Allstate®

You're in good hands.

Barclay's Global Financial Services Conference

September 9, 2013

Thomas J. Wilson

Chairman, President, and Chief Executive Officer

Safe Harbor

This presentation contains forward-looking statements. Forward-looking statements are subject to the Private Securities Litigation Reform Act of 1995 and are based on management's estimates, assumptions and projections. Actual results may differ materially from those projected based on the risk factors described below. Additional information on factors that could cause results to differ materially from those projected in this presentation is available in the 2012 Form 10-K, our current Form 10-Q for the quarter ended June 30, 2013, 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 and "Conference Call Archive" link. We undertake no obligation to publicly correct or update any forward-looking statements.

Execution of Customer Segmentation Strategy Progressing Well

2013 Operating Priorities

- Grow insurance premiums
- Maintain auto profitability
- Raise returns in homeowners and annuity businesses
- Proactively manage investments
- Reduce the cost structure

Financial Highlights

	June YTD 2013	Full Year 2012
Revenues	$17.3B	$33.3B
Net Income[1]	$1.14 B	$2.31 B
- Per Diluted Share[1]	$2.39	$4.68
Operating Income	$1.18B	$2.15B
-Per Diluted share	$2.46	$4.36
Book Value Per Common Share	$41.63	$42.39
ROE - Net Income[1]	11.6%	11.9%
- Op. Income	12.3%	12.4%
Capital Returned to Shareholders	$1.7B[2]	$1.4B
- % of Mkt. Cap	7.6%	7.3%

[1] Available to common shareholders
[2] Trailing 12 months

Rationale for Investing in Allstate

- **Strategy focused on four customer segments . . . competitively differentiated with a proven track record of performance**
- **Highly profitable auto business**
- **Improving homeowners returns**
- **Growth potential**
- **Proactive risk/return management philosophy**
  - Increase in severe weather
  - Financial market crisis
  - Low interest rates
  - Improving returns in Allstate Financial
  - Providing cash returns to shareholders

Competitively Differentiated Customer Value Propositions

Distinct offerings and strategies to drive growth in all customer segments

Brand Neutral

Market Premium Share
Auto: ~30%
Property: ~35%
Encompass Rank #15

Encompass
Creating protection around you

- Focus on Package Policy

Market Premium Share
Auto: <1%
Property: <1%

Answer financial

- Leverage Esurance Growth

Local Advice & Assistance

Self Serve

Allstate
You're in good hands.

- Raise Customer Loyalty
- Strengthen and Expand Agencies
- Leverage Brand and Differentiated Product Offering

