

***The Allstate Corporation – Earnings Call Presentation
Third Quarter 2011***



Allstate®

You're in good hands.

November 1, 2011



This presentation contains forward-looking statements and information. Additional information on factors that could cause results to differ materially from those projected in this presentation is available in the 2010 Form 10-K, Form 8-K filed June 1, 2011, Form 10-Q for the third quarter 2011, and in our most recent earnings release, available on our website, allstate.com. This presentation also contains some non-GAAP measures. You can find the reconciliation of those measures to GAAP measures on the Investor Relations portion of our website, allstate.com, under the “Quarterly Investor Info” link.



Allstate Strategy and Priorities

Overall Strategy

- Offer unique protection products to distinct consumer segments.
- Generate long-term shareholder value...2014 operating return on equity goal of 13%.

Near-term Priorities

- Maintain standard auto margins
- Improve returns in homeowners and Allstate Financial
- Aggressively manage capital

Longer-term Focus

- Reposition products and distribution platforms to meet changing needs of consumers.



Progress on 2011 Priorities Reflects Proactive Management

Improve Operating Results

- Allstate brand standard auto margins maintained, improved in Florida and New York when compared to the prior year.
- Allstate brand homeowners underlying combined ratio improved by 1.7 points in the third quarter and 0.9 points year-to-date compared to the prior year periods.
- Operating income for Allstate Financial increased 24.1% from the third quarter of 2010.
- Investment yields maintained, substantial capital gains realized, and the absolute level of fixed income unrealized capital gains increased compared to second quarter of 2011.

Manage Capital Aggressively

- Manage risk profile through product outsourcing and reinsurance.
- \$1 billion share repurchase authorization completed in the third quarter.



Property-Liability Impacted by Catastrophes, Underlying Profitability Within Guidance

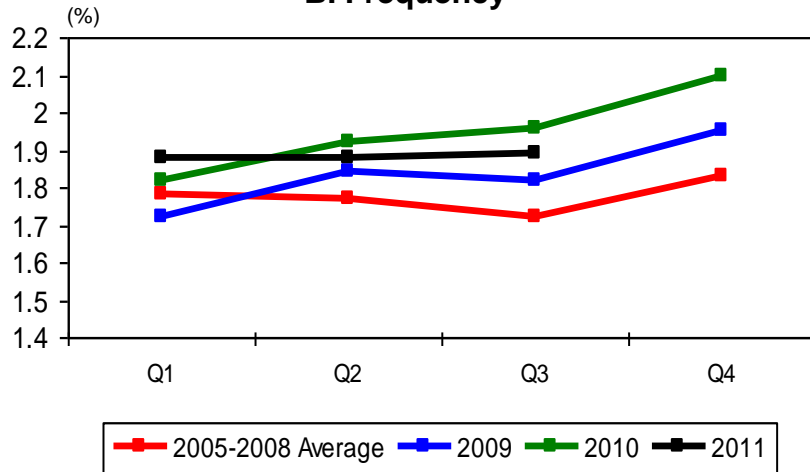
	2010				2011		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<i>Net Written Premium (\$ in millions)</i>							
Total	\$6,258	\$6,640	\$6,767	\$6,242	\$6,215	\$6,611	\$6,728
Standard Auto ⁽¹⁾	4,023	3,948	4,028	3,843	3,984	3,911	3,996
Homeowners ⁽¹⁾	1,189	1,565	1,610	1,389	1,225	1,606	1,634
All Other	1,046	1,127	1,129	1,010	1,006	1,094	1,098
<i>Standard Auto⁽¹⁾</i>							
New Issued Applications (% PY)	(10.9)	0.4	2.5	7.8	11.9	(5.2)	(13.2)
Renewal Ratio (%)	88.8	89.0	88.7	88.4	88.9	89.2	89.1
<small>(1) Allstate Brand</small>							
<i>Combined Ratio</i>	98.9	96.8	95.9	100.8	94.9	123.3	104.8
<i>Underlying Combined Ratio⁽²⁾</i>	89.1	88.1	89.2	92.0	89.9	87.5	89.2
<small>(2) Excludes catastrophe losses and prior year reserve reestimates</small>							
<i>Catastrophes (\$ in millions)</i>							
<i>Recorded</i>	\$648	\$636	\$386	\$537	\$333	\$2,339	\$1,077
<i>Excl. Prior Year Reserve Reestimates</i>	663	719	428	560	367	2,356	1,124

