INVESTOR PRESENTATION

September 2019

Lincoln Financial Group®

You're In Charge®

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September 24, 2019

FORWARD LOOKING STATEMENTS – CAUTIONARY LANGUAGE

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 are subject to risks and uncertainties. Actual results could differ materially from those expressed in or implied by such forward-looking statements due to a variety of factors, including:

- 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 the payment of revenue sharing and 12b-1 distribution fees; the impact of U.S. Federal tax reform legislation on our business, earnings and capital; and the impact of any “best interest” standards of care adopted by the Securities and Exchange Commission (“SEC”) or other regulations adopted by federal or state regulators or self-regulatory organizations relating to the standard of care owed by investment advisers and/or broker dealers;
- 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;

FORWARD LOOKING STATEMENTS – CAUTIONARY LANGUAGE (CONTINUED)

- 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 that may affect our financial statements;
- 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, including the successful implementation of integration strategies or the achievement of anticipated synergies and operational efficiencies related to an acquisition;
- 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 and uncertainties included here are not exhaustive. Our most recent Form 10-K, as well as other reports that we file with the 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 presentation.

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.

AREAS OF FOCUS

- **Lincoln story**
  - Simple, straightforward and clear business model
  - Extended period of strong and consistent financial performance
  - All-weather business mix results in balanced earnings and enables steady growth
  - Leading distribution supports solid growth potential and business mix diversification
  - Rigorous risk and expense management programs
  - Strong capital position enables active deployment

- **Segment overviews**
  - Annuities: Consistent earnings growth and accelerated sales momentum
  - RPS: Earnings growth driven by strong net flows and expense management
  - Life Insurance: Leading market position enabling sustainable growth
  - Group Protection: Outperforming Liberty acquisition expectations

LINCOLN STORY

LINCOLN STRATEGY

Annuities | Life Insurance | Group Protection | Retirement Plan Services

ENTERPRISE STRATEGY

- Manufacture mainly consumer products
- Focus on the fastest growing markets
- Invest in our powerful distribution network and product breadth
- Maintain industry-leading risk management
- Actively direct capital to the highest and best uses
- Utilize digital to drive a differentiated client experience

OUR FOUNDATIONAL DRIVERS

Best interest of our customers

Best for our employees

PROVEN ABILITY TO TAKE ACTION AND DELIVER STRONG RESULTS

Capital and balance sheet	2008	2Q19
Holding company cash	$(602)M	$474M
Statutory capital	$5.1B	~$9.4B
Below investment-grade assets	6.1%	4.0%
Long-term interest rate assumption	5.25%	3.75%
Goodwill[1]	38%	13%

Strategic	2013	2Q19
% of sales with long-term guarantees	36%	21%
Mix of capital market sources of earnings	54% spread 46% fee	38% spread 62% fee
% of earnings from mortality/morbidity	25%	30%

Unfavorable | Neutral | Favorable

3Y, 5Y and 10Y CAGRS

Adjusted operating revenue[2]	5-6% CAGR
Adjusted operating EPS ex. notable items[2]	11-12% CAGR

Further maximizing shareholder value

Adjusted operating ROE ex. AOCI[2]	Expanded to 13.5%
Shares outstanding[3]	Reduced by 43%

1 Represents goodwill as a % of end-of-period equity, excluding AOCI.
2 As of 2018. See Appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures.
3 Based on total shares repurchased from 2Q10, which was peak share count, through 2Q19 as a percentage of 2Q10 end-of-period basic shares outstanding.

DURABLE AND DEPENDABLE OVER MULTIPLE TIME PERIODS

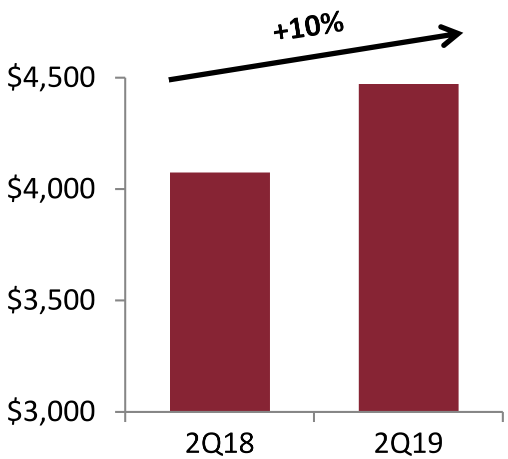
Multiple contributors to strong financial performance

	2018	3-year	5-year	10-year
Growing the top line CAGR in adjusted operating revenue[1]	$16.5B	6%	6%	5%
Disciplined expense management G&A expenses as a % of adjusted operating revenue[1]	11.6%	11.5%	12.0%	16.8%
Returning capital to shareholders Buybacks and dividends as a % of adjusted operating income	58%	62%	63%	46%
Double-digit growth in EPS CAGR in adjusted operating EPS, excluding notable items[1]	$8.49	12%	12%	11%

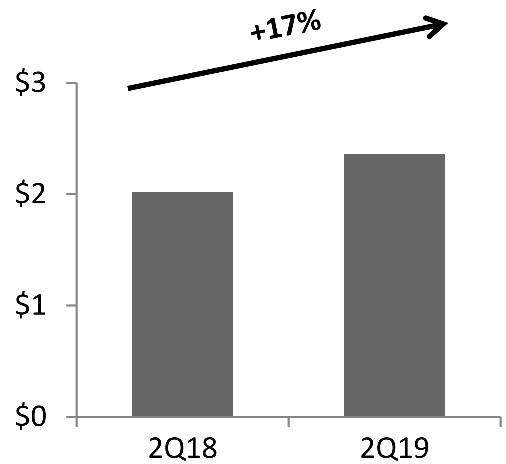
1 See Appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures. G&A as a percent of adjusted operating revenue represents general and administrative expenses, net of amounts capitalized, as a percent of adjusted operating revenue.

STRONG FINANCIAL RESULTS CONTINUED IN 2Q19

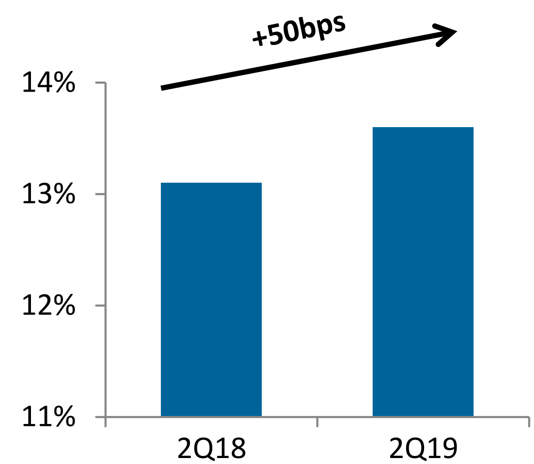
Adjusted operating revenues[1]



Adjusted operating EPS[1]



Adjusted operating ROE, excluding AOCI[1]



Annuities

Sales +22% YoY

Third straight quarter of positive flows

Retirement Plan Services

Recurring deposits +6% YoY

Net flows returned to positive

Life Insurance

Sales +30% YoY

Earnings +12% YoY

Group Protection

Higher premiums driven by strong persistency

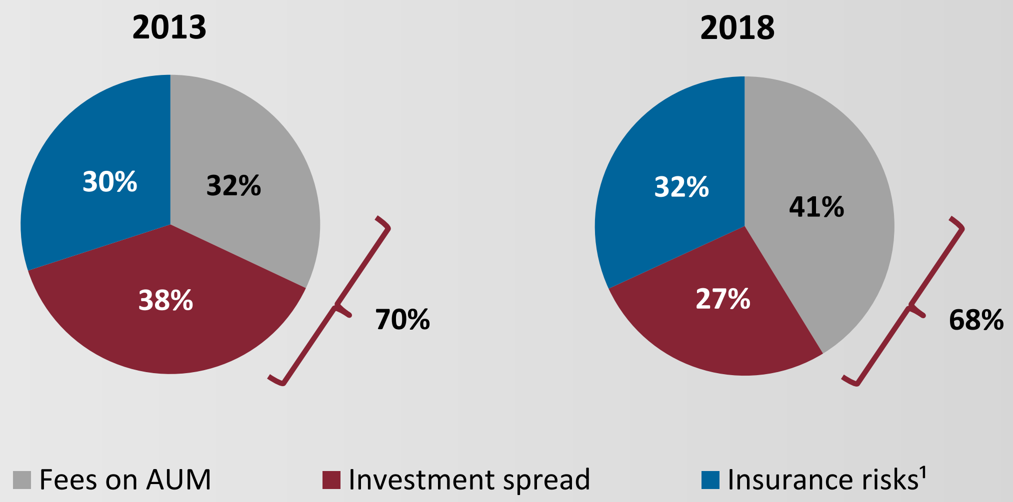
6.6% after-tax operating margin

1 See Appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures and notable items.

ALL-WEATHER BUSINESS MIX RESULTS IN BALANCED EARNINGS

Contribution from insurance risks expected to continue increasing over time

Exposure to interest rates and equity markets can shift mix, but naturally offset



