UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): July 18, 2013

HARBINGER GROUP INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

1-4219 **(Commission File Number)**	**74-1339132** **(IRS Employer Identification No.)**
450 Park Avenue, 30th Floor, New York, NY **(Address of Principal Executive Offices)**	**10022** **(Zip Code)**

(212) 906-8555
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure.

On July 18, 2013, Harbinger Group Inc. (“HGI”) announced that it proposed to offer $150 million aggregate principal amount of 7.875% senior secured notes due 2019 (the “Notes Offering”) to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Act”), and to certain persons in offshore transactions in accordance with Regulation S under the Act (such persons, the “Prospective Notes Purchasers”).

A copy of the press release announcing the Notes Offering is furnished with this report as Exhibit 99.1 and is incorporated herein by reference.

In connection with the Notes Offering, HGI is providing the Prospective Notes Purchasers with certain unaudited pro forma financial statements of HGI, furnished with this report as Exhibit 99.2, which assumes the completion of the Notes Offering.

This report does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale of any security in any jurisdiction in which such offering, solicitation or sale would be unlawful.

This information shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of HGI’s filings under the Act or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

In addition, HGI is also providing the Prospective Notes Purchasers with the following information with respect to the properties owned by HGI’s oil and gas joint venture (the “Partnership Properties”) and Fidelity & Guaranty Life Holdings, Inc.’s (“FGL”) statutory capital:

Description of Partnership Properties

As of March 31, 2013, the Partnership Properties have estimated proved reserves of 515 billions of cubic feet equivalent, of which approximately 95% of total proved reserves are classified as proved and developed. Approximately 82.5% of these proved reserves are gas; approximately 6.8% of these proved reserves are oil; and approximately 10.7% of these proved reserves are natural gas liquids. The assets include more than 1,400 producing wells and approximately 155,600 net mineral leasehold acres, of which approximately 96% are held by production.

Partnership Properties Oil and Natural Gas Reserves

The following table summarizes proved reserves of the Partnership Properties as of March 31, 2013.

Oil (Mbbls)	
Developed	4,148.933
Undeveloped	1,195.182
Total	5,801.819
Natural Gas (Mmcf)	
Developed	357,543.719
Undeveloped	8,150.662
Total	425,139.745
Natural Gas Equivalent Reserves (MBBL)	
Developed	6,426.826
Undeveloped	1,774.007
Total	9,216.126

These estimates were calculated using unweighted average prices for the first day of each month for April 2012 through March 2013 of $2.95 per MCF of natural gas and $92.63 per barrel of crude oil. For NGL, income from the sale was estimated using actual prices received for an average price of $44.40 per barrel.

FGL Statutory Capital

As of March 31, 2013, FGL, in which we maintain 100% ownership, had approximately $1.1 billion of statutory capital.

Forward Looking Statements

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: Some of the statements contained in this report and certain oral statements made by our representatives from time to time regarding the matters discussed herein, including the commencement or completion of the Notes Offering, are or may be forward-looking statements. Such forward-looking statements are 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 (including, target businesses following their acquisition) to generate sufficient net income and cash flows to make upstream cash distributions, capital market conditions, 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press release
99.2	Unaudited Pro Forma Condensed Combined Financial Statements of Harbinger Group Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HARBINGER GROUP INC.

Date: July 18, 2013	By:	/s/ Thomas A. Williams
	Name:	Thomas A. Williams
	Title:	Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press release
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Exhibit 99.1

**HARBINGER GROUP INC.
ANNOUNCES LAUNCH OF ADD-ON DEBT OFFERING**

NEW YORK – (BUSINESS WIRE) – July 18, 2013, – Harbinger Group Inc. ("HGI" or the "Company"; NYSE: HRG) announced today an offering of $150 million in aggregate principal amount of senior secured notes (the "New Notes"). The New Notes are to be issued under the same indenture governing the $700 million aggregate principal amount of 7.875% senior secured notes due 2019 that were issued on December 24, 2012. The offering is subject to market conditions and other factors.

The offering will be made solely by means of a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and to certain persons in offshore transactions pursuant to Regulation S under the Securities Act.

The New Notes to be issued in the offering have not been and will not be registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale of any security in any jurisdiction in which such offering, solicitation or sale would be unlawful.

Forward Looking Statements

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: Some of the statements contained in the Press Release and certain oral statements made by our representatives from time to time regarding the matters described herein, including the commencement or completion of the offering are or may be forward-looking statements. Such forward-looking statements are 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 describe the offering and future plans, strategies and expectations of HGI, and 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, 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.

About Harbinger Group, Inc.

Harbinger Group Inc. ("HGI"; NYSE: HRG) is a diversified holding company. HGI's principal operations are conducted through companies that: offer life insurance and annuity products; 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, personal insect repellents); provide asset-backed loans; 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 from time to time 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.

Contacts

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Source: Harbinger Group Inc.

HARBINGER GROUP INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS
(Amounts in millions, except per share amounts)

Harbinger Group Inc. (“HGI” or the “Company”) plans to issue $150.0 aggregate principal amount 7.875% of Senior Secured Notes due 2019 (“New Notes”).

