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): February 5, 2014

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

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

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

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

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

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

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

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

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

Section 2 – Financial Information

Item 2.02. Results of Operations and Financial Condition.

On February 5, 2014, the registrant issued a press release announcing its financial results for the fourth quarter of 2013, and the availability of the registrant's fourth quarter investor supplement on the registrant's web site. The press release and the investor supplement are furnished as Exhibits 99.1 and 99.2 to this report. The information contained in the press release and the investor supplement are furnished and not filed pursuant to instruction B.2 of Form 8-K.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1	Registrant's press release dated February 5, 2014
99.2	Fourth quarter 2013 Investor Supplement of The Allstate Corporation

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SIGNATURES

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

THE ALLSTATE CORPORATION
(Registrant)

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

Date: February 5, 2014

Exhibit 99.1

FOR IMMEDIATE RELEASE

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Allstate Reports Excellent 2013 Return on Equity and Policy Growth

NORTHBROOK, Ill., February 5, 2014 – The Allstate Corporation (NYSE: ALL) today reported financial results for the fourth quarter and full year 2013. The financial highlights were:

The Allstate Corporation Consolidated Highlights						
	Three months ended December 31,			Twelve months ended December 31,		
($ millions, except per share amounts and ratios)	2013	2012	% Change	2013	2012	% Change
Consolidated revenues	**$ 8,792**	**$ 8,547**	**2.9**	**$ 34,507**	**$ 33,315**	**3.6**
Net income available to common shareholders	**810**	**394**	**105.6**	**2,263**	**2,306**	**(1.9)**
per diluted common share	**1.76**	**0.81**	**117.3**	**4.81**	**4.68**	**2.8**
Operating income*	**781**	**289**	**170.2**	**2,670**	**2,148**	**24.3**
per diluted common share*	**1.70**	**0.59**	**188.1**	**5.68**	**4.36**	**30.3**
Return on common shareholders' equity						
Net Income available to common shareholders				**11.0%**	**11.9%**	**(0.9)pts**
Operating income *				**14.5%**	**12.4%**	**2.1pts**
Book value per common share				**45.31**	**42.39**	**6.9**
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities*				**42.55**	**37.14**	**14.6**
Property-Liability combined ratio						
Recorded	**88.7**	**101.7**	**(13.0)pts**	**92.0**	**95.5**	**(3.5)pts**
Underlying combined ratio* (excludes catastrophes, prior year reserve reestimates, business combination expenses and amortization of purchased intangibles)	**87.5**	**86.7**	**0.8pts**	**87.3**	**87.2**	**0.1pts**
Catastrophe losses	**117**	**1,061**	**(89.0)**	**1,251**	**2,345**	**(46.7)**
Net investment income						
Total	**1,026**	**1,033**	**(0.7)**	**3,943**	**4,010**	**(1.7)**
Limited partnerships	**202**	**110**	**83.6**	**541**	**348**	**55.5**

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

"Successful execution of our customer-focused strategy and proactive risk and return management led to strong results for the fourth quarter and the full year 2013," said Thomas J. Wilson, chairman, president and chief executive officer of The Allstate Corporation. "We grew insurance policies in force in all three brands where we underwrite risk, reflecting differentiated value propositions, strong marketing, expanded distribution and a smaller decline in Allstate brand homeowners policies. Net income per diluted common share for 2013 increased 2.8% to $4.81 as losses from the pending sale of Lincoln Benefit Life and a substantial charge for debt refinancing were offset by higher operating income and the repurchase of 7.8% of our outstanding common shares. Operating income per diluted common share for the year increased 30% to $5.68 as we achieved our operating priorities, realized higher income from limited partnerships and benefited from lower catastrophes.

"Operating return on equity was a strong 14.5% for the full year. This reflected continued good profitability in auto insurance, success in improving underlying returns in homeowners, low catastrophes and higher income from limited partnership investments. Our share repurchases and common dividends provided $2.20 billion of cash returns to shareholders during 2013, which represents 9.4% of the average market capitalization for the year. We are well positioned in 2014 to aggressively implement our differentiated strategy while delivering strong returns to shareholders," Wilson said.

Financial Results: Fourth Quarter 2013

- Insurance premiums grew in the fourth quarter in all our brands. Allstate Protection net written premium increased 4.7% for the fourth quarter of 2013 compared to the year-ago quarter. Allstate brand policies increased 0.4% from the prior year quarter. Allstate Financial premiums and contract charges grew by 7.8% for the fourth quarter of 2013 over the same period of the prior year, including a 6.3% increase in underwritten products.

- Allstate's fourth quarter 2013 net income available to common shareholders was $810 million, or $1.76 per diluted common share, compared to $394 million, or $0.81 per diluted common share in the fourth quarter of 2012.

- Operating income was $781 million, or $1.70 per diluted common share in the fourth quarter of 2013, compared to $289 million or $0.59 per diluted common share in the same period of 2012, which included $1.12 billion in pre-tax catastrophe losses related to Sandy. 2013 included previously announced settlement charges of $103 million, after-tax, related to the level of lump sum pension benefit payments made to retiring employees ("settlement charges") in the quarter.

- The fourth quarter 2013 recorded property-liability combined ratio was 88.7, 13.0 points better than the prior year quarter due to significantly lower catastrophe losses. The underlying combined ratio of 87.5 for the fourth quarter slightly deteriorated by 0.8 points compared with the same period last year, reflecting continued investments in growth and increased incentive payouts to agencies and employees based on strong 2013 results.

- In the fourth quarter of 2013, Allstate Financial's net income declined $47 million to $119 million due to the increase to the estimated loss on the pending sale of Lincoln Benefit Life Company (LBL) and lower realized capital gains, partly offset by growth in operating income. Operating income increased 11.1% to $160 million compared to the same quarter a year ago, benefiting from a strong increase in limited partnership income, higher benefit spread from life insurance products and lower expenses.

- Total net investment income was $1.03 billion in the fourth quarter of 2013, and included $202 million from limited partnership interests and $24 million related to prepayment fee income and litigation proceeds.

Financial Results: Full Year 2013

- Insurance premiums grew in 2013, reflecting continued positive momentum in serving unique consumer segments with differentiated offerings. Total Allstate Protection net written premium rose 4.2% to $28.16 billion for 2013, while Allstate Financial grew total premiums and contract charges by 5.0%, including a 5.5% increase in underwritten products compared to 2012.

- Net income available to common shareholders for 2013 was $2.26 billion, or $4.81 per diluted common share, compared to $2.31 billion, or $4.68 per diluted common share in 2012. Net income for the year includes a number of previously announced unusual after-tax items, including an estimated $521 million loss on the pending disposition of LBL; a $319 million loss on extinguishment of debt; $150 million in settlement charges and a $118 million curtailment gain arising from changes in other postretirement benefit offerings.

- Operating income for 2013 was $2.67 billion, or $5.68 per diluted common share, compared to $2.15 billion, or $4.36 per diluted common share in 2012, due in part to lower 2013 catastrophe losses partially offset by the $150 million in after-tax settlement charges.

- Allstate's property-liability business produced a 92.0 combined ratio for 2013, 3.5 points better than 2012. The underlying combined ratio of 87.3 was essentially equal to the prior year and better than the company's full-year outlook range of 88 to 90. Our 2014 full-year outlook is an underlying combined ratio in the range of 87 to 89, reflecting continued growth across our brands, stable auto margins and the sustainability of homeowners margin improvement.

- Allstate Financial's net income declined to $95 million in 2013 primarily due to the estimated loss on disposition related to the planned LBL sale. Operating income improved 11.2% to $588 million in 2013, driven primarily by decreased crediting rates, higher investment prepayment fee income and litigation proceeds, increased limited partnership income, lower expenses and profitable growth at Allstate Benefits, partially offset by reduced spread-based business in force and lower benefit spread on life insurance.

- Net investment income totaled $3.94 billion in 2013, and included $541 million from limited partnership interests and $139 million related to prepayment fee income and litigation proceeds.

Achieved All Five 2013 Operating Priorities

Grow Insurance Premiums. Total Allstate Protection net written premium growth was driven by growth in all brands.

- In the Allstate brand, which serves consumers who prefer local advice from Allstate agencies and a wide range of products, net written premium increased in the fourth quarter by 3.9% compared to the prior year quarter, driven by growth in auto and homeowners average premium and auto policy counts. Allstate brand auto policy growth continued to improve, with policies in force 1.5% higher in the fourth quarter of 2013 than in the same period of 2012, driven by growth in new business and higher retention. Allstate brand homeowner policies were 2.2% lower in the fourth quarter of 2013 versus the same period of 2012, but the rate of decline has continued to diminish from previous quarters. The Allstate brand increased net written premium by 3.0% in 2013 compared to the prior year.

- Esurance, serving the self-directed consumer segment, continued to grow rapidly in the fourth quarter of 2013, with a 23.0% increase in net written premium and 26.7% increase in policies from the fourth quarter of 2012. For the full year, Esurance increased net written premium 27.9% compared to 2012.

- Encompass, which serves consumers who value local advice and a choice of brand, grew net written premium in the fourth quarter of 2013 by 6.1% compared with the same quarter of 2012, and policies rose 6.5% from the prior year quarter. Encompass grew net written premium by 8.4% in 2013 compared with 2012.

Maintain Auto Profitability. The auto combined ratio continues to perform within the targeted range of profitability.

- Allstate brand auto recorded a fourth quarter 2013 combined ratio of 95.3 and an underlying combined ratio of 95.9, 1.9 points worse than the fourth quarter of 2012. The increase in the underlying combined ratio reflects higher underwriting expenses, primarily from increased incentive payouts, and loss cost inflation which outpaced average premium growth in the quarter. The Allstate brand recorded a 2013 auto combined ratio of 94.5 and an underlying auto combined ratio of 94.4.

- Esurance had higher auto losses, resulting in a fourth quarter 2013 auto combined ratio of 116.5 and an underlying auto combined ratio of 111.7. For the full year, Esurance had an auto combined ratio of 117.3 and an underlying combined ratio of 111.5. The Esurance team continues to adjust pricing and underwriting to ensure growth generates long-term profitability.

- Encompass recorded a fourth quarter auto combined ratio of 105.2 and an underlying combined ratio of 110.3, which included the full-year impact of a state facility assessment worth approximately 3.5 points. Encompass 2013 recorded auto combined ratio was 104.0, with an underlying combined ratio of 108.0. The Encompass team is implementing pricing and underwriting changes to ensure it achieves desired returns.

Raise Returns in Homeowners and Annuity Businesses. The company continued its progress toward building a competitive advantage in homeowners and proactively managing its annuity book of business.

- Allstate brand homeowners recorded a fourth quarter 2013 combined ratio of 66.6, a 27.3 point improvement from the prior year quarter, driven by lower catastrophes and higher average premium. The Allstate brand homeowners underlying combined ratio was 60.7, a 1.7 point improvement from the fourth quarter of 2012, as rate increases continued to benefit results and slightly higher severity was mostly offset by lower frequency. Allstate brand homeowners returns continued to improve in 2013 with a recorded combined ratio of 77.9 and an underlying combined ratio of 62.7.

- Annuity returns improved in 2013 due primarily to higher investment spread, but long-term returns remain challenged by continued low interest rates.

Proactively Manage Investments. Strong results in the current low interest rate environment were driven by limited partnership results.

- The portfolio yield in the fourth quarter was 4.8%, higher than both the fourth quarter of 2012 and third quarter of 2013, due primarily to strong limited partnership results. Total return for the fourth quarter was 1.1% with strong equity performance largely offset by lower fixed income returns. The total portfolio yield for the year was 4.6%, comparable to 2012. Total return for the year was 1.8%, primarily driven by low fixed income performance which was enhanced by strong equity returns.

- Net investment income from limited partnership interests increased 83.6% in the fourth quarter to $202 million compared with the same quarter in 2012, reflecting both favorable valuations and strong cash distributions. For the full year, limited partnership interests produced investment income of $541 million compared to $348 million in 2012. Higher equity method limited partnership income resulted from favorable equity and real estate valuations which increased the carrying value of the partnerships, while cost method limited partnerships experienced an increase in distributed earnings.

- Allstate's consolidated investment portfolio totaled $81.16 billion at December 31, 2013 compared to $97.28 billion at December 31, 2012. The lower portfolio value reflects $11.98 billion of investments classified as held for sale due to the pending sale of LBL and a $2.85 billion decrease in net unrealized capital gains, primarily driven by an increase in interest rates since year-end 2012.

- We proactively reduced our exposure to interest rate risk in the property-liability portfolio over the past several quarters, resulting in decreased sensitivity to rising interest rates. While this strategy protects portfolio valuation, it lowers operating income.

- Allstate Financial's portfolio yield has been less impacted by lower reinvestment rates, as its investment cash flows have largely been used to fund liability outflows.

Reduce Our Cost Structure. Allstate made progress in reducing its underlying cost structure throughout 2013. Employee and retiree benefit programs were restructured to provide more consistent benefits among employees and better align with current market practices. The property-liability expense ratio increased in the quarter when compared to the fourth quarter of the prior year, reflecting continued investments in growth and increased incentive payouts to both agencies and employees based on the full year's strong results.

Proactive Capital Management

"Allstate's strong capital position provides the flexibility to offer attractive cash returns to shareholders while taking advantage of growth opportunities," said Steve Shebik, chief financial officer. "In 2013, we maintained our track record of providing significant cash returns to shareholders by returning $2.20 billion in cash through a combination of share repurchases and dividends. We improved our financial strength by repurchasing outstanding debt and issuing new lower-cost senior debt, hybrid debt and preferred stock. We had $2.56 billion in holding company deployable assets at year-end 2013."

As of December 31, 2013, $139 million remained under the company's authorized $2.00 billion share repurchase programs. The company repurchased 8.4 million common shares at a cost of $449 million in the fourth quarter, bringing the total for 2013 to 37.4 million common shares repurchased for $1.84 billion.

Book value per common share at year-end 2013 was $45.31, a 6.9% increase from year-end 2012 and a 4.2% increase from September 30, 2013, as the benefits of higher net income and lower common shares

outstanding more than offset the impact of lower unrealized gains.

Statutory surplus at December 31, 2013 was an estimated $18.2 billion for the combined insurance operating companies, an increase of $1.0 billion from December 31, 2012. Property-liability statutory surplus was an estimated $15.2 billion of this total, with Allstate Financial companies accounting for the remainder. During 2013, Allstate Financial companies returned $774 million of capital.

Visit www.allstateinvestors.com to view additional information about Allstate's results, including a webcast of its quarterly conference call and the presentation discussed on the call. The conference call will be held at 9 a.m. ET on Thursday, February 6.

The Allstate Corporation (NYSE: ALL) is the nation's largest publicly held personal lines insurer, serving approximately 16 million households through its Allstate, Encompass, Esurance and Answer Financial brand names and Allstate Financial business segment. Allstate branded insurance products (auto, home, life and retirement) and services are offered through Allstate agencies, independent agencies, and Allstate exclusive financial representatives, as well as via www.allstate.com, www.allstate.com/financial and 1-800 Allstate®, and are widely known through the slogan "You're In Good Hands With Allstate®."

THE ALLSTATE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

($ in millions, except per share data)	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	2013	2012
	(unaudited)		(unaudited)	
Revenues				
Property-liability insurance premiums	$ 7,014	$ 6,744	$ 27,618	$ 26,737
Life and annuity premiums and contract charges	610	566	2,352	2,241
Net investment income	1,026	1,033	3,943	4,010
Realized capital gains and losses:				
Total other-than-temporary impairment losses	(29)	(44)	(207)	(239)
Portion of loss recognized in other comprehensive income	(1)	(10)	(8)	6
Net other-than-temporary impairment losses recognized in earnings	(30)	(54)	(215)	(233)
Sales and other realized capital gains and losses	172	258	809	560
Total realized capital gains and losses	142	204	594	327
	8,792	8,547	34,507	33,315
Costs and expenses				
Property-liability insurance claims and claims expense	4,283	5,042	17,911	18,484
Life and annuity contract benefits	490	464	1,917	1,818
Interest credited to contractholder funds	305	357	1,278	1,316
Amortization of deferred policy acquisition costs	1,069	947	4,002	3,884
Operating costs and expenses	1,258	1,095	4,387	4,118
Restructuring and related charges	11	9	70	34
Loss on extinguishment of debt	2	--	491	--
Interest expense	87	92	367	373
	7,505	8,006	30,423	30,027
(Loss) gain on disposition of operations	(44)	3	(688)	18
Income from operations before income tax expense	1,243	544	3,396	3,306
Income tax expense	422	150	1,116	1,000
Net income	821	394	2,280	2,306
Preferred stock dividends	11	--	17	--
Net income available to common shareholders	$ 810	$ 394	$ 2,263	$ 2,306
Earnings per common share:				
Net income available to common shareholders per common share – Basic	$ 1.79	$ 0.82	$ 4.87	$ 4.71
Weighted average common shares – Basic	452.8	482.2	464.4	489.4
Net income available to common shareholders per common share – Diluted	$ 1.76	$ 0.81	$ 4.81	$ 4.68
Weighted average common shares – Diluted	459.6	487.0	470.3	493.0
Cash dividends declared per common share	$ 0.25	$ 0.22	$ 1.00	$ 0.88

THE ALLSTATE CORPORATION
SEGMENT RESULTS

($ in millions, except ratios)	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	2013	2012
Property-Liability				
Premiums written	$ 6,950	$ 6,637	$ 28,164	$ 27,027
Premiums earned	$ 7,014	$ 6,744	$ 27,618	$ 26,737
Claims and claims expense	(4,283)	(5,042)	(17,911)	(18,484)
Amortization of deferred policy acquisition costs	(984)	(870)	(3,674)	(3,483)
Operating costs and expenses	(942)	(939)	(3,752)	(3,536)
Restructuring and related charges	(11)	(9)	(63)	(34)
Underwriting income (loss)*	794	(116)	2,218	1,200
Net investment income	382	362	1,375	1,326
Periodic settlements and accruals on non-hedge derivative instruments	(2)	(2)	(7)	(6)
Business combination expenses and the amortization of purchased intangible assets	23	25	85	124
Income tax expense on operations	(404)	(69)	(1,204)	(819)
Operating income	793	200	2,467	1,825
Realized capital gains and losses, after-tax	86	96	339	221
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	1	--	4	3
Business combination expenses and the amortization of purchased intangible assets, after-tax	(15)	(16)	(55)	(81)
Loss on disposition of operations, after-tax	--	--	(1)	--
Net income available to common shareholders	$ 865	$ 280	$ 2,754	$ 1,968
Catastrophe losses	$ 117	$ 1,061	$ 1,251	$ 2,345
Operating ratios:				
Claims and claims expense ratio	61.1	74.8	64.9	69.1
Expense ratio	27.6	26.9	27.1	26.4
Combined ratio	88.7	101.7	92.0	95.5
Effect of catastrophe losses on combined ratio	1.7	15.7	4.5	8.8

Effect of prior year reserve reestimates on combined ratio	(0.9)	(2.3)	(0.4)	(2.5)
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	(0.1)	(1.2)	(0.3)	(1.5)
Effect of business combination expenses and the amortization of purchased intangible assets on combined ratio	0.3	0.4	0.3	0.5
Effect of Discontinued Lines and Coverages on combined ratio	--	--	0.5	0.2
Allstate Financial				
Premiums and contract charges	$ 610	$ 566	$ 2,352	$ 2,241
Net investment income	637	665	2,538	2,647
Periodic settlements and accruals on non-hedge derivative instruments	--	10	17	55
Contract benefits	(490)	(464)	(1,917)	(1,818)
Interest credited to contractholder funds	(301)	(347)	(1,254)	(1,434)
Amortization of deferred policy acquisition costs	(80)	(71)	(330)	(350)
Operating costs and expenses	(145)	(152)	(565)	(576)
Restructuring and related charges	--	--	(7)	--
Income tax expense on operations	(71)	(63)	(246)	(236)
Operating income	160	144	588	529
Realized capital gains and losses, after-tax	9	37	46	(8)
Valuation changes on embedded derivatives that are not hedged, after-tax	(3)	(6)	(16)	82
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(3)	(4)	(5)	(42)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	--	--	7	4
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	--	(7)	(11)	(36)
(Loss) gain on disposition of operations, after-tax	(44)	2	(514)	12
Net income available to common shareholders	$ 119	$ 166	$ 95	$ 541
Corporate and Other				
Net investment income	$ 7	$ 6	$ 30	$ 37
Operating costs and expenses	(258)	(96)	(618)	(379)
Income tax benefit on operations	90	35	220	136
Preferred stock dividends	(11)	--	(17)	--
Operating loss	(172)	(55)	(385)	(206)
Realized capital gains and losses, after-tax	(1)	3	--	3
Loss on extinguishment of debt, after-tax	(1)	--	(319)	--
Postretirement benefits curtailment gain, after-tax	--	--	118	--
Net loss available to common shareholders	$ (174)	$ (52)	$ (586)	$ (203)
Consolidated net income available to common shareholders	$ 810	$ 394	$ 2,263	$ 2,306

THE ALLSTATE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

($ in millions, except par value data)	December 31, 2013 (unaudited)	December 31, 2012
Assets		
Investments:		
Fixed income securities, at fair value (amortized cost $59,008 and $71,915)	$ 60,910	$ 77,017
Equity securities, at fair value (cost $4,473 and $3,577)	5,097	4,037
Mortgage loans	4,721	6,570
Limited partnership interests	4,967	4,922
Short-term, at fair value (amortized cost $2,393 and $2,336)	2,393	2,336
Other	3,067	2,396
Total investments	81,155	97,278
Cash	675	806
Premium installment receivables, net	5,237	5,051
Deferred policy acquisition costs	3,372	3,621
Reinsurance recoverables, net	7,621	8,767
Accrued investment income	624	781
Property and equipment, net	1,024	989
Goodwill	1,243	1,240
Other assets	1,937	1,804
Separate Accounts	5,039	6,610
Assets held for sale	15,593	--
Total assets	$ 123,520	$ 126,947
Liabilities		
Reserve for property-liability insurance claims and claims expense	$ 21,857	$ 21,288
Reserve for life-contingent contract benefits	12,386	14,895
Contractholder funds	24,304	39,319
Unearned premiums	10,932	10,375
Claim payments outstanding	631	797
Deferred income taxes	635	597
Other liabilities and accrued expenses	5,156	6,429
Long-term debt	6,201	6,057
Separate Accounts	5,039	6,610
Liabilities held for sale	14,899	--
Total liabilities	102,040	106,367
Equity		
Preferred stock and additional capital paid-in, $1 par value, 32.3 thousand shares issued and outstanding as of December 31, 2013 and none issued and outstanding as of December 31, 2012, $807.5 aggregate liquidation preference	780	--
Common stock, $.01 par value, 900 million issued, 449 million and 479 million shares outstanding	9	9
Additional capital paid-in	3,143	3,162
Retained income	35,580	33,783
Deferred ESOP expense	(31)	(41)
Treasury stock, at cost (451 million and 421 million shares)	(19,047)	(17,508)
Accumulated other comprehensive income:		
Unrealized net capital gains and losses:		
Unrealized net capital gains and losses on fixed income securities with OTTI	50	(11)
Other unrealized net capital gains and losses	1,698	3,614
Unrealized adjustment to DAC, DSI and insurance reserves	(102)	(769)
Total unrealized net capital gains and losses	1,646	2,834
Unrealized foreign currency translation adjustments	38	70

Unrecognized pension and other postretirement benefit cost	(638)	(1,729)
Total accumulated other comprehensive income	1,046	1,175
Total shareholders' equity	21,480	20,580
Total liabilities and shareholders' equity	$ 123,520	$ 126,947

THE ALLSTATE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

($ in millions)	Twelve months ended December 31, 2013	2012
Cash flows from operating activities	(unaudited)	
Net income	$ 2,280	$ 2,306
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and other non-cash items	368	388
Realized capital gains and losses	(594)	(327)
Loss on extinguishment of debt	491	--
Loss (gain) on disposition of operations	688	(18)
Interest credited to contractholder funds	1,278	1,316
Changes in:		
Policy benefits and other insurance reserves	(55)	214
Unearned premiums	602	306
Deferred policy acquisition costs	(268)	(18)
Premium installment receivables, net	(205)	(125)
Reinsurance recoverables, net	(729)	(1,560)
Income taxes	573	698
Other operating assets and liabilities	(187)	(126)
Net cash provided by operating activities	4,242	3,054
Cash flows from investing activities		
Proceeds from sales		
Fixed income securities	21,243	18,872
Equity securities	3,173	1,495
Limited partnership interests	1,045	1,398
Mortgage loans	24	14
Other investments	151	148
Investment collections		
Fixed income securities	5,908	5,417
Mortgage loans	1,020	1,064
Other investments	275	128
Investment purchases		
Fixed income securities	(24,087)	(22,658)
Equity securities	(3,677)	(671)
Limited partnership interests	(1,312)	(1,524)
Mortgage loans	(538)	(525)
Other investments	(1,084)	(665)
Change in short-term investments, net	(427)	(698)
Change in other investments, net	97	58
Purchases of property and equipment, net	(207)	(285)
(Acquisition) disposition of operations, net of cash acquired	(24)	13
Net cash provided by investing activities	1,580	1,581
Cash flows from financing activities		
Proceeds from issuance of long-term debt	2,271	493
Repayment of long-term debt	(2,627)	(352)
Proceeds from issuance of preferred stock	781	--
Contractholder fund deposits	2,174	2,158
Contractholder fund withdrawals	(6,556)	(5,519)
Dividends paid on common stock	(352)	(534)
Dividends paid on preferred stock	(6)	--
Treasury stock purchases	(1,834)	(913)
Shares reissued under equity incentive plans, net	170	85
Excess tax benefits on share-based payment arrangements	38	10
Other	(12)	(33)
Net cash used in financing activities	(5,953)	(4,605)
Net (decrease) increase in cash	(131)	30
Cash at beginning of period	806	776
Cash at end of period	$ 675	$ 806

