



# **CNA Financial Corporation Second Quarter 2025 Results**

August 4, 2025

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## **Reconciliation of GAAP Measures to Non-GAAP Measures**

This earnings presentation contains financial measures that are not in accordance with accounting principles generally accepted in the United States of America (GAAP). Management utilizes these financial measures to monitor the Company's insurance operations and investment portfolio. The Company believes the presentation of these measures provides investors with a better understanding of the significant factors that comprise the Company's operating performance. Reconciliations of these measures to the most comparable GAAP measures can be found in the Appendix to this presentation. For additional information, please refer to CNA's filings with the Securities and Exchange Commission, available at [www.cna.com](http://www.cna.com)

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CNA files annual, quarterly and current reports and other information with the SEC. The SEC filings are available on the CNA website ([www.cna.com](http://www.cna.com)) and at the SEC's website ([www.sec.gov](http://www.sec.gov)). These filings describe some of the more material risks we face and how these risks could lead to events or circumstances that may have a material adverse effect on our business, financial condition, results of operations or cash flows. You should review these filings as they contain important information about CNA and its business.

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# Second Quarter Overview

- Net income of \$299 million versus \$317 million in the prior year quarter; core income up 3% to \$335 million versus \$326 million in the prior year quarter.
- P&C core income of \$448 million versus \$380 million, reflects higher net investment income and improved current accident year underwriting results.
- Life & Group core income of \$1 million versus core loss of \$1 million in the prior year quarter.
- Corporate & Other core loss of \$114 million versus \$53 million in the prior year quarter. The current year quarter includes an \$88 million after-tax charge related to unfavorable prior period development associated with legacy mass tort compared with a \$28 million after-tax charge in the second quarter of 2024.
- Net investment income up 7% to \$662 million pretax, reflects a \$22 million increase from fixed income securities and other investments to \$562 million and a \$22 million increase from limited partnerships and common stock to \$100 million.
- P&C combined ratio of 94.1%, compared with 94.8% in the prior year quarter, including 2.4 points of catastrophe loss impact compared with 3.5 points in the prior year quarter.
- Catastrophe losses of \$62 million pretax versus \$82 million in the prior year quarter.
- P&C underlying combined ratio was 91.7%, compared with 91.6% in the prior year quarter. P&C underlying loss ratio was 61.5% and the expense ratio was 29.8%.
- P&C segments, excluding third party captives, generated gross written premium growth of 5% and net written premium growth of 6%. P&C renewal premium change of +5%, with written rate of +3% and exposure change of +1%.
- Book value per share of \$39.39; book value per share excluding AOCI of \$45.25, a 4% increase from year-end 2024 adjusting for \$2.92 of dividends per share paid.
- Board of Directors declares regular quarterly cash dividend of \$0.46 per share.

# Financial Performance

Continued strong underwriting and investment results deliver growth in core income

*(In millions, except ratios and per share data)*

	Second Quarter			Year to Date		
	2025	2024	Change	2025	2024	Change
Revenues	<b>\$3,717</b>	\$3,519	6 %	<b>\$7,344</b>	\$6,963	5 %
Core income	<b>335</b>	326	3 %	<b>616</b>	681	(10)%
Net income	<b>299</b>	317	(6)%	<b>573</b>	655	(13)%
Diluted earnings per common share:						
Core income	<b>\$1.23</b>	\$1.19	3 %	<b>\$2.26</b>	\$2.50	(10)%
Net income	<b>1.10</b>	1.17	(6)%	<b>2.10</b>	2.40	(13)%
Core ROE	<b>11.0 %</b>	10.6 %	0.4 pts	<b>10.0 %</b>	10.9 %	(0.9) pts

