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*May 2015*

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# **2015 Q1 Earnings Results Snapshot**

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Earnings Supplement

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**Forward Looking Statements and Risk Factors.** All of the information presented herein is available from public sources, including our earnings releases and our 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.

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 are discussed in detail in the annual and quarterly reports and other filings made with the Securities and Exchange Commission by Loews Corporation and its subsidiaries: CNA Financial Corporation, Diamond Offshore Drilling, Inc. and Boardwalk Pipeline Partners, LP. Given the risk factors discussed in these filings, investors and analysts should not place undue reliance on forward-looking statements.

**Where You Can Find More Information.** The annual, quarterly and other reports filed with the Securities and Exchange Commission by Loews Corporation and its subsidiaries: CNA Financial Corporation, Diamond Offshore Drilling, Inc. 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), [www.diamondoffshore.com](http://www.diamondoffshore.com) and [www.bwpmplp.com](http://www.bwpmplp.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, click here

<http://ir.loews.com/phoenix.zhtml?c=102789&p=irol-sec>

To view the most recent SEC filings of CNA Financial Corporation, click here

<http://www.cna.com/web/guest/cna/about/investorrelations/financial>

To view the most recent SEC filings of Diamond Offshore Drilling, Inc. , click here

<http://investor.diamondoffshore.com/phoenix.zhtml?c=78110&p=irol-irhome>

To view the most recent SEC filings of Boardwalk Pipeline Partners, LP, click here

<http://ir.bwpmplp.com/phoenix.zhtml?c=193443&p=irol-sec>



- Income from continuing operations of \$109 million, or \$0.29 cents per share
- \$5.5 billion in cash and investments at the parent company
- 1.8 million shares repurchased at an aggregate cost of \$71 million
- Dividends from subsidiaries totaled \$567 million
- \$19.3 billion in shareholders' equity / book value per share of \$51.98

Loews Q1 release: <http://ir.loews.com/phoenix.zhtml?c=102789&p=irol-financials>

# Financial Summary

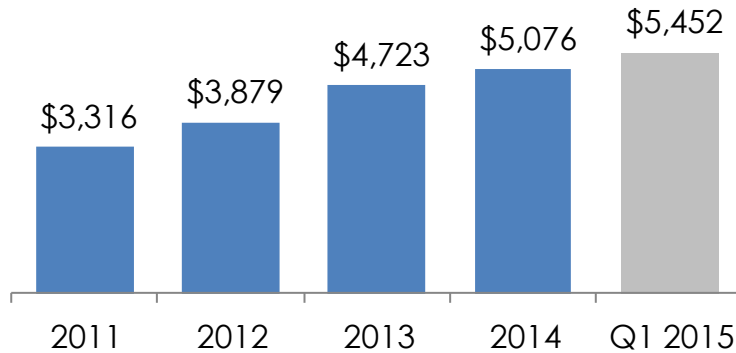


	Quarter Ended March 31,	
	2015	2014
<i>(\$ millions, except per share data)</i>		
Revenues	\$ 3,478	\$ 3,688
Income from continuing operations	\$ 109	\$ 265
Income from continuing operations per share	\$ 0.29	\$ 0.68
Net income	\$ 109	\$ 59
Dividends paid per share	\$ 0.0625	\$ 0.0625
Cash & investments (Parent company)	\$ 5,452	\$ 5,031
Total debt (Parent company)	\$ 1,700	\$ 1,700
Book value per share	\$ 51.98	\$ 50.89
Book value per share (Excluding AOCI)	\$ 51.18	\$ 49.43



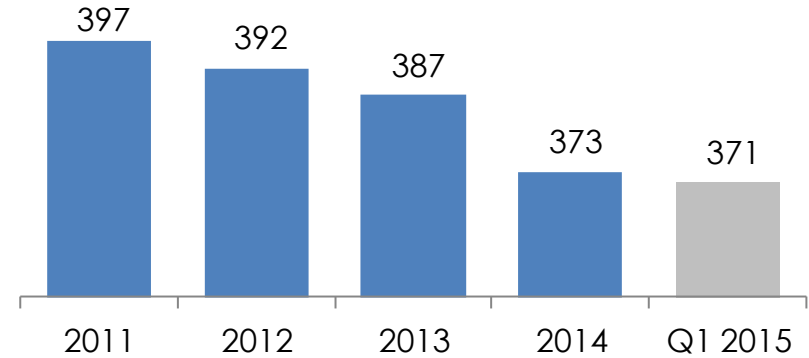
## Parent company cash & investments

(\$ billions)



