

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): April 26, 2020

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  
(IRS Employer Identification No.)

667 Madison Avenue, New York, NY  
(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:

- 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.01 par value	L	New York Stock Exchange

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 2.01 Completion of Acquisition or Disposition of Assets.**

Reference is made to the information disclosed under Item 8.01 below, which information is incorporated herein by reference. Under the Securities and Exchange Commission Division of Corporation Finance's Financial Reporting Manual, the deconsolidation of a subsidiary, such as the one described in Item 8.01 below, is included in the definition of "disposition" for purposes of Item 2.01 of Form 8-K.

## **Item 8.01 Other Events.**

On April 26, 2020 (the "Filing Date"), Loews Corporation's ("Loews") approximately 53% owned subsidiary, Diamond Offshore Drilling, Inc., and certain of its direct and indirect subsidiaries (collectively "Diamond") filed voluntary petitions in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") seeking relief under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code"). Diamond filed motions with the Bankruptcy Court seeking authorization to continue to operate its business as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court.

Through the Filing Date, Diamond's results continue to be consolidated into Loews's financial statements and Loews recognizes in its earnings its proportionate share of Diamond's losses.

Effective as of the Filing Date, Loews will no longer consolidate Diamond's results in its financial statements. Following deconsolidation, Loews will account for its interest in Diamond using the cost method of accounting and initially record its investment at the estimated fair value on the Filing Date.

In connection with the deconsolidation, Loews expects to record in the second quarter of 2020 a significant non-cash loss to recognize the difference between the carrying value and estimated fair value of its interest in Diamond as of the Filing Date.

Loews's carrying value of Diamond at December 31, 2019 was \$1.5 billion.

Loews is not responsible for, and does not provide guarantees of, the liabilities and obligations of its subsidiaries, including Diamond.

## **Item 9.01 Financial Statements and Exhibits.**

(b) Pro Forma Financial Information.

Unaudited Pro Forma Consolidated Condensed Financial Information of the Registrant, which reflects the disposition described in Item 2.01, is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

(d) Exhibits.

Exhibit No.

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<a href="#">99.1</a>	Unaudited Pro Forma Consolidated Condensed Financial Information.
104	Cover Page Interactive File (the cover page tags are embedded within the Inline XBRL document).

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**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.

Date: April 27, 2020

LOEWS CORPORATION

By: /s/ Marc A. Alpert

Name: Marc A. Alpert

Title: Senior Vice President,  
General Counsel  
and Secretary

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**Loews Corporation and Subsidiaries**  
**PRO FORMA CONSOLIDATED CONDENSED FINANCIAL INFORMATION**  
**(Unaudited)**

On April 26, 2020 (the “Filing Date”), Loews Corporation’s (“Loews” or the “Company”) subsidiary, Diamond Offshore Drilling, Inc., and certain of its direct and indirect subsidiaries (collectively “Diamond”) filed voluntary petitions in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”) seeking relief under Chapter 11 of the United States Bankruptcy Code. As a result of Diamond’s filing and applicable U.S. generally accepted accounting principles, the Company has concluded that it will no longer control Diamond for accounting purposes, and therefore, Diamond will be deconsolidated from the Company’s consolidated financial statements effective as of the Filing Date.

The unaudited consolidated condensed pro forma balance sheet data as of December 31, 2019 is presented as if the deconsolidation of Diamond had occurred on December 31, 2019. The unaudited consolidated condensed pro forma statement of income data for the year ended December 31, 2019 is presented as if the deconsolidation of Diamond had occurred as of January 1, 2019. For purposes of the pro forma financial information, the Company has assumed the fair value of Diamond to be equal to zero. The unaudited consolidated condensed pro forma financial information is subject to adjustment and is presented for informational purposes only and does not purport to represent what the Company’s results of operations or financial position would actually have been if deconsolidation had in fact occurred on the dates discussed above. It also does not project or forecast the Company’s consolidated results of operations or financial position for any future date or period.

Through the Filing Date, Diamond’s results continue to be consolidated into the Company’s financial statements and Loews recognizes in its earnings its proportionate share of Diamond’s losses. Following deconsolidation, Loews will account for its interest in Diamond using the cost method of accounting and initially record its investment at the estimated fair value on the Filing Date. In connection with the deconsolidation, Loews expects to record, in the second quarter of 2020, a significant non-cash loss to recognize the difference between the carrying value and estimated fair value of its interest in Diamond as of the Filing Date.

