

25 August 2005

The Directors of Century Australia Investments Limited make the following statement:

Results for the year ended 30 June 2005

Century Australia announced today an operating profit after tax of \$6.318 million which equates to 3.57 cents per share for the full financial year.

Financial Highlights:

- Operating profit after tax of \$6.318 million, (2004^(a): \$1.757 million)
- Earnings per share of 3.57 cents (2004^(a): 1.00 cent)
- Net tangible asset backing of \$1.18 per share before tax as at 30 June 2005 (2004^(a): \$1.01 before tax)
- Net tangible asset backing of \$1.14 per share after tax as at 30 June 2005 (2004^(a): \$1.00 after tax)
- Interim dividend paid for half year ended 31 December 2004 of 2.00 cents per share fully franked and a declared final dividend paid of 3.00 cents per share fully franked (2004^(a): nil)
- Total portfolio value as at 30 June 2005 of \$211.7 million (2004^(a): \$178.9 million)

(a) – refers to period 8 April 2004 to 30 June 2004

The Manager generated a positive return of 21.67% on the underlying investment portfolio during the financial year. Whilst the performance on the underlying portfolio has been very strong in an absolute sense, it has not achieved the same returns generated by the Australian sharemarket as a whole. This relative underperformance reflects our Manager, 452 Capital's focus on long term investment.

Dividends

Century Australia paid a fully franked interim dividend of 2.00 cents for the period ended 31 December 2004 and has declared a final fully franked dividend of 3.00 cents as at 30 June 2005 payable on 29 September 2005.

The shares are expected to trade ex-dividend on 1 September 2005 and the record date to establish shareholder dividend entitlements is 5 September 2005.

At the end of the financial year, the company had undistributed after tax Listed Investment Company (LIC) capital gains of \$818,070, representing capital gains realised on investments held for at least 12 months less tax paid or payable. The final dividend will include the attributable part of these LIC capital gains to the amount of 0.46 cents per share. This will entitle certain shareholders to claim a deduction in their income tax return.

During the financial year the Australian Tax Office (ATO) sought to clarify the tax status of certain LICs. Century Australia, as disclosed in the original prospectus, was granted a tax concession that allows its shareholders to benefit from a discount of capital gains tax where shares are held for more than 12 months. This operates much the same way as the concessional rate of capital gains tax for individuals. Shareholders should seek their own advice in this regard.

The ATO draft intends to ensure that the LICs that benefit from the concession, qualify as a result of a long term strategy of capital growth rather than a trading or income strategy. Century Australia has received advice that its strategy is consistent with the ATO review and that proper procedures are in place both in the Company and with its Manager to ensure that, to the fullest extent possible, this tax status is maintained.



Dividend Reinvestment Plan (DRP)

During 2004, the Company introduced a Dividend Reinvestment Plan (DRP). This will operate for the fully franked dividend of 3.00 cents per share payable on 29 September 2005. The final date to determine entitlement to the dividend will be 5 September 2005.

The Directors have resolved to enable eligible shareholders to apply the proceeds of their dividend to purchasing additional shares in Century Australia at a 5% discount to market price, as defined in the DRP rules. There have been no changes in any DRP terms and conditions.

Net Asset Backing

The Net Tangible Assets (NTA) increased from \$1.01 to \$1.18, an increase of 17%. Dividends paid are subtracted from the NTA.

As a medium to long term investor, Century Australia intends to retain its core investment portfolio, unless circumstances warrant a revision. However, if estimated tax on unrealised portfolio gains were to be deducted, the net tangible asset backing per share would be \$1.14 as at 30 June 2005, compared with \$ 1.00 as at 30 June 2004.

Share Price

Century Australia's share price performance during the financial year has been disappointing. It has not tracked the growth in the NTA and we have received correspondence from investors wanting to know why this has been the case. There is no one reason for the lack of share price growth but we would like to make the following observations:

1. Many LICs have found that share price growth has been difficult to achieve in a rising sharemarket. The trading of the Century share price has been broadly in line with the sector. In a growth market environment LIC share prices have traded at a discount to NTA as many investors choose to invest directly in the market.
2. The real measure of value for shareholders of the net worth of the Company is measured (and reported monthly to the ASX) by the NTA. The NTA gives an accurate and timely indication of the after-tax value of the Company.
3. Century will continue to communicate with both shareholders and the broader market on its progress. If the Company can continue to record solid and consistent growth in NTA and dividends then the share price should respond accordingly.