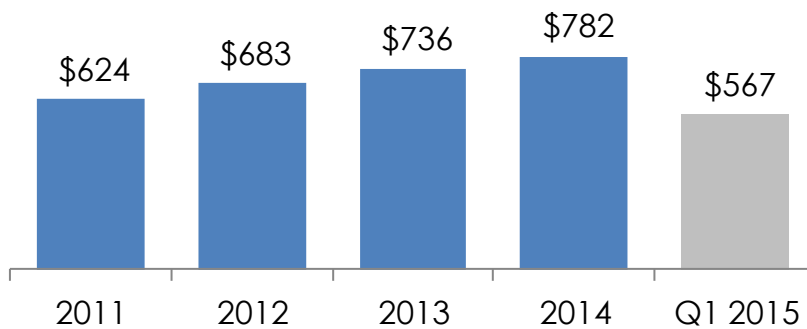
## Shares outstanding

(millions of shares)

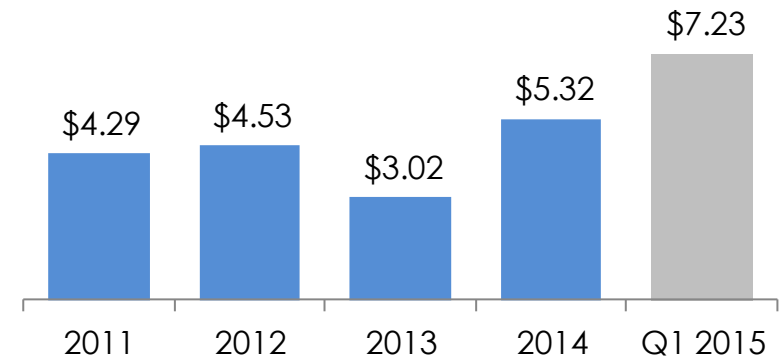


## Dividends from subsidiaries<sup>1</sup>

(\$ millions)






## Sum of the parts discount<sup>2</sup>



Note: As of March 31, 2015

1. Includes dividends received by Loews between January 1<sup>st</sup> and December 31<sup>st</sup> of each annual period and January 1<sup>st</sup> and March 31<sup>st</sup> for 2015.
2. Discount of Loews share price vs. the value per Loews share of the sum of its public assets and cash & investments net of debt.



Loews Owns					
	 (90%)	 (53%)	 (49% LP / 2% GP)	 (100%)	Other
Industry	<b>Property &amp; casualty insurance</b>	<b>Offshore drilling</b>	<b>Natural gas &amp; NGL midstream MLP</b>	<b>Luxury hotels &amp; resorts</b>	<b>BWP General Partner</b>
Ticker	CNA	DO	BWP		
Market cap	\$ 11.2	\$ 3.7	\$ 4.1		<b>Cash &amp; investments</b>
Loews stake	\$ 10.0	\$ 2.0	\$ 2.1		\$ 5.5
Number of shares/units held by Loews (in millions)	242.4	72.9	130.7		<b>Parent company debt</b>
Shares per Loews share	0.65	0.20	0.35		\$ 1.7

All data as of March 31, 2015. Dollars in billions except shares/units and per share.



## Financials

<b>By the Numbers*</b> <i>(\$ millions, except per share)</i>	<b>Quarter Ended March 31,</b>	
	<b>2015</b>	<b>2014</b>
Net operating income	\$ 225	\$ 190
Income from continuing operations attributable to Loews	\$ 210	\$ 200
Net income attributable to Loews	\$ 210	\$ 14
Invested assets	\$ 45,932	\$ 45,008
P&C net written premiums	\$ 1,669	\$ 1,767
P&C rate increases	2%	4%
P&C combined ratio	98.9%	101.6%
P&C combined ratio ex. cat losses and development	96.7%	97.2%
P&C loss ratio	64.5%	68.3%
P&C loss ratio ex. cat losses and development	62.3%	63.9%
Book value per share	\$ 46.02	\$ 46.61
Book value per share ex. AOCI	\$ 44.47	\$ 44.05

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

## Highlights

- CNA's net income attributable to Loews increased primarily due to higher investment income driven by limited partnerships and improved current accident year underwriting results including lower catastrophe losses, partially offset by lower realized investment gains
  - The prior year's net income included a loss from discontinued operations of \$186 million related to the sale of CNA's annuity and pension deposit business
- CNA continues to make progress in its core P&C operations, with its underlying loss ratio improving 3.8 points over the prior year period
- Achieved premium rate increases in P&C Operations during the quarter of:
  - 2% for CNA Specialty
  - 3% for CNA Commercial
- Quarterly common stock dividend of \$0.25 per share paid in March 2015
- Special common stock dividend of \$2.00 per share paid in March 2015

# Diamond Offshore Segment Highlights



## Financials

By the Numbers* (\$ millions, except per share)	Quarter Ended March 31,	
	2015	2014
Revenue	\$ 620	\$ 709
Pretax income (loss)	\$ (287)	\$ 168
Net income (loss)**	\$ (256)	\$ 146
Net income/(loss) attributable to Loews	\$ (126)	\$ 69
Number of active rigs	26	36
Regular dividends per share	\$ 0.125	\$ 0.125
Special dividends per share	-	\$ 0.75

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

\*\* The asset impairment charge at the Diamond Offshore level was \$319 million after tax for the three months ended March 31, 2015.

