

MILTON CORPORATION LIMITED

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NET TANGIBLE ASSET BACKING REPORT AT 30 SEPTEMBER 2011

Milton Net Tangible Asset Backing per Share ("NTA")	30 Sept 11	31 Aug 11
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>	\$15.50	\$16.04
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>	\$14.75	\$15.10

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 2011

	Market Value	Share of Total Assets
	\$ m	%
Banks	598.4	31.7
Materials	222.4	11.8
Consumer staples	210.7	11.2
Diversified financials	191.7	10.1
Commercial services	101.4	5.4
Insurance	87.0	4.6
Energy	64.6	3.5
Capital goods	46.9	2.3
Real estate	41.2	2.1
Telecommunications	39.1	2.1
Healthcare	37.1	2.0
Other shares	107.1	5.7
Cash	103.8	5.5
Other assets	36.8	2.0
Total assets	1,888.2	100.0

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

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

	2007	2008	2009	2010	2011
Interim	38	43	43	35	37
Final	43 ⁽¹⁾	45 ⁽¹⁾	35	36 ⁽¹⁾	39
Special		8			5
⁽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 September 2011

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	211.9	11.2
Commonwealth Bank of Australia	137.2	7.3
Washington H Soul Pattinson	116.4	6.2
BHP Billiton Limited	111.9	5.9
National Australia Bank Limited	96.8	5.1
Campbell Brothers Limited	90.3	4.8
Wesfarmers Limited	89.5	4.7
Woolworths Limited	64.0	3.4
Australia & New Zealand Banking Group	54.8	2.9
Bendigo and Adelaide Bank Limited	48.5	2.6
Bank of Queensland	42.1	2.2
Q B E Insurance Group Limited	34.8	1.8
Telstra Corporation Limited	33.8	1.8
Brickworks Limited	30.5	1.6
AGL Energy Limited	27.9	1.5
Rio Tinto Limited	27.9	1.5
Woodside Petroleum Limited	25.5	1.4
Suncorp-Metway Limited	22.6	1.2
Metcash Limited	18.7	1.0
CSL Limited	17.4	0.9
Total Top 20	1,302.5	69.0

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 2011, Milton's total operating costs, net of management fees recovered, represented **0.17%** per annum of average total assets.

Milton AGM Details

13 October 2011 at 3 pm
The Lyceum Room,
Wesley Conference Centre,
220 Pitt Street, Sydney