1 Insurance risks predominantly include mortality / morbidity.

POWERFUL RETAIL FRANCHISE ENABLES PROFITABLE GROWTH

Distribution strength and broad set of solutions create significant growth opportunities

Leading distribution capabilities

1,300+ wholesalers and worksite

Broad and deep shelf space
Multiple channels

Exclusively independent distribution

+

Comprehensive set of retail products

Diversified, innovative and multiple solutions across our portfolio

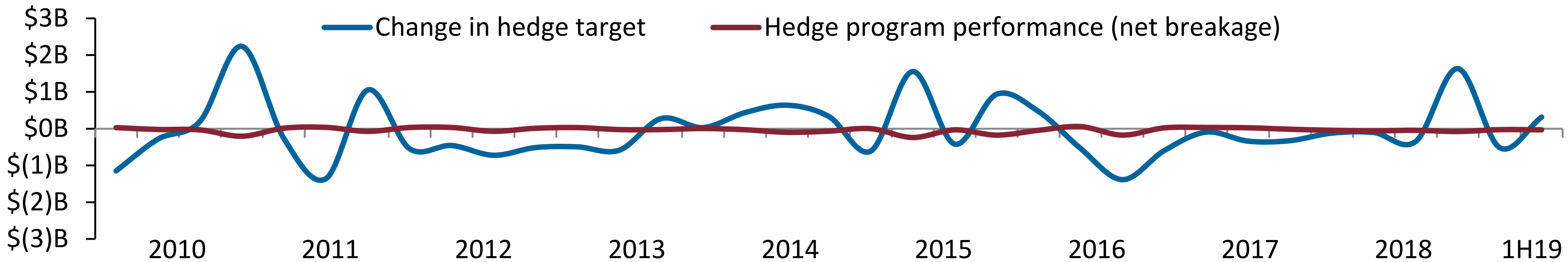
- ✓ Annuities
- ✓ Life Insurance
- ✓ Group Protection
- ✓ Retirement Plan Services

Strong top line in 1H19		12%+ returns on new business
Group Protection	+44%	Above 12%
Annuities	+30%	Above 12%
Life Insurance	+19%	Above 12%
Retirement Plan Services	0%	Above 12%

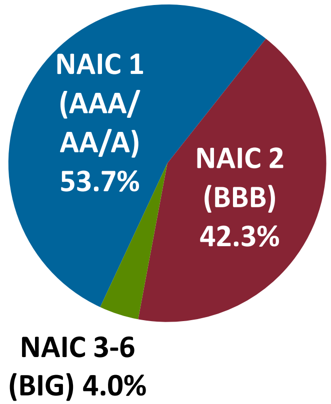
■ YoY growth (1H18-1H19)   ● Above 12%   ● Below 12%

INDUSTRY-LEADING RISK MANAGEMENT PROGRAMS

Minimal historical hedge breakage



Focused on maintaining high-quality investment portfolio as credit cycle extends[1]



Line of business	Asset duration (in years)	ALM match within target duration range
Life Insurance	13.0	✓
Group Protection	6.0	✓
Retirement Plan Services	6.0	✓
Annuities	6.5	✓
Lincoln total[2]	10.0	✓

Increasing diversification across asset classes and issuers

Investing in asset classes and sectors less exposed to the economic cycle

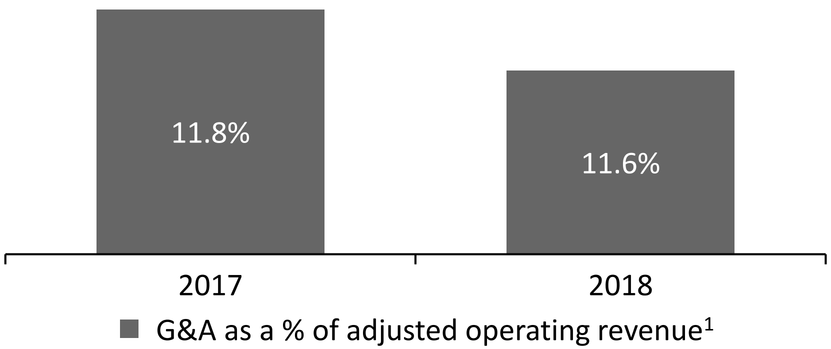
Reducing within sectors and issuers with greater risk of deterioration

Decreasing allocation to BIG through proactive de-risking

1 Data as of 2Q19, and below investment grade is abbreviated as BIG.
2 Represents total weighted average.

EARNINGS BENEFITING FROM EXPENSE MANAGEMENT INITIATIVES

Continued improvement in expense ratio



Improved
20bps
YoY

Additional programs will drive further improvements[2]

Strategic digitization initiative to drive
$90-150M
annual run-rate savings

+

Expense savings synergies of
$125M
from Group acquisition

=

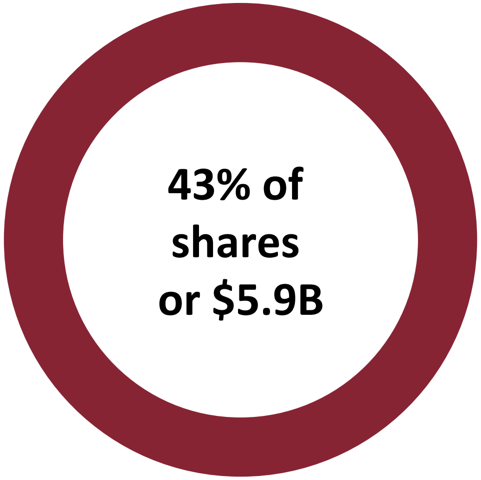
~$250M

1 Represents general and administrative expenses, net of amounts capitalized, as a percent of adjusted operating revenue. See Appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures and notable items.

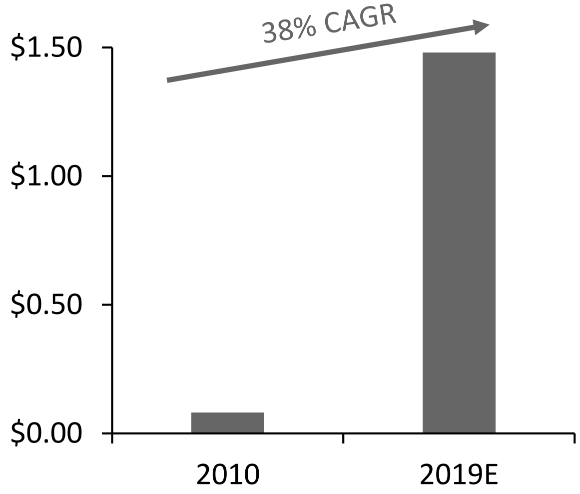
2 Target achievement of savings from strategic digitization by 2021 and Group Protection by 2020. ~$125M midpoint of $90-150M from strategic digitization savings combined with $125M of Group acquisition savings totals ~$250M.

STRONG HISTORY OF CAPITAL MANAGEMENT

Shares repurchased since peak share count[1]



Consistently increased common stock dividend since the crisis



Recently executed two key transactions to boost shareholder value

Group benefits business acquisition

- ✓ Gained a leadership position in group benefits market
- ✓ Grew mortality and morbidity source of earnings

Fixed annuity reinsurance transaction

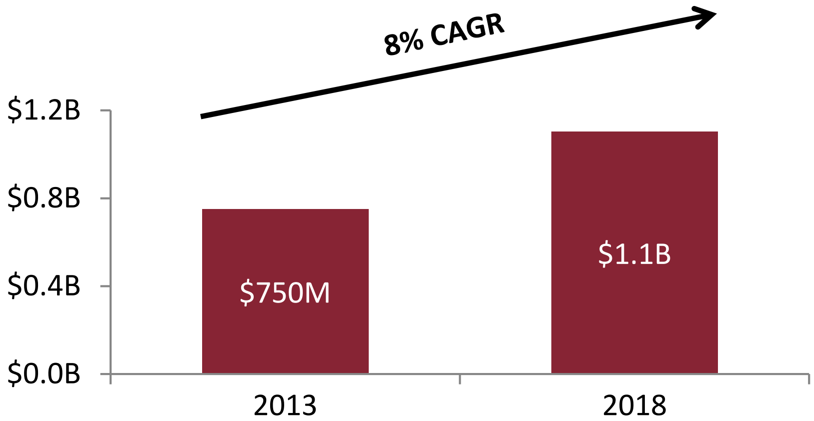
- ✓ Enabled $450M of opportunistic buybacks at an attractive share price

