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

FORM 10-Q

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

For the quarterly period ended June 30, 2022

OR

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

For the Transition Period From ____________ to _____________

Commission File Number 1-06541

LOEWS CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**13-2646102**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

667 Madison Avenue, New York, NY 10065-8087
(Address of principal executive offices) (Zip Code)

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

NOT APPLICABLE
(Former name, former address and former fiscal year, if changed since last report)

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, par value $0.01 per share	L	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐

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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of July 29, 2022, there were 240,947,343 shares of the registrant's common stock outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

Loews Corporation and Subsidiaries
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited)

	June 30, 2022	December 31, 2021
(Dollar amounts in millions, except per share data)		
Assets:		
Investments:		
Fixed maturities, amortized cost of $41,261 and $39,952, less allowance for credit loss of $5 and $18	$ 39,431	$ 44,380
Equity securities, cost of $1,545 and $1,546	1,364	1,674
Limited partnership investments	1,941	1,933
Other invested assets, primarily mortgage loans, less allowance for credit loss of $16 and $16	1,048	1,091
Short term investments	4,291	4,860
Total investments	48,075	53,938
Cash	951	621
Receivables	9,701	9,273
Property, plant and equipment	9,962	9,888
Goodwill	346	349
Deferred non-insurance warranty acquisition expenses	3,593	3,476
Deferred acquisition costs of insurance subsidiaries	792	737
Other assets	3,651	3,344
Total assets	$ 77,071	$ 81,626
Liabilities and Equity:		
Insurance reserves:		
Claim and claim adjustment expense	$ 24,559	$ 24,174
Future policy benefits	10,926	13,236
Unearned premiums	6,289	5,761
Total insurance reserves	41,774	43,171
Payable to brokers	320	90
Short term debt	839	93
Long term debt	8,443	8,986
Deferred income taxes	350	1,079
Deferred non-insurance warranty revenue	4,638	4,503
Other liabilities	4,486	4,529
Total liabilities	60,850	62,451
Commitments and contingent liabilities		
Preferred stock, $0.10 par value:		
Authorized – 100,000,000 shares		
Common stock, $0.01 par value:		
Authorized – 1,800,000,000 shares		
Issued – 248,622,439 and 248,467,051 shares	2	2
Additional paid-in capital	2,869	2,885
Retained earnings	15,261	14,776
Accumulated other comprehensive income (loss)	(2,510)	186
	15,622	17,849
Less treasury stock, at cost (6,398,767 and 50,000 shares)	(386)	(3)
Total shareholders' equity	15,236	17,846
Noncontrolling interests	985	1,329
Total equity	16,221	19,175
Total liabilities and equity	$ 77,071	$ 81,626

See accompanying Notes to Consolidated Condensed Financial Statements.

Loews Corporation and Subsidiaries
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions, except per share data)				
Revenues:				
Insurance premiums	**$ 2,155**	$ 2,035	**$ 4,214**	$ 3,997
Net investment income	**366**	616	**798**	1,166
Investment gains (losses)	**(59)**	578	**(70)**	635
Non-insurance warranty revenue	**392**	359	**774**	697
Operating revenues and other	**534**	415	**1,074**	1,130
Total	**3,388**	4,003	**6,790**	7,625
Expenses:				
Insurance claims and policyholders' benefits	**1,583**	1,546	**3,038**	3,052
Amortization of deferred acquisition costs	**374**	357	**718**	716
Non-insurance warranty expense	**367**	332	**721**	643
Operating expenses and other	**715**	656	**1,406**	1,570
Interest	**96**	100	**192**	225
Total	**3,135**	2,991	**6,075**	6,206
Income before income tax	**253**	1,012	**715**	1,419
Income tax expense	**(51)**	(219)	**(143)**	(333)
Net income	**202**	793	**572**	1,086
Amounts attributable to noncontrolling interests	**(22)**	(39)	**(54)**	(71)
Net income attributable to Loews Corporation	**$ 180**	$ 754	**$ 518**	$ 1,015
Basic net income per share	**$ 0.73**	$ 2.87	**$ 2.10**	$ 3.83
Diluted net income per share	**$ 0.73**	$ 2.86	**$ 2.09**	$ 3.82
Weighted average shares outstanding:				
Shares of common stock	**245.45**	262.76	**246.70**	265.06
Dilutive potential shares of common stock	**0.49**	0.58	**0.50**	0.49
Total weighted average shares outstanding assuming dilution	**245.94**	263.34	**247.20**	265.55

See accompanying Notes to Consolidated Condensed Financial Statements.

Loews Corporation and Subsidiaries
CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Net income	**$ 202**	$ 793	**$ 572**	$ 1,086
Other comprehensive income (loss), after tax				
Changes in:				
Net unrealized losses on investments with an allowance for credit losses	**(2)**		**(6)**	
Net unrealized gains (losses) on other investments	**(1,346)**	300	**(2,957)**	(327)
Total unrealized gains (losses) on investments	**(1,348)**	300	**(2,963)**	(327)
Unrealized gains on cash flow hedges	**6**	8	**24**	12
Pension and postretirement benefits	**5**	7	**12**	16
Foreign currency translation	**(68)**	11	**(83)**	14
Other comprehensive income (loss)	**(1,405)**	326	**(3,010)**	(285)
Comprehensive income (loss)	**(1,203)**	1,119	**(2,438)**	801
Amounts attributable to noncontrolling interests	**124**	(72)	**260**	(40)
Total comprehensive income (loss) attributable to Loews Corporation	**$ (1,079)**	$ 1,047	**$ (2,178)**	$ 761

See accompanying Notes to Consolidated Condensed Financial Statements.

Loews Corporation and Subsidiaries
CONSOLIDATED CONDENSED STATEMENTS OF EQUITY
(Unaudited)

		Loews Corporation Shareholders					
	Total	**Common Stock**	**Additional Paid-in Capital**	**Retained Earnings**	**Accumulated Other Comprehensive Income (Loss)**	**Common Stock Held in Treasury**	**Noncontrolling Interests**
(In millions)							
Balance, April 1, 2021	$ 18,537	$ 3	$ 3,119	$ 14,394	$ 34	$ (280)	$ 1,267
Net income	793			754			39
Other comprehensive income	326				293		33
Dividends paid ($0.0625 per share)	(27)			(16)			(11)
Purchase of subsidiary stock from noncontrolling interests	(15)						(15)
Purchases of Loews Corporation treasury stock	(219)					(219)	
Stock-based compensation	3		2				1
Other	—					(1)	1
Balance, June 30, 2021	$ 19,398	$ 3	$ 3,121	$ 15,132	$ 327	$ (500)	$ 1,315
Balance, April 1, 2022	**$ 17,695**	**$ 2**	**$ 2,859**	**$ 15,097**	**$ (1,251)**	**$ (132)**	**$ 1,120**
Net income	**202**			**180**			**22**
Other comprehensive loss	**(1,405)**				**(1,259)**		**(146)**
Dividends paid ($0.0625 per share)	**(26)**			**(15)**			**(11)**
Purchases of Loews Corporation treasury stock	**(255)**					**(255)**	
Stock-based compensation	**12**		**11**				**1**
Other	**(2)**		**(1)**	**(1)**		**1**	**(1)**
Balance, June 30, 2022	**$ 16,221**	**$ 2**	**$ 2,869**	**$ 15,261**	**$ (2,510)**	**$ (386)**	**$ 985**

See accompanying Notes to Consolidated Condensed Financial Statements.

Loews Corporation and Subsidiaries
CONSOLIDATED CONDENSED STATEMENTS OF EQUITY
(Unaudited)

	Total	Loews Corporation Shareholders: Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Common Stock Held in Treasury	Noncontrolling Interests
(In millions)							
Balance, January 1, 2021	$ 19,181	$ 3	$ 3,133	$ 14,150	$ 581	$ (7)	$ 1,321
Net income	1,086			1,015			71
Other comprehensive loss	(285)				(254)		(31)
Dividends paid ($0.125 per share)	(76)			(33)			(43)
Purchase of subsidiary stock from noncontrolling interests	(18)						(18)
Purchases of Loews Corporation treasury stock	(493)					(493)	
Stock-based compensation	7		(9)				16
Other	(4)		(3)				(1)
Balance, June 30, 2021	$ 19,398	$ 3	$ 3,121	$ 15,132	$ 327	$ (500)	$ 1,315
Balance, January 1, 2022	**$ 19,175**	**$ 2**	**$ 2,885**	**$ 14,776**	**$ 186**	**$ (3)**	**$ 1,329**
Net income	**572**			**518**			**54**
Other comprehensive loss	**(3,010)**				**(2,696)**		**(314)**
Dividends paid ($0.125 per share)	**(110)**			**(31)**			**(79)**
Purchase of subsidiary stock from noncontrolling interests	**(21)**		**(1)**				**(20)**
Purchases of Loews Corporation treasury stock	**(384)**					**(384)**	
Stock-based compensation	**2**		**(14)**				**16**
Other	**(3)**		**(1)**	**(2)**		**1**	**(1)**
Balance, June 30, 2022	**$ 16,221**	**$ 2**	**$ 2,869**	**$ 15,261**	**$ (2,510)**	**$ (386)**	**$ 985**

See accompanying Notes to Consolidated Condensed Financial Statements.

Loews Corporation and Subsidiaries
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

Six Months Ended June 30	2022	2021
(In millions)		
Operating Activities:		
Net income	$ 572	$ 1,086
Adjustments to reconcile net income to net cash provided by operating activities, net	505	(187)
Changes in operating assets and liabilities, net:		
Receivables	(634)	(1,087)
Deferred acquisition costs	(63)	(12)
Insurance reserves	1,376	1,373
Other assets	(360)	(720)
Other liabilities	87	598
Trading securities	(37)	(508)
Net cash flow provided by operating activities	1,446	543
Investing Activities:		
Purchases of fixed maturities	(6,251)	(4,615)
Proceeds from sales of fixed maturities	3,293	1,846
Proceeds from maturities of fixed maturities	1,715	2,104
Purchases of equity securities	(195)	(181)
Proceeds from sales of equity securities	193	193
Purchases of limited partnership investments	(168)	(169)
Proceeds from sales of limited partnership investments	134	185
Purchases of property, plant and equipment	(312)	(183)
Dispositions		52
Sale of interest in Altium Packaging		417
Change in short term investments	739	405
Other, net	66	39
Net cash flow (used) provided by investing activities	(786)	93
Financing Activities:		
Dividends paid	(31)	(33)
Dividends paid to noncontrolling interests	(79)	(43)
Purchases of Loews Corporation treasury stock	(380)	(484)
Purchases of subsidiary stock from noncontrolling interests	(21)	(18)
Principal payments on debt	(301)	(1,146)
Issuance of debt	498	1,199
Other, net	(4)	(12)
Net cash flow used by financing activities	(318)	(537)
Effect of foreign exchange rate on cash	(12)	1
Net change in cash	330	100
Cash, beginning of period	621	478
Cash, end of period	$ 951	$ 578

See accompanying Notes to Consolidated Condensed Financial Statements.

Loews Corporation and Subsidiaries
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation

Loews Corporation is a holding company. Its consolidated operating subsidiaries are engaged in the following lines of business: commercial property and casualty insurance (CNA Financial Corporation ("CNA"), an 89.6% owned subsidiary); transportation and storage of natural gas and natural gas liquids (Boardwalk Pipeline Partners, LP ("Boardwalk Pipelines"), a wholly owned subsidiary) and the operation of a chain of hotels (Loews Hotels Holding Corporation ("Loews Hotels & Co"), a wholly owned subsidiary). Unless the context otherwise requires, the term "Company" means Loews Corporation including its consolidated subsidiaries, the term "Parent Company" means Loews Corporation excluding its subsidiaries, the term "Net income (loss) attributable to Loews Corporation" means Net income (loss) attributable to Loews Corporation shareholders and the term "subsidiaries" means Loews Corporation's consolidated subsidiaries.

On April 1, 2021, Loews Corporation sold 47% of Altium Packaging LLC ("Altium Packaging"), previously a 99% owned subsidiary, for $420 million in cash consideration, and following the transaction Loews Corporation deconsolidated Altium Packaging. Effective April 1, 2021, Loews Corporation's investment in Altium Packaging is accounted for under the equity method of accounting, with the investment reported in Other assets on the Consolidated Condensed Balance Sheets and equity income (loss) reported in Operating expenses and other on the Consolidated Condensed Statements of Operations. The transaction resulted in a gain of $555 million ($438 million after tax) for the six months ended June 30, 2021, which was recorded in Investment gains (losses) on the Consolidated Condensed Statement of Operations. For additional information regarding the deconsolidation of Altium Packaging, see Note 2 of the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

In the opinion of management, the accompanying unaudited Consolidated Condensed Financial Statements reflect all adjustments (consisting of normal recurring accruals) necessary to present fairly the Company's financial position as of June 30, 2022 and December 31, 2021 and results of operations, comprehensive income (loss) and changes in shareholders' equity for the three and six months ended June 30, 2022 and 2021 and cash flows for the six months ended June 30, 2022 and 2021. Net income for the second quarter and first half of each of the years is not necessarily indicative of net income for that entire year. These Consolidated Condensed Financial Statements should be read in conjunction with the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

The Company presents basic and diluted net income (loss) per share on the Consolidated Condensed Statements of Operations. Basic net income (loss) per share excludes dilution and is computed by dividing net income (loss) attributable to common stock by the weighted average number of common shares outstanding for the period. Diluted net income per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock. For the three and six months ended June 30, 2022 and 2021 there were no shares attributable to employee stock-based compensation awards excluded from the diluted weighted average shares outstanding amounts because the effect would have been antidilutive.

Recently issued Accounting Standards Updates ("ASUs") – In August of 2018, the Financial Accounting Standards Board ("FASB") issued ASU 2018-12, "Financial Services – Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts." The updated accounting guidance requires changes to the measurement and disclosure of long-duration contracts. For the Company, this includes CNA's long term care and fully-ceded single premium immediate annuity business. Entities will be required to review, and update if there is a change, cash flow assumptions (including morbidity and persistency) at least annually and to update quarterly discount rate assumptions using an upper-medium grade fixed-income instrument yield. The effect of changes in cash flow assumptions will be recorded in Net income and the effect of changes in discount rate assumptions will be recorded in Other comprehensive income ("OCI"). The guidance is effective for interim and annual periods beginning after December 15, 2022, with early adoption permitted, and may be applied using either a modified retrospective transition method or a full retrospective transition method. Financial statements for prior periods presented will be adjusted to reflect the effects of applying the new accounting guidance.

The Company will adopt the new guidance effective January 1, 2023, using the modified retrospective method applied as of the transition date of January 1, 2021. A published spot rate curve constructed from A+, A and A- rated U.S. dollar denominated corporate bonds matched to the duration of the corresponding insurance liabilities will be used to calculate discount rates. Long-duration contracts will be grouped into calendar year cohorts based on the contract issue date and product line. Long term care contracts will be grouped separately from the fully-ceded single premium immediate annuity contracts.

The most significant impact at the transition date will be the effect of updating the discount rate assumption to reflect an upper-medium grade fixed-income instrument yield, which will be partially offset by the de-recognition of Shadow Adjustments associated with long-duration contracts. The Company expects the net impact of these changes will be a $2.0 billion - $2.3 billion (after tax and noncontrolling interests) decrease in Accumulated other comprehensive income ("AOCI") as of the transition date of January 1, 2021. There is a minimal transition impact expected to retained earnings.

The requirement to review, and update if there is a change, cash flow assumptions at least annually is expected to change the pattern of earnings being recognized. Adoption will also significantly expand the Company's disclosures, and will impact systems, processes and controls. While the requirements of the new guidance represent a material change from existing accounting guidance, the new guidance will not impact capital and surplus under statutory accounting practices, cash flows, or the underlying economics of the business.

