

Monthly net tangible asset (NTA) backing per share and top 25 investments as at 31 May 2021

	Before Tax*	After Tax*
31 May 2021	\$7.22	\$6.03
30 April 2021	\$7.06	\$5.91

* The before and after tax numbers relate to the provision for deferred tax on the unrealised gains in the Company's investment portfolio. The Company is a long term investor and does not intend disposing of its total long term investment portfolio. Under current Accounting Standards, the Company is required to provide for tax on any gains that may arise on such a theoretical disposal, after the utilisation of brought forward losses.

Key facts

Investment objectives: AFIC aims to provide shareholders with attractive investment returns through access to a growing stream of fully franked dividends and enhancement of capital invested over the medium to long term.

Benchmark: S&P/ASX 200 Accumulation Index.

Size of portfolio: \$8.8 billion at 31 May 2021.

Management cost: 0.13 per cent, no performance fees.

Investment style: Long-term, fundamental, bottom-up.

Suggested investment period: Five years to 10 years or longer.

Net asset backing: released every month with top 25 investments.

Listed on ASX and NZX: code AFI.

Key benefits

Diversified portfolio primarily of ASX-listed Australian equities.

Tax-effective income via fully franked dividends.

Consistent after tax paid investment returns achieved over the long term.

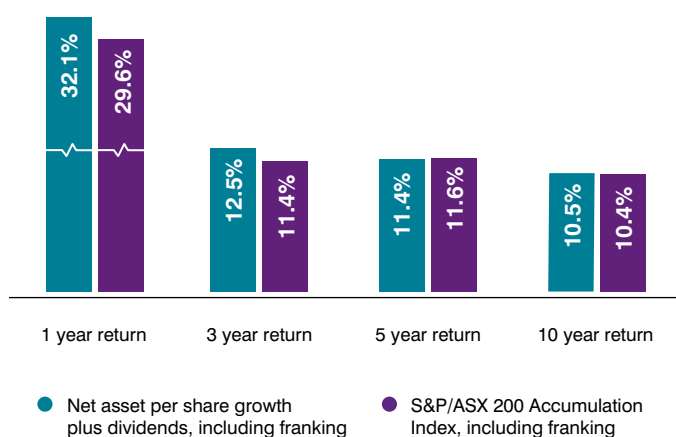
Professional management and an experienced Board, investment and management team.

Low-cost investing.

Ease of investing, transparent ASX pricing, good liquidity in shares.

Shareholder meetings on a regular basis.

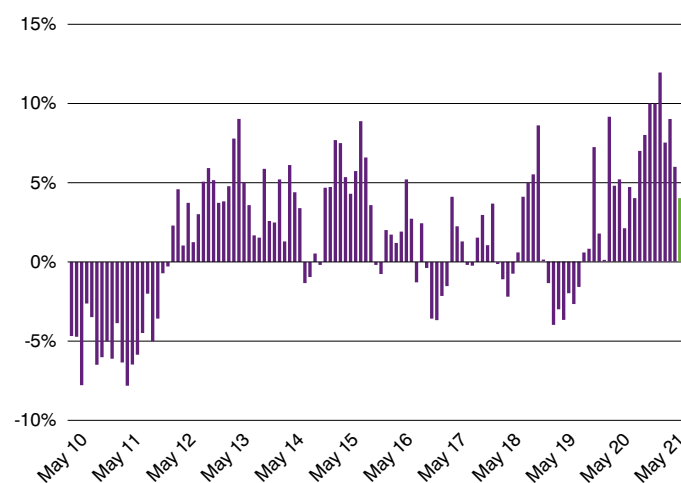
Portfolio performance percentage per annum-periods ending 31 May 2021*



* Assumes an investor can take full advantage of the franking credits. AFIC's portfolio return is also calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that Index returns for the market do not include management expenses or tax.

Past performance is not indicative of future performance.

Share price premium/discount to NTA



Release authorised by Matthew Rowe, Company Secretary

Australian Foundation Investment Company Limited (AFIC) – ABN 56 004 147 120

Level 21, 101 Collins Street, Melbourne Victoria 3000
(03) 9650 9911 | invest@afi.com.au | afi.com.au

Share Registrar
Computershare Investor Services Pty Ltd
investorcentre.com.au

1300 662 270 (in Australia)
+61 3 9415 4373 (outside Australia)

Market commentary

The Australian equity market posted moderate gains over the month of May with the S&P/ASX 200 Accumulation Index up 2.3 per cent over the period. As anticipated the RBA maintained interest rates at record lows, with the balance between economic recovery and inflation concerns being key themes for the equity market over May.

The banks continued their recent strong performance with the sector up 7.3 per cent over the month. The Consumer Discretionary and Health Sectors provided the next strongest returns, both up 3.5 per cent over the period. The largest falls for May were in Information Technology, down 9.9 per cent, as investors cycled out of highly priced growth stocks into other sectors. Utilities were down 6.6 per cent over this period.

As first signalled at the AGM in October 2020, a small part of our funds, \$45 million (which represents approximately 0.52 per cent of the portfolio) has been invested into a diversified global equities portfolio during May. This consists of what we have assessed as high-quality companies with strong competitive advantage, good growth potential and across a broad range of industries.

For more information visit our website: afi.com.au

Portfolio facts

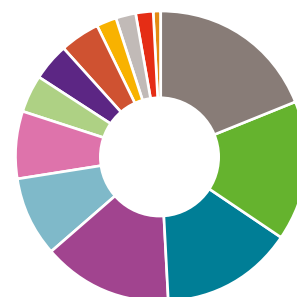
Top 25 investments valued at closing prices at 31 May 2021

	Total Value \$ Million	% of Portfolio
1 Commonwealth Bank of Australia	787.8	9.1
2 BHP Group	641.8	7.4
3 CSL	634.2	7.3
4 Westpac Banking Corporation	410.7	4.7
5 Wesfarmers	408.3	4.7
6 Macquarie Group	335.2	3.9
7 Transurban Group	331.3	3.8
8 National Australia Bank	300.6	3.5
9 Woolworths Group	267.0	3.1
10 Australia and New Zealand Banking Group	243.7	2.8
11 Mainfreight	233.2	2.7
12 Rio Tinto	230.4	2.7
13 James Hardie Industries	197.3	2.3
14 Telstra Corporation	191.9	2.2
15 Amcor	178.3	2.1
16 Reece	152.1	1.8
17 Sydney Airport	150.3	1.7
18 ARB Corporation	149.0	1.7
19 Goodman Group	129.9	1.5
20 Sonic Healthcare	128.9	1.5
21 Ramsay Health Care	121.6	1.4
22 Seek	118.1	1.4
23 Coles Group	117.1	1.3
24 Carsales.com	116.8	1.3
25 Xero	115.5	1.3
Total	6,691.0	

As percentage of total portfolio value (excludes cash)

77.1%

Investment by sector at 31 May 2021



- Banks **19.8%**
- Industrials **15.8%**
- Materials **14.5%**
- Healthcare **14.4%**
- Other Financials **8.7%**
- Consumer Discretionary **7.5%**
- Communication Services **4.6%**
- Consumer Staples **4.4%**
- Information Technology **4.4%**
- Real Estate **2.0%**
- Energy **1.9%**
- Cash **1.3%**
- Utilities **0.7%**

Important Information

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