Market Premium Share
Auto: ~45%
Property: ~55%
Allstate Rank #2

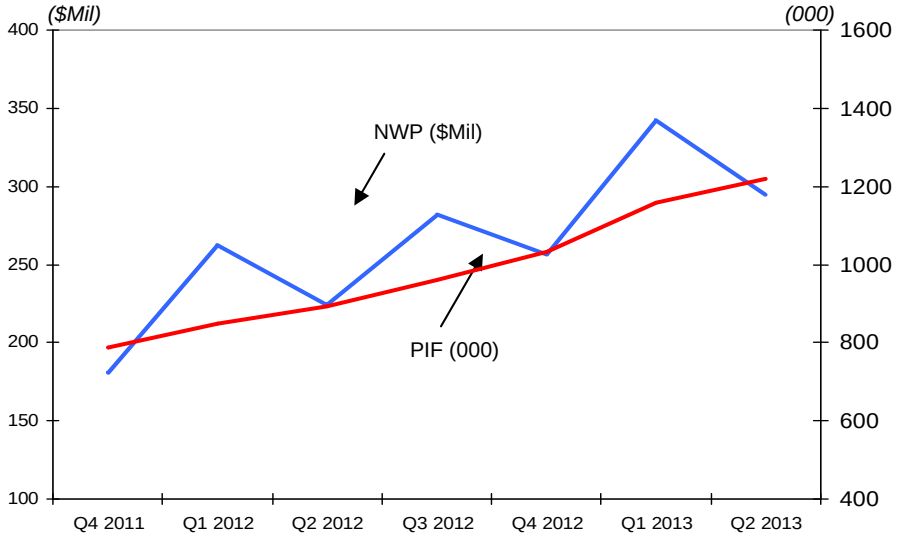
esurance
an Allstate company

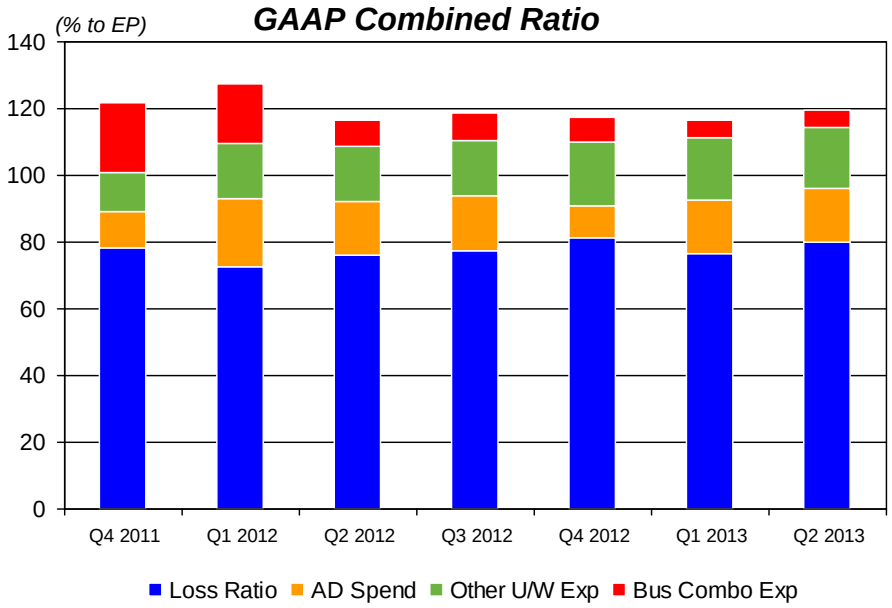
- Increase Preferred Auto Risks
- Broaden Product Offering

