UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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): August 3, 2015

THE ALLSTATE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**1-11840**	**36-3871531**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

2775 Sanders Road, Northbrook, Illinois	**60062**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code **(847) 402-5000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 – Financial Information

Item 2.02. Results of Operations and Financial Condition.

On August 3, 2015, the registrant issued a press release announcing its financial results for the second quarter of 2015, and the availability of the registrant's second quarter investor supplement on the registrant's web site. The press release and the investor supplement are furnished as Exhibits 99.1 and 99.2 to this report. The information contained in the press release and the investor supplement are furnished and not filed pursuant to instruction B.2 of Form 8-K.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1	Registrant's press release dated August 3, 2015
99.2	Second quarter 2015 Investor Supplement of The Allstate Corporation

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 hereunto duly authorized.

THE ALLSTATE CORPORATION
(Registrant)

By: /s/ Samuel H. Pilch
Name: Samuel H. Pilch
Title: Senior Group Vice President
and Controller

Date: August 3, 2015

Exhibit 99.1

FOR IMMEDIATE RELEASE

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Allstate Maintains Focus on Profitability

NORTHBROOK, Ill., August 3, 2015 – The Allstate Corporation (NYSE: ALL) today reported financial results for the second quarter of 2015. The financial highlights were:

The Allstate Corporation Consolidated Highlights						
	Three months ended June 30,			Six months ended June 30,		
($ millions, except per share amounts and ratios)	2015	2014	% / pts Change	2015	2014	% / pts Change
Consolidated revenues	$ 8,982	$ 8,860	1.4	$ 17,934	$ 17,544	2.2
Net income available to common shareholders	326	614	(46.9)	974	1,201	(18.9)
per diluted common share	0.79	1.39	(43.2)	2.33	2.69	(13.4)
Operating income*	262	445	(41.1)	878	1,033	(15.0)
per diluted common share*	0.63	1.01	(37.6)	2.10	2.31	(9.1)
Return on common shareholders' equity						
Net income available to common shareholders				12.4%	11.4%	1.0 pts
Operating income*				11.9%	13.7%	(1.8) pts
Book value per common share				47.96	47.97	—
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities*				45.02	44.13	2.0
Property-Liability combined ratio						
Recorded	100.1	97.4	2.7 pts	96.9	96.1	0.8 pts
Underlying combined ratio* (excludes catastrophes, prior year reserve reestimates and amortization of purchased intangibles)	89.1	84.7	4.4 pts	89.1	86.6	2.5 pts
Catastrophe losses	797	936	(14.9)	1,091	1,381	(21.0)

* Measures used in this release that are not based on accounting principles generally accepted in the United States of America ("non-GAAP") are defined and reconciled to the most directly comparable GAAP measure in the "Definitions of Non-GAAP Measures" section of this document.

"Allstate's proactive approach to strategy and operating performance resulted in a rapid adjustment to continued increases in auto losses," said Thomas J. Wilson, chairman and chief executive officer of The Allstate Corporation. "Our second quarter operating income of $262 million was lower than last year, reflecting increased frequency and severity of auto accidents. The increase in auto accidents is broad-based by state, risk class, rating plans and the maturity of the business, and consequently appears to be driven by external factors. While recent growth in Allstate brand auto policies in force did increase frequency, since new business typically has higher relative frequency, this was not the primary driver of a higher combined ratio. We have responded aggressively to improve profitability with rate increases, tighter underwriting standards and expense reductions. We continue to focus on achieving our five 2015 operating priorities and have not changed the priority to deliver an underlying combined ratio of 89 or below for the full year.

"Progress on the remaining four operating priorities was good, as our operating plans continue to be implemented," Wilson said. "Allstate brand homeowners had good returns despite seasonally high catastrophe losses and growth rates continued to accelerate. Allstate Financial had $139 million in operating income in the second quarter and had excellent growth and returns from Allstate Benefits. Investment income reflected continued strong limited partnership results and stable income from our interest-bearing investments. Our decision to reduce fixed income duration in the property-liability portfolio in prior periods reduced second quarter income, but also mitigated the negative impact on bond values as interest rates increased. In addition, we continued to provide strong cash returns to shareholders with $642 million of dividends and share repurchases during the second quarter of 2015."

Second Quarter Operating Results

Allstate's revenues were $9.0 billion in the second quarter of 2015, reflecting a 4.7% increase in insurance premium from the prior year quarter, which was partially offset by lower investment income and capital gains. Net income available to common shareholders was $326 million for the second quarter of 2015 and $974 million for the first six months of 2015. Operating income was $262 million, or $0.63 cents per share, in the second quarter of 2015, as lower auto insurance margins and seasonally high catastrophe losses resulted in a small underwriting loss. Operating income return on shareholders' equity was 11.9% over the trailing twelve months. Book value per share in the second quarter of 2015 was comparable to the second quarter of 2014, reflecting the impact of dividends, share repurchases and a decline in unrealized gains on the investment portfolio.

Property-liability net written premium grew by 4.4% to $7.9 billion in the second quarter of 2015 compared to the prior year quarter, largely due to an increase in Allstate brand premium. Allstate brand auto net written premium rose 4.9% due to a 3.3% increase in policies in force and higher average premium. Allstate brand average auto premium increased 2.1% in the second quarter of 2015 over the prior year due to rate increases taken so far this year, as well as in 2014. Allstate brand homeowners net written premium increased 3.1% in the second quarter of 2015 over the prior year, as average premium increased 1.3% and policy in force growth increased to 1.2%. Esurance net written premium rose 9.1% in the second quarter of 2015 over the prior year quarter, due to higher average auto premium and a reduction in policy growth to 6.4%, reflecting profit improvement actions. Encompass net written premium decreased by 0.9% in the second quarter of 2015 from the prior year as a decline in policies in force due to profit improvement initiatives offset higher average premium.

Allstate Protection had an underwriting loss of $8 million and a combined ratio of 100.1 in the second quarter of 2015, as underwriting income of $86 million from the Allstate brand was more than offset by investments in Esurance's growth strategy and higher non-catastrophe losses in the Encompass brand. Allstate brand underwriting income declined from $299 million in the second quarter of 2014 as the auto combined ratio deteriorated by 6.0 points from the favorable results in the prior year to 101.4 due to higher auto claims frequency and severity. Homeowners underwriting income improved by $103 million to $91 million in the second quarter due to a consistently strong underlying combined ratio and lower catastrophe losses.

The Allstate brand auto loss ratio was negatively impacted by property damage and bodily injury claim frequency and severity. Property damage frequency and paid claim severities increased 6.9% and 3.7%, respectively, compared to the prior year quarter. Bodily injury frequency and claim paid severities increased 6.8% and 0.6%, respectively, compared to the prior year quarter. Frequency can be volatile on a quarterly basis and longer time periods can help better assess results. Property damage and bodily injury frequency in the second quarter of 2015 increased approximately 4% from the second quarter of 2013, or an average of 2% per year. Higher claim frequency occurred in widespread geographies, as well as within multiple risk classes of customers and both new and renewal business, including our most tenured customer segments. Claim severities increased in the second quarter of 2015, reflecting stronger economic conditions, which were generally in line with inflationary cost increases.

Allstate proactively manages auto profitability at the local level with a high degree of segmentation and analytic rigor to adapt to changing external conditions, competition and regulatory environments. Our operating model led to implementation of profitability actions last year, which have been accelerated across the country based on recent loss trends. Prices have been increased, underwriting standards have been tightened and expenses are being reduced across all three underwritten brands. Allstate brand auto rate increases of 1.5% were approved in the second quarter of 2015 in 34 states and given current loss trends, we anticipate increasing the level of rate increases being pursued. Total price increases over the last twelve months in Allstate brand auto totaled 3.5%. Esurance has changed rates in 33 states over the last twelve months, which, when applied to the existing customer base represents a total countrywide increase of 4.8%. Encompass auto insurance pricing has been increased in 29 states for a total of 9.8% since the prior year quarter. While these actions will negatively impact the pace of growth, we expect Allstate Protection's policies in force to increase in 2015. Operating expenses are being reduced, including advertising, technology and personnel. As a result, a small restructuring charge of $12 million, after-tax, was incurred in the second quarter of 2015.

The Property-Liability underlying combined ratio was 89.1 for the second quarter and the first six months of 2015. Overall results for 2015 are still expected to be within the established goal of 87 to 89 for the full year.

Allstate Financial generated $139 million of operating income in the second quarter of 2015, $26 million lower than the prior year quarter, primarily due to lower investment spreads and higher mortality losses. Allstate Benefits, which sells voluntary benefits at the worksite, grew premium 4.1% in the second quarter of 2015 compared to the prior year quarter. Allstate Financial product sales through the Allstate agencies also increased, while we continued the planned reduction of the annuity business. We are also managing the risk of rising interest rates by selling longer-term fixed income securities and investing the proceeds in shorter duration fixed income and equity securities. This generated net realized capital gains in the quarter but operating income will be reduced prospectively by the lower yield on the reinvested proceeds.

Net Investment income of $789 million for the second quarter of 2015 was $109 million, or 12.1%, lower than the prior year quarter. This reflected decreased income from limited partnerships and lower average investment balances. Yields on interest-bearing securities were stable for the quarter. Realized capital gains for the quarter were $108 million, bringing year-to-date gains to $247 million.

Strong Cash Returns to Shareholders

“We continued to create shareholder value through proactive capital management,” said Steve Shebik, chief financial officer. “During the second quarter, we returned $642 million in cash to shareholders through a combination of share repurchases and common stock dividends. Common share repurchases of $517 million resulted from $442 million in open market purchases and the final settlement of the $500 million accelerated share repurchase agreement announced in March 2015.”

As of June 30, 2015, $1.9 billion remained on our current $3 billion common share repurchase authorization. Book value per diluted common share of $47.96 was comparable to the prior year quarter and lower than the first quarter of 2015 due to lower unrealized gains in the investment portfolio.

Visit www.allstateinvestors.com to view additional information about Allstate’s results, including a webcast of its quarterly conference call and the presentation discussed on the call. The conference call will be held at 9 a.m. ET on Tuesday, August 4.

The Allstate Corporation (NYSE: ALL) is the nation’s largest publicly held personal lines insurer, protecting approximately 16 million households from life’s uncertainties through auto, home, life and other insurance offered through its Allstate, Esurance, Encompass and Answer Financial brand names. Allstate is widely known through the slogan “You’re In Good Hands With Allstate®.” The Allstate brand’s network of small businesses offers auto, home, life and retirement products and services to customers in the United States and Canada.

Financial information, including material announcements about The Allstate Corporation, is routinely posted on www.allstateinvestors.com.

Forward-Looking Statements
This news release contains “forward-looking statements” that anticipate results based on our estimates, assumptions and plans that are subject to uncertainty. These statements are made subject to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements do not relate strictly to historical or current facts and may be identified by their use of words like “plans,” “seeks,” “expects,” “will,” “should,” “anticipates,” “estimates,” “intends,” “believes,” “likely,” “targets” and other words with similar meanings. We believe these statements are based on reasonable estimates, assumptions and plans. However, if the estimates, assumptions or plans underlying the forward-looking statements prove inaccurate or if other risks or uncertainties arise, actual results could differ materially from those communicated in these forward-looking statements. Factors that could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statements may be found in our filings with the U.S. Securities and Exchange Commission, including the “Risk Factors” section in our most recent Annual Report on Form 10-K. Forward-looking statements speak only as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statement.

THE ALLSTATE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

($ in millions, except per share data)	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
	(unaudited)		(unaudited)	
Revenues				
Property-liability insurance premiums	$ 7,549	$ 7,204	$ 14,975	$ 14,268
Life and annuity premiums and contract charges	536	518	1,073	1,125
Net investment income	789	898	1,639	1,857
Realized capital gains and losses:				
Total other-than-temporary impairment (“OTTI”) losses	(47)	(44)	(100)	(124)
OTTI losses reclassified to (from) other comprehensive income	4	(1)	8	(2)
Net OTTI losses recognized in earnings	(43)	(45)	(92)	(126)
Sales and other realized capital gains and losses	151	285	339	420
Total realized capital gains and losses	108	240	247	294
	8,982	8,860	17,934	17,544
Costs and expenses				
Property-liability insurance claims and claims expense	5,587	5,142	10,580	9,901
Life and annuity contract benefits	446	413	887	901
Interest credited to contractholder funds	185	212	384	519
Amortization of deferred policy acquisition costs	1,086	1,035	2,156	2,070
Operating costs and expenses	1,061	1,023	2,151	2,117
Restructuring and related charges	19	4	23	10
Loss on extinguishment of debt	—	1	—	1
Interest expense	73	84	146	171
	8,457	7,914	16,327	15,690
Gain (loss) on disposition of operations	1	9	—	(50)
Income from operations before income tax expense	526	955	1,607	1,804
Income tax expense	171	310	575	559
Net income	355	645	1,032	1,245
Preferred stock dividends	29	31	58	44
Net income available to common shareholders	$ 326	$ 614	$ 974	$ 1,201
Earnings per common share:				
Net income available to common shareholders per common share – Basic	$ 0.80	$ 1.41	$ 2.37	$ 2.73
Weighted average common shares – Basic	407.0	434.3	411.4	440.4
Net income available to common shareholders per common share – Diluted	$ 0.79	$ 1.39	$ 2.33	$ 2.69
Weighted average common shares – Diluted	412.6	440.7	417.6	446.8
Cash dividends declared per common share	$ 0.30	$ 0.28	$ 0.60	$ 0.56

THE ALLSTATE CORPORATION
BUSINESS RESULTS

($ in millions, except ratios)	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Property-Liability				
Premiums written	$ 7,877	$ 7,547	$ 15,183	$ 14,516
Premiums earned	$ 7,549	$ 7,204	$ 14,975	$ 14,268
Claims and claims expense	(5,587)	(5,142)	(10,580)	(9,901)
Amortization of deferred policy acquisition costs	(1,021)	(969)	(2,021)	(1,930)
Operating costs and expenses	(934)	(901)	(1,896)	(1,869)
Restructuring and related charges	(17)	(3)	(21)	(7)
Underwriting (loss) income*	(10)	189	457	561
Net investment income	292	351	650	663
Periodic settlements and accruals on non-hedge derivative instruments	—	(3)	(1)	(6)
Amortization of purchased intangible assets	13	17	25	34
Income tax expense on operations	(97)	(190)	(378)	(420)
Operating income	198	364	753	832
Realized capital gains and losses, after-tax	31	161	49	195
Gain on disposition of operations, after-tax	1	38	1	38
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	—	2	1	4
Amortization of purchased intangible assets, after-tax	(8)	(11)	(16)	(22)
Change in accounting for investments in qualified affordable housing projects, after-tax	—	—	(28)	—
Net income available to common shareholders	$ 222	$ 554	$ 760	$ 1,047
Catastrophe losses	$ 797	$ 936	$ 1,091	$ 1,381
Operating ratios:				
Claims and claims expense ratio	74.0	71.4	70.6	69.4
Expense ratio	26.1	26.0	26.3	26.7
Combined ratio	100.1	97.4	96.9	96.1
Effect of catastrophe losses on combined ratio	10.6	13.0	7.3	9.7
Effect of prior year reserve reestimates on combined ratio	0.3	(0.1)	0.4	(0.1)
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	0.1	0.5	—	0.3
Effect of amortization of purchased intangible assets on combined ratio	0.2	0.3	0.1	0.2
Effect of Discontinued Lines and Coverages on combined ratio	—	0.1	—	0.1
Allstate Financial				
Premiums and contract charges	$ 536	$ 518	$ 1,073	$ 1,125
Net investment income	489	538	973	1,178
Periodic settlements and accruals on non-hedge derivative instruments	—	(1)	—	(1)
Contract benefits	(446)	(413)	(887)	(901)
Interest credited to contractholder funds	(191)	(208)	(383)	(499)
Amortization of deferred policy acquisition costs	(62)	(65)	(131)	(139)
Operating costs and expenses	(118)	(112)	(241)	(230)
Restructuring and related charges	(2)	(1)	(2)	(3)
Income tax expense on operations	(67)	(91)	(129)	(176)
Operating income	139	165	273	354
Realized capital gains and losses, after-tax	38	(6)	110	(6)
Valuation changes on embedded derivatives that are not hedged, after-tax	4	(3)	(1)	(14)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(2)	—	(2)	—
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	—	1	—	1
Loss on disposition of operations, after-tax	—	(12)	(1)	(28)
Change in accounting for investments in qualified affordable housing projects, after-tax	—	—	(17)	—
Net income available to common shareholders	$ 179	$ 145	$ 362	$ 307
Corporate and Other				
Net investment income	$ 8	$ 9	$ 16	$ 16
Operating costs and expenses	(82)	(94)	(160)	(189)
Income tax benefit on operations	28	32	54	64
Preferred stock dividends	(29)	(31)	(58)	(44)
Operating loss	(75)	(84)	(148)	(153)
Realized capital gains and losses, after-tax	—	(1)	—	—
Net loss available to common shareholders	$ (75)	$ (85)	$ (148)	$ (153)
Consolidated net income available to common shareholders	$ 326	$ 614	$ 974	$ 1,201

THE ALLSTATE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

($ in millions, except par value data)	June 30, 2015	December 31, 2014
Assets	(unaudited)	
Investments:		
Fixed income securities, at fair value (amortized cost $57,971 and $59,672)	$ 59,930	$ 62,440
Equity securities, at fair value (cost $3,649 and $3,692)	4,000	4,104
Mortgage loans	4,343	4,188
Limited partnership interests	4,536	4,527
Short-term, at fair value (amortized cost $2,821 and $2,540)	2,821	2,540
Other	3,511	3,314
Total investments	79,141	81,113
Cash	805	657
Premium installment receivables, net	5,599	5,465
Deferred policy acquisition costs	3,708	3,525
Reinsurance recoverables, net	8,520	8,490
Accrued investment income	610	591
Property and equipment, net	1,038	1,031
Goodwill	1,219	1,219
Other assets	2,356	2,046
Separate Accounts	4,121	4,396
Total assets	$ 107,117	$ 108,533
Liabilities		
Reserve for property-liability insurance claims and claims expense	$ 23,702	$ 22,923
Reserve for life-contingent contract benefits	12,227	12,380
Contractholder funds	21,968	22,529
Unearned premiums	11,858	11,655
Claim payments outstanding	820	784
Deferred income taxes	475	715
Other liabilities and accrued expenses	5,462	5,653
Long-term debt	5,186	5,194
Separate Accounts	4,121	4,396
Total liabilities	85,819	86,229
Equity		
Preferred stock and additional capital paid-in, $1 par value, 72.2 thousand shares issued and outstanding, $1,805 aggregate liquidation preference	1,746	1,746
Common stock, $.01 par value, 900 million issued, 402 million and 418 million shares outstanding	9	9
Additional capital paid-in	3,205	3,199
Retained income	38,567	37,842
Deferred ESOP expense	(23)	(23)
Treasury stock, at cost (498 million and 482 million shares)	(22,273)	(21,030)
Accumulated other comprehensive income:		
Unrealized net capital gains and losses:		
Unrealized net capital gains and losses on fixed income securities with OTTI	62	72
Other unrealized net capital gains and losses	1,435	1,988
Unrealized adjustment to DAC, DSI and insurance reserves	(78)	(134)
Total unrealized net capital gains and losses	1,419	1,926
Unrealized foreign currency translation adjustments	(38)	(2)
Unrecognized pension and other postretirement benefit cost	(1,314)	(1,363)
Total accumulated other comprehensive income	67	561
Total shareholders' equity	21,298	22,304
Total liabilities and shareholders' equity	$ 107,117	$ 108,533

THE ALLSTATE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

($ in millions)	Six months ended June 30,	
	2015	2014
Cash flows from operating activities	(unaudited)	
Net income	$ 1,032	$ 1,245
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and other non-cash items	179	189
Realized capital gains and losses	(247)	(294)
Loss on extinguishment of debt	—	1
Loss on disposition of operations	—	50
Interest credited to contractholder funds	384	519
Changes in:		
Policy benefits and other insurance reserves	526	103
Unearned premiums	244	287
Deferred policy acquisition costs	(132)	(77)
Premium installment receivables, net	(158)	(152)
Reinsurance recoverables, net	(144)	(39)
Income taxes	(283)	(195)
Other operating assets and liabilities	(98)	(436)
Net cash provided by operating activities	1,303	1,201
Cash flows from investing activities		
Proceeds from sales		
Fixed income securities	16,012	14,205
Equity securities	2,074	2,744
Limited partnership interests	591	802
Mortgage loans	—	10
Other investments	132	81
Investment collections		
Fixed income securities	2,243	1,730
Mortgage loans	357	726
Other investments	177	107
Investment purchases		
Fixed income securities	(16,482)	(15,802)
Equity securities	(1,920)	(2,668)
Limited partnership interests	(563)	(653)
Mortgage loans	(509)	(109)
Other investments	(518)	(395)
Change in short-term investments, net	(391)	(60)
Change in other investments, net	(16)	49
Purchases of property and equipment, net	(133)	(124)
Disposition of operations	—	378
Net cash provided by investing activities	1,054	1,021
Cash flows from financing activities		
Repayment of long-term debt	(9)	(355)
Proceeds from issuance of preferred stock	—	965
Contractholder fund deposits	527	666
Contractholder fund withdrawals	(1,152)	(1,922)
Dividends paid on common stock	(243)	(238)
Dividends paid on preferred stock	(58)	(25)
Treasury stock purchases	(1,424)	(1,257)
Shares reissued under equity incentive plans, net	109	149
Excess tax benefits on share-based payment arrangements	43	18
Other	(2)	(9)
Net cash used in financing activities	(2,209)	(2,008)
Net increase in cash	148	214
Cash at beginning of period	657	675
Cash at end of period	$ 805	$ 889

Definitions of Non-GAAP Measures

We believe that investors' understanding of Allstate's performance is enhanced by our disclosure of the following non-GAAP measures. Our methods for calculating these measures may differ from those used by other companies and therefore comparability may be limited.

