

MILTON CORPORATION LIMITED

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NET TANGIBLE ASSET BACKING REPORT AT 31 OCTOBER 2013

Milton Net Tangible Asset Backing per Share ("NTA")	31 Oct 13	30 Sep 13 ⁽¹⁾
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>	\$4.34	\$4.17
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	\$3.72

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 2013

	Market Value	Share of Total Assets
	\$ m	%
Banks	992.0	36.4
Consumer staples	269.6	9.9
Materials	263.4	9.7
Energy	211.7	7.8
Diversified financials	140.2	5.1
Insurance	129.7	4.8
Commercial services	126.9	4.7
Telecommunication	87.3	3.2
Healthcare	58.4	2.1
Real estate	55.3	2.0
Capital goods	49.0	1.8
Other shares	165.8	6.1
Cash	136.2	5.0
Other assets	39.4	1.4
Total assets	2,724.9	100.0

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.

Milton's total operating costs for the year ended 30 June 2013 represented **0.14%** of average monthly total assets.

Top 20 Investments at 31 October 2013

	Market Value	Share of Total Assets
	\$ m	%
Westpac Banking Corporation	358.3	13.1
Commonwealth Bank of Australia	230.4	8.5
National Australia Bank	154.9	5.7
W H Soul Pattinson	137.6	5.0
BHP Billiton Limited	124.6	4.6
Wesfarmers Limited	123.3	4.5
ALS Limited	112.7	4.1
Australia & New Zealand Banking Group	100.1	3.7
Woolworths Limited	93.8	3.4
Bank of Queensland	79.1	2.9
Telstra Corporation	70.0	2.6
Bendigo and Adelaide Bank	62.2	2.3
Brickworks Limited	46.2	1.7
CSL Limited	40.8	1.5
Suncorp Group	40.0	1.5
QBE Insurance	39.9	1.5
Perpetual Limited	37.9	1.4
AGL Energy	37.1	1.4
Rio Tinto Limited	34.7	1.3
Woodside Petroleum Limited	31.9	1.2
Total Top 20	1,955.5	71.9

Milton's 5 year dividend history ⁽¹⁾

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

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
⁽¹⁾ LIC Capital Gain paid as part of Final	-	0.4	-	-	-

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.

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