

MARKET RELEASE

31 March 2004

CHALLENGER SETTLES ON FORESTRY ASSETS

31 March 2004, Sydney - Diversified financial services company Challenger Financial Services Group Limited (Challenger - CGF), today announced it has settled with Great Southern Plantations Limited (GTP) for the rights and obligations to acquire approximately 84,000 hectares of forestry assets.

Under the terms of the arrangement, Great Southern Plantations acquired the forestry assets for \$71m, a premium of \$17 million over Challenger's acquisition price.

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