



# EARNINGS SUPPLEMENT

*November 2021*

2021 Q3

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# Legal Disclaimers

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**Forward Looking Statements and Risk Factors.** The information presented herein is generally available from public sources, including our and our subsidiaries' earnings releases and SEC filings. We urge you to read those documents, and we specifically direct you to the forward-looking statements, disclaimers and risk factors they contain. The primary purpose of this presentation is to help you understand how we view our Company, not to update our filings or correct any forecasts – we categorically do not give guidance. Conditions faced by our various businesses may have changed – for better or worse – since the time periods reflected in this presentation and we disclaim any obligation to update the information presented herein. Any statements made in addressing our results are not meant as an indication of the Company's performance since the time of our latest public filings and disclosures.

There are a number of important risk factors that could cause the actual results for each of the companies discussed in this presentation to differ from those expressed in forward-looking statements contained herein, including those risk factors discussed in detail in annual and quarterly reports and other filings made with the SEC by Loews Corporation and its consolidated subsidiaries: CNA Financial Corporation and Boardwalk Pipelines. Given these risk factors, investors and analysts should not place undue reliance on forward-looking statements.

**Non-GAAP Financial Measures.** Certain financial information presented herein includes non-GAAP financial measures. Management believes these measures are useful to understanding the key drivers of the Company's operating performance. These non-GAAP measures are reconciled to GAAP numbers herein (or in documents referred to herein).

**Where You Can Find More Information.** Annual, quarterly and other reports filed with the SEC by Loews Corporation and its consolidated subsidiaries: CNA Financial Corporation and Boardwalk Pipeline Partners, LP contain important additional information about those companies and we urge you to read this presentation together with those filings, copies of which are available, as applicable, at the corporate websites of Loews Corporation at [www.loews.com](http://www.loews.com) and such subsidiaries at [www.cna.com](http://www.cna.com) and [www.bwpipelines.com](http://www.bwpipelines.com), or at the SEC's website at [www.sec.gov](http://www.sec.gov).

- To view the most recent SEC filings of **Loews Corporation**, <http://ir.loews.com/phoenix.zhtml?c=102789&p=irol-sec>
- To view the most recent SEC filings of **CNA Financial Corporation**, <https://investor-relations.cna.com/financial/latest-financials>
- To view the most recent SEC filings of **Boardwalk Pipeline Partners, LP** <https://www.bwpipelines.com/news-and-media/sec-filings/>



# 2021 Third Quarter – Key Highlights

- \$3.6 billion in cash and investments at the parent company
- Net income of \$220 million, or \$0.85 per share
  - Drivers of the year-over-year quarterly net income increase are:
    - CNA Financial Corporation with higher Property & Casualty non-catastrophe underwriting results and improved Life & Group business results primarily due to the absence of the prior year active life premium deficiency charge, partially offset by higher net catastrophe losses and lower investment gains
    - Loews Hotels & Co with significantly improved results due to the continuing rebound in leisure travel, especially at resort destinations
    - Boardwalk Pipelines with increased revenues reflecting the impact of recently completed growth projects and higher system utilization
- Repurchased 6.2 million Loews shares at an aggregate cost of \$333 million
- Dividends from subsidiaries totaled \$92 million
- \$17.8 billion in shareholders' equity / book value per share of \$70.21 as of September 30, 2021

Loews press release: <http://ir.loews.com/phoenix.zhtml?c=102789&p=irol-financials>

All balance sheet data included in this presentation is as of the end of each period presented.

<b>Loews Cash &amp; Investments</b>	<b>September 30, 2021</b>
(\$ millions)	
<b>Portfolio Composition</b> *	
Cash & short term investments	\$ 2,820
Equity securities	623
Limited partnership investments	122
Other	13
<b>Total Cash &amp; Investments</b>	<b>\$ 3,578</b>

\* Net of receivable and payable positions.