Full Year 2011 Underlying Combined Ratio Outlook Range of 88-91

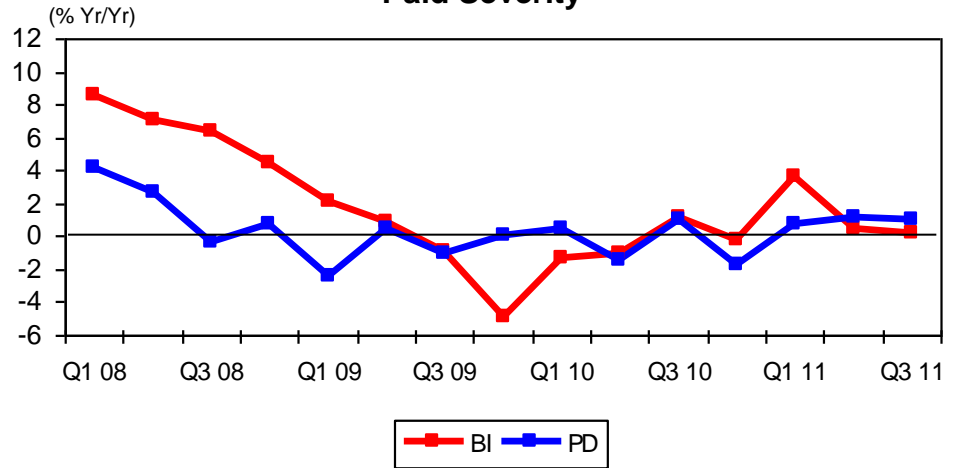


Strong Margins Maintained in Standard Auto

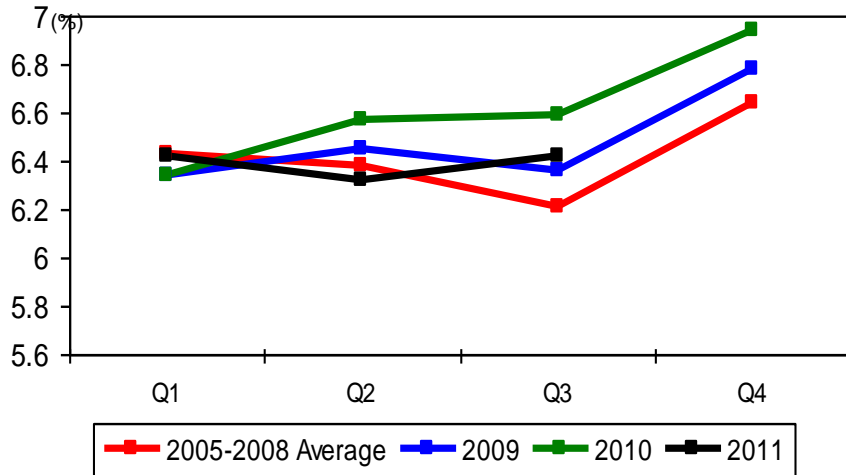
BI Frequency



