The Allstate Corporation

Second Quarter 2016 Earnings Presentation
August 4, 2016

Allstate®
You're in good hands.

Forward-Looking Statements and Non-GAAP Financial Information

This presentation contains forward-looking statements and information. Additional information on factors that could cause results to differ materially from those projected in this presentation is available in the 2015 Form 10-K, in our most recent earnings release, and at the end of these slides. These materials are available on our website, www.allstateinvestors.com, under the “Financials” link.

This presentation also contains some non-GAAP measures. You can find the reconciliation of those measures to GAAP measures within our most recent earnings release and investor supplement. These materials are available on our website, www.allstateinvestors.com, under the “Financials” link.

Allstate Income Impacted By Catastrophes

- Net Income applicable to common shareholders of $242 million, $0.64 per share
- Operating Income of $235 million, $0.62 per share
- Recorded combined ratio of 100.8 reflecting high catastrophe losses
- Property-Liability underlying combined ratio was 88.6, within annual outlook range
- Allstate Financial operating income of $120 million
- Investment portfolio total return of 1.9% for the quarter and 3.9% through the first six months

	Three months ended June 30,			Six months ended June 30,		
($ in millions, except per share data and ratios)	2016	2015	Change	2016	2015	Change
Total Revenues	$9,164	$8,982	2.0%	$18,035	$17,934	0.6%
Property-liability insurance premiums	7,814	7,549	3.5%	15,537	14,975	3.8%
Net investment income	762	789	(3.4)%	1,493	1,639	(8.9)%
Income available to common shareholders:						
Net income	242	326	(25.8)%	459	974	(52.9)%
per diluted common share	*0.64*	*0.79*	*(19.0)%*	*1.21*	*2.33*	*(48.1)%*
Operating income	235	262	(10.3)%	557	878	(36.6)%
per diluted common share	*0.62*	*0.63*	*(1.6)%*	*1.46*	*2.10*	*(30.5)%*
Return on common shareholders' equity						
Net income available to common shareholders				8.0%	12.4%	(4.4) pts
Operating income				10.1%	11.9%	(1.8) pts

Provide Differentiated Value Propositions to Unique Customer Segments

Policies as of 6/30/16		
(# in millions)	#	Var PY
Consolidated Policies in Force[1]	40.2	-0.1%
Property-Liability Policies in Force[2]	34.2	-1.4%

Brand Neutral

Encompass brand Q2 2016 results

Policies in Force	-11.4%
Net Written Premium	-6.8%
Recorded Combined Ratio	104.9
Underlying Combined Ratio	92.8

Answer Financial Q2 2016 results

Non-Proprietary Premium Growth	3.4%

Encompass
Creating protection around you

Answer financial

Local Advice and Assistance

Self-Serve

Allstate
You're in good hands.

esurance
an Allstate company

Allstate brand Q2 2016 results

	Auto	Home	Other Personal Lines	Total
Policies in Force	-1.0%	-0.1%	0.8%	-1.0%
Net Written Premium	3.9%	0.7%	0.9%	2.5%
Recorded Combined Ratio	101.2	97.0	91.2	100.1
Underlying Combined Ratio	97.8	58.6	77.3	87.5

Esurance brand Q2 2016 results

Policies in Force	-1.4%
Net Written Premium	5.7%
Recorded Combined Ratio	108.9
Underlying Combined Ratio	104.8
Memo: Underlying Loss Ratio	*74.5*

Brand Sensitive

Arity

[1] Includes Allstate Financial and Property-Liability
[2] Excludes Allstate Financial
Note: PIF and net written premium growth variances compare Q2 2016 to Q2 2015

Progress on 2016 Operating Priorities

- **Better serve our customers through innovation, effectiveness and efficiency**
- **Achieve target economic returns on capital**
- **Grow insurance policies in force**
- **Proactively manage investments**
- **Build and acquire long-term growth platforms**

Allstate has Established Arity, a Non-Insurance Entity, to Operate Its Connected Car Business

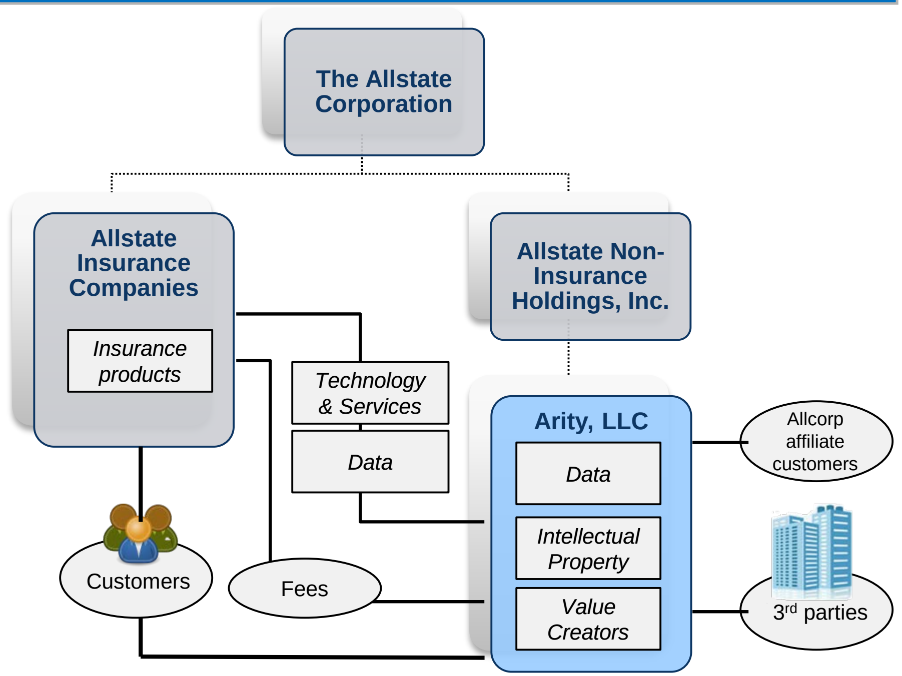
Allstate is combining its assets and capabilities with technology advances to enhance its business model and build a connected car strategic platform

- Allstate is utilizing telematics technology and data to further improve pricing accuracy and enhance the customer value proposition
- Customers receive insurance pricing discounts and rewards for safe driving; consumer offerings are being expanded

Arity improves the effectiveness of connected car initiatives for Allstate's insurance operations and enables expansion of the business model

