

Appendix 4D Half Year Report

Century Australia Investments Limited ABN 11 107 772 761 For the period ending 31 December 2004

1. This half year report is for the reporting period from 1 July 2004 to 31 December 2004. There was no previous corresponding half year period.
2. Results for announcement to the market:

		Up/Down	%	\$'000
2.1	Revenue from ordinary activities	n/a	n/a	41,357
2.2	Profit from ordinary activities after tax attributable to members	n/a	n/a	3,384
2.3	Net profit for the period attributable to members	n/a	n/a	3,384

- 2.4 It is proposed to pay an interim fully franked dividend of 2.00 cents per share on ordinary shares in respect of the financial period to 31 December 2004. Payment Date: 25 March 2005.
- 2.5 Record date of dividend proposed: 25 February 2005.
- 2.6 Brief explanation of above figures – refer Board of Directors' Statement.
3. Net tangible assets per security:

Period	NTA per share before estimated tax on unrealised income & gains	NTA per share after estimated tax on unrealised income & gains
31 December 2004	\$1.15	\$1.11

4. There were no entities over which control has been gained or lost during the period.
5. No dividends were paid during the half year period ended 31 December 2004.
6. The Dividend Reinvestment Plan (DRP) is in operation. The last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan is 25 February 2005.
7. There were no associates or joint venture entities during the financial period.
8. Accounting Standards used by foreign entities - not applicable.
9. This report is based on accounts which have been reviewed by auditors.

17 February 2005

The Board of Directors of Century Australia Investments Limited makes the following statement:

The net profit of the Century Australia Investments Limited ("Century Australia") for the half-year ended 31 December 2004 resulted in an operating profit before tax of \$2.961 million (2003: nil) and operating profit after providing for income tax of \$3.384 million (2003: nil). In addition, Century Australia recorded realised gains on sale of investments after income tax of \$2.9 million and unrealised gains of \$12.6 million (2003: nil) which were transferred to the Asset Revaluation Reserve. This equates to earnings per share of 1.92 cents for the period ended 31 December 2004.

Century Australia's maiden half-yearly profit, was achieved in a very bullish environment for investment where the Australian Share Market appreciated by more than 17% (S&P ASX300 Accumulation Index). Shareholders should note that this is an unusually large return for the market that is unlikely to be repeated on a regular basis.

During the 6 months ending 31 December 2004, the Manager continued to invest the assets of the Company cautiously. The exposures were largely targeted at high quality, high dividend paying, large companies such as Telstra, Westpac, ANZ and St George Bank. To date, this has been a rewarding strategy both in terms of capital appreciation and after-tax income.

Late in the period additional exposures were taken in National Australia Bank and BHP Billiton. In the case of NAB, the Manager waited not only until new Management and Board had been put in place, it was also awaiting signs that the business was showing some signs of recovery. It has been pleasing to note in the early part of 2005, that some progress is now more evident.

Equally, the Manager has targeted Telstra as a major investment of the Company. Whilst the process of management change is still very much under way, the strong and resilient cashflow and the fact that the Company is committed to a special dividend to shareholders for another 2 years was an incentive. At the time of investment, Telstra's total dividend to shareholders was yielding in excess of 8% when counting the value of its franking. The Manager considers this to be an extremely competitive return at this stage of the investment cycle.

The Manager's overriding concern for the market at this point stems from the following factors:

1. The last 6 months has been heavily influenced by liquidity rather than by fundamentals that were previously not known.
2. The new Government, and its commitment to overhauling media ownership laws, has resulted in the entire media sector moving up to reflect the possibility of takeovers. In this process, not everyone will be a winner. Some won't be acquired, and some may be acquired at prices that do not reflect true value.
3. China is thought of as a saviour to the capitalist world. Companies with a China strategy have been rewarded. China is of course, a big positive for Australia. But, China also experiences periods of less certainty.
4. Takeover activity is on the rise. Miners, Beverage Companies, Retailers, Low-Cost Airlines, etc. Speculation of continued activity in various sectors abounds. This typically happens late in the cycle when share prices have already risen and corporations are at maximum levels of confidence.

The Manager believes that the market is expensive, but not at ridiculous levels. The market's dividend yield is still at 3.9% and many companies are paying special dividends or conducting more active capital management programs. But there is ample reason to be cautious and the portfolio of Century Australia very much reflects these feelings.

