

28 July 2025



The Manager  
ASX Market Announcements  
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## Electronic Lodgement

### **Australian Foundation Investment Company Limited Full Yearly Results Webcast Presentation**

Please find attached the presentation to be given at the Shareholder webcast being held today, **Monday 28 July 2025 at 3.30 p.m. (AEST)**

To join the webcast please use the link below (this will be made 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). Questions can be asked through the webcast link.

The shareholder presentation material will be made available through our website [www.afi.com.au](http://www.afi.com.au).

Your faithfully

Matthew Rowe  
Company Secretary

Release authorised by the Company Secretary.

# Full Year Results 2024/25

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July 2025

Income, Capital Growth, Low Cost

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# Agenda

Overview and Investment Objectives	Mark Freeman
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Full Year Results	Andrew Porter
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Markets and the Portfolio	David Grace
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Recent portfolio activity	Winston Chong
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International Portfolio	Mark Freeman
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Outlook	David Grace
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A photograph of a cardboard box on a conveyor belt in a warehouse. The box is brown and rectangular, with a piece of clear tape on its side. It is positioned on a metal conveyor belt that runs horizontally across the frame. In the background, other boxes and the industrial structure of the warehouse are visible but blurred. A white rounded rectangle is overlaid on the left side of the image, containing the text.

## Overview and Investment Objectives

# Our Company

Invests in Australian and New Zealand companies

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Largest listed investment company on the ASX, 150k shareholders, independent Board of Directors

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Shareholders own the 'management rights' to the portfolio

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Management expense ratio of 0.16% with no performance fees

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Long term investor with low turnover (tax effective). Portfolio and share price returns less volatile than the index

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Long history of stable to growing fully franked dividends

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Team manages three other funds – Djerriwarrh, Mirrabooka and AMCIL

## Investment Objectives

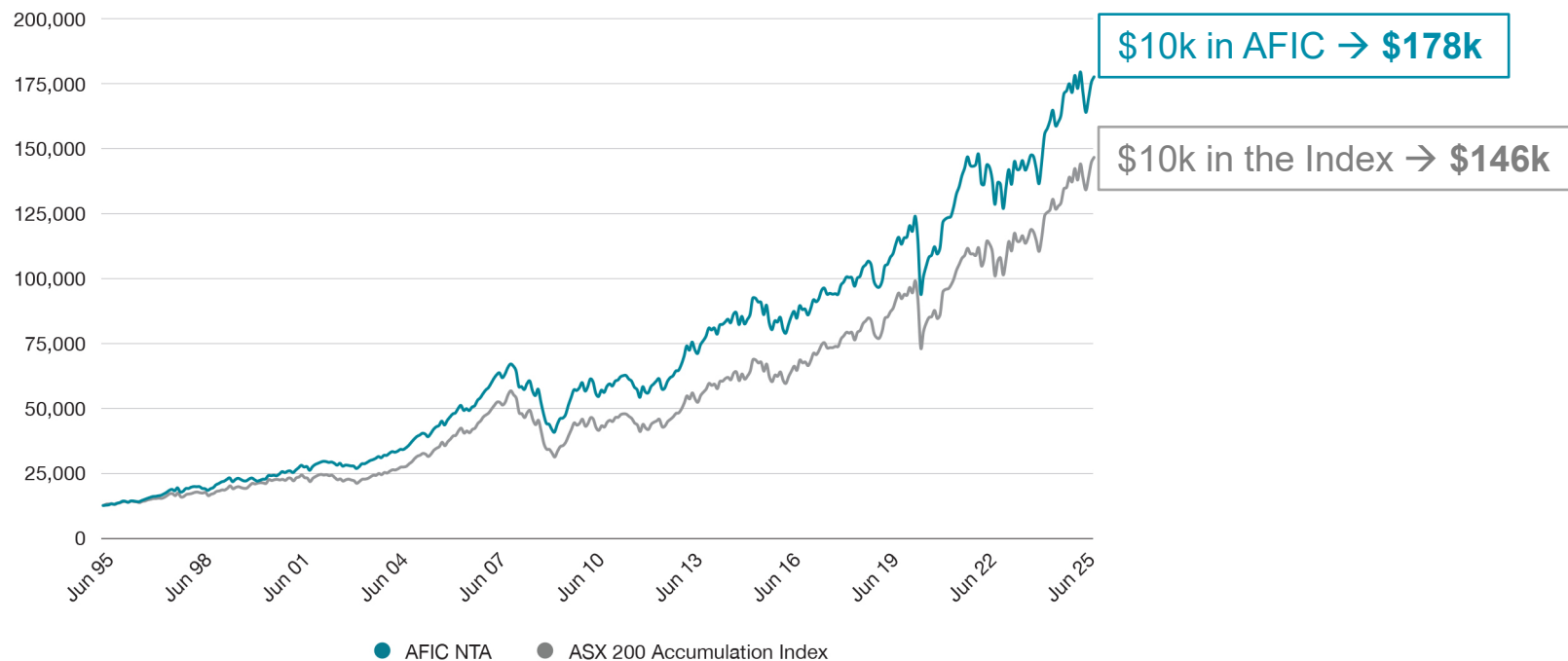
The Company's primary investment goals are:

- to pay stable to growing dividends over time; and
- to provide attractive total returns over the medium to long term.



# Attractive Total Returns Over the Long-term

## AFIC NTA vs S&P ASX 200 Accumulation Index

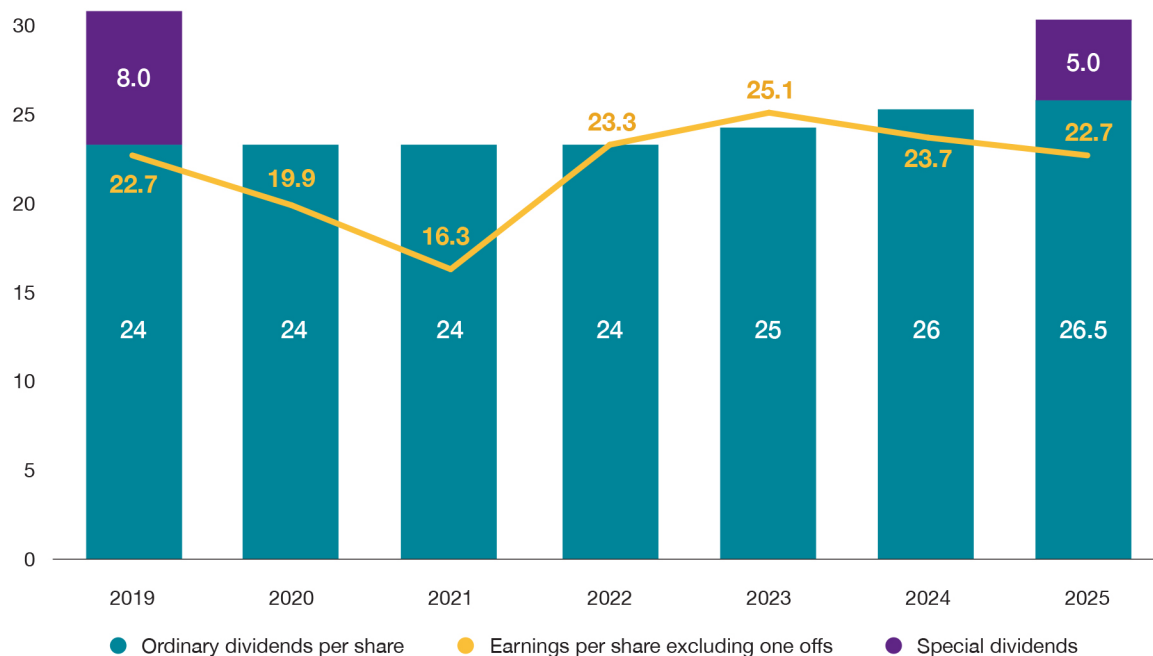


Excludes the benefit of franking.