# Financial Summary



	September 30			
	Three Months		Nine Months	
	2021	2020	2021	2020
(in millions, except per share data)				
Revenues <sup>1</sup>	\$ 3,371	\$ 3,465	\$ 10,996	\$ 8,874
Net income (loss) <sup>1,2</sup>	220	139	1,235	(1,328)
Net income (loss) per share	0.85	0.50	4.70	(4.70)
Dividends paid per share	0.0625	0.0625	0.1875	0.1875
Weighted average shares	257.3	279.5	262.8	282.6
Cash & investments (Parent company)	\$ 3,578	\$ 3,534		
Total debt (Parent company)	2,300	2,300		
Book value per share	70.21	63.16		
Book value per share excluding AOCI	69.46	62.29		

Balance sheet data included on this page is as of the end of each period presented.

1. The 2021 nine-months period includes an investment gain of \$555 million (\$438 million after tax) related to the sale of 47% of Altium Packaging on April 1, 2021. Loews deconsolidated Altium Packaging as of the date of the sale and now records Altium Packaging as an equity method investment. The 2020 nine-months period includes an investment loss of \$1.2 billion (\$957 million after tax) as a result of Diamond Offshore's Chapter 11 bankruptcy filing on April 26, 2020. The 2020 nine-months period includes financial results of Diamond Offshore prior to its deconsolidation in the second quarter of 2020.
2. The 2020 nine-months period includes impairment charges of \$774 million (\$408 million after tax and noncontrolling interests) related to the carrying value of four drilling rigs at Diamond Offshore.

# Net Income (Loss) by Segment



(\$ millions)	September 30			
	Three Months		Nine Months	
	2021	2020	2021	2020
CNA	\$ 229	\$ 192	\$ 838	\$ 272
Boardwalk	38	20	170	123
Hotels	13	(47)	(51)	(144)
Corporate <sup>1</sup>	(60)	(26)	278	(1,103)
Diamond <sup>2</sup>	-	-	-	(476)
<b>Net income (loss) attributable to Loews</b>	<b>\$ 220</b>	<b>\$ 139</b>	<b>\$ 1,235</b>	<b>\$ (1,328)</b>

1. Includes investment income from the parent company's cash and investments, interest expense, other unallocated corporate expenses and the financial results of Altium Packaging. The 2021 nine-months period includes a net investment gain of \$438 million related to the sale of 47% of Altium Packaging on April 1, 2021. Loews deconsolidated Altium Packaging as of the date of the sale and now records Altium Packaging as an equity method investment. The 2020 nine-months period includes a net investment loss of \$957 million as a result of Diamond Offshore's Chapter 11 bankruptcy filing on April 26, 2020.

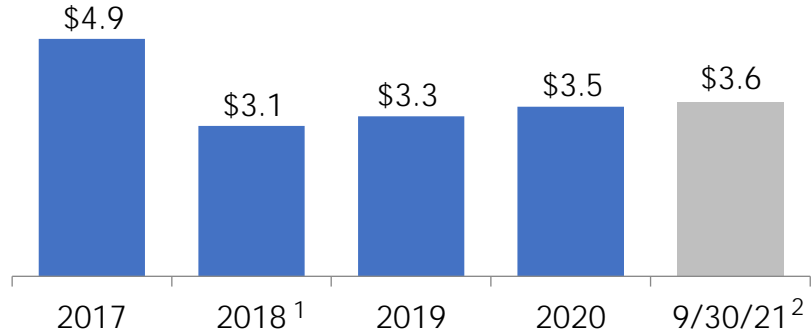
2. Diamond Offshore was deconsolidated in the second quarter of 2020. The 2020 nine-months period includes impairment charges of \$408 million related to the carrying value of four drilling rigs at Diamond Offshore.

