
For Immediate Release

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DELPHI FINANCIAL OBTAINS NEW BANK CREDIT FACILITY

Wilmington, Delaware – December 23, 2010 – Delphi Financial Group, Inc. (NYSE:DFG) today announced that it has entered into a new \$300 million bank credit facility, which replaces the Company’s existing \$350 million facility that was scheduled to expire in October 2011. The new facility consists of a \$175 million three-year revolving credit facility and a \$125 million five-year term loan. Bank of America Merrill Lynch and U.S. Bank National Association acted as joint lead arrangers and book managers for the new credit facility.

Robert Rosenkranz, Chairman and Chief Executive Officer, said, “Our new bank facility, combined with the previously announced full redemption of our 8% Senior Notes that is being completed today, will provide Delphi with enhanced financial flexibility while reducing our interest expense. Delphi is well positioned to support the growth of our insurance businesses and take advantage of future growth opportunities.”

Delphi Financial Group, Inc. is an integrated employee benefit services company. Delphi is a leader in managing all aspects of employee absence to enhance the productivity of its clients and provides the related group insurance coverages: long-term and short-term disability, life, excess workers’ compensation for self-insured employers, large casualty programs including large deductible workers’ compensation, travel accident, dental and limited benefit health insurance. Delphi’s asset accumulation business emphasizes individual annuity products. Delphi’s common stock is listed on the New York Stock Exchange under the symbol DFG and its corporate website address is www.delphifin.com.

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In connection with, and because it desires to take advantage of, the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, Delphi cautions readers regarding certain forward-looking statements in the foregoing discussion and in any other statements made by, or on behalf of, Delphi, whether in future filings with the Securities and Exchange Commission or otherwise. Forward-looking statements are statements not based on historical information and which relate to future operations, strategies, financial results, prospects, outlooks or other developments. Some forward-looking statements may be identified by the use of terms such as “expects,” “believes,” “anticipates,” “intends,” “judgment,” “future,” “outlook,” “effort,” “attempt,” “achieve,” “project,” or other similar expressions.

Forward-looking statements are necessarily based upon estimates and assumptions that are inherently subject to significant business, economic, competitive and other uncertainties and contingencies, many of which are beyond Delphi’s control and many of which, with respect to future business decisions, are subject to change. Examples of such uncertainties and contingencies include, among other important factors, those affecting the insurance industry generally, such as the economic

and interest rate environment, federal and state legislative and regulatory developments, including but not limited to changes in financial services, employee benefit, health care and tax laws and regulations, changes in accounting rules or interpretations thereof, market pricing and competitive trends relating to insurance products and services, acts of terrorism or war, and the availability and cost of reinsurance, and those relating specifically to Delphi's business, such as the level of its insurance premiums and fee income, the claims experience, persistency and other factors affecting the profitability of its insurance products, the performance of its investment portfolio and changes in Delphi's investment strategy, acquisitions of companies or blocks of business, and ratings by major rating organizations of Delphi and its insurance subsidiaries. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, Delphi. Forward-looking statements contained in the foregoing discussion are made as of the date of this press release and Delphi disclaims any obligation to update these or any other forward-looking statements.