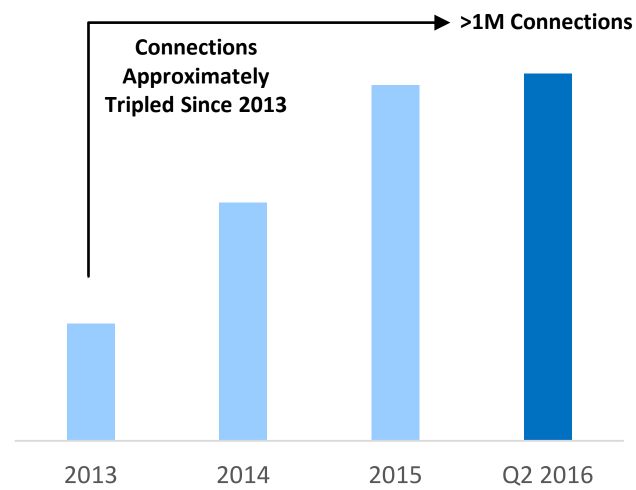
- Makes it easier to incorporate new data sources and enhanced analytics capabilities
- Arity now has over 1 million usage-based insurance connections through Allstate (Drivewise®) and Esurance (DriveSense®)
- Separates platform capabilities from proprietary insurance businesses to attract additional third party relationships which strengthens the overall platform

Operational Model



Connections

User connections now exceed 1M across Allstate, Esurance and Answer Financial Brands

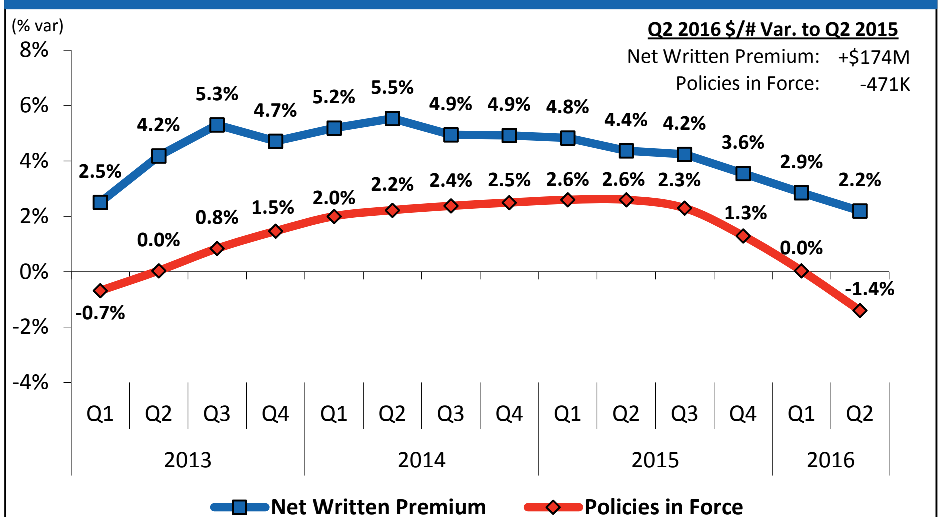


Balancing Current Returns and Long-Term Value Creation

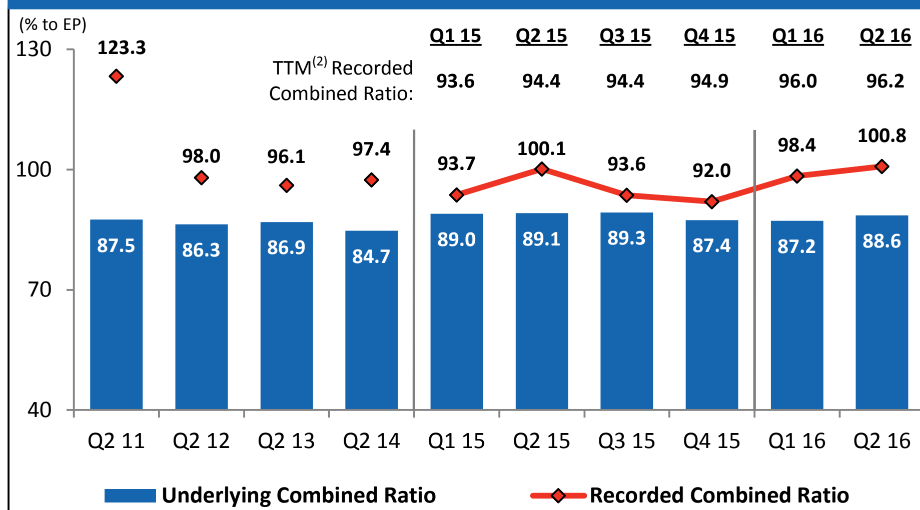
Property-Liability Results

($ in millions, except ratios)	Q2	Var PY	YTD	Var PY
Earned Premium	$7,814	3.5%	$15,537	3.8%
Catastrophe Losses	961	20.6%	1,788	63.9%
Combined Ratio				
- Recorded	100.8	0.7pts	99.6	2.7pts
- Underlying	88.6	(0.5)pts	87.9	(1.2)pts
Net Investment Income	316	8.2%	618	(4.9)%
Net Income[1]	198	(10.8)%	420	(44.7)%
Operating Income	186	(6.1)%	477	(36.7)%

