



## **Loews Corporation Announces Plan To Purchase \$750 Million of a New Issue of Preferred Stock from its CNA Financial Subsidiary**

November 19, 2002



NEW YORK, November 19, 2002 – Loews Corporation (NYSE:LTR) reported today that its Board of Directors has authorized the proposed purchase of \$750 million of a new class of cumulative preferred stock to be issued by CNA Financial Corporation, a 90% owned subsidiary of the Company. The CNA Board of Directors has authorized the issuance of the new class of preferred stock, subject to review of the terms by a special committee of independent CNA Board members. The proposed purchase is subject to the completion of negotiations of the final terms of the new security and is expected to close by December 31, 2002.

Although the final terms of the transaction are subject to negotiation and to review and approval by the special committee, it is anticipated that the new security will initially carry a fixed dividend rate which will be cumulative from the date of original issuance, that the declaration and payment of dividends will not be permitted until CNA meets certain specified conditions, that the new security will not be convertible into any other securities of CNA and will be non-voting, and that no dividends will be payable on CNA's outstanding common stock until all cumulative preferred dividends have been paid in full. CNA has advised the Company that it intends to use the proceeds of approximately \$750 million primarily to repay debt coming due in 2003, with the balance being applied to increase the statutory surplus of CNA's insurance subsidiaries. Statements in this press release that contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 include, but are not limited to, statements using the words "believes", "expects", "plans", "intends", "anticipates", "proposes" and similar expressions. Such statements are inherently subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. A discussion of the risk factors that could impact these areas and the Company's overall business and financial performance can be found in the Company's reports filed with the Securities and Exchange Commission. Given these concerns, investors and analysts should not place undue reliance on forward-looking statements. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based.

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