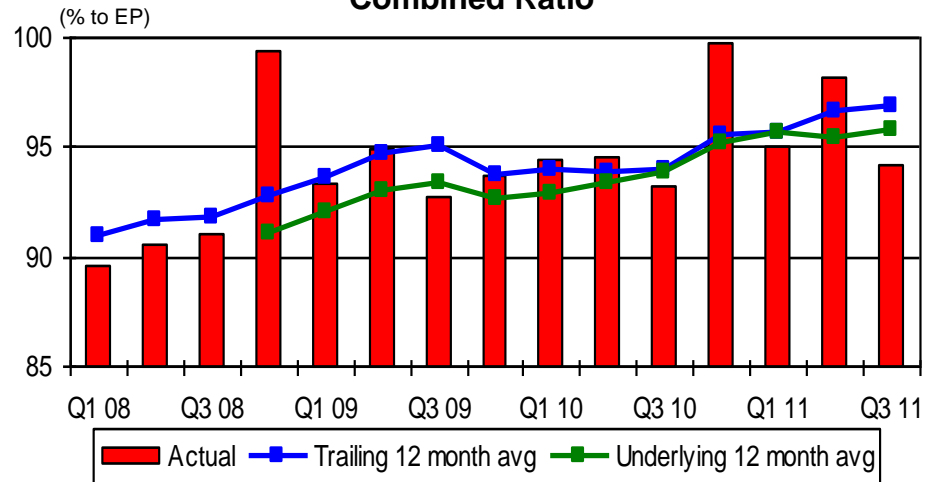
Paid Severity⁽¹⁾



PD Frequency



Combined Ratio

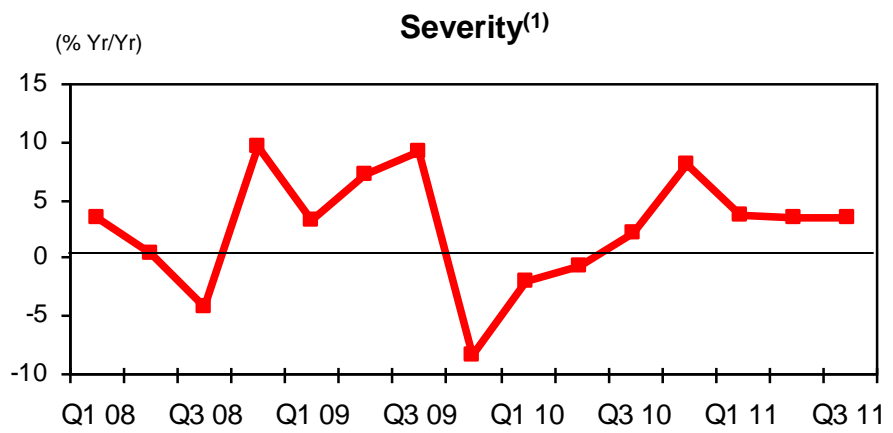
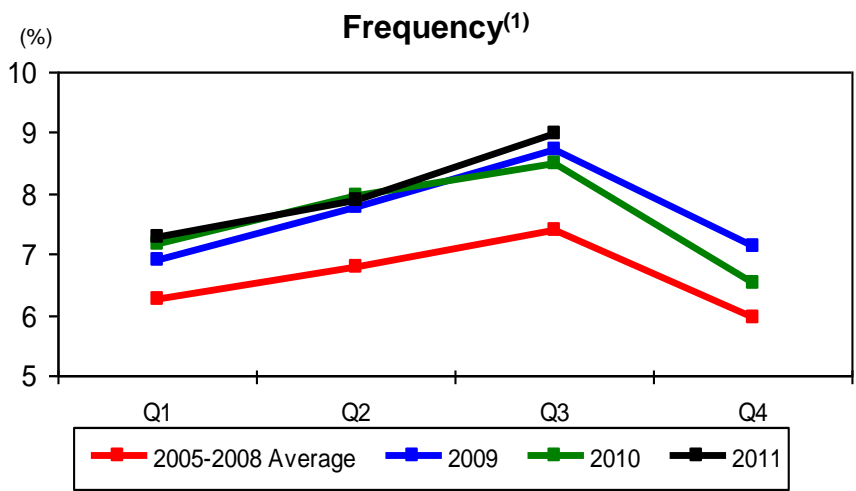


(1) Paid Severity is for Allstate Brand Total Auto.

