

5 May 2011

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street

SYDNEY NSW 2000

By electronic lodgement

Sydney

Level 15, 255 Pitt Street
Sydney NSW 2000 Australia
GPO Box 3698
Sydney NSW 2001
www.challenger.com.au

Telephone 02 9994 7000
Facsimile 02 9994 7777

Dear Sir

Re: Notice of change of interests of substantial holder ~ Challenger Diversified Property Group (CDI)

We enclose notice of change of interests of substantial holder in Challenger Diversified Property Group. This notice is given by Challenger Limited and each of its subsidiaries named in Annexure 1 to this notice.

Yours faithfully



Suzie Koeppenkastrop
Company Secretary

attach

Melbourne Level 33, 101 Collins Street PO Box 297, Flinders Lane, Melbourne VIC 3000 Telephone 02 9994 7000 Facsimile 02 9994 7777
Brisbane Level 7, 320 Adelaide Street GPO Box 3234, Brisbane QLD 4001 Telephone 07 3136 5400 Facsimile 07 3136 5407
Perth Level 2, 168 St Georges Terrace PO Box Z5065, St Georges Terrace, Perth WA 6831 Telephone 08 9261 7412 Facsimile 08 9241 0571
Adelaide Level 3, 97 Pirie Street Adelaide SA 5000 Telephone 08 7129 4402 Facsimile 08 8232 4446

Challenger Limited ABN 85 106 842 371 Challenger Group Services Pty Limited ABN 91 085 657 307
Challenger Life Company Limited ABN 44 072 486 938 AFSL 234670 Challenger Commercial Lending Limited ABN 65 000 033 143
Challenger Managed Investments Limited ABN 94 002 835 592 AFSL 234668 Challenger Listed Investments Limited ABN 94 055 293 644 AFSL 236 887
CIF Investment Trust 1 ARSN 114 139 703 CIF Investment Trust 2 ARSN 114 139 632 Challenger Wine Trust ARSN 092 960 060
Challenger Diversified Property Trust 1 ARSN 121 484 606 Challenger Diversified Property Trust 2 ARSN 121 484 713
Challenger Management Services Limited ABN 29 092 382 842 AFSL 234 678
Challenger Retirement Services Pty Limited ABN 80 115 534 453 AFSL295642 RSE Licence No. L0001304
Challenger Mortgage Management Pty Ltd ABN 72 087 271 109 Challenger Securitisation Management Pty Ltd ABN 56 100 346 898 AFSL 244593
Challenger Investment Services Limited ABN 44 119 605 373 AFSL 320505

Form 604Corporations Act 2001
Section 671B**Notice of change of interests of substantial holder**To Company name/Scheme
ACN/ARSN**Challenger Diversified Property Group****ARSN 121 484 606 – Challenger Diversified Property Trust 1****ARSN 121 484 713 – Challenger Diversified Property Trust 2****1. Details of substantial holder (1)**

Name

Challenger Limited (and the entities listed in Annexure 1)

ACN/ARSN (if applicable)

106 842 371

There was a change in the interests of the substantial holder on

03.05.2011

The previous notice was given to the company on

14.05.2010

The previous notice was dated

14.05.2010**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary Fully Paid	433,728,870	47.48%	448,332,273	49.08%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
Refer Annexure 2	Challenger Limited And each other entity named in Annexure 1	Refer Annexure 2	Refer Annexure 2	Refer Annexure 2	Refer Annexure 2

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Persons entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Challenger Limited And each other entity named in Annexure 1	BNP Paribas Securities Services	BNP Paribas Securities Services	The relevant interest arises by Challenger Limited and the entities listed in Annexure 1	102,496 (ordinary fully paid)	102,496
As above	JP Morgan Nominees Australia Ltd	JP Morgan Nominees Australia Ltd	The relevant interest arises by Challenger Limited and the entities listed in Annexure 1	447,232,339 (ordinary fully paid)	447,232,339
As above	State Street Australia Ltd	State Street Australia Ltd	The relevant interest arises by Limited and the entities listed in Annexure 1	997,438 (ordinary fully paid)	997,438

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Challenger Limited And each other entity named in Annexure 1	Level 15, 255 Pitt Street, Sydney NSW 2000

Signatureprint name **Suzie Koeppenkastrop** capacity **Company Secretary**date **05/05/2011**

Annexure 1

This is page 1 of 4 pages of Annexure 1 referred to in Form 604 signed by me and dated 05/05/2011



