

MILTON CORPORATION LIMITED

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NET TANGIBLE ASSET BACKING REPORT AT 30 SEPTEMBER 2012

Milton Net Tangible Asset Backing per Share ("NTA")	30 Sep 12	31 Aug 12
Before provision for tax on unrealised capital gains <i>(Milton is a long-term investor and does not intend disposing of its long term investment portfolio.)</i>	\$17.07	\$16.83
After provision for tax on unrealised capital gains <i>(Under current accounting standards, Milton is required to provide for tax that may arise should the portfolio be disposed.)</i>	\$15.87	\$15.68

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 September 2012

	Market Value	Share of Total Assets
	\$ m	%
Banks	708.3	34.1
Consumer staples	215.7	10.4
Materials	208.3	10.0
Diversified financials	205.1	9.9
Commercial services	105.9	5.1
Insurance	99.9	4.8
Energy	59.7	2.9
Telecommunication	57.9	2.8
Capital goods	47.0	2.3
Healthcare	50.3	2.4
Real estate	43.8	2.1
Other shares	128.3	6.0
Cash	96.1	4.6
Other assets	53.2	2.6
Total assets	2,079.5	100.0

Milton's 5 year dividend history (cents per share)

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

	2008	2009	2010	2011	2012
Interim	43	43	35	37	38
Final	45 ^(*)	35	36 ^(*)	39	40
Special	8	-	-	5	-
^(*) LIC Capital Gain paid as part of Final	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 September 2012

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	258.9	12.5
Commonwealth Bank of Australia	168.0	8.1
W H Soul Pattinson	120.1	5.8
National Australia Bank	111.1	5.3
BHP Billiton	106.2	5.1
Wesfarmers	97.9	4.7
ALS Limited	93.1	4.5
Woolworths	74.4	3.6
Australia & New Zealand Banking Group	70.4	3.4
Bank of Queensland	49.6	2.4
Telstra Corporation	49.6	2.4
Bendigo and Adelaide Bank	43.8	2.1
QBE Insurance Group	35.0	1.7
AGL Energy	34.5	1.7
Brickworks	32.6	1.6
CSL	27.0	1.3
Woodside Petroleum	26.6	1.3
Suncorp-Metway	26.2	1.3
Rio Tinto	24.1	1.2
AP Eagers	21.4	1.0
Total Top 20	1,470.5	71.0

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 2012, Milton's total operating costs represented **0.16%** per annum of average total assets.

Milton AGM details

16 October 2012 at 3 pm
The Lyceum Room,
Wesley Conference Centre,
220 Pitt Street, Sydney