

Cuffe Announces New Management Team

Challenger International

10/4/2003

Chris Cuffe, the newly appointed Acting CEO of Challenger International Limited ("Challenger" -CLI), announced today the appointment of a new senior management team effective immediately. The announcement has the consent of the Challenger Board and follows the recent signing of the merger implementation agreement between CPH Investment Corp and Challenger.

Most of the management team are employed by CPH Management Limited, responsible entity of CPH Investment Corp, and will remain employees of CPH Management Limited until such time as the merger is completed when they will become employees of the merged entity, to be known as Challenger Financial Services Group.

The newly appointed management team includes:

Brian Benari, General Manager, Investments -Brian Benari will commence in early June. He is a Chartered Accountant with experience in investment banking in Australia and overseas. Most recently, Brian has worked with Zurich Capital Markets (ZCM) in the role of CFO / COO for ZCM Asia.

Tim Foster, Chief Financial Officer -Tim Foster will commence in May 2003. Tim is currently Chief Financial Officer of Colonial First State Investments. Derek Goh, General Manager, Information Technology -Derek Goh has developed numerous systems and infrastructure for large and small businesses in the Australian financial services industry. Prior to his joining CPH Management Limited, Derek ran his own consultancy focused on system development. Derek was previously, General Manager, Information Technology for Colonial First State.

Hayden King, General Manager, Administration & Operations -Hayden King has more than 20 years experience in the financial services industry in both banking and funds management having worked in senior roles for Commonwealth Bank, MLC and most recently Colonial First State as General Manager, Administration Services & Business Systems. Steve Rowe, General Manager, Human Resources & Development -Steve Rowe joined Challenger International in November 2002. Prior to this, Steve owned a management consulting business in the United Kingdom and has held senior roles in Human Resources in the United Kingdom with companies including UBS Warburg, Redland PLC, International Computers Limited, Sony Broadcast Limited and Honeywell Control Systems Limited.

Joanna Wagstaff, General Manager, Marketing & Communications -Joanna Wagstaff has more than 12 years experience in the Australian financial services industry and most recently held the role of General Manager, Marketing & Client Services for Colonial First State.

Geoff Walker, Head of Risk, Capital and Balance Sheet – Geoff Walker joined CPH Management Limited in March 2003 initially focused on due diligence for the proposed merger. Prior to that, Geoff consulted to the banking and funds management industries. Geoff has extensive industry experience having previously worked with AMP and Colonial State Bank (formerly State Bank NSW).

Tanya Atkins, Head of Shareholder & Media Relations – Tanya Atkins joined CPH Management Limited in March 2003. Previously, Tanya was Head of Media Relations at Colonial First State. Prior to that, Tanya worked as a journalist including Editor, Investor Weekly and Finance Producer/ Reporter ABC TV News.

An announcement will be made shortly on the role of General Manager, Distribution & Product Strategy, which will complete the management team.

Mr Cuffe said he was delighted to bring these individuals together. "They are a superb team with a wide and deep scope of experience who together with Challenger staff will move the Challenger business forward. Each of these individuals have excellent track records and expertise in building and running successful operations."

Mr Cuffe's decision to appoint a new management team is a first step in addressing the uncertainty experienced by Challenger employees since negotiations began in January 2003. Mr Cuffe said the management team will work quickly to secure senior staff to ensure the stability of Challenger during the transition process.

"Challenger is well positioned for growth in the financial services industry. We have work to do to get the best out of that position for shareholders, however, I believe my own experience and that of senior management will fit well with the existing team's commitment to delivering reliable growth and shareholder value going forward," Mr Cuffe said.

Mr Cuffe's appointment to the role of Acting CEO by the Challenger Board draws nearer the end of the merger process which began in January this year.

The merger will significantly strengthen the capital base of Challenger and provide improved access to capital for its existing and future activities. It is subject to a number of conditions including obtaining approvals from both Challenger shareholders and CPH Investment Corp unitholders.

Shareholders and unitholders will receive documentation in mid-May to be followed by meetings of shareholders and unitholders to approve the merger in mid-June. If approved, the merger is expected to be completed in early July.

Note to editors – Chris Cuffe joined Colonial First State Investments (formerly known as First State Fund Managers) in August 1988. He was CEO from September 1990 to January 2003. During that time, Mr Cuffe led the growth of a small start-up operation to one of Australia's leading fund managers. When Mr Cuffe left Colonial First State in early 2003, the company was valued in excess of \$5 billion, managed nearly \$70 billion on behalf of 500,000 investors and employed more than 1,000 employees.

Additionally, during Mr Cuffe's tenure as CEO, the company was taken over twice; initially in 1984 by the Colonial Group and then again in mid 2000 by the Commonwealth Bank Group. Following each of these takeovers Colonial First State emerged as the sole funds manager for both financial services companies through the integration of their existing funds management subsidiaries. In 1998, Colonial First State was also responsible for the integration of the Australian funds management arms of the Legal & General Group and the Prudential Group under Mr Cuffe's leadership. In February 2003, Mr Cuffe joined CPH Management Limited as the CEO designate of the merged group.

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