

MARKET RELEASE

29 September 2003

CHALLENGER COMPLETES ACQUISITION OF INTERSTAR SECURITIES AND OTHER ASSETS

29 September 2003, Sydney – The Board of Directors of CPH Management Ltd, the Responsible Entity of Challenger Financial Services Group (Challenger – ASX code: CFG), announced today it had completed on the acquisition of Zurich Capital Markets Australian Principal Finance business as advised on 1 September 2003. The acquisition included 100% of the capital of Interstar Securities for a consideration of \$85 million, a High-Yield Fixed Interest portfolio for \$46 million and 84,500 hectares of forestry assets for \$54 million. Settlement of the forestry assets is deferred until 29 September 2004.

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