On February 14, 2013, HGI Energy Holdings, LLC (“HGI Energy”), a Delaware limited liability company and a wholly-owned subsidiary of HGI completed a joint venture with EXCO Resources, Inc. (“EXCO”) to create a private oil and gas limited partnership (the “Partnership”) which purchased and will operate EXCO’s producing U.S. conventional oil and gas assets located in West Texas, including and above the Canyon Sand formation, as well as in the Danville, Waskom, Holly and Vernon fields in East Texas and North Louisiana, including and above the Cotton Valley (the “Contributed Properties”). In addition, on March 5, 2013, the Partnership acquired conventional oil and natural gas assets from an affiliate of BG Group plc (“BG Acquisition”). As a result of the BG Acquisition, the Partnership acquired certain conventional oil and gas assets in the Danville, Waskom and Holly fields in East Texas and North Louisiana, including and above the Cotton Valley formation, from an affiliate of BG Group plc. These properties represent an incremental working interest in certain properties already purchased by the Partnership from EXCO. For the purposes of these unaudited pro forma condensed combined financial statements, the Partnership with EXCO will be referred to as the “Joint Venture.” Unless as indicated otherwise, words defined in this section have the meaning ascribed to them solely for purposes of this section.

The Company, through its majority-owned subsidiary, Spectrum Brands Holdings, Inc. (collectively with its consolidated subsidiaries, “Spectrum Brands”), has also acquired the residential hardware and home improvement business (“the HHI Group”) from Stanley Black & Decker, Inc. (“Stanley Black & Decker”), which includes (i) the equity interests of certain subsidiaries of Stanley Black & Decker engaged in the business and (ii) certain assets of Stanley Black & Decker used or held for use in connection with the business (the “HHI Group Acquisition”). The HHI Group has a broad portfolio of recognized brands names, including Kwikset, Weiser, Baldwin, National Hardware, Stanley, FANAL and Pfister, as well as patented technologies such as Smartkey, a rekeyable lockset technology, and Smart Code Home Connect. A portion of the HHI Group Acquisition closed on December 17, 2012 (the “First Closing”) and a second portion closed on April 8, 2013, consisting of the purchase of certain assets of Tong Lung Metal Industry Co. Ltd., a Taiwan Corporation (“TLM Taiwan”), which is involved in the production of residential locksets (the “Second Closing”).

In connection with the HHI Group Acquisition, Spectrum Brands issued $520.0 aggregate principal amount of 6.375% Senior Notes due 2020 (the “6.375% Notes”) and $570.0 aggregate principal amount of 6.625% Senior Notes due 2022 (the “6.625% Notes”). Spectrum Brands financed the remaining portion of the HHI Group Acquisition with a new $800.0 term loan facility, of which $100.0 is stated in Canadian dollar equivalents (the “Term Loan”). A portion of the Term Loan proceeds was also used to refinance the former term loan facility, maturing June 17, 2016, which had an aggregate amount outstanding of $370.2 prior to refinancing.

In December 2012, the Company issued $700.0 aggregate principal amount 7.875% Senior Secured Notes due 2019 (the “7.875% Notes”) and used part of the proceeds of the offering to accept for purchase $500.0 aggregate principal amount of its 10.625% Senior Secured Notes due 2015 (the “10.625% Notes”) pursuant to a tender offer and redemption of the 10.625% Notes.

In March 2013, Fidelity & Guaranty Life Holdings, Inc. (“F&G”), a wholly-owned subsidiary of the Company, issued $300.0 of 6.375% Senior Notes due 2021 (the “Insurance Notes”).

The unaudited pro forma condensed combined financial statements shown below reflect historical financial information and have been prepared on the basis that the HHI Group Acquisition by Spectrum Brands and the oil and gas assets acquired by the Joint Venture were accounted for as business combinations using the acquisition method of accounting. Accordingly, the consideration transferred and the assets acquired and liabilities assumed have been measured at their respective fair values with any excess of the consideration transferred over the fair value of the net assets acquired reflected as goodwill. The unaudited pro forma condensed combined financial statements presented assumes that the HHI Group is a wholly-owned subsidiary of Spectrum Brands. In addition, the Joint Venture is accounted for by HGI using the equity method of accounting, pursuant to a gross proportionate presentation, as HGI has significant influence but does not control the joint venture for consolidation purposes under GAAP. Accordingly, HGI has reflected 74.5% of the Joint Venture's assets, liabilities, revenues and expenses in its financial statements, which is equal to its economic interest in the Joint Venture.

The following unaudited pro forma condensed combined balance sheet as of March 31, 2013 is presented on a basis to reflect (i) the Second Closing of the HHI Group Acquisition, and (ii) the issuance of the New Notes. The (i) First Closing of the HHI Group Acquisition and related financing, (ii) the refinancing of the 10.625% Notes with the 7.875% Notes, (iii) the Joint Venture and (iv) the Insurance Notes are reflected in HGI's historical unaudited condensed consolidated balance sheet as of March 31, 2013.

The unaudited pro forma condensed combined statement of operations for the year ended September 30, 2012 is presented on a basis to reflect (i) the HHI Group Acquisition and related financing, (ii) the Joint Venture, (iii) the refinancing of the 10.625% Notes with the 7.875% Notes, (iv) the issuance of the Insurance Notes and (v) the issuance of the New Notes.

