

Monthly net tangible asset (NTA) backing per share and top 25 investments as at 31 August 2018

	Before Tax*	After Tax*
31 August 2018 Ex Div	\$6.29	\$5.34
31 July 2018 Cum Div	\$6.34	\$5.40

The August 2018 figures are after the payment of the final dividend of 14 cents per share while the July figures are before the provision for the dividend.

* 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: \$7.5 billion at 31 August 2018.

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.

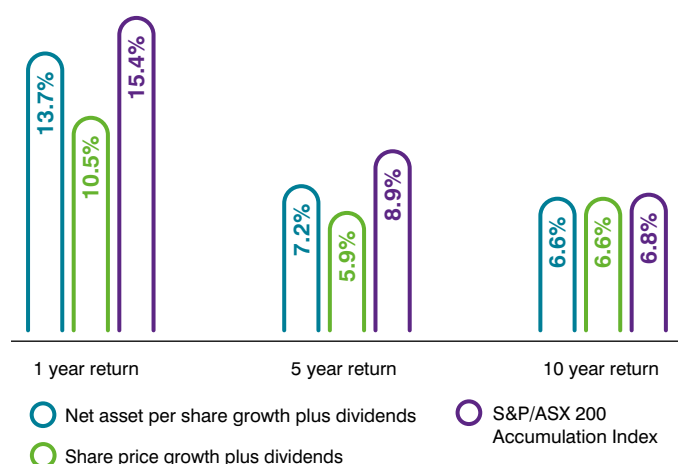
Professional management and an experienced Board, investment and management team.

Low-cost investing.

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

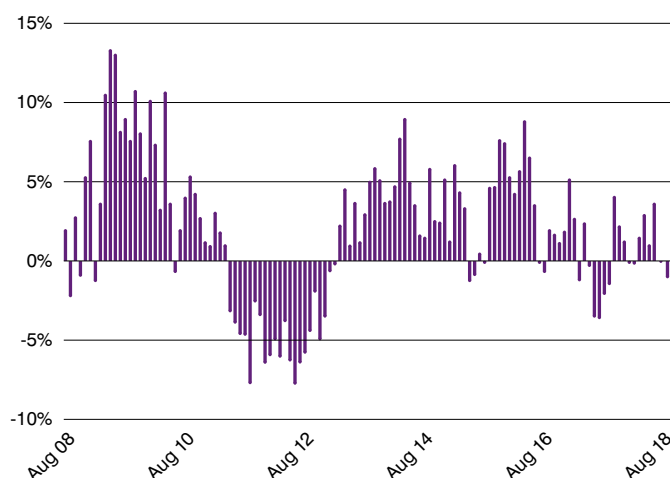
Shareholder meetings on a regular basis.

Portfolio performance percentage per annum-periods ending 31 August 2018



Past performance is not indicative of future performance. Portfolio performance is after expenses and tax paid whereas the Index does not have expenses or tax.

Share price premium/discount to NTA



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Market commentary

The S&P/ASX 200 Accumulation Index was up 1.4 per cent over the month. The announcement of the proposed merger between TPG Telecom and Vodafone, led to a very strong performance from telecommunication services which was up 13.1 per cent over August. The other sectors to generate strong returns over the month were information technology (+12.9 per cent) and healthcare (+10.7 per cent).

In contrast to these increases, resources were down 4.4 per cent as continued discussions around trade tariffs impacted global sentiment and commodity prices. The other major part of the market, the banking sector, was down 1.2 per cent as the implications of the bank inquiry continued to dampen growth expectations for the sector.

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

Portfolio facts

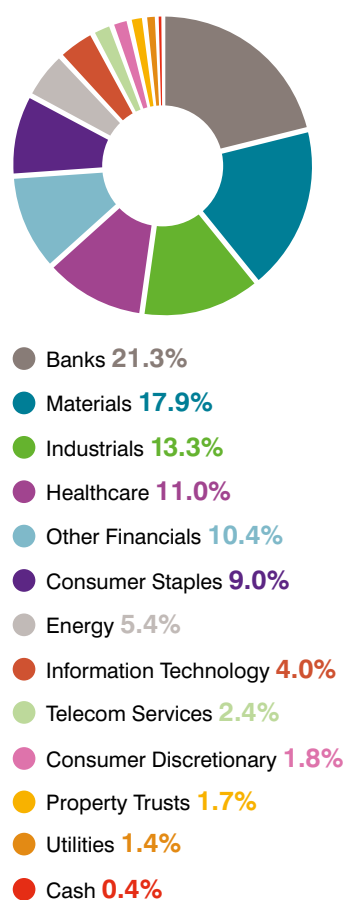
Top 25 investments valued at closing prices at 31 August 2018

	Total Value \$ Million	% of Portfolio
1 Commonwealth Bank of Australia	562.8	7.6
2 BHP	468.0	6.3
3 Westpac Banking Corporation	443.7	6.0
4 CSL*	438.3	5.9
5 Wesfarmers	345.9	4.7
6 National Australia Bank	265.0	3.6
7 Australia and New Zealand Banking Group	250.4	3.4
8 Rio Tinto	245.3	3.3
9 Transurban Group	239.1	3.2
10 Macquarie Group	230.7	3.1
11 Woolworths Group*	183.3	2.5
12 Amcor	179.1	2.4
13 Oil Search	147.7	2.0
14 Woodside Petroleum*	136.7	1.8
15 Brambles	133.2	1.8
16 Telstra Corporation	124.5	1.7
17 Sydney Airport*	120.4	1.6
18 Treasury Wine Estates	106.1	1.4
19 James Hardie Industries	98.4	1.3
20 Qube Holdings	96.5	1.3
21 Computershare	89.6	1.2
22 Sonic Healthcare*	87.3	1.2
23 Seek*	82.2	1.1
24 Ramsay Health Care	78.8	1.1
25 Mainfreight	77.4	1.0
Total	5,230.4	

As percentage of total portfolio value (excludes cash) **70.4%**

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

Investment by sector at 31 August 2018



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