



Loews Corporation Reports Results for the First Quarter of 2009

May 4, 2009



NEW YORK--(BUSINESS WIRE)--May. 4, 2009-- Loews Corporation (NYSE:L) today reported a Net loss for the 2009 first quarter of \$647 million, or \$1.49 per share, compared to Net income of \$662 million, or \$1.05 per share, in the 2008 first quarter. The first quarter of 2009 included the following:

- Realized investment losses at CNA of \$310 million, after tax and noncontrolling interest.
- A \$660 million after tax non-cash impairment charge, related to the carrying value of HighMount's natural gas and oil properties reflecting commodity prices at March 31, 2009.
- Book value per common share increased from \$30.18 at December 31, 2008 to \$30.73 at March 31, 2009.

Net income (loss) and earnings (loss) per share information attributable to Loews common stock and the former Carolina Group stock is summarized in the table below:

(In millions, except per share data)	Three Months Ended March 31	
	2009	2008
Net income (loss) attributable to Loews common stock:		
Income (loss) from continuing operations	\$ (647)	\$ 409
Discontinued operations, net		146
Net income (loss) attributable to Loews common stock	(647)	555
Net income attributable to former Carolina Group stock - Discontinued Operations, net (a)		107
Net income (loss) attributable to Loews Corporation	\$ (647)	\$ 662
Net income (loss) per share:		
Loews common stock:		
Income (loss) from continuing operations	\$ (1.49)	\$ 0.77
Discontinued operations, net		0.28
Net income (loss) attributable to Loews common stock	\$ (1.49)	\$ 1.05
Former Carolina Group stock - Discontinued operations, net		\$ 0.98

(a) The Carolina Group and Carolina Group stock were eliminated effective June 10, 2008 as part of the separation of Lorillard.

Income (Loss) from Continuing Operations

Loss from continuing operations for the first quarter of 2009 was \$647 million, or \$1.49 per Loews common share, as compared to income from continuing operations of \$409 million, or \$0.77 per Loews common share, in the first quarter of 2008.

Results for 2009 reflect a non-cash impairment charge of \$1.0 billion (\$660 million after tax) related to the carrying value of HighMount's natural gas and oil properties. This charge reflects declines in commodity prices. There were no comparable charges in the prior year period.

Higher investment losses and lower investment income at CNA also contributed to the loss from continuing operations for the first quarter of 2009 as compared to the first quarter of 2008. The continuing volatility in the capital markets and continued economic slowdown, resulted in realized losses in CNAs investment portfolio and a decline in net investment income during the first quarter of 2009.

These declines were partially offset by improved results at Diamond Offshore.

Discontinued Operations

In June 2008, the Company disposed of its entire ownership interest in Lorillard, Inc. through the redemption of Carolina Group stock in exchange for Lorillard common stock and an exchange of our remaining Lorillard common stock for Loews common stock. The Carolina Group and Carolina Group stock have been eliminated. The Company also sold Bulova Corporation in January 2008. Lorillard's results of operations and the gain on disposal of Bulova have been classified as discontinued operations.

At March 31, 2009, there were 435,159,670 shares of Loews common stock outstanding. During the three months ended March 31, 2009, the Company purchased 329,500 shares of CNA common stock at an aggregate cost of approximately \$2 million. Depending on market conditions, the Company may from time to time purchase shares of its and its subsidiaries' outstanding common stock in the open market or otherwise.

A conference call to discuss the first quarter results of Loews Corporation has been scheduled for 11:00 a.m. EDT, Monday, May 4, 2009. A live webcast of the call will be available online at the Loews Corporation website (www.loews.com). Please go to the website at least ten minutes before the event begins to register and to download and install any necessary audio software. Those interested in participating in the question and answer session should dial (877) 692-2592, or for international callers, (973) 582-2757. The conference ID number is 93640179. An online replay will also be available on the Loews Corporation's website following the call.

A conference call to discuss the first quarter results of Boardwalk Pipeline Partners, LP was held on Monday, April 27, 2009. An online replay is available on Boardwalk Pipeline's website (www.bwppmlp.com).