The unaudited pro forma condensed combined statement of operations for the six months ended March 31, 2013 is presented to reflect (i) the full-period effect of the HHI Group Acquisition and related financing, (ii) the full-period effect of the Joint Venture, (iii) the full-period effect of the refinancing of the 10.625% Notes with the 7.875% Notes, (iv) the full-period effect of the issuance of the Insurance Notes and (v) the issuance of the New Notes.

Because of periods which are shorter than a full twelve months, and in order to present results for comparable periods, the unaudited pro forma condensed combined statement of operations for the fiscal year ended September 30, 2012 combines the historical consolidated statement of operations of HGI for the year then ended with the historical results of operations of the HHI Group for the twelve months ended September 29, 2012. See Note 1, Conforming Interim Periods, to the unaudited pro forma condensed combined financial statements for additional information.

EXCO has a fiscal year end of December 31. As consolidation of a parent and subsidiaries with year-end differences not exceeding 93 days is permissible, the results of operations for the fiscal year ended December 31, 2012 have been included in our unaudited pro forma condensed combined statement of operations for the year ended September 30, 2012.

The unaudited pro forma condensed combined financial statements and the notes thereto were based on and should be read in conjunction with:

- HGI's historical audited consolidated financial statements and notes thereto for the fiscal year ended September 30, 2012;
- HGI's historical unaudited condensed consolidated financial statements and notes thereto for the six months ended March 31, 2013;
- HHI Group's historical audited combined financial statements and notes thereto for the nine months ended September 29, 2012; and
- The audited statements of revenues and direct operating expenses and related notes thereto, for EXCO Resources, Inc. Certain Conventional Oil and Natural Gas Properties for the fiscal year ended December 31, 2012.

The process of valuing the HHI Group and the Joint Venture's tangible and intangible assets acquired and liabilities assumed, as well as evaluating accounting policies for conformity, is still in the preliminary stages. The preliminary fair values of net tangible and intangible assets acquired and liabilities assumed in connection with the purchases of the HHI Group and the Joint Venture have been recognized in the historical results based upon their preliminary values at March 31, 2013. The preliminary fair values were based upon a preliminary valuation and the estimates and assumptions used in such valuation are subject to change, which could be significant, within the measurement period (up to one year from the acquisition date). A final determination of the fair values of the assets acquired and liabilities assumed will include management's consideration of a final valuation. HGI currently expects that the process of determining fair value of the tangible and intangible assets acquired and liabilities assumed will be completed within one year of the acquisition date. Material revisions to HGI's preliminary estimates could be necessary as more information becomes available through the completion of this final determination. The final amounts may be materially different from the information presented in these unaudited pro forma condensed combined financial statements due to a number of factors, including changes in market conditions and financial results which may impact cash flow projections used in the valuation and the identification of additional conditions that existed as of the date of the acquisition.

HGI's historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (i) directly attributable to the HHI Group Acquisition and related financing, the Joint Venture, the refinancing of the 10.625% Notes with the 7.875% Notes, the issuance of the Insurance Notes and the issuance of the New Notes, (ii) factually supportable, and (iii) with respect to the unaudited pro forma condensed combined statement of operations, expected to have a continuing impact on HGI's results. The unaudited pro forma condensed combined financial statements do not reflect any revenue enhancements, cost savings from operating efficiencies, synergies or other restructuring, or the costs and related liabilities that would be incurred to achieve such revenue enhancements and cost savings, which could result from the transactions.

The pro forma adjustments are based upon available information and assumptions that management believes reasonably reflect the HHI Group Acquisition and the related financing; the Joint Venture; the refinancing of the 10.625% Notes with the 7.875% Notes; the issuance of the Insurance Notes; and the issuance of the New Notes. The unaudited pro forma condensed combined financial statements are provided for illustrative purposes only and do not purport to represent what our actual consolidated results of operations or our consolidated financial position would have been had the transactions described above, and other identified events occurred on the date assumed, nor are they necessarily indicative of our future consolidated results of operations or financial position.

Harbinger Group Inc. and Subsidiaries

Unaudited Pro Forma Condensed Combined Balance Sheet
As of March 31, 2013
(Amounts in millions)

