

MEDIA RELEASE

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INTERSTAR WHOLESAL FINANCE BECOMES CHALLENGER

Same winning formula – one simple name change

14 November 2006, Sydney – Challenger Financial Services Group today announced that its Interstar Wholesale Finance brand will be transitioned to Challenger on 20 November 2006.

Challenger's Chief Executive Mortgage Management, Brian Benari said: "Over the last year we have simplified and streamlined our business model to become a white label mortgage one stop shop providing Prime to Non-conforming, insured and uninsured and even commercial products. The Challenger branded offering will maximise our origination partners opportunity to convert leads to settlements by providing an offering addressing all types of borrower needs.

"All our Business Partners now have just one point of contact with our business and this is now also reflected in a single, clear brand.

"With more than \$21.3 billion of loans under management, the Challenger name also reinforces the strength of the business engine behind our diverse range of products and services," he concluded.

Challenger has undertaken a number of product and service initiatives in the last year including:

- Revised pricing on its range of uninsured products with no need for LMI approval for loans up to \$4 Million.
- A revamped set of features and pricing for its non-conforming product set.
- Release of a debit card to allow for transactional banking.
- Continual improvements to *LiteWork* – a loan processing system which provides loan decision making in seconds.

ENDS

Note to editors:

Challenger is an established player in Australian financial services, with \$38 billion in assets and loans under management/administration. It is dedicated to providing smarter solutions to financial intermediaries and their clients, offering a broad spectrum of financial products and services.

Challenger is one of Australia's largest non-bank mortgage lenders, funding commercial loans as well as a range of residential mortgage products offered by a network of preferred lenders under their own brands. Challenger has a mortgage loan book of \$21.3 billion.