The Company continues to make progress in connection with these matters and is in the process of refining key accounting policy decisions, technology solutions and updates to internal controls associated with adoption of the new guidance. These in-progress activities include modifications of actuarial valuation systems, data sourcing, analytical procedures and reporting processes.

2. Investments

Net investment income is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Fixed maturity securities	**$ 441**	$ 425	**$ 870**	$ 853
Limited partnership investments	**7**	149	**27**	196
Equity securities	**(11)**	20	**(9)**	49
Income (loss) from trading portfolio (a)	**(62)**	26	**(77)**	76
Other	**13**	14	**28**	30
Total investment income	**388**	634	**839**	1,204
Investment expenses	**(22)**	(18)	**(41)**	(38)
Net investment income	**$ 366**	$ 616	**$ 798**	$ 1,166

(a) During the three and six months ended June 30, 2022, $95 and $120 of net investment losses were recognized due to the change in fair value of securities still held as of June 30, 2022. During the three and six months ended June 30, 2021, $28 and $58 of net investment income was recognized due to the change in fair value of securities still held as of June 30, 2021.

Investment gains (losses) are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Fixed maturity securities:				
Gross gains	**$ 45**	$ 51	**$ 71**	$ 109
Gross losses	**(60)**	(20)	**(88)**	(40)
Investment gains (losses) on fixed maturity securities	**(15)**	31	**(17)**	69
Equity securities	**(71)**	17	**(109)**	19
Derivative instruments	**26**	(12)	**55**	5
Short term investments and other	**1**	(13)	**1**	(13)
Altium Packaging (see Note 1)		555		555
Investment gains (losses) (a)	**$ (59)**	$ 578	**$ (70)**	$ 635

(a) During the three and six months ended June 30, 2022, $70 and $108 of investment losses were recognized due to the change in fair value of non-redeemable preferred stock still held as of June 30, 2022. During the three and six months ended June 30, 2021, $15 of investment gains were recognized due to the change in fair value of non-redeemable preferred stock still held as of June 30, 2021.

The following tables present the activity related to the allowance on available-for-sale securities with credit impairments and purchased credit-deteriorated ("PCD") assets. Accrued interest receivables on available-for-sale fixed maturity securities totaled $374 million, $369 million and $374 million as of June 30, 2022, December 31, 2021 and June 30, 2021 and are excluded from the estimate of expected credit losses and the amortized cost basis in the tables within this Note.

Three months ended June 30, 2022	**Corporate and Other Bonds**	**Asset-backed**	**Total**
(In millions)			
Allowance for credit losses:			
Balance as of April 1, 2022	**$ 12**	**$ 5**	**$ 17**
Additions to the allowance for credit losses:			
Available-for-sale securities accounted for as PCD assets		**3**	**3**
Reductions to the allowance for credit losses:			
Write-offs charged against the allowance	**12**		**12**
Additional decreases to the allowance for credit losses on securities that had an allowance recorded in a previous period		**(3)**	**(3)**
Total allowance for credit losses	**$ —**	**$ 5**	**$ 5**

Three months ended June 30, 2021	Corporate and Other Bonds	Asset-backed	Total
Allowance for credit losses:			
Balance as of April 1, 2021	$ 27	$ 16	$ 43
Additions to the allowance for credit losses:			
Available-for-sale securities accounted for as PCD assets		4	4
Additional increases or (decreases) to the allowance for credit losses on securities that had an allowance recorded in a previous period	(3)	1	(2)
Total allowance for credit losses	$ 24	$ 21	$ 45

Six months ended June 30, 2022			
Allowance for credit losses:			
Balance as of January 1, 2022	**$ 11**	**$ 7**	**$ 18**
Additions to the allowance for credit losses:			
Available-for-sale securities accounted for as PCD assets		**3**	**3**
Reductions to the allowance for credit losses:			
Write-offs charged against the allowance	**12**		**12**
Additional increases or (decreases) to the allowance for credit losses on securities that had an allowance recorded in a previous period	**1**	**(5)**	**(4)**
Total allowance for credit losses	**$ —**	**$ 5**	**$ 5**

Six months ended June 30, 2021			
Allowance for credit losses:			
Balance as of January 1, 2021	$ 23	$ 17	$ 40
Additions to the allowance for credit losses:			
Securities for which credit losses were not previously recorded	14		14
Available-for-sale securities accounted for as PCD assets	2	4	6
Reductions to the allowance for credit losses:			
Securities sold during the period (realized)	6		6
Additional decreases to the allowance for credit losses on securities that had an allowance recorded in a previous period	(9)		(9)
Total allowance for credit losses	$ 24	$ 21	$ 45

The components of available-for-sale impairment losses (gains) recognized in earnings by asset type are presented in the following table. The table includes losses (gains) on securities with an intention to sell and changes in the allowance for credit losses on securities since acquisition date:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Fixed maturity securities available-for-sale:				
Corporate and other bonds	**$ 21**	$ (2)	**$ 29**	$ 5
Asset-backed	**(1)**	1	**1**	
Impairment losses (gains) recognized in earnings	**$ 20**	$ (1)	**$ 30**	$ 5

There were no losses recognized on mortgage loans during the three and six months ended June 30, 2022 or 2021.

The amortized cost and fair values of fixed maturity securities are as follows:

June 30, 2022	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Estimated Fair Value
(In millions)					
Fixed maturity securities:					
Corporate and other bonds	**$ 22,606**	**$ 499**	**$ 1,440**		**$ 21,665**
States, municipalities and political subdivisions	**9,822**	**492**	**676**		**9,638**
Asset-backed:					
Residential mortgage-backed	**3,034**	**14**	**305**		**2,743**
Commercial mortgage-backed	**1,995**	**6**	**164**		**1,837**
Other asset-backed	**3,063**	**4**	**220**	**$ 5**	**2,842**
Total asset-backed	**8,092**	**24**	**689**	**5**	**7,422**
U.S. Treasury and obligations of government sponsored enterprises	**115**	**1**	**7**		**109**
Foreign government	**577**	**1**	**30**		**548**
Redeemable preferred stock	**3**				**3**
Fixed maturities available-for-sale	**41,215**	**1,017**	**2,842**	**5**	**39,385**
Fixed maturities trading	**46**				**46**
Total fixed maturity securities	**$ 41,261**	**$ 1,017**	**$ 2,842**	**$ 5**	**$ 39,431**

December 31, 2021		Cost or Amortized Cost		Gross Unrealized Gains		Gross Unrealized Losses		Allowance for Credit Losses		Estimated Fair Value
(In millions)										
Fixed maturity securities:										
Corporate and other bonds	$	21,444	$	2,755	$	56	$	11	$	24,132
States, municipalities and political subdivisions		10,358		1,599		14				11,943
Asset-backed:										
Residential mortgage-backed		2,893		71		8				2,956
Commercial mortgage-backed		1,987		63		19				2,031
Other asset-backed		2,561		54		10		7		2,598
Total asset-backed		7,441		188		37		7		7,585
U.S. Treasury and obligations of government sponsored enterprises		132		1		3				130
Foreign government		570		15		2				583
Fixed maturities available-for-sale		39,945		4,558		112		18		44,373
Fixed maturities trading		7								7
Total fixed maturity securities	$	39,952	$	4,558	$	112	$	18	$	44,380

The net unrealized gains and losses on available-for-sale investments included in the tables above are recorded as a component of AOCI. When presented in AOCI, these amounts are net of tax and noncontrolling interests and any required Shadow Adjustments. To the extent there are unrealized gains on fixed income securities supporting the reserves of certain products within the Life & Group business that would result in a premium deficiency, or would impact the reserve balance if realized, a related increase in Insurance reserves is recorded, net of tax and noncontrolling interests, as a reduction of net unrealized gains (losses) through Other comprehensive income (loss) ("Shadow Adjustments"). As of June 30, 2022 and December 31, 2021, the net unrealized gains and losses on investments included in AOCI were correspondingly reduced by Shadow Adjustments of $432 million and $2.2 billion (after tax and noncontrolling interests).

The available-for-sale securities in a gross unrealized loss position for which an allowance for credit losses has not been recorded are as follows:

	Less than 12 Months		12 Months or Longer		Total	
June 30, 2022	**Estimated Fair Value**	**Gross Unrealized Losses**	**Estimated Fair Value**	**Gross Unrealized Losses**	**Estimated Fair Value**	**Gross Unrealized Losses**
(In millions)						
Fixed maturity securities:						
Corporate and other bonds	**$ 14,827**	**$ 1,366**	**$ 322**	**$ 74**	**$ 15,149**	**$ 1,440**
States, municipalities and political subdivisions	**4,121**	**666**	**32**	**10**	**4,153**	**676**
Asset-backed:						
Residential mortgage-backed	**2,374**	**305**	**3**		**2,377**	**305**
Commercial mortgage-backed	**1,552**	**143**	**149**	**21**	**1,701**	**164**
Other asset-backed	**2,354**	**214**	**85**	**6**	**2,439**	**220**
Total asset-backed	**6,280**	**662**	**237**	**27**	**6,517**	**689**
U.S. Treasury and obligations of government-sponsored enterprises	**82**	**6**	**3**	**1**	**85**	**7**
Foreign government	**436**	**28**	**23**	**2**	**459**	**30**
Total fixed maturity securities	**$ 25,746**	**$ 2,728**	**$ 617**	**$ 114**	**$ 26,363**	**$ 2,842**
December 31, 2021						
Fixed maturity securities:						
Corporate and other bonds	$ 2,389	$ 48	$ 136	$ 8	$ 2,525	$ 56
States, municipalities and political subdivisions	730	14			730	14
Asset-backed:						
Residential mortgage-backed	1,043	8			1,043	8
Commercial mortgage-backed	527	7	167	12	694	19
Other asset-backed	840	10	62		902	10
Total asset-backed	2,410	25	229	12	2,639	37
U.S. Treasury and obligations of government-sponsored enterprises	69	3	5		74	3
Foreign government	97	2			97	2
Total fixed maturity securities	$ 5,695	$ 92	$ 370	$ 20	$ 6,065	$ 112

The following table presents the estimated fair value and gross unrealized losses of fixed maturity securities in a gross unrealized loss position for which an allowance for credit loss has not been recorded, by ratings distribution.

	June 30, 2022		December 31, 2021	
	Estimated Fair Value	**Gross Unrealized Losses**	Estimated Fair Value	Gross Unrealized Losses
(In millions)				
U.S. Government, Government agencies and Government-sponsored enterprises	**$ 2,150**	**$ 223**	$ 898	$ 8
AAA	**1,232**	**205**	368	6
AA	**4,078**	**581**	875	17
A	**5,454**	**493**	1,516	23
BBB	**11,806**	**1,111**	1,812	42
Non-investment grade	**1,643**	**229**	596	16
Total	**$ 26,363**	**$ 2,842**	$ 6,065	$ 112

Based on current facts and circumstances, the unrealized losses presented in the June 30, 2022 securities in the gross unrealized loss position table above are not believed to be indicative of the ultimate collectibility of the current amortized cost of the securities, but rather are primarily attributable to changes in risk-free interest rates and a general market widening of credit spreads. In reaching this determination, the recent volatility in risk-free rates and credit spreads, as well as the fact that the unrealized losses are concentrated in investment grade issuers, were considered. Additionally, there is no current intent to sell securities with unrealized losses, nor is it more likely than not that sale will be required prior to recovery of amortized cost; accordingly, it was determined that there are no additional impairment losses to be recorded at June 30, 2022.

Contractual Maturity

The following table presents available-for-sale fixed maturity securities by contractual maturity.

	June 30, 2022		December 31, 2021	
	Cost or Amortized Cost	**Estimated Fair Value**	Cost or Amortized Cost	Estimated Fair Value
(In millions)				
Due in one year or less	**$ 1,150**	**$ 1,153**	$ 1,603	$ 1,624
Due after one year through five years	**9,330**	**9,154**	10,637	11,229
Due after five years through ten years	**14,434**	**13,549**	13,294	14,338
Due after ten years	**16,301**	**15,529**	14,411	17,182
Total	**$ 41,215**	**$ 39,385**	$ 39,945	$ 44,373

Actual maturities may differ from contractual maturities because certain securities may be called or prepaid. Securities not due at a single date are allocated based on weighted average life.

Mortgage Loans

The following table presents the amortized cost basis of mortgage loans for each credit quality indicator by year of origination. The primary credit quality indicators utilized are debt service coverage ratios ("DSCR") and loan-to-value ("LTV") ratios.

	Mortgage Loans Amortized Cost Basis by Origination Year (a)						
As of June 30, 2022	**2022**	**2021**	**2020**	**2019**	**2018**	**Prior**	**Total**
(In millions)							
DSCR ≥1.6x							
LTV less than 55%	$ 9	$ 14	$ 112	$ 21	$ 54	$ 280	$ 490
LTV 55% to 65%				8			8
LTV greater than 65%	18	11					29
DSCR 1.2x - 1.6x							
LTV less than 55%		49	14	78	10	44	195
LTV 55% to 65%	28		24			8	60
LTV greater than 65%	15						15
DSCR ≤1.2x							
LTV less than 55%				52		17	69
LTV 55% to 65%				55			55
LTV greater than 65%	10	21		6		7	44
Total	$ 80	$ 95	$ 150	$ 220	$ 64	$ 356	$ 965

(a) The values in the table above reflect DSCR on a standardized amortization period and LTV ratios based on the most recent appraised values trended forward using changes in a commercial real estate price index.

Derivative Financial Instruments

A summary of the aggregate contractual or notional amounts and gross estimated fair values related to derivative financial instruments follows. The contractual or notional amounts for derivatives are used to calculate the exchange of contractual payments under related agreements and may not be representative of the potential for gain or loss on these instruments. Gross estimated fair values of derivative positions are currently presented in Equity securities, Receivables and Payable to brokers on the Consolidated Condensed Balance Sheets.

	June 30, 2022			December 31, 2021		
	Contractual/Notional Amount	**Estimated Fair Value**		Contractual/Notional Amount	Estimated Fair Value	
		Asset	**(Liability)**		Asset	(Liability)
(In millions)						
Without hedge designation:						
Interest rate swaps	$ 240	$ 12		$ 100		
Embedded derivative on funds withheld liability	285	41		270		$ (12)
Other	178	10				

Investment Commitments

As part of the overall investment strategy, investments are made in various assets which require future purchase, sale or funding commitments. These investments are recorded once funded, and the related commitments may include future capital calls from various third-party limited partnerships, signed and accepted mortgage loan applications and obligations related to private placement securities. As of June 30, 2022, commitments to purchase or fund were approximately $1.5 billion and to sell were approximately $25 million under the terms of these investments.

3. Fair Value

Assets and liabilities measured at fair value on a recurring basis are summarized in the following tables. Corporate bonds and other includes obligations of the U.S. Treasury, government-sponsored enterprises, foreign governments and redeemable preferred stock.

