

MEDIA RELEASE

CHALLENGER LAUNCHES GLOBAL INFRASTRUCTURE FUND

11 May 2006, Sydney – Challenger Financial Services Group today announced the launch of the Challenger Global Infrastructure Fund, an unlisted fund that offers investors the opportunity to invest in a diversified range of listed and unlisted infrastructure assets around the world.

The Fund has a target asset allocation of 55 per cent listed infrastructure, 40 per cent unlisted infrastructure and 5 per cent cash. Assets in the Fund are selected for their ability to provide a steady income, diversification across countries and industries, and to make the most of growth opportunities along the way.

Challenger's Head of Infrastructure, Steve Bickerton said: "One of the most attractive features of infrastructure assets is their ability to provide investors with access to highly predictable, long-term income streams that can generally withstand most economic cycles. This feature makes infrastructure assets a good complement to other asset classes investors may have in their portfolio.

"The potential for the value of the assets to rise over time also provides investors with a capital growth opportunity," he said.

Mr Bickerton continued: "Investor demand for infrastructure assets currently exceeds Australian market supply, so it is important that investors are also able to gain access to international infrastructure markets, which offer significant value potential."

Challenger Global Infrastructure Fund aims to outperform the UBSA Bank Bill Index plus three per cent per annum and is supported by Challenger's highly experienced infrastructure team, who manage over \$1 billion in infrastructure assets.

The fund is open to retail investors via platforms and wholesale investors with a minimum investment of \$50,000.

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