

LOEWS CORP
Form 424B2
March 08, 2004
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The information in this prospectus supplement and the accompanying prospectus is not complete and may be changed. A registration statement relating to these securities has been declared effective by the Securities and Exchange Commission under the Securities Act of 1933. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-104759

SUBJECT TO COMPLETION, DATED MARCH 8, 2004

PROSPECTUS SUPPLEMENT

(To Prospectus Dated May 6, 2003)

\$300,000,000

Loews Corporation

% Senior Notes due 2016

The notes will bear interest at the rate of % per year. Interest on the notes is payable on and of each year, beginning on , 2004. The notes will mature on , 2016. We may redeem some or all the notes at any time at a make-whole redemption price discussed under the caption Description of Notes Optional Redemption.

The notes will be unsecured, unsubordinated obligations of our company and will rank equally in right of payment with all of our other unsubordinated indebtedness.

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the related prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	<u>Per Senior Note(1)</u>	<u>Total(1)</u>
Public Offering Price	%	\$
Underwriting Discount	%	\$
Proceeds to Loews Corporation (before expenses)	%	\$

(1) Plus accrued interest, if any. Interest on the notes will accrue from _____, 2004.

The underwriters expect to deliver the notes to purchasers on or about _____, 2004.

Joint Book-Running Managers

Citigroup

Lehman Brothers

, 2004

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes we are currently offering and certain other matters relating to us and our financial condition. The second part, the prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to the notes we are currently offering. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. The information in this prospectus supplement supersedes any inconsistent information included in the accompanying prospectus.

You should rely only on the information contained in, or incorporated by reference in, this prospectus supplement or the accompanying prospectus. We and the underwriters have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. The information which appears in this prospectus supplement, the accompanying prospectus and any documents incorporated by reference may only be accurate as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since the date of such information.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or SEC. You may read and copy any reports or other information that we file with the SEC at the SEC's Public Reference Room located at 450 Fifth Street, N.W., Washington, D.C. 20549. You may also receive copies of these documents upon payment of a duplicating fee by writing to the SEC's Public Reference Room. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room in Washington, D.C. and other locations. Our SEC filings are also available to the public from commercial documents retrieval services, at our website (www.loews.com) and at the SEC's website (www.sec.gov).

The SEC allows us to incorporate by reference the information that we file with them into this prospectus supplement. This means that we can disclose important information to you by referring you to other documents filed separately with the SEC, including our annual, quarterly and current reports. The information incorporated by reference is considered to be a part of this prospectus supplement, except for any information that is modified or superseded by information contained in this prospectus supplement or any other subsequently filed document. The information incorporated by reference is an important part of this prospectus supplement and the accompanying prospectus. All documents filed (but not those that are furnished) by us with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, prior to the termination of this offering will be incorporated by reference into this prospectus supplement and will automatically update and supersede the information in this prospectus supplement, the accompanying prospectus and any previously filed document.

The following document that we previously filed with the SEC (File No. 1-6541) is incorporated by reference into this prospectus supplement:

Annual Report on Form 10-K/A (Amendment No. 1) for the fiscal year ended December 31, 2003.

We will provide without charge to each person to whom this prospectus supplement is delivered, upon written or oral request, a copy of the foregoing document incorporated herein by reference (other than exhibits unless such exhibits are specifically incorporated by reference in such document). Requests for such documents should be directed to Loews Corporation, 667 Madison Avenue, New York, NY 10021-8087, Attention: Corporate Secretary (telephone: (212) 521-2000).

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PROSPECTUS SUMMARY

This summary highlights selected information about our company and the offering and may not contain all of the information that is important to you. To better understand this offering, you should read this entire document carefully, as well as those additional documents to which we refer you. See [Where You Can Find More Information](#). All references to *we*, *our* or *us* in this prospectus supplement or the accompanying prospectus are to Loews Corporation.

About Loews Corporation

We are a holding company. Our subsidiaries are engaged in the following lines of business:

property and casualty insurance (CNA Financial Corporation ([CNA](#)), a 90% owned subsidiary);

the production and sale of cigarettes (Lorillard, Inc. ([Lorillard](#)), a wholly owned subsidiary);

the operation of hotels (Loews Hotels Holding Corporation ([Loews Hotels](#)), a wholly owned subsidiary);

the operation of offshore oil and gas drilling rigs (Diamond Offshore Drilling, Inc. ([Diamond Offshore](#)), a 54% owned subsidiary);

the operation of an interstate natural gas pipeline system (Texas Gas Transmission, LLC ([Texas Gas](#)), a wholly owned subsidiary); and

the distribution and sale of watches and clocks (Bulova Corporation ([Bulova](#)), a 97% owned subsidiary).