On 17 February 2005, the Directors of Century Australia Investments Limited declared an interim fully franked dividend on ordinary shares in respect of the financial period to 31 December 2004. The total amount of the dividend is \$3,520,000, which represents a fully franked dividend of 2.0 cents per share. The dividend has not been provided for in the 31 December 2004 financial statements.

The Directors of Century Australia were pleased to be able to declare an interim dividend for the period. Our objective is to make regular and increasing dividend payments. The dividend declared reflects a distribution of most of the franking reserve already built up in Century Australia's short period of operation.

In the full year, we expect to equal or better the 2.00 cent interim dividend based on our expectations for future dividend and franking receipts and taxation payments. With a large part of the earnings reporting season now behind us, we are confident that many of the companies in which we invest will continue to pay regular and growing dividends with high levels of franking.

The full portfolio of Century Australia as at 31 December 2004 was as follows:

Security Name	% of Portfolio
Cash	18.31
Westpac Banking Corporation	7.39
Telstra Corporation Limited	7.26
Australia and New Zealand Banking Group Ltd	4.95
National Australia Bank Limited	4.8
St George Bank Limited	3.92
BHP Billiton Limited	3.89
AXA Asia Pacific Holdings Limited	2.89
Suncorp-Metway Limited	2.86
News Corporation Class B Voting Common Stock	2.57
Commonwealth Bank of Australia	2.55
Telecom Corporation of New Zealand - Aust	2.55
Macquarie Bank Limited	2.43
Metcash Trading Limited	2.31
News Corporation Preference Class A CDI	2.27
Publishing and Broadcasting Limited	2.27
Rio Tinto Limited	2.11
Ten Network Holdings Limited	1.92
Alumina Limited	1.86
John Fairfax Holdings Limited	1.63
Fletcher Building Limited	1.5
STW Communications Group Limited	1.42
Westfield Group Ordinary/Units Fully Paid	1.41
Lend Lease Corporation Limited	1.35
WMC Resources Limited	1.22
SFE Corporation Limited	1.16
Zinifex Limited	1.1
Foodland Associated Limited	1.07
Commonwealth Property Office Fund	0.92
Rural Press Limited	0.92
Pacific Brands Limited	0.85
Singapore Teleco Limited	0.77
Insurance Australia Group Limited	0.74
Tishman Speyer Office Fund	0.69
Austereo Group Limited	0.59
Premier Investments Limited	0.55
AMP Limited	0.53
Harvey Norman Holdings Limited	0.35
Southern Cross Broadcasting (Australia) Ltd	0.35

Security Name	% of Portfolio
PREMIUM INVESTORS	0.32
Bluescope Steel Limited	0.3
Southern Cross Broadcasting Converting	0.21
Independence Group NL	0.2
St George Bank Converting Preference	0.2
Just Group Limited	0.19
K and S Corp	0.18
Greens Food Limited	0.17
Rural Press Limited - Preferred Ordinary	0.16
Fisher n Paykel Appliances Holdings Limited	0.12
Nuplex Industries Limited	0.07
Magellan Petroleum Australia	0.06
Macquarie DDR Trust	0.05
TEN11 AUD 4.17 Call Option Expiring 24/2	-0.11
MBL27 AUD 47.00 Call Option Expiring 24/2	-0.17
ANZB8 AUD 21.00 Call Option Expiring 24/2	-0.2

Yours sincerely



Robert Turner



James Green



Warwick Negus

CENTURY AUSTRALIA

INVESTMENTS LIMITED



ABN 11 107 772 761

FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2004

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DIRECTORS' REPORT

Your Directors submit the financial report of the Company for the half-year ended 31 December 2004.

DIRECTORS

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

Robert Turner (Non-Executive Chairman)
James Green (Non-Executive Director)
Warwick Negus (Executive Director)

Directors were in office for this entire period unless otherwise stated.

REVIEW OF OPERATIONS

The operations of Century Australia Investments Limited ("Century Australia") for the half-year ended 31 December 2004 resulted in an operating profit before tax of \$2.961 million (2003: nil) and operating profit after providing for income tax revenue of \$3.384 million (2003: nil). In addition, Century Australia recorded realised gains on sale of investments after income tax of \$2.9 million for the half-year.