Suzie Koeppenkastrup
Company Secretary

Company/Scheme	ABN/ARSN
Challenger Limited	85 106 842 371
Allfine Holdings Pty Ltd	84 100 231 918
Belvino Investments No.2 Pty Limited	149 254 919
Bluezen Pty Ltd	94 100 220 175
CDPG Australia Pty Limited	124 498 095
Cascade Pty Limited	76 096 097 399
CFSG Holdings No. 2 Victoria Pty Limited	107 601 605
Challenger Boutique (GFI) Holdings Pty Limited	123 319 460
Challenger Boutique Alphinity Holdings Pty Ltd	140 716 016
Challenger Boutique Ardea Holdings Pty Ltd	133 865 853
Challenger Boutique Holdings Pty Limited	123 318 650
Challenger Boutique Merlon Holdings Pty Ltd	140 715 662
Challenger Boutique NovaPort Holdings Pty Ltd	140 715 797
Challenger Boutique Wavestone Holdings Pty Ltd	133 626 276
Challenger Commercial Lending Limited	65 000 033 143
Challenger Diversified Property Development Pty Limited	121 624 833
Challenger Direct Pty Ltd	52 006 475 501
Challenger Financial Services Limited	38 087 464 131
Challenger FM 2 Holdings Pty Limited	85 080 036 657
Challenger FM Nominees Pty Limited	130 035 353
Challenger Funds Management Holdings Pty Limited	107 728 030
Challenger Group Holdings Limited	50 002 993 302
Challenger Group Pty Ltd	85 003 374 196
Challenger Group Services Pty Ltd	91 085 657 307
Challenger Home Loan Corporation Pty Limited	058 891 302
Challenger Inventory Finance Servicing Pty Limited	36 107 706 810
Challenger Investment Services Limited	44 119 605 373
Challenger LBC Terminals Australia Pty Limited	125 211 770
Challenger Life Company Holdings Pty Ltd	60 006 381 193
Challenger Life Company Limited	44 072 486 938
Challenger Life Nominees No.2 Limited	34 078 627 013
Challenger Life Nominees Pty Ltd	39 091 336 793
Challenger Life Subsidiary Holdings Ltd	38 099 742 122
Challenger Listed Investments Limited	94 055 293 644
Challenger Managed Investments (International) Pty Ltd	120 871 212
Challenger Managed Investments Limited	94 002 835 592
Challenger Management Services Limited	29 092 382 842
Challenger Margin Lending Pty Limited	47 091 338 822
Challenger Mortgage Management Pty Limited	72 087 271 109
Challenger Non-Conforming Finance Pty Ltd	107 725 486
Challenger Originator Finance Pty Ltd	095 085 466
Challenger Property Asset Management Pty Ltd	90 077 569 021
Challenger Retirement Services Pty Ltd	115 534 453

Annexure 1

This is page 2 of 4 pages of Annexure 1 referred to in Form 604 signed by me and dated 05/05/2011

Suzanne Koeppenkastrup

Suzie Koeppenkastrup
Company Secretary

Company/Scheme	ABN/ARSN
Challenger Securitisation Management Pty Limited	56 100 346 898
Challenger Skybridge (Fund) Holding Company Pty Ltd	130 888 292
Challenger Skybridge (Group) Holding Company Pty Ltd	130 888 327
Challenger Skybridge (Hastings) Holding Company Pty Ltd	130 888 274
Challenger Special Servicing Pty Ltd	77 107 707 415
Challenger Strategic Capital Pty Limited	116 411 388
Challenger Treasury Limited	47 093 307 996
Challenger US Infrastructure Holdings Pty Ltd	117 401 519
Challenger Wholesale Finance Holdings Pty Limited	087 284 240
CPHIC Investments Pty Ltd	95 093 340 526
CSPP1 Broadbeach Pty Ltd	122 460 977
CSPP1 Investment Company 1 Pty Limited	120 463 023
CSPP1 Maitland Pty Ltd	122 460 968
CSPP1 Mavis Court Pty Ltd	122 461 983
EMIF Holdings Pty Ltd	130 565 169
Endowment Warrants Limited	45 009 568 503
FXF Holdings Pty Ltd	080 419 512
GasValpo Finance Pty Ltd	003 376 529
Inexus Australian Holdings Company Limited	115 840 661
LANV Pty Ltd	147 224 502
Maitland Nominee Holdings Pty Limited	122 853 114
Mavis Court Development Co Pty Limited	124 112 956
Mawbury Pty Limited	95 096 097 479
Talavera Herring Pty Limited	34 086 068 984
The Liberty Group Consortium Pty Ltd	79 082 564 289
TLG Services Pty Limited	20 092 500 608
TLGH Pty Limited	85 092 927 467
TRE Data Centres Canberra Pty Ltd	141 881 227
Waterford County Pty Limited	122 853 089

Annexure 1

This is page 3 of 4 pages of Annexure 1 referred to in Form 604 signed by me and dated 05/05/2011