CNA. CNA is an insurance holding company whose primary subsidiaries consist of property and casualty insurance companies. CNA's property and casualty insurance operations are conducted by Continental Casualty Company and The Continental Insurance Company and their respective affiliates. CNA's principal market is the United States, with a continued focus on expanding globally to serve those with growing worldwide interests. CNA accounted for 71.3%, 70.4% and 69.9% of our consolidated total revenue for the fiscal years ended December 31, 2003, 2002 and 2001, respectively.

In 2003, CNA began implementing a plan to concentrate primarily on its property and casualty business and to increase statutory capital of its principal insurance subsidiary. In furtherance of that plan, CNA has taken a number of actions, including the following:

CNA sold the majority of its Group Benefits business to Hartford Financial Services Group, Inc. in December 2003 for approximately \$530.0 million, subject to adjustment. CNA's Group Benefits operations provided group life, health insurance and investment products and services to employers, affinity groups and other entities that purchase insurance as a group. The business sold to Hartford included group life and accident, short and long term disability and certain other products, but did not include the group long term care and

specialty medical businesses.

On February 5, 2004, CNA entered into a definitive agreement to sell its individual life insurance business to Swiss Re Life & Health America Inc. for approximately \$690.0 million. CNA's life insurance operations provide individuals with term, universal and permanent life insurance, annuities and other products. The business to be sold to Swiss Re includes term, universal and permanent life insurance policies and individual annuity products, but not the individual long term care and structured settlements businesses.

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CNA ceased sales to new customers in its structured settlement, institutional markets and individual long term care businesses.

CNA withdrew from the assumed reinsurance business, which included the sale in October 2003 of the renewal rights for most of its treaty reinsurance business to Folksamerica Reinsurance Company.

Lorillard. Lorillard is engaged, through its subsidiaries, in the production and sale of cigarettes. Its principal cigarette brand names are Newport, Kent, True, Maverick and Old Gold. Lorillard's largest selling brand is Newport, the second largest selling cigarette brand in the United States and the largest selling brand in the menthol segment of the United States cigarette market according to Management Science Associates, Inc. Newport accounted for approximately 90% of Lorillard's sales in 2003. Substantially all of Lorillard's sales are in the United States, Puerto Rico and certain U.S. territories. Lorillard's major trademarks outside of the United States were sold in 1977. Lorillard accounted for 20.0%, 22.2% and 21.1% of our consolidated total revenue for the fiscal years ended December 31, 2003, 2002 and 2001, respectively.

Loews Hotels. The subsidiaries of Loews Hotels currently operate 20 hotels, 18 of which are in the United States and two of which are in Canada. Loews Hotels accounted for 1.7%, 1.5% and 1.5% of our consolidated total revenue for the fiscal years ended December 31, 2003, 2002 and 2001, respectively.

Diamond Offshore. Diamond Offshore is engaged, through its subsidiaries, in the business of owning and operating drilling rigs that are used primarily in the drilling of offshore oil and gas wells on a contract basis for companies engaged in exploration and production of hydrocarbons. Diamond Offshore operates 45 offshore rigs. Diamond Offshore accounted for 4.2%, 4.7% and 5.4% of our consolidated total revenue for the years ended December 31, 2003, 2002 and 2001, respectively.

Texas Gas. We acquired Texas Gas from the Williams Companies, Inc. in May 2003 for \$803 million plus the assumption of \$250 million in debt. Texas Gas owns and operates a 5,800 mile natural gas pipeline system having a mainline delivery capacity of approximately 2.8 billion cubic feet (Bcf) of gas per day. Texas Gas's system originates in the Louisiana Gulf Coast area and East Texas and runs north and east through Louisiana, Arkansas, Mississippi, Tennessee, Kentucky, Indiana and into Ohio, with smaller diameter lines extending into Illinois. Texas Gas also owns and operates natural gas storage reservoirs located in Indiana and Kentucky, having storage capacity of approximately 178 Bcf of gas, of which approximately 55 Bcf is working gas. Revenues of Texas Gas from the time of its acquisition in May 2003 accounted for 0.9% of our consolidated total revenue for the year ended December 31, 2003.