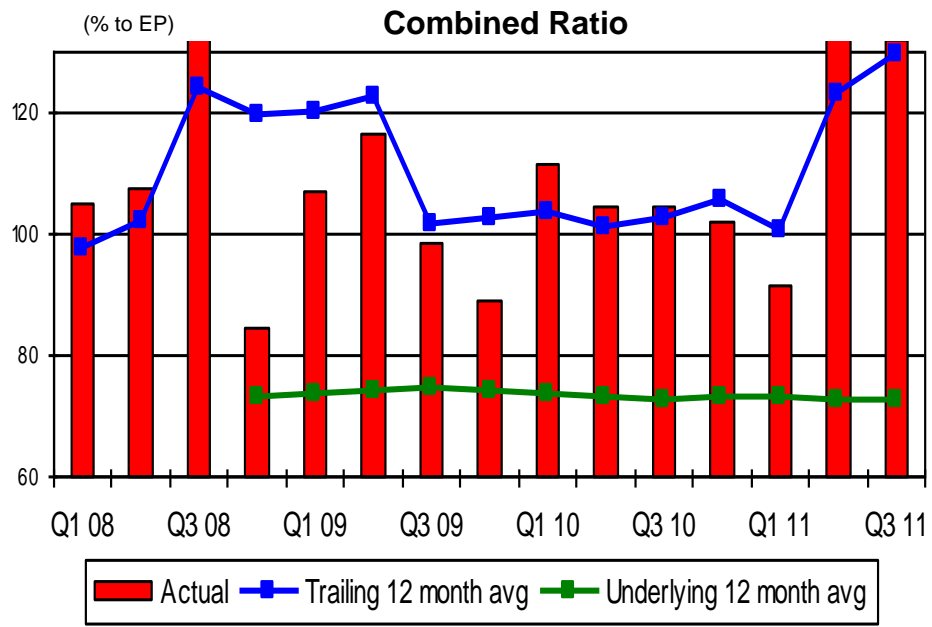
Frequency and Combined Ratio Charts are for Allstate Brand Standard Auto.



Homeowners Underlying Profitability Improves



	Q3 2011	Q3 2010	Variance
Earned Premium (\$ millions)	\$1,462	\$1,430	2.2%
Underlying Combined Ratio (%)	73.3	75.0	(1.7) pts
Catastrophe Losses	55.8	23.1	32.7 pts
Non-cat Reserve Reestimates	2.8	6.6	(3.8) pts
Combined Ratio	131.9	104.7	27.2 pts



(1) Excluding Catastrophe Losses
Data for Allstate Brand Homeowners



Allstate Financial Strategy Produces Improved Financial Results

(\$ in millions)

