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 1, 2023
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.)

3100 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbols**	**Name of each exchange on which registered**
Common Stock, par value $0.01 per share	ALL	New York Stock Exchange Chicago Stock Exchange
5.100% Fixed-to-Floating Rate Subordinated Debentures due 2053	ALL.PR.B	New York Stock Exchange
Depositary Shares represent 1/1,000th of a share of 5.100% Noncumulative Preferred Stock, Series H	ALL PR H	New York Stock Exchange
Depositary Shares represent 1/1,000th of a share of 4.750% Noncumulative Preferred Stock, Series I	ALL PR I	New York Stock Exchange
Depositary Shares represent 1/1,000th of a share of 7.375% Noncumulative Preferred Stock, Series J	ALL PR J	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Section 2 – Financial Information

Item 2.02. Results of Operations and Financial Condition.

The Registrant's press release dated August 1, 2023, announcing its financial results for the second quarter of 2023, and the Registrant's second quarter 2023 investor supplement are furnished as Exhibits 99.1 and 99.2, respectively, 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 1, 2023
99.2	Second quarter 2023 Investor Supplement of The Allstate Corporation
104	Cover Page Interactive Data File (formatted as inline XBRL)

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/ John C. Pintozzi
Name: John C. Pintozzi
Title: Senior Vice President, Controller and Chief Accounting Officer

Date: August 1, 2023

Exhibit 99.1

FOR IMMEDIATE RELEASE

Contacts:
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Brent Vandermause — Investor Relations — (847) 402-2800

Allstate Reports Second Quarter 2023 Results

NORTHBROOK, Ill., August 1, 2023 – The Allstate Corporation (NYSE: ALL) today reported financial results for the second quarter of 2023.

The Allstate Corporation Consolidated Highlights [1]						
	Three months ended June 30,			Six months ended June 30,		
($ in millions, except per share data and ratios)	2023	2022	% / pts Change	2023	2022	% / pts Change
Consolidated revenues	$ 13,979	$ 12,219	14.4 %	$27,765	$24,555	13.1 %
Net loss applicable to common shareholders	(1,389)	(1,040)	33.6	(1,735)	(406)	NM
per diluted common share [2]	(5.29)	(3.80)	39.2	(6.59)	(1.47)	NM
Adjusted net income (loss)*	(1,162)	(207)	NM	(1,504)	523	NM
per diluted common share* [2]	(4.42)	(0.75)	NM	(5.72)	1.87	NM
Return on Allstate common shareholders' equity (trailing twelve months)						
Net income (loss) applicable to common shareholders				(17.2)%	4.2 %	(21.4)
Adjusted net income (loss)*				(12.7)%	7.1 %	(19.8)
Common shares outstanding (in millions)				261.8	271.2	(3.5)
Book value per common share				51.29	65.96	(22.2)
Consolidated premiums written [3]	13,731	12,644	8.6	26,596	24,503	8.5
Property-Liability insurance premiums earned	11,921	10,874	9.6	23,556	21,372	10.2
Property-Liability combined ratio						
Recorded	117.6	107.9	9.7	113.1	102.7	10.4
Underlying combined ratio*	92.9	93.4	(0.5)	93.1	92.2	0.9
Catastrophe losses	2,696	1,108	143.3	4,387	1,570	179.4
Total policies in force (in thousands)				188,022	187,680	0.2

[1] Prior periods have been recast to reflect the impact of the adoption of Financial Accounting Standard Board ("FASB") guidance revising the accounting for certain long-duration insurance contracts in the Health and Benefits segment.

[2] In periods where a net loss or adjusted net loss is reported, weighted average shares for basic earnings per share is used for calculating diluted earnings per share because all dilutive potential common shares are anti-dilutive and are therefore excluded from the calculation.

[3] Includes premiums and contract charges for Allstate Health and Benefits segment.

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

NM = not meaningful

"Allstate's excellent operating capabilities enabled us to navigate a difficult external environment while building long-term value," said Tom Wilson, Chair, President and CEO of The Allstate Corporation. "Severe weather resulted in 42 catastrophe events, where we remediated losses for 160,000 customers, causing net catastrophe losses of $2.7 billion in the quarter. The auto insurance profit improvement plan is being successfully implemented and we continue to increase homeowners prices in response to higher severity and catastrophes, although price increases and operating efficiency gains were largely offset by increased claim frequency and severity in the quarter. Net income for the quarter was a loss of $1.4 billion as catastrophe and underwriting losses more than offset higher investment income and profits from Protection Services and Health and Benefits."

"Our strategy to become the lowest cost protection provider and broaden customer relationships is supporting near-term profit improvement while building a foundation for growth. Sustainable cost reductions are being implemented, lowering current and future costs. Distribution programs have improved productivity, expanded reach and lowered costs, which will drive accelerated growth as auto and homeowners insurance margins improve. Affordable, simple and connected property-liability products with sophisticated telematics pricing are being introduced through a new technology platform. Protection Plans is expanding with new products and retail relationships and in international markets. Allstate will improve results while building an enhanced business model to better serve customers, generate attractive returns for shareholders and create opportunity for the Allstate team," concluded Wilson.

Second Quarter 2023 Results

- Total revenues of $14.0 billion in the second quarter of 2023 increased 14.4%, or $1.8 billion, compared to the prior year quarter driven by a $1.0 billion increase in Property-Liability earned premium and net gains on equity valuations in the second quarter of 2023 compared to losses in 2022.

- Net loss applicable to common shareholders was $1.4 billion in the second quarter of 2023 compared to $1.0 billion in the prior year quarter. The result was driven by increased underwriting losses primarily due to higher catastrophe losses. Adjusted net loss* was $1.2 billion, or $4.42 per diluted share, in the second quarter of 2023, compared to an adjusted net loss* of $207 million in the prior year quarter.

- **Property-Liability** earned premium of $11.9 billion increased 9.6% in the second quarter of 2023 compared to the prior year quarter, primarily driven by higher average premiums. The $2.1 billion underwriting loss in the quarter increased by $1.2 billion compared to the prior year quarter, driven by a $1.6 billion increase in catastrophe losses.

Property-Liability Results						
	Three months ended June 30,			Six months ended June 30,		
($ in millions)	2023	2022	% / pts Change	2023	2022	% / pts Change
Premiums earned	**$ 11,921**	**$ 10,874**	**9.6 %**	**$ 23,556**	**$ 21,372**	**10.2 %**
Allstate brand	10,002	9,288	7.7	19,854	18,299	8.5
National General	1,919	1,586	21.0	3,702	3,073	20.5
Premiums written	**$ 12,620**	**$ 11,509**	**9.7 %**	**$ 24,403**	**$ 22,270**	**9.6 %**
Allstate brand	10,525	9,862	6.7	20,230	18,897	7.1
National General	2,095	1,647	27.2	4,173	3,373	23.7
Underwriting income (loss)	**(2,094)**	**(864)**	**NM**	**(3,095)**	**(584)**	**NM**
Allstate brand	(1,847)	(825)	NM	(2,819)	(574)	NM
National General	(248)	(38)	NM	(276)	(9)	NM
Recorded combined ratio	**117.6**	**107.9**	**9.7**	**113.1**	**102.7**	**10.4**
Underlying combined ratio*	**92.9**	**93.4**	**(0.5)**	**93.1**	**92.2**	**0.9**

  - Premiums written of $12.6 billion increased 9.7% compared to the prior year quarter driven by both the Allstate brand and National General. Allstate brand increased 6.7% primarily due to higher auto and homeowners average premium, partially offset by the impact of profitability actions on personal auto policies in force and commercial lines. National General increased 27.2% reflecting higher average premium and policies in force growth.

  - Allstate brand underwriting loss of $1.8 billion increased by $1.0 billion compared to the prior year quarter, driven by higher catastrophe losses and non-catastrophe loss costs, partially offset by higher earned premiums, less unfavorable non-catastrophe prior year reserve reestimates and lower expenses.

  - National General underwriting loss of $248 million increased by $210 million compared to the prior year quarter, reflecting higher unfavorable non-catastrophe prior year reserve reestimates, primarily related to personal auto injury coverages, and higher catastrophe and non-catastrophe losses, partially offset by higher earned premium.

- Property-Liability underlying combined ratio* of 92.9 in the second quarter of 2023 improved 0.5 points compared to the prior year quarter, reflecting higher earned premiums and lower expenses which were partially offset by higher claim severity and auto accident frequency.

- **Allstate Protection auto** insurance results reflect the impact of inflation in loss costs and the comprehensive plan to restore margins through higher rates, lower expenses, underwriting actions and claims process enhancements. National General's distribution capacity and a broader product portfolio is generating growth through independent agents.

Allstate Protection Auto Results						
	Three months ended June 30,			Six months ended June 30,		
($ in millions, except ratios)	2023	2022	% / pts Change	2023	2022	% / pts Change
Premiums earned	**$ 8,121**	**$ 7,348**	**10.5 %**	**$ 16,029**	**$ 14,429**	**11.1 %**
Allstate brand	6,772	6,253	8.3	13,432	12,326	9.0
National General	1,349	1,095	23.2	2,597	2,103	23.5
Premiums written	**$ 8,269**	**$ 7,470**	**10.7 %**	**16,618**	**15,032**	**10.6 %**
Allstate brand	6,821	6,374	7.0	13,647	12,682	7.6
National General	1,448	1,096	32.1	2,971	2,350	26.4
Policies in Force (in thousands)				**25,520**	**26,192**	**(2.6)**
Allstate brand				20,821	21,979	(5.3)
National General				4,699	4,213	11.5
Recorded combined ratio	**108.3**	**107.9**	**0.4**	**106.4**	**105.0**	**1.4**
Underlying combined ratio*	**102.2**	**102.1**	**0.1**	**102.4**	**100.5**	**1.9**

- Earned and written premiums increased 10.5% and 10.7% compared to the prior year quarter, respectively. The increase was driven by higher average premium from rate increases, partially offset by a decline in policies in force.

- Allstate brand auto net written premium growth of 7.0% compared to the prior year quarter reflects a 14.4% increase in average gross written premium driven by rate increases, partially offset by a decline in policies in force from lower new business and retention.

- National General auto net written premium grew 32.1% compared to the prior year quarter driven by higher average premium and increased policies in force.

- Allstate brand auto rate increases were implemented in 34 locations in the second quarter at an average of 10.0%, resulting in an annualized total brand premium impact of 5.8% in the quarter and 7.5% through the first six months of 2023. National General auto rate increases were implemented in 27 locations in the second quarter at an average of 13.9%, resulting in an annualized total brand premium impact of 3.6% in the quarter and 5.5% through the first six months of 2023. We expect to continue to pursue additional rate increases in 2023 to improve auto insurance profitability.

- The recorded auto insurance combined ratio of 108.3 in the second quarter of 2023 was 0.4 points above the prior year quarter, reflecting higher catastrophe losses, which were partially offset by lower unfavorable non-catastrophe prior year reserve reestimates.

- The underlying combined ratio* of 102.2 was 0.1 point above the prior year quarter as higher incurred losses from increased claim severity and accident frequency were largely offset by higher average premium and lower expenses.

◦ **Allstate Protection homeowners** insurance continued to grow by increasing rates and policy growth but underwriting income was negatively impacted by elevated catastrophe losses related to more frequent and severe weather events.