# Financial Trends



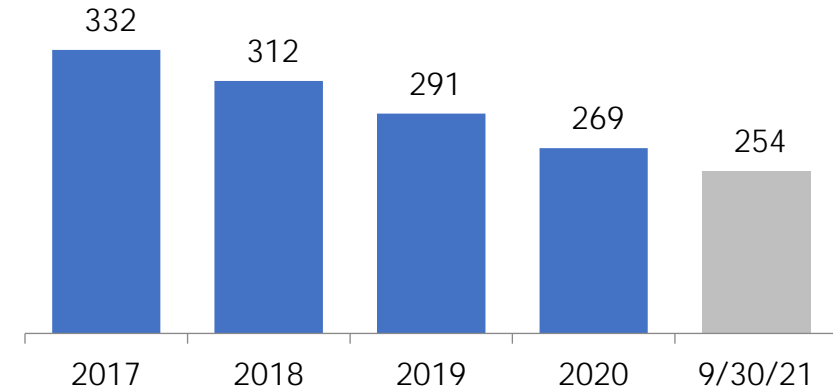
## Parent company cash & investments

(\$ billions as of period-end)



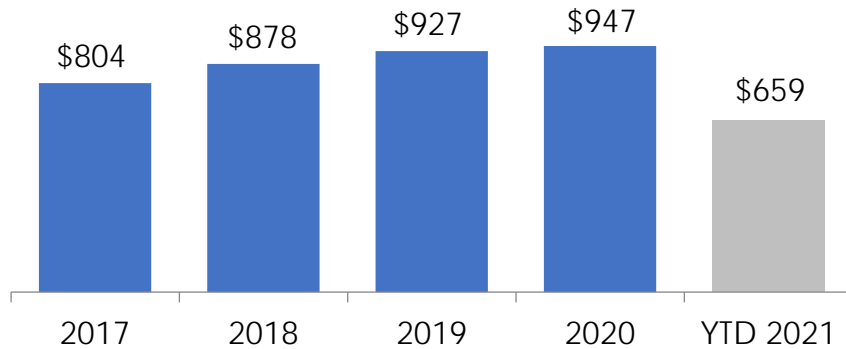
## Shares outstanding

(shares in millions as of period-end)



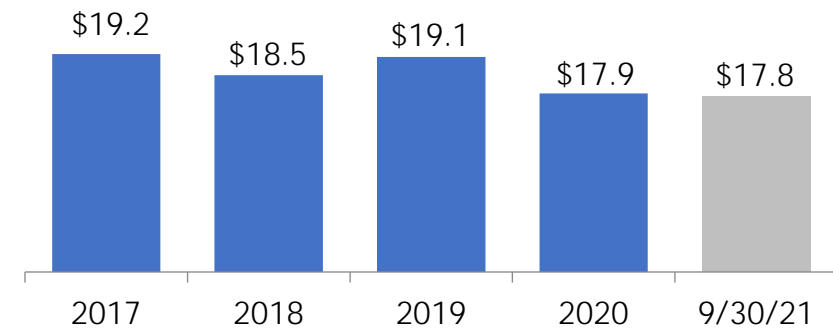
## Dividends from subsidiaries

(\$ millions)



## Shareholders' equity

(\$ billions as of period-end)



