
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) February 11, 2019

LOEWS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-6541
(Commission
File Number)

13-2646102
(I.R.S. Employer
Identification No.)

667 Madison Avenue, New York, N.Y.
(Address of principal executive offices)

10065-8087
(Zip Code)

Registrant's telephone number, including area code: (212) 521-2000

NOT APPLICABLE

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to rule 13e-4 (c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On February 11, 2019, Loews Corporation issued a press release providing information on its results of operations for the fourth quarter of 2018. The press release is furnished as Exhibit 99.1 to this Form 8-K.

The information under Item 2.02 and in Exhibit 99.1 in this Current Report is being furnished and shall not be deemed “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information under Item 2.02 and in Exhibit 99.1 in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

99.1 Loews Corporation press release, issued February 11, 2019, providing information on its results of operations for the fourth quarter of 2018.

See Exhibit Index.

EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | <u>Loews Corporation press release, issued February 11, 2019, providing information on its results of operations for the fourth quarter of 2018.</u> |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LOEWS CORPORATION
(Registrant)

Dated: February 11, 2019

By: /s/ Marc A. Alpert
Marc A. Alpert
Senior Vice President,
General Counsel
and Secretary

Three Months Ended December 31, 2018 Compared to 2017

The lower corporate tax rate in 2018 contributed to improved net income for all segments with pretax income. For those segments with pretax losses, the net loss increased on a comparative basis due to the reduced tax benefit in 2018.

CNA's net income in 2017 was affected by a \$78 million net charge related to the Tax Act. Absent this charge, CNA's results in 2018 decreased due to lower net investment income reflecting declines in CNA's limited partnership and common equity investments and realized investment losses as compared to realized gains in the prior year period. In 2018, CNA generated underwriting losses in its core property & casualty business, as compared to underwriting gains in 2017, resulting from higher net catastrophe losses, lower favorable prior year development and a higher underlying loss ratio. CNA's non-core operations also contributed to the unfavorable quarterly impact as compared to the prior year due mainly to the timing of reserve reviews.

Diamond Offshore's net loss increased by \$6 million in 2018 as compared to 2017. Excluding the impact of the adjustment to deferred taxes required by the Tax Act, net loss would have increased by \$8 million due to lower revenue reflecting current challenging market fundamentals, which negatively affected both rig utilization and dayrates. Results in 2017 were also impacted by an impairment charge related to the carrying value of three drilling rigs and by restructuring costs.

Boardwalk Pipeline's net income in 2017 was affected by a \$294 million net benefit related to the Tax Act. Absent this net tax benefit, net income in 2018 increased as a result of Loews now owning 100% of the company as compared to 51% in the prior year period. This increase was partially offset by lower net transportation revenues, resulting primarily from a contract restructuring and reduced rates on renewing contracts, offset in part by revenues from growth projects.

Loews Hotels & Co's net income in 2017 were affected by a \$27 million net benefit related to the Tax Act. Absent this net tax benefit, net income decreased primarily due to a state tax adjustment.

Investment results generated by the parent company investment portfolio decreased primarily due to losses in the current period on common equity and limited partnership investments as compared to gains in the prior year, as well as a lower level of invested assets than during 2017.

Year Ended December 31, 2018 Compared to 2017

The following discussion excludes the 2017 impact on each segment of the Tax Act, which is included in the quarterly discussion described above. However, the discussion below includes the impact of the lower corporate tax rate in 2018 resulting from the Tax Act.

CNA's net income decreased primarily due to lower net investment income driven by limited partnership returns, as well as realized investment losses as compared to gains in 2017. Lower favorable net prior year loss reserve development was offset by lower net catastrophe losses. CNA also recognized increased losses from its loss portfolio transfer due to the timing of reserve reviews and non-recurring costs associated with the transition to a new IT infrastructure service provider. The lower corporate tax rate partially offset the year-over-year decline in earnings.

Diamond Offshore's results decreased primarily due to lower rig utilization, lower dayrates and a one-time charge related to a legal settlement, partially offset by lower drilling rig impairment charges in 2018, and a charge in 2017 related to the early redemption of debt. The lower corporate tax rate reduced the tax benefit recognized in 2018 as compared to 2017.

Boardwalk Pipeline's net income increased primarily due to the reasons discussed above. Earnings in 2017 were impacted by a loss related to the sale of a processing facility. The lower corporate tax rate contributed to the year-over-year improvement.

Loews Hotels & Co's net income increased due to improved results at several owned hotels and the improved operating performance of the Orlando joint venture properties. The lower corporate tax rate contributed to the year-over-year improvement.

Investment results generated by the parent company investment portfolio decreased due to the reasons discussed above.

Corporate and other results improved before income tax due to the absence of costs related to the acquisition of Consolidated Container Company LLC in 2017. The lowering of the corporate tax rate resulted in a reduced tax benefit in Corporate and other's after-tax 2018 results.

