKET YEAR ENDED 30 JUNE 2013

(Comparative figures being for the year ended 30 June 2012)

			<u>\$'000</u>
Revenue:			
Operating revenue	up 3.3%	to	112,181
Special investment revenue	up 255.3%	to	2,744
Profits:			
Profit after tax (before special investment revenue and acquisition related costs of subsidiaries)	up 5.7%	to	108,520
Special investment revenue after tax	up 271.5%	to	2,729
Acquisition related costs of subsidiaries after tax (2012: nil)			(32)
Profit attributable to shareholders of Milton	up 7.5%	to	<u>111,217</u>
Earnings per share:			Cents
Basic and diluted earnings per share based on profit attributable to shareholders of Milton	up 7.4%	to	91.3
Basic and diluted earnings per share based on profit after tax before special investment revenue and acquisition related costs of subsidiaries	up 5.5%	to	89.1
Dividends per ordinary share:			
Interim fully franked dividend	up 2.6%	to	39.0
Final fully franked dividend	up 7.5%	to	43.0
Total ordinary fully franked dividends	up 5.1%	to	<u>82.0</u>
Special fully franked dividend (2012: nil)			2.5

Record date of the ordinary final and special dividends is 21 August 2013.
Payment date is 4 September 2013

Net Tangible Asset Backing per Share

Net tangible asset backing per share before provision for tax on unrealised capital gains was \$19.45 as at 30 June 2013 compared with \$16.42 as at 30 June 2012.

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

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ASX+MEDIA RELEASE

25 JULY 2013

HIGHLIGHTS

- Ordinary fully franked final dividend of 43 cents per share - up 7.5% on prior year
- Special fully franked dividend of 2.5 cents per share
- Earnings per share of 91.3 cents - up 7.4% on prior year
- Earnings per share (excluding special investment revenue) of 89.1 cents - up 5.5% on 2012
- Re-introduction of Share Purchase Plan with discount of 2.5%
- Proposal to split shares to be considered by shareholders at annual general meeting

Ordinary dividend

Milton Corporation Limited, an Australian listed investment company, has increased its ordinary fully franked final dividend for the 2013 financial year by 3 cents per share to 43 cents per share. Milton's 2013 ordinary full year dividend of 82 cents per share is 5.1% higher than the dividend for the previous year.

Managing director, Mr Frank Gooch, said, "The increase in the ordinary full year dividend is in line with the increase in underlying operating profit which at \$108.5 million was 5.7% higher than the prior year. Milton has now paid 7 consecutive dividends that have been higher than the previous corresponding dividends".

Special dividend

The receipt of over \$3 million in special investment revenue over the last two years has provided Milton the opportunity to pay a special fully franked dividend of 2.5 cents per share.

"Milton's objective is to provide shareholders with a reliable fully franked dividend stream and so its ordinary dividend payments are based on underlying operating profit which excludes special investment revenue. As special investment revenue is unreliable, Milton has a policy to pass on this irregular income in the form of special dividends to its shareholders when this revenue accumulates to a material amount", Mr Gooch said.

Milton shares will trade "cum" the final dividend and special dividend until 14 August 2013 and both dividends will be paid on 4 September 2013.

Full year profit

Milton's 2013 full year net profit of \$111.2 million, which is a combination of underlying operating profit and special investment revenue, was 7.5% higher than the previous year. Special investment revenue for the 2013 year amounted to \$2.7 million compared with \$0.7 million received in 2012.

Growth in fully franked dividend income together with increased profits from the property joint ventures more than offset the lower interest income from the cash and other liquid assets.

As the RBA lowered the official rates by 0.75% during the year the interest rates available on term deposits also reduced. Even though Milton has less than 5% of its assets in cash and term deposits the lower interest rates reduced interest income by \$1.5 million.

Net assets

At 30 June 2013 Milton's net assets, before provision for tax on unrealised capital gains, were valued at \$2.4 billion. The assets included an investment portfolio of Australian listed equities valued at \$2.2 billion and cash including term deposits of \$0.1 billion.

Milton invests for the long term and does not intend to dispose of its investment portfolio however the accounting standards require Milton to provide for the capital gains tax that may arise if the portfolio was realised. At 30 June 2013 that provision was \$0.2 billion.

Milton's net tangible assets per share, before provision for tax on unrealised capital gains (NTA), were \$19.45 at 30 June 2013.

As Australian interest rates declined during the year the demand for companies with reliable dividend streams increased and consequently share prices improved. This had a positive effect on Milton's long term investment portfolio which has been built on this philosophy for over fifty years.

Total returns

Milton's Total Portfolio Return, which is the combination of the movement in NTA combined with the dividends paid during the year, was 23.6%. This return is net of all operating costs and realised tax liabilities. The accumulation return of the All Ordinaries Index for the year was 20.7% but that does not include any costs or tax.