Buy-Back Program

As part of a capital management program, the Directors of Century Australia are considering establishing a share buy-back program in response to the difference between the share price and the underlying NTA.

Australian equivalents to International Accounting Standards (AIFRS)

Century Australia had to make elections at the end of the financial year as part of the move to Australian equivalents to International Reporting Standards. The effects of these are noted at Note 1 in more detail and whilst it is not significant, there is an effect that shareholders should understand. The Board received formal advice on the appropriate strategies and feel that the outcome has been positive for shareholders.



Investment Manager, 452 Capital Pty Limited

At the end of May 2005, the Commonwealth Bank of Australia announced that it had agreed to purchase a 30% interest in 452 Capital Pty Limited, the Investment Manager of the Century investment portfolio. It is important to note a few aspects of this transaction:

1. There has not been a change of control in the Investment Manager. It is still controlled by the staff of 452 Capital, and in particular, Peter Morgan.
2. Our Executive Director, Warwick Negus has since taken on a new role of Chief Executive Officer of Colonial First State Global Asset Management. He is a minority shareholder of 452 Capital but has no active involvement in the business. He is not an employee or a Director of 452 Capital and as a result, Warwick's status as a Director changed to Non-Executive Director effective from 5 July 2005.
3. 452 Capital retains the same investment discretion that it had prior to the announcement. Specifically, the terms of Century's Investment Management Agreement are unchanged and provide not only an investment service but all other support services.

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Yours sincerely



Robert Turner



James Green



Warwick Negus



Appendix 4E
Preliminary Final Report
Century Australia Investments Limited
ABN 11 107 772 761
For the period ended 30 June 2005

1. This preliminary final report is for the reporting period ended 30 June 2005. The previous corresponding period is the reporting period 8 April 2004 to 30 June 2004.

2. Results for announcement to the market:

	Up/Down	%	\$'000
2.1 Revenue from ordinary activities	Up	745% ^(a)	82,444
2.2 Profit from ordinary activities after tax attributable to members	Up	260% ^(a)	6,318
2.3 Net profit for the period attributable to members	Up	260% ^(a)	6,318

(a) – refers to period 8 April 2004 to 30 June 2004

2.4	Dividends	Amount per security	Franked amount per security
	Interim Dividend – 24 March 2005	2.0 cents	100%
	Final Dividend	3.0 cents	100%

- 2.5 Record date – 5 September 2005.
- 2.6 Brief explanation of above figures – refer Board of Directors' Statement.
3. Statement of financial performance together with notes to the statement – refer attached.
4. Statement of financial position together with notes to the statement – refer attached.
5. Statement of cash flows together with notes to the statement – refer attached.

6. **Dividends**

Date the dividend payable	29 September 2005
Record date to determine entitlement to dividend	5 September 2005
Amount per security (cents)	3.00
Total dividend (\$'000)	5,302
Amount per security of foreign source dividend or distribution	nil

Appendix 4E
Preliminary Final Report
Period Ended 30 June 2005

7. The Dividend Reinvestment Plan (DRP) was established in June 2004, allowing shareholders to have dividends fully or partly contribute to the purchase of new ordinary shares. The shares issued under the plan are at a discount of 5% to the market price. The last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan is 5 September 2005.

8. A statement of retained earnings showing movements – refer attached Note 16 Retained Profits.

9.

Period	NTA per share before estimated tax on unrealised income & gains	NTA per share after estimated tax on unrealised income & gains
30 June 2005	\$1.18	\$1.14
30 June 2004	\$1.01	\$1.00

10. There were no entities over which control has been gained or lost during the period.

11. There were no associates or joint venture entities during the financial period.

12. There is no other significant information to report, other than what has been disclosed, that would be needed by an investor to make an informed assessment of the entity's financial performance and financial position.

