

14 April 2008

**CENTURY AUSTRALIA**  
INVESTMENTS LIMITED

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

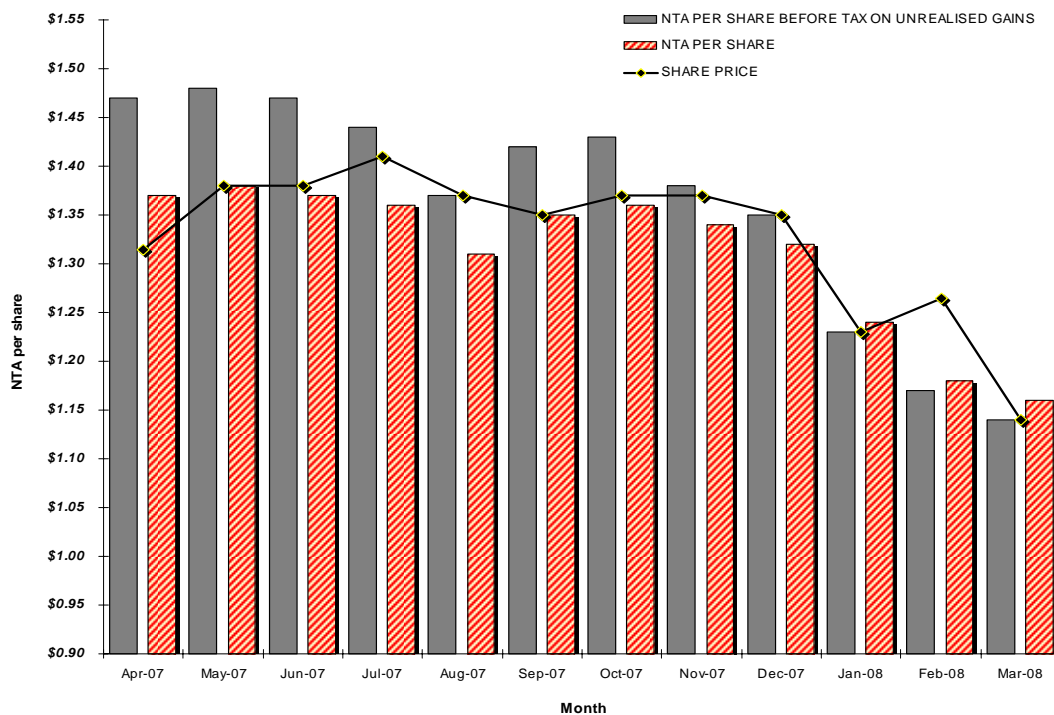
Dear Sir/Madam

**MONTHLY NET TANGIBLE ASSETS PER SHARE<sup>1</sup>**

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 <sup>2</sup>	NTA per share after estimated tax on unrealised income & gains <sup>3</sup>
<b>31 March 2008</b>	1.14	1.16
<b>29 February 2008</b> (after dividend provision of 5 cents)	1.17	1.18
Less dividend provision of 5 cents	(0.05)	(0.05)
<b>29 February 2008</b> (before dividend provision of 5 cents)	1.22	1.23

**NTA Performance**



## Market Review – March 2008

The Australian equity market (as measured by the S&P/ASX 300 Accumulation Index) ended the month of March 2008 down 3.4% and down 14.6% for the quarter. This was the worst quarterly result for the market since December 1987. The market is now 20.1% off the peak reached on 3 November 2007.

The US S&P 500 Index closed down 0.6% for the month and down 9.9% for the quarter in US dollars, with the economic and company news mostly negative. The US Federal Reserve reduced interest rates a further 50 basis points to 2.25% in response to the continuing credit crisis as well as weak GDP growth and manufacturing data. Speculation continues as to whether or not the US is in recession and what effect this will have on global markets. On the domestic economic front, the Reserve Bank raised the official interest rate by 25 basis points to 7.25%, a new 12 year high. The Australian dollar closed 1.5% lower at US\$ 0.917 despite domestic interest rates increasing versus the US.

Companies with high gearing levels and experiencing difficulty rolling their debt obligations continued to see their share prices fall as the viability of their business models came under pressure from rising borrowing costs. Those most impacted were Allco Finance Group (down 45.4% for the month), Centro Properties Group (down 33.3% for the month), A.B.C. Learning Centres (down 30.8% for the month) and Hedley Leisure Group (down 48.4% for the month). 452 Capital did not own any of these companies.

