



*November 2015*

# 2015 Q3 Earnings Results Snapshot

Earnings Supplement

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# Legal Disclaimers

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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.bwplp.com](http://www.bwplp.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.bwplp.com/phoenix.zhtml?c=193443&p=irol-sec>

## 2015 Third Quarter—Key Highlights

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- Income from continuing operations of \$182 million, or \$0.50 cents per share
- \$4.8 billion in cash and investments at the parent company
- 8.7 million shares repurchased at an aggregate cost of \$328 million
- Dividends from subsidiaries totaled \$83 million
- \$18.7 billion in shareholders' equity / book value per share of \$52.52

Loews Q3 release: <http://ir.loews.com/phoenix.zhtml?c=102789&p=irol-financials>

# Financial Summary



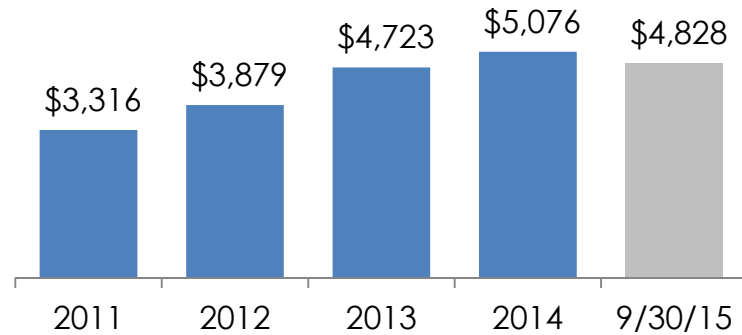
	Quarter Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
<i>(\$ millions, except per share data)</i>				
Revenues	\$ 3,169	\$ 3,523	\$ 10,082	\$ 10,804
Income from continuing operations	182	179	461	747
Income from continuing operations per share	0.50	0.47	1.25	1.94
Net income	182	208	461	383
Dividends paid per share	0.0625	0.0625	0.1875	0.1875
Cash & investments (Parent company)	\$ 4,828	\$ 5,208		
Total debt (Parent company)	1,700	1,700		
Book value per share	52.52	52.01		
Book value per share (Excluding AOCI)	52.59	50.32		

# Financial Trends



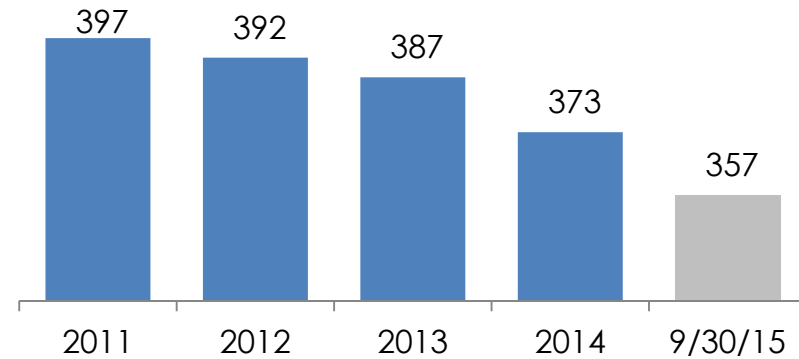
## Parent company cash & investments

(\$ billions)



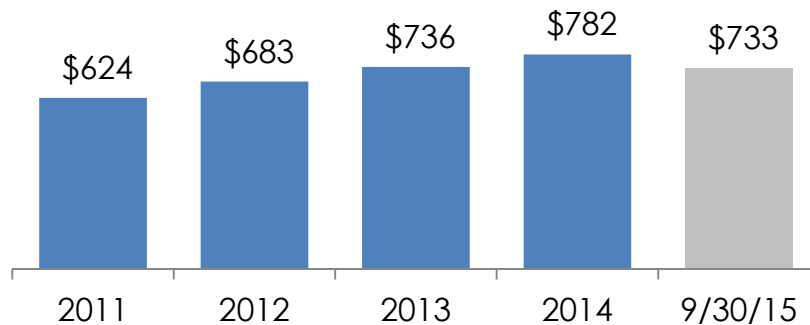
## Shares outstanding

(millions of shares)

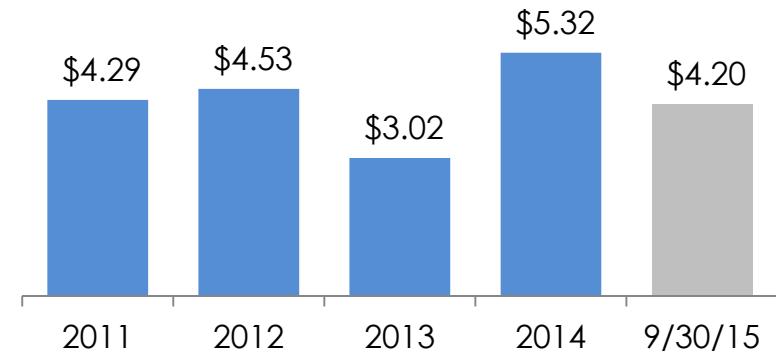


## Dividends from subsidiaries<sup>1</sup>

(\$ millions)



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







Note: Parent company cash & investments, shares outstanding, and sum of the parts discount are as of end-of-period.

1. Includes dividends received by Loews during each annual period and for the nine months ended 9/30/15.

2. The amount by which the value per share of Loews's public assets and its cash & investments net of debt exceed Loews's stock price.