Market Premium Share
Auto: ~25%
Property: ~10%
Esurance Rank #7

Brand Sensitive

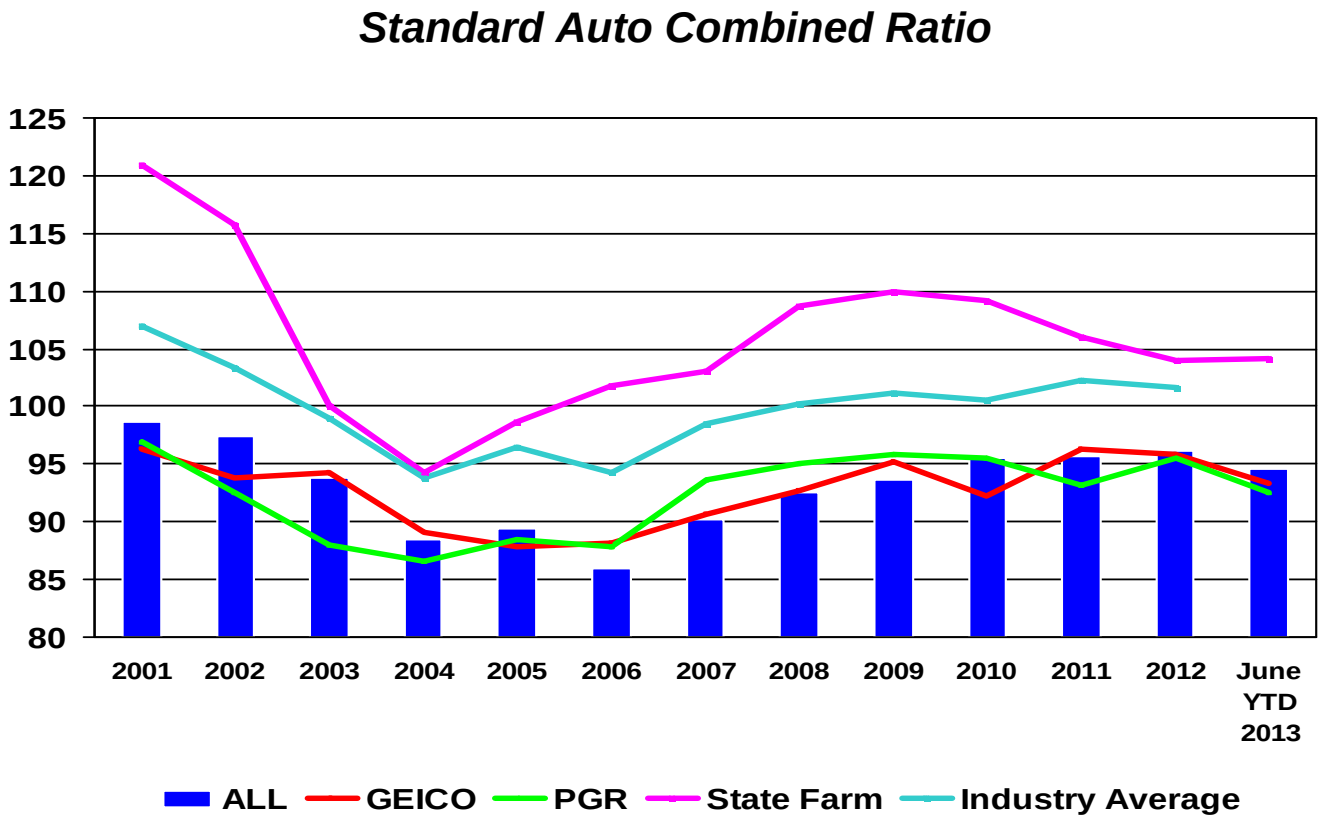
Esurance . . . Off To a Good Start





Objective	Progress
Improve marketing effectiveness	Brand endorsed by Allstate . . . improved awareness, consideration, and conversion rate Launched successful new ad campaign
Leverage claims capabilities	Applying best practices and technology to improve effectiveness and efficiency Improved vendor pricing
Improve customer mix and increase policyholder retention	Shifting new business mix towards preferred risks
Broaden product portfolio	Expanded auto coverage to 7 additional states Launched renters and motorcycle; introducing homeowners
Utilize Allstate's capabilities	Achieving savings from Allstate's purchasing scale, personnel costs, operating centers, information technology development and investments

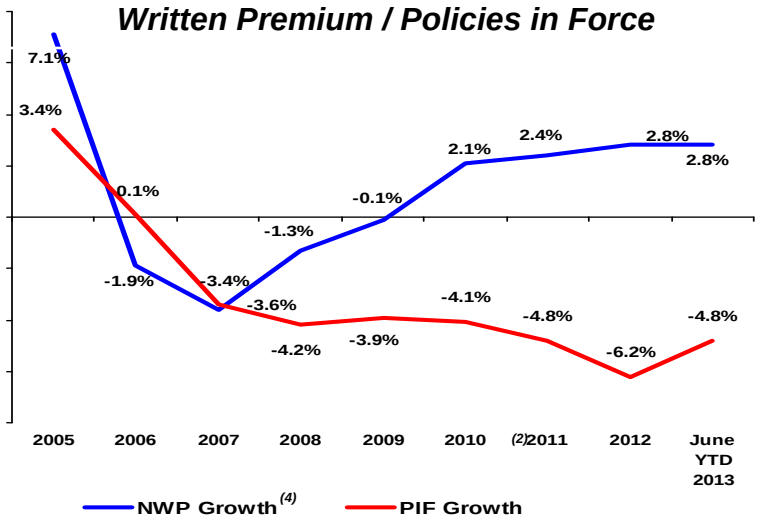
Delivering Industry-Leading Auto Margins

