

Monthly net tangible asset (NTA) backing per share and top 25 investments as at 31 May 2022

	Before Tax*	After Tax*
31 May 2022	\$7.14	\$6.04
30 April 2022	\$7.39	\$6.19

* 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 2022.

Management cost: 0.14 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.

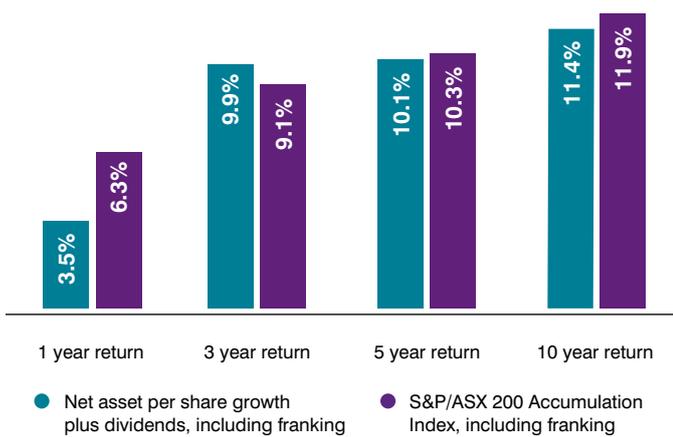
Professional management and an experienced Board, investment and management team.

Low-cost investing.

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

Shareholder meetings on a regular basis.

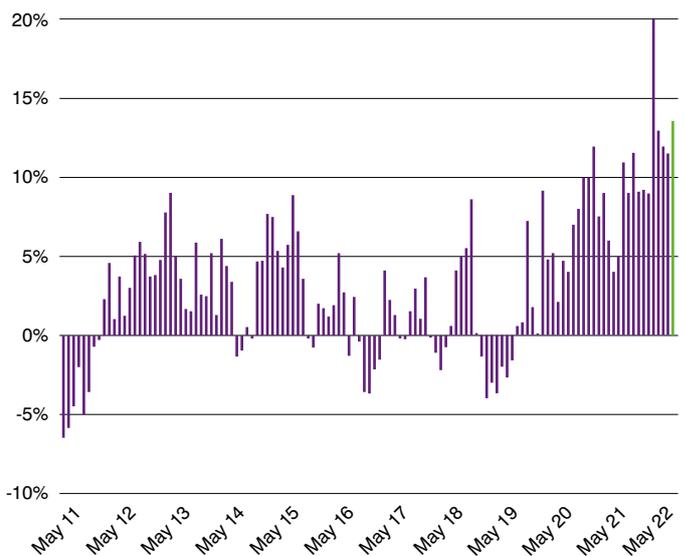
Portfolio performance percentage per annum-periods ending 31 May 2022*



* 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

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Market commentary

The S&P/ASX 200 Accumulation Index was down 2.6 per cent over the month of May, as key issues such as inflation, associated rising interest rates and geopolitical concerns continued to drive negative investment sentiment. During the month the RBA lifted the official cash rate +25bps to 0.35 per cent on the back of rising inflation.

Rising interest rates have continued to impact companies with previous high valuations. In particular, the Information Technology sector declined 8.7 per cent over the month which has meant a decline in this sector of 29.4 per cent over the 12 months to 31 May 2022. Other sectors to fall markedly over the month were Real Estate, down 8.9 per cent, Consumer Staples, down 6.6 per cent, Communication Services, down 6.5 per cent and Consumer Discretionary, down 5.2 per cent.

Sectors which have produced strong returns over the year to 31 May 2022 had a pause in performance over May. The Energy Sector, which is up 30.9 per cent over the 12 months declined 0.7 per cent over the month. Similarly, the Utilities Sector which is up 24.5 per cent over the 12-month period, declined 0.2 per cent in May.

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

Portfolio facts

Top 25 investments valued at closing prices at 31 May 2022

	Total Value \$ Million	% of Portfolio
1 Commonwealth Bank of Australia	824.4	9.6
2 CSL	644.6	7.5
3 BHP Group	621.2	7.2
4 Transurban Group	413.7	4.8
5 Macquarie Group	410.4	4.8
6 Westpac Banking Corporation	371.1	4.3
7 National Australia Bank	348.7	4.0
8 Wesfarmers	347.9	4.0
9 Woolworths Group	248.6	2.9
10 Mainfreight	225.3	2.6
11 Rio Tinto	213.1	2.5
12 Amcor	212.6	2.5
13 Australia and New Zealand Banking Group	212.5	2.5
14 Telstra Corporation	188.9	2.2
15 Goodman Group	181.6	2.1
16 James Hardie Industries	176.7	2.1
17 Coles Group	158.2	1.8
18 ResMed	138.6	1.6
19 Sonic Healthcare	135.8	1.6
20 Carsales.com	132.6	1.5
21 Ramsay Health Care	123.7	1.4
22 ASX	115.7	1.3
23 Reece	115.4	1.3
24 ARB Corporation	111.2	1.3
25 Brambles	101.0	1.2
Total	6,773.6	

As percentage of total portfolio value (excludes cash)

78.7%

Investment by sector at 31 May 2022



- Banks **20.1%**
- Healthcare **14.5%**
- Materials **14.3%**
- Industrials **12.6%**
- Other Financials **9.3%**
- Consumer Discretionary **7.4%**
- Communication Services **5.5%**
- Consumer Staples **4.8%**
- Information Technology **4.4%**
- Real Estate **3.2%**
- Energy **2.2%**
- Cash **1.7%**

Important Information

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