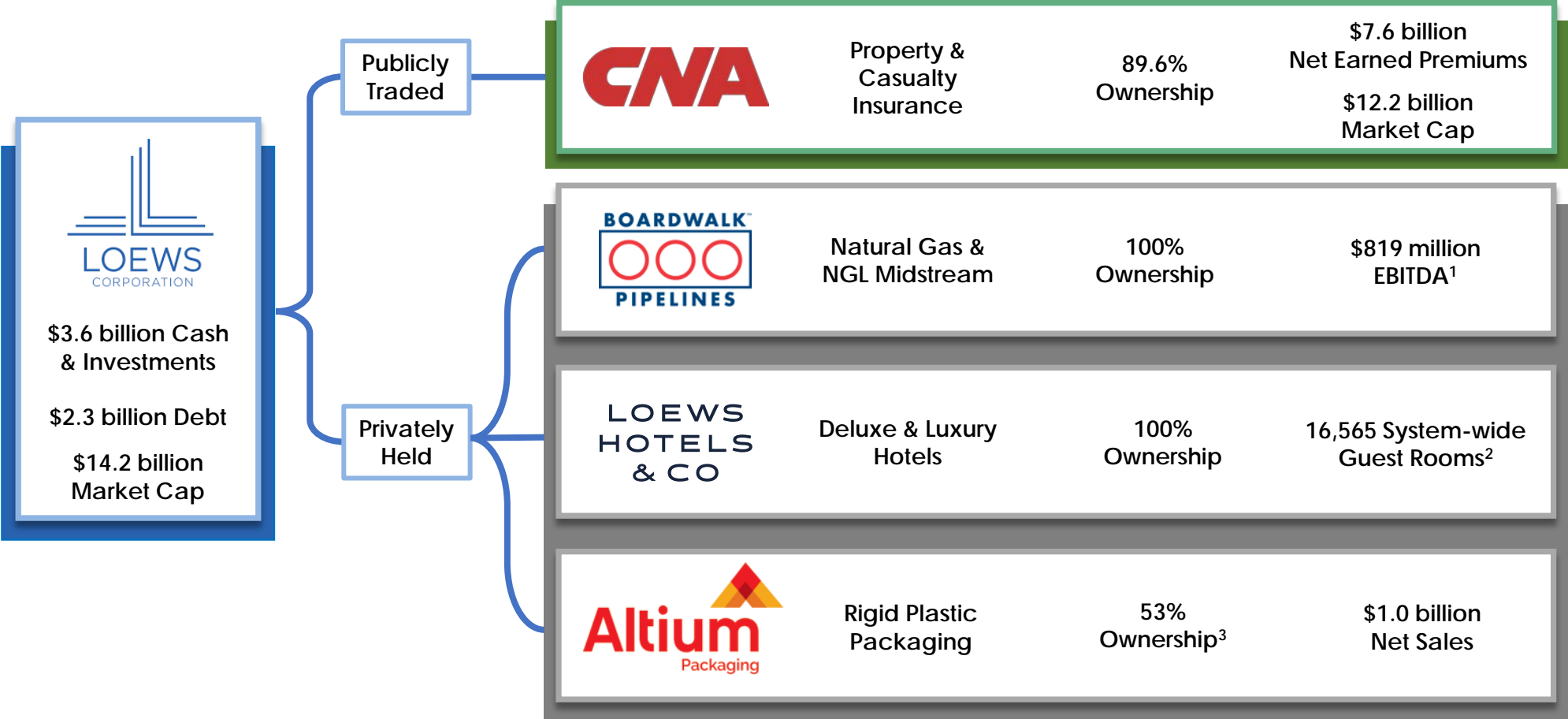
1. In 2018, Loews purchased all of the issued and outstanding Boardwalk common units not already owned by Loews for \$1.5 billion.

2. In 2021, Loews received gross cash proceeds of \$420 million from the sale of 47% of Altium Packaging.

# Corporate Structure



Long-term view, diversified portfolio, one class of stock



Balance sheet and ownership data is as of September 30, 2021, unless noted. Market cap data is as of October 29, 2021. All other data is for the year ended December 31, 2020.

1. See Company Overview Appendix – “Boardwalk EBITDA” for EBITDA to GAAP reconciliation.
2. See page titled “Loews Hotels & Co – Portfolio” for additional disclosure. Loews Hotels & Co’s results have been significantly impacted by the COVID-19 pandemic.
3. On April 1, 2021, Loews sold 47% of Altium Packaging for gross cash proceeds of \$420 million and net cash proceeds of \$411 million. Loews deconsolidated Altium Packaging as of the date of the sale and now records Altium Packaging as an equity method investment.

