

6 September 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 August 2016 Ex Div	\$5.59	\$4.82
31 July 2016 Cum Div	\$5.82	\$5.01

The August 2016 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.

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 August 2016.

Yours faithfully



Matthew Rowe
Company Secretary

AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED

TOP 25 INVESTMENTS AS AT 31/08/2016

Valued at closing prices at 31 August 2016

			Total Value \$ million
1	CBA	Commonwealth Bank of Australia	567.3
2	WBC	Westpac Banking Corporation	458.0
3	BHP	BHP Billiton	285.8
4	WES	Wesfarmers	285.3
5	TLS	Telstra Corporation	275.9
6	* NAB	National Australia Bank	273.1
7	* ANZ	Australia and New Zealand Banking Group	233.3
8	TCL	Transurban Group	210.1
9	AMC	Amcor	196.8
10	* CSL	CSL	190.3
11	RIO	Rio Tinto	173.8
12	BXB	Brambles	149.9
13	RHC	Ramsay Health Care	123.2
14	WOW	Woolworths	119.0
15	OSH	Oil Search	110.8
16	AMP	AMP	105.7
17	AGL	AGL Energy	103.7
18	WPL	Woodside Petroleum	94.0
19	HSO	Healthscope	91.8
20	QUB	Qube Holdings	80.7
21	QBE	QBE Insurance Group	78.1
22	* TWE	Treasury Wine Estates	77.1
23	TPM	TPG Telecom	65.1
24	* JHX	James Hardie Industries	64.7
25	SCG	Scentre Group	64.4
			4,478.0
As % of Total Portfolio Value (excludes Cash)			69.1%

* Indicates that options were outstanding against part of the holding