

**CENTURY  
AUSTRALIA**  
INVESTMENTS LIMITED



**ABN 11 107 772 761**

**APPENDIX 4D**

**FOR PERIOD ENDED 31 DECEMBER 2008**

**Previous Corresponding Period - Period Ended 31 December 2007**

# CENTURY AUSTRALIA INVESTMENTS LIMITED

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

This half-year report is for the reporting period from 1 July 2008 to 31 December 2008. The previous corresponding half-year period was 1 July 2007 to 31 December 2007.

### KEY RESULTS

<b>PROFIT AND LOSS</b>				
	<b>\$'000</b> <b>31/12/08</b>	<b>\$'000</b> <b>31/12/07</b>	<b>%</b> <b>CHANGE</b>	<b>UP /</b> <b>DOWN</b>
Operating revenue from ordinary activities	5,569	6,371	(13)%	DOWN
Operating profit before income tax expense, realised gains and impairment loss on investment portfolio	4,247	4,706	(10)%	DOWN
Impairment loss	(7,664)	-	-	-
Realised (losses)/gains on investment portfolio before tax	(8,432)	30,142	(128)%	DOWN
(Loss)/profit before income tax <sup>1</sup>	(11,849)	34,848	(134)%	DOWN
(Loss)/profit after tax and net (loss)/profit after tax attributable to members <sup>1</sup>	(5,029)	25,506	(120)%	DOWN
<b>NET TANGIBLE ASSETS</b>				
	<b>\$</b> <b>31/12/08</b>	<b>\$</b> <b>31/12/07</b>	<b>%</b> <b>CHANGE</b>	<b>UP /</b> <b>DOWN</b>
NTA (per share) before estimated tax on unrealised income & gains/losses <sup>2</sup>	0.87	1.35	(36)%	DOWN
NTA (per share) after estimated tax on unrealised income & gains/losses <sup>2</sup>	0.94	1.32	(29)%	DOWN

<sup>1</sup> The current period result includes an impairment loss of \$7,664,000

<sup>2</sup> Since 31/12/07 dividends totaling 10 cents per share have been paid

## BRIEF EXPLANATION OF THE RESULTS

Net loss after tax was \$5.029 million, which is 120% down on the prior period. The result is driven by a decrease of \$38.6 million in realised gains on the investment portfolio (before tax) compared to the same period last year and transfer of unrealised loss of \$7.7 million from Asset Revaluation Reserve into the Income Statement as a result of a further decline in the market value of the investments for the half year ended 31 December 2008. This impairment adjustment does not impact the Net Tangible Assets (NTA) of the company as the investment portfolio is revalued to market value for the purpose of calculating NTA.

Operating profit before income tax expense and before realised gains/(losses) was \$4.2 million, down 10% from the prior period and consists mainly of dividends and interest received less expenses associated with operations. The reduction is attributable to lower dividend and interest revenue which was \$5.6 million or 13% lower than same period last year.

Realised gains are down 128% on the prior period. It is the Investment Manager's expectation that the realised gains will be significantly lower in the future.

Century Australia's investment manager, 452 Capital, outperformed the benchmark S&P/ASX 300 Accumulation index by 14.8% for the 6 month period to 31 December 2008, with a return of -12.4% versus the benchmark's return of -27.2%.

## DIVIDENDS

Due to the current uncertainties surrounding investment markets the Board has declared two interim dividends as detailed below, to ensure that current retained profits and associated franking credits are distributed for the benefit of shareholders:

<b>Rate</b>	<b>Record</b>	<b>Payable</b>
4.5 cents per share	13 March 2009	27 March 2009
4.5 cents per share	16 June 2009	30 June 2009

These interim dividends have not been provided for in the 31 December 2008 financial report.

In light of the share buy back program currently operating, the Board has decided to suspend the Dividend Reinvestment Plan until further notice.

The Company will be reliant on trading profits in order to declare future dividends. In light of current market conditions the timing and quantum of further dividends, after payment of the two dividends mentioned above is difficult to predict and will depend on size and timing of a share market turnaround.

