

CNA Surety Corporation
 Press Release Investor Data
 (Amounts in thousands, except per share data)

	Three Months Ended	
	March 31,	
	<u>2003</u>	<u>2002</u>
Operating Results:		
Gross written premiums	<u>\$ 91,671</u>	<u>\$ 82,114</u>
Net written premiums	<u>\$ 77,146</u>	<u>\$ 64,393</u>
Revenues:		
Net earned premiums	\$ 69,018	\$ 67,221
Net investment income	6,699	7,106
Net realized investment gains (losses)	730	(278)
Total revenues	<u>\$ 76,447</u>	<u>\$ 74,049</u>
Expenses:		
Net losses and loss adjustment expenses ⁽¹⁾	18,606	16,647
Net commissions, brokerage and other underwriting expenses	44,296	41,552
Interest expense	353	458
Total expenses	<u>63,255</u>	<u>58,657</u>
Income before income taxes	13,192	15,392
Income taxes	<u>3,625</u>	<u>4,835</u>
Net income	<u>\$ 9,567</u>	<u>\$ 10,557</u>
Basic earnings per common share	<u>\$ 0.22</u>	<u>\$0.25</u>
Diluted earnings per common share	<u>\$ 0.22</u>	<u>\$0.25</u>
Basic weighted average shares outstanding	<u>42,957</u>	<u>42,845</u>
Diluted weighted average shares outstanding	<u>42,962</u>	<u>43,025</u>
Dividends Paid Per Share	<u>\$ —</u>	<u>\$ 0.15</u>

See notes to Press Release Investor Data on page 2.

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	Three Months Ended	
	March 31,	
	2003	2002
Underwriting Results:		
Gross written premiums:		
Contract	\$ 41,623	\$ 39,380
Commercial	42,015	35,088
Fidelity and other	8,033	7,646
	<u>\$ 91,671</u>	<u>\$ 82,114</u>
Net written premiums:		
Contract	\$ 35,039	\$ 31,235
Commercial	34,429	25,849
Fidelity and other	7,678	7,309
	<u>\$ 77,146</u>	<u>\$ 64,393</u>
Net earned premiums	\$ 69,018	\$ 67,221
Net losses and loss adjustment expenses ⁽¹⁾	18,606	16,647
Net commissions, brokerage and other underwriting expenses	44,296	41,552
Underwriting income	<u>\$ 6,116</u>	<u>\$ 9,022</u>
Loss ratio ⁽¹⁾	27.0%	24.8%
Expense ratio	64.1	61.8
Combined ratio ⁽¹⁾	<u>91.1%</u>	<u>86.6%</u>

Cash Flow Data:

Net cash (used by) provided by operations	\$ (35,052)	\$ 6,008
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	March 31,	December 31,
	2003	2002
Consolidated Balance Sheet Data:		
Invested assets and cash	\$ 606,777	\$ 638,204
Intangible assets, net	143,785	143,785
Total assets	<u>1,063,513</u>	<u>1,091,192</u>
Insurance reserves	477,014	519,646
Long-term debt	60,816	60,816
Total stockholders' equity	429,764	419,139
Book value per share	\$ 10.00	\$ 9.76
Outstanding shares	<u>42,959</u>	<u>42,947</u>

Notes to Press Release Investor Data

(1) Includes the effect of recording revisions of prior year reserves. The dollar amount and the percentage point effect on the loss ratio of these reserve revisions was an addition of \$55, or less than 0.1%, and a reduction of \$18, or less than 0.1%, for the three months ended March 31, 2003 and 2002, respectively.