

Monthly net tangible asset (NTA) backing per share and top 25 investments as at 31 May 2020

	Before Tax*	After Tax*
31 May 2020	\$5.77	\$5.02
30 April 2020	\$5.54	\$4.85

* 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 May 2020.

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.

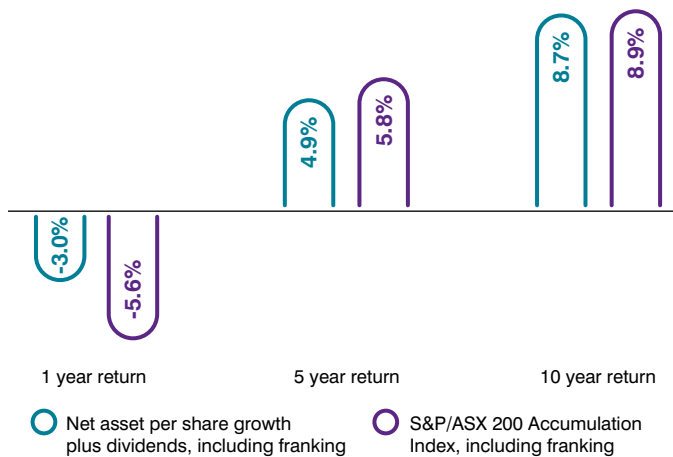
Professional management and an experienced Board, investment and management team.

Low-cost investing.

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

Shareholder meetings on a regular basis.

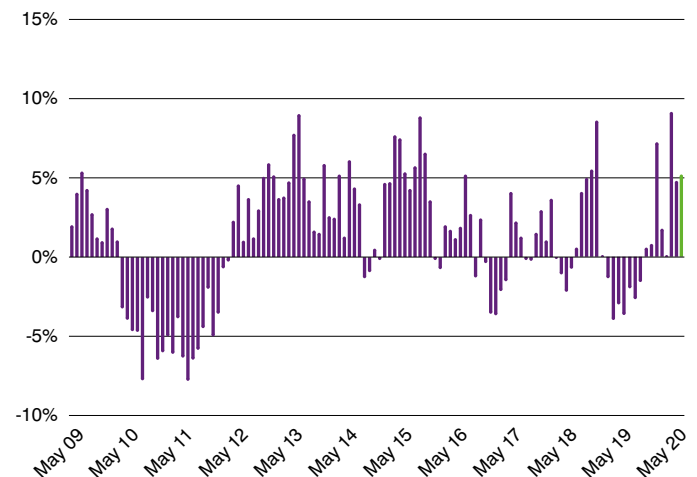
Portfolio performance percentage per annum-periods ending 31 May 2020*



* 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



Release authorised by Matthew Rowe, Company Secretary

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Market commentary

Australian equities improved steadily throughout May, following on from the improved performance in April, with the S&P/ASX 200 Accumulation Index up 4.4% over the month as the reopening of the economy took some of the focus away from the Coronavirus epidemic that has shaken markets since February. This improvement in market sentiment was despite ongoing trade tensions between the US and China and further economic threats by the US because of the outbreak of the Coronavirus.

A number of sectors were up strongly over the period, with the strongest being Information Technology (up 14.5%), Communication Services (up 8.4%) and Materials (up 8.1%). In contrast, Healthcare fell 5.3% for the month, but has been the stand out performer over the 12 months to 31 May delivering a positive return of 28.2%. The bank sector, which has been under extreme pressure, experienced a slight rebound over the month and was up 4.2%, although is down 27.1% over the year to the end of May.

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

Portfolio facts

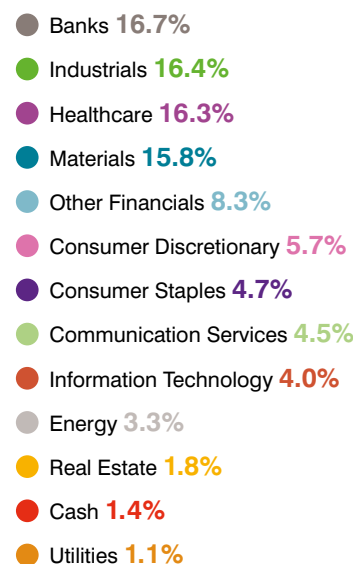
Top 25 investments valued at closing prices at 29 May 2020

	Total Value \$ Million	% of Portfolio
1 CSL	585.7	8.5
2 Commonwealth Bank of Australia	503.6	7.3
3 BHP Group*	482.4	7.0
4 Transurban Group	330.6	4.8
5 Wesfarmers	297.6	4.3
6 Westpac Banking Corporation	275.3	4.0
7 Macquarie Group	238.6	3.5
8 National Australia Bank	230.1	3.3
9 Woolworths Group	200.3	2.9
10 Rio Tinto	186.7	2.7
11 Amcor	179.5	2.6
12 Telstra Corporation*	176.6	2.6
13 Australia and New Zealand Banking Group	164.4	2.4
14 Ramsay Health Care	141.5	2.0
15 Brambles	141.3	2.0
16 James Hardie Industries	134.6	1.9
17 Sydney Airport	125.4	1.8
18 Mainfreight	121.3	1.8
19 Sonic Healthcare	114.2	1.7
20 Coles Group	108.6	1.6
21 Goodman Group	102.7	1.5
22 Woodside Petroleum	101.1	1.5
23 Fisher & Paykel Healthcare	96.6	1.4
24 Qube Holdings	95.7	1.4
25 Resmed	93.3	1.4
Total	5,227.6	

As percentage of total portfolio value (excludes cash) **75.7%**

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

Investment by sector at 31 May 2020



Important Information

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