	Historical Harbinger Group Inc.	Pro Forma Adjustments HHI	Notes	New Notes	Notes	Pro Forma Combined
ASSETS						
Investments:						
Fixed maturities	$ 16,183.5	$ —		$ —		$ 16,183.5
Equity securities	313.4	—		—		313.4
Derivatives	262.6	—		—		262.6
Asset-backed loans	241.6	—		—		241.6
Other invested assets	32.4	—		—		32.4
Total investments	17,033.5	—		—		17,033.5
Cash and cash equivalents	1,475.0	(75.5)	4(a)	147.1	8(c)	1,546.6
Receivables, net	593.4	—		—		593.4
Inventories, net	705.4	5.0	4(b)	—		710.4
Accrued investment income	169.5	—		—		169.5
Reinsurance recoverable	2,330.4	—		—		2,330.4
Deferred tax assets	167.7	—		—		167.7
Properties, including oil and gas natural properties, net	965.6	40.9	4(b)	—		1,006.5
Goodwill	1,434.0	41.3	4(b)	—		1,475.3
Intangibles, including DAC and VOBA, net	2,467.5	13.2	4(b)	—		2,480.7
Other assets	374.7	34.2	4(b)	2.9	8(d)	411.8
Total assets	$ 27,716.7	$ 59.1		$ 150.0		$ 27,925.8
LIABILITIES AND EQUITY						
Insurance reserves:						
Contractholder funds	$ 15,409.9	$ —		$ —		$ 15,409.9
Future policy benefits	3,569.1	—		—		3,569.1
Liability for policy and contract claims	68.4	—		—		68.4
Fund withheld from reinsurers	40.4	—		—		40.4
Total insurance reserves	19,087.8	—		—		19,087.8
Debt	4,596.7	—		150.0	8(e)	4,746.7
Accounts payable and other current liabilities	795.5	(2.6)	4(b)	—		792.9
Equity conversion feature of preferred stock	202.7	—		—		202.7
Employee benefit obligations	104.5	—		—		104.5
Deferred tax liabilities	515.2	—		—		515.2
Other liabilities	488.9	61.0	4(b)	—		549.9
Total liabilities	25,791.3	58.4		150.0		25,999.7
Commitments and contingencies						
Temporary equity:						
Redeemable preferred stock	326.8	—		—		326.8
Harbinger Group Inc. stockholders' equity:						
Common stock	1.4	—		—		1.4
Additional paid-in capital	859.5	—		—		859.5
Accumulated deficit	(81.9)	—		—		(81.9)
Accumulated other comprehensive income	392.9	—		—		392.9
Total Harbinger Group Inc. stockholders' equity	1,171.9	—		—		1,171.9
Noncontrolling interest	426.7	0.7	4(b)	—		427.4
Total permanent equity	1,598.6	0.7		—		1,599.3
Total liabilities and equity	$ 27,716.7	$ 59.1		$ 150.0		$ 27,925.8

See accompanying notes to unaudited pro forma condensed combined financial statements.

Harbinger Group Inc. and Subsidiaries

Unaudited Pro Forma Condensed Combined Statement of Operations
For The Year Ended September 30, 2012
(Amounts in millions, except per share amounts)

Condensed Consolidated Statements of Operations	Historical: Year Ended September 30, 2012 Harbinger Group, Inc.	Historical: Year Ended December 31, 2012 Joint Venture (74.5%)	Historical: Twelve Months Ended September 29, 2012 HHI(1)	Pro Forma Adjustments: HHI Pro Forma & Historical Adjustments	Notes	Pro Forma Adjustments: Joint Venture Pro Forma	Notes	Pro Forma Adjustments: Insurance Notes, 7.875% Notes and New Notes	Notes	Pro Forma Combined
Revenues:										
Net consumer product sales	$ 3,252.4	$ —	997.1	$ 22.6	5(a)	$ —		$ —		$ 4,272.1
Oil and natural gas	—	141.6	—	—		—		—		141.6
Insurance premiums	55.3	—	—	—		—		—		55.3
Net investment income	722.7	—	—	—		—		—		722.7
Net investment gains	410.0	—	—	—		—		—		410.0
Insurance and investment product fees and other	40.3	—	—	—		—		—		40.3
Total revenues	4,480.7	141.6	997.1	22.6		—		—		5,642.0
Operating costs and expenses:										
Consumer products cost of goods sold	2,136.8	—	684.0	(14.8)	5(a)	—		—		2,806.0
Oil and natural gas direct operating costs	—	75.0	—	—		—		—		75.0
Benefits and other changes in policy reserves	777.4	—	—	—		—		—		777.4
Selling, acquisition, operating and general expenses	932.6	—	214.5	9.1	5(a,c,d,e)	7.8	6(a,d)	—		1,164.0
Depreciation, depletion, and amortization of oil and natural gas assets	—	—	—	—		57.0	6(b)	—		57.0
Amortization of intangibles	224.4	—	—	—		—		—		224.4
Accretion of discount on asset retirement obligations	—	—	—	—		1.8	6(c)	—		1.8
Total operating costs and expenses	4,071.2	75.0	898.5	(5.7)		66.6		—		5,105.6
Operating income	409.5	66.6	98.6	28.3		(66.6)		—		536.4
Interest expense	(251.0)	—	(34.7)	(51.0)	5(a,f)	(8.3)	6(e)	(35.7)	8(f), 9(b)	(380.7)
Loss from the change in the fair value of the equity conversion feature of preferred stock	(156.6)	—	—	—		—		—		(156.6)
Gain on contingent purchase price reduction	41.0	—	—	—		—		—		41.0
Other (expense) income, net	(17.5)	—	1.0	—		—		—		(16.5)
Income from continuing operations before income taxes	25.4	66.6	64.9	(22.7)		(74.9)		(35.7)		23.6
Income tax (benefit) expense	(85.3)	—	16.5	27.2	5(a,g)	—	6(f)	—	8(g), 9(c)	(41.6)
Net income	110.7	66.6	48.4	(49.9)		(74.9)		(35.7)		65.2
Less: Net income attributable to noncontrolling interest	21.2	—	0.6	0.4	5(h)	—		—		22.2
Net income attributable to controlling interest	89.5	66.6	47.8	(50.3)		(74.9)		(35.7)		43.0
Less: Preferred stock dividends and accretion	59.6	—	—	—		—		—		59.6
Net income (loss) attributable to common and participating preferred stockholders	$ 29.9	$ 66.6	47.8	$ (50.3)		$ (74.9)		$ (35.7)		$ (16.6)
Net income from per common share attributable to controlling interest:										
Basic	$ 0.15									$ (0.12)
Diluted	$ 0.15									$ (0.12)
Weighted-average common shares										
Basic	139.4									139.4
Diluted	139.8									139.4

See accompanying notes to unaudited pro forma condensed combined financial statements.