Allstate Protection Homeowners Results							
	Three months ended June 30,				Six months ended June 30,		
($ in millions, except ratios)	2023	2022	% / pts Change		2023	2022	% / pts Change
Premiums earned	**$ 2,883**	**$ 2,566**	**12.4 %**		**$ 5,693**	**$ 5,056**	**12.6 %**
Allstate brand	2,537	2,281	11.2		5,025	4,491	11.9
National General	346	285	21.4		668	565	18.2
Premiums written	**$ 3,381**	**$ 3,008**	**12.4 %**		**$ 5,915**	**$ 5,289**	**11.8 %**
Allstate brand	2,937	2,665	10.2		5,147	4,685	9.9
National General	444	343	29.4		768	604	27.2
Policies in Force (in thousands)					**7,268**	**7,197**	**1.0**
Allstate brand					6,614	6,566	0.7
National General					654	631	3.6
Recorded combined ratio	**145.3**	**107.5**	**37.8**		**132.3**	**95.9**	**36.4**
Catastrophe Losses	**$ 2,189**	**$ 913**	**139.8 %**		**$ 3,638**	**$ 1,296**	**180.7 %**
Underlying combined ratio*	**67.6**	**69.5**	**(1.9)**		**67.6**	**68.8**	**(1.2)**

◦ Earned and written premiums both increased 12.4% compared to the prior year quarter, primarily reflecting higher average premium and policies in force growth of 1.0% compared to the second quarter of 2022.

◦ Allstate brand net written premium increased 10.2% compared to the prior year quarter, primarily driven by a 13.2% increase in average gross written premium due to implemented rate increases and inflation in insured home replacement costs.

◦ National General net written premium grew 29.4% compared to the prior year quarter primarily due to higher average premium as rates were increased to improve underwriting margins, and policies in force growth.

◦ Allstate brand homeowners implemented rate increases in 20 locations in the second quarter at an average of 12.3%, resulting in an annualized total brand premium impact of 2.5% in the quarter and 7.4% through the first six months of 2023. National General homeowners rate increases were implemented in 10 locations in the second quarter at an average of 23.5%, resulting in an annualized total brand premium impact of 3.8% in the quarter and 5.3% through the first six months of 2023.

◦ The recorded homeowners insurance combined ratio of 145.3 was 37.8 points higher than the second quarter of 2022, due to catastrophe losses.

◦ Catastrophe losses of $2.2 billion in the quarter increased $1.3 billion compared to the prior year quarter, primarily related to an increased number of wind/hail events and larger losses per event.

◦ The underlying combined ratio* of 67.6 decreased by 1.9 points compared to the prior year quarter, driven by higher earned premium and a lower expense ratio, partially offset by higher non-catastrophe claim severity.

- **Protection Services** continues to broaden the protection provided to an increasing number of customers largely through embedded distribution programs. Revenues increased to $686 million in the second quarter of 2023, 9.1% higher than the prior year quarter, primarily due to Allstate Protection Plans and Allstate Dealer Services, partially offset by a decline at Arity. Adjusted net income of $41 million decreased by $2 million compared to the prior year quarter, primarily due to higher claim severity and growth investments at Allstate Protection Plans.

Protection Services Results						
	Three months ended June 30,			Six months ended June 30,		
($ in millions)	2023	2022	% / $ Change	2023	2022	% / $ Change
Total revenues [1]	**$ 686**	**$ 629**	**9.1 %**	**$ 1,357**	**$ 1,256**	**8.0 %**
Allstate Protection Plans	399	338	18.0	784	667	17.5
Allstate Dealer Services	148	139	6.5	296	274	8.0
Allstate Roadside	66	64	3.1	130	129	0.8
Arity	35	52	(32.7)	72	114	(36.8)
Allstate Identity Protection	38	36	5.6	75	72	4.2
Adjusted net income (loss)	**$ 41**	**$ 43**	**$ (2)**	**$ 75**	**$ 96**	**$ (21)**
Allstate Protection Plans	31	36	(5)	59	79	(20)
Allstate Dealer Services	6	8	(2)	13	17	(4)
Allstate Roadside	6	1	5	10	3	7
Arity	(3)	(1)	(2)	(7)	(2)	(5)
Allstate Identity Protection	1	(1)	2	—	(1)	1

[1] Excludes net gains and losses on investments and derivatives.

  - **Allstate Protection Plans'** relationships with major retailers resulted in revenue of $399 million, $61 million or 18.0% higher than the prior year quarter, reflecting expanded products and international growth. Adjusted net income of $31 million in the second quarter of 2023 was $5 million lower than the prior year quarter, primarily due to the proportion of lower margin business and higher appliance and furniture claim severity.

  - **Allstate Dealer Services** generated revenue of $148 million through auto dealers, which was 6.5% higher than the second quarter of 2022 due to higher earned premium from rate increases. Adjusted net income of $6 million in the second quarter was $2 million lower than the prior year quarter driven by increased claim severity.

  - **Allstate Roadside** revenue of $66 million in the second quarter of 2023 increased 3.1% compared to the prior year quarter driven by price increases. Adjusted net income was $5 million higher than the prior year quarter, primarily driven by increased pricing and lower loss severity from in-network sourcing.

  - **Arity** revenue of $35 million decreased $17 million compared to the prior year quarter, primarily due to reductions in insurance client advertising. Adjusted net loss of $3 million in the second quarter of 2023 compared to a $1 million loss in the prior year quarter reflects lower revenue.

  - **Allstate Identity Protection** revenue of $38 million in the second quarter of 2023 was 5.6% higher than the prior year quarter due to growth from new and existing clients. Adjusted net income of $1 million in the second quarter of 2023 compared to a $1 million loss in the prior year quarter reflects lower expenses.

- **Allstate Health and Benefits** premiums and contract charges decreased 2.6% compared to the prior year quarter, primarily driven by a decline in individual health and employer voluntary benefits, partially offset by growth in group health. Adjusted net income of $57 million in the second quarter of 2023 decreased $10 million compared to the prior year quarter, primarily due to a decline in employer voluntary benefits and individual health as well as growth related investments.

Allstate Health and Benefits Results [1]							
	Three months ended June 30,				Six months ended June 30,		
($ in millions)	2023	2022	% Change		2023	2022	% Change
Premiums and contract charges	**$ 453**	**$ 465**	**(2.6)%**		**$ 916**	**$ 933**	**(1.8)%**
Employer voluntary benefits	245	257	(4.7)		500	520	(3.8)
Group health	110	95	15.8		217	189	14.8
Individual health	98	113	(13.3)		199	224	(11.2)
Adjusted net income	**57**	**67**	**(14.9)**		**113**	**124**	**(8.9)**

[1] Prior periods have been recast to reflect the impact of the adoption of FASB guidance revising the accounting for certain long-duration insurance contracts.

- **Allstate Investments** $63.7 billion portfolio generated net investment income of $610 million in the second quarter of 2023, an increase of $48 million from the prior year quarter as higher market-based income was partially offset by lower performance-based results.

Allstate Investment Results							
	Three months ended June 30,				Six months ended June 30,		
($ in millions, except ratios)	2023	2022	$ / pts Change		2023	2022	$ / pts Change
Net investment income	**$ 610**	**$ 562**	**$ 48**		**$ 1,185**	**$ 1,156**	**$ 29**
Market-based investment income [1]	536	368	168		1,043	691	352
Performance-based investment income [1]	127	236	(109)		253	542	(289)
Net gains (losses) on investments and derivatives	**(151)**	**(733)**	**582**		**(137)**	**(1,000)**	**863**
Change in unrealized net capital gains and losses, pre-tax	**(342)**	**(1,459)**	**1,117**		**530**	**(3,497)**	**4,027**
Total return on investment portfolio	**0.2 %**	**(2.8)%**	**3.0**		**2.5 %**	**(5.6)%**	**8.1**
Total return on investment portfolio (trailing twelve months)					**4.2 %**	**(3.5)%**	**7.7**

[1] Investment expenses are not allocated between market-based and performance-based portfolios with the exception of investee level expenses.

  - **Market-based investment income** was $536 million in the second quarter of 2023, an increase of $168 million, or 45.7%, compared to the prior year quarter, reflecting higher yields in the $45.5 billion fixed income portfolio and extending duration to 4.4 years, from 4.0 years in the prior quarter. Investment portfolio allocations are based on the enterprise risk and return position, capital levels and expected returns. Equity risk in the market-based portfolio was reduced over the last year to lower overall risk levels.

  - **Performance-based investment income** totaled $127 million in the second quarter of 2023, a decrease of $109 million compared to the prior year quarter. Portfolio allocation to performance-based assets has remained stable as these investments provide a diversifying source of high returns, despite volatility in reported results. Current quarter results reflect lower valuation increases and gains on the sale of underlying investments compared to the prior year quarter.
  - **Net losses on investments and derivatives** were $151 million in the second quarter of 2023, compared to $733 million in the prior year quarter. Net losses in the second quarter of 2023 were driven by sales of fixed income securities.
  - **Unrealized net capital losses** were $2.4 billion, $342 million more than the prior quarter, as higher interest rates resulted in lower fixed income valuations.
  - **Total return** on the investment portfolio was 0.2% for the second quarter of 2023.

Proactive Capital Management

"Allstate's sophisticated capital management framework is designed to ensure capital adequacy and generate attractive returns for shareholders. A robust reinsurance program is in place to mitigate losses from large catastrophes and homeowners insurance geographic exposures are managed to generate appropriate risk adjusted returns. The investment portfolio risk profile has been adjusted and fixed income duration has been extended to sustainably increase income in a higher yield environment. Share repurchases under the current $5 billion authorization were suspended in July reflecting underwriting losses," said Jess Merten, Chief Financial Officer. "Allstate continues to proactively manage capital and has the financial flexibility, liquidity and capital resources to navigate the challenging operating environment and be positioned for growth," concluded Merten.

Visit www.allstateinvestors.com for additional information about Allstate's results, including a webcast of its quarterly conference call and the call presentation. The conference call will be at 11 a.m. ET on Wednesday, August 2. 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 are 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 FINANCIAL POSITION (UNAUDITED)

($ in millions, except par value data)

	June 30, 2023	December 31, 2022
Assets		
Investments		
Fixed income securities, at fair value (amortized cost, net $47,904 and $45,370)	$ 45,550	$ 42,485
Equity securities, at fair value (cost $2,231 and $4,253)	2,290	4,567
Mortgage loans, net	823	762
Limited partnership interests	8,150	8,114
Short-term, at fair value (amortized cost $5,138 and $4,174)	5,137	4,173
Other investments, net	1,718	1,728
Total investments	**63,668**	**61,829**
Cash	699	736
Premium installment receivables, net	9,713	9,165
Deferred policy acquisition costs	5,607	5,442
Reinsurance and indemnification recoverables, net	9,151	9,619
Accrued investment income	471	423
Deferred income taxes	480	382
Property and equipment, net	945	987
Goodwill	3,502	3,502
Other assets, net	6,278	5,904
Total assets	**$ 100,514**	**$ 97,989**
Liabilities		
Reserve for property and casualty insurance claims and claims expense	$ 40,531	$ 37,541
Reserve for future policy benefits	1,339	1,322
Contractholder funds	881	879
Unearned premiums	23,355	22,299
Claim payments outstanding	1,387	1,268
Other liabilities and accrued expenses	9,700	9,353
Debt	7,949	7,964
Total liabilities	**85,142**	**80,626**
Equity		
Preferred stock and additional capital paid-in, $1 par value, 25 million shares authorized, 82.0 thousand and 81.0 thousand shares issued and outstanding, $2,050 and $2,025 aggregate liquidation preference	2,001	1,970
Common stock, $.01 par value, 2.0 billion shares authorized and 900 million issued, 262 million and 263 million shares outstanding	9	9
Additional capital paid-in	3,786	3,788
Retained income	48,766	50,970
Treasury stock, at cost (638 million and 637 million shares)	(37,131)	(36,857)
Accumulated other comprehensive income:		
Unrealized net capital gains and losses	(1,845)	(2,255)
Unrealized foreign currency translation adjustments	(87)	(165)
Unamortized pension and other postretirement prior service credit	20	29
Discount rate for reserve for future policy benefits	(2)	(1)
Total accumulated other comprehensive income	**(1,914)**	**(2,392)**
Total Allstate shareholders' equity	**15,517**	**17,488**
Noncontrolling interest	(145)	(125)
Total equity	**15,372**	**17,363**
Total liabilities and equity	**$ 100,514**	**$ 97,989**