June 30, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
(In millions)				
Fixed maturity securities:				
Corporate bonds and other	**$ 118**	**$ 21,361**	**$ 846**	**$ 22,325**
States, municipalities and political subdivisions		**9,592**	**46**	**9,638**
Asset-backed		**6,781**	**641**	**7,422**
Fixed maturities available-for-sale	**118**	**37,734**	**1,533**	**39,385**
Fixed maturities trading		**46**		**46**
Total fixed maturities	**$ 118**	**$ 37,780**	**$ 1,533**	**$ 39,431**
Equity securities	**$ 713**	**$ 604**	**$ 47**	**$ 1,364**
Short term and other	**3,987**	**188**		**4,175**
Receivables		**12**		**12**
Payable to brokers	**(75)**			**(75)**

December 31, 2021	Level 1	Level 2	Level 3	Total
(In millions)				
Fixed maturity securities:				
Corporate bonds and other	$ 140	$ 23,768	$ 937	$ 24,845
States, municipalities and political subdivisions		11,887	56	11,943
Asset-backed		7,029	556	7,585
Fixed maturities available-for-sale	140	42,684	1,549	44,373
Fixed maturities trading		7		7
Total fixed maturities	$ 140	$ 42,691	$ 1,549	$ 44,380
Equity securities	$ 924	$ 721	$ 29	$ 1,674
Short term and other	4,696	74		4,770
Payable to brokers	(70)			(70)

The following tables present reconciliations for all assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the three and six months ended June 30, 2022 and 2021:

2022	Balance, April 1	Net Realized Investment Gains (Losses) and Net Change in Unrealized Investment Gains (Losses)		Purchases	Sales	Settlements	Transfers into Level 3	Transfers out of Level 3	Balance, June 30	Unrealized Gains (Losses) Recognized in Net Income (Loss) on Level 3 Assets and Liabilities Held at June 30	Unrealized Gains (Losses) Recognized in Other Comprehensive Income (Loss) on Level 3 Assets and Liabilities Held at June 30
		Included in Net Income	Included in OCI								
(In millions)											
Fixed maturity securities:											
Corporate bonds and other	$ 915	$ (1)	$ (82)	$ 51		$ (37)			$ 846		$ (81)
States, municipalities and political subdivisions	51		(5)						46		(5)
Asset-backed	604	8	(52)	92	$ (2)	(23)	$ 14		641		(52)
Fixed maturities available-for-sale	1,570	7	(139)	143	(2)	(60)	14	—	1,533	—	(138)
Fixed maturities trading	—								—		
Total fixed maturities	$ 1,570	$ 7	$ (139)	$ 143	$ (2)	$ (60)	$ 14	$ —	$ 1,533	$ —	$ (138)
Equity securities	$ 44	$ (3)			$ (3)	$ 9			$ 47	$ (3)	

2021	Balance, April 1	Net Realized Investment Gains (Losses) and Net Change in Unrealized Investment Gains (Losses) Included in Net Income	Included in OCI	Purchases	Sales	Settlements	Transfers into Level 3	Transfers out of Level 3	Balance, June 30	Unrealized Gains (Losses) Recognized in Net Income (Loss) on Level 3 Assets and Liabilities Held at June 30	Unrealized Gains (Losses) Recognized in Other Comprehensive Income (Loss) on Level 3 Assets and Liabilities Held at June 30
(In millions)											
Fixed maturity securities:											
Corporate bonds and other	$ 767	$ 3	$ 16	$ 122	$ (3)	$ (22)			$ 883		$ 16
States, municipalities and political subdivisions	44		2	12		(1)			57		2
Asset-backed	315	1	4	84		(10)	$ 21	$ (5)	410		4
Fixed maturities available-for-sale	1,126	4	22	218	(3)	(33)	21	(5)	1,350	—	22
Fixed maturities trading	5	(3)				(2)			—		
Total fixed maturities	$ 1,131	$ 1	$ 22	$ 218	$ (3)	$ (35)	$ 21	$ (5)	$ 1,350	$ —	$ 22
Equity securities	$ 45	$ (15)		$ 10	$ (4)				$ 36		

2022	Balance, January 1	Net Realized Investment Gains (Losses) and Net Change in Unrealized Investment Gains (Losses)		Purchases	Sales	Settlements	Transfers into Level 3	Transfers out of Level 3	Balance, June 30	Unrealized Gains (Losses) Recognized in Net Income (Loss) on Level 3 Assets and Liabilities Held at June 30	Unrealized Gains (Losses) Recognized in Other Comprehensive Income (Loss) on Level 3 Assets and Liabilities Held at June 30
		Included in Net Income	Included in OCI								
(In millions)											
Fixed maturity securities:											
Corporate bonds and other	$ 937	$ (2)	$ (153)	$ 118	$ (5)	$ (59)	$ 10		$ 846		$ (153)
States, municipalities and political subdivisions	56		(10)						46		(10)
Asset-backed	556	11	(84)	232	(2)	(40)	19	$ (51)	641		(83)
Fixed maturities available-for-sale	1,549	9	(247)	350	(7)	(99)	29	(51)	1,533	—	(246)
Fixed maturities trading	—								—		
Total fixed maturities	$ 1,549	$ 9	$ (247)	$ 350	$ (7)	$ (99)	$ 29	$ (51)	$ 1,533	$ —	$ (246)
Equity securities	$ 29			$ 12	$ (3)	$ 9			$ 47	$ (1)	

2021	Balance, January 1	Net Realized Investment Gains (Losses) and Net Change in Unrealized Investment Gains (Losses)		Purchases	Sales	Settlements	Transfers into Level 3	Transfers out of Level 3	Balance, June 30	Unrealized Gains (Losses) Recognized in Net Income (Loss) on Level 3 Assets and Liabilities Held at June 30	Unrealized Gains (Losses) Recognized in Other Comprehensive Income (Loss) on Level 3 Assets and Liabilities Held at June 30
		Included in Net Income	Included in OCI								
(In millions)											
Fixed maturity securities:											
Corporate bonds and other	$ 770	$ (10)	$ (24)	$ 164	$ (3)	$ (24)	$ 10		$ 883		$ (24)
States, municipalities and political subdivisions	46			12		(1)			57		
Asset-backed	308	3	(5)	114		(27)	30	$ (13)	410		(5)
Fixed maturities available-for-sale	1,124	(7)	(29)	290	(3)	(52)	40	(13)	1,350	—	(29)
Fixed maturities trading	8	(6)				(2)			—		
Total fixed maturities	$ 1,132	$ (13)	$ (29)	$ 290	$ (3)	$ (54)	$ 40	$ (13)	$ 1,350	$ —	$ (29)
Equity securities	$ 43	$ (13)		$ 10	$ (4)				$ 36	$ 2	

Net investment gains and losses are reported in Net income as follows:

Major Category of Assets and Liabilities	Consolidated Condensed Statements of Operations Line Items
Fixed maturity securities available-for-sale	Investment gains (losses)
Fixed maturity securities trading	Net investment income
Equity securities	Investment gains (losses) and Net investment income
Other invested assets	Investment gains (losses) and Net investment income
Derivative financial instruments held in a trading portfolio	Net investment income
Derivative financial instruments, other	Investment gains (losses) and Operating revenues and other

Significant Unobservable Inputs

The following tables present quantitative information about the significant unobservable inputs utilized in the fair value measurement of Level 3 assets. Valuations for assets and liabilities not presented in the tables below are primarily based on broker/dealer quotes for which there is a lack of transparency as to inputs used to develop the valuations. The quantitative detail of unobservable inputs from these broker quotes is neither provided nor reasonably available. The weighted average rate is calculated based on fair value.

June 30, 2022	Estimated Fair Value		Valuation Techniques	Unobservable Inputs	Range (Weighted Average)	
	(In millions)					
Fixed maturity securities	**$**	**1,117**	**Discounted cash flow**	**Credit spread**	**1% —**	**9% (3%)**
December 31, 2021						
Fixed maturity securities	$	1,225	Discounted cash flow	Credit spread	1% —	7% (2%)

For fixed maturity securities, an increase to the credit spread assumptions would result in a lower fair value measurement.

Financial Assets and Liabilities Not Measured at Fair Value

The carrying amount, estimated fair value and the level of the fair value hierarchy of the financial assets and liabilities which are not measured at fair value on the Consolidated Condensed Balance Sheets are presented in the following tables. The carrying amounts and estimated fair values of short term debt and long term debt exclude finance lease obligations. The carrying amounts reported on the Consolidated Condensed Balance Sheets for cash and short term investments not carried at fair value and certain other assets and liabilities approximate fair value due to the short term nature of these items.

	Carrying		Estimated Fair Value					
June 30, 2022	**Amount**		**Level 1**	**Level 2**		**Level 3**		**Total**
(In millions)								
Assets:								
Other invested assets, primarily mortgage loans	**$**	**949**				**$ 915**	**$**	**915**
Liabilities:								
Short term debt		**838**		**$**	**797**	**39**		**836**
Long term debt		**8,438**			**7,472**	**645**		**8,117**
December 31, 2021								
Assets:								
Other invested assets, primarily mortgage loans	$	973				$ 1,018	$	1,018
Liabilities:								
Short term debt		93				93		93
Long term debt		8,981		$	9,170	611		9,781

4. Claim and Claim Adjustment Expense Reserves

Property and casualty insurance claim and claim adjustment expense reserves represent the estimated amounts necessary to resolve all outstanding claims, including incurred but not reported ("IBNR") claims as of the reporting date. Reserve projections are based primarily on detailed analysis of the facts in each case, experience with similar cases and various historical development patterns. Consideration is given to historical patterns such as claim reserving trends and settlement practices, loss payments, pending levels of unpaid claims and product mix, as well as court decisions and economic conditions including inflation and public attitudes. All of these factors can affect the estimation of claim and claim adjustment expense reserves.

Establishing claim and claim adjustment expense reserves, including claim and claim adjustment expense reserves for catastrophic events that have occurred, is an estimation process. Many factors can ultimately affect the final settlement of a claim and, therefore, the necessary reserve. Changes in the law, results of litigation, medical costs, the cost of repair materials and labor rates can affect ultimate claim costs. In addition, time can be a critical part of reserving determinations since the longer the span between the incidence of a loss and the payment or settlement of the claim, the more variable the ultimate settlement amount can be. Accordingly, short-tail claims, such as property damage claims, tend to be more reasonably estimable than long-tail claims, such as workers' compensation, general liability and professional liability claims. Adjustments to prior year reserve estimates, if necessary, are reflected in the results of operations in the period that the need for such adjustments is determined. There can be no assurance that the ultimate cost for insurance losses will not exceed current estimates.

Catastrophes are an inherent risk of the property and casualty insurance business and have contributed to material period-to-period fluctuations in the Company's results of operations and/or equity. The Company reported catastrophe losses, net of reinsurance, of $37 million and $54 million for the three months ended June 30, 2022 and 2021 and of $57 million and $179 million for the six months ended June 30, 2022 and 2021, in each case primarily related to severe weather related events.

Liability for Unpaid Claim and Claim Adjustment Expenses

The following table presents a reconciliation between beginning and ending claim and claim adjustment expense reserves, including claim and claim adjustment expense reserves of operations outside CNA's commercial property and casualty operations.

Six Months Ended June 30	2022	2021
(In millions)		
Reserves, beginning of year:		
Gross	**$ 24,174**	$ 22,706
Ceded	**4,969**	4,005
Net reserves, beginning of year	**19,205**	18,701
Reduction of net reserves due to the excess workers' compensation loss portfolio transfer		(632)
Net incurred claim and claim adjustment expenses:		
Provision for insured events of current year	**2,974**	2,930
Decrease in provision for insured events of prior years	**(69)**	(78)
Amortization of discount	**90**	95
Total net incurred (a)	**2,995**	2,947
Net payments attributable to:		
Current year events	**(245)**	(317)
Prior year events	**(2,330)**	(1,949)
Total net payments	**(2,575)**	(2,266)
Foreign currency translation adjustment and other	**(222)**	(5)
Net reserves, end of period	**19,403**	18,745
Ceded reserves, end of period	**5,156**	4,735
Gross reserves, end of period	**$ 24,559**	$ 23,480

(a) Total net incurred above does not agree to Insurance claims and policyholders' benefits as reflected on the Consolidated Condensed Statements of Operations due to amounts related to retroactive reinsurance deferred gain accounting, the loss on the excess workers' compensation loss portfolio transfer, uncollectible reinsurance and benefit expenses related to future policy benefits, which are not reflected in the table above.

Net Prior Year Development

Changes in estimates of claim and claim adjustment expense reserves, net of reinsurance, for prior years are defined as net prior year loss reserve development. These changes can be favorable or unfavorable.

Favorable net prior year development of $37 million and $11 million was recorded for commercial property and casualty operations ("Property & Casualty Operations") for the three months ended June 30, 2022 and 2021 and favorable net prior year development of $49 million and $26 million was recorded for the six months ended June 30, 2022 and 2021. Unfavorable net prior year loss reserve development of $64 million and $40 million was recorded for CNA's operations outside of Property & Casualty Operations ("Other Insurance Operations") for the three and six months ended June 30, 2022 and 2021.

The following table and discussion presents details of the net prior year loss reserve development in Property & Casualty Operations and Other Insurance Operations:

	Three Months Ended June 30,		**Six Months Ended June 30,**	
	2022	2021	**2022**	2021
(In millions)				
Medical professional liability	**$ 1**		**$ 9**	$ 8
Other professional liability and management liability	**13**	$ 10	**13**	10
Surety	**(19)**	(23)	**(28)**	(38)
Commercial auto	**21**	30	**21**	30
General liability	**41**		**41**	
Workers' compensation	**(82)**	(42)	**(84)**	(42)
Property and other	**(12)**	14	**(21)**	6
Other insurance operations	**64**	40	**64**	40
Total pretax (favorable) unfavorable development	**$ 27**	$ 29	**$ 15**	$ 14

Three Months

2022

Favorable development in surety was primarily due to lower than expected frequency and lack of systemic activity in recent accident years.

Unfavorable development in commercial auto was due to higher than expected claim severity in CNA's construction business in multiple accident years.

Unfavorable development in general liability was due to higher than expected claim severity in construction, middle market and small business across multiple accident years.

Favorable development in workers' compensation was due to favorable medical trends driving lower than expected severity in multiple accident years.

Unfavorable development in other insurance operations was largely associated with legacy mass tort abuse claims, including the recent Diocese of Rochester proposed settlement.

2021

Favorable development in surety was primarily due to lower than expected frequency and lack of systemic activity in recent accident years.

Unfavorable development in commercial auto was due to higher than expected claim severity in CNA's construction and middle market businesses in recent accident years.

Favorable development in workers' compensation was due to favorable medical trends driving lower than expected severity in multiple accident years.

Unfavorable development in other insurance operations was due to legacy mass tort exposures, primarily related to abuse.

Six Months

2022

Favorable development in surety was primarily due to lower than expected frequency and lack of systemic activity in recent accident years.

Unfavorable development in commercial auto was due to higher than expected claim severity in CNA's construction business in multiple accident years.

Unfavorable development in general liability was due to higher than expected claim severity in construction, middle market and small business across multiple accident years.

Favorable development in workers' compensation was due to favorable medical trends driving lower than expected severity in multiple accident years.

Unfavorable development in other insurance operations was largely associated with legacy mass tort abuse claims, including the recent Diocese of Rochester proposed settlement.

2021

Favorable development in surety was primarily due to lower than expected frequency and lack of systemic activity in recent accident years.

Unfavorable development in commercial auto was due to higher than expected claim severity in CNA's construction and middle market businesses in recent accident years.

Favorable development in workers' compensation was due to favorable medical trends driving lower than expected severity in multiple accident years.

Unfavorable development in other insurance operations was due to legacy mass tort exposures, primarily related to abuse.

Asbestos & Environmental Pollution ("A&EP") Reserves

In 2010, Continental Casualty Company ("CCC") together with several insurance subsidiaries completed a transaction with National Indemnity Company ("NICO"), a subsidiary of Berkshire Hathaway Inc., under which substantially all of their legacy A&EP liabilities were ceded to NICO through a loss portfolio transfer ("LPT"). At the effective date of the transaction, approximately $1.6 billion of net A&EP claim and allocated claim adjustment expense reserves were ceded to NICO under a retroactive reinsurance agreement with an aggregate limit of $4.0 billion. The $1.6 billion of claim and allocated claim adjustment expense reserves ceded to NICO was net of $1.2 billion of ceded claim and allocated claim adjustment expense reserves under existing third party reinsurance contracts. The NICO LPT aggregate reinsurance limit also covers credit risk on the existing third party reinsurance related to these liabilities. NICO was paid a reinsurance premium of $2.0 billion and billed third party reinsurance receivables related to A&EP claims with a net book value of $215 million were transferred to NICO, resulting in total consideration of $2.2 billion.

