

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

|                   | Before Tax* | After Tax* |
|-------------------|-------------|------------|
| 31 October 2017   | \$5.95      | \$5.09     |
| 30 September 2017 | \$5.73      | \$4.94     |

\* 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:** \$7.0 billion at 31 October 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.

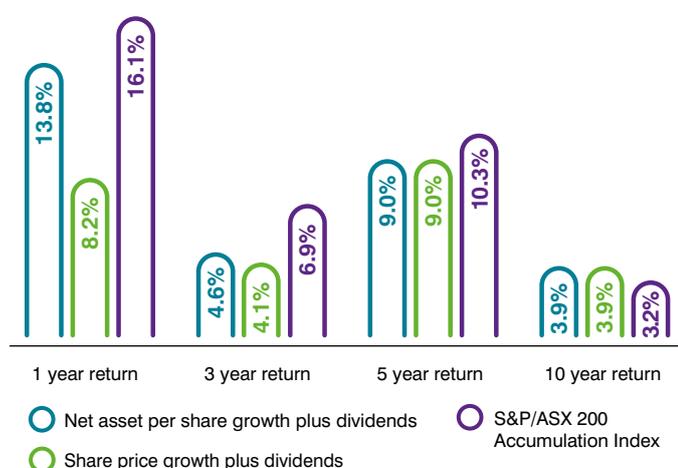
**Professional** management and an experienced Board, investment and management team.

**Low-cost** investing.

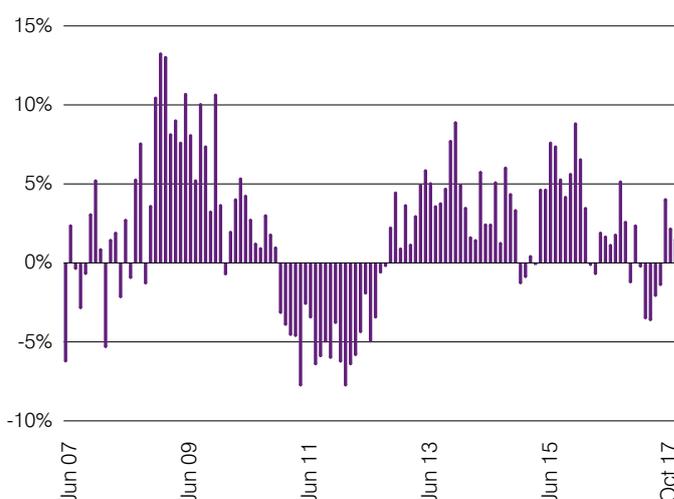
**Ease of investing**, transparent ASX pricing, good liquidity in shares.

**Shareholder meetings** on a regular basis.

### Portfolio performance percentage per annum-periods ending 31 October 2017



### Share price premium/discount to NTA



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## Market commentary

The S&P/ASX 200 Accumulation Index was very strong over the month, up 4.0 per cent for October 2017 as the Australian market followed global markets higher.

All sectors finished the month higher with Information Technology leading the way, up 8.7 per cent.

Energy stocks were up 6.5 per cent, following the moves higher in crude oil prices. The materials sector continued to show strength, up 4.5 per cent with Copper, Gold and Nickel all up on the month; although Iron Ore had lagged a little.

Real estate was the worst performing sector, up 2.3 per cent over the month. Other sectors lower than the average market rise were Telecommunication Services (up 2.4 per cent) and Financials (up 3.2 per cent).

## Portfolio facts

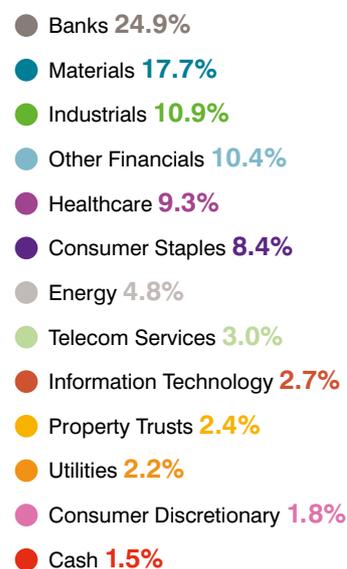
### Top 25 investments valued at closing prices at 31 October 2017

|   | Total Value<br>\$ Million | % of<br>Portfolio |
|---|---------------------------|-------------------|
| 1 Commonwealth Bank of Australia          | 613.3                     | 8.9               |
| 2 Westpac Banking Corporation             | 512.8                     | 7.4               |
| 3 BHP*                                    | 374.5                     | 5.4               |
| 4 National Australia Bank*                | 325.5                     | 4.7               |
| 5 Wesfarmers                              | 281.0                     | 4.1               |
| 6 CSL*                                    | 258.1                     | 3.7               |
| 7 Australia and New Zealand Banking Group | 254.0                     | 3.7               |
| 8 Rio Tinto                               | 253.6                     | 3.7               |
| 9 Transurban Group                        | 222.4                     | 3.2               |
| 10 Amcor                                  | 194.8                     | 2.8               |
| 11 Telstra Corporation                    | 185.7                     | 2.7               |
| 12 Woolworths                             | 133.7                     | 1.9               |
| 13 Brambles*                              | 127.2                     | 1.8               |
| 14 Oil Search                             | 121.6                     | 1.8               |
| 15 AGL Energy                             | 108.8                     | 1.6               |
| 16 Treasury Wine Estates*                 | 107.0                     | 1.5               |
| 17 Woodside Petroleum                     | 100.9                     | 1.5               |
| 18 AMP                                    | 99.9                      | 1.4               |
| 19 Ramsay Health Care                     | 94.7                      | 1.4               |
| 20 Macquarie Group*                       | 93.4                      | 1.3               |
| 21 Qube Holdings                          | 89.9                      | 1.3               |
| 22 Computershare                          | 72.6                      | 1.0               |
| 23 James Hardie Industries*               | 72.1                      | 1.0               |
| 24 ALS                                    | 72.1                      | 1.0               |
| 25 QBE Insurance Group*                   | 65.5                      | 0.9               |
| <b>Total</b>                              | <b>4,834.9</b>            |                   |

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 October 2017



### Important Information

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