13. Accounting Standards used by foreign entities - not applicable

14. Commentary on the results for the period - refer Board of Directors' Statement attached.

15. This report is based on accounts which have been audited.

16. Dispute or audit qualification upon non audit - not applicable

17. Dispute or audit qualification upon audit - not applicable

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005

	Notes	30 June 2005 \$'000	Period ended 30 June 2004 ^(a) \$'000
Revenues from ordinary activities	2	82,444	9,751
Cost of listed securities sold		(73,316)	(6,459)
Directors' benefits expense		(110)	(56)
Management fees		(2,000)	(394)
Professional expenses		(74)	(56)
Other expenses from ordinary activities		<u>(457)</u>	<u>(81)</u>
Profit from ordinary activities before income tax expense	3	6,487	2,705
Income tax expense relating to ordinary activities	4	<u>(169)</u>	<u>(948)</u>
Net profit attributable to members of Century Australia Investments Limited		<u>6,318</u>	<u>1,757</u>
Increase in asset revaluation reserve	15	13,376	3,214
Increase in capital profits reserve	15	<u>7,114</u>	<u>-</u>
Total revenues, expenses and valuation adjustments attributable to members of Century Australia Investments Limited and recognised directly in equity		<u>20,490</u>	<u>3,214</u>
Total changes in equity other than those relating from transactions with owners as owners attributable to members of Century Australia Investments Limited		<u>26,808</u>	<u>4,971</u>
Basic earnings per share (cents per share)	18	3.57	1.00
Diluted earnings per share (cents per share)	18	3.57	1.00
Dividends per share (cents per share)	5	2.00	-

(a) – refers to period 8 April 2004 to 30 June 2004

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005

	Notes	30 June 2005 \$'000	30 June 2004 \$'000
CURRENT ASSETS			
Cash assets	6	37,446	47,823
Receivables	7	1,685	2,981
Other	8	67	67
TOTAL CURRENT ASSETS		<u>39,198</u>	<u>50,871</u>
NON-CURRENT ASSETS			
Deferred tax assets	9	1,085	1,566
Other financial assets	10	172,121	128,974
TOTAL NON-CURRENT ASSETS		<u>173,206</u>	<u>130,540</u>
TOTAL ASSETS		<u>212,404</u>	<u>181,411</u>
CURRENT LIABILITIES			
Payables	11	544	1,747
Tax liabilities	12	2,905	257
Provisions	13	-	2
TOTAL CURRENT LIABILITIES		<u>3,449</u>	<u>2,006</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities	12	7,656	2,075
TOTAL NON-CURRENT LIABILITIES		<u>7,656</u>	<u>2,075</u>
TOTAL LIABILITIES		<u>11,105</u>	<u>4,081</u>
NET ASSETS		<u>201,299</u>	<u>177,330</u>
EQUITY			
Contributed equity	14	173,040	172,359
Reserves	15	23,704	3,214
Retained profits	16	4,555	1,757
TOTAL EQUITY		<u>201,299</u>	<u>177,330</u>

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2005

	Notes	30 June 2005 \$'000	Period ended 30 June 2004 ^(a) \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Dividends received		6,866	129
Interest received		1,901	1,295
Investment expenses paid		(7,748)	(589)
Income tax paid		(239)	-
Net cash provided by operating activities	17(b)	780	835
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments		73,316	7,031
Purchase of investments		(81,634)	(130,841)
Net cash used in investing activities		(8,318)	(123,810)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issues of ordinary shares		-	176,000
Payment of share issue costs		(42)	(5,202)
Dividends paid		(2,797)	-
Net cash provided by financing activities		(2,839)	170,798
Net (decrease)/increase in cash held		(10,377)	47,823
Add: Opening cash brought forward		47,823	-
Cash as at end of the reporting year	17(a)	37,446	47,823

(a) – refers to period 8 April 2004 to 30 June 2004

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report is for the entity Century Australia Investments Limited as an individual entity. Century Australia Investments Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

Current income tax assets and/or liabilities comprise those obligations to or claims from fiscal authorities relating to the current or prior reporting period and are unpaid at the Statement of Financial Position date. They are calculated at tax rates and tax laws applicable to the fiscal periods they relate to, based on taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the statement of financial performance.

Deferred income taxes are calculated using the liability method on temporary differences, i.e. by comparing carrying amounts of assets and liabilities in the financial statements with their respective tax bases. In addition tax loss carry forwards as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised at those amounts that can probably be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the statement of financial performance. Only changes in assets or liabilities that affect temporary differences are recognised in the Company's equity directly, such as the revaluation of investments, the related change in deferred tax assets or liabilities is charged against the same line item of equity.

(b) Rounding

Australian Securities and Investments Commission Class Order 98/100 dated 10 July, 1998 applies to the Company and accordingly amounts have been rounded off to the nearest one thousand dollars in accordance with that Class Order, unless otherwise stated.

(c) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) Investments

Investments classified as Non-Current Assets comprise holdings of long-term securities and are measured using the fair value basis.

