

MARKET RELEASE

Clarification on release of new Asset Management statutory reporting template

17 December 2007, Sydney – Earlier this afternoon Challenger Financial Services Group Limited (ASX:CGF) released a new reporting template for its statutory reporting for its Asset Management business, in preparation for its interim results announcement. This included additional disclosure on key value drivers of the statutory earnings for Asset Management, as well as prior year comparatives.

Inadvertently, included on the version lodged on the company's website was revised budget information for the first half to 31 December 2007 and for the full year to 30 June 2008. The correct version has now been made available.

The statutory net profit before tax for the six months to 31 December 2007 shown for the Asset Management division was \$103 million, while the full year statutory net profit before tax figure shown was \$242 million.

The release of the Asset Management revised budget information was not intended and should not be treated as earnings guidance.

Challenger believes that current analyst consensus at a group level for FY2008 is reasonable.

Ends