# Property & Casualty Operations

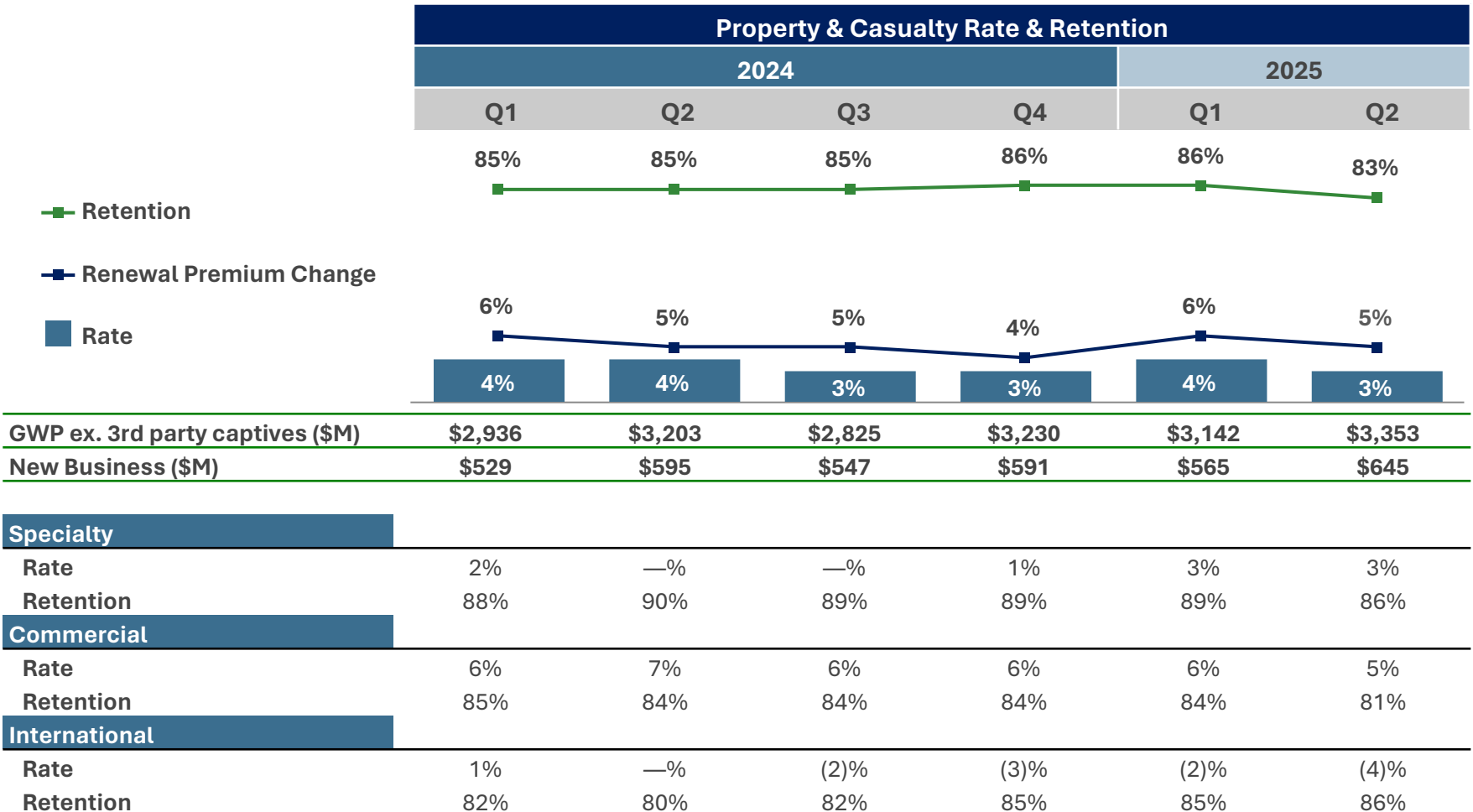
Excellent underwriting results driven by lower catastrophe losses and expense ratio

(In millions, except ratios)

	Second Quarter		Year to Date	
	2025	2024	2025	2024
GWP ex. 3 <sup>rd</sup> party captives	<b>\$3,353</b>	\$3,203	<b>\$6,495</b>	\$6,139
<i>GWP change (% year over year)</i>	<b>5 %</b>		<b>6 %</b>	
Net written premium	<b>\$2,846</b>	\$2,674	<b>\$5,452</b>	\$5,064
<i>NWP change (% year over year)</i>	<b>6 %</b>		<b>8 %</b>	
Net earned premium	<b>\$2,588</b>	\$2,389	<b>\$5,108</b>	\$4,720
<i>NEP change (% year over year)</i>	<b>8 %</b>		<b>8 %</b>	
Underwriting gain	<b>\$150</b>	\$124	<b>\$190</b>	\$250
Loss ratio	<b>63.9 %</b>	63.8 %	<b>65.8 %</b>	63.9 %
Less: Effect of catastrophes impacts	<b>2.4 %</b>	3.5 %	<b>3.1 %</b>	3.6 %
Less: Effect of (favorable) unfavorable development-related items	<b>— %</b>	(0.3)%	<b>1.2 %</b>	(0.3)%
Underlying loss ratio	<b>61.5 %</b>	60.6 %	<b>61.5 %</b>	60.6 %
Expense ratio	<b>29.8 %</b>	30.7 %	<b>30.1 %</b>	30.4 %
Combined ratio	<b>94.1 %</b>	94.8 %	<b>96.3 %</b>	94.7 %
Underlying combined ratio	<b>91.7 %</b>	91.6 %	<b>92.0 %</b>	91.4 %