Long term investments are continuously revalued to market value. For the half-year ended 31 December 2004, investments were revalued upwards by \$22.7 million (2002: nil) and after adjustment for deferred tax on unrealised gains, a net increment of \$12.6 million (2003: nil) was transferred to the Asset Revaluation Reserve. After providing for income tax on disposal of investments during the half-year, \$2.9 million (2003: nil) the revaluation increment relating to the disposal was transferred from the Asset Revaluation Reserve to the Capital Profits Reserve.

On 17 February 2005, the Directors of Century Australia declared an interim fully franked dividend on ordinary shares of 2.0 cents per share in respect of the financial period to 31 December 2004.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307 of the Corporations Act 2001 is set out on page 9 and forms part of this report.

ROUNDINGS

The amounts contained in this report and in the 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.

This report has been made and signed in accordance with a resolution of Directors.



R Turner
Chairman



W Negus
Executive Director

Dated this 17th day of February 2005

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

	Notes	31 Dec 2004 \$'000
Revenues from ordinary activities		41,357
Cost of listed securities sold		(37,971)
Other revenues from ordinary activities		955
Directors' benefits expense		(53)
Management fees		(1,019)
Professional expenses		(4)
Borrowing costs		-
Other expenses from ordinary activities		(304)
		<hr/>
Profit from ordinary activities before income tax expense	2	2,961
Income tax revenue relating to ordinary activities		423
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Net profit attributable to members of Century Australia Investments Limited		3,384
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Increase in asset revaluation reserve		12,653
Increase in capital profits reserve		2,866
		<hr/>
Total revenues, expenses and valuation adjustments attributable to members of Century Australia Investments Limited and recognised directly in equity		18,903
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Total changes in equity other than those relating from transactions with owners as owners attributable to members of Century Australia Investments Limited		18,903
		<hr/>
Basic earnings per share (cents per share)		1.92
Diluted earnings per share (cents per share)		1.92

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

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2004**

	31 Dec 2004 \$'000	30 June 2004 \$'000
CURRENT ASSETS		
Cash assets	36,427	47,823
Receivables	426	2,981
Deferred tax assets	148	318
Other	24	67
TOTAL CURRENT ASSETS	37,025	51,189
NON-CURRENT ASSETS		
Deferred tax assets	1,878	1,248
Other financial assets	166,690	128,974
TOTAL NON-CURRENT ASSETS	168,568	130,222
TOTAL ASSETS	205,593	181,411
CURRENT LIABILITIES		
Payables	588	1,747
Tax liabilities	1,227	257
Provisions	-	2
TOTAL CURRENT LIABILITIES	1,815	2,006
NON-CURRENT LIABILITIES		
Deferred tax liabilities	6,800	2,075
TOTAL NON-CURRENT LIABILITIES	6,800	2,075
TOTAL LIABILITIES	8,615	4,081
NET ASSETS	196,978	177,330
EQUITY		
Contributed equity	173,104	172,359
Reserves	18,733	3,214
Retained profits	5,141	1,757
TOTAL EQUITY	196,978	177,330

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

**STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2004**

	31 Dec 2004 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Dividends received	4,274
Interest received	1,001
Investment expenses paid	(845)
Income tax paid	(204)
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Net cash provided by operating activities	4,226
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CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of investments	41,990
Purchase of investments	(57,610)
Purchase of property, plant and equipment	(2)
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Net cash used in investing activities	(15,622)
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CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from issues of ordinary shares	-
Payment of share issue costs	-
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Net cash provided by financing activities	-
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Net decrease in cash held	(11,396)
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Add: Cash at 1 July 2004	47,823
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Cash at 31 December 2004	36,427
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The financial statements should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2004

NOTE 1: BASIS OF PREPARATION

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 1029: Interim Financial Reporting, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2004 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*.

The accounting policies have been consistently applied by the entities in the Company and are consistent with those applied in the 30 June 2004 annual report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

The Company was incorporated on 28 January 2004 and therefore does not have a comparative 31 December 2003 half-year for the Statement of Financial Performance, Statement of Cash Flows and related notes.