Portfolio movements

During the year Milton invested a further \$34 million of which \$18 million was funded by disposals. In addition the acquisition of an unlisted investment company in February 2013 lifted total investments by a further \$11 million.

The larger investments during the year were ASX, A P Eagers, Automotive Holdings Group, IOOF Holdings, McMillan Shakespeare, Tatts Group, Telstra and Westfield Group.

Share Purchase Plan

Directors are pleased to announce the reintroduction of the Share Purchase Plan (SPP). Participation in the SPP will be offered to shareholders on the register on 21 August 2013, the same record date as the final dividend. In accordance with the SPP rules shareholders may apply for new shares with a total market value of up to \$15,000. The shares will be issued at a discount of 2.5% to the volume weighted average share price for the three days immediately after the shares trade ex dividend. Further details will be forwarded to eligible shareholders on 4 September 2013.

Share split proposal

With Milton's share price and NTA approaching \$20 per share a proposal to split the shares in the ratio of five new shares for each existing share will be put to shareholders at the company's annual general meeting which is to be held on 10 October 2013. It is anticipated that the share split will improve the liquidity in the trading of Milton's shares and will make Milton shares more attractive to a greater number of investors. Details of the proposal will be included in the notice of meeting to be sent to shareholders in due course.

Outlook

Many Australian corporates faced with challenging business conditions have taken steps to restructure their businesses and lower their cost bases so that they should be in a sound position as the economy improves over time.

It is expected that the benefits of a lower currency and continuing low interest rates will eventually provide the stimulus required to strengthen the economy.

In the meantime Milton will continue to actively seek opportunities to add to its portfolio.

In the absence of unforeseen circumstances directors expect to be able to at least maintain the ordinary annual dividend rate of 82 cents per share⁽¹⁾.

⁽¹⁾ Should the share split proceed the equivalent dividend would be 16.4 cents per share on the expanded number of shares on issue.

ISSUED FOR : MILTON CORPORATION LIMITED

**FOR FURTHER INFORMATION MR FRANK GOOCH, MANAGING DIRECTOR
MILTON CORPORATION LIMITED
TEL: (02) 9993 0782 MOBILE: 0414 675 748**

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, and 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 management expense ratio (MER) at 30 June 2013 was 0.14 % p.a.

MILTON'S INVESTMENT PROFILE

The 25 largest investments at 30 June 2013 are set out below.

COMPANY	MARKET VALUE \$'000	COMPANY	MARKET VALUE \$'000
Westpac Banking Corporation	301.7	CSL Limited	36.2
Commonwealth Bank	209.5	Suncorp-Metway Limited	33.8
National Australia Bank	130.2	AGL Energy Limited	33.4
W H Soul Pattinson	120.1	Perpetual Limited	29.2
Wesfarmers Limited	113.8	Woodside Petroleum	28.6
ALS Limited	103.9	Rio Tinto Limited	23.8
BHP Billiton Limited	102.2	AP Eagers	23.7
Woolworths	86.3	Macquarie Bank	20.7
ANZ Banking Group	82.6	Insurance Australia Group	20.6
Telstra Corporation	63.3	Invocare Limited	19.3
Bendigo and Adelaide Bank	57.5	Santos Limited	17.6
Bank of Queensland	57.1	Total market value of Top 25	1,797.6
QBE Insurance Group	41.4		
Brickworks Limited	41.1	Total Assets	2,378.1

CLASSIFICATION OF ASSETS

The following table shows assets at 30 June 2013 classified by Global Industry Classification Standard ("GICS") as adopted by the ASX.

CLASSIFICATION	TOTAL ASSETS %	CLASSIFICATION	TOTAL ASSETS %
Banks	35.5	Healthcare	2.1
Consumer staples	10.7	Real estate	2.1
Materials	9.1	Capital goods	1.7
Energy	7.7	Other shares	6.1
Insurance	4.9	Total shares	92.6
Commercial services	4.9	Cash & liquid assets	4.8
Diversified financials	4.6	Other assets	2.6
Telecommunication	3.2	Total	100.0

Milton Corporation Limited
Consolidated income statement
for the year ended 30 June 2013

	Note	2013 \$'000	2012 \$'000
Ordinary dividends and distributions	2a	105,839	100,907
Interest		5,637	7,179
Net gains on trading portfolio		293	258
Other revenue		412	257
Operating Revenue		112,181	108,601
Share of net profits of joint ventures – equity accounted	19b	5,013	3,696
Special dividends and distributions	2b	2,744	772
Income from operating activities		119,938	113,069
Administration expenses		(3,214)	(3,241)
Acquisition related costs of subsidiaries		(46)	-
Profit before income tax expense		116,678	109,828
Income tax expense thereon	3	(5,461)	(6,411)
Profit attributable to shareholders of Milton		111,217	103,417
		Cents	Cents
Basic and diluted earnings per share	7	91.3	85.0