# Property & Casualty Operations Metrics

New business up 8% while managing rate / retention dynamic across the portfolio



# Specialty

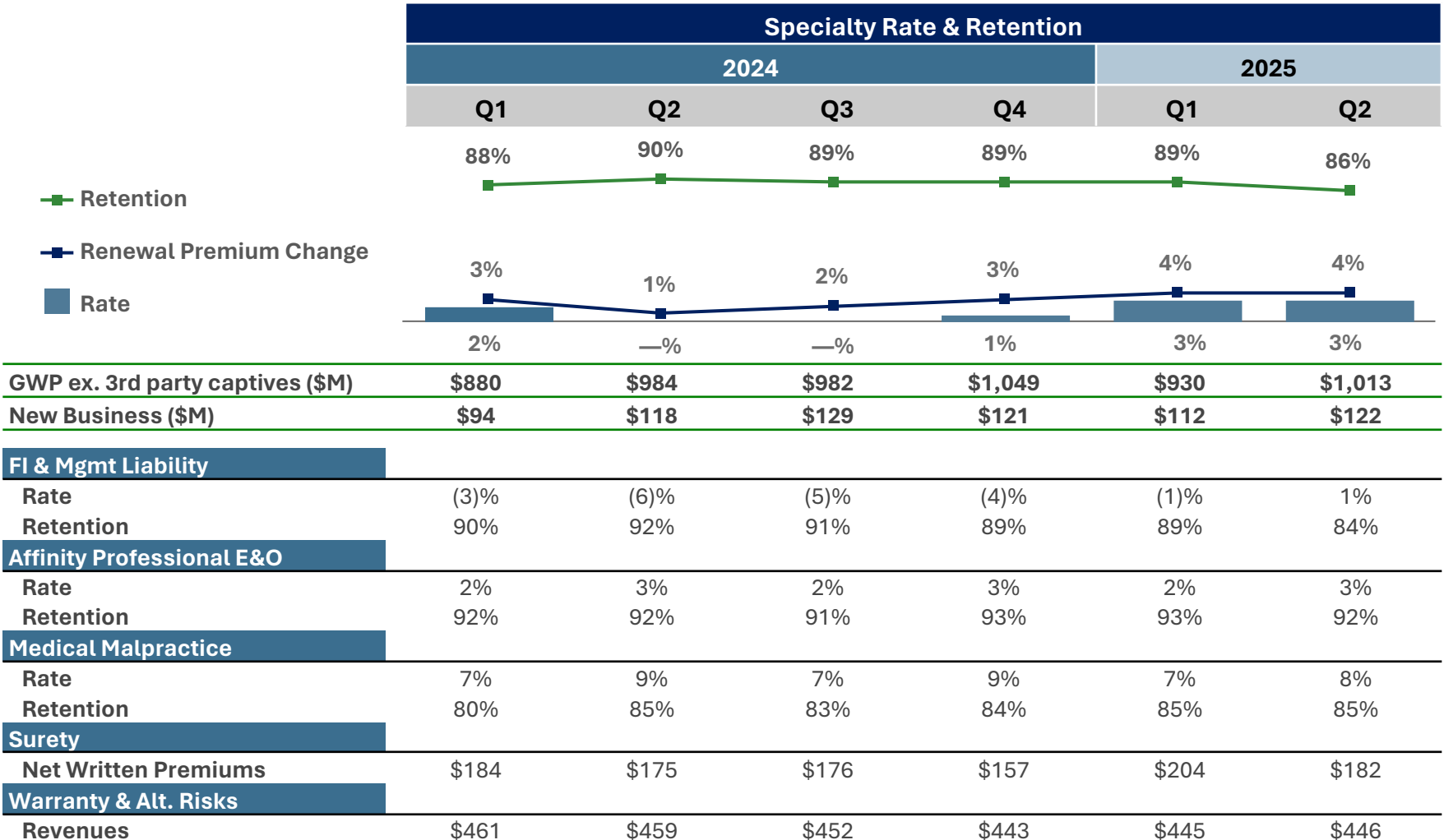
Continued solid underwriting results

(In millions, except ratios)

	Second Quarter		Year to Date	
	2025	2024	2025	2024
GWP ex. 3 <sup>rd</sup> party captives	<b>\$1,013</b>	\$984	<b>\$1,943</b>	\$1,864
<i>GWP change (% year over year)</i>	<b>3 %</b>		<b>4 %</b>	
Net written premium	<b>\$892</b>	\$857	<b>\$1,734</b>	\$1,649
<i>NWP change (% year over year)</i>	<b>4 %</b>		<b>5 %</b>	
Net earned premium	<b>\$862</b>	\$831	<b>\$1,692</b>	\$1,645
<i>NEP change (% year over year)</i>	<b>4 %</b>		<b>3 %</b>	
Underwriting gain	<b>\$53</b>	\$60	<b>\$95</b>	\$136
Loss ratio	<b>60.1 %</b>	59.2 %	<b>60.7 %</b>	58.9 %
Less: Effect of catastrophes impacts	<b>— %</b>	— %	<b>— %</b>	— %
Less: Effect of (favorable) unfavorable development-related items	<b>— %</b>	(0.4)%	<b>0.6 %</b>	(0.5)%
Underlying loss ratio	<b>60.1 %</b>	59.6 %	<b>60.1 %</b>	59.4 %
Expense ratio	<b>33.2 %</b>	33.2 %	<b>33.3 %</b>	32.5 %
Combined ratio	<b>93.6 %</b>	92.7 %	<b>94.3 %</b>	91.7 %
Underlying combined ratio	<b>93.6 %</b>	93.1 %	<b>93.7 %</b>	92.2 %