1 Based on total shares repurchased from 2Q10 to 2Q19 as a percentage of 2Q10 end-of-period basic shares outstanding.

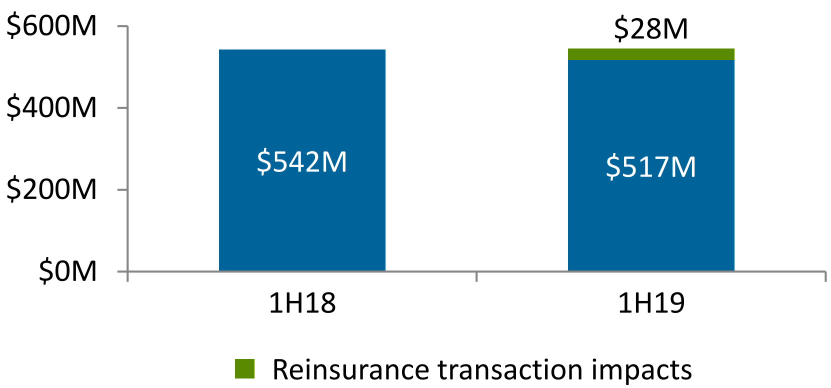
ANNUITIES

ANNUITIES

Consistently strong earnings growth



Consistent with prior year not including impacts from reinsurance transaction



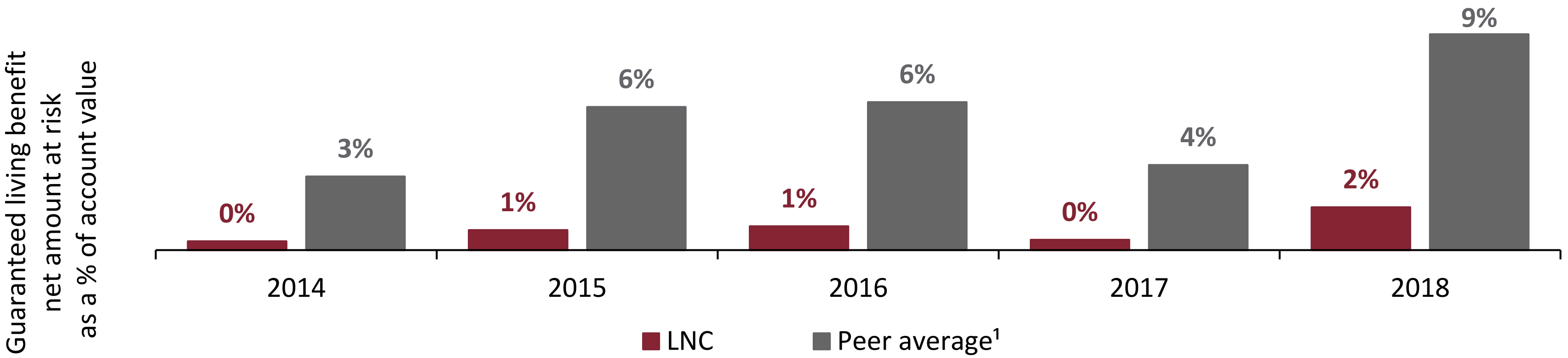
High-quality in-force block

22% ROE in 1H19[1]	80bps ROA in 1H19[2]	+$21M Impact from annual unlocking over past decade

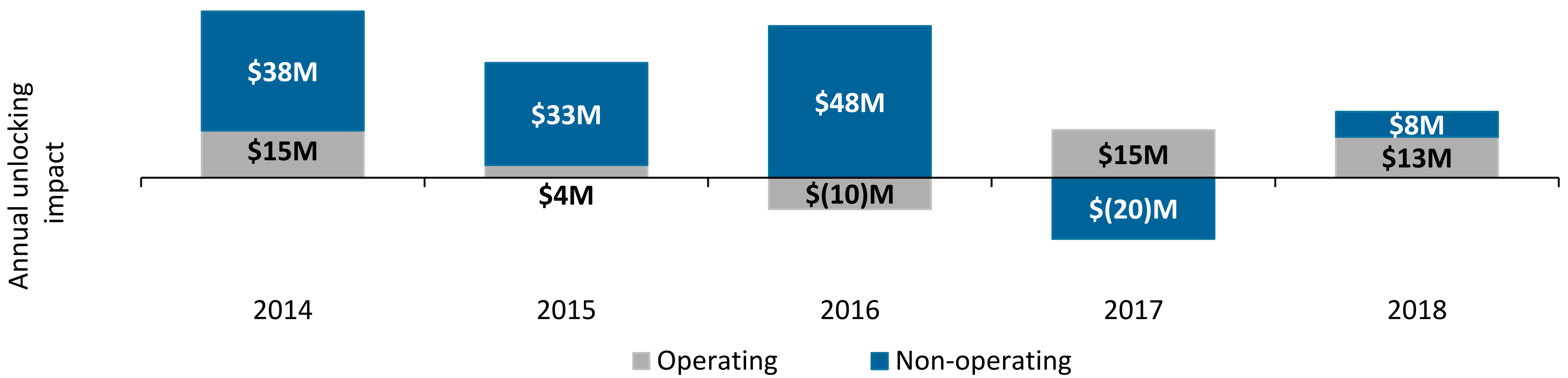
1 Return on equity, excluding goodwill and AOCI is abbreviated as ROE.
2 Return on assets is abbreviated as ROA.

OUR HIGH-QUALITY BOOK IS A STRATEGIC ADVANTAGE

Net amount at risk consistently below peer average



History of modest and favorable annual unlocking impacts differentiates Lincoln

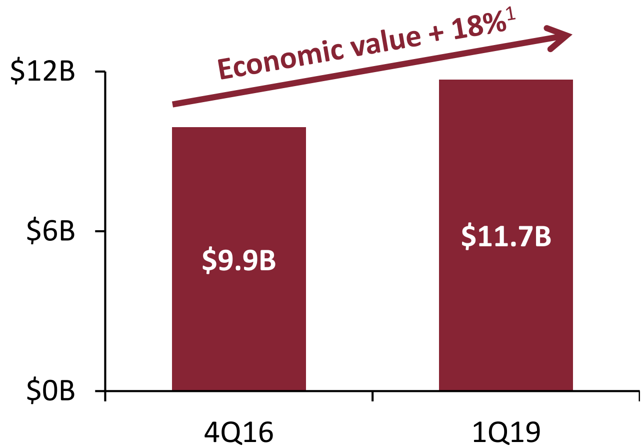


1 Peer group includes: AIG, AMP, AXA U.S./EQH, HIG, Jackson, MET/BHF, PRU, Pacific Life and VOYA. 2017 and 2018 do not include HIG and VOYA as data is not publicly available. AXA U.S. and MET data is used for 2014 and 2015, EQH and BHF data is used for 2016 to 2018.

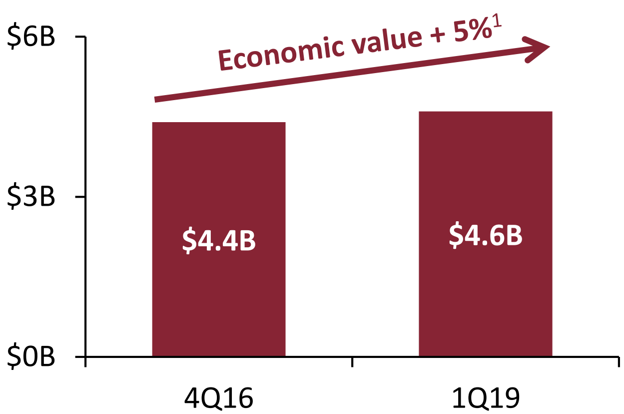
ECONOMIC VALUE IS STRONG AND GROWING

Successful execution results in attractive annuity block under various scenarios

Economic value under baseline scenario has grown



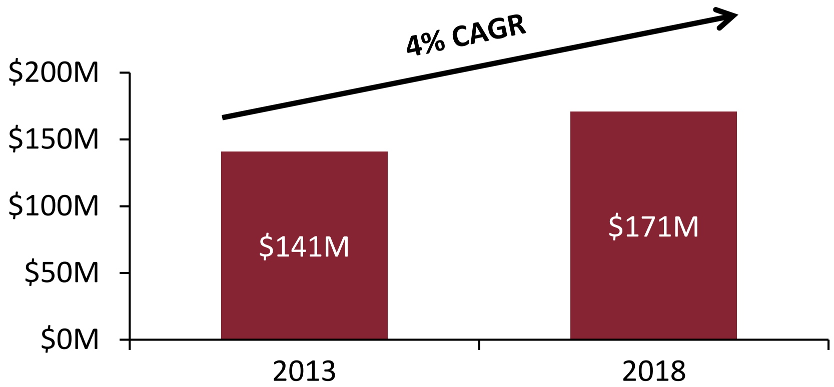
Continue to generate positive economic value under adverse scenario

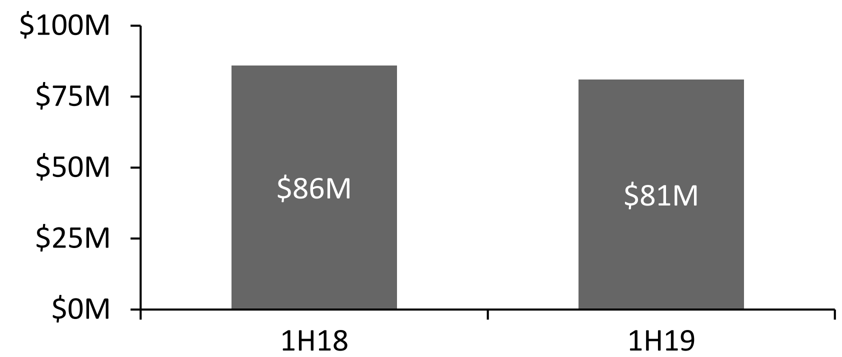


1 Economic value is the present value of future cash flows. LNC values based on in-force book of business as of 3/31/19. The baseline scenario assumes 5% separate account growth, before all charges and fees, and interest rates follow the forward curve as of 3/31/19. LNC cash flows are shown on a present value basis, discounted at 4%. The adverse scenario assumes a 30% decrease in equity markets, followed by 5% separate account growth, before all charges and fees, and a 100bps parallel decrease in interest rates. LNC cash flows are shown on a present value basis, discounted at 3%. See Appendix for a full description of LNC scenarios and assumptions.