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

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

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

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

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

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

($ in millions, except per share data)	For the three months ended December 31,							
	Property-Liability		Allstate Financial		Consolidated		Per diluted common share	
	2013	2012	2013	2012	2013	2012	2013	2012
Operating income	$ 793	$ 200	$ 160	$ 144	$ 781	$ 289	$ 1.70	$ 0.59
Realized capital gains and losses	128	143	14	56	142	204		
Income tax expense	(42)	(47)	(5)	(19)	(48)	(68)		
Realized capital gains and losses, after-tax	86	96	9	37	94	136	0.21	0.28
Valuation changes on embedded derivatives that are not hedged, after-tax	--	--	(3)	(6)	(3)	(6)	(0.01)	(0.01)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	--	--	(3)	(4)	(3)	(4)	(0.01)	(0.01)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	--	--	--	--	--	--	--	--
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	1	--	--	(7)	1	(7)	--	(0.01)
Business combination expenses and the amortization of purchased intangible assets, after-tax	(15)	(16)	--	--	(15)	(16)	(0.03)	(0.03)
(Loss) gain on disposition of operations, after-tax	--	--	(44)	2	(44)	2	(0.10)	--
Loss on extinguishment of debt, after-tax	--	--	--	--	(1)	--	--	--
Net income available to common shareholders	$ 865	$ 280	$ 119	$ 166	$ 810	$ 394	$ 1.76	$ 0.81

	For the twelve months ended December 31,							
	Property-Liability		Allstate Financial		Consolidated		Per diluted common share	
	2013	2012	2013	2012	2013	2012	2013	2012
Operating income	$ 2,467	$ 1,825	$ 588	$ 529	$ 2,670	$ 2,148	$ 5.68	$ 4.36
Realized capital gains and losses	519	335	74	(13)	594	327		
Income tax (expense) benefit	(180)	(114)	(28)	5	(209)	(111)		
Realized capital gains and losses, after-tax	339	221	46	(8)	385	216	0.82	0.44
Valuation changes on embedded derivatives that are not hedged, after-tax	--	--	(16)	82	(16)	82	(0.03)	0.17
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	--	--	(5)	(42)	(5)	(42)	(0.01)	(0.09)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	--	--	7	4	7	4	0.01	0.01
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	4	3	(11)	(36)	(7)	(33)	(0.01)	(0.07)
Business combination expenses and the amortization of purchased intangible assets, after-tax	(55)	(81)	--	--	(55)	(81)	(0.12)	(0.16)
(Loss) gain on disposition of operations, after-tax	(1)	--	(514)	12	(515)	12	(1.10)	0.02
Loss on extinguishment of debt, after-tax	--	--	--	--	(319)	--	(0.68)	--
Postretirement benefits curtailment gain, after-tax	--	--	--	--	118	--	0.25	--
Net income available to common shareholders	$ 2,754	$ 1,968	$ 95	$ 541	$ 2,263	$ 2,306	$ 4.81	$ 4.68

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

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

($ in millions)	For the twelve months ended December 31,	
	2013	2012
Return on common shareholders' equity		

Numerator:				
Net income available to common shareholders	$	2,263	$	2,306
Denominator:				
Beginning common shareholders' equity	$	20,580	$	18,298
Ending common shareholders' equity [1]		20,700		20,580
Average common shareholders' equity	$	20,640	$	19,439
Return on common shareholders' equity		11.0%		11.9%

		For the twelve months ended December 31,		
		2013		2012
Operating income return on common shareholders' equity				
Numerator:				
Operating income	$	2,670	$	2,148
Denominator:				
Beginning common shareholders' equity	$	20,580	$	18,298
Unrealized net capital gains and losses		2,834		1,400
Adjusted beginning common shareholders' equity		17,746		16,898
Ending common shareholders' equity		20,700		20,580
Unrealized net capital gains and losses		1,646		2,834
Adjusted ending common shareholders' equity		19,054		17,746
Average adjusted common shareholders' equity	$	18,400	$	17,322
Operating income return on common shareholders' equity		14.5%		12.4%

[1] Excludes $780 million of equity related to preferred stock.

The following tables reconcile Allstate Financial segment return on attributed equity and operating income return on attributed equity, including a reconciliation of Allstate Financial segment attributed equity to The Allstate Corporation common shareholders' equity.

($ in millions)		For the twelve months ended December 31,		
		2013		2012
Allstate Financial segment return on attributed equity				
Numerator:				
Net income available to common shareholders	$	95	$	541
Denominator:				
Beginning attributed equity [1]	$	8,446	$	7,230
Ending attributed equity		7,273		8,446
Average attributed equity	$	7,860	$	7,838
Return on attributed equity		1.2%		6.9%

		For the twelve months ended December 31,		
		2013		2012
Allstate Financial segment operating income return on attributed equity				
Numerator:				
Operating income	$	588	$	529
Denominator:				
Beginning attributed equity	$	8,446	$	7,230
Unrealized net capital gains and losses		1,678		842
Adjusted beginning attributed equity		6,768		6,388
Ending attributed equity		7,273		8,446
Unrealized net capital gains and losses		946		1,678
Adjusted ending attributed equity		6,327		6,768
Average adjusted attributed equity	$	6,548	$	6,578
Operating income return on attributed equity		9.0%		8.0%

Reconciliation of beginning and ending Allstate Financial segment attributed equity and The Allstate Corporation beginning and ending common shareholders' equity		For the twelve months ended December 31,		
		2013		2012
Beginning Allstate Financial segment attributed equity	$	8,446	$	7,230
Beginning all other equity		12,134		11,068
Beginning Allstate Corporation common shareholders' equity	$	20,580	$	18,298
Ending Allstate Financial segment attributed equity	$	7,273	$	8,446
Ending all other equity		13,427		12,134
Ending Allstate Corporation common shareholders' equity	$	20,700	$	20,580

[1] Allstate Financial attributed equity is the sum of equity for Allstate Life Insurance Company and the applicable equity for American Heritage Life Investment Corporation.

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

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

ratio. The most directly comparable GAAP measure is the combined ratio. The underlying combined ratio should not be considered a substitute for the combined ratio and does not reflect the overall underwriting profitability of our business.

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

	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	2013	2012
Combined ratio excluding the effect of catastrophes, prior year reserve reestimates, business combination expenses and the amortization of purchased intangible assets ("underlying combined ratio")	87.5	86.7	87.3	87.2
Effect of catastrophe losses	1.7	15.7	4.5	8.8
Effect of prior year non-catastrophe reserve reestimates	(0.8)	(1.1)	(0.1)	(1.0)
Effect of business combination expenses and the amortization of purchased intangible assets	0.3	0.4	0.3	0.5
Combined ratio	88.7	101.7	92.0	95.5
Effect of prior year catastrophe reserve reestimates	(0.1)	(1.2)	(0.3)	(1.5)

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

In this news release, we provide our outlook range on the Property-Liability 2014 underlying combined ratio. A reconciliation of this measure to the combined ratio is not possible on a forward-looking basis because it is not possible to provide a reliable forecast of catastrophes. Future prior year reserve reestimates are expected to be zero because reserves are determined based on our best estimate of ultimate loss reserves as of the reporting date.

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

	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	2013	2012
Underlying combined ratio	95.9	94.0	94.4	93.8
Effect of catastrophe losses	--	8.9	1.0	3.8
Effect of prior year non-catastrophe reserve reestimates	(0.6)	(1.8)	(0.9)	(1.9)
Combined ratio	95.3	101.1	94.5	95.7
Effect of prior year catastrophe reserve reestimates	(0.3)	(0.1)	(0.3)	(0.2)

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

	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	2013	2012
Underlying combined ratio	60.7	62.4	62.7	65.1
Effect of catastrophe losses	7.1	32.0	15.6	23.2
Effect of prior year non-catastrophe reserve reestimates	(1.2)	(0.5)	(0.4)	(0.3)
Combined ratio	66.6	93.9	77.9	88.0
Effect of prior year catastrophe reserve reestimates	0.9	(4.5)	0.4	(4.9)

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

	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	2013	2012
Underlying combined ratio	110.3	112.4	108.0	108.0
Effect of catastrophe losses	(0.6)	9.8	0.3	3.6
Effect of prior year non-catastrophe reserve reestimates	(4.5)	(15.0)	(4.3)	(3.9)
Combined ratio	105.2	107.2	104.0	107.7
Effect of prior year catastrophe reserve reestimates	--	--	(0.5)	--

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

	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	2013	2012
Underlying combined ratio	111.7	107.9	111.5	108.2
Effect of catastrophe losses	0.3	2.3	0.9	1.6
Effect of business combination expenses and the amortization of purchased intangible assets	4.5	7.2	4.9	10.1
Combined ratio	116.5	117.4	117.3	119.9

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

	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	2013	2012
Underlying combined ratio	97.8	95.9	96.3	95.6
Effect of catastrophe losses	--	8.6	0.9	3.7
Effect of prior year non-catastrophe reserve reestimates	(0.6)	(2.2)	(0.8)	(1.9)
Combined ratio	97.2	102.3	96.4	97.4
Effect of prior year catastrophe reserve reestimates	(0.3)	--	(0.5)	(0.1)

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

	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	2013	2012
Underlying combined ratio	61.6	63.1	63.5	65.8
Effect of catastrophe losses	6.8	34.8	15.4	23.5
Effect of prior year non-catastrophe reserve reestimates	(1.3)	(0.3)	(0.4)	(0.2)
Combined ratio	67.1	97.6	78.5	89.1
Effect of prior year catastrophe reserve reestimates	0.7	(4.3)	0.3	(4.9)

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

($ in millions, except per share data)	As of December 31,	
	2013	2012
Book value per common share		
Numerator:		
Common shareholders' equity	$ 20,700	$ 20,580
Denominator:		
Common shares outstanding and dilutive potential common shares outstanding	456.9	485.5
Book value per common share	$ 45.31	$ 42.39
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities		
Numerator:		
Common shareholders' equity	$ 20,700	$ 20,580
Unrealized net capital gains and losses on fixed income securities	1,258	2,549
Adjusted common shareholders' equity	$ 19,442	$ 18,031
Denominator:		
Common shares outstanding and dilutive potential common shares outstanding	456.9	485.5
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities	$ 42.55	$ 37.14

Forward-Looking Statements and Risk Factors

This news release contains forward-looking statements about our outlook for the Property-Liability combined ratio excluding the effect of catastrophes, prior year reserve reestimates, business combination expenses, and the amortization of purchased intangible assets for 2014, and our investment portfolio. These statements are subject to the Private Securities Litigation Reform Act of 1995 and are based on management's estimates, assumptions and projections. Actual results may differ materially from those projected based on the risk factors described below.

- Premiums written and premiums earned, the denominator of the underlying combined ratio, may be materially less than projected. Policyholder attrition may be greater than anticipated resulting in a lower amount of insurance in force.
- Unanticipated increases in the severity or frequency of auto insurance claims may adversely affect our underwriting results. Changes in the severity or frequency of claims may affect the profitability of our Allstate Protection segment. Changes in bodily injury claim severity are driven primarily by inflation in the medical sector of the economy and litigation. Changes in auto physical damage claim severity are driven primarily by inflation in auto repair costs, auto parts prices and used car prices. The short-term level of claim frequency we experience may vary from period to period and may not be sustainable over the longer term. A decline in gas prices, increase in miles driven, and higher unemployment are examples of factors leading to a short-term frequency change. A significant long-term increase in claim frequency could have an adverse effect on our underwriting results.
- The actions we have taken to reduce the sensitivity of our investment portfolio to a rise in interest rates may not be effective.

We undertake no obligation to publicly correct or update any forward-looking statements. This news release contains unaudited financial information.

# # # # #

Exhibit 99.2

THE ALLSTATE CORPORATION

Investor Supplement
Fourth Quarter 2013

The consolidated financial statements and financial exhibits included herein are unaudited. These consolidated financial statements and exhibits 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 (*) the first time they appear. These measures are defined on the page "Definitions of Non-GAAP Measures" and are reconciled to the most directly comparable GAAP measure herein.

THE ALLSTATE CORPORATION
Investor Supplement - Fourth Quarter 2013
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THE ALLSTATE CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
($ in millions, except per share data)

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Revenues										
Property-liability insurance premiums	$ 7,014	$ 6,972	$ 6,862	$ 6,770	$ 6,744	$ 6,697	$ 6,666	$ 6,630	$ 27,618	$ 26,737
Life and annuity premiums and contract charges	610	584	579	579	566	563	559	553	2,352	2,241
Net investment income	1,026	950	984	983	1,033	940	1,026	1,011	3,943	4,010
Realized capital gains and losses:										
Total other-than-temporary impairment losses	(29)	(96)	(55)	(27)	(44)	(39)	(69)	(87)	(207)	(239)
Portion of loss recognized in other comprehensive income	(1)	8	(5)	(10)	(10)	(7)	19	4	(8)	6
Net other-than-temporary impairment losses recognized in earnings	(30)	(88)	(60)	(37)	(54)	(46)	(50)	(83)	(215)	(233)
Sales and other realized capital gains and losses	172	47	422	168	258	(26)	77	251	809	560
Total realized capital gains and losses	142	(41)	362	131	204	(72)	27	168	594	327
Total revenues	8,792	8,465	8,787	8,463	8,547	8,128	8,278	8,362	34,507	33,315
Costs and expenses										
Property-liability insurance claims and claims expense	4,283	4,427	4,741	4,460	5,042	4,293	4,810	4,339	17,911	18,484
Life and annuity contract benefits	490	498	471	458	464	453	462	439	1,917	1,818
Interest credited to contractholder funds	305	317	311	345	357	215	366	378	1,278	1,316
Amortization of deferred policy acquisition costs	1,069	1,026	961	946	947	1,016	942	979	4,002	3,884
Operating costs and expenses	1,258	937	1,090	1,102	1,095	1,010	996	1,017	4,387	4,118
Restructuring and related charges	11	13	20	26	9	9	10	6	70	34
Loss on extinguishment of debt	2	9	480	-	-	-	-	-	491	-
Interest expense	87	83	99	98	92	93	93	95	367	373
Total costs and expenses	7,505	7,310	8,173	7,435	8,006	7,089	7,679	7,253	30,423	30,027
(Loss) gain on disposition of operations	(44)	(646)	-	2	3	9	3	3	(688)	18
Income from operations before income tax expense	1,243	509	614	1,030	544	1,048	602	1,112	3,396	3,306
Income tax expense	422	193	180	321	150	325	179	346	1,116	1,000

Net income	$ 821	$ 316	$ 434	$ 709	$ 394	$ 723	$ 423	$ 766	$ 2,280	$ 2,306
Preferred stock dividends	11	6	-	-	-	-	-	-	17	-
Net income available to common shareholders	$ 810	$ 310	$ 434	$ 709	$ 394	$ 723	$ 423	$ 766	$ 2,263	$ 2,306
Earnings per common share: (1)										
Net income available to common shareholders per common share - Basic	$ 1.79	$ 0.67	$ 0.93	$ 1.49	$ 0.82	$ 1.49	$ 0.86	$ 1.54	$ 4.87	$ 4.71
Weighted average common shares - Basic	452.8	461.1	468.3	475.4	482.2	485.9	490.6	498.7	464.4	489.4
Net income available to common shareholders per common share - Diluted	$ 1.76	$ 0.66	$ 0.92	$ 1.47	$ 0.81	$ 1.48	$ 0.86	$ 1.53	$ 4.81	$ 4.68
Weighted average common shares - Diluted	459.6	467.1	473.8	480.8	487.0	489.9	493.8	501.5	470.3	493.0
Cash dividends declared per common share	$ 0.25	$ 0.25	$ 0.25	$ 0.25	$ 0.22	$ 0.22	$ 0.22	$ 0.22	$ 1.00	$ 0.88

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

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Contribution to income										
Operating income before the impact of restructuring and related charges	$ 789	$ 721	$ 542	$ 664	$ 295	$ 723	$ 438	$ 714	$ 2,716	$ 2,170
Restructuring and related charges, after-tax	(8)	(8)	(13)	(17)	(6)	(6)	(6)	(4)	(46)	(22)
Operating income *	781	713	529	647	289	717	432	710	2,670	2,148
Realized capital gains and losses, after-tax	94	(28)	234	85	136	(47)	17	110	385	216
Valuation changes on embedded derivatives that are not hedged, after-tax	(3)	(10)	3	(6)	(6)	97	(3)	(6)	(16)	82
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(3)	1	(4)	1	(4)	(28)	-	(10)	(5)	(42)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	-	7	-	-	-	4	-	-	7	4
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	1	-	(3)	(5)	(7)	(8)	(9)	(9)	(7)	(33)
Business combination expenses and the amortization of purchased intangible assets, after-tax	(15)	(13)	(13)	(14)	(16)	(18)	(16)	(31)	(55)	(81)
(Loss) gain on disposition of operations, after-tax	(44)	(472)	-	1	2	6	2	2	(515)	12
Loss on extinguishment of debt, after-tax	(1)	(6)	(312)	-	-	-	-	-	(319)	-
Postretirement benefits curtailment gain, after-tax	-	118	-	-	-	-	-	-	118	-
Net income available to common shareholders	$ 810	$ 310	$ 434	$ 709	$ 394	$ 723	$ 423	$ 766	$ 2,263	$ 2,306
Income per common share -										

Diluted [1]										
Operating income before the impact of restructuring and related charges	$ 1.72	$ 1.54	$ 1.14	$ 1.38	$ 0.61	$ 1.48	$ 0.89	$ 1.42	$ 5.78	$ 4.40
Restructuring and related charges, after-tax	(0.02)	(0.01)	(0.02)	(0.03)	(0.02)	(0.02)	(0.02)	-	(0.10)	(0.04)
Operating income	1.70	1.53	1.12	1.35	0.59	1.46	0.87	1.42	5.68	4.36
Realized capital gains and losses, after-tax	0.21	(0.06)	0.50	0.18	0.28	(0.09)	0.04	0.22	0.82	0.44
Valuation changes on embedded derivatives that are not hedged, after-tax	(0.01)	(0.02)	0.01	(0.02)	(0.01)	0.20	(0.01)	(0.01)	(0.03)	0.17
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(0.01)	-	(0.01)	-	(0.01)	(0.06)	-	(0.02)	(0.01)	(0.09)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	-	0.01	-	-	-	0.01	-	-	0.01	0.01
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	-	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.01)	(0.07)
Business combination expenses and the amortization of purchased intangible assets, after-tax	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.04)	(0.03)	(0.06)	(0.12)	(0.16)
(Loss) gain on disposition of operations, after-tax	(0.10)	(1.01)	-	-	-	0.01	0.01	-	(1.10)	0.02
Loss on extinguishment of debt, after-tax	-	(0.01)	(0.66)	-	-	-	-	-	(0.68)	-
Postretirement benefits curtailment gain, after-tax	-	0.25	-	-	-	-	-	-	0.25	-
Net income available to common shareholders	$ 1.76	$ 0.66	$ 0.92	$ 1.47	$ 0.81	$ 1.48	$ 0.86	$ 1.53	$ 4.81	$ 4.68
Weighted average common shares - Diluted	459.6	467.1	473.8	480.8	487.0	489.9	493.8	501.5	470.3	493.0

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

THE ALLSTATE CORPORATION
REVENUES
($ in millions)

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Property-Liability										
Property-Liability insurance premiums	$ 7,014	$ 6,972	$ 6,862	$ 6,770	$ 6,744	$ 6,697	$ 6,666	$ 6,630	$ 27,618	$ 26,737
Net investment income	382	309	343	341	362	299	352	313	1,375	1,326
Realized capital gains and losses	128	(26)	305	112	143	(16)	19	189	519	335
Total Property-Liability revenues	7,524	7,255	7,510	7,223	7,249	6,980	7,037	7,132	29,512	28,398
Allstate Financial										
Life and annuity premiums and contract charges	610	584	579	579	566	563	559	553	2,352	2,241
Net investment income	637	633	633	635	665	632	663	687	2,538	2,647
Realized capital gains and losses	14	(16)	57	19	56	(56)	8	(21)	74	(13)
Total Allstate Financial revenues	1,261	1,201	1,269	1,233	1,287	1,139	1,230	1,219	4,964	4,875
Corporate and Other										
Service fees [1]	3	3	2	1	1	1	1	1	9	4
Net investment income	7	8	8	7	6	9	11	11	30	37
Realized capital gains and losses	-	1	-	-	5	-	-	-	1	5
Total Corporate and Other	10	12	10	8	12	10	12	12	40	46

revenues before reclassification of services fees										
Reclassification of service fees [1]	(3)	(3)	(2)	(1)	(1)	(1)	(1)	(1)	(9)	(4)
Total Corporate and Other revenues	7	9	8	7	11	9	11	11	31	42
Consolidated revenues	$ 8,792	$ 8,465	$ 8,787	$ 8,463	$ 8,547	$ 8,128	$ 8,278	$ 8,362	$ 34,507	$ 33,315

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

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

	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012
Assets					
Investments					
Fixed income securities, at fair value (amortized cost $59,008, $58,129, $68,475, $70,957 and $71,915)	$ 60,910	$ 60,295	$ 71,039	$ 75,806	$ 77,017
Equity securities, at fair value (cost $4,473, $4,370, $4,237, $3,777 and $3,577)	5,097	4,812	4,505	4,439	4,037
Mortgage loans	4,721	4,817	6,413	6,434	6,570
Limited partnership interests	4,967	5,091	4,941	4,931	4,922
Short-term, at fair value (amortized cost $2,393, $2,694, $2,646, $3,169 and $2,336)	2,393	2,694	2,646	3,169	2,336
Other	3,067	2,774	2,771	2,603	2,396
Total investments	81,155	80,483	92,315	97,382	97,278
Cash	675	1,069	634	820	806
Premium installment receivables, net	5,237	5,341	5,116	5,066	5,051
Deferred policy acquisition costs	3,372	3,286	3,914	3,660	3,621

	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012
Liabilities					
Reserve for property-liability insurance claims and claims expense	$ 21,857	$ 20,983	$ 20,989	$ 20,920	$ 21,288
Reserve for life-contingent contract benefits	12,386	12,590	14,242	14,767	14,895
Contractholder funds	24,304	24,476	36,357	38,807	39,319
Unearned premiums	10,932	11,016	10,510	10,218	10,375
Claim payments outstanding	631	702	745	757	797
Deferred income taxes	635	440	250	782	597
Other liabilities and accrued expenses	5,156	5,245	6,055	6,436	6,429
Short-term debt	-	-	500	-	-
Long-term debt	6,201	6,217	5,475	6,556	6,057
Separate Accounts	5,039	4,928	6,488	6,750	6,610
Liabilities held for sale	14,899	14,908	-	-	-
Total liabilities	102,040	101,505	101,611	105,993	106,367
Equity					
Preferred stock and additional capital paid-in 32.3 thousand, 26.9 thousand and 11.5 thousand outstanding as of December 31 2013, September 30, 2013, June 30, 2013 and none outstanding as of all other periods presented	780	650	278	-	-
Common stock, 449 million, 456 million, 465 million, 468 million and 479 million shares outstanding	9	9	9	9	9
Additional capital paid-in	3,143	3,127	3,105	3,028	3,162
Retained income	35,580	34,885	34,691	34,375	33,783
Deferred ESOP expense	(31)	(39)	(39)	(39)	(41)
Treasury stock, at cost (451 million, 444 million, 435 million, 432 million and 421 million)	(19,047)	(18,662)	(18,225)	(18,033)	(17,508)
Accumulated other comprehensive income:					
Unrealized net capital gains and losses:					
Unrealized net capital gains and losses on fixed income securities with other-than-temporary impairments	50	33	36	30	(11)
Other unrealized net capital gains and losses	1,698	1,804	1,794	3,543	3,614
Unrealized adjustment to DAC, DSI and insurance reserves	(102)	(123)	(179)	(668)	(769)
Total unrealized net capital gains and losses	1,646	1,714	1,651	2,905	2,834

Reinsurance recoverables, net [1]	7,621	6,938	8,346	8,316	8,767
Accrued investment income	624	617	773	792	781
Property and equipment, net	1,024	993	971	998	989
Goodwill	1,243	1,243	1,239	1,239	1,240
Other assets	1,937	1,810	1,684	1,589	1,804
Separate Accounts	5,039	4,928	6,488	6,750	6,610
Assets held for sale	15,593	15,577	-	-	-
Total assets	$ 123,520	$ 122,285	$ 121,480	$ 126,612	$ 126,947

Unrealized foreign currency translation adjustments	38	50	37	58	70
Unrecognized pension and other postretirement benefit cost	(638)	(954)	(1,638)	(1,684)	(1,729)
Total accumulated other comprehensive income	1,046	810	50	1,279	1,175
Total shareholders' equity	21,480	20,780	19,869	20,619	20,580
Total liabilities and shareholders' equity	$ 123,520	$ 122,285	$ 121,480	$ 126,612	$ 126,947

[1] Reinsurance recoverables of unpaid losses related to Property-Liability were $4,664 million, $3,652 million, $3,613 million, $3,568 million and $4,010 million as of December 31, 2013, September 30, 2013, June 30, 2013, March 31, 2013 and December 31, 2012, respectively.