Harbinger Group Inc. and Subsidiaries

Unaudited Pro Forma Condensed Combined Statement of Operations
For The Six Months Ended March 31, 2013
(Amounts in millions, except per share amounts)

	Historical	Pro Forma Adjustments						Pro Forma
	Six Months Ended March 31, 2013 Harbinger Group Inc.	Joint Venture (74.5%)	Notes	HHI	Notes	Insurance Notes, 7.875% Notes and New Notes	Notes	Pro Forma Combined
Revenues:								
Net consumer product sales	$ 1,858.0	$ —		$222.0	5(i)	$ —		$ 2,080.0
Oil and natural gas	16.7	53.7	6(g)	—		—		70.4
Insurance premiums	27.9	—		—		—		27.9
Net investment income	350.1	—		—		—		350.1
Net investment gains	353.2	—		—		—		353.2
Insurance and investment product fees and other	28.3	—		—		—		28.3
Total revenues	2,634.2	53.7		222.0		—		2,909.9
Operating costs and expenses:								
Consumer products cost of goods sold	1,247.0	—		123.0	5(b,i)	—		1,370.0
Oil and natural gas direct operating costs	8.8	27.0	6(g)	—		—		35.8
Benefits and other changes in policy reserves	324.5	—		—		—		324.5
Selling, acquisition, operating and general expenses	568.9	(5.9)	6(a,d)	22.5	5(c,d,e,i)	—		585.5
Depreciation, depletion, and amortization of oil and natural gas assets	—	19.8	6(b)	—		—		19.8
Amortization of intangibles	135.6	—		—		—		135.6
Accretion of discount on asset retirement obligations	—	0.6	6(c)	—		—		0.6
Total operating costs and expenses	2,284.8	41.5		145.5		—		2,471.8
Operating income	349.4	12.2		76.5		—		438.1
Interest expense	(218.8)	(3.2)	6(e)	17.8	5(f)	41.3	8(a,f),9(b)	(162.9)
Gain from the change in the fair value of the equity conversion feature of preferred stock	29.3	—		—		—		29.3
Other expense, net	(11.9)	—		0.4	5(i)	—		(11.5)
Income from continuing operations before income taxes	148.0	9.0		94.7		41.3		293.0
Income tax expense	130.4	—	6(f)	8.7	5(g,i)	—	8(g),9(c)	139.1
Net income	17.6	9.0		86.0		41.3		153.9
Less: Net (loss) income attributable to noncontrolling interest	(23.2)	—		36.6	5(h)	—		13.4
Net income attributable to controlling interest	40.8	9.0		49.4		41.3		140.5
Less: Preferred stock dividends and accretion	24.3	—		—		—		24.3
Net income attributable to common and participating preferred stockholders	$ 16.5	$ 9.0		$ 49.4		$ 41.3		$ 116.2
Net income per common share attributable to controlling interest:								
Basic	$ 0.08							$ 0.57
Diluted	$ 0.06							$ 0.54
Weighted-average common shares								
Basic	139.6							139.6
Diluted	204.9							204.9

See accompanying notes to unaudited pro forma condensed combined financial statements.

HARBINGER GROUP INC. AND SUBSIDIARIES

NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

(Amounts in millions, except per share amounts)

(1) CONFORMING INTERIM PERIODS

HHI

HGI's fiscal year end is September 30 while the HHI Group's fiscal year has historically ended on the last Saturday in December. The latest available annual period for HGI was the year ended September 30, 2012 while the HHI Group's latest available period was for the nine month period ended September 29, 2012. In order for the Unaudited Pro Forma Condensed Combined Statement of Operations for the year ended September 30, 2012 to include twelve months of results for the HHI Group, we have derived the results of operations of the HHI Group for the twelve months ended September 29, 2012 by combining the historical audited consolidated statement of operations for the nine months ended September 29, 2012 and the historical unaudited consolidated statement of operations for the three months ended December 31, 2011, as follows:

	(a) 9 months ended September 29, 2012 (Audited)	(b) 3 months ended December 31, 2011 (Unaudited)	(c) = (a) + (b) 12 months ended September 29, 2012
Revenues:			
Net consumer product sales	$ 762.0	$ 235.1	$ 997.1
Operating costs and expenses:			
Consumer products cost of goods sold	514.4	169.6	684.0
Selling, acquisition, operating and general expenses	162.6	51.9	214.5
Total operating costs and expenses	677.0	221.5	898.5
Operating income	85.0	13.6	98.6
Interest expense	(25.0)	(9.7)	(34.7)
Other income, net	0.7	0.3	1.0
Income from continuing operations before income taxes	60.7	4.2	64.9
Income tax expense (benefit)	18.7	(2.2)	16.5
Net Income	42.0	6.4	48.4
Less: Net income attributable to noncontrolling interest	0.6	—	0.6
Net income attributable to controlling interest	$ 41.4	$ 6.4	$ 47.8

(2) BASIS OF PRO FORMA PRESENTATION

The unaudited pro forma condensed combined financial statements have been prepared using the historical consolidated financial statements of HGI, the HHI Group and the statement of revenues and direct expenses for the Joint Venture. The HHI Group Acquisition is accounted for using the acquisition method of accounting. The Joint Venture has been accounted for using the equity method of accounting, pursuant to a gross proportionate presentation, as HGI has significant influence but does not control the Joint Venture for consolidation purposes under GAAP. Accordingly HGI has reflected 74.5% of the Joint Venture's assets, liabilities, revenues and expenses in its financial statements which is equal to its economic interest in the Joint Venture.