Bulova. Bulova is engaged in the distribution and sale of watches, clocks and timepiece parts for consumer use. Its principal watch brands are Bulova, Wittnauer, Caravelle and Accutron. Bulova accounted for 1.0%, 1.0% and 0.8% of our consolidated total revenue for the years ended December 31, 2003, 2002 and 2001, respectively.

We also own, through a subsidiary, a 49% common stock interest in Hellsport Shipping Corporation, which is engaged in the business of owning and operating four ultra large crude oil tankers that are used primarily to transport crude oil from the Persian Gulf to a limited number of ports in the Far East, Northern Europe and the United States.

We derive substantially all of our operating income and cash flow from our subsidiaries, principally Lorillard. We rely upon our invested cash balances and distributions from our subsidiaries to generate the funds necessary to meet our obligations, including our obligations under the notes, and to declare and pay any dividends to our stockholders. The ability of our subsidiaries to make such payments is subject to, among other things, the availability of sufficient funds in such subsidiaries, applicable state laws (including, in the case of the insurance subsidiaries of CNA, our 90% owned subsidiary, laws and rules governing the payment of dividends

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by regulated insurance companies) and any provisions that may be contained in credit agreements, other financing arrangements or other agreements entered into by such subsidiaries. Claims of creditors of our subsidiaries will generally have priority as to the assets of such subsidiaries over the claims of us and our creditors and stockholders.

Our principal executive offices are at 667 Madison Avenue, New York, New York 10021-8087. Our telephone number is (212) 521-2000. We are incorporated under the laws of the State of Delaware.

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The Offering

Issuer	Loews Corporation
Notes offered	\$300,000,000 aggregate principal amount of % Senior Notes due 2016
Maturity date	, 2016
Interest Rate	%
Interest payment dates	and of each year, beginning , 2004
Ranking	The notes will be our unsecured, unsubordinated obligations and will rank equally in right of payment with all our other unsubordinated debt. The notes will be effectively junior to the debt and other liabilities of our subsidiaries. See Description of Notes.
Optional redemption	We may redeem some or all the notes at any time at a make-whole redemption price discussed under the caption Description of Notes Optional Redemption.
Form and denomination	The notes will be issued in fully registered form in denominations of \$1,000 and in integral multiples of \$1,000.
Further issues	We may from time to time, without the consent of the holders of the notes, issue additional senior debt securities having the same ranking and the same interest rate, maturity and other terms as the notes except for the issue price and issue date and, in some cases, the first interest payment date. See Description of the Notes Further Issuances.
Use of proceeds	We estimate that the net proceeds, after deducting underwriters discounts and commissions and before deducting other estimated offering expenses payable by us, from the offering will be approximately \$. We intend to use the proceeds from the offering, together with available cash, to redeem the \$300,000,000 aggregate principal amount outstanding of our 7 ⁵ / ₈ % Senior Notes due 2023, including the early redemption premium. See Use of Proceeds.

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USE OF PROCEEDS

We estimate that the net proceeds, after deducting underwriters' discounts and commissions and before deducting other estimated offering expenses payable by us, from the offering will be approximately \$. We intend to use the proceeds from the offering, together with available cash, to redeem the \$300,000,000 aggregate principal amount outstanding of our 7⁵/₈% Senior Notes due 2023, which mature on June 1, 2023, including an early redemption premium equal to 3.81250% of the principal amount redeemed, plus any accrued and unpaid interest to the redemption date.

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The table below sets forth our ratio of income from continuing operations to fixed charges for each of the five years in the period ended December 31, 2003, which was computed by dividing pretax income (loss) from continuing operations available for fixed charges (pretax income (loss) from continuing operations before adjustment for minority interests in consolidated subsidiaries and income or loss from equity investees, plus fixed charges, amortization of capitalized interest, and distributed income of equity investees, less capitalized interest) by fixed charges. Fixed charges include (a) interest expense, (b) capitalized interest, (c) amortization of debt issuance costs, (d) interest credited to policyholder account balances and (e) one-third of rent expense, which we believe represents the interest factor attributable to rent. Since no preferred stock was outstanding during the periods presented, the ratio of income from continuing operations to fixed charges and preferred stock dividends would be the same as the ratios presented here.

