

MARKET RELEASE

**S&P AFFIRM CREDIT RATINGS
AND
EXPIRY OF OPTIONS**

27 November 2012, Sydney – Challenger Limited (ASX: CGF) announces that Standard & Poor's (S&P) have recently completed their annual ratings review and announced that they have affirmed Challenger Life Company Limited's 'A' (stable outlook) and Challenger Limited's 'BBB+' (stable outlook) ratings.

Challenger also announces that Colony Marlin-Holdings LLC's options to acquire approximately 57.1 million ordinary Challenger Limited shares have expired.

The options were issued in November 2007 and, in accordance with their terms, expire on 26 November 2012 being the date of Challenger's 2012 Annual General Meeting.

Challenger confirms that the options have not been exercised and have expired.

ENDS