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

	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012
Book value per common share								
Numerator:								
Common shareholders' equity [1]	$ 20,700	$ 20,130	$ 19,591	$ 20,619	$ 20,580	$ 20,837	$ 19,475	$ 19,182
Denominator:								
Common shares outstanding and dilutive potential common shares outstanding	456.9	462.9	470.6	474.4	485.5	488.7	490.2	497.3
Book value per common share	$ 45.31	$ 43.49	$ 41.63	$ 43.46	$ 42.39	$ 42.64	$ 39.73	$ 38.57
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities *								
Numerator:								
Common shareholders' equity	$ 20,700	$ 20,130	$ 19,591	$ 20,619	$ 20,580	$ 20,837	$ 19,475	$ 19,182
Unrealized net capital gains and losses on fixed income securities	1,258	1,445	1,489	2,486	2,549	2,602	1,919	1,620
Adjusted common shareholders' equity	$ 19,442	$ 18,685	$ 18,102	$ 18,133	$ 18,031	$ 18,235	$ 17,556	$ 17,562
Denominator:								
Common shares outstanding and dilutive potential common shares outstanding	456.9	462.9	470.6	474.4	485.5	488.7	490.2	497.3
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities	$ 42.55	$ 40.37	$ 38.47	$ 38.22	$ 37.14	$ 37.31	$ 35.81	$ 35.31

[1] Excludes equity related to preferred stock of $780 million, $650 million and $278 million as of December 31, 2013, September 30, 2013 and June 30, 2013, respectively.

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

	Twelve months ended							
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012
Return on Common Shareholders' Equity								
Numerator:								

Net income available to common shareholders (1)	$ 2,263	$ 1,847	$ 2,260	$ 2,249	$ 2,306	$ 2,624	$ 2,076	$ 1,029
Denominator:								
Beginning common shareholders' equity	$ 20,580	$ 20,837	$ 19,475	$ 19,182	$ 18,298	$ 17,732	$ 18,382	$ 18,898
Ending common shareholders' equity	20,700	20,130	19,591	20,619	20,580	20,837	19,475	19,182
Average common shareholders' equity (2)	$ 20,640	$ 20,484	$ 19,533	$ 19,901	$ 19,439	$ 19,285	$ 18,929	$ 19,040
Return on common shareholders' equity	11.0 %	9.0 %	11.6 %	11.3 %	11.9 %	13.6 %	11.0 %	5.4 %
Operating Income Return on Common Shareholders' Equity *								
Numerator:								
Operating income (1)	$ 2,670	$ 2,178	$ 2,182	$ 2,085	$ 2,148	$ 2,594	$ 1,957	$ 878
Denominator:								
Beginning common shareholders' equity	$ 20,580	$ 20,837	$ 19,475	$ 19,182	$ 18,298	$ 17,732	$ 18,382	$ 18,898
Unrealized net capital gains and losses	2,834	2,880	2,070	1,874	1,400	1,065	1,475	1,072
Adjusted beginning common shareholders' equity	17,746	17,957	17,405	17,308	16,898	16,667	16,907	17,826
Ending common shareholders' equity	20,700	20,130	19,591	20,619	20,580	20,837	19,475	19,182
Unrealized net capital gains and losses	1,646	1,714	1,651	2,905	2,834	2,880	2,070	1,874
Adjusted ending common shareholders' equity	19,054	18,416	17,940	17,714	17,746	17,957	17,405	17,308
Average adjusted common shareholders' equity (2)	$ 18,400	$ 18,187	$ 17,673	$ 17,511	$ 17,322	$ 17,312	$ 17,156	$ 17,567
Operating income return on common shareholders' equity	14.5 %	12.0 %	12.3 %	11.9 %	12.4 %	15.0 %	11.4 %	5.0 %

(1) Net income available to common shareholders and operating income reflect a trailing twelve-month period.
(2) Average common shareholders' equity and average adjusted common shareholders' equity are determined using a two-point average, with the beginning and ending common shareholders' equity and adjusted common shareholders' equity, respectively, for the twelve-month period as data points.

THE ALLSTATE CORPORATION
DEBT TO CAPITAL
($ in millions)

	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012
Debt								
Short-term debt	$ -	$ -	$ 500	$ -	$ -	$ -	$ -	$ -
Long-term debt	6,201	6,217	5,475	6,556	6,057	6,057	6,058	6,058
Total debt	$ 6,201	$ 6,217	$ 5,975	$ 6,556	$ 6,057	$ 6,057	$ 6,058	$ 6,058
Capital resources								
Debt	$ 6,201	$ 6,217	$ 5,975	$ 6,556	$ 6,057	$ 6,057	$ 6,058	$ 6,058
Shareholders' equity								
Preferred stock and additional capital paid-in	780	650	278	-	-	-	-	-
Common stock	9	9	9	9	9	9	9	9
Additional capital paid-in	3,143	3,127	3,105	3,028	3,162	3,154	3,154	3,151
Retained income	35,580	34,885	34,691	34,375	33,783	33,496	32,880	32,565
Deferred ESOP expense	(31)	(39)	(39)	(39)	(41)	(41)	(41)	(41)
Treasury stock	(19,047)	(18,662)	(18,225)	(18,033)	(17,508)	(17,368)	(17,272)	(17,034)
Unrealized net capital gains and losses	1,646	1,714	1,651	2,905	2,834	2,880	2,070	1,874
Unrealized foreign currency translation adjustments	38	50	37	58	70	70	58	65
Unrecognized pension and other postretirement benefit cost	(638)	(954)	(1,638)	(1,684)	(1,729)	(1,363)	(1,383)	(1,407)
Total shareholders' equity	21,480	20,780	19,869	20,619	20,580	20,837	19,475	19,182
Total capital resources	$ 27,681	$ 26,997	$ 25,844	$ 27,175	$ 26,637	$ 26,894	$ 25,533	$ 25,240
Ratio of debt to shareholders' equity	28.9 %	29.9 %	30.1 %	31.8 %	29.4 %	29.1 %	31.1 %	31.6 %
Ratio of debt to capital resources	22.4 %	23.0 %	23.1 %	24.1 %	22.7 %	22.5 %	23.7 %	24.0 %

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
CASH FLOWS FROM OPERATING ACTIVITIES										
Net income	$ 821	$ 316	$ 434	$ 709	$ 394	$ 723	$ 423	$ 766	$ 2,280	$ 2,306
Adjustments to reconcile net income to net cash provided by operating activities:										
Depreciation, amortization and other non-cash items	122	66	93	87	95	92	105	96	368	388
Realized capital gains and losses	(142)	41	(362)	(131)	(204)	72	(27)	(168)	(594)	(327)
Loss on extinguishment of debt	2	9	480	-	-	-	-	-	491	-
Loss (gain) on disposition of operations	44	646	-	(2)	(3)	(9)	(3)	(3)	688	(18)
Interest credited to contractholder funds	305	317	311	345	357	215	366	378	1,278	1,316
Changes in:										
Policy benefits and other insurance reserves	732	(180)	(93)	(514)	983	(392)	(31)	(346)	(55)	214
Unearned premiums	(68)	505	311	(146)	(115)	394	207	(180)	602	306
Deferred policy acquisition costs	(60)	(101)	(77)	(30)	(31)	7	(46)	52	(268)	(18)
Premium installment receivables, net	95	(219)	(59)	(22)	53	(169)	(28)	19	(205)	(125)
Reinsurance recoverables, net	(1,023)	(33)	(79)	406	(1,421)	(166)	(30)	57	(729)	(1,560)
Income taxes	118	172	6	277	29	328	8	333	573	698
Other operating assets and liabilities	225	(21)	(152)	(239)	299	(251)	23	(197)	(187)	(126)
Net cash provided by operating activities	1,171	1,518	813	740	436	844	967	807	4,242	3,054
CASH FLOWS FROM INVESTING ACTIVITIES										
Proceeds from sales										
Fixed income securities	5,889	4,893	4,987	5,474	4,920	4,034	4,229	5,689	21,243	18,872
Equity securities	942	489	1,532	210	150	70	216	1,059	3,173	1,495
Limited partnership interests	369	238	278	160	331	271	393	403	1,045	1,398
Mortgage loans	4	-	18	2	3	-	5	6	24	14
Other investments	58	55	23	15	44	16	52	36	151	148
Investment collections										
Fixed income securities	1,029	1,221	1,913	1,745	1,525	1,751	1,175	966	5,908	5,417
Mortgage loans	237	308	238	237	382	224	288	170	1,020	1,064
Other investments	62	42	117	54	58	31	16	23	275	128
Investment purchases										
Fixed income securities	(7,442)	(6,008)	(4,553)	(6,084)	(5,849)	(4,464)	(5,337)	(7,008)	(24,087)	(22,658)
Equity securities	(1,112)	(555)	(1,693)	(317)	(286)	(95)	(162)	(128)	(3,677)	(671)
Limited partnership interests	(401)	(434)	(222)	(255)	(292)	(568)	(346)	(318)	(1,312)	(1,524)
Mortgage loans	(115)	(109)	(239)	(75)	(53)	(205)	(51)	(216)	(538)	(525)
Other investments	(204)	(342)	(342)	(196)	(390)	(32)	(80)	(163)	(1,084)	(665)
Change in short-term investments, net	117	(121)	385	(808)	586	(892)	(13)	(379)	(427)	(698)
Change in other investments, net	5	1	57	34	64	51	(48)	(9)	97	58
Purchases of property and equipment, net	(91)	(73)	17	(60)	(109)	(60)	(65)	(51)	(207)	(285)
(Acquisition) disposition of operations	-	(24)	-	-	-	13	1	(1)	(24)	13
Net cash (used in) provided by investing activities	(653)	(419)	2,516	136	1,084	145	273	79	1,580	1,581
CASH FLOWS FROM FINANCING ACTIVITIES										
Change in short-term debt	-	(500)	500	-	-	-	-	-	-	-
Proceeds from issuance of long-term debt	4	786	989	492	-	-	-	493	2,271	493
Repayment of long-term debt	(22)	(65)	(2,540)	-	(1)	-	(1)	(350)	(2,627)	(352)
Proceeds from issuance of preferred stock	130	373	278	-	-	-	-	-	781	-
Contractholder fund deposits	566	489	528	591	587	566	520	485	2,174	2,158
Contractholder fund withdrawals	(1,098)	(1,185)	(3,014)	(1,259)	(1,581)	(1,273)	(1,366)	(1,299)	(6,556)	(5,519)
Dividends paid on common stock	(115)	(118)	(119)	-	(212)	(107)	(109)	(106)	(352)	(534)
Dividends paid on preferred stock	(6)	-	-	-	-	-	-	-	(6)	-

Treasury stock purchases	(449)	(488)	(158)	(739)	(184)	(146)	(274)	(309)	(1,834)	(913)
Shares reissued under equity incentive plans, net	62	48	43	17	25	34	11	15	170	85
Excess tax benefits on share-based payment arrangements	5	4	6	23	3	3	5	(1)	38	10
Other	(2)	5	(28)	13	7	5	(32)	(13)	(12)	(33)
Net cash used in financing activities	(925)	(651)	(3,515)	(862)	(1,356)	(918)	(1,246)	(1,085)	(5,953)	(4,605)
Transfer of cash from (to) held for sale	13	(13)	-	-	-	-	-	-	-	-
NET (DECREASE) INCREASE IN CASH	(394)	435	(186)	14	164	71	(6)	(199)	(131)	30
CASH AT BEGINNING OF PERIOD	1,069	634	820	806	642	571	577	776	806	776
CASH AT END OF PERIOD	$ 675	$ 1,069	$ 634	$ 820	$ 806	$ 642	$ 571	$ 577	$ 675	$ 806

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

Change in Deferred Policy Acquisition Costs
For the three months ended December 31, 2013

	Beginning balance Sept. 30, 2013	Acquisition costs deferred	Amortization before adjustments [1] [2]	Amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged [2]	Amortization (acceleration) deceleration for the changes in assumptions[2]	Effect of unrealized capital gains and losses	DAC classified as held for sale	Ending balance Dec 31, 2013
Property-Liability	$ 1,577	$ 1,032	$ (984)	$ -	$ -	$ -	$ -	$ 1,625
Allstate Financial:								
Traditional life and accident and health	695	46	(29)	-	-	-	(1)	711
Interest-sensitive life	974	43	(49)	(4)	-	27	-	991
Fixed annuity	40	7	(2)	(1)	-	2	(1)	45
Subtotal	1,709	96	(80)	(5)	-	29	(2)	1,747
Consolidated	$ 3,286	$ 1,128	$ (1,064)	$ (5)	$ -	$ 29	$ (2)	$ 3,372

Change in Deferred Policy Acquisition Costs
For the three months ended December 31, 2012

	Beginning balance Sept. 30, 2012	Acquisition costs deferred	Amortization before adjustments [1] [2]	Amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged [2]	Amortization (acceleration) deceleration for the changes in assumptions[2]	Effect of unrealized capital gains and losses	DAC classified as held for sale	Ending balance Dec 31, 2012
Property-Liability	$ 1,400	$ 866	$ (870)	$ -	$ -	$ -	$ -	$ 1,396
Allstate Financial:								
Traditional life and accident and health	654	44	(27)	-	-	-	-	671
Interest-sensitive life	1,504	59	(41)	(6)	-	13	-	1,529
Fixed annuity	20	7	(3)	-	-	1	-	25
Subtotal	2,178	110	(71)	(6)	-	14	-	2,225
Consolidated	$ 3,578	$ 976	$ (941)	$ (6)	$ -	$ 14	$ -	$ 3,621

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

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

Change in Deferred Policy Acquisition Costs For the twelve months ended December 31, 2013	Reconciliation of Deferred Policy Acquisition Costs as of December 31, 2013

Amortization
relating to realized

	Beginning balance Dec. 31, 2012	Acquisition costs deferred	Amortization before adjustments (1) (2)	capital gains and losses and valuation changes on embedded derivatives that are not hedged (2)	Amortization (acceleration) deceleration for changes in assumptions (2)	Effect of unrealized capital gains and losses	DAC classified as held for sale	Ending balance Dec. 31, 2013	DAC before impact of unrealized capital gains and losses	Impact of unrealized capital gains and losses	DAC after impact of unrealized capital gains and losses
Property-Liability	$ 1,396	$ 3,903	$ (3,674)	$ -	$ -	$ -	$ -	$ 1,625	$ 1,625	$ -	$ 1,625
Allstate Financial:											
Traditional life and accident and health	671	164	(111)	-	-	-	(13)	711	711	-	711
Interest-sensitive life	1,529	176	(174)	(6)	(35)	201	(700)	991	1,084	(93)	991
Fixed annuity	25	24	(13)	(1)	12	28	(30)	45	51	(6)	45
Subtotal	2,225	364	(298)	(7)	(23)	229	(743)	1,747	1,846	(99)	1,747
Consolidated	$ 3,621	$ 4,267	$ (3,972)	$ (7)	$ (23)	$ 229	$ (743)	$ 3,372	$ 3,471	$ (99)	$ 3,372

	Change in Deferred Policy Acquisition Costs For the twelve months ended December 31, 2012								**Reconciliation of Deferred Policy Acquisition Costs as of December 31, 2012**		
	Beginning balance Dec. 31, 2011	Acquisition costs deferred	Amortization before adjustments (1) (2)	Amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged (2)	Amortization (acceleration) deceleration for changes in assumptions (2)	Effect of unrealized capital gains and losses	DAC classified as held for sale	Ending balance Dec. 31, 2012	DAC before impact of unrealized capital gains and losses	Impact of unrealized capital gains and losses	DAC after impact of unrealized capital gains and losses
Property-Liability	$ 1,348	$ 3,531	$ (3,483)	$ -	$ -	$ -	$ -	$ 1,396	$ 1,396	$ -	$ 1,396
Allstate Financial:											
Traditional life and accident and health	616	154	(99)	-	-	-	-	671	671	-	671
Interest-sensitive life	1,698	192	(186)	(18)	(30)	(127)	-	1,529	1,875	(346)	1,529
Fixed annuity	209	25	(25)	(39)	(4)	(141)	-	25	59	(34)	25
Subtotal	2,523	371	(310)	(57)	(34)	(268)	-	2,225	2,605	(380)	2,225
Consolidated	$ 3,871	$ 3,902	$ (3,793)	$ (57)	$ (34)	$ (268)	$ -	$ 3,621	$ 4,001	$ (380)	$ 3,621

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

THE ALLSTATE CORPORATION
HISTORICAL CONSOLIDATED OPERATING AND FINANCIAL POSITION DATA
($ in millions except per share data)

	As of or for the Year Ended December 31,				
	2013	2012	2011	2010	2009
Consolidated statement of operations data:					
Insurance premiums and contract charges	$ 29,970	$ 28,978	$ 28,180	$ 28,125	$ 28,152
Net investment income	3,943	4,010	3,971	4,102	4,444
Realized capital gains and losses	594	327	503	(827)	(583)
Total revenues	$ 34,507	$ 33,315	$ 32,654	$ 31,400	$ 32,013
Operating income	$ 2,670	$ 2,148	$ 662	$ 1,506	$ 1,880
Realized capital gains and losses, after-tax	385	216	324	(537)	(628)
Valuation changes on embedded derivatives that are not hedged, after-tax	(16)	82	(12)	-	-
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(5)	(42)	(108)	(29)	(153)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	7	4	3	(12)	(219)
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	(7)	(33)	(35)	(29)	(2)
Business combination expenses and the amortization of purchased intangible assets, after-tax	(55)	(81)	(42)	-	-
(Loss) gain on disposition of operations, after-tax	(515)	12	(5)	12	10
Loss on extinguishment of debt, after-tax	(319)	-	-	-	-
Postretirement benefits curtalment gain, after-tax	118	-	-	-	-
Net income available to common shareholders	$ 2,263	$ 2,306	$ 787	$ 911	$ 888
Income per common share - Diluted					
Operating income	$ 5.68	$ 4.36	$ 1.27	$ 2.78	$ 3.48
Realized capital gains and losses, after-tax	0.82	0.44	0.62	(0.99)	(1.16)
Valuation changes on embedded derivatives that are not hedged, after-tax	(0.03)	0.17	(0.02)	-	-
DAC and DSI amortization relating to realized capital gains and losses and valuation	(0.01)	(0.09)	(0.21)	(0.05)	(0.29)

changes on embedded derivatives that are not hedged, after-tax					
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	0.01	0.01	-	(0.02)	(0.41)
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	(0.01)	(0.07)	(0.07)	(0.06)	-
Business combination expenses and the amortization of purchased intangible assets, after-tax	(0.12)	(0.16)	(0.08)	-	-
(Loss) gain on disposition of operations, after-tax	(1.10)	0.02	(0.01)	0.02	0.02
Loss on extinguishment of debt, after-tax	(0.68)	-	-	-	-
Postretirement benefits curtalment gain, after-tax	0.25	-	-	-	-
Net income available to common shareholders	$ 4.81	$ 4.68	$ 1.50	$ 1.68	$ 1.64
Net income available to common sharelolders per share - Basic	$ 4.87	$ 4.71	$ 1.51	$ 1.69	$ 1.65
Consolidated statement of financial position data:					
Investments	$ 81,155	$ 97,278	$ 95,618	$ 100,483	$ 99,833
Total assets	123,520	126,947	125,193	130,500	132,209
Reserves for claims and claims expense, life-contingent contract benefits and contractholder funds	58,547	75,502	77,113	81,113	84,659
Debt	6,201	6,057	5,908	5,908	5,910
Shareholders' equity	21,480	20,580	18,298	18,617	16,184
Book value per share	45.31	42.39	36.18	34.58	29.90
Operating ratio:					
Annual statutory premiums written to surplus ratio (U.S. property-liability operations)	1.6x	1.6x	1.6x	1.6x	1.7x
Other operating data:					
Total employees [(1)]	39,400	38,500	37,300	35,200	36,000
Total Allstate agencies [(1)(2)]	11,600	11,200	11,900	13,400	14,200

(1) Rounded to the nearest hundred.
(2) Total Allstate agencies represents exclusive Allstate agencies and financial representatives in the United States and Canada.

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Premiums written	$ 6,950	$ 7,438	$ 7,151	$ 6,625	$ 6,637	$ 7,063	$ 6,864	$ 6,463	$ 28,164	$ 27,027
Increase (decrease) in unearned premiums	84	(518)	(293)	155	120	(411)	(198)	167	(572)	(322)
Other	(20)	52	4	(10)	(13)	45	-	-	26	32
Premiums earned	7,014	6,972	6,862	6,770	6,744	6,697	6,666	6,630	27,618	26,737
Claims and claims expense	(4,283)	(4,427)	(4,741)	(4,460)	(5,042)	(4,293)	(4,810)	(4,339)	(17,911)	(18,484)
Amortization of deferred policy acquisition costs	(984)	(929)	(890)	(871)	(870)	(870)	(865)	(878)	(3,674)	(3,483)
Operating costs and expenses	(942)	(910)	(943)	(957)	(939)	(866)	(847)	(884)	(3,752)	(3,536)
Restructuring and related charges	(11)	(9)	(19)	(24)	(9)	(9)	(10)	(6)	(63)	(34)
Underwriting income (loss) *	794	697	269	458	(116)	659	134	523	2,218	1,200
Net investment income	382	309	343	341	362	299	352	313	1,375	1,326
Periodic settlements and accruals on non-hedge derivative instruments	(2)	(2)	(2)	(1)	(2)	(1)	(2)	(1)	(7)	(6)
Business combination expenses and the amortization of purchased intangible assets	23	21	20	21	25	26	26	47	85	124
Income tax expense on operations	(404)	(340)	(197)	(263)	(69)	(316)	(153)	(281)	(1,204)	(819)
Operating income	793	685	433	556	200	667	357	601	2,467	1,825
Realized capital gains and losses, after-tax	86	(17)	197	73	96	(11)	12	124	339	221
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	1	1	1	1	-	1	1	1	4	3
Business combination expenses and the amortization of purchased intangible assets, after-tax	(15)	(13)	(13)	(14)	(16)	(18)	(16)	(31)	(55)	(81)
Loss on disposition of operations, after-tax	-	-	(1)	-	-	-	-	-	(1)	-
Net income available to common shareholders	$ 865	$ 656	$ 617	$ 616	$ 280	$ 639	$ 354	$ 695	$ 2,754	$ 1,968
Catastrophe losses	$ 117	$ 128	$ 647	$ 359	$ 1,061	$ 206	$ 819	$ 259	$ 1,251	$ 2,345
Operating ratios										
Claims and claims expense ("loss") ratio	61.1	63.5	69.1	65.9	74.8	64.1	72.2	65.4	64.9	69.1
Expense ratio	27.6	26.5	27.0	27.3	26.9	26.1	25.8	26.7	27.1	26.4

Combined ratio	88.7	90.0	96.1	93.2	101.7	90.2	98.0	92.1	92.0	95.5
Combined ratio excluding the effect of catastrophes *	87.0	88.2	86.7	87.9	86.0	87.1	85.7	88.2	87.5	86.7
Effect of catastrophe losses on combined ratio	1.7	1.8	9.4	5.3	15.7	3.1	12.3	3.9	4.5	8.8
Combined ratio	88.7	90.0	96.1	93.2	101.7	90.2	98.0	92.1	92.0	95.5
Combined ratio excluding the effect of catastrophes, prior year reserve reestimates, business combination expenses and the amortization of purchased intangible assets (“underlying”)	87.5	86.9	86.9	87.7	86.7	87.8	86.3	88.1	87.3	87.2
Effect of catastrophe losses on combined ratio	1.7	1.8	9.4	5.3	15.7	3.1	12.3	3.9	4.5	8.8
Effect of prior year reserve reestimates on combined ratio	(0.9)	0.5	(0.8)	(0.6)	(2.3)	(2.2)	(2.4)	(3.1)	(0.4)	(2.5)
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	0.1	0.5	0.3	0.5	1.2	1.1	1.4	2.5	0.3	1.5
Effect of business combination expenses and the amortization of purchased intangible assets on combined ratio	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.7	0.3	0.5
Combined ratio	88.7	90.0	96.1	93.2	101.7	90.2	98.0	92.1	92.0	95.5
Effect of restructuring and related charges on combined ratio	0.2	0.1	0.3	0.4	0.1	0.1	0.2	0.1	0.2	0.1
Effect of Discontinued Lines and Coverages on combined ratio	-	1.9	0.1	-	-	0.7	0.1	-	0.5	0.2