In years subsequent to the effective date of the LPT, adverse prior year development on A&EP reserves was recognized resulting in additional amounts ceded under the LPT. As a result, the cumulative amounts ceded under the LPT have exceeded the $2.2 billion consideration paid, resulting in the NICO LPT moving into a gain position, requiring retroactive reinsurance accounting. Under retroactive reinsurance accounting, this gain is deferred and only recognized in earnings in proportion to actual paid recoveries under the LPT. Over the life of the contract, there is no economic impact as long as any additional losses incurred are within the limit of the LPT. In a period in which a change in the estimate of A&EP reserves is recognized that increases or decreases the amounts ceded under the LPT, the proportion of actual paid recoveries to total ceded losses is affected and the change in the deferred gain is recognized in earnings as if the revised estimate of ceded losses was available at the effective date of the LPT. The effect of the deferred retroactive reinsurance benefit is recorded in Insurance claims and policyholders' benefits on the Consolidated Condensed Statements of Operations.

The impact of the LPT on the Consolidated Condensed Statements of Operations was the recognition of a retroactive reinsurance benefit of $11 million and $12 million for the three months ended June 30, 2022 and 2021 and $23 million and $22 million for the six months ended June 30, 2022 and 2021. As of June 30, 2022 and December 31, 2021, the cumulative amounts ceded under the LPT were $3.4 billion. The unrecognized deferred retroactive reinsurance benefit was

$406 million and $429 million as of June 30, 2022 and December 31, 2021 and is included within Other liabilities on the Consolidated Condensed Balance Sheets.

NICO established a collateral trust account as security for its obligations under the LPT. The fair value of the collateral trust account was $2.4 billion as of June 30, 2022. In addition, Berkshire Hathaway Inc. guaranteed the payment obligations of NICO up to the aggregate reinsurance limit as well as certain of NICO's performance obligations under the trust agreement. NICO is responsible for claims handling and billing and collection from third-party reinsurers related to the majority of the A&EP claims.

Credit Risk for Ceded Reserves

The majority of CNA's outstanding voluntary reinsurance receivables are due from reinsurers with financial strength ratings of A- or higher. Receivables due from reinsurers with lower financial strength ratings are primarily due from captive reinsurers and are backed by collateral arrangements.

5. Shareholders' Equity

Accumulated other comprehensive income (loss)

The tables below present the changes in AOCI by component for the three and six months ended June 30, 2021 and 2022:

(In millions)	Net Unrealized Gains (Losses) on Investments with an Allowance for Credit Losses	Net Unrealized Gains (Losses) on Other Investments	Unrealized Gains (Losses) on Cash Flow Hedges	Pension and Postretirement Benefits	Foreign Currency Translation	Total Accumulated Other Comprehensive Income (Loss)
Balance, April 1, 2021	$ —	$ 1,002	$ (19)	$ (869)	$ (80)	$ 34
Other comprehensive income (loss) before reclassifications, after tax of $0, $(82), $(1), $0 and $0	1	323	8	(2)	11	341
Reclassification of (gains) losses from accumulated other comprehensive income, after tax of $0, $7, $(1), $(3) and $0	(1)	(23)		9		(15)
Other comprehensive income	—	300	8	7	11	326
Amounts attributable to noncontrolling interests		(31)		(1)	(1)	(33)
Balance, June 30, 2021	$ —	$ 1,271	$ (11)	$ (863)	$ (70)	$ 327
Balance, April 1, 2022	**$ (6)**	**$ (513)**	**$ 12**	**$ (630)**	**$ (114)**	**$ (1,251)**
Other comprehensive income (loss) before reclassifications, after tax of $(1), $359, $5, $2 and $0	**(1)**	**(1,360)**	**6**	**(2)**	**(68)**	**(1,425)**
Reclassification of (gains) losses from accumulated other comprehensive loss, after tax of $1, $(3), $2, $(1) and $0	**(1)**	**14**		**7**		**20**
Other comprehensive income (loss)	**(2)**	**(1,346)**	**6**	**5**	**(68)**	**(1,405)**
Amounts attributable to noncontrolling interests	**1**	**138**			**7**	**146**
Balance, June 30, 2022	**$ (7)**	**$ (1,721)**	**$ 18**	**$ (625)**	**$ (175)**	**$ (2,510)**

(In millions)	Net Unrealized Gains (Losses) on Investments with an Allowance for Credit Losses	Net Unrealized Gains (Losses) on Other Investments	Unrealized Gains (Losses) on Cash Flow Hedges	Pension and Postretirement Benefits	Foreign Currency Translation	Total Accumulated Other Comprehensive Income (Loss)
Balance, January 1, 2021	$ —	$ 1,563	$ (23)	$ (877)	$ (82)	$ 581
Other comprehensive income (loss) before reclassifications, after tax of $1, $72, $(3), $0 and $0	(2)	(270)	11	(2)	14	(249)
Reclassification of (gains) losses from accumulated other comprehensive income, after tax of $(1), $15, $(2), $(5) and $0	2	(57)	1	18		(36)
Other comprehensive income (loss)	—	(327)	12	16	14	(285)
Amounts attributable to noncontrolling interests		35		(2)	(2)	31
Balance, June 30, 2021	$ —	$ 1,271	$ (11)	$ (863)	$ (70)	$ 327
Balance, January 1, 2022	**$ (2)**	**$ 930**	**$ (6)**	**$ (636)**	**$ (100)**	**$ 186**
Other comprehensive income (loss) before reclassifications, after tax of $0, $784, $3, $0 and $0	**(5)**	**(2,972)**	**21**		**(83)**	**(3,039)**
Reclassification of (gains) losses from accumulated other comprehensive loss, after tax of $1, $(4), $1, $(3) and $0	**(1)**	**15**	**3**	**12**		**29**
Other comprehensive income (loss)	**(6)**	**(2,957)**	**24**	**12**	**(83)**	**(3,010)**
Amounts attributable to noncontrolling interests	**1**	**306**		**(1)**	**8**	**314**
Balance, June 30, 2022	**$ (7)**	**$ (1,721)**	**$ 18**	**$ (625)**	**$ (175)**	**$ (2,510)**

Amounts reclassified from AOCI shown above are reported in Net income (loss) as follows:

Major Category of AOCI	Affected Line Item
Net unrealized gains (losses) on investments with an allowance for credit losses and Net unrealized gains (losses) on other investments	Investment gains (losses)
Unrealized gains (losses) on cash flow hedges	Operating revenues and other, Interest expense and Operating expenses and other
Pension and postretirement benefits	Operating expenses and other

Treasury Stock

Loews Corporation repurchased 6.3 million and 9.5 million shares of its common stock at aggregate costs of $384 million and $493 million during the six months ended June 30, 2022 and 2021.

6. Debt

In February of 2022, Boardwalk Pipelines completed a public offering of $500 million aggregate principal amount of its 3.6% senior notes due September 1, 2032. Boardwalk Pipelines used the proceeds to retire the outstanding $300 million aggregate principal amount of its 4.0% senior notes due June 2022 in March of 2022, to fund growth capital expenditures and for general corporate purposes.

7. Revenue from Contracts with Customers

Disaggregation of revenues – Revenue from contracts with customers, other than insurance premiums, is reported as Non-insurance warranty revenue and within Operating revenues and other on the Consolidated Condensed Statements of Operations. The following table presents revenues from contracts with customers disaggregated by revenue type along with the reportable segment and a reconciliation to Operating revenues and other as reported in Note 11:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Non-insurance warranty – CNA Financial	**$ 392**	$ 359	**$ 774**	$ 697
Transportation and storage of natural gas and NGLs and other services – Boardwalk Pipelines	**$ 315**	$ 302	**$ 684**	$ 663
Lodging and related services – Loews Hotels & Co	**190**	94	**336**	150
Rigid plastic packaging and recycled resin – Corporate (a)				280
Total revenues from contracts with customers	**505**	396	**1,020**	1,093
Other revenues	**29**	19	**54**	37
Operating revenues and other	**$ 534**	$ 415	**$ 1,074**	$ 1,130

(a) Revenues presented reflect the consolidated results of Altium Packaging through March 31, 2021.

Receivables from contracts with customers – As of June 30, 2022 and December 31, 2021, receivables from contracts with customers were approximately $141 million and $145 million and are included within Receivables on the Consolidated Condensed Balance Sheets.

Deferred revenue – As of June 30, 2022 and December 31, 2021, deferred revenue resulting from contracts with customers was approximately $4.7 billion and $4.6 billion and is reported as Deferred non-insurance warranty revenue and within Other liabilities on the Consolidated Condensed Balance Sheets. Approximately $723 million and $624 million of revenues recognized during the six months ended June 30, 2022 and 2021 were included in deferred revenue as of December 31, 2021 and 2020.

Performance obligations – As of June 30, 2022, approximately $13.4 billion of estimated operating revenues is expected to be recognized in the future related to outstanding performance obligations. The balance relates primarily to revenues for transportation and storage services for natural gas and natural gas liquids and hydrocarbons (“NGLs”) at Boardwalk Pipelines and non-insurance warranty revenue at CNA. Approximately $1.4 billion will be recognized during the remaining six months of 2022, $2.4 billion in 2023 and the remainder in following years. The actual timing of recognition may vary due to factors outside of the Company’s control.

8. Benefit Plans

The Company has several non-contributory defined benefit plans and postretirement benefit plans covering eligible employees and retirees.

The following tables present the components of net periodic (benefit) cost for the defined benefit plans:

	Pension Benefits			
	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions)	2022	2021	2022	2021
Service cost			$ 1	$ 1
Interest cost	$ 18	$ 18	37	36
Expected return on plan assets	(40)	(43)	(83)	(86)
Amortization of unrecognized net loss	8	13	16	25
Settlements	1	2	2	2
Regulatory asset decrease	1		2	
Net periodic benefit	$ (12)	$ (10)	$ (25)	$ (22)

	Other Postretirement Benefits			
	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions)	2022	2021	2022	2021
Interest cost	$ 1	$ 1	$ 1	$ 1
Expected return on plan assets	(1)		(1)	(1)
Net periodic benefit	$ —	$ 1	$ —	$ —

9. Legal Proceedings

Boardwalk Pipelines Litigation

On May 25, 2018, plaintiffs Tsemach Mishal and Paul Berger (on behalf of themselves and the purported class, “Plaintiffs”) initiated a purported class action in the Court of Chancery of the State of Delaware (the “Trial Court”) against the following defendants: Boardwalk Pipelines, Boardwalk GP, LP (“General Partner”), Boardwalk GP, LLC and Boardwalk Pipelines Holding Corp. (“BPHC”) (together, “Defendants”), regarding the potential exercise by the General Partner of its right to purchase all of the issued and outstanding common units representing limited partnership interests in Boardwalk Pipelines not already owned by the General Partner or its affiliates.

On June 25, 2018, Plaintiffs and Defendants entered into a Stipulation and Agreement of Compromise and Settlement, subject to the approval of the Trial Court (the “Proposed Settlement”). Under the terms of the Proposed Settlement, the lawsuit would be dismissed, and related claims against the Defendants would be released by the Plaintiffs, if BPHC, the sole member of the General Partner, elected to cause the General Partner to exercise its right to purchase the issued and outstanding common units of Boardwalk Pipelines pursuant to Boardwalk Pipelines’ Third Amended and Restated Agreement of Limited Partnership, as amended (“Limited Partnership Agreement”), within a period specified by the Proposed Settlement. On June 29, 2018, the General Partner elected to exercise its right to purchase all of the issued and outstanding common units representing limited partnership interests in Boardwalk Pipelines not already owned by the General Partner or its affiliates pursuant to the Limited Partnership Agreement within the period specified by the Proposed Settlement. The transaction was completed on July 18, 2018.

On September 28, 2018, the Trial Court denied approval of the Proposed Settlement. On February 11, 2019, a substitute verified class action complaint was filed in this proceeding, which among other things, added the Parent Company as a Defendant. The Defendants filed a motion to dismiss, which was heard by the Trial Court in July of 2019. In October of 2019, the Trial Court ruled on the motion and granted a partial dismissal, with certain aspects of the case proceeding to trial. A trial was held the week of February 22, 2021 and post-trial oral arguments were held on July 14, 2021.

On November 12, 2021, the Trial Court issued a ruling in the case. The Trial Court held that the General Partner breached the Limited Partnership Agreement and awarded Plaintiffs approximately $690 million, plus pre-judgment interest (approximately $166 million), post-judgment interest and attorneys' fees.

The Company believes that the Trial Court ruling includes factual and legal errors. Therefore on January 3, 2022, the Defendants appealed the Trial Court's ruling to the Supreme Court of the State of Delaware (the "Supreme Court"). On January 17, 2022, the Plaintiffs filed a cross-appeal to the Supreme Court contesting the calculation of damages by the Trial Court. Oral arguments have been set for this case on September 14, 2022.

At this time, given the Trial Court's ruling and the pending appeals, the Company believes that it is reasonably possible that a loss has occurred, although the Company is unable to estimate any potential loss as it may range from zero up to the full amount of the Trial Court's award of $690 million, plus pre- and post-judgment interest and attorneys' fees, or more, depending on the extent of the Defendants' and Plaintiffs' success on appeal. The Company has not recorded a liability related to this matter.

As litigation is inherently unpredictable, if an unfavorable final outcome occurs, there is a possibility of a material adverse impact to the Company's consolidated financial statements in the period in which the effects become known.

Other Litigation

The Company is from time to time party to other litigation arising in the ordinary course of business. While it is difficult to predict the outcome or effect of any litigation, management does not believe that the outcome of any such pending litigation will materially affect the Company's results of operations or equity.

10. Commitments and Contingencies

CNA Guarantees

CNA has provided guarantees, if the primary obligor fails to perform, to holders of structured settlement annuities issued by a previously owned subsidiary. As of June 30, 2022, the potential amount of future payments CNA could be required to pay under these guarantees was approximately $1.6 billion, which will be paid over the lifetime of the annuitants. CNA does not believe any payment is likely under these guarantees, as CNA is the beneficiary of a trust that must be maintained at a level that approximates the discounted reserves for these annuities.

11. Segments

Loews Corporation has four reportable segments comprised of three individual consolidated operating subsidiaries, CNA, Boardwalk Pipelines and Loews Hotels & Co; and the Corporate segment. The Corporate segment is primarily comprised of Loews Corporation, excluding its subsidiaries, the consolidated operations of Altium Packaging through March 31, 2021 and the equity method of accounting for Altium Packaging subsequent to its deconsolidation on April 1, 2021. Each of the operating subsidiaries is headed by a chief executive officer who is responsible for the operation of its business and has the duties and authority commensurate with that position. For additional disclosures regarding the composition of Loews Corporation's segments, see Note 19 of the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

The following tables present the reportable segments and their contribution to the Consolidated Condensed Statements of Operations. Amounts presented will not necessarily be the same as those in the individual financial statements of the subsidiaries due to adjustments for purchase accounting, income taxes and noncontrolling interests.

Statements of Operations by segment are presented in the following tables.

