

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C.

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FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15 (d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) April 20, 2000

The Allstate Corporation

-----  
(Exact Name of Registrant as Specified in Charter)

Delaware

1-11840

36-3871531

-----  
(State or Other  
Jurisdiction of  
Incorporation)

-----  
(Commission  
File Number)

-----  
(IRS Employer  
Identification  
Number)

2775 Sanders Road, Northbrook, Illinois

60062

-----  
(Address of Principal Executive Offices)

-----  
(Zip Code)

Registrant's telephone number, including area code (847) 402-5000  
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Item 5. OTHER EVENTS

On April 20, 2000, the Registrant issued the press release attached hereto as Exhibit 99.

Item 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

Exhibit No. -----	Description -----
99	Registrant's press release dated April 20, 2000

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE ALLSTATE CORPORATION

By /s/ Samuel H. Pilch

-----  
Name: Samuel H. Pilch  
Title: Controller

April 26, 2000

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THE ALLSTATE CORPORATION  
NEWS

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FOR IMMEDIATE RELEASE

ALLSTATE REPORTS 2000 FIRST QUARTER RESULTS

NORTHBROOK, IL, April 20, 2000 -- The Allstate Corporation (NYSE: ALL) today reported that consolidated revenues for the first quarter of 2000 increased 7.0 percent to \$7.29 billion from \$6.81 billion for the same period in 1999. The growth was driven by increases in the Personal Property and Casualty and the Life and Savings business units, partially offset by decreased realized capital gains as compared to the same quarter in 1999.

Before the impact of restructuring charges, operating income for the quarter was \$481 million (\$0.62 per diluted share) compared to \$663 million (\$0.81 per diluted share) for the same period in 1999, as increased premiums were offset by unseasonably higher catastrophe losses from multiple storms occurring during the quarter. Catastrophe losses for the quarter were \$248 million after-tax (\$0.32 per diluted share) versus \$82 million after-tax (\$0.10 per diluted share) during the first quarter of 1999. After the impact of restructuring charges, operating income was \$463 million (\$0.60 per diluted share) for the quarter ended March 31, 2000.

Consolidated net income for the quarter was \$561 million or \$0.73 per diluted share, compared to \$1.04 billion or \$1.27 per diluted share for the same period in 1999, reflecting primarily the impact of higher catastrophe losses and decreased realized capital gains.

"The number and severity of storms during the quarter, especially across the southern states, was unusual," said Chairman, President and CEO Edward M. Liddy. "Catastrophe losses in the first quarter were the highest since the first quarter of 1994, which included losses from the Northridge earthquake in California.

"However, the fundamentals of the business remain strong, and during the quarter we made good progress on the implementation of the strategic initiatives introduced during 1999.

"The integration of CNA Personal Lines (CNA) and American Heritage Life (AHL) is proceeding on target and both operations are contributing positive growth and revenues," said Liddy. "AHL has begun to leverage the strength of the Allstate brand association and the Allstate agency channel, with positive initial acceptance. CNA has maintained its market presence in the independent agency channel, and has begun to develop new capabilities in the distribution area with a more sophisticated technology to support its agents.

"The development of our multi-access strategy for Allstate property and casualty is on schedule, with the opening of our first client information center and enhanced Internet capabilities scheduled for later this month. As announced in November, we will begin the rollout of the first phase of our multi-access strategy in Oregon during the first week of May, and will progressively be adding new functionality as the rollout continues.

"The expense savings initiatives announced in November were on plan for the quarter and the reorganization of our multiple employee agency programs into Allstate's single exclusive agency program continues. Production continues to be strong, and present indications are that the reorganization will proceed smoothly.

"In the Life and Savings operation, total premiums and revenues continue to show strong positive growth, as a result of the continuing expansion of products and distribution channels. Management is committed to continuing to evolve its product and distribution mix to meet customers' needs and preferences, and the recent introduction of a dedicated marketing unit in Life and Savings will help achieve this strategy.

"We remain confident that the strategies Allstate introduced last year are the right ones for the future, and we are concentrating on executing them superbly - on time and on budget. The results for the first quarter are encouraging and show that the execution phase is going well."