Property-Liability Premium and Policy Growth



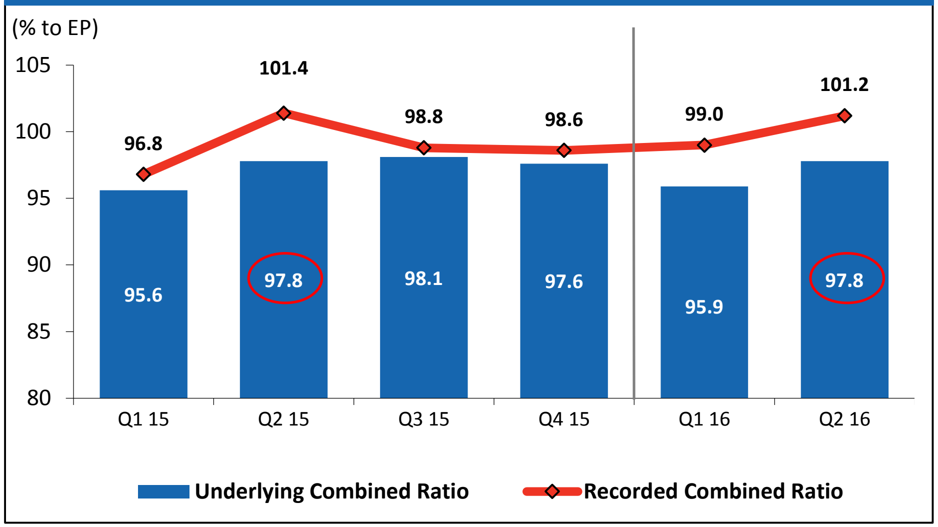
Property-Liability Combined Ratio



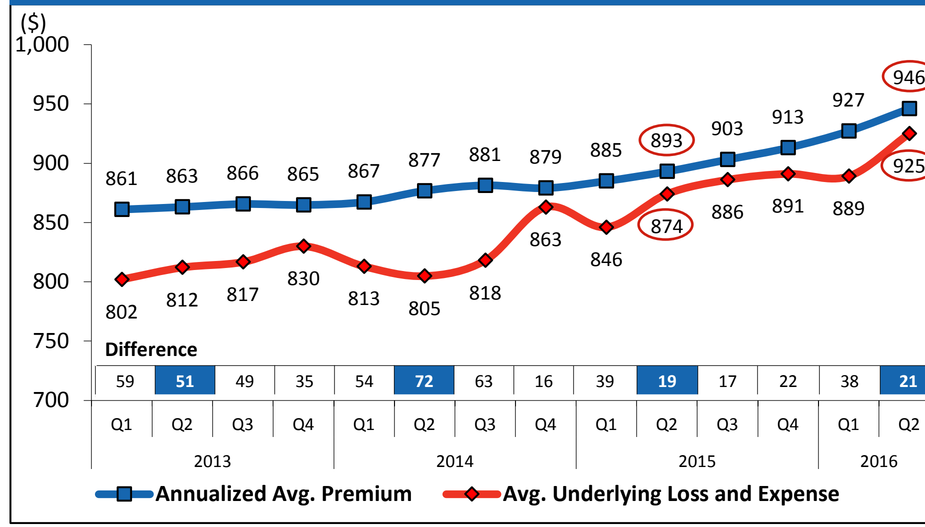
[1] Applicable to common shareholders [2] Trailing twelve months

Allstate Brand Auto Margins Remain Stable; Frequency of Auto Accidents Increased In Second Quarter

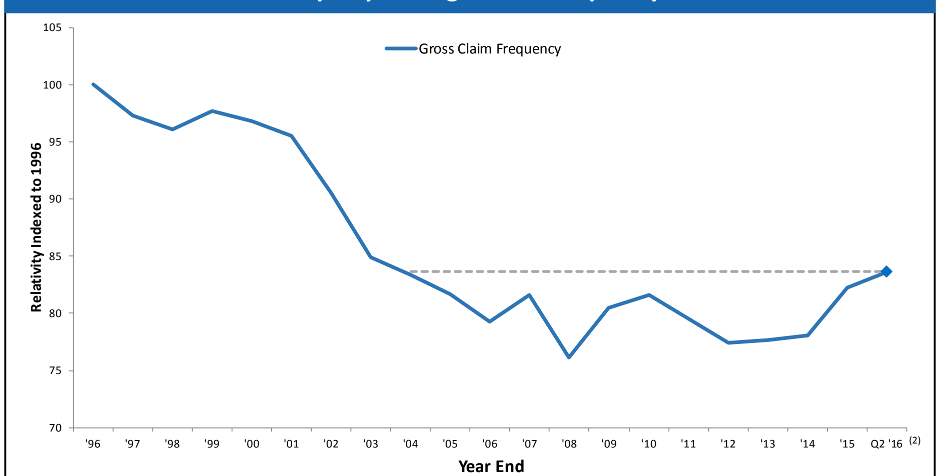
Allstate Brand Auto Combined Ratio



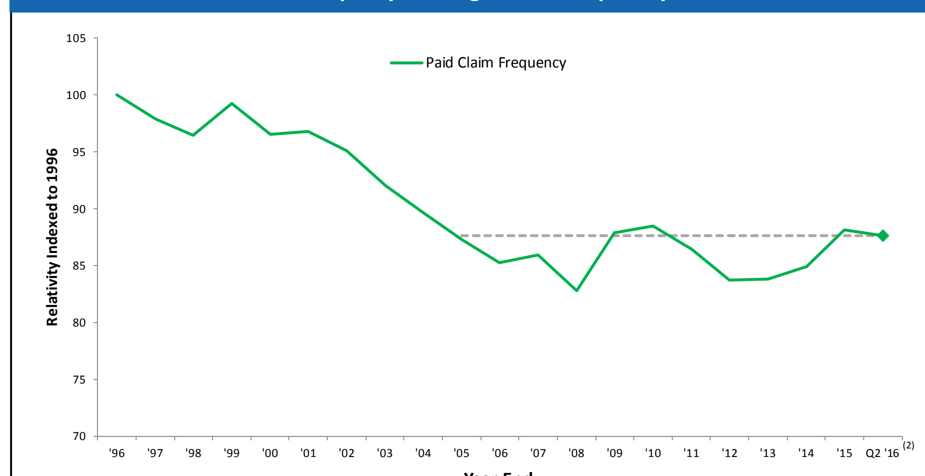
Auto Underlying Margin Per Policy Trend



Allstate Brand Auto Property Damage Gross Frequency – Indexed to 1996[1]



Allstate Brand Auto Property Damage Paid Frequency – Indexed to 1996



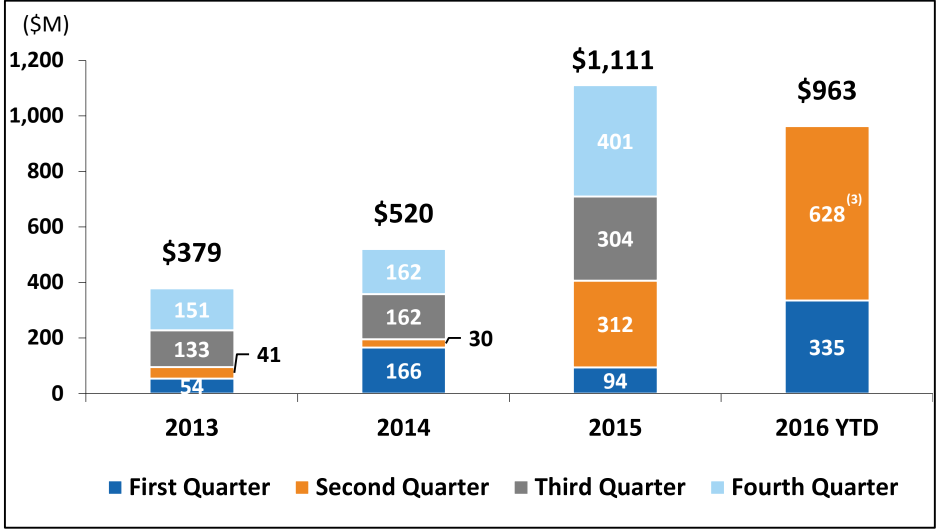
(1) 2015 and Q2 2016 gross claim frequency have been adjusted to remove the impact from a change that more completely captures information on claims involving a vehicle collision with non-vehicle property. Experience indicates claim payments are not always required.

