

14 December 2011

**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 and before Deferred Tax Asset on realised capital losses and unused franking credits from prior period(s) <sup>2</sup>	NTA per share before estimated tax on unrealised income & gains <sup>3</sup>	NTA per share after estimated tax on unrealised income & gains <sup>4</sup>
	A	B	C
<b>30 November 2011</b>	<b>70.3 cents</b>	<b>80.7 cents</b>	<b>84.4 cents</b>
<b>31 October 2011</b>	<b>74.0 cents</b>	<b>84.2 cents</b>	<b>86.8 cents</b>

As at 30 November 2011 the Deferred Tax Balances of the company was comprised of the following components:

	Total amount	Amount per share	Comment
Tax asset on unrealised income & losses	\$2,940,193	3.72 cents	Excluded from A and B, included at C
Tax asset on realised capital losses	\$8,083,140	10.22 cents	Excluded from A, included at B and C
Tax assets on accrued expenses	\$42,155	0.05 cents	Excluded from A, included at B and C
Tax asset on unused franking credits	\$65,464	0.08 cents	Excluded from A, included at B and C
<b>Total net Deferred Tax Asset</b>	<b>\$11,130,952</b>	<b>14.07 cents</b>	

We note that the Deferred Tax Asset may or may not be an asset of the company if Century Australia does not continue at its current scale and in its current form.

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## PORTFOLIO COMMENTARY FOR NOVEMBER 2011

### Market Review:

The Australian equities market was weaker in November, with the S&P/ASX 300 Accumulation Index (the Index) finishing down 3.44%.

Global markets were volatile in November, as the focus remained on European debt issues. The Nikkei 225 was down 6.1% and the Shanghai Composite was down 5.5%. The S&P500 and FTSE fared somewhat better and were down 0.5% and 0.7%, respectively. The better performance was largely due to a rally on the last day of the month after the Australian and Asian markets had closed. Domestic economic data releases were mixed. Notably, the Reserve Bank of Australia (RBA) reduced the cash rate by 25 basis points to 4.5%, with fixed interest markets pricing in further cuts in rates. The Australian dollar finished the month at USD1.00, a decrease of 5 cents.

The better performing sectors during November were property trusts (up 2.7%), telecommunications (up 1.8%) and healthcare (up 1.8%). Resources (down 6.3%), financials (down 3.7%) and consumer discretionary (down 3.6%) all underperformed.

### Portfolio Review:

The Century Australia Investment Portfolio (the Portfolio) finished the month down 4.29%, underperforming the benchmark ASX300 Accumulation Index by 0.85%.

The best performing stocks in the Portfolio were Gloucester Coal (up 12.3%), after it was successful in court proceedings relating to an expansion of one of its projects; Stockland Group (up 7.3%), after it reaffirmed its guidance at a well received investor day; Brambles (up 6.6%), after winning new contracts in the US; and, Aristocrat (up 5.3%), as sentiment towards the company's US operations improved.

Stocks which detracted from performance included Bluescope Steel (down 46.9%), after it completed a discounted rights issue to pay down debt following an increase in working capital as conditions in its end markets remained extremely difficult. While the capital raising was disappointing, in our view Bluescope Steel is offering extremely good value at current levels in the event that conditions in its businesses improve over time.

Other stocks which detracted from performance included Billabong (down 14.0%), which declined on macroeconomic concerns, despite the company confirming its outlook late in the month; Aquarius Platinum (down 13.3%), as a result of an additional 10% mining royalty being imposed in Zimbabwe; and, Fletcher Building (down 11.9%).

We continue to believe that there is considerable value in the current portfolio and, while some patience may be required, this value is always inevitably realised over time.

During the month, we added to our positions in Billabong, Aquarius Platinum, Newcrest Mining and Brambles. These were funded by Foster's Group being sold out of the Portfolio, following the SAB Miller bid, and, reductions in our holdings in ANZ, Qantas and Seven West Media.

We also added Iluka Resources (Iluka) to the Portfolio. Iluka is a major zircon and titanium dioxide producer, with its major end products being paint and ceramic glazings. Recent share price softness on global uncertainties provided an entry opportunity into Iluka, where we expect stronger titanium



dioxide prices over time due to tight market fundamentals. Further, the cashflow generated is likely to be returned to shareholders over time, given the strong shareholder focus of management.

### Investment Outlook:

There has been a recent slowing in economic activity both domestically and offshore and this has caused us to temper our view on the short-term economic outlook. However, we continue to be of the view that market valuations remain attractive relative to their historical averages and this presents good opportunities for investors over the medium-term.

### Top Equity Holdings – 30 November 2011:

The top ten equity holdings of the Portfolio as at 30 November 2011 were as follows:

Security Name	% of Portfolio
BHP Billiton	10.5
Commonwealth Bank of Australia	8.0
National Australia Bank	7.1
ANZ Banking Group	7.0
Telstra	5.8
Westpac	4.3
Rio Tinto	4.2
Amcor	2.9
Brambles	2.5
Woodside Petroleum	2.2

As at 30 November 2011, stock numbers were 50 and cash stood at 1.8%.

### 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 all deferred taxes.
3. 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 at the current reporting date.
4. 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.