# Specialty Production Metrics

Executing on underwriting discipline with financial lines rate turning positive





# Commercial

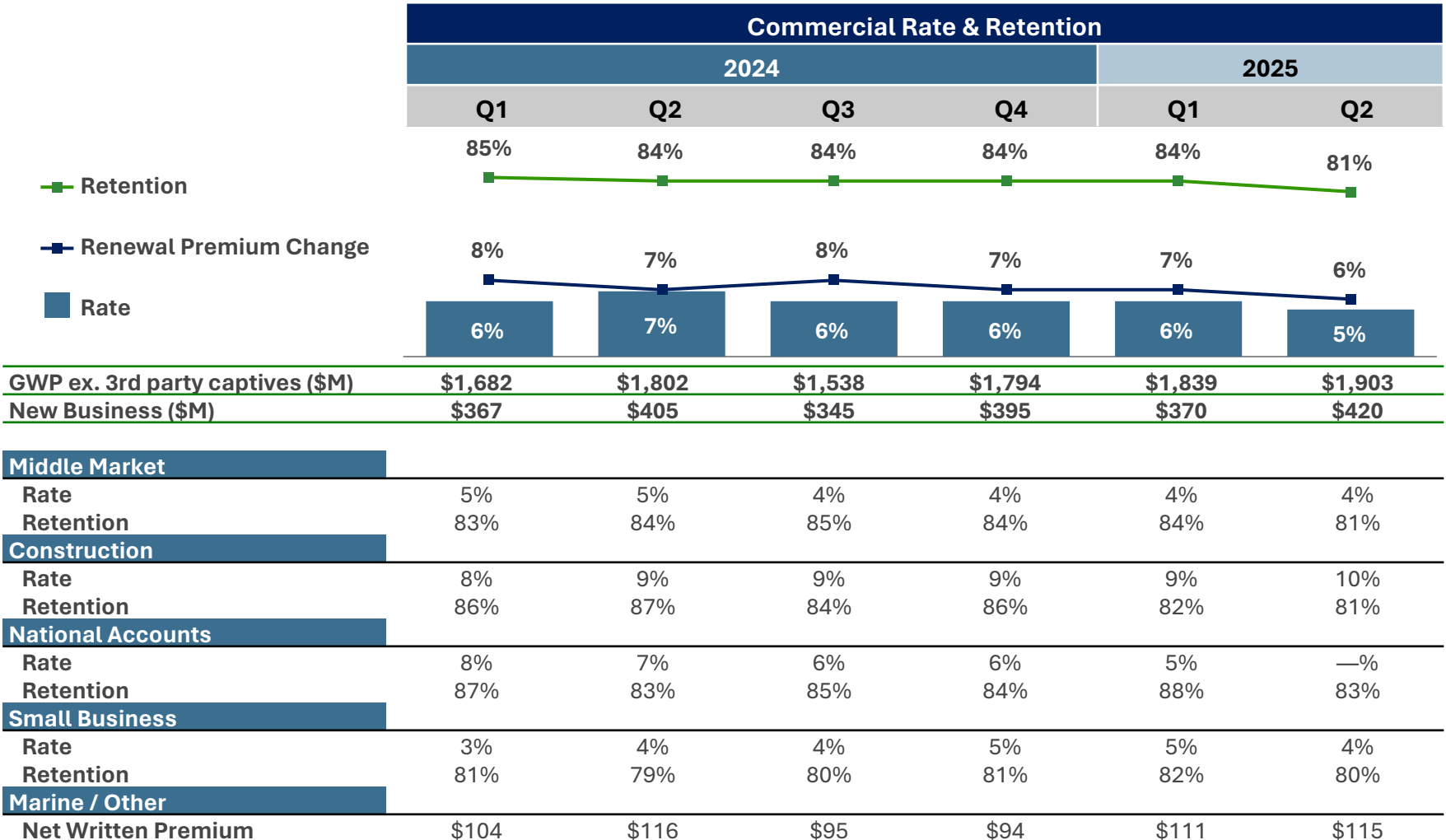
Excellent underwriting results driven by lower catastrophe losses and expense ratio

(In millions, except ratios)

	Second Quarter		Year to Date	
	2025	2024	2025	2024
GWP ex. 3 <sup>rd</sup> party captives	<b>\$1,903</b>	\$1,802	<b>\$3,742</b>	\$3,484
<i>GWP change (% year over year)</i>	<b>6 %</b>		<b>7 %</b>	
Net written premium	<b>\$1,563</b>	\$1,458	<b>\$3,061</b>	\$2,796
<i>NWP change (% year over year)</i>	<b>7 %</b>		<b>9 %</b>	
Net earned premium	<b>\$1,402</b>	\$1,247	<b>\$2,782</b>	\$2,449
<i>NEP change (% year over year)</i>	<b>12 %</b>		<b>14 %</b>	
Underwriting gain	<b>\$74</b>	\$39	<b>\$57</b>	\$68
Loss ratio	<b>67.1 %</b>	68.0 %	<b>70.0 %</b>	68.4 %
Less: Effect of catastrophes impacts	<b>4.2 %</b>	6.1 %	<b>5.2 %</b>	6.4 %
Less: Effect of (favorable) unfavorable development-related items	<b>— %</b>	(0.1)%	<b>1.9 %</b>	— %
Underlying loss ratio	<b>62.9 %</b>	62.0 %	<b>62.9 %</b>	62.0 %
Expense ratio	<b>27.2 %</b>	28.5 %	<b>27.4 %</b>	28.4 %
Combined ratio	<b>94.8 %</b>	97.0 %	<b>97.9 %</b>	97.3 %
Underlying combined ratio	<b>90.6 %</b>	91.0 %	<b>90.8 %</b>	90.9 %

