



Loews Corporation Announces Revision to Fourth Quarter and Year-End 2002 Results

March 19, 2003



NEW YORK--(BUSINESS WIRE)--March 19, 2003--Loews Corporation (NYSE:LTR;CG) today announced a revision to its previously reported fourth quarter and year-end 2002 results to reflect an additional \$28.9 million of impairment losses on equity securities at the Company's CNA Financial Corporation subsidiary.

The revised consolidated net income for the year ended December 31, 2002, is \$912.0 million, or \$4.11 per Loews common share, compared to the previously reported amount of \$940.9 million, or \$4.27 per Loews common share. The revised consolidated net income for the quarter ended December 31, 2002 is \$261.3 million, or \$1.21 per Loews common share, compared to the previously reported amount of \$290.2 million, or \$1.37 per Loews common share. The additional impairment losses had no impact on net income attributable to Carolina Group stock or on the Company's previously reported net operating income, equity and book value per share.

The Company noted that CNA's decision to record additional impairment losses was made in relation to discussions with the Staff of the Division of Corporation Finance of the Securities and Exchange Commission in the course of a routine review of CNA's periodic filings, including the timing and amount of other-than-temporary impairment losses in CNA's available-for-sale fixed maturity and equity securities investments.

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December 31,				

	Three Months		Year Ended	
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	2002 As Previously Reported		2002 As Previously Reported	
(In millions, except per share data)	2002 (a)	(b)	2002 (a)	(b)

Consolidated:				
Revenues	\$ 3,971.7	\$ 4,021.9	\$ 17,495.4	\$ 17,545.6
Net income	\$ 261.3	\$ 290.2	\$ 912.0	\$ 940.9
Per Share: (c)				
Loews common stock:				
Income from continuing operations	\$ 1.21	\$ 1.37	\$ 4.49	\$ 4.65
Discontinued operations-net			(0.17)	(0.17)
Cumulative effect of change in accounting principle-net			(0.21)	(0.21)

Net income	\$ 1.21	\$ 1.37	\$ 4.11	\$ 4.27
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Book value			\$ 61.68	\$ 61.68
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Net income of Carolina Group stock	\$ 0.92	\$ 0.92	\$ 3.50	\$ 3.50
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(a) Revised to reflect additional impairment losses on equity securities in CNA's available-for-sale portfolio.

(b) As previously reported in the Company's February 13, 2003 press release.

(c) The Company has two classes of common stock, Loews common stock

and Carolina Group stock, issued in February 2002. Earnings per share data are presented for each class of common stock for the periods they are outstanding.

Loews Corporation and Subsidiaries
Financial Review

December 31,

	Three Months		Years Ended	
	2002 (a)	2001 (b)	2002 (a)	2001 (b)
(Amounts in millions, except per share data)				
Revenues:				
Insurance premiums and net investment income (c)	\$ 2,690.5	\$ 3,554.4	\$ 11,868.1	\$ 12,779.3
Manufactured products (d)	886.3	958.6	3,963.5	4,011.9
Other	394.9	486.0	1,663.8	1,978.4
Total	3,971.7	4,999.0	17,495.4	18,769.6
Expenses:				
Insurance claims & policyholders' benefits	1,849.6	2,513.9	8,392.0	11,279.8
Cost of manufactured products sold (d)	465.1	516.8	2,226.5	2,282.9
Other (e)	1,241.0	1,610.7	5,229.8	6,029.1
Total	3,555.7	4,641.4	15,848.3	19,591.8
	416.0	357.6	1,647.1	(822.2)
Income tax expense (benefit)	131.6	150.7	582.2	(176.0)
Minority interest	23.1	18.6	82.3	(103.0)
Total	154.7	169.3	664.5	(279.0)
Income (loss) from continuing operations	261.3	188.3	982.6	(543.2)
Discontinued operations-net		2.7	(31.0)	9.4
Cumulative effect of change in accounting principles-net (f)			(39.6)	(53.3)
Net income (loss)	\$ 261.3	\$ 191.0	\$ 912.0	\$ (587.1)
Net income (loss) attributable to:				
Loews common stock:				
Income (loss) from continuing operations	\$ 224.4	\$ 188.3	\$ 841.9	\$ (543.2)
Discontinued				

operations-net		2.7	(31.0)	9.4
Cumulative effect of change in accounting principles-net (f)			(39.6)	(53.3)
Loews common stock	224.4	191.0	771.3	(587.1)
Carolina Group stock (g)	36.9		140.7	
	\$ 261.3	\$ 191.0	\$ 912.0	\$ (587.1)
Income (loss) per Loews common stock (h):				
Income (loss) from continuing operations	\$ 1.21	\$ 0.98	\$ 4.49	\$ (2.79)
Discontinued operations-net		0.01	(0.17)	0.05
Cumulative effect of changes in accounting principles-net (f)			(0.21)	(0.27)
Net income (loss)	\$ 1.21	\$ 0.99	\$ 4.11	\$ (3.01)
Net income per share of Carolina Group stock (h)\$				
	0.92		\$ 3.50	

Weighted number of shares outstanding:

Loews common stock	185.44	191.49	187.59	195.33
Carolina Group stock	39.91		40.15	

- (a) Revised to reflect additional impairment losses on equity securities in CNA's available-for-sale portfolio.
- (b) Restated to reflect an adjustment to the Company's historical accounting for CNA's investment in life settlement contracts and the related revenue recognition.
- (c) Includes investment (losses) gains of \$(63.7), \$326.6, \$(208.7) and \$1,390.4 for the respective periods.
- (d) Includes excise taxes of \$149.6, \$141.7, \$667.6 and \$618.1 paid on sales of manufactured products for the respective periods.
- (e) Includes a \$200.0 charge related to an agreement with the Engle class for the year ended December 31, 2001.
- (f) Adoption of SFAS No. 142, accounting for goodwill and other intangible assets in 2002 and SFAS No. 133, accounting for derivative instruments and hedging activities in 2001, at the CNA subsidiary.
- (g) Represents 23.01% and 23.12% of the economic interest in the Carolina Group for the three month and eleven month period ended December 31, 2002 from the February 2002 initial public offering of Carolina Group stock.
- (h) Earnings per common share-assuming dilution is not presented because securities that could potentially dilute basic earnings per common share in the future would have been insignificant or antidilutive for the periods presented.

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