# Ensuring a stable to growing dividend for shareholders

AFIC's franking reserve balance ensures we can pay a consistent dividend even through volatile times – full year dividends for the last 7 financial years



An aerial, high-angle photograph of a dense urban skyline, likely New York City, featuring numerous skyscrapers and buildings. A white, rounded rectangular callout box is positioned on the left side of the image, containing the text "Full-Year Results" in a teal, sans-serif font. The background image shows a variety of architectural styles, with some buildings having flat roofs and others with more complex, tiered structures. The lighting suggests a bright day, with shadows cast by the buildings.

## Full-Year Results

# Summary Full Year Results

2025

## Profit for the Year

\$285.0m

\$296.4m in 2024

2025

## Fully Franked Dividend Per Share

14.5¢ Final

5.0¢ Special

31.5¢  
Total<sup>#</sup>

26 cents total in 2024

## Total Portfolio Return

10.7% Including franking\*

S&P/ASX 200 Accumulation Index including  
franking\* 15.1%

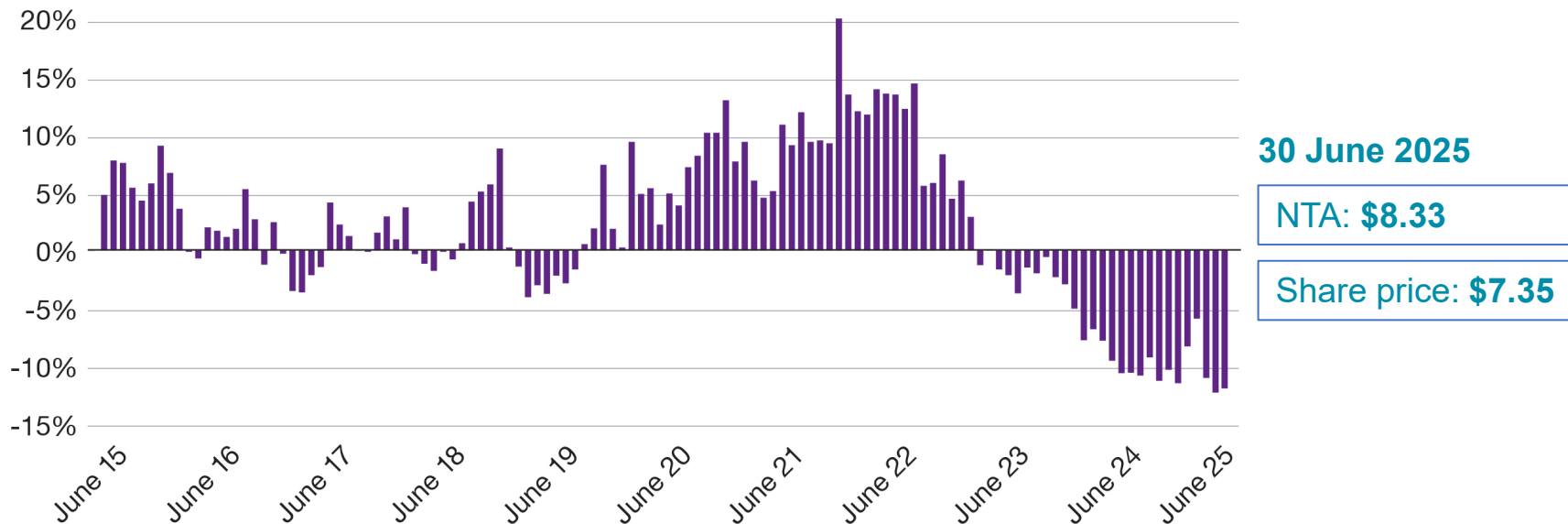
## Management Expense Ratio

0.16%

0.15% in 2024

<sup>#</sup>includes 12 cent interim dividend

# Share Price Relative to Net Tangible Asset (NTA)



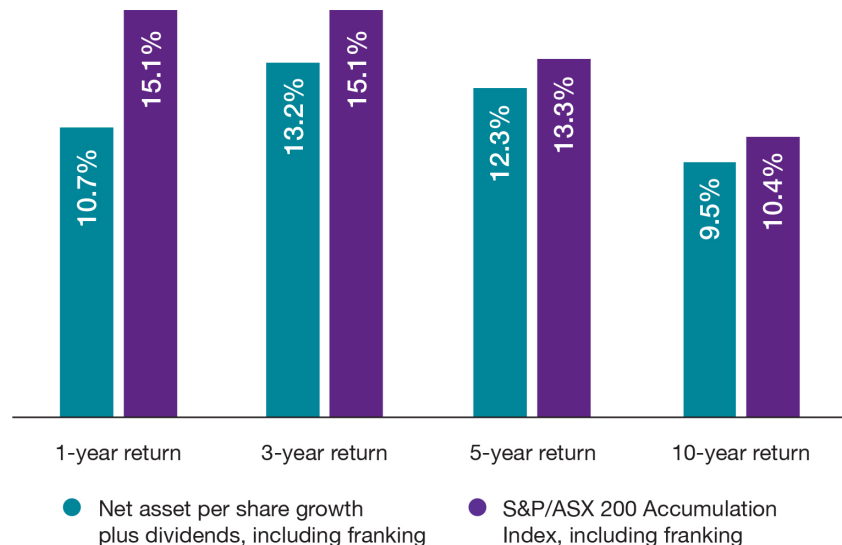




## Markets and the Portfolio

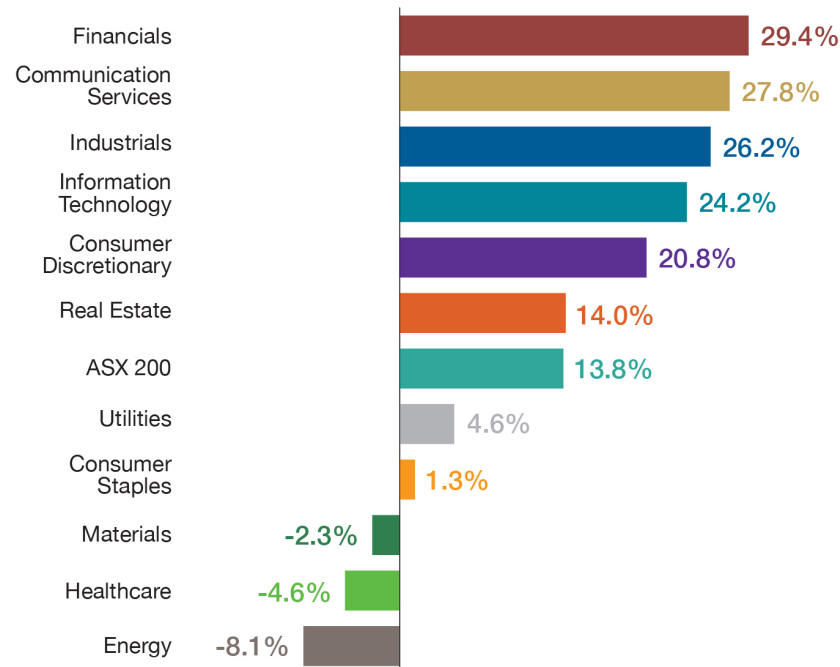
# Portfolio and Sector Performance – to 30 June 2025

## Portfolio Return (Including the Full Benefit of Franking) – Per Annum to 30 June 2025



Only includes franking that has been paid out.  
Past performance may not be indicative of future performance.