# Commercial Production Metrics

Achieving strong rate and improved terms & conditions on liability coverages, while national accounts property rate softened



# International

NWP growth ex. currency fluctuations of 7% with consistently profitable results

(In millions, except ratios)

	Second Quarter		Year to Date	
	2025	2024	2025	2024
Gross written premium	<b>\$437</b>	\$417	<b>\$810</b>	\$791
<i>GWP change (% year over year)<sup>1</sup></i>	<b>5 %</b>		<b>2 %</b>	
Net written premium	<b>\$391</b>	\$359	<b>\$657</b>	\$619
<i>NWP change (% year over year)<sup>1</sup></i>	<b>9 %</b>		<b>6 %</b>	
Net earned premium	<b>\$324</b>	\$311	<b>\$634</b>	\$626
<i>NEP change (% year over year)</i>	<b>4 %</b>		<b>1 %</b>	
Underwriting gain	<b>\$23</b>	\$25	<b>\$38</b>	\$46
Loss ratio	<b>59.9 %</b>	59.1 %	<b>61.0 %</b>	59.6 %
Less: Effect of catastrophes impacts	<b>1.4 %</b>	2.0 %	<b>2.5 %</b>	2.0 %
Less: Effect of (favorable) unfavorable development-related items	<b>— %</b>	(1.0)%	<b>— %</b>	(0.5)%
Underlying loss ratio	<b>58.5 %</b>	58.1 %	<b>58.5 %</b>	58.1 %
Expense ratio	<b>32.9 %</b>	32.8 %	<b>33.0 %</b>	33.0 %
Combined ratio	<b>92.8 %</b>	91.9 %	<b>94.0 %</b>	92.6 %
Combined ratio excl. catastrophes and development	<b>91.4 %</b>	90.9 %	<b>91.5 %</b>	91.1 %



<sup>1</sup> Excluding currency fluctuations, GWP grew 3% for the second quarter and 4% year to date. NWP grew 7% for the second quarter and year to date.

# Life & Group

Current quarter and year to date reflect favorable persistency partially offset by lower investment income

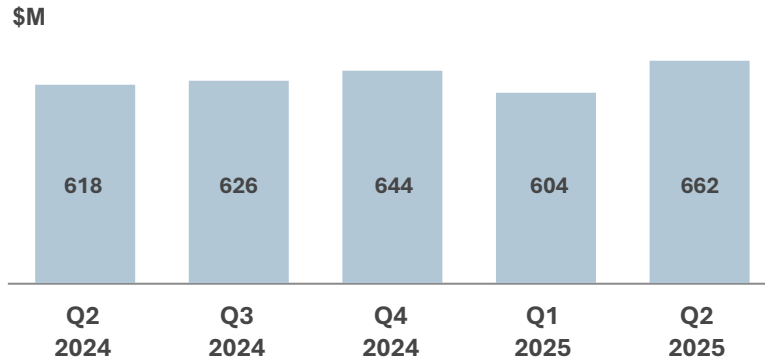
*(In millions)*

	Second Quarter		Year to Date	
	2025	2024	2025	2024
Net earned premiums	\$106	\$109	\$212	\$219
Total claims, benefits and expenses	345	355	675	696
Net investment income	235	239	461	470
Core loss before income tax	(4)	(7)	(2)	(7)
Income tax benefit	5	6	9	11
<b>Core income (loss)</b>	<b>\$1</b>	<b>(\$1)</b>	<b>\$7</b>	<b>\$4</b>

