

MILTON CORPORATION LIMITED

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NET TANGIBLE ASSET BACKING REPORT AT 31 MARCH 2012

Milton Net Tangible Asset Backing per Share (“NTA”)	31 Mar 12	29 Feb 12
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>	\$16.99	\$16.51
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>	\$15.80	\$15.45

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 31 March 2012

	Market Value	Share of Total Assets
	\$ m	%
Banks	645.4	31.2
Materials	228.0	11.0
Diversified financials	210.0	10.2
Consumer staples	197.3	9.5
Commercial services	158.6	7.7
Insurance	95.2	4.6
Energy	66.6	3.2
Capital goods	58.2	2.8
Real estate	43.4	2.1
Healthcare	41.9	2.0
Telecommunication	45.1	2.2
Other shares	121.9	5.9
Cash	107.8	5.2
Other assets	49.7	2.4
Total assets	2,069.1	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	-
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 31 March 2012

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	228.0	11.0
Commonwealth Bank of Australia	150.9	7.3
Campbell Brothers	145.8	7.0
W H Soul Pattinson	125.2	6.1
BHP Billiton	111.1	5.4
National Australia Bank	107.0	5.2
Wesfarmers	85.6	4.1
Woolworths	67.2	3.2
Australia & New Zealand Banking Group	65.8	3.2
Bendigo and Adelaide Bank	44.3	2.1
Bank of Queensland	42.6	2.1
Telstra Corporation	38.5	1.9
QBE Insurance	38.3	1.9
Brickworks	34.8	1.7
Rio Tinto	29.5	1.4
AGL Energy	29.1	1.4
Woodside Petroleum	27.5	1.3
Suncorp Group	23.8	1.2
CSL	21.1	1.0
Perpetual Trustees	20.8	1.0
Total Top 20	1436.9	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 2011, Milton's total operating costs, net of management fees recovered, represented **0.17%** per annum of average total assets.