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# 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:

May 2, 2006

(Date of earliest event reported):

May 2, 2006

## LOEWS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

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)

10021-8087

(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))
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Item 2.02    Results of Operations and Financial Condition.

On May 2, 2006, Registrant issued a press release for Loews Corporation and a separate press release for the Carolina Group providing information on their results of operations for the first quarter of 2006. The press releases are furnished as Exhibits 99.1 and 99.2 to this Form 8-K.

The information under Item 2.02 and in Exhibits 99.1 and 99.2 in this Current Report are 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 Exhibits 99.1 and 99.2 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.

- (a) Not applicable.
- (b) Not applicable.
- (c) Exhibits:

Exhibit Reference

<u>Number</u>	<u>Exhibit Description</u>
99.1	Loews Corporation press release, issued May 2, 2006, providing information on first quarter results of operations for 2006.
99.2	Carolina Group press release, issued by Loews Corporation May 2, 2006, providing information on first quarter results of operations for 2006.

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: May 2, 2006

By: /s/ Gary W. Garson  
Gary W. Garson  
Senior Vice President  
General Counsel  
and Secretary





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**FOR IMMEDIATE RELEASE**

**LOEWS CORPORATION REPORTS**  
**NET INCOME FOR THE FIRST QUARTER OF 2006**

NEW YORK, May 2, 2006—Loews Corporation (NYSE:LTR;CG) today reported consolidated net income (including both the Loews Group and Carolina Group) for the 2006 first quarter of \$541.0 million, compared to \$346.3 million in the 2005 first quarter.

Net income and earnings per share information attributable to Loews common stock and Carolina Group stock is summarized in the following table:

(In millions, except per share data)	Three Months Ended March 31,	
	2006	2005 (Restated)
Net income attributable to Loews common stock:		
Income before net investment losses	\$ 482.0	\$ 308.0
Net investment losses	(3.6)	(14.8)
Income from continuing operations	478.4	293.2
Discontinued operations, net	(5.0)	6.6
Net income attributable to Loews common stock	473.4	299.8
Net income attributable to Carolina Group stock (a)	67.6	46.5
Consolidated net income	<u>\$ 541.0</u>	<u>\$ 346.3</u>
Net income per share:		
Loews common stock:		
Income from continuing operations	\$ 2.57	\$ 1.58
Discontinued operations, net	(0.03)	0.04
Net income	<u>\$ 2.54</u>	<u>\$ 1.62</u>
Carolina Group stock	<u>\$ 0.86</u>	<u>\$ 0.68</u>
Book value per share of Loews common stock at:		
March 31, 2006	\$72.11	
December 31, 2005	\$70.93	

(a) Reflects Loews Corporation's sale of 10,000,000 shares of Carolina Group stock in November of 2005. Net income per share of Carolina Group stock was not impacted by this sale.

Net income attributable to Loews common stock for the first quarter of 2006 amounted to \$473.4 million, or \$2.54 per share, compared to \$299.8 million, or \$1.62 per share, in the

comparable period of the prior year. The increase in net income was primarily due to improved results at the Company's 54% owned subsidiary, Diamond Offshore Drilling, Inc. and increased investment income.

Net income attributable to Loews common stock includes net investment losses of \$3.6 million (after tax and minority interest) compared to net investment losses of \$14.8 million (after tax and minority interest) in the comparable period of the prior year.

Net income attributable to Carolina Group stock for the first quarter of 2006 was \$67.6 million, or \$0.86 per Carolina Group share, compared to \$46.5 million, or \$0.68 per Carolina Group share, in the first quarter of 2005. The increase in net income attributable to Carolina Group stock for the first quarter of 2006 is due to improved overall results of the Carolina Group and reflects the increase in the amount of Carolina Group shares. The Company is issuing a separate press release reporting the results of the Carolina Group for the first quarter of 2006.

Consolidated revenues in the first quarter of 2006 amounted to \$4.2 billion, compared to \$3.7 billion in the comparable 2005 quarter.

At March 31, 2006, there were 185,395,033 shares of Loews common stock outstanding and 78,278,496 shares of Carolina Group stock outstanding. During the three months ended March 31, 2006, the Company purchased 558,400 shares of Loews common stock at an aggregate cost of \$55.7 million. Depending on market conditions, the Company purchases, from time to time in the open market or otherwise, shares of its and its subsidiaries' outstanding common stock.

