

The Vitality Group to Market One-of-a-Kind Health Enhancement Program Throughout North America

The Only Plan to Guarantee a Positive Return on Investment

CHICAGO, IL – July 15, 2008 – Eleven years after introducing the Vitality™ incentive-based health enhancement program, South Africa-based Discovery Holdings Limited (Discovery) today announced formation of a new company that will market the plan to employers in the U.S. and Canada. With more than 1.5 million members worldwide, Vitality stands alone as the only program to guarantee a positive return on investment.

According to Adrian Gore, Chief Executive Officer of Discovery, “the new corporation, The Vitality Group, will expand on Discovery’s global leadership which already covers thousands of clients in the UK and South Africa including Bloomberg, Citibank, Coca-Cola, Dell, Goldman Sachs, IBM, Kraft, McDonalds, Microsoft, MTV, Nike, Oracle, and Samsung.”

“Our holistic approach, based on customized incentives and robust rewards for healthy lifestyles, has helped thousands of employers control healthcare costs and increase the productivity of their workforce,” said Arthur Carlos, Chief Executive Officer for The Vitality Group. “We are in a position to expand our offering across the U.S. and Canada with confidence due to our long history of delivering a positive return on investment in the form of productivity increases and healthcare claim savings.”

According to Carlos, “our extensive experience gives us confidence that substantial healthcare claims savings will be generated when employees engage in Vitality. As a result, Vitality is able to offer a very rich set of rewards to employees, with the knowledge that the cost of the incentives will be more than offset by healthcare claim savings. In fact, we believe so strongly in our model that we will guarantee that claim savings will exceed reward costs – if they don’t, The Vitality Group will pay for the excess reward cost.”

“What’s just as important to the bottom line,” Carlos said, “is the reduction in ‘presenteeism’ – when workers are on the job but not fully functioning because of illness or medical conditions. According to a Harvard Business Review study, for every \$1 you save on direct medical costs you can save an additional \$3 from reduced presenteeism, absenteeism and disability costs.”

Stuart Slutzky, The Vitality Group’s Chief Marketing Officer, said a number of qualities differentiate Vitality from the crowd:

- Vitality Age™ provides each member with a scientifically calculated representation of their risk-adjusted, or “true”, age and allows the member to easily understand how their current behaviors are impacting their health.

- Personal Pathway™, based on a member's individual risk profile, is a customized set of activities and goals that will assist them in improving their health. It provides a verifiable and clinically sound mechanism to track and reward over 30 health-related activities including losing weight, stopping smoking, exercising, and receiving routine preventive care, such as a prostate exam or mammogram.
- The program is non-discriminatory, meaning that whether an employee is sick or well, it can be customized with goals and activities that generate significant rewards. This personalized approach successfully addresses the fact that the factors impacting healthcare costs for a young and healthy individual are different than for a person who is older and has a chronic illness.

Slutzky said that the range of rewards offered through the program are broad and deep.

"While some people like frequent, low-cost rewards, such as movie tickets or music downloads, others favor building up to more substantial items such as large-screen TVs or vacation packages," he said. "We offer a very broad set of rewards, because when you are trying to motivate an employee population, it is important to be flexible to meet the membership's different needs or drivers."

Slutzky noted that because Vitality was developed by an insurance company (Discovery) that underwrites the health insurance risk, a lot of hard data was collected to ensure the right balance between the level of incentive that was provided and the healthcare savings achieved.

"Healthier employees tend to be more productive, less stressed and happier in their jobs," he said. "Our company has 11 years of experience in proving that compared to the cost of the program, which, including rewards and administration, averages less than two percent of an employer's healthcare costs, the total ROI will surprise even the most optimistic client."

About The Vitality Group

The Vitality Group is a member of Discovery Holdings Limited, a publicly traded company with over \$3 billion in annual revenues. The Vitality Group has forged partnerships with some of the most respected and recognized names in the health and wellness field to help extend the reach of Vitality. Members of Vitality enjoy robust perks through partnerships with Polar, Life Time Fitness, Curves and other regional and local fitness facilities.

Vitality is offered to over 1.5 million members across the United States, United Kingdom and South Africa. Early adopters in the United States include Alcon, AOL, Aspirus, General Growth Properties, and Lenovo. Clients in the UK and South Africa include Bloomberg, Citibank, Coca-Cola, Dell, Goldman Sachs, IBM, Kraft, McDonalds, Microsoft, MTV, Nike, Oracle, and Samsung.

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