THE ALLSTATE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

($ in millions, except per share data)	Three months ended June 30, 2023	Three months ended June 30, 2022	Six months ended June 30, 2023	Six months ended June 30, 2022
Revenues				
Property and casualty insurance premiums	$ 12,470	$ 11,362	$ 24,643	$ 22,343
Accident and health insurance premiums and contract charges	453	465	916	933
Other revenue	597	563	1,158	1,123
Net investment income	610	562	1,185	1,156
Net gains (losses) on investments and derivatives	(151)	(733)	(137)	(1,000)
Total revenues	**13,979**	**12,219**	**27,765**	**24,555**
Costs and expenses				
Property and casualty insurance claims and claims expense	11,727	9,367	22,053	17,189
Accident, health and other policy benefits	258	265	523	533
Amortization of deferred policy acquisition costs	1,789	1,618	3,533	3,226
Operating costs and expenses	1,786	1,850	3,502	3,752
Pension and other postretirement remeasurement (gains) losses	(40)	259	(93)	12
Restructuring and related charges	27	1	54	13
Amortization of purchased intangibles	82	87	163	174
Interest expense	98	83	184	166
Total costs and expenses	**15,727**	**13,530**	**29,919**	**25,065**
Loss from operations before income tax expense	**(1,748)**	**(1,311)**	**(2,154)**	**(510)**
Income tax benefit	(373)	(289)	(458)	(138)
Net loss	**(1,375)**	**(1,022)**	**(1,696)**	**(372)**
Less: Net loss attributable to noncontrolling interest	(23)	(9)	(24)	(19)
Net loss attributable to Allstate	**(1,352)**	**(1,013)**	**(1,672)**	**(353)**
Less: Preferred stock dividends	37	27	63	53
Net loss applicable to common shareholders	**$ (1,389)**	**$ (1,040)**	**$ (1,735)**	**$ (406)**
Earnings per common share:				
Net loss applicable to common shareholders per common share - Basic	$ (5.29)	$ (3.80)	$ (6.59)	$ (1.47)
Weighted average common shares - Basic	262.6	273.8	263.1	275.9
Net loss applicable to common shareholders per common share - Diluted	$ (5.29)	$ (3.80)	$ (6.59)	$ (1.47)
Weighted average common shares - Diluted	262.6	273.8	263.1	275.9

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.

Adjusted net income is net income (loss) applicable to common shareholders, excluding:

- Net gains and losses on investments and derivatives
- Pension and other postretirement remeasurement gains and losses
- Amortization or impairment of purchased intangibles
- Gain or loss on disposition
- 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
- Related income tax expense or benefit of these items

Net income (loss) applicable to common shareholders is the GAAP measure that is most directly comparable to adjusted net income.

We use adjusted net 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 net gains and losses on investments and derivatives, pension and other postretirement remeasurement gains and losses, amortization or impairment of purchased intangibles, gain or loss on disposition and adjustments for other significant non-recurring, infrequent or unusual items and the related tax expense or benefit of these items. Net gains and losses on investments and derivatives, and pension and other postretirement remeasurement gains and losses 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. Gain or loss on disposition is excluded because it is non-recurring in nature and the amortization or impairment of purchased intangibles is excluded because it relates to the acquisition purchase price and is not indicative of our underlying business results or trends. Non-recurring items are excluded because, by their nature, they are not indicative of our business or economic trends. Accordingly, adjusted net 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 adjusted net 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. Adjusted net income is used by management along with the other components of net income (loss) applicable to common shareholders to assess our performance. We use adjusted measures of adjusted net income in incentive compensation. Therefore, we believe it is useful for investors to evaluate net income (loss) applicable to common shareholders, adjusted net 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 adjusted net 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 adjusted net income as the denominator. Adjusted net income should not be considered a substitute for net income (loss) applicable to common shareholders and does not reflect the overall profitability of our business.

The following tables reconcile net income (loss) applicable to common shareholders and adjusted net income. Taxes on adjustments to reconcile net income (loss) applicable to common shareholders and adjusted net income (loss) generally use a 21% effective tax rate.

($ in millions, except per share data)	Three months ended June 30,			
	Consolidated		Per diluted common share	
	2023	2022	2023	2022
Net loss applicable to common shareholders [1]	$ (1,389)	$ (1,040)	$ (5.29)	$ (3.80)
Net (gains) losses on investments and derivatives	151	733	0.58	2.68
Pension and other postretirement remeasurement (gains) losses	(40)	259	(0.15)	0.95
Amortization of purchased intangibles	82	87	0.31	0.32
(Gain) loss on disposition	8	(27)	0.03	(0.10)
Non-recurring costs [2]	90	—	0.34	—
Income tax expense (benefit)	(64)	(219)	(0.24)	(0.80)
Adjusted net loss * [1]	$ (1,162)	$ (207)	$ (4.42)	$ (0.75)
Weighted average dilutive potential common shares excluded due to net loss applicable to common shareholders [1]			1.7	3.2

	Six months ended June 30,			
	Consolidated		Per diluted common share	
	2023	2022	2023	2022
Net loss applicable to common shareholders [1]	$ (1,735)	$ (406)	$ (6.59)	$ (1.47)
Net (gains) losses on investments and derivatives	137	1,000	0.52	3.58
Pension and other postretirement remeasurement (gains) losses	(93)	12	(0.35)	0.05
Amortization of purchased intangibles	163	174	0.62	0.63
(Gain) loss on disposition	(1)	(11)	(0.01)	(0.04)
Non-recurring costs [2]	90	—	0.34	—
Income tax expense (benefit)	(65)	(246)	(0.25)	(0.88)
Adjusted net income (loss) * [1]	$ (1,504)	$ 523	$ (5.72)	$ 1.87
Weighted average dilutive potential common shares excluded due to net loss applicable to common shareholders [1]			2.1	3.5

[1] In periods where a net loss or adjusted net loss is reported, weighted average shares for basic earnings per share is used for calculating diluted earnings per share because all dilutive potential common shares are anti-dilutive and are therefore excluded from the calculation.

[2] Relates to settlement costs for non-recurring litigation that is outside of the ordinary course of business.

Adjusted net income return on Allstate common shareholders' equity is a ratio that uses a non-GAAP measure. It is calculated by dividing the rolling 12-month adjusted net income by the average of Allstate 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 Allstate common shareholders' equity is the most directly comparable GAAP measure. We use adjusted net income as the numerator for the same reasons we use adjusted net income, as discussed previously. We use average Allstate common shareholders' equity excluding the effect of unrealized net capital gains and losses for the denominator as a representation of common shareholders' equity primarily applicable to Allstate'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 (loss) applicable to common shareholders and return on Allstate 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 Allstate 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 adjusted net income return on Allstate common shareholders' equity from return on Allstate 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 adjusted net income return on Allstate common shareholders' equity in incentive compensation. Therefore, we believe it is useful for investors to have adjusted net income return on Allstate common shareholders' equity and return on Allstate common shareholders' equity when evaluating our performance. We note that investors, financial analysts, financial and business media organizations and rating agencies utilize adjusted net 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. We also provide it to facilitate a comparison to our long-term adjusted net income return on Allstate common shareholders' equity goal. Adjusted net income return on Allstate common shareholders' equity should not be considered a substitute for return on Allstate common shareholders' equity and does not reflect the overall profitability of our business.

The following tables reconcile return on Allstate common shareholders' equity and adjusted net income (loss) return on Allstate common shareholders' equity.

($ in millions)	**For the twelve months ended June 30,**	
	2023	**2022**
Return on Allstate common shareholders' equity		
Numerator:		
Net income (loss) applicable to common shareholders	$ (2,723)	$ 913
Denominator:		
Beginning Allstate common shareholders' equity	$ 18,094	$ 25,774
Ending Allstate common shareholders' equity [(1)]	13,516	18,094
Average Allstate common shareholders' equity	$ 15,805	$ 21,934
Return on Allstate common shareholders' equity	(17.2)%	4.2 %

($ in millions)	**For the twelve months ended June 30,**	
	2023	**2022**
Adjusted net income (loss) return on Allstate common shareholders' equity		
Numerator:		
Adjusted net income (loss) *	$ (2,266)	$ 1,557
Denominator:		
Beginning Allstate common shareholders' equity	$ 18,094	$ 25,774
Less: Unrealized net capital gains and losses	(2,140)	2,165
Adjusted beginning Allstate common shareholders' equity	20,234	23,609
Ending Allstate common shareholders' equity [(1)]	13,516	18,094
Less: Unrealized net capital gains and losses	(1,845)	(2,140)
Adjusted ending Allstate common shareholders' equity	15,361	20,234
Average adjusted Allstate common shareholders' equity	$ 17,798	$ 21,922
Adjusted net income (loss) return on Allstate common shareholders' equity *	(12.7)%	7.1 %

[(1)] Excludes equity related to preferred stock of $2,001 million and $1,970 million as of June 30, 2023 and 2022, respectively.

Combined ratio excluding the effect of catastrophes, prior year reserve reestimates and amortization or impairment of purchased intangibles ("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 or impairment of purchased intangibles 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 or impairment of purchased intangibles. 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, which could increase or decrease current year net income. Amortization or impairment of purchased intangibles 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. 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 tables reconcile the respective combined ratio to the underlying combined ratio. Underwriting margin is calculated as 100% minus the combined ratio.

Property-Liability	**Three months ended June 30,**		**Six months ended June 30,**	
	2023	**2022**	**2023**	**2022**
Combined ratio	117.6	107.9	113.1	102.7
Effect of catastrophe losses	(22.6)	(10.2)	(18.6)	(7.3)
Effect of prior year non-catastrophe reserve reestimates	(1.6)	(3.8)	(0.9)	(2.7)
Effect of amortization of purchased intangibles	(0.5)	(0.5)	(0.5)	(0.5)
Underlying combined ratio*	92.9	93.4	93.1	92.2
Effect of prior year catastrophe reserve reestimates	0.3	0.4	(0.1)	0.2

Allstate Protection - Auto Insurance	**Three months ended June 30,**		**Six months ended June 30,**	
	2023	**2022**	**2023**	**2022**
Combined ratio	108.3	107.9	106.4	105.0
Effect of catastrophe losses	(4.2)	(1.5)	(2.7)	(1.0)
Effect of prior year non-catastrophe reserve reestimates	(1.4)	(3.8)	(0.8)	(2.9)
Effect of amortization of purchased intangibles	(0.5)	(0.5)	(0.5)	(0.6)
Underlying combined ratio*	102.2	102.1	102.4	100.5
Effect of prior year catastrophe reserve reestimates	(0.2)	(0.5)	(0.3)	(0.3)

Allstate Protection - Homeowners Insurance	**Three months ended June 30,**		**Six months ended June 30,**	
	2023	**2022**	**2023**	**2022**
Combined ratio	145.3	107.5	132.3	95.9
Effect of catastrophe losses	(75.9)	(35.6)	(63.9)	(25.6)
Effect of prior year non-catastrophe reserve reestimates	(1.4)	(1.9)	(0.5)	(1.1)
Effect of amortization of purchased intangibles	(0.4)	(0.5)	(0.3)	(0.4)
Underlying combined ratio*	67.6	69.5	67.6	68.8
Effect of prior year catastrophe reserve reestimates	1.8	3.3	0.8	1.5

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Exhibit 99.2

The Allstate Corporation

Investor Supplement
Second Quarter 2023

The condensed consolidated financial statements and financial exhibits included herein are unaudited and should be read in conjunction with the consolidated financial statements 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 should not be considered indicative of results to be 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 (*). These measures are defined on the pages "Definitions of Non-GAAP Measures" and are reconciled to the most directly comparable generally accepted accounting principles ("GAAP") measure herein.