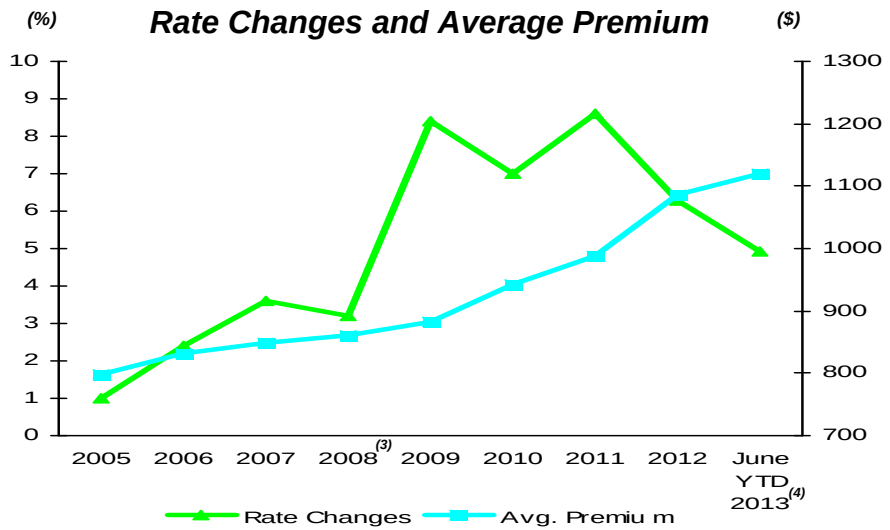


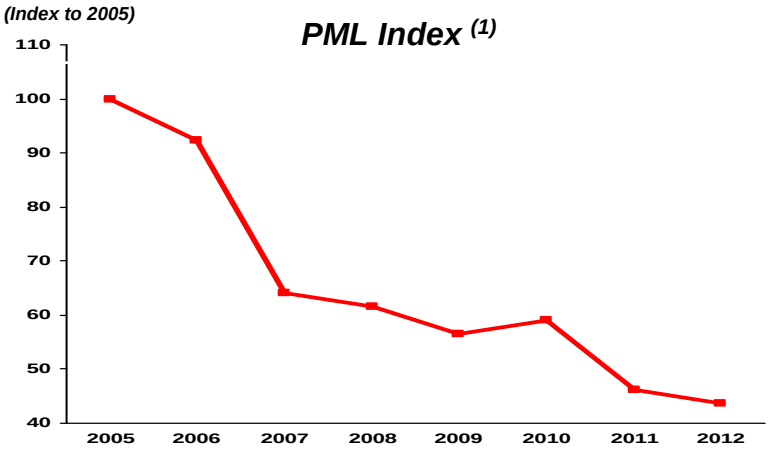
- **Auto performance has yielded attractive profitability and returns**

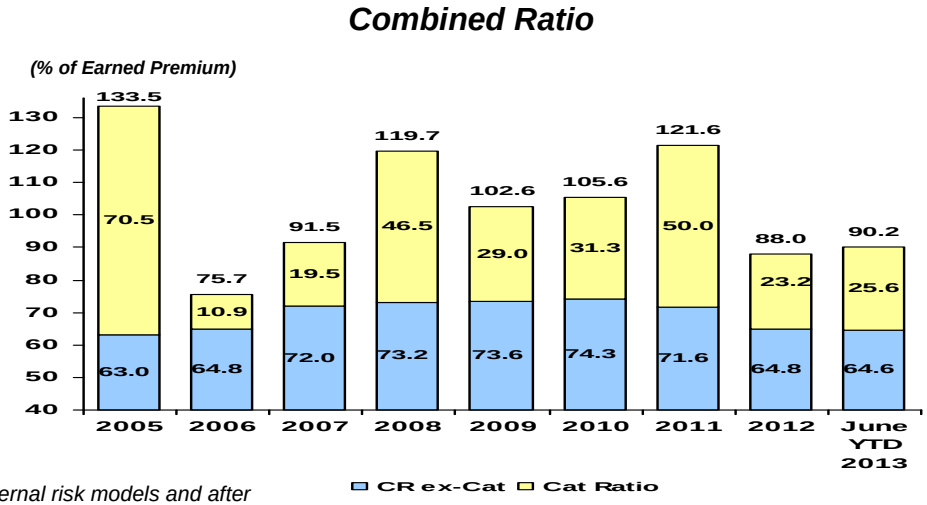
Notes: ALL data is Allstate Brand Standard Auto
Industry source is SNL
Amounts prior to 2008 do not reflect change in accounting for acquisition costs