Three Months Ended June 30, 2022	CNA Financial	Boardwalk Pipelines	Loews Hotels & Co	Corporate	Total
(In millions)					
Revenues:					
Insurance premiums	$ 2,155				$ 2,155
Net investment income (loss)	432		$ (1)	$ (65)	366
Investment losses	(59)				(59)
Non-insurance warranty revenue	392				392
Operating revenues and other	6	$ 325	201	2	534
Total	2,926	325	200	(63)	3,388
Expenses:					
Insurance claims and policyholders’ benefits	1,583				1,583
Amortization of deferred acquisition costs	374				374
Non-insurance warranty expense	367				367
Operating expenses and other	329	231	132	23	715
Interest	28	42	4	22	96
Total	2,681	273	136	45	3,135
Income (loss) before income tax	245	52	64	(108)	253
Income tax (expense) benefit	(40)	(13)	(20)	22	(51)
Net income (loss)	205	39	44	(86)	202
Amounts attributable to noncontrolling interests	(22)				(22)
Net income (loss) attributable to Loews Corporation	$ 183	$ 39	$ 44	$ (86)	$ 180

Three Months Ended June 30, 2021	CNA Financial	Boardwalk Pipelines	Loews Hotels & Co	Corporate	Total
(In millions)					
Revenues:					
Insurance premiums	$ 2,035				$ 2,035
Net investment income	591		$ 1	$ 24	616
Investment gains	38			540	578
Non-insurance warranty revenue	359				359
Operating revenues and other	6	$ 312	97		415
Total	3,029	312	98	564	4,003
Expenses:					
Insurance claims and policyholders’ benefits	1,546				1,546
Amortization of deferred acquisition costs	357				357
Non-insurance warranty expense	332				332
Operating expenses and other	302	209	115	30	656
Interest	29	40	9	22	100
Total	2,566	249	124	52	2,991
Income (loss) before income tax	463	63	(26)	512	1,012
Income tax (expense) benefit	(94)	(16)	5	(114)	(219)
Net income (loss)	369	47	(21)	398	793
Amounts attributable to noncontrolling interests	(39)				(39)
Net income (loss) attributable to Loews Corporation	$ 330	$ 47	$ (21)	$ 398	$ 754

Six Months Ended June 30, 2022	CNA Financial	Boardwalk Pipelines	Loews Hotels & Co	Corporate	Total
(In millions)					
Revenues:					
Insurance premiums	$ 4,214				$ 4,214
Net investment income (loss)	880		$ (1)	$ (81)	798
Investment losses	(70)				(70)
Non-insurance warranty revenue	774				774
Operating revenues and other	13	$ 706	353	2	1,074
Total	5,811	706	352	(79)	6,790
Expenses:					
Insurance claims and policyholders' benefits	3,038				3,038
Amortization of deferred acquisition costs	718				718
Non-insurance warranty expense	721				721
Operating expenses and other	655	448	258	45	1,406
Interest	56	84	8	44	192
Total	5,188	532	266	89	6,075
Income (loss) before income tax	623	174	86	(168)	715
Income tax (expense) benefit	(105)	(44)	(27)	33	(143)
Net income (loss)	518	130	59	(135)	572
Amounts attributable to noncontrolling interests	(54)				(54)
Net income (loss) attributable to Loews Corporation	$ 464	$ 130	$ 59	$ (135)	$ 518

Six Months Ended June 30, 2021	CNA Financial	Boardwalk Pipelines	Loews Hotels & Co	Corporate (a)	Total
(In millions)					
Revenues:					
Insurance premiums	$ 3,997				$ 3,997
Net investment income	1,095		$ 1	$ 70	1,166
Investment gains	95			540	635
Non-insurance warranty revenue	697				697
Operating revenues and other	11	$ 684	154	281	1,130
Total	5,895	684	155	891	7,625
Expenses:					
Insurance claims and policyholders’ benefits	3,052				3,052
Amortization of deferred acquisition costs	716				716
Non-insurance warranty expense	643				643
Operating expenses and other	587	426	219	338	1,570
Interest	57	81	17	70	225
Total	5,055	507	236	408	6,206
Income (loss) before income tax	840	177	(81)	483	1,419
Income tax (expense) benefit	(160)	(45)	17	(145)	(333)
Net income (loss)	680	132	(64)	338	1,086
Amounts attributable to noncontrolling interests	(71)				(71)
Net income (loss) attributable to Loews Corporation	$ 609	$ 132	$ (64)	$ 338	$ 1,015

(a) Amounts include the consolidated results of Altium Packaging through March 31, 2021. Beginning April 1, 2021, Altium Packaging is recorded as an equity method investment.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Management's discussion and analysis of financial condition and results of operations ("MD&A") should be read in conjunction with our Consolidated Condensed Financial Statements included under Item 1 of this Report and the Consolidated Financial Statements, Risk Factors, and MD&A included in our Annual Report on Form 10-K for the year ended December 31, 2021. This MD&A is comprised of the following sections:

OVERVIEW

Loews Corporation is a holding company and has four reportable segments comprised of three individual consolidated operating subsidiaries, CNA Financial Corporation ("CNA"), Boardwalk Pipeline Partners, LP ("Boardwalk Pipelines") and Loews Hotels Holding Corporation ("Loews Hotels & Co"); and the Corporate segment. The Corporate segment is primarily comprised of Loews Corporation, excluding its operating subsidiaries, the consolidated operations of Altium Packaging LLC ("Altium Packaging") through March 31, 2021 and the equity method of accounting for Altium Packaging subsequent to its deconsolidation on April 1, 2021. For information regarding the deconsolidation of Altium Packaging see Note 2 of the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

Unless the context otherwise requires, the term "Company" means Loews Corporation including its consolidated subsidiaries, the terms "Parent Company," "we," "our," "us" or like terms mean Loews Corporation excluding its subsidiaries, the term "Net income (loss) attributable to Loews Corporation" means Net income (loss) attributable to Loews Corporation shareholders and the term "subsidiaries" means Loews Corporation's consolidated subsidiaries.

We rely upon our invested cash balances and distributions from our subsidiaries to generate the funds necessary to meet our obligations and to declare and pay any dividends to our shareholders. The ability of our subsidiaries to pay dividends is subject to, among other things, the availability of sufficient earnings and funds in such subsidiaries, applicable state laws, including in the case of the insurance subsidiaries of CNA, laws and rules governing the payment of dividends by regulated insurance companies (see Note 14 of the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2021) and compliance with covenants in their respective loan agreements. Claims of creditors of our subsidiaries will generally have priority as to the assets of such subsidiaries over our claims and those of our creditors and shareholders.

RESULTS OF OPERATIONS

Consolidated Financial Results

The following table summarizes net income (loss) attributable to Loews Corporation by segment and net income (loss) per share attributable to Loews Corporation for the three and six months ended June 30, 2022 and 2021:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions, except per share data)				
CNA Financial	**$ 183**	$ 330	**$ 464**	$ 609
Boardwalk Pipelines	**39**	47	**130**	132
Loews Hotels & Co	**44**	(21)	**59**	(64)
Corporate	**(86)**	398	**(135)**	338
Net income attributable to Loews Corporation	**$ 180**	$ 754	**$ 518**	$ 1,015
Basic net income per share	**$ 0.73**	$ 2.87	**$ 2.10**	$ 3.83
Diluted net income per share	**$ 0.73**	$ 2.86	**$ 2.09**	$ 3.82

Net income attributable to Loews Corporation for the three months ended June 30, 2022 was $180 million, or $0.73 per share, compared to $754 million, or $2.86 per share in the comparable 2021 period. Net income attributable to Loews Corporation for the six months ended June 30, 2022 was $518 million, or $2.09 per share, compared to $1.0 billion, or $3.82 per share in the comparable 2021 period.

The Corporate segment includes a gain of $438 million (after tax) related to the sale of 47% of Altium Packaging and its deconsolidation in the second quarter of 2021. Excluding this significant transaction, the decrease in net income attributable to Loews Corporation for the three months ended June 30, 2022 as compared to the comparable prior year period, was primarily driven by lower net investment income from limited partnership and common stock investments and net investment losses recognized in the second quarter of 2022 compared to net investment gains in the comparable prior year period. This decline was partially offset by higher property & casualty underwriting income and higher net investment income from fixed income securities at CNA and significantly improved results at Loews Hotels & Co.

The drivers of the decrease in net income for the six months ended June 30, 2022 as compared to the comparable 2021 period are consistent with the three-month discussion above.

CNA Financial

The following table summarizes the results of operations for CNA for the three and six months ended June 30, 2022 and 2021 as presented in Note 11 of the Notes to Consolidated Condensed Financial Statements included under Item 1 of this Report. For further discussion of Net investment income and Investment gains (losses), see the Investments section of this MD&A.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Revenues:				
Insurance premiums	**$ 2,155**	$ 2,035	**$ 4,214**	$ 3,997
Net investment income	**432**	591	**880**	1,095
Investment gains (losses)	**(59)**	38	**(70)**	95
Non-insurance warranty revenue	**392**	359	**774**	697
Other revenues	**6**	6	**13**	11
Total	**2,926**	3,029	**5,811**	5,895
Expenses:				
Insurance claims and policyholders’ benefits	**1,583**	1,546	**3,038**	3,052
Amortization of deferred acquisition costs	**374**	357	**718**	716
Non-insurance warranty expense	**367**	332	**721**	643
Other operating expenses	**329**	302	**655**	587
Interest	**28**	29	**56**	57
Total	**2,681**	2,566	**5,188**	5,055
Income before income tax	**245**	463	**623**	840
Income tax expense	**(40)**	(94)	**(105)**	(160)
Net income	**205**	369	**518**	680
Amounts attributable to noncontrolling interests	**(22)**	(39)	**(54)**	(71)
Net income attributable to Loews Corporation	**$ 183**	$ 330	**$ 464**	$ 609

Three Months Ended June 30, 2022 Compared to the Comparable 2021 Period

Net income attributable to Loews Corporation decreased $147 million for the three months ended June 30, 2022 as compared with the comparable 2021 period primarily due to lower net investment income and investment losses for the three months ended June 30, 2022 as compared with investment gains in the comparable 2021 period. Lower net investment income was from limited partnerships and common stock and lower investment results were driven by the unfavorable change in fair value of non-redeemable preferred stock. These decreases to net income were partially offset by improved underwriting results and higher net investment income from fixed income securities for the three months ended June 30, 2022 as compared with the comparable 2021 period. Catastrophe losses were $37 million ($26 million after tax and noncontrolling interests) for the three months ended June 30, 2022 as compared with $54 million ($38 million after tax and noncontrolling interests) in the comparable 2021 period and were primarily related to severe weather related events.

Six Months Ended June 30, 2022 Compared to the Comparable 2021 Period

Net income attributable to Loews Corporation decreased $145 million for the six months ended June 30, 2022 as compared with the comparable 2021 period primarily due to lower net investment income and investment losses for the six months ended June 30, 2022 as compared with investment gains in the comparable 2021 period. Lower net investment income was from limited partnerships and common stock and lower investment results were driven by the unfavorable change in fair value of non-redeemable preferred stock. These decreases to net income were partially offset by improved underwriting results and higher net investment income from fixed income securities for the six months ended June 30, 2022 as compared with the comparable 2021 period. Catastrophe losses were $57 million ($40 million after tax and noncontrolling interests) for the six months ended June 30, 2022 as compared with $179 million ($126 million after tax and noncontrolling interests) in the comparable 2021 period and were primarily related to severe weather related events.

CNA’s Property & Casualty and Other Insurance Operations

CNA’s commercial property and casualty insurance operations (“Property & Casualty Operations”) include its Specialty, Commercial and International lines of business. CNA’s Other Insurance Operations outside of Property & Casualty Operations include its long term care business that is in run-off, certain corporate expenses, including interest on CNA’s corporate debt, and the results of certain property and casualty businesses in run-off, including CNA Re, asbestos and environmental pollution (“A&EP”), a legacy portfolio of excess workers’ compensation (“EWC”) policies and certain legacy mass tort reserves. We believe the presentation of CNA as one reportable segment is appropriate in accordance with applicable accounting standards on segment reporting. However, for purposes of this discussion and analysis of the results of operations, we provide greater detail with respect to CNA’s Property & Casualty Operations and Other Insurance Operations to enhance the reader’s understanding and to provide further transparency into key drivers of CNA’s financial results.

In assessing its insurance operations, CNA utilizes the core income (loss) financial measure. Core income (loss) is calculated by excluding from net income (loss), investment gains or losses and any cumulative effects of changes in accounting guidance. In addition, core income (loss) excludes the effects of noncontrolling interests. The calculation of core income (loss) excludes investment gains or losses because investment gains or losses are generally driven by economic factors that are not necessarily reflective of CNA’s primary insurance operations. Core income (loss) is deemed to be a non-GAAP financial measure and management believes some investors may find this measure useful to evaluate CNA’s insurance operations. Please see the non-GAAP reconciliation of core income (loss) to net income (loss) that follows in this MD&A.

Property & Casualty Operations

In evaluating the results of Property & Casualty Operations, CNA utilizes the loss ratio, the loss ratio excluding catastrophes and development, the expense ratio, the dividend ratio, the combined ratio and the combined ratio excluding catastrophes and development. These ratios are calculated using GAAP financial results. The loss ratio is the percentage of net incurred claim and claim adjustment expenses to net earned premiums. The loss ratio excluding catastrophes and development excludes catastrophes losses and changes in estimates of claim and claim adjustment expense reserves, net of reinsurance, for prior years from the loss ratio. The expense ratio is the percentage of insurance underwriting and acquisition expenses, including the amortization of deferred acquisition costs, to net earned premiums. The dividend ratio is the ratio of policyholders’ dividends incurred to net earned premiums. The combined ratio is the sum of the loss, expense and dividend ratios. The combined ratio excluding catastrophes and development is the sum of the loss ratio excluding catastrophes and development, the expense ratio and the dividend ratio. In addition, renewal premium change, rate, retention and new business are also utilized in evaluating operating trends. Renewal premium change represents the estimated change in average premium on policies that renew, including rate and exposure changes. Rate represents the average change in price on policies that renew excluding exposure change. For certain products within Small Business, where quantifiable, rate includes the influence of new business as well. Exposure represents the measure of risk used in the pricing of the insurance product. Retention represents the percentage of premium dollars renewed, excluding rate and exposure changes, in comparison to the expiring premium dollars from policies available to renew. Renewal premium change, rate and retention presented for the prior period are updated to reflect subsequent activity on policies written in the period. New business represents premiums from policies written with new customers and additional policies written with existing customers. Gross written premiums, excluding third-party captives, excludes business which is ceded to third-party captives, including business related to large warranty programs.

The following tables summarize the results of CNA's Property & Casualty Operations for the three and six months ended June 30, 2022 and 2021.