# Loews Ownership



Loews Owns					
					Other
	(90%)	(53%)	(49% LP / 2% GP)	(100%)	
Industry	Property & casualty insurance	Offshore drilling	Natural gas & NGL midstream MLP	Luxury hotels & resorts	BWP General Partner
Ticker	CNA	DO	BWP		
Market cap	\$ 9.4	\$ 2.4	\$ 3.0		Cash & investments
Loews stake	\$ 8.5	\$ 1.3	\$ 1.5		\$ 4.8
Number of shares/units held by Loews (in millions)	242.4	73.1	130.7		Parent company debt
Shares per Loews share	0.68	0.20	0.37		\$ 1.7

All data as of September 30, 2015. Dollars in billions except shares/units and per share.

# CNA Financial: Segment Highlights



## Financials

By the Numbers* (\$ millions, except per share)	Quarter Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net operating income**	\$ 210	\$ 182	\$ 567	\$ 644
Income from continuing operations attributable to Loews	161	188	495	623
Net income attributable to Loews	161	192	495	446
Invested assets	\$ 45,318	\$ 46,320	\$ 45,318	\$ 46,320
Net written premiums	1,529	1,560	4,836	4,981
Rate increases	1%	3%	1%	3%
Combined ratio	85.7	96.1	94.3	99.7
Combined ratio ex. cat losses and dev	95.5	96.2	95.9	96.6
Loss ratio	52.1	62.8	60.4	66.3
Loss ratio ex. cat losses and dev	61.9	62.9	62.0	63.2
Book value per share	\$ 45.38	\$ 48.28	\$ 45.38	\$ 48.28
Book value per share ex. AOCI	45.16	45.42	45.16	45.42

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

\*\* Net operating income is calculated by excluding from net income (loss) the after-tax effects of 1) net realized investment gains or losses, 2) income or loss from discontinued operations and 3) any cumulative effects of changes in accounting guidance

## Q3 2015 Quarterly Highlights

- Net operating income benefited from strong P&C underwriting results, including favorable prior year development, partially offset by lower limited partnership income
- Income attributable to Loews was impacted by realized investment losses in the current period compared to realized investment gains in the prior year period
- Premium rate increase of 1% in P&C Operations during the quarter
- Quarterly common stock dividend of \$0.25 per share paid in September 2015



# Diamond Offshore: Segment Highlights



## Financials

By the Numbers* <i>(\$ millions, except per share)</i>	Quarter Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	Revenue	\$ 610	\$ 738	\$ 1,864
Pretax income (loss)	160	82	(21)	362
Net income (loss)**	136	53	(29)	288
Net income (loss) attributable to Loews	47	25	(34)	136
Number of active rigs	21	36	21	36
Regular dividends per share	\$ 0.125	\$ 0.125	\$ 0.375	\$ 0.375
Special dividends per share	-	0.75	-	2.250

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

\*\* The asset impairment charge at the Diamond Offshore level was \$321 million after tax for the nine months ended September 30, 2015.

## Q3 2015 Quarterly Highlights

- Income attributable to Loews increased due to the absence of an impairment charge related to the carrying value of six drilling rigs
  - Excluding this charge, earnings declined due to lower rig utilization and increased depreciation and interest expense, offset by significantly reduced contract drilling expenses
- Results at the Loews level were also impacted by a \$20 million write-off of all goodwill associated with Loews's investment in Diamond Offshore
- In September, Diamond Offshore paid a regular quarterly dividend of \$0.125 per share

## Average Daily Revenue and Utilization % by Rig Type

	Avg Daily Rev. (in \$000)	Utilization %
Ultra-deepwater floaters	479	71
Deepwater floaters	361	59
Mid-water floaters	289	31
Jack-ups	97	31





# Boardwalk Pipeline: Segment Highlights



Financials				
By the Numbers* <i>(\$ millions, except per unit)</i>	Quarter Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	Revenue	\$ 294	\$ 279	\$ 922
Net income attributable to controlling interests	38	29	156	197 <sup>1</sup>
Net income attributable to Loews	18	8	55	7 <sup>2</sup>
Distributions paid per unit	\$ 0.10	\$ 0.10	\$ 0.30	\$ 0.30

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

1) The asset impairment charge in 2014 was \$7 million after tax at the Boardwalk Pipeline level related to the terminated Bluegrass project.

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

## Q3 2015 Quarterly Highlights

- Net Income benefited from higher net operating revenues from growth projects, the Evangeline ethylene pipeline, and the Gulf South rate case, offset somewhat by expenses, including depreciation and interest expense
- At the Loews level, net income was positively affected by a \$6 million after-tax franchise tax refund paid to the Boardwalk General Partner, owned 100% by Loews

# Loews Hotels & Resorts: Segment Highlights



Financials				
By the Numbers* <i>(\$ millions, except RevPar)</i>	Quarter Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	Revenue	\$ 146	\$ 126	\$ 452
Adjusted EBITDA <sup>1</sup>	30	32	120	88
Net income	2	-	15	8
Same store <sup>2</sup> RevPar	\$ 201.08	\$ 197.75	\$ 214.42	\$ 199.73

## Q3 2015 Quarterly Highlights

- Net income increased primarily due to higher income from joint venture properties
- Loews Hotels has a total of 23 properties in the U.S. and Canada with one property under development and one property under expansion. The company 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<sup>3</sup>  
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 total amount of 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 continuously since January 1, 2013.
- 3) Additional 400 room expansion to be completed in 2017.