

## Two fifths of the UK will run out of money by age 85

**65 per cent expect to live to 85 years of age**

**One in ten don't believe they will have enough money to last beyond age 70**

**A quarter haven't thought about how long their retirement income will last**

New research from Lincoln Financial Group reveals that two fifths (41 per cent) of the UK's population will run out of retirement income by the time they reach the age of 85 and, with two thirds (65 per cent) expecting to live to age 85, this is a major cause for concern for retirees.

Lincoln's research has also found that one in ten (11 per cent) aren't even certain that they have enough money in their pension pot to last them to the age of 70.

As life expectancy increases and turbulent markets continue, people need to make sure they are managing their assets to ensure an income in retirement that will meet their requirements. With 36 per cent thinking that they will live beyond 80, it is surprising that a quarter (26 per cent) of UK adults are not sure or haven't thought about whether they will have enough money to last them through their retirement.

Encouragingly the research did show that over half of the UK is thinking about how best to spend their retirement income. 37 per cent intend to use their income evenly throughout their retirement and 20 per cent plan on spending it sparingly to leave enough money for old age care.

Over half (53 per cent) of UK adults rely on a pension - other than the state provision - to provide them with an income in retirement, so it is vital that they consider all retirement product options to ensure they get the financial support they require from their pension.

**Simon O'Connor, Head of Products and Marketing at Lincoln Financial Group**, said: *"Increasing longevity means that it is more important than ever for people to seek financial advice to work out a retirement plan that will suit their individual circumstances and provide them with an income for life. With Lincoln i2Live, retirees can protect their retirement income levels against erosion by inflation - a problem affecting conventional level annuities - while maintaining a level of security with the unique Income Guarantee Option."*

*Lincoln i2Live* was launched to provide customers with a unique range of flexible options to take them through each stage of retirement planning. *Lincoln i2Live* offers three products under one umbrella,

i2Live Accumulator, i2Live Drawdown and i2Live Annuity, and allows customers to switch from one product to the next to suit their circumstances.

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**Ends**

### **Notes to editors**

#### **Source**

Opinium Research carried out an online poll of 2,226 British adults between 31 August and 2 September 2008. Results have been weighted to nationally representative criteria.

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### **About Lincoln Financial Group**

Lincoln Financial Group is the UK business name of Lincoln National (UK) PLC and its UK subsidiary companies.

Lincoln National Corporation, the parent group, is listed as LNC on the New York Stock Exchange and is one of the world's largest organisations, placed in the FT Global 500 in 2007. 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\* (as at 27 August 2008) of 'A+' from Standard & Poor's, 'a' from AM Best, 'A+' from Fitch and has assets under management of more than \$221 billion (as at 30 June 2008) and more than \$10.6 billion in annual revenues (for the year ended 31 December 2007).

The UK operation dates back to 1934 with assets under management of £4.74 billion (as at 30 June 2008). Lincoln in the UK is passionate about doing the best for its customers at or in retirement, by bringing to the market reliable and flexible solutions which enable transition through retirement, protecting and enhancing wealth to enjoy an income for life. It serves the needs of customers nationwide either direct or through financial advisers and is dedicated to building excellent customer service.

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<sup>†</sup> All ratings have a “stable” or creditwatch positive outlook as defined by the respective agencies.