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

	Twelve months ended December 31,				
	2013	2012	2011	2010	2009
Premiums written	$ 28,164	$ 27,027	$ 25,980	$ 25,907	$ 25,971
(Increase) decrease in unearned premium	(572)	(322)	(33)	19	200
Other	26	32	(5)	31	23
Premiums earned	27,618	26,737	25,942	25,957	26,194
Claims and claims expense	(17,911)	(18,484)	(20,161)	(18,951)	(18,746)
Amortization of deferred policy acquisition costs	(3,674)	(3,483)	(3,477)	(3,517)	(3,615)
Operating costs and expenses	(3,752)	(3,536)	(3,143)	(2,962)	(2,728)
Restructuring and related charges	(63)	(34)	(43)	(33)	(105)
Underwriting income (loss)	2,218	1,200	(882)	494	1,000
Net investment income	1,375	1,326	1,201	1,189	1,328
Periodic settlement and accruals on non-hedge derivative instruments	(7)	(6)	(15)	(7)	(10)
Business combination expenses and the amortization of purchased intangible assets	85	124	49	-	-
Income tax (expense) benefit on operations	(1,204)	(819)	18	(423)	(557)
Operating income	2,467	1,825	371	1,253	1,761
Realized capital gains and losses, after-tax	339	221	54	(207)	(222)
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	4	3	10	4	7
Business combination expenses and the amortization of purchased intangible assets, after-tax	(55)	(81)	(32)	-	-
(Loss) gain on disposition of operations, after-tax	(1)	-	-	3	-
Net income	$ 2,754	$ 1,968	$ 403	$ 1,053	$ 1,546
Catastrophe losses	$ 1,251	$ 2,345	$ 3,815	$ 2,207	$ 2,069
Operating ratios					
Loss ratio	64.9	69.1	77.7	73.0	71.6
Expense ratio	27.1	26.4	25.7	25.1	24.6
Combined ratio	92.0	95.5	103.4	98.1	96.2
Combined ratio excluding the effect of catastrophes	87.5	86.7	88.7	89.6	88.3
Effect of catastrophe losses on combined ratio	4.5	8.8	14.7	8.5	7.9
Combined ratio	92.0	95.5	103.4	98.1	96.2
Combined ratio excluding the effect of catastrophes, prior year reserve reestimates, business combination expenses and the amortization of purchased intangible assets (“underlying”)	87.3	87.2	89.3	89.6	88.1
Effect of catastrophe losses on combined ratio	4.5	8.8	14.7	8.5	7.9
Effect of prior year reserve reestimates on combined ratio	(0.4)	(2.5)	(1.3)	(0.6)	(0.4)
Effect of catastrophe losses included in prior year reserve reestimate on combined ratio	0.3	1.5	0.5	0.6	0.6

Effect of business combination expenses and the amortization of purchased intangible assets on combined ratio	0.3	0.5	0.2	-	-
Combined ratio	92.0	95.5	103.4	98.1	96.2
Effect of restructuring and related charges on combined ratio	0.2	0.1	0.2	0.1	0.4
Effect of Discontinued Lines and Coverages on the combined ratio	0.5	0.2	0.1	0.1	0.1

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Property-Liability Underwriting Summary										
Allstate Protection	$ 795	$ 831	$ 273	$ 462	$ (112)	$ 701	$ 138	$ 526	$ 2,361	$ 1,253
Discontinued Lines and Coverages	(1)	(134)	(4)	(4)	(4)	(42)	(4)	(3)	(143)	(53)
Underwriting income (loss)	$ 794	$ 697	$ 269	$ 458	$ (116)	$ 659	$ 134	$ 523	$ 2,218	$ 1,200
Allstate Protection Underwriting Summary										
Premiums written	$ 6,950	$ 7,438	$ 7,151	$ 6,625	$ 6,636	$ 7,064	$ 6,864	$ 6,462	$ 28,164	$ 27,026
Premiums earned	$ 7,014	$ 6,972	$ 6,862	$ 6,770	$ 6,745	$ 6,696	$ 6,666	$ 6,630	$ 27,618	$ 26,737
Claims and claims expense	(4,282)	(4,292)	(4,738)	(4,457)	(5,038)	(4,251)	(4,808)	(4,336)	(17,769)	(18,433)
Amortization of deferred policy acquisition costs	(984)	(929)	(890)	(871)	(870)	(870)	(865)	(878)	(3,674)	(3,483)
Operating costs and expenses	(942)	(911)	(942)	(956)	(940)	(865)	(845)	(884)	(3,751)	(3,534)
Restructuring and related charges	(11)	(9)	(19)	(24)	(9)	(9)	(10)	(6)	(63)	(34)
Underwriting income (loss)	$ 795	$ 831	$ 273	$ 462	$ (112)	$ 701	$ 138	$ 526	$ 2,361	$ 1,253
Catastrophe losses	$ 117	$ 128	$ 647	$ 359	$ 1,061	$ 206	$ 819	$ 259	$ 1,251	$ 2,345
Operating ratios										
Loss ratio	61.1	61.6	69.0	65.9	74.7	63.5	72.1	65.4	64.4	68.9
Expense ratio	27.6	26.5	27.0	27.3	27.0	26.0	25.8	26.7	27.1	26.4
Combined ratio	88.7	88.1	96.0	93.2	101.7	89.5	97.9	92.1	91.5	95.3
Effect of catastrophe losses on combined ratio	1.7	1.8	9.4	5.3	15.7	3.1	12.3	3.9	4.5	8.8
Effect of restructuring and related charges on combined ratio	0.2	0.1	0.3	0.4	0.1	0.1	0.2	0.1	0.2	0.1
Effect of business combination expenses and the amortization of purchased intangible assets on combined ratio	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.7	0.3	0.5
Discontinued Lines and Coverages Underwriting Summary										
Premiums written	$ -	$ -	$ -	$ -	$ 1	$ (1)	$ -	$ 1	$ -	$ 1
Premiums earned	$ -	$ -	$ -	$ -	$ (1)	$ 1	$ -	$ -	$ -	$ -
Claims and claims expense	(1)	(135)	(3)	(3)	(4)	(42)	(2)	(3)	(142)	(51)
Operating costs and expenses	-	1	(1)	(1)	1	(1)	(2)	-	(1)	(2)
Underwriting loss	$ (1)	$ (134)	$ (4)	$ (4)	$ (4)	$ (42)	$ (4)	$ (3)	$ (143)	$ (53)
Effect of Discontinued Lines and Coverages on the Property-Liability combined ratio	-	1.9	0.1	-	-	0.7	0.1	-	0.5	0.2
Underwriting Income by Brand										
Allstate brand	$ 814	$ 871	$ 346	$ 520	$ 6	$ 754	$ 187	$ 592	$ 2,551	$ 1,539
Encompass brand	41	19	(7)	(6)	(67)	1	(5)	1	47	(70)
Esurance brand	(56)	(54)	(61)	(47)	(46)	(46)	(39)	(61)	(218)	(192)
Answer Financial	(4)	(5)	(5)	(5)	(5)	(8)	(5)	(6)	(19)	(24)
Underwriting income (loss)	$ 795	$ 831	$ 273	$ 462	$ (112)	$ 701	$ 138	$ 526	$ 2,361	$ 1,253

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

	Twelve months ended December 31,				
	2013	2012	2011	2010	2009
Property-Liability Underwriting Summary					
Allstate Protection	$ 2,361	$ 1,253	$ (857)	$ 525	$ 1,032
Discontinued Lines and Coverages	(143)	(53)	(25)	(31)	(32)
Underwriting income (loss)	$ 2,218	$ 1,200	$ (882)	$ 494	$ 1,000
Allstate Protection Underwriting Summary					
Premiums written	$ 28,164	$ 27,026	$ 25,981	$ 25,906	$ 25,972
Premiums earned	$ 27,618	$ 26,737	$ 25,942	$ 25,955	$ 26,195
Claims and claims expense	(17,769)	(18,433)	(20,140)	(18,923)	(18,722)
Amortization of deferred policy acquisition costs	(3,674)	(3,483)	(3,477)	(3,517)	(3,615)
Operating costs and expenses	(3,751)	(3,534)	(3,139)	(2,957)	(2,721)
Restructuring and related charges	(63)	(34)	(43)	(33)	(105)
Underwriting income (loss)	$ 2,361	$ 1,253	$ (857)	$ 525	$ 1,032
Catastrophe losses	$ 1,251	$ 2,345	$ 3,815	$ 2,207	$ 2,069
Operating ratios					
Loss ratio	64.4	68.9	77.6	72.9	71.5
Expense ratio	27.1	26.4	25.7	25.1	24.6
Combined ratio	91.5	95.3	103.3	98.0	96.1
Effect of catastrophe losses on combined ratio	4.5	8.8	14.7	8.5	7.9
Effect of restructuring and related charges on combined ratio	0.2	0.1	0.2	0.1	0.4
Effect of business combination expenses and the amortization of purchased intangible assets on combined ratio	0.3	0.5	0.2	-	-
Discontinued Lines and Coverages Underwriting Summary					
Premiums written	$ -	$ 1	$ (1)	$ 1	$ (1)
Premiums earned	$ -	$ -	$ -	$ 2	$ (1)
Claims and claims expense	(142)	(51)	(21)	(28)	(24)
Operating costs and expenses	(1)	(2)	(4)	(5)	(7)
Underwriting loss	$ (143)	$ (53)	$ (25)	$ (31)	$ (32)
Effect of Discontinued Lines and Coverages on the Property-Liability combined ratio	0.5	0.2	0.1	0.1	0.1

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Allstate brand (1)										
Auto	$ 4,147	$ 4,280	$ 4,170	$ 4,155	$ 4,031	$ 4,164	$ 4,077	$ 4,126	$ 16,752	$ 16,398
Homeowners	1,549	1,779	1,693	1,268	1,477	1,686	1,639	1,258	6,289	6,060
Other personal lines	368	417	406	348	362	407	404	342	1,539	1,515
Commercial lines	119	114	121	112	112	110	120	112	466	454
Other business lines	157	161	151	133	120	118	111	113	602	462
	6,340	6,751	6,541	6,016	6,102	6,485	6,351	5,951	25,648	24,889
Encompass brand										
Auto	155	172	167	147	153	163	160	142	641	618
Homeowners	115	129	120	97	101	108	104	85	461	398
Other personal lines	25	28	28	23	24	26	25	22	104	97
	295	329	315	267	278	297	289	249	1,206	1,113
Esurance brand										
Auto	315	357	294	342	256	282	224	262	1,308	1,024
Other personal lines	-	1	1	-	-	-	-	-	2	-
	315	358	295	342	256	282	224	262	1,310	1,024
Allstate Protection	6,950	7,438	7,151	6,625	6,636	7,064	6,864	6,462	28,164	27,026
Discontinued Lines and Coverages	-	-	-	-	1	(1)	-	1	-	1

Property-Liability	$ 6,950	$ 7,438	$ 7,151	$ 6,625	$ 6,637	$ 7,063	$ 6,864	$ 6,463	$ 28,164	$ 27,027
Allstate Protection										
Auto	$ 4,617	$ 4,809	$ 4,631	$ 4,644	$ 4,440	$ 4,609	$ 4,461	$ 4,530	$ 18,701	$ 18,040
Homeowners	1,664	1,908	1,813	1,365	1,578	1,794	1,743	1,343	6,750	6,458
Other personal lines	393	446	435	371	386	433	429	364	1,645	1,612
Commercial lines	119	114	121	112	112	110	120	112	466	454
Other business lines	157	161	151	133	120	118	111	113	602	462
	$ 6,950	$ 7,438	$ 7,151	$ 6,625	$ 6,636	$ 7,064	$ 6,864	$ 6,462	$ 28,164	$ 27,026
(1) **Canada premiums included in Allstate brand**	$ 262	$ 297	$ 319	$ 235	$ 253	$ 279	$ 291	$ 218	$ 1,113	$ 1,041

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

	Three months ended December 31, 2013 [1]			Three months ended September 30, 2013			Three months ended June 30, 2013		
	Number of states	Countrywide (%) [4]	State specific (%) [5]	Number of states	Countrywide (%) [4]	State specific (%) [5]	Number of states	Countrywide (%) [4]	State specific (%) [5]
Allstate brand									
Auto [2]	24	0.8	2.6	12	0.7	3.1	15	0.1	0.5
Homeowners [3]	21	1.5	4.5	3	0.3	6.8	8	0.5	6.2
Encompass brand									
Auto	11	2.1	6.6	9	1.4	5.7	14	1.6	4.8
Homeowners	14	2.7	6.4	11	1.4	6.9	15	1.9	4.8
Esurance brand									
Auto	16	1.1	5.5	14	1.1	5.2	15	1.7	4.7

	Three months ended March 31, 2013			Three months ended December 31, 2012			Three months ended September 30, 2012		
	Number of states	Countrywide (%) [4]	State specific (%) [5]	Number of states	Countrywide (%) [4]	State specific (%) [5]	Number of states	Countrywide (%) [4]	State specific (%) [5]
Allstate brand									
Auto [2]	15	0.3	1.8	17	0.8	3.0	15	0.3	1.8
Homeowners [3]	16	1.3	4.8	20	2.3	6.2	10	0.8	7.3
Encompass brand									
Auto	5	0.8	5.6	21	1.7	4.3	3	0.7	4.5
Homeowners	3	1.4	7.0	20	3.0	5.8	5 [6]	0.3	2.5
Esurance brand									
Auto	11	0.9	4.2	21	2.0	4.4	7	1.2	4.2

(1) Rate changes include changes approved based on our net cost of reinsurance. These rate changes do not reflect initial rates filed for insurance subsidiaries initially writing business. Based on historical premiums written in those states, rate changes approved for the three month and twelve month period ending December 31, 2013 are estimated to total $255 million and $633 million. Rate changes do not include rating plan enhancements, including the introduction of discounts and surcharges, that result in no change in the overall rate level in the state. Allstate Brand rate changes also exclude Canadian operations and specialty auto. In 2013, the Ontario government gave the Financial Services Commission of Ontario the authority to implement an average reduction of premium rates by 15%. Regulator approval of the rate filings remains pending and is not expected to be finalized until early 2014. The rate reductions are expected to be effective for new business in the second half of 2014 and renewal contracts in late 2014. They are estimated to reduce premiums written by approximately $45 million and premiums earned by approximately $15 million in 2014.

(2) Impacts of Allstate brand auto effective rate changes as a percentage of total countrywide prior year-end premiums written were 0.5%, 0.7%, 0.2%, 0.5%, 0.6% and 1.1% for the three months ended December 31, 2013, September 30, 2013, June 30, 2013, March 31, 2013, December 31, 2012 and September 30, 2012, respectively.

(3) Impacts of Allstate brand homeowners effective rate changes as a percentage of total countrywide prior year-end premiums written were 0.4%, 0.3%, 1.2%, 1.7%, 1.0% and 0.7% for the three months ended December 31, 2013, September 30, 2013, June 30, 2013, March 31, 2013, December 31, 2012 and September 30, 2012 , respectively.

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

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

(6) Includes Washington, D.C.

THE ALLSTATE CORPORATION
POLICIES IN FORCE AND OTHER STATISTICS

	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012
Policies in Force (in thousands) [1]								
Allstate Brand								
Auto	19,362	19,247	19,155	19,020	19,084	19,110	19,211	19,215
Homeowners	6,077	6,077	6,097	6,136	6,213	6,277	6,379	6,489
Landlord	742	742	744	748	752	754	758	764
Renter	1,385	1,371	1,364	1,364	1,362	1,358	1,341	1,332

Condominium	645	641	640	639	641	640	640	638
Other	1,252	1,260	1,267	1,273	1,289	1,297	1,305	1,312
Other personal lines	4,024	4,014	4,015	4,024	4,044	4,049	4,044	4,046
Commercial lines	301	295	291	286	283	290	283	281
Other business lines	989	996	997	1,001	1,009	1,025	1,035	1,045
Excess and surplus	22	20	18	15	13	12	10	9
Total	30,775	30,649	30,573	30,482	30,646	30,763	30,962	31,085
Encompass Brand								
Auto	774	767	752	737	731	719	709	697
Homeowners	356	350	341	333	327	320	314	309
Other personal lines	125	124	124	121	120	119	117	116
Total	1,255	1,241	1,217	1,191	1,178	1,158	1,140	1,122
Esurance Brand								
Auto	1,286	1,254	1,207	1,151	1,029	962	892	849
Other personal lines	20	16	11	7	2	-	-	-
Total	1,306	1,270	1,218	1,158	1,031	962	892	849
Total Policies in Force	33,336	33,160	33,008	32,831	32,855	32,883	32,994	33,056
Other Customer Relationships								
Good Hands Roadside Members (in thousands) [2]	1,585	1,439	1,272	1,099	870	758	656	569
Non-Proprietary Premiums ($ in millions)								
Ivantage [3]	$ 1,394	$ 1,389	$ 1,363	$ 1,310	$ 1,300	$ 1,278	$ 1,243	$ 1,203
Answer Financial [4]	118	122	111	126	114	108	104	115

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

(2) Membership provides pay on demand access to roadside services. Fees for three months ended December 31, 2013 were $173 thousand.

(3) Represents non-proprietary premiums under management as of the end of the period related to personal and commercial line products offered by Ivantage when an Allstate product is not available. Premiums under management are reported on a one month delay. Premiums are estimates and are reported by entities which have brokering arrangements with Allstate. Fees for the three months ended December 31, 2013 were $14.3 million.

(4) Represents non-proprietary premiums written for the period. Fees for the three months ended December 31, 2013 were $16.2 million.

THE ALLSTATE CORPORATION
ALLSTATE BRAND PROFITABILITY MEASURES
($ in millions, except ratios)

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Net premiums written	$ 6,340	$ 6,751	$ 6,541	$ 6,016	$ 6,102	$ 6,485	$ 6,351	$ 5,951	$ 25,648	$ 24,889
Net premiums earned										
Auto	4,186	4,165	4,133	4,094	4,092	4,087	4,093	4,080	16,578	16,352
Homeowners	1,574	1,568	1,525	1,516	1,514	1,499	1,487	1,480	6,183	5,980
Other personal lines (1)	384	384	380	379	377	377	377	370	1,527	1,501
Commercial lines	115	114	113	114	115	114	116	117	456	462
Other business lines (2)	126	124	115	106	108	100	90	96	471	394
Total	6,385	6,355	6,266	6,209	6,206	6,177	6,163	6,143	25,215	24,689
Incurred losses										
Auto	2,876	2,857	2,843	2,774	3,092	2,720	2,846	2,836	11,350	11,494
Homeowners	656	645	1,084	914	1,045	735	1,218	836	3,299	3,834
Other personal lines	187	221	239	247	301	309	274	201	894	1,085
Commercial lines	77	70	69	61	82	62	59	76	277	279
Other business lines	58	60	49	47	46	45	36	37	214	164
Total	3,854	3,853	4,284	4,043	4,566	3,871	4,433	3,986	16,034	16,856
Expenses										
Auto	1,114	1,068	1,069	1,068	1,046	1,020	1,042	1,042	4,319	4,150
Homeowners	393	379	368	376	377	358	342	351	1,516	1,428
Other personal lines	115	108	113	115	117	107	102	105	451	431
Commercial lines	37	34	33	34	39	31	30	32	138	132
Other business lines	58	42	53	53	55	36	27	35	206	153
Total	1,717	1,631	1,636	1,646	1,634	1,552	1,543	1,565	6,630	6,294
Underwriting income (loss)										
Auto	196	240	221	252	(46)	347	205	202	909	708
Homeowners	525	544	73	226	92	406	(73)	293	1,368	718
Other personal lines	82	55	28	17	(41)	(39)	1	64	182	(15)
Commercial lines	1	10	11	19	(6)	21	27	9	41	51
Other business lines	10	22	13	6	7	19	27	24	51	77
Total	814	871	346	520	6	754	187	592	2,551	1,539
Loss ratio	60.4	60.6	68.4	65.1	73.6	62.7	71.9	64.9	63.6	68.3
Expense ratio	26.9	25.7	26.1	26.5	26.3	25.1	25.1	25.5	26.3	25.5
Combined ratio	87.3	86.3	94.5	91.6	99.9	87.8	97.0	90.4	89.9	93.8
Effect of catastrophe losses on combined ratio	1.8	1.7	9.8	5.5	15.5	3.1	12.9	4.1	4.7	8.9
Effect of prior year reserve reestimates on combined ratio	(0.6)	(1.4)	(0.9)	(0.6)	(2.2)	(2.9)	(2.5)	(3.3)	(0.9)	(2.7)
Effect of advertising expenses on combined ratio	2.3	2.7	3.2	2.7	2.5	2.4	2.9	3.1	2.8	2.7
Combined ratio excluding the effect of catastrophes and prior year reserve reestimates ("underlying")	86.1	85.4	85.4	86.2	85.4	86.6	85.1	87.0	85.8	86.0
Effect of catastrophe losses	1.8	1.7	9.8	5.5	15.5	3.1	12.9	4.1	4.7	8.9
Effect of prior year non-catastrophe reserve reestimates	(0.6)	(0.8)	(0.7)	(0.1)	(1.0)	(1.9)	(1.0)	(0.7)	(0.6)	(1.1)
Combined ratio	87.3	86.3	94.5	91.6	99.9	87.8	97.0	90.4	89.9	93.8

(1) Other personal lines include renter, condominium, landlord and other personal lines.
(2) Other business lines include Allstate Roadside Services, Allstate Dealer Services and other business lines.

THE ALLSTATE CORPORATION
ALLSTATE BRAND STATISTICS (1)

Three months ended Twelve months

	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
									ended	
New Issued Applications (in thousands) [(2)]										
Auto	664	720	709	656	572	610	630	631	2,749	2,443
Homeowners	157	180	167	121	117	124	126	108	625	475
Average Premium - Gross Written ($) [(3)]										
Auto	473	467	466	464	464	459	455	454	468	458
Homeowners	1,126	1,119	1,109	1,104	1,092	1,083	1,066	1,054	1,115	1,074
Average Premium - Net Earned ($) [(4)]										
Auto	434	433	433	430	429	425	426	423	433	426
Homeowners	1,029	1,024	990	976	965	942	918	898	1,005	930
Renewal Ratio (%) [(5)]										
Auto	88.7	88.7	88.6	88.4	88.1	87.9	87.9	87.6	88.6	87.9
Homeowners	88.1	88.0	87.5	87.2	87.7	87.4	87.1	87.5	87.7	87.4
Bodily Injury Claim Frequency (% change year-over-year)										
Auto	(1.7)	0.8	(1.1)	(2.4)	(3.1)	(1.8)	1.2	(2.9)	(1.1)	(1.7)
Property Damage Claim Frequency (% change year-over-year)										
Auto	1.4	0.6	(0.3)	(0.7)	(4.3)	(1.8)	0.7	(4.8)	0.3	(2.6)
Auto Paid Severity (% change year-over-year)										
Bodily injury	2.0	2.3	4.1	6.7	5.4	6.6	2.8	(0.1)	3.8	3.6
Property damage	3.2	0.8	3.7	(0.2)	0.7	4.0	3.1	4.5	1.8	3.0
Homeowners Excluding Catastrophe Losses (% change year-over-year)										
Claim frequency	(2.2)	(1.1)	0.6	1.2	(10.4)	(11.4)	(7.1)	(5.4)	(0.3)	(8.8)
Claim severity	0.2	(2.2)	1.3	(0.2)	6.1	5.8	1.7	(0.7)	(0.2)	3.0

[(1)] Statistics presented for Allstate brand exclude excess and surplus lines. Beginning in the fourth quarter of 2013, statistics include the company's Canadian operations and specialty auto. The prior periods were updated to conform to the current presentation. In addition, Auto is no longer being broken out into the Standard and Non-standard auto components.

[(2)] New Issued Applications: Item counts of automobiles or homeowners insurance applications for insurance policies that were issued during the period, regardless of whether the customer was previously insured by another Allstate Protection brand. Does not include automobiles that are added by existing customers.

[(3)] 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 6 months for auto and 12 months for homeowners.

[(4)] Average Premium - Net Earned: Earned premium divided by average policies in force for the period. Earned premium includes the impacts from mid-term premium adjustments and ceded reinsurance, but does not include impacts of premium refund accruals. Average premiums represent the appropriate policy term for each line, which is 6 months for auto and 12 months for homeowners.