This report is based on accounts which have been reviewed by the Company's Auditors - Grant Thornton, NSW.

## **INVESTMENT PORTFOLIO PERFORMANCE**

The Australian equity market (as measured by the S&P/ASX 300 Accumulation Index) delivered a -27.2% return for the 6 months to 31 December 2008 compared with the 2.9% return achieved by the market for the previous corresponding period in 2007. The key drivers of the market's performance can be broadly categorised as follows:

- As the financial crisis intensified and spread to the real economy, including emerging economies such as China, there was a sharp reversal of global economic growth forecasts leading to steep falls in commodity prices and the Australian dollar. The oil price declined 72% from US\$140/bbl mid year to \$39/bbl. The Australian Dollar traded in a range from US\$0.96 to US\$0.70 over the six month period.
- The length and extent of the credit crisis resulted in significant restrictions on the availability of debt resulting in expensive or at worst, unavailable credit. This was despite central banks worldwide introducing aggressive cuts to official interest rates, and governments implementing unprecedented fiscal stimulus packages. Globally, governments nationalised a number of over-leveraged financial institutions in order to provide confidence in the banking system. Many companies were forced to raise equity to shore up their balance sheets despite the weak market conditions and the Investment Manager expects to see equity raisings continue as debt is reduced on company balance sheets.
- Whereas risk was materially underpriced in the boom, it has been materially repriced in the last six months. The end result is that the overall valuations of companies have fallen markedly as risk has been repriced and credit has tightened.

Century Australia's Investment Manager, 452 Capital, outperformed the benchmark S&P/ASX 300 Accumulation index by 14.8% for the period, with a return of -12.4% versus the benchmark's return of -27.2%. The Investment Manager remains cautious towards companies with high levels of debt and/or companies with large short-to-medium term refinancing commitments. Overweight positions in companies including Amcor, Metcash, Insurance Australia Group, Telstra and Brambles were the main contributors to the relative outperformance. Avoiding Fortescue Metals Group, which underperformed the market significantly, also assisted returns. Detractors from the portfolio's performance over the period included an overweight position in Fairfax Media and not owning QBE Insurance Group and Woolworths.

Due to market volatility, movements in relative valuations and changing company financial dynamics, some portfolio positions were sold down or sold completely out of the portfolio during the period. These sales and the low levels of realised capital gains led to the portfolio recording net realised capital losses for the period.

## **INVESTMENT OUTLOOK**

The world is currently progressing through the greatest financial crisis since the Great Depression. This period of financial instability follows perhaps the greatest period of easy money, mispricing of risk and greed the world has ever seen. Financial and economic newsflow over most of calendar 2009 is likely to remain negative with profit warnings, asset writedowns, reductions in dividends, company collapses, capital raisings and rising unemployment expected to feature. The Investment Manager expects investors and companies to remain cautious for some time. Nonetheless the Investment Manager is becoming a little more positive on the attractiveness of some company valuations and the outlook for the sharemarket's performance over the medium to longer term due to:

- A number of company valuations are trading below what the Investment Manager believes to be reasonable through-the-cycle valuation levels
- Investors are already pricing in a significant amount of negative news and generally being very bearish
- The progression of the deleveraging and recapitalisation that continues to occur at a number of companies in a number of countries

- Substantially lower interest rates and the flooding of many economies with monetary stimulus
- Substantially lower oil prices

As stated in the 2008 Annual Report and also noted in the monthly net tangible asset reports to the market, the Investment Manager does not believe substantial capital gains will be realised in the portfolio for a number of years. Whilst the ultimate decision for determining portfolio impairment rests with the Century Board, the Investment Manager also notes that with the significant decline in the sharemarket over the last 12 - 18 months, many holdings in the portfolio are trading well below cost. Additionally, due to the current depressed financial conditions, suppressed availability of credit and upwards repricing of risk, company valuations overall are somewhat lower today than they were in previous reporting periods.

