

29 July 2020



The Manager  
ASX Market Announcements  
Australian Securities Exchange  
Exchange Centre  
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Sydney NSW 2000

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## Electronic Lodgement

### Australian Foundation Investment Company Limited (AFIC) Results Webcast Presentation

Please find attached the presentation to be given at the Shareholder Teleconference/ Webcast being held today, **Wednesday 29 July 2020 at 4.00 p.m. (AEST)**.

To join the webcast please use the below link (this link is available on the [afi.com.au](http://afi.com.au) website).

**Webcast Link:** Please register for the results webcast [here](#) (This link will open directly in your internet browser).

Alternatively to join via the teleconference, please use the details below:

**Telephone:**            **1800 175 864 (free call within Australia)**  
                                  **1300 212 365 (mobile, free call within Australia)**  
                                  **+61 2 8373 3550 (outside Australia)**  
**Conference ID:**       **7635104**

#### Joining the Conference Call:

1. In the 10 minutes prior to the call start time, call the appropriate dial-in number.
2. Enter the Event Plus passcode 7635104, followed by the pound or # key and leave any information requested after the tone. You will be joined automatically to the conference. During the call you can indicate if you would like to ask a question by pressing (\*1) on your telephone keypad and wait for your name to be announced.

International Dial-In Numbers will be available via the Company's website.

The shareholder presentation material will be available on our website.

ASX Release authorised by the Company Secretary, Matthew Rowe.

**AFIC 2019/20 Results**  
**Shareholder Presentation**  
29 July 2020

**AUSTRALIAN  
FOUNDATION  
INVESTMENT  
COMPANY**

# Disclaimer

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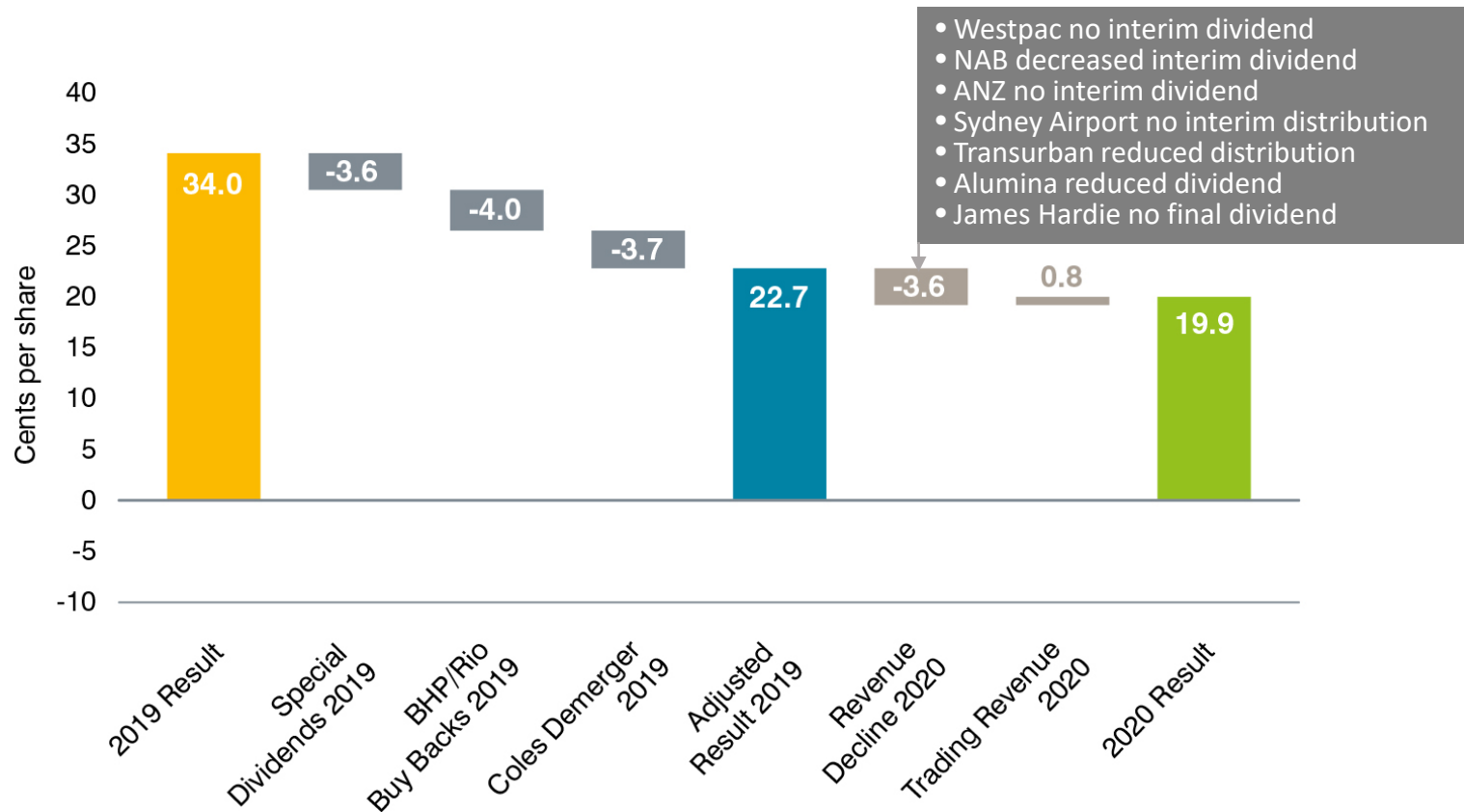
# Result Summary

