

14 May 2010

**CENTURY  
AUSTRALIA**  
INVESTMENTS LIMITED

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

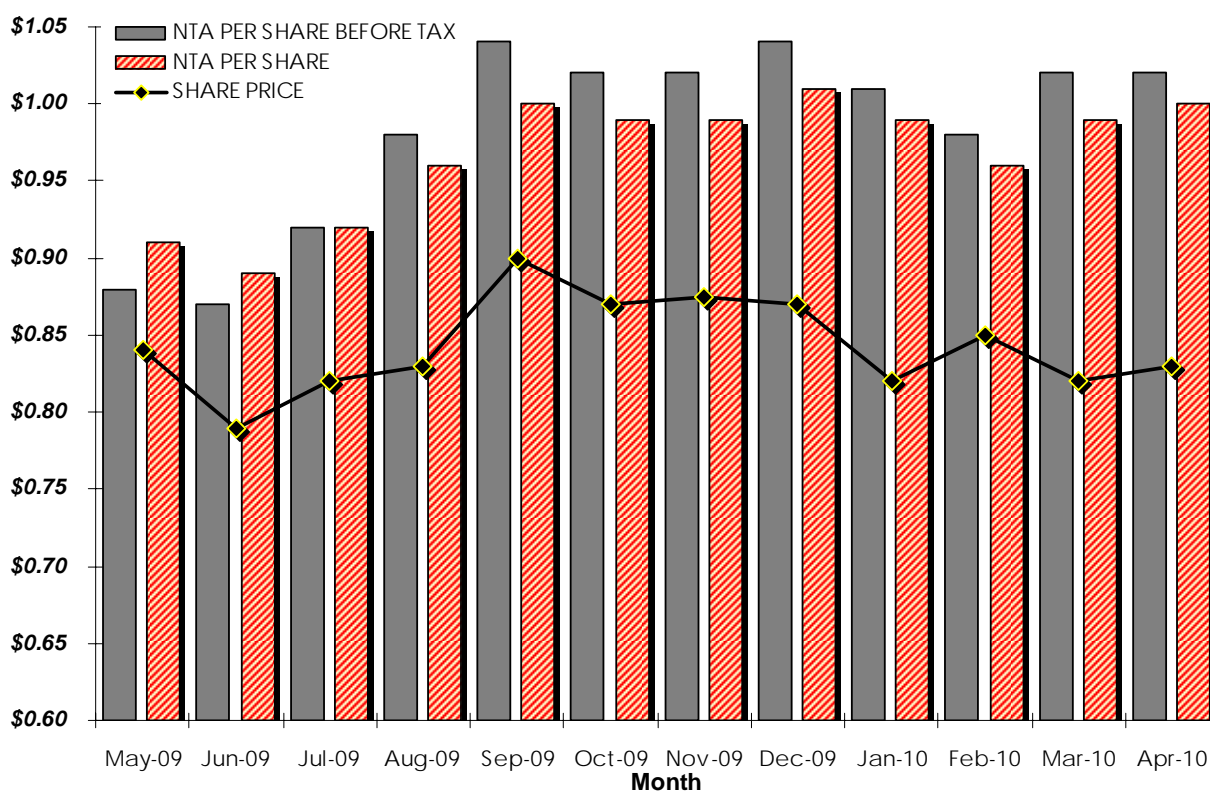
Dear Sir/Madam

**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>
30 April 2010	1.02	1.00
31 March 2010	1.02	0.99

**NTA Performance**



## Market Review

The Australian equity market (as measured by the S&P/ASX 300 Accumulation Index) ended the month of April 2010 down 1.4%. Although the market is down 0.1% calendar year to date, it is still up 32.5% on a 12 month basis.

The US S&P 500 Index closed up 1.5% for the month of April, enjoying a strong month on the back of an improved 1Q reporting season as well as a solid 1Q GDP number. The performance was delivered amid an environment of unrest amongst global markets as sovereign debt worries in Greece weighed on investor sentiment. The attempts to cool the Chinese economy continued in April as regulatory authorities looked to slow the rate of growth and address inflationary pressures. These concerns became a drag on resource stocks, whilst the sector was also hurt late in the month by speculation surrounding the Henry Tax Review in Australia and the potential for a Resource Tax (which was subsequently proposed by the Government on 2 May 2010).

