

MILTON CORPORATION LIMITED

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NET TANGIBLE ASSET BACKING REPORT AT 31 DECEMBER 2013

Milton Net Tangible Asset Backing per Share ("NTA")	31 Dec 13	30 Nov 13
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>	\$4.32	\$4.28
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>	\$3.84	\$3.81

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 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.
- 5 year dividend history ⁽¹⁾

Cents per share	2009	2010	2011	2012	2013
Interim	8.6	7.0	7.4	7.6	7.8
Final	7.0	7.2	7.8	8.0	8.6
Special	-	-	1.0	-	0.5
LIC Capital Gain paid as part of Final	-	0.4	-	-	-

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

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

- Total annualised operating costs represent approximately 0.14% per annum of average total assets.
- 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. Total assets increased by \$0.3 billion over the six months to 31 December 13 and operating costs remained in line with those of the prior year.

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

- The investment portfolio at 31 December 2013 was valued at \$2.5 billion.
- The portfolio comprises companies and trusts that are expected to generate investment income for distribution to Milton shareholders and does not necessarily align with any stock market index.

Asset allocation at 31 December 2013

	Market Value	Share of Total Assets
	\$ m	%
Banks	975.7	36.0
Materials	269.4	9.9
Consumer staples	264.4	9.8
Energy	204.7	7.5
Diversified financials	144.4	5.3
Insurance	119.8	4.4
Commercial services	112.2	4.1
Telecommunication	91.1	3.4
Healthcare	59.1	2.2
Real Estate	56.5	2.1
Capital Goods	47.5	1.8
Other shares	177.7	6.5
Cash	148.1	5.5
Other assets	40.7	1.5
Total assets	2,711.3	100.0

Top 20 Investments at 31 December 2013

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	338.3	12.5
Commonwealth Bank of Australia	235.6	8.7
National Australia Bank	152.8	5.6
W H Soul Pattinson	133.5	4.9
BHP Billiton Limited	125.9	4.6
Wesfarmers Limited	124.7	4.6
ALS Limited	99.0	3.7
Australia & New Zealand Banking Group	95.4	3.5
Woolworths Limited	91.0	3.4
Bank of Queensland	79.7	2.9
Telstra Corporation	71.3	2.6
Bendigo and Adelaide Bank	67.1	2.5
Perpetual Limited	65.6	2.4
Brickworks Limited	46.3	1.7
CSL Limited	40.5	1.5
Suncorp Group	39.2	1.4
Rio Tinto Limited	37.1	1.4
AGL Energy	35.5	1.3
Woodside Petroleum Limited	31.8	1.2
QBE Insurance	30.1	1.1
Total Top 20	1,940.4	71.5

Visit our website www.milton.com.au for further information.