Operating income is net income available to common shareholders, excluding:

- realized capital gains and losses, after-tax, except for periodic settlements and accruals on non-hedge derivative instruments, which are reported with realized capital gains and losses but included in operating income,
- valuation changes on embedded derivatives that are not hedged, after-tax,
- amortization of deferred policy acquisition costs (DAC) and deferred sales inducements (DSI), to the extent they resulted from the recognition of certain realized capital gains and losses or valuation changes on embedded derivatives that are not hedged, after-tax,
- amortization of purchased intangible assets, after-tax,
- gain (loss) on disposition of operations, after-tax, and
- adjustments for other significant non-recurring, infrequent or unusual items, when (a) the nature of the charge or gain is such that it is reasonably unlikely to recur within two years, or (b) there has been no similar charge or gain within the prior two years.

Net income available to common shareholders is the GAAP measure that is most directly comparable to operating income.

We use operating income as an important measure to evaluate our results of operations. We believe that the measure provides investors with a valuable measure of the company's ongoing performance because it reveals trends in our insurance and financial services business that may be obscured by the net effect of realized capital gains and losses, valuation changes on embedded derivatives that are not hedged, amortization of purchased intangible assets, gain (loss) on disposition of operations and adjustments for other significant non-recurring, infrequent or unusual items. Realized capital gains and losses, valuation changes on embedded derivatives that are not hedged and gain (loss) on disposition of operations may vary significantly between periods and are generally driven by business decisions and external economic developments such as capital market conditions, the timing of which is unrelated to the insurance underwriting process. Consistent with our intent to protect results or earn additional income, operating income includes periodic settlements and accruals on certain derivative instruments that are reported in realized capital gains and losses because they do not qualify for hedge accounting or are not designated as hedges for accounting purposes. These instruments are used for economic hedges and to replicate fixed income securities, and by including them in operating income, we are appropriately reflecting their trends in our performance and in a manner consistent with the economically hedged investments, product attributes (e.g. net investment income and interest credited to contractholder funds) or replicated investments. Amortization of purchased intangible assets is excluded because it relates to the acquisition purchase price and is not indicative of our underlying insurance business results or trends. Non-recurring items are excluded because, by their nature, they are not indicative of our business or economic trends. Accordingly, operating income excludes the effect of items that tend to be highly variable from period to period and highlights the results from ongoing operations and the underlying profitability of our business. A byproduct of excluding these items to determine operating income is the transparency and understanding of their significance to net income variability and profitability while recognizing these or similar items may recur in subsequent periods. Operating income is used by management along with the other components of net income available to common shareholders to assess our performance. We use adjusted measures of operating income in incentive compensation. Therefore, we believe it is useful for investors to evaluate net income available to common shareholders, operating income and their components separately and in the aggregate when reviewing and evaluating our performance. We note that investors, financial analysts, financial and business media organizations and rating agencies utilize operating income results in their evaluation of our and our industry's financial performance and in their investment decisions, recommendations and communications as it represents a reliable, representative and consistent measurement of the industry and the company and management's performance. We note that the price to earnings multiple commonly used by insurance investors as a forward-looking valuation technique uses operating income as the denominator. Operating income should not be considered a substitute for net income available to common shareholders and does not reflect the overall profitability of our business.

The following tables reconcile operating income and net income available to common shareholders.

($ in millions, except per share data)	**For the three months ended June 30,**							
	Property-Liability		**Allstate Financial**		**Consolidated**		**Per diluted common share**	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Operating income	$ 198	$ 364	$ 139	$ 165	$ 262	$ 445	$ 0.63	$ 1.01
Realized capital gains and losses, after-tax	31	161	38	(6)	69	154	0.17	0.35
Valuation changes on embedded derivatives that are not hedged, after-tax	—	—	4	(3)	4	(3)	0.01	(0.01)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	—	—	(2)	—	(2)	—	—	—
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	—	2	—	1	—	3	—	0.01
Amortization of purchased intangible assets, after-tax	(8)	(11)	—	—	(8)	(11)	(0.02)	(0.03)
Gain (loss) on disposition of operations, after-tax	1	38	—	(12)	1	26	—	0.06
Net income available to common shareholders	$ 222	$ 554	$ 179	$ 145	$ 326	$ 614	$ 0.79	$ 1.39

($ in millions, except per share data)	For the six months ended June 30,							
	Property-Liability		Allstate Financial		Consolidated		Per diluted common share	
	2015	2014	2015	2014	2015	2014	2015	2014
Operating income	$ 753	$ 832	$ 273	$ 354	$ 878	$ 1,033	$ 2.10	$ 2.31
Realized capital gains and losses, after-tax	49	195	110	(6)	159	189	0.38	0.43
Valuation changes on embedded derivatives that are not hedged, after-tax	—	—	(1)	(14)	(1)	(14)	—	(0.03)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	—	—	(2)	—	(2)	—	—	—
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	1	4	—	1	1	5	—	0.01
Amortization of purchased intangible assets, after-tax	(16)	(22)	—	—	(16)	(22)	(0.04)	(0.05)
Gain (loss) on disposition of operations, after-tax	1	38	(1)	(28)	—	10	—	0.02
Change in accounting for investments in qualified affordable housing projects, after-tax	(28)	—	(17)	—	(45)	—	(0.11)	—
Net income available to common shareholders	$ 760	$ 1,047	$ 362	$ 307	$ 974	$ 1,201	$ 2.33	$ 2.69

Operating income return on common shareholders' equity is a ratio that uses a non-GAAP measure. It is calculated by dividing the rolling 12-month operating income by the average of common shareholders' equity at the beginning and at the end of the 12-months, after excluding the effect of unrealized net capital gains and losses. Return on common shareholders' equity is the most directly comparable GAAP measure. We use operating income as the numerator for the same reasons we use operating income, as discussed above. We use average common shareholders' equity excluding the effect of unrealized net capital gains and losses for the denominator as a representation of common shareholders' equity primarily attributable to the company's earned and realized business operations because it eliminates the effect of items that are unrealized and vary significantly between periods due to external economic developments such as capital market conditions like changes in equity prices and interest rates, the amount and timing of which are unrelated to the insurance underwriting process. We use it to supplement our evaluation of net income available to common shareholders and return on common shareholders' equity because it excludes the effect of items that tend to be highly variable from period to period. We believe that this measure is useful to investors and that it provides a valuable tool for investors when considered along with return on common shareholders' equity because it eliminates the after-tax effects of realized and unrealized net capital gains and losses that can fluctuate significantly from period to period and that are driven by economic developments, the magnitude and timing of which are generally not influenced by management. In addition, it eliminates non-recurring items that are not indicative of our ongoing business or economic trends. A byproduct of excluding the items noted above to determine operating income return on common shareholders' equity from return on common shareholders' equity is the transparency and understanding of their significance to return on common shareholders' equity variability and profitability while recognizing these or similar items may recur in subsequent periods. We use adjusted measures of operating income return on common shareholders' equity in incentive compensation. Therefore, we believe it is useful for investors to have operating income return on common shareholders' equity and return on common shareholders' equity when evaluating our performance. We note that investors, financial analysts, financial and business media organizations and rating agencies utilize operating income return on common shareholders' equity results in their evaluation of our and our industry's financial performance and in their investment decisions, recommendations and communications as it represents a reliable, representative and consistent measurement of the industry and the company and management's utilization of capital. Operating income return on common shareholders' equity should not be considered a substitute for return on common shareholders' equity and does not reflect the overall profitability of our business.

The following tables reconcile return on common shareholders' equity and operating income return on common shareholders' equity.

($ in millions)	For the twelve months ended June 30, 2015	2014
Return on common shareholders' equity		
Numerator:		
Net income available to common shareholders	$ 2,519	$ 2,321
Denominator:		
Beginning common shareholders' equity [1]	$ 21,126	$ 19,591
Ending common shareholders' equity [1]	19,552	21,126
Average common shareholders' equity	$ 20,339	$ 20,359
Return on common shareholders' equity	12.4%	11.4%

	For the twelve months ended June 30, 2015	2014
Operating income return on common shareholders' equity		
Numerator:		
Operating income	$ 2,212	$ 2,527
Denominator:		
Beginning common shareholders' equity	$ 21,126	$ 19,591
Unrealized net capital gains and losses	2,150	1,651
Adjusted beginning common shareholders' equity	18,976	17,940
Ending common shareholders' equity	19,552	21,126
Unrealized net capital gains and losses	1,419	2,150
Adjusted ending common shareholders' equity	18,133	18,976
Average adjusted common shareholders' equity	$ 18,555	$ 18,458
Operating income return on common shareholders' equity	11.9%	13.7%

[1] Excludes equity related to preferred stock of $1,746 million as of June 30, 2015 and 2014.

Underwriting income is calculated as premiums earned, less claims and claims expense ("losses"), amortization of DAC, operating costs and expenses and restructuring and related charges as determined using GAAP. Management uses this measure in its evaluation of the results of operations to analyze the profitability of our Property-Liability insurance operations separately from investment results. It is also an integral component of incentive compensation. It is useful for investors to evaluate the components of income separately and in the aggregate when reviewing performance. Net income available to common shareholders is the most directly comparable GAAP measure. Underwriting income should not be considered a substitute for net income available to common shareholders and does not reflect the overall profitability of our business. A reconciliation of Property-Liability underwriting income to net income available to common shareholders is provided in the "Business Results" page.

Combined ratio excluding the effect of catastrophes, prior year reserve reestimates and amortization of purchased intangible assets ("underlying combined ratio") is a non-GAAP ratio, which is computed as the difference between four GAAP operating ratios: the combined ratio, the effect of catastrophes on the combined ratio, the effect of prior year non-catastrophe reserve reestimates on the combined ratio, and the effect of amortization of purchased intangible assets on the combined ratio. We believe that this ratio is useful to investors and it is used by management to reveal the trends in our Property-Liability business that may be obscured by catastrophe losses, prior year reserve reestimates and amortization of purchased intangible assets. Catastrophe losses cause our loss trends to vary significantly between periods as a result of their incidence of occurrence and magnitude, and can have a significant impact on the combined ratio. Prior year reserve reestimates are caused by unexpected loss development on historical reserves. Amortization of purchased intangible assets relates to the acquisition purchase price and is not indicative of our underlying insurance business results or trends. We believe it is useful for investors to evaluate these components separately and in the aggregate when reviewing our underwriting performance. We also provide it to facilitate a comparison to our outlook on the underlying combined ratio. The most directly comparable GAAP measure is the combined ratio. The underlying combined ratio should not be considered a substitute for the combined ratio and does not reflect the overall underwriting profitability of our business.

The following table reconciles the Property-Liability underlying combined ratio to the Property-Liability combined ratio.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Combined ratio excluding the effect of catastrophes, prior year reserve reestimates and amortization of purchased intangible assets ("underlying combined ratio")	89.1	84.7	89.1	86.6
Effect of catastrophe losses	10.6	13.0	7.3	9.7
Effect of prior year non-catastrophe reserve reestimates	0.2	(0.6)	0.4	(0.4)
Effect of amortization of purchased intangible assets	0.2	0.3	0.1	0.2
Combined ratio	100.1	97.4	96.9	96.1
Effect of prior year catastrophe reserve reestimates	0.1	0.5	—	0.3

Underwriting margin is calculated as 100% minus the combined ratio.

In this news release, we provide our outlook range on the Property-Liability 2015 underlying combined ratio. A reconciliation of this measure to the combined ratio is not possible on a forward-looking basis because it is not possible to provide a reliable forecast of catastrophes. Future prior year reserve reestimates are expected to be zero because reserves are determined based on our best estimate of ultimate loss reserves as of the reporting date.

The following table reconciles the Allstate brand underlying combined ratio to the Allstate brand combined ratio.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Underlying combined ratio	87.7	83.0	87.6	84.7
Effect of catastrophe losses	10.7	13.1	7.4	9.8
Effect of prior year non-catastrophe reserve reestimates	0.3	(0.7)	0.5	(0.5)
Combined ratio	98.7	95.4	95.5	94.0
Effect of prior year catastrophe reserve reestimates	0.1	0.6	—	0.4

The following table reconciles the Allstate brand auto underlying combined ratio to the Allstate brand auto combined ratio.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Underlying combined ratio	97.8	91.8	96.7	92.8
Effect of catastrophe losses	3.2	4.1	1.7	2.3
Effect of prior year non-catastrophe reserve reestimates	0.4	(0.5)	0.7	(0.7)
Combined ratio	101.4	95.4	99.1	94.4
Effect of prior year catastrophe reserve reestimates	—	(0.1)	(0.1)	—

The following table reconciles the Allstate brand homeowners underlying combined ratio to the Allstate brand homeowners combined ratio.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Underlying combined ratio	60.7	60.2	62.6	63.0
Effect of catastrophe losses	32.1	38.7	23.0	30.0
Effect of prior year non-catastrophe reserve reestimates	(0.5)	(0.3)	(0.1)	(0.1)
Combined ratio	92.3	98.6	85.5	92.9
Effect of prior year catastrophe reserve reestimates	0.5	2.4	0.2	1.5

The following table reconciles the Allstate brand other personal lines underlying combined ratio to the Allstate brand other personal lines combined ratio.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Underlying combined ratio	79.2	76.2	80.7	79.8
Effect of catastrophe losses	11.9	12.4	9.7	12.6
Effect of prior year non-catastrophe reserve reestimates	1.1	(3.1)	0.3	0.6
Combined ratio	92.2	85.5	90.7	93.0
Effect of prior year catastrophe reserve reestimates	—	(0.3)	(0.1)	(0.3)

The following table reconciles the Encompass brand underlying combined ratio to the Encompass brand combined ratio.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Underlying combined ratio	96.5	94.8	93.6	93.3
Effect of catastrophe losses	18.6	23.7	12.4	17.5
Effect of prior year non-catastrophe reserve reestimates	0.6	0.7	(0.3)	0.1
Combined ratio	115.7	119.2	105.7	110.9
Effect of prior year catastrophe reserve reestimates	0.3	0.3	(0.3)	—

Underlying loss ratio is a non-GAAP ratio, which is computed as the difference between three GAAP operating ratios: the loss ratio, the effect of catastrophes on the combined ratio and the effect of prior year non-catastrophe reserve reestimates on the combined ratio. We believe that this ratio is useful to investors and it is used by management to reveal the trends that may be obscured by catastrophe losses and prior year reserve reestimates. Catastrophe losses cause our loss trends to vary significantly between periods as a result of their incidence of occurrence and magnitude, and can have a significant impact on the combined ratio. Prior year reserve reestimates are caused by unexpected loss development on historical reserves. We believe it is useful for investors to evaluate these components separately and in the aggregate when reviewing our underwriting performance. The most directly comparable GAAP measure is the loss ratio. The underlying loss ratio should not be considered a substitute for the loss ratio and does not reflect the overall loss ratio of our business.

The following table reconciles the Esurance brand underlying loss ratio and underlying combined ratio to the Esurance brand combined ratio.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Underlying loss ratio	74.3	74.1	76.3	75.1
Expense ratio, excluding the effect of amortization of purchased intangible assets	32.4	33.6	35.2	40.6
Underlying combined ratio	106.7	107.7	111.5	115.7
Effect of catastrophe losses	2.0	2.7	1.0	1.6
Effect of prior year non-catastrophe reserve reestimates	(0.7)	(1.4)	(0.9)	(1.1)
Effect of amortization of purchased intangible assets	2.2	3.3	2.3	3.3
Combined ratio	110.2	112.3	113.9	119.5

Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities, is a ratio that uses a non-GAAP measure. It is calculated by dividing common shareholders' equity after excluding the impact of unrealized net capital gains and losses on fixed income securities and related DAC, DSI and life insurance reserves by total common shares outstanding plus dilutive potential common shares outstanding. We use the trend in book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities, in conjunction with book value per common share to identify and analyze the change in net worth attributable to management efforts between periods. We believe the non-GAAP ratio is useful to investors because it eliminates the effect of items that can fluctuate significantly from period to period and are generally driven by economic developments, primarily capital market conditions, the magnitude and timing of which are generally not influenced by management, and we believe it enhances understanding and comparability of performance by highlighting underlying business activity and profitability drivers. We note that book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities, is a measure commonly used by insurance investors as a valuation technique. Book value per common share is the most directly comparable GAAP measure. Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities, should not be considered a substitute for book value per common share, and does not reflect the recorded net worth of our business. The following table shows the reconciliation.

($ in millions, except per share data)	**As of June 30,**	
	2015	**2014**
Book value per common share		
Numerator:		
Common shareholders' equity	$ 19,552	$ 21,126
Denominator:		
Common shares outstanding and dilutive potential common shares outstanding	407.7	440.4
Book value per common share	$ 47.96	$ 47.97
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities		
Numerator:		
Common shareholders' equity	$ 19,552	$ 21,126
Unrealized net capital gains and losses on fixed income securities	1,196	1,690
Adjusted common shareholders' equity	$ 18,356	$ 19,436
Denominator:		
Common shares outstanding and dilutive potential common shares outstanding	407.7	440.4
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities	$ 45.02	$ 44.13

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THE ALLSTATE CORPORATION

Investor Supplement
Second Quarter 2015

The consolidated financial statements and financial exhibits included herein are unaudited. These consolidated financial statements and exhibits should be read in c
and notes thereto included in the most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. The results of operations for interim periods
expected for the full year.

Measures used in these financial statements and exhibits that are not based on generally accepted accounting principles ("non-GAAP") are denoted with an asterisk
defined on the page "Definitions of Non-GAAP Measures" and are reconciled to the most directly comparable generally accepted accounting principles ("GAAP") me

THE ALLSTATE CORPORATION
Investor Supplement - Second Quarter 2015
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THE ALLSTATE CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
($ in millions, except per share data)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Revenues					
Property-liability insurance premiums	$ 7,549	$ 7,426	$ 7,354	$ 7,307	$ 7,204
Life and annuity premiums and contract charges	536	537	520	512	518
Net investment income	789	850	779	823	898
Realized capital gains and losses:					
Total other-than-temporary impairment ("OTTI") losses	(47)	(53)	(65)	(53)	(44)
OTTI losses reclassified to (from) other comprehensive income	4	4	(1)	-	(1)
Net OTTI losses recognized in earnings	(43)	(49)	(66)	(53)	(45)
Sales and other realized capital gains and losses	151	188	172	347	285
Total realized capital gains and losses	108	139	106	294	240
Total revenues	8,982	8,952	8,759	8,936	8,860
Costs and expenses					
Property-liability insurance claims and claims expense	5,587	4,993	4,618	4,909	5,142
Life and annuity contract benefits	446	441	431	433	413
Interest credited to contractholder funds	185	199	202	198	212
Amortization of deferred policy acquisition costs	1,086	1,070	1,035	1,030	1,035
Operating costs and expenses	1,061	1,090	1,156	1,068	1,023
Restructuring and related charges	19	4	5	3	4
Loss on extinguishment of debt	-	-	-	-	1
Interest expense	73	73	73	78	84
Total costs and expenses	8,457	7,870	7,520	7,719	7,914
Gain (loss) on disposition of operations	1	(1)	3	(27)	9
Income from operations before income tax expense	526	1,081	1,242	1,190	955
Income tax expense	171	404	418	409	310
Net income	$ 355	$ 677	$ 824	$ 781	$ 645
Preferred stock dividends	29	29	29	31	31
Net income available to common shareholders	$ 326	$ 648	$ 795	$ 750	$ 614
Earnings per common share: (1)					
Net income available to common shareholders per common share - Basic	$ 0.80	$ 1.56	$ 1.89	$ 1.77	$ 1.41
Weighted average common shares - Basic	407.0	415.8	420.2	424.5	434.3
Net income available to common shareholders per common share - Diluted	$ 0.79	$ 1.53	$ 1.86	$ 1.74	$ 1.39
Weighted average common shares - Diluted	412.6	422.6	427.7	431.2	440.7
Cash dividends declared per common share	$ 0.30	$ 0.30	$ 0.28	$ 0.28	$ 0.28

(1) In accordance with GAAP, the quarter and year-to-date per share amounts are calculated discretely. Therefore, the sum of each quarter may not equal the