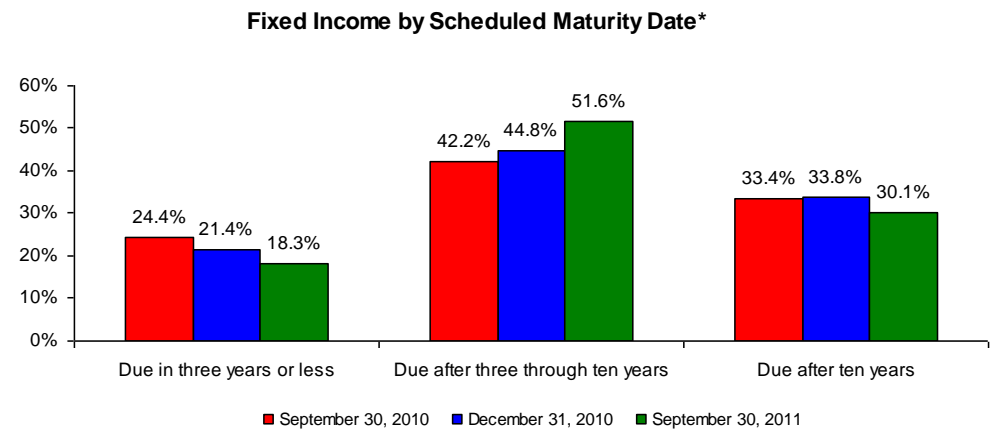
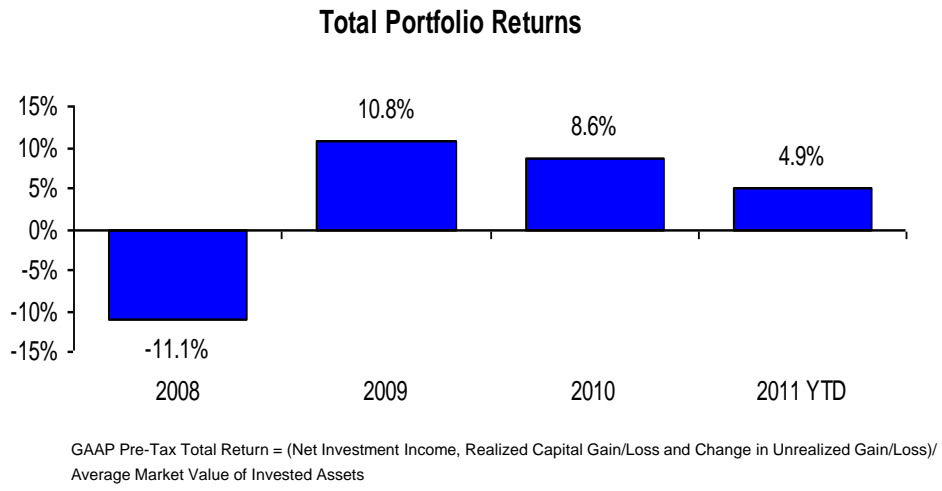
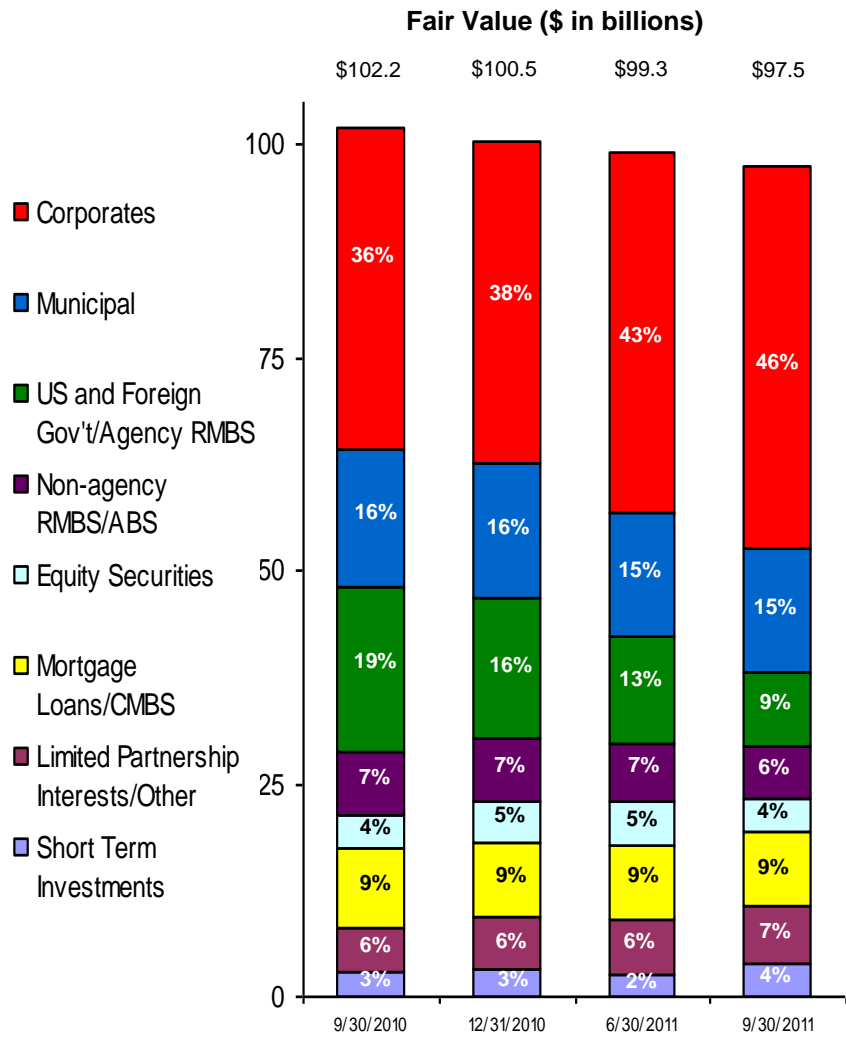
	2010				2011		
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>
Total Premiums and Contract Charges	\$544	\$545	\$548	\$531	\$569	\$547	\$552
Underwritten Products	504	504	513	511	517	524	529
<hr/>							
Benefit Spread	142	99	141	127	155	161	134
Investment Spread	129	134	127	107	131	142	142
Operating Costs and Expenses	(120)	(116)	(118)	(115)	(109)	(110)	(105)
Operating Income	139	125	108	104	116	141	134
Net Income (Loss)	4	(107)	85	76	97	166	183