Century is a listed investment company that will always have a significant exposure to the Australian sharemarket. As shown in recent months and reporting periods, if the sharemarket falls significantly the value of the portfolio is likely to fall as well. Additionally if companies held within the portfolio were to reduce dividends, the dividends available to be distributed to shareholders would reduce as well.

The current largest individual company exposures (in dollar terms) in the portfolio include Telstra Corporation, Westpac Banking Corporation, BHP Billiton, AMP, National Australia Bank, Washington H. Soul Pattinsons, Telecom Corporation of New Zealand, Brambles, Qantas and News Corporation. The portfolio also has significant exposure to the Australian media sector. The portfolio remains significantly underweight the resource and mining sectors relative to the benchmark.

27 February 2009

**Enquiries:**  
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**Company Secretary.**  
**Century Australia**  
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**CENTURY  
AUSTRALIA**  
INVESTMENTS LIMITED



ABN 11 107 772 761

**Interim Financial Report  
For the Half-year Ended  
31 December 2008**

**CENTURY AUSTRALIA INVESTMENTS LIMITED**  
**INTERIM FINANCIAL REPORT**

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**HALF-YEAR ENDED 31 DECEMBER 2008**

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**CENTURY AUSTRALIA INVESTMENTS LIMITED**  
**INTERIM FINANCIAL REPORT**

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**DIRECTORS' REPORT**  
**HALF-YEAR ENDED 31 DECEMBER 2008**

Your Directors submit the interim financial report of the Company for the half-year ended 31 December 2008.

**DIRECTORS**

The names of Directors who held office during the half-year are:

		<b>Period of Directorship</b>
Robert Turner	(Non-Executive Chairman)	Appointed 10 February 2004
Stephen Menzies	(Non-Executive Director)	Appointed 16 January 2006
Russell Hooper	(Non-Executive Director)	Appointed 12 September 2006
Ross Finley	(Non-Executive Director)	Appointed 12 September 2006

Directors were in office for this entire period and through to the date of this report.

**REVIEW OF OPERATIONS**

The operations of Century Australia Investments Limited ("Century Australia") for the half-year ended 31 December 2008 resulted in a loss before tax of \$11.849 million (2007: profit \$34.848 million) and net loss after providing for income tax benefit of \$5.029 million (2007: net profit \$25.506 million).

Century Australia recorded realised losses on the sale of investments after income tax of \$5.902 million (2007: realised gains \$21.099 million) for the half-year. The gains or losses on realised investments were calculated by deducting the historical cost from the net proceeds on sale and associated taxation and were brought to account in the Income Statement by reversing the amount from the Asset Revaluation Reserve.

Long term investments are continuously revalued to fair value in the balance sheet. For the half-year ended 31 December 2008, investments were revalued downwards by \$17.272 million (2007: \$34.258 million) with \$12.352 million downward adjustment to the Asset Revaluation Reserve (2007: \$23.749 million). This adjustment of \$12.352 million to the Asset Revaluation Reserve was net of tax (\$2.346 million) and net of impairment adjustment transferred into the income statement (\$2.574 million).

The Company transferred losses of \$2.574 million from the Asset Revaluation Reserve into the Income Statement due to further stocks requiring an impairment adjustment. Stocks impaired at 30 June 2008 required recognition of a further impairment loss of \$5.090 million in the Income Statement. The total impairment losses for 6 months were \$7.664 million. This impairment adjustment does not impact the Net Tangible Assets (NTA) of the company as the investment portfolio is revalued to market value for the purpose of calculating NTA.

The total impact on profit for the period from realised losses from portfolio sales (\$8.432 million before tax) and impairment adjustment losses (\$7.664 million) was \$16.096 million.

Due to the current uncertainties surrounding investment markets and future profits the Directors of Century Australia declared two interim fully franked dividends on ordinary shares of 4.5 cents per share each in respect of the financial period to 31 December 2008 (2007: 5.00 cents per share). The first interim dividend is payable 27 March 2009 and the second is payable 30 June 2009. These interim dividends have not been provided for in the 31 December 2008 half-year financial report.

In view of the share buy back program currently operating the Board has decided that it would not be appropriate to have a DRP plan operate for this interim dividend.