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 2013

	2013	2012
	\$'000	\$'000
Profit	111,217	103,417
Other comprehensive income		
<i>Items that will not be reclassified to profit and loss</i>		
Revaluation of investments	351,997	(117,649)
Provision for tax (expense) benefit on revaluation of investments	(105,991)	34,818
	<hr/>	<hr/>
Other comprehensive income, net of tax	246,006	(82,831)
	<hr/>	<hr/>
Total comprehensive income for the period attributable to the shareholders of Milton	<u>357,223</u>	<u>20,586</u>

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 2013

	Note	2013 \$'000	2012 \$'000
Current assets			
Cash	8	114,804	117,618
Receivables	9a	23,170	22,237
Other financial assets	10	14,410	14,951
Total current assets		152,384	154,806
Non-current assets			
Receivables	9b	2,925	3,433
Investments	11	2,202,530	1,825,344
Joint ventures – equity accounted	19c	19,664	18,341
Plant and equipment		52	66
Deferred tax assets	12	538	786
Total non-current assets		2,225,709	1,847,970
Total assets		2,378,093	2,002,776
Current liabilities			
Payables		834	2,938
Current tax liabilities		1,112	1,767
Provisions		60	163
Total current liabilities		2,006	4,868
Non-current liabilities			
Deferred tax liabilities	13	223,282	116,901
Provisions		412	334
Total non-current liabilities		223,694	117,235
Total liabilities		225,700	122,103
Net assets		2,152,393	1,880,673
Shareholders' equity			
Issued capital	14	1,384,438	1,373,857
Capital profits reserve		91,332	98,411
Asset revaluation reserve		512,458	259,373
Retained profits		164,165	149,032
Total equity attributable to shareholders of Milton		2,152,393	1,880,673

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 2013

	Issued capital	Capital profits reserve	Asset revaluation reserve	Retained profits	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2012	1,373,857	98,411	259,373	149,032	1,880,673
Profit	-	-	-	111,217	111,217
Other Comprehensive Income:	-	-	246,006	-	246,006
Total comprehensive income	-	-	246,006	111,217	357,223
Net realised losses	-	(7,079)	7,079	-	-
Transactions with shareholders:					
Share issues	10,581	-	-	-	10,581
Dividends paid	-	-	-	(96,084)	(96,084)
Balance at 30 June 2013	<u>1,384,438</u>	<u>91,332</u>	<u>512,458</u>	<u>164,165</u>	<u>2,152,393</u>
Balance at 1 July 2011	1,373,857	99,084	341,531	145,348	1,959,820
Profit	-	-	-	103,417	103,417
Other Comprehensive Income:	-	-	(82,831)	-	(82,831)
Total comprehensive income	-	-	(82,831)	103,417	20,586
Net realised losses	-	(673)	673	-	-
Transactions with shareholders:					
Dividends paid	-	-	-	(99,733)	(99,733)
Balance at 30 June 2012	<u>1,373,857</u>	<u>98,411</u>	<u>259,373</u>	<u>149,032</u>	<u>1,880,673</u>

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 2013

	Note	2013 \$'000	2012 \$'000
Cash flows from operating activities			
Dividends and distributions received		105,553	99,833
Interest received		5,782	7,695
Distributions received from joint venture entities		4,700	4,237
Other receipts in the course of operations		412	257
Proceeds from sales of trading securities		583	4,540
Payments for trading securities		(202)	(4,077)
Other payments in the course of operations		(3,149)	(2,527)
Income taxes paid		(5,496)	(5,480)
Net cash provided by operating activities	18a	<u>108,183</u>	<u>104,478</u>
Cash flows from investing activities			
Proceeds from disposal of investments		22,062	34,777
Payments for investments		(37,479)	(48,910)
Cash on acquisition of subsidiaries		67	-
Payments for acquisition of subsidiaries		(46)	-
Proceeds from sales of plant and equipment		-	25
Payments for plant and equipment		(5)	(12)
Loans repaid by other entities		790	155
Loans advanced to other entities		(284)	(641)
Net cash provided by (used in) investing activities		<u>(14,895)</u>	<u>(14,606)</u>
Cash flows from financing activities			
Payments for issue of shares		(18)	-
Ordinary dividends paid		(96,084)	(93,652)
Special dividends paid		-	(6,081)
Net cash used in financing activities		<u>(96,102)</u>	<u>(99,733)</u>
Net (decrease) increase in cash assets held		(2,814)	(9,861)
Cash assets at the beginning of the year		<u>117,618</u>	<u>127,479</u>
Cash assets at the end of the year	8	<u>114,804</u>	<u>117,618</u>

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 2013

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.

