BARCLAYS GLOBAL FINANCIAL SERVICES CONFERENCE

New York, NY

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AREAS OF FOCUS

• Lincoln story
  – Simple, straightforward, and clear business model
  – Extended period of strong and consistent financial performance
  – Leading distribution supports solid growth potential and business mix diversification
  – Rigorous, industry leading risk management
  – Strong capital generation enables active capital deployment

• Segment Overviews
  – Annuities: High-quality income stream focused on furthering sales momentum
  – RPS: Steady increases in deposits, net flows, and earnings
  – Life Insurance: Strong sales and earnings growth
  – Group Protection: Top and bottom-line improvement continues
  – Investments: Well diversified and high quality portfolio
LINCOLN STORY
U.S. RETAIL-CENTRIC; TARGETING SELECT HIGH-GROWTH AREAS

Clear and consistent strategy focused on retail products in the United States

<table>
<thead>
<tr>
<th>High Growth Segments</th>
<th>Comprehensive Set of Retail Products</th>
<th>Powerful Distribution</th>
<th>Differentiated Customer Experience</th>
<th>Industry Leading Risk Management</th>
<th>Strong Capital Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mass affluent Annuity</td>
<td>Innovative</td>
<td>Access to 90K+ producers</td>
<td>Chief Digital Officer</td>
<td>Rigorous planning</td>
<td>Robust free cash flow generation</td>
</tr>
<tr>
<td>Employee-paid Group Protection</td>
<td>Diversified</td>
<td>Broad shelf space</td>
<td>Robotic Process Automation</td>
<td>Active monitoring</td>
<td>Consistent capital return to shareholders</td>
</tr>
<tr>
<td>High-end Life</td>
<td>Multi-solution</td>
<td>Wholesale</td>
<td>Omnichannel service</td>
<td>Centralized</td>
<td>Appropriate leverage</td>
</tr>
<tr>
<td>Gen X / millennial markets</td>
<td></td>
<td>Retail</td>
<td>Straight-through processing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small employers and government</td>
<td></td>
<td>Worksite</td>
<td>Support distribution</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

You’re In Charge®
TRACK RECORD OF STRONG AND CONSISTENT PERFORMANCE

Steady revenue growth with controlled expenses

- 5% CAGR
- 100bps

Strong EPS growth

- 13% CAGR

BVPS growth and ROE expansion

- 7% BVPS CAGR
- 360bps ROE increase

Strong capital levels

- $2.1B capital increase
- 43 percentage point RBC increase

See Appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures. G&A as a percent of revenue represents general and administrative expenses, net of amounts capitalized, as a percent of operating revenue.
FINANCIAL RESULTS COMPARE FAVORABLY TO PEERS

✓ Better growth
13%  EPS CAGR
7%  BVPS CAGR

✓ Lower volatility
0.2  Earnings volatility\(^2\)

✓ More ROE expansion
360bps  ROE

✓ Strong capital
31%  Growth in TAC

Valuation not reflected in valuation
1.10x  P/B ex AOCI
8.8x  P/E

1.16x  P/B ex AOCI
11.0x  P/E

1 Peer data is average of CNO, MET, PFG, PRU, and UNM. Financial measures compare 2009 to 2016. Valuation as of 9/8/17.
2 Source: SNL Financial; Volatility, represented by the variation coefficient, is calculated as the standard deviation of quarterly income from 1Q09 to 2Q17, divided by the average quarterly income to normalize for size differences.
KEY DRIVERS CONTINUE TO SUPPORT SOLID FINANCIAL RESULTS

Target annual EPS growth of 8 to 10%

Capital market assumptions

<table>
<thead>
<tr>
<th>Equity markets</th>
<th>Interest rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 6-8% total return</td>
<td>• Remain at current levels</td>
</tr>
</tbody>
</table>

Net flows/premiums: +4-5%
In-force margin improvement: +1-2%
Expense efficiency: +0-1%
Equity market growth: +2-4%
Spread compression: (2-3)%
Buybacks: +2-3%
Targeted EPS appreciation: Target ~8-10%

organic earnings

Capital markets

Capital management

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STRONG DISTRIBUTION ENABLES GROWTH AND PIVOTS

A go-to market system that delivers our strategy

Consistent presence + Product portfolio + Best-in-class distribution = Access to producers and consumers

