

## MEDIA RELEASE

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### **Challenger acquires Credit Suisse Investments (Australia) Limited**

6 May 2010 - Challenger Financial Services Group (ASX:CGF) today announced it has reached agreement to acquire Credit Suisse Investments (Australia) Limited which includes five credit investment funds and two real estate securities funds.

The credit investment business has total funds under management of approximately \$1.5 billion which will be used to create a new boutique investment management firm led by Credit Suisse's current Director and lead Portfolio Manager Richard Quin. The existing portfolios, investment team and investment process for the credit investment funds will all remain in place, as will the long standing sub-advisory relationship with Credit Suisse's New York based Credit Investments Group.

Joint Chief Executive Funds Management Rob Adams said "This acquisition further expands Challenger's exposure to quality funds management capabilities across the credit investment sector and provides additional scale to our real estate securities business. It represents the continuation of our strategy to partner with leading investment professionals and to expand our existing portfolio of boutique investment management firms."

The credit investment business comprises Credit Suisse's Select Investment Global Income Fund, Select Investment Syndicated Loan Fund, Global Income Fund, Syndicated Loan Fund and High Yield Fund.

Richard Quin said "This new boutique partnership will allow us to focus on executing our investment strategies while benefiting from Challenger's scale in administration and distribution. We are thrilled to be partnering with Challenger, given their experience in creating and growing boutique investment firms. This structure maintains our current investment process by preserving our strong connection with Credit Suisse's New York based Credit Investments Group."

The acquisition also includes the Credit Suisse Select Investment Property Fund and Credit Suisse Property Fund with approximately \$290m of funds under management. At completion these funds will be transitioned to Challenger's well resourced and strongly rated Real Estate Securities team which currently manages more than \$1.1 billion on behalf of retail and institutional clients.

The business will transition on 1 June 2010.

#### **Notes:**

Challenger Financial Services Group Limited (Challenger) is a listed investment management firm with assets under management of over \$22 billion. As the foremost issuer of annuities in Australia, Challenger manages over \$6.6 billion in assets supporting the guaranteed long-term certain returns for over 60,000 annuity investors. Challenger is a successful investment manager across various asset classes and has acquired interests in a number of leading boutique investment management firms.