

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

	Three Months Ended	
	March 31,	
	<u>2001</u>	<u>2000</u>
Operating Results:		
Gross written premiums	<u>\$ 75,484</u>	<u>\$ 80,655</u>
Net written premiums	<u>\$ 72,627</u>	<u>\$ 79,179</u>
Revenues:		
Net earned premiums	\$ 76,749	\$ 75,687
Net investment income	7,735	7,201
Net realized investment losses	(29)	(4)
Total revenues	<u>\$ 84,455</u>	<u>\$ 82,884</u>
Expenses:		
Net losses and loss adjustment expenses	16,086	13,572
Net commissions, brokerage and other underwriting expenses	46,837	44,808
Interest expense	1,588	1,621
Amortization of intangible assets	1,524	1,525
Total expenses	<u>66,035</u>	<u>61,526</u>
Income before income taxes	18,420	21,358
Income taxes	<u>6,476</u>	<u>7,245</u>
Net income	<u>\$ 11,944</u>	<u>\$ 14,113</u>
Basic earnings per common share	<u>\$ 0.28</u>	<u>\$0.33</u>
Diluted earnings per common share	<u>\$ 0.28</u>	<u>\$0.33</u>
Basic weighted average shares outstanding	<u>42,713</u>	<u>42,962</u>
Diluted weighted average shares outstanding	<u>42,917</u>	<u>43,065</u>
Operating Earnings, After Income Taxes:		
Net income	\$ 11,944	\$ 14,113
Net realized investment losses	19	3
Operating earnings	<u>\$ 11,963</u>	<u>\$ 14,116</u>
Diluted Per Share Data:		
Net income	\$ 0.28	\$ 0.33
Net realized investment losses	—	—
Operating earnings	<u>\$ 0.28</u>	<u>\$ 0.33</u>

See notes to Press Release Investor Data on page 2.

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	Three Months Ended	
	March 31,	
	2001	2000
Underwriting Results:		
Gross written premiums:		
Contract	\$ 38,332	\$ 37,415
Commercial	28,991	35,747
Fidelity and other	8,161	7,493
	<u>\$ 75,484</u>	<u>\$ 80,655</u>
Net written premiums:		
Contract	\$ 35,767	\$ 35,930
Commercial	28,699	35,315
Fidelity and other	8,161	7,934
	<u>\$ 72,627</u>	<u>\$ 79,179</u>
Net earned premiums	\$ 76,749	\$ 75,687
Net losses and loss adjustment expenses ⁽¹⁾	16,086	13,572
Net commissions, brokerage and other underwriting expenses	46,837	44,808
Underwriting income	<u>\$ 13,826</u>	<u>\$ 17,307</u>
Loss ratio ⁽¹⁾	21.0%	17.9%
Expense ratio	61.0	59.2
Combined ratio ⁽¹⁾	<u>82.0%</u>	<u>77.1%</u>

Cash Flow Data:

Net cash provided by operations	\$ 10,024	\$ 40,419
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	March 31,	December 31,
	2001	2000
Consolidated Balance Sheet Data:		
Invested assets and cash	\$ 555,669	\$ 555,975
Intangible assets, net	148,358	149,882
Total assets	945,023	950,568
Insurance reserves	410,470	406,636
Long-term debt	81,556	101,556
Total stockholders' equity	383,238	374,032
Book value per share	\$ 8.97	\$ 8.76
Outstanding shares	<u>42,725</u>	<u>42,702</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, all of which were reductions, were \$294, or 0.4%, and \$2,101, or 2.8%, for the three months ended March 31, 2001 and 2000, respectively.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: The statements which are not historical facts contained in this release are forward-looking statements that involve risks and uncertainties, including, but not limited to, product and policy demand and market response risks, the effect of economic conditions, the impact of competitive products, policies and pricing, product and policy development, regulatory changes and conditions, rating agency policies and practices, development of claims and the effect on loss reserves, the performance of reinsurance companies under reinsurance contracts with the Company, investment portfolio developments and reaction to market conditions, the results of financing efforts, the actual closing of contemplated transactions and agreements, the effect of the Company's accounting policies, and other risks detailed in CNA Surety Corporation's Securities and Exchange Commission filings. No assurance can be given that the actual results of operations and financial condition will conform to the forward-looking statements contained herein.