Improving Returns from Homeowners





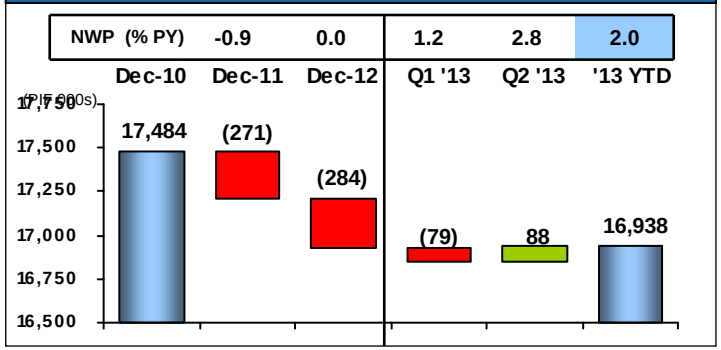




(1) Probable maximum loss for hurricanes and earthquakes as calculated by external risk models and after reinsurance recoveries
(2) Excludes Canada
(3)Excludes TX and CA mandated rate reductions
(4) Results on a 12 month moving basis for net written premium growth and rate changes

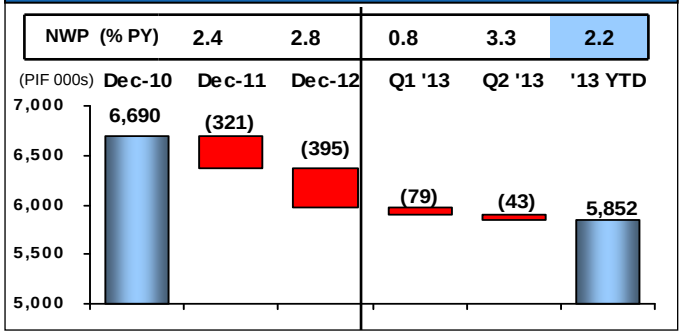
Growing Insurance Premiums

Allstate Brand* Standard Auto



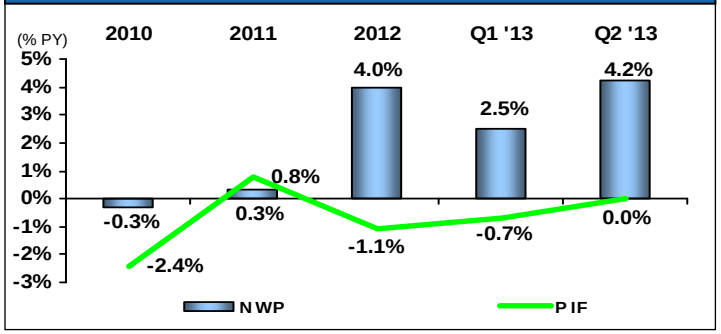
*Allstate Brand Standard Auto NWP growth includes Canadian operations; policies in force exclude Canadian PIF.