ASX listed shares and securities are valued at market value as quoted on the ASX less allowances for realisation costs. Non ASX listed shares and securities are valued at their estimated market value. Investments including shares and securities are valued continuously. Accordingly, cost of sales equals sales revenue when investments are sold. Revaluations are credited directly to the Asset Revaluation Reserve after deducting a provision for potential deferred capital gains tax. When shares and securities are disposed of, the balance in the Asset Revaluation Reserve, relating to the disposed shares and securities is transferred to the Capital Profits Reserve.

Downward movements in the value of investments are taken to the statement of financial performance unless this downward movement reverses the previous upward movement to the asset revaluation reserve, where upon it is debited to the applicable Asset Revaluation Reserve.

(e) Revenue

Realised gains or losses on the sale of investments are calculated as the difference between sales proceeds and the fair value of the investments.

Dividends and distributions are brought to account on the date that the shares or units are traded "ex-dividend" or "ex-distribution". Interest income is brought to account on an accruals basis, as it is earned. Income due and receivable at balance date is carried as a receivable.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(g) Earnings per Share

Basic EPS is calculated as net profit attributable to members divided by the weighted average number of ordinary shares.

As there are no dilutive potential ordinary shares, diluted EPS is calculated using the same methodology.

(h) Derivative Financial Instruments

Exchange traded options are recorded at their market value as determined by reference to the last available price of the security on its primary exchange on the day of valuation.

(i) Dividends

Provision for dividends payable are recognised in the reporting period in which they are declared, for the entire undistributed amount, regardless of the extent to which they will be paid in cash.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(j) Adoption of Australian Equivalents to International Financial Reporting Standards

The Australian Accounting Standards Board (AASB) is adopting Australian Equivalents to International Reporting Standards (AIFRS), for application for reporting periods beginning on or after 1 January 2005. The adoption of AIFRS will be first reflected in the Company's financial statements for the half year ended 31 December 2005 and the year ending 30 June 2006. AIFRS require that entities complying with AIFRS for the first time also restate their comparative financial statements using AIFRS except for AASB 132 Financial Instruments: Disclosure and Presentation, AASB 139 Financial Instruments: Recognition and Measurement.

The Company has analysed and quantified below what effects of the changes in accounting standards would be to the Statement of Financial Performance and Statement of Financial Position that are reported at 30 June 2005 under current Australian Accounting Standards ("AGAAP"). Most adjustments required on transition to AIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004. Whilst there may be changes to these figures as a result of future pronouncements or clarifications from the AASB, based on work-to-date, the Directors are of the opinion that the following key impacts as at the date of preparing the 30 June 2005 financial report have been identified:

(i) Realised gains of investment portfolio included in Profit from Ordinary Activities

Under AIFRS, the realised gains of the investment portfolio (net of tax) will be included in profit from ordinary activities rather than treated as a direct equity adjustment. Consequently, the Capital Profit Reserve will cease to exist. The net realised gains (after tax) of \$3.2 million as disclosed in Note 15 would have been included in Statement of Financial Performance.

(ii) Recognition of deferred tax on investment portfolio

Under AIFRS, the Company must recognise as additional deferred tax liability amount for the tax payable on unrealised gains in the investment portfolio. This additional deferred tax liability is offset against the unrealised gains on the investment portfolio recognised in the Asset Revaluation Reserve of the Company. The Company has already adopted this policy in preparation of these accounts by the early adoption of AASB1020 Income Taxes, and hence there is no impact on the addition of AIFRS (refer Note 1).

(iii) Financial Assets

Financial assets will be classified as "available for sale securities" under AASB139 Financial Instruments: Recognition and Measurement and will continue to be recognised in the Statement of Financial Position at fair value. During the period changes in fair value for investment securities will be recognised in Equity. The fair value of financial assets will be measured at bid price and will exclude disposal costs. Previously, under AGAAP the fair value of financial assets were measured at last price including disposal costs. The impact to the value of the portfolio was a net increase to the valuation of \$270,816 as at 1 July 2005.

Under AASB1 First Time Adoption of Australian Equivalents to International Reporting Standards, companies can elect not to apply the requirements of AASB139 Financial Instruments: Recognition and Measurement & AASB132 Financial Instruments: Disclosure and Measurement to the comparative financial period on first time adoption. Hence there will be no impact on the 30 June 2005 figures.

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 Statement of Financial Performance.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)****(j) Adoption of Australian Equivalents to International Financial Reporting Standards (cont'd)****(iv) Share Based Payments**

Under AASB2 Share based Payments, the Company will be required to determine the fair value of all forms of equity based payments. It applies to all share-based payments issued after 7 November 2002 which have not vested as at 1 January 2005. Estimation of the future financial effects of this change in accounting policy is that there is no impact on the results for 2005 or the Company's financial position as at 30 June 2005.