THE ALLSTATE CORPORATION
CONTRIBUTION TO INCOME
($ in millions, except per share data)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Contribution to income					
Operating income before the impact of restructuring and related charges	$ 274	$ 619	$ 740	$ 599	$ 448
Restructuring and related charges, after-tax	(12)	(3)	(4)	(1)	(3)
Operating income *	262	616	736	598	445
Realized capital gains and losses, after-tax	69	90	70	192	154
Valuation changes on embedded derivatives that are not hedged, after-tax	4	(5)	(3)	2	(3)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(2)	-	-	(3)	-
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	-	-	-	-	-
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	1	2	-	3
Amortization of purchased intangible assets, after-tax	(8)	(8)	(12)	(11)	(11)
Gain (loss) on disposition of operations, after-tax	1	(1)	2	(28)	26
Change in accounting for investments in qualified affordable housing projects, after-tax	-	(45)	-	-	-
Net income available to common shareholders	$ 326	$ 648	$ 795	$ 750	$ 614
Income per common share - Diluted					
Operating income before the impact of restructuring and related charges	$ 0.66	$ 1.46	$ 1.73	$ 1.39	$ 1.02
Restructuring and related charges, after-tax	(0.03)	-	(0.01)	-	(0.01)
Operating income	0.63	1.46	1.72	1.39	1.01
Realized capital gains and losses, after-tax	0.17	0.21	0.16	0.45	0.35
Valuation changes on embedded derivatives that are not hedged, after-tax	0.01	(0.01)	(0.01)	-	(0.01)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	-	-	-	(0.01)	-
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	-	-	-	-	-
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	-	0.01	-	0.01
Amortization of purchased intangible assets, after-tax	(0.02)	(0.02)	(0.03)	(0.03)	(0.03)
Gain (loss) on disposition of operations, after-tax	-	-	0.01	(0.06)	0.06
Change in accounting for investments in qualified affordable housing projects, after-tax	-	(0.11)	-	-	-
Net income available to common shareholders	$ 0.79	$ 1.53	$ 1.86	$ 1.74	$ 1.39
Weighted average common shares - Diluted	412.6	422.6	427.7	431.2	440.7

THE ALLSTATE CORPORATION
REVENUES
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Property-Liability					
Property-Liability insurance premiums	$ 7,549	$ 7,426	$ 7,354	$ 7,307	$ 7,204
Net investment income	292	358	294	344	351
Realized capital gains and losses	49	28	(20)	266	250
Total Property-Liability revenues	7,890	7,812	7,628	7,917	7,805
Allstate Financial					
Life and annuity premiums and contract charges	536	537	520	512	518
Net investment income	489	484	480	473	538
Realized capital gains and losses	59	111	125	28	(10)
Total Allstate Financial revenues	1,084	1,132	1,125	1,013	1,046
Corporate and Other					
Service fees [(1)]	1	1	1	1	1
Net investment income	8	8	5	6	9
Realized capital gains and losses	-	-	1	-	-
Total Corporate and Other revenues before reclassification of services fees	9	9	7	7	10
Reclassification of service fees [(1)]	(1)	(1)	(1)	(1)	(1)
Total Corporate and Other revenues	8	8	6	6	9
Consolidated revenues	$ 8,982	$ 8,952	$ 8,759	$ 8,936	$ 8,860

[(1)] For presentation in the Consolidated Statements of Operations, service fees of the Corporate and Other segment are reclassified to Operating costs and exper

THE ALLSTATE CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
($ in millions)

	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Assets					
Investments					
Fixed income securities, at fair value (amortized cost $57,971, $58,235, $59,672, $59,616 and $59,447)	$ 59,930	$ 61,403	$ 62,440	$ 62,313	$ 62,634
Equity securities, at fair value (cost $3,649, $3,752, $3,692, $3,877 and $4,658)	4,000	4,166	4,104	4,335	5,394
Mortgage loans	4,343	4,276	4,188	4,143	4,174
Limited partnership interests	4,536	4,699	4,527	4,348	4,309
Short-term, at fair value (amortized cost $2,821, $2,497, $2,540, $2,463 and $2,914)	2,821	2,497	2,540	2,463	2,914
Other	3,511	3,396	3,314	3,119	3,138
Total investments	79,141	80,437	81,113	80,721	82,563
Cash	805	916	657	885	889
Premium installment receivables, net	5,599	5,502	5,465	5,604	5,384
Deferred policy acquisition costs	3,708	3,527	3,525	3,516	3,377
Reinsurance recoverables, net (1)	8,520	8,408	8,490	7,555	7,500
Accrued investment income	610	597	591	595	611
Property and equipment, net	1,038	1,026	1,031	1,012	990
Goodwill	1,219	1,219	1,219	1,219	1,219
Other assets	2,356	2,128	2,046	2,682	2,920
Separate Accounts	4,121	4,304	4,396	4,521	4,780
Total assets	$ 107,117	$ 108,064	$ 108,533	$ 108,310	$ 110,233

Liabilities
- Reserve for property-liability insurance claims and claims expense
- Reserve for life-contingent contract benefits
- Contractholder funds
- Unearned premiums
- Claim payments outstanding
- Deferred income taxes
- Other liabilities and accrued expenses
- Long-term debt
- Separate Accounts
- Total liabilities

Equity
- Preferred stock and additional capital paid-in, 72.2 thousand shar
- Common stock, 402 million, 409 million, 418 million, 419 million, and 434 million shares outstanding
- Additional capital paid-in
- Retained income
- Deferred ESOP expense
- Treasury stock, at cost (498 million, 491 million, 482 million, 481 million and 466 million shares)
- Accumulated other comprehensive income:
  - Unrealized net capital gains and losses:
    - Unrealized net capital gains and losses on fixed income securities with other-than-temporary impairments
    - Other unrealized net capital gains and losses
    - Unrealized adjustment to DAC, DSI and insurance reserves
    - Total unrealized net capital gains and losses
  - Unrealized foreign currency translation adjustments
  - Unrecognized pension and other postretirement benefit cost
  - Total accumulated other comprehensive income
- Total shareholders' equity
- Total liabilities and shareholders' equity

(1) Reinsurance recoverables of unpaid losses related to Property-Liability were $5,853 million, $5,719 million, $5,694 million, $4,764 million and $4,695 million as of June 30, 2015, March 31, 2015, Dece

THE ALLSTATE CORPORATION
BOOK VALUE PER COMMON SHARE
($ in millions, except per share data)

	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Book value per common share				
Numerator:				
Common shareholders' equity [(1)]	$ 19,552	$ 20,433	$ 20,558	$ 20,583
Denominator:				
Common shares outstanding and dilutive potential common shares outstanding	407.7	415.4	426.2	426.3
Book value per common share	$ 47.96	$ 49.19	$ 48.24	$ 48.28
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities *				
Numerator:				
Common shareholders' equity	$ 19,552	$ 20,433	$ 20,558	$ 20,583
Unrealized net capital gains and losses on fixed income securities	1,196	1,871	1,666	1,541
Adjusted common shareholders' equity	$ 18,356	$ 18,562	$ 18,892	$ 19,042
Denominator:				
Common shares outstanding and dilutive potential common shares outstanding	407.7	415.4	426.2	426.3
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities	$ 45.02	$ 44.68	$ 44.33	$ 44.67

(1) Excludes equity related to preferred stock of $1,746 million, $1,746 million, $1,746 million, $1,746 million, $1,746 million and $1,505 million as of December 31, 2014, September 30, 2014, June 30, 2014 and March 31, 2014, respectively.

THE ALLSTATE CORPORATION
RETURN ON COMMON SHAREHOLDERS' EQUITY
($ in millions)

	Twelve months ended			
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30 2014
Return on Common Shareholders' Equity				
Numerator:				
Net income available to common shareholders (1)	$ 2,519	$ 2,807	$ 2,746	$ 2,761
Denominator:				
Beginning common shareholders' equity	$ 21,126	$ 20,600	$ 20,700	$ 20,130
Ending common shareholders' equity	19,552	20,433	20,558	20,583
Average common shareholders' equity (2)	$ 20,339	$ 20,517	$ 20,629	$ 20,357
Return on common shareholders' equity	12.4 %	13.7 %	13.3 %	13.6
Operating Income Return on Common Shareholders' Equity *				
Numerator:				
Operating income (1)	$ 2,212	$ 2,395	$ 2,367	$ 2,412
Denominator:				
Beginning common shareholders' equity	$ 21,126	$ 20,600	$ 20,700	$ 20,130
Unrealized net capital gains and losses	2,150	2,091	1,646	1,714
Adjusted beginning common shareholders' equity	18,976	18,509	19,054	18,416
Ending common shareholders' equity	19,552	20,433	20,558	20,583
Unrealized net capital gains and losses	1,419	2,137	1,926	1,827
Adjusted ending common shareholders' equity	18,133	18,296	18,632	18,756
Average adjusted common shareholders' equity (2)	$ 18,555	$ 18,403	$ 18,843	$ 18,586
Operating income return on common shareholders' equity	11.9 %	13.0 %	12.6 %	13.0

(1) Net income available to common shareholders and operating income reflect a trailing twelve-month period.

(2) Average common shareholders' equity and average adjusted common shareholders' equity are determined using a two-point average, with the beginning and adjusted common shareholders' equity, respectively, for the twelve-month period as data points.

THE ALLSTATE CORPORATION
DEBT TO CAPITAL
($ in millions)

	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Debt				
Short-term debt	$ -	$ -	$ -	$ -
Long-term debt	5,186	5,194	5,194	5,195
Total debt	$ 5,186	$ 5,194	$ 5,194	$ 5,195
Capital resources				
Debt	$ 5,186	$ 5,194	$ 5,194	$ 5,195
Shareholders' equity				
Preferred stock and additional capital paid-in	1,746	1,746	1,746	1,746
Common stock	9	9	9	9
Additional capital paid-in	3,205	3,109	3,199	3,059
Retained income	38,567	38,363	37,842	37,164
Deferred ESOP expense	(23)	(23)	(23)	(31)
Treasury stock	(22,273)	(21,799)	(21,030)	(20,856)
Unrealized net capital gains and losses	1,419	2,137	1,926	1,827
Unrealized foreign currency translation adjustments	(38)	(29)	(2)	18
Unrecognized pension and other postretirement benefit cost	(1,314)	(1,334)	(1,363)	(607)
Total shareholders' equity	21,298	22,179	22,304	22,329
Total capital resources	$ 26,484	$ 27,373	$ 27,498	$ 27,524
Ratio of debt to shareholders' equity	24.3 %	23.4 %	23.3 %	23.3 %
Ratio of debt to capital resources	19.6 %	19.0 %	18.9 %	18.9 %

THE ALLSTATE CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income	$ 355	$ 677	$ 824	$ 781	$ 645
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation, amortization and other non-cash items	92	87	89	88	91
Realized capital gains and losses	(108)	(139)	(106)	(294)	(240
Loss on extinguishment of debt	-	-	-	-	1
(Gain) loss on disposition of operations	(1)	1	(3)	27	(9
Interest credited to contractholder funds	185	199	202	198	212
Changes in:					
Policy benefits and other insurance reserves	411	115	491	(53)	121
Unearned premiums	361	(117)	(56)	535	379
Deferred policy acquisition costs	(97)	(35)	(31)	(112)	(80
Premium installment receivables, net	(92)	(66)	129	(234)	(106
Reinsurance recoverables, net	(120)	(24)	(958)	(71)	6
Income taxes	(342)	59	30	370	(127
Other operating assets and liabilities	93	(191)	60	129	(166
Net cash provided by operating activities	737	566	671	1,364	727
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales					
Fixed income securities	6,559	9,453	6,961	13,443	7,722
Equity securities	922	1,152	1,492	2,519	1,416
Limited partnership interests	295	296	389	282	564
Mortgage loans	-	-	-	-	-
Other investments	85	47	114	211	51
Investment collections					
Fixed income securities	1,030	1,213	949	1,057	881
Mortgage loans	243	114	238	142	402
Other investments	117	60	33	51	57
Investment purchases					
Fixed income securities	(7,272)	(9,210)	(8,109)	(14,848)	(9,550
Equity securities	(748)	(1,172)	(1,235)	(1,540)	(1,338
Limited partnership interests	(198)	(365)	(506)	(239)	(376
Mortgage loans	(307)	(202)	(283)	(109)	(107
Other investments	(325)	(193)	(320)	(257)	(152
Change in short-term investments, net	(328)	(63)	7	325	(249
Change in other investments, net	(18)	2	(12)	9	13
Purchases of property and equipment, net	(74)	(59)	(81)	(83)	(69
Disposition and acquisition of operations	-	-	-	-	380
Net cash (used in) provided by investing activities	(19)	1,073	(363)	963	(355
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of long-term debt	(9)	-	-	(651)	(354
Proceeds from issuance of preferred stock	-	-	-	-	240
Contractholder fund deposits	266	261	258	260	263
Contractholder fund withdrawals	(580)	(572)	(615)	(909)	(838
Dividends paid on common stock	(125)	(118)	(117)	(122)	(125
Dividends paid on preferred stock	(29)	(29)	(31)	(31)	(13
Treasury stock purchases	(414)	(1,010)	(112)	(932)	(142
Shares reissued under equity incentive plans, net	45	64	62	55	72
Excess tax benefits on share-based payment arrangements	17	26	19	4	5
Other	-	(2)	-	(5)	(3
Net cash used in financing activities	(829)	(1,380)	(536)	(2,331)	(895
Cash classified as held for sale	-	-	-	-	242
NET (DECREASE) INCREASE IN CASH	(111)	259	(228)	(4)	(281
CASH AT BEGINNING OF PERIOD	916	657	885	889	1,170
CASH AT END OF PERIOD	$ 805	$ 916	$ 657	$ 885	$ 889

THE ALLSTATE CORPORATION
ANALYSIS OF DEFERRED POLICY ACQUISITION COSTS
($ in millions)

Change in Deferred Policy Acquisition Costs
For the three months ended June 30, 2015

	Beginning balance Mar. 31, 2015	Acquisition costs deferred	Amortization before adjustments [1] [2]	Amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged [2]	Amortization (acceleration) deceleration for changes in assumptions [2]	Effect of unrealized capital gains and losses
Property-Liability	$ 1,852	$ 1,111	$ (1,021)	$ -	$ -	$ -
Allstate Financial:						
Traditional life and accident and health	757	44	(33)	-	-	-
Interest-sensitive life	874	29	(27)	(3)	-	75
Fixed annuity	44	-	(2)	-	-	8
Subtotal	1,675	73	(62)	(3)	-	83
Consolidated	$ 3,527	$ 1,184	$ (1,083)	$ (3)	$ -	$ 83

Change in Deferred Policy Acquisition Costs
For the three months ended June 30, 2014

	Beginning balance Mar 31, 2014	DAC classified as held for sale beginning balance	Total DAC including those classified as held for sale	Acquisition costs deferred	Amortization before adjustments [1] [2]	Amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged [2]
Property-Liability	$ 1,626	$ -	$ 1,626	$ 1,047	$ (969)	$ -
Allstate Financial:						
Traditional life and accident and health	714	13	727	42	(29)	-
Interest-sensitive life	934	674	1,608	28	(35)	(2)
Fixed annuity	42	27	69	-	(1)	1
Subtotal	1,690	714	2,404	70	(65)	(1)
Consolidated	$ 3,316	$ 714	$ 4,030	$ 1,117	$ (1,034)	$ (1)

(1) Amortization before adjustments reflects total DAC amortization before amortization/accretion related to realized capital gains and losses and valuation changes on embedded derivatives t assumptions.

(2) Included as a component of amortization of DAC on the Consolidated Statements of Operations.

THE ALLSTATE CORPORATION
ANALYSIS OF DEFERRED POLICY ACQUISITION COSTS
($ in millions)

Change in Deferred Policy Acquisition Costs
For the six months ended June 30, 2015

	Beginning balance Dec. 31, 2014	Acquisition costs deferred	Amortization before adjustments [(1) (2)]	Amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged [(2)]	Amortization (acceleration) deceleration for changes in assumptions [(2)]	Effect of unrealized capital gains and losses	Ending balance Jun. 30, 2015	DAC impa unre capita and
Property-Liability	$ 1,820	$ 2,143	$ (2,021)	$ -	$ -	$ -	$ 1,942	$
Allstate Financial:								
Traditional life and accident and health	753	88	(73)	-	-	-	768	
Interest-sensitive life	905	55	(55)	(5)	-	48	948	
Fixed annuity	47	-	(3)	1	-	5	50	
Subtotal	1,705	143	(131)	(4)	-	53	1,766	
Consolidated	$ 3,525	$ 2,286	$ (2,152)	$ (4)	$ -	$ 53	$ 3,708	$

Change in Deferred Policy Acquisition Costs
For the six months ended June 30, 2014

	Beginning balance Dec 31, 2013	DAC classified as held for sale beginning balance	Total DAC including those classified as held for sale	Acquisition costs deferred	Amortization before adjustments [(1) (2)]	Amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged [(2)]	Effect of unrealized capital gains and losses	DAC L dispo
Property-Liability	$ 1,625	$ -	$ 1,625	$ 2,009	$ (1,930)	$ -	$ -	$
Allstate Financial:								
Traditional life and accident and health	711	13	724	81	(65)	-	-	
Interest-sensitive life	991	700	1,691	56	(69)	(4)	(101)	
Fixed annuity	45	30	75	-	(5)	3	(6)	
Subtotal	1,747	743	2,490	137	(139)	(1)	(107)	
Consolidated	$ 3,372	$ 743	$ 4,115	$ 2,146	$ (2,069)	$ (1)	$ (107)	$

(1) Amortization before adjustments reflects total DAC amortization before amortization/accretion related to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged and amortizati
(2) Included as a component of amortization of DAC on the Consolidated Statements of Operations.

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY RESULTS
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Premiums written	$ 7,877	$ 7,306	$ 7,292	$ 7,806	$ 7,547
(Increase) decrease in unearned premiums	(370)	166	74	(512)	(397
Other	42	(46)	(12)	13	54
Premiums earned	7,549	7,426	7,354	7,307	7,204
Claims and claims expense	(5,587)	(4,993)	(4,618)	(4,909)	(5,142
Amortization of deferred policy acquisition costs	(1,021)	(1,000)	(973)	(972)	(969
Operating costs and expenses	(934)	(962)	(1,021)	(948)	(901
Restructuring and related charges	(17)	(4)	(5)	(4)	(3
Underwriting (loss) income *	(10)	467	737	474	189
Net investment income	292	358	294	344	351
Periodic settlements and accruals on non-hedge derivative instruments	-	(1)	(2)	(1)	(3
Amortization of purchased intangible assets	13	12	17	17	17
Income tax expense on operations	(97)	(281)	(359)	(281)	(190
Operating income	198	555	687	553	364
Realized capital gains and losses, after-tax	31	18	(11)	173	161
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	1	2	-	2
Amortization of purchased intangible assets, after-tax	(8)	(8)	(12)	(11)	(11
Gain (Loss) on disposition of operations	1	-	-	(1)	38
Change in accounting for investments in qualified affordable housing projects, after-tax	-	(28)	-	-	-
Net income available to common shareholders	$ 222	$ 538	$ 666	$ 714	$ 554
Catastrophe losses	$ 797	$ 294	$ 95	$ 517	$ 936
Operating ratios					
Claims and claims expense ("loss") ratio	74.0	67.2	62.8	67.2	71.4
Expense ratio	26.1	26.5	27.2	26.3	26.0
Combined ratio	100.1	93.7	90.0	93.5	97.4
Combined ratio excluding the effect of catastrophes *	89.5	89.7	88.7	86.4	84.4
Effect of catastrophe losses on combined ratio	10.6	4.0	1.3	7.1	13.0
Combined ratio	100.1	93.7	90.0	93.5	97.4
Combined ratio excluding the effect of catastrophes, prior year reserve reestimates and amortization of purchased intangible assets ("underlying combined ratio") *	89.1	89.0	89.5	86.1	84.7
Effect of catastrophe losses on combined ratio	10.6	4.0	1.3	7.1	13.0
Effect of prior year reserve reestimates on combined ratio	0.3	0.5	(1.0)	0.1	(0.1
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	(0.1)	0.1	-	-	(0.5
Effect of amortization of purchased intangible assets on combined ratio	0.2	0.1	0.2	0.2	0.3
Combined ratio	100.1	93.7	90.0	93.5	97.4
Effect of restructuring and related charges on combined ratio	0.2	0.1	0.1	0.1	-
Effect of Discontinued Lines and Coverages on combined ratio	-	-	0.1	1.4	0.1

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY UNDERWRITING RESULTS BY AREA OF BUSINESS
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Property-Liability Underwriting Summary					
Allstate Protection	$ (8)	$ 469	$ 741	$ 579	$ 192
Discontinued Lines and Coverages	(2)	(2)	(4)	(105)	(3)
Underwriting (loss) income	$ (10)	$ 467	$ 737	$ 474	$ 189
Allstate Protection Underwriting Summary					
Premiums written	$ 7,877	$ 7,306	$ 7,292	$ 7,805	$ 7,547
Premiums earned	$ 7,549	$ 7,426	$ 7,354	$ 7,306	$ 7,204
Claims and claims expense	(5,585)	(4,992)	(4,615)	(4,804)	(5,140)
Amortization of deferred policy acquisition costs	(1,021)	(1,000)	(973)	(972)	(969)
Operating costs and expenses	(934)	(961)	(1,020)	(947)	(900)
Restructuring and related charges	(17)	(4)	(5)	(4)	(3)
Underwriting (loss) income	$ (8)	$ 469	$ 741	$ 579	$ 192
Catastrophe losses	$ 797	$ 294	$ 95	$ 517	$ 936
Operating ratios					
Loss ratio	74.0	67.2	62.7	65.8	71.3
Expense ratio	26.1	26.5	27.2	26.3	26.0
Combined ratio	100.1	93.7	89.9	92.1	97.3
Effect of catastrophe losses on combined ratio	10.6	4.0	1.3	7.1	13.0
Effect of restructuring and related charges on combined ratio	0.2	0.1	0.1	0.1	-
Effect of amortization of purchased intangible assets on combined ratio	0.2	0.1	0.2	0.2	0.2
Discontinued Lines and Coverages Underwriting Summary					
Premiums written	$ -	$ -	$ -	$ 1	$ -
Premiums earned	$ -	$ -	$ -	$ 1	$ -
Claims and claims expense	(2)	(1)	(3)	(105)	(2)
Operating costs and expenses	-	(1)	(1)	(1)	(1)
Underwriting loss	$ (2)	$ (2)	$ (4)	$ (105)	$ (3)
Effect of Discontinued Lines and Coverages on the Property-Liability combined ratio	-	-	0.1	1.4	0.1
Underwriting Income (Loss) by Brand					
Allstate brand	$ 86	$ 526	$ 782	$ 676	$ 299
Esurance brand	(41)	(69)	(59)	(62)	(45)
Encompass brand	(50)	14	22	(31)	(59)
Answer Financial	(3)	(2)	(4)	(4)	(3)
Underwriting (loss) income	$ (8)	$ 469	$ 741	$ 579	$ 192