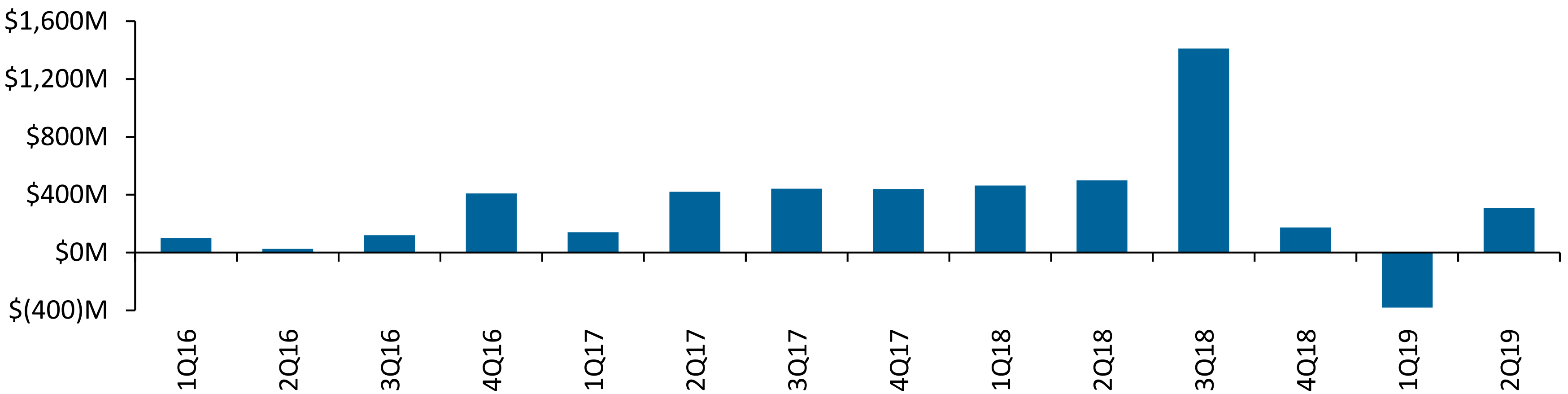
RETIREMENT PLAN SERVICES

Solid earnings results driven by expense management and strong flows





Returned to positive flows, in line with past three years of experience

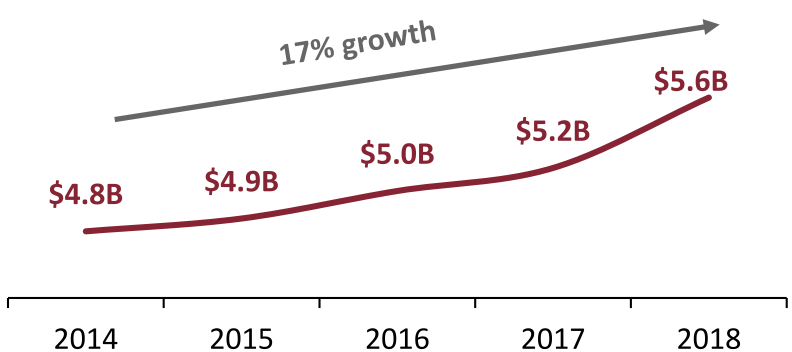


GROWING AND RETAINING ASSETS IN OUR TARGET MARKETS

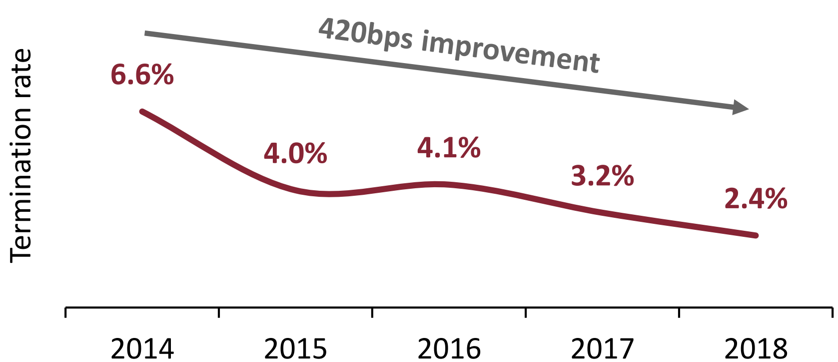
Succeeding in markets that value our model

2014-2018 sales

Successful model drives recurring deposit growth



Proven ability to retain business



GROWING EARNINGS THROUGH PROFITABLE ACTIONS

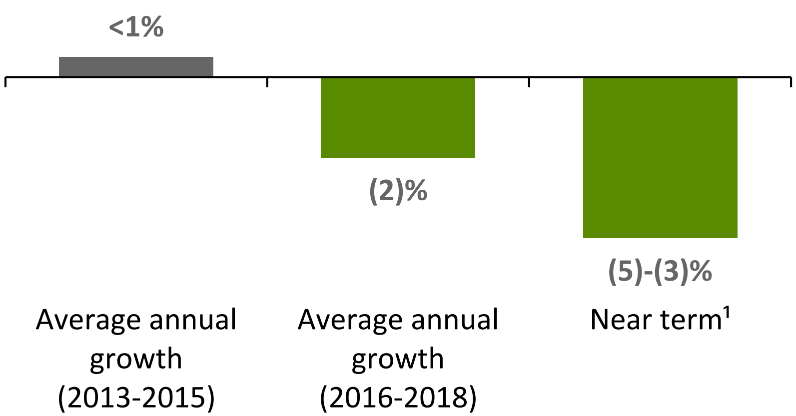
Digital efficiencies and expense management

- Re-engineering processes to streamline operations
- Leveraging technology to increase scalability of the business

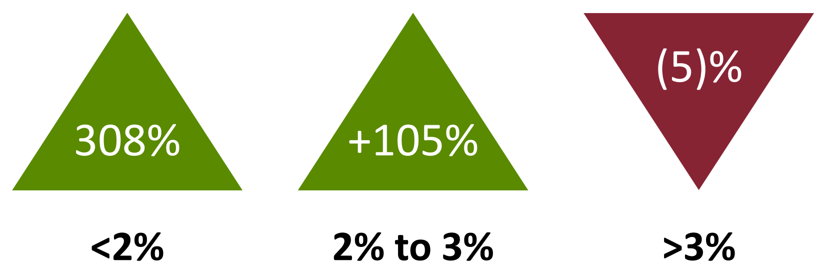
In-force optimization

- Restricting inflows to high GMIR blocks
- Repricing business to lower crediting rates, increase fees or reduce risk

Actions leading to a declining cost per participant



Changing the mix of business to drive down crediting rates[2]



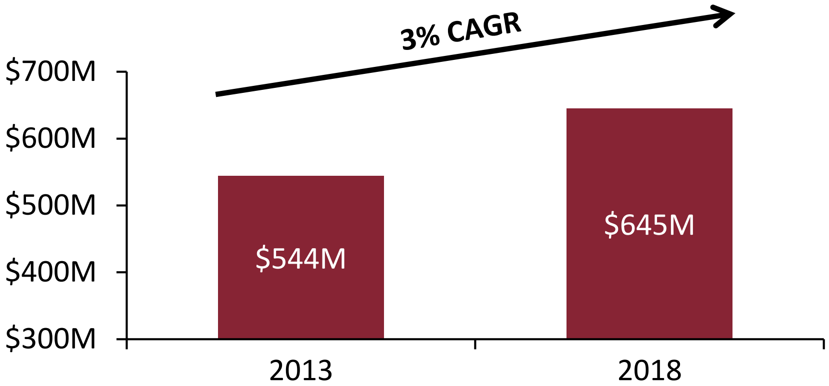
Change in assets since 2013 shown by guaranteed minimum interest rate

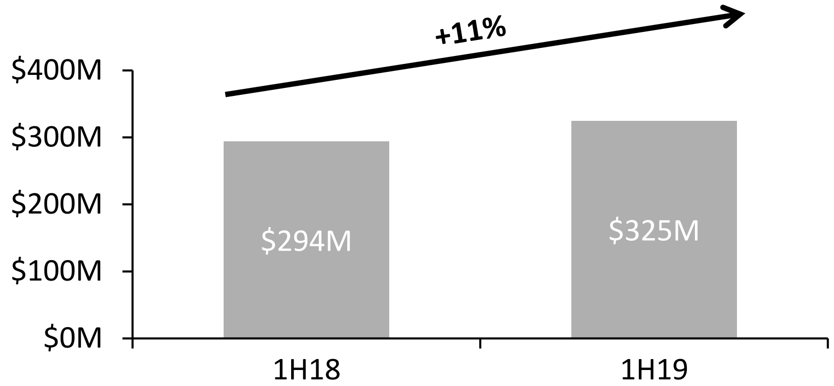
1 Near-term represents the next couple of years, beginning in 2020.
2 2013 account value as of beginning of period, 2018 account value as of end of period, and guaranteed minimum interest rate abbreviated as GMIR.

