

# MILTON CORPORATION LIMITED

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## NET TANGIBLE ASSET BACKING REPORT AT 31 OCTOBER 2011

Milton Net Tangible Asset Backing per Share ("NTA")	31 Oct 11	30 Sept 11
<b>Before</b> 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>	<b>\$16.65</b>	\$15.50
<b>After</b> 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>	<b>\$15.55</b>	\$14.75

### 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 October 2011

	Market Value	Share of Total Assets
	\$ m	%
Banks	663.7	32.8
Materials	242.7	11.6
Consumer staples	211.5	10.4
Diversified financials	206.4	10.3
Commercial services	111.8	5.5
Insurance	95.2	4.8
Energy	71.6	3.6
Capital goods	53.5	2.5
Real estate	43.3	2.1
Telecommunications	39.2	2.0
Healthcare	36.5	1.8
Other shares	111.2	5.7
Cash	116.4	5.7
Other assets	23.8	1.2
<b>Total assets</b>	<b>2,026.8</b>	<b>100.0</b>

### 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 <sup>(1)</sup>	45 <sup>(1)</sup>	35	36 <sup>(1)</sup>	39
Special		8			5
<sup>(1)</sup> 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 31 October 2011

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	232.5	11.5
Commonwealth Bank of Australia	148.4	7.3
Washington H Soul Pattinson	125.5	6.2
BHP Billiton Limited	120.8	6.0
National Australia Bank Limited	111.2	5.5
Campbell Brothers Limited	100.1	4.9
Wesfarmers Limited	91.8	4.5
Woolworths Limited	61.3	3.0
Australia & New Zealand Banking Group	60.8	3.0
Bendigo and Adelaide Bank Limited	54.0	2.7
Bank of Queensland	49.3	2.4
Q B E Insurance Group Limited	39.9	2.0
Brickworks Limited	36.1	1.8
Telstra Corporation Limited	33.8	1.7
Rio Tinto Limited	31.2	1.5
Woodside Petroleum Limited	28.7	1.4
AGL Energy Limited	28.1	1.4
Suncorp-Metway Limited	24.3	1.2
Metcash Limited	19.0	0.9
Perpetual Limited	18.6	0.9
<b>Total Top 20</b>	<b>1,415.4</b>	<b>69.8</b>

### 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.