(2) Q2 2016 refers to the three month period compared to the 2015 annual period.

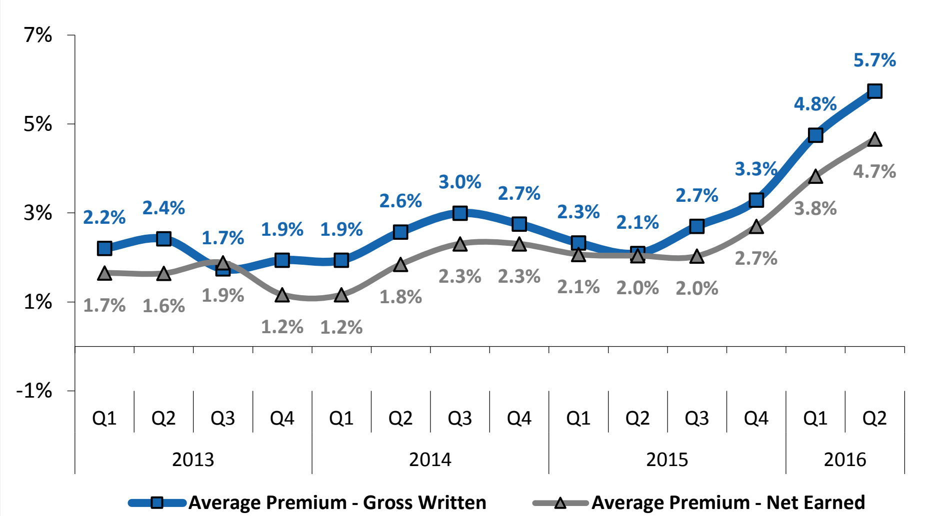
Continued Focus on Auto Insurance Profit Improvement Plan

- Auto insurance rate increases estimated at $628 million[1] approved across all three underwriting brands in Q2 2016
  - Allstate brand auto rates through the first six months of 2016 will generate $581 million in net written premium[1]
- Underwriting guideline changes targeted to underperforming segments and geographies; as targeted margins are achieved, the guidelines are modified appropriately
- Claims organization focused on operational excellence
- Expense spending reductions drove a 0.8 point lower property-liability expense ratio in Q2 2016 compared to Q2 2015

Auto Approved Rate Increases[1,2]



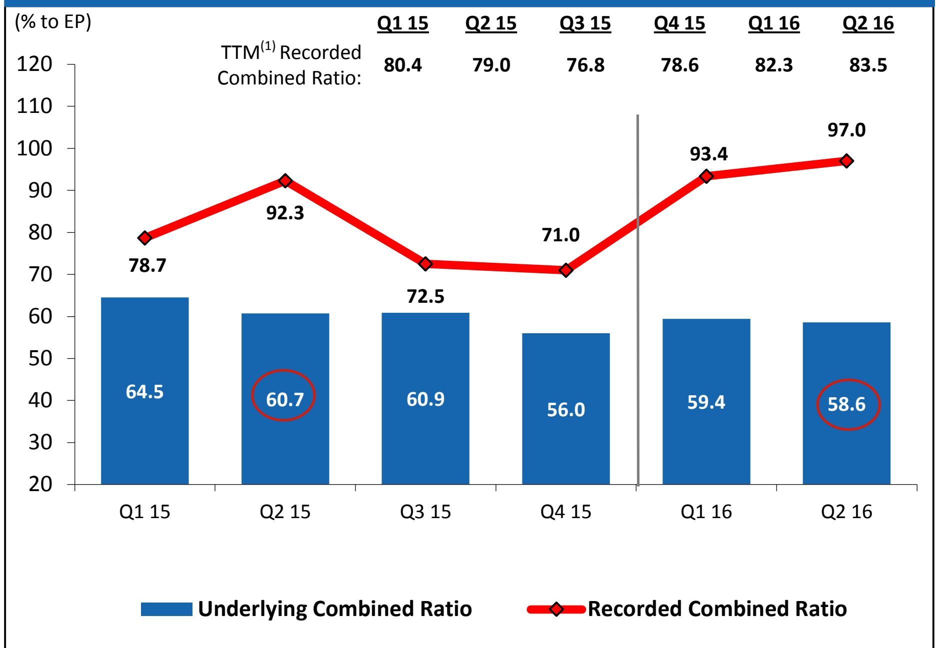
Allstate Brand Auto: Average Premium Per Policy