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

i) New and amended standards adopted:

Milton adopted the amendments made to AASB 101 Presentation of Financial Statements effective 1 July 2012 which now require the statement of comprehensive income to show the items of comprehensive income grouped into those that will not be reclassified subsequently to profit or loss and those that will be reclassified if certain conditions are met. In the current and comparative financial years, Milton only has items recognised in comprehensive income that will not be reclassified into profit and loss in future periods.

ii) Early adoption of standards:

Milton has elected to early adopt AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interest in Other Entities, AASB 128 Investments in Associates and Joint Ventures and AASB 127 Separate Financial Statements. Accordingly, disclosures have been made in relation to Milton's judgement in determining the use of equity method for all its joint ventures (refer note 1(k)) and the nature and risks associated with Milton's investments in joint ventures (refer note 19). There have been no changes to the financial statements as a result of the early adoption. No other new accounting standards and interpretations that are available for early adoption at 30 June 2013, but not yet adopted, will result in any material change in relation to the financial statements of Milton.

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.

i) Subsidiaries

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.

1. Summary of significant accounting policies (continued)

ii) Joint arrangements

Under AASB 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures based on rights and obligations arising from the joint arrangement rather than the legal structure of the joint arrangement. Milton has assessed the nature of its joint arrangements and determined that all current interests are joint ventures and thus accounted for using the equity method.

iii) Change in accounting policy

AASB 10 Consolidated Financial Statements which was issued in August 2011 replaces the guidance on control and consolidation under AASB 127 Consolidated and Separate Financial Statements and under Interpretation 112 Consolidations - Special Purpose Entities. Milton has reviewed its investments in other entities to assess whether the conclusion to consolidate is different under AASB 10 than under AASB 127. No differences were found and therefore no adjustments to any of the carrying amounts in the financial statements are required as a result of the adoption of AASB 10.

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 applicable for the year 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.

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 Corporation Limited and its subsidiaries.

d. Cash

Cash includes cash at bank, deposits at call and term deposits, and is recognised at fair value.

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".

1. Summary of significant accounting policies (continued)

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".

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

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 personal/carer's 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 17a).

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 17b).

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 of 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.

1. Summary of significant accounting policies (continued)

k. Critical accounting estimates and judgments

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

- (i) Offset deferred tax assets from realised capital losses against deferred tax liabilities from unrealised capital gains:

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 13. 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 liabilities as disclosed in note 13.

- (ii) Classification of joint arrangements as joint ventures:

Milton has non controlling interests in three property development joint venture partnerships through separate joint venture entities.

In accordance with each joint venture partnership agreement partners have rights to the net assets of the partnership.

Accordingly, the directors have determined that each joint venture partnership is to be classified as a joint venture and accounted for using the equity method.

Apart from (i) and (ii) above, 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.

	2013 \$'000	2012 \$'000
2. Revenue		
a. Ordinary dividends and distributions		
Investments held in portfolio at 30 June	105,620	99,227
Investments sold during the year	219	1,680
	<u>105,839</u>	<u>100,907</u>
b. Special dividends and distributions		
Investments held in portfolio at 30 June	2,744	326
Investments sold during the year	-	446
	<u>2,744</u>	<u>772</u>
3. Income tax expense		
Prima facie income tax expense calculated at 30% on the profit before income tax expense	35,003	32,948
Increase (decrease) in income tax expense due to:		
Tax offset for franked dividends	(29,148)	(26,502)
Non taxable distributions	(412)	(360)
Under provision in prior year	10	320
Other differences	8	5
Income tax expense on profit	<u>5,461</u>	<u>6,411</u>
4. Auditor's remuneration		
Auditors of the company		
Audit and review services	104	111
Due diligence	10	-
	<u>114</u>	<u>111</u>
Related practice of the auditor		
Liquidation of non-operating subsidiary	-	7
	<u>114</u>	<u>118</u>
5. Ordinary and special fully franked dividends		
a. Recognised in the current year		
An ordinary final dividend in respect of the 2012 year of 40 cents per share paid on 4 September 2012 (2012: an ordinary final dividend in respect of the 2011 year of 39 cents per share paid on 20 September 2011)	48,650	47,434
(2012: a special dividend of 5 cents per share paid on 20 September 2011)	-	6,081
An ordinary interim dividend of 39 cents per share paid on 6 March 2013 (2012: 38 cents per share paid on 29 February 2012)	47,434	46,218
	<u>96,084</u>	<u>99,733</u>
b. Not recognised in the current year		
Since the end of the financial year, the directors declared an ordinary final dividend in respect of the 2013 year of 43 cents per share and a special dividend of 2.5 cents per share payable on 4 September 2013. (2012: ordinary final dividend of 40 cents per share and special dividend nil paid on 4 September 2012)	55,577	48,650