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

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Net premiums written	$ 295	$ 329	$ 315	$ 267	$ 278	$ 297	$ 289	$ 249	$ 1,206	$ 1,113
Net premiums earned										
Auto	$ 155	$ 158	$ 158	$ 155	$ 153	$ 152	$ 153	$ 151	$ 626	$ 609
Homeowners	114	111	105	100	98	96	93	92	430	379
Other personal lines	25	26	24	25	24	23	23	23	100	93
Total	294	295	287	280	275	271	269	266	1,156	1,081
Incurred losses										
Auto	$ 114	$ 112	$ 117	$ 117	$ 116	$ 119	$ 125	$ 118	$ 460	$ 478
Homeowners	48	63	69	62	121	56	62	51	242	290
Other personal lines	-	13	21	20	20	13	10	20	54	63
Total	162	188	207	199	257	188	197	189	756	831
Expenses										
Auto	$ 49	$ 47	$ 48	$ 47	$ 48	$ 45	$ 42	$ 43	$ 191	$ 178
Homeowners	35	34	33	32	31	30	28	28	134	117
Other personal lines	7	7	6	8	6	7	7	5	28	25
Total	91	88	87	87	85	82	77	76	353	320

Underwriting income (loss)										
Auto	$ (8)	$ (1)	$ (7)	$ (9)	$ (11)	$ (12)	$ (14)	$ (10)	$ (25)	$ (47)
Homeowners	31	14	3	6	(54)	10	3	13	54	(28)
Other personal lines	18	6	(3)	(3)	(2)	3	6	(2)	18	5
Total	41	19	(7)	(6)	(67)	1	(5)	1	47	(70)
Loss ratio	55.1	63.7	72.1	71.1	93.5	69.4	73.3	71.0	65.4	76.9
Expense ratio	31.0	29.9	30.3	31.0	30.9	30.2	28.6	28.6	30.5	29.6
Combined ratio	86.1	93.6	102.4	102.1	124.4	99.6	101.9	99.6	95.9	106.5
Effect of catastrophe losses on combined ratio	0.3	5.8	10.1	4.6	34.9	5.5	6.7	2.6	5.2	12.6
Effect of prior year reserve reestimates on combined ratio	(7.5)	(5.1)	(1.4)	(0.7)	(8.4)	(3.7)	(3.7)	(0.8)	(3.7)	(4.2)
Effect of advertising expenses on combined ratio	0.3	-	0.7	0.7	0.7	-	0.4	0.8	0.4	0.5
Combined ratio excluding the effect of catastrophes and prior year reserve reestimates (“underlying”)	91.8	92.5	92.7	97.9	97.1	93.4	97.0	96.6	93.7	96.0
Effect of catastrophe losses	0.3	5.8	10.1	4.6	34.9	5.5	6.7	2.6	5.2	12.6
Effect of prior year non-catastrophe reserve reestimates	(6.0)	(4.7)	(0.4)	(0.4)	(7.6)	0.7	(1.8)	0.4	(3.0)	(2.1)
Combined ratio	86.1	93.6	102.4	102.1	124.4	99.6	101.9	99.6	95.9	106.5
Policies in Force (in thousands)										
Auto	774	767	752	737	731	719	709	697	774	731
Homeowners	356	350	341	333	327	320	314	309	356	327
Other personal lines	125	124	124	121	120	119	117	116	125	120
	1,255	1,241	1,217	1,191	1,178	1,158	1,140	1,122	1,255	1,178
New Issued Applications (in thousands)										
Auto	36	43	41	35	37	37	36	32	155	142
Homeowners	18	22	22	17	18	19	18	15	79	70
Average Premium - Gross Written ($)										
Auto	886	879	872	882	884	890	886	899	880	890
Homeowners	1,392	1,390	1,362	1,346	1,312	1,323	1,309	1,299	1,374	1,311
Renewal Ratio (%)										
Auto	79.1	79.4	78.4	77.8	79.5	76.9	75.2	71.8	78.7	75.8
Homeowners	86.2	87.4	86.4	86.1	86.5	84.5	82.6	79.6	86.6	83.3

THE ALLSTATE CORPORATION
ESURANCE PROFITABILITY MEASURES AND STATISTICS

	Three months ended								Twelve months ended	
($ in millions)	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Net premiums written	$ 315	$ 358	$ 295	$ 342	$ 256	$ 282	$ 224	$ 262	$ 1,310	$ 1,024
Net premiums earned										
Auto	$ 334	$ 322	$ 308	$ 281	$ 264	$ 248	$ 234	$ 221	$ 1,245	$ 967
Other personal lines	1	-	1	-	-	-	-	-	2	-
	335	322	309	281	264	248	234	221	1,247	967
Incurred losses										
Auto	$ 266	$ 251	$ 246	$ 215	$ 215	$ 192	$ 178	$ 161	$ 978	$ 746
Other personal lines	-	-	1	-	-	-	-	-	1	-
	266	251	247	215	215	192	178	161	979	746
Expenses										
Auto	$ 123	$ 125	$ 122	$ 113	$ 95	$ 102	$ 95	$ 121	$ 483	$ 413
Other personal lines	2	-	1	-	-	-	-	-	3	-
	125	125	123	113	95	102	95	121	486	413
Underwriting loss										
Auto	$ (55)	$ (54)	$ (60)	$ (47)	$ (46)	$ (46)	$ (39)	$ (61)	$ (216)	$ (192)
Other personal lines	(1)	-	(1)	-	-	-	-	-	(2)	-
	(56)	(54)	(61)	(47)	(46)	(46)	(39)	(61)	(218)	(192)
Loss ratio	79.4	78.0	79.9	76.5	81.4	77.4	76.1	72.8	78.5	77.2
Expense ratio	37.3	38.8	39.8	40.2	36.0	41.1	40.6	54.8	39.0	42.7
Combined ratio										

	116.7	116.8	119.7	116.7	117.4	118.5	116.7	127.6	117.5	119.9
Effect of catastrophe losses on combined ratio	0.3	0.6	1.6	1.1	2.3	0.8	2.6	0.4	0.9	1.6
Effect of prior year reserve reestimates on combined ratio	-	-	-	-	-	-	-	-	-	-
Effect of business combination expenses and the amortization of purchased intangible assets on combined ratio	4.5	4.7	5.2	5.3	7.2	8.1	8.1	18.1	4.9	10.1
Effect of advertising expenses on combined ratio	12.8	14.6	16.2	16.0	9.5	16.5	16.2	20.4	14.8	15.4
Combined ratio excluding the effect of catastrophes, prior year reserve reestimates, business combination expenses, and the amortization of purchased intangible assets (“underlying”)	111.9	111.5	112.9	110.3	107.9	109.6	106.0	109.1	111.7	108.2
Effect of catastrophe losses	0.3	0.6	1.6	1.1	2.3	0.8	2.6	0.4	0.9	1.6
Effect of prior year non-catastrophe reserve reestimates	-	-	-	-	-	-	-	-	-	-
Effect of business combination expenses and the amortization of purchased intangible assets	4.5	4.7	5.2	5.3	7.2	8.1	8.1	18.1	4.9	10.1
Combined ratio	116.7	116.8	119.7	116.7	117.4	118.5	116.7	127.6	117.5	119.9
Policies in Force (in thousands)										
Auto	1,286	1,254	1,207	1,151	1,029	962	892	849	1,286	1,029
Other personal lines	20	16	11	7	2	-	-	-	20	-
	1,306	1,270	1,218	1,158	1,031	962	892	849	1,306	1,029
New Issued Applications (in thousands)										
Auto	162	188	175	222	164	172	130	139	747	605
Other personal lines	4	5	6	5	2	-	-	-	20	2
	166	193	181	227	166	172	130	139	767	607
Average Premium - Gross Written ($)										
Auto	483	480	481	494	484	485	490	508	485	493
Renewal Ratio (%)										
Auto	80.1	79.9	81.7	81.2	80.1	79.7	81.9	80.5	80.7	80.5
Impact of Esurance brand on Allstate Protection combined ratio	0.8	0.8	0.9	0.7	0.7	0.7	0.6	0.9	0.8	0.7
Impact of Esurance brand on Allstate Protection expense ratio	1.8	1.8	1.8	1.7	1.4	1.5	1.4	1.8	1.8	1.5

THE ALLSTATE CORPORATION
AUTO PROFITABILITY MEASURES

	Three months ended								Twelve months ended	
($ in millions)	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Net premiums written										
Allstate brand	$ 4,147	$ 4,280	$ 4,170	$ 4,155	$ 4,031	$ 4,164	$ 4,077	$ 4,126	$ 16,752	$ 16,398
Encompass brand	155	172	167	147	153	163	160	142	641	618
Esurance brand	315	357	294	342	256	282	224	262	1,308	1,024
	4,617	4,809	4,631	4,644	4,440	4,609	4,461	4,530	18,701	18,040
Net premiums earned										
Allstate brand	$ 4,186	$ 4,165	$ 4,133	$ 4,094	$ 4,092	$ 4,087	$ 4,093	$ 4,080	$ 16,578	$ 16,352
Encompass brand	155	158	158	155	153	152	153	151	626	609
Esurance brand	334	322	308	281	264	248	234	221	1,245	967
	4,675	4,645	4,599	4,530	4,509	4,487	4,480	4,452	18,449	17,928
Incurred losses										
Allstate brand	$ 2,876	$ 2,857	$ 2,843	$ 2,774	$ 3,092	$ 2,720	$ 2,846	$ 2,836	$ 11,350	$ 11,494

Encompass brand	114	112	117	117	116	119	125	118	460	478
Esurance brand	266	251	246	215	215	192	178	161	978	746
	3,256	3,220	3,206	3,106	3,423	3,031	3,149	3,115	12,788	12,718
Expenses										
Allstate brand	$ 1,114	$ 1,068	$ 1,069	$ 1,068	$ 1,046	$ 1,020	$ 1,042	$ 1,042	$ 4,319	$ 4,150
Encompass brand	49	47	48	47	48	45	42	43	191	178
Esurance brand	123	125	122	113	95	102	95	121	483	413
	1,286	1,240	1,239	1,228	1,189	1,167	1,179	1,206	4,993	4,741
Underwriting income										
Allstate brand	$ 196	$ 240	$ 221	$ 252	$ (46)	$ 347	$ 205	$ 202	$ 909	$ 708
Encompass brand	(8)	(1)	(7)	(9)	(11)	(12)	(14)	(10)	(25)	(47)
Esurance brand	(55)	(54)	(60)	(47)	(46)	(46)	(39)	(61)	(216)	(192)
	133	185	154	196	(103)	289	152	131	668	469
Loss ratio										
Allstate brand	68.7	68.6	68.8	67.7	75.6	66.5	69.5	69.5	68.5	70.3
Encompass brand	73.6	70.9	74.0	75.5	75.8	78.3	81.7	78.1	73.5	78.5
Esurance brand	79.7	78.0	79.9	76.5	81.4	77.4	76.1	72.8	78.5	77.2
Allstate Protection	69.6	69.3	69.7	68.6	75.9	67.6	70.3	70.0	69.3	70.9
Expense ratio										
Allstate brand	26.6	25.6	25.9	26.1	25.5	25.0	25.5	25.5	26.0	25.4
Encompass brand	31.6	29.7	30.4	30.3	31.4	29.6	27.5	28.5	30.5	29.2
Esurance brand	36.8	38.8	39.6	40.2	36.0	41.1	40.6	54.8	38.8	42.7
Allstate Protection	27.6	26.7	27.0	27.1	26.4	26.0	26.3	27.1	27.1	26.5
Combined ratio										
Allstate brand	95.3	94.2	94.7	93.8	101.1	91.5	95.0	95.0	94.5	95.7
Encompass brand	105.2	100.6	104.4	105.8	107.2	107.9	109.2	106.6	104.0	107.7
Esurance brand	116.5	116.8	119.5	116.7	117.4	118.5	116.7	127.6	117.3	119.9
Allstate Protection	97.2	96.0	96.7	95.7	102.3	93.6	96.6	97.1	96.4	97.4
Effect of catastrophe losses on combined ratio										
Allstate brand	-	0.8	1.9	1.1	8.9	1.2	3.8	1.2	1.0	3.8
Encompass brand	(0.6)	1.9	0.6	(0.6)	9.8	1.3	2.6	0.7	0.3	3.6
Esurance brand	0.3	0.6	1.6	1.1	2.3	0.8	2.6	0.4	0.9	1.6
Effect of prior year reserve reestimates on combined ratio										
Allstate brand	(0.9)	(0.8)	(1.8)	(1.6)	(1.9)	(3.3)	(2.0)	(1.2)	(1.2)	(2.1)
Encompass brand	(4.5)	(7.6)	(3.2)	(3.9)	(15.0)	(0.7)	(0.7)	0.7	(4.8)	(3.9)
Esurance brand	-	-	-	-	-	-	-	-	-	-
Effect of business combination expenses and the amortization of purchased intangible assets on combined ratio										
Esurance brand	4.5	4.7	5.2	5.3	7.2	8.1	8.1	18.1	4.9	10.1
Allstate brand combined ratio excluding the effect of catastrophes and prior year reserve reestimates ("underlying")	95.9	94.3	94.1	93.2	94.0	93.3	93.0	94.8	94.4	93.8
Effect of catastrophe losses on combined ratio	-	0.8	1.9	1.1	8.9	1.2	3.8	1.2	1.0	3.8
Effect of prior year non-catastrophe reserve reestimates on combined ratio	(0.6)	(0.9)	(1.3)	(0.5)	(1.8)	(3.0)	(1.8)	(1.0)	(0.9)	(1.9)
Allstate brand combined ratio	95.3	94.2	94.7	93.8	101.1	91.5	95.0	95.0	94.5	95.7
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	(0.3)	0.1	(0.5)	(1.1)	(0.1)	(0.3)	(0.2)	(0.2)	(0.3)	(0.2)

THE ALLSTATE CORPORATION
HOMEOWNERS PROFITABILITY MEASURES

	Three months ended								Twelve months ended	
($ in millions)	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Net premiums written										
Allstate brand	$ 1,549	$ 1,779	$ 1,693	$ 1,268	$ 1,477	$ 1,686	$ 1,639	$ 1,258	$ 6,289	$ 6,060
Encompass brand	115	129	120	97	101	108	104	85	461	398
	1,664	1,908	1,813	1,365	1,578	1,794	1,743	1,343	6,750	6,458
Net premiums earned										
Allstate brand	$ 1,574	$ 1,568	$ 1,525	$ 1,516	$ 1,514	$ 1,499	$ 1,487	$ 1,480	$ 6,183	$ 5,980
Encompass brand	114	111	105	100	98	96	93	92	430	379
	1,688	1,679	1,630	1,616	1,612	1,595	1,580	1,572	6,613	6,359
Incurred losses										
Allstate brand	$ 656	$ 645	$ 1,084	$ 914	$ 1,045	$ 735	$ 1,218	$ 836	$ 3,299	$ 3,834
Encompass brand	48	63	69	62	121	56	62	51	242	290
	704	708	1,153	976	1,166	791	1,280	887	3,541	4,124
Expenses										
Allstate brand	$ 393	$ 379	$ 368	$ 376	$ 377	$ 358	$ 342	$ 351	$ 1,516	$ 1,428
Encompass brand	35	34	33	32	31	30	28	28	134	117
	428	413	401	408	408	388	370	379	1,650	1,545
Underwriting income										
Allstate brand	$ 525	$ 544	$ 73	$ 226	$ 92	$ 406	$ (73)	$ 293	$ 1,368	$ 718

Encompass brand	31	14	3	6	(54)	10	3	13	54	(28)
	556	558	76	232	38	416	(70)	306	1,422	690
Loss ratio										
Allstate brand	41.6	41.1	71.1	60.3	69.0	49.0	81.9	56.5	53.4	64.1
Encompass brand	42.1	56.8	65.7	62.0	123.5	58.3	66.7	55.4	56.3	76.5
Allstate Protection	41.7	42.2	70.7	60.4	72.3	49.6	81.0	56.4	53.5	64.8
Expense ratio										
Allstate brand	25.0	24.2	24.1	24.8	24.9	23.9	23.0	23.7	24.5	23.9
Encompass brand	30.7	30.6	31.4	32.0	31.6	31.3	30.1	30.5	31.1	30.9
Allstate Protection	25.4	24.6	24.6	25.2	25.3	24.3	23.4	24.1	25.0	24.3
Combined ratio										
Allstate brand	66.6	65.3	95.2	85.1	93.9	72.9	104.9	80.2	77.9	88.0
Encompass brand	72.8	87.4	97.1	94.0	155.1	89.6	96.8	85.9	87.4	107.4
Allstate Protection	67.1	66.8	95.3	85.6	97.6	73.9	104.4	80.5	78.5	89.1
Effect of catastrophe losses on combined ratio										
Allstate brand	7.1	4.7	32.5	18.7	32.0	7.8	40.2	12.6	15.6	23.2
Encompass brand	1.8	13.5	23.8	12.0	77.6	13.5	15.1	6.5	12.6	28.8
Effect of prior year reserve reestimates on combined ratio										
Allstate brand	(0.3)	(3.3)	1.0	2.6	(5.0)	(4.3)	(3.5)	(7.9)	-	(5.2)
Encompass brand	(4.4)	-	(1.0)	1.0	2.0	(8.3)	(4.3)	(2.2)	(1.2)	(3.2)
Allstate brand combined ratio excluding the effect of catastrophes and prior year reserve reestimates (“underlying”)	60.7	61.8	62.7	65.8	62.4	66.2	64.6	67.0	62.7	65.1
Effect of catastrophe losses on combined ratio	7.1	4.7	32.5	18.7	32.0	7.8	40.2	12.6	15.6	23.2
Effect of prior year non-catastrophe reserve reestimates on combined ratio	(1.2)	(1.2)	-	0.6	(0.5)	(1.1)	0.1	0.6	(0.4)	(0.3)
Allstate brand combined ratio	66.6	65.3	95.2	85.1	93.9	72.9	104.9	80.2	77.9	88.0
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	0.9	(2.1)	1.0	2.0	(4.5)	(3.2)	(3.6)	(8.5)	0.4	(4.9)

THE ALLSTATE CORPORATION
OTHER PERSONAL LINES PROFITABILITY MEASURES (1)

	Three months ended								Twelve months ended	
($ in millions)	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Net premiums written										
Allstate brand	$ 368	$ 417	$ 406	$ 348	$ 362	$ 407	$ 404	$ 342	$ 1,539	$ 1,515
Encompass brand	25	28	28	23	24	26	25	22	104	97
Esurance brand	-	1	1	-	-	-	-	-	2	-
	393	446	435	371	386	433	429	364	1,645	1,612
Net premiums earned										
Allstate brand	$ 384	$ 384	$ 380	$ 379	$ 377	$ 377	$ 377	$ 370	$ 1,527	$ 1,501
Encompass brand	25	26	24	25	24	23	23	23	100	93
Esurance brand	1	-	1	-	-	-	-	-	2	-
	410	410	405	404	401	400	400	393	1,629	1,594
Incurred losses										
Allstate brand	$ 187	$ 221	$ 239	$ 247	$ 301	$ 309	$ 274	$ 201	$ 894	$ 1,085
Encompass brand	-	13	21	20	20	13	10	20	54	63
Esurance brand	-	-	1	-	-	-	-	-	1	-
	187	234	261	267	321	322	284	221	949	1,148
Expenses										
Allstate brand	$ 115	$ 108	$ 113	$ 115	$ 117	$ 107	$ 102	$ 105	$ 451	$ 431
Encompass brand	7	7	6	8	6	7	7	5	28	25
Esurance brand	2	-	1	-	-	-	-	-	3	-
	124	115	120	123	123	114	109	110	482	456
Underwriting income										
Allstate brand	$ 82	$ 55	$ 28	$ 17	$ (41)	$ (39)	$ 1	$ 64	$ 182	$ (15)
Encompass brand	18	6	(3)	(3)	(2)	3	6	(2)	18	5
Esurance brand	(1)	-	(1)	-	-	-	-	-	(2)	-
	99	61	24	14	(43)	(36)	7	62	198	(10)
Loss ratio										
Allstate brand	48.7	57.6	62.9	65.2	79.8	82.0	72.7	54.3	58.6	72.3
Encompass brand	-	50.0	87.5	80.0	83.3	56.5	43.5	87.0	54.0	67.7
Esurance brand	-	-	100.0	-	-	-	-	-	50.0	-
Allstate Protection	45.6	57.1	64.4	66.1	80.1	80.5	71.0	56.2	58.3	72.0
Expense ratio										
Allstate brand	29.9	28.1	29.7	30.3	31.1	28.4	27.0	28.4	29.5	28.7
Encompass brand	28.0	26.9	25.0	32.0	25.0	30.5	30.4	21.7	28.0	26.9
Esurance brand	200.0	-	100.0	-	-	-	-	-	150.0	-
Allstate Protection	30.2	28.0	29.6	30.4	30.7	28.5	27.3	28.0	29.6	28.6
Combined ratio										
Allstate brand	78.6	85.7	92.6	95.5	110.9	110.3	99.7	82.7	88.1	101.0
Encompass brand	28.0	76.9	112.5	112.0	108.3	87.0	73.9	108.7	82.0	94.6
Esurance brand	200.0	-	200.0	-	-	-	-	-	200.0	-
Allstate Protection	75.9	85.1	94.1	96.5	110.7	109.0	98.3	84.2	87.8	100.6

Effect of catastrophe losses on combined ratio										
Allstate brand	1.0	(0.3)	8.7	4.7	26.3	5.6	13.5	3.8	3.5	12.3
Encompass brand	-	(3.8)	12.5	8.0	20.8	-	-	-	4.0	5.4
Esurance brand	-	-	-	-	-	-	-	-	-	-
Effect of prior year reserve reestimates on combined ratio										
Allstate brand	-	2.6	4.2	0.3	5.0	10.3	1.1	(7.8)	1.8	2.2
Encompass brand	(40.0)	(11.5)	8.3	12.0	(8.3)	(4.3)	(21.7)	(4.3)	(8.0)	(9.7)
Esurance brand	-	-	-	-	-	-	-	-	-	-

(1) Other personal lines include renter, condominium, landlord and other personal lines. Beginning in fourth quarter of 2013, commercial lines and other business lines are reported separately. Profitability measures for these lines can be found on the Allstate Brand Profitability Measures page. The prior periods were updated to conform to the current presentation.

THE ALLSTATE CORPORATION
HOMEOWNERS SUPPLEMENTAL INFORMATION

($ in millions)

	Twelve months ended December 31, 2013							
							Premium rate changes (3)	
Primary Exposure Groupings (1)	Earned premiums	Incurred losses	Loss ratios	Catastrophe losses	Effect of catastrophes on loss ratio	Number of catastrophes	Number of states	Annual impact of rate changes on state specific premiums written
Florida	$ 131	$ 67	51.1%	$ -	0.0%			
Other hurricane exposure states	3,434	1,683	49.0%	461	13.4%			
Total hurricane exposure states (2)	3,565	1,750	49.1%	461	12.9%		18	5.4%
Other catastrophe exposure states	3,048	1,791	58.8%	559	18.3%		27	5.4%
Total	$ 6,613	$ 3,541	53.5%	$ 1,020	15.4%	76	45	5.4%

	2004 to 2013 Historical Information				
Primary Exposure Groupings (1)	Earned premiums	Incurred losses	Loss ratios	Catastrophe losses	Effect of catastrophes on loss ratio
Florida	$ 1,352	$ 2,272	168.0%	$ 1,499	110.9%
Other hurricane exposure states	28,301	23,649	83.6%	11,152	39.4%
Total hurricane exposure states (2)	29,653	25,921	87.4%	12,651	42.7%
Other catastrophe exposure states	26,239	18,093	69.0%	6,103	23.3%
Total	$ 55,892	$ 44,014	78.7%	$ 18,754	33.6%

(1) **Basis of Presentation**

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

(2) **Hurricane Exposure States**

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

(3) **Premium Rate Changes**

Represents the impact in the states where rate changes were approved during the year as a percentage of total prior year-end premiums written in those states.