Since separate historical financial statements in accordance with accounting principles generally accepted in the United States of America, or GAAP, have never been prepared for the Joint Venture, certain indirect expenses, as further described in Note 10, *Excluded Costs*, were not allocated to the Joint Venture and have been excluded from the accompanying statements. Any attempt to allocate these expenses would require significant and judgmental allocations, which would be arbitrary and would not be indicative of the performance of the properties on a stand-alone basis. Accordingly, the statements of revenues and direct operating expenses do not represent a complete set of financial statements reflecting financial position, results of operations, and partners' equity of the Joint Venture and are not indicative of the results of operations for the Joint Venture's properties going forward.

(3) SIGNIFICANT ACCOUNTING POLICIES

The unaudited pro forma condensed combined financial statements do not assume any differences in accounting policies between HGI and the HHI Group as well as the Joint Venture. HGI is in the process of reviewing the accounting policies of the HHI Group and the Joint Venture to ensure conformity of such accounting policies to those of HGI and, as a result of that review, HGI may identify differences between the accounting policies of these companies, that when conformed, could have a material impact on the unaudited pro forma condensed combined financial statements. At this time, HGI is not aware of any difference that would have a material impact on the unaudited pro forma condensed combined financial statements.

Accounting policies related to our oil and gas assets have been included in our historical results. The oil and gas accounting policies were adopted February 14, 2013 upon completion of the Joint Venture with EXCO.

(4) HHI GROUP ACQUISITION

Spectrum Brands acquired the HHI Group from Stanley Black & Decker, which includes (i) the equity interests of certain subsidiaries of Stanley Black & Decker engaged in the business and (ii) certain assets of Stanley Black & Decker used or held for use in connection with the business. A portion of the HHI Group Acquisition closed on December 17, 2012 (the First Closing) and a second portion closed on April 8, 2013, consisting of the purchase of certain assets of TLM Taiwan, which is involved in the production of residential locksets (the Second Closing), for a negotiated purchase price of $100.0. The adjustments reflected below represent the amounts related to the Second Closing only as it was not included in HGI's historical balance sheet as of March 31, 2013.

(a) The adjustment to cash reflected on the unaudited pro forma condensed combined balance sheet relating to the Second Closing is calculated as follows:

	Second Closing
Cash Consideration Transferred	$ (100.0)
Cash Acquired	24.5
Pro forma Adjustment	$ (75.5)

(b) The preliminary purchase price allocation for HHI Group Acquisition is displayed below, giving effect to the Second Closing:

	Second Closing
Cash	$ 24.5
Receivables and Inventories	5.0
Properties	40.9
Intangible assets	13.2
Deferred tax assets and Other assets	34.2
Total assets acquired	117.8
Accounts payable and other current liabilities	(2.6)
All other liabilities	61.0
Total liabilities assumed	58.4
Total identifiable net assets	59.4
Noncontrolling interests	(0.7)
Goodwill	41.3
Total net assets acquired	$ 100.0

The total purchase price for the Second Closing was allocated to the preliminary net tangible and intangible assets of TLM Taiwan based upon their preliminary fair values. The excess of the purchase price over the preliminary net tangible assets and intangible assets will be recorded as goodwill, the majority of which is not expected to be deductible for income tax purposes. The preliminary allocation of the purchase price was based upon a valuation for which the estimates and assumptions are subject to change, which could be significant, within the measurement period (up to one year from the acquisition date). HGI expects to continue to obtain information to assist it in determining the fair values of the net assets acquired at the acquisition date during the measurement period.

(5) HISTORICAL AND PRO FORMA ADJUSTMENTS—HHI GROUP ACQUISITION

(a) HHI Historical Adjustments reflect the exclusion of certain operations included within the HHI Group's historical financial statements that are not included in the HHI Group Acquisition and are detailed as follows:

	Year Ended September 29, 2012
Net consumer product sales	$ 22.6
Consumer products cost of goods sold	(14.8)
Selling, acquisition, operating and general expenses	(5.3)
Interest expense	34.7
Income tax expense	27.2

(b) HGI estimates cost of sales will increase during the first inventory turn subsequent to the acquisition date due to the sale of inventory that was adjusted to fair value in purchase accounting. This cost has been excluded from the pro forma adjustments for the year ended September 30, 2012 as this amount is considered non-recurring. For the six months ended March 31, 2013, an increase of $31.0 to cost of sales that resulted from the sale of inventory adjusted to fair value in purchase accounting was eliminated from the historical results in the unaudited pro forma condensed combined statement of operations, as this amount is considered non-recurring.

(c) Adjustment reflects increased depreciation expense of $4.6 and $0.3 for the year ended September 30, 2012 and the period from October 1, 2012 to December 16, 2012, respectively, associated with the adjustment to record the HHI Group's property, plant and equipment at fair value.