	2013	2012
	\$'000	\$'000
5. Ordinary and special fully franked dividends (continued)		
c. Dividend franking account		
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	111,550	105,182
Subsequent to year end, the franking account will be reduced by the proposed ordinary final and special dividends to be paid on 4 September 2013 (2012: ordinary final dividend)	(23,819)	(20,850)
	87,731	84,332

The franking account balance would allow Milton to frank additional dividend payments up to an amount of \$204,705,527 (2012:\$196,773,586) which represents 168 cents per share (2012: 162 cents per share).

6. Listed Investment Company capital gain account

Balance of the Listed Investment Company (LIC) capital gain account available to shareholders for the subsequent financial year

1,190	1,179
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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.

	cents	cents
7. Earnings per share		
Basic earnings per share	91.3	85.0
	\$'000	\$'000
Profit attributable to shareholders of the parent entity	111,217	103,417
	No.	No.
Weighted average number of ordinary shares used in the calculation of basic earnings per share	121,804,239	121,625,655
Diluted earnings per share figures are the same because there are no dilutive potential ordinary shares.		

	\$'000	\$'000
8. Cash		
Cash at bank	2,782	1,510
Deposits at call	16,224	10,511
Term deposits	95,798	105,597
	114,804	117,618

The weighted average interest rate for cash and deposits at call as at 30 June 2013 is 3.3% p.a. (2012: 3.4% p.a.). Term deposits have an average maturity date of August 2013 (2012: August 2012) and an average interest rate of 4.2% (2012: 5.4% pa).

	2013	2012
	\$'000	\$'000
9. Receivables		
a. Receivables – current		
Income receivable	23,166	20,481
Sundry debtors	4	1,756
	<u>23,170</u>	<u>22,237</u>
b. Receivables – non-current		
Senior staff share plan loans (refer note 17b)	<u>2,925</u>	<u>3,433</u>
c. Terms and conditions		
Sundry debtors are due within 30 days and no interest is charged.		
10. Other financial assets		
Other liquid securities - at fair value	14,205	14,535
Trading securities - at fair value	-	184
Prepaid expenses	205	232
	<u>14,410</u>	<u>14,951</u>
11. Investments – non-current		
Quoted investments - at fair value	2,202,504	1,825,171
Unquoted investments - at fair value	26	173
	<u>2,202,530</u>	<u>1,825,344</u>
a. Included in quoted investments are:		
Shares in other corporations	2,136,433	1,764,871
Stapled securities in other corporations	45,164	36,317
Units in trusts	20,907	23,983
	<u>2,202,504</u>	<u>1,825,171</u>
b. Included in unquoted investments are:		
Securities in other corporations	-	6
Units in trusts	26	167
	<u>26</u>	<u>173</u>
c. Investments disposed of during the year		
Fair value at disposal date		
Equity investments	<u>20,306</u>	36,181
Loss on disposal after tax		
Equity investments	<u>(7,079)</u>	(4,960)

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

	2013 \$'000	2012 \$'000
12. Deferred tax assets		
The balance comprises temporary differences attributable to :		
Revenue tax losses carried forward	12	22
Provisions	247	255
Retirement benefit obligations	57	57
Share issue expenses	6	140
Other	216	312
Total deferred tax assets	<u>538</u>	<u>786</u>
Movements:		
Balance at 1 July	786	1,067
(charged) to the income statement	(253)	(281)
(charged) to equity	5	-
Balance at 30 June	<u>538</u>	<u>786</u>
To be recovered within 12 months	128	265
To be recovered after more than 12 months	410	521
	<u>538</u>	<u>786</u>
13. Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
Amounts recognised directly in equity:		
Revaluation of investments	223,521	115,316
Realised capital losses	(17,348)	(15,510)
Amounts recognised in profit:		
Realised capital gains	832	832
Income receivable which is not assessable for tax until receipt	16,277	16,263
	<u>223,282</u>	<u>116,901</u>
Movements:		
Balance at 1 July	116,901	151,792
Charged to income statement	459	49
Charged (credited) to other comprehensive income	105,991	(34,818)
(Credited) to equity	(69)	(122)
Balance at 30 June	<u>223,282</u>	<u>116,901</u>
To be settled within 12 months	-	-
To be settled beyond 12 months	223,282	116,901

	2013 \$'000	2012 \$'000
14. Issued capital		
a. Movement in share capital		
Balance at 1 July 2012	1,373,857	1,373,857
521,464 shares issued as consideration for acquisitions	<u>10,581</u>	<u>-</u>
Balance at 1 July 2013 : 122,147,119 shares (30 June 2012: 121,625,655 shares)	<u>1,384,438</u>	<u>1,373,857</u>

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.