## PROPERTY-LIABILITY BUSINESS

Property-Liability written premiums for the first quarter of 2000 increased 11.2 percent to \$5.38 billion versus \$4.84 billion during the same period of 1999. Higher written premiums during the quarter reflect an increase from the CNA personal lines acquisition and increased unit sales of auto and homeowners policies. Excluding the impacts of CNA and the New Jersey rate reform, written premiums increased 3.4 percent over the first quarter of 1999 to \$4.81 billion.

For the first quarter of 2000, total Property-Liability revenues increased 4.8 percent to \$6.08 billion, compared to 1999 first quarter revenues of \$5.80 billion. Before the impact of the restructuring charges, Property-Liability operating income for the first quarter of 2000 was \$359 million versus 1999 first quarter operating income of \$574 million, reflecting unseasonably higher catastrophe losses from multiple storms during the quarter, and increased auto loss costs. Auto loss costs were impacted by higher frequency, and increased severity due to inflationary pressures in medical and auto repair costs. Property-Liability operating income after the effects of restructuring was \$342 million for the quarter. The combined ratio for the quarter was 99.7, although excluding catastrophe losses and restructuring charges the combined ratio was 92.2. Realized capital gains were \$119 million after-tax in the first quarter of 2000, compared to \$344 million after-tax for the same period in 1999. Net income in the Property-Liability segment was \$461 million for the first quarter of 2000, compared to \$918 million for the same period in the previous year.

## LIFE AND SAVINGS BUSINESS

For the first quarter of 2000, Life and Savings statutory premiums and deposits increased 99.1 percent to \$3.01 billion compared to \$1.51 billion in the first quarter of 1999. The increase was primarily due to growth in variable annuity sales, including sales from the one-year-old alliance with Putnam Investments, and increased fixed annuity sales.

Life and Savings revenues were \$1.20 billion for the first quarter, compared to \$990 million for the same period in the previous year as annuity sales contributed significantly to growth. Life and Savings operating income for the quarter was \$127 million compared to \$99 million for the same period in 1999, due to increased variable annuity fees and favorable mortality results during the quarter. Net income for the first quarter of 2000 was \$131 million versus \$136 million in the same period of 1999, due to lower realized capital gains.

The Allstate Corporation is the nation's largest publicly held personal lines insurance company. Its main business units include Allstate Personal Property and Casualty, which provides insurance for more than 14 million households and has approximately 15,500 exclusive agencies in the U.S. and Canada, and Allstate Life and Savings, which markets a number of life insurance and savings products under a variety of brands through a number of channels and is the nation's 17th largest life insurance business. The company's Independent Agency Markets unit sells personal property and casualty insurance through a network of 21,000 independent agencies across the country. Allstate maintains a website at [www.allstate.com](http://www.allstate.com).

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THIS DOCUMENT CONTAINS FORWARD-LOOKING STATEMENTS THAT ARE BASED ON MANAGEMENT'S ESTIMATES, ASSUMPTIONS AND PROJECTIONS. THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 PROVIDES A SAFE HARBOR UNDER THE SECURITIES ACT OF 1933 AND THE SECURITIES EXCHANGE ACT OF 1934 FOR FORWARD-LOOKING STATEMENTS. IN ORDER TO COMPLY WITH THE TERMS OF THE SAFE HARBOR, ALLSTATE NOTES THE FOLLOWING: (1) ITS ABILITY TO IMPLEMENT ITS TIER-BASED PRICING MODEL IS SUBJECT TO STATE REGULATION; (2) THE PROGRAMS IT HAS IMPLEMENTED TO ADDRESS ADVERSE PROFITABILITY TRENDS IN ITS NON-STANDARD AUTO INSURANCE BUSINESS MAY HAVE A TEMPORARY ADVERSE IMPACT ON WRITTEN PREMIUM GROWTH; (3) THE SUCCESS OF THE MULTI-ACCESS DISTRIBUTION MODEL MAY BE ADVERSELY AFFECTED BY THE LIMITED POOL OF INDIVIDUALS SUITED AND TRAINED TO DO SUCH WORK IN ANY GEOGRAPHIC AREA, PARTICULARLY IN LIGHT OF THE CURRENT LOW UNEMPLOYMENT RATE; (4) THE EXPENSE SAVINGS INITIATIVE IS DEPENDENT ON, AMONG OTHER THINGS, THE AGENCY PROGRAM REORGANIZATION; AND (5) THE AGENCY PROGRAM REORGANIZATION AND ASPECTS OF THE MULTI-ACCESS DISTRIBUTION MODEL ARE DEPENDENT UPON ALLSTATE'S ABILITY TO ADAPT CURRENT COMPUTER SYSTEMS AND TO DEVELOP AND IMPLEMENT NEW SYSTEMS.

