

Harbinger Group Inc. Announces First Quarter Results

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ROCHESTER, N.Y., May 05, 2010 (BUSINESS WIRE) --Harbinger Group Inc. (NYSE: HRG) today announced its consolidated financial results for the three months ended March 31, 2010.

For the three months ended March 31, 2010, Harbinger Group Inc. reported a consolidated net loss of \$2.7 million or \$(0.14) per share as compared to a consolidated net loss of \$0.7 million or \$(0.04) per share for the three months ended March 31, 2009. The increase in net loss principally resulted from an increase in professional fees associated with advisors retained to assist us in evaluating business acquisition opportunities as well as additional employee and other costs related to relocating our corporate headquarters to New York City.

About Harbinger Group Inc.:

Harbinger Group Inc. is a holding company with approximately \$148.7 million in consolidated cash, cash equivalents and investments as of March 31, 2010. The Company's principal focus is to identify and evaluate business combinations or acquisitions of businesses. The Company continues to review acquisitions and business combination proposals with the assistance of its advisors. The Company currently owns 98% of Zap.Com Corporation, a public shell company.

The Company makes certain reports available free of charge on its website at <http://www.harbingergroupinc.com> as soon as reasonably practicable after this information is electronically filed, or furnished to, the United States Securities and Exchange Commission.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: The statements contained in this press release which are not historical fact are 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 forward-looking statements. Forward-looking statements, which are based upon certain assumptions and describe future plans, strategies and expectations of the Company, 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 risk that we may not be successful in identifying any suitable future acquisition opportunities and those factors listed under the caption "Risk Factors" in the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2010 and in the Company's Annual Report on Form 10-K for the year ended December 31, 2009. All forward-looking statements made 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. The Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operation results.

HARBINGER GROUP INC. AND SUBSIDIARIES **CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS** *(In thousands, except per share data)*

	Three months ended March 31,	
	2010	2009
	(Unaudited)	
Revenues	\$ -	\$ -
Cost of revenues	-	-
Gross profit	-	-
Operating expenses:		
General and administrative	3,738	1,200
Total operating expenses	3,738	1,200
Operating loss	(3,738)	(1,200)
Other income:		
Interest income	36	67

Other, net	232		32	
	268		99	
Loss before income taxes	(3,470)	(1,101)
Benefit from income taxes	767		374	
Net loss	(2,703)	(727)
Less: Net loss attributable to the noncontrolling interest	1		-	
Net loss attributable to Harbinger Group Inc.	\$ (2,702)	\$ (727)
Net loss per common share - basic and diluted	\$ (0.14)	\$ (0.04)
Weighted average common shares outstanding				
Basic	19,285		19,276	
Diluted	19,285		19,276	

SOURCE: Harbinger Group Inc.

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