

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

	Before Tax*	After Tax*
31 October 2018	\$5.82	\$5.03
30 September 2018	\$6.20	\$5.30

* 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 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.

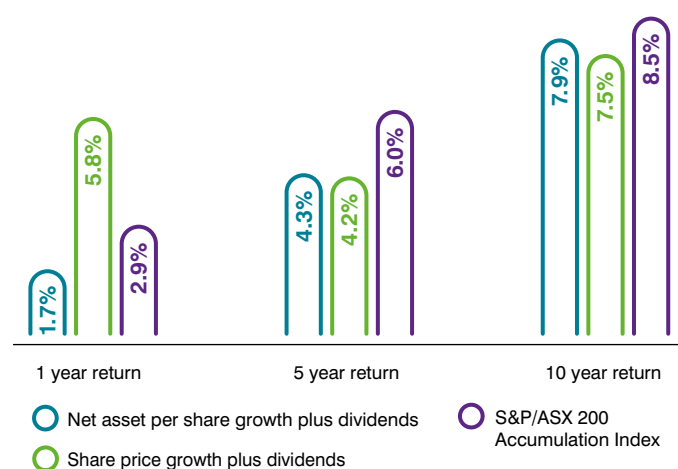
Professional management and an experienced Board, investment and management team.

Low-cost investing.

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

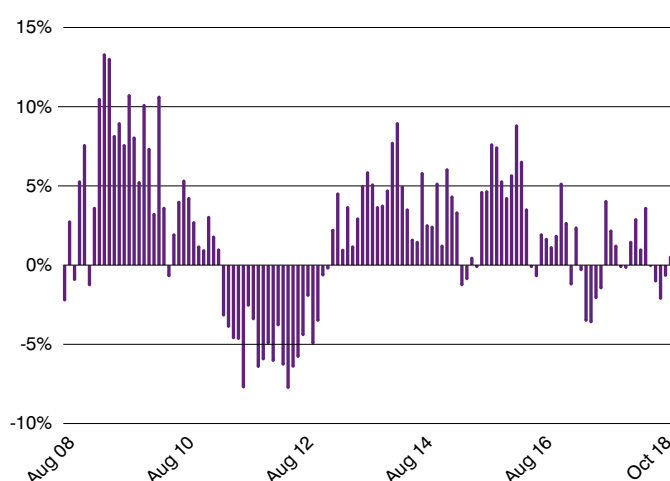
Shareholder meetings on a regular basis.

Portfolio performance percentage per annum-periods ending 31 October 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 down sharply over the month as many growth companies, which had been previously trading on very high valuations, were marked down significantly as investors reassessed these valuations as interest rates started to rise in the US. Concerns about high valuations were further exacerbated by continued hostile trade discussions between the US and China. As a result, the S&P/ASX 200 Accumulation Index was down 6.1% in October. Large falls were evident in previously very strong sectors: Information Technology (down 11.2%, although up 17.7% over the year to end October), Energy (down 10.5%, although up 15.3% over the year) and Healthcare (down 7.0%, although up 23.7% over the year).

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

Portfolio facts

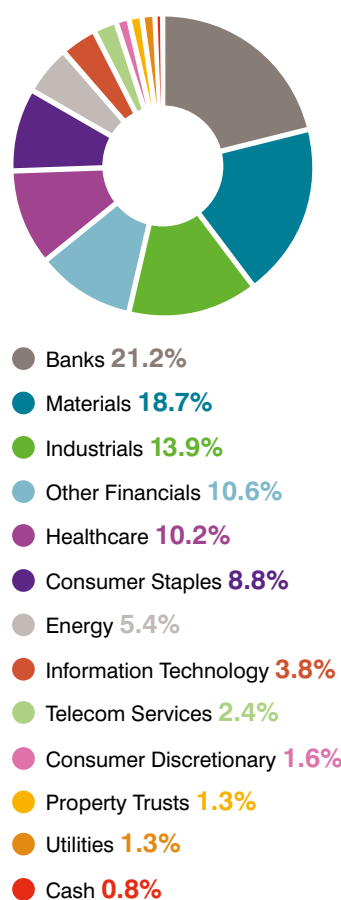
Top 25 investments valued at closing prices at 31 October 2018

	Total Value \$ Million	% of Portfolio
1 Commonwealth Bank of Australia	546.9	7.9
2 BHP*	453.9	6.6
3 Westpac Banking Corporation	417.4	6.0
4 CSL	361.0	5.2
5 Wesfarmers	313.4	4.5
6 Transurban Group*	263.9	3.8
7 Rio Tinto	255.1	3.7
8 National Australia Bank	235.5	3.4
9 Australia and New Zealand Banking Group	220.1	3.2
10 Macquarie Group	208.9	3.0
11 Woolworths Group*	184.2	2.7
12 Amcor	166.6	2.4
13 Woodside Petroleum*	134.3	1.9
14 Brambles	128.9	1.9
15 Oil Search	128.1	1.9
16 Telstra Corporation	123.7	1.8
17 Sydney Airport*	112.5	1.6
18 James Hardie Industries	98.9	1.4
19 Computershare	92.1	1.3
20 Qube Holdings	85.7	1.2
21 Ramsay Health Care*	84.6	1.2
22 Treasury Wine Estates	82.4	1.2
23 Mainfreight	78.2	1.1
24 Sonic Healthcare*	75.4	1.1
25 ResMed*	71.2	1.0
Total	4,922.9	

As percentage of total portfolio value (excludes cash) 71.2%

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

Investment by sector at 31 October 2018



Important Information

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