**ROUNDINGS**

The amounts contained in this report and in the interim financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under ASIC Class Order 98/100. The Company is an entity to which the Class Order applies.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11 and forms part of this report.

This report is signed in accordance with a resolution of the Board of Directors.



R Turner  
Chairman

Dated this 27th day of February 2009

CENTURY AUSTRALIA INVESTMENTS LIMITED

INCOME STATEMENT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Notes	31 Dec 2008 \$'000	31 Dec 2007 \$'000
Revenue	2	5,569	6,371
Investment management fees		(853)	(1,210)
Directors' benefits expense		(99)	(99)
Professional expenses		(64)	(59)
Registry and custody fees		(128)	(105)
Printing expenses		(11)	(27)
Other expenses		(167)	(165)
Profit before income tax expense and realised gains/(losses) on investment portfolio		4,247	4,706
Impairment loss on investment portfolio		(7,664)	-
Realised (losses)/gains on investment portfolio before income tax		(8,432)	30,142
(Loss)/profit before income tax expense		(11,849)	34,848
Income tax benefit/(expense)		6,820	(9,342)
Net (loss)/profit attributable to members of Century Australia Investments Limited		(5,029)	25,506
Basic earnings per share (cents per share)	3	(2.69)	13.84
Diluted earnings per share (cents per share)	3	(2.69)	13.84
Dividends per share (cents per share)	4	9.00	6.00

The financial statements should be read in conjunction with the accompanying notes.

CENTURY AUSTRALIA INVESTMENTS LIMITED

BALANCE SHEET  
AS AT 31 DECEMBER 2008

	31 Dec 2008 \$'000	30 Jun 2008 \$'000
CURRENT ASSETS		
Cash and cash equivalents	6,045	16,783
Trade and other receivables	2,873	2,436
Other current assets	33	74
TOTAL CURRENT ASSETS	<u>8,951</u>	<u>19,293</u>
NON-CURRENT ASSETS		
Available-for-sale financial assets	150,040	185,276
Deferred tax assets	18,877	9,639
TOTAL NON-CURRENT ASSETS	<u>168,917</u>	<u>194,915</u>
TOTAL ASSETS	<u>177,868</u>	<u>214,208</u>
CURRENT LIABILITIES		
Trade and other payables	618	6,878
Current tax liabilities	116	5,183
TOTAL CURRENT LIABILITIES	<u>734</u>	<u>12,061</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	19	52
TOTAL NON-CURRENT LIABILITIES	<u>19</u>	<u>52</u>
TOTAL LIABILITIES	<u>753</u>	<u>12,113</u>
NET ASSETS	<u>177,115</u>	<u>202,095</u>
EQUITY		
Issued capital	185,568	183,863
Reserves	(28,286)	(15,934)
Retained earnings	19,833	34,166
TOTAL EQUITY	<u>177,115</u>	<u>202,095</u>

The financial statements should be read in conjunction with the accompanying notes.

CENTURY AUSTRALIA INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Notes	Share Capital Ordinary \$'000	Retained Earnings \$'000	Revaluation Reserves \$'000	Total Equity \$'000
<b>Balance at 01.07.2007</b>		<b>179,222</b>	<b>30,387</b>	<b>41,101</b>	<b>250,710</b>
Available-for-sale financial assets:					
- net losses recognised in equity		-	-	(34,258)	(34,258)
Income tax relating to items charged or credited to equity		-	-	10,509	10,509
Net income recognised directly in equity		-	-	(23,749)	(23,749)
Profit attributable to members		-	25,506	-	25,506
Total recognised income and expense for the period		-	25,506	(23,749)	1,757
Shares issued during the year					
- Dividend Reinvestment Plan		2,638	-	-	2,638
Dividends paid		-	(10,938)	-	(10,938)
<b>Balance at 31.12.2007</b>		<b>181,860</b>	<b>44,955</b>	<b>17,352</b>	<b>244,167</b>
<b>Balance at 01.07.2008</b>		<b>183,863</b>	<b>34,166</b>	<b>(15,934)</b>	<b>202,095</b>
Available-for-sale financial assets:					
- net losses recognised in equity		-	-	(17,272)	(17,272)
Impairment loss transferred to Income Statement		-	-	2,574	2,574
Income tax relating to items charged or credited to equity		-	-	2,346	2,346
Net income recognised directly in equity		-	-	(12,352)	(12,352)
Profit attributable to members		-	(5,029)	-	(5,029)
Total recognised income and expense for the period		-	(5,029)	(12,352)	(17,381)
Shares issued during the year					
- Dividend Reinvestment Plan		1,932	-	-	1,932
Shares acquired/cancelled due to Buy Back		(227)	-	-	(227)
Dividends paid	3	-	(9,304)	-	(9,304)
<b>Balance at 31.12.2008</b>		<b>185,568</b>	<b>19,833</b>	<b>(28,286)</b>	<b>177,115</b>