31 Dec 2004
\$'000

NOTE 2: PROFIT FROM ORDINARY ACTIVITIES

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

(a) Revenues:

- dividend income	3,386
- proceeds on disposal of financial assets	37,971
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	41,357
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(b) Expenses:

- carrying amount of financial assets on disposal	(37,971)
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NOTE 3: CONTINGENT LIABILITIES

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

NOTE 4: EVENTS AFTER BALANCE DATE

On 17 February 2005, the Directors of Century Australia Investments Limited declared an interim fully franked dividend on ordinary shares in respect of the financial period to 31 December 2004. The total amount of the dividend is \$3,520,000, which represents a fully franked dividend of 2.0 cents per share. The dividend has not been provided for in the 31 December 2004 financial statements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2004
(cont'd)**

NOTE 4: ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company has commenced transitioning its accounting policies and financial reporting from current Australian Standards to Australian Equivalents of International Financial Reporting Standards (A-IFRS). The Company has allocated internal resources and engaged expert consultants to determine the key areas that will be impacted by the transition to A-IFRS. As a result of these procedures, the Company will address each of the areas identified. As the Company has a 30 June year end, priority has been given to considering the preparation of an opening balance sheet in accordance with AASB equivalents to IFRS as at 1 July 2004. This will form the basis of accounting for Australian Equivalents of IFRS in the future, and is required when the Company prepares its first fully A-IFRS compliant financial report for the year ending 30 June 2006. The Company will seek to keep stakeholders informed as to the impact of these new standards as they are finalised.

The Directors are of the opinion that the key differences in the Company's accounting policies which will arise from the adoption of A-IFRS are:

Classifications of financial instruments

Under AASB 139 Financial Instruments: Recognition and Measurement, financial instruments will be required to be classified into one of five categories which will, in turn, determine the accounting treatment of the item.

The classifications are:

- loans and receivables – measured at amortised cost
- held to maturity – measured at amortised cost
- held for trading – measured at fair value with fair value changes charged to net profit or loss
- available for sale – measured at fair value with changes taken to equity and non-trading
- liabilities – measured at amortised cost

This will result in a change in the current accounting policy that does not classify financial instruments. Current measurement is at market value less an allowance for realisation costs, with derivative financial instruments recognised on the Statement of Financial Position and continuous revaluations are credited to the Asset Revaluation Reserve after deducting a provision for potential deferred tax.

The future financial effect of this change in net fair value in accounting policy is not yet known as the classification and measurement process has not yet been fully completed.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

- 1) the financial statements and notes, as set out on pages 3 to 7:
 - a) comply with Accounting Standard AASB 1029: 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 2004 and of its performance for the half year ended on that date.
- 2) 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



W Negus
Executive Director

Dated this 17th day of February 2005

INDEPENDENT REVIEW REPORT TO THE MEMBERS OF CENTURY AUSTRALIA INVESTMENTS LIMITED

Scope

The half-year financial report and directors' responsibility

The half-year financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Century Australia Investments Limited (the company), for the half-year ended 31 December 2004.

The directors of the company are responsible for the preparation and true and fair presentation of the half-year financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the half-year financial report.

Review approach

We have performed an independent review of the half-year financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the half-year financial report is not presented fairly in accordance with Australian Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows, and in order for the company to lodge the half-year financial report with the Australian Securities & Investments Commission/Australian Stock Exchange Limited.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

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

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**INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF CENTURY AUSTRALIA INVESTMENTS LIMITED
(cont)**

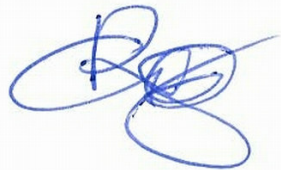
Statement

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:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2004 and of its performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 1029: Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

A handwritten signature in blue ink that reads "Grant Thornton NSW".

GRANT THORNTON NSW
Chartered Accountants

A handwritten signature in blue ink, appearing to be "A G Rigele".

A G RIGELE
Partner

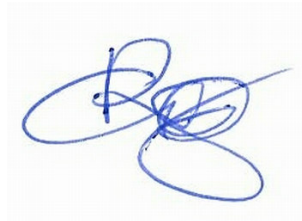
Sydney

17 February 2005

AUDITOR'S INDEPENDENCE DECLARATION

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 2004, 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.



A G Rigele
Partner
Grant Thornton NSW

Sydney

17 February 2005

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