	Year ended December 31,				
	2003	2002	2001	2000	1999
Ratio of income from continuing operations to fixed charges	(a)	3.8x	(a)	5.5x	2.3x
Ratio of income from continuing operations, excluding interest credited to policyholders, to fixed charges, excluding interest credited to policyholders(b)	(a)	5.7x	(a)	8.5x	3.1x

- (a) We incurred a loss for the years ended December 31, 2003 and 2001, and income from continuing operations was insufficient to cover fixed charges by \$1,386.0 million and \$877.8 million, respectively, in such years.
- (b) This second ratio is disclosed for the convenience of fixed income investors and the rating agencies that serve them. Management believes it is more comparable to the ratios disclosed by all issuers of fixed income securities. Interest credited to policyholders was \$229.0 million, \$279.0 million and \$277.0 million, respectively, for the years ended December 31, 2002, 2000 and 1999.

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The following table sets forth our consolidated capitalization as of December 31, 2003 on an actual basis and as adjusted to give effect to the offering of the notes hereunder and the use of the proceeds therefrom as described under Use of Proceeds. The information presented below should be read in conjunction with the financial statements and related notes thereto included in our reports filed with the SEC that are incorporated by reference into this prospectus supplement.

	As of December 31, 2003	
	Actual	As Adjusted
(Dollars in millions)		
Parent Company		
Senior:		
6 ¾% notes due 2006	\$ 300.0	\$ 300.0
8 7/8% debentures due 2011	175.0	175.0
7 5/8% notes due 2023	300.0	
7% notes due 2023	400.0	400.0
% notes due 2016, offered hereby		300.0
Subordinated:		
3 1/8% exchangeable subordinated notes due 2007	1,150.0	1,150.0
Parent Company debt subtotal	2,325.0	2,325.0
Less unamortized discount	25.9	25.9
Parent Company debt net	2,299.1	2,299.1
CNA Financial Corporation		
Senior:		
6.5% notes due 2005	492.8	492.8
6.8% notes due 2006	250.0	250.0
6.5% notes due 2008	150.0	150.0
6.6% notes due 2008	200.0	200.0
8.4% notes due 2012	69.6	69.6
7.0% notes due 2018	150.0	150.0
7.3% debentures due 2023	243.0	243.0
Revolving credit facility due 2004	250.0	250.0
Term loan due 2005	20.0	20.0
Revolving credit facility due 2005	30.0	30.0
Other senior debt	56.1	56.1
Diamond Offshore Drilling, Inc.		
Senior:		
Zero coupon convertible debentures due 2020, net of discount of \$349.8	455.2	455.2
1.5% convertible senior debentures due 2031	460.0	460.0
Subordinated:		
Subordinated debt due 2005	24.8	24.8

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	As of December 31, 2003	
	Actual	As Adjusted
	(Dollars in millions)	
Texas Gas		
Senior:		
4.6% notes due 2015	250.0	250.0
5.2% notes due 2018	185.0	185.0
7.3% debentures due 2027	100.0	100.0
Other senior debt	17.3	17.3
Loews Hotels		
Senior debt, principally mortgages	146.5	146.5
Subsidiary debt subtotal	3,550.3	3,550.3
Less unamortized discount	29.2	29.2
Subsidiary debt net	3,521.1	3,521.1
Parent Company and Subsidiaries total debt net	5,820.2	5,820.2
Parent Company Shareholders' Equity:		
Preferred stock, \$0.10 par value:		
100,000,000 shares authorized; none issued		
Loews common stock, \$1.00 par value:		
600,000,000 shares authorized; 185,447,050 issued and outstanding		
	185.4	185.4
Carolina Group stock, \$0.01 par value:		
600,000,000 shares authorized; 58,305,000 shares issued		
	0.6	0.6
Additional paid-in capital	1,513.7	1,513.7
Earnings retained in the business	8,602.1	8,594.7(a)
Accumulated other comprehensive income	760.2	760.2
Subtotal	11,062.0	11,054.6
Less treasury stock, at cost (340,000 shares of Carolina Group stock)	7.7	7.7
Total shareholders' equity	11,054.3	11,046.9
Total capitalization	\$ 16,874.5	\$ 16,867.1

(a) Reflects an after-tax charge of \$7.4 million in respect of the prepayment premium associated with the proposed redemption of our 7⁵/8% Senior Notes due 2023.

