

6 June 2016

The Manager
ASX Market Announcements
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Electronic Lodgement

**Australian Foundation Investment Company Limited
Monthly Net Tangible Asset Backing Per Share and Top 25 Investments**

Dear Sir / Madam

	Before Tax *	After Tax *
31 May 2016	\$5.68	\$4.91
30 April 2016	\$5.55	\$4.81

*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.

These figures do not include the effects of any dilution that would arise from the conversion of the outstanding Convertible Notes.

Attached is a list of the Company's Top 25 Investments as at 31 May 2016.

Yours faithfully



Andrew Porter
Company Secretary

AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED

TOP 25 INVESTMENTS AS AT 31/05/2016

Valued at closing prices at 31 May 2016

			Total Value \$ million
1	CBA	Commonwealth Bank of Australia	616.7
2	WBC	Westpac Banking Corporation	477.2
3	TLS	Telstra Corporation	293.2
4	WES	Wesfarmers	273.1
5	* NAB	National Australia Bank	271.1
6	BHP	BHP Billiton	266.9
7	TCL	Transurban Group	220.9
8	ANZ	Australia and New Zealand Banking Group	216.3
9	AMC	Amcor	200.2
10	CSL	CSL	190.8
11	RIO	Rio Tinto	163.2
12	BXB	Brambles	153.3
13	* OSH	Oil Search	125.7
14	AMP	AMP	113.4
15	WOW	Woolworths	111.0
16	* RHC	Ramsay Health Care	109.9
17	AGL	AGL Energy	103.9
18	* QBE	QBE Insurance Group	97.3
19	* WPL	Woodside Petroleum	94.3
20	HSO	Healthscope	87.0
21	IPL	Incitec Pivot	76.9
22	QUB	Qube Holdings	75.0
23	* TWE	Treasury Wine Estates	71.0
24	TPM	TPG Telecom	65.8
25	* JHX	James Hardie Industries	62.9
			4,537.1
As % of Total Portfolio Value (excludes Cash)			70.2%

* Indicates that options were outstanding against part of the holding