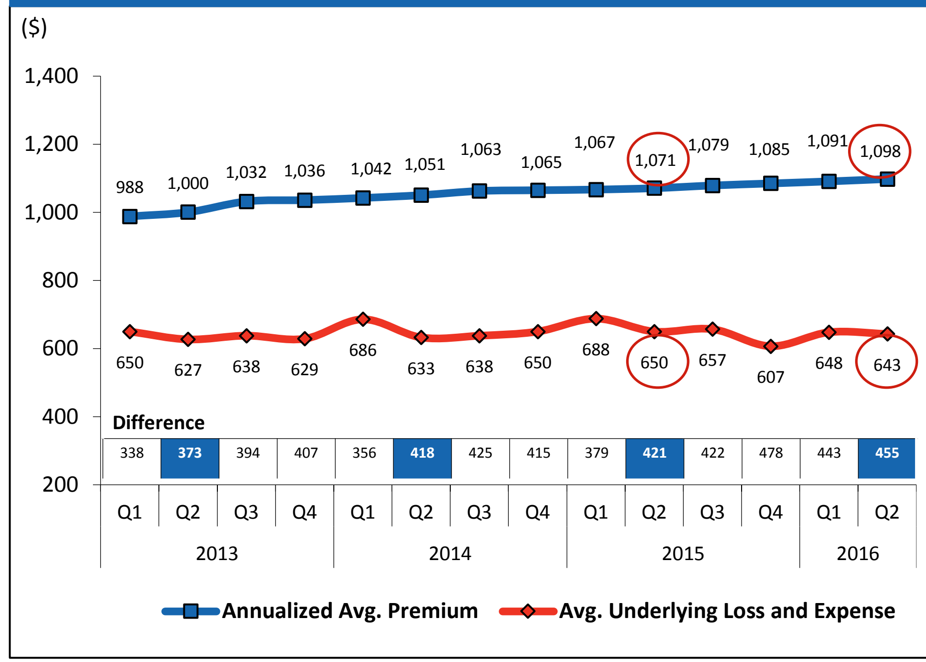
(1) Estimate based on historical written premium. Actual amounts realized will be based on retention and mix of customers. Approximately 30% of the Allstate brand rate increases approved in 2015 were earned in 2015, with the remainder expected to be earned in 2016 and 2017. Approximately 39% of the Allstate brand auto rate increases approved in the first half of 2016 are expected to be earned in 2016, with the remainder expected to be earned in 2017.
(2) Includes Allstate Brand, Esurance Brand, and Encompass Brand.
(3) Includes $581 million in net written premium for the Allstate Brand.

Allstate Brand Homeowners Continues to Generate Good Returns

Allstate Brand Homeowners Combined Ratio



Homeowners Underlying Margin Per Policy Trend

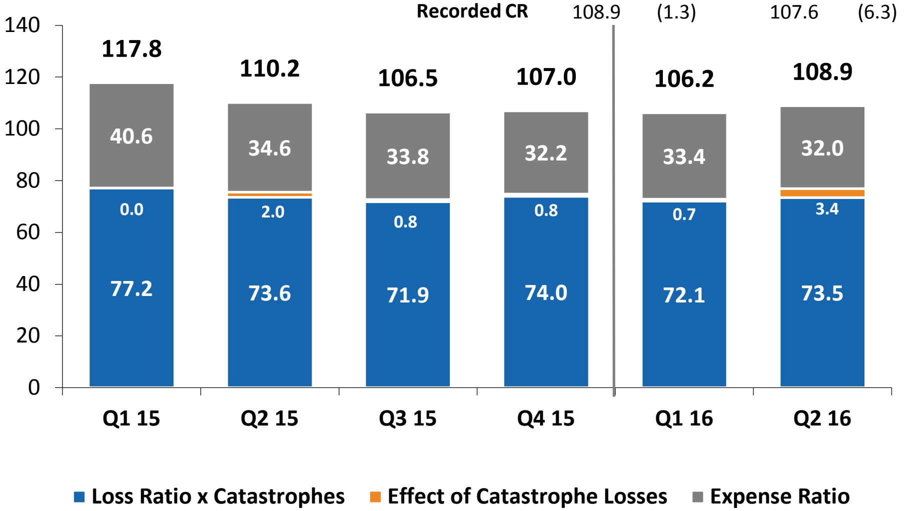


(1) Trailing twelve months

Esurance Underlying Performance Improving From Auto Profit Actions

Esurance Combined Ratios

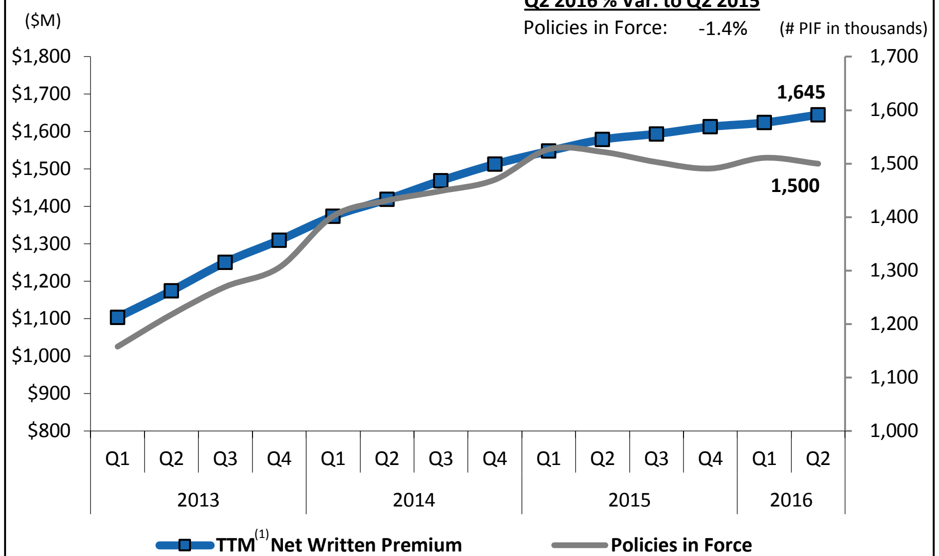
	Q2 2016	pt var PY	YTD 2016	pt var PY
Underlying CR	104.8	(1.9)	104.9	(6.6)
Recorded CR	108.9	(1.3)	107.6	(6.3)