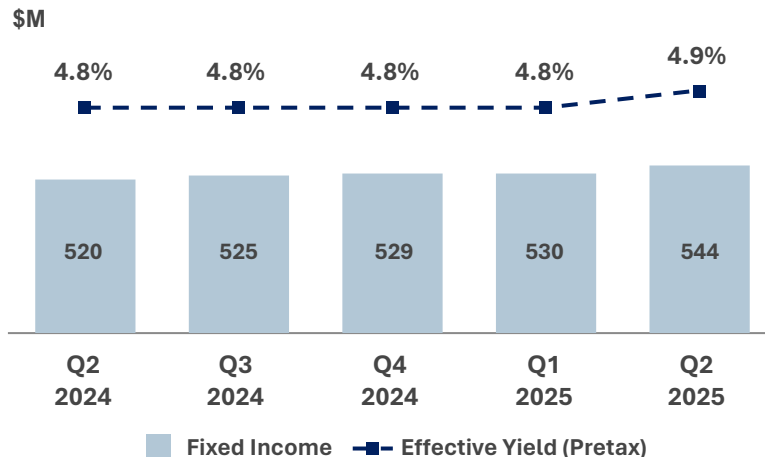
# Pretax Net Investment Income

Strong contributions from fixed income and limited partnerships

## Total CNAF



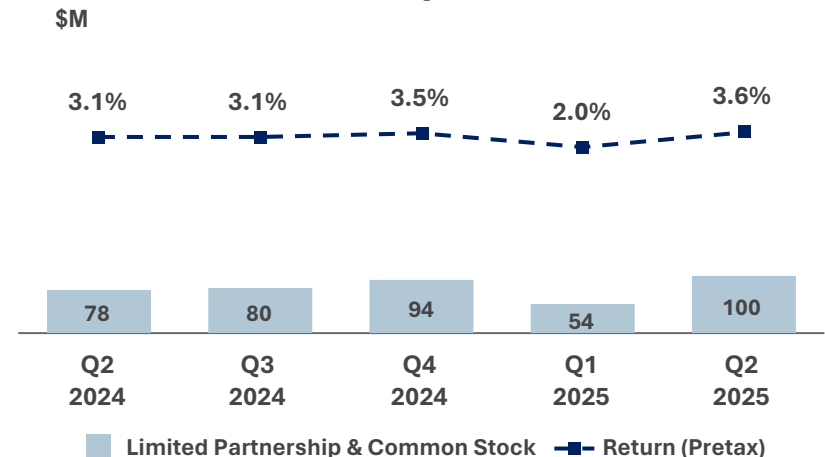
## Fixed Income Securities



## Highlights

- Net investment income is up 7% year-over-year
- Fixed income, up 5% year-over-year, benefited from strong operating cash flows and the continued impact of favorable reinvestment rates
- Solid limited partnership and common stock returns in the quarter; trailing twelve month return of 13%

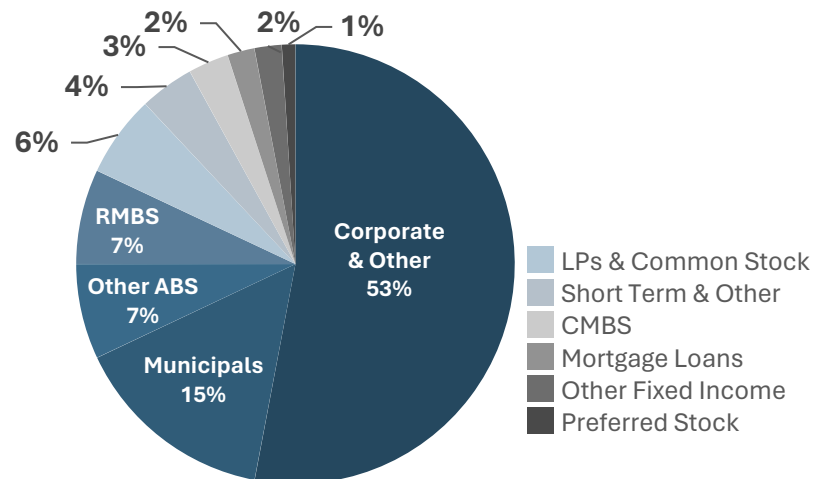
## Limited Partnership & Common Stock



# Investment Portfolio

High quality, diversified and liquid investment portfolio

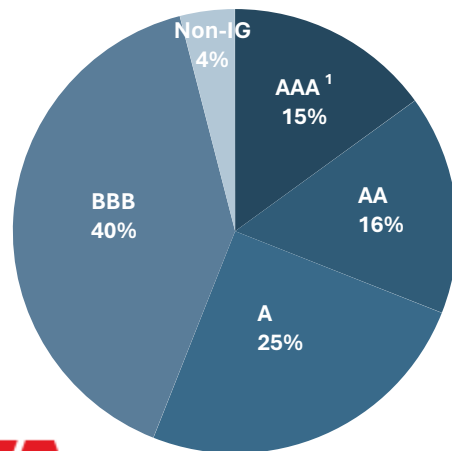
## Portfolio Composition



## Highlights

- 88% of total invested assets are in fixed income securities
- High-quality portfolio with an average credit rating of “A”
- Duration well matched with insurance liabilities
- Net unrealized loss improved from year-end driven by lower risk-free rates

## Fixed Maturities by Rating



## Effective Portfolio Duration

Life & Group	9.8 yrs
P&C and Corporate	4.5 yrs
<b>Total</b>	<b>6.3 yrs</b>



<sup>1</sup> AAA includes obligations of the U.S. Government, U.S. Government agencies and U.S. Government-sponsored enterprises.