On the domestic economic front, the Reserve Bank raised interest rates in April to 4.25% (the RBA raised rates again in early May to 4.50%, now having raised rates in six out of the last seven meetings). Economic data was mixed with employment growth strong but retail sales and housing data disappointed the market. The Australian Dollar was stronger, finishing the month up 0.8% to USD 0.924. The oil price built on recent gains to finish the month up 3.5% at USD 86.2 per barrel.

During the month the best performing sectors were also the only three sectors that finished the month up. They were Telecommunications (up 5.5%), Property Trusts (up 3.9%) and Financials (up 0.9%). The major underperforming sectors included Healthcare (down 6.8%), Consumer Staples (down 4.0%) and Materials (down 3.9%).

The Telecommunications (up 5.5%) sector outperformed in April, driven by strength in Telstra Corporation (up 6.4%) following market speculation during the month surrounding an outcome with the Australian Government regarding the National Broadband Network.

Materials (down 3.9%) were also weaker in April, with resource stocks being sold off as efforts by Chinese authorities to restrict property sector growth flowed onto commodity linked investments. The main negative contributors were BHP Billiton (down 6.5%) and Rio Tinto (down 8.0%).

## Portfolio Review – April 2010

The portfolio returned 0.09% for the month of April versus the benchmark's return of -1.35%, an outperformance of +1.44%. Positive contributors to performance during April included the portfolio's overweight positions in Telstra Corporation and News Corporation, an underweight position in BHP Billiton as well as not holding Wesfarmers or CSL Limited. Detractors from performance for the month came from overweight positions in Primary Health Care and Fairfax Media as well as not holding Commonwealth Bank, Lihir Gold and Macquarie Bank.

## Investment Outlook

The Australian equity market (as measured by the S&P/ASX300 Accumulation Index) fell 1.4% over the month to 30 April 2010. Despite the recent pullback in returns, the market is still up 59.9% from its March 2009 lows and the Investment Manager 452 Capital retains a cautious stance on the outlook for equity markets.

While we are through the worst of the financial crisis, the global economic recovery remains fragile. Key challenges that may impede the pace and extent of the recovery include:

- Sovereign risk continues to rise globally and has broadened to many countries in Europe prompting an unprecedented bail-out package for Europe (€750 bn)



- Unemployment levels remain high in the US, UK and European economies and consumer demand remains subdued
- The US is slowly recovering from the GFC but will have to move to a tightening bias from historically low interest rate settings
- China is in the early stages of a tightening policy cycle to counterbalance inflationary pressures which the Investment Manager believes will temper the pace of growth. China is still dependent on the US & European consumer to drive demand

While the Australian economy continues to be relatively robust, the Investment Manager sees challenges going forward with rising interest rates, wages pressures emerging in some sectors, increased Government regulation and the unwind of Government fiscal stimulus affecting consumer demand levels. As such, the Investment Manager remains cautious on the outlook for discretionary consumer spending.

452 Capital continues to hold a conservative portfolio in that its companies are not highly geared, have strong cash flows and are relatively attractively valued on a through the cycle basis. The Investment Manager holds overweight positions in Media, Telecommunications and Gaming, whilst holding significant underweight positions in Banks and Resource Companies on valuation grounds.

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 that the value of the portfolio will fall as well. Additionally it should be noted that the ability of Century Australia to pay dividends in 2010 may be impacted by the level of unrealised capital losses currently in the portfolio and the possibility that some companies in the portfolio may reduce the dividends they pay, thereby reducing the dividends available to be distributed to shareholders.

#### Top Equity Holdings – April 2010

The top ten equity holdings of the Century Australia portfolio as at 30 April 2010 were as follows:

Security Name	% of Portfolio
Telstra Corporation	8.2
Westpac Banking Corporation	8.0
National Australia Bank	7.6
AMP	4.6
Fairfax Media	4.4
Woolworths	4.3
Insurance Australia Group	4.0
Amcor	3.9
BHP Billiton	3.5
Fosters Group	3.3

As at 30 April 2010 the portfolio held 5.9% in cash.

#### 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 unrealised 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.