(d) Adjustment reflects increased amortization expense of $12.9 and $2.5 for the year ended September 30, 2012 and the period from October 1, 2012 to December 16, 2012, respectively, associated with the adjustment to record the HHI Group's intangible assets at fair value.

(e) HGI estimates that expenses related to this transaction will be approximately $90.0. These costs include fees for investment banking services, legal, accounting, due diligence, tax, valuation, printing and other various services necessary to complete this transaction. In accordance with ASC 805, the transaction related costs are expensed as incurred. HGI has incurred $3.1 and $24.8 for the year ended September 30, 2012 and the six months ended March 31, 2013, respectively, of transaction costs, primarily professional fees, in its historical financial results for the periods presented. These costs have been excluded from the unaudited pro forma condensed combined statements of operations, as these amounts are non-recurring.

(f) The related financing from the HHI Group Acquisition will result in substantial changes to HGI's debt structure. The interest expense adjustments are estimated to result in a net increase to interest expense of approximately $85.7 for the year ended September 30, 2012 and a net decrease of approximately $17.8 for the six months ended March 31, 2013. The adjustments consists of the following:

	Assumed Interest Rate	Year Ended September 30, 2012	Six Months Ended March 31, 2013
Term Loan—USD($700.0)	4.56%	$ 32.4	$ 16.1
Term Loan—CAD($100.0)	5.00%	5.1	2.5
6.375% Notes	6.38%	33.6	16.7
6.625% Notes	6.63%	38.3	19.0
Amortization of debt issuance costs		7.7	2.7
Total pro forma interest expense		117.1	57.0
Elimination of interest expense on retired debt		(31.4)	(3.8)
Elimination of interest expense on new acquisition-related debt included within the historical results		—	(42.0)
HHI Group Acquisition financing costs(1)		—	(29.0)
Pro forma adjustment		**$ 85.7**	**$ (17.8)**

(1) The costs associated with the financing of the HHI Group Acquisition have been eliminated from the unaudited pro forma condensed combined statement of operations for the six months ended March 31, 2013, as these amounts are non-recurring.

An assumed increase or decrease of 1/8% in the interest rate of the New Term Loan Facility would impact total pro forma interest expense presented above by $1.0 and $0.5 for the fiscal year ended September 30, 2012 and the six months ended March 31, 2013, respectively.

(g) As a result of Spectrum Brands' and the HHI Group's existing income tax loss carry forwards in the U.S., for which full valuation allowances have been provided, no income tax has been provided related to the acquisition related adjustments that impacted pretax income for the fiscal year ended September 30, 2012 and six months ended March 31, 2013.

(h) Adjustment reflects non-controlling interest in Spectrum Brands' pro forma decrease in income from continuing operations resulting from the assumed HHI Group Acquisition and related debt transactions using a non-controlling interest factor of 42.6%.

(i) The pro forma adjustments below relate to the results of the HHI Group's operations from October 1, 2012 to December 16, 2012 related to the First Closing and the results of the operations of the Second Closing from October 1, 2012 to March 13, 2013, both of which are not included within the historical results.

	First Closing	Second Closing	Total
	Period from October 1, 2012 to December 16, 2012	Period from October 1, 2012 to March 31, 2013	Adjustments Related to the First Closing and Second Closing
Net sales	$ 187.6	$ 34.4	$ 222.0
Cost of goods sold	123.3	30.7	154.0
Selling, general and administrative expenses	39.9	4.6	44.5
Other (expense) income	—	0.4	0.4
Tax expense(1)	8.9	(0.2)	8.7

(1) The tax adjustment for the period from October 1, 2012 to December 16, 2012 was computed using a combined federal and state effective tax rate of 36.5% based on the domestic effective tax rate reflected in HHI Group's audited financial statements for the period ended September 29, 2012.

(6) PRO FORMA ADJUSTMENTS—JOINT VENTURE

(a) HGI has incurred $0.8 and $9.1 of transaction costs for the fiscal year ended September 30, 2012 and the six months ended March 31, 2013, respectively. These costs have been excluded from the unaudited pro forma condensed combined statements of operations as these costs are considered non-recurring.

(b) Pro forma adjustment to provide depreciation, depletion and amortization for the twelve months ended September 30, 2012 and the period from October 1, 2012 to February 13, 2013, respectively, based on pro forma fair values attributable to the amortizable full cost pool and historical oil and natural gas production for such period as if the Joint Venture had occurred on October 1, 2011.

(c) Pro forma adjustment to reflect accretion of the discount for the twelve months ended September 30, 2012 and the period from October 1, 2012 to February 13, 2013, respectively, with respect to the asset retirement obligations attributable to the Joint Venture.

(d) Pro forma adjustment of $8.6 and $3.2 to reflect general and administrative costs for the twelve months ended September 30, 2012 and the period from October 1, 2012 to February 13, 2013, respectively, for estimated contractual reimbursements to EXCO pursuant to an Administrative Services Agreement, or ASA, and other direct general and administrative expenses to the Joint Venture stipulated in the ASA.

(e) Pro forma adjustment to reflect interest expense for the twelve months ended September 30, 2012 and the period from October 1, 2012 to February 13, 2013, respectively, as if the revolving credit facility and the initial borrowing under the facility had taken place on October 1, 2011 and was outstanding for the full twelve months, based on an interest rate of 2.7%. This amount includes amortization of deferred financing costs incurred in connection with the revolving credit facility of $0.9 and $0.4, respectively. An increase or decrease of 1/8% in the assumed interest rate of the credit facility would impact pro forma interest expense by $0.3 and $0.2 for the fiscal year ended September 30, 2012 and the six months ended March 31, 2013, respectively.