Allstate Brand* Homeowners

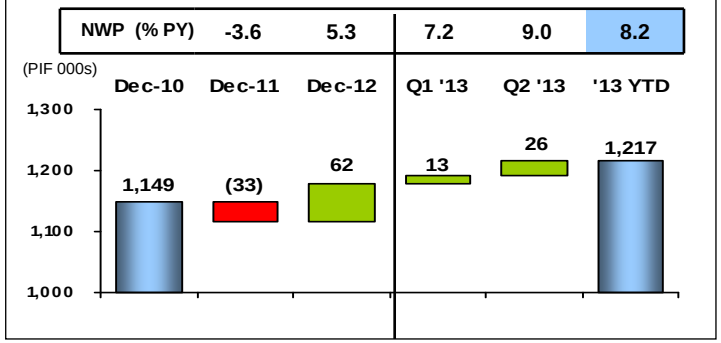


*Allstate Brand Homeowners NWP growth includes Canadian operations; policies in force exclude Canadian PIF.

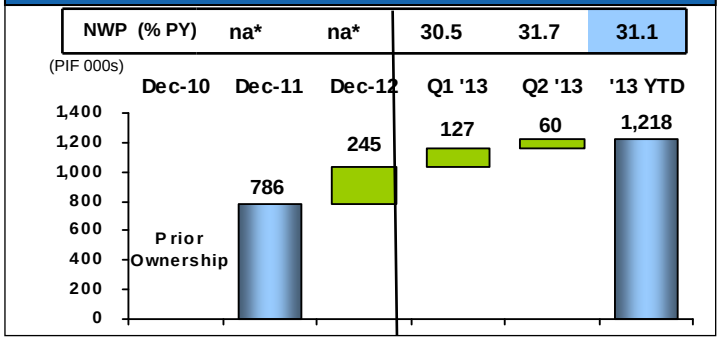
Protection NWP & Policies in Force



Encompass



Esurance



*Not available

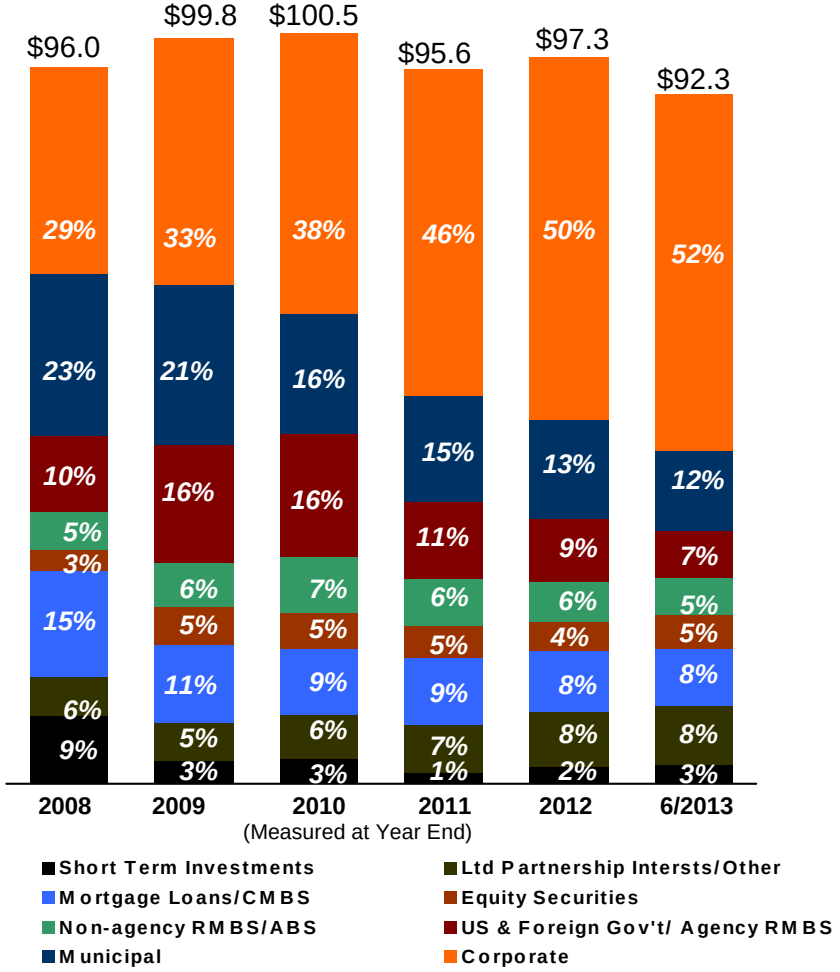
Improving Returns from Allstate Financial

