

MILTON CORPORATION LIMITED

ABN 18 000 041 421

Level 2
50 Pitt Street
Sydney NSW 2000

PO Box R1836
Royal Exchange NSW 1225

Telephone: (02) 8006 5357
Facsimile: (02) 9251 7033
Email: general@milton.com.au
Website: www.milton.com.au
ASX code: MLT

Share Registry Enquiries: 1800 641 024

NET TANGIBLE ASSET BACKING REPORT AT 31 OCTOBER 2012

Milton Net Tangible Asset Backing per Share ("NTA")	31 Oct 12	30 Sep 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>	\$17.55	\$17.07
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>	\$16.21	\$15.87

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 2012

	Market Value	Share of Total Assets
	\$ m	%
Banks	727.7	34.1
Consumer staples	220.2	10.3
Materials	218.5	10.2
Diversified financials	211.5	9.9
Commercial services	113.5	5.3
Insurance	101.9	4.8
Telecommunication	61.3	2.9
Energy	59.9	2.8
Healthcare	50.5	2.4
Capital goods	48.0	2.2
Real estate	44.7	2.1
Other shares	129.9	6.0
Cash	110.6	5.2
Other assets	38.7	1.8
Total assets	2,136.9	100.0

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

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

	2008	2009	2010	2011	2012
Interim	43	43	35	37	38
Final	45 ^(*)	35	36 ^(*)	39	40
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 October 2012

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	265.8	12.4
Commonwealth Bank of Australia	173.9	8.1
W H Soul Pattinson	122.8	5.7
National Australia Bank	112.7	5.3
BHP Billiton	110.0	5.1
ALS Limited	100.5	4.7
Wesfarmers	99.3	4.6
Woolworths	76.1	3.6
Australia & New Zealand Banking Group	72.6	3.4
Telstra Corporation	52.4	2.5
Bank of Queensland	49.7	2.3
Bendigo and Adelaide Bank	46.1	2.2
Brickworks Limited	35.9	1.7
QBE Insurance Group	35.7	1.7
AGL Energy	33.5	1.6
CSL Limited	27.9	1.3
Woodside Petroleum	27.6	1.3
Suncorp-Metway	26.6	1.2
Rio Tinto	25.7	1.2
Perpetual Trustees	22.9	1.1
Total Top 20	1,517.7	71.0

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 2012, Milton's total operating costs represented **0.16%** per annum of average total assets.