## Highlights

- Diamond Offshore's net income attributable to Loews decreased primarily due to a \$158 million (after tax and noncontrolling interests) asset impairment charge related to the carrying value of eight drilling rigs as well as lower rig utilization and increased depreciation expense
- In March 2015, Diamond Offshore paid a regular quarterly dividend of \$0.125 per share
- Loews purchased 0.9 million shares of Diamond Offshore common stock at an aggregate cost of \$24 million
- In the second quarter of 2015, Diamond Offshore is expected to take delivery of the *Ocean BlackLion* drillship

## Average Daily Revenue and Utilization % by Rig Type

	<u>Avg Daily Rev</u>	<u>Utilization</u>
Ultra-deepwater floaters	\$497K	51%
Deepwater floaters	\$487K	45%
Mid-water floaters	\$266K	49%
Jack-ups	\$92K	66%



# Boardwalk Pipeline Segment Highlights



## Financials

By the Numbers* (\$ millions, except per unit)	Quarter Ended March 31,	
	2015	2014
Revenue	\$ 330	\$ 357
Net income attributable to controlling interests	\$ 78	\$ 110 <sup>1</sup>
Net income/(loss) attributable to Loews	\$ 25	\$ (18) <sup>2</sup>
Distributions paid per unit	\$ 0.10	\$ 0.10

\*Unless noted as attributable to Loews, financial results are at the subsidiary level

- 1) The asset impairment charge in 2014 at the Boardwalk Pipeline level related to the terminated Bluegrass project was \$7 million after tax.
- 2) The asset impairment charge in 2014 at the Loews level related to the terminated Bluegrass project was \$55 million after tax and noncontrolling interests.

## Highlights

- Boardwalk Pipeline's net income attributable to Loews increased as a result of the unfavorable impact in 2014 of a \$55 million asset impairment charge (after tax and noncontrolling interests) related to the write off of all capitalized costs associated with the terminated Bluegrass project. Absent this charge, earnings decreased primarily due to lower natural gas storage revenues and the unusually cold and sustained winter of 2014 as compared to the relatively normal 2015 winter season
- Recently, Boardwalk Pipeline sold 7.0 common units under its equity distribution program and received net proceeds of approximately \$116 million, including the 2% general partner contribution
- Since the beginning of 2014, Boardwalk has secured approximately \$1.6 billion in organic growth projects that are expected to come online over the next several years

# Loews Hotels and Resorts Segment Highlights



## Financials

By the Numbers* (\$ millions, except RevPar)	Quarter Ended March 31,	
	2015	2014
Revenue	\$ 139	\$ 105
Adjusted EBITDA <sup>1</sup>	\$ 35	\$ 24
Net income	\$ 5	\$ 3
Same Store RevPar <sup>2</sup>	\$ 218.65	\$ 200.61

\*Unless noted as attributable to Loews, financial results are at the subsidiary level

## Highlights

- Loews Hotels' earnings increased primarily due to improved performance of recently acquired properties and higher equity income from joint venture properties
- Loews Hotels has a total of 23 properties in the U.S. and Canada with one additional property under development
- In March 2015, Loews Hotels opened the newly built Loews Chicago and in April 2015, acquired the Loews Regency San Francisco, a 155-room hotel in the heart of the financial district
- Improved operating performance, with same store RevPAR for owned and joint-venture hotels up almost 9% and net income up significantly as compared to the prior year period
- Continues to target strategic expansion in gateway cities and key resort areas

## New Loews Hotels Properties

### Cabana Bay Beach Resort, FL

Opened in 2014  
900 standard guestrooms  
900 family suites



### Loews Chicago

Opened in March 2015  
400 guestrooms



### Loews Chicago O'Hare

Acquired in July 2014  
556 guestrooms



### Loews Regency San Francisco

Acquired in April 2015  
155 guestrooms



1. Adjusted EBITDA is the sum of the EBITDA attributable to Loews Hotels based on its percent ownership of each property (e.g. if Loews Hotels owns 20% of a property, 20% of that property's EBITDA is included), plus management company EBITDA. Excludes non-recurring items such as acquisition and transition costs.
2. Represents RevPAR for owned and joint venture hotels that were open and operating in each period.