SUMMARY OF RESULTS FOR THE QUARTER ENDED MARCH 31, 2000

Consolidated Highlights  
(\$ in millions, except per-share amounts)

	Quarter Ended March 31		
	Est. 2000 \$	1999 \$	Change %
Consolidated Revenues	7,286	6,807	7.0
Operating Income before Restructuring Charges	481	663	(27.5)
Operating Income Per Share (Diluted) before Restructuring Charges	.62	.81	(23.5)
Restructuring Charges After-tax	18	--	--
Operating Income	463	663	(30.2)
Operating Income Per Share(Diluted)	.60	.81	(25.9)
Realized Capital Gains After-tax	109	381	(71.4)
Dividends on Preferred Securities of Subsidiary Trusts	(11)	(9)	22.2
Net Income	561	1,035	(45.8)
Net Income Per Share(Diluted)	.73	1.27	(42.5)
Weighted Average Shares Outstanding (Diluted)	772.1	817.0	(5.5)

- - For the first quarter of 2000, consolidated revenues increased to \$7.3 billion, an increase of 7.0 percent over the first quarter of 1999.

- - Property-Liability written premiums increased 11.2 percent to \$5.4 billion during the quarter versus \$4.8 billion during the same period in 1999, due in part to policies in force growth of 3.0 percent over the first quarter of last year. Excluding the impacts of CNA and the New Jersey rate reform, written premiums increased 3.4 percent over the first quarter of 1999 to \$4.81 billion.

- - Life and Savings statutory premiums and deposits increased 99.1 percent as variable annuity sales were up 157.3 percent and fixed annuity sales were up 121.2 percent during the quarter as compared to the first quarter of 1999.

- - Consolidated operating income before the impact of restructuring was \$481 million or \$.62 per share, on a diluted basis. Consolidated operating income, including the effects of restructuring was \$463 million or \$.60 per diluted share. Prior year first quarter operating income was \$663 million or \$.81 per diluted share. Operating income decreased during the quarter as increased premiums were offset by higher catastrophe losses.

- - During the first quarter of 2000, the company acquired approximately 37 million shares of its stock, at a cost of \$794 million, as part of its stock repurchase program.

Property-Liability Highlights

(\$ in millions, except ratios)

	Quarter Ended March 31		
	Est. 2000 \$	1999 \$	Change %
Property-Liability			
Premiums Written	5,379	4,839	11.2
Property-Liability Revenues	6,079	5,802	4.8
Operating Income before			
Restructuring Charges	359	574	(37.5)
Restructuring Charges After-tax	17	--	--
Operating Income	342	574	(40.4)
Realized Capital Gains After-tax	119	344	(65.4)
Net Income	461	918	(49.8)
Catastrophes After-tax	248	82	--
Combined Ratio before impacts of catastrophes and restructuring charges	92.2	89.9	2.3pts
Impact of catastrophes	7.0	2.6	4.4pts
Impact of restructuring	.5	--	.5pts
Combined Ratio	99.7	92.5	7.2pts

Life and Savings Highlights

(\$ in millions)

