

14 January 2007

CENTURY AUSTRALIA
INVESTMENTS LIMITED

Company Announcements Office
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

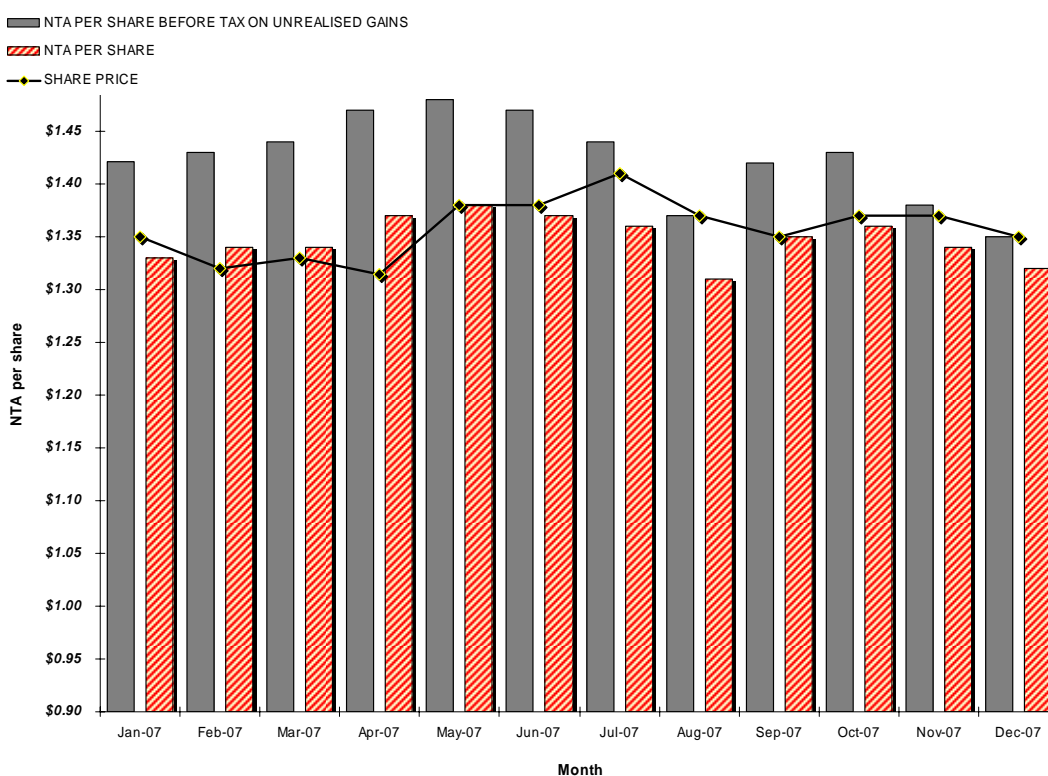
Dear Sir/Madam

MONTHLY NET TANGIBLE ASSETS PER SHARE¹

The unaudited Net Tangible Asset Backing for Century Australia Investments Limited ("Century Australia") is as follows:

Month	NTA per share before estimated tax on unrealised income & gains ²	NTA per share after estimated tax on unrealised income & gains ³
31 December 2007	1.35	1.32
30 November 2007	1.38	1.34

NTA Performance



Market Review – December 2007

The Australian equity market (as measured by the S&P/ASX 300 Accumulation Index) returned -2.6% for the month of December 2007 and -2.7% for the quarter. Despite the recent falls the market has returned 16.2% over the last 12 months.

The US S&P 500 Index fell 0.9% for December after the US Federal Reserve cut interest rates by 25 basis points to 4.25% as opposed to the 50 basis points expected by the market. The negative sentiment was compounded further by disappointing 3rd Quarter results from the US investment banks.

The Australian Reserve Bank left the official interest rate on hold at 6.75% with minutes of the meeting released for the first time indicating the Board is still concerned about the outlook for inflation. This left the door open for a further rate increase early in 2008. The Australian dollar weakened against the US dollar closing at US 87.5 cents.

The best performing sectors during the month were largely defensive in nature being Healthcare (up 2.3% for the month), Energy (up 1.6% for the month) and Telecoms (up 0.8% for the month).

The Consumer Discretionary sector (down 0.4% for the month) outperformed the market. Media stocks contributed positively with Ten Network Holdings rising after releasing a solid 1st quarter result at its Annual General Meeting. Consumer Staples (down 1.3% for the month) outperformed with Fosters Group and Lion Nathan up due to their defensive nature and strong cashflows.