	2020		
<b>Profit for the Year</b>	\$240.4m		\$406.4m in 2019. Down 40.8%, excluding one-off items in 2019 down 12%.
<b>Fully Franked Dividend</b>	14¢ Final	24¢ Total	32 cents total in 2019 including 8 cent special dividend
<b>Total Shareholder Return</b>	2.9%		Share price plus dividend, including franking*

	2020		
<b>Management Expense Ratio</b>	0.13%		0.13% in 2019
<b>Total Portfolio Return</b>	-3.1% Including franking*		S&P/ASX 200 Accumulation Index including franking* -6.6%
<b>Total Portfolio</b>	\$7.2b		Including cash at 30 June \$7.8 billion in 2019

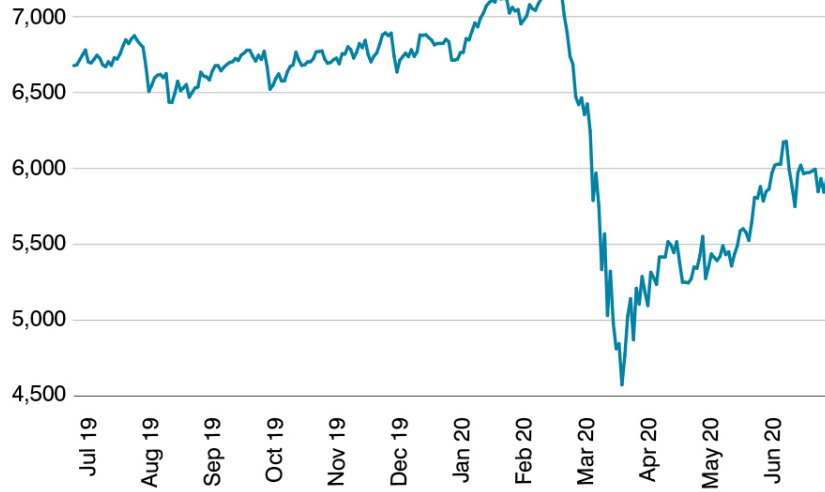
\* Assumes a shareholder can take full advantage of the franking credits.