The volatility over the past quarter provided quite disparate returns for the sectors between the month and quarter. Only two sectors posted positive returns during the month of March being Consumer Staples (up 1.01% for the month with Wesfarmers up 6.02%) and Financials (up 0.5% for the month). The worst performing sectors for the month were Materials (down 8.6% for the month) and Telecoms (down 7.7% for the month). This was in contrast to the March quarterly returns with the best performing sectors being Energy (down 3.4% for the quarter) due the oil price reaching record highs, Telecoms (down 5.5% for the quarter) and Materials (down 6.2% for the quarter). The worst performing sectors for the quarter were the Financials (down 22.3% for the quarter) and Consumer Discretionary (down 21.4% for the quarter).

## Portfolio Review – March 2008

Century Australia's underlying investment portfolio outperformed the benchmark S&P/ASX 300 Accumulation Index by 0.5% in March. The portfolio returned -2.9% versus the benchmark which returned -3.4%. Positive contributors to performance during March included the portfolio's overweight positions in National Australia Bank, AMP and Insurance Australia Group as well as an underweight position in BHP Billiton. Detractors from performance for the month came from overweight positions in Fairfax Media and Telstra Corporation as well as not owning Wesfarmers and Westfield Group.

## Investment Outlook

The Australian equity market (as measured by the S&P/ASX 300 Accumulation Index) fell 3.4% during March and declined 14.6% over the quarter. The Investment Manager, 452 Capital, continues to expect heightened volatility in the equity market over the medium term and retains its cautious outlook.

The Investment Manager remains concerned about the growth outlook for the global economy and is sceptical of the argument for China's decoupling from the US downturn. Despite the global downturn, most commodity prices remain near record highs in USD terms. In addition, the Investment Manager believes some commodities are experiencing an asset price type bubble due to speculative buying from investment funds. As such, the Investment Manager remains underweight resource companies on a through-the-cycle basis and continues to be concerned that commodity related companies may



perform poorly over the next 6 to 12 months. This could see the domestic sharemarket weaken further given its heavy skew toward resources.

The Investment Manager also sees a more challenging environment for industrial companies going forward as a result of slowing domestic economic growth, higher funding costs and inflationary cost pressures. However, the Investment Manager believes value has started to emerge in some conservatively geared industrial companies on a medium to longer term view following the market decline in the quarter. As such, the Investment Manager has been adding to quality companies on a selective basis, whilst maintaining a cautious stance.

452 Capital reiterates its conservative investment style with a focus on companies that have strong balance sheets, good cash flows, sound management and an attractive underlying business that can be understood, at a reasonable valuation. Low gearing is very important. Hence, the Investment Manager has had minimal exposure to property trusts, no infrastructure exposure, and has not held RAMs, Centro, MFS, Allco Finance Group, Babcock & Brown or A.B.C. Learning.

The biggest overweight positions in the portfolio are media, telecommunications, insurance and gaming, whilst the portfolio remains underweight resource companies and to a lesser extent banks.

Century Australia is a listed investment company and will always have a material exposure to the Australian sharemarket. If the Australian sharemarket falls markedly, it is likely the value of the portfolio will fall as well.

#### Top Equity Holdings – March 2008

The top ten equity holdings of the Century Australia portfolio as at 31 March 2008 were as follows:

Security Name	% of Portfolio
National Australia Bank Limited	8.4
BHP Billiton Limited	7.5
AMP Limited	6.6
Australia and New Zealand Banking Group Limited	5.1
Telstra Corporation Limited	5.4
Telecom Corporation of New Zealand Limited	4.6
Fairfax Media Limited	4.5
News Corporation Limited	4.5
Fosters Group Limited	4.0
Tabcorp Holdings Limited	3.9

As at 31 March 2008, the portfolio held 6.3% in cash.

Peter Roberts  
Company Secretary

#### Footnotes

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

<sup>2</sup> 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 unrealised gains on its long term investments. Deferred tax on unrealised gains was a deferred tax asset during the period from 31 January 08 until the current reporting date.

<sup>3</sup> 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.