THE ALLSTATE CORPORATION
CATASTROPHE LOSSES BY BRAND

($ in millions)

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Allstate brand										

Auto	$ 1	$ 35	$ 79	$ 43	$ 366	$ 51	$ 156	$ 48	$ 158	621
Homeowners	112	74	496	284	485	117	597	186	966	1,385
Other personal lines	4	(1)	33	18	99	21	51	14	54	185
Commercial lines	(2)	1	5	(2)	9	-	(9)	3	2	3
Other business lines	-	-	-	-	-	-	-	-	-	-
Total	$ 115	$ 109	$ 613	$ 343	$ 959	$ 189	$ 795	$ 251	$ 1,180	$ 2,194
Encompass brand										
Auto	$ (1)	$ 3	$ 1	$ (1)	$ 15	$ 2	$ 4	$ 1	$ 2	$ 22
Homeowners	2	15	25	12	76	13	14	6	54	109
Other personal lines	-	(1)	3	2	5	-	-	-	4	5
Total	$ 1	$ 17	$ 29	$ 13	$ 96	$ 15	$ 18	$ 7	$ 60	$ 136
Esurance brand										
Auto	$ 1	$ 2	$ 5	$ 3	$ 6	$ 2	$ 6	$ 1	$ 11	$ 15
Other personal lines	-	-	-	-	-	-	-	-	-	-
Total	1	2	5	3	6	2	6	1	11	15
Allstate Protection	$ 117	$ 128	$ 647	$ 359	$ 1,061	$ 206	$ 819	$ 259	$ 1,251	$ 2,345
Allstate Protection										
Auto	$ 1	$ 40	$ 85	$ 45	$ 387	$ 55	$ 166	$ 50	$ 171	$ 658
Homeowners	114	89	521	296	561	130	611	192	1,020	1,494
Other personal lines	4	(2)	36	20	104	21	51	14	58	190
Commercial lines	(2)	1	5	(2)	9	-	(9)	3	2	3
Other business lines	-	-	-	-	-	-	-	-	-	-
	$ 117	$ 128	$ 647	$ 359	$ 1,061	$ 206	$ 819	$ 259	$ 1,251	$ 2,345

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

	Effect of all catastrophe losses on the Property-Liability combined ratio					Premiums earned year-to-date	Total catastrophe losses by year	Excludes the effect of catastrophe losses relating to earthquakes and hurricanes: Total catastrophe losses by year	Excludes the effect of catastrophe losses relating to earthquakes and hurricanes: Effect on the Property-Liability combined ratio
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year				
2004	1.6	3.8	26.0	6.2	9.5	$ 25,989	$ 2,468	$ 467	1.8
2005	2.5	2.2	69.4	9.6	21.0	27,039	5,674	460	1.7
2006	1.6	3.7	2.5	4.1	3.0	27,369	810	1,044	3.8
2007	2.4	6.3	5.0	7.0	5.2	27,233	1,409	1,336	4.9
2008	8.4	10.3	26.8	3.9	12.4	26,967	3,342	1,876	7.0
2009	7.8	12.5	6.2	5.0	7.9	26,194	2,069	2,159	8.2
2010	10.0	9.8	5.9	8.3	8.5	25,957	2,207	2,272	8.8
2011	5.2	36.2	16.7	1.0	14.7	25,942	3,815	3,298	12.7
2012	3.9	12.3	3.1	15.7	8.8	26,737	2,345	1,324	5.0
2013	5.3	9.4	1.8	1.7	4.5	27,618	1,251	1,352	4.9
Average	4.8	10.6	16.4	6.2	9.5				5.8

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

Three months ended December 31, 2013

Size of catastrophe	Number of events		Claims and claims expense		Combined ratio impact	Average catastrophe loss per event
Greater than $250 million	-	- %	$ -	- %	-	$ -
$101 million to $250 million	-	-	-	-	-	-
$50 million to $100 million	-	-	-	-	-	-
Less than $50 million	15	100.0	116	99.1	1.7	8
Total	15	100.0 %	116	99.1	1.7	8
Prior year reserve reestimates			(4)	(3.4)	(0.1)	
Prior quarter reserve reestimates			5	4.3	0.1	
Total catastrophe losses			$ 117	100.0 %	1.7	

Twelve months ended December 31, 2013

Size of catastrophe	Number of events	Claims and claims	Combined ratio impact	Average catastrophe loss per

	Number of events		Claims and claims expense		Combined ratio impact	Average catastrophe loss per event
			expense			event
Greater than $250 million	-	- %	$ -	- %	-	$ -
$101 million to $250 million	2	2.6	297	23.7	1.1	149
$50 million to $100 million	5	6.6	386	30.9	1.4	77
Less than $50 million	69	90.8	656	52.4	2.3	10
Total	76	100.0 %	1,339	107.0	4.8	18
Prior year reserve reestimates			(88)	(7.0)	(0.3)	
Total catastrophe losses			$ 1,251	100.0 %	4.5	

2004 through 2013

Size of catastrophe	Principal state with loss	Number of events		Claims and claims expense		Combined ratio impact	Average catastrophe loss per event
Greater than $250 million							
Hurricane Katrina - 2005	LA			$ 3,558	14.0 %	1.3	$ 3,558
Sandy - 2012	NY, NJ			1,076	4.2	0.4	1,076
Hurricane Rita - 2005	TX			891	3.5	0.3	891
Hurricane Ike - 2008	TX			837	3.3	0.3	837
Hurricane Ivan - 2004	FL			630	2.5	0.2	630
Hurricane Charley - 2004	FL			599	2.4	0.2	599
Hurricane Frances - 2004	FL			545	2.1	0.2	545
Hurricane Wilma - 2005	FL			517	2.0	0.2	517
May 2011 Tornados	TX, OH, MO			459	1.8	0.2	459
Hurricane Irene - 2011	NY, NJ, MD			401	1.6	0.2	401
Hurricane Jeanne - 2004	FL			334	1.3	0.2	334
April 27th 2011 Tornados	AL			299	1.2	0.1	299
Arizona Hail - 2010	AZ			283	1.1	0.1	283
Hurricane Gustav - 2008	LA			268	1.1	0.1	268
Greater than $250 million		14	1.7 %	10,697	42.1	4.0	764
$101 million to $250 million		22	2.7	3,284	12.9	1.2	149
$50 million to $100 million		58	7.1	4,070	16.1	1.5	70
Less than $50 million		721	88.5	7,339	28.9	2.8	10
Total		815	100.0 %	$ 25,390	100.0 %	9.5	31

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY
EFFECT OF PRIOR YEAR RESERVE REESTIMATES ON THE COMBINED RATIO
($ in millions, except ratios)

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Prior Year Reserve Reestimates [1]										
Auto	$ (44)	$ (44)	$ (79)	$ (70)	$ (100)	$ (134)	$ (83)	$ (48)	$ (237)	$ (365)
Homeowners	(10)	(51)	15	41	(74)	(72)	(56)	(119)	(5)	(321)
Other personal lines	(10)	7	18	4	17	38	(1)	(30)	19	24
Commerical lines	1	(13)	(14)	(10)	-	(23)	(20)	(5)	(36)	(48)
Other business lines	-	-	(1)	(3)	-	-	(1)	(5)	(4)	(6)
Allstate Protection	(63)	(101)	(61)	(38)	(157)	(191)	(161)	(207)	(263)	(716)
Discontinued Lines and Coverages	1	135	3	3	3	42	3	3	142	51
Property-Liability	$ (62)	$ 34	$ (58)	$ (35)	$ (154)	$ (149)	$ (158)	$ (204)	$ (121)	$ (665)
Allstate brand [2]	$ (41)	$ (86)	$ (57)	$ (36)	$ (134)	$ (181)	$ (151)	$ (205)	$ (220)	$ (671)
Encompass brand [2]	(22)	(15)	(4)	(2)	(23)	(10)	(10)	(2)	(43)	(45)
Esurance	-	-	-	-	-	-	-	-	-	-
Allstate Protection [2]	$ (63)	$ (101)	$ (61)	$ (38)	$ (157)	$ (191)	$ (161)	$ (207)	$ (263)	$ (716)
Effect of Prior Year Reserve Reestimates on Combined Ratio [1][3]										
Auto	(0.5)	(0.6)	(1.2)	(1.0)	(1.5)	(2.0)	(1.3)	(0.7)	(0.9)	(1.4)
Homeowners	(0.2)	(0.7)	0.2	0.6	(1.1)	(1.1)	(0.8)	(1.8)	-	(1.2)
Other personal lines	(0.2)	0.1	0.3	-	0.3	0.6	-	(0.4)	-	0.1
Commerical lines	-	(0.2)	(0.2)	(0.2)	-	(0.4)	(0.3)	(0.1)	(0.1)	(0.2)
Other business lines	-	-	-	-	-	-	-	(0.1)	-	-
Allstate Protection	(0.9)	(1.4)	(0.9)	(0.6)	(2.3)	(2.9)	(2.4)	(3.1)	(1.0)	(2.7)
Discontinued Lines and Coverages	-	1.9	0.1	-	-	0.7	-	-	0.6	0.2
Property-Liability	(0.9)	0.5	(0.8)	(0.6)	(2.3)	(2.2)	(2.4)	(3.1)	(0.4)	(2.5)
Allstate brand [2]	(0.6)	(1.2)	(0.8)	(0.5)	(2.0)	(2.7)	(2.3)	(3.1)	(0.8)	(2.5)
Encompass brand [2]	(0.3)	(0.2)	(0.1)	(0.1)	(0.3)	(0.2)	(0.1)	-	(0.2)	(0.2)
Esurance	-	-	-	-	-	-	-	-	-	-

Allstate Protection	(0.9)	(1.4)	(0.9)	(0.6)	(2.3)	(2.9)	(2.4)	(3.1)	(1.0)	(2.7)

(1) Favorable reserve reestimates are shown in parentheses.

(2) Favorable reserve reestimates included in catastrophe losses for Allstate brand, Encompass brand and Allstate Protection in the three months ended December 31, 2013 totaled $0 million, $4 million and $4 million, respectively, and totaled $78 million, $2 million and $80 million, respectively, in the three months ended December 31, 2012. Favorable reserve reestimates included in catastrophe losses for Allstate brand, Encompass brand and Allstate Protection in the twelve months ended December 31, 2013 totaled $79 million, $9 million and $88 million, respectively and totaled $388 million, $22 million and $410 million, respectively, in the twelve months ended December 31, 2012.

(3) Calculated using Property-Liability premiums earned for the respective period.

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY
HISTORICAL PRIOR YEAR RESERVE REESTIMATES [1]
($ in millions)

	Twelve months ended December 31,				
	2013	2012	2011	2010	2009
Allstate brand	$ (220)	$ (671)	$ (371)	$ (181)	$ (126)
Encompass brand	(43)	(45)	15	(6)	(10)
Esurance brand	-	-	-	-	-
Allstate Protection	(263)	(716)	(356)	(187)	(136)
Discontinued Lines and Coverages	142	51	21	28	24
Property-Liability	$ (121)	$ (665)	$ (335)	$ (159)	$ (112)
Effect of Property-Liability prior year reserve reestimates on the combined ratio	(0.4)	(2.5)	(1.3)	(0.6)	(0.4)

(1) Favorable reserve reestimates are shown in parentheses.

THE ALLSTATE CORPORATION
HISTORICAL PROPERTY-LIABILITY LOSS RESERVES
($ in millions)

	Twelve months ended December 31,				
(net of reinsurance)	2013	2012	2011	2010	2009
Net reserve for claims and claims expense, beginning of year	$ 17,278	$ 17,787	$ 17,396	$ 17,028	$ 17,182
Acquisitions	-	(13)	425	-	-
Claims and claims expense					
Provision attributable to the current year	18,032	19,149	20,496	19,110	18,858
Change in provision attributable to prior years [1]	(121)	(665)	(335)	(159)	(112)
Total claims and claims expense	17,911	18,484	20,161	18,951	18,746
Payments					
Claims and claims expense attributable to current year	(11,658)	(12,545)	(13,893)	(12,012)	(11,906)
Claims and claims expense attributable to prior years	(6,338)	(6,435)	(6,302)	(6,571)	(6,994)
Total payments	(17,996)	(18,980)	(20,195)	(18,583)	(18,900)
Net reserve for claims and claims expense, end of year [2]	$ 17,193	$ 17,278	$ 17,787	$ 17,396	$ 17,028
Percent change in loss reserves	(0.5) %	(2.9) %	2.2 %	2.2 %	(0.9) %

(1) Reserve reestimates due to:					
Asbestos and environmental claims	$ 104	$ 48	$ 26	$ 23	$ 5
All other property-liability claims	(225)	(713)	(361)	(182)	(117)
Change in pre-tax reserve	$ (121)	$ (665)	$ (335)	$ (159)	$ (112)

(2) Net reserves for claims and claims expense are net of expected reinsurance recoveries of $4.66 billion, $4.01 billion, $2.59 billion, $2.07 billion and $2.14 billion at December 31, 2013, 2012, 2011, 2010 and 2009, respectively.

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

(net of reinsurance)	Three months ended Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Twelve months ended December 31, 2013	2012	2011	2010	2009
Asbestos claims									
Beginning reserves	$ 1,033	$ 973	$ 1,004	$ 1,026	$ 1,026	$ 1,078	$ 1,100	$ 1,180	$ 1,228
Incurred claims and claims expense	-	74	-	-	74	26	26	5	(8)
Claims and claims expense paid	(16)	(14)	(31)	(22)	(83)	(78)	(48)	(85)	(40)
Ending reserves	$ 1,017	$ 1,033	$ 973	$ 1,004	$ 1,017	$ 1,026	$ 1,078	$ 1,100	$ 1,180
Claims and claims expense paid as a percent of ending reserves	1.6%	1.4%	3.2%	2.2%	8.2%	7.6%	4.5%	7.7%	3.4%
Environmental claims									
Beginning reserves	$ 213	$ 189	$ 192	$ 193	$ 193	$ 185	$ 201	$ 198	$ 195
Incurred claims and claims expense	-	30	-	-	30	22	-	18	13
Claims and claims expense paid	(5)	(6)	(3)	(1)	(15)	(14)	(16)	(15)	(10)
Ending reserves	$ 208	$ 213	$ 189	$ 192	$ 208	$ 193	$ 185	$ 201	$ 198
Claims and claims expense paid as a percent of ending reserves	2.4%	2.8%	1.6%	0.5%	7.2%	7.3%	8.6%	7.5%	5.1%

THE ALLSTATE CORPORATION
ALLSTATE PERSONAL LINES PROFITABILITY MEASURES [1]
($ in millions, except ratios and policies in force)

	Three months ended Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Twelve months ended Dec. 31, 2013	Dec. 31, 2012
Net premiums written										
Auto	$ 4,147	$ 4,280	$ 4,170	$ 4,155	$ 4,031	$ 4,164	$ 4,077	$ 4,126	$ 16,752	$ 16,398
Homeowners	1,549	1,779	1,693	1,268	1,477	1,686	1,639	1,258	6,289	6,060
Landlord	138	143	135	124	137	140	132	123	540	532
Renter	58	69	59	53	52	62	54	50	239	218
Condominium	52	58	55	45	47	50	49	41	210	187
Other	120	147	157	126	126	155	169	128	550	578
Other personal lines	368	417	406	348	362	407	404	342	1,539	1,515
Total	6,064	6,476	6,269	5,771	5,870	6,257	6,120	5,726	24,580	23,973
Net premiums earned										
Auto	$ 4,186	$ 4,165	$ 4,133	$ 4,094	$ 4,092	$ 4,087	$ 4,093	$ 4,080	$ 16,578	$ 16,352
Homeowners	1,574	1,568	1,525	1,516	1,514	1,499	1,487	1,480	6,183	5,980
Other personal lines	384	384	380	379	377	377	377	370	1,527	1,501
Total	6,144	6,117	6,038	5,989	5,983	5,963	5,957	5,930	24,288	23,833
Incurred losses										
Auto	$ 2,876	$ 2,857	$ 2,843	$ 2,774	$ 3,092	$ 2,720	$ 2,846	$ 2,836	$ 11,350	$ 11,494
Homeowners	656	645	1,084	914	1,045	735	1,218	836	3,299	3,834
Other personal lines	187	221	239	247	301	309	274	201	894	1,085
Total	3,719	3,723	4,166	3,935	4,438	3,764	4,338	3,873	15,543	16,413
Expenses										
Auto	$ 1,114	$ 1,068	$ 1,069	$ 1,068	$ 1,046	$ 1,020	$ 1,042	$ 1,042	$ 4,319	$ 4,150
Homeowners	393	379	368	376	377	358	342	351	1,516	1,428
Other personal lines	115	108	113	115	117	107	102	105	451	431
Total	1,622	1,555	1,550	1,559	1,540	1,485	1,486	1,498	6,286	6,009
Underwriting income (loss)										
Auto	$ 196	$ 240	$ 221	$ 252	$ (46)	$ 347	$ 205	$ 202	$ 909	$ 708
Homeowners	525	544	73	226	92	406	(73)	293	1,368	718
Other personal lines	82	55	28	17	(41)	(39)	1	64	182	(15)
Total	803	839	322	495	5	714	133	559	2,459	1,411
Loss ratio	60.5	60.9	69.0	65.7	74.2	63.1	72.8	65.3	64.0	68.9
Expense ratio	26.4	25.4	25.7	26.0	25.7	24.9	25.0	25.3	25.9	25.2
Combined ratio	86.9	86.3	94.7	91.7	99.9	88.0	97.8	90.6	89.9	94.1
Effect of catastrophe losses on combined ratio	1.9	1.8	10.1	5.8	15.9	3.2	13.5	4.2	4.9	9.2
Effect of prior year reserve	(0.7)	(1.2)	(0.7)	(0.4)	(2.2)	(2.7)	(2.2)	(3.3)	(0.7)	(2.6)

reestimates on combined ratio										
Combined ratio excluding the effect of catastrophes and prior year reserve reestimates	85.7	85.2	85.1	85.9	85.0	86.5	85.2	87.0	85.5	85.9
Effect of catastrophe losses	1.9	1.8	10.1	5.8	15.9	3.2	13.5	4.2	4.9	9.2
Effect of prior year non-catastrophe reserve reestimates	(0.7)	(0.7)	(0.5)	-	(1.0)	(1.7)	(0.9)	(0.6)	(0.5)	(1.0)
Combined ratio	86.9	86.3	94.7	91.7	99.9	88.0	97.8	90.6	89.9	94.1
Policies in Force (in thousands)										
Auto	19,362	19,247	19,155	19,020	19,084	19,110	19,211	19,215	19,362	19,084
Homeowners	6,077	6,077	6,097	6,136	6,213	6,277	6,379	6,489	6,077	6,213
Other personal lines	4,024	4,014	4,015	4,024	4,044	4,049	4,044	4,046	4,024	4,044
Excess and surplus	22	20	18	15	13	12	10	9	22	13
Total	29,485	29,358	29,285	29,195	29,354	29,448	29,644	29,759	29,485	29,354

[(1)] Allstate Personal Lines comprise Allstate brand auto, homeowners and other personal lines. Allstate Protection segment comprises Allstate Personal Lines; Business to Business-Encompass, Commercial and Other Business Lines; Esurance; and Answer Financial.

THE ALLSTATE CORPORATION
BUSINESS TO BUSINESS - ENCOMPASS, COMMERCIAL AND OTHER BUSINESS LINES PROFITABILITY MEASURES
($ in millions, except ratios and policies in force)

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Net premiums written										
Auto	$ 155	$ 172	$ 167	$ 147	$ 153	$ 163	$ 160	$ 142	$ 641	$ 618
Homeowners	115	129	120	97	101	108	104	85	461	398
Other personal lines	25	28	28	23	24	26	25	22	104	97
Subtotal - Encompass	295	329	315	267	278	297	289	249	1,206	1,113
Commercial lines	119	114	121	112	112	110	120	112	466	454
Allstate Roadside Services	88	91	88	82	75	74	71	76	349	296
Allstate Dealer Services	69	70	63	51	45	44	40	37	253	166
Other business lines	157	161	151	133	120	118	111	113	602	462
Total	571	604	587	512	510	525	520	474	2,274	2,029
Net premiums earned										
Auto	$ 155	$ 158	$ 158	$ 155	$ 153	$ 152	$ 153	$ 151	$ 626	$ 609
Homeowners	114	111	105	100	98	96	93	92	430	379
Other personal lines	25	26	24	25	24	23	23	23	100	93
Subtotal - Encompass	294	295	287	280	275	271	269	266	1,156	1,081
Commercial lines	115	114	113	114	115	114	116	117	456	462
Other business lines	126	124	115	106	108	100	90	96	471	394
Total	535	533	515	500	498	485	475	479	2,083	1,937
Incurred losses										
Auto	$ 114	$ 112	$ 117	$ 117	$ 116	$ 119	$ 125	$ 118	$ 460	$ 478
Homeowners	48	63	69	62	121	56	62	51	242	290
Other personal lines	-	13	21	20	20	13	10	20	54	63
Subtotal - Encompass	162	188	207	199	257	188	197	189	756	831
Commercial lines	77	70	69	61	82	62	59	76	277	279
Other business lines	58	60	49	47	46	45	36	37	214	164
Total	297	318	325	307	385	295	292	302	1,247	1,274
Expenses										
Auto	$ 49	$ 47	$ 48	$ 47	$ 48	$ 45	$ 42	$ 43	$ 191	$ 178
Homeowners	35	34	33	32	31	30	28	28	134	117
Other personal lines	7	7	6	8	6	7	7	5	28	25
Subtotal - Encompass	91	88	87	87	85	82	77	76	353	320
Commercial lines	37	34	33	34	38	31	30	32	138	131
Other business lines	58	42	53	53	55	36	27	35	206	153
Total	186	164	173	174	178	149	134	143	697	604
Underwriting income (loss)										
Auto	$ (8)	$ (1)	$ (7)	$ (9)	$ (11)	$ (12)	$ (14)	$ (10)	$ (25)	$ (47)
Homeowners	31	14	3	6	(54)	10	3	13	54	(28)
Other personal lines	18	6	(3)	(3)	(2)	3	6	(2)	18	5
Subtotal - Encompass	41	19	(7)	(6)	(67)	1	(5)	1	47	(70)
Commercial lines	1	10	11	19	(5)	21	27	9	41	52
Other business lines	10	22	13	6	7	19	27	24	51	77
Total	52	51	17	19	(65)	41	49	34	139	59
Loss ratio	55.5	59.7	63.1	61.4	77.3	60.8	61.5	63.0	59.9	65.8

Expense ratio	34.8	30.7	33.6	34.8	35.8	30.7	28.2	29.9	33.4	31.2
Combined ratio	90.3	90.4	96.7	96.2	113.1	91.5	89.7	92.9	93.3	97.0
Effect of catastrophe losses on combined ratio	(0.2)	3.4	6.6	2.2	21.1	3.1	1.9	2.1	3.0	7.2
Effect of prior year reserve reestimates on combined ratio	(3.9)	(5.3)	(3.7)	(3.0)	(4.6)	(6.8)	(6.5)	(2.5)	(4.0)	(5.1)
Effect of amortization of purchased intangible assets [(1)]	0.4	-	-	-	-	-	-	-	0.1	-
Combined ratio excluding the effect of catastrophes, prior year reserve reestimates, and the amortization of purchased intangible assets (“underlying”)	93.1	92.1	92.2	96.2	96.0	92.2	90.1	92.3	93.4	92.7
Effect of catastrophe losses	(0.2)	3.4	6.6	2.2	21.1	3.1	1.9	2.1	3.0	7.2
Effect of prior year non-catastrophe reserve reestimates	(3.0)	(5.1)	(2.1)	(2.2)	(4.0)	(3.8)	(2.3)	(1.5)	(3.2)	(2.9)
Effect of the amortization of purchased intangible assets	0.4	-	-	-	-	-	-	-	0.1	-
Combined ratio	90.3	90.4	96.7	96.2	113.1	91.5	89.7	92.9	93.3	97.0
Policies in Force (in thousands)										
Auto	774	767	752	737	731	719	709	697	774	731
Homeowners	356	350	341	333	327	320	314	309	356	327
Other personal lines	125	124	124	121	120	119	117	116	125	120
Subtotal - Encompass	1,255	1,241	1,217	1,191	1,178	1,158	1,140	1,122	1,255	1,178
Commercial lines	301	295	291	286	283	290	283	281	301	283
Other business lines	989	996	997	1,001	1,009	1,025	1,035	1,045	989	1,009
Total	2,545	2,532	2,505	2,478	2,470	2,473	2,458	2,448	2,545	2,470

(1) Relates to the acquisition of Northeast Agency in 2013.

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL RESULTS
($ in millions)

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Premiums	$ 332	$ 306	$ 307	$ 303	$ 299	$ 291	$ 291	$ 287	$ 1,248	$ 1,168
Contract charges	278	278	272	276	267	272	268	266	1,104	1,073
Net investment income	637	633	633	635	665	632	663	687	2,538	2,647
Periodic settlements and accruals on non-hedge derivative instruments	-	2	5	10	10	15	15	15	17	55
Contract benefits	(490)	(498)	(471)	(458)	(464)	(453)	(462)	(439)	(1,917)	(1,818)
Interest credited to contractholder funds	(301)	(302)	(315)	(336)	(347)	(357)	(362)	(368)	(1,254)	(1,434)
Amortization of deferred policy acquisition costs	(80)	(109)	(65)	(76)	(71)	(117)	(76)	(86)	(330)	(350)
Operating costs and expenses	(145)	(132)	(140)	(148)	(152)	(147)	(135)	(142)	(565)	(576)
Restructuring and related charges	-	(4)	(1)	(2)	-	-	-	-	(7)	-
Income tax expense on operations	(71)	(47)	(68)	(60)	(63)	(39)	(64)	(70)	(246)	(236)
Operating income	160	127	157	144	144	97	138	150	588	529
Realized capital gains and losses, after-tax	9	(12)	37	12	37	(36)	5	(14)	46	(8)
Valuation changes on embedded derivatives that are not hedged, after-tax	(3)	(10)	3	(6)	(6)	97	(3)	(6)	(16)	82
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(3)	1	(4)	1	(4)	(28)	-	(10)	(5)	(42)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	-	7	-	-	-	4	-	-	7	4
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	(1)	(4)	(6)	(7)	(9)	(10)	(10)	(11)	(36)
(Loss) gain on disposition of operations, after-tax	(44)	(472)	1	1	2	6	2	2	(514)	12
Net income (loss) available to common shareholders [(1)]	$ 119	$ (360)	$ 190	$ 146	$ 166	$ 131	$ 132	$ 112	$ 95	$ 541

(1) Net income available to common shareholders relating to the Lincoln Benefit Life business being sold was approximately $140 million in 2013.