The financial statements should be read in conjunction with the accompanying notes.

CENTURY AUSTRALIA INVESTMENTS LIMITED

CASH FLOW STATEMENT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	31 Dec 2008 \$'000	31 Dec 2007 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends received	6,297	6,436
Interest received	497	1,083
Investment expenses paid	(1,348)	(1,668)
Income tax paid	(5,172)	(9,789)
	<u>274</u>	<u>(3,938)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	95,979	99,843
Purchase of investments	(99,401)	(95,597)
	<u>(3,422)</u>	<u>4,246</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Share Buy Back	(220)	-
Dividends paid	(7,370)	(8,300)
	<u>(7,590)</u>	<u>(8,300)</u>
Net decrease in cash and cash equivalents held	<u>(10,738)</u>	<u>(7,992)</u>
Add: Cash at 1 July 2008	<u>16,783</u>	<u>33,118</u>
Cash and cash equivalents at 31 December 2008	<u><b>6,045</b></u>	<u><b>25,126</b></u>

The financial statements should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

**NOTE 1: BASIS OF PREPARATION**

The interim financial report is a general purpose financial report that has been prepared in accordance with the requirements of the Corporations Act 2001 and the Australian Accounting Standard AASB 134: Interim Financial Reporting and other authoritative pronouncements of the Australian Accounting Standards Board.

The interim report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2008 and any public announcements made by Century Australia Investments Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

*Reporting Basis and Conventions*

The interim financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The accounting policies applied by the company in this interim financial report are the same as those applied by the company in its financial report as at and for the year ended 30 June 2008.

The following significant accounting policies were applied in the preparation of the interim financial statements as at and for the half year ended 31 December 2008.

**(a) Financial Instruments**

**Recognition**

Financial instruments are initially measured at cost on trade date, which approximates its fair value. Subsequent to initial recognition these instruments are measured as available-for-sale financial assets under AASB 139 Financial Instruments: Recognition and Measurement and will continue to be recognised in the Balance Sheet at fair value. During the period changes in fair value for investment securities will be recognised in equity. Unrealised gains and losses arising from changes in fair value are taken directly to equity unless there is an indication that unrealised losses are long-standing; in which case these losses will be recognised directly in the Income Statement.

The gains or losses on realised investments calculated by deducting the historical cost from the net proceeds on sale and associated taxation shall be brought to account in the Income Statement by transferring this amount from the Revaluation Reserve.

**Fair Value**

Fair value is determined based on current bid prices for all quoted investments and exclude disposal costs.

**Impairment**

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. A prolonged decline is assessed in terms of the company's investment strategy. Impairment losses are recognised in the Income Statement.

