Harbinger Group's Insurance Subsidiary FGL Executes $295 Million Reserve Credit Facility Replacement Three Years Early

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NEW YORK - October 10, 2012 -Harbinger Group Inc. ("HGI"; NYSE: HRG) today announced the closing of a $295 million reserve credit facility between Nomura Bank International ("Nomura") and HGI's primary insurance company, Fidelity & Guaranty Life ("FGL"). The facility replaces a seller-provided facility put in place under the stock purchase agreement entered into between a subsidiary of HGI and Old Mutual plc for the acquisition of FGL.

"This marks an important milestone for FGL, as the company has eliminated the last remaining credit support by its former owner, more than three years ahead of our obligation and at a lower financing cost," said Phil Gass, Vice President of Investments at HGI. "Under Lee Launer's leadership, we have been able to improve FGL's balance sheet and grow its business, returning the insurance company to a leading provider of fixed index annuities. These accomplishments are significant as we continue to make strides in building value for HGI shareholders."

Under the terms of the reserve credit facility agreement, Nomura will provide Raven Re, a wholly-owned subsidiary of FGL, with a five-year facility at a lower financing cost to recapture business that was previously ceded to Old Mutual Reassurance (Ireland) Limited. Under the terms of the stock purchase agreement between HGI and Old Mutual, HGI was required to recapture this ceded business by December 31, 2015.

"Fidelity & Guaranty Life continues to meet and exceed expectations as we build a platform for future growth. I'm pleased we met this outstanding obligation quickly and well ahead of schedule," said Lee Launer, Chief Executive Officer of Fidelity & Guaranty Life.

About Harbinger Group Inc.

Harbinger Group Inc. ("HGI"; NYSE: HRG) is a diversified holding company. HGI's principal operations are conducted through subsidiaries that offer life insurance and annuity products, and branded consumer products such as batteries, personal care products, small household appliances, pet supplies, and home and garden pest control products. HGI is principally focused on acquiring controlling and other equity stakes in businesses across a diversified range of industries and growing its existing businesses. In addition to HGI's intention to acquire controlling equity interests, HGI may also from time to time make investments in debt instruments and acquire minority equity interests in companies. Harbinger Group Inc. is headquartered in New York and traded on the New York Stock Exchange under the symbol HRG. For more information on HGI, visit: www.Harbingergroupinc.com.

About Fidelity & Guaranty Life

On April 6, 2011, HGI completed the acquisition of the U.S. annuity and life insurance business of Old Mutual. Under new ownership, the companies have adopted a new corporate identity, Fidelity & Guaranty Life, as well as new insurance company names: Fidelity & Guaranty Life Insurance Company and Fidelity & Guaranty Life Insurance Company of New York. Headquartered in Baltimore, MD, the company focuses its efforts on serving middle market consumers seeking the safety, protection and income features of secure life insurance and annuity products. Products are distributed through Fidelity & Guaranty Life's established, independent network of master general agents. Fidelity & Guaranty Life has approximately $17.1 billion of cash and investment assets under management as of July 1, 2012. For more information on Fidelity & Guaranty Life, visit: https://home.fglife.com.

About Nomura

Nomura is a leading financial services group and the preeminent Asian-based investment bank with worldwide reach. Nomura provides a broad range of innovative solutions tailored to the specific requirements of individual, institutional, corporate and government clients through an international network in over 30 countries. Based in Tokyo and with regional headquarters in Hong Kong, London, and New York, Nomura employs over 27,000 staff worldwide. Nomura's unique understanding of Asia enables the company to make a difference for clients through three business divisions: retail, asset management, and wholesale (fixed income, equities, and investment banking). For further information about Nomura, please visit www.nomura.com

Forward Looking Statements

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: Some of the statements contained in the Press Release are or may be forward-looking statements based upon management's current expectations that are subject to risks and uncertainties that could cause actual results, events and developments to differ materially from those set forth in or implied by such forward-looking statements. These statements and other forward-looking statements made from time-to-time by HGI and its representatives are based upon certain assumptions and describe future plans, strategies and expectations of HGI, are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may" or similar expressions. Factors that could cause actual results, events and developments to differ include, without limitation, the ability of HGI's subsidiaries to generate sufficient net income and cash flows to make upstream cash distributions, capital market conditions, the risk that HGI may not be successful in identifying any suitable future acquisition opportunities, the risks that may affect the performance

of the operating subsidiaries of HGI and those factors listed under the caption "Risk Factors" in HGI's most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission. All forward-looking statements described herein are qualified by these cautionary statements and there can be no assurance that the actual results, events or developments referenced herein will occur or be realized. Neither HGI nor any of its affiliates undertakes any obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operation results.

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