Proven ability to pivot

<table>
<thead>
<tr>
<th>Life</th>
<th>Pre-pivot (2009)</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>W/out L-T guarantee</td>
<td>With L-T guarantee</td>
<td>W/out L-T guarantee</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annuities</th>
<th>Pre-pivot VA (2Q13)</th>
<th>2016 VA</th>
</tr>
</thead>
<tbody>
<tr>
<td>With GLB</td>
<td>With GLB</td>
<td>W/out GLB</td>
</tr>
<tr>
<td>W/out GLB</td>
<td>---</td>
<td>30% Target level</td>
</tr>
</tbody>
</table>

Track record of sales growth

<table>
<thead>
<tr>
<th>Group</th>
<th>2010</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dental</td>
<td>$500</td>
<td>$575</td>
</tr>
<tr>
<td>Disability</td>
<td>$250</td>
<td>$275</td>
</tr>
<tr>
<td>Life</td>
<td>$125</td>
<td>$137</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RPS</th>
<th>2010</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-Large Market</td>
<td>$2.8B</td>
<td>$2.4B</td>
</tr>
<tr>
<td>Small Market</td>
<td>$2.1B</td>
<td>$1.8B</td>
</tr>
</tbody>
</table>

Long-term is abbreviated as L-T.
Guaranteed living benefits is abbreviated as GLB.
First-year sales data used for RPS.

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CONTINUING TO DIVERSIFY THE COMPANY’S RISK PROFILE

Achieved long-term guarantee sales mix goal\(^1\)...

2009
- With long-term guarantee: 40%
- Without long-term guarantee: 60%

2016
- With long-term guarantee: 26%
- Without long-term guarantee: 74%

Target
- Without long-term guarantee: 70%
- With long-term guarantee: 30%

...which supports increasing mortality/morbidity as a source of earnings\(^2\)

2016
- All non-mortality/morbidity: 77%
- Mortality/morbidity: 23%

Long-term goal
- All non-mortality/morbidity: 67%
- Mortality/morbidity: 33%

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1 Sales mix: Life, MoneyGuard\(^\circledast\) and Group Protection: paid annualized premiums as reported; Annuities: 5% of deposits and Retirement Plan Services: 5% of first-year sales.
2 Pre-tax, excludes Other Operations.
High quality, duration-matched investment portfolio
(as of 2Q17)

<table>
<thead>
<tr>
<th>NAIC 1 (AAA/A A/A)</th>
<th>41.7%</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAIC 2 (BBB)</td>
<td>41.7%</td>
</tr>
<tr>
<td>NAIC 3-6 (BIG)</td>
<td>41.7%</td>
</tr>
</tbody>
</table>

Interest rates impact three areas

1) New business returns
Repriced and repositioned products for low interest rates
12%+ new business returns in each segment

2) Spread compression
Manageable EPS headwind and lower than prior years
2-3% currently vs. 4-5% in prior periods

3) Balance sheet
Strength even in a much lower interest rate scenario
Potential reserve strengthening in lower rate scenario is manageable

1 The impact of spread compression is shown as a percent of income from operations, excluding notable items.
2 Potential strengthening tied to SGUL sub-tests. Disclosure from June 2016 Investor Day indicated 50bps 10Y U.S. Treasury is ~$700M.
STRONG CAPITAL GENERATION AND FLEXIBILITY

$7.3B of capital generation (2011 – 2Q17)\(^1\)

- Share repurchases
- Retained in life company
- Dividends
- Deleveraging

Free cash flow continues to be robust\(^2\)

<table>
<thead>
<tr>
<th>Long-term target</th>
<th>50-55%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 target</td>
<td>60-65%</td>
</tr>
</tbody>
</table>

Capital and liquidity metrics remain strong\(^1\)

<table>
<thead>
<tr>
<th>RBC</th>
<th>~495%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at holding co.</td>
<td>&gt; $500M</td>
</tr>
<tr>
<td>Leverage ratio</td>
<td>23%</td>
</tr>
</tbody>
</table>

1 As of 06/30/2017; 2017 results for capital retained in life company and RBC ratio are estimated.
2 Free cash flow is defined as the percent of operating earnings deployed through share repurchases and common stock dividends.
ANNUITIES
### ANNUITIES
**HIGH QUALITY INCOME STREAM; FOCUSED ON CONTINUED SALES MOMENTUM**

#### Solid earnings growth

- **16% CAGR**
- **$1,000M**
- **$600M**
- **$300M**
- **$0M**

#### Continued focus on sales growth

- **Solid earnings, returns and risk metrics**
  - YTD earnings growth consistent with long-term average
  - Normalized ROE: 20%+; ROA: high 70s
  - NAR is less than 0.7% of account values for both living and death benefits as of 2Q17
- **Positive sales momentum continues**
  - Second consecutive quarter of sequential growth in variable annuity sales
  - Fixed annuities positioned for growth with new reinsurance arrangement
  - Target 2018 for full-year positive net flows