# CNA Financial – Financial Highlights



Financials <sup>1</sup>				
	September 30			
	Three Months		Nine Months	
	2021	2020	2021	2020
(\$ millions, except per share data)				
Core income <sup>2</sup>	\$ 237	\$ 193	\$ 841	\$ 400
Net investment gains (losses) (after-tax) <sup>3</sup>	19	20	95	(97)
Net income	256	213	936	303
Loews accounting adjustments:				
<i>Amounts attributable to noncontrolling interests</i>	(26)	(23)	(97)	(32)
<i>Rounding</i>	(1)	2	(1)	1
Net income attributable to Loews	\$ 229	\$ 192	\$ 838	\$ 272
Invested assets (market value)	\$ 50,236	\$ 49,006	\$ 50,236	\$ 49,006
Net written premiums	1,909	1,821	5,755	5,614
Combined ratio ex. catastrophes and development	91.1	92.6	91.5	93.1
Combined ratio	100.0	100.9	97.4	102.4
Loss ratio ex. catastrophes and development	60.2	60.5	59.9	59.9
Loss ratio	69.1	68.8	65.8	69.2
Book value per share ex. AOCI	\$ 45.39	\$ 42.78	\$ 45.39	\$ 42.78
Book value per share	46.67	44.30	46.67	44.30
Regular and special dividends per share	0.38	0.37	1.89	3.11

Balance sheet data included on this page is as of the end of each period presented.

1. Unless noted as attributable to Loews, financial results are at the subsidiary level.

2. See CNA's Q3 2021 Earnings Release for a reconciliation of Core income to Net income available at <https://investor-relations.cna.com/financial/latest-financials>

3. The 2020 three- and nine-months periods include a loss of \$20 million (\$14 million after tax and noncontrolling interests) related to the early retirement of debt.



# Boardwalk Pipelines – Financial Highlights



Financials <sup>1</sup>				
(\$ millions)	September 30			
	Three Months		Nine Months	
	2021	2020	2021	2020
Revenue	\$ 305	\$ 288	\$ 985	\$ 923
EBITDA <sup>2</sup>	186	167	635	571
Net income	56	32	240	176
Loews accounting adjustments <sup>3</sup>	(18)	(12)	(70)	(53)
Net income attributable to Loews	\$ 38	\$ 20	\$ 170	\$ 123

1. Unless noted as attributable to Loews, financial results are at the subsidiary level.
2. See Appendix – “Boardwalk EBITDA” for EBITDA to GAAP reconciliation.
3. Includes adjustments for purchase accounting, income taxes and rounding.

# Loews Hotels & Co – Financial Highlights



Financials				
(\$ millions)	September 30			
	Three Months		Nine Months	
	2021	2020	2021	2020
Operating revenue	\$ 107	\$ 22	\$ 222	\$ 140
Gain on sale of assets	-	24	-	37
Revenues related to reimbursable expenses	27	14	67	59
Revenue	134	60	289	236
Pretax income (loss) excluding non-recurring items <sup>1</sup>	18	(74)	(62)	(185)
Asset impairments	-	(10)	-	(30)
Pretax income (loss)	17	(62)	(64)	(192)
Net income (loss)	13	(47)	(51)	(144)
Adjusted EBITDA <sup>2</sup>	59	(38)	71	(75)
Adjusted mortgage debt, period-end <sup>3</sup>	1,580	1,578	1,580	1,578

Loews Hotels & Co's results have been significantly impacted by the COVID-19 pandemic. All hotels are operational as of September 30, 2021; however, occupancy levels have not yet reached pre-pandemic levels at many hotels, especially at hotels in city centers.

1. Non-recurring items include items such as acquisition transaction and transition costs, new development pre-opening costs, gains or losses on sale and impairments. See Appendix – "Loews Hotels & Co Adjusted EBITDA" for additional disclosure.
2. Adjusted EBITDA is the total amount of EBITDA attributable to Loews Hotels & Co based on its percent ownership of each property (e.g., if Loews Hotels & Co legally owns 50% of a property, 50% of that property's EBITDA is included, except for certain hotels where earnings are distributed on a different basis from legal ownership based on the underlying governing agreements), plus management company EBITDA and excluding non-recurring items such as acquisition transaction and transition costs, new development pre-opening costs, gains or losses on sale and impairments. See Appendix – "Loews Hotels & Co Adjusted EBITDA" for EBITDA to GAAP reconciliation.
3. Adjusted mortgage debt is adjusted for Loews Hotels & Co's ownership interest in the asset underlying the borrowing. Balances are inclusive of adjusted mortgage debt related to assets under development of \$0 million and \$139 million at September 30, 2021 and 2020, respectively.