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SELECTED FINANCIAL DATA

The following table presents selected consolidated financial data for the years ended December 31, 2003, 2002, 2001, 2000 and 1999. We have derived the financial data as of and for the years ended December 31, 2003, 2002, 2001, 2000 and 1999 from our audited consolidated financial statements for such periods.

Following the Selected Financial Data are schedules that present our consolidating balance sheet information at December 31, 2003 and 2002, and consolidating statement of operations information for the years ended December 31, 2003, 2002 and 2001. These schedules present our individual subsidiaries and their contributions to the consolidated financial statements. Amounts presented will not necessarily be the same as those in the individual financial statements of our subsidiaries due to adjustments for purchase accounting, income taxes and minority interests. In addition, many of our subsidiaries use a classified balance sheet which also leads to differences in amounts reported for certain line items. This information also does not reflect the impact of our issuance of Carolina Group stock. Lorillard is reported as a 100% owned subsidiary and does not include any adjustments relating to the tracking stock structure. See Note 6 of the Notes to the Consolidated Financial Statements in our Annual Report on Form 10-K/A (Amendment No. 1) for the year ended December 31, 2003, incorporated herein by reference, for consolidating information of the Carolina Group and Loews Group.

The Corporate and Other column primarily reflects our investment in our subsidiaries, invested cash portfolio and corporate long-term debt. The elimination adjustments are for intercompany assets and liabilities, interest and dividends, our investment in capital stocks of subsidiaries, and various reclasses of debit or credit balances to the amounts in consolidation. Purchase accounting adjustments have been pushed down to the appropriate subsidiary.

The following should be read in conjunction with our consolidated financial statements and notes thereto contained in our Annual Report on Form 10-K/A (Amendment No. 1) for the year ended December 31, 2003, incorporated herein by reference.

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	Year Ended December 31,				
	2003	2002	2001	2000	1999
(in millions, except per share data)					
Results of Operations:					
Revenues	\$ 16,461.0	\$ 17,456.5	\$ 18,728.2	\$ 20,633.0	\$ 20,840.2
(Loss) income before taxes and minority interest	(1,378.4)	1,640.7	(829.1)	3,135.9	861.5
(Loss) income from continuing operations	(666.1)	978.6	(547.7)	1,835.5	472.6
Discontinued operations net	55.4	(27.0)	13.9	13.1	12.6
Cumulative effect of changes in accounting principles net		(39.6)	(53.3)		(157.9)
Net (loss) income	\$ (610.7)	\$ 912.0	\$ (587.1)	\$ 1,848.6	\$ 327.3
(Loss) income attributable to:					
Loews common stock:					
(Loss) income from continuing operations	\$ (781.3)	\$ 837.9	\$ (547.7)	\$ 1,835.5	\$ 472.6
Discontinued operations net	55.4	(27.0)	13.9	13.1	12.6
Cumulative effect of changes in accounting principles net		(39.6)	(53.3)		(157.9)
Loews common stock	(725.9)	771.3	(587.1)	1,848.6	327.3
Carolina Group stock	115.2	140.7			
Net (loss) income	\$ (610.7)	\$ 912.0	\$ (587.1)	\$ 1,848.6	\$ 327.3
(Loss) Income Per Share					
Loews common stock:					
(Loss) income from continuing operations	\$ (4.21)	\$ 4.46	\$ (2.81)	\$ 9.24	\$ 2.18
Discontinued operations net	0.30	(0.14)	0.07	0.06	0.05
Cumulative effect of changes in accounting principles net		(0.21)	(0.27)		(0.73)
Net (loss) income	\$ (3.91)	\$ 4.11	\$ (3.01)	\$ 9.30	\$ 1.50
Carolina Group stock	\$ 2.76	\$ 3.50			
Financial Position:					
Investments	\$ 42,514.8	\$ 40,136.7	\$ 41,159.1	\$ 41,332.7	\$ 42,008.0
Total assets	77,880.9	70,515.6	75,001.0	71,588.7	70,628.2
Long-term debt	5,820.2	5,651.9	5,920.3	6,040.0	5,706.3
Shareholders' equity	11,054.3	11,235.2	9,429.3	10,969.1	9,783.8
Cash dividends per share:					
Loews common stock	0.60	0.60	0.58	0.50	0.50
Carolina Group stock	1.81	1.34			
Book value per share of Loews common stock	60.92	61.68	49.24	55.62	46.82
Shares outstanding:					
Loews common stock	185.45	185.44	191.49	197.23	208.96
Carolina Group stock	57.97	39.91			