15. 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.

16. 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 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, and 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 a 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 comprises 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.

16. 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.

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

Investments represent 93% (2012: 91%) 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% (2012: 4.6%) movement in the net assets before provision for tax on unrealised capital gains at 30 June 2013 (2012: 30 June 2012). The net asset backing before provision for tax on unrealised capital gains would move by 90 cents per share at 30 June 2013 (2012: 75 cents at 30 June 2012).

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 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.

17. 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.

During the year, 252 shares (2012: 260 shares) were acquired by Milton on behalf of eligible employees under the ESP at a cost of \$3,999 (2012: \$3,955) with a total market value at 30 June 2013 of \$3,955.

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.

During the year, 18,000 shares (2012: 42,500 shares) were acquired by the trustee of the plan on behalf of eligible employees under the SSSP at a cost of \$283,583 (2012: \$641,464). The loans to eligible employees are as disclosed in note 9b. The shares acquired by the trustee during the year had a market value of \$331,200 at \$18.40 per share as at 30 June 2013.

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.

During the year, 47,500 shares (2012: Nil) were disposed by the trustee and proceeds applied to repay loans to the value of \$646,086.

	2013	2012
	\$'000	\$'000

18. Note to the cash flow statements

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

Profit	111,217	103,417
Share of net profits of joint ventures – equity accounted	(5,013)	(3,696)
Distributions received from joint venture entities	4,700	4,237
Depreciation of non-current assets	19	35
Acquisition costs	46	-
Increase in receivables	(2,798)	(1,126)
Decrease (increase) in payables and provisions	46	679
(Decrease) Increase in income taxes payable	(34)	932
Net cash provided by operating activities	<u>108,183</u>	<u>104,478</u>

b. Non-cash financing and investing activities

As described in note 21b Milton acquired an unlisted investment company through the issue of 521,464 new Milton shares with a fair value of \$9,913,031. (2012: no non-cash financing and investing activities)

19. 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.

	2013	2012
	\$'000	\$'000
b. Contribution from joint venture entities		
Milton has interests in the following joint venture entities:		
33.33% interest in the Ellenbrook Syndicate Joint Venture contribution to operating profit before tax	4,610	3,451
23.33% interest in the Mews Joint Venture contribution to operating profit before tax	415	245
50% interest in the LWP Huntlee Syndicate No 2 Joint Venture	(12)	-
Share of net profits of joint ventures	<u>5,013</u>	<u>3,696</u>
c. Consolidated interest in the assets and liabilities of the joint ventures		
Current assets	19,060	16,790
Non-current assets	13,106	13,538
Current liabilities	(1,866)	(1,741)
Non-current liabilities	(10,093)	(9,703)
	<u>20,207</u>	<u>18,884</u>
Provision for diminution in value	(543)	(543)
Net assets	<u>19,664</u>	<u>18,341</u>

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 \$1.188 million over the next year (2012: \$1.009 million). Apart from this commitment there are no further financial commitments.

20. 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 2013 the parent entity is Milton Corporation Limited.

Profit of the parent entity	\$'000	\$'000
Profit for the year	107,715	100,822
Total comprehensive income for the year	353,720	17,991

	2013 \$'000	2012 \$'000
20. Parent entity disclosures (continued)		
Financial position of the parent entity as at 30 June		
Current assets	152,301	154,732
Total assets	2,463,731	2,075,651
Current liabilities	85,020	75,778
Total liabilities	311,338	194,978
Net assets	<u>2,152,393</u>	<u>1,880,673</u>
Total equity of the parent entity comprising of		
Issued capital	1,384,438	1,373,857
Capital profits reserves	99,911	106,989
Asset revaluation reserve	554,940	298,354
Retained profits	113,104	101,473
Total equity attributable to shareholders of the parent entity	<u>2,152,393</u>	<u>1,880,673</u>

21. Particulars in relation to subsidiaries

a. Milton Corporation Limited's subsidiaries

The following subsidiaries have been included in the consolidated accounts:

	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

The parent entity and all subsidiaries are incorporated in Australia.

b. Acquisition of subsidiaries

During the year ended 30 June 2013, Milton acquired 100% of the shares of an unlisted investments company for a consideration of 521,464 new Milton shares with a fair value of \$9,913,031.

c. Disposal of subsidiaries

The unlisted investment company acquired during the year was placed into voluntary liquidation in June 2013. (2012: Choiseul Investments Limited was placed into voluntary liquidation).