Three Months Ended June 30, 2022	**Specialty**	**Commercial**	**International**	**Total**
(In millions, except %)				
Gross written premiums	**$ 1,904**	**$ 1,429**	**$ 382**	**$ 3,715**
Gross written premiums excluding third-party captives	**973**	**1,321**	**382**	**2,676**
Net written premiums	**832**	**1,134**	**330**	**2,296**
Net earned premiums	**794**	**974**	**269**	**2,037**
Net investment income	**100**	**113**	**14**	**227**
Core income	**161**	**138**	**18**	**317**
Other performance metrics:				
Loss ratio excluding catastrophes and development	**58.6 %**	**61.5 %**	**58.5 %**	**60.0 %**
Effect of catastrophe impacts	**0.1**	**3.0**	**2.8**	**1.8**
Effect of development-related items	**(1.2)**	**(1.8)**	**(1.8)**	**(1.6)**
Loss ratio	**57.5 %**	**62.7 %**	**59.5 %**	**60.2 %**
Expense ratio	**30.4**	**30.0**	**32.1**	**30.5**
Dividend ratio	**0.2**	**0.5**		**0.3**
Combined ratio	**88.1 %**	**93.2 %**	**91.6 %**	**91.0 %**
Combined ratio excluding catastrophes and development	**89.2 %**	**92.0 %**	**90.6 %**	**90.8 %**
Rate	**7 %**	**5 %**	**7 %**	**6 %**
Renewal premium change	**8**	**8**	**10**	**8**
Retention	**85**	**86**	**85**	**85**
New business	**$ 132**	**$ 280**	**$ 88**	**$ 500**

Three Months Ended June 30, 2021				
Gross written premiums	$ 1,903	$ 1,161	$ 339	$ 3,403
Gross written premiums excluding third-party captives	897	1,060	339	2,296
Net written premiums	786	831	292	1,909
Net earned premiums	762	881	266	1,909
Net investment income	134	174	14	322
Core income	188	137	26	351
Other performance metrics:				
Loss ratio excluding catastrophes and development	59.0 %	60.1 %	59.0 %	59.5 %
Effect of catastrophe impacts		5.8	0.8	2.8
Effect of development-related items	(1.3)	0.8	(0.3)	(0.2)
Loss ratio	57.7 %	66.7 %	59.5 %	62.1 %
Expense ratio	30.0	32.3	33.5	31.6
Dividend ratio	0.2	0.6		0.3
Combined ratio	87.9 %	99.6 %	93.0 %	94.0 %
Combined ratio excluding catastrophes and development	89.2 %	93.0 %	92.5 %	91.4 %
Rate	12 %	8 %	14 %	10 %
Renewal premium change	12	10	14	11
Retention	85	80	77	81
New business	$ 121	$ 201	$ 71	$ 393

Six Months Ended June 30, 2022	**Specialty**	**Commercial**	**International**	**Total**
(In millions, except %)				
Gross written premiums	**$ 3,750**	**$ 2,637**	**$ 745**	**$ 7,132**
Gross written premiums excluding third-party captives	**1,858**	**2,527**	**745**	**5,130**
Net written premiums	**1,603**	**2,135**	**581**	**4,319**
Net earned premiums	**1,566**	**1,878**	**533**	**3,977**
Net investment income	**203**	**231**	**28**	**462**
Core income	**324**	**270**	**44**	**638**
Other performance metrics:				
Loss ratio excluding catastrophes and development	**58.7 %**	**61.5 %**	**58.6 %**	**60.0 %**
Effect of catastrophe impacts	**0.1**	**2.4**	**2.0**	**1.4**
Effect of development-related items	**(1.3)**	**(0.9)**	**(1.0)**	**(1.0)**
Loss ratio	**57.5 %**	**63.0 %**	**59.6 %**	**60.4 %**
Expense ratio	**30.7**	**30.3**	**32.4**	**30.7**
Dividend ratio	**0.2**	**0.5**		**0.3**
Combined ratio	**88.4 %**	**93.8 %**	**92.0 %**	**91.4 %**
Combined ratio excluding catastrophes and development	**89.6 %**	**92.3 %**	**91.0 %**	**91.0 %**
Rate	**8 %**	**5 %**	**8 %**	**6 %**
Renewal premium change	**9**	**8**	**10**	**9**
Retention	**85**	**86**	**79**	**84**
New business	**$ 277**	**$ 508**	**$ 166**	**$ 951**

Six Months Ended June 30, 2021				
Gross written premiums	$ 3,697	$ 2,274	$ 682	$ 6,653
Gross written premiums excluding third-party captives	1,713	2,171	682	4,566
Net written premiums	1,528	1,791	527	3,846
Net earned premiums	1,497	1,736	518	3,751
Net investment income	251	322	28	601
Core income	358	206	50	614
Other performance metrics:				
Loss ratio excluding catastrophes and development	59.2 %	60.4 %	59.3 %	59.8 %
Effect of catastrophe impacts	0.3	9.6	1.4	4.7
Effect of development-related items	(1.6)	0.7	(0.2)	(0.3)
Loss ratio	57.9 %	70.7 %	60.5 %	64.2 %
Expense ratio	30.2	31.8	33.9	31.5
Dividend ratio	0.2	0.6		0.3
Combined ratio	88.3 %	103.1 %	94.4 %	96.0 %
Combined ratio excluding catastrophes and development	89.6 %	92.8 %	93.2 %	91.6 %
Rate	11 %	9 %	14 %	10 %
Renewal premium change	12	11	13	11
Retention	86	81	76	82
New business	$ 224	$ 412	$ 150	$ 786

Three Months Ended June 30, 2022 Compared to the Comparable 2021 Period

Gross written premiums, excluding third-party captives, for Specialty increased $76 million for the three months ended June 30, 2022 as compared with the comparable 2021 period driven by rate and higher new business. Net written premiums for Specialty increased $46 million for the three months ended June 30, 2022 as compared with the comparable 2021 period. The increase in net earned premiums for the three months ended June 30, 2022 was consistent with the trend in net written premiums for Specialty.

Gross written premiums for Commercial increased $268 million for the three months ended June 30, 2022 as compared with the comparable 2021 period driven by higher new business and retention. Net written premiums for Commercial increased $303 million for the three months ended June 30, 2022 as compared with the comparable 2021 period. The prior period included a one-time written premium catch-up resulting from the addition of a quota share treaty to CNA's property reinsurance program. Excluding the impact of the written premium catch-up in the prior period, net written premiums increased $191 million for the three months ended June 30, 2022 as compared with the comparable 2021 period. Prior period written premiums were also unfavorably impacted by the March 2021 cybersecurity attack. The increase in net earned premiums for the three months ended June 30, 2022 was consistent with the trend in net written premiums for Commercial.

Gross written premiums for International increased $43 million for the three months ended June 30, 2022 as compared with the comparable 2021 period. Excluding the effect of foreign currency exchange rates, gross written premiums increased $59 million driven by retention and rate. Net written premiums for International increased $38 million for the three months ended June 30, 2022 as compared with the comparable 2021 period. Excluding the effect of foreign currency exchange rates, net written premiums increased $52 million for the three months ended June 30, 2022 as compared with the comparable 2021 period. The increase in net earned premiums for the three months ended June 30, 2022 was consistent with the trend in net written premiums for International.

Core income for Property & Casualty Operations decreased $34 million for the three months ended June 30, 2022 as compared with the comparable 2021 period primarily due to lower net investment income driven by limited partnership and common stock results, partially offset by improved underwriting results.

Total catastrophe losses were $37 million for the three months ended June 30, 2022 as compared with $54 million for the comparable 2021 period. For the three months ended June 30, 2022 and 2021, Specialty had $1 million of catastrophe losses, Commercial had catastrophe losses of $29 million and $51 million and International had catastrophe losses of $7 million and $2 million.

Favorable net prior year loss reserve development of $37 million and $11 million was recorded for the three months ended June 30, 2022 and 2021. For the three months ended June 30, 2022 and 2021, Specialty recorded favorable net prior year loss reserve development of $10 million in each period, Commercial recorded favorable net prior year loss reserve development of $22 million and no net prior year loss reserve development and International recorded favorable net prior year loss reserve development of $5 million and $1 million. Further information on net prior year loss reserve development is included in Note 4 of the Notes to Consolidated Condensed Financial Statements included under Item 1 of this Report.

Specialty's combined ratio increased 0.2 points for the three months ended June 30, 2022 as compared with the comparable 2021 period due to a 0.4 point increase in the expense ratio partially offset by a 0.2 point improvement in the loss ratio. The increase in the expense ratio was driven by higher underwriting expenses partially offset by lower acquisition costs. The improvement in the loss ratio was primarily driven by improved non-catastrophe current accident year underwriting results.

Commercial's combined ratio improved 6.4 points for the three months ended June 30, 2022 as compared with the comparable 2021 period primarily due to a 4.0 point improvement in the loss ratio and a 2.3 point improvement in the expense ratio. The improvement in the loss ratio was driven by lower catastrophe losses which were 3.0 points of the loss ratio for the three months ended June 30, 2022, as compared with 5.8 points of the loss ratio in the comparable 2021 period and favorable net prior year loss reserve development. The combined ratio excluding catastrophes and development improved 1.0 point for the three months ended June 30, 2022 as compared with the comparable 2021 period. The improvement in the expense ratio of 2.3 points was driven by lower acquisition costs and higher net earned premium partially offset by an increase in underwriting expenses. The loss ratio excluding catastrophes and development increased 1.4 points primarily driven by a shift in mix of business associated with the property quota share treaty purchased during June of 2021. Property coverages, which have a lower underlying loss ratio than most other commercial coverages, now represent a smaller proportion of net earned premiums.

International’s combined ratio improved 1.4 points for the three months ended June 30, 2022 as compared with the comparable 2021 period due to a 1.4 point improvement in the expense ratio driven by lower acquisition costs. The loss ratio for the three months ended June 30, 2022 was consistent with the comparable 2021 period as favorable net prior year loss reserve development and improved non-catastrophe current accident year underwriting results were offset by higher catastrophe losses. Catastrophe losses were 2.8 points of the loss ratio for the three months ended June 30, 2022, as compared with 0.8 points of the loss ratio in the comparable 2021 period.

Six Months Ended June 30, 2022 Compared to the Comparable 2021 Period

Gross written premiums, excluding third-party captives, for Specialty increased $145 million for the six months ended June 30, 2022 as compared with the comparable 2021 period driven by rate and higher new business. Net written premiums for Specialty increased $75 million for the six months ended June 30, 2022 as compared with the comparable 2021 period. The increase in net earned premiums for the six months ended June 30, 2022 was consistent with the trend in net written premiums for Specialty.

Gross written premiums for Commercial increased $363 million for the six months ended June 30, 2022 as compared with the comparable 2021 period driven by higher new business and retention. Net written premiums for Commercial increased $344 million for the six months ended June 30, 2022 as compared with the comparable 2021 period. The prior period included a one-time written premium catch-up resulting from the addition of a quota share treaty to CNA’s property reinsurance program. Excluding the impact of the prior period written premium catch-up, net written premiums increased $232 million for the six months ended June 30, 2022 as compared with the comparable 2021 period. The increase in net earned premiums for the six months ended June 30, 2022 was consistent with the trend in net written premiums for Commercial.

Gross written premiums for International increased $63 million for the six months ended June 30, 2022 as compared with the comparable 2021 period. Excluding the effect of foreign currency exchange rates, gross written premiums increased $90 million driven by retention and rate. Net written premiums for International increased $54 million for the six months ended June 30, 2022 as compared with the comparable 2021 period. Excluding the effect of foreign currency exchange rates, net written premiums increased $78 million for the six months ended June 30, 2022 as compared with the comparable 2021 period. The increase in net earned premiums for the six months ended June 30, 2022 was consistent with the trend in net written premiums for International.

Core income for Property & Casualty Operations increased $24 million for the six months ended June 30, 2022 as compared with the comparable 2021 period primarily due to improved underwriting results largely offset by lower net investment income driven by limited partnership and common stock results.

Total catastrophe losses were $57 million for the six months ended June 30, 2022 as compared with $179 million for the comparable 2021 period. For the six months ended June 30, 2022 and 2021, Specialty had catastrophe losses of $1 million and $6 million, Commercial had catastrophe losses of $45 million and $166 million and International had catastrophe losses of $11 million and $7 million.

Favorable net prior year loss reserve development of $49 million and $26 million was recorded for the six months ended June 30, 2022 and 2021. For the six months ended June 30, 2022 and 2021, Specialty recorded favorable net prior year loss reserve development of $20 million and $25 million, Commercial recorded favorable net prior year loss reserve development of $24 million and no net prior year loss reserve development and International recorded favorable net prior year loss reserve development of $5 million and $1 million. Further information on net prior year loss reserve development is included in Note 4 of the Notes to Consolidated Condensed Financial Statements included under Item 1 of this Report.

Specialty’s combined ratio increased 0.1 point for the six months ended June 30, 2022 as compared with the comparable 2021 period due to a 0.5 point increase in the expense ratio largely offset by a 0.4 point improvement in the loss ratio. The increase in the expense ratio was driven by higher underwriting expenses partially offset by higher net earned premiums. The improvement in the loss ratio was primarily driven by improved current accident year underwriting results. Catastrophe losses were 0.1 point of the loss ratio for the six months ended June 30, 2022, as compared with 0.3 points of the loss ratio in the comparable 2021 period.

Commercial’s combined ratio improved 9.3 points for the six months ended June 30, 2022 as compared with the comparable 2021 period primarily due to a 7.7 point improvement in the loss ratio and a 1.5 point improvement in the expense ratio. The improvement in the loss ratio was driven by lower catastrophe losses which were 2.4 points of the loss ratio for the six months ended June 30, 2022, as compared with 9.6 points of the loss ratio in the comparable 2021 period, and favorable net prior year loss reserve development. The combined ratio excluding catastrophes and development improved 0.5 points for the six months ended June 30, 2022 as compared with the comparable 2021 period. The improvement in the expense ratio was driven by lower acquisition costs and higher net earned premiums partially offset by an increase in underwriting expenses. The loss ratio excluding catastrophes and development increased 1.1 points primarily driven by a shift in mix of business associated with the property quota share treaty purchased during June of 2021. Property coverages, which have a lower underlying loss ratio than most other commercial coverages, now represent a smaller proportion of net earned premiums.

International's combined ratio improved 2.4 points for the six months ended June 30, 2022 as compared with the comparable 2021 period due to a 1.5 point improvement in the expense ratio and a 0.9 point improvement in the loss ratio. The improvement in the expense ratio was driven by lower acquisition costs. The improvement in the loss ratio was driven by favorable net prior year loss reserve development and improved non-catastrophe current accident year underwriting results, partially offset by higher net catastrophe losses. Catastrophe losses were 2.0 points of the loss ratio for the six months ended June 30, 2022, as compared with 1.4 points of the loss ratio in the comparable 2021 period.

Other Insurance Operations

The following table summarizes the results of CNA's Other Insurance Operations for the three and six months ended June 30, 2022 and 2021.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Net earned premiums	**$ 118**	$ 126	**$ 238**	$ 246
Net investment income	**205**	269	**418**	494
Core loss	**(72)**	(10)	**(77)**	(10)

Three Months Ended June 30, 2022 Compared to the Comparable 2021 Period

Core results for Other Insurance Operations decreased $62 million for the three months ended June 30, 2022 as compared with the comparable 2021 period primarily due to lower net investment income and a $51 million charge for the three months ended June 30, 2022 related to unfavorable net prior year loss reserve development largely associated with legacy mass tort abuse claims as compared with a $32 million charge in the comparable 2021 period. Net prior year loss reserve development is further discussed in Note 4 of the Notes to Consolidated Condensed Financial Statements included under Item 1.

Six Months Ended June 30, 2022 Compared to the Comparable 2021 Period

Core results for Other Insurance Operations decreased $67 million for the six months ended June 30, 2022 as compared with the comparable 2021 period primarily due to lower net investment income and higher net prior year loss reserve development associated with legacy mass tort abuse claims. These results were partially offset by the prior period recognition of a $12 million loss resulting from the legacy excess workers' compensation loss portfolio transfer ("EWC LPT"). Net prior year loss reserve development is further discussed in Note 4 of the Notes to Consolidated Condensed Financial Statements included under Item 1.

Non-GAAP Reconciliation of Core Income to Net Income

The following table reconciles core income to net income attributable to Loews Corporation for the three and six months ended June 30, 2022 and 2021:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Core income (loss):				
Property & Casualty Operations	**$ 317**	$ 351	**$ 638**	$ 614
Other Insurance Operations	**(72)**	(10)	**(77)**	(10)
Total core income	**245**	341	**561**	604
Investment gains (losses)	**(40)**	27	**(43)**	76
Consolidating adjustments including noncontrolling interests	**(22)**	(38)	**(54)**	(71)
Net income attributable to Loews Corporation	**$ 183**	$ 330	**$ 464**	$ 609

Boardwalk Pipelines

A significant portion of Boardwalk Pipelines' revenues is fee-based, being derived from capacity reservation charges under firm agreements with customers, which do not vary significantly period to period, but are impacted by longer term trends in its business such as changes in pricing on contract renewals and other factors. Boardwalk Pipelines' operating costs and expenses do not vary significantly based upon the amount of products transported, with the exception of costs recorded in fuel and transportation expense, which are netted with fuel retained on our Consolidated Condensed Statements of Operations. For further information on Boardwalk Pipelines' revenue recognition policies see Note 1 of the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2021.