LIFE INSURANCE

LIFE INSURANCE

Track record of earnings growth





Growth in earnings drivers and stable mortality

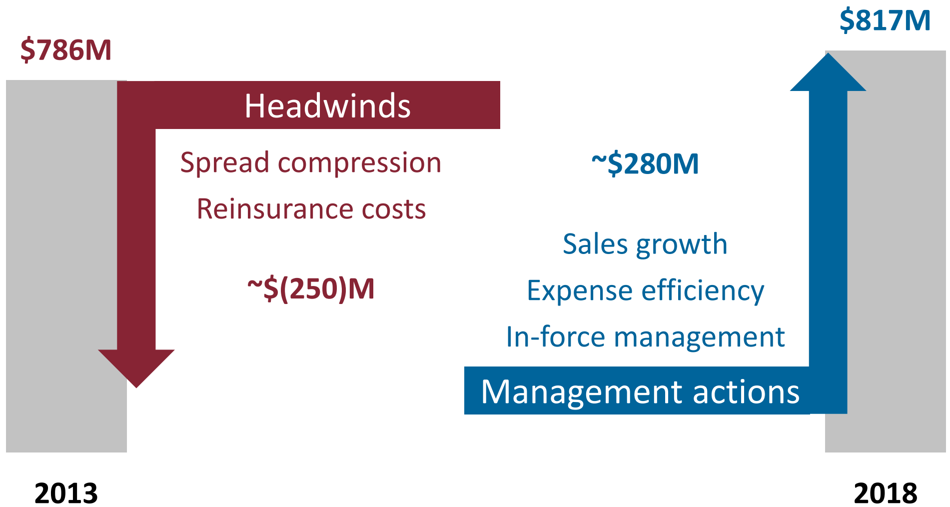
Average account values **+3%** 1H18 vs. 1H19	Average in-force face amount **+5%** 1H18 vs. 1H19	Mortality within 1% of annual expectations in 7 of last 8 years

DELIVERING EARNINGS GROWTH AND STRONG OPERATING MARGIN

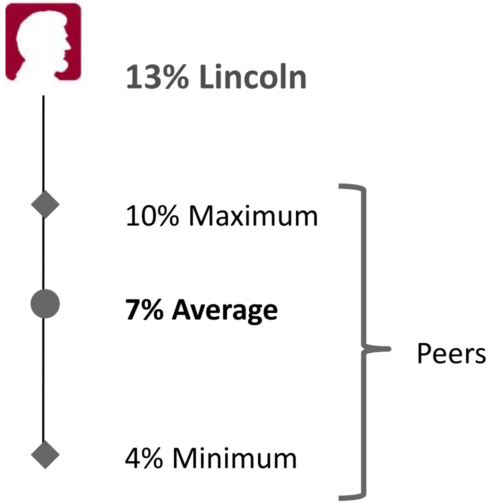
Management actions have overcome headwinds resulting in an industry-leading operating margin

Headwinds diminishing after a period of industry-wide pressure	Operating margin above peers

Pre-tax growth in operating income[1]



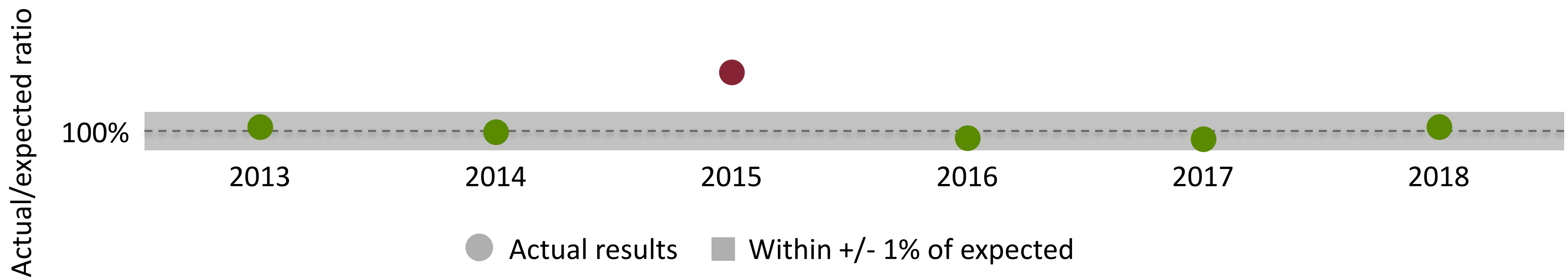
Strong operating margin[2]



1 Pre-tax operating income excludes unlocking impacts of $26M in 2013 and $(25)M in 2018.
2 Operating margin represents 2014-2018 pre-tax operating income as a percent of revenue and excludes unlocking unless noted. Source: financial supplements for life insurance segments of BHF (includes run-off business), EQH, Pacific Life (includes unlocking), PFG, Protective, PRU and VOYA. BHF and EQH data only available from 2016-2018. LNC average excludes annual unlocking impacts: $26M in 2013, $(25)M in 2014, $(180)M in 2015, $22M in 2016, $(25)M in 2017, and $(25)M in 2018.

HIGHLIGHTING OUR ONGOING ATTENTION TO KEY INDUSTRY TRENDS

Mortality consistently in line with our annual expectations



Takeaways on our experience managing our in-force[1]

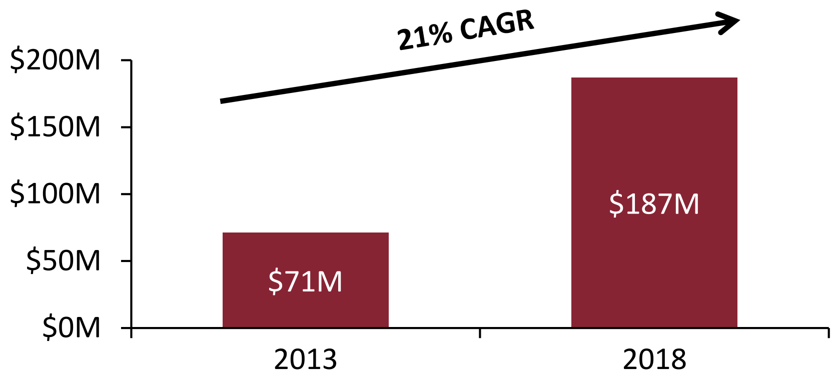
Mortality	✓ Emerging company and industry experience reflected in our assumptions
Morbidity	✓ *MoneyGuard®* reserves sufficient under stress scenarios as multi-benefit design reduces policyholder behavior risk
Reinsurance	✓ Have resolved the majority of our reinsurance treaties with manageable financial impacts
Interest rates	✓ Have lowered long-term rates and are finding attractive opportunities in long-duration, less-liquid assets

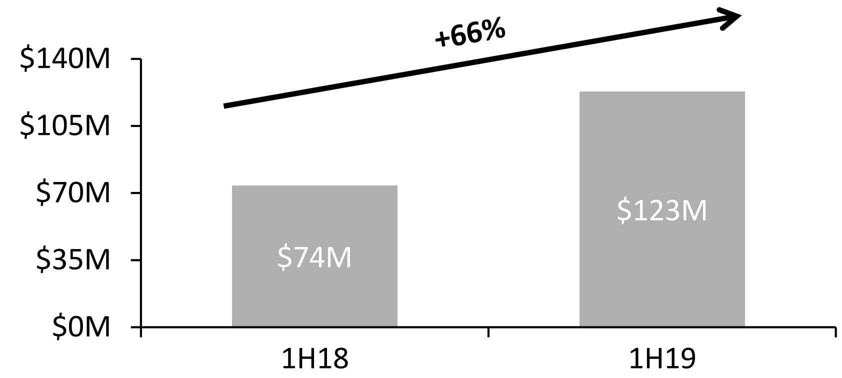
1 Based on observed Lincoln and industry trends through 3Q18 annual unlocking review.