SHARE REPURCHASES

At December 31, 2018, there were 312.1 million shares of Loews common stock outstanding. For the three months and year ended December 31, 2018, the Company repurchased 2.9 million and 20.3 million shares of its common stock at an aggregate cost of \$135 million and \$1.0 billion. From January 1, 2019 to February 8, 2019, the Company repurchased an additional 0.9 million shares of its common stock at an aggregate cost of \$44 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.

CONFERENCE CALLS

A conference call to discuss the fourth quarter results of Loews Corporation has been scheduled for today at 11:00 a.m. ET. A live webcast will be available at www.loews.com. 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 2653937. An online replay will also be available at www.loews.com following the call.

A conference call to discuss the fourth quarter results of CNA has been scheduled for today at 10:00 a.m. ET. A live webcast will be available via the Investor Relations section of www.cna.com. Those interested in participating in the question and answer session should dial (800) 289-0571, or for international callers, (720) 543-0206.

A conference call to discuss the fourth quarter results of Diamond Offshore has been scheduled for today at 9:00 a.m. ET. A live webcast will be available at www.diamondoffshore.com. Those interested in participating in the question and answer session should dial (844) 492-6043, or for international callers, (478) 219-0839. The conference ID number is 7757436.

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ABOUT LOEWS CORPORATION

Loews Corporation is a diversified company with businesses in the insurance, energy, hospitality and packaging industries. Our subsidiaries are: CNA Financial Corporation (NYSE: CNA), Diamond Offshore Drilling, Inc. (NYSE: DO), Boardwalk Pipeline Partners LP, Loews Hotels & Co and

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FORWARD-LOOKING STATEMENTS

Statements contained in this press release which are not historical facts are “forward-looking statements” within the meaning of the federal securities laws. Forward-looking statements are inherently uncertain and subject to a variety of risks that could cause actual results to differ materially from those expected by management of the Company. A discussion of the important risk factors and other considerations that could materially impact these matters as well as the Company’s overall business and financial performance can be found in the Company’s reports filed with the Securities and Exchange Commission and readers of this release are urged to review those reports carefully when considering these forward-looking statements. Copies of these reports are available through the Company’s website (www.loews.com). Given these risk factors, investors and analysts should not place undue reliance on forward-looking statements. Any such forward-looking statements speak only as of the date of this press release. 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.

Loews Corporation and Subsidiaries
Selected Financial Information

| (In millions) | December 31, | | | |
|---|-----------------|----------------|-----------------|-----------------|
| | Three Months | | Years Ended | |
| | 2018 | 2017 | 2018 | 2017 |
| Revenues: | | | | |
| CNA Financial (a) (b) | \$2,403 | \$2,447 | \$10,134 | \$ 9,583 |
| Diamond Offshore | 234 | 356 | 1,093 | 1,500 |
| Boardwalk Pipeline | 326 | 338 | 1,227 | 1,325 |
| Loews Hotels & Co | 181 | 172 | 755 | 682 |
| Investment income and other (c) | 143 | 242 | 857 | 645 |
| Total | <u>\$3,287</u> | <u>\$3,555</u> | <u>\$14,066</u> | <u>\$13,735</u> |
| Income (Loss) Before Income Tax: | | | | |
| CNA Financial (a) (d) | \$ (114) | \$ 409 | \$ 963 | \$ 1,314 |
| Diamond Offshore (d) (e) | (66) | (35) | (226) | (22) |
| Boardwalk Pipeline (f) | 59 | 83 | 231 | 293 |
| Loews Hotels & Co | 15 | 18 | 73 | 65 |
| Corporate: (g) | | | | |
| Investment income (loss), net | (71) | 37 | (10) | 146 |
| Other | (55) | (51) | (197) | (214) |
| Total | <u>\$ (232)</u> | <u>\$ 461</u> | <u>\$ 834</u> | <u>\$ 1,582</u> |
| Net Income (Loss) Attributable to Loews Corporation (h): | | | | |
| CNA Financial (a) (d) | \$ (75) | \$ 193 | \$ 726 | \$ 801 |
| Diamond Offshore (d) (e) | (58) | (52) | (112) | (27) |
| Boardwalk Pipeline (f) | 55 | 320 | 135 | 380 |
| Loews Hotels & Co | 7 | 40 | 48 | 64 |
| Corporate: (g) | | | | |
| Investment income (loss), net | (57) | 25 | (8) | 97 |
| Other | (37) | (45) | (153) | (151) |
| Net income (loss) attributable to Loews Corporation | <u>\$ (165)</u> | <u>\$ 481</u> | <u>\$ 636</u> | <u>\$ 1,164</u> |