THE ALLSTATE CORPORATION
HISTORICAL ALLSTATE FINANCIAL RESULTS
($ in millions)

	As of or for the Year Ended December 31,				
	2013	2012	2011	2010	2009
Premiums	$ 1,248	$ 1,168	$ 1,190	$ 1,138	$ 969
Contract charges	1,104	1,073	1,048	1,030	989
Net investment income	2,538	2,647	2,716	2,853	3,064
Periodic settlements and accruals on non-hedge derivative instruments	17	55	70	51	14
Contract benefits	(1,917)	(1,818)	(1,761)	(1,815)	(1,617)
Interest credited to contractholder funds	(1,254)	(1,434)	(1,617)	(1,798)	(2,038)
Amortization of deferred policy acquisition costs	(330)	(350)	(343)	(236)	(337)
Operating costs and expenses	(565)	(576)	(555)	(568)	(535)
Restructuring and related charges	(7)	-	(1)	3	(25)
Income tax expense on operations	(246)	(236)	(240)	(214)	(148)
Operating income	588	529	507	444	336
Realized capital gains and losses, after-tax	46	(8)	250	(337)	(417)
Valuation changes on embedded derivatives that are not hedged, after-tax	(16)	82	(12)	-	-
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(5)	(42)	(108)	(29)	(153)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	7	4	3	(12)	(219)
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	(11)	(36)	(45)	(33)	(9)
(Loss) gain on disposition of operations, after-tax	(514)	12	(5)	9	10
Net income (loss)	$ 95	$ 541	$ 590	$ 42	$ (452)
Life insurance in force, net of reinsurance	$ 346,202 (1)	$ 326,169	$ 306,397	$ 294,149	$ 281,961

(1) Estimated using the most available information.

ALLSTATE FINANCIAL
RETURN ON ATTRIBUTED EQUITY
($ in millions)

	Twelve months ended							
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012
Return on Attributed Equity								
Numerator:								
Net income available to common shareholders (1)	$ 95	$ 142	$ 633	$ 575	$ 541	$ 510	$ 571	$ 600
Denominator:								
Beginning attributed equity (2)	$ 8,446	$ 8,291	$ 7,737	$ 7,475	$ 7,230	$ 7,044	$ 6,868	$ 6,568
Ending attributed equity	7,273	7,819	8,224	8,617	8,446	8,291	7,737	7,475
Average attributed equity (3)	$ 7,860	$ 8,055	$ 7,981	$ 8,046	$ 7,838	$ 7,668	$ 7,303	$ 7,022
Return on attributed equity	1.2 %	1.8 %	7.9 %	7.1 %	6.9 %	6.7 %	7.8 %	8.5 %
Operating Income Return on Attributed Equity								
Numerator:								
Operating income (1)	$ 588	$ 572	$ 542	$ 523	$ 529	$ 515	$ 547	$ 544
Denominator:								
Beginning attributed equity (2)	$ 8,446	$ 8,291	$ 7,737	$ 7,475	$ 7,230	$ 7,044	$ 6,868	$ 6,568
Unrealized net capital gains and losses	1,678	1,666	1,240	1,073	842	776	792	656
Adjusted ending attributed equity	6,768	6,625	6,497	6,402	6,388	6,268	6,076	5,912
Ending attributed equity	7,273	7,819	8,224	8,617	8,446	8,291	7,737	7,475
Unrealized net capital gains and losses	946	1,076	1,120	1,702	1,678	1,666	1,240	1,073

Adjusted ending attributed equity	6,327	6,743	7,104	6,915	6,768	6,625	6,497	6,402
Average adjusted attributed equity [3]	$ 6,548	$ 6,684	$ 6,801	$ 6,659	$ 6,578	$ 6,447	$ 6,287	$ 6,157
Operating income return on attributed equity	9.0 %	8.6 %	8.0 %	7.9 %	8.0 %	8.0 %	8.7 %	8.8 %

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

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
PREMIUMS AND CONTRACT CHARGES - BY PRODUCT										
Underwritten Products										
Traditional life insurance premiums	$ 136	$ 120	$ 119	$ 116	$ 123	$ 117	$ 117	$ 113	$ 491	$ 470
Accident and health insurance premiums	181	180	179	180	167	164	160	162	720	653
Interest-sensitive life insurance contract charges	273	272	268	273	265	267	263	260	1,086	1,055
	590	572	566	569	555	548	540	535	2,297	2,178
Annuities										
Immediate annuities with life contingencies premiums	15	6	9	7	9	10	14	12	37	45
Other fixed annuity contract charges	5	6	4	3	2	5	5	6	18	18
	20	12	13	10	11	15	19	18	55	63
Total	$ 610	$ 584	$ 579	$ 579	$ 566	$ 563	$ 559	$ 553	$ 2,352	$ 2,241
PREMIUMS AND CONTRACT CHARGES - BY DISTRIBUTION CHANNEL										
Allstate agencies [1]	$ 294	$ 283	$ 281	$ 276	$ 278	$ 261	$ 272	$ 266	$ 1,134	$ 1,077
Workplace enrolling agents	195	195	189	188	180	174	170	170	767	694
Other [2]	121	106	109	115	108	128	117	117	451	470
Total	$ 610	$ 584	$ 579	$ 579	$ 566	$ 563	$ 559	$ 553	$ 2,352	$ 2,241
PREMIUMS AND CONTRACT CHARGES - BY PRODUCT INCLUDED IN LINCOLN BENEFIT LIFE COMPANY SALE [3]										
Underwritten Products										
Traditional life insurance premiums	$ 7	$ 4	$ 6	$ 5	$ 7	$ 7	$ 10	$ 6	$ 22	$ 30
Accident and health insurance premiums	7	6	5	6	6	6	6	6	24	24
Interest-sensitive life insurance contract charges	73	71	70	74	69	80	64	67	288	280
	87	81	81	85	82	93	80	79	334	334
Annuities										
Immediate annuities with life contingencies premiums	-	-	-	-	-	-	-	-	-	-
Other fixed annuity contract charges	2	2	1	2	1	2	2	2	7	7
	2	2	1	2	1	2	2	2	7	7
Total	$ 89	$ 83	$ 82	$ 87	$ 83	$ 95	$ 82	$ 81	$ 341	$ 341
ISSUED LIFE INSURANCE POLICIES BY DISTRIBUTION CHANNEL [4]										
Allstate agencies [1]	42,286	35,537	34,074	36,421	50,428	32,076	30,544	29,714	148,318	142,762
Other	146	447	618	879	1,006	766	780	876	2,090	3,428
Total	42,432	35,984	34,692	37,300	51,434	32,842	31,324	30,590	150,408	146,190
ALLSTATE BENEFITS NEW BUSINESS WRITTEN PREMIUMS [5]	$ 164	$ 59	$ 64	$ 52	$ 136	$ 62	$ 59	$ 53	$ 339	$ 310

(1) Includes products directly sold through call centers and internet.
(2) Primarily represents independent master brokerage agencies, and to a lesser extent, specialized brokers.
(3) Amounts are included in counts above.
(4) Excludes Allstate Benefits and non-proprietary products.
(5) New business written premiums reflect annualized premiums at initial customer enrollment (including new accounts and new employees or policies of existing accounts), reduced by an estimate for certain policies that are expected to lapse. A significant portion of Allstate Benefits business is seasonally written in the fourth quarter during many clients' annual employee benefits enrollment.

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Beginning balance	$ 24,476	$ 36,357	$ 38,807	$ 39,319	$ 40,110	$ 40,832	$ 41,603	$ 42,332	$ 39,319	$ 42,332
Deposits										
Fixed annuities	276	218	281	287	318	272	185	153	1,062	928
Interest-sensitive life insurance	334	330	328	386	357	323	335	332	1,378	1,347
Total deposits	610	548	609	673	675	595	520	485	2,440	2,275
Interest credited	310	321	314	350	362	213	369	379	1,295	1,323
Benefits, withdrawals, maturities and other adjustments										
Benefits	(349)	(392)	(399)	(395)	(434)	(341)	(331)	(357)	(1,535)	(1,463)
Surrenders and partial withdrawals	(756)	(807)	(845)	(891)	(1,157)	(941)	(949)	(943)	(3,299)	(3,990)
Maturities of and interest payments on institutional products	-	(1)	(1,797)	(1)	(48)	(1)	(88)	(1)	(1,799)	(138)
Contract charges	(282)	(279)	(274)	(277)	(272)	(264)	(266)	(264)	(1,112)	(1,066)
Net transfers from separate accounts	4	2	5	1	4	3	2	2	12	11
Other adjustments	(47)	10	(63)	28	79	14	(28)	(30)	(72)	35
Total benefits, withdrawals, maturities and other adjustments	(1,430)	(1,467)	(3,373)	(1,535)	(1,828)	(1,530)	(1,660)	(1,593)	(7,805)	(6,611)
Contractholder funds classified as held for sale	338	(11,283)	-	-	-	-	-	-	(10,945)	-
Ending balance	$ 24,304	$ 24,476	$ 36,357	$ 38,807	$ 39,319	$ 40,110	$ 40,832	$ 41,603	$ 24,304	$ 39,319

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Benefit spread										
Premiums	$ 332	$ 306	$ 307	$ 303	$ 299	$ 291	$ 291	$ 287	$ 1,248	$ 1,168
Cost of insurance contract charges [(1)]	184	182	179	180	173	180	173	170	725	696
Contract benefits excluding the implied interest on immediate annuities with life contingencies [(2)]	(359)	(365)	(341)	(325)	(331)	(318)	(326)	(305)	(1,390)	(1,280)
Total benefit spread	157	123	145	158	141	153	138	152	583	584
Investment spread										
Net investment income	637	633	633	635	665	632	663	687	2,538	2,647
Implied interest on immediate annuities with life contingencies [(2)]	(131)	(133)	(130)	(133)	(133)	(135)	(136)	(134)	(527)	(538)
Interest credited to contractholder funds	(305)	(317)	(311)	(345)	(357)	(215)	(366)	(378)	(1,278)	(1,316)
Total investment spread	201	183	192	157	175	282	161	175	733	793
Surrender charges and contract maintenance expense fees [(1)]	94	96	93	96	94	92	95	96	379	377
Realized capital gains and losses	14	(16)	57	19	56	(56)	8	(21)	74	(13)
Amortization of deferred policy acquisition costs	(85)	(97)	(71)	(75)	(77)	(146)	(77)	(101)	(328)	(401)
Operating costs and expenses	(145)	(132)	(140)	(148)	(152)	(147)	(135)	(142)	(565)	(576)
Restructuring and related charges	-	(4)	(1)	(2)	-	-	-	-	(7)	-
(Loss) gain on disposition of operations	(44)	(646)	1	2	3	9	3	3	(687)	18
Income tax benefit (expense)	(73)	133	(86)	(61)	(74)	(56)	(61)	(50)	(87)	(241)
Net (loss) income available to common shareholders	$ 119	$ (360)	$ 190	$ 146	$ 166	$ 131	$ 132	$ 112	$ 95	$ 541

Benefit spread by product group										
Life insurance	$ 101	$ 60	$ 75	$ 86	$ 79	$ 90	$ 87	$ 91	$ 322	$ 347
Accident and health insurance	78	85	86	89	82	76	72	73	338	303
Annuities	(22)	(22)	(16)	(17)	(20)	(13)	(21)	(12)	(77)	(66)
Total benefit spread	$ 157	$ 123	$ 145	$ 158	$ 141	$ 153	$ 138	$ 152	$ 583	$ 584
Investment spread by product group										
Annuities and institutional products	$ 95	$ 100	$ 88	$ 59	$ 85	$ 39	$ 71	$ 97	$ 342	$ 292
Life insurance	28	25	25	27	21	23	20	18	105	82
Accident and health insurance	6	6	7	6	6	7	6	6	25	25
Net investment income on investments supporting capital	75	69	67	74	72	64	68	64	285	268
Investment spread before valuation changes on embedded derivatives that are not hedged	204	200	187	166	184	133	165	185	757	667
Valuation changes on derivatives embedded in equity- indexed annuity contracts that are not hedged	(3)	(17)	5	(9)	(9)	149	(4)	(10)	(24)	126
Total investment spread	$ 201	$ 183	$ 192	$ 157	$ 175	$ 282	$ 161	$ 175	$ 733	$ 793
(1) **Reconciliation of contract charges**										
Cost of insurance contract charges	$ 184	$ 182	$ 179	$ 180	$ 173	$ 180	$ 173	$ 170	$ 725	$ 696
Surrender charges and contract maintenance expense fees	94	96	93	96	94	92	95	96	379	377
Total contract charges	$ 278	$ 278	$ 272	$ 276	$ 267	$ 272	$ 268	$ 266	$ 1,104	$ 1,073
(2) **Reconciliation of contract benefits**										
Contract benefits excluding the implied interest on immediate annuities with life contingencies	$ (359)	$ (365)	$ (341)	$ (325)	$ (331)	$ (318)	$ (326)	$ (305)	$ (1,390)	$ (1,280)
Implied interest on immediate annuities with life contingencies	(131)	(133)	(130)	(133)	(133)	(135)	(136)	(134)	(527)	(538)
Total contract benefits	$ (490)	$ (498)	$ (471)	$ (458)	$ (464)	$ (453)	$ (462)	$ (439)	$ (1,917)	$ (1,818)

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL WEIGHTED AVERAGE INVESTMENT SPREADS

	Three months ended December 31, 2013 (1)			Three months ended December 31, 2012		
	Weighted average investment yield	Weighted average interest crediting rate	Weighted average investment spreads	Weighted average investment yield	Weighted average interest crediting rate	Weighted average investment spreads
Interest-sensitive life insurance	5.2 %	3.9 %	1.3 %	5.1 %	4.0 %	1.1 %
Deferred fixed annuities and institutional products	4.2	2.9	1.3	4.8	3.2	1.6
Immediate fixed annuities with and without life contingencies	7.8	6.0	1.8	6.9	6.1	0.8
Investments supporting capital, traditional life and other products	4.1	n/a	n/a	4.1	n/a	n/a

	Twelve months ended December 31, 2013 (1)			Twelve months ended December 31, 2012		
	Weighted average investment yield	Weighted average interest crediting rate	Weighted average investment spreads	Weighted average investment yield	Weighted average interest crediting rate	Weighted average investment spreads
Interest-sensitive life insurance	5.1 %	3.8 %	1.3 %	5.2 %	4.0 %	1.2 %
Deferred fixed annuities and institutional products	4.5	2.9	1.6	4.6	3.2	1.4
Immediate fixed annuities with and without life contingencies	6.9	6.0	0.9	6.9	6.1	0.8
Investments supporting capital, traditional life and other products	4.0	n/a	n/a	4.0	n/a	n/a

(1) For purposes of these calculations, investments, reserves and contractholder funds classified as held for sale are included.

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

	As of December 31, 2013		Twelve months ended December 31, 2013	Twelve months ended				
				Dec. 2013	Sept. 2013	June 2013	March 2013	Dec. 2012
	Reserves and Contractholder funds[7]	Attributed equity excluding unrealized capital gains/losses [3][4]	Operating income [5]	Operating income return on attributed equity (%)				
Underwritten products								
Life insurance	$ 14,492	$ 2,774	$ 245	9.0 %	8.1 %	8.6 %	8.9 %	9.0 %
Accident and health insurance	2,142	626	90	14.8	15.5	15.5	13.5	12.7
Subtotal	16,634	3,400	335	10.1	9.4	9.8	9.8	9.7
Annuities and institutional products:								
Deferred Annuities	20,202	1,732	211	11.5	12.0	11.3	10.9	9.8
Immediate Annuities:								
Sub-standard structured settlements and group pension terminations [1]	5,074	1,089	(5)	(0.5)	(1.3)	(1.8)	(1.9)	(0.7)
Standard structured settlements and SPIA [2]	7,530	615	51	9.1	7.4	5.5	5.1	9.0
Subtotal	12,604	1,704	46	2.8	1.6	0.7	0.4	2.4
Institutional products	89	12	(4)					
Subtotal	32,895	3,448	253	7.3	7.1	6.2	6.0	6.5
Loss on sale of Lincoln Benefit Life Company	-	(521)	-					
Total Allstate Financial [6]	$ 49,529	$ 6,327	$ 588	9.0	8.6	8.0	7.9	8.0

	Twelve months ended December 31, 2013			
	Life insurance	Accident and health insurance	Annuities and institutional products	Allstate Financial
Operating income	$ 245	$ 90	$ 253	$ 588
Realized capital gains and losses, after-tax	(5)	(1)	52	46
Valuation changes on embedded derivatives that are not hedged, after-tax	-	-	(16)	(16)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(4)	-	(1)	(5)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	(1)	-	8	7
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	1	-	(12)	(11)
(Loss) gain on disposition of operations, after-tax	(1)	-	8	7
Loss on sale of Lincoln Benefit Life Company	-	-	-	(521)
Net loss available to common shareholders	$ 235	$ 89	$ 292	$ 95

(1) Structured settlement annuities for annuitants with severe injuries or other health impairments which significantly reduced their life expectancy at the time the annuity was issued and group annuity contracts issued to sponsors of terminated pension plans.
(2) Life-contingent structured settlement annuities for annuitants with standard life expectancy, period certain structured settlements and single premium immediate annuities with and without life contingencies.
(3) Total Allstate Financial attributed equity is the sum of equity for Allstate Life Insurance Company and the applicable equity for American Heritage Life Investment Corporation.
(4) Attributed equity is allocated to each product line based on statutory capital adjusted for GAAP reporting differences and the amount of capital held in Allstate Financial may vary from economic capital. The calculation of statutory capital by product incorporates internal factors for invested asset risk, insurance risk (mortality and morbidity), interest rate risk and business risk. Due to the unavailability of final statutory financial statements at the time we release our GAAP financial results, the allocation is derived from prior quarter statutory capital. Statutory capital is adjusted for appropriate GAAP accounting differences. Changes in internal capital factors, investment portfolio mix and risk as well as changes in GAAP and statutory reporting differences will result in changes to the allocation of attributed equity to products.
(5) Product line operating income includes allocation of income on investments supporting capital. Operating income reflects a trailing twelve-month period.
(6) Reserves and contractholder funds included with the sale of Lincoln Benefit Life Company transaction and the attributed equity comprise 28% of life insurance and 37% of deferred annuity. Accident and health insurance reserves (long-term care) included with the sale have attributed equity of approximately $27 million and are mostly reinsured with a third party.
(7) Includes reserves and contractholder funds classified as held for sale.

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL INSURANCE POLICIES AND ANNUITIES IN FORCE (1)
(in thousands)

	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012
ALLSTATE FINANCIAL INSURANCE POLICIES AND ANNUITIES IN FORCE BY PRODUCT								
Underwritten products								
Life insurance	2,567	2,572	2,574	2,572	2,566	2,564	2,573	2,577
Accident and health insurance	2,342	2,322	2,322	2,338	2,117	2,114	2,094	2,077
	4,909	4,894	4,896	4,910	4,683	4,678	4,667	4,654
Annuities								
Deferred annuities	346	353	362	373	385	398	408	421
Immediate annuities	112	112	113	114	114	115	115	115
	458	465	475	487	499	513	523	536
Total	5,367	5,359	5,371	5,397	5,182	5,191	5,190	5,190
ALLSTATE FINANCIAL INSURANCE POLICIES AND ANNUITIES IN FORCE BY SOURCE OF BUSINESS								
Allstate Agencies (2)	1,939	1,938	1,936	1,930	1,929	1,924	1,925	1,925
Allstate Benefits	2,762	2,741	2,741	2,757	2,528	2,524	2,506	2,490
Other (3)	666	680	694	710	725	743	759	775
Total	5,367	5,359	5,371	5,397	5,182	5,191	5,190	5,190
INSURANCE POLICIES AND ANNUITIES IN FORCE INCLUDED IN LINCOLN BENEFIT LIFE COMPANY SALE (4)								
Life insurance	145	148	150	152	155	156	158	160
Deferred annuities	128	132	138	144	151	156	161	168
Total	273	280	288	296	306	312	319	328

(1) Allstate Financial insurance policies and annuities in force reflect the number of contracts in force excluding sold blocks of business that remain on the balance sheet due to the dispositions of the business being effected through reinsurance arrangements. Also excluded are long-term care contracts for which the morbidity risk is 100% reinsured. Policy counts associated with our voluntary employee benefits group business reflect certificate counts as opposed to group counts.
(2) Excludes Allstate Benefits products sold through Allstate Agencies, which are included in the Allstate Benefits line.
(3) Primarily business sold by independent master brokerage agencies, banks/broker-dealers and specialized structured settlement brokers.
(4) Amounts are included in counts above.

THE ALLSTATE CORPORATION
ALLSTATE LIFE AND RETIREMENT AND ALLSTATE BENEFITS RESULTS AND PRODUCT INFORMATION
($ in millions)

	For the twelve months ended December 31, 2013			For the twelve months ended December 31, 2012			For the twelve months ended December 31, 2011		
	Allstate Life and Retirement	Allstate Benefits	Allstate Financial Segment	Allstate Life and Retirement	Allstate Benefits	Allstate Financial Segment	Allstate Life and Retirement	Allstate Benefits	Allstate Financial Segment
Premiums	$ 518	$ 730	$ 1,248	$ 505	$ 663	$ 1,168	$ 539	$ 651	$ 1,190
Contract charges	1,009	95	1,104	987	86	1,073	968	80	1,048
Net investment income	2,466	72	2,538	2,575	72	2,647	2,645	71	2,716
Periodic settlements	17	-	17	55	-	55	70	-	70

and accruals on non-hedge derivative instruments									
Contract benefits	(1,512)	(405)	(1,917)	(1,434)	(384)	(1,818)	(1,417)	(344)	(1,761)
Interest credited to contractholder funds	(1,219)	(35)	(1,254)	(1,399)	(35)	(1,434)	(1,583)	(34)	(1,617)
Amortization of deferred policy acquisition costs	(228)	(102)	(330)	(261)	(89)	(350)	(267)	(76)	(343)
Operating costs and expenses	(366)	(199)	(565)	(389)	(187)	(576)	(366)	(189)	(555)
Restructuring and related charges	(6)	(1)	(7)	-	-	-	(1)	-	(1)
Income tax expense on operations	(192)	(54)	(246)	(191)	(45)	(236)	(185)	(55)	(240)
Operating income	487	101	588	448	81	529	403	104	507
Realized capital gains and losses, after-tax	47	(1)	46	(10)	2	(8)	248	2	250
Valuation changes on embedded derivatives that are not hedged, after-tax	(16)	-	(16)	82	-	82	(12)	-	(12)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(5)	-	(5)	(42)	-	(42)	(108)	-	(108)
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	7	-	7	4	-	4	3	-	3
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	(11)	-	(11)	(36)	-	(36)	(45)	-	(45)
(Loss) gain on disposition of operations, after-tax	(514)	-	(514)	12	-	12	(5)	-	(5)
Net (loss) income	$ (5)	$ 100	$ 95	$ 458	$ 83	$ 541	$ 484	$ 106	$ 590
Premiums and Contract Charges - by Product									
Underwritten Product									
Traditional life insurance premiums	$ 455	$ 36	$ 491	$ 434	$ 36	$ 470	$ 406	$ 35	$ 441
Accident and health insurance premiums	26	694	720	26	627	653	27	616	643
Interest-sensitive life insurance contract charges	991	95	1,086	969	86	1,055	935	80	1,015
	1,472	825	2,297	1,429	749	2,178	1,368	731	2,099
Annuities									
Immediate annuities with life contingencies premiums	37	-	37	45	-	45	106	-	106
Other fixed annuity contract charges	18	-	18	18	-	18	33	-	33
	55	-	55	63	-	63	139	-	139
Total life and annuity premiums and contract charges	$ 1,527	$ 825	$ 2,352	$ 1,492	$ 749	$ 2,241	$ 1,507	$ 731	$ 2,238
Benefit Spread by Product Group									
Life Insurance	$ 301	$ 21	$ 322	$ 330	$ 17	$ 347	$ 338	$ 17	$ 355
Accident and health insurance	(18)	356	338	(9)	312	303	(9)	338	329
Annuities	(77)	-	(77)	(66)	-	(66)	(55)	-	(55)
Total benefit spread	$ 206	$ 377	$ 583	$ 255	$ 329	$ 584	$ 274	$ 355	$ 629
Investment Spread by Product Group									
Annuities and institutional products	$ 342	$ -	$ 342	$ 292	$ -	$ 292	$ 188	$ -	$ 188
Life insurance	93	12	105	72	10	82	42	12	54
Accident and health insurance	14	11	25	13	12	25	8	11	19
Allstate Bank products	-	-	-	-	-	-	22	-	22
Net investment	271	14	285	253	15	268	251	14	265

income on investments supporting capital									
Investment spread before valuation changes on embedded derivatives that are not hedged	720	37	757	630	37	667	511	37	548
Valuation changes on derivatives embedded in equity-indexed annuity contracts that are not hedged	(24)	-	(24)	126	-	126	(18)	-	(18)
Total investment spread	$ 696	$ 37	$ 733	$ 756	$ 37	$ 793	$ 493	$ 37	$ 530

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Net investment income	$ 7	$ 8	$ 8	$ 7	$ 6	$ 9	$ 11	$ 11	$ 30	$ 37
Operating costs and expenses [(1)]	(258)	(159)	(106)	(95)	(96)	(90)	(107)	(86)	(618)	(379)
Income tax benefit on operations	90	58	37	35	35	34	33	34	220	136
Preferred stock dividends	(11)	(6)	-	-	-	-	-	-	(17)	-
Operating loss	(172)	(99)	(61)	(53)	(55)	(47)	(63)	(41)	(385)	(206)
Realized capital gains and losses, after-tax	(1)	1	-	-	3	-	-	-	-	3
Loss on extinguishment of debt, after-tax	(1)	(6)	(312)	-	-	-	-	-	(319)	-
Postretirement benefits curtailment gain, after-tax	-	118	-	-	-	-	-	-	118	-
Net (loss) income available to common shareholders	$ (174)	$ 14	$ (373)	$ (53)	$ (52)	$ (47)	$ (63)	$ (41)	$ (586)	$ (203)

(1) Includes pension settlement loss of $231 million recorded for the twelve months ended December 31, 2013.