- **Exited variable annuity business in 2006**
- **Reduced fixed annuity business**
  - Premiums and deposits peaked in 2004 and were cut in half by 2008
  - Exited most product lines today and will stop the manufacture of fixed annuities at year end 2013
- **Lowered cost structure by 20% (2009-2010)**
- **Expanding higher margin workplace benefits and life businesses**
- **Investing in higher return cash-generating investments**
- **Exiting local advice/brand neutral customer segment with the pending sale of Lincoln Benefit Life**
  - 38% of Allstate Financial deferred annuities and 27% of life reserves
  - Sales price plus tax benefits . . . Approximately $785 million
  - GAAP loss on disposition . . . $475 million - $525 million, to be recorded in Q3
  - Expected to free up approximately $1 billion in deployable capital at Allstate Life Insurance Company

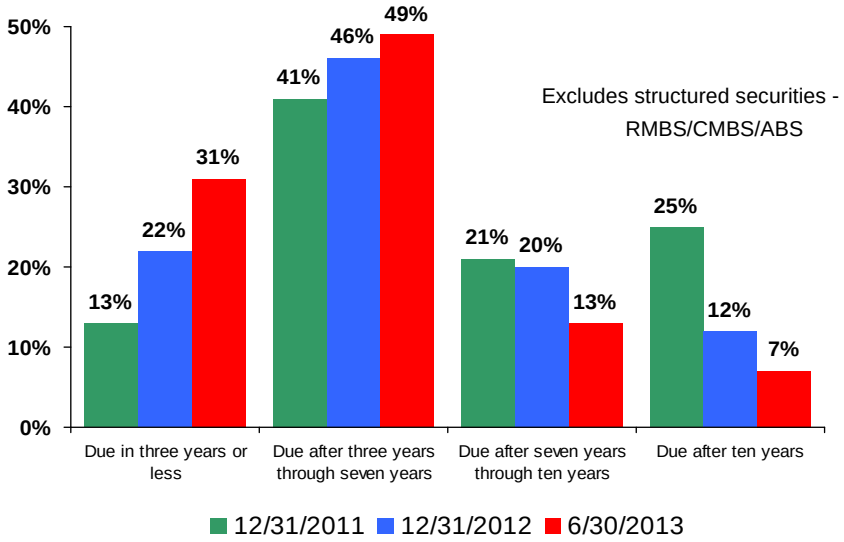
Focus on Delivering Attractive Risk Adjusted Returns

Investment Portfolio

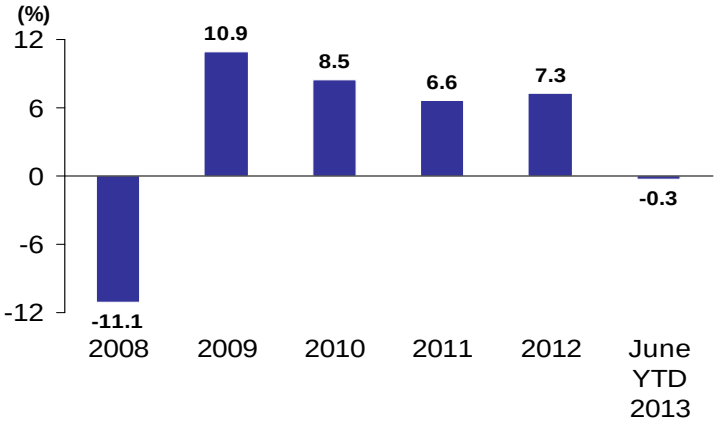
Carrying Value ($ in billions)



Property-Liability
Fixed Income by Scheduled Maturity Date



Portfolio Total Return (GAAP)



Innovating Around the Connected Consumer with Drivewise®

1 **Sign up.**
Get an immediate 10% off your premium just for enrolling. Look for an email with your Customer Agreement to complete enrollment.