Table of Contents**Loews Corporation****Consolidating Balance Sheet Information**

December 31, 2003	CNA Financial	Lorillard	Loews Hotels	Diamond Offshore	Texas Gas	Bulova	Corporate and Other	Eliminations	Total
(In millions)									
Assets:									
Investments	\$ 38,121.5	\$ 1,530.2	\$ 81.4	\$ 591.2	\$ 15.2	\$ 1.7	\$ 2,173.6		\$ 42,514.8
Cash	139.0	1.5	2.0	19.1	3.9	15.0	0.3		180.8
Receivables-net	20,143.2	23.9	20.1	154.1	57.4	90.0	78.2	\$ (99.0)	20,467.9
Property, plant and equipment	239.6	221.0	369.6	2,297.7	703.5	16.4	31.9		3,879.7
Deferred income taxes	646.5	441.9			88.1	21.5		(667.8)	530.2
Goodwill	118.7		2.6	20.8	169.3				311.4
Investments in capital stocks of subsidiaries							11,402.5	(11,402.5)	
Other assets	2,832.7	406.4	96.2	75.7	200.6	70.7	290.2	(187.1)	3,785.4
Deferred acquisition costs of insurance subsidiaries	2,532.7								2,532.7
Separate account business	3,678.0								3,678.0
Total assets	\$ 68,451.9	\$ 2,624.9	\$ 571.9	\$ 3,158.6	\$ 1,238.0	\$ 215.3	\$ 13,976.7	\$ (12,356.4)	\$ 77,880.9
Liabilities and Shareholders									
Equity:									
Insurance reserves	\$ 45,384.0								\$ 45,384.0
Payable for securities purchased	2,022.1		\$ 1.1				\$ 124.5		2,147.7
Securities sold under agreements to repurchase	441.8								441.8
Long-term debt, less unamortized discounts	1,903.6		146.5	\$ 922.9	\$ 548.1		2,299.1		5,820.2
Reinsurance balances payable	3,432.0								3,432.0
Deferred income taxes			75.9	370.1			221.8	\$ (667.8)	
Other liabilities	2,438.7	\$ 1,405.0	172.0	134.5	166.5	\$ 56.5	86.0	(207.9)	4,251.3
Separate account business	3,678.0								3,678.0
Total liabilities	59,300.2	1,405.0	395.5	1,427.5	714.6	56.5	2,731.4	(875.7)	65,155.0
Minority interest	896.9			769.5		5.2			1,671.6
Shareholders' equity	8,254.8	1,219.9	176.4	961.6	523.4	153.6	11,245.3	(11,480.7)	11,054.3
Total liabilities and shareholders equity	\$ 68,451.9	\$ 2,624.9	\$ 571.9	\$ 3,158.6	\$ 1,238.0	\$ 215.3	\$ 13,976.7	\$ (12,356.4)	\$ 77,880.9

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<u>December 31, 2002</u>	<u>CNA</u> <u>Financial</u>	<u>Lorillard</u>	<u>Loews</u> <u>Hotels</u>	<u>Diamond</u> <u>Offshore</u>	<u>Bulova</u>	<u>Corporate</u> <u>and Other</u>	<u>Eliminations</u>	<u>Total</u>
(In millions)								
Assets:								
Investments	\$ 35,271.2	\$ 1,640.7	\$ 104.6	\$ 794.1	\$ 1.4	\$ 2,324.7		\$ 40,136.7
Cash	126.2	2.0	3.3	18.4	8.7	25.3		183.9
Receivables-net	16,262.1	30.2	21.2	147.0	87.6	52.7	\$ (2.8)	16,598.0
Property, plant and equipment	292.4	197.8	378.2	2,207.5	16.3	33.0		3,125.2
Deferred income taxes	772.2	437.0			22.6	0.3	(606.0)	626.1
Goodwill	140.8		2.6	34.4				177.8
Investments in capital stocks of subsidiaries						11,451.2	(11,451.2)	
Other assets	3,130.1	469.2	110.1	92.2	74.3	160.0	(22.1)	4,013.8
Deferred acquisition costs of insurance subsidiaries	2,551.4							2,551.4
Separate account business	3,102.7							3,102.7
Total assets	\$ 61,649.1	\$ 2,776.9	\$ 620.0	\$ 3,293.6	\$ 210.9	\$ 14,047.2	\$ (12,082.1)	\$ 70,515.6
Liabilities and Shareholders' Equity:								
Insurance reserves	\$ 40,178.9							\$ 40,178.9
Payable for securities purchased	531.2		\$ 4.0			\$ 263.9		799.1
Securities sold under agreements to repurchase	552.4							552.4
Long-term debt, less unamortized discounts	2,292.1		145.8	\$ 917.8		2,296.2		5,651.9
Reinsurance balances payable	2,763.3							2,763.3
Deferred income taxes			48.2	374.0		183.8	\$ (606.0)	
Other liabilities	2,659.7	\$ 1,352.1	191.7	141.3	\$ 67.5	87.3	(162.8)	4,336.8
Separate account business	3,102.7							3,102.7
Total liabilities	52,080.3	1,352.1	389.7	1,433.1	67.5	2,831.2	(768.8)	57,385.1
Minority interest	1,055.0		0.2	835.4	4.7			1,895.3
Shareholders' equity	8,513.8	1,424.8	230.1	1,025.1	138.7	11,216.0	(11,313.3)	11,235.2
Total liabilities and shareholders' equity	\$ 61,649.1	\$ 2,776.9	\$ 620.0	\$ 3,293.6	\$ 210.9	\$ 14,047.2	\$ (12,082.1)	\$ 70,515.6