Compared to the Third Quarter of 2010:

- Operating income increased 24.1% due to increases in investment spread and lower expenses, partly offset by declines in the benefit spread.
- Investment spread increased due to improved portfolio yields and lower crediting rates more than offsetting declines in the spread-based business in force.
- Benefit spread decreased due to unfavorable mortality experience on annuities and life insurance, partly offset by higher profitability and growth at Allstate Benefits and higher contract charges on interest-sensitive life insurance.
- Net income increased due to net realized capital gains versus net realized capital losses in the 2010 quarter and increased operating income.



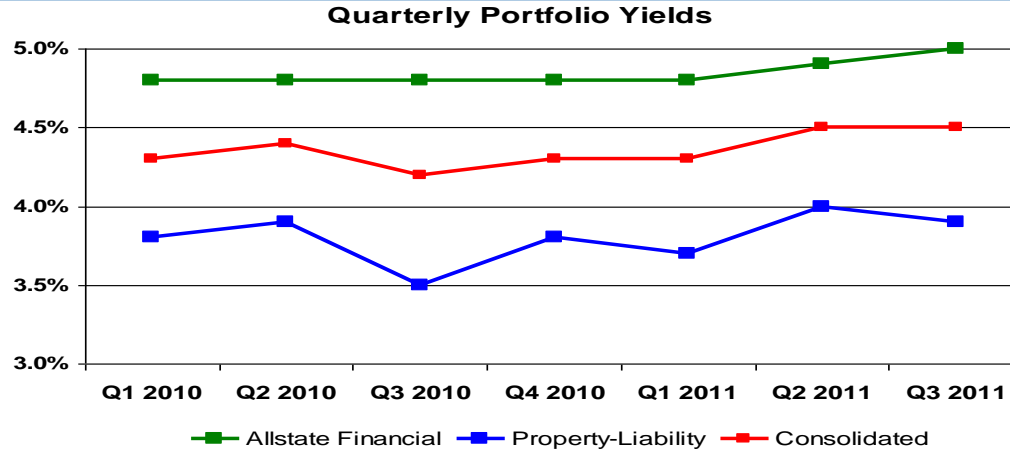
Proactive Portfolio Management to Optimize Returns



*Excludes Residential mortgage-backed and asset-backed securities due to potential for prepayment



Overall Portfolio Yields Maintained



(\$ in millions)