2 **Plug in.**
Allstate will send you a small device that easily plugs into your car's OBD-II port under your dashboard.

3 **Drive safely.**
Get in your car and go.

4 **Save.**
Go to your online profile to check the progress of your Drive Wise Performance Rating Discount.

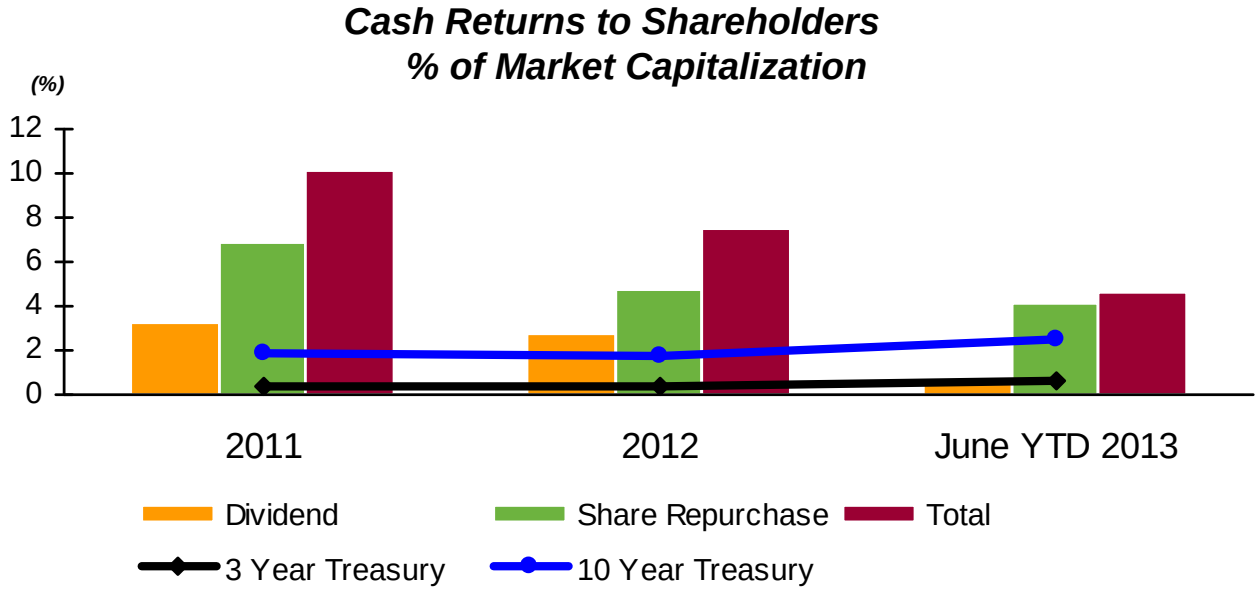
Restoration → Prevention

- **Value proposition extends beyond pricing**
- **Currently in 20 states**
- **High acceptance rate**
- **Over 44,000 enrollments each month**
- **More than 700 million miles recorded**

Strong Cash Returns to Shareholders

	Dividends Paid	Share Repurchase	Total
2013 – June YTD	$119M	$905M	$1,024M
2012	$534M[1]	$910M	$1,444M
2011	$435M	$946M	$1,381M
Cumulative			
3 Years	$1.3B	$2.9B	$4.2B
10 Years	$6.6B	$13.5B	$20.1B
Inception	$11.2B	$21.8B	$33.0B

[1] 5 dividend payments in 2012



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