The Allstate Corporation
Investor Supplement - Second Quarter 2023

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Items included in the glossary are denoted with a caret (^) the first time used.

The Allstate Corporation
Condensed Consolidated Statements of Operations [1]

(In millions, except per share data)	Three months ended						Six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Revenues								
Property and casualty insurance premiums ^	$ 12,470	$ 12,173	$ 11,900	$ 11,661	$ 11,362	$ 10,981	$ 24,643	$ 22,343
Accident and health insurance premiums and contract charges ^	453	463	436	463	465	468	916	933
Other revenue ^	597	561	660	561	563	560	1,158	1,123
Net investment income	610	575	557	690	562	594	1,185	1,156
Net gains (losses) on investments and derivatives	(151)	14	95	(167)	(733)	(267)	(137)	(1,000)
Total revenues	13,979	13,786	13,648	13,208	12,219	12,336	27,765	24,555
Costs and expenses								
Property and casualty insurance claims and claims expense	11,727	10,326	10,002	10,073	9,367	7,822	22,053	17,189
Accident, health and other policy benefits	258	265	257	252	265	268	523	533
Amortization of deferred policy acquisition costs	1,789	1,744	1,725	1,683	1,618	1,608	3,533	3,226
Operating costs and expenses	1,786	1,716	1,852	1,842	1,850	1,902	3,502	3,752
Pension and other postretirement remeasurement (gains) losses	(40)	(53)	25	79	259	(247)	(93)	12
Restructuring and related charges	27	27	24	14	1	12	54	13
Amortization of purchased intangibles	82	81	89	90	87	87	163	174
Interest expense	98	86	84	85	83	83	184	166
Total costs and expenses	15,727	14,192	14,058	14,118	13,530	11,535	29,919	25,065
Income (loss) from operations before income tax expense	(1,748)	(406)	(410)	(910)	(1,311)	801	(2,154)	(510)
Income tax expense (benefit)	(373)	(85)	(114)	(236)	(289)	151	(458)	(138)
Net income (loss)	(1,375)	(321)	(296)	(674)	(1,022)	650	(1,696)	(372)
Less: Net income (loss) attributable to noncontrolling interest	(23)	(1)	(19)	(15)	(9)	(10)	(24)	(19)
Net income (loss) attributable to Allstate	(1,352)	(320)	(277)	(659)	(1,013)	660	(1,672)	(353)
Less: Preferred stock dividends	37	26	26	26	27	26	63	53
Net income (loss) applicable to common shareholders	$ (1,389)	$ (346)	$ (303)	$ (685)	$ (1,040)	$ 634	$ (1,735)	$ (406)
Earnings per common share								
Net income (loss) applicable to common shareholders per common share - Basic	$ (5.29)	$ (1.31)	$ (1.15)	$ (2.55)	$ (3.80)	$ 2.28	$ (6.59)	$ (1.47)
Weighted average common shares - Basic	262.6	263.5	264.4	268.7	273.8	278.1	263.1	275.9
Net income (loss) applicable to common shareholders per common share - Diluted [2]	$ (5.29)	$ (1.31)	$ (1.15)	$ (2.55)	$ (3.80)	$ 2.25	$ (6.59)	$ (1.47)
Weighted average common shares - Diluted [2]	262.6	263.5	264.4	268.7	273.8	281.8	263.1	275.9
Weighted average dilutive potential common shares excluded due to net loss applicable to common shareholders [2]	1.7	2.6	3.1	2.9	3.2	-	2.1	3.5
Cash dividends declared per common share	$ 0.89	$ 0.89	$ 0.85	$ 0.85	$ 0.85	$ 0.85	$ 1.78	$ 1.70

[1] 2022 periods have been recast to reflect the impact of the adoption of the Financial Accounting Standards Board ("FASB") guidance revising the accounting for certain long-duration insurance contracts.

[2] In periods where a net loss is reported, weighted average shares for basic earnings per share is used for calculating diluted earnings per share because all dilutive potential common shares are anti-dilutive and are therefore excluded from the calculation.

The Allstate Corporation
Contribution to Income [1]

(In millions, except per share data)	Three months ended						Six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Contribution to income								
Net income (loss) applicable to common shareholders	$ (1,389)	$ (346)	$ (303)	$ (685)	$ (1,040)	$ 634	$ (1,735)	$ (406)
Net (gains) losses on investments and derivatives	151	(14)	(95)	167	733	267	137	1,000
Pension and other postretirement remeasurement (gains) losses	(40)	(53)	25	79	259	(247)	(93)	12
Amortization of purchased intangibles	82	81	89	90	87	87	163	174
(Gain) loss on disposition	8	(9)	(83) [4]	5	(27)	16	(1)	(11)
Non-recurring costs [2]	90	-	-	-	-	-	90	-
Income tax expense (benefit)	(64)	(1)	16	(67)	(219)	(27)	(65)	(246)
Adjusted net income (loss) *	$ (1,162)	$ (342)	$ (351)	$ (411)	$ (207)	$ 730	$ (1,504)	$ 523
Income per common share - Diluted								
Net income (loss) applicable to common shareholders [3]	$ (5.29)	$ (1.31)	$ (1.15)	$ (2.55)	$ (3.80)	$ 2.25	$ (6.59)	$ (1.47)
Net (gains) losses on investments and derivatives	0.58	(0.05)	(0.36)	0.62	2.68	0.95	0.52	3.58
Pension and other postretirement remeasurement (gains) losses	(0.15)	(0.20)	0.09	0.29	0.95	(0.88)	(0.35)	0.05
Amortization of purchased intangibles	0.31	0.31	0.34	0.34	0.32	0.31	0.62	0.63
(Gain) loss on disposition	0.03	(0.04)	(0.32)	0.02	(0.10)	0.06	(0.01)	(0.04)
Non-recurring costs [2]	0.34	-	-	-	-	-	0.34	-
Income tax expense (benefit)	(0.24)	(0.01)	0.07	(0.25)	(0.80)	(0.10)	(0.25)	(0.88)
Adjusted net income (loss) * [3]	$ (4.42)	$ (1.30)	$ (1.33)	$ (1.53)	$ (0.75)	$ 2.59	$ (5.72)	$ 1.87
Weighted average common shares - Diluted [3]	262.6	263.5	264.4	268.7	273.8	281.8	263.1	279.4
Weighted average dilutive potential common shares excluded due to net loss applicable to common shareholders [3]	1.7	2.6	3.1	2.9	3.2	-	2.1	3.5

[1] 2022 periods have been recast to reflect the impact of the adoption of the FASB guidance revising the accounting for certain long-duration insurance contracts.

[2] Relates to settlement costs for non-recurring litigation that is outside of the ordinary course of business.

[3] In periods where a net loss or adjusted net loss is reported, weighted average shares for basic earnings per share is used for calculating diluted earnings per share because all dilutive potential common shares are anti-dilutive and are therefore excluded from the calculation.

[4] Includes $83 million related to the gain on sale of headquarters in the fourth quarter of 2022 reported as other revenue in Corporate and Other segment.

The Allstate Corporation
Book Value per Common Share and Debt to Capital (1)

($ in millions, except per share data)	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Book value per common share						
Numerator:						
Allstate common shareholders' equity (2)	$ 13,516	$ 15,524	$ 15,518	$ 15,713	$ 18,094	$ 21,105
Denominator:						
Common shares outstanding and dilutive potential common shares outstanding (3)	263.5	264.7	267.0	269.1	274.3	279.7
Book value per common share	$ 51.29	$ 58.65	$ 58.12	$ 58.39	$ 65.96	$ 75.46
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities						
Numerator:						
Allstate common shareholders' equity (2)	$ 13,516	$ 15,524	$ 15,518	$ 15,713	$ 18,094	$ 21,105
Less: Unrealized net capital gains and losses on fixed income securities	(1,843)	(1,575)	(2,254)	(2,933)	(2,143)	(996)
Adjusted Allstate common shareholders' equity	$ 15,359	$ 17,099	$ 17,772	$ 18,646	$ 20,237	$ 22,101
Denominator:						
Common shares outstanding and dilutive potential common shares outstanding (3)	263.5	264.7	267.0	269.1	274.3	279.7
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities *	$ 58.29	$ 64.60	$ 66.56	$ 69.29	$ 73.78	$ 79.02
Total debt	$ 7,949	$ 8,452	$ 7,964	$ 7,967	$ 7,970	$ 7,973
Total capital resources	$ 23,466	$ 25,946	$ 25,452	$ 25,650	$ 28,034	$ 31,048
Ratio of debt to Allstate shareholders' equity	51.2 %	48.3 %	45.5 %	45.1 %	39.7 %	34.6 %
Ratio of debt to capital resources	33.9 %	32.6 %	31.3 %	31.1 %	28.4 %	25.7 %

(1) 2022 periods have been recast to reflect the impact of the adoption of the FASB guidance revising the accounting for certain long-duration insurance contracts.
(2) Excludes equity related to preferred stock of $2,001 million as of June 30, 2023 and $1,970 million for all other periods shown.
(3) Common shares outstanding were 261,778,045 and 263,458,276 as of June 30, 2023 and December 31, 2022, respectively.

The Allstate Corporation
Return on Allstate Common Shareholders' Equity [1]

($ in millions)

	Twelve months ended					
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Return on Allstate common shareholders' equity						
Numerator:						
Net income (loss) applicable to common shareholders [2]	$ (2,723)	$ (2,374)	$ (1,394)	$ (294)	$ 913	$ 3,545
Denominator:						
Beginning Allstate common shareholders' equity	$ 18,094	$ 21,105	$ 22,974	$ 24,515	$ 25,774	$ 24,421
Ending Allstate common shareholders' equity [3]	13,516	15,524	15,518	15,713	18,094	21,105
Average Allstate common shareholders' equity ^	$ 15,805	$ 18,315	$ 19,246	$ 20,114	$ 21,934	$ 22,763
Return on Allstate common shareholders' equity	(17.2) %	(13.0) %	(7.2) %	(1.5) %	4.2 %	15.6 %
Adjusted net income (loss) return on Allstate common shareholders' equity						
Numerator:						
Adjusted net income (loss) * [2]	$ (2,266)	$ (1,311)	$ (239)	$ 915	$ 1,557	$ 2,910
Denominator:						
Beginning Allstate common shareholders' equity	$ 18,094	$ 21,105	$ 22,974	$ 24,515	$ 25,774	$ 24,421
Less: Unrealized net capital gains and losses	(2,140)	(996)	598	1,829	2,165	1,681
Adjusted beginning Allstate common shareholders' equity	20,234	22,101	22,376	22,686	23,609	22,740
Ending Allstate common shareholders' equity [3]	13,516	15,524	15,518	15,713	18,094	21,105
Less: Unrealized net capital gains and losses	(1,845)	(1,573)	(2,255)	(2,929)	(2,140)	(996)
Adjusted ending Allstate common shareholders' equity	15,361	17,097	17,773	18,642	20,234	22,101
Average adjusted Allstate common shareholders' equity ^	$ 17,798	$ 19,599	$ 20,075	$ 20,664	$ 21,922	$ 22,421
Adjusted net income (loss) return on Allstate common shareholders' equity *	(12.7) %	(6.7) %	(1.2) %	4.4 %	7.1 %	13.0 %

[1] 2022 periods have been recast to reflect the impact of the adoption of the FASB guidance revising the accounting for certain long-duration insurance contracts.
[2] Net income applicable to common shareholders and adjusted net income reflect a trailing twelve-month period.
[3] Excludes equity related to preferred stock of $2,001 million as of June 30, 2023 and $1,970 million for all other periods shown.