22. Related parties	\$'000	\$'000
a. Directors and Key Management Personnel compensation		
Short-term benefits	1,140	939
Other long-term benefits	23	17
Post-employment benefits	99	175
Share-based payments	163	184
	<u>1,425</u>	<u>1,315</u>

22. Related parties (continued)

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

		Balance 1 July	Acquisition	Disposals	Balance 30 June
R.D. Millner	2013	9,685,543	-	-	9,685,543
	2012	9,581,822	103,721	-	9,685,543
J.F. Church	2013	5,908,783	4,301	(35,715)	5,877,369
	2012	5,901,400	7,383	-	5,908,783
G.L. Crampton	2013	27,307	-	-	27,307
	2012	27,307	-	-	27,307
K.J. Eley	2013	5,932	14,068	-	20,000
	2012	-	-	-	5,932
I.A. Pollard	2013	27,437	2,000	-	29,437
	2012	27,437	-	-	27,437

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	2013	183,737	15,000	-	198,737
Managing director	2012	162,737	20,000	1,000	183,737
N. Seneviratne	2013	3,625	63	-	3,688
CFO, secretary (appointed 21/12/12)	2012	-	-	-	-
A.R. Davison	2013	48,012	-	-	-
CFO, secretary (retired 15/04/13)	2012	43,012	5,000	-	48,012

d. Loans to key management personnel

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	2013	1,683,932	156,388	1,840,320	1,920,264	132,885
Managing director	2012	1,460,406	223,526	1,683,932	1,762,271	131,819
A.R. Davison	2013	665,824	(665,824)	-	665,824	25,583
CFO, secretary (retired 15/04/13)	2012	620,126	45,698	665,824	695,593	52,369

Terms and conditions of the loans are referred to in note 17b.

22. Related parties (continued)

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 Messrs G.L Crampton and K.J. Eley. 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 between the parent entity and 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.

	2013	2012
	\$	\$
Balance at beginning of the year	72,149,885	492,855,719
Loans advanced from subsidiaries	13,387,148	4,237,499
Loan advanced to subsidiaries	(1,015,450)	(424,943,333)
Balance at end of the year	<u>84,521,583</u>	<u>72,149,885</u>

Other arrangement with non executive director

Mr J.F. Church rented office space from Milton at commercial rates from 1 July 2012 to 30 June 2013 and rental income received by Milton during the financial year was \$13,726 (2012: \$13,191).

23. Contingencies

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

25. Holdings at Fair Value through Other Comprehensive Income at 30 June 2013

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

	2013 \$'000	2012 \$'000
Investments in equity instruments		
Adelaide Brighton Limited	6,925	5,926
AGL Energy Limited	33,373	34,042
ALS Limited (formerly Campbell Brothers)	103,855	117,623
Alumina Limited	485	886
Amalgamated Holdings Limited	6,125	4,777
Amcor Limited	11,897	8,227
AMP Limited	9,015	7,781
A P Eagers Limited	23,741	18,525
APA Group	6,492	5,408
APN News & Media Limited	327	865
ARB Corporation Limited	8,490	6,777
Argo Investments Limited	5,227	4,167
Arrium Limited (previously OneSteel Limited)	3,116	3,456
ASX Limited	14,939	11,755
Austbrokers Holdings Limited	11,170	6,834
Australand Property Group	2,898	2,057
Australia & New Zealand Banking Group Limited		
- ordinary shares	82,597	62,353
- convertible preference shares	1,975	1,935
- CPS 1	199	199
Australian Foundation Investment Company Limited	7,095	5,426
Automotive Holdings Group Limited	4,270	2,567
Bank of Queensland Limited	57,053	43,363
Bendigo & Adelaide Bank Limited	57,497	42,309
BHP Billiton Limited	102,213	101,143
BKI Investment Company Limited	1,629	1,325
Blackmores Limited	10,184	9,769
Boral Limited	6,852	4,801
Bradken Limited	3,475	3,656
Brambles Limited	10,909	7,195
Brickworks Limited	41,079	32,568
BWP Trust	3,068	2,543
Cabcharge Australia Limited	-	674
Caltex Australia Limited	-	645
Cardno Limited	4,646	5,678
Carlton Investments Limited	7,486	5,606
CFS Retail Property Trust	15,942	17,660
Charter Hall Retail REIT	-	2,030
Coca-Cola Amatil Limited	17,377	18,293
Cochlear Limited	1,962	2,094
Commonwealth Bank of Australia		
- ordinary shares	209,482	159,941
- PERLS V	101	102
Commonwealth Property Office Fund	1,897	1,750
Consolidated Media Holdings Limited	-	901
Crown Limited	3,237	2,269
CSL Limited	36,151	23,142
CSR Limited	-	292
David Jones Limited	908	922
Diversified United Investment Limited	811	641
Dulux Group Limited	312	-
Equity Trustees Limited	3,509	2,605
Finbar Group	1,481	-
Fletcher Building Limited	5,735	3,695
Fairfax Media Limited	1,600	1,794
FKP Property Group	1,223	1,380
Fleetwood Corporation Limited	821	2,078