# Profit per share – changes from full year result in 2019 to 2020

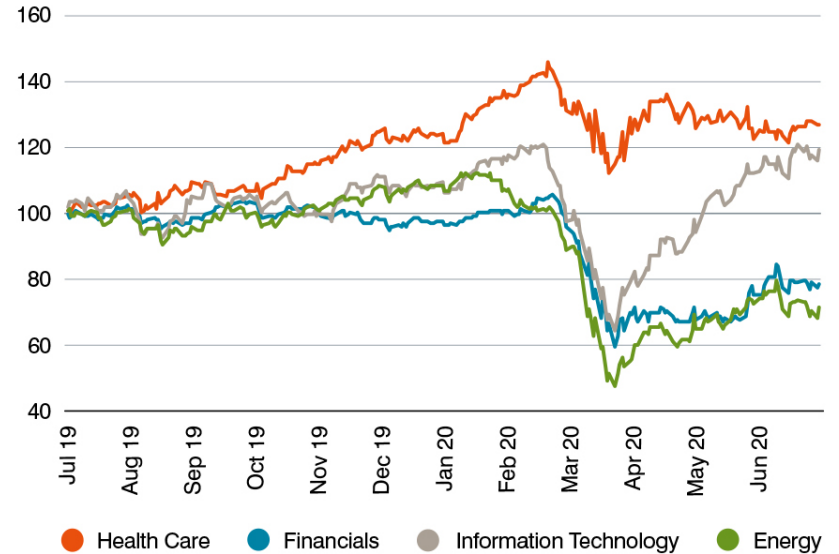


# Market and Selected Sector Performances

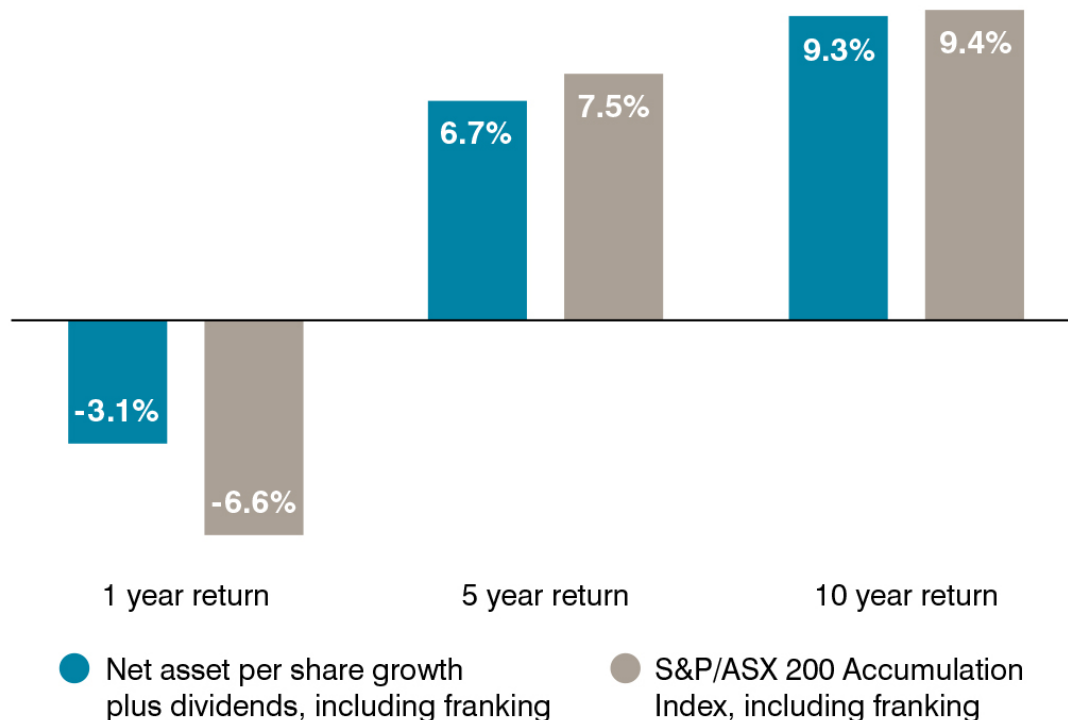
## S&P/ASX 200 Index



## Sector Performance



# Portfolio Performance (including the full benefit of franking and after costs) – per annum returns to 30 June 2020



# Major changes for the year

## Purchases



Cochlear included participation in placement

## Sales



SCENTRE GROUP



Dulux because of a takeover



## Top 40 holdings as at 30 June 2020

Rank	Company	% of Portfolio
1	CSL	8.5%
2	Commonwealth Bank of Australia	7.7%
3	BHP Group*	7.0%
4	Wesfarmers	4.6%
5	Transurban Group	4.6%
6	Westpac Banking Corporation	4.0%
7	Macquarie Group	3.6%
8	National Australia Bank	3.3%
9	Woolworths Group	3.0%
10	Rio Tinto*	2.7%

\* Options were outstanding against part of the holding.

## Top 40 holdings as at 30 June 2020 con't.

Rank	Company	% of Portfolio
11	Amcor	2.5%
12	Australia and New Zealand Banking Group	2.4%
13	Telstra Corporation*	2.4%
14	James Hardie Industries	2.0%
15	Ramsay Health Care	1.9%
16	Brambles	1.9%
17	Sonic Healthcare	1.7%
18	Sydney Airport	1.7%
19	Coles Group	1.7%
20	Mainfreight	1.7%

\* Options were outstanding against part of the holding.

## Top 40 holdings as at 30 June 2020 con't.

Rank	Company	% of Portfolio
21	Fisher & Paykel Healthcare	1.6%
22	Resmed	1.5%
23	Qube Holdings	1.4%
24	Goodman Group	1.4%
25	Woodside Petroleum	1.4%
26	Seek	1.3%
27	ASX	1.3%
28	Carsales.com	1.3%
29	Oil Search	1.2%
30	Xero	1.1%

## Top 40 holdings as at 30 June 2020 con't.

Rank	Company	% of Portfolio
31	NEXTDC	1.1%
32	APA Group	1.0%
33	Reece	1.0%
34	IRESS	0.9%
35	Cochlear	0.9%
36	ARB Corporation	0.9%
37	REA Group	0.8%
38	Computershare	0.8%
39	Cleanaway Waste Management	0.8%
40	Diversified Untied Investment	0.7%

# Closing remarks

- Valuations are high, driven by low interest rates and government stimulus
- Small number of stocks driving these valuations – particularly Information Technology, Healthcare
- Full impact of COVID-19 on company earnings and dividends still to play out
- We believe the portfolio is well positioned given the quality of holdings
- We are content to be patient



Source: FactSet

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