	Quarter Ended March 31		
	Est. 2000 \$	1999 \$	Change %
Statutory Premiums and Deposits	3,009	1,511	99.1
Life and Savings GAAP Revenues	1,200	990	21.2
Operating Income before			
Restructuring Charges	128	99	29.3
Restructuring Charges After-tax	1	--	--
Operating Income	127	99	28.3
Realized Capital Gains After-tax	4	37	(89.2)
Net Income	131	136	(3.7)
Investment including Separate Accounts	50,875	42,554	19.6

THE ALLSTATE CORPORATION  
CONSOLIDATED STATEMENTS OF OPERATIONS

(\$ in millions except per share data)	Three Months Ended March 31		
	Est. 2000	1999	Percent Change
	-----	-----	-----
<b>REVENUES</b>			
Property-liability insurance premiums	\$ 5,471	\$ 4,852	12.8
Life and annuity premiums and contract charges	541	385	40.5
Net investment income	1,090	971	12.3
Realized capital gains and losses	184	599	(69.3)
	-----	-----	
Total revenues	7,286	6,807	7.0
	-----	-----	
<b>COSTS AND EXPENSES</b>			
Property-liability insurance claims and claims expense	4,138	3,321	24.6
Life and annuity contract benefits	745	606	22.9
Amortization of deferred policy acquisition costs	890	793	12.2
Operating costs and expenses	650	552	17.8
Restructuring charges	28	-	-
Interest expense	47	30	56.7
	-----	-----	
Total costs and expenses	6,498	5,302	22.6
	-----	-----	
Income from operations before income tax expense and dividends on preferred securities	788	1,505	(47.6)
Income tax expense	216	461	(53.1)
	-----	-----	
Income before dividends on preferred securities	572	1,044	(45.2)
Dividends on preferred securities of subsidiary trusts	(11)	(9)	22.2
	-----	-----	
Net income	\$ 561	\$ 1,035	(45.8)
	=====	=====	
Net income per share - Diluted	\$ 0.73	\$ 1.27	
	=====	=====	
Weighted average shares - Diluted	772.1	817.0	
	=====	=====	
Net income per share - Basic	\$ 0.73	\$ 1.27	
	=====	=====	
Weighted average shares - Basic	767.6	813.6	
	=====	=====	

THE ALLSTATE CORPORATION  
CONTRIBUTION TO INCOME

(\$ in millions except per share data)	Three Months Ended March 31,		Percent Change
	Est. 2000	1999	
<b>CONTRIBUTION TO INCOME</b>			
Operating income	\$ 463	\$ 663	(30.2)
Realized capital gains and losses	109	381	(71.4)
Dividends on preferred securities of subsidiary trusts	(11)	(9)	22.2
Net income	<u>\$ 561</u>	<u>\$ 1,035</u>	(45.8)
Operating income before the impact of restructuring charges	<u>\$ 481</u>	<u>\$ 663</u>	(27.5)
<b>INCOME PER SHARE (DILUTED)</b>			
Operating income	\$ 0.60	\$ 0.81	(25.9)
Realized capital gains and losses	0.14	0.47	(70.2)
Dividends on preferred securities of subsidiary trusts	(0.01)	(0.01)	-
Net income	<u>\$ 0.73</u>	<u>\$ 1.27</u>	(42.5)
Operating income before the impact of restructuring charges	<u>\$ 0.62</u>	<u>\$ 0.81</u>	(23.5)
BOOK VALUE PER SHARE - DILUTED	<u>\$ 21.72</u>	<u>\$ 21.37</u>	