On April 11, 2006, the Company announced that its Board of Directors declared a three-for-one stock split of Loews common stock, by way of a stock dividend, to shareholders of record on April 24, 2006. Each holder of record on that date will receive two additional shares of Loews common stock for each share owned. The new shares are expected to be distributed on or about May 8, 2006. The stock split will increase the number of shares of common stock outstanding from approximately 185.4 million shares to approximately 556.2 million shares. The pro forma earnings per share of Loews common stock, giving retroactive effect to the stock split, is as follows:

	Three Months Ended March 31,			
	2006		2005	
Diluted net income per share of Loews common stock - as reported	\$	2.54	\$	1.62
Diluted net income per share of Loews common stock - after stock split		0.85		0.54

The Company has two classes of common stock, Carolina Group stock, a tracking stock intended to reflect the economic performance of a group of the Company's assets and liabilities, called the Carolina Group, principally consisting of the Company's subsidiary Lorillard, Inc., and Loews common stock, representing the economic performance of the Company's remaining assets, including the interest in the Carolina Group not represented by Carolina Group stock. At March 31, 2006, the outstanding Carolina Group stock represented a 45.06% interest in the economic performance of the Carolina Group.

A conference call to discuss the first quarter results of Loews Corporation has been scheduled for 11:00 a.m. EDT, Tuesday, May 2, 2006. A live broadcast of the call will be available online at the Loews Corporation website ([www.loews.com](http://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 of the conference call should dial (877) 692-2592. An online replay will be available at the Company's website following the call.

A conference call to discuss the first quarter results of CNA has been scheduled for 10:00 a.m. EDT, Tuesday, May 2, 2006. A live broadcast of the call will be available online at the CNA website (<http://investor.cna.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 of the conference call should dial (800) 811-0677. An online replay will be available at CNA's website following the call.

#### FORWARD-LOOKING STATEMENTS

Statements contained in this press release that 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. 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](http://www.loews.com)). Given these risk factors, investors and analysts should not place undue reliance on forward-looking statements.

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.

		Three Months Ended March 31,	
		2006	2005 (d)
		(Restated)	
(Amounts in millions, except per share data)			
Revenues:			
Insurance premiums and net investment income (a)	\$	2,574.7	\$ 2,330.5
Manufactured products (b)		898.4	834.2
Other		771.4	576.5
Total		4,244.5	3,741.2
Expenses:			
Insurance claims & policyholders' benefits		1,492.0	1,433.2
Cost of manufactured products sold (b)		533.3	505.7
Other		1,234.6	1,250.4
Total		3,259.9	3,189.3
Income from continuing operations before income taxes and minority interest			
		984.6	551.9
Income tax expense		334.2	177.3
Minority interest		104.4	34.9
Total		438.6	212.2
Income from continuing operations		546.0	339.7
Discontinued operations, net		(5.0)	6.6
Net income	\$	541.0	\$ 346.3
Net income attributable to:			
Loews common stock:			
Income from continuing operations	\$	478.4	\$ 293.2
Discontinued operations, net		(5.0)	6.6
Loews common stock	\$	473.4	\$ 299.8
Carolina Group stock (c)		67.6	46.5
	\$	541.0	\$ 346.3
Income per Loews common stock:			
Income from continuing operations	\$	2.57	\$ 1.58
Discontinued operations, net		(0.03)	0.04
Diluted net income	\$	2.54	\$ 1.62
Diluted net income per share of Carolina Group stock	\$	0.86	\$ 0.68
Weighted diluted number of shares:			
Loews common stock		186.08	185.84
Carolina Group stock		78.33	68.07

- (a) Includes investment gains (losses) of \$2.0 and (\$22.8) for the respective periods.  
(b) Includes excise taxes of \$163.9 and \$156.2 on sales of manufactured products for the respective periods.  
(c) Represents 45.04% and 39.20% of the economic interest in the Carolina Group for the respective periods.  
(d) Restated to correct the accounting for the periodic results of CNA's discontinued operations.