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY PREMIUMS WRITTEN BY BRAND
($ in millions)

	Three months ended					
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	Marc 20
Allstate brand [(1)]						
Auto	$ 4,588	$ 4,535	$ 4,347	$ 4,490	$ 4,375	$ 4
Homeowners	1,819	1,379	1,598	1,831	1,765	1
Other personal lines	424	357	376	426	416	
Commercial lines	138	128	126	122	130	
Other business lines	199	184	176	185	180	
	7,168	6,583	6,623	7,054	6,866	6
Esurance brand						
Auto	363	434	354	403	338	
Homeowners	7	5	4	3	1	
Other personal lines	1	2	1	2	1	
	371	441	359	408	340	
Encompass brand						
Auto	173	147	160	178	176	
Homeowners	136	111	123	137	136	
Other personal lines	29	24	27	28	29	
	338	282	310	343	341	
Allstate Protection	7,877	7,306	7,292	7,805	7,547	6
Discontinued Lines and Coverages	-	-	-	1	-	
Property-Liability	$ 7,877	$ 7,306	$ 7,292	$ 7,806	$ 7,547	$ 6
Allstate Protection						
Auto	$ 5,124	$ 5,116	$ 4,861	$ 5,071	$ 4,889	$ 4
Homeowners	1,962	1,495	1,725	1,971	1,902	1
Other personal lines	454	383	404	456	446	
Commercial lines	138	128	126	122	130	
Other business lines	199	184	176	185	180	
	$ 7,877	$ 7,306	$ 7,292	$ 7,805	$ 7,547	$ 6
[(1)] **Canada premiums included in Allstate brand**						
Auto	$ 235	$ 173	$ 200	$ 233	$ 250	$
Homeowners	63	41	53	66	63	
Other personal lines	15	11	13	16	15	
	$ 313	$ 225	$ 266	$ 315	$ 328	$

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY
IMPACT OF NET RATE CHANGES APPROVED ON PREMIUMS WRITTEN

	Three months ended June 30, 2015 [1]			Three months ended March 31, 2015		
	Number of locations	Total brand (%) [4]	Location specific (%) [5]	Number of locations	Total brand (%) [4]	Location specific (%) [5]
Allstate brand						
Auto [2] [9]	34 [6]	1.5	3.6	18 [6]	0.4	3.9
Homeowners [3]	9 [7]	0.7	3.5	10 [7]	0.2	3.0
Esurance brand						
Auto	13	1.5	5.9	13	1.3	4.4
Encompass brand						
Auto	16	4.8	8.5	6	1.3	6.9
Homeowners	15	3.2	8.8	4	0.4	8.1

	Three months ended September 30, 2014			Three months ended June 30, 2014		
	Number of locations	Total brand (%) [4]	Location specific (%) [5]	Number of locations	Total brand (%) [4]	Location specific (%) [5]
Allstate brand						
Auto [2]	20 [6]	0.9	3.7	25 [6]	- [8]	(0.2)
Homeowners [3]	6	0.2	6.0	11 [7]	0.4	5.7
Esurance brand						
Auto	15	0.6	3.1	15	1.7	4.4
Encompass brand						
Auto	9	0.9	4.1	12	2.4	7.6
Homeowners	7	0.6	6.5	12	1.5	7.8

(1) Rate changes include changes approved based on our net cost of reinsurance. These rate changes do not reflect initial rates filed for insurance subsidiaries initially writing business. Based on h rate changes approved for the three month period ending June 30, 2015 are estimated to total $381 million. Rate changes do not include rating plan enhancements, including the introduction of level in the state.

(2) Impacts of Allstate brand auto effective rate changes as a percentage of total brand prior year-end premiums written were 1.1%, 0.8%, 0.4%, 0.2%, 1.1%, and 0.5% for the three months ended 2014, June 30, 2014, and March 31, 2014, respectively. Rate changes are included in the effective calculations in the period the rate change is effective for renewal contracts.

(3) Impacts of Allstate brand homeowners effective rate changes as a percentage of total brand prior year-end premiums written were 0.4%, 0.9%, 0.3%, 0.1%, 0.5%, and 1.3% for the three month September 30, 2014, June 30, 2014 and March 31, 2014, respectively.

(4) Represents the impact in the states and Canadian provinces where rate changes were approved during the period as a percentage of total brand prior year-end premiums written.

(5) Represents the impact in the states and Canadian provinces where rate changes were approved during the period as a percentage of its respective total prior year-end premiums written in those

(6) Includes four, two, one, one and three Canadian provinces for auto for the three months ended June 30, 2015, March 31, 2015, December 31, 2014, September 30, 2014 and June 30, 2014, res

(7) Includes one, two, one, two and one Canadian provinces for homeowners for the three months ended June 30, 2015, March 31, 2015, December 31, 2014, June 30, 2014 and March 31, 2014, r

(8) Excluding Canada, Allstate Brand Auto rate change was 0.5% for the three months ended June 30, 2014.

(9) Approximately 47% of Allstate Brand auto rates approved through June 2015 are estimated to be earned in the second half of 2015.

THE ALLSTATE CORPORATION
POLICIES IN FORCE AND OTHER STATISTICS

	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Policies in Force (in thousands) [(1)]				
Allstate Brand				
Auto [(2)]	20,258	20,036	19,916	19,751
Homeowners [(3)]	6,141	6,114	6,106	6,082
Landlord	737	738	738	737
Renter	1,518	1,494	1,466	1,447
Condominium	662	658	655	652
Other	1,253	1,245	1,248	1,248
Other personal lines	4,170	4,135	4,107	4,084
Commercial lines	330	326	325	320
Other business lines	937	941	948	958
Excess and surplus	26	27	27	26
Total	31,862	31,579	31,429	31,221
Esurance Brand				
Auto	1,458	1,470	1,424	1,410
Homeowners	20	15	10	6
Other personal lines	44	42	36	33
Total	1,522	1,527	1,470	1,449
Encompass Brand				
Auto	767	778	790	792
Homeowners	355	361	365	365
Other personal lines	118	120	122	123
Total	1,240	1,259	1,277	1,280
Total Policies in Force	34,624	34,365	34,176	33,950
Other Customer Relationships				
Good Hands Roadside Members (in thousands) [(4)]	2,139	2,118	2,055	1,996
Non-Proprietary Premiums ($ in millions)				
Ivantage [(5)]	$ 1,461	$ 1,446	$ 1,422	$ 1,407
Answer Financial [(6)]	145	149	129	134
Agency Data				
Total Allstate agencies [(7)(8)]	12,000		11,900	
Licensed sales professionals [(8)(9)]	23,500		23,200	
Allstate independent agencies [(8)(10)]	2,000		2,000	

(1) Policies in Force: Policy counts are based on items rather than customers. A multi-car customer would generate multiple item (policy) counts, even if a Allstate Dealer Services (service contracts and other products sold in conjunction with auto lending and vehicle sales transactions) and Partnership Mar products) statistics are not included in total policies in force since these are not meaningful. Additionally, non-proprietary products offered by Ivantage ((independent insurance agency) are not included.

(2) Allstate brand auto PIF increased in 45 states, including our largest 10 states, as of June 30, 2015 compared to June 30, 2014.

(3) Allstate brand homeowners PIF increased in 33 states, including 7 out of our largest 10 states, as of June 30, 2015 compared to June 30, 2014.

(4) Membership provides pay on demand access to roadside services. Fees for three months ended June 30, 2015 were $120 thousand.

(5) Represents non-proprietary premiums under management as of the end of the period related to personal and commercial line products offered by Ivanta available.

(6) Represents non-proprietary premiums written for the period. Commissions earned for the three months ended June 30, 2015 were $18.4 million.

(7) Total Allstate agencies represents exclusive Allstate agencies and financial representatives in the United States and Canada.

(8) Rounded to the nearest hundred.

(9) Employees of Allstate agencies who are licensed to sell Allstate products.

(10) Includes 990 and 720 engaged Allstate independent agencies ("AIAs") as of June 30, 2015 and December 31, 2014, respectively. Engaged AIAs, as cu increase the number of policies in force from the prior year.

THE ALLSTATE CORPORATION
ALLSTATE BRAND PROFITABILITY MEASURES
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Net premiums written	$ 7,168	$ 6,583	$ 6,623	$ 7,054	$ 6,866
Net premiums earned					
Auto	$ 4,524	$ 4,432	$ 4,376	$ 4,352	$ 4,297
Homeowners	1,645	1,631	1,625	1,616	1,594
Other personal lines	395	391	390	389	387
Commercial lines	128	125	125	120	121
Other business lines	137	141	140	138	131
Total	6,829	6,720	6,656	6,615	6,530
Incurred losses					
Auto	$ 3,431	$ 3,175	$ 3,103	$ 2,964	$ 3,011
Homeowners	1,147	894	634	930	1,212
Other personal lines	259	244	223	229	226
Commercial lines	105	98	88	72	78
Other business lines	66	69	65	70	64
Total	5,008	4,480	4,113	4,265	4,591
Expenses					
Auto	$ 1,155	$ 1,113	$ 1,140	$ 1,088	$ 1,089
Homeowners	372	389	399	382	359
Other personal lines	105	105	118	103	105
Commercial lines	40	38	41	38	35
Other business lines	63	69	63	63	52
Total	1,735	1,714	1,761	1,674	1,640
Underwriting income (loss)					
Auto	$ (62)	$ 144	$ 133	$ 300	$ 197
Homeowners	126	348	592	304	23
Other personal lines	31	42	49	57	56
Commercial lines	(17)	(11)	(4)	10	8
Other business lines	8	3	12	5	15
Total	86	526	782	676	299
Loss ratio	73.3	66.7	61.8	64.5	70.3
Expense ratio [(1)]	25.4	25.5	26.5	25.3	25.1
Combined ratio	98.7	92.2	88.3	89.8	95.4
Underlying loss ratio *	62.3	61.9	61.4	58.9	57.9
Expense ratio, excluding the effect of amortization of purchased intangible assets	25.4	25.5	26.5	25.3	25.1
Underlying combined ratio	87.7	87.4	87.9	84.2	83.0
Effect of catastrophe losses on combined ratio	10.7	4.1	1.3	6.9	13.1
Effect of prior year reserve reestimates on combined ratio	0.4	0.7	(1.0)	(1.3)	(0.1)
Effect of advertising expenses on combined ratio	2.4	2.3	2.4	2.6	2.7
Underlying combined ratio	87.7	87.4	87.9	84.2	83.0
Effect of catastrophe losses	10.7	4.1	1.3	6.9	13.1
Effect of prior year non-catastrophe reserve reestimates	0.3	0.7	(0.9)	(1.3)	(0.7)
Combined ratio	98.7	92.2	88.3	89.8	95.4

[(1)] Targeted expense reductions represent approximately 0.4 points of the annualized Allstate brand expense ratio.

THE ALLSTATE CORPORATION
ALLSTATE BRAND STATISTICS [1]

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 201
New Issued Applications (in thousands) [2]					
Auto [6]	818	792	740	809	
Homeowners	212	177	178	201	
Average Premium - Gross Written ($) [3]					
Auto	488	484	486	481	
Homeowners	1,150	1,148	1,144	1,144	1
Average Premium - Net Earned ($) [4]					
Auto	450	444	444	443	
Homeowners	1,066	1,060	1,060	1,054	1
Renewal Ratio (%) [5]					
Auto	88.9	88.8	88.6	88.9	
Homeowners	88.4	88.4	88.6	88.6	
Bodily Injury Claim Frequency					
(% change year-over-year)					
Auto	6.8	6.8	4.0	(1.3)	
Property Damage Claim Frequency					
(% change year-over-year)					
Auto	6.9	2.1	0.5	(1.0)	
Auto Paid Severity					
(% change year-over-year)					
Bodily injury	0.6	3.9	6.0	2.2	
Property damage	3.7	4.8	3.9	5.5	
Homeowners Excluding Catastrophe Losses					
(% change year-over-year)					
Claim frequency	0.4	(7.9)	(4.1)	(5.5)	
Claim severity	3.6	6.6	8.1	9.2	

(1) Statistics presented for Allstate brand exclude excess and surplus lines.

(2) New Issued Applications: Item counts of automobiles or homeowners insurance applications for insurance policies that were issued during the period, regardless of whet Protection brand. Allstate brand includes automobiles added by existing customers when they exceed the amount allowed on a policy which is currently four or ten depen

(3) Average Premium - Gross Written: Gross premiums written divided by issued item count. Gross premiums written include the impacts from discounts, surcharges and ce mid-term premium adjustments and premium refund accruals. Average premiums represent the appropriate policy term for each line, which is 6 months for auto and 12 n

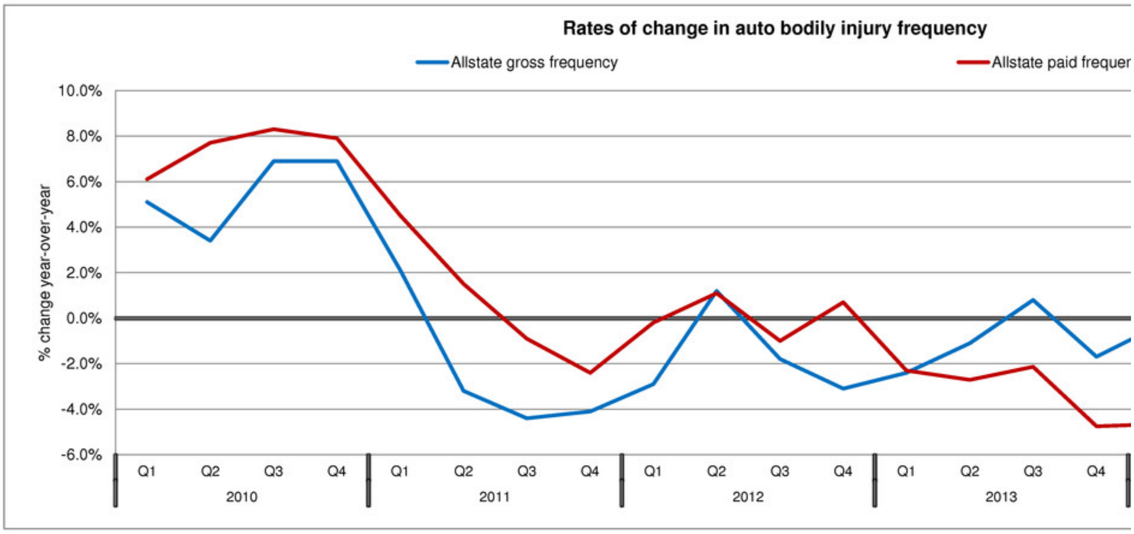
(4) Average Premium - Net Earned: Earned premium divided by average policies in force for the period. Earned premium includes the impacts from mid-term premium adjus impacts of premium refund accruals. Average premiums represent the appropriate policy term for each line, which is 6 months for auto and 12 months for homeowners.

(5) Renewal ratio: Renewal policies issued during the period, based on contract effective dates, divided by the total policies issued 6 months prior for auto or 12 months prior

(6) Auto new issued applications increased to 818 thousand in second quarter 2015 from 770 thousand in second quarter 2014. As a result of a change that allows a greater are approximately 2.6 points and 1.9 points lower in the second quarter and first six months of 2015, respectively, compared to the same periods of 2014.

THE ALLSTATE CORPORATION
ALLSTATE BRAND AUTO FREQUENCY STATISTICS
BODILY INJURY GROSS AND PAID % CHANGE IN FREQUENCY RATE

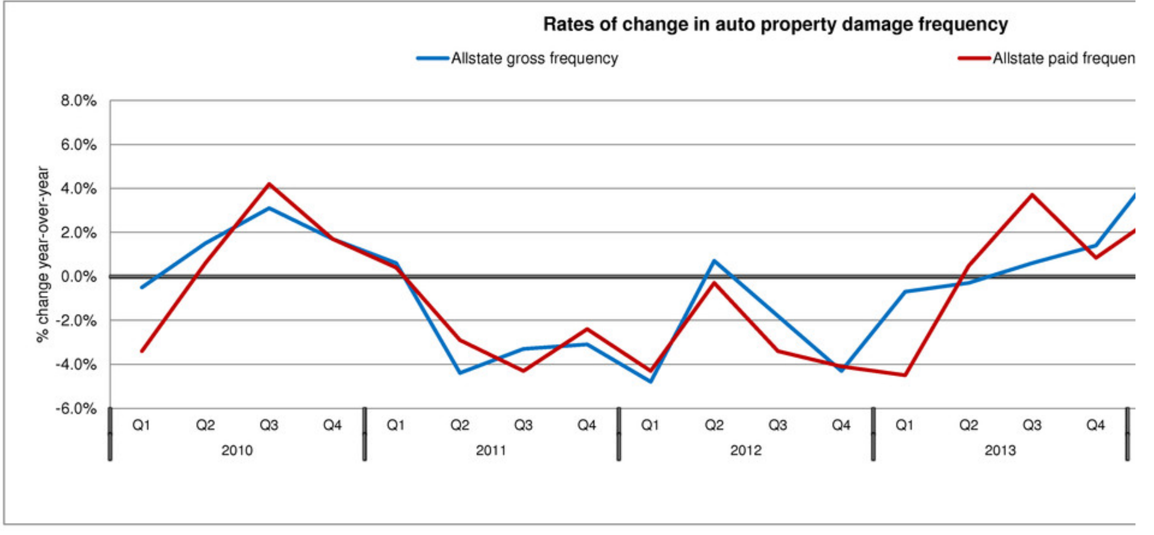
	2010				2011				2012				201	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Rates of change in auto frequency [(1)]														
(% change in frequency rate year over year)														
Allstate gross frequency [(2)]	5.1%	3.4%	6.9%	6.9%	2.1%	-3.2%	-4.4%	-4.1%	-2.9%	1.2%	-1.8%	-3.1%	-2.4%	-1.1%
Allstate paid frequency [(3)]	6.1%	7.7%	8.3%	7.9%	4.5%	1.5%	-0.9%	-2.4%	-0.2%	1.1%	-1.0%	0.7%	-2.3%	-2.7%



(1) The % change in frequency rate year over year is calculated as the change in the specified frequency rate between the current period and the same period of the prior year divide
(2) Gross frequency rate is calculated as the number of claim notices received in the period divided by the average earned policies in force with the respective insurance coverage in
(3) Paid frequency rate is calculated as the number of claim notices closed with a payment amount in the period divided by the average coverage in force.

THE ALLSTATE CORPORATION
ALLSTATE BRAND AUTO FREQUENCY STATISTICS
PROPERTY DAMAGE GROSS AND PAID % CHANGE IN FREQUENCY RATE

	2010				2011				2012				201	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Rates of change in auto frequency [1]														
(% change in frequency rate year over year)														
Allstate gross frequency [2]	-0.5%	1.5%	3.1%	1.7%	0.6%	-4.4%	-3.3%	-3.1%	-4.8%	0.7%	-1.8%	-4.3%	-0.7%	-0.3%
Allstate paid frequency [3]	-3.4%	0.6%	4.2%	1.7%	0.4%	-2.9%	-4.3%	-2.4%	-4.3%	-0.3%	-3.4%	-4.1%	-4.5%	0.5%



[1] The % change in frequency rate year over year is calculated as the change in the specified frequency rate between the current period and the same period of the prior year divide

[2] Gross frequency rate is calculated as the number of claim notices received in the period divided by the average earned policies in force with the respective insurance coverage in

[3] Paid frequency rate is calculated as the number of claim notices closed with a payment amount in the period divided by the average coverage in force.