(v) Proforma Impact on the 2005 results

If the financial reports had been prepared using AIFRS, the best estimate of the quantitative impact of the changes would be as follows:

As the Company has elected to adopt AASB132 and AASB139 from 1 July 2005, the 30 June 2005 results and Statement of Financial Position will not be restated. However, as at 1 July 2005 the equity of the Company will change as detailed below:

**As at
1 July 2005
\$'000**

Reconciliation of equity as presented under AGAAP to that under AIFRS

Total equity under AGAAP	201,299
Key transitional adjustments	
- adjustment to retained earnings (net of tax)	<u>270</u>
Total equity under AIFRS	<u>201,569</u>

The capital profits reserve totaling \$7,114,000 as at 1 July 2005 will be transferred to retained profits.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

	30 June 2005	Period ended 30 June 2004 ^(a)
	\$'000	\$'000
NOTE 2: REVENUE FROM ORDINARY ACTIVITIES		
Revenues from operating activities		
- dividends & distribution	7,274	1,207
- proceeds on disposal of financial assets	<u>73,316</u>	<u>7,031</u>
Total revenue from operating activities	<u>80,590</u>	<u>8,238</u>
Revenues from non-operating activities		
- interest	<u>1,854</u>	<u>1,513</u>
Total revenue from non-operating activities	<u>1,854</u>	<u>1,513</u>
Total revenue	<u><u>82,444</u></u>	<u><u>9,751</u></u>
(a) Dividend and distributions revenue from:		
- other entities	<u>7,274</u>	<u>1,207</u>
(b) Interest revenue from		
- other persons	<u>1,854</u>	<u>1,513</u>

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense has been determined after:

(a) Expenses:		
- net loss on disposal of financial assets	(540)	(16)
(b) Revenue and net gains:		
- net gain on disposal of financial assets	10,702	588

(a) – refers to period 8 April 2004 to 30 June 2004

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

	30 June 2005	Period ended 30 June 2004 ^(a)
	\$'000	\$'000
NOTE 4: INCOME TAX EXPENSE		
(a) The prima facie income tax on the profit from ordinary activities differs from the income tax provided in the accounts and is reconciled as follows:		
Prima facie tax on profit from ordinary activities before income tax at 30%	1,946	812
Add tax effect of:		
- imputation gross-up on dividends received	724	133
- withholding gross-up on dividends received	21	3
- non deductible expenses	3	-
- credits	(2,472)	-
- under/(over) provision from prior year	(53)	-
Income tax attributable to operating profit	<u>169</u>	<u>948</u>
NOTE 5: DIVIDENDS PAID		
Dividends paid during the year:		
(a) Dividend paid during the year		
Interim fully franked dividend of 2.00 (2004: nil)		
cents per share franked at tax rate of 30% (2004:nil)	<u>3,520</u>	<u>-</u>
(b) Franking credit balance		
The amount of franking credits available for the subsequent financial year are:		
Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and franking credits that may be prevented from distribution in subsequent financial years	<u>4,057</u>	<u>699</u>
	30 June 2005	30 June 2004
	\$'000	\$'000
NOTE 6: CASH ASSETS		
Cash at bank	103	33
11am account	36,399	47,119
Futures margin	724	671
Options margin	<u>220</u>	<u>-</u>
	<u>37,446</u>	<u>47,823</u>

(a) – refers to period 8 April 2004 to 30 June 2004

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

	Notes	30 June 2005 \$'000	30 June 2004 \$'000
NOTE 7: RECEIVABLES			
CURRENT			
Outstanding settlements receivable		-	1,549
Interest receivable		156	218
Dividends receivable		1,486	1,079
Other receivables		43	135
		<u>1,685</u>	<u>2,981</u>
(a) Terms and conditions			
- Outstanding settlements receivable relate to sale of financial assets and will be settled within 3 days			
NOTE 8: OTHER ASSETS			
CURRENT			
Prepayments		<u>67</u>	<u>67</u>
NOTE 9: DEFERRED TAX ASSETS			
NON CURRENT			
Future income tax benefit	9(a)	<u>1,085</u>	<u>1,566</u>
NOTE 10: OTHER FINANCIAL ASSETS			
NON CURRENT			
Listed securities at net market value	10(a)	<u>172,121</u>	<u>128,974</u>
(a) Terms and conditions			
- Listed securities are readily saleable with no fixed terms. However, it is the Director's intention to hold the investment for the long term.			
(b) Included in listed securities are the following material investments:			
(i) Westpac Banking Corporation (WBC)			
WBC is a provider of banking and financial services in Australia and New Zealand. It has five main business divisions, Business and Consumer Banking, Wealth Management, Westpac Institutional Bank, New Zealand Retail and Pacific Banking.			
Century Australia Investments Limited holds 0.04085% in WBC		<u>15,220</u>	<u>10,767</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

