

MARKET RELEASE

GREG MARTIN APPOINTED CHIEF EXECUTIVE INFRASTRUCTURE

30 May 2006, Sydney – Challenger Financial Services Group Limited (ASX:CGF) announced today the appointment of Mr Greg Martin to a newly created role of Chief Executive, Challenger Infrastructure, marking a further milestone in the evolution of its asset management business. Mr Martin, who commences in his new role today, will be responsible for all aspects of Challenger's involvement with the infrastructure sector.

Mr Martin has extensive experience in the sector, spending 25 years with the Australian Gas Light Company (AGL) in a wide range of strategic, corporate and operational roles, including Managing Director and Chief Executive Officer. Mr Martin left AGL at the end of February 2006.

The appointment of Mr Martin, who will report directly to Challenger Chief Executive Officer, Mike Tilley, is in recognition of the strategic importance of this sector to Challenger.

"We already have over \$1 billion invested in or committed to infrastructure across both the group balance sheet and Challenger Infrastructure Fund (CIFCA). Infrastructure is clearly an important component of our growth plans and the appointment of someone of Greg's calibre supports these ambitions," said Mr Tilley.

Challenger made its first infrastructure investment in August 2004 and has continued to build an infrastructure asset origination capability since this time. Acquisitions made to date have favoured the utilities area and as the team has developed, utilities have continued to be a particular area of focus.

Mr Tilley said, "There has been and continues to be significant opportunities in the utilities space in the UK, USA and parts of Europe, as a result of the consolidation of utility players in these regions. We believe this trend will only continue and flow on to other European markets in the medium term. This is creating significant opportunities for investors and Challenger is looking at ways in which we can take full advantage of these developments.



Greg's specialist knowledge of the utilities sector is globally recognized, making him an ideal choice for this key role."

It is Challenger's intention that Mr Martin will also join the board of Challenger Listed Investments Limited, the responsible entity for CIFCA. Mr Martin will add further expertise to an already deeply experienced board, including the likes of Stephen Gerlach, Ian Moore, Geoff McWilliam and Ian Martens.

Challenger's existing infrastructure team, including Steve Bickerton, who heads both CIFCA and the unlisted Challenger Global Infrastructure Fund, will report to Mr Martin in this new role.

"I am thrilled that Greg has agreed to join the Challenger team. We already have a strong capability in infrastructure under Steve Bickerton and his team, and the addition of Greg will now take this expertise to a new level," said Mr Tilley.

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