Net Investment Income

	2010				2011		
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>
<i>Property-Liability</i>	\$304	\$310	\$284	\$291	\$284	\$310	\$298
Net investment income variance to prior year quarter	\$(40)	\$(24)	\$(42)	\$(33)	\$(20)	\$---	\$14
Due to change in average invested assets	20	10	---	(2)	---	(6)	(6)
Due to yields (including risk mitigation actions) and other factors	(60)	(34)	(42)	(31)	(20)	6	20
<i>Allstate Financial</i>	\$731	\$723	\$707	\$692	\$684	\$694	\$682
Net investment income variance to prior year quarter	\$(88)	\$(41)	\$(37)	\$(45)	\$(47)	\$(29)	\$(25)
Due to change in average invested assets	(48)	(47)	(44)	(43)	(45)	(47)	(48)
Due to yields (including risk mitigation actions) and other factors	(40)	6	7	(2)	(2)	18	23

Compared to the Third Quarter of 2010:

- Overall portfolio yields improved as a result of yield enhancement actions on fixed income securities and limited partnership distributions.
- Investment income decreased due to expected reductions in Allstate Financial's portfolio.



Improved Realized and Unrealized Net Capital Gains Drive Returns

(\$ in millions)

Realized Net Capital Gains & Losses

	2010				2011		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Impairment write-downs	\$(223)	\$(239)	\$(137)	\$(198)	\$(114)	\$(70)	\$(190)
Change in intent write-downs	(32)	(67)	(30)	(75)	(69)	(16)	(13)
Net Other-Than-Temporary Impairment	(255)	(306)	(167)	(273)	(183)	(86)	(203)
Sales	88	145	319	134	283	141	692
Derivatives	(185)	(310)	(285)	179	(67)	(53)	(234)
Limited Partnerships - EMA	4	20	(11)	76	63	55	9
TOTAL	\$(348)	\$(451)	\$(144)	\$116	\$96	\$57	\$264

- Realized net capital gains on sales were primarily related to foreign government and U.S. Treasury securities, which were primarily reinvested in intermediate-term corporate bonds.
- Realized net capital losses on derivatives reflected a decline in the value of interest rate risk instruments.
- Impairments primarily related to real estate and equity asset classes.

Unrealized Net Capital Gains & Losses

	2010				2011		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Fixed income	\$(1,202)	\$500	\$2,407	\$826	\$950	\$1,912	\$2,459
Equity	371	(102)	260	583	645	625	(95)
Other	(18)	2	(17)	(22)	(23)	(29)	(8)
TOTAL, pre-tax	\$(849)	\$400	\$2,650	\$1,387	\$1,572	\$2,508	\$2,356

- Higher fixed income unrealized net capital gains during 2011 were primarily driven by a declining interest rate environment, partly offset by widening credit spreads.
- Lower equity unrealized net capital losses in third quarter 2011 reflected lower equity valuations.



Repurchases Total \$308 Million, Completing \$1 Billion Program

(\$ in billions, except per share data)

<u>Capital Position</u>	<u>9/30/10</u>	<u>12/31/10</u>	<u>3/31/11</u>	<u>6/30/11</u>	<u>9/30/11</u>
Shareholders' Equity	\$19.3	\$19.0	\$19.3	\$18.8	\$18.1
Book Value per Share	35.48	35.32	36.51	35.95	35.56
Statutory Surplus: AIC*	15.2	15.4	15.9	15.1	14.4 est.
ALIC	3.2	3.3	3.4	3.5	3.7 est.
Holding Company Invested Assets	3.5	3.8	3.7	3.5	3.4

*Includes statutory surplus of ALIC

- Share repurchases totaled \$308 million during the third quarter of 2011, completing the \$1 billion share repurchase program authorized in November of 2010.
- A \$200 million dividend from AIC to the holding company was paid during the third quarter of 2011.



Allstate®

You're in good hands.