	30 June 2005	30 June 2004
	\$'000	\$'000

NOTE 10: OTHER FINANCIAL ASSETS (cont'd)**(ii) Telstra Corporation Limited (TLS)**

TLS is a provider of telecommunications and information products and services. The principal activities are provision of telephone lines; national local and long distance, and international telephone calls, mobile telecommunications, data, internet and on-line, wholesale, telephone directories and pay TV.

Century Australia Investments Limited holds
0.04983% in TLS.

15,121	14,313
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(iii) National Australia Bank Limited (NAB)

NAB is a financial services group providing a comprehensive and integrated range of financial products and services throughout Australia, New Zealand and parts of the United Kingdom.

Century Australia Investments Limited holds
0.0261% in NAB

12,572	-
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(iv) BHP Billiton Limited (BHP)

BHP is a major international resources company with a global portfolio of high quality assets. Core activities comprise the production and distribution of minerals, mineral products and petroleum.

Century Australia Investments Limited holds
0.01722% in BHP

11,213	-
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NOTE 11: PAYABLES**CURRENT**

Trade creditors

7	481
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Sundry creditors and accruals

537	68
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Equities purchased

-	1,198
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544	1,747
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(a) Terms and conditions

- Trade accounts payable are normally settled within 30 days

- Other creditors are non interest bearing

- Equities purchased relate to the purchase of financial assets and will be settled within 3 days

NOTE 12: TAX LIABILITIES**CURRENT**

Provision for income tax

2,905	257
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NON CURRENT

Provision for deferred income tax

7,656	2,075
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Provision for deferred income tax includes tax applicable to the unrealised gains. The tax is only payable upon the realisation of long term investments and only to the extent that such realised capital gains cannot be offset by realised capital losses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

	Notes	30 June 2005 \$'000	30 June 2004 \$'000
NOTE 13: PROVISIONS			
CURRENT			
Provision for employee benefits	13(a)	-	2
(a) Aggregate employee benefits liability		-	2
(b) Number of employees at year end		-	-
Movements in each class of provision are set out below:			
Provision for employee benefits			
Carrying amount at the beginning of year		2	-
Additional provisions		-	2
Write back to provisions		(2)	-
Carrying amount at end of year		-	2
NOTE 14: CONTRIBUTED EQUITY			
(a) Issued and paid up capital			
176,717,998 ordinary shares fully paid (2004: 176,000,001)		173,040	172,359
10,000,000 deferred ordinary shares fully paid (2004: 10,000,000)		-	-
		173,040	172,359
(b) Movements in ordinary shares on issue			
Beginning of financial year		172,359	-
Issued during the year			
- dividend reinvestment plan issue			
717,997 ordinary shares fully paid (2004: nil)		723	-
- public equity raising on 16 February 2004			
Ordinary (2004: 176,000,001)		-	176,000
Deferred ordinary (2004: 10,000,000)		-	-
Transactions costs relating to share issue		(42)	(5,202)
Taxation benefit of transaction costs relating to share issue		-	1,561
End of the financial year		173,040	172,359
(c) Terms and conditions of contributed equity			

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. Deferred ordinary shares have no rights to vote at general meetings of shareholders, to receive dividends or to receive any Company property in a winding up.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

	Notes	30 June 2005 \$'000	30 June 2004 \$'000
NOTE 15: RESERVES			
CURRENT			
Asset revaluation reserve	15(a)	16,590	3,214
Capital profits reserve	15(b)	7,114	-
		<u>23,704</u>	<u>3,214</u>
(a) Asset revaluation reserve			
Movement during the year			
Opening balance		3,214	-
Revaluation of investments		29,271	4,591
Deferred taxation on unrealised gains		(8,781)	(1,377)
Transfer to capital profit reserve on sale of investments		<u>(7,114)</u>	<u>-</u>
Closing balance		<u>16,590</u>	<u>3,214</u>
The asset revaluation reserve records revaluations of non-current assets			
(b) Capital profit reserve			
Movement during the year			
Opening balance		-	-
Transfer from asset revaluation reserve on sale of investments		<u>7,114</u>	<u>-</u>
Closing balance		<u>7,114</u>	<u>-</u>
The capital profit reserve records the gains or losses arising from disposal of non current assets			