# Loews Hotels & Co – Operating Trends



The impact of COVID-19 led to suspending operations at most hotels at the beginning of the pandemic and low occupancy as they reopened

## Portfolio operating trends:

- Gradual improvement from June 2020, driven largely by leisure travel demand; occupancy numbers in 2021 impacted by additional available rooms returned to service along with seasonality; average daily rate is impacted by mix of properties open during each period.
- Limited corporate travel in response to the COVID-19 pandemic and the Delta variant continues to impact hotel demand, especially at city center hotels.

	Owned & JV Hotels <sup>1</sup>				
	Open Hotels <sup>2</sup>		Available Rooms in '000s	Occupancy	Average Daily Rate ("ADR")
	Beginning of Quarter	End of Quarter			
Q2 2020	3	14	309	20.5%	\$190
Q3 2020	14	16	969	25.6%	\$177
Q4 2020	16	17	990	35.3%	\$190
Q1 2021	17	18	1,107	34.6%	\$234
Q2 2021	18	22	1,258	57.5%	\$230
Q3 2021	22	22	1,425	71.5%	\$222

1. Includes all owned and joint venture hotels as of September 30, 2021 (prior period information has been adjusted to remove any sold hotels). Excludes the four managed hotels. Available Rooms, Occupancy and ADR are calculated for the portion of each quarter an owned or joint venture property was operational.

2. All owned and joint venture hotels that were operational as of beginning and end of each respective quarter.

# Loews Hotels & Co – Portfolio



As of September 30, 2021		Location	Rooms	Ownership % <sup>1</sup>	Ownership - Ops Commenced / Managed Only
<b>OWNED (10)</b>	Loews Chicago Hotel	Chicago, IL	400	100%	2015
	Loews Chicago O'Hare Hotel	Chicago, IL	556	100%	2014
	Loews Coronado Bay Resort*	San Diego, CA	439	100%	2000
	Loews Kansas City Hotel	Kansas City, MO	800	65%	2020
	Loews Miami Beach Hotel*	Miami Beach, FL	790	100%	1998
	Loews Minneapolis Hotel	Minneapolis, MN	251	100%	2014
	Loews Philadelphia Hotel	Philadelphia, PA	581	100%	2000
	Loews Regency New York Hotel	New York, NY	379	100%	1963
	Loews Vanderbilt Hotel	Nashville, TN	340	100%	1989
	Loews Ventana Canyon Resort*	Tucson, AZ	398	100%	2014 / 1984
			<b>4,934</b>		
<b>JOINT VENTURE (12)</b>	Hard Rock Hotel, at Universal Orlando*	Orlando, FL	650	50%	2001
	Loews Portofino Bay Hotel, at Universal Orlando*	Orlando, FL	750	50%	1999
	Loews Royal Pacific Resort, at Universal Orlando*	Orlando, FL	1,000	50%	2002
	Loews Sapphire Falls Resort, at Universal Orlando*	Orlando, FL	1,000	50%	2016
	Universal's Aventura Hotel*	Orlando, FL	600	50%	2018
	Universal's Cabana Bay Beach Resort*	Orlando, FL	2,200	50%	2014
	Universal's Endless Summer Resort - Dockside Inn and Suites*	Orlando, FL	2,050	50%	2020
	Universal's Endless Summer Resort - Surfside Inn and Suites*	Orlando, FL	750	50%	2019
	Live! by Loews Arlington, TX*	Arlington, TX	300	50%	2019
	Live! by Loews St. Louis, MO	St. Louis, MO	216	50%	2020
	Loews Hollywood Hotel	Los Angeles, CA	628	50%	2012
	Loews Atlanta Hotel	Atlanta, GA	414	50%	2015 / 2010
			<b>10,558</b>		
<b>MANAGED (4)</b>	Bisha Hotel and Residences	Toronto, ON	96		2017
	Loews Boston Hotel	Boston, MA	225		2013 / 2018
	Loews New Orleans Hotel	New Orleans, LA	285		2003
	Loews Santa Monica Beach Hotel*	Santa Monica, CA	347		1989
			<b>953</b>		
<b>TOTAL</b>			<b>16,445</b>		
<b>UNDER DEVELOPMENT (2)</b>	Loews Coral Gables Hotel*	Coral Gables, FL	242	20%	<i>Scheduled Opening</i> 2022
	Loews Arlington Hotel and Convention Center*	Arlington, TX	888	91%	2024
<b>TOTAL INCLUDING UNDER DEVELOPMENT</b>			<b>17,575</b>		