## Sector Performance to 30 June 2025



Sector returns do not include franking

# Key drivers of FY25 investment performance

## Temporary cyclical headwinds:



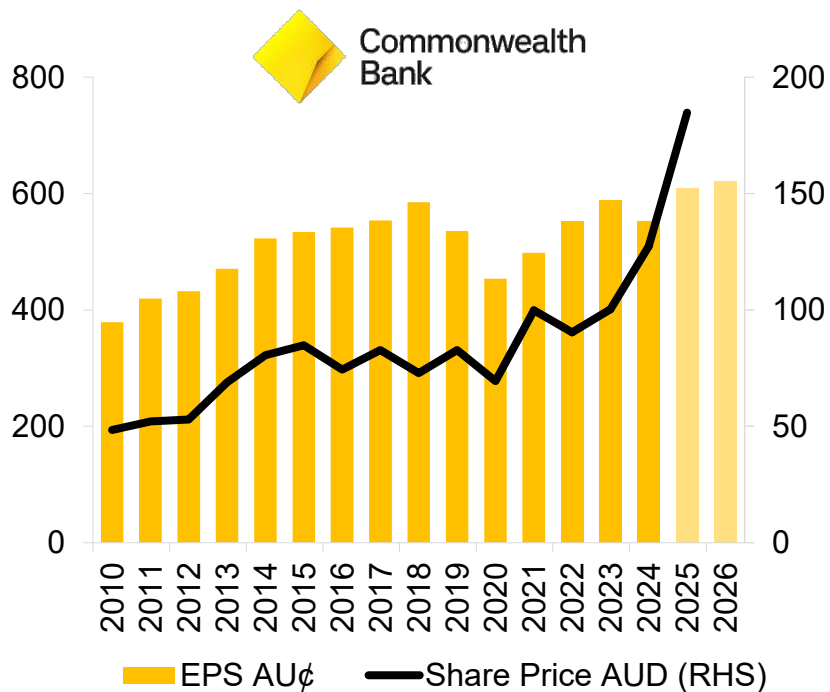
## Underestimated duration of challenges:



Minimal to no exposure to gold and insurance sectors which performed strongly.