THE ALLSTATE CORPORATION  
SUPPLEMENTARY INFORMATION

(\$ in millions)	Three Months Ended March 31,	
	Est. 2000	1999
	-----	-----
<b>PROPERTY-LIABILITY</b>		
Premiums written	\$ 5,379	\$ 4,839
	=====	=====
Premiums earned	\$ 5,471	\$ 4,852
Claims and claims expense	4,138	3,321
Operating costs and expenses	1,290	1,165
Restructuring charges	26	-
	-----	-----
Underwriting income	17	366
	-----	-----
Net investment income	424	420
Income tax expense on operations	99	212
	-----	-----
Operating income	342	574
	-----	-----
Realized capital gains and losses, after-tax	119	344
	-----	-----
Net income	\$ 461	\$ 918
	=====	=====
Catastrophe losses	\$ 382	\$ 126
	=====	=====
<b>Operating ratios</b>		
Claims and claims expense ratio	75.6	68.5
Expense ratio	24.1	24.0
	-----	-----
Combined ratio	99.7	92.5
	=====	=====
Effect of catastrophe losses on combined ratio	7.0	2.6
	=====	=====
Effect of restructuring charges on combined ratio	0.5	-
	=====	=====
<b>LIFE AND SAVINGS</b>		
Statutory premiums and deposits	\$ 3,009	\$ 1,511
	=====	=====
Investments including Separate Account assets	\$ 50,875	\$ 42,554
	=====	=====
Premiums and contract charges	\$ 541	\$ 385
Net investment income	637	536
Contract benefits	745	606
Operating costs and expenses	235	163
Restructuring charges	2	-
Income tax expense on operations	69	53
	-----	-----
Operating income	127	99
	-----	-----
Realized capital gains and losses, after-tax	4	37
	-----	-----
Net income	\$ 131	\$ 136
	=====	=====

(\$ in millions)	Three Months Ended March 31,	
	Est. 2000	1999
	-----	-----
CORPORATE AND OTHER		
Operating loss	\$ (6)	\$ (10)
Realized capital gains and losses, after-tax	(14)	-
Dividends on preferred securities of subsidiary trusts	(11)	(9)
	-----	-----
Net loss	\$ (31)	\$ (19)
	=====	=====

THE ALLSTATE CORPORATION  
UNDERWRITING RESULTS BY AREA OF BUSINESS

(\$ in millions)	Three Months Ended March 31,		Percent Change
	Est. 2000	1999	
<b>CONSOLIDATED UNDERWRITING SUMMARY</b>			
PP&C	\$ 22	\$ 367	(94.0)
Discontinued lines and coverages	(5)	(1)	-
	\$ 17	\$ 366	(95.4)
	=====	=====	
<b>PP&amp;C UNDERWRITING SUMMARY</b>			
Premiums written	\$ 5,379	\$ 4,832	11.3
	=====	=====	
Premiums earned	\$ 5,470	\$ 4,845	12.9
Claims and claims expense	4,134	3,318	24.6
Other costs and expenses	1,288	1,160	11.0
Restructuring charges	26	-	-
	\$ 22	\$ 367	(94.0)
	=====	=====	
Catastrophe losses	\$ 382	\$ 126	203.2
	=====	=====	
<b>Operating ratios</b>			
Claims and claims expense ratio	75.6	68.5	
Expense ratio	24.0	23.9	
	99.6	92.4	
	=====	=====	
Effect of catastrophe losses on combined ratio	7.0	2.6	
	=====	=====	
Effect of restructuring charges on combined ratio	0.5	-	
	=====	=====	
<b>DISCONTINUED LINES AND COVERAGES UNDERWRITING SUMMARY</b>			
Premiums written	\$ -	\$ 7	-
	=====	=====	
Premiums earned	\$ 1	\$ 7	-
Claims and claims expense	4	3	33.3
Other costs and expenses	2	5	(60.0)
	\$ (5)	\$ (1)	-
	=====	=====	



THE ALLSTATE CORPORATION  
PROPERTY-LIABILITY PREMIUMS WRITTEN BY MARKET SEGMENT  
(\$ IN MILLIONS)

	Three Months Ended March 31,		
	2000	1999	Change
	\$	\$	%
	-----	-----	-----
PP&C			
Preferred, standard and other voluntary automobile	\$3,162	\$2,827	11.9
Non-standard/specialty automobile	876	859	2.0
Involuntary automobile	13	23	(43.5)
Commercial lines	169	154	9.7
Homeowners	864	700	23.4
Other personal lines	295	269	9.7
	-----	-----	
	5,379	4,832	11.3
	-----	-----	
DISCONTINUED LINES AND COVERAGES	-	7	-
	-----	-----	
TOTAL	\$5,379	\$4,839	11.2
	=====	=====	