Note: Loews Hotels & Co's results have been significantly impacted by the COVID-19 pandemic. All hotels are operational as of September 30, 2021; however, occupancy levels have not yet reached pre-pandemic levels at many hotels, especially at hotels in city centers.

\* Represents resort hotels in the portfolio, with the remaining hotels in city centers.

1. Earnings in certain partnerships are allocated pursuant to underlying governing documents, which may differ from ownership.

# Appendix – Key Drivers for the Third Quarter



Net income of \$220 million, or \$0.85 per share, compared to \$139 million, or \$0.50 per share, in the comparable prior year period, an increase of \$81 million. The table below details key drivers of the change in net income, representing the majority of the increase.

	September 30		
	Three Months		
	2021	2020	Change
(\$ millions)			
<b>CNA<sup>1</sup></b>			
LTC active life reserve premium deficiency	\$ -	\$ (52)	\$ 52
Structured settlements claim reserve charge	(2)	(32)	30
Underwriting income before catastrophes and development	121	95	26
Loss on early retirement of debt	-	(14)	14
Catastrophe losses	(125)	(112)	(13)
Net investment gains	16	33	(17)
<b>Boardwalk</b>			
Net income	38	20	18
<b>Hotels</b>			
Net income (loss)	13	(47)	60
<b>Corporate</b>			
Net investment income (loss)	(23)	18	(41)

Key drivers for both 2021 and 2020 are after tax and noncontrolling interests.

1. CNA's Q3 2021 Earnings Presentation is available at <https://investor-relations.cna.com/financial/latest-financials>

# Appendix – Key Drivers for the Year-to-Date Period



Net income of \$1,235 million, or \$4.70 per share, compared to a net loss of \$1,328 million, or \$(4.70) per share, in the comparable prior year period, an increase of \$2,563 million. The table below details key drivers of the change in net income, representing the majority of the increase.

(\$ millions)	September 30		
	Nine Months		
	2021	2020	Change
<b>CNA<sup>1</sup></b>			
Net investment income	\$ 1,169	\$ 1,008	\$ 161
Net investment gains (losses)	84	(72)	156
Catastrophe losses	(251)	(377)	126
Underwriting income before catastrophes and development	345	256	89
LTC active life reserve premium deficiency	-	(52)	52
Structured settlements claim reserve charge	(2)	(32)	30
<b>Boardwalk</b>			
Net income	170	123	47
<b>Hotels</b>			
Net loss	(51)	(144)	93
<b>Corporate</b>			
Loss on Diamond Offshore deconsolidation	(12)	(957)	945
Gain on sale of 47% of Altium Packaging	438	-	438
Net investment income (loss)	32	(26)	58
<b>Diamond<sup>2</sup></b>			
Impairment charges related to four drilling rigs	-	(408)	408

Key drivers for both 2021 and 2020 are after tax and noncontrolling interests.