The Allstate Corporation
Policies in Force

Policies in force statistics (in thousands) [1]	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Allstate Protection						
Auto	25,520	25,733	26,034	26,131	26,192	26,071
Homeowners	7,268	7,262	7,260	7,237	7,197	7,165
Other personal lines	4,890	4,913	4,936	4,930	4,919	4,894
Commercial lines	307	307	311	310	311	312
Total	37,985	38,215	38,541	38,608	38,619	38,442
Allstate brand						
Auto	20,821	21,142	21,658	21,853	21,979	21,968
Homeowners	6,614	6,621	6,622	6,599	6,566	6,536
National General						
Auto	4,699	4,591	4,376	4,278	4,213	4,103
Homeowners	654	641	638	638	631	629
Protection Services						
Allstate Protection Plans	138,172	136,591	138,726	134,700	137,292	139,992
Allstate Dealer Services	3,825	3,839	3,865	3,888	3,921	3,924
Allstate Roadside	545	536	531	523	519	518
Allstate Identity Protection	3,222	3,206	3,112	2,968	2,961	2,949
Total	145,764	144,172	146,234	142,079	144,693	147,383
Allstate Health and Benefits	4,273	4,339	4,296	4,320	4,368	4,484
Total policies in force	188,022	186,726	189,071	185,007	187,680	190,309

[1] Policy counts are based on items rather than customers.

- A multi-car customer would generate multiple item (policy) counts, even if all cars were insured under one policy.
- PIF does not reflect banking relationships for our lender-placed insurance products to customers including fire, home and flood products, as well as collateral protection insurance and guaranteed asset protection products for automobiles.
- Commercial lines PIF for shared economy agreements reflect contracts that cover multiple drivers as opposed to individual drivers.
- Allstate Roadside reflects memberships in force and do not include their wholesale partners as the customer relationship is managed by the wholesale partner.
- Allstate Dealer Services reflects service contracts and other products sold in conjunction with auto lending and vehicle sales transactions and do not include their third party administrators ("TPAs") as the customer relationship is managed by the TPAs.
- Allstate Protection Plans represents active consumer product protection plans.
- Allstate Identity Protection reflects individual customer counts for identity protection products.
- Allstate Health and Benefits reflects certificate counts as opposed to group counts.

The Allstate Corporation
Property-Liability Results

($ in millions, except ratios)	Three months ended						Six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Premiums written	$ 12,620	$ 11,783	$ 11,480	$ 12,037	$ 11,509	$ 10,761	$ 24,403	$ 22,270
(Increase) decrease in unearned premiums	(753)	(127)	(67)	(852)	(599)	(258)	(880)	(857)
Other	54	(21)	(33)	(28)	(36)	(5)	33	(41)
Premiums earned	11,921	11,635	11,380	11,157	10,874	10,498	23,556	21,372
Other revenue	389	353	350	364	355	347	742	702
Claims and claims expense	(11,575)	(10,180)	(9,865)	(9,934)	(9,231)	(7,702)	(21,755)	(16,933)
Amortization of deferred policy acquisition costs	(1,496)	(1,452)	(1,453)	(1,414)	(1,355)	(1,348)	(2,948)	(2,703)
Operating costs and expenses	(1,249)	(1,279)	(1,365)	(1,390)	(1,450)	(1,445)	(2,528)	(2,895)
Restructuring and related charges	(26)	(21)	(20)	(14)	2	(12)	(47)	(10)
Amortization of purchased intangibles	(58)	(57)	(62)	(61)	(59)	(58)	(115)	(117)
Underwriting income (loss) [(1)]	$ (2,094)	$ (1,001)	$ (1,035)	$ (1,292)	$ (864)	$ 280	$ (3,095)	$ (584)
Catastrophe losses	$ (2,696)	$ (1,691)	$ (779)	$ (763)	$ (1,108)	$ (462)	$ (4,387)	$ (1,570)
Claims expense excluding catastrophe expense ^	(687)	(670)	(701)	(679)	(651)	(621)	(1,357)	(1,272)
Operating ratios and reconciliations to underlying ratios								
Loss ratio	97.1	87.5	86.7	89.0	84.9	73.3	92.3	79.2
Effect of catastrophe losses	(22.6)	(14.5)	(6.8)	(6.8)	(10.2)	(4.4)	(18.6)	(7.3)
Effect of non-catastrophe prior year reserve reestimates	(1.6)	(0.3)	(2.5)	(7.8)	(3.8)	(1.5)	(0.9)	(2.7)
Underlying loss ratio *	72.9	72.7	77.4	74.4	70.9	67.4	72.8	69.2
Expense ratio ^	20.5	21.1	22.4	22.6	23.0	24.0	20.8	23.5
Effect of amortization of purchased intangibles	(0.5)	(0.5)	(0.6)	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)
Underlying expense ratio *	20.0	20.6	21.8	22.0	22.5	23.5	20.3	23.0
Effect of advertising expense	(0.9)	(1.3)	(1.3)	(1.7)	(2.3)	(3.3)	(1.2)	(2.8)
Effect of restructuring and related charges	(0.2)	(0.2)	(0.1)	(0.1)	-	(0.1)	(0.2)	-
Adjusted underwriting expense ratio *	18.9	19.1	20.4	20.2	20.2	20.1	18.9	20.2
Claims expense ratio excluding catastrophe expense ^	5.8	5.8	6.2	6.1	6.0	5.9	5.8	6.0
Adjusted expense ratio *	24.7	24.9	26.6	26.3	26.2	26.0	24.7	26.2
Combined ratio	117.6	108.6	109.1	111.6	107.9	97.3	113.1	102.7
Effect of catastrophe losses	(22.6)	(14.5)	(6.8)	(6.8)	(10.2)	(4.4)	(18.6)	(7.3)
Effect of non-catastrophe prior year reserve reestimates	(1.6)	(0.3)	(2.5)	(7.8)	(3.8)	(1.5)	(0.9)	(2.7)
Effect of amortization of purchased intangibles	(0.5)	(0.5)	(0.6)	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)
Underlying combined ratio *	92.9	93.3	99.2	96.4	93.4	90.9	93.1	92.2
Effect of Run-off Property-Liability on combined ratio	0.1	-	-	1.1	-	-	-	-
[(1)] **Underwriting income (loss)**								
Allstate brand	$ (1,847)	$ (972)	$ (990)	$ (1,049)	$ (825)	$ 251	$ (2,819)	$ (574)
National General	(248)	(28)	(44)	(124)	(38)	29	(276)	(9)
Answer Financial	3	2	1	3	2	2	5	4
Total underwriting income (loss) for Allstate Protection	(2,092)	(998)	(1,033)	(1,170)	(861)	282	(3,090)	(579)
Run-off Property-Liability	(2)	(3)	(2)	(122)	(3)	(2)	(5)	(5)
Total underwriting income (loss) for Property-Liability	$ (2,094)	$ (1,001)	$ (1,035)	$ (1,292)	$ (864)	$ 280	$ (3,095)	$ (584)
Other financial information								
Net investment income	$ 544	$ 509	$ 494	$ 632	$ 506	$ 558	$ 1,053	$ 1,064
Income tax (expense) benefit on operations	320	91	115	179	79	(175)	411	(96)
Net income (loss) attributable to noncontrolling interest, after-tax	(23)	(1)	(17)	(15)	(10)	(10)	(24)	(20)
Amortization of purchased intangibles	(58)	(57)	(62)	(61)	(59)	(58)	(115)	(117)

The Allstate Corporation
Allstate Protection Profitability Measures

($ in millions, except ratios)	Three months ended						Six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Premiums written								
Auto	$ 8,269	$ 8,349	$ 7,774	$ 7,860	$ 7,470	$ 7,562	$ 16,618	$ 15,032
Homeowners	3,381	2,534	2,775	3,145	3,008	2,281	5,915	5,289
Other personal lines	675	548	530	606	609	504	1,223	1,113
Commercial lines	200	227	248	285	297	294	427	591
Other business lines ^	95	125	153	141	125	120	220	245
Total	$ 12,620	$ 11,783	$ 11,480	$ 12,037	$ 11,509	$ 10,761	$ 24,403	$ 22,270
Net premiums earned								
Auto	$ 8,121	$ 7,908	$ 7,741	$ 7,545	$ 7,348	$ 7,081	$ 16,029	$ 14,429
Homeowners	2,883	2,810	2,720	2,642	2,566	2,490	5,693	5,056
Other personal lines	587	562	543	540	545	531	1,149	1,076
Commercial lines	202	232	249	296	295	283	434	578
Other business lines	128	123	127	134	120	113	251	233
Total	$ 11,921	$ 11,635	$ 11,380	$ 11,157	$ 10,874	$ 10,498	$ 23,556	$ 21,372
Underwriting income (loss)								
Auto	$ (678)	$ (346)	$ (974)	$ (1,315)	$ (578)	$ (147)	$ (1,024)	$ (725)
Homeowners	(1,307)	(534)	197	266	(192)	400	(1,841)	208
Other personal lines	(70)	(89)	(107)	(10)	11	18	(159)	29
Commercial lines	(61)	(60)	(190)	(117)	(135)	(22)	(121)	(157)
Other business lines	21	29	40	3	31	31	50	62
Answer Financial	3	2	1	3	2	2	5	4
Total	$ (2,092)	$ (998)	$ (1,033)	$ (1,170)	$ (861)	$ 282	$ (3,090)	$ (579)
Claims expense excluding catastrophe expense	$ 685	$ 668	$ 699	$ 675	$ 650	$ 619	$ 1,353	$ 1,269
Operating ratios and reconciliations to underlying ratios								
Loss ratio	97.0	87.5	86.7	88.0	84.9	73.3	92.3	79.2
Effect of catastrophe losses	(22.6)	(14.5)	(6.8)	(6.8)	(10.2)	(4.4)	(18.6)	(7.3)
Effect of non-catastrophe prior year reserve reestimates	(1.5)	(0.3)	(2.5)	(6.8)	(3.8)	(1.5)	(0.9)	(2.7)
Underlying loss ratio *	72.9	72.7	77.4	74.4	70.9	67.4	72.8	69.2
Expense ratio	20.5	21.1	22.4	22.5	23.0	24.0	20.8	23.5
Effect of amortization of purchased intangibles	(0.5)	(0.5)	(0.6)	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)
Underlying expense ratio *	20.0	20.6	21.8	21.9	22.5	23.5	20.3	23.0
Effect of advertising expense	(0.9)	(1.3)	(1.3)	(1.7)	(2.3)	(3.3)	(1.2)	(2.8)
Effect of restructuring and related charges	(0.2)	(0.2)	(0.2)	(0.1)	-	(0.1)	(0.2)	-
Adjusted underwriting expense ratio *	18.9	19.1	20.3	20.1	20.2	20.1	18.9	20.2
Combined ratio	117.5	108.6	109.1	110.5	107.9	97.3	113.1	102.7
Underlying combined ratio *	92.9	93.3	99.2	96.3	93.4	90.9	93.1	92.2
Claims expense ratio excluding catastrophe expense	5.7	5.7	6.1	6.1	6.0	5.9	5.7	5.9

The Allstate Corporation
Allstate Protection Impact of Net Rate Changes Implemented on Premiums Written

	Three months ended June 30, 2023			Three months ended March 31, 2023		
	Number of locations [1]	Total brand (%) [2] [3]	Location specific (%) [4]	Number of locations	Total brand (%) [3]	Location specific (%)
Allstate brand						
Auto	34	5.8	10.0	28	1.7	8.4
Homeowners [5]	20	2.5	12.3	18	4.9	13.7
National General						
Auto	27	3.6	13.9	28	1.9	5.6
Homeowners [5]	10	3.8	23.5	7	1.5	12.2

	Three months ended December 31, 2022			Three months ended September 30, 2022		
	Number of locations	Total brand (%) [3]	Location specific (%)	Number of locations	Total brand (%) [3]	Location specific (%)
Allstate brand						
Auto	38	6.1	11.2	19	4.7	14.0
Homeowners [5]	16	2.1	11.3	9	0.5	6.9
National General						
Auto	26	4.3	8.5	19	1.1	3.2
Homeowners [5]	16	4.4	15.7	7	1.6	10.8

(1) Refers to the number of U.S. states, the District of Columbia or Canadian provinces where rate changes have been implemented. Allstate brand operates in 50 states, the District of Columbia, and 5 Canadian provinces. National General operates in 50 states and the District of Columbia.
(2) Represents the impact in the locations where rate changes were implemented during the period as a percentage of total brand prior year-end premiums written.
(3) Total Allstate brand implemented auto insurance rate increases totaled $1.49 billion in the second quarter of 2023, after implementing $454 million of rate increases in the first quarter of 2023 and $1.48 billion and $1.14 billion of rate increases in the fourth and third quarters of 2022, respectively.
(4) Represents the impact in the locations where rate changes were implemented during the period as a percentage of its respective total prior year-end premiums written in those same locations.
(5) Excludes the impact to average premium from inflation in insured home replacement costs and other aging factor adjustments.