NOTE 16: RETAINED PROFITS

Retained profits at the beginning of the financial year	1,757	-
Dividends paid (interim dividend of 2 cents per share)	(3,520)	-
Net profit attributable to members of Century Australia Investments Limited	<u>6,318</u>	<u>1,757</u>
Retained profits at the end of the financial year	<u>4,555</u>	<u>1,757</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

	30 June 2005	30 June 2004
	\$'000	\$'000
NOTE 17: CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related in the items statement of financial position as follows:		
Net cash provided by operating activities	<u>37,446</u>	<u>47,823</u>
(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax		
Profit from ordinary activities after income tax	6,318	1,757
Non-cash flows in profit from ordinary activities:		
Gain on disposal of non-current assets	(10,162)	(572)
Changes in assets and liabilities:		
Increase in dividends receivable	407	(1,079)
Decrease/(Increase) in receivables	1,611	(1,767)
Decrease/(Increase) in other assets	-	(67)
Increase in deferred tax liability	3,237	955
(Decrease)/Increase in payables	(1,203)	1,747
Increase/(Decrease) in goods and services tax receivable	92	(135)
(Decrease)/Increase in provisions	(2)	2
Decrease/(Increase) in deferred tax assets	<u>482</u>	<u>(6)</u>
Net cash provided by operating activities	<u>780</u>	<u>835</u>
(c) Non cash financing and investing activities:		
(i) Dividend reinvestment plan		
Under the terms of the dividend reinvestment plan, \$723,149 (2004: nil) of dividends were paid via issue of 717,997 fully paid ordinary shares.		
(d) Facilities:		
The Company does not have any loan facilities at year end.		
(e) Credit stand by arrangements:		
The Company does not have any credit stand by arrangements at year end.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)

	Notes	30 June 2005	30 June 2004
NOTE 18: EARNINGS PER SHARE			
Basic earnings per share based on operating profit after income tax	cents	3.57	1.00
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	shares	176,717,998	176,000,001
Earnings used in calculating basic earnings per share	\$'000	6,318	1,757
A diluted earnings per share is the same as the basic earnings per share	cents	3.57	1.00

NOTE 19: AUDITORS' REMUNERATION

Amounts receivable or due and receivable by Grant Thornton - audit and review of the financial reports of the entity	\$	28,900	13,500
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NOTE 20: DIRECTOR AND EXECUTIVE DISCLOSURES

(a) Names and positions held of Company Directors and specified executives in office at any one time during the financial year are:

R Turner	Chairman (Non-Executive) appointed 10 February 2004
J Green	Director (Non-Executive) appointed 10 February 2004
W Negus	Director (Executive) appointed 28 January 2004 (became a Non-Executive Director on 5 July 2005)

(b) Remuneration of Directors

(i) Remuneration Policy

It is not the intention of the Board to establish a Remuneration Committee at this stage. In the event that the Board deems it necessary, one will be established.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)**NOTE 20: DIRECTOR AND EXECUTIVE DISCLOSURES (cont'd)**

Aggregate of income received or due and receivable by Executive and Non-Executive Directors of the Company or related body corporate:

		Primary Salary & Fees \$	Superannuation \$	Total \$
R Turner	2005	55,046	4,954	60,000
	2004 ^(a)	27,936	2,064	30,000
J Green	2005	49,500	-	49,500
	2004 ^(a)	26,125	-	26,125
W Negus[#]	2005	-	-	-
	2004 ^(a)	-	-	-
Total	2005	104,546	4,954	109,500
	2004 ^(a)	54,061	2,064	56,125

Shareholdings of Directors:	Opening Balance	Net Change Other	Closing Balance
R Turner	50,000	994	50,994
J Green	10,000	198	10,198
W Negus	25,000	102,486	127,486
Total	85,000	103,678	188,678

All share transactions with Directors were notified to the Board and were entered into under terms and conditions no more favourable than those the entity would have adopted at arm's length. All three Directors participated in the dividend reinvestment plan and one Director bought shares in Century Australia on market.

During the financial year, no remuneration was paid to W Negus. His services were provided for by 452 Capital Pty Limited under its Investment Management Agreement. (Details of the Management Fee that was paid is detailed in Note 25 to the financial report).