THE ALLSTATE CORPORATION
ESURANCE PROFITABILITY MEASURES AND STATISTICS
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 3 2014
Net premiums written	$ 371	$ 441	$ 359	$ 408	$
Net premiums earned					
Auto	$ 397	$ 382	$ 378	$ 370	$
Homeowners	4	3	2	1	
Other personal lines	1	2	1	2	
	402	387	381	373	
Incurred losses					
Auto	$ 300	$ 297	$ 300	$ 283	$
Homeowners	3	1	1	1	
Other personal lines	1	1	1	1	
	304	299	302	285	
Expenses					
Auto	$ 132	$ 155	$ 136	$ 148	$
Homeowners	7	-	-	-	
Other personal lines	-	2	2	2	
	139	157	138	150	
Underwriting income (loss)					
Auto	$ (35)	$ (70)	$ (58)	$ (61)	$
Homeowners	(6)	2	1	-	
Other personal lines	-	(1)	(2)	(1)	
	(41)	(69)	(59)	(62)	
Loss ratio	75.6	77.2	79.3	76.4	7
Expense ratio	34.6	40.6	36.2	40.2	3
Combined ratio	110.2	117.8	115.5	116.6	11
Underlying loss ratio	74.3	78.2	80.3	75.3	7
Expense ratio, excluding the effect of amortization of purchased intangible assets	32.4	38.3	33.1	37.0	3
Underlying combined ratio	106.7	116.5	113.4	112.3	10
Effect of catastrophe losses on combined ratio	2.0	-	0.3	1.9	
Effect of prior year reserve reestimates on combined ratio	(0.7)	(1.0)	(1.3)	(0.8)	(
Effect of amortization of purchased intangible assets on combined ratio	2.2	2.3	3.1	3.2	
Effect of advertising expenses on combined ratio	12.4	17.3	11.8	15.8	1
Underlying combined ratio	106.7	116.5	113.4	112.3	10
Effect of catastrophe losses	2.0	-	0.3	1.9	
Effect of prior year non-catastrophe reserve reestimates	(0.7)	(1.0)	(1.3)	(0.8)	(
Effect of amortization of purchased intangible assets	2.2	2.3	3.1	3.2	
Combined ratio	110.2	117.8	115.5	116.6	11
Policies in Force (in thousands)					
Auto	1,458	1,470	1,424	1,410	1,
Homeowners	20	15	10	6	
Other personal lines	44	42	36	33	
	1,522	1,527	1,470	1,449	1,
New Issued Applications (in thousands)					
Auto	148	195	168	181	
Homeowners	7	6	4	5	
Other personal lines	10	12	10	9	
	165	213	182	195	
Average Premium - Gross Written ($)					
Auto	506	520	500	499	
Homeowners	814	849	781	829	
Renewal Ratio (%)					
Auto	80.4	79.9	79.4	78.4	8

THE ALLSTATE CORPORATION
ENCOMPASS BRAND PROFITABILITY MEASURES AND STATISTICS
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Net premiums written	$ 338	$ 282	$ 310	$ 343	$ 341
Net premiums earned					
Auto	$ 165	$ 165	$ 164	$ 168	$ 162
Homeowners	126	127	126	123	120
Other personal lines	27	27	27	27	26
Total	318	319	317	318	308
Incurred losses					
Auto	$ 129	$ 116	$ 126	$ 131	$ 134
Homeowners	117	74	56	103	118
Other personal lines	27	23	18	20	21
Total	273	213	200	254	273
Expenses					
Auto	$ 50	$ 47	$ 48	$ 50	$ 50
Homeowners	38	37	38	37	37
Other personal lines	7	8	9	8	7
Total	95	92	95	95	94
Underwriting income (loss)					
Auto	$ (14)	$ 2	$ (10)	$ (13)	$ (22)
Homeowners	(29)	16	32	(17)	(35)
Other personal lines	(7)	(4)	-	(1)	(2)
Total	(50)	14	22	(31)	(59)
Loss ratio	85.8	66.8	63.1	79.8	88.7
Expense ratio	29.9	28.8	30.0	29.9	30.5
Combined ratio	115.7	95.6	93.1	109.7	119.2
Underlying loss ratio	66.6	61.8	62.7	65.8	64.3
Expense ratio, excluding the effect of amortization of purchased intangible assets	29.9	28.8	30.0	29.9	30.5
Underlying combined ratio	96.5	90.6	92.7	95.6	94.8
Effect of catastrophe losses on combined ratio	18.6	6.3	1.9	16.4	23.7
Effect of prior year reserve reestimates on combined ratio	0.9	(2.2)	(1.2)	(1.9)	1.0
Effect of advertising expenses on combined ratio	0.6	0.6	0.3	-	0.6
Underlying combined ratio	96.5	90.6	92.7	95.6	94.8
Effect of catastrophe losses	18.6	6.3	1.9	16.4	23.7
Effect of prior year non-catastrophe reserve reestimates	0.6	(1.3)	(1.5)	(2.3)	0.7
Combined ratio	115.7	95.6	93.1	109.7	119.2
Policies in Force (in thousands)					
Auto	767	778	790	792	788
Homeowners	355	361	365	365	364
Other personal lines	118	120	122	123	124
	1,240	1,259	1,277	1,280	1,276
New Issued Applications (in thousands)					
Auto	23	23	28	34	40
Homeowners	14	12	15	18	20
Average Premium - Gross Written ($)					
Auto	925	913	901	898	888
Homeowners	1,532	1,519	1,482	1,471	1,437
Renewal Ratio (%)					
Auto	78.0	78.5	80.0	79.4	80.3
Homeowners	83.2	83.2	84.9	84.8	86.2

THE ALLSTATE CORPORATION
AUTO PROFITABILITY MEASURES

($ in millions)	Three months ended June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30 2014
Net premiums written					
Allstate brand	$ 4,588	$ 4,535	$ 4,347	$ 4,490	$ 4,3
Esurance brand	363	434	354	403	3
Encompass brand	173	147	160	178	1
	5,124	5,116	4,861	5,071	4,8
Net premiums earned					
Allstate brand	$ 4,524	$ 4,432	$ 4,376	$ 4,352	$ 4,2
Esurance brand	397	382	378	370	3
Encompass brand	165	165	164	168	1
	5,086	4,979	4,918	4,890	4,8
Incurred losses					
Allstate brand	$ 3,431	$ 3,175	$ 3,103	$ 2,964	$ 3,0
Esurance brand	300	297	300	283	2
Encompass brand	129	116	126	131	1
	3,860	3,588	3,529	3,378	3,4
Expenses					
Allstate brand	$ 1,155	$ 1,113	$ 1,140	$ 1,088	$ 1,0
Esurance brand	132	155	136	148	1
Encompass brand	50	47	48	50	
	1,337	1,315	1,324	1,286	1,2
Underwriting income (loss)					
Allstate brand	$ (62)	$ 144	$ 133	$ 300	$ 1
Esurance brand	(35)	(70)	(58)	(61)	(
Encompass brand	(14)	2	(10)	(13)	(
	(111)	76	65	226	1
Loss ratio [1]					
Allstate brand	75.9	71.7	70.9	68.1	7
Esurance brand	75.6	77.7	79.3	76.5	7
Encompass brand	78.2	70.3	76.8	78.0	8
Allstate Protection	75.9	72.1	71.8	69.1	7
Expense ratio					
Allstate brand	25.5	25.1	26.1	25.0	2
Esurance brand	33.2	40.6	36.0	40.0	3
Encompass brand	30.3	28.5	29.3	29.7	3
Allstate Protection	26.3	26.4	26.9	26.3	2
Combined ratio					
Allstate brand	101.4	96.8	97.0	93.1	9
Esurance brand	108.8	118.3	115.3	116.5	11
Encompass brand	108.5	98.8	106.1	107.7	11
Allstate Protection	102.2	98.5	98.7	95.4	9
Effect of catastrophe losses on combined ratio					
Allstate brand	3.2	0.3	0.2	1.8	[illegible]
Esurance brand	1.8	-	0.3	1.9	[illegible]
Encompass brand	3.0	-	-	3.0	[illegible]
Allstate Protection	3.1	0.3	0.2	1.9	[illegible]
Effect of prior year reserve reestimates on combined ratio					
Allstate brand	0.4	0.8	(1.5)	(1.8)	(
Esurance brand	(0.8)	(1.0)	(1.3)	(0.8)	(
Encompass brand	(1.2)	(4.8)	(0.6)	0.5	(
Allstate Protection	0.2	0.5	(1.5)	(1.6)	(
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio					
Allstate brand	-	(0.1)	(0.1)	(0.2)	(
Esurance brand	-	-	-	-	-
Encompass brand	-	(0.6)	-	-	(
Allstate Protection	(0.1)	-	(0.1)	(0.1)	
Effect of amortization of purchased intangible assets on combined ratio					
Esurance brand	2.3	2.3	3.1	3.2	[illegible]
Allstate Protection	-	-	-	-	

THE ALLSTATE CORPORATION
HOMEOWNERS PROFITABILITY MEASURES

($ in millions)	Three months ended June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Net premiums written					
Allstate brand	$ 1,819	$ 1,379	$ 1,598	$ 1,831	$ 1,765
Esurance brand	7	5	4	3	1
Encompass brand	136	111	123	137	136
	1,962	1,495	1,725	1,971	1,902
Net premiums earned					
Allstate brand	$ 1,645	$ 1,631	$ 1,625	$ 1,616	$ 1,594
Esurance brand	4	3	2	1	-
Encompass brand	126	127	126	123	120
	1,775	1,761	1,753	1,740	1,714
Incurred losses					
Allstate brand	$ 1,147	$ 894	$ 634	$ 930	$ 1,212
Esurance brand	3	1	1	1	-
Encompass brand	117	74	56	103	118
	1,267	969	691	1,034	1,330
Expenses					
Allstate brand	$ 372	$ 389	$ 399	$ 382	$ 359
Esurance brand	7	-	-	-	-
Encompass brand	38	37	38	37	37
	417	426	437	419	396
Underwriting income (loss)					
Allstate brand	$ 126	$ 348	$ 592	$ 304	$ 23
Esurance brand	(6)	2	1	-	-
Encompass brand	(29)	16	32	(17)	(35)
	91	366	625	287	(12)
Loss ratio					
Allstate brand	69.7	54.8	39.0	57.6	76.1
Esurance brand	75.0	33.3	50.0	100.0	-
Encompass brand	92.8	58.3	44.4	83.7	98.3
Allstate Protection	71.4	55.0	39.4	59.4	77.6
Expense ratio					
Allstate brand	22.6	23.9	24.6	23.6	22.5
Esurance brand	175.0	-	-	-	-
Encompass brand	30.2	29.1	30.2	30.1	30.9
Allstate Protection	23.5	24.2	24.9	24.1	23.1
Combined ratio					
Allstate brand	92.3	78.7	63.6	81.2	98.6
Esurance brand	250.0	33.3	50.0	100.0	-
Encompass brand	123.0	87.4	74.6	113.8	129.2
Allstate Protection	94.9	79.2	64.3	83.5	100.7
Effect of catastrophe losses on combined ratio					
Allstate brand	32.1	13.9	3.8	22.0	38.7
Esurance brand	25.0	-	-	-	-
Encompass brand	41.3	14.2	4.8	36.6	46.7
Allstate Protection	32.7	13.9	3.9	23.0	39.3
Effect of prior year reserve reestimates on combined ratio					
Allstate brand	-	0.2	(1.1)	(0.1)	2.1
Esurance brand	-	-	-	-	-
Encompass brand	2.3	(1.6)	(2.4)	(6.5)	6.7
Allstate Protection	0.2	0.1	(1.2)	(0.5)	2.4
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio					
Allstate brand	0.5	(0.1)	0.1	0.7	2.4
Esurance brand	-	-	-	-	-
Encompass brand	-	(1.6)	0.8	0.9	1.7
Allstate Protection	0.4	(0.1)	0.2	0.7	2.4

THE ALLSTATE CORPORATION
OTHER PERSONAL LINES PROFITABILITY MEASURES [(1)]

($ in millions)	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
	Three months ended				
Net premiums written					
Allstate brand	$ 424	$ 357	$ 376	$ 426	$ 416
Esurance brand	1	2	1	2	1
Encompass brand	29	24	27	28	29
	454	383	404	456	446
Net premiums earned					
Allstate brand	$ 395	$ 391	$ 390	$ 389	$ 387
Esurance brand	1	2	1	2	1
Encompass brand	27	27	27	27	26
	423	420	418	418	414
Incurred losses					
Allstate brand	$ 259	$ 244	$ 223	$ 229	$ 226
Esurance brand	1	1	1	1	1
Encompass brand	27	23	18	20	21
	287	268	242	250	248
Expenses					
Allstate brand	$ 105	$ 105	$ 118	$ 103	$ 105
Esurance brand	-	2	2	2	-
Encompass brand	7	8	9	8	7
	112	115	129	113	112
Underwriting income (loss)					
Allstate brand	$ 31	$ 42	$ 49	$ 57	$ 56
Esurance brand	-	(1)	(2)	(1)	-
Encompass brand	(7)	(4)	-	(1)	(2)
	24	37	47	55	54
Loss ratio					
Allstate brand	65.6	62.4	57.2	58.9	58.4
Esurance brand	100.0	50.0	100.0	50.0	100.0
Encompass brand	100.0	85.2	66.7	74.1	80.8
Allstate Protection	67.8	63.8	57.9	59.8	59.9
Expense ratio					
Allstate brand	26.6	26.9	30.2	26.4	27.1
Esurance brand	-	100.0	200.0	100.0	-
Encompass brand	25.9	29.6	33.3	29.6	26.9
Allstate Protection	26.5	27.4	30.9	27.0	27.1
Combined ratio					
Allstate brand	92.2	89.3	87.4	85.3	85.5
Esurance brand	100.0	150.0	300.0	150.0	100.0
Encompass brand	125.9	114.8	100.0	103.7	107.7
Allstate Protection	94.3	91.2	88.8	86.8	87.0
Effect of catastrophe losses on combined ratio					
Allstate brand	11.9	7.4	2.8	4.9	12.4
Esurance brand	-	-	-	-	-
Encompass brand	7.4	7.4	-	7.4	7.7
Allstate Protection	11.6	7.4	2.7	5.0	12.1
Effect of prior year reserve reestimates on combined ratio					
Allstate brand	1.1	(0.5)	5.1	2.6	(3.4)
Esurance brand	-	-	-	-	-
Encompass brand	7.4	11.1	-	3.7	3.8
Allstate Protection	1.4	0.2	4.8	2.6	(2.9)
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio					
Allstate brand	-	(0.3)	-	(0.2)	(0.3)
Esurance brand	-	-	-	-	-
Encompass brand	3.7	-	-	-	-
Allstate Protection	0.3	(0.3)	-	(0.3)	(0.3)

(1) Other personal lines include renter, condominium, landlord and other personal lines.

THE ALLSTATE CORPORATION
COMMERCIAL LINES PROFITABILITY MEASURES [1]

($ in millions)	Three months ended June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Net premiums written	$ 138	$ 128	$ 126	$ 122	$ 130
Net premiums earned	$ 128	$ 125	$ 125	$ 120	$ 121
Incurred losses	$ 105	$ 98	$ 88	$ 72	$ 78
Expenses	$ 40	$ 38	$ 41	$ 38	$ 35
Underwriting (loss) income	$ (17)	$ (11)	$ (4)	$ 10	$ 8
Loss ratio	82.0	78.4	70.4	60.0	64.5
Expense ratio	31.3	30.4	32.8	31.7	28.9
Combined ratio	113.3	108.8	103.2	91.7	93.4
Effect of catastrophe losses on combined ratio	9.4	4.0	4.8	3.3	8.3
Effect of prior year reserve reestimates on combined ratio	3.1	8.0	(0.8)	(14.2)	(0.8)
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	2.3	0.8	-	0.7	0.1

[1] Commercial lines all represent Allstate Brand products.

THE ALLSTATE CORPORATION
OTHER BUSINESS LINES PROFITABILITY MEASURES [1]

($ in millions)	Three months ended June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Net premiums written	$ 199	$ 184	$ 176	$ 185	$ 180
Net premiums earned	$ 137	$ 141	$ 140	$ 138	$ 131
Incurred losses	$ 66	$ 69	$ 65	$ 70	$ 64
Expenses	$ 63	$ 69	$ 63	$ 63	$ 52
Underwriting income	$ 8	$ 3	$ 12	$ 5	$ 15
Loss ratio	48.2	49.0	46.4	50.7	48.8
Expense ratio	46.0	48.9	45.0	45.7	39.7
Combined ratio	94.2	97.9	91.4	96.4	88.5
Effect of catastrophe losses on combined ratio	-	-	-	-	-
Effect of prior year reserve reestimates on combined ratio	0.7	-	(0.7)	-	-
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	-	-	-	-	-
Effect of amortization of purchased intangible assets	0.8	0.7	0.7	0.7	0.7

[1] Other business lines include Allstate Roadside Services, Allstate Dealer Services and other business lines, which all represent Allstate Brand products.

THE ALLSTATE CORPORATION
AUTO, HOMEOWNERS AND OTHER PERSONAL LINES UNDERLYING COMBINED RATIOS

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Auto					
Allstate brand underlying combined ratio	97.8	95.6	98.2	92.9	91.8
Effect of catastrophe losses on combined ratio	3.2	0.3	0.2	1.8	4.1
Effect of prior year non-catastrophe reserve reestimates on combined ratio	0.4	0.9	(1.4)	(1.6)	(0.5)
Allstate brand combined ratio	101.4	96.8	97.0	93.1	95.4
Esurance brand underlying combined ratio	105.5	117.0	113.2	112.2	107.7
Effect of catastrophe losses on combined ratio	1.8	-	0.3	1.9	2.7
Effect of prior year non-catastrophe reserve reestimates on combined ratio	(0.8)	(1.0)	(1.3)	(0.8)	(1.4)
Effect of amortization of purchased intangible assets on combined ratio	2.3	2.3	3.1	3.2	3.3
Esurance brand combined ratio	108.8	118.3	115.3	116.5	112.3
Encompass brand underlying combined ratio	106.7	103.0	106.7	104.2	107.4
Effect of catastrophe losses on combined ratio	3.0	-	-	3.0	9.3
Effect of prior year non-catastrophe reserve reestimates on combined ratio	(1.2)	(4.2)	(0.6)	0.5	(3.1)
Encompass brand combined ratio	108.5	98.8	106.1	107.7	113.6
Homeowners					
Allstate brand underlying combined ratio	60.7	64.5	61.0	60.0	60.2
Effect of catastrophe losses on combined ratio	32.1	13.9	3.8	22.0	38.7
Effect of prior year non-catastrophe reserve reestimates on combined ratio	(0.5)	0.3	(1.2)	(0.8)	(0.3)
Allstate brand combined ratio	92.3	78.7	63.6	81.2	98.6
Encompass brand underlying combined ratio	79.4	73.2	73.0	84.6	77.5
Effect of catastrophe losses on combined ratio	41.3	14.2	4.8	36.6	46.7
Effect of prior year non-catastrophe reserve reestimates on combined ratio	2.3	-	(3.2)	(7.4)	5.0
Encompass brand combined ratio	123.0	87.4	74.6	113.8	129.2
Other Personal Lines					
Allstate brand underlying combined ratio	79.2	82.1	79.5	77.6	76.2
Effect of catastrophe losses on combined ratio	11.9	7.4	2.8	4.9	12.4
Effect of prior year non-catastrophe reserve reestimates on combined ratio	1.1	(0.2)	5.1	2.8	(3.1)
Allstate brand combined ratio	92.2	89.3	87.4	85.3	85.5
Encompass brand underlying combined ratio	114.8	96.3	100.0	92.6	96.2
Effect of catastrophe losses on combined ratio	7.4	7.4	-	7.4	7.7
Effect of prior year non-catastrophe reserve reestimates on combined ratio	3.7	11.1	-	3.7	3.8
Encompass brand combined ratio	125.9	114.8	100.0	103.7	107.7

THE ALLSTATE CORPORATION
ALLSTATE BRAND AUTO AND HOMEOWNERS UNDERLYING LOSS AND EXPENSE

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	
Auto					
Annualized average premium (1)	$ 893	$ 885	$ 879	$ 881	$
Underlying combined ratios	97.8	95.6	98.2	92.9	
Average underlying loss (incurred pure premium) and expense *	$ 874	$ 846	$ 863	$ 818	$
Homeowners					
Annualized average premium (1)	$ 1,071	$ 1,067	$ 1,065	$ 1,063	$
Underlying combined ratios	60.7	64.5	61.0	60.0	
Average underlying loss (incurred pure premium) and expense	$ 650	$ 688	$ 650	$ 638	$

(1) Calculated by annualizing net earned premium reported in the quarter divided by policies in force at quarter end.

THE ALLSTATE CORPORATION
HOMEOWNERS SUPPLEMENTAL INFORMATION
($ in millions)

	Six months ended June 30, 2015					
Primary Exposure Groupings [(1)]	Earned premiums	Incurred losses	Loss ratios	Catastrophe losses	Effect of catastrophes on loss ratio	Nu cata
Florida	$ 56	$ 34	60.7%	$ -	0.0%	
Other hurricane exposure states	1,874	1,248	66.6%	539	28.8%	
Total hurricane exposure states [(2)]	1,930	1,282	66.4%	539	27.9%	
Other catastrophe exposure states [(4)]	1,606	954	59.4%	287	17.9%	
Total	$ 3,536	$ 2,236	63.2%	$ 826	23.4%	

(1) **Basis of Presentation**

This homeowners supplemental information schedule displays financial results for the homeowners business (defined to include standard homeowners, schedul residence lines). Each state in which the Company writes business has been categorized into one of two exposure groupings (Hurricane or Other). Hurricane e which hurricanes are the primary catastrophe exposure. However, the catastrophe losses for these states include losses due to other kinds of catastrophes. A c that produces pre-tax losses before reinsurance in excess of $1 million and involves multiple first party policyholders, or a winter weather event that produces a r event threshold of average claims in a specific area, occurring within a certain amount of time following the event.

(2) Hurricane exposure states include the following coastal locations: Alabama, Connecticut, Delaware, Florida, Georgia, Louisiana, Maine, Maryland, Massachuse New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Texas, Virginia and Washington, D.C.