ABOUT LOEWS CORPORATION

FORWARD-LOOKING STATEMENTS

Loews Corporation and Subsidiaries
Financial Review

	Three Months Ended March 31,	
	2009	2008
	(Amounts in millions, except per share data)	
Revenues:		
Insurance premiums	\$ 1,672	\$ 1,812
Net investment income	447	479
Investment gains (losses)	(531)	(51)
Contract drilling revenues	856	770
Other	579	602
Total	3,023	3,612
Expenses:		
Insurance claims & policyholders' benefits	1,342	1,389
Contract drilling expenses	294	285
Impairment of natural gas and oil properties (a)	1,036	
Other	1,219	1,076
Total	3,891	2,750
Income (loss) before income tax	(868)	862
Income tax (expense) benefit	395	(253)
Income (loss) from continuing operations	(473)	609
Discontinued operations:		
Results of operations		173

Gain on disposal (b)			80	
Net income (loss)	(473	)	862	
Deduct amounts attributable to noncontrolling interests	(174	)	(200)
Net income (loss) attributable to Loews Corporation	\$ (647	)	\$ 662	

Net income (loss) attributable to:

Loews common stock:

Income (loss) from continuing operations	\$ (647	)	\$ 409	
Discontinued operations, net			146	
Net income (loss) attributable to Loews common stock	(647	)	555	
Former Carolina Group stock - Discontinued Operations, net			107	
Net income (loss) attributable to Loews Corporation	\$ (647	)	\$ 662	

Income (loss) per share attributable to Loews common stock:

Income (loss) from continuing operations	\$ (1.49	)	\$ 0.77	
Discontinued operations, net			0.28	
Diluted net income (loss) attributable to Loews common stock	\$ (1.49	)	\$ 1.05	

Diluted net income per share of former Carolina Group stock

- Discontinued operations, net	\$ -		\$ 0.98	
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Weighted diluted number of shares:

Loews common stock	435.12	530.90
Former Carolina Group stock	-	108.61

(a) The non-cash impairment charge (\$660 after tax) relates to the carrying value of HighMount's natural gas and oil properties for the three months ended March 31, 2009.

(b) Includes an after tax gain of \$82 from the sale of Bulova Corporation in January 2008.

Loews Corporation and Subsidiaries

Additional Financial Information

	Three Months Ended March 31,	
	2009	2008
	(In millions)	
Revenues:		
CNA Financial	\$ 2,170	\$ 2,333
Diamond Offshore	886	792
HighMount	175	189
Boardwalk Pipeline	224	213
Loews Hotels	73	97
Investment income and other	26	39
	3,554	3,663
Investment gains (losses):		
CNA Financial	(532)	(51)
Corporate and other	1	
	(531)	(51)
Total	\$ 3,023	\$ 3,612
Income (Loss) Before Income Tax:		
CNA Financial	\$ 200	\$ 317
Diamond Offshore	451	405
HighMount (a)	(1,006)	75
Boardwalk Pipeline	51	89
Loews Hotels (b)	(29)	18
Investment income, net	25	39
Other (c)	(29)	(30)
	(337)	913
Investment gains (losses):		
CNA Financial	(532)	(51)
Corporate and other	1	

	(531	)	(51)
Total	\$ (868	)	\$ 862	

Net Income (Loss) Attributable to Loews Corporation:

CNA Financial	\$ 140		\$ 200	
Diamond Offshore	163		136	
HighMount (a)	(641	)	47	
Boardwalk Pipeline (d)	22		39	
Loews Hotels (b)	(18	)	11	
Investment income, net	16		25	
Other (c)	(19	)	(20)
	(337	)	438	

Investment gains (losses):

CNA Financial	(310	)	(29)
Corporate and other				
	(310	)	(29)

Income (loss) from continuing operations	(647	)	409	
Discontinued operations, net (e)			146	
Net income (loss) attributable to Loews common stock	(647	)	555	
Former Carolina Group stock - Discontinued operations, net			107	
Net income (loss) attributable to Loews Corporation	\$ (647	)	\$ 662	

- (a) Reflects a non-cash impairment charge of \$1,036 (\$660 after tax) related to the carrying value of HighMount's natural gas and oil properties for the three months ended March 31, 2009.
- (b) Reflects an impairment charge of \$27 (\$16 after tax) related to the writedown of Loews Hotels' entire investment in a hotel property during the three months ended March 31, 2009.
- (c) Consists primarily of corporate interest expense and other unallocated expenses.
- (d) Represents 73.9% and 70.4% ownership interest in Boardwalk Pipeline for the respective periods.
- (e) Includes an after tax gain of \$82 from the sale of Bulova Corporation in January 2008.

Source: Loews Corporation

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