

Harbinger Group Inc. Announces Year End Results

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ROCHESTER, N.Y., Mar 09, 2010 (BUSINESS WIRE) -- Harbinger Group Inc. (NYSE: HRG) today announced its consolidated financial results for the year ended December 31, 2009.

Harbinger Group Inc. reported a net loss of \$13.3 million or \$(0.69) per diluted share for the year ended December 31, 2009 compared to a net loss of \$12,000 or \$0.00 per diluted share in 2008. The increase in net loss resulted primarily from the write off of \$7.4 million of net operating loss carryforward tax benefits and alternative minimum tax credits after the Company's change of majority ownership. Additionally, as a result of cumulative losses in recent years, the Company increased its valuation allowance for its deferred tax assets by \$2.8 million. The increase in net loss also resulted from increases in professional fees and pension expense and a decrease in interest income, all partially offset by the recognition of other income in 2009 related to former businesses of the Company.

About Harbinger Group Inc.:

Harbinger Group Inc. is a holding company with approximately \$151.9 million in consolidated cash, cash equivalents and investments at December 31, 2009. 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 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 CONSOLIDATED STATEMENTS OF OPERATIONS (In Thousands, Except Per Share Amounts)

	Years Ended December 31,	
	2009	2008
Revenues	\$ --	\$ --
Cost of revenues	--	--
Gross profit	--	--
Operating expenses:		
General and administrative	6,290	3,237
Total operating expenses	6,290	3,237
Operating loss	(6,290)	(3,237)
Other income:		
Interest income	229	3,013

Other, net	1,280		113	
	1,509		3,126	
Loss before income taxes	(4,781)	(111)
(Provision) benefit for income taxes	(8,566)	98	
Net loss	(13,347)	(13)
Less: Net loss attributable to the noncontrolling interest	3		1	
Net loss attributable to Harbinger Group Inc.	\$ (13,344)	\$ (12)
Net loss per common share - basic and diluted	\$ (0.69)	\$ 0.00	
Weighted average common shares outstanding:				
Basic	19,280		19,276	
Diluted	19,280		19,276	

SOURCE: Harbinger Group Inc.

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