GROUP PROTECTION

GROUP PROTECTION

Track record of organic earnings growth accelerated by Liberty acquisition



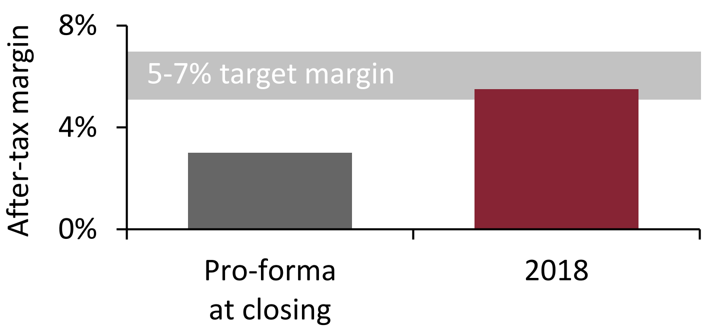


Drivers of further margin improvement

Disciplined pricing strategy	Improving persistency	Sales momentum
Sustaining favorable loss ratio	Claims management	Expense management and synergies

FINANCIAL RESULTS OF THE INTEGRATION EXCEEDING EXPECTATIONS

What we said[1]	What we delivered[1]
Significant re-pricing needed on old Liberty book of business	✓ **$1.4B of premium renewed** as of year-end 2018 with 7% rate increase ✓ Favorable **renewal persistency** ✓ **7% additional after-tax margin** on acquired book, exceeding expectations
$3.7B premium, with growth constrained by shock lapse	✓ **$4B+ in annualized premiums** ✓ 2018 persistency **3-4 percentage points better than expectations** on acquired book
$100M of pre-tax expense synergies by 2020	✓ $**100M expected by end of 2019**, one year ahead of schedule ✓ $**125M** total expected by end of 2020
Achieve target range for margins in 2020	✓ **Reached target range well ahead of schedule**



1 Expectations refer to pro-forma data disclosed in the slides furnished on our Form 8-K filed on 01/18/2018.

DISTRIBUTION EXPERTISE AND PARTNERSHIPS DRIVE GROWTH

Competitive large-scale distribution

170+ sales reps segmented by region, partner and employer size

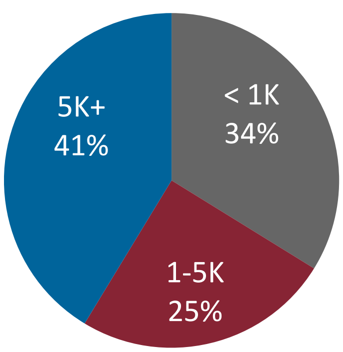
140+ account managers and executives aligned by employer size and complexity

Specialized practices
- ✓ **Employee-paid**
- ✓ **Broker development**
- ✓ **Large employers**

Deep partnerships with 7K+ employee benefits brokers

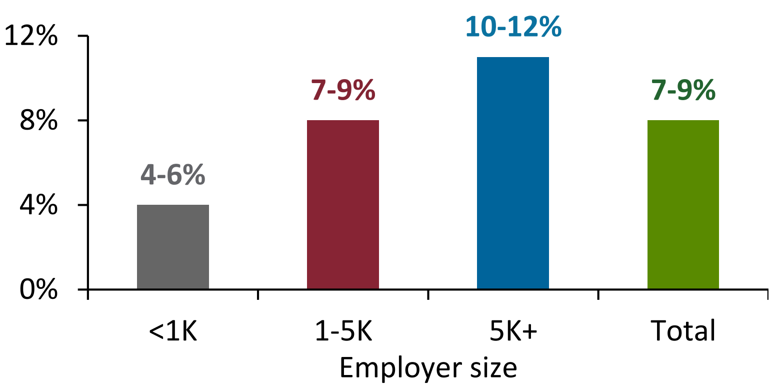
Broker segment	% of total sales[1]	Who they are
Top 3 national partners	24%	Mercer, AON, and Willis Towers Watson serving larger employers
Top regional producers	53%	350+ top producing partners, averaging ~$1M in sales, ~20% broker penetration[2]
Remaining producers	23%	Remaining broker partners

Broad reach to all employer sizes



2018 premium by employer size

Significant opportunity for near-term sales growth across all employer sizes[3]

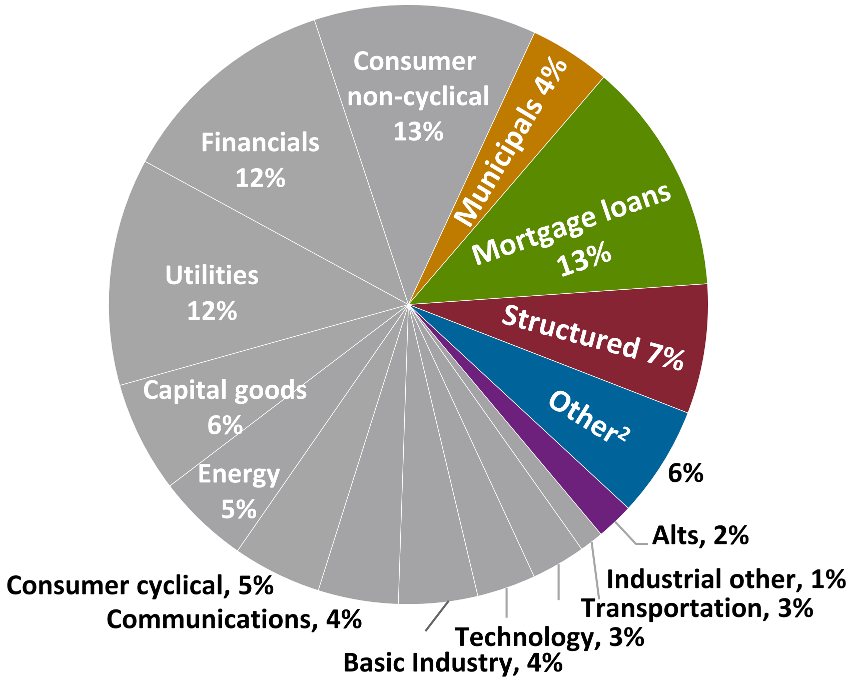


INVESTMENTS

GENERAL ACCOUNT PORTFOLIO COMPOSITION

Asset class[1]

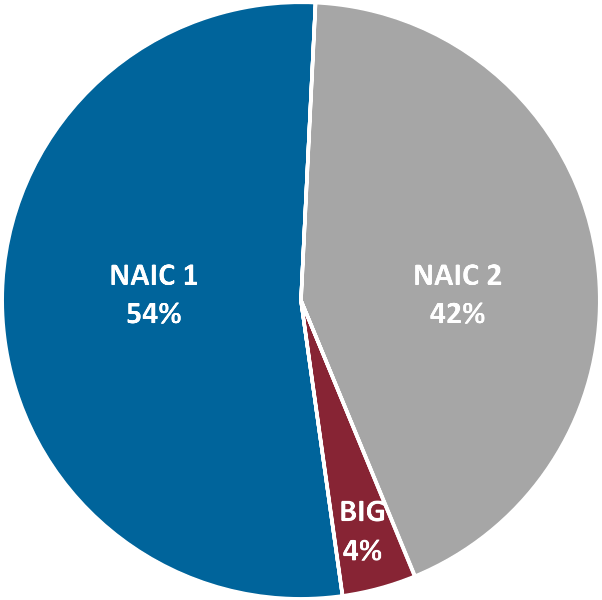
$109B invested assets



Portfolio is well diversified across sectors, issuers, and asset classes

Maintaining high-quality mix[1]

A- overall average rating



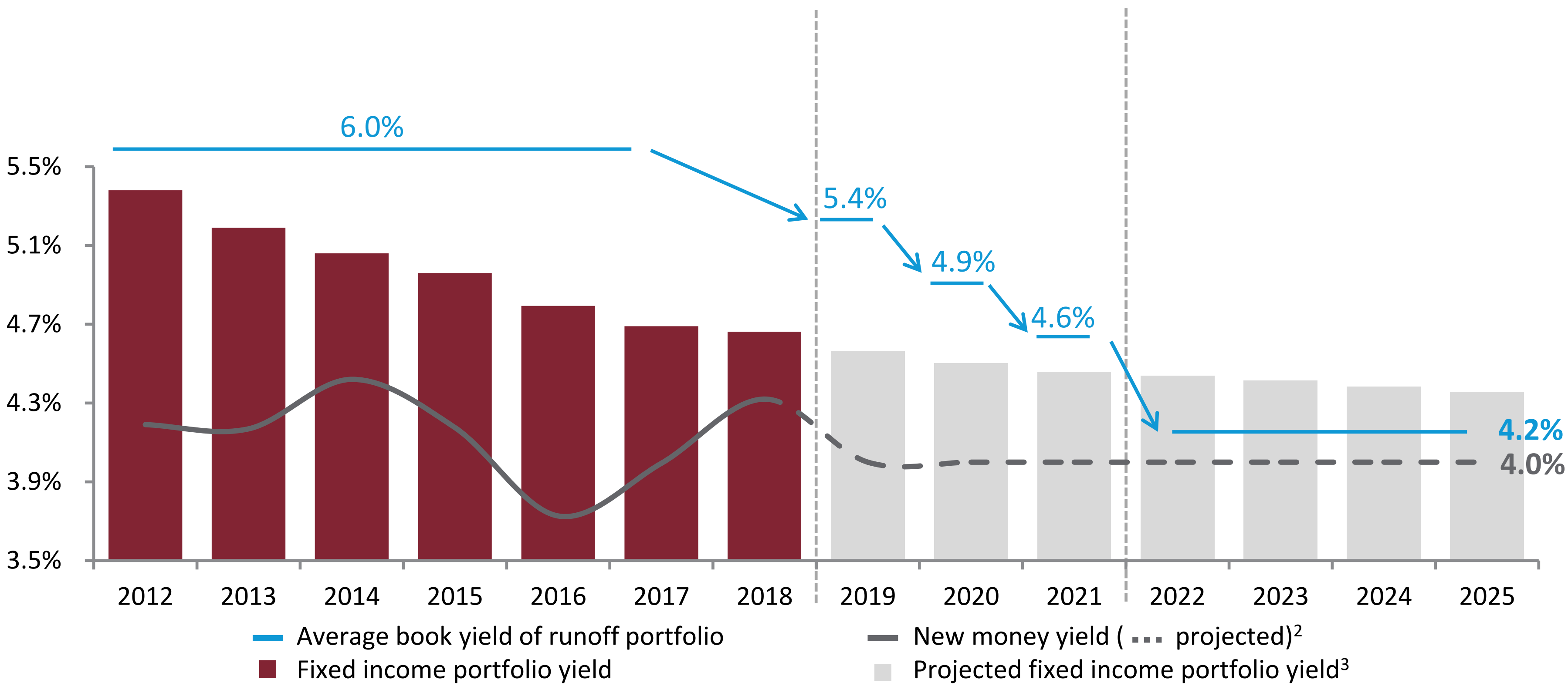
1 Data as of 6/30/19.

