

MILTON CORPORATION LIMITED

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NET TANGIBLE ASSET BACKING (“NTA”) REPORT AT 31 OCTOBER 2016

NTA per Share at 31 October 2016

- **Before provision for tax on unrealised capital gains was \$4.20**
(Milton is a long-term investor and does not intend disposing of its long term investment portfolio.)
- **After provision for tax on unrealised capital gains was \$3.76**
(Under current accounting standards, Milton is required to provide for tax that may arise should the portfolio be disposed.)

Milton’s Objective

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.

Dividend History

Milton has paid a dividend every year since listing in 1958 and all dividends have been fully franked since the introduction of franking. (See the Performance History charts over page for further details.)

Investment portfolio

Milton’s equity investment portfolio comprises interests in companies and trusts which are listed on the ASX and which are expected to provide an increase in investment revenue over time.

An investment in Milton provides shareholders with exposure to a diversified equity portfolio that is not aligned with any stock market index.

At 31 October 2016 the market value of this equity investment portfolio was \$2.6 billion.

Asset allocation at 31 October 2016	Market Value	Share of Total Assets	Top 20 Investments at 31 October 2016	Market Value	Share of Total Assets
	\$ m	%		\$ m	%
Banks	919.9	33.6	Westpac Banking Corporation	318.5	11.6
Consumer staples	256.9	9.4	Commonwealth Bank of Australia	228.2	8.3
Energy (includes W H Soul Pattinson)	195.9	7.2	W H Soul Pattinson	145.9	5.3
Diversified financials	192.0	7.0	National Australia Bank	133.2	4.9
Insurance	121.6	4.4	Wesfarmers Limited	116.3	4.3
Metals and mining	115.5	4.2	ANZ Banking Group	93.8	3.4
Telecommunication	102.8	3.8	BHP Billiton	83.9	3.1
Healthcare	95.2	3.5	Bank of Queensland	76.4	2.8
Retailing	94.2	3.4	Telstra Corporation	74.6	2.7
Construction materials	77.1	2.8	Woolworths Limited	68.7	2.5
Real estate	72.1	2.6	Bendigo and Adelaide Bank	63.5	2.3
Transport	69.8	2.6	Perpetual Limited	61.2	2.2
Utilities	67.7	2.5	CSL Limited	59.5	2.2
Commercial services	63.5	2.3	AP Eagers	57.2	2.1
Other materials	48.4	1.9	Macquarie Group	51.9	1.9
Capital goods	37.5	1.3	AGL Energy	51.7	1.9
Other shares	59.5	2.2	Brickworks Limited	43.6	1.6
Total investment portfolio	2,589.6	94.7	Blackmores Limited	41.1	1.5
Cash	106.7	3.9	Suncorp Group	39.5	1.4
Other assets	38.8	1.4	ALS Limited	37.9	1.4
Total assets	2,735.1	100.0	Total Top 20	1,846.6	67.4

Low MER

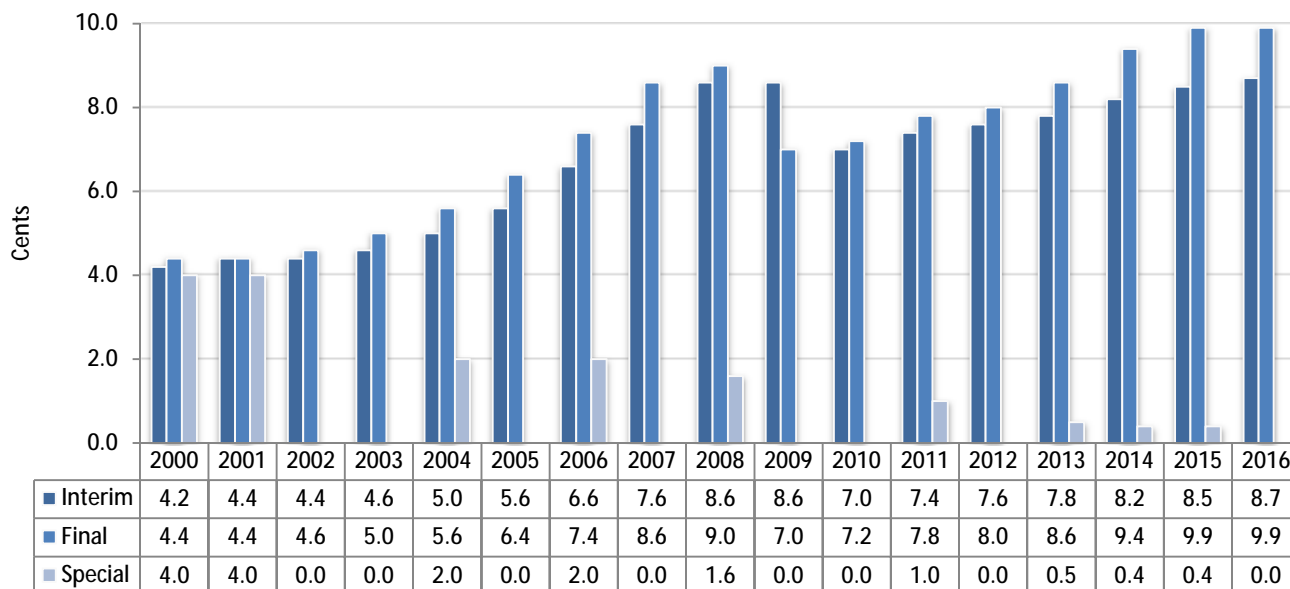
Milton’s total operating costs represented 0.13% of average total assets for the year to 30 June 2016.

PERFORMANCE HISTORY

Dividend History

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.



Total Returns to 31 October 2016

Milton has delivered strong total returns relative to the accumulation return of the All Ordinaries Index

Milton's total returns are net of tax paid and expenses and no adjustment has been made for the franking benefits attached to the fully franked dividends paid.

The Accumulation return of the All Ordinaries is unaffected by tax or expenses and no adjustment has been made for the franking benefits attached to the partially franked dividends paid.