#### Sequential growth in VA sales accelerated

- **$2.0B**
- **$1.5B**
- **$1.0B**
- **$0.5B**

#### Key takeaways

- Quality book of business
- Industry-leading risk management
- Best-in-class distribution and diverse products

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1. 1Q17 excludes $41M of one-time favorable tax adjustments.
ANNUITIES
DIFFERENTIATED AND UNDERVALUED BUSINESS

Consistent market leader with lower risk VA book

Top 5 VA carrier every year for past decade

GLB NAR as % of AV

Peer avg. 7.6%

LNC 1.0%

Achieving excellent returns through a cycle

20% ROE average, 2007-2017 YTD

~19% if including VA hedge results

Minimal historic hedge breakage

Change in hedge target

Hedge program performance (net breakage)

1 Source: Morningstar. Rankings exclude TIAA-CREF due to the captive nature of their distribution model.

2 Peers include AIG, AXA, Aegon, AMP, HIG, Jackson, MET, PRU and VOYA. All data as of YE16.

3 Return on equity, excluding goodwill; returns including VA hedge results contain VA net derivative results, excluding impact of non-performance risk (NPR).
Oliver Wyman: Lincoln consistently sells VA business with above average profitability

1 Oliver Wyman calculations, based on market-consistent valuation of one or more guaranteed living benefits (GLB) riders sold by each company, using a consistent set of capital market and policyholder behavior assumptions at each valuation date. Peer group consists of the six leading sellers of VA GLB product since 2008.
RETIREMENT PLAN SERVICES
RETIREMENT PLAN SERVICES
DOUBLE-DIGIT GROWTH IN DEPOSITS, NET FLOWS AND EARNINGS

Strong earnings growth

21% growth

$80M
$60M
$40M
$20M

1H16
1H17

Solid top and bottom-line growth

• Total deposits increased double digits
  – Strong first-year sales, up 87% YTD
  – Recurring deposits continue to grow
• Momentum in net flows continues
  – Net flows of $511M vs. $82M in 1H16
  – Six straight quarters of positive flows
  – End-of-period assets at a record $63B
• Double-digit growth in earnings
  – Earnings of $74M, up 21% YTD
  – Spread compression moderating
  – Continued expense management

Six consecutive quarters of positive flows

$450M
$300M
$150M
$0M

1Q16 2Q16 3Q16 4Q16 1Q17 2Q17

Key takeaways

• Growing and gaining scale in target markets
• Differentiated customer experience attracts new business and grows in-force
• Actions to reduce impacts of low interest rates

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# Retirement Plan Services

## Growing Sales in Our Target Markets

<table>
<thead>
<tr>
<th>Market</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>457</td>
</tr>
<tr>
<td>Healthcare</td>
<td>403(b)</td>
</tr>
<tr>
<td>Small Market</td>
<td>401(k)</td>
</tr>
</tbody>
</table>

### Fastest Growing and Profitable Markets

- **Government (457)**: Fastest growing provider in market
- **Healthcare (403(b))**: Leveraging leading market position (#3)
- **Small Market (401(k))**: Sales growth outpacing overall industry (9% vs. 2%)

<table>
<thead>
<tr>
<th>Market</th>
<th>Large 401(k)</th>
<th>Mid 401(k)</th>
<th>Micro/small 401(k)</th>
<th>Mega 401(k)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>Large 401(k)</td>
<td>Mid 401(k)</td>
<td>457: Government</td>
<td>Mega 401(k)</td>
</tr>
<tr>
<td>Healthcare</td>
<td>Micro/small 401(k)</td>
<td>Large 401(k)</td>
<td>403(b): Healthcare</td>
<td>Large 401(k)</td>
</tr>
<tr>
<td><strong>Indicates Lincoln target market</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Track Record of Sales Growth

- **10% CAGR**
- 2011: $0.0B, 2016: $2.8B

### Source Notes

Shifting mix of business to drive more consistent positive flows

Accelerating growth with targeted strategic actions

**Expansion**
- Expanding and upgrading distribution force across all markets
- 40% growth since 2011

**Strategic partners**
- Deepening strategic partnerships to support small market growth
- 65% of 2016 sales versus 25% in 2011

**Product development**
- Launch of enhanced small market *Lincoln Director*<sup>SM</sup> product

**Customer experience**
- Owning and investing in the customer experience
- July 2016 launch of click-to-contribute
LIFE INSURANCE
Sales growth and diversification continues