The following table summarizes the results of operations for Boardwalk Pipelines for the three and six months ended June 30, 2022 and 2021, as presented in Note 11 of the Notes to Consolidated Condensed Financial Statements included under Item 1 of this Report. Boardwalk Pipelines also utilizes earnings before interest, income tax expense, depreciation and amortization ("EBITDA"), a non-GAAP measure, as a financial measure to assess its operating and financial performance and return on invested capital. Management believes some investors may find this measure useful in evaluating Boardwalk Pipelines' performance.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Revenues:				
Operating revenues and other	**$ 325**	$ 312	**$ 706**	$ 684
Total	**325**	312	**706**	684
Expenses:				
Operating and other:				
Operating costs and expenses	**132**	116	**254**	241
Depreciation and amortization	**99**	93	**194**	185
Interest	**42**	40	**84**	81
Total	**273**	249	**532**	507
Income before income tax	**52**	63	**174**	177
Income tax expense	**(13)**	(16)	**(44)**	(45)
Net income attributable to Loews Corporation	**$ 39**	$ 47	**$ 130**	$ 132
EBITDA	**$ 193**	$ 196	**$ 452**	$ 443

Three Months Ended June 30, 2022 Compared to the Comparable 2021 Period

Net income attributable to Loews Corporation decreased $8 million for the three months ended June 30, 2022 as compared with the comparable 2021 period. EBITDA decreased $3 million for the three months ended June 30, 2022 as compared with the comparable 2021 period.

Total revenues increased $13 million for the three months ended June 30, 2022 as compared with the comparable 2021 period. Including the items in fuel and transportation expense, operating revenues increased $9 million, primarily driven by an increase in storage and parking and lending revenues of $5 million due to favorable market conditions and an increase in transportation revenues of $4 million due to recently completed growth projects.

Operating costs and expenses increased $16 million for the three months ended June 30, 2022 as compared with the comparable 2021 period. Excluding items offset with operating revenues, operating costs and expenses increased $12 million, primarily due to increased costs from maintenance projects associated with the requirements of the Pipeline and Hazardous Materials Safety Administration Mega Rule (“PHMSA Mega Rule”).

Depreciation and amortization expenses increased $6 million for the three months ended June 30, 2022 as compared with the comparable 2021 period due to an increased asset base from recently completed growth projects and a change in the estimated life of certain assets.

Interest expenses increased $2 million for the three months ended June 30, 2022 as compared with the comparable 2021 period, primarily due to higher average outstanding long-term debt.

Six Months Ended June 30, 2022 Compared to the Comparable 2021 Period

Net income attributable to Loews Corporation decreased $2 million for the six months ended June 30, 2022 as compared with the comparable 2021 period. EBITDA increased $9 million for the six months ended June 30, 2022 as compared with the comparable 2021 period.

Total revenues increased $22 million for the six months ended June 30, 2022 as compared with the comparable 2021 period, primarily driven by an increase in transportation revenues of $16 million due to recently completed growth projects and an increase in storage and parking and lending revenues of $6 million due to favorable market conditions.

Operating costs and expenses increased $13 million for the six months ended June 30, 2022 as compared with the comparable 2021 period primarily due to increased costs from maintenance projects associated with the requirements of the PHMSA Mega Rule.

Depreciation and amortization expenses increased $9 million for the six months ended June 30, 2022 as compared with the comparable 2021 period due to an increased asset base from recently completed growth projects and a change in the estimated life of certain assets.

Interest expense increased $3 million for the six months ended June 30, 2022 as compared with the comparable 2021 period primarily due to higher average outstanding long-term debt.

Non-GAAP Reconciliation of Net Income attributable to Loews Corporation to EBITDA

The following table for Boardwalk Pipelines presents a reconciliation of net income attributable to Loews Corporation to EBITDA for the three and six months ended June 30, 2022 and 2021:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Net income attributable to Loews Corporation	**$ 39**	$ 47	**$ 130**	$ 132
Income tax expense	**13**	16	**44**	45
Depreciation and amortization	**99**	93	**194**	185
Interest	**42**	40	**84**	81
EBITDA	**$ 193**	$ 196	**$ 452**	$ 443

Loews Hotels & Co

The following table summarizes the results of operations for Loews Hotels & Co for the three and six months ended June 30, 2022 and 2021, as presented in Note 11 of the Notes to Consolidated Condensed Financial Statements included under Item 1 of this Report.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Revenues:				
Operating revenue	**$ 168**	$ 76	**$ 291**	$ 115
Revenues related to reimbursable expenses	**32**	22	**61**	40
Total	**200**	98	**352**	155
Expenses:				
Operating and other:				
Operating	**123**	80	**231**	138
Asset impairment	**14**		**14**	
Reimbursable expenses	**32**	22	**61**	40
Depreciation and amortization expense	**16**	16	**31**	32
Equity (income) loss from joint ventures	**(53)**	(3)	**(79)**	9
Interest	**4**	9	**8**	17
Total	**136**	124	**266**	236
Income (loss) before income tax	**64**	(26)	**86**	(81)
Income tax (expense) benefit	**(20)**	5	**(27)**	17
Net income (loss) attributable to Loews Corporation	**$ 44**	$ (21)	**$ 59**	$ (64)

Net income (loss) attributable to Loews Corporation improved by $65 million and $123 million for the three and six months ended June 30, 2022 as compared to the comparable prior year periods.

Loews Hotels & Co's results significantly improved for the three and six months ended June 30, 2022 as compared with the comparable 2021 periods as overall travel demand and resulting business levels were considerably higher in 2022. Travel, particularly to resort destinations, has significantly rebounded from the impacts of the COVID-19 pandemic causing overall occupancy rates to improve.

Operating revenues improved by $92 million and $176 million and operating expenses increased by $43 million and $93 million for the three and six months ended June 30, 2022 as compared with the comparable 2021 periods. The increase in operating revenues was driven by stronger occupancy levels and higher average daily rates at many hotels in 2022 as compared to 2021. Operating expenses have likewise increased to support the higher demand levels and resumption of additional pre-pandemic services.

Equity (income) loss from joint ventures improved $50 million and $88 million for the three and six months ended June 30, 2022 as compared with the comparable 2021 periods. This improvement was the result of having all 9,000 rooms available at the Universal Orlando Resort in the first half of 2022 along with greater occupancy levels and higher average daily rates, particularly at the Universal Orlando Resort.

During the second quarter of 2022, Loews Hotels & Co recorded an impairment charge of $14 million to reduce the carrying value of an asset to its estimated fair value.

Interest expense decreased $5 million and $9 million for the three and six months ended June 30, 2022 as compared with the comparable 2021 periods due primarily to the increase in fair value of an interest rate cap that was executed in the first quarter of 2022, higher capitalized interest on a project under development, and lower average debt balances.

Corporate

Corporate operations consist primarily of investment income, interest expense and administrative costs at the Parent Company. Investment income includes earnings on cash and short term investments held at the Parent Company to meet current and future liquidity needs, as well as results of the trading portfolio held at the Parent Company. Corporate also includes the consolidated operations of Altium Packaging through March 31, 2021 and the equity method of accounting for Altium Packaging subsequent to its deconsolidation on April 1, 2021.

The following table summarizes the results of operations for Corporate for the three and six months ended June 30, 2022 and 2021 as presented in Note 11 of the Notes to Consolidated Condensed Financial Statements included under Item 1 of this Report:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Revenues:				
Net investment income (loss)	**$ (65)**	$ 24	**$ (81)**	$ 70
Investment gains		540		540
Operating revenues and other	**2**		**2**	281
Total	**(63)**	564	**(79)**	891
Expenses:				
Operating and other	**23**	30	**45**	338
Interest	**22**	22	**44**	70
Total	**45**	52	**89**	408
Income (loss) before income tax	**(108)**	512	**(168)**	483
Income tax (expense) benefit	**22**	(114)	**33**	(145)
Net income (loss) attributable to Loews Corporation	**$ (86)**	$ 398	**$ (135)**	$ 338

Net investment losses for the Parent Company were $65 million and $81 million for the three and six months ended June 30, 2022 as compared with income of $24 million and $70 million for the comparable 2021 periods, primarily due to the decline in fair value of equity based investments.

Investment gains of $540 million for the three and six months ended June 30, 2021 were primarily due to a gain of $555 million ($438 million after tax) on the sale of 47% of Altium Packaging and deconsolidation on April 1, 2021.

Operating revenues and other for the six months ended June 30, 2021 include $280 million of consolidated operating revenues for Altium Packaging through March 31, 2021.

Operating and other expenses decreased $7 million for the three months ended June 30, 2022 as compared with the comparable 2021 period, primarily due to lower corporate overhead expenses at the Parent Company. Operating and other expenses decreased $293 million for the six months ended June 30, 2022 as compared with the comparable 2021 period, primarily due to $279 million of operating expenses for Altium Packaging through March 31, 2021 prior to its deconsolidation and use of the equity method for Altium Packaging since its deconsolidation. In addition, there were lower corporate overhead and legal expenses at the Parent Company for the six months ended June 30, 2022 as compared with the comparable 2021 period.

Interest expenses decreased $26 million for the six months ended June 30, 2022 as compared with the comparable 2021 period due to consolidated interest expenses for Altium Packaging through March 31, 2021, which included a charge of approximately $14 million to write off debt issuance costs for the early retirement of debt.

Income tax expense of $114 million and $145 million for the three and six months ended June 30, 2021 includes the recognition of $117 million of taxes on the investment gain related to the sale of 47% of Altium Packaging. The income tax expense for the six months ended June 30, 2021 also included the recognition of a $40 million deferred tax liability related to the sale of Altium Packaging.

LIQUIDITY AND CAPITAL RESOURCES

Parent Company

Parent Company cash and investments, net of receivables and payables, totaled $3.5 billion at June 30, 2022 as compared to $3.4 billion at December 31, 2021. During the six months ended June 30, 2022, we received $681 million in cash dividends from CNA, including a special cash dividend of $486 million. Cash outflows during the six months ended June 30, 2022 included the payment of $380 million to fund treasury stock purchases, $31 million of cash dividends to our shareholders and $33 million of cash contributions to Loews Hotels & Co. As a holding company we depend on dividends from our subsidiaries and returns on our investment portfolio to fund our obligations. We also have an effective shelf registration statement on file with the Securities and Exchange Commission ("SEC") registering the future sale of an unspecified amount of our debt, equity or hybrid securities from time to time. We are not responsible for the liabilities and obligations of our subsidiaries and there are no Parent Company guarantees.

Depending on market and other conditions, we may purchase our shares and shares of our subsidiaries outstanding common stock in the open market, in privately negotiated transactions or otherwise. During the six months ended June 30, 2022, we purchased 6.3 million shares of Loews Corporation common stock. As of July 29, 2022, we had purchased an additional 1.3 million shares of Loews Corporation common stock in 2022 at an additional aggregate cost of $75 million. As of July 29, 2022, there were 240,947,343 shares of Loews Corporation common stock outstanding.

Future uses of our cash may include investing in our subsidiaries, new acquisitions, dividends and/or repurchases of our and our subsidiaries' outstanding common stock. The declaration and payment of future dividends to holders of our common stock will be at the discretion of our Board of Directors and will depend on many factors, including our earnings, financial condition and business needs.

Subsidiaries

CNA's cash provided by operating activities was $1.3 billion for the six months ended June 30, 2022 and $685 million for the comparable 2021 period. The increase in cash provided by operating activities was driven by the prior year payment of the EWC LPT premium.

CNA paid cash dividends of $2.80 per share on its common stock, including a special cash dividend of $2.00 per share, during the six months ended June 30, 2022. On July 29, 2022, CNA's Board of Directors declared a quarterly cash dividend of $0.40 per share payable September 1, 2022 to shareholders of record on August 15, 2022. CNA's declaration and payment of future dividends is at the discretion of its Board of Directors and will depend on many factors, including CNA's earnings, financial condition, business needs and regulatory constraints. CNA believes that its present cash flows from operating, investing and financing activities are sufficient to fund its current and expected working capital and debt obligation needs and does not expect this to change in the near term.

Dividends to CNA from Continental Casualty Company ("CCC"), a subsidiary of CNA, are subject to the insurance holding company laws of the State of Illinois, the domiciliary state of CCC. Under these laws, ordinary dividends, or dividends that do not require prior approval by the Illinois Department of Insurance (the "Department"), are determined based on the greater of the prior year's statutory net income or 10% of statutory surplus as of the end of the prior year, as well as the timing and amount of dividends paid in the preceding 12 months. Additionally, ordinary dividends may only be paid from earned surplus, which is calculated by removing unrealized gains from unassigned surplus. As of June 30, 2022, CCC was in a positive earned surplus position. CCC paid dividends of $690 million and $480 million during the six months ended June 30, 2022 and 2021. The actual level of dividends paid in any year is determined after an assessment of available dividend capacity, holding company liquidity and cash needs as well as the impact the dividends will have on the statutory surplus of the applicable insurance company.

CNA has an effective shelf registration statement on file with the SEC under which it may publicly issue an unspecified amount of debt, equity or hybrid securities from time to time.

Boardwalk Pipelines' cash provided by operating activities increased $35 million for the six months ended June 30, 2022 compared to the comparable 2021 period, primarily due to the timing of receivables and prepaids.

For the six months ended June 30, 2022 and 2021, Boardwalk Pipelines' capital expenditures were $122 million and $138 million, consisting of growth capital expenditures of $76 million and $86 million and maintenance capital expenditures of $39 million and $52 million. During the six months ended June 30, 2022, Boardwalk Pipelines also spent $7 million on natural gas to be used in its integrated natural gas pipeline system.

Boardwalk Pipelines anticipates that its existing capital resources, including its cash on hand, revolving credit facility and cash flows from operating activities, will be adequate to fund its operations and capital expenditures for 2022 and to retire the outstanding $300 million aggregate principal amount of its 3.4% senior notes due in February of 2023. Boardwalk Pipelines also has an effective shelf registration statement on file with the SEC under which it may publicly issue $1.0 billion of debt securities, warrants or rights from time to time. In February of 2022, Boardwalk Pipelines completed a public offering of $500 million aggregate principal amount of its 3.6% senior notes due September 1, 2032, which utilized $500 million of capacity under its shelf registration statement. Boardwalk Pipelines used the proceeds to retire the outstanding $300 million aggregate principal amount of its 4.0% senior notes due June 2022 in March of 2022, to fund growth capital expenditures and for general corporate purposes.

In June of 2022, Boardwalk Pipelines' revolving credit facility was amended to, among other things, extend the maturity date by one year to May 27, 2027, while preserving the two one-year extensions that can be exercised at Boardwalk Pipelines' election and complete a full transition to interest rates based on the term Secured Overnight Financing Rate ("SOFR"). As of June 30, 2022, Boardwalk Pipelines had no outstanding borrowings and all of the $1.0 billion available borrowing capacity under its revolving credit facility.

As of June 30, 2022, Loews Hotels & Co, through its subsidiaries, has loans that mature within twelve months and is actively working with lenders to refinance $13 million in current maturities of long term debt. Extending these loans, along with certain loans of unconsolidated joint venture partnerships, may require Loews Hotels & Co to make principal pay downs, establish restricted cash reserves or provide guaranties of a subsidiary's debt. Through the date of this Report, none of Loews Hotels & Co's subsidiaries are in default on any of their loans.

Through July 29, 2022, Loews Hotels & Co received capital contributions of $33 million from Loews Corporation to fund development projects.

