--Press Release

Lincoln Financial Group®

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INCREASED LONGEVITY SHOULD MEAN MORE PENSIONS INNOVATION

IFAs urge providers to offer innovative retirement planning products, Lincoln research shows

IFAs believe increased longevity should prompt greater innovation in the retirement planning market, new research* from Lincoln Financial Group shows. A nationwide poll shows 89 per cent of IFAs believe the current range of retirement planning products available to clients should be supplemented to take account of increased longevity.

Office of National Statistics figures** show life expectancy for the United Kingdom is now at record levels for men and women. A 65-year-old man can now expect to live a further 16.6 years while a 65-year-old woman can expect a further 19.4 years of life. Life expectancy at 65 has increased by 3.7 years for men and 2.5 years for women since 1980-82.

Lincoln Financial Group is warning that increased life expectancy places further strain on retirement income planning as inevitably the longer people live the longer their finances have to stretch. Traditional products such as annuities and income drawdown may become less appropriate, it fears.

It found 89 per cent of IFAs believe the pensions industry needs to adapt to increased longevity with innovative products which take account of the fact that clients are living longer. Just seven per cent of advisers believe there is no need for innovation while another four per cent did not express an opinion.

Helen Turner, Director of Business Development at Lincoln Financial Group said: *"The financial services industry has a strong record of adapting to change in society and providing solutions which fit clients' circumstances.*

"Increased longevity is of course to be welcomed. But the benefits of living longer will not mean much to people if they do not have the retirement income to ensure they can enjoy their longer life.

"We agree with IFAs who want to see greater innovation in the retirement income market. Traditional products such as annuities and income drawdown do an excellent job but both have well-known limitations.

"IFAs are telling the industry they want to see more innovation in order to meet the needs of their clients and it is up to the industry to respond."

Lincoln Financial Group is part of Lincoln National Corporation which is listed as LNC on the New York Stock Exchange. Based in Philadelphia in the USA, Lincoln National Corporation was founded in 1905 and has a proud heritage of over 100 years financial strength and security, with long term credit ratings of A+ from Standard & Poor's, A from AM Best, A from Fitch and total assets of over $234 billion*** under management.

Lincoln Financial Group (UK) offers life assurance, pensions and unit trusts. Total assets managed are £5.68 billion in the UK****.

This press release is intended for financial services professionals and journalists and should not be relied upon by consumers. Full consumer product information can be found at www.lincolnuk.co.uk.

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Notes to editors

* IFA interviews were conducted by George Street Research in March 2007. A total of 107 interviews were completed amongst a cross-section of advisers throughout Great Britain. Quotas were imposed on the total sample in respect of size of IFA firms, region and areas of specialisation.
** ONS.
*** Ratings as at 31st January 2007. All ratings have a "stable" or credit watch positive outlook as defined by the respective agencies. Figures correct as at 31st December 2006.
**** Figures Correct as at 28 February 2007.

Notes to editors

Contact:
Clare Maiden, Lincoln Financial Group 01452 637080
Clare.Maiden@lincolnuk.co.uk
Laura Mugford, Citigate Dewe Rogerson 020 7282 1081
Laura.Mugford@citigatedr.co.uk