2 Other asset classes primarily include: Quasi-Sovereign, Cash, and UST/Agency.

PORTFOLIO YIELD COMPRESSION[1]

Average annual decline in fixed income portfolio yield

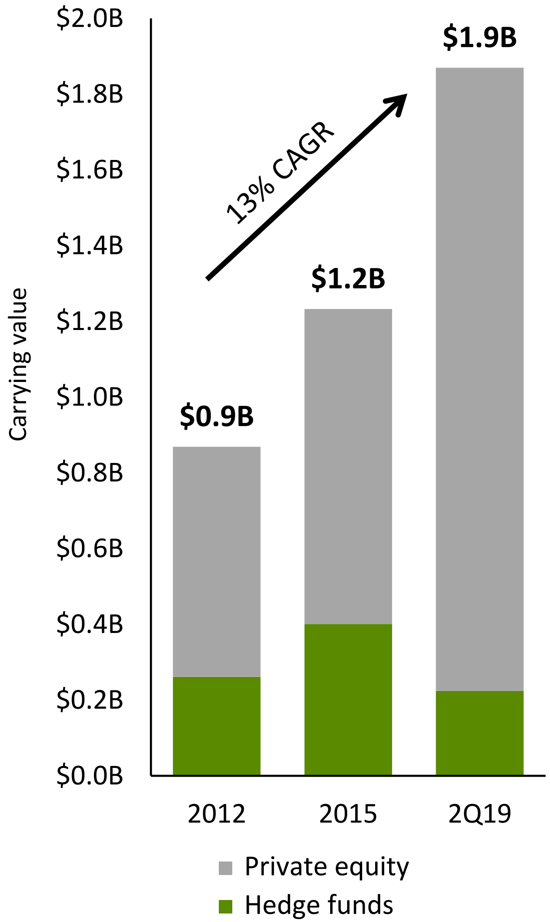
2012 to 2018	2019 to 2021	2022 to 2025
-13bps	-7bps	-3bps



1 As of 12/31/18.
2 Assumes 4.0% new money yield based on 2018 new money.
3 Assumes 4% annual portfolio growth, consistent with historical experience.

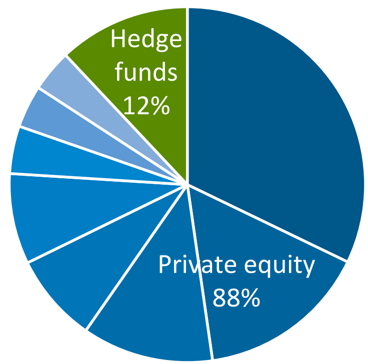
ALTERNATIVE INVESTMENT PERFORMANCE AND ASSET MIX

Growing and shifting the alternatives portfolio…



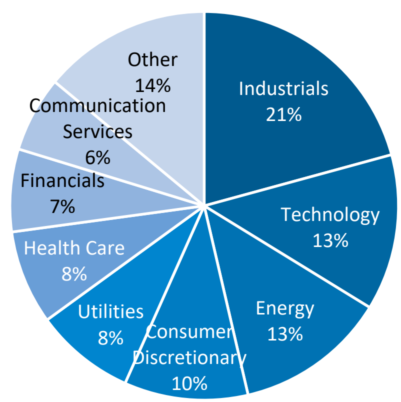
…with a focus on portfolio construction and diversification…

Alternatives portfolio by strategy[1]



Buyout	32%
Growth Equity	16%
Mezzanine	12%
Infrastructure	8%
Natural Resources	8%
Power Generation	4%
Co-invest fund	4%
Other	4%
Total private equity	**88%**

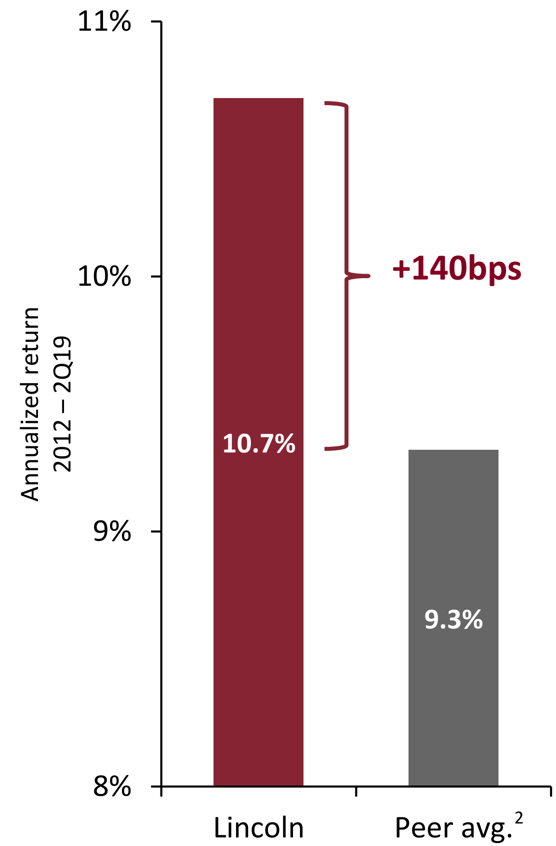
Private equity portfolio by industry[1]



+1,900

underlying investments

…delivers strong performance

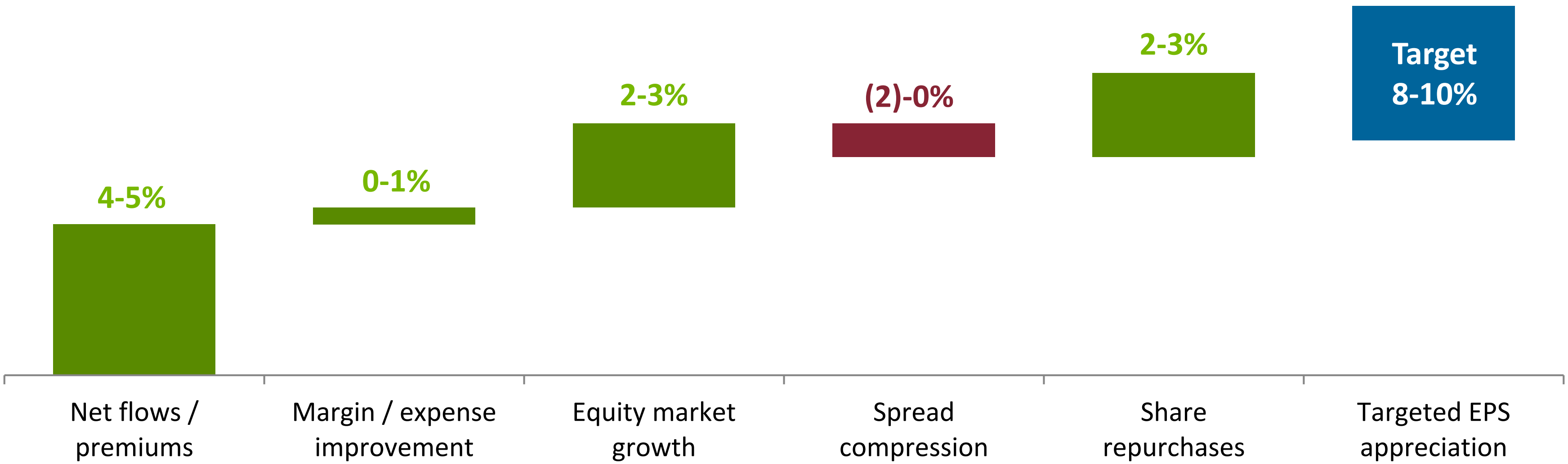


1 As of 6/30/19.
2 Peer group: AIG, HIG, MET, PRU and VOYA.

APPENDIX

WELL POSITIONED TO DELIVER STRONG FINANCIAL RESULTS

Changes to underlying drivers, but continue to target long-term annual adjusted operating EPS growth of 8-10%[1]

