

CHALLENGER STRENGTHENS INSTITUTIONAL BUSINESS CAPABILITIES WITH THE APPOINTMENT OF MATTHEW PERRIGNON AND CHRIS DURACK

12 March 2007, Sydney - Challenger Financial Services Group Limited today announced it has appointed Matthew Perrignon and Chris Durack to its Funds Management division as joint heads of institutional business. Mr Perrignon and Mr Durack will take the newly created roles of General Manager, Institutional Sales and General Manager, Institutional Strategy respectively.

Both Mr Perrignon and Mr Durack join Challenger from Perpetual and will report to Challenger's Chief Executive, Funds Management, Rob Adams.

Commenting on the appointments Mr Adams said: "Challenger has achieved considerable success in institutional markets over the last three years. The strength of our reputation and intentions in this critical arena have now been confirmed through the appointment of one of the market's most respected institutional teams."

Mr Adams said the new institutional heads will work closely with Challenger's General Manager of Distribution, Matt Gaden.

"As the distinction between institutional and retail markets become increasingly blurred, to have three very experienced, highly regarded and passionate leaders managing our market relationships gives Challenger a critical and unique advantage.

"The complementary skills of Matt and Chris will meld well with our existing distribution team as we focus on driving our brand and fund flows through all levels of the retail, platform and researcher driven market." he concluded.

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Note to editors:

Matt Perrignon has a well established track record, having built successful institutional businesses at both Perpetual and Macquarie, where he worked for more than a decade.

Chris Durack spent many years as an asset consultant for Towers Perrin and then Mercer. Most recently, at Perpetual, he oversaw consultant and research relationships and provided strategic input to the main Board