Table of Contents**Loews Corporation****Consolidating Statement of Operations Information**

Year Ended December 31, 2003	CNA Financial	Lorillard	Loews Hotels	Diamond Offshore	Texas Gas	Bulova	Corporate and Other	Eliminations	Total
(In millions)									
Revenues:									
Insurance premiums	\$ 9,213.5							\$ (3.7)	\$ 9,209.8
Investment income, net	1,646.7	\$ 39.9	\$ 2.4	\$ 12.0	\$ 0.2	\$ 0.2	\$ 30.7		1,732.1
Intercompany interest and dividends							876.6	(876.6)	
Investment gains (losses)	473.4	(9.7)		(6.9)			125.1		581.9
Manufactured products		3,255.6				164.4	(1.2)		3,418.8
Other	395.8	(0.1)	283.6	682.9	143.0	2.2	11.0		1,518.4
Total	11,729.4	3,285.7	286.0	688.0	143.2	166.8	1,042.2	(880.3)	16,461.0
Expenses:									
Insurance claims and policyholders' benefits	9,915.6								9,915.6
Amortization of deferred acquisition costs	1,964.6								1,964.6
Cost of manufactured products sold		1,893.1				79.5	0.2		1,972.8
Other operating expenses	2,035.6	460.0	258.4	724.2	86.2	69.2	48.1	(3.7)	3,678.0
Interest	129.8	0.1	9.0	23.9	19.4	0.1	126.1		308.4
Total	14,045.6	2,353.2	267.4	748.1	105.6	148.8	174.4	(3.7)	17,839.4
	(2,316.2)	932.5	18.6	(60.1)	37.6	18.0	867.8	(876.6)	(1,378.4)
Income tax (benefit) expense	(901.8)	351.2	7.4	(8.1)	15.1	5.8	(3.7)		(534.1)
Minority interest	(156.2)			(22.4)		0.4			(178.2)
Total	(1,058.0)	351.2	7.4	(30.5)	15.1	6.2	(3.7)		(712.3)
(Loss) income from continuing operations	(1,258.2)	581.3	11.2	(29.6)	22.5	11.8	871.5	(876.6)	(666.1)
Discontinued operations net			55.4						55.4
Net (loss) income	\$ (1,258.2)	\$ 581.3	\$ 66.6	\$ (29.6)	\$ 22.5	\$ 11.8	\$ 871.5	\$ (876.6)	\$ (610.7)

Table of Contents**Loews Corporation****Consolidating Statement of Operations Information**

Year Ended December 31, 2002	CNA Financial	Lorillard	Loews Hotels	Diamond Offshore	Bulova	Corporate and Other	Eliminations	Total
(In millions)								
Revenues:								
Insurance premiums	\$ 10,213.4						\$ (3.5)	\$ 10,209.9
Investment income, net	1,729.9	\$ 44.1	\$ 2.1	\$ 29.8	\$ 0.3	\$ 60.7		1,866.9
Intercompany interest and dividends						695.6	(695.6)	
Investment gains (losses)	(252.2)	36.1						