Esurance Brand Premium and Policy in Force Trends

Q2 2016 % Var. to Q2 2015

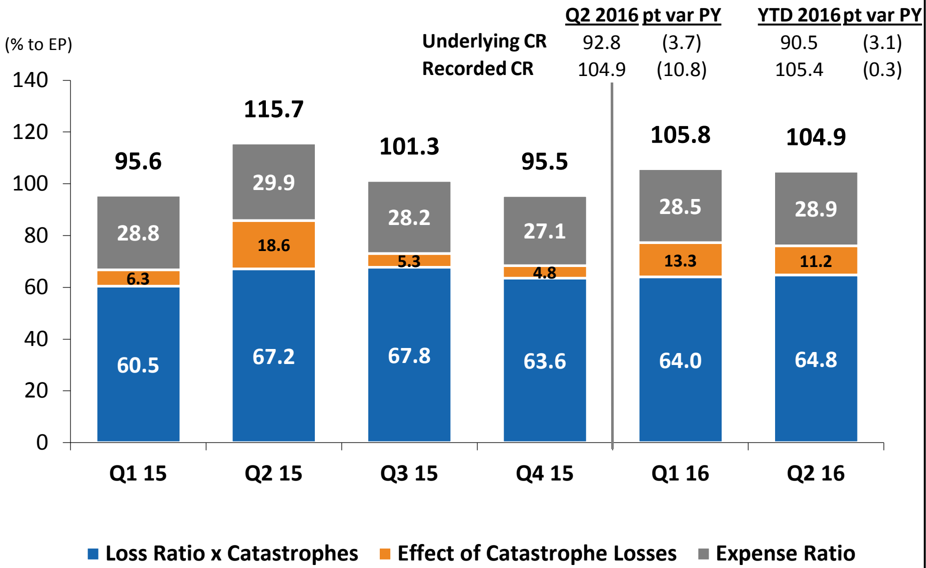
Policies in Force: -1.4%



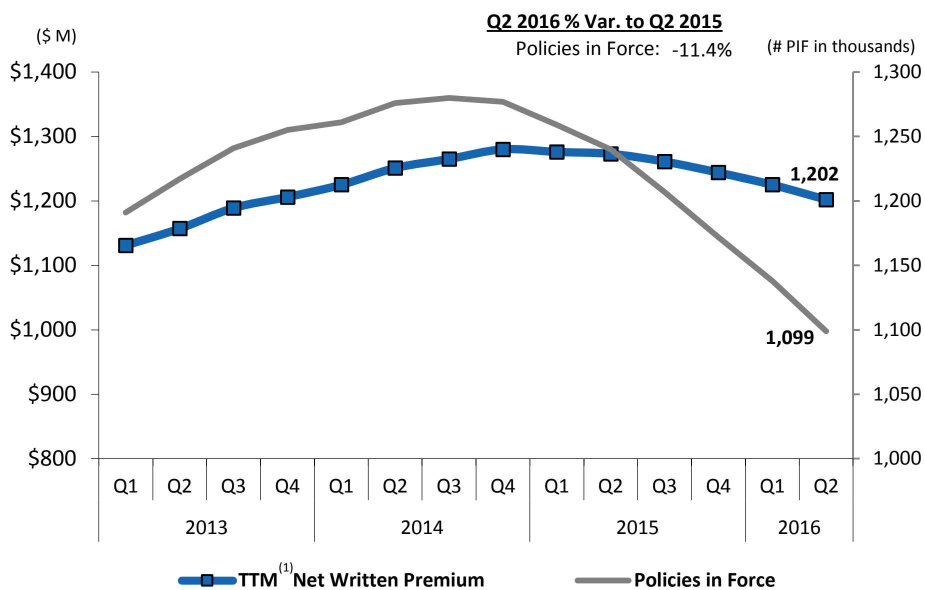
(1) Trailing twelve months

Encompass Profit Improvement Actions Continue

Encompass Combined Ratios



Encompass Brand Premium and Policy in Force Trends



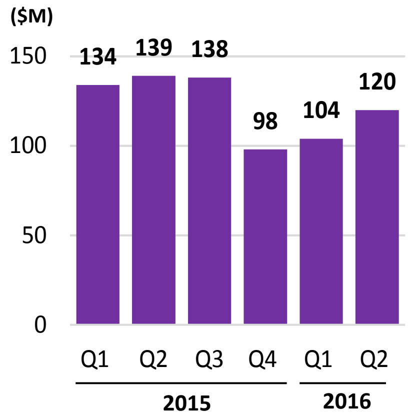
(1) Trailing twelve months

Allstate Financial Results Reflect Progress on Repositioning the Businesses

Allstate Financial Operating Income Trend By Business

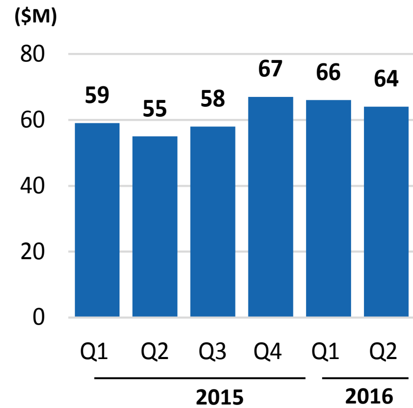
Allstate Financial

Net Income	Q1 15	Q2 15	Q3 15	Q4 15	Q1 16	Q2 16
	183	179	262	39	68	116



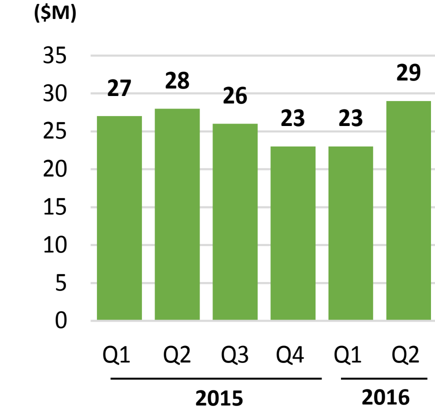
Allstate Life

Net Income	Q1 15	Q2 15	Q3 15	Q4 15	Q1 16	Q2 16
	53	63	58	55	57	61



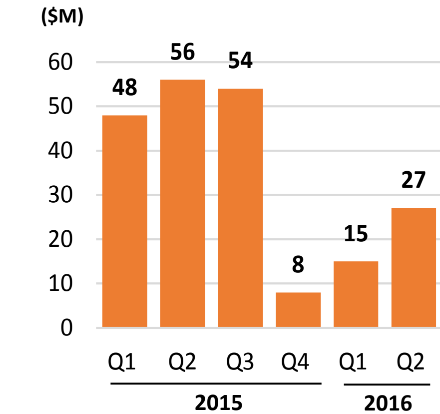
Allstate Benefits

Net Income	Q1 15	Q2 15	Q3 15	Q4 15	Q1 16	Q2 16
	27	28	29	20	20	29



Allstate Annuities

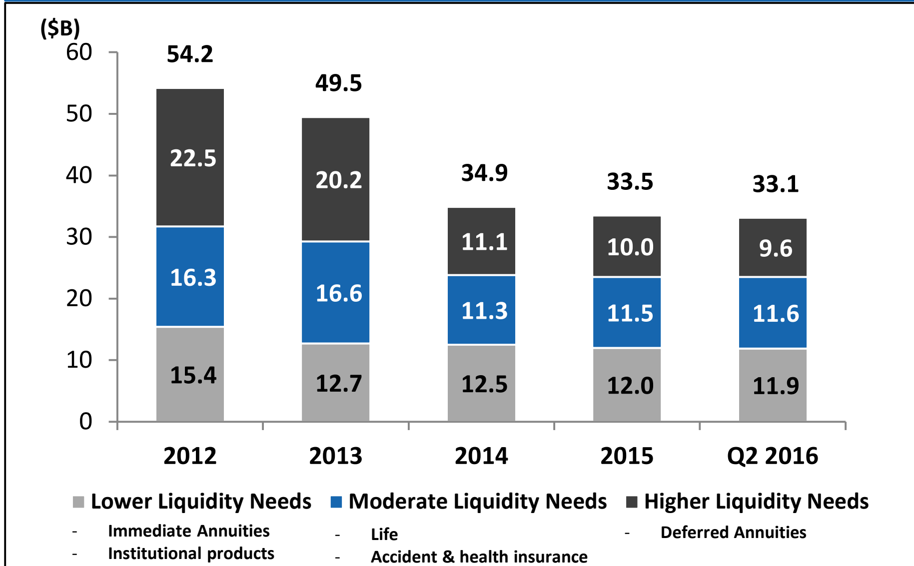
Net Income	Q1 15	Q2 15	Q3 15	Q4 15	Q1 16	Q2 16