**CENTURY AUSTRALIA INVESTMENTS LIMITED**  
**HALF-YEAR ENDED 31 DECEMBER 2008**

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	<b>31 Dec 2008</b>	<b>31 Dec 2007</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>NOTE 2: REVENUE</b>		
Operating activities		
- dividends & distribution from other entities	5,182	5,538
Non-operating activities		
- interest from other persons	387	833
Total revenue	<u>5,569</u>	<u>6,371</u>

	<b>Number</b>	<b>Number</b>
<b>NOTE 3: EARNINGS PER SHARE</b>		
Weighted average number of ordinary shares outstanding during the year used in the calculation	<u>187,140,672</u>	<u>184,291,439</u>
	<b>\$'000</b>	<b>\$'000</b>
(Loss)/Profit for the half-year	<u>(5,029)</u>	<u>25,506</u>
	<b>cents</b>	<b>cents</b>
Basic and diluted earnings per share	<u>(2.69)</u>	<u>13.84</u>

**NOTE 4: DIVIDENDS PAID AND PROPOSED**

**Dividends paid during the half-year:**

Declared final fully franked ordinary dividend of 5 (2007: 6.00) cents per share franked at the tax rate of 30% (2007: 30%).	<u>9,304</u>	<u>10,938</u>
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**Dividends proposed during the half-year:**

Interim fully franked ordinary dividends of 9 (2007: 5.00) cents per share franked at the tax rate of 30% (2007: 30%).	<u>16,886</u>	<u>9,215</u>
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**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

**NOTE 5: CONTINGENT LIABILITIES**

There are no contingent liabilities and there has been no change in contingent liabilities since the last annual reporting date.

**NOTE 6: SEGMENT REPORTING**

The Company operated within one business segment, being investments and one geographical segment (Australia).

**NOTE 7: EVENTS AFTER BALANCE DATE**

Due to the current uncertainties surrounding investment markets and future profits the Directors of Century Australia declared two interim fully franked dividends on ordinary shares of 4.5 cents per share each in respect of the financial period to 31 December 2008 (2007: 5.00 cents per share). The first interim dividend is payable 27 March 2009 and the second is payable 30 June 2009. These interim dividends have not been provided for in the 31 December 2008 half-year financial report.

During the month of January 2009 the market value of the Company's investment portfolio declined by \$9.483 million. This change was reflected in the Company's Net Tangible Asset Backing per share which is reported to the Australian Securities Exchange monthly and is available on the Company's website.

No other matters or circumstances have arisen since 31 December 2008 which significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affair of the Company in future financial years.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 3 to 9:
  - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
  - (b) give a true and fair view of the Company's financial position as at 31 December 2008 and of its performance for the half-year ended on that date.
2. On behalf of White Outsourcing Pty Limited, Peter Roberts, as a person who performs the Chief Executive Officer functions for the purposes of the Act declared that:
  - (a) the financial records of the Company for the half-year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
  - (b) the financial statements and notes for the half-year comply with Accounting Standards; and
  - (c) the financial statements and notes for the half-year give a true and fair view.
3. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Board



R Turner  
Chairman

Dated this 27th day of February 2009

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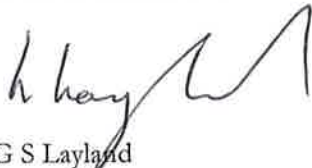
**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF CENTURY AUSTRALIA INVESTMENTS LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Century Australia Investments Limited for the half-year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.

*Grant Thornton NSW*

GRANT THORNTON NSW  
Chartered Accountants



G S Layland  
Partner

Sydney, 27 February 2009



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## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF CENTURY AUSTRALIA INVESTMENTS LIMITED**

We have reviewed the accompanying half-year financial report of Century Australia Investments Limited (the company), which comprises the interim balance sheet as at 31 December 2008 and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting principles, other selected explanatory notes and the directors' declaration.

### **Directors' responsibility for the half-year financial report**

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards including the Australian Accounting Interpretations and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement ASRE 2410: Review of an Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Century Australia Investments Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.



## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF CENTURY AUSTRALIA INVESTMENTS LIMITED (cont)**

### **Auditor's responsibility (cont)**

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we complied with the independence requirements of the Australian professional ethical pronouncements and the Corporations Act 2001.

### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Century Australia Investments Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the company's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- b complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

*Grant Thornton NSW*

GRANT THORNTON NSW  
Chartered Accountants

G S Layland  
Partner

Sydney, 27 February 2009