

Harbinger Group Inc. Closes Previously Announced Acquisition of Remaining Interest in Compass Production

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NEW YORK, Oct. 31, 2014 /PRNewswire/ -- Harbinger Group Inc. ("HGI" or the "Company"; NYSE:HRG), a diversified holding company seeking to acquire and grow attractive businesses that can, in the long term, generate sustainable free cash flow, announced today that its wholly-owned subsidiary, HGI Energy Holdings, LLC ("HGI Energy"), has successfully closed on its previously announced acquisition of the approximately 25.5% interest that EXCO Resources, Inc. ("EXCO") held Compass Production Partners, LP ("Compass").

"We are pleased to have completed this transaction so soon after it was announced, as we expect our full ownership of Compass – and the accompanying simplified governance – will immediately accelerate decision-making at the business and enhance the team's ability to pursue both accretive acquisitions and organic growth opportunities. Our goal remains to help drive growth in Compass' value and its cash flow generating capability," said Omar Asali, President of HGI.

Pursuant to the transaction, the Company has become the sole owner of all interests in Compass in exchange for \$118.75 million in cash. Compass owns predominantly producing, long-lived, low-decline rate and lower geologic-risk conventional oil and gas assets concentrated in the Permian Basin of western Texas and in the Cotton Valley area of eastern Texas and northern Louisiana.

About Harbinger Group Inc.

Harbinger Group Inc. is a diversified holding company. HGI's principal operations are conducted through companies that: offer life insurance and annuity products; offer branded consumer products (such as consumer batteries, residential locksets, residential builders' hardware, faucets, shaving and grooming products, personal care products, small household appliances, specialty pet supplies, lawn, garden and home pest control products, and personal insect repellents); provide asset management services, including asset-backed loans, high-yield investing, infrastructure lending and real estate investing; and own energy assets. 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 make investments in debt instruments and acquire minority equity interests in companies. HGI 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.

Forward Looking Statements

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: This release contains, and certain oral statements made by our representatives from time to time may contain, forward-looking statements. These statements are based on the beliefs and assumptions of HGI's management and the management of HGI's subsidiaries (including target businesses). Generally, forward-looking statements include information describing actions, events, results, strategies and expectations and are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may," "will," "could," "might," or "continues" or similar expressions. Factors that could cause actual results, events and developments to differ include, without limitation, capital market conditions, the ability of HGI's subsidiaries (including, target businesses following their acquisition) to generate sufficient net income and cash flows to make upstream cash distributions, HGI and its subsidiaries ability to identify any suitable future acquisition opportunities, efficiencies/cost avoidance, cost savings, income and margins, growth, economies of scale, combined operations, future economic performance, conditions to, and the timetable for, completing the integration of financial reporting of acquired or target businesses with HGI or HGI subsidiaries, completing future acquisitions and dispositions, litigation, potential and contingent liabilities, management's plans, changes in regulations, taxes and 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 Reports 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. HGI does not undertake 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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