The Allstate Corporation
Auto Profitability Measures and Statistics

($ in millions, except ratios)	Three months ended						Six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Allstate Protection								
Premiums written	$ 8,269	$ 8,349	$ 7,774	$ 7,860	$ 7,470	$ 7,562	$ 16,618	$ 15,032
Net premiums earned	8,121	7,908	7,741	7,545	7,348	7,081	16,029	14,429
Underwriting income (loss)	(678)	(346)	(974)	(1,315)	(578)	(147)	(1,024)	(725)
Operating ratios and reconciliations to underlying ratios								
Loss ratio	87.9	83.4	90.6	95.3	84.9	77.6	85.7	81.3
Effect of catastrophe losses	(4.2)	(1.2)	(0.5)	(4.4)	(1.5)	(0.6)	(2.7)	(1.0)
Effect of non-catastrophe prior year reserve reestimates ("PYRR")	(1.4)	(0.1)	(2.3)	(8.5)	(3.8)	(2.1)	(0.8)	(2.9)
Underlying loss ratio *	82.3	82.1	87.8	82.4	79.6	74.9	82.2	77.4
Expense ratio	20.4	21.0	22.0	22.1	23.0	24.5	20.7	23.7
Effect of amortization of purchased intangibles	(0.5)	(0.5)	(0.6)	(0.5)	(0.5)	(0.6)	(0.5)	(0.6)
Underlying expense ratio *	19.9	20.5	21.4	21.6	22.5	23.9	20.2	23.1
Combined ratio	108.3	104.4	112.6	117.4	107.9	102.1	106.4	105.0
Effect of catastrophe losses	(4.2)	(1.2)	(0.5)	(4.4)	(1.5)	(0.6)	(2.7)	(1.0)
Effect of non-catastrophe PYRR	(1.4)	(0.1)	(2.3)	(8.5)	(3.8)	(2.1)	(0.8)	(2.9)
Effect of amortization of purchased intangibles ("APIA")	(0.5)	(0.5)	(0.6)	(0.5)	(0.5)	(0.6)	(0.5)	(0.6)
Underlying combined ratio *	102.2	102.6	109.2	104.0	102.1	98.8	102.4	100.5
Allstate brand								
Premiums written	$ 6,821	$ 6,826	$ 6,560	$ 6,704	$ 6,374	$ 6,308	$ 13,647	$ 12,682
Net premiums earned	6,772	6,660	6,544	6,416	6,253	6,073	13,432	12,326
Underwriting income (loss)	(546)	(332)	(909)	(1,222)	(578)	(137)	(878)	(715)
Loss ratio	87.7	84.3	92.2	97.1	86.4	78.3	86.0	82.4
Effect of catastrophe losses and non-catastrophe PYRR	(4.5)	(0.6)	(3.0)	(13.6)	(5.5)	(2.9)	(2.5)	(4.2)
Underlying loss ratio *	83.2	83.7	89.2	83.5	80.9	75.4	83.5	78.2
Combined ratio	108.1	105.0	113.9	119.0	109.2	102.3	106.5	105.8
Effect of catastrophe losses, non-catastrophe PYRR and APIA	(4.7)	(0.8)	(3.1)	(13.7)	(5.6)	(3.0)	(2.7)	(4.3)
Underlying combined ratio *	103.4	104.2	110.8	105.3	103.6	99.3	103.8	101.5
Average premium - gross written ^ ($)	737	726	698	667	644	626	732	635
Annualized average earned premium ^ ($)	1,301	1,260	1,209	1,174	1,138	1,106	1,290	1,122
Annualized average earned premium ^ (% change year-over-year)	14.3	13.9	10.1	7.2	3.4	0.4	15.0	2.1
Average underlying loss (incurred pure premium) * ^ ($) [(1)]	1,082	1,055	1,078	981	921	834	1,077	877
Average underlying loss (incurred pure premium) * ^ (% change year-over-year)	17.5	26.5	29.3	22.6	25.1	34.7	22.8	29.7
Average underlying loss (incurred pure premium) and expense* ^ ($)	1,345	1,313	1,339	1,237	1,179	1,098	1,339	1,138
Renewal ratio ^ (%)	85.5	85.7	86.0	87.0	87.5	87.5	85.6	87.5
National General								
Premiums written	$ 1,448	$ 1,523	$ 1,214	$ 1,156	$ 1,096	$ 1,254	$ 2,971	$ 2,350
Net premiums earned	1,349	1,248	1,197	1,129	1,095	1,008	2,597	2,103
Underwriting income (loss)	(132)	(14)	(65)	(93)	-	(10)	(146)	(10)
Combined ratio	109.8	101.1	105.4	108.2	100.0	101.0	105.6	100.5
Effect of catastrophe losses, non-catastrophe PYRR and APIA [(2)]	(13.7)	(7.1)	(4.8)	(11.4)	(6.6)	(5.6)	(10.5)	(6.1)
Underlying combined ratio *	96.1	94.0	100.6	96.8	93.4	95.4	95.1	94.4

(1) Average underlying loss increased 9.7% in the first quarter of 2023 and 12.0% in the six months ended June 30, 2023, from $962 million for the twelve months ended December 31, 2022.

(2) Includes 2.1 points and 2.2 points in the second quarter and first six months of 2023, respectively, and 2.9 and 3.1 points in the second quarter and first six months of 2022, respectively, related to the effect of amortization of purchased intangibles.

The Allstate Corporation
Homeowners Profitability Measures and Statistics

($ in millions, except ratios)	Three months ended						Six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Allstate Protection								
Premiums written	$ 3,381	$ 2,534	$ 2,775	$ 3,145	$ 3,008	$ 2,281	$ 5,915	$ 5,289
Net premiums earned	2,883	2,810	2,720	2,642	2,566	2,490	5,693	5,056
Underwriting income (loss)	(1,307)	(534)	197	266	(192)	400	(1,841)	208
Operating ratios and reconciliations to underlying ratios								
Loss ratio	125.0	98.5	70.4	67.4	84.5	61.8	111.9	73.4
Effect of catastrophe losses	(75.9)	(51.6)	(22.2)	(13.4)	(35.6)	(15.4)	(63.9)	(25.6)
Effect of non-catastrophe prior year reserve reestimates ("PYRR")	(1.4)	0.5	(0.7)	(1.9)	(1.9)	(0.1)	(0.5)	(1.1)
Underlying loss ratio *	47.7	47.4	47.5	52.1	47.0	46.3	47.5	46.7
Expense ratio	20.3	20.5	22.4	22.5	23.0	22.1	20.4	22.5
Effect of amortization of purchased intangibles	(0.4)	(0.3)	(0.4)	(0.5)	(0.5)	(0.4)	(0.3)	(0.4)
Underlying expense ratio *	19.9	20.2	22.0	22.0	22.5	21.7	20.1	22.1
Combined ratio	145.3	119.0	92.8	89.9	107.5	83.9	132.3	95.9
Effect of catastrophe losses	(75.9)	(51.6)	(22.2)	(13.4)	(35.6)	(15.4)	(63.9)	(25.6)
Effect of non-catastrophe PYRR	(1.4)	0.5	(0.7)	(1.9)	(1.9)	(0.1)	(0.5)	(1.1)
Effect of amortization of purchased intangibles ("APIA")	(0.4)	(0.3)	(0.4)	(0.5)	(0.5)	(0.4)	(0.3)	(0.4)
Underlying combined ratio *	67.6	67.6	69.5	74.1	69.5	68.0	67.6	68.8
Allstate brand								
Premiums written	$ 2,937	$ 2,210	$ 2,448	$ 2,803	$ 2,665	$ 2,020	$ 5,147	$ 4,685
Net premiums earned	2,537	2,488	2,408	2,350	2,281	2,210	5,025	4,491
Underwriting income (loss)	(1,195)	(508)	197	268	(132)	368	(1,703)	236
Combined ratio	147.1	120.4	91.8	88.6	105.8	83.3	133.9	94.7
Effect of catastrophe losses, non-catastrophe PYRR and APIA	(79.9)	(54.5)	(23.7)	(16.0)	(38.8)	(16.6)	(67.4)	(27.8)
Underlying combined ratio *	67.2	65.9	68.1	72.6	67.0	66.7	66.5	66.9
Average premium - gross written ($)	1,800	1,706	1,668	1,635	1,590	1,554	1,758	1,574
Renewal ratio (%)	86.3	86.3	86.7	87.4	86.9	86.2	86.3	86.6
National General								
Premiums written	$ 444	$ 324	$ 327	$ 342	$ 343	$ 261	$ 768	$ 604
Net premiums earned	346	322	312	292	285	280	668	565
Underwriting income (loss)	(112)	(26)	-	(2)	(60)	32	(138)	(28)
Combined ratio	132.4	108.1	100.0	100.7	121.1	88.6	120.7	105.0
Effect of catastrophe losses, non-catastrophe PYRR and APIA (1)	(61.9)	(27.4)	(20.2)	(13.7)	(31.6)	(10.7)	(45.3)	(21.3)
Underlying combined ratio *	70.5	80.7	79.8	87.0	89.5	77.9	75.4	83.7

(1) Includes 1.8 points and 1.5 points in the first quarter and first six months of 2023, respectively, and 3.2 points and 2.9 points in the first quarter and first six months of 2022, respectively, related to the effect of amortization of purchased intangibles.