1. CNA's Q3 2021 Earnings Presentation is available at <https://investor-relations.cna.com/financial/latest-financials>

2. Diamond Offshore was deconsolidated in the second quarter of 2020.

# Appendix – Loews Consolidating Condensed Balance Sheet



September 30, 2021	CNA Financial	Boardwalk Pipelines	Loews Hotels & Co	Corporate <sup>1</sup>	Total
(\$ millions)					
<b>Assets:</b>					
Cash and investments	\$ 50,861	\$ 147	\$ 150	\$ 3,696	\$ 54,854
Receivables	8,990	163	19	15	9,187
Property, plant and equipment	234	8,584	1,041	19	9,878
Deferred non-insurance warranty acquisition expenses	3,418	-	-	-	3,418
Other assets	2,973	615	437	364	4,389
<b>Total assets</b>	<b>\$ 66,476</b>	<b>\$ 9,509</b>	<b>\$ 1,647</b>	<b>\$ 4,094</b>	<b>\$ 81,726</b>
<b>Liabilities and Equity:</b>					
Insurance reserves	\$ 42,607	\$ -	\$ -	\$ -	\$ 42,607
Short term debt	-	1	186	-	187
Long term debt	2,778	3,334	535	2,278	8,925
Deferred non-insurance warranty revenue	4,443	-	-	-	4,443
Other liabilities	4,013	1,680	362	379	6,434
<b>Total liabilities</b>	<b>53,841</b>	<b>5,015</b>	<b>1,083</b>	<b>2,657</b>	<b>62,596</b>
Total shareholders' equity	11,322	4,494	564	1,437	17,817
Noncontrolling interests	1,313	-	-	-	1,313
<b>Total equity</b>	<b>12,635</b>	<b>4,494</b>	<b>564</b>	<b>1,437</b>	<b>19,130</b>
<b>Total liabilities and equity</b>	<b>\$ 66,476</b>	<b>\$ 9,509</b>	<b>\$ 1,647</b>	<b>\$ 4,094</b>	<b>\$ 81,726</b>

Amounts presented will not necessarily be the same as those in the individual financial statements of the Company's subsidiaries due to adjustments for purchase accounting, income taxes and noncontrolling interests.

1. Corporate primarily reflects the parent company's cash and investments, corporate long-term debt and equity method investment in Altium Packaging.

# Appendix – Boardwalk EBITDA



	September 30			
	Three Months		Nine Months	
	2021	2020	2021	2020
(\$ millions)				
Pretax income	\$ 56	\$ 32	\$ 240	\$ 176
Depreciation and amortization	91	91	274	268
Interest expense	39	44	121	127
<b>EBITDA</b>	<b>\$ 186</b>	<b>\$ 167</b>	<b>\$ 635</b>	<b>\$ 571</b>

Financial results are at the subsidiary level.



# Appendix – Loews Hotels & Co Adjusted EBITDA



(\$ millions)

Consolidated GAAP pretax income (loss)

Non-recurring items<sup>1</sup>

**Pretax income (loss) excluding non-recurring items**

Depreciation and amortization

Interest expense

Adjustments for unconsolidated joint ventures' proportionate share of EBITDA<sup>2</sup>

**Adjusted EBITDA**

September 30			
Three Months		Nine Months	
2021	2020	2021	2020
\$ 17	\$ (62)	\$ (64)	\$ (192)
1	(12)	2	7
<b>\$ 18</b>	<b>\$ (74)</b>	<b>\$ (62)</b>	<b>\$ (185)</b>
15	15	47	45
8	8	25	24
18	13	61	41
<b>\$ 59</b>	<b>\$ (38)</b>	<b>\$ 71</b>	<b>\$ (75)</b>

Loews Hotels & Co's results have been significantly impacted by the COVID-19 pandemic. All hotels are operational as of September 30, 2021; however, occupancy levels have not yet reached pre-pandemic levels at many hotels, especially at hotels in city centers.

1. Non-recurring items include items such as acquisition transaction and transition costs, new development pre-opening costs, gains or losses on sale and impairments.
2. Represents the difference between Loews Hotels & Co's GAAP pretax income for its joint venture properties and its pro rata share of those properties' EBITDA based on its percentage ownership (e.g., if Loews Hotels & Co legally owns 50% of a property, 50% of that property's EBITDA is included, except for certain hotels where earnings are distributed on a different basis from legal ownership based on the underlying governing agreements).