- (a) Includes realized investment losses of \$78 million and gains of \$29 million (\$55 million and \$18 million after tax and noncontrolling interests) for the three months ended December 31, 2018 and 2017. Realized investment losses were \$57 million and gains of \$122 million (\$38 million and \$74 million after tax and noncontrolling interests) for the year ended December 31, 2018 and 2017.
- (b) Includes an increase in revenues of \$158 million and \$587 million for the three months and year ended December 31, 2018 due to the implementation of a new accounting standard for revenue recognition (Accounting Standard Update 2014-09) on January 1, 2018.
- (c) Includes parent company investment income and the financial results of Consolidated Container Company, which was acquired on May 22, 2017.
- (d) Includes a loss on the early redemption of debt of \$42 million (\$24 million after tax and noncontrolling interests) at CNA and \$35 million (\$11 million after tax and noncontrolling interests) at Diamond Offshore for the year ended December 31, 2017.
- (e) Includes asset impairment charges of \$28 million (\$9 million after tax and noncontrolling interests) for the three months ended December 31, 2017 and \$27 million and \$100 million (\$12 million and \$32 million after tax and noncontrolling interests) for the year ended December 31, 2018 and 2017 related to the carrying value of Diamond Offshore's drilling rigs.
- (f) Includes a loss of \$47 million (\$15 million after tax and noncontrolling interests) at Boardwalk Pipeline related to the sale of a processing facility for the year ended December 31, 2017.
- (g) The Corporate segment consists of investment income from the parent company's cash and investments, interest expense, other unallocated expenses and the results of Consolidated Container since its acquisition date.
- (h) Net income for the three months and year ended December 31, 2017 includes a net benefit of \$200 million, resulting from the Tax Act. This is comprised of a net benefit of \$294 million and \$27 million at Boardwalk Pipeline and Loews Hotels partially offset by charges of \$78 million, \$36 million and \$7 million at CNA, Diamond Offshore and Corporate and other.

Loews Corporation and Subsidiaries
Consolidated Financial Review

| (In millions, except per share data) | December 31, | | | |
|---|------------------|----------------|----------------|-----------------|
| | Three Months | | Years Ended | |
| | 2018 | 2017 | 2018 | 2017 |
| Revenues: | | | | |
| Insurance premiums | \$ 1,859 | \$ 1,803 | \$ 7,312 | \$ 6,988 |
| Net investment income | 266 | 543 | 1,817 | 2,182 |
| Investment gains (losses) | (78) | 29 | (57) | 122 |
| Operating revenues and other (a) (b) | 1,240 | 1,180 | 4,994 | 4,443 |
| Total | <u>3,287</u> | <u>3,555</u> | <u>14,066</u> | <u>13,735</u> |
| Expenses: | | | | |
| Insurance claims and policyholders' benefits | 1,594 | 1,257 | 5,572 | 5,310 |
| Operating expenses and other (a) (b) (c) (d) (e) | 1,925 | 1,837 | 7,660 | 6,843 |
| Total | <u>3,519</u> | <u>3,094</u> | <u>13,232</u> | <u>12,153</u> |
| Income (loss) before income tax | (232) | 461 | 834 | 1,582 |
| Income tax (expense) benefit (f) | 21 | 70 | (128) | (170) |
| Net income (loss) | (211) | 531 | 706 | 1,412 |
| Amounts attributable to noncontrolling interests | 46 | (50) | (70) | (248) |
| Net income (loss) attributable to Loews Corporation | <u>\$ (165)</u> | <u>\$ 481</u> | <u>\$ 636</u> | <u>\$ 1,164</u> |
| Net income (loss) per share attributable to Loews Corporation | <u>\$ (0.53)</u> | <u>\$ 1.43</u> | <u>\$ 1.99</u> | <u>\$ 3.45</u> |
| Weighted average number of shares | <u>313.88</u> | <u>336.80</u> | <u>319.93</u> | <u>337.50</u> |

- (a) Includes the financial results of Consolidated Container Company, which was acquired on May 22, 2017.
- (b) Includes an increase in revenues of \$158 million and \$587 million and expenses of \$159 million and \$595 million for the three months and year ended December 31, 2018 due to the implementation of a new accounting standard for revenue recognition (Accounting Standard Update 2014-09) on January 1, 2018. The new standard increases revenues and expenses to reflect the gross amounts paid by consumers for CNA's non-insurance warranty products.
- (c) Includes asset impairment charges of \$28 million (\$9 million after tax and noncontrolling interests) for the three months ended December 31, 2017 and \$27 million and \$100 million (\$12 million and \$32 million after tax and noncontrolling interests) for the year ended December 31, 2018 and 2017 related to the carrying value of Diamond Offshore's drilling rigs.
- (d) Includes a loss of \$47 million (\$15 million after tax and noncontrolling interests) at Boardwalk Pipeline related to the sale of a processing facility for the year ended December 31, 2017.
- (e) Includes an aggregate loss on the early redemption of debt of \$77 million (\$35 million after tax and noncontrolling interests) at CNA and Diamond Offshore for the year ended December 31, 2017.
- (f) Net income for the three months and year ended December 31, 2017 includes a net benefit of \$200 million, resulting from the Tax Act.