

Monthly net tangible asset (NTA) backing per share and top 25 investments as at 31 July 2017

	Before Tax*	After Tax*
31 July 2017	\$5.87	\$5.06
30 June 2017	\$5.89	\$5.07

* 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.

July and June figures are before the provision for the final dividend of 14 cents per share.

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: \$6.9 billion at 31 July 2017.

Management cost: 0.14 per cent, no performance fees.

Investment style: Active, fundamental, bottom-up, value.

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.

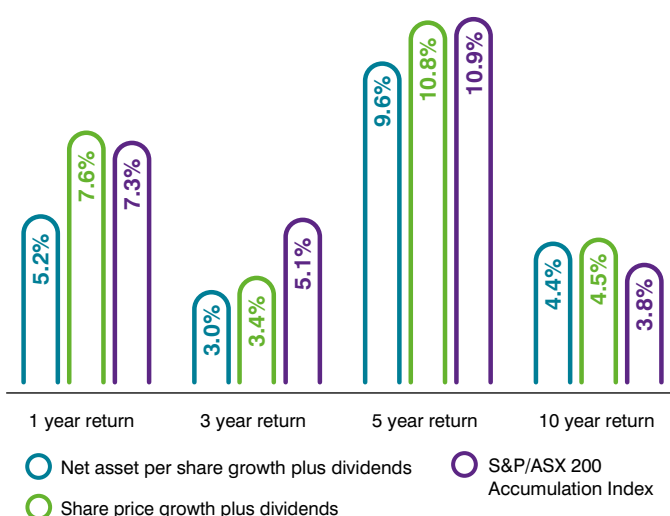
Professional management and an experienced Board, investment and management team.

Low-cost investing.

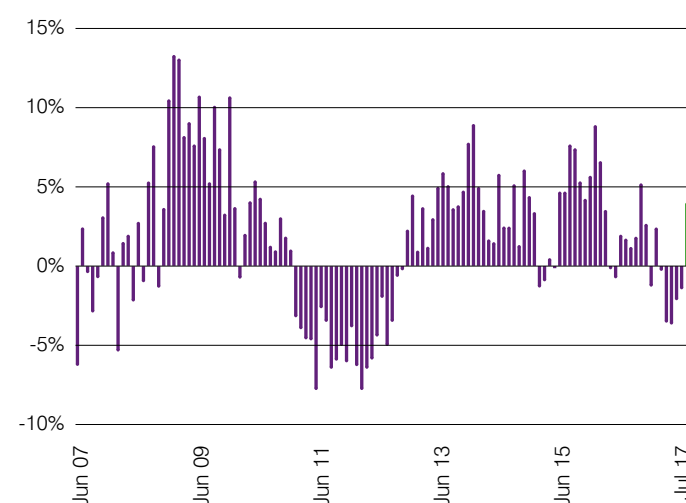
Ease of investing, transparent ASX pricing, good liquidity in shares.

Shareholder meetings on a regular basis.

Portfolio performance percentage per annum-periods ending 31 July 2017



Share price premium/discount to NTA



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 350 760 (in Australia)
+61 3 9415 4296 (outside Australia)

Market commentary

The S&P/ASX 200 Accumulation Index was flat over the month of July 2017 (down 0.1 per cent). However, within this change there were some marked differences in sector performance.

The resources sector was up 5.0 per cent as there was a rebound in the iron ore price with BHP reaching a five month high. The banks improved 2.3 per cent as initial concerns about additional capital requirements were allayed as APRA announced changes which allowed for compliance to be achieved over an extended period of time, ending 2020.

The biggest falls over the month of July were in Healthcare, down 7.5 per cent and Telecommunication Services which were down 4.3 per cent. Telstra was down 4.3 per cent over this period.

The REIT sector was flat over the month.

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

Portfolio facts

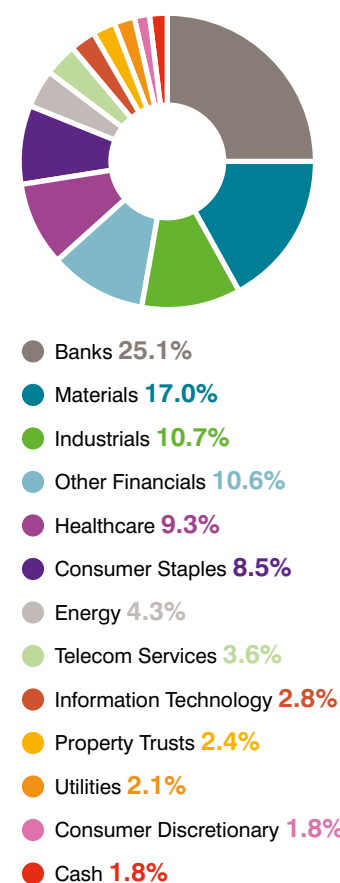
Top 25 investments valued at closing prices at 31 July 2017

	Total Value \$ Million	% of Portfolio
1 Commonwealth Bank of Australia	661.5	9.8
2 Westpac Banking Corporation	494.6	7.3
3 BHP*	364.8	5.4
4 National Australia Bank*	298.5	4.4
5 Wesfarmers	273.8	4.0
6 Australia and New Zealand Banking Group	251.5	3.7
7 Rio Tinto	240.2	3.5
8 CSL*	222.6	3.3
9 Telstra Corporation	215.0	3.2
10 Transurban Group	209.2	3.1
11 Amcor	188.7	2.8
12 Woolworths	135.2	2.0
13 Brambles*	124.1	1.8
14 Oil Search	109.4	1.6
15 AMP	108.3	1.6
16 AGL Energy	103.8	1.5
17 Ramsay Health Care	99.9	1.5
18 Woodside Petroleum	95.8	1.4
19 QBE Insurance Group*	93.3	1.4
20 Qube Holdings	93.0	1.4
21 Treasury Wine Estates*	83.7	1.2
22 Incitec Pivot*	69.4	1.0
23 ALS	68.3	1.0
24 Computershare	65.6	1.0
25 Mainfreight	64.8	1.0
Total	4,735.0	

As percentage of total portfolio value (excludes cash) **69.9%**

* Indicates that options were outstanding against part of the holding.

Investment by sector at 31 July 2017



Important Information

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