# Financial Strength

Conservative capital and debt profile support business objectives

*(In millions, except per share data)*

	Jun 30, 2025	Dec 31, 2024
Debt	<b>\$2,975</b>	\$2,973
Stockholders' equity	<b>10,661</b>	10,513
Total capital	<b>\$13,636</b>	\$13,486
AOCI	<b>(1,586)</b>	(1,991)
Capital ex. AOCI	<b>\$15,222</b>	\$15,477
BVPS ex. AOCI	<b>\$45.25</b>	\$46.16
Dividends per share (YTD)	<b>\$2.92</b>	\$3.76
Debt-to-capital	<b>21.8%</b>	22.0%
Debt-to-capital ex. AOCI	<b>19.5%</b>	19.2%
Statutory surplus	<b>11,203</b>	\$11,165
Holding company liquidity <sup>1</sup>	<b>\$833</b>	\$1,207

## Capital

- Financial strength ratings from all four rating agencies have been affirmed since August 2024
- Moody's and AM Best maintain positive outlooks; S&P and Fitch maintain stable outlooks
- Statutory surplus remains very strong
- Adjusting for dividends, book value per share ex. AOCI increased 4%

## Leverage

- Debt maturity schedule is termed out to effectively manage refinancing
- Next debt maturity of \$500M in the first quarter of 2026

## Liquidity

- Ample liquidity at both holding and operating company levels to meet obligations



<sup>1</sup> Includes \$250 million available under credit facility

# APPENDIX



# Reconciliation of GAAP Measures to Non-GAAP Measures

## *Reconciliation of Net Income (Loss) to Core Income (Loss)*

**Core income (loss)** is calculated by excluding from net income (loss) the after-tax effects of net investment gains or losses and gains or losses resulting from pension settlement transactions. Net investment gains or losses are excluded from the calculation of core income (loss) because they are generally driven by economic factors that are not necessarily reflective of our primary operations. The calculation of core income (loss) excludes gains or losses resulting from pension settlement transactions as they result from decisions regarding our defined benefit pension plans which are unrelated to our primary operations. Management monitors core income (loss) for each business segment to assess segment performance. Presentation of consolidated core income (loss) is deemed to be a non-GAAP financial measure and management believes some investors may find this measure useful to evaluate our primary operations.

	Results for the Three Months Ended June 30		Results for the Six Months Ended June 30	
	2025	2024	2025	2024
(In millions)				
Net income	\$299	\$317	\$573	\$655
Less: Net investment losses	(36)	(9)	(43)	(26)
Core income	<u>\$335</u>	<u>\$326</u>	<u>\$616</u>	<u>\$681</u>

## *Reconciliation of Net Income (Loss) per Diluted Share to Core Income (Loss) per Diluted Share*

**Core income (loss) per diluted share** provides management and investors with a valuable measure of the Company's operating performance for the same reasons applicable to its underlying measure, core income (loss). Core income (loss) per diluted share is core income (loss) on a per diluted share basis.

	Results for the Three Months Ended June 30		Results for the Six Months Ended June 30	
	2025	2024	2025	2024
Net income per diluted share	\$1.10	\$1.17	\$2.10	\$2.40
Less: Net investment losses	(0.13)	(0.02)	(0.16)	(0.10)
Core income per diluted share	<u>\$1.23</u>	<u>\$1.19</u>	<u>\$2.26</u>	<u>\$2.50</u>

# Reconciliation of GAAP Measures to Non-GAAP Measures

## *Reconciliation of Net Income (Loss) to Underwriting Gain (Loss) and Underlying Underwriting Gain (Loss)*

**Underwriting gain (loss)** is deemed to be a non-GAAP financial measure and is calculated pretax as net earned premiums less total insurance expenses, which includes insurance claims and policyholders' benefits, amortization of deferred acquisition costs and insurance related administrative expenses. Net income (loss) is the most directly comparable GAAP measure. Management believes some investors may find this measure useful to evaluate the profitability, before tax, derived from our underwriting activities which are managed separately from our investing activities.

**Underlying underwriting gain (loss)** is also deemed to be a non-GAAP financial measure, and represents pretax underwriting results excluding catastrophe losses and development-related items. Management believes some investors may find this measure useful to evaluate the profitability, before tax, derived from our underwriting activities, excluding the impact of catastrophe losses, which are unpredictable as to timing and amount, and development-related items as they are not indicative of our current year underwriting performance.

(In millions)

### **Net income**

Net investment losses, after tax

### **Core income**

Less:

Net investment income

Non-insurance warranty revenue (expense)

Other revenue (expense), including interest expense

Income tax expense on core income

### **Underwriting gain**

Effect of catastrophe losses

Effect of unfavorable development-related items

### **Underlying underwriting gain**

Results for the Three Months Ended June 30, 2025				
Specialty	Commercial	International	Property & Casualty	
\$ 165	\$ 199	\$ 53	\$ 417	
12	19	—	31	
\$ 177	\$ 218	\$ 53	\$ 448	
170	206	38	414	
14	—	—	14	
(11)	(5)	10	(6)	
(49)	(57)	(18)	(124)	
53	74	23	150	
—	57	5	62	
—	1	—	1	
\$ 53	\$ 132	\$ 28	\$ 213	

# Reconciliation of GAAP Measures to Non-GAAP Measures

(In millions)

## Net income

Net investment losses (gains), after tax

## Core income

Less:

Net investment income

Non-insurance warranty revenue (expense)

