

# Challenger's 2016 full year results

'We have leveraged our leadership position in a growing retirement incomes market to deliver record annuity sales and record normalised profit. We've rewarded our shareholders with record dividends.'

Brian Benari, Managing Director and CEO

Providing our customers with financial security for retirement



FOCUSED STRATEGY



TALENTED PEOPLE

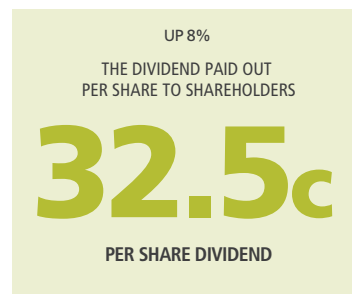
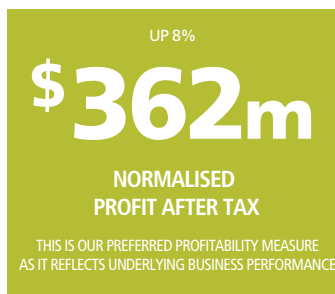


RECOGNISED CAPABILITY



MARKET LEADER

## OUR RESULTS



## HOW DID WE GET THERE?

### STRONG FUNDS MANAGEMENT PERFORMANCE

AVERAGE FUNDS UNDER MGT (FUM) UP  
**11%<sup>1</sup>** ↑

**STRONG FIDANTE PARTNERS FLOWS**  
\$2.4B<sup>1</sup> IN SALES EXCEEDING MARKET

**CHALLENGER INVESTMENT PARTNERS**  
EXPANDING CLIENT BASE FROM OFFSHORE MARKETS

### STRONG LIFE PERFORMANCE

ANNUITY SALES (**↑22%**) TOGETHER WITH INSTITUTIONAL SALES DRIVING BOOK GROWTH OF **11.1%**

STABLE MARGINS FEED THROUGH TO **CASH OPERATING EARNINGS** GROWTH OF **9%**

**ONGOING PRODUCT INNOVATION INCLUDING CAREPLUS AND VICSUPER** GUARANTEED INCOME

### NEW PLATFORMS AND PARTNERS

CBA SALES OF ANNUITIES UP **100%** ON COLONIAL FIRST STATE PLATFORM

**QUALITY BUSINESS FROM VICSUPER** WITH AN AVERAGE TERM **20 YEARS**

**LINK GROUP PLATFORMS CONNECTED LAUNCHING 3 FUNDS** IN 1H17

### REGULATORY TAILWINDS

GOVERNMENT CONFIRMS **THE PURPOSE OF SUPER** IS TO PROVIDE RETIREMENT INCOME

**NEW REFORMS ENABLE PRODUCT INNOVATION** INCLUDING DEFERRED LIFETIME ANNUITIES FROM 1 JULY 17

**COMPREHENSIVE INCOME PRODUCTS FOR RETIREMENT** GAINING TRACTION

challenger

<sup>1</sup> EXCLUDES \$5.4B DERECOGNITION OF KAPSTREAM INSTITUTIONAL FUM FOLLOWING SALE