- Solid earnings in 1H17
  - Earnings of $263M, up 35%
  - Operating revenues up 8% benefitting from strong variable investment income
- Sales growth driven by broad portfolio
  - Total Life Insurance sales up 21% YTD
  - Strongest growth coming from MoneyGuard®, VUL and Executive Benefits
- Strong returns and growth in key drivers
  - Expected new business returns at top end of 12-15% targeted range
  - Total life in-force of $705B, up 4%
  - Average account values of $46B, up 6%

Key takeaways

- Superior product scale and diversification
- Mortality provides reliable L-T earnings
- New business and in-force actions will overcome headwinds
LIFE INSURANCE

CONSISTENT MORTALITY RESULTS DESPITE QUARTERLY VOLATILITY

Mortality consistent with expectations

Seasonality

Volatility

Larger policy size combined with increased retention levels leads to more volatility

Average daily claim counts by month from 2010 to 2016

% of total net claims for claims $5M+
LIFE INSURANCE
SUPERIOR SCALE AND DIVERSIFICATION

Top 10 carriers based on 2016 life insurance sales\(^1\)

<table>
<thead>
<tr>
<th>Product</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Linked Benefit</td>
<td>#1</td>
</tr>
<tr>
<td>VUL</td>
<td>#1</td>
</tr>
<tr>
<td>Term</td>
<td>#6</td>
</tr>
<tr>
<td>UL/IUL</td>
<td>#13</td>
</tr>
<tr>
<td>GUL</td>
<td>#2</td>
</tr>
<tr>
<td>Executive Benefits</td>
<td>#5</td>
</tr>
<tr>
<td>Whole Life</td>
<td>NA</td>
</tr>
</tbody>
</table>

GROUP PROTECTION
GROUP PROTECTION
EARNINGS GROWTH CONTINUES

Further momentum in financial results

- Restoring top-line growth in 1H17
  - Premium growth re-emerging, up 2%
  - Sales increased 12%
  - Block persistency is up 4 percentage points

- Favorable risk results
  - TTM non-medical loss ratio of 69.6%, a 340bps improvement

- Focused on margin target
  - Target 5-7% after-tax margins
  - Expect to achieve target in 2018

Top and bottom-line growth

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Premiums</th>
<th>Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H16</td>
<td>$1,000M</td>
<td>$15M</td>
</tr>
<tr>
<td>1H17</td>
<td>$1,000M</td>
<td>$45M</td>
</tr>
</tbody>
</table>

Continued improvement in loss ratio

Key takeaways

- *Increasing sales and improving block persistency to drive premium*
- *Leveraging distribution to grow target markets*
- *Continue pricing and claims management discipline*

1 Excludes favorable disability reserve refinements.
GROUP PROTECTION
CLAIMS MANAGEMENT DRIVING LOSS RATIO IMPROVEMENT

Ongoing claims management improvement

<table>
<thead>
<tr>
<th>People</th>
<th>Processes</th>
<th>Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Strengthen talent</td>
<td>✓ Claims management process reengineering</td>
<td>✓ Optimize new claims management technology</td>
</tr>
<tr>
<td>✓ Improve examiner proficiency</td>
<td>✓ Invest in medical and rehabilitation expertise</td>
<td>✓ Leverage analytics and predictive modeling</td>
</tr>
<tr>
<td>✓ Reduced LTD claim examiner caseload by 11% 2016 vs. 2014</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**LTD claim resolutions**

- 2014: Actual to expected
- 2015: Additional after-tax earnings +$16M
- 2016: Additional after-tax earnings +$21M

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GROUP PROTECTION
RESILIENT DISTRIBUTION POSITIONED TO DRIVE GROWTH

Pricing actions adversely affected premium drivers; beginning to see recovery

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$550M</td>
</tr>
<tr>
<td>2014</td>
<td>$450M</td>
</tr>
<tr>
<td>2015</td>
<td>$350M</td>
</tr>
<tr>
<td>2016</td>
<td>$250M</td>
</tr>
</tbody>
</table>

Block Persistency

- **Historical**: 80 to 85%
- **During repricing**: 72 to 74%
- **Current**: 76% and improving

Large and highly regarded distribution platform poised to restore growth

- ~160 wholesalers
- Net Promoter Score®: +29

Return to premium growth driven by:

<table>
<thead>
<tr>
<th>Sales growth</th>
<th>Block Persistency</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 to 7%</td>
<td>80 to 85%</td>
</tr>
</tbody>
</table>

1 Net Promoter Score® derived from Group Protection 2015 broker satisfaction study. *(Net Promoter Score, is a registered trademark of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.)*.