# Share prices diverged from earnings growth

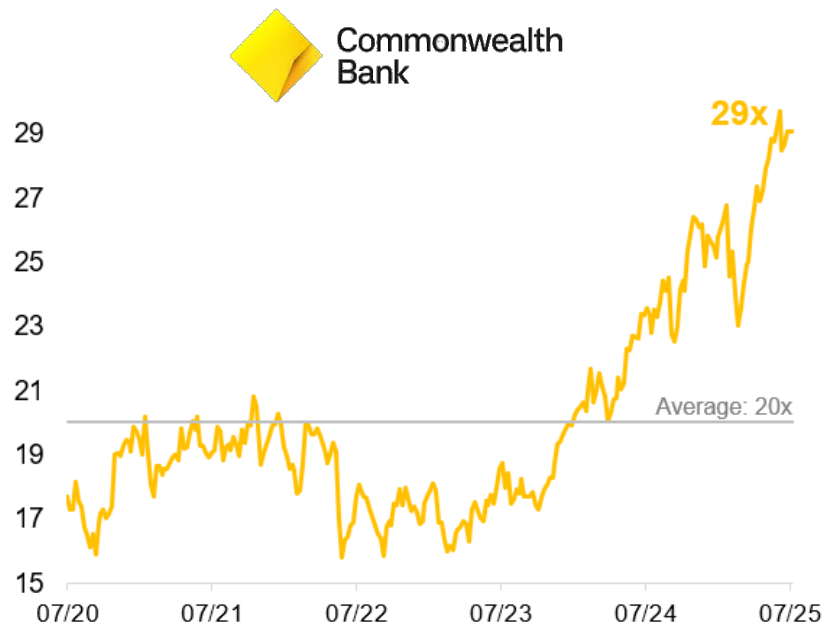


Source: Diogenes Research



# Valuation metrics – CBA v CSL

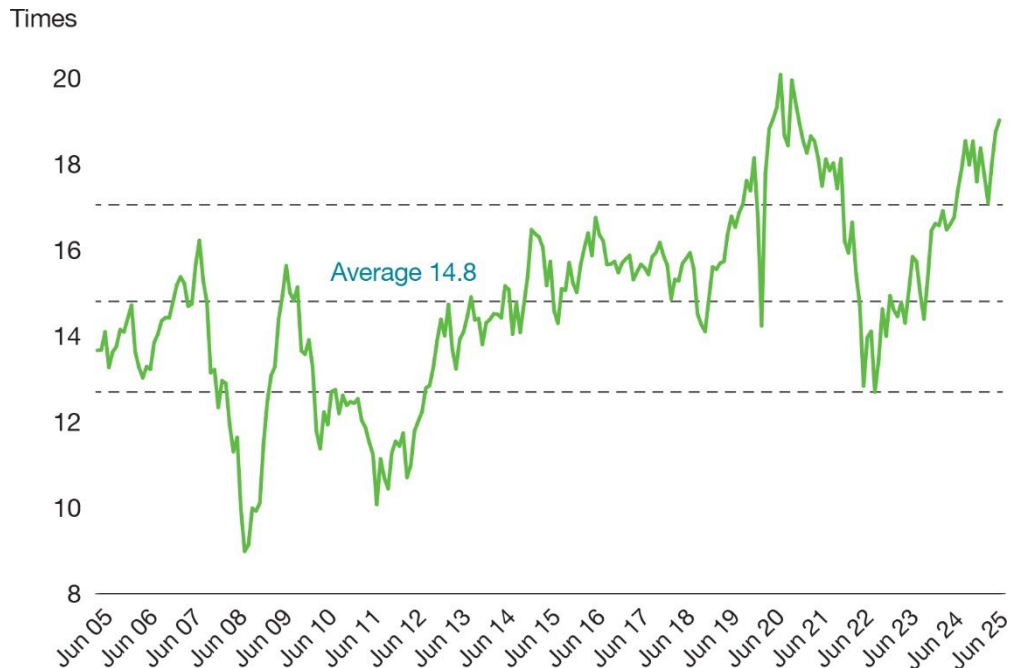
## Valuation: Price to Earnings ratio



Source: FactSet

# Market Valuation in a Long Term Context

ASX 200 Firms Trade at an Average Forward PE of 18.7x, which is 28% Above the 20-yr Average



Source: FactSet

## Recent Portfolio Activity



# Active Portfolio Management – Recent Transactions

## Additions to Existing Holdings



## Trimmed Holdings



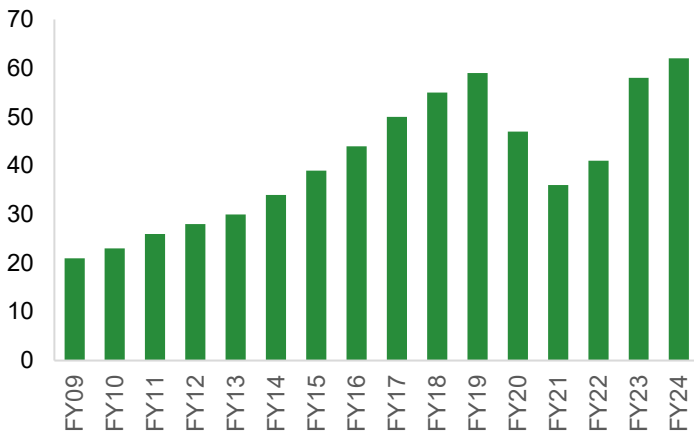
## New Purchases



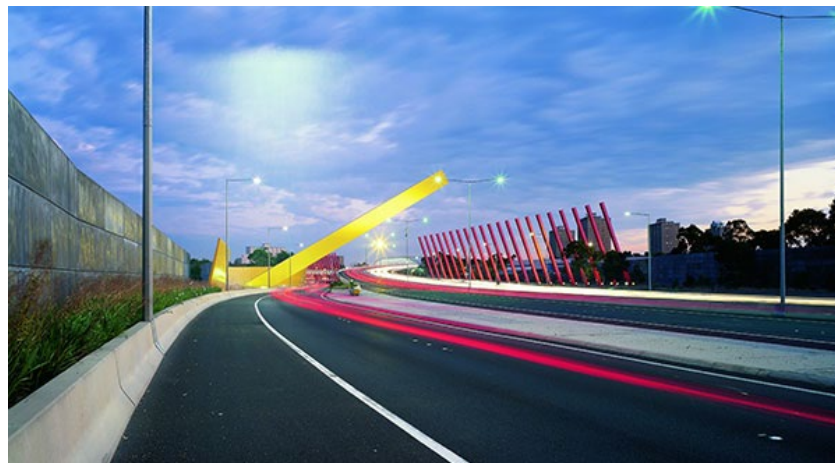
## Complete Disposals

Nil.