	103	88	175	-36	-9	26



Allstate Financial Results

($ M)	Q2	Var. PY	YTD	Var. PY
Premium / contract charges	**$564**	**$28**	**$1,130**	**$57**
Margins:				
Benefit spread	**168**	**23**	**336**	**37**
Investment spread	**121**	**(56)**	**222**	**(111)**
Operating expenses	**(121)**	**(3)**	**(244)**	**(3)**
Operating income	**120**	**(19)**	**224**	**(49)**
Net Income	**116**	**(63)**	**184**	**(178)**

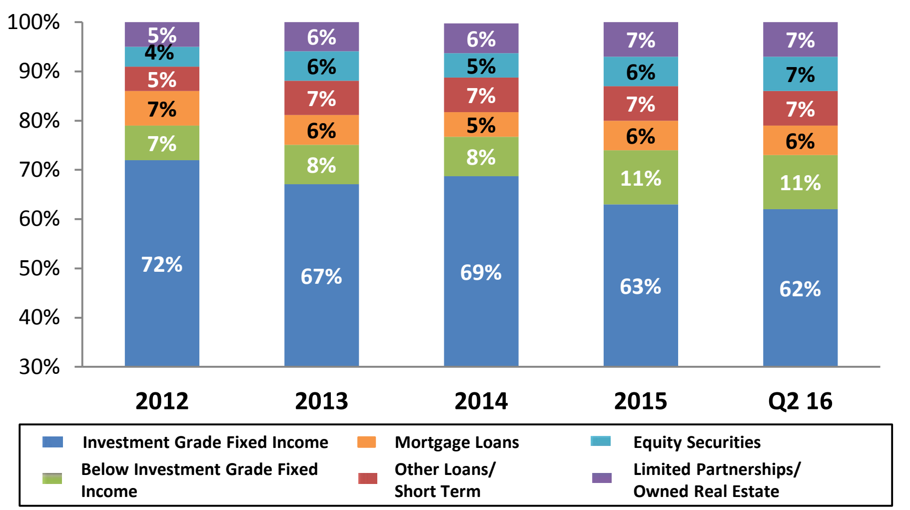
GAAP Reserves by Liquidity Profile



2013 includes held for sale (LBL) reserves/contractholder funds totaling $12.8B

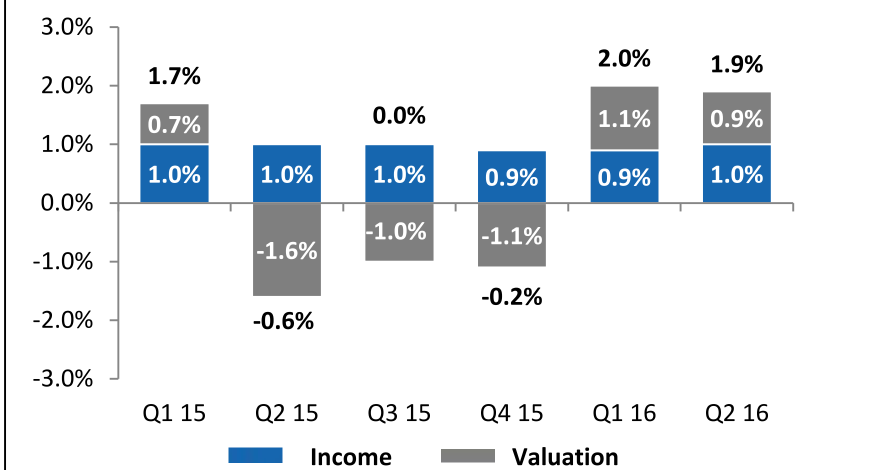
Proactive Management of Investments in a Volatile Market

Portfolio Allocation



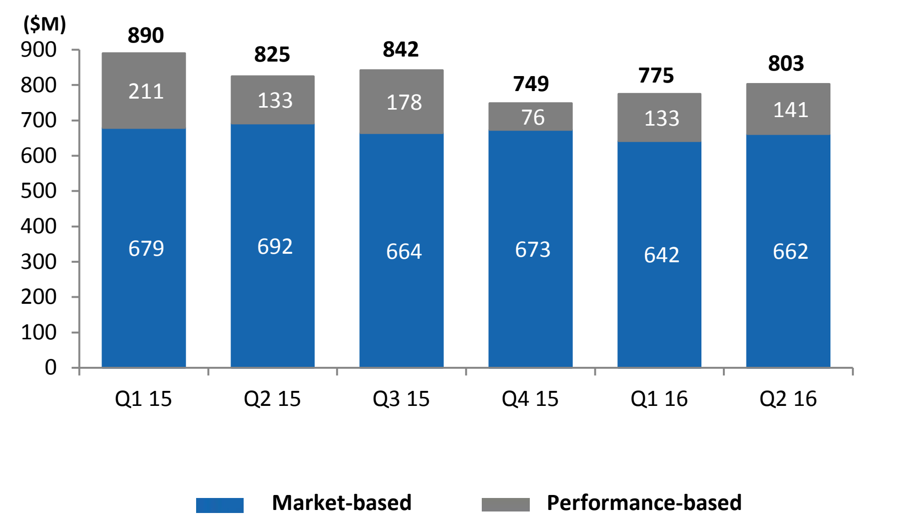
	2012	2013	2014	2015	Q2 16
Limited Partnerships/ Owned Real Estate	5%	6%	6%	7%	7%
Equity Securities	4%	6%	5%	6%	7%
Other Loans/ Short Term	5%	7%	7%	7%	7%
Mortgage Loans	7%	6%	5%	6%	6%
Below Investment Grade Fixed Income	7%	8%	8%	11%	11%
Investment Grade Fixed Income	72%	67%	69%	63%	62%