INVESTMENTS

Investment activities of our non-insurance subsidiaries primarily consist of investments in fixed income securities, including short term investments. The Parent Company portfolio also includes equity securities, including short sales and derivative instruments, and investments in limited partnerships. Certain of these types of Parent Company investments generally have greater volatility, less liquidity and greater risk than fixed income investments and are included within Results of Operations – Corporate.

The Parent Company enters into short sales and invests in certain derivative instruments that are used for asset and liability management activities, income enhancements to its portfolio management strategy and to benefit from anticipated future movements in the underlying markets. If such movements do not occur as anticipated, then significant losses may occur. Monitoring procedures include senior management review of daily reports of existing positions and valuation fluctuations to seek to ensure that open positions are consistent with the portfolio strategy.

Credit exposure associated with non-performance by counterparties to derivative instruments is generally limited to the uncollateralized change in fair value of the derivative instruments recognized in the Consolidated Condensed Balance Sheets. The risk of non-performance is mitigated by monitoring the creditworthiness of counterparties and diversifying derivatives by using multiple counterparties. Collateral is occasionally required from derivative investment counterparties depending on the amount of the exposure and the credit rating of the counterparty.

Insurance

CNA maintains a large portfolio of fixed maturity and equity securities, including large amounts of corporate and government issued debt securities, residential and commercial mortgage-backed securities, other asset-backed securities and investments in limited partnerships which pursue a variety of long and short investment strategies across a broad array of asset classes. CNA's investment portfolio supports its obligation to pay future insurance claims and provides investment returns which are an important part of CNA's overall profitability.

Net Investment Income

The significant components of CNA's net investment income are presented in the following table. Fixed income securities, as presented, include both fixed maturity securities and non-redeemable preferred stock.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Fixed income securities:				
Taxable fixed income securities	**$ 385**	$ 356	**$ 753**	$ 715
Tax-exempt fixed income securities	**66**	79	**139**	159
Total fixed income securities	**451**	435	**892**	874
Limited partnership and common stock investments	**(15)**	156	**(7)**	217
Other, net of investment expense	**(4)**		**(5)**	4
Net investment income	**$ 432**	$ 591	**$ 880**	$ 1,095
Effective income yield for the fixed income securities portfolio	**4.3 %**	4.3 %	**4.3 %**	4.4 %
Limited partnership and common stock return	**(0.7)%**	8.3 %	**(0.3)%**	12.1 %

CNA's net investment income decreased $159 million and $215 million for the three and six months ended June 30, 2022 as compared with the comparable 2021 periods, driven by unfavorable limited partnership and common stock results, partially offset by higher income from fixed income securities.

Investment Gains (Losses)

The components of CNA's investment gains (losses) are presented in the following table:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	**2022**	2021
(In millions)				
Investment gains (losses):				
Fixed maturity securities:				
Corporate and other bonds	**$ (30)**	$ 43	**$ (27)**	$ 79
States, municipalities and political subdivisions	**19**		**22**	(1)
Asset-backed	**(4)**	(12)	**(12)**	(9)
Total fixed maturity securities	**(15)**	31	**(17)**	69
Non-redeemable preferred stock	**(71)**	17	**(109)**	19
Short term and other	**27**	(10)	**56**	7
Total investment gains (losses)	**(59)**	38	**(70)**	95
Income tax (expense) benefit	**19**	(11)	**27**	(19)
Amounts attributable to noncontrolling interests	**4**	(3)	**4**	(8)
Investment gains (losses) attributable to Loews Corporation	**$ (36)**	$ 24	**$ (39)**	$ 68

CNA's investment results decreased $97 million and $165 million for the three and six months ended June 30, 2022 as compared with the comparable 2021 periods, driven by the unfavorable change in fair value of non-redeemable preferred stock.

Further information on CNA's investment gains and losses is set forth in Note 2 of the Notes to Consolidated Condensed Financial Statements included under Item 1 of this Report.

Portfolio Quality

The following table presents the estimated fair value and net unrealized gains (losses) of CNA's fixed maturity securities by rating distribution:

	June 30, 2022		December 31, 2021	
(In millions)	**Estimated Fair Value**	**Net Unrealized Gains (Losses)**	Estimated Fair Value	Net Unrealized Gains (Losses)
U.S. Government, Government agencies and Government-sponsored enterprises	**$ 2,455**	**$ (217)**	$ 2,600	$ 42
AAA	**2,644**	**(87)**	3,784	360
AA	**7,136**	**(335)**	7,665	823
A	**8,825**	**(195)**	9,511	1,087
BBB	**16,317**	**(784)**	18,458	2,043
Non-investment grade	**2,008**	**(207)**	2,362	91
Total	**$ 39,385**	**$ (1,825)**	$ 44,380	$ 4,446

As of June 30, 2022 and December 31, 2021, 1% of CNA's fixed maturity portfolio was rated internally. AAA rated securities included $0.6 billion and $1.7 billion of pre-refunded municipal bonds as of June 30, 2022 and December 31, 2021.

The following table presents CNA's available-for-sale fixed maturity securities in a gross unrealized loss position by ratings distribution:

June 30, 2022	**Estimated Fair Value**	**Gross Unrealized Losses**
(In millions)		
U.S. Government, Government agencies and Government-sponsored enterprises	**$ 2,150**	**$ 223**
AAA	**1,232**	**205**
AA	**4,078**	**581**
A	**5,454**	**493**
BBB	**11,806**	**1,111**
Non-investment grade	**1,643**	**229**
Total	**$ 26,363**	**$ 2,842**

The following table presents the maturity profile for these available-for-sale fixed maturity securities. Securities not due to mature on a single date are allocated based on weighted average life:

June 30, 2022	Estimated Fair Value	Gross Unrealized Losses
(In millions)		
Due in one year or less	**$ 408**	**$ 8**
Due after one year through five years	**6,043**	**272**
Due after five years through ten years	**10,821**	**1,145**
Due after ten years	**9,091**	**1,417**
Total	**$ 26,363**	**$ 2,842**

Duration

A primary objective in the management of CNA's investment portfolio is to optimize return relative to the corresponding liabilities and respective liquidity needs. CNA's views on the current interest rate environment, tax regulations, asset class valuations, specific security issuer and broader industry segment conditions as well as domestic and global economic conditions, are some of the factors that enter into an investment decision. CNA also continually monitors exposure to issuers of securities held and broader industry sector exposures and may from time to time adjust such exposures based on its views of a specific issuer or industry sector.

A further consideration in the management of CNA's investment portfolio is the characteristics of the corresponding liabilities and the ability to align the duration of the portfolio to those liabilities and to meet future liquidity needs, minimize interest rate risk and maintain a level of income sufficient to support the underlying insurance liabilities. For portfolios where future liability cash flows are determinable and typically long term in nature, CNA segregates investments for asset/liability management purposes. The segregated investments support the long term care and structured settlement liabilities in Other Insurance Operations.

The effective durations of CNA's fixed income securities and short term investments are presented in the following table. Amounts presented are net of payable and receivable amounts for securities purchased and sold, but not yet settled.

	June 30, 2022		December 31, 2021	
	Estimated Fair Value	**Effective Duration (Years)**	Estimated Fair Value	Effective Duration (Years)
(In millions of dollars)				
Investments supporting Other Insurance Operations	**$ 15,433**	**9.7**	$ 18,458	9.2
Other investments	**25,608**	**5.0**	28,915	4.9
Total	**$ 41,041**	**6.8**	$ 47,373	6.6

The effective duration of investments supporting Other Insurance Operations liabilities at June 30, 2022 lengthened as compared with December 31, 2021, reflecting strategic repositioning to capitalize on higher rates and reduce reinvestment risk.

CNA's investment portfolio is periodically analyzed for changes in duration and related price risk. Certain securities have duration characteristics that are variable based on market interest rates, credit spreads and other factors that may drive variability in the amount and timing of cash flows. Additionally, CNA periodically reviews the sensitivity of the portfolio to the level of foreign exchange rates and other factors that contribute to market price changes. A summary of these risks and specific analysis on changes is included in the Quantitative and Qualitative Disclosures about Market Risk included under Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2021.

CRITICAL ACCOUNTING ESTIMATES

Certain accounting policies require us to make estimates and judgments that affect the amounts reflected in the Consolidated Condensed Financial Statements. Such estimates and judgments necessarily involve varying, and possibly significant, degrees of uncertainty. Accordingly, certain amounts currently recorded or disclosed in the financial statements will likely be adjusted in the future based on new available information and changes in other facts and circumstances. See the Critical Accounting Estimates and the Insurance Reserves sections of our MD&A included under Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2021 for further information.

ACCOUNTING STANDARDS UPDATE

In August 2018, the Financial Accounting Standards Board issued Accounting Standards Update 2018-12, “Financial Services - Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts.” The updated accounting guidance requires changes to the measurement and disclosure of long-duration contracts. For the Company, this includes CNA’s long term care and fully-ceded single premium immediate annuity business.

The most significant impact will be the effect of updating the discount rate assumption quarterly to reflect an upper-medium grade fixed-income instrument yield, rather than the expected investment portfolio yield. This will be partially offset by the de-recognition of Shadow Adjustments associated with long-duration contracts. The net impact of these changes is expected to be a $2.0 billion - $2.3 billion (after tax and noncontrolling interests) decrease in Accumulated other comprehensive income as of the transition date of January 1, 2021. To illustrate the sensitivity of this adjustment, had the interest rates in effect as of June 30, 2022 been used in the calculation, the transition impact would have been a $0.3 billion - $0.6 billion (after tax and noncontrolling interests) decrease in Accumulated other comprehensive income.

For a discussion of accounting standards updates that have been adopted or will be adopted in the future, please read Note 1 of the Notes to Consolidated Condensed Financial Statements included under Item 1 of this Report.

FORWARD-LOOKING STATEMENTS

Investors are cautioned that certain statements contained in this Report as well as in other of our and our subsidiaries’ SEC filings and periodic press releases and certain oral statements made by us and our subsidiaries and our and their officials during presentations may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Act”). Forward-looking statements include, without limitation, any statement that does not directly relate to any historical or current fact and may project, indicate or imply future results, events, performance or achievements. Such statements may contain the words “expect,” “intend,” “plan,” “anticipate,” “estimate,” “believe,” “will be,” “will continue,” “will likely result,” and similar expressions. In addition, any statement concerning future financial performance (including future revenues, earnings or growth rates), ongoing business strategies or prospects, and possible actions taken by us or our subsidiaries are also forward-looking statements as defined by the Act. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to a variety of risks and uncertainties, many of which are beyond our control, that could cause actual results to differ materially from those anticipated or projected.

Developments in any of the risks or uncertainties facing us or our subsidiaries, including those described under Part I, Item 1A, Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2021 and in our and our subsidiaries’ other filings with the SEC, could cause our and our subsidiaries’ results to differ materially from results that have been or may be anticipated or projected. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date they are made and we and our subsidiaries expressly disclaim any obligation or undertaking to update these statements to reflect any change in expectations or beliefs or any change in events, conditions or circumstances on which any forward-looking statement is based.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

There were no material changes in our market risk components as of June 30, 2022. See the Quantitative and Qualitative Disclosures about Market Risk included under Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2021 for further information. Additional information related to portfolio duration and market conditions is discussed in the Investments section of Management’s Discussion and Analysis of Financial Condition and Results of Operations included under Part I, Item 2.

Item 4. Controls and Procedures.

The Company maintains a system of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), which is designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act, including this Report, is recorded, processed, summarized and reported on a timely basis. These disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed by the Company under the Exchange Act is accumulated and communicated to the Company's management on a timely basis to allow decisions regarding required disclosure.

The Company's management, including the Company's principal executive officer ("CEO") and principal financial officer ("CFO") conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this Report and, based on that evaluation, the CEO and CFO concluded that the Company's disclosure controls and procedures were effective as of June 30, 2022.

There were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended June 30, 2022 that have materially affected or that are reasonably likely to materially affect the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

Information on our legal proceedings is set forth in Note 9 to the Consolidated Condensed Financial Statements included under Part I, Item 1.

Item 1A. Risk Factors.

Our Annual Report on Form 10-K for the year ended December 31, 2021 includes a discussion of material risk factors facing the Company. There have been no material changes to such risk factors as of the date of this Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Items 2 (a) and (b) are inapplicable.

(c) STOCK REPURCHASES

Period	(a) Total number of shares purchased	(b) Average price paid per share	(c) Total number of shares purchased as part of publicly announced plans or programs	(d) Maximum number of shares (or approximate dollar value) of shares that may yet be purchased under the plans or programs (in millions)
April 1, 2022 - April 30, 2022	294,349	$ 64.15	N/A	N/A
May 1, 2022 - May 31, 2022	1,142,397	62.92	N/A	N/A
June 1, 2022 - June 30, 2022	2,766,365	59.04	N/A	N/A

Item 6. Exhibits.

Description of Exhibit	Exhibit Number
By-Laws of Registrant as amended and restated as of May 10, 2022, incorporated herein by reference to Exhibit 3.02 to Registrant's Report on Form 8-K filed with the SEC on May 11, 2022 (File No. 001-06541)	3.1
Certification by the Chief Executive Officer of the Company pursuant to Rule 13a-14(a) and Rule 15d-14(a)	31.1*
Certification by the Chief Financial Officer of the Company pursuant to Rule 13a-14(a) and Rule 15d-14(a)	31.2*
Certification by the Chief Executive Officer of the Company pursuant to 18 U.S.C. Section 1350 (as adopted by Section 906 of the Sarbanes-Oxley Act of 2002)	32.1*
Certification by the Chief Financial Officer of the Company pursuant to 18 U.S.C. Section 1350 (as adopted by Section 906 of the Sarbanes-Oxley Act of 2002)	32.2*
XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	101.INS *
Inline XBRL Taxonomy Extension Schema	101.SCH *
Inline XBRL Taxonomy Extension Calculation Linkbase	101.CAL *
Inline XBRL Taxonomy Extension Definition Linkbase	101.DEF *
Inline XBRL Taxonomy Label Linkbase	101.LAB *
Inline XBRL Taxonomy Extension Presentation Linkbase	101.PRE *
Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	104*

*Filed herewith.

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: August 1, 2022

By: /s/ Jane J. Wang
JANE J. WANG
Senior Vice President and
Chief Financial Officer
(Duly authorized officer
and principal financial
officer)

Exhibit 31.01

I, James S. Tisch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Loews Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 1, 2022

By: /s/ James S. Tisch

JAMES S. TISCH
Chief Executive Officer

Exhibit 31.02

I, Jane J. Wang, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Loews Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 1, 2022

By: /s/ Jane J. Wang

JANE J. WANG
Chief Financial Officer

Exhibit 32.01

Certification by the Chief Executive Officer
of Loews Corporation pursuant to 18 U.S.C. Section 1350
(as adopted by Section 906 of the
Sarbanes-Oxley Act of 2002)

Pursuant to 18 U.S.C. Section 1350, the undersigned chief executive officer of Loews Corporation (the “Company”) hereby certifies, to such officer’s knowledge, that the Company’s quarterly report on Form 10-Q for the quarter ended June 30, 2022 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 1, 2022

By: /s/ James S. Tisch
JAMES S. TISCH
Chief Executive Officer

Exhibit 32.02

Certification by the Chief Financial Officer
of Loews Corporation pursuant to 18 U.S.C. Section 1350
(as adopted by Section 906 of the
Sarbanes-Oxley Act of 2002)

Pursuant to 18 U.S.C. Section 1350, the undersigned chief financial officer of Loews Corporation (the “Company”) hereby certifies, to such officer’s knowledge, that the Company’s quarterly report on Form 10-Q for the quarter ended June 30, 2022 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 1, 2022

By: /s/ Jane J. Wang
JANE J. WANG
Chief Financial Officer