

CNA Surety Corporation

Press Release Investor Data

(Amounts in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Operating Results:				
Gross written premiums	<u>\$ 113,482</u>	<u>\$ 102,151</u>	<u>\$ 323,319</u>	<u>\$ 301,094</u>
Net written premiums	<u>\$ 103,031</u>	<u>\$ 86,417</u>	<u>\$ 282,532</u>	<u>\$ 244,083</u>
Revenues:				
Net earned premiums	\$ 91,061	\$ 83,068	\$ 256,881	\$ 235,418
Net investment income	8,681	7,688	24,706	22,127
Net realized investment gains	108	194	2,124	2,476
Total revenues	<u>\$ 99,850</u>	<u>\$ 90,950</u>	<u>\$ 283,711</u>	<u>\$ 260,021</u>
Expenses:				
Net losses and loss adjustment expenses ⁽¹⁾	\$ 19,976	\$ 22,847	\$ 104,330	\$ 64,685
Net commissions, brokerage and other underwriting expenses	51,891	52,245	150,593	156,627
Interest expense	938	664	2,552	1,512
Total expenses	<u>\$ 72,805</u>	<u>\$ 75,756</u>	<u>\$ 257,475</u>	<u>\$ 222,824</u>
Income before income taxes	27,045	15,194	26,236	37,197
Income tax expense	<u>7,262</u>	<u>4,220</u>	<u>4,313</u>	<u>9,664</u>
Net income	<u>\$ 19,783</u>	<u>\$ 10,974</u>	<u>\$ 21,923</u>	<u>\$ 27,533</u>
Basic earnings per common share	<u>\$ 0.46</u>	<u>\$0.26</u>	<u>\$ 0.51</u>	<u>\$0.64</u>
Diluted earnings per common share	<u>\$ 0.46</u>	<u>\$0.25</u>	<u>\$ 0.51</u>	<u>\$0.64</u>
Basic weighted average shares outstanding	<u>43,168</u>	<u>43,001</u>	<u>43,174</u>	<u>42,995</u>
Diluted weighted average shares outstanding	<u>43,385</u>	<u>43,048</u>	<u>43,394</u>	<u>43,048</u>

See notes to Press Release Investor Data on page 3.

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	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Underwriting Results:				
Gross written premiums:				
Contract	\$ 71,044	\$ 61,610	\$ 194,179	\$ 172,807
Commercial	33,568	32,548	102,069	103,877
Fidelity and other	8,870	7,993	27,071	24,410
	<u>\$ 113,482</u>	<u>\$ 102,151</u>	<u>\$ 323,319</u>	<u>\$ 301,094</u>
Net written premiums:				
Contract	\$ 61,732	49,424	\$ 157,847	\$ 134,033
Commercial	32,429	29,366	97,614	86,726
Fidelity and other	8,870	7,627	27,071	23,324
	<u>\$ 103,031</u>	<u>\$ 86,417</u>	<u>\$ 282,532</u>	<u>\$ 244,083</u>
Net earned premiums	\$ 91,061	\$ 83,068	\$ 256,881	\$ 235,418
Net losses and loss adjustment expenses ⁽¹⁾	19,976	22,847	104,330	64,685
Net commissions, brokerage and other underwriting expenses	<u>51,891</u>	<u>52,245</u>	<u>150,593</u>	<u>156,627</u>
Underwriting income	19,194	7,976	1,958	14,106
Net investment income	8,681	7,688	24,706	22,127
Net realized investment gains	108	194	2,124	2,476
Interest expense	938	664	2,552	1,512
Income before income taxes	27,045	15,194	26,236	37,197
Income tax expense	7,262	4,220	4,313	9,664
Net income	<u>\$ 19,783</u>	<u>\$ 10,974</u>	<u>\$ 21,923</u>	<u>\$ 27,533</u>
Loss ratio ⁽¹⁾	21.9%	27.5%	40.6%	27.5%
Expense ratio	<u>57.0</u>	<u>62.9</u>	<u>58.6</u>	<u>66.5</u>
Combined ratio ⁽¹⁾	<u>78.9%</u>	<u>90.4%</u>	<u>99.2%</u>	<u>94.0%</u>

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	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
Cash Flow Data:	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Net cash provided by operations	\$ 12,612	44,193	\$ 68,183	\$ 103,516

Consolidated Balance Sheet Data:	September 30,	December 31,
	<u>2005</u>	<u>2004</u>
Invested assets and cash	\$ 813,587	\$ 766,387
Intangible assets, net	138,785	138,785
Total assets	1,250,054	1,174,494
Insurance reserves	658,067	589,406
Debt	60,564	65,488
Total stockholders' equity	461,687	446,371
Book value per share	\$ 10.67	\$ 10.38
Outstanding shares	<u>43,259</u>	<u>43,015</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 were a reduction of \$3,427, or 3.8%, and an addition of \$4, or 0.0%, for the three months ended September 30, 2005 and 2004, respectively, and reductions of \$3,300, or 1.3%, and of \$567, or 0.2%, for the nine months ended September 30, 2005 and 2004, respectively.