

# MILTON CORPORATION LIMITED

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## NET TANGIBLE ASSET BACKING REPORT AT 30 SEPTEMBER 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 September 2014

- **Before provision for tax on unrealised capital gains was \$4.16**  
(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 \$3.72**  
(Under current accounting standards, Milton is required to provide for tax that may arise should the portfolio be disposed.)

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 September 2014 was valued at approximately \$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 September 2014	Market Value	Share of Total Assets
	\$ m	%
Banks	960.9	36.5
Consumer staples	256.8	9.8
Materials	253.8	9.6
Energy	206.9	7.9
Diversified financials	151.2	5.7
Insurance	127.0	4.8
Telecommunication	100.2	3.8
Commercial services	74.8	2.8
Healthcare	64.8	2.5
Real estate	56.6	2.2
Capital goods	48.6	1.8
Other shares	198.8	7.6
Cash	72.5	2.8
Other assets	58.3	2.2
<b>Total assets</b>	<b>2,631.2</b>	<b>100.0</b>

Top 20 Investments at 30 September 2014	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	335.9	12.8
Commonwealth Bank of Australia	228.4	8.7
National Australia Bank	143.4	5.5
W H Soul Pattinson	133.0	5.1
Wesfarmers Limited	120.7	4.6
BHP Billiton	116.6	4.4
Woolworths Limited	98.3	3.7
ANZ Banking Group	93.6	3.6
Bank of Queensland	85.0	3.2
Telstra Corporation	74.7	2.8
Bendigo and Adelaide Bank	68.1	2.6
Perpetual Limited	60.1	2.3
ALS Limited	59.2	2.3
CSL Limited	43.9	1.7
Brickworks Limited	43.5	1.7
Suncorp Group	43.2	1.6
AGL Energy Limited	36.3	1.4
Rio Tinto	33.8	1.3
Woodside Petroleum	33.4	1.3
AP Eagers	32.3	1.2
<b>Total Top 20</b>	<b>1,883.4</b>	<b>71.8</b>

### Efficient operation

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

- Total annualised operating costs in 2014 represented approximately 0.125% per annum of average total assets for the year to 30 June 2014.
- Milton is internally managed and no fees are paid to an external fund manager.

### Key dates

Annual General Meeting to be held on  
Thursday, 16 October at 3pm  
UNSW CBD Campus  
Level 7, 1 O'Connell Street, Sydney

### Share Purchase Plan (SPP)

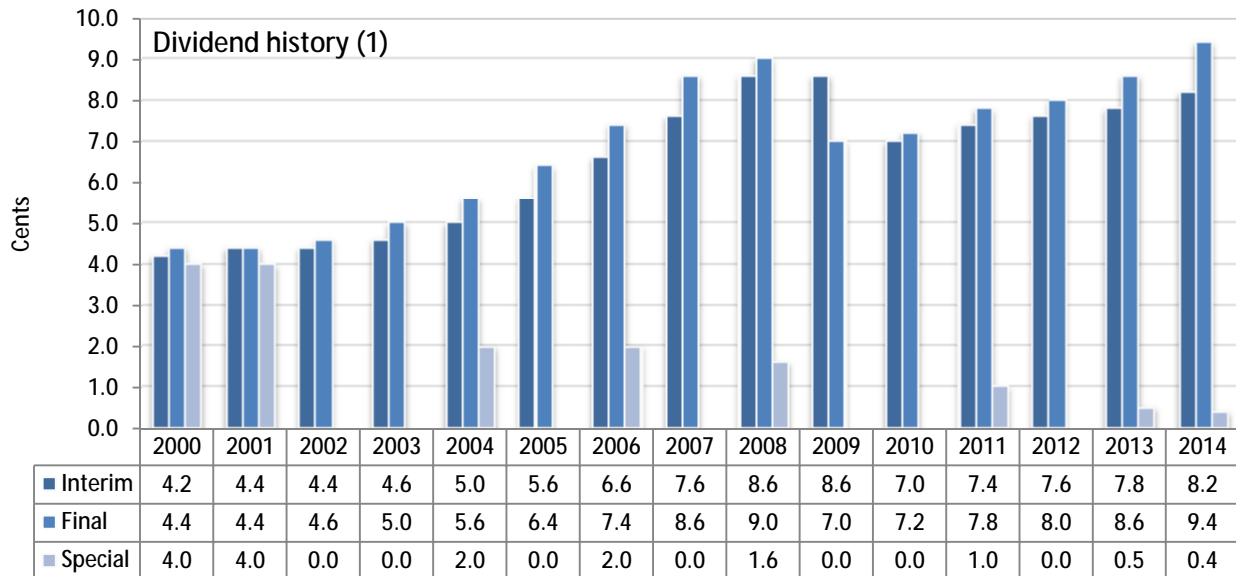
Over 3,400 shareholders participated in the Milton SPP which closed on the 19 September 2014. New ordinary shares under the SPP were issued on the 1 October 2014 and raised \$35.7 million. Above NTA and other reported numbers at 30 September 2014 excludes all SPP related transactions.

## 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.



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

### Total Returns to 30 September 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.