Other revenue (expense), including interest expense

Income tax expense on core income

## Underwriting gain

Effect of catastrophe losses

Effect of favorable development-related items

## Underlying underwriting gain

Results for the Three Months Ended June 30, 2024				
Specialty	Commercial	International	Property & Casualty	
\$ 164	\$ 160	\$ 45	\$ 369	
5	7	(1)	11	
\$ 169	\$ 167	\$ 44	\$ 380	
154	175	32	361	
16	—	—	16	
(14)	(3)	(1)	(18)	
(47)	(44)	(12)	(103)	
60	39	25	124	
—	76	6	82	
(3)	—	(3)	(6)	
\$ 57	\$ 115	\$ 28	\$ 200	

# Reconciliation of GAAP Measures to Non-GAAP Measures

(In millions)

## Net income

Net investment losses (gains), after tax

## Core income

Less:

Net investment income

Non-insurance warranty revenue (expense)

Other revenue (expense), including interest expense

Income tax expense on core income

## Underwriting gain

Effect of catastrophe losses

Effect of unfavorable development-related items

## Underlying underwriting gain

Results for the Six Months Ended June 30, 2025				
Specialty	Commercial	International	Property & Casualty	
\$ 314	\$ 323	\$ 91	\$ 728	
13	19	(1)	31	
\$ 327	\$ 342	\$ 90	\$ 759	
321	383	72	776	
26	—	—	26	
(25)	(7)	11	(21)	
(90)	(91)	(31)	(212)	
95	57	38	190	
—	143	16	159	
10	53	—	63	
\$ 105	\$ 253	\$ 54	\$ 412	

# Reconciliation of GAAP Measures to Non-GAAP Measures

(In millions)

## Net income

Net investment losses (gains), after tax

## Core income

Less:

Net investment income

Non-insurance warranty revenue (expense)

Other revenue (expense), including interest expense

Income tax expense on core income

## Underwriting gain

Effect of catastrophe losses

Effect of favorable development-related items

## Underlying underwriting gain

Results for the Six Months Ended June 30, 2024				
Specialty	Commercial	International	Property & Casualty	
\$ 331	\$ 304	\$ 82	\$ 717	
15	21	(1)	35	
\$ 346	\$ 325	\$ 81	\$ 752	
304	351	63	718	
29	—	—	29	
(28)	(7)	(3)	(38)	
(95)	(87)	(25)	(207)	
136	68	46	250	
—	158	12	170	
(8)	—	(3)	(11)	
\$ 128	\$ 226	\$ 55	\$ 409	

*Components to reconcile the combined ratio and loss ratio to the underlying combined ratio and underlying loss ratio*

The **underlying loss ratio** excludes the impact of catastrophe losses and development-related items from the loss ratio. The **underlying combined ratio** is the sum of the underlying loss ratio, the expense ratio and the dividend ratio. The underlying loss ratio and the underlying combined ratio are deemed to be non-GAAP financial measures, and management believes some investors may find these ratios useful to evaluate our underwriting performance since they remove the impact of catastrophe losses, which are unpredictable as to timing and amount, and development-related items as they are not indicative of our current year underwriting performance. The components to reconcile the combined ratio and loss ratio to the underlying combined ratio and underlying loss ratio for Property & Casualty, Specialty, Commercial and International segments are set forth on pages 5, 7, 9 and 11, respectively.

# Reconciliation of GAAP Measures to Non-GAAP Measures

## Reconciliation of Book Value per Share to Book Value per Share Excluding AOCI

**Book value per share excluding AOCI** allows management and investors to analyze the amount of the Company's net worth primarily attributable to the Company's business operations. The Company believes this measurement is useful as it reduces the effect of items that can fluctuate significantly from period to period, primarily based on changes in interest rates.

	June 30, 2025	December 31, 2024
Book value per share	\$39.39	\$38.82
Less: Per share impact of AOCI	(5.86)	(7.34)
Book value per share excluding AOCI	<u>\$45.25</u>	<u>\$46.16</u>

## Calculation of Return on Equity and Core Return on Equity

**Core return on equity** provides management and investors with a measure of how effectively the Company is investing the portion of the Company's net worth that is primarily attributable to its business operations.

	Results for the Three Months Ended June 30		Results for the Three Months Ended June 30	
	2025	2024	2025	2024
(\$ millions)				
Annualized net income	\$1,195	\$1,270	\$1,145	\$1,311
Average stockholders' equity including AOCI <sup>(a)</sup>	10,470	9,768	10,587	9,883
Return on equity	<u>11.4 %</u>	<u>13.0 %</u>	<u>10.8 %</u>	<u>13.3 %</u>
Annualized core income	\$1,340	\$1,303	\$1,233	\$1,361
Average stockholders' equity excluding AOCI <sup>(a)</sup>	12,156	12,328	12,375	12,493
Core return on equity	<u>11.0 %</u>	<u>10.6 %</u>	<u>10.0 %</u>	<u>10.9 %</u>



<sup>a</sup> Average stockholders' equity is calculated using a simple average of the beginning and ending balances for the period.