2 Competitors include Cigna, Colonial, Guardian, HIG, and UNM.
INVESTMENTS
INVESTMENTS
WELL DIVERSIFIED AND HIGH QUALITY PORTFOLIO

Broadly diversified portfolio

- Basic industry, 5%
- Consumer cyclical, 6%
- Capital goods, 6%
- Energy, 7%
- Consumer non-cyclical, 13%
- Financials, 12%
- Utilities, 12%

Limited below investment grade exposure

- NAIC 1 (AAA/AA/A) 53.8%
- NAIC 2 (BBB) 41.7%
- NAIC 3-6 (BIG) 4.5%

- $101.4B invested assets
- Net unrealized gain of $6.8B on AFS assets
- Portfolio is well diversified across sectors, issuers and asset classes
- Average quality rating is A-
- Below investment grade assets: 4.5% of rated assets

1 As of 6/30/2017; amortized cost excluding policy loans.
2 Other asset classes include: CMLs (9.9%), Municipals (4.1%), Other structured (3.2%), Agency RMBS (2.5%), Quasi-sovereign (1.9%), Cash & collateral (1.7%), UST/Agency (1.4%), Alts (1.3%), and Other (1.2%).
3 As of 6/30/2017; includes AFS, trading; does not include CMLs.
INVESTMENTS
PACE OF PORTFOLIO YIELD DECLINE CONTINUES TO MODERATE

Trend of fixed income portfolio yield

- 2010 to 2014: ~20bps yield decline per year
- 2015 to 2019: ~10bps yield decline per year
- 2020 to 2024: ~3bps yield decline per year

Projections based on 4.0% new money yield

1 Actual data through 12/31/2016; projection period assumes 4% annual portfolio growth, consistent with historical experience.
INVESTMENTS
STRONG ALTERNATIVE RETURNS, WHILE GROWING AND SHIFTING THE MIX

Average performance¹

<table>
<thead>
<tr>
<th></th>
<th>Annualized Return</th>
<th>Annualized Volatility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private equity</td>
<td>12.8%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Hedge funds</td>
<td>4.5%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Alternatives portfolio</td>
<td>10.3%</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

- Achieved a 10% annualized return since 2012
- Growing the alternatives portfolio from 1.3% to long-term target of 1.5% of total invested assets

1 Annualized quarterly data from 1Q12 through 2Q17.
APPENDIX
Certain statements made in this presentation and in other written or oral statements made by Lincoln or on Lincoln's behalf are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"). A forward-looking statement is a statement that is not a historical fact and, without limitation, includes any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words like: "believe," "anticipate," "expect," "estimate," "project," "will," "shall" and other words or phrases with similar meaning in connection with a discussion of future operating or financial performance. In particular, these include statements relating to future actions, trends in Lincoln's businesses, prospective services or products, future performance or financial results, and the outcome of contingencies, such as legal proceedings. Lincoln claims the protection afforded by the safe harbor for forward-looking statements provided by the PSLRA.

Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from the results contained in the forward-looking statements. Risks and uncertainties that may cause actual results to vary materially, some of which are described within the forward-looking statements, include, among others:

• Deterioration in general economic and business conditions that may affect account values, investment results, guaranteed benefit liabilities, premium levels, claims experience and the level of pension benefit costs, funding and investment results;
• Adverse global capital and credit market conditions could affect our ability to raise capital, if necessary, and may cause us to realize impairments on investments and certain intangible assets, including goodwill and the valuation allowance against deferred tax assets, which may reduce future earnings and/or affect our financial condition and ability to raise additional capital or refinance existing debt as it matures;
• Because of our holding company structure, the inability of our subsidiaries to pay dividends to the holding company in sufficient amounts could harm the holding company's ability to meet its obligations;
• Legislative, regulatory or tax changes, both domestic and foreign, that affect: the cost of, or demand for, our subsidiaries' products; the required amount of reserves and/or surplus; our ability to conduct business and our captive reinsurance arrangements, as well as restrictions on revenue sharing and 12b-1 payments; the potential for U.S. federal tax reform; and the effect of the Department of Labor's ("DOL") regulation defining fiduciary;
• Actions taken by reinsurers to raise rates on in-force business;
• Declines in or sustained low interest rates causing a reduction in investment income, the interest margins of our businesses, estimated gross profits and demand for our products;
• Rapidly increasing interest rates causing contract holders to surrender life insurance and annuity policies, thereby causing realized investment losses, and reduced hedge performance related to variable annuities;
• Uncertainty about the effect of continuing promulgation and implementation of rules and regulations under the Dodd-Frank Wall Street Reform and Consumer Protection Act on us, the economy and the financial services sector in particular;
• The initiation of legal or regulatory proceedings against us, and the outcome of any legal or regulatory proceedings, such as: adverse actions related to present or past business practices common in businesses in which we compete; adverse decisions in significant actions including, but not limited to, actions brought by federal and state authorities and class action cases; new decisions that result in changes in law; and unexpected trial court rulings;
• A decline in the equity markets causing a reduction in the sales of our subsidiaries' products; a reduction of asset-based fees that our subsidiaries charge on various investment and insurance products; an acceleration of the net amortization of deferred acquisition costs ("DAC"); value of business acquired ("VOBA") deferred sales inducements ("DSI") and deferred front-end loads ("DFEL"); and an increase in liabilities related to guaranteed benefit features of our subsidiaries' variable annuity products;
Ineffectiveness of our risk management policies and procedures, including various hedging strategies used to offset the effect of changes in the value of liabilities due to changes in the level and volatility of the equity markets and interest rates;