Dividend Per Share (A¢)



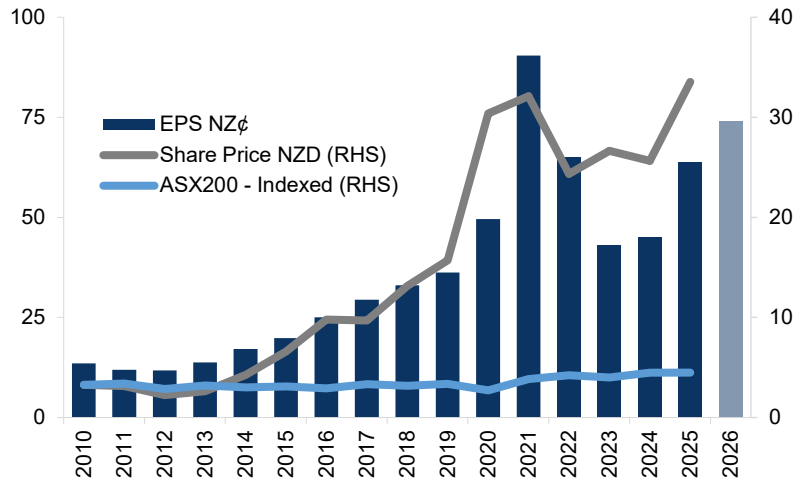
Source: Diogenes Research



Source: Transurban Website

- Owner and operator of toll road concessions in Australia and the US.
- Unique, strategic assets benefitting from inflation linked tolls and population growth.
- Sustainable and growing dividend over time post COVID recovery and major project disruptions.

## EPS vs Share Price



Source: Diogenes Research



Source: Fisher & Paykel Healthcare Website

- Global leader in devices used for respiratory care, surgery and sleep apnoea.
- Long growth runway underpinned by product development and growing penetration.
- Strong management team with proven track record of earnings growth and capital allocation.



A photograph of two workers, a man and a woman, seen from behind. They are wearing blue work uniforms with reflective silver stripes and bright yellow hard hats. They are standing in front of a large, complex metal structure, likely a power line tower, which is out of focus in the background. The man on the left has a walkie-talkie clipped to his belt. The woman on the right has long brown hair tied in a ponytail. The scene is set outdoors under a clear sky.

## International portfolio

- Portfolio was first initiated in May 2021. At 30 June 2025 valued at \$168.1 million (1.6% of the AFIC total portfolio).
- Significant preparatory work has been done for establishing a separate global investment company in the future.
- We are still considering the most appropriate next steps for this initiative.
- AFIC's global portfolio returned 14.0% for the financial year, an attractive return for shareholders although below our benchmark.
- Medium term performance since inception:

Gross Returns in \$A 30 June 2025

	3 Years %pa	Since Inception %pa
AFIC Global Portfolio	21.0	14.0
Benchmark	20.3	14.0

Source: Northern Trust



## Outlook

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The performance of the market remains resilient despite tariff uncertainty and heightened geopolitical tensions.

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Outlook for company earnings is less certain, resulting in a disciplined focus on costs.

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Market valuation polarised between expensive stocks with good earnings growth and cheap stocks lacking a catalyst to grow earnings.

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Maintaining a balanced portfolio remains appropriate.

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We remain focused on companies well positioned to create long term shareholder value.

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**AUSTRALIAN  
FOUNDATION  
INVESTMENT  
COMPANY**