(a) – refers to period 8 April 2004 to 30 June 2004

NOTE 21: EVENTS AFTER BALANCE DATE

The Directors of Century Australia Investments Limited declared a final fully franked dividend on ordinary shares in respect of the financial year to 30 June 2005 payable on 29 September 2005. The total amount of the dividend is \$5,301,540 which represents a fully franked dividend of 3.0 cents per share. The dividend has not been provided for in the 30 June 2005 financial statements.

On 5 July 2005 the Commonwealth Bank of Australia, through its wholly owned subsidiary, CMLA, purchased a 30% interest in 452 Capital Pty Limited from Warwick Negus and several employee shareholders. The staff of 452 Capital Pty Limited maintain majority ownership and effective control.

Mr Negus resigned as a Director, employee and Responsible Officer (under the AFS Licence held by 452 Capital Pty Limited) of 452 Capital Pty Limited on the same date. He is no longer a beneficiary of the deferred ordinary shares noted above or to any benefits associated with the payment of performance fees as a result of 452 Capital's Investment Management Agreement with Century Australia. His status changed from Executive Director to Non-Executive Director as a result.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)**NOTE 22: CONTINGENT LIABILITIES**

At balance date, the Company had no contingent liabilities.

NOTE 23: FINANCIAL INSTRUMENTS**(a) Interest rate risk**

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rate on those financial assets and liabilities, is as follows:

2005	Note	Average effective interest rate		Non-interest bearing		Floating interest rate		Maturity period 1 year or less	
		Jun 05	Jun 04	Jun 05	Jun 04	Jun 05	Jun 04	Jun 05	Jun 04
Financial Assets									
Cash at bank	6	5.15%	5.15%	-	-	37,446	47,823	-	-
Receivables	7	5.15%	5.15%	-	-	156	218	-	-
Dividends receivable	7	n/a	n/a	1,486	1,079	-	-	-	-
Other receivable	7	n/a	n/a	43	135	-	-	-	-
Listed Securities	10	n/a	n/a	172,121	128,974	-	-	-	-
Total Financial Assets				173,650	130,188	37,602	48,041	-	-
Financial Liabilities									
Trade creditors	11	n/a	n/a	544	549	-	-	-	-
Total Financial Liabilities				544	549	-	-	-	-

(b) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount as disclosed in the statement of financial position and notes to the financial statements.

The Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Company.

(c) Net fair values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

(d) Derivative financial instruments

A derivative financial instrument is a contract, the price or value of which is derived from the price or value of an underlying asset, liability or index. Investments in derivatives such as futures and options are authorized investments, which are used to manage financial risks associated with the Company's investment transactions, and as a means of effecting a change in the asset mix.

Investments in derivatives are not used to gear the Company's investment portfolio and they are limited to the benchmark limits as provided for in the Investment Management Agreement.

The share price index futures and options are due to mature within the next financial year. Future positions are cleared daily. They are closed and reopened at the discretion of the Manager. Futures and exchange traded options contracts have little credit risk as organised exchanges are the counterparties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (cont'd)**NOTE 24: SEGMENT REPORTING**

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

NOTE 25: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

(i) Associated Companies

452 Capital Pty Limited in which W Negus has a beneficial interest is Century Australia Investments Limited's investment manager.

10,000,000 deferred ordinary shares and 1 ordinary share are held by 452 Capital Management Nominees Pty Limited as trustee of the 452 Capital Management Trust. W Negus was a beneficiary of the 452 Capital Management Trust (which directly holds the shares).

W Negus ceased his employment with 452 Capital Pty Limited on 5 July 2005. As a result he ceased to be a beneficiary of any related party transactions.

(ii) Director-related Entities

The Investment Manager, 452 Capital Pty Limited (ACN 101 924 430) receives a management fee from the Company based on 1.00% of net tangible asset backing (as defined in the ASX Listing Rules) of the Company per annum. The management fee is payable at the end of each quarter, and in arrears.

\$2,000,104 in management fees were paid to 452 Capital Pty Limited. W Negus was a Director and a substantial shareholder of 452 Capital Pty Limited.

10,000,000 deferred ordinary shares and 1 ordinary share are held by 452 Capital Management Nominees Pty Limited as trustee of the 452 Capital Management Trust. W Negus was a Director of its trustee company.

W Negus ceased his employment with 452 Capital Pty Limited on 5 July 2005. As a result he ceased to be a beneficiary of any related party transactions.

NOTE 26: COMPANY DETAILS

The registered office and principal place of business of the Company is:

Century Australia Investments Limited
Level 26 Australia Square
264-278 George Street
SYDNEY NSW 2000