Loews Corporation and Subsidiaries  
Additional Financial Information

		Three Months Ended March 31,	
		2006	2005 (f)
		(Restated)	
		(In millions)	
Revenues:			
CNA Financial	\$	2,491.7	\$ 2,383.8
Lorillard (a)		879.6	808.3
Boardwalk Pipeline		175.0	151.3
Diamond Offshore		458.7	264.7
Loews Hotels		93.4	92.1
Investment income-net and other (b)			
Income from trading portfolio		70.6	8.2
Other		73.5	55.6
	\$	4,242.5	\$ 3,764.0
Investment gains (losses):			
CNA Financial		8.8	(16.7)
Corporate and other		(6.8)	(6.1)
		2.0	(22.8)
Total	\$	4,244.5	\$ 3,741.2
Income Before Taxes:			
CNA Financial	\$	346.3	\$ 264.4
Lorillard (c)		164.6	154.9
Boardwalk Pipeline		69.4	62.8
Diamond Offshore		205.3	43.0
Loews Hotels		13.9	21.3
Investment income-net and other (b)			
Income from trading portfolio		70.6	8.2
Other (d)		2.0	(56.7)
		872.1	497.9
Investment gains (losses):			
CNA Financial		8.8	(16.7)
Corporate and other		(6.5)	(5.4)
		2.3	(22.1)
Loews common stock		874.4	475.8
Carolina Group stock (e)		110.2	76.1
Total	\$	984.6	\$ 551.9
Net Income:			
CNA Financial	\$	217.1	\$ 180.0
Lorillard (c)		101.0	94.7
Boardwalk Pipeline		35.7	37.9
Diamond Offshore		72.3	14.2
Loews Hotels		8.5	13.2
Investment income-net and other (b)			
Income from trading portfolio		45.9	5.4
Other (d)		1.5	(37.4)
		482.0	308.0
Investment gains (losses):			
CNA Financial		0.5	(11.7)
Corporate and other		(4.1)	(3.1)
		(3.6)	(14.8)
Income from continuing operations		478.4	293.2
Discontinued operations, net		(5.0)	6.6
Loews common stock		473.4	299.8

Carolina Group stock (e)		67.6	46.5
Total		\$ 541.0	\$ 346.3

- (a) Includes excise taxes of \$163.9 and \$156.2 on sales of manufactured products for the respective periods.
- (b) Consists primarily of corporate investment income, interest expenses, the operations of Bulova Corporation and other unallocated expenses.
- (c) Represents the Loews Group's intergroup interest in the earnings of the Carolina Group.
- (d) Includes additional interest expense of \$35.5 (\$23.1 after taxes) related to charges from the early redemption of the Company's long-term debt for the three months ended March 31, 2005.
- (e) Represents 45.04% and 39.20% of the economic interest in the Carolina Group for the respective periods.
- (f) Restated to correct the accounting for the periodic results of CNA's discontinued operations.





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**FOR IMMEDIATE RELEASE**

**CAROLINA GROUP REPORTS NET INCOME**  
**FOR THE FIRST QUARTER OF 2006**

NEW YORK, May 2, 2006—Loews Corporation (NYSE:LTR; CG) today reported Carolina Group net income for the 2006 first quarter of \$150.1 million, compared to \$118.5 million in the 2005 first quarter. Net income attributable to Carolina Group stock for the first quarter of 2006 was \$67.6 million, or \$0.86 per share of Carolina Group stock, compared to \$46.5 million, or \$0.68 per share in the comparable period of the prior year.

The increase in net income attributable to Carolina Group stock for the first quarter of 2006, as compared to the comparable period of the prior year, is due to improved overall results of the Carolina Group and reflects an increase in the amount of Carolina Group shares. Carolina Group stock represents a 45.04% and 39.20% economic interest in the Carolina Group for the three months ended March 31, 2006 and 2005, respectively.

Loews Corporation sold 10,000,000 shares of Carolina Group stock in November of 2005. Net income per share of Carolina Group stock was not impacted by the sale of Carolina Group shares.

Net sales for the Carolina Group were \$854.8 million in the first quarter of 2006, compared to \$795.1 million in the 2005 first quarter, reflecting a decrease in sales promotion expenses (accounted for as a reduction in net sales) and an increase in unit sales volume of 3.3%.

Results of operations of the Carolina Group include interest expense of \$19.3 million and \$22.4 million, net of taxes, for the three months ended March 31, 2006 and 2005, respectively, on notional intergroup debt. At March 31, 2006, \$1.53 billion principal amount of notional intergroup debt was outstanding.

