

MILTON CORPORATION LIMITED

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NET TANGIBLE ASSET BACKING REPORT AT 30 JUNE 2012

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

	<u>30 Jun 12</u>	<u>31 May 12</u>
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>	\$16.42⁽¹⁾	\$16.22
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>	\$15.46⁽¹⁾	\$15.31
⁽¹⁾ <i>Subject to audit</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 June 2012

	Market Value	Share of Total Assets
	\$ m	%
Banks	636.6	31.8
Diversified financials	202.7	10.1
Materials	202.5	10.1
Consumer staples	196.9	9.8
Commercial services	128.2	6.4
Insurance	91.7	4.6
Energy	55.8	2.8
Telecommunication	49.9	2.5
Capital goods	49.1	2.5
Real estate	44.6	2.2
Healthcare	44.0	2.2
Other shares	123.3	6.1
Cash	117.6	5.9
Other assets	59.9	3.0
Total assets	2,002.8	100.0

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

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Interim	43	43	35	37	38
Final	45 ^(*)	35	36 ^(*)	39	TBA
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 June 2012

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	220.1	11.0
Commonwealth Bank of Australia	159.9	8.0
W H Soul Pattinson	125.4	6.3
Campbell Brothers	117.6	5.9
National Australia Bank	102.4	5.1
BHP Billiton	101.1	5.0
Wesfarmers	85.6	4.3
Woolworths	69.3	3.5
Australia & New Zealand Banking Group	62.4	3.1
Telstra Corporation	43.4	2.2
Bank of Queensland	43.4	2.2
Bendigo and Adelaide Bank	42.3	2.1
QBE Insurance Group	36.2	1.8
AGL Energy	34.0	1.7
Brickworks	32.6	1.6
Rio Tinto	25.5	1.3
Woodside Petroleum	24.5	1.2
CSL	23.1	1.2
Suncorp-Metway	22.9	1.1
Perpetual Trustees	18.8	0.9
Total Top 20	1,390.5	69.5

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.