GAAP Total Return



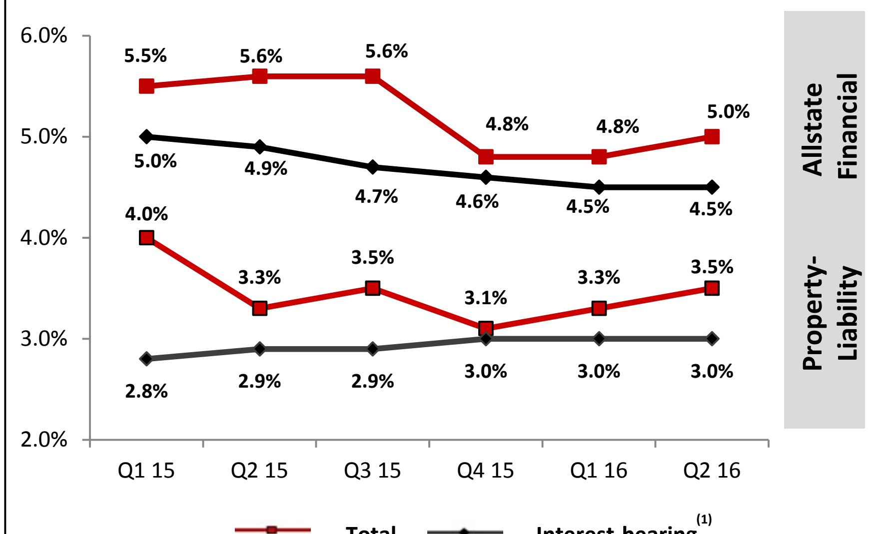
	Q1 15	Q2 15	Q3 15	Q4 15	Q1 16	Q2 16
Total	1.7%	-0.6%	0.0%	-0.2%	2.0%	1.9%
Income	1.0%	1.0%	1.0%	0.9%	0.9%	1.0%
Valuation	0.7%	-1.6%	-1.0%	-1.1%	1.1%	0.9%

Gross Investment Income



($M)	Q1 15	Q2 15	Q3 15	Q4 15	Q1 16	Q2 16
Total	890	825	842	749	775	803
Performance-based	211	133	178	76	133	141
Market-based	679	692	664	673	642	662

Pre-tax Yield



	Q1 15	Q2 15	Q3 15	Q4 15	Q1 16	Q2 16
Allstate Financial – Total	5.5%	5.6%	5.6%	4.8%	4.8%	5.0%
Allstate Financial – Interest-bearing	5.0%	4.9%	4.7%	4.6%	4.5%	4.5%
Property-Liability – Total	4.0%	3.3%	3.5%	3.1%	3.3%	3.5%
Property-Liability – Interest-bearing	2.8%	2.9%	2.9%	3.0%	3.0%	3.0%

(1) Interest-bearing yield excludes prepayment fee income and investment expenses

Continued Capital Strength and Financial Flexibility

Capital Position	6/30/15	6/30/16
Total Shareholders' Equity ($ in millions)	$21,298	$20,553
Debt-to-Capital Ratio	19.4%	19.9%
Book Value per Common Share	$47.96	$50.05
Return on Common Shareholders' Equity[1]		
- Net Income	12.4%	8.0%
- Operating Income	11.9%	10.1%
Deployable Holding Company Assets ($ in billions)	$3.4	$2.5
Common shares outstanding (millions)	402	371

- **Returned over $1 billion in cash to common shareholders through the first six months**
  - **Paid $240 million in common shareholder dividends**
  - **Repurchased $829 million of common shares, including $532 million in the open market and $297 million related to the $350 million accelerated share repurchase agreement**

[1] Trailing 12-month period

Forward-Looking Statements

This presentation 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 include risks related to: (1) adverse changes in the nature and level of catastrophes and severe weather events; (2) impacts of catastrophe management strategy on premium growth; (3) unexpected increases in the frequency or severity of claims; (4) regulatory changes, including limitations on rate increases and requirements to underwrite business and participate in loss sharing arrangements; (5) market convergence and regulatory changes on our risk segmentation and pricing; (6) the cyclical nature of the property and casualty business; (7) reestimates of reserves for claims; (8) adverse legal determinations regarding discontinued product lines and other legal and regulatory actions; (9) changes in underwriting and actual experience; (10) changes in reserve estimates for life-contingent contract benefits payable; (11) the influence of changes in market interest rates on spread-based products; (12) changes in estimates of profitability on interest-sensitive life products; (13) reducing our concentration in spread-based business and exiting certain distribution channels; (14) changes in tax laws; (15) our ability to mitigate the capital impact associated with life insurance statutory reserving requirements; (16) operational issues relating to a decline in Lincoln Benefit Life Company's financial strength ratings; (17) market risk and declines in credit quality relating to our investment portfolio; (18) our subjective determination of the fair value of our fixed income and equity securities and the amount of realized capital losses recorded for impairments of our investments; (19) competition in the insurance industry; (20) conditions in the global economy and capital markets; (21) losses from legal and regulatory actions; (22) restrictive regulation and regulatory reforms; (23) the availability of reinsurance at current levels and prices; (24) credit risk of our reinsurers; (25) a downgrade in our financial strength ratings; (26) the effect of adverse capital and credit market conditions; (27) failure in cyber or other information security; (28) the impact of a large scale pandemic, the threat or incurrence of terrorism or military action; (29) possible impairments in the value of goodwill; (30) changes in accounting standards; (31) the realization of deferred tax assets; (32) restrictions on our subsidiaries' ability to pay dividends; (33) restrictions under the terms of certain of our securities on our ability to pay dividends or repurchase our stock; (34) changing climate and weather conditions; (35) loss of key vendor relationships or failure of a vendor to protect confidential and proprietary information; and (36) failure to protect intellectual property. Additional information concerning these and other factors may be found in our filings with the Securities and Exchange Commission, including the "Risk Factors" section in our most recent Annual Report on Form 10-K. Forward-looking statements speak only as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statement.