

MARKET RELEASE

CDI REFINANCES \$300M DEBT FACILITY

12 June 2013, Challenger Diversified Property Group (ASX: CDI) today announced that it has successfully refinanced its entire debt facility. As a result of the refinancing, the weighted average term of the debt has increased and the weighted average cost of debt has reduced.

The refinancing presented an opportunity to lengthen the term and continue with a staggered maturity profile. The total debt facility of \$300m remains unchanged; however the refinancing has increased the weighted average term of the debt facility from 1 year to over 3 years.

In an increasingly competitive lending market, current borrowing conditions are favourable. As a result, CDI's weighted average margin will reduce by 33 basis points to 148 basis points.

CDI Fund Manager Trevor Hardie said "we are very pleased to refinance the entire debt facility with the reduction in CDI's weighted average cost of debt supporting future growth in normalised earnings and distributions. The refinancing results in CDI having no refinance risk until FY16."

Further detail will be provided as part of CDI's FY13 financial results, which will be released on 6 August 2013.

ENDS

About Challenger Diversified Property Group (CDI):

CDI provides investors with exposure to a diversified portfolio of quality, well located properties which offer stable income returns and potential for capital growth. With total assets of \$882 million at 31 December 2012, CDI holds investment interests in 27 office, industrial and retail properties located in Australia and France as well as a development portfolio comprising a single industrial land bank. In addition, CDI holds a cumulative leasehold interest in Sydney's Domain car park which expires in 2033. Further details are provided on CDI's website www.challenger.com.au/cdi

Important notice:

The material in this release is general background information about CDI's activities current as at the date of this release. The information is given in summary form and does not purport to be complete. Information in this release, including forecast financial information, should not be considered as advice to investors or potential investors. Any financial information in this release is not audited. Any forward looking statements, estimates and projections contained in this release are not representations as to future performance and nothing in this release should be relied upon as guarantees or representations of future performance.

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