



PHOENIX GROUP

PHOENIX GROUP HOLDINGS

Circular to Shareholders - Scrip Dividend Scheme

Phoenix Group Holdings announces the publication of a Circular to Shareholders in respect of its Scrip Dividend Scheme. The Circular and the relevant mandate forms are being posted to Shareholders today, Monday, 6 September 2010.

The timetable for the 2010 Interim Dividend is as follows:-

| | |
|-------------------------------------------------------------------------------------------------|------------------------------------|
| Ex-dividend date | 8 September 2010 |
| Record date | 10 September 2010 |
| Scrip calculation price determined | 8 – 14 September 2010 (inclusive) |
| Scrip calculation price available and announced | 15 September 2010 |
| Mandate delivery deadline for Shareholders holding shares through Euroclear Nederland | 3.00 p.m. (CET), 23 September 2010 |
| Mandate delivery deadline for Shareholders not holding their shares through Euroclear Nederland | 4.00 p.m. (BST), 24 September 2010 |
| Dividend payment date | 15 October 2010 |
| First day of dealings in New Ordinary Shares | 15 October 2010 |

Payment of the Interim Dividend is subject to compliance with the processes set out in Group's main credit facilities

Full details and copies of the published documents are available on the Company's website at <http://www.thephoenixgroup.com>.

Copies of the above documents have been submitted to the National Storage Mechanism and will shortly be available for inspection at <http://www.hemscott.com/nsm.do>.

Enquiries:-

Media

Daniel Godfrey
+ 44 (0) 20 7489 4517
+ 44 (0) 7894 937 890

Investor Relations

Lorraine Rees
+ 44 (0) 20 7489 4456
+ 44 (0) 7872 413277

Note:-Defined terms used in this announcement have the same meaning as given to them in the Circular.