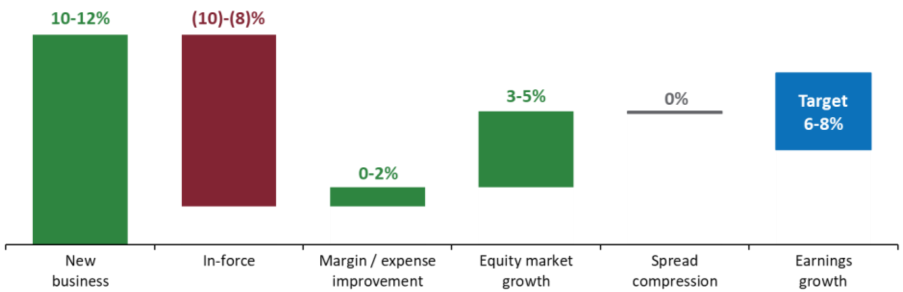


2014-2018 average[2]					
2%	3%	5%	(3)%	5%	12%

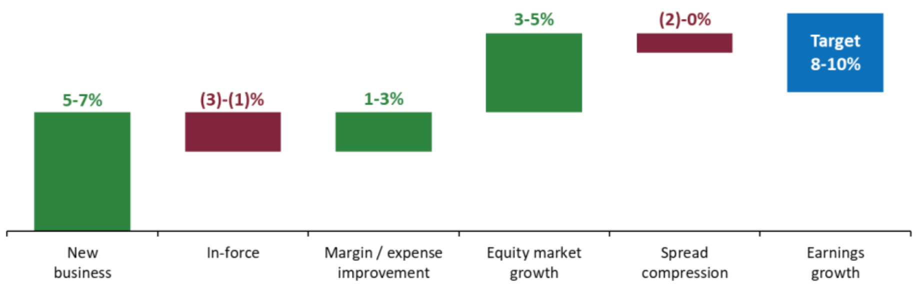
1 Long-term represents approximate contributions of the principal drivers of earnings growth over the next three to five years.
2 Excludes notable items.

DRIVERS OF POTENTIAL LONG-TERM EARNINGS GROWTH [1]

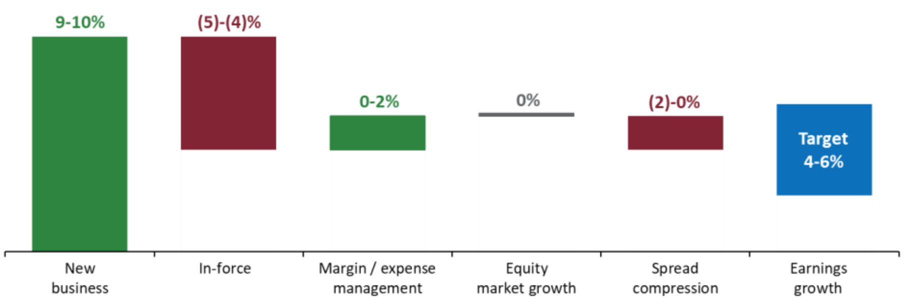
Annuities



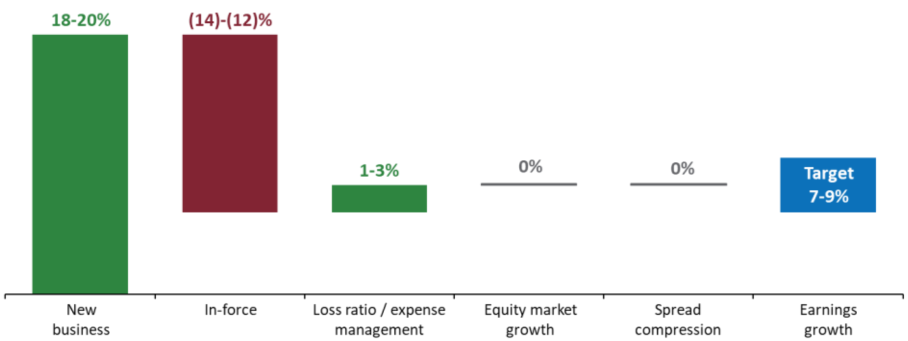
Retirement Plan Services



Life Insurance



Group Protection



1 Long-term represents approximate contributions of the principal drivers of earnings growth over the next three to five years.

RECONCILIATION
NET INCOME TO ADJUSTED INCOME FROM OPERATIONS

(in millions, except per share data)

	For the Quarter Ended June 30,		For the Year Ended December 31,			
	2018	2019	2008	2013	2015	2018
Total Revenues	$ 4,020	**$ 4,310**	$ 9,251	$ 11,969	$ 13,572	$ 16,424
Less:						
Excluded realized gain (loss)	(53)	**(161)**	(551)	(273)	(329)	(46)
Amortization of DFEL on benefit ratio unlocking	-	**1**	(9)	-	(2)	(5)
Amortization of deferred gains arising from reserve changes on business sold through reinsurance	-	**-**	3	3	3	-
Total Adjusted Operating Revenues	$ 4,073	**$ 4,470**	$ 9,808	$ 12,239	$ 13,900	$ 16,475
Net Income (Loss) Available to Common Stockholders - Diluted	$ 377	**$ 363**	$ 36	$ 1,244	$ 1,150	$ 1,623
Adjustment for deferred units of LNC stock in our deferred compensation plans [1]	(8)	**-**	-	-	(4)	(18)
Net Income (Loss)	385	**363**	36	1,244	1,154	1,641
Less [2]:						
Excluded realized gain (loss)	(41)	**(128)**	(358)	(178)	(214)	(37)
Benefit ratio unlocking	7	**46**	(126)	36	(29)	(136)
Net impact from the Tax Cuts and Jobs Act	-	**-**	-	-	-	19
Income (loss) from reserve changes (net of related amortization) on business sold through reinsurance	-	**-**	2	2	2	-
Acquisition and integration costs related to mergers and acquisitions, after-tax	(35)	**(33)**	-	-	-	(67)
Gain (loss) on early extinguishment of debt	-	**-**	-	-	-	(18)
Impairment of intangibles	-	**-**	(297)	-	-	-
Income (loss) from discontinued operations	-	**-**	66	-	-	-
Adjusted Income (Loss) from Operations	$ 454	**$ 478**	$ 749	$ 1,384	$ 1,395	$ 1,880
Earnings (Loss) Per Common Share (Diluted)						
Net income (loss)	$ 1.70	**$ 1.79**	$ 0.14	$ 4.52	$ 4.51	$ 7.40
Adjusted income (loss) from operations	$ 2.02	**$ 2.36**	$ 2.89	$ 5.03	$ 5.46	$ 8.48

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 dilutive EPS.

2 We use our prevailing federal income tax rates of 21% and 35%, where applicable, 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
RETURN ON EQUITY (ROE)

(in millions, except per share data)

	For the Quarter Ended June 30,		For the Year Ended December 31,
	2018	2019	2018
Average Equity			
Average equity, including AOCI	$ 15,581	$ 17,436	$ 15,517
Average AOCI	1,717	3,394	1,602
Average equity, excluding AOCI	$ 13,864	$ 14,042	$ 13,915
ROE, Including AOCI			
Net income (loss)	9.9%	8.3%	10.6%
ROE, Excluding AOCI			
Adjusted Income (loss) from operations	13.1%	13.6%	13.5%

RECONCILIATION
NOTABLE ITEMS

(dollars in millions, except per share data)

	For the Years Ended December 31,						
	2008	2013	2014	2015	2016	2017	2018
Operating EPS, as reported	$ 2.89	$ 5.03	$ 6.03	$ 5.46	$ 6.50	$ 7.79	$ 8.48
Notable items:							
Tax adjustments	-	0.01	-	0.02	0.06	0.29	-
Reinsurance recapture	-	-	0.20	-	-	0.01	-
Unlocking/reserve adjustments	-	0.14	0.05	(0.45)	-	(0.01)	(0.01)
Legal expenses	-	-	-	(0.15)	-	-	-
Other	-	0.01	0.04	-	-	-	-
Total notable items	-	0.16	0.29	(0.58)	0.06	0.29	(0.01)
Operating EPS, excluding notable items	$ 2.89	$ 4.87	$ 5.74	$ 6.04	$ 6.44	$ 7.50	$ 8.49

ECONOMIC VALUE ASSUMPTIONS

Economic value is the present value of future cash flows. LNC values based on in-force book of business as of 3/31/19. The baseline scenario assumes 5% separate account growth, before all charges and fees, and interest rates follow the forward curve as of 3/31/19. Cash flows are shown on a present value basis, discounted at 4%. The adverse scenario assumes a 30% decrease in equity markets, followed by 5% separate account growth, before all charges and fees, and a 100bps parallel decrease in interest rates. Cash flows are shown on a present value basis, discounted at 3%. Cash flows include all charges, revenue sharing, trail commissions, maintenance expenses, claims, hedging activity, and impact of external reinsurance, while it excludes a portion of investment income on general account assets. Impacts from policyholder behavior reflect our dynamic modeling assumptions and projected hedging results based on current hedge strategy parameters. Actual results will vary from the illustrative results due to aspects such as, but not limited to, market volatility, basis risk, potential changes in assumptions, and/or rebalancing of hedges.