25. Holdings at Fair Value through Other Comprehensive Income at 30 June 2013 (continued)

	2013	2012
	\$'000	\$'000
Goodman Group	902	678
Goldman Sachs JB Were Collateral Mezzanine Fund	5	97
Goldman Sachs JB Were Private Equity Fund	-	9
Graincorp Limited	4,235	2,946
Gresham Private Equity Co-Investment Fund	21	60
GWA International Limited	5,460	4,778
Hills Holdings Limited	-	1,115
Insurance Australia Group Limited		
- ordinary shares	20,577	12,728
- convertible preference shares	306	294
IAG Finance(NZ) Limited Perpetual Reset Exchangeable Notes	1,234	1,192
Incitec Pivot Limited	4,375	4,360
InvoCare Limited	19,295	13,666
IOOF Holdings Limited	3,298	974
Leighton Holdings Limited	11,709	12,330
Lend Lease Corporation Limited	3,743	3,227
Lindsay Australia Limited	280	272
Macquarie Group Limited	20,689	12,847
McMillan Shakespeare Limited	1,618	-
Metcash Limited	16,395	16,124
Mirvac Group	-	417
MyState Limited	1,887	1,357
National Australia Bank Limited	130,200	102,368
New Hope Corporation Limited	4,606	5,173
Noni B Limited	520	577
Orica Limited	3,903	4,370
Origin Energy Limited	4,866	4,723
Perpetual Limited	29,174	18,735
Plantation Land Limited	-	6
Premier Investments Limited	2,573	1,791
QBE Insurance Group Limited	41,398	36,203
Qube Logistics Holdings Limited	2,278	1,965
Ramsay Health Care Limited	3,758	2,373
Reece Australia Limited	3,167	2,356
Rio Tinto Limited	23,822	25,475
Santos Limited	17,630	14,985
Schaffer Corporation Limited	298	248
Sedgman Limited	1,071	2,115
Select Harvests Limited	529	210
Seven Group Holdings Limited - Transferable Equity Linked Yield Shares 4	593	546
Seven West Media (formerly Western Australian Newspapers Holdings)	3,076	2,825
Sims Metal Management Limited	6,550	7,621
Sonic Healthcare Limited	9,012	6,637
Stockland Group	7,485	6,625
Suncorp-Metway Limited		
- ordinary shares	33,768	22,918
- convertible preference shares	-	3,730
Sydney Airport (previously MAP Group)	1,461	1,254
Tatts Group Limited	3,528	1,724
Telstra Corporation Limited	63,347	43,421
Ten Network Holdings Limited	-	636
Toll Holdings Limited	6,015	4,373
TPG Telecom Limited	13,135	6,513
Transfield Services Limited	1,170	2,757
Transurban Group	14,582	12,274

25. Holdings at Fair Value through Other Comprehensive Income at 30 June 2012 (continued)

	2013	2012
	\$'000	\$'000
Treasury Wine Estates Limited	5,955	4,451
The Trust Company Limited	16,143	13,202
UGL Limited	10,042	16,781
Washington H Soul Pattinson & Company Limited	120,123	125,418
Wesfarmers Limited		
- ordinary shares	103,235	74,806
- partially protected shares	10,516	10,752
Westfield Group	7,688	4,540
Westfield Retail Trust	2,433	1,684
Westpac Banking Corporation	301,729	220,126
Wide Bay Australia Limited	2,276	2,519
Woodside Petroleum Limited	28,749	24,511
Woolworths Limited	86,322	69,318
Worley Parsons Limited	4,923	5,788
	2,202,530	1,825,344
Other liquid securities		
AMP – notes	2,678	2,723
APT Pipelines Limited	1,052	-
Bank of Queensland – convertible preference shares	5,257	-
Bank of Queensland - perpetual equity preference 07	-	4,525
Colonial Group – subordinated notes	1,018	995
Commonwealth Bank of Australia		
- Perls III	926	893
- Perls IV	-	1,200
Goodman Funds Management – perpetual listed unsecured securities	1,064	985
Macquarie CPS Trust – convertible preference shares	1,000	1,025
Suncorp convertible preference shares	-	982
Westpac Banking Corporation - preference shares (stapled preferred securities)	1,000	1,000
Woolworths notes II	210	207
	14,205	14,535