

March 31, 2017 Update

CNA is the 8th largest U.S. commercial property and casualty insurance company.<sup>1</sup> Founded in 1897, CNA has approximately 6,600 employees, serving businesses and professionals in the U.S., Canada, Europe and Asia. CNA products and services are sold by highly regarded independent agents and brokers.

## Financial Strength Ratings - CNA P&C Insurance Group

A.M. Best: **A (Excellent)**; Standard & Poor's: **A (Strong)**; Moody's: **A3 (Good)**, with all rating outlooks stable. **CNA Europe**, through CNA Insurance Company Limited, has an S&P rating of **A (Strong)** with a stable outlook. **Canada**, through Continental Casualty Company's Canadian Branch, has an A.M. Best rating of **A (Excellent)** with a stable outlook.

## Q1 2017 Financial Highlights (in millions, except ratios and book values per share)

	Q1 2017	Q1 2016
<b>Net operating income</b>	\$235	\$91
<b>Net income</b>	\$260	\$66
<b>P&amp;C Operations net written premium</b>	\$1,632	\$1,668
<b>P&amp;C Operations combined ratio</b>	97.2%	96.1%
<b>Book value per share</b>	\$43.15	\$42.41

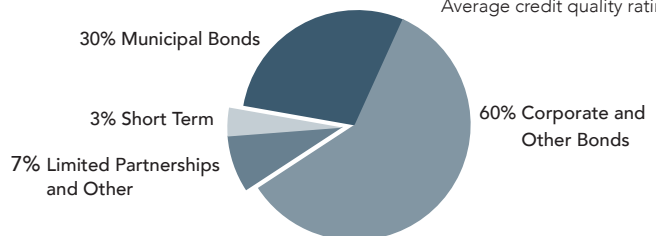
- NOI was \$235 million, compared with \$91 million in the prior-year quarter.
- P&C Operations delivered NOI of \$268 million, compared with \$207 million in the prior-year quarter, due to higher investment income and lower underwriting expenses. Excluding a Small Business premium rate adjustment, the combined ratio was 94.8%.
- Specialty had another strong quarter with a 90.2% combined ratio.
- Net investment income increased significantly in the quarter to \$545 million, compared with \$435 million in the prior-year quarter.
- Book value per share, excluding Accumulated Other Comprehensive Income, increased 9% over the past 12 months, adjusting for dividends.

## Balance Sheet Strength & Stability at 3/31/2017

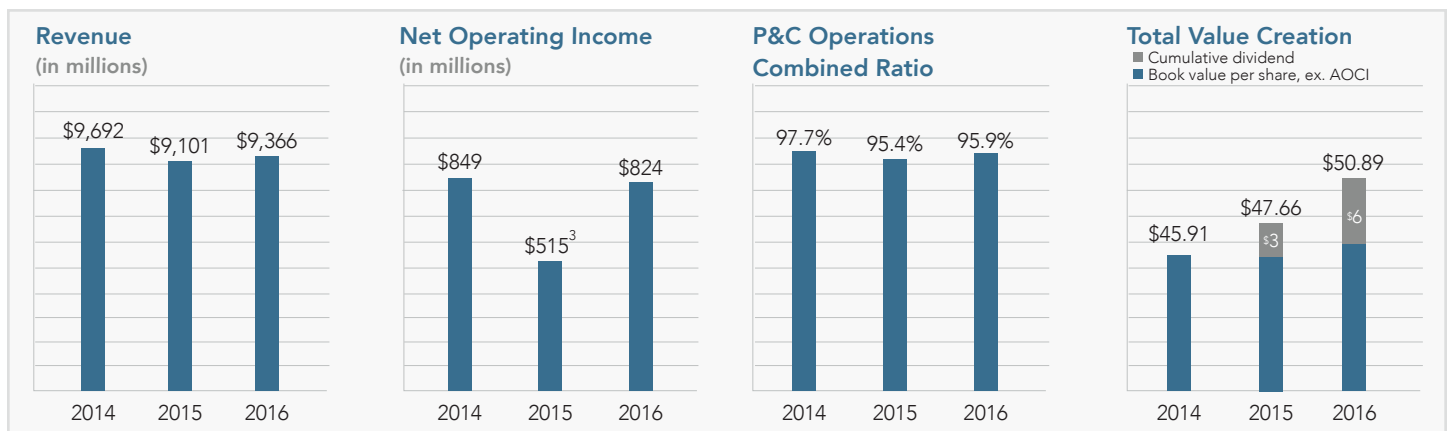
- Invested assets - \$45.3B
- GAAP equity - \$11.7B
- Statutory surplus - \$10.4B<sup>2</sup>
- Total capital - \$14.4B
- Debt-to-capital ratio - 18.8%

## Investment Portfolio

Average credit quality rating of A



## Three-Year Financial Performance



1. Based on 2015 net written premium, A.M. Best

2. Represents the combined statutory surplus of Continental Casualty Companies and its subsidiaries

3. Adjusted operating income of \$792m excludes the impact of LTC charge, retroactive reinsurance accounting and investment accounting change of \$198m, \$54m and \$25m, respectively



The first quarter has seen us bring our underwriting mission to the marketplace and re-introduce our meaningful value proposition of sophisticated products and services to our agents, brokers and customers.

**Dino E. Robusto**  
Chairman and Chief Executive Officer

### More Of What You Value

**Deep industry and product expertise.** Insurance solutions from CNA are based on a deep understanding of our customers and their industries. You benefit from insurance protection designed for your business and aligned with your goals.

**Broad underwriting appetite.** In addition to our broad appetite for business risks, CNA focuses on construction, manufacturing, technology, healthcare, professional services, financial institutions, real estate and small business. The breadth of our product portfolio enables CNA to provide customized insurance solutions that anticipate and address our customers' risks.

**Claim and risk control excellence.** Our services will help you better understand your risks, reduce loss costs, restore your operations and increase productivity. CNA's Risk Control specialists were the first in the industry to be awarded the UL Recognized Risk Engineer professional designation.

**Local presence.** CNA has added branch staff to respond even more effectively to our producers and their clients. We know your time is valuable. From providing a quick quote to walking you through the claim process, CNA is focused on delivering service when and where you want it.