The Allstate Corporation
Protection Services Segment Results

($ in millions)	Three months ended						Six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Protection Services								
Net premiums written	$ 658	$ 619	$ 742	$ 657	$ 670	$ 630	$ 1,277	$ 1,300
Premiums earned	$ 549	$ 538	$ 520	$ 504	$ 488	$ 483	$ 1,087	$ 971
Other revenue	84	84	78	84	91	94	168	185
Intersegment insurance premiums and service fees	35	33	31	39	38	41	68	79
Net investment income	18	16	14	13	12	9	34	21
Claims and claims expense	(153)	(153)	(140)	(141)	(128)	(123)	(306)	(251)
Amortization of deferred policy acquisition costs	(259)	(251)	(243)	(236)	(228)	(221)	(510)	(449)
Operating costs and expenses	(218)	(221)	(229)	(214)	(213)	(218)	(439)	(431)
Restructuring and related charges	-	(1)	(1)	(1)	-	-	(1)	-
Income tax expense on operations	(15)	(11)	6	(13)	(16)	(12)	(26)	(28)
Less: net income (loss) attributable to noncontrolling interest	-	-	(2)	-	1	-	-	1
Adjusted net income [(1)]	41	34	38	35	43	53	75	96
Depreciation	6	6	6	6	6	6	12	12
Restructuring and related charges	-	1	1	1	-	-	1	-
Income tax expense on operations	15	11	(6)	13	16	12	26	28
Adjusted earnings before taxes, depreciation and restructuring *	$ 62	$ 52	$ 39	$ 55	$ 65	$ 71	$ 114	$ 136
Allstate Protection Plans								
Net premiums written	$ 481	$ 439	$ 570	$ 452	$ 456	$ 429	$ 920	$ 885
Premiums earned	$ 373	$ 361	$ 346	$ 330	$ 318	$ 313	$ 734	$ 631
Revenue ^	399	385	367	349	338	329	784	667
Claims and claims expense	(106)	(105)	(94)	(92)	(82)	(77)	(211)	(159)
Amortization of deferred policy acquisition costs	(148)	(141)	(134)	(129)	(123)	(119)	(289)	(242)
Other costs and expenses ^	(103)	(103)	(102)	(90)	(83)	(80)	(206)	(163)
Restructuring and related charges	-	-	(1)	-	-	-	-	-
Income tax expense on operations	(11)	(8)	4	(9)	(13)	(10)	(19)	(23)
Less: net income (loss) attributable to noncontrolling interest	-	-	(2)	-	1	-	-	1
Adjusted net income	$ 31	$ 28	$ 42	$ 29	$ 36	$ 43	$ 59	$ 79
Allstate Dealer Services								
Revenue	$ 148	$ 148	$ 145	$ 143	$ 139	$ 135	$ 296	$ 274
Adjusted net income	6	7	8	10	8	9	13	17
Allstate Roadside								
Revenue	$ 66	$ 64	$ 64	$ 65	$ 64	$ 65	$ 130	$ 129
Adjusted net income	6	4	3	1	1	2	10	3
Arity								
Revenue	$ 35	$ 37	$ 33	$ 49	$ 52	$ 62	$ 72	$ 114
Adjusted net income (loss)	(3)	(4)	(7)	(2)	(1)	(1)	(7)	(2)
Allstate Identity Protection								
Revenue	$ 38	$ 37	$ 34	$ 34	$ 36	$ 36	$ 75	$ 72
Adjusted net income (loss)	1	(1)	(8)	(3)	(1)	-	-	(1)

(1) Adjusted net income is the GAAP segment measure.

The Allstate Corporation
Allstate Health and Benefits Segment Results and Other Statistics [1]

($ in millions)	Three months ended						Six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Allstate Health and Benefits								
Accident and health insurance premiums and contract charges	$ 453	$ 463	$ 436	$ 463	$ 465	$ 468	$ 916	$ 933
Other revenue [2]	101	101	125	90	92	95	202	187
Net investment income	21	19	19	17	16	17	40	33
Accident, health and other policy benefits	(258)	(265)	(257)	(252)	(265)	(268)	(523)	(533)
Amortization of deferred policy acquisition costs	(34)	(41)	(29)	(33)	(35)	(39)	(75)	(74)
Operating costs and expenses	(210)	(203)	(220)	(207)	(185)	(202)	(413)	(387)
Restructuring and related charges	-	(4)	(1)	1	(2)	-	(4)	(2)
Income tax expense on operations	(16)	(14)	(15)	(16)	(19)	(14)	(30)	(33)
Adjusted net income ^	$ 57	$ 56	$ 58	$ 63	$ 67	$ 57	$ 113	$ 124
Interest credited to contractholder funds	(9)	(8)	(8)	(8)	(9)	(8)	(17)	(17)
Benefit ratio ^	55.0 %	55.5 %	57.1 %	52.7 %	55.1 %	55.6 %	55.2 %	55.3 %
Premiums and contract charges								
Employer voluntary benefits ^	$ 245	$ 255	$ 256	$ 257	$ 257	$ 263	$ 500	$ 520
Group health ^	110	107	100	96	95	94	217	189
Individual health ^	98	101	80	110	113	111	199	224
Total	$ 453	$ 463	$ 436	$ 463	$ 465	$ 468	$ 916	$ 933

[1] 2022 periods have been recast to reflect the impact of the adoption of the FASB guidance revising the accounting for certain long-duration insurance contracts.

[2] Reflects commission revenue, administrative fees, agency fees and technology fees from the group health and individual health business.

The Allstate Corporation
Corporate and Other Segment Results

($ in millions)	Three months ended						Six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Other revenue	$ 23	$ 23	$ 23 [2]	$ 23	$ 25	$ 24	$ 46	$ 49
Net investment income	27	31	30	28	28	10	58	38
Operating costs and expenses	(45) [1]	(48)	(63)	(65)	(75)	(59)	(93) [1]	(134)
Restructuring and related charges	(1)	(1)	(2)	-	(1)	-	(2)	(1)
Interest expense	(98)	(86)	(86)	(83)	(83)	(83)	(184)	(166)
Income tax benefit on operations	20	18	24	19	26	23	38	49
Preferred stock dividends	(37)	(26)	(26)	(26)	(27)	(26)	(63)	(53)
Adjusted net loss ^	$ (111)	$ (89)	$ (100)	$ (104)	$ (107)	$ (111)	$ (200)	$ (218)

[1] Excludes settlement costs for non-recurring litigation that is outside of the ordinary course of business.
[2] Excludes $83 million related to the gain on sale of headquarters in the fourth quarter of 2022 reported as other revenue.

The Allstate Corporation
Investment Position and Results

($ in millions)	As of or for the three months ended						As of or for the six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Investment position								
Fixed income securities, at fair value	$ 45,550	$ 44,103	$ 42,485	$ 41,715	$ 41,282	$ 40,745	$ 45,550	$ 41,282
Equity securities ^	2,290	2,174	4,567	4,723	4,681	5,315	2,290	4,681
Mortgage loans, net	823	781	762	833	848	855	823	848
Limited partnership interests ^	8,150	7,971	8,114	7,907	7,943	7,977	8,150	7,943
Short-term, at fair value	5,137	6,722	4,173	4,030	4,384	4,344	5,137	4,384
Other investments, net	1,718	1,724	1,728	1,798	1,917	2,532	1,718	1,917
Total	$ 63,668	$ 63,475	$ 61,829	$ 61,006	$ 61,055	$ 61,768	$ 63,668	$ 61,055
Net investment income								
Fixed income securities	$ 422	$ 390	$ 366	$ 323	$ 299	$ 267	$ 812	$ 566
Equity securities	21	11	32	30	34	36	32	70
Mortgage loans	8	8	8	8	9	8	16	17
Limited partnership interests	122	134	144	325	224	292	256	516
Short-term investments	69	66	40	30	10	2	135	12
Other investments	39	41	42	38	42	40	80	82
Investment income, before expense	681	650	632	754	618	645	1,331	1,263
Investment expense	(71)	(75)	(75)	(64)	(56)	(51)	(146)	(107)
Net investment income	$ 610	$ 575	$ 557	$ 690	$ 562	$ 594	$ 1,185	$ 1,156
Pre-tax yields on fixed income securities ^	3.6 %	3.4 %	3.2 %	2.9 %	2.8 %	2.6 %	3.5 %	2.7 %
Net gains (losses) on investments and derivatives, pre-tax by transaction type								
Sales	$ (130)	$ (120)	$ (227)	$ (175)	$ (303)	$ (127)	$ (250)	$ (430)
Credit losses	(37)	(12)	(24)	(6)	(13)	(11)	(49)	(24)
Valuation change of equity investments	23	198	361	(285)	(689)	(447)	221	(1,136)
Valuation change and settlements of derivatives	(7)	(52)	(15)	299	272	318	(59)	590
Total	$ (151)	$ 14	$ 95	$ (167)	$ (733)	$ (267)	$ (137)	$ (1,000)
Total return on investment portfolio ^								
Net investment income	1.0 %	0.9 %	0.9 %	1.1 %	0.9 %	0.9 %	1.9 %	1.8 %
Valuation-interest bearing	(0.8)	1.1	1.0	(1.4)	(2.6)	(3.1)	0.3	(5.7)
Valuation-equity investments	-	0.4	0.6	(0.5)	(1.1)	(0.6)	0.3	(1.7)
Total	0.2 %	2.4 %	2.5 %	(0.8) %	(2.8) %	(2.8) %	2.5 %	(5.6) %
Fixed income securities portfolio duration ^ (in years)	4.4	4.0	3.6	3.6	3.8	3.8		
Fixed income securities portfolio duration including interest rate derivative positions (in years)	4.4	4.0	3.4	3.0	3.2	3.1		
Fixed income and short-term investments duration including interest rate derivative positions (in years)	3.9	3.5	3.1	2.8	2.9	2.8		

The Allstate Corporation
Investment Position and Results by Strategy

($ in millions)	As of or for the three months ended						As of or for the six months ended	
	June 30, 2023	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022	June 30, 2023	June 30, 2022
Investment Position								
Market-based ^								
Interest-bearing investments ^	$ 52,191	$ 52,337	$ 48,114	$ 47,364	$ 47,457	$ 47,480	$ 52,191	$ 47,457
Equity securities	1,850	1,765	4,112	4,283	4,259	4,915	1,850	4,259
LP and other alternative investments ^	201	214	519	469	485	548	201	485
Total	$ 54,242	$ 54,316	$ 52,745	$ 52,116	$ 52,201	$ 52,943	$ 54,242	$ 52,201
Performance-based ^								
Private equity (1)	$ 7,381	$ 7,168	$ 6,965	$ 6,980	$ 6,996	$ 6,943	$ 7,381	$ 6,996
Real estate	2,045	1,991	2,119	1,910	1,858	1,882	2,045	1,858
Total	$ 9,426	$ 9,159	$ 9,084	$ 8,890	$ 8,854	$ 8,825	$ 9,426	$ 8,854
Investment income								
Market-based								
Interest-bearing investments	$ 519	$ 481	$ 432	$ 376	$ 336	$ 296	$ 1,000	$ 632
Equity securities	16	14	34	25	29	26	30	55
LP and other alternative investments	3	13	-	5	4	3	16	7
Investment income, before expense	538	508	466	406	369	325	1,046	694
Investee level expenses	(2)	(1)	(2)	(4)	(1)	(2)	(3)	(3)
Income for yield calculation	$ 536	$ 507	$ 464	$ 402	$ 368	$ 323	$ 1,043	$ 691
Pre-tax yield	3.8 %	3.6 %	3.3 %	2.9 %	2.7 %	2.4 %	3.7 %	2.5 %
Performance-based								
Private equity	$ 112	$ 105	$ 110	$ 311	$ 129	$ 248	$ 217	$ 377
Real estate	31	37	56	37	120	72	68	192
Investment income, before expense	143	142	166	348	249	320	285	569
Investee level expenses	(16)	(16)	(19)	(13)	(13)	(14)	(32)	(27)
Income for yield calculation	$ 127	$ 126	$ 147	$ 335	$ 236	$ 306	$ 253	$ 542
Pre-tax yield	5.5 %	5.5 %	6.5 %	15.2 %	10.7 %	14.1 %	5.5 %	12.4 %
Total return on investments portfolio								
Market-based	0.1 %	2.6 %	2.8 %	(1.5) %	(3.7) %	(3.8) %	2.7 %	(7.5) %
Performance-based	1.0	1.6	0.9	3.6	3.1	4.0	2.6	7.1
Internal rate of return ^								
Performance-based								
10 year	12.6 %	12.7 %	12.9 %	13.0 %	13.0 %	13.0 %		
5 year	12.1	12.1	13.1	13.3	14.1	13.9		
3 year	19.6	16.0	15.7	14.9	15.2	15.0		
1 year	4.2	5.9	11.2	17.4	24.6	27.7		

(1) Includes infrastructure investments of $1.12 billion as of June 30, 2023.

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.