Suzie Koeppenkastrup
Company Secretary

Overseas Companies
Appia Europe Limited
Appia Finance 2 Limited
Appia Finance Limited
Appia Group Limited (Jersey)
Appia Investments Limited
CDPG Luxembourg Holdings SARL
CDPG Luxembourg II SARL
CDPG Luxembuorg SARL
CDPG Malta Limited
Challenger Connections Limited
Challenger Connections Mid Company Limited
Challenger DPG France II SAS
Challenger DPG France SAS
Challenger Group Services (UK) Limited
Challenger Harbourmasters Holdings Jersey Limited
Challenger Holding (Vagyonkezelő) KFT
Challenger Hungary International Capital Investment and Management Ltd Liability Company
Challenger Jersey I3 Limited
Challenger Jersey Management Limited
Challenger Jersey Trustee Limited
Challenger LBC Terminals Holding Company Limited
Challenger LBC Terminals Jersey Limited
Challenger LBC Terminals Limited
Challenger Life (UK) Limited
Challenger Luxembourg Holding No. 1A SARL
Challenger Luxembourg Holding No. 1B SARL
Challenger Luxembourg Holding No. 2 SARL
Challenger Management Services (UK) Limited
Challenger MBK Emerging Market Infrastructure Fund Pte. Ltd
Challenger MBK Fund Management Pte. Ltd
Challenger Northern Gas Ltd (Jersey)
Challenger SCR LLP Member Limited
Challenger SkyBridge Fund (LP) Limited
Challenger SkyBridge Fund (SLP) Limited
Challenger Southern Water Limited
Challenger Structured Credit Management Limited

Annexure 1

This is page 4 of 4 pages of Annexure 1 referred to in Form 604 signed by me and dated 05/05/2011



Suzie Koeppenkastrup
Company Secretary

Overseas Companies
Challenger Towers Ltd (Jersey)
Challenger UK Tank Storage Limited
Challenger UK Terminals Ltd
Challenger Wales and the West Gas Ltd (Jersey)
Challenger Welcome Break Limited
Clashfern Investments (UK) Limited
CMS (UK) Pty Limited
GasValpo Jersey Holding Company Limited
Greensands Holdings Jersey Limited
GV Cayman Company Limited
GV Chile Holding Limitada
GV Chile Limitada
GV Jersey Trustee Company Limited
GV Jersey Trustee Company No. 2 Limited
Inexus Group Holdings
Inexus Group Limited
Interstar Home Loan Corporation NZ Limited (Foreign)
Kabushiki Kaisha C & K
Lazor
Mangro
Namroc
Oikos Limited
Oikos Storage Limited
Rozal
Rozalia Park
Sabrand Limited
SCI Aulnay Invest
SCI Gennevilliers Invest
Structured Credit Research LLP

Annexure 2

This is page 1 of 1 page of Annexure 2 referred to in Form 604 signed by me and dated

05/05/2011



Suzie Koeppenkastrop

Transactions:

Challenger Diversified Property Group (CDI)

Stapled Units Fully Paid

As at 03/05/2011

Date of Change	Holder of relevant interest	Nature of Change	Consideration	Number of securities	Person's Votes Affected
24/05/2010	Challenger Limited (the entities listed in Annexure 1)	Buy	12,833.08	24,926	24,926
24/05/2010	As above	Buy	8,550.61	16,618	16,618
24/05/2010	As above	Buy	119,918.11	224,146	224,146
24/05/2010	As above	Sell	119,918.11	-224,146	224,146
25/05/2010	As above	Buy	34,067.67	65,074	65,074
25/05/2010	As above	Buy	22,704.64	43,382	43,382
03/06/2010	As above	Sell	19,597.56	-39,201	39,201
03/06/2010	As above	Sell	9,596.56	-19,196	19,196
03/06/2010	As above	Sell	101,043.81	-202,118	202,118
04/06/2010	As above	Sell	48,457.84	-96,429	96,429
04/06/2010	As above	Sell	23,729.16	-47,220	47,220
04/06/2010	As above	Sell	249,849.63	-497,190	497,190
07/06/2010	As above	Sell	58,440.25	-112,794	112,794
07/06/2010	As above	Sell	28,617.56	-55,234	55,234
07/06/2010	As above	Sell	301,318.00	-581,566	581,566
16/06/2010	As above	Buy	124,175.49	232,964	232,964
16/06/2010	As above	Buy	416,237.87	770,930	770,930
17/06/2010	As above	Buy	86,828.15	160,528	160,528
18/06/2010	As above	Buy	550,841.98	1,000,000	1,000,000
21/06/2010	As above	Buy	416,110.52	750,000	750,000
17/09/2010	As above	Sell	416,471.09	-849,941	849,941
01/11/2010	As above	Sell	109,887.23	-209,309	209,309
09/12/2010	As above	Sell	3,243.76	-6,238	6,238
09/12/2010	As above	Sell	39,271.96	-75,523	75,523
11/04/2011	As above	Buy	339,826.96	655,716	655,716
12/04/2011	As above	Buy	306,412.95	585,783	585,783
13/04/2011	As above	Buy	121,083.80	230,451	230,451
14/04/2011	As above	Buy	185.12	352	352
15/04/2011	As above	Buy	187,655.62	353,546	353,546
18/04/2011	As above	Buy	309,662.31	583,855	583,855
19/04/2011	As above	Buy	66,577.40	125,411	125,411
20/04/2011	As above	Buy	94,588.36	179,871	179,871
21/04/2011	As above	Buy	539,452.91	1,016,159	1,016,159
28/04/2011	As above	Buy	251,514.32	465,000	465,000
29/04/2011	As above	Buy	2,189,115.28	4,024,817	4,024,817
02/05/2011	As above	Buy	95,006.38	174,259	174,259
03/05/2011	As above	Buy	3,239,804.27	5,935,720	5,935,720

14,603,403