The Carolina Group stock, commonly called a tracking stock, is intended to reflect the economic performance of a defined group of the Company's assets and liabilities, referred to as the Carolina Group, principally consisting of the Company's subsidiary Lorillard, Inc. The Carolina Group, a notional group, is not a separate legal entity. The purpose of this financial information is to provide investors with additional information to use in analyzing the results of operations and financial condition of the Carolina Group, and this financial information should be read in conjunction with the consolidated financial information of Loews Corporation.

As of March 31, 2006, there were 78,278,496 shares of Carolina Group stock outstanding representing a 45.06% economic interest. Depending on market conditions, the Company may purchase, from time to time in the open market or otherwise, shares of Carolina Group stock for the Carolina Group account.

# # #

A separate press release reporting Loews Corporation's consolidated results for the first quarter of 2006 is being issued contemporaneously with this report.

A conference call to discuss the first quarter results of Loews Corporation has been scheduled for 11:00 a.m. EDT, Tuesday, May 2, 2006. A live broadcast of the call will be available online at the Loews Corporation website ([www.loews.com](http://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 of the conference call should dial (877) 692-2592. An online replay will be available at the Company's website following the call.

		Three Months Ended	
		March 31,	
		2006	2005
		(Amount in millions, except per share data)	
Net sales (a)	\$	854.8	\$ 795.1
Cost of sales (a) (b)		511.7	486.7
Selling, advertising and administrative		92.9	90.0
Total operating costs and expenses		604.6	576.7
Operating income		250.2	218.4
Investment income and other (c)		26.0	12.2
Interest expense		(31.5)	(36.6)
Interest before income taxes		244.7	194.0
Income taxes		94.6	75.5
Net income		150.1	118.5
Earnings attributable to the Loews Group intergroup interest (d)		82.5	72.0
Income attributable to Carolina Group shareholders (e)	\$	67.6	\$ 46.5
Per share of Carolina Group stock	\$	0.86	\$ 0.68
Weighted diluted number of shares		78.33	68.07
Notional intergroup debt owned by the Carolina Group to the Loews Group			
March 31, 2006	\$	1,525.3	
December 31, 2005		1,626.9	

- (a) Includes excise taxes of \$163.9 and \$156.2 for the respective periods.
- (b) Includes charges of \$217.0 and \$198.7 (\$133.1 and \$121.4 after taxes) to accrue obligations under the State Settlement Agreements for the respective periods.
- (c) Includes income from limited partnership investments of \$6.6 and \$3.9 (\$4.0 and \$2.4 after taxes) for the respective periods.
- (d) The Loews Group's intergroup interest in the earnings of the Carolina Group reflects share equivalents amounting to 95,445,000 shares of 173,723,496 share and share equivalents outstanding at March 31, 2006 and share equivalents amounting to 105,445,000 shares of 173,472,309 share and share equivalents outstanding at March 31, 2005. As of March 31, 2006, there were 78,278,496 shares of Carolina Group stock outstanding.
- (e) Represents 45.04% and 39.20% of the economic interest in the Carolina Group for the respective periods presented.

The following information regarding unit volume shipped by Lorillard Tobacco Company to its direct buying customers by brand follows (all units in thousands):

	Three Months Ended	
	March 31,	
	2006	2005
<b>Full Price Brands</b>		
Total Newport	7,777,665	7,521,694
Total Kent Family	146,016	174,495
Total True	120,918	137,592
Total Max	8,157	9,591
Total Satin	1,188	1,596
<b>Total Full Price Brands</b>	<b>8,053,944</b>	<b>7,844,968</b>
<b>Price/Value Brands</b>		
Total Old Gold	183,816	191,319
Total Maverick	230,352	177,432
<b>Total Price/Value Brands</b>	<b>414,168</b>	<b>368,751</b>
<b>Total Domestic Cigarettes</b>	<b>8,468,112</b>	<b>8,213,719</b>
<b>Total Puerto Rico and U.S. Possessions</b>	<b>187,968</b>	<b>166,764</b>
<b>Grand Total</b>	<b>8,656,080</b>	<b>8,380,483</b>

Notes:

1. This information is unaudited and is not adjusted for returns.
2. Domestic unit volume includes units sold as well as promotional units, and excludes volumes for Puerto Rico and U.S. Possessions.
3. Unit volume for a quarter is not necessarily indicative of unit volume for any subsequent period.
4. Unit volume is not necessarily indicative of the level of revenues for any period.