(3) Represents the impact in the locations where rate changes were approved during the year as a percentage of total prior year-end premiums written in those loca

(4) Includes Canada.

THE ALLSTATE CORPORATION
CATASTROPHE LOSSES BY BRAND
($ in millions)

	Three months ended					
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	Ma
Allstate brand						
Auto	$ 143	$ 13	$ 9	$ 80	$ 178	$
Homeowners	528	227	62	355	617	
Other personal lines	47	29	11	19	48	
Commercial lines	12	5	6	4	10	
Other business lines	-	-	-	-	-	
Total	730	274	88	458	853	
Esurance brand						
Auto	7	-	1	7	10	
Homeowners	1	-	-	-	-	
Other personal lines	-	-	-	-	-	
Total	8	-	1	7	10	
Encompass brand						
Auto	5	-	-	5	15	
Homeowners	52	18	6	45	56	
Other personal lines	2	2	-	2	2	
Total	59	20	6	52	73	
Allstate Protection	$ 797	$ 294	$ 95	$ 517	$ 936	$
Allstate Protection						
Auto	$ 155	$ 13	$ 10	$ 92	$ 203	$
Homeowners	581	245	68	400	673	
Other personal lines	49	31	11	21	50	
Commercial lines	12	5	6	4	10	
Other business lines	-	-	-	-	-	
	$ 797	$ 294	$ 95	$ 517	$ 936	$

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY
EFFECT OF CATASTROPHE LOSSES ON THE COMBINED RATIO
($ in millions)

	Effect of all catastrophe losses on the Property-Liability combined ratio					Premiums earned	Total catastrophe
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year	year-to-date	losses by year
2006	1.6	3.7	2.5	4.1	3.0	$ 27,369	$ 810 $
2007	2.4	6.3	5.0	7.0	5.2	27,233	1,409
2008	8.4	10.3	26.8	3.9	12.4	26,967	3,342
2009	7.8	12.5	6.2	5.0	7.9	26,194	2,069
2010	10.0	9.8	5.9	8.3	8.5	25,957	2,207
2011	5.2	36.2	16.7	1.0	14.7	25,942	3,815
2012	3.9	12.3	3.1	15.7	8.8	26,737	2,345
2013	5.3	9.4	1.8	1.7	4.5	27,618	1,251
2014	6.3	13.0	7.1	1.3	6.9	28,929	1,993
2015	4.0	10.6				14,975	1,091
Average	5.4	12.3	8.3	5.3	7.9		

THE ALLSTATE CORPORATION
CATASTROPHE BY SIZE OF EVENT
($ in millions)

Three months ended June 30, 2015

Size of catastrophe	Number of events		Claims and claims expense	
Greater than $250 million	-	- %	$ -	- %
$101 million to $250 million	1	3.0	130	16.3
$50 million to $100 million	5	15.2	316	39.6
Less than $50 million	27	81.8	348	43.7
Total	33	100.0 %	794	99.6
Prior year reserve reestimates			8	1.0
Prior quarter reserve reestimates			(5)	(0.6)
Total catastrophe losses			$ 797	100.0 %

Six months ended June 30, 2015

Size of catastrophe	Number of events		Claims and claims expense	
Greater than $250 million	-	- %	$ -	- %
$101 million to $250 million	2	4.5	233	21.4
$50 million to $100 million	7	15.9	430	39.4
Less than $50 million	35	79.6	425	38.9
Total	44	100.0 %	1,088	99.7
Prior year reserve reestimates			3	0.3
Total catastrophe losses			$ 1,091	100.0 %

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY
PRIOR YEAR RESERVE REESTIMATES
($ in millions)

	Three months ended					
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	Marcl 20
Prior Year Reserve Reestimates [1]						
Auto	$ 11	$ 24	$ (75)	$ (79)	$ (36)	$
Homeowners	4	1	(21)	(9)	41	
Other personal lines	6	1	20	11	(12)	
Commercial lines	4	10	(1)	(17)	(1)	
Other business lines	1	-	(1)	-	-	
Allstate Protection	26	36	(78)	(94)	(8)	
Discontinued Lines and Coverages	2	1	2	105	2	
Property-Liability	$ 28	$ 37	$ (76)	$ 11	$ (6)	$
Allstate brand [2]	$ 26	$ 47	$ (69)	$ (85)	$ (6)	$
Esurance brand	(3)	(4)	(5)	(3)	(5)	
Encompass brand [2]	3	(7)	(4)	(6)	3	
Allstate Protection [2]	$ 26	$ 36	$ (78)	$ (94)	$ (8)	$
Effect of Prior Year Reserve Reestimates on Combined Ratio [1][3]						
Auto	0.2	0.3	(1.0)	(1.1)	(0.5)	
Homeowners	-	-	(0.3)	(0.1)	0.6	
Other personal lines	0.1	-	0.3	0.2	(0.2)	
Commercial lines	-	0.2	-	(0.3)	-	
Other business lines	-	-	-	-	-	
Allstate Protection	0.3	0.5	(1.0)	(1.3)	(0.1)	
Discontinued Lines and Coverages	-	-	-	1.4	-	
Property-Liability	0.3	0.5	(1.0)	0.1	(0.1)	
Allstate brand [2]	0.3	0.6	(0.9)	(1.2)	(0.1)	
Esurance brand	-	-	-	-	(0.1)	
Encompass brand [2]	-	(0.1)	(0.1)	(0.1)	0.1	
Allstate Protection [2]	0.3	0.5	(1.0)	(1.3)	(0.1)	

[1] Favorable reserve reestimates are shown in parentheses.
[2] Unfavorable (favorable) reserve reestimates included in catastrophe losses for Allstate brand, Encompass brand and Allstate Protection totaled $7 milli
$1 million and $36 million, respectively, in the three months ended June 30, 2015 and 2014, respectively. Unfavorable (favorable) reserve reestimates i
brand, Encompass brand and Allstate Protection totaled $5 million, $(2) million, $3 million and $38 million, $0 million and $38 million, respectively, in the
2014, respectively.
[3] Calculated using Property-Liability premiums earned for the respective period.

THE ALLSTATE CORPORATION
ASBESTOS AND ENVIRONMENTAL RESERVES
($ in millions)

	Three months ended		Twelve months ended Dece		
(net of reinsurance)	June 30, 2015	March 31, 2015	2014	2013	2012
Asbestos claims					
Beginning reserves	$ 993	$ 1,014	$ 1,017	$ 1,026	$ 1,078
Incurred claims and claims expense	-	-	87	74	26
Claims and claims expense paid	(16)	(21)	(90)	(83)	(78)
Ending reserves	$ 977	$ 993	$ 1,014	$ 1,017	$ 1,026
Claims and claims expense paid as a percent of ending reserves	1.6%	2.1%	8.9%	8.2%	7.6%
Environmental claims					
Beginning reserves	$ 199	$ 203	$ 208	$ 193	$ 185
Incurred claims and claims expense	-	-	15	30	22
Claims and claims expense paid	(9)	(4)	(20)	(15)	(14)
Ending reserves	$ 190	$ 199	$ 203	$ 208	$ 193
Claims and claims expense paid as a percent of ending reserves	4.7%	2.0%	9.9%	7.2%	7.3%

THE ALLSTATE CORPORATION
ALLSTATE PERSONAL LINES-AUTO, HOMEOWNERS AND OTHER PERSONAL LINES PROFITABILITY ME

($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Net premiums written					
Auto	$ 4,588	$ 4,535	$ 4,347	$ 4,490	$ 4,37
Homeowners	1,819	1,379	1,598	1,831	1,76
Landlord	138	128	140	147	13
Renter	73	67	64	79	7
Condominium	63	51	57	62	6
Other	150	111	115	138	14
Other personal lines	424	357	376	426	41
Total	6,831	6,271	6,321	6,747	6,55
Net premiums earned					
Auto	$ 4,524	$ 4,432	$ 4,376	$ 4,352	$ 4,29
Homeowners	1,645	1,631	1,625	1,616	1,59
Other personal lines	395	391	390	389	38
Total	6,564	6,454	6,391	6,357	6,27
Incurred losses					
Auto	$ 3,431	$ 3,175	$ 3,103	$ 2,964	$ 3,01
Homeowners	1,147	894	634	930	1,21
Other personal lines	259	244	223	229	22
Total	4,837	4,313	3,960	4,123	4,44
Expenses					
Auto	$ 1,155	$ 1,113	$ 1,140	$ 1,088	$ 1,08
Homeowners	372	389	399	382	35
Other personal lines	105	105	118	103	10
Total	1,632	1,607	1,657	1,573	1,55
Underwriting income (loss)					
Auto	$ (62)	$ 144	$ 133	$ 300	$ 19
Homeowners	126	348	592	304	2
Other personal lines	31	42	49	57	5
Total	95	534	774	661	27
Loss ratio	73.7	66.8	62.0	64.9	70.
Expense ratio	24.9	24.9	25.9	24.7	24.
Combined ratio	98.6	91.7	87.9	89.6	95.
Effect of catastrophe losses on combined ratio	10.9	4.2	1.3	7.1	13.
Effect of prior year reserve reestimates on combined ratio	0.3	0.6	(1.0)	(1.1)	(0.
Underlying combined ratio	87.4	86.9	87.6	83.6	82.
Effect of catastrophe losses	10.9	4.2	1.3	7.1	13.
Effect of prior year non-catastrophe reserve reestimates	0.3	0.6	(1.0)	(1.1)	(0.
Combined ratio	98.6	91.7	87.9	89.6	95.
Policies in Force (in thousands)					
Auto	20,258	20,036	19,916	19,751	19,60
Homeowners	6,141	6,114	6,106	6,082	6,06
Other personal lines	4,170	4,135	4,107	4,084	4,05
Excess and surplus	26	27	27	26	2
Total	30,595	30,312	30,156	29,943	29,75

(1) Allstate Personal Lines comprise Allstate brand auto, homeowners and other personal lines. Allstate Protection segment comprises Allstate Personal Lines and Emerging Busi

THE ALLSTATE CORPORATION
EMERGING BUSINESSES - ESURANCE, ENCOMPASS, COMMERCIAL LINES, OTHER BUSINESS LINES AND ANSWER FINANC
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Net premiums written					
Esurance	$ 371	$ 441	$ 359	$ 408	$ 340
Encompass	338	282	310	343	341
Commercial lines	138	128	126	122	130
Allstate Roadside Services	88	91	86	96	94
Allstate Dealer Services	111	93	90	89	86
Other business lines	199	184	176	185	180
Total	1,046	1,035	971	1,058	991
Net premiums earned					
Esurance	$ 402	$ 387	$ 381	$ 373	$ 366
Encompass	318	319	317	318	308
Commercial lines	128	125	125	120	121
Other business lines	137	141	140	138	131
Total	985	972	963	949	926
Incurred losses					
Esurance	$ 304	$ 299	$ 302	$ 285	$ 276
Encompass	273	213	200	254	273
Commercial lines	105	98	88	72	78
Other business lines	66	69	65	70	64
Total	748	679	655	681	691
Expenses					
Esurance	$ 139	$ 157	$ 138	$ 150	$ 135
Encompass	95	92	95	95	94
Commercial lines	40	38	41	38	35
Other business lines	63	69	63	63	52
Answer Financial	3	2	4	4	3
Total	340	358	341	350	319
Underwriting income (loss)					
Esurance	$ (41)	$ (69)	$ (59)	$ (62)	$ (45
Encompass	(50)	14	22	(31)	(59
Commercial lines	(17)	(11)	(4)	10	8
Other business lines	8	3	12	5	15
Answer Financial	(3)	(2)	(4)	(4)	(3
Total	(103)	(65)	(33)	(82)	(84
Loss ratio	76.0	69.9	68.0	71.7	74.6
Expense ratio	34.5	36.8	35.4	36.9	34.5
Combined ratio	110.5	106.7	103.4	108.6	109.1
Effect of catastrophe losses on combined ratio	8.0	2.6	1.3	6.6	10.0
Effect of prior year reserve reestimates on combined ratio	0.5	(0.1)	(1.2)	(2.7)	(0.3
Effect of amortization of purchased intangible assets	1.4	1.2	1.8	1.8	1.9
Underlying combined ratio	101.0	102.8	101.6	103.2	97.6
Effect of catastrophe losses	8.0	2.6	1.3	6.6	10.0
Effect of prior year non-catastrophe reserve reestimates	0.1	0.1	(1.3)	(3.0)	(0.4
Effect of amortization of purchased intangible assets	1.4	1.2	1.8	1.8	1.9
Combined ratio	110.5	106.7	103.4	108.6	109.1
Policies in Force (in thousands)					
Esurance	1,522	1,527	1,470	1,449	1,431
Encompass	1,240	1,259	1,277	1,280	1,276
Commercial lines	330	326	325	320	313
Other business lines	937	941	948	958	972
Total	4,029	4,053	4,020	4,007	3,992

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL RESULTS [1]
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Premiums	$ 326	$ 328	$ 312	$ 308	$ 312
Contract charges	210	209	208	204	206
Net investment income	489	484	480	473	538
Periodic settlements and accruals on non-hedge derivative instruments	-	-	-	-	(1)
Contract benefits	(446)	(441)	(431)	(433)	(413)
Interest credited to contractholder funds	(191)	(192)	(199)	(200)	(208)
Amortization of deferred policy acquisition costs	(62)	(69)	(60)	(56)	(65)
Operating costs and expenses	(118)	(123)	(121)	(115)	(112)
Restructuring and related charges	(2)	-	-	1	(1)
Income tax expense on operations	(67)	(62)	(61)	(57)	(91)
Operating income	139	134	128	125	165
Realized capital gains and losses, after-tax	38	72	81	19	(6)
Valuation changes on embedded derivatives that are not hedged, after-tax	4	(5)	(3)	2	(3)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(2)	-	-	(3)	-
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	-	-	-	-	-
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	-	-	-	1
(Loss) gain on disposition of operations, after-tax	-	(1)	2	(27)	(12)
Change in accounting for investments in qualified affordable housing projects, after-tax	-	(17)	-	-	-
Net income available to common shareholders	$ 179	$ 183	$ 208	$ 116	$ 145

(1) Refer to page 38 for further details related to the impact of LBL on comparison of Allstate Financial results.

THE ALLSTATE CORPORATION
IMPACT OF LBL ON COMPARISON OF ALLSTATE FINANCIAL RESULTS (1)
($ in millions)

	Six months ended			
	June 30, 2015	June 30, 2014	Change	Q1 2014 LBL results
Premiums and contract charges	$ 1,073	$ 1,125	$ (52)	$ 85
Net investment income	973	1,178	(205)	126
Periodic settlements and accruals on non-hedge derivative instruments	-	(1)	1	
Contract benefits	(887)	(901)	14	(65)
Interest credited to contractholder funds	(383)	(499)	116	(80)
Amortization of deferred policy acquisition costs	(131)	(139)	8	(6)
Operating costs and expenses	(241)	(230)	(11)	(8)
Restructuring and related charges	(2)	(3)	1	-
Income tax expense on operations	(129)	(176)	47	(18)
Operating income	273	354	(81)	34
Realized capital gains and losses, after-tax	110	(6)	116	-
Valuation changes on embedded derivatives that are not hedged, after-tax	(1)	(14)	13	(6)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(2)	-	(2)	-
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	-	-	-	-
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	1	(1)	-
(Loss) gain on disposition of operations, after-tax	(1)	(28)	27	-
Change in accounting for investments in qualified affordable housing projects, after-tax	(17)	-	(17)	-
Net income available to common shareholders	$ 362	$ 307	$ 55	$ 28

(1) As a result of our LBL disposition on April 1, 2014, Allstate Financial results no longer include LBL beginning in the secor 2014. To assist with comparison of Allstate Financial results between periods, results of LBL's business for the first quarte were excluded in this presentation.

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL
RETURN ON ATTRIBUTED EQUITY
($ in millions)

	Twelve months ended			
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Return on Attributed Equity				
Numerator:				
Net income available to common shareholders [(1)]	$ 686	$ 652	$ 631	$ 542
Denominator:				
Beginning attributed equity [(2)]	$ 7,262	$ 7,812	$ 7,273	$ 7,819
Ending attributed equity	7,621	7,920	7,672	7,356
Average attributed equity [(3)]	$ 7,442	$ 7,866	$ 7,473	$ 7,588
Return on attributed equity	9.2 %	8.3 %	8.4 %	7.1
Operating Income Return on Attributed Equity				
Numerator:				
Operating income [(1)]	$ 526	$ 552	$ 607	$ 639
Denominator:				
Beginning attributed equity [(2)]	$ 7,262	$ 7,812	$ 7,273	$ 7,819
Unrealized net capital gains and losses	1,285	1,280	946	1,076
Adjusted beginning attributed equity	5,977	6,532	6,327	6,743
Ending attributed equity	7,621	7,920	7,672	7,356
Unrealized net capital gains and losses	1,030	1,499	1,420	1,305
Adjusted ending attributed equity	6,591	6,421	6,252	6,051
Average adjusted attributed equity [(3)]	$ 6,284	$ 6,477	$ 6,290	$ 6,397
Operating income return on attributed equity	8.4 %	8.5 %	9.7 %	10.0

(1) Net income available to common shareholders and operating income reflect a trailing twelve-month period.
(2) Allstate Financial attributed equity is the sum of equity for Allstate Life Insurance Company and the applicable equity for Allstate Financial Insurance Hold
(3) Average attributed equity and average adjusted attributed equity are determined using a two-point average, with the beginning and ending attributed equi for the twelve-month period as data points.

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL PREMIUMS AND CONTRACT CHARGES
($ in millions)

	Three months ended					
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	Ma
PREMIUMS AND CONTRACT CHARGES - BY PRODUCT						
Underwritten Products						
Traditional life insurance premiums	$ 131	$ 132	$ 133	$ 126	$ 125	$
Accident and health insurance premiums	195	196	180	182	187	
Interest-sensitive life insurance contract charges	207	206	203	200	202	
	533	534	516	508	514	
Annuities						
Immediate annuities with life contingencies premiums	-	-	(1)	-	-	
Other fixed annuity contract charges	3	3	5	4	4	
	3	3	4	4	4	
Total	$ 536	$ 537	$ 520	$ 512	$ 518	$
PREMIUMS AND CONTRACT CHARGES - BY DISTRIBUTION CHANNEL						
Allstate agencies (1)	$ 297	$ 297	$ 294	$ 288	$ 285	$
Workplace enrolling agents	209	210	198	198	203	
Other (2)	30	30	28	26	30	
Total	$ 536	$ 537	$ 520	$ 512	$ 518	$
PREMIUMS AND CONTRACT CHARGES - BY PRODUCT INCLUDED IN LINCOLN BENEFIT LIFE COMPANY SALE (3)						
Underwritten Products						
Traditional life insurance premiums	$ -	$ -	$ -	$ -	$ -	$
Accident and health insurance premiums	-	-	-	-	-	
Interest-sensitive life insurance contract charges	-	-	-	-	-	
	-	-	-	-	-	
Annuities						
Immediate annuities with life contingencies premiums	-	-	-	-	-	
Other fixed annuity contract charges	-	-	-	-	-	
	-	-	-	-	-	
Total	$ -	$ -	$ -	$ -	$ -	$
PROPRIETARY LIFE INSURANCE POLICIES SOLD BY ALLSTATE AGENCIES (4)	34,494	30,091	38,576	31,974	30,267	
ALLSTATE BENEFITS NEW BUSINESS WRITTEN PREMIUMS (5)	$ 64	$ 65	$ 183	$ 63	$ 58	$

(1) Includes products directly sold through call centers and internet.
(2) Primarily represents independent master brokerage agencies and specialized brokers.
(3) Amounts are included in section above. On April 1, 2014, the sale of LBL was completed.
(4) Policies sold reduced by lapses within twelve months of sale.
(5) New business written premiums reflect annualized premiums at initial customer enrollment (including new accounts and new employees or policies of existing accounts), that are expected to lapse. A significant portion of Allstate Benefits business is seasonally written in the fourth quarter during many clients' annual employee benefits enro

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL CHANGE IN CONTRACTHOLDER FUNDS
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	Ju
Contractholders funds, beginning balance	$ 22,267	$ 22,529	$ 22,848	$ 23,472	$
Contractholders funds classified as held for sale, beginning balance	-	-	-	-	
Total contractholders funds, including those classified as held for sale	22,267	22,529	22,848	23,472	
Deposits					
Interest-sensitive life insurance	253	249	248	247	
Fixed annuities	53	51	43	48	
Total deposits	306	300	291	295	
Interest credited	185	199	202	197	
Benefits, withdrawals, maturities and other adjustments					
Benefits	(285)	(273)	(242)	(286)	
Surrenders and partial withdrawals	(303)	(305)	(377)	(630)	
Maturities of and interest payments on institutional products	(1)	-	(1)	(1)	
Contract charges	(203)	(203)	(204)	(197)	
Net transfers from separate accounts	2	1	1	2	
Other adjustments	-	19	11	(4)	
Total benefits, withdrawals, maturities and other adjustments	(790)	(761)	(812)	(1,116)	
Contractholder funds sold in LBL disposition	-	-	-	-	
Contractholder funds classified as held for sale, ending balance	-	-	-	-	
Contractholder funds, ending balance	$ 21,968	$ 22,267	$ 22,529	$ 22,848	$

