

MILTON CORPORATION LIMITED

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NET TANGIBLE ASSET BACKING REPORT AT 30 APRIL 2011

Milton Net Tangible Asset Backing per Share ("NTA")

	30 Apr 11	31 Mar 11
Before provision for tax on unrealised capital gains	\$ 18.04	\$ 17.98
<i>(Milton is a long-term investor and does not intend disposing of its long term investment portfolio.)</i>		
After provision for tax on unrealised capital gains	\$ 16.54	\$ 16.50
<i>(Under current accounting standards, Milton is required to provide for tax that may arise should the portfolio be disposed.)</i>		

About Milton (ASX code: MLT)

Milton is a listed investment company whose objective is to hold a diversified portfolio of assets that generates a growing income stream for distribution to shareholders in the form of fully franked dividends and provides capital growth in the value of the shareholders' investment.

Asset allocation at 30 April 2011

	Market Value	Share of Total Assets
	\$ m	%
Banks	724.1	33.0
Diversified financials	213.4	9.7
Materials	278.0	12.7
Consumer staples	212.8	9.7
Insurance	108.1	4.9
Commercial services	112.2	5.1
Energy	81.0	3.7
Capital goods	60.5	2.8
Real estate	46.8	2.1
Healthcare	40.2	1.8
Telecommunications	37.2	1.7
Other shares	115.3	5.3
Cash and equivalents	121.4	5.5
Other assets	44.0	2.0
Total assets	2,195.0	100.0

Milton's recent dividend history

All dividends have been fully franked since the introduction of franking.

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Interim	38	43	43	35	37
Final	43 ⁽¹⁾	45 ⁽¹⁾	35	36 ⁽¹⁾	
Special		8			
⁽¹⁾ LIC Capital Gain paid as part of Final	6	12		2	

Milton is a listed investment company for taxation purposes and may pay dividends that include qualifying LIC capital gains which may entitle certain shareholders to a special deduction in their income tax return in the year of receipt. Milton intends to distribute qualifying LIC capital gains as they arise.

Top 20 Investments at 30 April 2011

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	258.8	11.8
Commonwealth Bank of Australia	161.8	7.4
BHP Billiton Limited	143.2	6.5
Washington H Soul Pattinson	119.0	5.4
National Australia Bank Limited	117.2	5.3
Campbell Brothers Limited	98.1	4.5
Wesfarmers Limited	92.8	4.2
Australia & New Zealand Banking Group	67.4	3.1
Woolworths Limited	66.7	3.0
Bank of Queensland	57.5	2.6
Bendigo and Adelaide Bank Limited	53.3	2.4
Q B E Insurance Group Limited	50.6	2.3
Rio Tinto Limited	37.1	1.7
Woodside Petroleum Limited	36.7	1.7
Brickworks Limited	33.8	1.5
Telstra Corporation Limited	30.9	1.4
AGL Energy Limited	27.2	1.2
Perpetual Limited	23.6	1.1
Suncorp-Metway Limited	23.6	1.1
Santos Limited	21.3	1.0
Total Top 20	1,520.6	69.2

Operating cost

Milton's executives manage the company and its investments to maximise returns to its shareholders. This internal management structure helps to maintain low operating costs.

For the year ended 30 June 2010, Milton's total operating costs, net of management fees recovered, represented **0.17%** per annum of average total assets.