- A deviation in actual experience regarding future persistency, mortality, morbidity, interest rates or equity market returns from the assumptions used in pricing our subsidiaries' products, in establishing related insurance reserves and in the net amortization of DAC, VOBA, DSI and DFEL, which may reduce future earnings;

- Changes in accounting principles generally accepted in the United States ("GAAP"), that may result in unanticipated changes to our net income;

- Lowering of one or more of our debt ratings issued by nationally recognized statistical rating organizations and the adverse effect such action may have on our ability to raise capital and on our liquidity and financial condition;

- Lowering of one or more of the insurer financial strength ratings of our insurance subsidiaries and the adverse effect such action may have on the premium writings, policy retention, profitability of our insurance subsidiaries and liquidity;

- Significant credit, accounting, fraud, corporate governance or other issues that may adversely affect the value of certain investments in our portfolios, as well as counterparties to which we are exposed to credit risk requiring that we realize losses on investments;

- Inability to protect our intellectual property rights or claims of infringement of the intellectual property rights of others;

- Interruption in telecommunication, information technology or other operational systems, or failure to safeguard the confidentiality or privacy of sensitive data on such systems from cyberattacks or other breaches of our data security systems;

- The effect of acquisitions and divestitures, restructurings, product withdrawals and other unusual items;

- The adequacy and collectability of reinsurance that we have purchased;

- Acts of terrorism, a pandemic, war or other man-made and natural catastrophes that may adversely affect our businesses and the cost and availability of reinsurance;

- Competitive conditions, including pricing pressures, new product offerings and the emergence of new competitors, that may affect the level of premiums and fees that our subsidiaries can charge for their products;

- The unknown effect on our subsidiaries' businesses resulting from evolving market preferences and the changing demographics of our client base; and

- The unanticipated loss of key management, financial planners or wholesalers.

The risks included here are not exhaustive. Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and other documents filed with the Securities and Exchange Commission ("SEC") include additional factors that could affect our businesses and financial performance. Moreover, we operate in a rapidly changing and competitive environment. New risk factors emerge from time to time, and it is not possible for management to predict all such risk factors.

Further, it is not possible to assess the effect of all risk factors on our businesses or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. In addition, Lincoln disclaims any obligation to update any forward-looking statements to reflect events or circumstances that occur after the date of this press release.

The reporting of Risk Based Capital ("RBC") measures is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities.
# RECONCILIATION
## NET INCOME TO INCOME FROM OPERATIONS

(in millions, except per share data)