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL ANALYSIS OF NET INCOME
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Benefit spread					
Premiums	$ 326	$ 328	$ 312	$ 308	$ 312
Cost of insurance contract charges [1]	138	138	136	135	135
Contract benefits excluding the implied interest on immediate annuities with life contingencies [2]	(319)	(312)	(301)	(302)	(283)
Total benefit spread	145	154	147	141	164
Investment spread					
Net investment income	489	484	480	473	538
Implied interest on immediate annuities with life contingencies [2]	(127)	(129)	(130)	(131)	(130)
Interest credited to contractholder funds	(185)	(199)	(202)	(198)	(212)
Total investment spread	177	156	148	144	196
Surrender charges and contract maintenance expense fees [1]	72	71	72	69	71
Realized capital gains and losses	59	111	125	28	(10)
Amortization of deferred policy acquisition costs	(65)	(70)	(62)	(58)	(66)
Operating costs and expenses	(118)	(123)	(121)	(115)	(112)
Restructuring and related charges	(2)	-	-	1	(1)
Gain (loss) on disposition of operations	1	(2)	3	(26)	(8)
Income tax expense	(90)	(114)	(104)	(68)	(89)
Net income available to common shareholders	$ 179	$ 183	$ 208	$ 116	$ 145
Benefit spread by product group					
Life insurance	$ 65	$ 68	$ 72	$ 72	$ 86
Accident and health insurance	97	107	91	99	97
Annuities	(17)	(21)	(16)	(30)	(19)
Total benefit spread	$ 145	$ 154	$ 147	$ 141	$ 164
Investment spread by product group					
Annuities and institutional products	$ 77	$ 69	$ 58	$ 54	$ 98
Life insurance	33	33	24	23	26
Accident and health insurance	4	4	4	4	4
Net investment income on investments supporting capital	57	57	65	61	72
Investment spread before valuation changes on embedded derivatives that are not hedged	171	163	151	142	200
Valuation changes on derivatives embedded in equity-indexed annuity contracts that are not hedged	6	(7)	(3)	2	(4)
Total investment spread	$ 177	$ 156	$ 148	$ 144	$ 196
[1] **Reconciliation of contract charges**					
Cost of insurance contract charges	$ 138	$ 138	$ 136	$ 135	$ 135
Surrender charges and contract maintenance expense fees	72	71	72	69	71
Total contract charges	$ 210	$ 209	$ 208	$ 204	$ 206
[2] **Reconciliation of contract benefits**					
Contract benefits excluding the implied interest on immediate annuities with life contingencies	$ (319)	$ (312)	$ (301)	$ (302)	$ (283)
Implied interest on immediate annuities with life contingencies	(127)	(129)	(130)	(131)	(130)
Total contract benefits	$ (446)	$ (441)	$ (431)	$ (433)	$ (413)

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL WEIGHTED AVERAGE INVESTMENT SPREADS

	Three months ended June 30, 2015			Three mo	
	Weighted average investment yield	Weighted average interest crediting rate	Weighted average investment spreads	Weighted average investment yield	W int
Interest-sensitive life insurance	5.1 %	3.9 %	1.2 %	5.3 %	
Deferred fixed annuities and institutional products	4.4	2.8	1.6	4.4	
Immediate fixed annuities with and without life contingencies	7.5	5.9	1.6	8.0	
Investments supporting capital, traditional life and other products	4.1	n/a	n/a	4.8	

	Six months ended June 30, 2015			Six month	
	Weighted average investment yield	Weighted average interest crediting rate	Weighted average investment spreads	Weighted average investment yield	W int
Interest-sensitive life insurance	5.1 %	3.9 %	1.2 %	5.3 %	
Deferred fixed annuities and institutional products	4.4	2.8	1.6	4.4	
Immediate fixed annuities with and without life contingencies	7.4	5.9	1.5	7.8	
Investments supporting capital, traditional life and other products	4.2	n/a	n/a	4.4	

[1] For purposes of these calculations, investments, reserves and contractholder funds classified as held for sale were included for periods prior to April 1, 2014.

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL SUPPLEMENTAL PRODUCT INFORMATION
($ in millions)

	As of June 30, 2015		Twelve months ended June 30, 2015	
	Reserves and Contractholder funds	Attributed equity excluding unrealized capital gains/losses [(3)(4)]	Operating income [(5)]	June 2015
Underwritten products				
Life insurance	$ 10,585	$ 2,508	$ 244	9.
Accident and health insurance	836	660	100	14.
Subtotal	11,421	3,168	344	10.
Annuities and institutional products:				
Immediate Annuities:				
Sub-standard structured settlements and group pension terminations [(1)]	5,040	1,538	6	0.
Standard structured settlements and SPIA [(2)]	7,056	1,104	69	8.
Subtotal	12,096	2,642	75	3.
Deferred Annuities	10,592	779	106	10.
Institutional products	86	2	1	
Subtotal	22,774	3,423	182	6.
Total Allstate Financial	$ 34,195	$ 6,591	$ 526	8.

	Six months ended June 30, 2015			
	Life insurance	Accident and health insurance	Annuities and institutional products	Allstate Financial
Operating income	$ 121	$ 48	$ 104	$ 273
Realized capital gains and losses, after-tax	12	-	98	110
Valuation changes on embedded derivatives that are not hedged, after-tax	-	-	(1)	(1)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(3)	-	1	(2)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	-	-	-	-
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	-	-	-
Loss on disposition of operations, after-tax	(1)	-	-	(1)
Change in accounting for investments in qualified affordable housing projects, after-tax	(6)	-	(11)	(17)
Net income available to common shareholders	$ 123	$ 48	$ 191	$ 362

(1) Structured settlement annuities for annuitants with severe injuries or other health impairments which significantly reduced their life expectancy at the time the annuity was issued and group annuity contrac
(2) Life-contingent structured settlement annuities for annuitants with standard life expectancy, period certain structured settlements and single premium immediate annuities with and without life contingencie
(3) Total Allstate Financial attributed equity is the sum of equity for Allstate Life Insurance Company and the applicable equity for Allstate Financial Insurance Holdings Corporation, excluding unrealized capit
(4) Attributed equity is allocated to each product line based on statutory capital adjusted for GAAP reporting differences and the amount of capital held in Allstate Financial may vary from economic capital. Th invested asset risk, insurance risk (mortality and morbidity), interest rate risk and business risk. Due to the unavailability of final statutory financial statements at the time we release our GAAP financial re quarters. Statutory capital is adjusted for appropriate GAAP accounting differences. Changes in internal capital factors, investment portfolio mix and risk as well as changes in GAAP and statutory reporti products.
(5) Product line operating income includes allocation of income on investments supporting capital. Operating income reflects a trailing twelve-month period.

THE ALLSTATE CORPORATION

ALLSTATE FINANCIAL INSURANCE POLICIES AND ANNUITIES IN FORCE [(1)]

(in thousands)

	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
ALLSTATE FINANCIAL INSURANCE POLICIES AND ANNUITIES IN FORCE BY PRODUCT				
Underwritten products				
Life insurance	2,456	2,448	2,434	2,432
Accident and health insurance	2,843	2,777	2,555	2,530
	5,299	5,225	4,989	4,962
Annuities				
Deferred annuities	181	186	191	197
Immediate annuities	105	106	108	108
	286	292	299	305
Total	5,585	5,517	5,288	5,267
ALLSTATE FINANCIAL INSURANCE POLICIES AND ANNUITIES IN FORCE BY SOURCE OF BUSINESS				
Allstate Agencies [(2)]	1,911	1,904	1,902	1,898
Allstate Benefits	3,287	3,218	2,983	2,957
Other [(3)]	387	395	403	412
Total	5,585	5,517	5,288	5,267
INSURANCE POLICIES AND ANNUITIES IN FORCE INCLUDED IN LINCOLN BENEFIT LIFE COMPANY SALE				
Life insurance	-	-	-	-
Deferred annuities	-	-	-	-
Total	-	-	-	-

(1) Allstate Financial insurance policies and annuities in force reflect the number of contracts in force excluding sold blocks of business that remain on th dispositions of the business being effected through reinsurance arrangements. Policy counts associated with our voluntary employee benefits group l opposed to group counts.

(2) Excludes Allstate Benefits products sold through Allstate Agencies, which are included in the Allstate Benefits line.

(3) Primarily business sold by independent master brokerage agencies, banks/broker-dealers and specialized structured settlement brokers.

THE ALLSTATE CORPORATION

ALLSTATE LIFE AND ANNUITIES AND ALLSTATE BENEFITS RESULTS AND PRODUCT INFORMAT

($ in millions)

	For the six months ended June 30, 2015			
	Allstate Life	Allstate Annuities	Allstate Benefits	Allstate Financial Segment
Premiums	$ 249	$ -	$ 405	$ 654
Contract charges	360	6	53	419
Net investment income	241	696	36	973
Periodic settlements and accruals on non-hedge derivative instruments	-	-	-	-
Contract benefits	(373)	(299)	(215)	(887)
Interest credited to contractholder funds	(140)	(225)	(18)	(383)
Amortization of deferred policy acquisition costs	(62)	(3)	(66)	(131)
Operating costs and expenses	(111)	(20)	(110)	(241)
Restructuring and related charges	(2)	-	-	(2)
Income tax expense on operations	(48)	(51)	(30)	(129)
Operating income	114	104	55	273
Realized capital gains and losses, after-tax	12	98	-	110
Valuation changes on embedded derivatives that are not hedged, after-tax	-	(1)	-	(1)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(3)	1	-	(2)
DAC and DSI unlocking relating to realized capital gains and losses, after tax	-	-	-	-
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	-	-	-
Loss on disposition of operations, after-tax	(1)	-	-	(1)
Change in accounting for investments in qualified affordable housing projects, after-tax	(6)	(11)	-	(17)
Net income	$ 116	$ 191	$ 55	$ 362
Premiums and Contract Charges - by Product				
Underwritten Products				
Traditional life insurance premiums	$ 248	$ -	$ 15	$ 263
Accident and health insurance	1	-	390	391
Interest-sensitive life insurance contract charges	360	-	53	413
	609	-	458	1,067
Annuities				
Immediate annuities with life contingencies premiums	-	-	-	-
Other fixed annuity contract charges	-	6	-	6
	-	6	-	6
Total life and annuity premiums and contract charges	$ 609	$ 6	$ 458	$ 1,073
Benefit Spread by Product Group				
Life Insurance	$ 122	$ -	$ 11	$ 133
Accident and health insurance	(4)	-	208	204
Annuities	-	(38)	-	(38)
Total benefit spread	$ 118	$ (38)	$ 219	$ 299
Investment Spread by Product Group				
Annuities and institutional products	$ -	$ 146	$ -	$ 146
Life insurance	61	-	5	66
Accident and health insurance	3	-	5	8
Net investment income on investments supporting capital	39	67	8	114
Investment spread before valuation changes on embedded derivatives that are not hedged	103	213	18	334
Valuation changes on derivatives embedded in equity-indexed annuity contracts that are not hedged	-	(1)	-	(1)
Total investment spread	$ 103	$ 212	$ 18	$ 333

THE ALLSTATE CORPORATION
CORPORATE AND OTHER RESULTS
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
Net investment income	$ 8	$ 8	$ 5	$ 6	$ 9
Operating costs and expenses	(9)	(5)	(14)	(6)	(10)
Interest expense	(73)	(73)	(73)	(77)	(84)
Income tax benefit on operations	28	26	32	28	32
Preferred stock dividends	(29)	(29)	(29)	(31)	(31)
Operating loss	(75)	(73)	(79)	(80)	(84)
Realized capital gains and losses, after-tax	-	-	-	-	(1)
Net loss available to common shareholders	$ (75)	$ (73)	$ (79)	$ (80)	$ (85)

THE ALLSTATE CORPORATION
INVESTMENTS
($ in millions)

PROPERTY-LIABILITY

	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	June 30, 2015
Fixed income securities, at fair value:						
Tax-exempt	$ 4,418	$ 4,362	$ 4,138	$ 4,288	$ 4,353	$ 23
Taxable	25,192	25,674	26,696	27,078	26,091	27,768
Equity securities, at fair value	3,018	3,074	3,076	3,053	4,072	979
Mortgage loans	343	333	370	372	373	4,000
Limited partnership interests	2,466	2,571	2,498	2,411	2,438	2,066
Short-term, at fair value	1,108	932	822	1,328	812	1,053
Other	1,602	1,536	1,483	1,401	1,531	1,909
Total	$ 38,147	$ 38,482	$ 39,083	$ 39,931	$ 39,670	$ 37,798
Fixed income securities, amortized cost:						
Tax-exempt	$ 4,362	$ 4,276	$ 4,054	$ 4,181	$ 4,238	$ 24
Taxable	24,990	25,181	26,376	26,715	25,484	26,091
Ratio of fair value to amortized cost	100.9%	102.0%	101.3%	101.5%	102.4%	106.4%
Equity securities, cost	$ 2,699	$ 2,706	$ 2,723	$ 2,745	$ 3,492	$ 947
Short-term, amortized cost	1,108	932	822	1,328	812	1,053

CORPORATE AND OTHER

	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	June 30, 2015
Fixed income securities, at fair value:						
Tax-exempt	$ 569	$ 568	$ 564	$ 561	$ 565	$ 5,010
Taxable	1,960	1,973	1,960	1,363	1,725	54,920
Equity securities, at fair value	3	3	-	-	-	4,000
Mortgage loans	-	-	-	-	-	4,343
Limited partnership interests	4	4	5	4	5	4,536
Short-term, at fair value	660	617	692	255	1,064	2,821
Other	-	-	-	-	-	3,511
Total	$ 3,196	$ 3,165	$ 3,221	$ 2,183	$ 3,359	$ 79,141
Fixed income securities, amortized cost:						
Tax-exempt	$ 551	$ 547	$ 543	$ 536	$ 541	$ 4,937
Taxable	1,953	1,958	1,957	1,360	1,718	53,034
Ratio of fair value to amortized cost	101.0%	101.4%	101.0%	101.5%	101.4%	103.4%
Equity securities, cost	$ 3	$ 3	$ -	$ -	$ -	$ 3,649
Short-term, amortized cost	660	617	692	255	1,064	2,821

THE ALLSTATE CORPORATION
LIMITED PARTNERSHIP INVESTMENTS
($ in millions)

	As of or for the three months ended			
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Investment position				
Accounting basis				
Cost method	$ 1,130	$ 1,137	$ 1,122	$ 1,144
Equity method ("EMA") [(1)]	3,406	3,562	3,405	3,204
Total	$ 4,536	$ 4,699	$ 4,527	$ 4,348
Cost method-fair value [(2)]	$ 1,482	$ 1,494	$ 1,488	$ 1,555
Underlying investment				
Private equity / debt funds	$ 3,012	$ 2,969	$ 2,756	$ 2,759
Real estate funds	1,164	1,366	1,413	1,425
Other [(3)]	360	364	358	164
Total	$ 4,536	$ 4,699	$ 4,527	$ 4,348
Segment				
Property-Liability	$ 2,466	$ 2,571	$ 2,498	$ 2,411
Allstate Financial	2,066	2,124	2,024	1,933
Corporate and Other	4	4	5	4
Total	$ 4,536	$ 4,699	$ 4,527	$ 4,348
Total Income				
Accounting basis				
Cost method	$ 75	$ 42	$ 60	$ 25
Equity method	43	156	55	137
Total	$ 118	$ 198	$ 115	$ 162
Underlying investment				
Private equity / debt funds	$ 113	$ 80	$ 96	$ 66
Real estate funds	10	123	25	93
Other	(5)	(5)	(6)	3
Total	$ 118	$ 198	$ 115	$ 162
Segment				
Property-Liability	$ 45	$ 126	$ 57	$ 112
Allstate Financial	73	72	58	51
Corporate and Other	-	-	-	(1)
Total	$ 118	$ 198	$ 115	$ 162

(1) As of June 30, 2015, valuations of EMA limited partnerships include approximately $483 million of cumulative pre-tax appreciation tha
in earnings but has not been distributed to investors.

(2) The fair value of cost method limited partnerships is determined using reported net asset values of the underlying funds.

(3) In periods prior to June 30, 2014, other included tax credit funds.

THE ALLSTATE CORPORATION
UNREALIZED NET CAPITAL GAINS AND LOSSES ON SECURITY PORTFOLIO BY TYPE
($ in millions)

	June 30, 2015			March 31, 2015		
	Unrealized net capital gains and losses	Fair value	Fair value as a percent of amortized cost [1]	Unrealized net capital gains and losses	Fair value	Fair value as a percent of amortized cost [1]
Fixed income securities						
U.S. government and agencies	$ 109	$ 3,936	102.8	$ 134	$ 4,106	103.4
Municipal	483	8,594	106.0	670	8,713	108.3
Corporate	1,164	42,317	102.8	2,120	42,375	105.3
Foreign government	66	1,324	105.2	85	1,375	106.6
Asset-backed securities ("ABS")	(5)	2,076	99.8	8	3,055	100.3
Residential mortgage-backed securities ("RMBS")	101	1,083	110.3	105	1,154	110.0
Commercial mortgage-backed securities ("CMBS")	37	575	106.9	42	600	107.5
Redeemable preferred stock	4	25	119.0	4	25	119.0
Total fixed income securities	1,959	59,930	103.4	3,168	61,403	105.4
Equity securities	351	4,000	109.6	414	4,166	111.0
Short-term investments	-	2,821	100.0	-	2,497	100.0
Derivatives	3	60	n/a	3	79	n/a
EMA limited partnership interests [2]	(5)	n/a	n/a	(4)	n/a	n/a
Investments classified as held for sale	-	n/a	n/a	-	n/a	n/a
Unrealized net capital gains and losses, pre-tax	2,308			3,581		
Amounts recognized for:						
Insurance reserves [3]	-			(79)		
DAC and DSI [4]	(121)			(212)		
Amounts recognized	(121)			(291)		
Deferred income taxes	(768)			(1,153)		
Unrealized net capital gains and losses, after-tax	$ 1,419			$ 2,137		

	September 30, 2014			June 30, 2014		
	Unrealized net capital gains and losses	Fair value	Fair value as a percent of amortized cost [1]	Unrealized net capital gains and losses	Fair value	Fair value as a percent of amortized cost [1]
Fixed income securities						
U.S. government and agencies	$ 128	$ 4,309	103.1	$ 146	$ 4,853	103.1
Municipal	557	8,535	107.0	552	8,561	106.9
Corporate	1,742	41,071	104.4	2,185	41,467	105.6
Foreign government	96	1,693	106.0	107	1,676	106.8
ABS	18	4,709	100.4	40	3,943	101.0
RMBS	104	1,289	108.8	99	1,362	107.8
CMBS	48	681	107.6	54	746	107.8
Redeemable preferred stock	4	26	118.2	4	26	118.2
Total fixed income securities	2,697	62,313	104.5	3,187	62,634	105.4
Equity securities	458	4,335	111.8	736	5,394	115.8
Short-term investments	-	2,463	100.0	-	2,914	100.0
Derivatives	(8)	73	n/a	(19)	103	n/a
EMA limited partnership interests [2]	(5)	n/a	n/a	(5)	n/a	n/a
Investments classified as held for sale	-	n/a	n/a	-	n/a	n/a
Unrealized net capital gains and losses, pre-tax	3,142			3,899		
Amounts recognized for:						
Insurance reserves [3]	(169)			(399)		
DAC and DSI [4]	(158)			(189)		
Amounts recognized	(327)			(588)		
Deferred income taxes	(988)			(1,161)		
Unrealized net capital gains and losses, after-tax	$ 1,827			$ 2,150		

(1) The comparison of percentages from period to period may be distorted by investment transactions such as sales, purchases and impairment write-downs.

(2) Unrealized net capital gains and losses for limited partnership interest represent the Company's share of EMA limited partnerships' other comprehensive income. Fair value and

(3) The insurance reserves adjustment represents the amount by which the reserve balance would increase if the net unrealized gains in the applicable product portfolios were realiz in a premium deficiency. Although we evaluate premium deficiencies on the combined performance of our life insurance and immediate annuities with life contingencies, the adju with life contingencies, in addition to annuity buy-outs and certain payout annuities with life contingencies.

(4) The DAC and DSI adjustment balance represents the amount by which the amortization of DAC and DSI would increase or decrease if the unrealized gains or losses in the respe

THE ALLSTATE CORPORATION
NET INVESTMENT INCOME, YIELDS AND REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX)
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
NET INVESTMENT INCOME					
Fixed income securities	$ 567	$ 568	$ 577	$ 581	$ 584
Equity securities	31	23	26	28	35
Mortgage loans	57	55	59	54	71
Limited partnership interests	118	198	115	162	195
Short-term	3	1	2	1	3
Other	49	45	43	41	44
Subtotal	825	890	822	867	932
Less: Investment expense	(36)	(40)	(43)	(44)	(34)
Net investment income	$ 789	$ 850	$ 779	$ 823	$ 898
PRE-TAX YIELDS [1]					
Fixed income securities	3.9 %	3.9 %	3.9 %	3.9 %	4.0 %
Equity securities	3.4	2.5	2.7	2.6	3.1
Mortgage loans	5.3	5.2	5.7	5.2	6.6
Limited partnership interests	10.1	17.2	10.4	15.0	16.7
Total portfolio	4.3	4.6	4.2	4.4	4.7
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY TRANSACTION TYPE					
Impairment write-downs	$ (11)	$ (19)	$ (20)	$ 10	$ (6)
Change in intent write-downs	(32)	(30)	(46)	(63)	(39)
Net other-than-temporary impairment losses recognized in earnings	(43)	(49)	(66)	(53)	(45)
Sales	146	216	183	355	290
Valuation and settlements of derivative instruments	5	(28)	(11)	(8)	(5)
Total	$ 108	$ 139	$ 106	$ 294	$ 240
TOTAL RETURN ON INVESTMENT PORTFOLIO [2]	(0.6) %	1.7 %	1.1 %	0.4 %	2.2 %
AVERAGE INVESTMENT BALANCES (in billions) [3]	$ 76.8	$ 77.4	$ 77.7	$ 78.1	$ 78.5

[1] Pre-tax yields are calculated as annualized investment income before investment expense (including dividend income in the case of equity securities) divided by the av during the year. Investment balances, for purposes of the pre-tax yield calculation, exclude unrealized capital gains and losses. Amounts related to investments classifi calculation in 2014.

