

MILTON CORPORATION LIMITED

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NET TANGIBLE ASSET BACKING REPORT AT 29 FEBRUARY 2012

Milton Net Tangible Asset Backing per Share ("NTA")	29 Feb 12	31 Jan 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>	\$16.51	\$16.61
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>	\$15.45	\$15.59

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 29 February 2012

	Market Value	Share of Total Assets
	\$ m	%
Banks	625.6	31.1
Materials	233.1	11.6
Diversified financials	206.2	10.3
Consumer staples	191.4	9.5
Insurance	86.6	4.3
Commercial services	141.6	7.0
Energy	69.5	3.5
Capital goods	60.0	3.0
Real estate	44.1	2.2
Healthcare	39.4	2.0
Telecommunication	44.2	2.2
Other shares	119.2	5.9
Cash	97.3	4.8
Other assets	52.3	2.6
Total assets	2,010.5	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	-
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 29 February 2012

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	217.7	10.8
Commonwealth Bank of Australia	148.9	7.4
Campbell Brothers	128.7	6.4
W H Soul Pattinson	124.1	6.2
BHP Billiton	115.6	5.7
National Australia Bank	102.9	5.1
Wesfarmers	83.0	4.1
Woolworths	65.5	3.3
Australia & New Zealand Banking Group	62.1	3.1
Bendigo and Adelaide Bank	44.1	2.2
Bank of Queensland	42.9	2.1
Telstra Corporation	38.3	1.9
Brickworks	34.1	1.7
QBE Insurance	31.5	1.6
Rio Tinto	30.4	1.5
Woodside Petroleum	29.4	1.5
AGL Energy	27.6	1.4
Suncorp-Metway	23.2	1.2
Perpetual Trustees	20.5	1.0
Santos	20.3	1.0
Total Top 20	1,390.8	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 2011, Milton's total operating costs, net of management fees recovered, represented **0.17%** per annum of average total assets.