

Monthly net tangible asset (NTA) backing per share and top 25 investments as at 31 August 2019

	Before Tax*	After Tax*
31 August 2019 Ex Div	\$6.35	\$5.41
31 July 2019 Cum Div	\$6.64	\$5.63

The August 2019 figures are after the payment of the final dividend of 14.0 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: \$7.6 billion at 31 August 2019.

Management cost: 0.13 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.

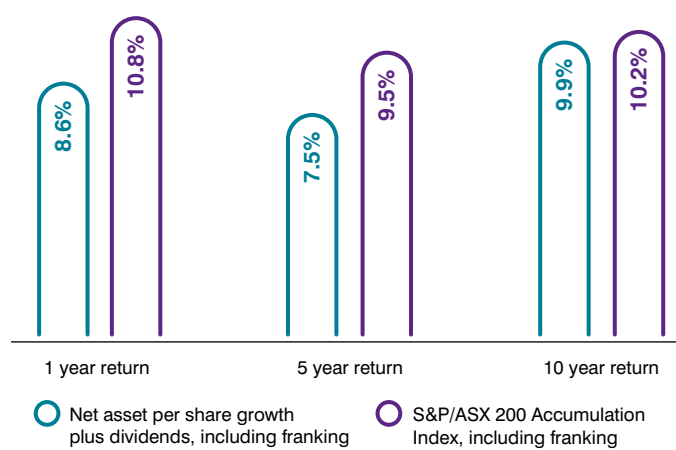
Professional management and an experienced Board, investment and management team.

Low-cost investing.

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

Shareholder meetings on a regular basis.

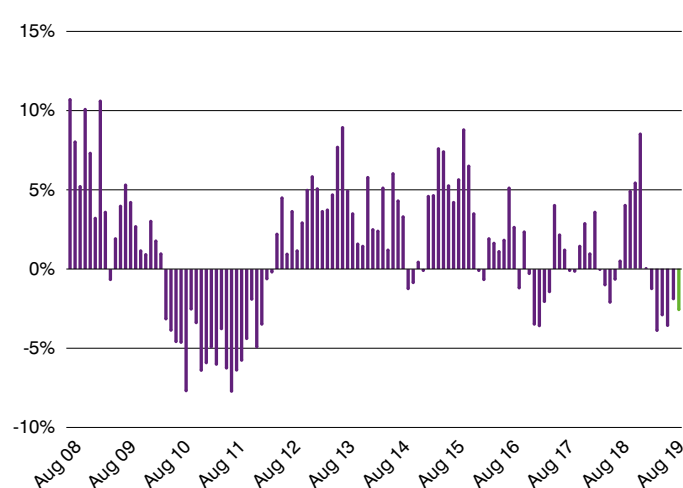
Portfolio performance percentage per annum-periods ending 31 August 2019*



* 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



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Market commentary

The S&P/ASX 200 declined 2.4 per cent in August, the first monthly decline in 2019. August marked reporting season for the majority of ASX 200 listed companies. Overall, results were slightly below market expectations with defensive sectors outperforming the broader market. High quality industrial companies continued to rise, supported by strong results.

The strongest sectors for the month were Healthcare (up 3.6 per cent) and Real Estate (up 2.3 per cent) with the laggards being Materials (down 7.5 per cent), Energy (down 5.6 per cent) and Utilities (down 3.0 per cent).

The escalating trade war dispute weighed on commodity prices in August with Iron Ore down 24.3 per cent, Copper down 4.2 per cent and Oil down 7.7 per cent.

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

Portfolio facts

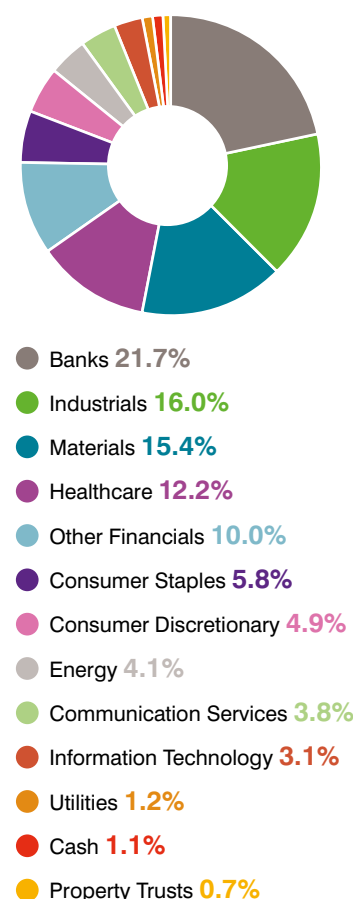
Top 25 investments valued at closing prices at 30 August 2019

	Total Value \$ Million	% of Portfolio
1 Commonwealth Bank of Australia	624.5	8.3
2 CSL	504.5	6.7
3 BHP*	489.2	6.5
4 Westpac Banking Corporation	438.7	5.8
5 National Australia Bank*	348.8	4.6
6 Transurban Group	342.2	4.5
7 Wesfarmers	267.7	3.5
8 Macquarie Group	264.2	3.5
9 Australia and New Zealand Banking Group*	245.6	3.2
10 Woolworths Group	214.0	2.8
11 Amcor	181.1	2.4
12 Rio Tinto	170.4	2.3
13 Sydney Airport	161.3	2.1
14 Telstra Corporation	149.5	2.0
15 Woodside Petroleum*	139.7	1.8
16 Brambles	137.2	1.8
17 James Hardie Industries	136.8	1.8
18 Mainfreight	123.6	1.6
19 Oil Search*	121.8	1.6
20 Sonic Healthcare	114.4	1.5
21 Qube Holdings	112.2	1.5
22 Ramsay Health Care	104.0	1.4
23 Treasury Wine Estates	102.1	1.4
24 Coles Group*	100.7	1.3
25 Seek	89.9	1.2
Total	5,684.0	

As percentage of total portfolio value (excludes cash) 75.2%

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

Investment by sector at 31 August 2019



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