(f) The Joint Venture is not directly subject to federal income taxes. Instead, its taxable income or loss is allocated to its individual partners, whether or not cash distributions are paid.

(g) Pro forma adjustment to reflect the historical revenues and direct operating expenses for the Joint Venture for the period from October 1, 2012 to February 13, 2013.

(7) EXCLUDED COSTS—JOINT VENTURE

Prior to the formation of the Joint Venture, the Joint Venture's properties were part of a much larger organization where indirect general and administrative expenses, interest, income taxes, and other indirect expenses were not allocated to the Joint Venture's properties and have therefore been excluded from the historical statements of revenues and direct operating expenses. In addition, such indirect expenses are not indicative of costs which would have been incurred by the Joint Venture's properties on a stand-alone basis. Also, depreciation, depletion and amortization and accretion of discounts attributable to asset retirement obligations have been excluded from the historical statements of revenues and direct operating expenses as such amounts would not necessarily be indicative of those expenses which would have been incurred based on the amounts to be allocated to the oil and gas properties in connection with the formation of the Joint Venture and contributions of assets and cash by the Joint Venture's equity holders.

(8) PRO FORMA ADJUSTMENTS— 7.875% NOTES AND NEW NOTES

(a) In December 2012, HGI issued the 7.875% Notes and used part of the proceeds of the offering to accept for purchase $500.0 aggregate principal amount of its 10.625% Notes pursuant to a tender offer and subsequent redemption for the 10.625% Notes. Under the terms of the 10.625% Notes, HGI redeemed these Notes at 100% of the principal amount plus a breakage fee, plus accrued and unpaid interest. In connection with the 7.875% Notes in December 2012, HGI recorded $58.9 of charges to "Interest Expense" in the Condensed Consolidated Statements of Operations for the six months ended March 31, 2013, consisting of $45.9 of cash charges for fees and expenses related to the issuance of the 7.875% Notes and $13.0 of non-cash charges for the write down of debt issuance costs and net unamortized discount. These costs have been eliminated from the pro forma adjustments as these amounts are non-recurring.

(b) HGI plans to issue $150.0 aggregate principal amount 7.875% of Senior Secured Notes due 2019 ("New Notes"). The issue price of the New Notes Notes is expected to be at par.

(c) The $147.1 net adjustment to cash related to the New Notes is reflective of the following adjustments:

Issuance of Additional Notes	150.0
Deferred financing costs	(2.9)
Pro forma adjustment	**$147.1**

(d) The total deferred financing fees associated with the New Notes are estimated to be $2.9.

(e) The adjustment reflects the pro forma impact on debt for the New Notes of $150.0.

(f) The expected increase in the interest expense related to the issuance of the 7.875% Notes and the New Notes for the fiscal year ended September 30, 2012 and the six months ended March 31, 2013 were calculated as follows:

	Year Ended September 30, 2012	Six Months Ended March 31, 2013
Estimated Expense on 7.875% Notes	$ 55.1	$ 27.6
Amortization of original issue discount on 7.875% Notes	0.5	0.3
Amortization of debt issuance costs on 7.875% Notes	2.3	1.2
Estimated Expense on New Notes	11.8	5.9
Amortization of debt issuance costs on New Notes	0.4	0.2
Total pro forma interest expense	70.1	35.2
Less: Elimination of historical interest expense	56.6	28.8
Pro forma adjustment to interest expense	$ 13.5	$ 6.4

(g) The increase in pro forma interest expense for the 7.875% Notes and New Notes will not have an impact on HGI's current and deferred tax position due to HGI's existing income tax loss carry forwards in the U.S., for which valuation allowances have been provided.

(9) INSURANCE NOTES

On March 22, 2013, HGI announced that its wholly-owned subsidiary, F&G, priced an offering of $300.0 aggregate principal amount of 6.375% Senior Notes due 2021. The notes were priced at par with a coupon of 6.375%, and will mature on April 1, 2021. F&G used the net proceeds from this offering to (i) pay a dividend of $73.0 million, (ii) purchase a $195.0 million surplus note from Fidelity & Guaranty Life Insurance Company ("FGLIC") and (iii) retained the remainder for general corporate purposes.

(a) The deferred financing fees associated with the Insurance Notes were $10.2. The pro forma adjustments related to the amortization of the deferred financing fees for the year ended September 30, 2012 and the six months ended March 31, 2013 were $3.1 and $1.6, respectively.

(b) The expected increase in the interest expense related to the issuance of the Insurance Notes for the year ended September 30, 2012 and the six months ended March 31, 2013 was calculated as follows:

	Year Ended September 30, 2012	Six Months Ended March 31, 2013
Estimated Expense on Insurance Notes	$ 19.1	$ 9.6
Amortization of debt issuance costs on Insurance Notes	3.1	1.6
Less: Elimination of historical interest expense	—	—
Pro forma interest expense	$ 22.2	$ 11.2

(c) The increase in pro forma interest expense for the Insurance Notes will not have an impact on HGI's current and deferred tax position due to HGI's existing income tax loss carry forwards in the U.S., for which valuation allowances have been provided.