<table>
<thead>
<tr>
<th></th>
<th>For the Quarter Ended</th>
<th></th>
<th>For the Six Months Ended</th>
<th></th>
<th>For the Year Ended</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30,</td>
<td></td>
<td>June 30,</td>
<td></td>
<td>December 31,</td>
<td></td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$ 3,307</td>
<td>$ 3,577</td>
<td>$ 6,551</td>
<td>$ 7,077</td>
<td>$ 8,473</td>
<td>$ 13,330</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excluded realized gain (loss)</td>
<td>(89)</td>
<td>(52)</td>
<td>(245)</td>
<td>(132)</td>
<td>(1,229)</td>
<td>(518)</td>
</tr>
<tr>
<td>Amortization of DFEL on benefit ratio unlocking</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>(4)</td>
<td>1</td>
</tr>
<tr>
<td>Amortization of deferred gains arising from reserve changes on business sold through reinsurance</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>$ 3,395</td>
<td>$ 3,629</td>
<td>$ 6,795</td>
<td>$ 7,206</td>
<td>$ 9,703</td>
<td>$ 13,844</td>
</tr>
<tr>
<td>Net Income (Loss) Available to Common Stockholders - Diluted</td>
<td>$ 325</td>
<td>$ 412</td>
<td>$ 529</td>
<td>$ 847</td>
<td>(639)</td>
<td>$ 1,192</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preferred stock dividends and accretion of discount</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(34)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustment for deferred units of LNC stock in our deferred compensation plans (1)</td>
<td>-</td>
<td>1</td>
<td>(7)</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income (Loss)</td>
<td>$ 325</td>
<td>$ 411</td>
<td>536</td>
<td>846</td>
<td>(605)</td>
<td>1,192</td>
</tr>
<tr>
<td>Less (2):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excluded realized gain (loss)</td>
<td>(57)</td>
<td>(34)</td>
<td>(159)</td>
<td>(85)</td>
<td>(800)</td>
<td>(337)</td>
</tr>
<tr>
<td>Benefit ratio unlocking</td>
<td>9</td>
<td>26</td>
<td>4</td>
<td>71</td>
<td>90</td>
<td>28</td>
</tr>
<tr>
<td>Income (loss) from reserve changes (net of related amortization) on business sold through reinsurance</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Gain (loss) on early extinguishment of debt</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>42</td>
<td>(41)</td>
</tr>
<tr>
<td>Impairment of intangibles</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(710)</td>
<td>-</td>
</tr>
<tr>
<td>Income (loss) from discontinued operations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(73)</td>
<td>-</td>
</tr>
<tr>
<td>Income (Loss) from Operations</td>
<td>$ 373</td>
<td>$ 419</td>
<td>$ 690</td>
<td>$ 860</td>
<td>$ 844</td>
<td>$ 1,540</td>
</tr>
<tr>
<td>Earnings (Loss) Per Common Share (Diluted)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>$ 1.35</td>
<td>$ 1.81</td>
<td>$ 2.18</td>
<td>$ 3.70</td>
<td>(2.23)</td>
<td>5.03</td>
</tr>
<tr>
<td>Income (loss) from operations</td>
<td>1.56</td>
<td>1.85</td>
<td>2.82</td>
<td>3.77</td>
<td>2.83</td>
<td>6.50</td>
</tr>
</tbody>
</table>

1 The numerator used in the calculation of our diluted EPS is adjusted to remove the mark-to-market adjustment for deferred units of LNC stock in our deferred compensation plans if the effect of equity classification would result in a more diluted EPS.

2 We use our prevailing federal income tax rate of 35% while taking into account any permanent differences for events recognized differently in our financial statements and federal income tax returns when reconciling our non-GAAP measures to the most comparable GAAP measure.
## RECONCILIATION

### BOOK VALUE PER SHARE AND RETURN ON EQUITY

(in millions, except per share data)

<table>
<thead>
<tr>
<th></th>
<th>As of June 30,</th>
<th>As of December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book value per share, including AOCI</td>
<td>$68.39</td>
<td>$71.98</td>
</tr>
<tr>
<td>Per share impact of AOCI</td>
<td>13.72</td>
<td>12.20</td>
</tr>
<tr>
<td>Book value per share, excluding AOCI</td>
<td>54.67</td>
<td>59.78</td>
</tr>
</tbody>
</table>

As of June 30, As of December 31,

(in millions, except per share data)

<table>
<thead>
<tr>
<th></th>
<th>For the Quarter Ended</th>
<th>For the Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30,</td>
<td>December 31,</td>
</tr>
<tr>
<td>Average Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average equity, including AOCI</td>
<td>$15,289</td>
<td>$15,485</td>
</tr>
<tr>
<td>Average AOCI</td>
<td>$2,563</td>
<td>$2,279</td>
</tr>
<tr>
<td>Average equity, excluding AOCI</td>
<td>$12,726</td>
<td>$13,206</td>
</tr>
</tbody>
</table>

ROE, Including AOCI

Net income (loss) 8.5% 10.6% (7.3%) 7.8%

ROE, Excluding AOCI

Income (loss) from operations 11.7% 12.7% 8.4% 12.0%
### RECONCILIATION
### NOTABLE ITEMS

