

MILTON CORPORATION LIMITED

ABN 18 000 041 421

Level 4
50 Pitt Street
Sydney NSW 2000
Website: www.milton.com.au

PO Box R1836
Royal Exchange NSW 1225
Email: general@milton.com.au

Telephone: (02) 8006 5357
Facsimile: (02) 9251 7033
Share Registry Enquiries: 1800 641 024

NET TANGIBLE ASSET BACKING REPORT AT 30 JUNE 2014

Milton (ASX code: MLT) 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.

Milton Net Tangible Asset Backing per Share ("NTA") at 30 June 2014

- **Before** provision for tax on unrealised capital gains was \$4.35⁽¹⁾
(Milton is a long-term investor and does not intend disposing of its long term investment portfolio.)
- **After** provision for tax on unrealised capital gains was \$3.86⁽¹⁾
(Under current accounting standards, Milton is required to provide for tax that may arise should the portfolio be disposed.)

⁽¹⁾ Subject to audit

The value of Milton's net tangible assets ("NTA") is affected by the daily fluctuations in the market values of its long term holdings in Australian listed equities and changes in its retained earnings.

Investment portfolio

Milton provides exposure to a diversified portfolio of Australian listed companies and trusts

- The investment portfolio at 30 June 2014 was valued at \$2.6 billion.
- The portfolio comprises companies and trusts that are expected to generate investment income and therefore it does not necessarily align with any stock market index.

Asset allocation at 30 June 2014	Market Value	Share of Total Assets	Top 20 Investments at 30 June 2014	Market Value	Share of Total Assets
	\$ m	%		\$ m	%
Banks	1,008.3	36.7	Westpac Banking Corporation	354.1	12.9
Consumer staples	259.8	9.6	Commonwealth Bank of Australia	245.3	8.9
Materials	258.6	9.4	National Australia Bank	144.4	5.3
Energy	209.0	7.6	W H Soul Pattinson	135.3	4.9
Diversified financials	153.7	5.7	BHP Billiton Limited	121.4	4.4
Insurance	122.1	4.4	Wesfarmers Limited	119.8	4.4
Commercial services	113.9	4.1	ALS Limited	99.5	3.6
Telecommunication	91.5	3.3	ANZ Banking Group	99.0	3.6
Real Estate	59.7	2.2	Woolworths Limited	96.0	3.5
Healthcare	59.2	2.2	Bank of Queensland	89.1	3.2
Capital Goods	47.7	1.7	Telstra Corporation	70.9	2.6
Other shares	191.4	6.8	Bendigo and Adelaide Bank	69.7	2.5
Cash	116.2	4.2	Perpetual Limited	64.4	2.3
Other assets	57.4	2.1	Brickworks Limited	44.2	1.6
Total assets	2,748.5	100.0	Suncorp Group	41.6	1.5
			CSL Limited	39.4	1.4
			AGL Energy	37.0	1.3
			Woodside Petroleum	33.8	1.2
			Rio Tinto	33.7	1.2
			AP Eagers Limited	33.3	1.2
			Total Top 20	1,971.9	71.5

Key dates *

Full year results announcement	24 July 2014
Annual General Meeting	16 October 2014

Efficient operation

Milton is an efficient, low cost and professionally managed collective investment

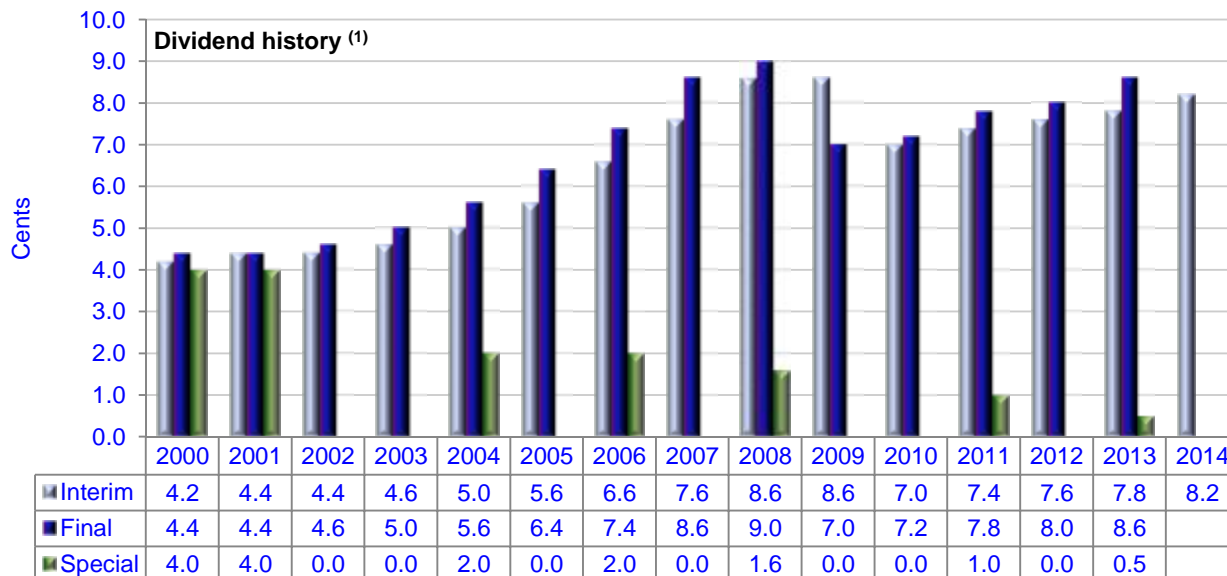
- Total annualised operating costs represent approximately 0.125% per annum of average total assets as at 30 June 2014.
- Milton is internally managed and no fees are paid to an external fund manager.
- Operating costs do not increase simply because the value of assets increases. For example, total assets increased by 15.6% over the twelve months to 30 June 2014 and operating costs only increased by 4.1% compared with the prior year.

PERFORMANCE HISTORY

Dividend History

Milton pays fully franked dividends semi annually

Milton has paid a dividend every year since listing in 1958 and all dividends have been fully franked since the introduction of franking.



⁽¹⁾ All comparative data has been restated to take into account the 5 for 1 share split in October 2013.

Total Returns to 30 June 2014

Milton has delivered strong total returns relative to the accumulation return of the All Ordinaries Index

Milton's total returns are net of tax paid and expenses and no adjustment has been made for the franking benefits attached to the fully franked dividends paid.

The Accumulation return of the All Ordinaries is unaffected by tax or expenses and no adjustment has been made for the franking benefits attached to the partially franked dividends paid.