The pro forma consolidated condensed financial statements of Loews should be read in conjunction with the historical consolidated financial statements of Loews and the related notes included in our 2019 Annual Report on Form 10-K.

**Loews Corporation and Subsidiaries**  
**PRO FORMA CONSOLIDATED CONDENSED BALANCE SHEET**  
**(Unaudited)**

December 31, 2019 (In millions)	As Reported	Pro Forma Adjustments	Pro Forma
<b>Assets:</b>			
Investments	\$ 51,250	\$ (135) (a)	\$ 51,115
Cash	336	(21) (a)	315
Receivables	7,675	(262) (a)	7,413
Property, plant and equipment	15,568	(5,153) (a)	10,415
Goodwill	767		767
Deferred non-insurance warranty acquisition expenses	2,840		2,840
Deferred acquisition costs of insurance subsidiaries	662		662
Other assets	3,145	(263) (a)	2,882
<b>Total assets</b>	<b>\$ 82,243</b>	<b>\$ (5,834)</b>	<b>\$ 76,409</b>
<b>Liabilities and Equity:</b>			
Insurance reserves	\$ 38,614		\$ 38,614
Payable to brokers	108		108
Short term debt	77		77
Long term debt	11,456	\$ (1,976) (a)	9,480
Deferred income taxes	1,168	(316) (a)	852
Deferred non-insurance warranty acquisition revenue	3,779		3,779
Other liabilities	5,111	(579) (a)	4,532
<b>Total liabilities</b>	<b>60,313</b>	<b>(2,871)</b>	<b>57,442</b>
<b>Commitments and contingent liabilities</b>			
Shareholders' equity	19,119	(1,447) (b)	17,672
Noncontrolling interests	2,811	(1,516) (a)	1,295
<b>Total equity</b>	<b>21,930</b>	<b>(2,963)</b>	<b>18,967</b>
<b>Total liabilities and equity</b>	<b>\$ 82,243</b>	<b>\$ (5,834)</b>	<b>\$ 76,409</b>

**Loews Corporation and Subsidiaries**  
**PRO FORMA CONSOLIDATED CONDENSED STATEMENT OF INCOME**  
**(Unaudited)**

Year Ended December 31, 2019 (In millions, except per share data)	As Reported	Pro Forma Adjustments (c)	Pro Forma
<b>Revenues:</b>			
Insurance premiums	\$ 7,428		\$ 7,428
Net investment income	2,355	\$ (6)	2,349
Investment gains	49		49
Non-insurance warranty revenue	1,161		1,161
Operating revenues and other	3,938	(982)	2,956
<b>Total</b>	<b>14,931</b>	<b>(988)</b>	<b>13,943</b>
<b>Expenses:</b>			
Insurance claims and policyholders' benefits	5,806		5,806
Amortization of deferred acquisition costs	1,383		1,383
Non-insurance warranty expense	1,082		1,082
Operating expenses and other	4,950	(1,267)	3,683
Interest	591	(123)	468
<b>Total</b>	<b>13,812</b>	<b>(1,390)</b>	<b>12,422</b>
Income before income tax	1,119	402	1,521
Income tax expense	(248)	(60)	(308)
Income from continuing operations	871	342	1,213
Amounts attributable to noncontrolling interests	61	(167)	(106)
<b>Net income attributable to Loews Corporation</b>	<b>\$ 932</b>	<b>\$ 175</b>	<b>\$ 1,107</b>
<b>Basic net income per common share</b>	<b>\$ 3.08</b>		<b>\$ 3.66</b>
<b>Diluted net income per common share</b>	<b>\$ 3.07</b>		<b>\$ 3.65</b>
Basic weighted average number of shares outstanding	302.70		302.70
Diluted weighted average number of shares outstanding	303.35		303.35

- (a) To eliminate assets, liabilities and noncontrolling interests related to the deconsolidation of Diamond, including deferred tax liabilities related to outside basis difference for the Company's investment in Diamond.
- (b) To adjust shareholders' equity and recognize a loss upon the deconsolidation of Diamond at an estimated fair value of zero.
- (c) To eliminate revenues, expenses and noncontrolling interests related to the deconsolidation of Diamond.