**Operating EPS, as reported**

<table>
<thead>
<tr>
<th></th>
<th>For the Quarter Ended June 30,</th>
<th>For the Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>Operating EPS, as reported</td>
<td>$ 1.56</td>
<td>$ 1.85</td>
</tr>
<tr>
<td>Notable items:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total notable items</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating EPS, excluding notable items</td>
<td>$ 1.56</td>
<td>$ 1.85</td>
</tr>
</tbody>
</table>
**RECONCILIATION**

**ANNUITIES RETURN ON EQUITY TO ANNUITIES PRO-FORMA RETURN ON EQUITY**

(dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average equity including goodwill¹</td>
<td>$3,304</td>
<td>$3,489</td>
<td>$2,719</td>
<td>$2,711</td>
<td>$2,954</td>
<td>$3,493</td>
</tr>
<tr>
<td>Income from operations</td>
<td>440</td>
<td>197</td>
<td>324</td>
<td>471</td>
<td>573</td>
<td>595</td>
</tr>
<tr>
<td>Return on average equity - reported including goodwill¹</td>
<td>13.3%</td>
<td>5.6%</td>
<td>11.9%</td>
<td>17.4%</td>
<td>19.4%</td>
<td>17.0%</td>
</tr>
<tr>
<td>Average goodwill</td>
<td>$1,043</td>
<td>$1,041</td>
<td>$515</td>
<td>$440</td>
<td>$440</td>
<td>$440</td>
</tr>
<tr>
<td>Average equity less goodwill¹</td>
<td>2,261</td>
<td>2,448</td>
<td>2,204</td>
<td>2,271</td>
<td>2,514</td>
<td>3,053</td>
</tr>
<tr>
<td>Return on average equity - reported excluding goodwill¹</td>
<td>19.5%</td>
<td>8.0%</td>
<td>14.7%</td>
<td>20.7%</td>
<td>22.8%</td>
<td>19.5%</td>
</tr>
<tr>
<td>Net derivative results, excluding GLB NPR³</td>
<td>-40</td>
<td>38</td>
<td>(60)</td>
<td>(10)</td>
<td>(194)</td>
<td>97</td>
</tr>
<tr>
<td>Average equity less goodwill¹</td>
<td>2,261</td>
<td>2,448</td>
<td>2,204</td>
<td>2,271</td>
<td>2,514</td>
<td>3,053</td>
</tr>
<tr>
<td>Pro-forma return on average equity - excluding goodwill¹</td>
<td>19.5%</td>
<td>9.6%</td>
<td>12.0%</td>
<td>20.3%</td>
<td>15.1%</td>
<td>22.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>1H17</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average equity including goodwill¹</td>
<td>$3,451</td>
<td>$3,950</td>
<td>$4,579</td>
<td>$4,965</td>
<td>$5,112</td>
<td></td>
</tr>
<tr>
<td>Income from operations</td>
<td>750</td>
<td>925</td>
<td>996</td>
<td>935</td>
<td>532</td>
<td></td>
</tr>
<tr>
<td>Return on average equity - reported including goodwill¹</td>
<td>21.7%</td>
<td>23.4%</td>
<td>21.8%</td>
<td>18.8%</td>
<td>20.8%</td>
<td></td>
</tr>
<tr>
<td>Average goodwill</td>
<td>$440</td>
<td>$440</td>
<td>$440</td>
<td>$440</td>
<td>$440</td>
<td></td>
</tr>
<tr>
<td>Average equity less goodwill¹</td>
<td>3,011</td>
<td>3,510</td>
<td>4,139</td>
<td>4,525</td>
<td>4,672</td>
<td></td>
</tr>
<tr>
<td>Return on average equity - reported excluding goodwill¹</td>
<td>24.9%</td>
<td>26.4%</td>
<td>24.1%</td>
<td>20.7%</td>
<td>22.8%</td>
<td>20%</td>
</tr>
<tr>
<td>Net derivative results, excluding GLB NPR³</td>
<td>1</td>
<td>(24)</td>
<td>(150)</td>
<td>(122)</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>Average equity less goodwill¹</td>
<td>3,011</td>
<td>3,510</td>
<td>4,139</td>
<td>4,525</td>
<td>4,672</td>
<td></td>
</tr>
<tr>
<td>Pro-forma return on average equity - excluding goodwill¹</td>
<td>24.9%</td>
<td>25.7%</td>
<td>20.4%</td>
<td>18.0%</td>
<td>23.9%</td>
<td>19%</td>
</tr>
</tbody>
</table>

1 Excludes AOCI.
2 Not adjusted for tax restatement as data is not available.
3 Estimates were required to produce 2007-2008 data.