The weakest sectors during December were Property Trusts (down 6.6% for the month) and the Industrials sector (down 5.2% for the month). Property Trusts were hardest hit after Centro Properties (down 81.6% for the month) disclosed it was having difficulties refinancing its debt position due to its high gearing and tightened credit conditions. As a result Centro suspended payment of its distribution. Other property trusts to be impacted included Goodman Group (down 19.4% for the month) and Valad Property Group (down 15.5% for the month). This sentiment overflowed into other highly geared sectors including infrastructure and utilities.

The Materials sector (down 3.5% for the month) underperformed the market with diversified resource companies being the main drag. BHP and Rio Tinto underperformed as the market continues to focus on BHP's proposed merger with Rio Tinto. Building Material stocks were mixed after Boral and James Hardie held investor updates in the US. Both indicated that housing starts would continue to decline into 2008 in the US with the businesses focusing on cost and inventory management.

Portfolio Review – December 2007

Century Australia's underlying investment portfolio returned -1.0% in December, outperforming the benchmark S&P/ASX 300 Accumulation Index by 1.6%. Positive contributors to performance during December included the portfolio's overweight positions in Telecom Corporation of New Zealand and Fosters Group as well as not owning Centro Properties or St George Bank. The portfolio's cash position also assisted returns. The leading detractors from performance for the month came from holding an overweight position in Insurance Australia Group and not owning Fortescue Metals Group, QBE Insurance or Incitec Pivot.

Investment Outlook

The market returned 16.2% over the year to December, as measured by the S&P/ASX 300 Accumulation Index. This is the fifth consecutive year of strong double digit returns. However, the strong equity market performance has become increasingly narrow over the period, with the ten largest companies by market capitalisation accounting for all of the increase in the index. In contrast, four years ago, the ten largest companies at the time only accounted for approximately 35% of the



rise in the index. The Investment Manager retains its cautious view on the equity market for the reasons outlined below:

- Global risks continue to rise as a result of the downturn in the US housing market and problems in the sub prime mortgage market, which have subsequently resulted in a global credit crisis (in the Investment Manager's view, the worst is probably not over). This has led to hundreds of billions of dollars in write-offs for financial institutions and tightening credit markets globally have made refinancing more difficult and more expensive for companies.
- The slowdown in US consumer spending and job growth may lead to a slowing of the economy which is far greater than the market is currently anticipating. Whilst the Federal Reserve may attempt to use monetary policy to support the economy, there is limited scope for US interest rates to be cut further, given there are still material inflationary pressures in the US economy. Some argue that the US can decouple from the rest of the world, mitigating the impact of a US recession on the global economy. But, there are risks to the decoupling theory and the Chinese economy is reliant on the US consumer with the US accounting for approximately 24% of its exports. A further risk to global growth is the slowdown in other major economies such as Japan and Europe.
- Domestically, valuations are stretched with the market PE around 17x implying an earnings yield of 5.9%, which is below the Australian 10 year Government bond rate of 6.3%. In addition, earnings growth is slowing and in the Investment Manager's view there are negative risks to earnings forecasts in the market. Such risks include higher labour costs, higher interest costs, the strong \$A hurting companies with offshore operations (albeit this impact is largely priced in) and non-bulk commodity prices falling (bulk commodities such as iron ore and coal are likely to see large price increases this year, which is well anticipated by the market). The Investment Manager expects base metal prices to weaken further in 2008 as global growth softens.

The Investment Manager remains conservatively positioned with the portfolio biased towards reasonably priced, high quality companies (i.e. companies with conservative debt levels, strong cash flows, good management and proven business models) with valuations that are relatively attractive on a through the cycle basis. Relative to the Index, the portfolio has overweight positions in telecommunications, gaming, media and insurance.

Top Equity Holdings – December 2007

The top ten equity holdings of the Century Australia portfolio as at 31 December 2007 were as follows:

Security Name	% of Portfolio
National Australia Bank Limited	8.0
BHP Billiton Limited	6.8
Telstra Corporation Limited	6.4
Australia and New Zealand Banking Group Limited	5.4
Insurance Australia Group Limited	4.9
AMP Limited	4.9
Alumina Limited	4.5
Telecom Corporation of New Zealand Limited	4.0
Amcor Limited	3.9
Fairfax Media Limited	3.7



As at 31 December 2007, the portfolio held 10.1% in cash.

Peter Roberts
Company Secretary

Footnotes

¹ The calculation is based on the Company's interpretation of law relating to ASX Listing Rule 4.12.

² The Net Asset Backing is based on investments at market value and is after provision for tax on net realised gains and before providing for deferred tax on unrealized gains on its long term investments.

³ Century Australia is a medium to long term investor and does not intend disposing of its total portfolio. However, under AIFRS the Company is required to provide for estimated tax on gains that would arise on such a disposal.