[2] Total return on investment portfolio is calculated from GAAP results including the total of net investment income, realized capital gains and losses, the change in unreali difference between fair value and carrying value of mortgage loans and cost method limited partnerships, divided by the average fair value balances. Amounts related t the total return calculation in 2014.

[3] Average investment balances for the quarter are calculated as the average of the current and prior quarter investment balances. Year-to-date average investment balar the beginning of the year and the end of each quarter during the year. For purposes of the average investment balances calculation, unrealized capital gains and losse held for sale were excluded from average investment balances calculation in 2014.

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY
NET INVESTMENT INCOME, YIELDS AND REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX)
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
NET INVESTMENT INCOME					
Fixed income securities:					
Tax-exempt	$ 26	$ 25	$ 26	$ 27	$ 29
Taxable	195	190	191	189	183
Equity securities	23	18	22	21	29
Mortgage loans	3	4	4	4	4
Limited partnership interests [(1)]	45	126	57	112	102
Short-term	1	1	1	-	2
Other	20	17	17	15	19
Subtotal	313	381	318	368	368
Less: Investment expense	(21)	(23)	(24)	(24)	(17)
Net investment income	$ 292	$ 358	$ 294	$ 344	$ 351
Net investment income, after-tax	$ 199	$ 242	$ 201	$ 234	$ 240
PRE-TAX YIELDS [(2)]					
Fixed income securities:					
Tax-exempt	2.3 %	2.4 %	2.5 %	2.6 %	2.7 %
Equivalent yield for tax-exempt	3.4	3.5	3.6	3.8	3.9
Taxable	3.1	2.9	2.9	2.9	3.0
Equity securities	3.4	2.6	3.2	2.7	3.2
Mortgage loans	4.1	4.5	4.1	4.1	4.9
Limited partnership interests	7.0	19.9	9.3	18.4	15.3
Total portfolio	3.3	4.0	3.3	3.8	3.9
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY ASSET TYPE					
Fixed income securities:					
Tax-exempt	$ 1	$ 2	$ 2	$ 2	$ 8
Taxable	13	10	9	22	49
Equity securities	32	46	(15)	218	225
Limited partnership interests	(1)	2	2	31	(23)
Derivatives and other	4	(32)	(18)	(7)	(9)
Total	$ 49	$ 28	$ (20)	$ 266	$ 250
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY TRANSACTION TYPE					
Impairment write-downs	$ (6)	$ (12)	$ (11)	$ 8	$ (6)
Change in intent write-downs	(28)	(27)	(42)	(42)	(25)
Net other-than-temporary impairment losses recognized in earnings	(34)	(39)	(53)	(34)	(31)
Sales	77	99	49	312	289
Valuation and settlements of derivative instruments	6	(32)	(16)	(12)	(8)
Total	$ 49	$ 28	$ (20)	$ 266	$ 250
AVERAGE INVESTMENT BALANCES (in billions) [(3)]	$ 37.6	$ 37.9	$ 38.7	$ 38.8	$ 38.0

(1) As of June 30, 2015, Property-Liability has commitments to invest in additional limited partnership interests totaling $1.22 billion.

(2) Pre-tax yields are calculated as annualized investment income before investment expense (including dividend income in the case of equity securities) divided by the aver during the year. Investment balances, for purposes of the pre-tax yield calculation, exclude unrealized capital gains and losses.

(3) Average investment balances for the quarter are calculated as the average of the current and prior quarter investment balances. Year-to-date average investment balanc at the beginning of the year and the end of each quarter during the year. For purposes of the average investment balances calculation, unrealized capital gains and losse

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL
NET INVESTMENT INCOME, YIELDS AND REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX)
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014
NET INVESTMENT INCOME					
Fixed income securities	$ 338	$ 344	$ 353	$ 359	$ 365
Equity securities	8	5	4	7	6
Mortgage loans	54	51	55	50	67
Limited partnership interests (1)	73	72	58	51	91
Short-term	1	-	1	-	1
Other	28	27	25	25	24
Subtotal	502	499	496	492	554
Less: Investment expense	(13)	(15)	(16)	(19)	(16)
Net investment income	$ 489	$ 484	$ 480	$ 473	$ 538
Net investment income, after-tax	$ 318	$ 315	$ 313	$ 307	$ 350
PRE-TAX YIELDS (2)					
Fixed income securities	5.1 %	5.2 %	5.3 %	5.3 %	5.3 %
Equity securities	3.4	2.1	1.6	2.3	2.7
Mortgage loans	5.5	5.2	5.8	5.3	6.8
Limited partnership interests	14.0	13.8	11.8	10.9	18.2
Total portfolio	5.6	5.5	5.5	5.4	5.9
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY ASSET TYPE					
Fixed income securities	$ 46	$ 68	$ (3)	$ (1)	$ 5
Equity securities	16	32	123	(5)	14
Mortgage loans	1	-	(1)	2	(2)
Limited partnership interests	(2)	4	1	28	(28)
Derivatives and other	(2)	7	5	4	1
Total	$ 59	$ 111	$ 125	$ 28	$ (10)
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY TRANSACTION TYPE					
Impairment write-downs	$ (5)	$ (7)	$ (9)	$ 2	$ -
Change in intent write-downs	(4)	(3)	(4)	(21)	(14)
Net other-than-temporary impairment losses recognized in earnings	(9)	(10)	(13)	(19)	(14)
Sales	69	117	133	43	1
Valuation and settlements of derivative instruments	(1)	4	5	4	3
Total	$ 59	$ 111	$ 125	$ 28	$ (10)
AVERAGE INVESTMENT BALANCES (in billions) (3)	$ 36.1	$ 36.3	$ 36.3	$ 36.6	$ 37.3

(1) As of June 30, 2015, Allstate Financial has commitments to invest in additional limited partnership interests totaling $1.24 billion.

(2) Pre-tax yields are calculated as annualized investment income before investment expense (including dividend income in the case of equity securities) divided by the quarter during the year. Investment balances, for purposes of the pre-tax yield calculation, exclude unrealized capital gains and losses. Amounts related to investme pre-tax yield calculation in 2014.

(3) Average investment balances for the quarter are calculated as the average of the current and prior quarter investment balances. Year-to-date average investment b balances at the beginning of the year and the end of each quarter during the year. For purposes of the average investment balances calculation, unrealized capital investments classified as held for sale were excluded from average investment balances calculation in 2014.

THE ALLSTATE CORPORATION
INVESTMENT RESULTS
($ in millions)

	Three months ended				
	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30 2014
Consolidated investment portfolio					
Interest-bearing [(1)]	$ 70,243	$ 71,287	$ 72,201	$ 71,755	$ 72,58
Equity/owned [(2)]	8,898	9,150	8,912	8,966	9,98
Total	$ 79,141	$ 80,437	$ 81,113	$ 80,721	$ 82,56
Consolidated portfolio total return [(3)]					
Interest-bearing	(0.8) %	1.4 %	0.9 %	0.2 %	1.
Equity/owned	0.2	0.4	0.2	0.2	0.
Investment expenses	-	(0.1)	-	-	
Total	(0.6)	1.7	1.1	0.4	2.
Consolidated portfolio total return [(3)]					
Income	1.0 %	1.0 %	1.0 %	1.0 %	1.
Valuation	(1.6)	0.7	0.1	(0.6)	1.
Total	(0.6)	1.7	1.1	0.4	2.
Consolidated net investment income					
Interest-bearing	$ 670	$ 664	$ 675	$ 672	$ 69
Equity/owned	155	226	147	195	23
Investment expenses	(36)	(40)	(43)	(44)	(3
Total	$ 789	$ 850	$ 779	$ 823	$ 89
Consolidated Interest-bearing pre-tax yield [(4)]	3.9 %	3.9 %	3.9 %	3.9 %	4.
Property-Liability net investment income					
Interest-bearing excluding prepayment premiums and litigation proceeds	$ 233	$ 226	$ 225	$ 223	$ 21
Prepayment premiums and litigation proceeds	7	7	9	8	1
Total Interest-bearing	240	233	234	231	23
Equity/owned	73	148	84	137	13
Less: Investment expenses	(21)	(23)	(24)	(24)	(1
Total	292	358	294	344	35
Less: prepayment premiums and litigation proceeds	(7)	(7)	(9)	(8)	(1
Total excluding prepayment premiums and litigation proceeds	$ 285	$ 351	$ 285	$ 336	$ 33
Property-Liability interest-bearing pre-tax yield	3.0 %	2.9 %	2.8 %	2.8 %	2.
Property-Liability interest-bearing pre-tax yield excluding prepayment premiums and litigation proceeds	2.9 %	2.8 %	2.7 %	2.7 %	2.
Allstate Financial net investment income					
Interest-bearing excluding prepayment premiums and litigation proceeds	$ 408	$ 413	$ 420	$ 426	$ 43
Prepayment premiums and litigation proceeds	12	8	13	7	2
Total interest-bearing	420	421	433	433	45
Equity/owned	82	78	63	59	9
Less: Investment expenses	(13)	(15)	(16)	(19)	(1
Total	489	484	480	473	53
Less: prepayment premiums and litigation proceeds	(12)	(8)	(13)	(7)	(2
Total excluding prepayment premiums and litigation proceeds	$ 477	$ 476	$ 467	$ 466	$ 51
Allstate Financial interest-bearing pre-tax yield	5.1 %	5.1 %	5.2 %	5.2 %	5.
Allstate Financial interest-bearing pre-tax yield excluding prepayment premiums and litigation proceeds	4.9 %	5.0 %	5.0 %	5.1 %	5.

(1) Includes fixed income securities, mortgage loans, short-term and other investments.
(2) Includes limited partnership interests, equity securities and real estate.
(3) Total return on investment portfolio is calculated from GAAP results including the total of net investment income, realized capital gains and losses, the change in unrealized net
fair value and carrying value of mortgage loans and cost method limited partnerships, divided by the average fair value balances. Amounts related to investments classified as
(4) Pre-tax interest-bearing yield is calculated as annualized interest-bearing investment income before investment expense divided by the average of interest-bearing investment b
investment balances, for purposes of the pre-tax interest-bearing yield calculation, exclude unrealized capital gains and losses. Amounts related to investments classified as hel
calculation in 2014.

THE ALLSTATE CORPORATION
INVESTMENT POSITION BY STRATEGY
($ in millions)

	June 30, 2015	Market-Based Core [1]	Market-Based Active [2]	Performa Basec Long-Ter
Fixed income securities, at fair value	$ 59,930	$ 53,668	$ 6,139	$
Equity securities, at fair value	4,000	3,005	792	
Mortgage loans	4,343	4,343	-	
Limited partnership interests	4,536	360	-	
Short-term, at fair value	2,821	2,511	310	
Other	3,511	2,929	227	
Consolidated total	$ 79,141	$ 66,816	$ 7,468	$
Consolidated %		85%	9%	
Property-Liability total	$ 38,147	$ 28,547	$ 6,827	$
Property-Liability %		75%	18%	
Allstate Financial total	$ 37,798	$ 35,073	$ 641	$
Allstate Financial %		93%	2%	

	December 31, 2014	Market-Based Core [1]	Market-Based Active [2]	Performa Basec Long-Ter
Fixed income securities, at fair value	$ 62,440	$ 57,268	$ 5,084	$
Equity securities, at fair value	4,104	3,080	870	
Mortgage loans	4,188	4,188	-	
Limited partnership interests	4,527	358	-	
Short-term, at fair value	2,540	2,488	52	
Other	3,314	2,811	221	
Consolidated total	$ 81,113	$ 70,193	$ 6,227	$
Consolidated %		86%	8%	
Property-Liability total	$ 39,083	$ 30,458	$ 5,943	$
Property-Liability %		78%	15%	
Allstate Financial total	$ 38,809	$ 36,515	$ 283	$
Allstate Financial %		94%	1%	

(1) Market-based core is comprised primarily of highly diversified fixed income securities, mortgage loans and equity securities to align with busin
(2) Market-based active is comprised primarily of fixed income and equity securities to generate additional returns by taking advantage of market
(3) Performance-based long-term is comprised primarily of private equity and real estate investments to generate returns over an extended horizo
(4) Performance-based opportunistic primarily generates returns by taking advantage of asset dislocations and by selectively providing liquidity to

Definitions of Non-GAAP Measures

We believe that investors' understanding of Allstate's performance is enhanced by our disclosure of the following non-GAAP measures. Our methods for calculating these measures may differ from thos

Operating income is net income available to common shareholders, excluding:
- realized capital gains and losses, after-tax, except for periodic settlements and accruals on non-hedge derivative instruments, which are reported with realized capital gains and losses but included in o
- valuation changes on embedded derivatives that are not hedged, after-tax,
- amortization of deferred policy acquisition costs ("DAC") and deferred sales inducements ("DSI"), to the extent they resulted from the recognition of certain realized capital gains and losses or valuation
- amortization of purchased intangible assets, after-tax,
- gain (loss) on disposition of operations, after-tax, and
- adjustments for other significant non-recurring, infrequent or unusual items, when (a) the nature of the charge or gain is such that it is reasonably unlikely to recur within two years, or (b) there has been

Net income available to common shareholders is the GAAP measure that is most directly comparable to operating income. We use operating income as an important measure to evaluate our results of Company's ongoing performance because it reveals trends in our insurance and financial services business that may be obscured by the net effect of realized capital gains and losses, valuation changes (loss) on disposition of operations and adjustments for other significant non-recurring, infrequent or unusual items. Realized capital gains and losses, valuation changes on embedded derivatives that ar and are generally driven by business decisions and external economic developments such as capital market conditions, the timing of which is unrelated to the insurance underwriting process. Consisten settlements and accruals on certain derivative instruments that are reported in realized capital gains and losses because they do not qualify for hedge accounting or are not designated as hedges for acc securities, and by including them in operating income, we are appropriately reflecting their trends in our performance and in a manner consistent with the economically hedged investments, product attrib investments. Amortization of purchased intangible assets is excluded because it relates to the acquisition purchase price and is not indicative of our underlying insurance business results or trends. Non economic trends. Accordingly, operating income excludes the effect of items that tend to be highly variable from period to period and highlights the results from ongoing operations and the underlying pr the transparency and understanding of their significance to net income variability and profitability while recognizing these or similar items may recur in subsequent periods. Operating income is used by assess our performance. We use adjusted measures of operating income in incentive compensation. Therefore, we believe it is useful for investors to evaluate net income available to common shareh and evaluating our performance. We note that investors, financial analysts, financial and business media organizations and rating agencies utilize operating income results in their evaluation of our and communications as it represents a reliable, representative and consistent measurement of the industry and the Company and management's performance. We note that the price to earnings multiple co income as the denominator. Operating income should not be considered a substitute for net income available to common shareholders and does not reflect the overall profitability of our business. A rec schedule, "Contribution to Income".

Underwriting income is calculated as premiums earned, less claims and claims expense ("losses"), amortization of DAC, operating costs and expenses and restructuring and related charges as detern analyze the profitability of our Property-Liability insurance operations separately from investment results. It is also an integral component of incentive compensation. It is useful for investors to evaluate income available to common shareholders is the most directly comparable GAAP measure. Underwriting income should not be considered a substitute for net income available to common shareholders underwriting income to net income available to common shareholders is provided in the schedule, "Property-Liability Results".

Combined ratio excluding the effect of catastrophes is a non-GAAP ratio, which is computed as the difference between two GAAP operating ratios: the combined ratio and the effect of catastrophes believe that this ratio is useful to investors and it is used by management to reveal the trends in our Property-Liability business that may be obscured by catastrophe losses. Catastrophe losses cause ou magnitude and can have a significant impact on the combined ratio. We believe it is useful for investors to evaluate these components separately and in the aggregate when reviewing our underwriting substitute for the combined ratio and does not reflect the overall underwriting profitability of our business. A reconciliation of the combined ratio excluding the effect of catastrophes to combined ratio is p

Combined ratio excluding the effect of catastrophes, prior year reserve reestimates and amortization of purchased intangible assets ("underlying combined ratio") is a non-GAAP ratio, whic of catastrophes on the combined ratio, the effect of prior year non-catastrophe reserve reestimates on the combined ratio and the effect of amortization of purchased intangible assets on the combined ra trends in our Property-Liability business that may be obscured by catastrophe losses, prior year reserve reestimates and amortization of purchased intangible assets. Catastrophe losses cause our loss magnitude, and can have a significant impact on the combined ratio. Prior year reserve reestimates are caused by unexpected loss development on historical reserves. Amortization of purchased intan insurance business results or trends. We believe it is useful for investors to evaluate these components separately and in the aggregate when reviewing our underwriting performance. We also provide comparable GAAP measure is the combined ratio. The underlying combined ratio should not be considered a substitute for the combined ratio and does not reflect the overall underwriting profitability of schedules "Allstate Brand Profitability Measures", "Esurance Brand Profitability Measures and Statistics", "Encompass Brand Profitability Measures and Statistics", "Auto, Homeowners and Other Person Personal Lines Profitability Measures" and "Emerging Businesses - Esurance, Encompass, Commercial Lines, Other Business Lines, and Answer Financial Profitability Measures".

Average underlying loss (incurred pure premium) and expense is calculated as the underlying combined ratio (a non-GAAP measure) multiplied by the GAAP quarterly earned premium, which is ar investors and it is used by management for the same reasons noted above for the underlying combined ratio. A reconciliation of average underlying loss and expense is provided in the schedule, "Allsta

Underlying loss ratio is a non-GAAP ratio, which is computed as the difference between three GAAP operating ratios: the loss ratio, the effect of catastrophes on the combined ratio and the effect of pr useful to investors and it is used by management to reveal the trends that may be obscured by catastrophe losses and prior year reserve reestimates. Catastrophe losses cause our loss trends to vary s have a significant impact on the combined ratio. Prior year reserve reestimates are caused by unexpected loss development on historical reserves. We believe it is useful for investors to evaluate these most directly comparable GAAP measure is the loss ratio. The underlying loss ratio should not be considered a substitute for the loss ratio and does not reflect the overall loss ratio of our business. A rec Measures", "Esurance Brand Profitability Measures and Statistics" and "Encompass Brand Profitability Measures and Statistics".

Operating income return on common shareholders' equity is a ratio that uses a non-GAAP measure. It is calculated by dividing the rolling 12-month operating income by the average of common sha unrealized net capital gains and losses. Return on common shareholders' equity is the most directly comparable GAAP measure. We use operating income as the numerator for the same reasons we u excluding the effect of unrealized net capital gains and losses for the denominator as a representation of common shareholders' equity primarily attributable to the Company's earned and realized busine between periods due to external economic developments such as capital market conditions like changes in equity prices and interest rates, the amount and timing of which are unrelated to the insurance shareholders and return on common shareholders' equity because it excludes the effect of items that tend to be highly variable from period to period. We believe that this measure is useful to investors a shareholders' equity because it eliminates the after-tax effects of realized and unrealized net capital gains and losses that can fluctuate significantly from period to period and that are driven by economic In addition, it eliminates non-recurring items that are not indicative of our ongoing business or economic trends. A byproduct of excluding the items noted above to determine operating income return on c understanding of their significance to return on common shareholders' equity variability and profitability while recognizing these or similar items may recur in subsequent periods. We use adjusted measu Therefore, we believe it is useful for investors to have operating income return on common shareholders' equity and return on common shareholders' equity when evaluating our performance. We note t utilize operating income return on common shareholders' equity results in their evaluation of our and our industry's financial performance and in their investment decisions, recommendations and commu and the company and management's utilization of capital. Operating income return on common shareholders' equity should not be considered a substitute for return on common shareholders' equity and shareholders' equity and operating income return on common shareholders' equity can be found in the schedule, "Return on Common Shareholders' Equity".

Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities, is a ratio that uses a non-GAAP measure. It is calculated by dividing on fixed income securities and related DAC, DSI and life insurance reserves by total common shares outstanding plus dilutive potential common shares outstanding. We use the trend in book value per securities, in conjunction with book value per common share to identify and analyze the change in net worth attributable to management efforts between periods. We believe the non-GAAP ratio is usefu period and are generally driven by economic developments, primarily capital market conditions, the magnitude and timing of which are generally not influenced by management, and we believe it enhanc and profitability drivers. We note that book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities, is a measure commonly used by insuran comparable GAAP measure. Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities, should not be considered a substitute for book va reconciliation of book value per common share, excluding the impact of unrealized net capital gains on fixed income securities, and book value per common share can be found in the schedule, "Book V