Adjusted net income is net income (loss) applicable to common shareholders, excluding:
- Net gains and losses on investments and derivatives
- Pension and other postretirement remeasurement gains and losses
- Amortization or impairment of purchased intangibles
- Gain or loss on disposition
- 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
- Related income tax expense or benefit of these items

Net income (loss) applicable to common shareholders is the GAAP measure that is most directly comparable to adjusted net income. We use adjusted net 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 net gains and losses on investments and derivatives, pension and other postretirement remeasurement gains and losses, amortization or impairment of purchased intangibles, gain or loss on disposition and adjustments for other significant non-recurring, infrequent or unusual items and the related tax expense or benefit of these items. Net gains and losses on investments and derivatives, and pension and other postretirement remeasurement gains and losses 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. Gain or loss on disposition is excluded because it is non-recurring in nature and the amortization or impairment of purchased intangibles is excluded because it relates to the acquisition purchase price and is not indicative of our underlying business results or trends. Non-recurring items are excluded because, by their nature, they are not indicative of our business or economic trends. Accordingly, adjusted net 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 adjusted net 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. Adjusted net income is used by management along with the other components of net income (loss) applicable to common shareholders to assess our performance. We use adjusted measures of adjusted net income in incentive compensation. Therefore, we believe it is useful for investors to evaluate net income (loss) applicable to common shareholders, adjusted net 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 adjusted net 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 adjusted net income as the denominator. Adjusted net income should not be considered a substitute for net income (loss) applicable to common shareholders and does not reflect the overall profitability of our business. A reconciliation of adjusted net income to net income (loss) applicable to common shareholders is provided in the schedule, "Contribution to Income".

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. A reconciliation of underlying loss ratio is provided in the schedules "Property-Liability Results", "Allstate Protection Profitability Measures", "Auto Profitability Measures" and "Homeowners Profitability Measures".

Underlying expense ratio is a non-GAAP ratio, which is computed as the difference between the expense ratio and the effect of amortization or impairment of purchased intangibles on the expense ratio. We believe that the measure provides investors with a valuable measure of ongoing performance because it reveals trends that may be obscured by the amortization or impairment of purchased intangible assets. Amortization or Impairment of purchased intangible assets is excluded because it relates to the acquisition purchase price and is not indicative of our 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. The most directly comparable GAAP measure is the expense ratio. The underlying expense ratio should not be considered a substitute for the expense ratio and does not reflect the overall expense ratio of our business. A reconciliation of underlying expense ratio is provided in the schedules "Property-Liability Results", "Allstate Protection Profitability Measures", "Auto Profitability Measures" and "Homeowners Profitability Measures".

Average underlying loss (incurred pure premium) and **average underlying loss (incurred pure premium) and expense** are calculated as the underlying loss ratio and the underlying combined ratio (non-GAAP ratios), respectively, multiplied by the annualized GAAP earned premium ("annualized average earned premium"). We believe that this measure is useful to investors, and it is used by management for the same reasons noted above for the underlying loss and underlying combined ratios. The components of the calculation are available on the "Auto Profitability Measures and Statistics" page.

Definitions of Non-GAAP Measures (continued)

Adjusted underwriting expense ratio is a non-GAAP ratio, which is computed as the difference between the expense ratio and the effect of advertising expense, restructuring and related charges and amortization or impairment of purchased intangibles on the expense ratio. We believe that the measure provides investors with a valuable measure of ongoing performance because it reveals trends that may be obscured by the advertising expense, restructuring and related charges and amortization or impairment of purchased intangibles. Advertising expense is excluded as it may vary significantly from period to period based on business decisions and competitive position. Restructuring and related charges are excluded because these items are not indicative of our business results or trends. Amortization or impairment of purchased intangible assets is excluded because it relates to the acquisition purchase price. These are not indicative of our business results or trends. A reduction in expenses enables investment flexibility that can drive growth. 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 expense ratio. The adjusted underwriting expense ratio should not be considered a substitute for the expense ratio and does not reflect the overall expense ratio of our business.

Adjusted expense ratio is a non-GAAP ratio, which is computed as the combination of the adjusted underwriting expense ratio and claims expense ratio excluding catastrophe expense. We believe it is useful for investors to evaluate this ratio which is linked to a long-term expense ratio improvement commitment through 2024. The most directly comparable GAAP measure is the expense ratio. The adjusted expense ratio should not be considered a substitute for the expense ratio and does not reflect the overall expense ratio of our business.

Underlying combined ratio is a non-GAAP ratio, which is the sum of the underlying loss and underlying expense ratios. 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 or impairment of purchased intangibles. 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 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. A reconciliation of the underlying combined ratio to combined ratio is provided in the schedule "Property-Liability Results", "Auto Profitability Measures" and "Homeowners Profitability Measures".

Protection Services adjusted earnings before taxes, depreciation and restructuring, is a non-GAAP measure, which is computed as adjusted net income (loss), excluding taxes, depreciation and restructuring. Adjusted net income (loss) is the GAAP measure that is most directly comparable to adjusted earnings before taxes, depreciation and restructuring. We use adjusted earnings before taxes, depreciation and restructuring, as an important measure to evaluate Protection Services' results of operations. We believe that the measure provides investors with a valuable measure of Protection Services' ongoing performance because it reveals trends that may be obscured by the taxes, depreciation and restructuring expenses. Taxes, depreciation and restructuring are excluded because these are not directly attributable to the underlying operating performance of Protection Services' segment. Adjusted earnings before taxes, depreciation and restructuring highlights the results from ongoing operations and the underlying profitability of our business and is used by management along with the other components of adjusted net income (loss) to assess our performance. We believe it is useful for investors to evaluate adjusted net income (loss), adjusted earnings before taxes, depreciation and restructuring, and their components separately and in the aggregate when reviewing and evaluating Protection Services segment's performance. Adjusted earnings before taxes, depreciation and restructuring should not be considered a substitute for adjusted net income (loss) and does not reflect the overall profitability of our business. A reconciliation of adjusted net income (loss) to adjusted earnings before taxes, depreciation and restructuring, is provided in the schedule, "Protection Services Segment Results".

Adjusted net income return on Allstate common shareholders' equity is a ratio that uses a non-GAAP measure. It is calculated by dividing the rolling 12-month adjusted net income by the average of Allstate 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 Allstate common shareholders' equity is the most directly comparable GAAP measure. We use adjusted net income as the numerator for the same reasons we use adjusted net income, as discussed previously. We use average Allstate common shareholders' equity excluding the effect of unrealized net capital gains and losses for the denominator as a representation of common shareholders' equity primarily applicable to Allstate'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 (loss) applicable to common shareholders and return on Allstate 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 Allstate 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 adjusted net income return on Allstate common shareholders' equity from return on Allstate 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 adjusted net income return on Allstate common shareholders' equity in incentive compensation. Therefore, we believe it is useful for investors to have adjusted net income return on Allstate common shareholders' equity and return on Allstate common shareholders' equity when evaluating our performance. We note that investors, financial analysts, financial and business media organizations and rating agencies utilize adjusted net 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. Adjusted net income return on Allstate common shareholders' equity should not be considered a substitute for return on Allstate common shareholders' equity and does not reflect the overall profitability of our business. A reconciliation of return on Allstate common shareholders' equity and adjusted net income return on Allstate common shareholders' equity can be found in the schedule, "Return on Allstate 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 Allstate common shareholders' equity after excluding the impact of unrealized net capital gains and losses on fixed income securities 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 applicable 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. A 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 Value per Common Share and Debt to Capital".

Glossary

Consolidated Operations

Accident and health insurance premiums and contract charges are reported in the Allstate Health and Benefits segment and include employer voluntary benefits, group health and individual health products.

Adjusted net income is the GAAP segment measure used for the Protection Services, Allstate Health and Benefits, and Corporate and Other segments.

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

Other revenue primarily represents fees collected from policyholders relating to premium installment payments, commissions on sales of non-proprietary products, sales of identity protection services, fee-based services and other revenue transactions.

Property and casualty insurance premiums are reported in the Allstate Protection and Protection Services segments and include auto, homeowners, other personal lines, commercial lines and other business lines insurance products, as well as consumer product protection plans, roadside assistance and finance and insurance products.

Property-Liability

Annualized average earned premium is calculated by annualizing net earned premium reported in the quarter and year-to-date divided by policies in force at quarter end.

Average premium - gross written: Gross premiums written divided by issued item count. Gross premiums written include the impacts from discounts, surcharges and ceded reinsurance premiums and exclude the impacts from mid-term premium adjustments and premium refund accruals. Average premiums represent the appropriate policy term for each line, which is generally 6 months for auto and 12 months for homeowners.

Claims expense ratio excluding catastrophe expense: Incurred loss adjustment expenses, net of reinsurance, excluding expenses related to catastrophes. These expenses are embedded within the loss ratio.

Expense ratio: Other revenue is deducted from other costs and expenses in the expense ratio calculation.

Other business lines primarily represent commissions earned and other costs and expenses for Ivantage, non-proprietary life and annuity products, and lender-placed products and related services.

Renewal ratio: Renewal policy item counts issued during the period, based on contract effective dates, divided by the total policy item counts issued generally 6 months prior for auto or 12 months prior for homeowners.

Protection Services

Other costs and expenses may include amortization of deferred policy acquisition costs, operating costs and expenses, and restructuring and related charges.

Revenue may include net premiums earned, intersegment insurance premiums and service fees, other revenue, revenue earned from external customers and net investment income.

Allstate Health and Benefits

Benefit ratio is accident, health and other policy benefits less interest credited to contractholder funds, divided by premiums and contract charges.

Employer voluntary benefits includes supplemental life and health products offered through workplace enrollment.

Group health includes health products and administrative services sold to employers.

Individual health includes short-term medical and other health products sold directly to individuals.

Investments

Duration measures the price sensitivity of assets and liabilities to changes in interest rates.

Equity securities include investments in exchange traded and mutual funds whose underlying investments are fixed income securities.

Interest-bearing investments comprise fixed income securities, mortgage loans, short-term investments, and other investments including bank loans and derivatives.

Internal rate of return is one of the measures we use to evaluate the performance of these investments. The IRR represents the rate of return on the investments considering the cash flows paid and received and, until the investment is fully liquidated, the estimated value of investment holdings at the end of the measurement period. The calculated IRR for any measurement period is highly influenced by the values of the portfolio at the beginning and end of the period, which reflect the estimated fair values of the investments as of such dates. As a result, the IRR can vary significantly for different measurement periods based on macroeconomic or other events that impact the estimated beginning or ending portfolio value, such as the global financial crisis. Our IRR calculation method may differ from those used by other investors. The timing of the recognition of income in the financial statements may differ significantly from the cash distributions and changes in the value of these investments.

Limited partnership interests: Income from equity method of accounting LP is generally recognized on a three-month delay due to the availability of the investee financial statements.

LP and other investments comprise limited partnership interests and other alternative investments, including real estate investments classified as other investments. Market-based investments include publicly traded equity securities classified as limited partnerships.

Market-based strategy seeks to deliver predictable earnings aligned to business needs and take advantage of short-term opportunities primarily through public and private fixed income investments and public equity securities.

Performance-based strategy seeks to deliver attractive risk-adjusted returns and supplement market risk with idiosyncratic risk primarily through investments in private equity, including infrastructure investments, and real estate, most of which were limited partnerships.

Pre-tax yields: Quarterly pre-tax yield is calculated as annualized quarterly investment income, before investment expense divided by the average of the ending investment balances of the current and prior quarter. Year-to-date pre-tax yield is calculated as annualized year-to-date investment income, before investment expense divided by the average of investment balances at the beginning of the year and the end of each quarter during the year. For the purposes of the pre-tax yield calculation, income for directly held real estate and other investments is net of investee level expenses (asset level operating expenses reported in investment expense). Fixed income securities investment balances exclude unrealized capital gains and losses. Equity securities investment balances use cost in the calculation.

Total return on investment portfolio is calculated from GAAP results, including the total of net investment income, net gains and losses on investments and derivative instruments, the change in unrealized net capital gains and losses, and the change in the difference between fair value and carrying value of mortgage and bank loans divided by the average fair value balances.