

MARKET RELEASE

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CHALLENGER INFRASTRUCTURE FUND AND CHALLENGER IN CONSORTIUM BID FOR UK-BASED PD PORTS

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30 November 2005, Sydney – Challenger Infrastructure Fund (CIF - ASX:CIFCA) and Challenger Financial Services Group Limited (CGF) today advised they are members of a consortium, with Industry Funds Management and UK private investment firm 3i Group, that has announced an offer to acquire 100 per cent of the securities in PD Ports plc.

PD Ports plc is a publicly listed company in the United Kingdom that owns and operates Teesport on the North East coast of England, the second largest port in the UK by tonnage. It also owns and/or operates in ports on the rivers Humber, Trent and Ouse and from wharves on the south coast of England.

In addition to its port business at Teesport, PD Ports has a logistics division, a commercial vehicle franchise, and has significant undeveloped land holdings.

Should the offer be successful, Challenger via Challenger Life will contribute approximately A\$110 million and CIF will contribute approximately A\$125 million to the consortium's total offer price of approximately £320 million – representing holdings of 16 per cent and 18.4 per cent respectively.

Challenger's Head of Infrastructure and Chief Executive, CIF Steve Bickerton said PD Ports would provide further diversification for CIF and Challenger Life's asset portfolio. "PD Ports meets all of our investment criteria and continues Challenger's strategy to originate and invest in high quality infrastructure assets," Mr Bickerton said.

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