THE ALLSTATE CORPORATION
INVESTMENTS
($ in millions)

	PROPERTY-LIABILITY					ALLSTATE FINANCIAL				
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Dec. 31, 2013	Sept. 30, 2013[(1)]	June 30, 2013	March 31, 2013	Dec. 31, 2012
Fixed income securities, at fair value:										
Tax-exempt	$ 4,711	$ 5,484	$ 5,754	$ 6,470	$ 7,419	$ 2	$ 1	$ 2	$ 2	$ 3
Taxable	24,867	22,920	22,359	22,635	22,262	29,646	30,216	41,347	45,176	45,793
Equity securities, at fair value	4,396	4,156	3,932	4,037	3,671	701	656	573	402	366
Mortgage loans	429	431	479	488	493	4,292	4,386	5,934	5,946	6,077
Limited partnership interests	2,898	3,043	2,991	2,994	2,991	2,064	2,044	1,946	1,933	1,924
Short-term, at fair value	1,002	1,056	1,182	1,171	912	668	629	821	1,391	907
Other	1,335	1,102	813	600	467	1,732	1,672	1,958	2,003	1,929
Total	$ 39,638	$ 38,192	$ 37,510	$ 38,395	$ 38,215	$ 39,105	$ 39,604	$ 52,581	$ 56,853	$ 56,999
Fixed income securities, at amortized cost:										
Tax-exempt	$ 4,625	$ 5,367	$ 5,617	$ 6,168	$ 7,061	$ 2	$ 1	$ 2	$ 2	$ 3
Taxable	24,424	22,464	21,930	21,721	21,311	28,295	28,648	39,371	41,582	42,043
Ratio of fair value to amortized cost	101.8%	102.1%	102.1%	104.4%	104.6%	104.8%	105.5%	105.0%	108.6%	108.9%
Equity securities, at cost	$ 3,866	$ 3,769	$ 3,702	$ 3,449	$ 3,250	$ 607	$ 601	$ 535	$ 328	$ 327
Short-term, at amortized cost	1,002	1,056	1,182	1,171	912	668	629	821	1,391	907

CORPORATE AND OTHER					CONSOLIDATED				
Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012

Fixed income securities, at fair value:										
Tax-exempt	$ 570	$ 576	$ 578	$ 604	$ 616	$ 5,283	$ 6,061	$ 6,334	$ 7,076	$ 8,038
Taxable	1,114	1,098	999	919	924	55,627	54,234	64,705	68,730	68,979
Equity securities, at fair value	-	-	-	-	-	5,097	4,812	4,505	4,439	4,037
Mortgage loans	-	-	-	-	-	4,721	4,817	6,413	6,434	6,570
Limited partnership interests	5	4	4	4	7	4,967	5,091	4,941	4,931	4,922
Short-term, at fair value	723	1,009	643	607	517	2,393	2,694	2,646	3,169	2,336
Other	-	-	-	-	-	3,067	2,774	2,771	2,603	2,396
Total	$ 2,412	$ 2,687	$ 2,224	$ 2,134	$ 2,064	$ 81,155	$ 80,483	$ 92,315	$ 97,382	$ 97,278
Fixed income securities, at amortized cost:										
Tax-exempt	$ 552	$ 556	$ 558	$ 572	$ 580	$ 5,179	$ 5,924	$ 6,177	$ 6,742	$ 7,644
Taxable	1,110	1,093	997	912	917	53,829	52,205	62,298	64,215	64,271
Ratio of fair value to amortized cost	101.3%	101.5%	101.4%	102.6%	102.9%	103.2%	103.7%	103.7%	106.8%	107.1%
Equity securities, at cost	$ -	$ -	$ -	$ -	$ -	$ 4,473	$ 4,370	$ 4,237	$ 3,777	$ 3,577
Short-term, at amortized cost	723	1,009	643	607	517	2,393	2,694	2,646	3,169	2,336

(1) Excludes investments classified as held for sale that totaled $12.0 billion and $12.2 billion as of December 31, 2013 and September 30, 2013 respectively.

THE ALLSTATE CORPORATION
INVESTMENT PORTFOLIO DETAILS
($ in millions)

	Financial statement classification as of December 31, 2013						
	Fixed income securities	Equity securities	Mortgage loans	Limited partnership interests	Short-term	Other	Total
Infrastructure and real assets							
Infrastructure and real assets - debt (1)	$ 10,388	$ -	$ -	$ -	$ -	$ -	$ 10,388
Infrastructure and real assets - equity	-	746	-	526	-	-	1,272
Infrastructure and real assets - other (2)	-	-	-	-	-	169	169
	10,388	746	-	526	-	169	11,829
Real estate							
Real estate - debt	2,304	-	4,721	-	-	-	7,025
Real estate - equity	-	173	-	1,687	-	126	1,986
Tax credit funds	-	-	-	626	-	-	626
	2,304	173	4,721	2,313	-	126	9,637
Consumer goods (cyclical and non-cyclical) (1)	9,329	786	-	-	-	-	10,115
Banking & financial services							
Banking	3,381	192	-	-	-	-	3,573
Financial services (1)	3,074	224	-	-	-	-	3,298
Credit card and student loan ABS	1,178	-	-	-	-	-	1,178
Consumer auto ABS	1,244	-	-	-	-	-	1,244
	8,877	416	-	-	-	-	9,293
Municipal - General obligation, revenue and taxable	8,723	-	-	-	-	-	8,723
Government & agencies							
U.S. government and agencies	2,913	-	-	-	752	-	3,665
Foreign government	1,482	-	-	-	-	-	1,482
	4,395	-	-	-	752	-	5,147
Technology and communications							
Communications	2,939	238	-	-	-	-	3,177
Technology	2,279	293	-	-	-	-	2,572
	5,218	531	-	-	-	-	5,749
Capital goods	4,420	295	-	-	-	-	4,715
Basic & other industries							
Basic industry	2,442	184	-	-	-	-	2,626
Other industries (1)	734	-	-	-	-	-	734
	3,176	184	-	-	-	-	3,360
Transportation (1)	1,642	95	-	-	-	-	1,737
ABS other	2,096	-	-	-	-	-	2,096
Private equity	-	-	-	2,036	-	-	2,036
Emerging markets							
Fixed income funds	-	543	-	-	-	-	543
Foreign government	342	-	-	-	-	-	342
Equity index based funds	-	547	-	-	-	-	547

	342	1,090	-	-	-	-	1,432
Other equity market index based funds	-	781	-	-	-	-	781
Other funds	-	-	-	92	-	-	92
Other [3]	-	-	-	-	1,641	2,772	4,413
Total investments	$ 60,910	$ 5,097	$ 4,721	$ 4,967	$ 2,393	$ 3,067	$ 81,155

[1] Includes municipal bonds
[2] Direct ownership of timber was previously reported as a limited partnership.
[3] Other includes derivatives, policy loans, agent loans, bank loans and short-term investments.

THE ALLSTATE CORPORATION
LIMITED PARTNERSHIP INVESTMENTS
($ in millions)

	As of or for the three months ended							
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012
Investment position								
Accounting basis								
Cost method	$ 1,443	$ 1,435	$ 1,441	$ 1,425	$ 1,406	$ 1,456	$ 1,363	$ 1,278
Equity method [1]	3,524	3,656	3,500	3,506	3,516	3,518	3,331	3,359
Total	$ 4,967	$ 5,091	$ 4,941	$ 4,931	$ 4,922	$ 4,974	$ 4,694	$ 4,637
Cost method-fair value [2]	$ 1,835	$ 1,806	$ 1,795	$ 1,748	$ 1,714	$ 1,756	$ 1,656	$ 1,534
Underlying investment								
Private equity / debt funds	$ 2,562	$ 2,485	$ 2,457	$ 2,423	$ 2,351	$ 2,300	$ 2,072	$ 1,995
Real estate funds	1,687	1,666	1,658	1,635	1,563	1,524	1,358	1,230
Other [3]	718	940	826	873	1,008	1,150	1,264	1,412
Total	$ 4,967	$ 5,091	$ 4,941	$ 4,931	$ 4,922	$ 4,974	$ 4,694	$ 4,637
Segment								
Property-Liability	$ 2,898	$ 3,043	$ 2,991	$ 2,994	$ 2,991	$ 3,106	$ 2,877	$ 2,889
Allstate Financial	2,064	2,044	1,946	1,933	1,924	1,860	1,806	1,729
Corporate and Other	5	4	4	4	7	8	11	16
Total	$ 4,967	$ 5,091	$ 4,941	$ 4,931	$ 4,922	$ 4,974	$ 4,694	$ 4,637
Total Income								
Accounting basis								
Cost method	$ 80	$ 48	$ 45	$ 26	$ 58	$ 17	$ 23	$ 13
Equity method	122	58	81	81	52	5	84	96
Total [3]	$ 202	$ 106	$ 126	$ 107	$ 110	$ 22	$ 107	$ 109
Underlying investment								
Private equity / debt funds	$ 140	$ 68	$ 58	$ 68	$ 83	$ 18	$ 73	$ 72
Real estate funds	61	49	77	34	36	17	39	31
Other [4]	1	(11)	(9)	5	(9)	(13)	(5)	6
Total	$ 202	$ 106	$ 126	$ 107	$ 110	$ 22	$ 107	$ 109
Segment								
Property-Liability	$ 130	$ 69	$ 89	$ 77	$ 68	$ 11	$ 68	$ 41
Allstate Financial	71	37	37	30	42	11	39	67
Corporate and Other	1	-	-	-	-	-	-	1
Total	$ 202	$ 106	$ 126	$ 107	$ 110	$ 22	$ 107	$ 109

[1] As of December 31, 2013, valuations of EMA limited partnerships include approximately $450 million of cumulative pre-tax appreciation that has been recognized in earnings but has not been distributed to investors.
[2] The fair value of cost method limited partnerships is determined using reported net asset values of the underlying funds.
[3] Higher EMA limited partnership income resulted from favorable equity and real estate valuations which increased the carrying value of the partnerships, while cost method limited partnerships experienced an increase in earnings distributed by the partnerships.

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

	December 31, 2013		September 30, 2013		June 30, 2013	
	Unrealized net	Fair value	Unrealized net	Fair value	Unrealized net	Fair value

	capital gains and losses	Fair value	as a percent of amortized cost [1]	capital gains and losses	Fair value	as a percent of amortized cost [1]	capital gains and losses	Fair value	as a percent of amortized cost [1]
Fixed income securities									
U.S. government and agencies	$ 122	$ 2,913	104.4	$ 156	$ 2,881	105.7	$ 203	$ 3,204	106.8
Municipal	277	8,723	103.3	365	9,611	103.9	496	10,716	104.9
Corporate	1,272	40,603	103.2	1,412	39,697	103.7	1,647	47,616	103.6
Foreign government	88	1,824	105.1	108	1,939	105.9	125	2,224	106.0
Asset-backed securities (“ABS”)	27	4,518	100.6	32	3,421	100.9	9	3,476	100.3
Residential mortgage-backed securities (“RMBS”)	71	1,474	105.1	57	1,844	103.2	62	2,485	102.6
Commercial mortgage-backed securities (“CMBS”)	41	829	105.2	31	875	103.7	18	1,291	101.4
Redeemable preferred stock	4	26	118.2	5	27	122.7	4	27	117.4
Total fixed income securities	1,902	60,910	103.2	2,166	60,295	103.7	2,564	71,039	103.7
Equity securities	624	5,097	114.0	442	4,812	110.1	268	4,505	106.3
Short-term investments	-	2,393	100.0	-	2,694	100.0	-	2,646	100.0
Derivatives	(18)	269	n/a	(19)	217	n/a	(12)	200	n/a
EMA limited partnership interests [2]	(3)	n/a	n/a	(3)	n/a	n/a	-	n/a	n/a
Investments classified as held for sale	190	n/a	n/a	244	n/a	n/a	-	n/a	n/a
Unrealized net capital gains and losses, pre-tax	$ 2,695			$ 2,830			$ 2,820		
Amounts recognized for:									
Insurance reserves [3]	-			-			(76)		
DAC and DSI [4]	(158)			(189)			(199)		
Amounts recognized	(158)			(189)			(275)		
Deferred income taxes	(891)			(927)			(894)		
Unrealized net capital gains and losses, after-tax	$ 1,646			$ 1,714			$ 1,651		

	March 31, 2013			December 31, 2012			September 30, 2012		
	Unrealized net capital gains and losses	Fair value	Fair value as a percent of amortized cost [1]	Unrealized net capital gains and losses	Fair value	Fair value as a percent of amortized cost [1]	Unrealized net capital gains and losses	Fair value	Fair value as a percent of amortized cost [1]
Fixed income securities									
U.S. government and agencies	$ 297	$ 4,257	107.5	$ 326	$ 4,713	107.4	$ 371	$ 4,772	108.4
Municipal	929	11,862	108.5	930	13,069	107.7	922	13,970	107.1
Corporate	3,300	49,567	107.1	3,594	48,537	108.0	3,810	48,154	108.6
Foreign government	200	2,365	109.2	227	2,517	109.9	240	2,255	111.9
ABS	18	3,597	100.5	1	3,624	100.0	(30)	3,673	99.2
RMBS	65	2,750	102.4	32	3,032	101.1	4	3,348	100.1
CMBS	36	1,381	102.7	(12)	1,498	99.2	(25)	1,530	98.4
Redeemable preferred stock	4	27	117.4	4	27	117.4	5	27	122.7
Total fixed income securities	4,849	75,806	106.8	5,102	77,017	107.1	5,297	77,729	107.3
Equity securities	662	4,439	117.5	460	4,037	112.9	447	3,876	113.0
Short-term investments	-	3,169	100.0	-	2,336	100.0	-	2,825	100.0
Derivatives	(19)	223	n/a	(22)	133	n/a	(19)	251	n/a
EMA limited partnership interests [2]	8	n/a	n/a	7	n/a	n/a	6	n/a	n/a
Investments classified as held for sale	-	n/a	n/a	-	n/a	n/a	-	n/a	n/a
Unrealized net capital gains and losses, pre-tax	$ 5,500			$ 5,547			$ 5,731		
Amounts recognized for:									
Insurance reserves [3]	(623)			(771)			(876)		
DAC and DSI [4]	(404)			(412)			(420)		
Amounts recognized	(1,027)			(1,183)			(1,296)		
Deferred income taxes	(1,568)			(1,530)			(1,555)		
Unrealized net capital gains and losses, after-tax	$ 2,905			$ 2,834			$ 2,880		

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

(2) Unrealized net capital gains and losses for limited partnership interest represent the Company’s share of Equity Method of Accounting (“EMA”) limited partnerships’ other comprehensive income. Fair value and amortized cost are not applicable.

(3) The insurance reserves adjustment represents the amount by which the reserve balance would increase if the net unrealized gains in the applicable product portfolios were realized and reinvested at current lower interest rates, resulting in a premium deficiency. Although we evaluate premium deficiencies on the combined performance of our life insurance and immediate annuities with life contingencies, the adjustment primarily relates to structured settlement annuities with life contingencies, in addition to annuity buy-outs and certain payout annuities with life contingencies.

(4) The DAC and DSI adjustment balance represents the amount by which the amortization of DAC and DSI would increase or decrease if the unrealized gains or losses in the respective product portfolios were realized.

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
NET INVESTMENT INCOME										
Fixed income securities	$ 698	$ 721	$ 740	$ 762	$ 793	$ 817	$ 818	$ 806	$ 2,921	$ 3,234
Equity securities	55	30	39	25	53	29	24	21	149	127
Mortgage loans	82	99	93	98	97	92	92	93	372	374
Limited partnership interests	202	106	126	107	110	22	107	109	541	348
Short-term	1	1	1	2	2	2	1	1	5	6
Other	41	44	39	37	35	33	34	30	161	132
Sub-total	1,079	1,001	1,038	1,031	1,090	995	1,076	1,060	4,149	4,221
Less: Investment expense	(53)	(51)	(54)	(48)	(57)	(55)	(50)	(49)	(206)	(211)
Net investment income	$ 1,026	$ 950	$ 984	$ 983	$ 1,033	$ 940	$ 1,026	$ 1,011	$ 3,943	$ 4,010
PRE-TAX YIELDS (1)										
Fixed income securities	4.1 %	4.2 %	4.2 %	4.3 %	4.4 %	4.5 %	4.4 %	4.4 %	4.2 %	4.4 %
Equity securities	4.9	2.8	3.9	2.8	6.1	3.4	2.8	2.2	3.6	3.5
Mortgage loans	5.3	6.2	5.8	6.0	5.7	5.4	5.2	5.2	5.9	5.4
Limited partnership interests	15.9	8.6	10.2	8.7	8.9	1.8	9.2	9.3	10.9	7.3
Total portfolio	4.8	4.5	4.6	4.5	4.7	4.3	4.6	4.6	4.6	4.6
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY TRANSACTION TYPE										
Impairment write-downs	$ (11)	$ (18)	$ (33)	$ (10)	$ (54)	$ (43)	$ (49)	$ (39)	$ (72)	$ (185)
Change in intent write-downs	(19)	(70)	(27)	(27)	-	(3)	(1)	(44)	(143)	(48)
Net other-than-temporary impairment losses recognized in earnings	(30)	(88)	(60)	(37)	(54)	(46)	(50)	(83)	(215)	(233)
Sales	180	59	408	172	261	(24)	70	229	819	536
Valuation of derivative instruments	(5)	-	3	(4)	(12)	-	(10)	11	(6)	(11)
Settlements of derivative instruments	(3)	(12)	11	-	9	(2)	17	11	(4)	35
Total	$ 142	$ (41)	$ 362	$ 131	$ 204	$ (72)	$ 27	$ 168	$ 594	$ 327
TOTAL RETURN ON INVESTMENT PORTFOLIO (2)	1.1 %	1.0 %	(1.5) %	1.2 %	1.1 %	2.4 %	1.8 %	2.0 %	1.8 %	7.3 %
AVERAGE INVESTMENT BALANCES (in billions) (3)	$ 78.3	$ 83.7	$ 90.7	$ 91.8	$ 92.2	$ 92.9	$ 93.2	$ 93.1	$ 84.5	$ 92.7

(1) Pre-tax yields are calculated as annualized investment income before investment expense (including dividend income in the case of equity securities) divided by the average of investment balances at the end of each quarter during the year. Investment balances, for purposes of the pre-tax yield calculation, exclude unrealized capital gains and losses and include investments classified as held for sale. Excluding investments classified as held for sale, pre-tax yield was 4.8% for the three months ended December 31, 2013.

(2) Total return on investment portfolio is calculated from GAAP results including the total of net investment income, realized capital gains and losses, the change in unrealized net capital gains and losses, and the change in the difference between fair value and carrying value of mortgage loans and cost method limited partnerships, divided by the average fair value balances. For purposes of the total return calculation, investments classified as held for sale are included. Excluding investments classified as held for sale, total return on investment portfolio was 1.2% for the three months ended December 31, 2013.

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

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

Three months ended							Twelve months ended	
Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	Dec. 31, 2013	Dec. 31, 2012

NET INVESTMENT INCOME										
Fixed income securities:										
Tax-exempt	$ 35	$ 44	$ 53	$ 61	$ 71	$ 81	$ 82	$ 193	$ 321
Taxable	178	175	178	188	188	194	192	719	752
Equity securities	51	26	36	23	49	28	22	136	118
Mortgage loans	4	6	5	5	5	5	5	20	21
Limited partnership interests [1]	130	69	89	77	68	11	68	365	188
Short-term	1	1	-	1	2	-	1	3	4
Other	11	11	8	8	5	4	3	38	14
Subtotal	410	332	369	363	388	323	373	1,474	1,418
Less: Investment expense	(28)	(23)	(26)	(22)	(26)	(24)	(21)	(99)	(92)
Net investment income	$ 382	$ 309	$ 343	$ 341	$ 362	$ 299	$ 352	$ 1,375	$ 1,326
Net investment income, after-tax	$ 273	$ 225	$ 259	$ 241	$ 258	$ 220	$ 254	$ 998	$ 964
PRE-TAX YIELDS [2]									
Fixed income securities:									
Tax-exempt	2.8 %	3.2 %	3.6 %	3.7 %	3.9 %	4.2 %	4.4 %	3.4 %	4.3 %
Equivalent yield for tax-exempt	4.1	4.7	5.2	5.4	5.7	6.1	6.4	5.0	6.3
Taxable	3.0	3.2	3.3	3.5	3.6	3.7	3.7	3.2	3.7
Equity securities	5.3	2.8	4.0	2.8	6.1	3.3	2.7	3.8	3.5
Mortgage loans	4.1	4.4	4.2	4.3	4.1	4.3	4.2	4.2	4.3
Limited partnership interests	17.4	9.3	11.8	10.4	8.9	1.5	9.5	12.2	6.3
Total portfolio	4.3	3.6	4.0	4.0	4.3	3.6	4.2	4.0	3.9
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY ASSET TYPE									
Fixed income securities:									
Tax-exempt	$ 35	$ 14	$ 39	$ 47	$ 23	$ 8	$ (4)	$ 135	$ 52
Taxable	44	21	17	43	98	1	15	125	109
Equity securities	58	(56)	252	28	25	(14)	13	282	183
Limited partnership interests	(1)	2	(5)	5	1	-	1	1	13
Derivatives and other	(8)	(7)	2	(11)	(4)	(11)	(6)	(24)	(22)
Total	$ 128	$ (26)	$ 305	$ 112	$ 143	$ (16)	$ 19	$ 519	$ 335
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY TRANSACTION TYPE									
Impairment write-downs	$ (6)	$ (8)	$ (17)	$ (8)	$ (41)	$ (31)	$ (43)	$ (39)	$ (134)
Change in intent write-downs	(15)	(63)	(26)	(20)	-	(2)	(1)	(124)	(31)
Net other-than-temporary impairment losses recognized in earnings	(21)	(71)	(43)	(28)	(41)	(33)	(44)	(163)	(165)
Sales	157	52	346	151	187	27	60	706	511
Valuation of derivative instruments	(5)	5	(3)	-	(2)	3	1	(3)	5
Settlements of derivative instruments	(3)	(12)	5	(11)	(1)	(13)	2	(21)	(16)
Total	$ 128	$ (26)	$ 305	$ 112	$ 143	$ (16)	$ 19	$ 519	$ 335
AVERAGE INVESTMENT BALANCES (in billions) [3]	$ 37.9	$ 37.0	$ 36.7	$ 36.5	$ 36.3	$ 36.1	$ 35.8	$ 37.3	$ 35.9

(1) As of December 31, 2013, Property-Liability has commitments to invest in additional limited partnership interests totaling $1.48 billion.

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

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

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

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
NET INVESTMENT INCOME										
Fixed income securities	$ 480	$ 497	$ 503	$ 506	$ 527	$ 532	$ 534	$ 531	$ 1,986	$ 2,124
Equity securities	4	4	3	2	4	1	2	2	13	9
Mortgage loans	78	93	88	93	92	87	87	87	352	353
Limited partnership interests [1]	71	37	37	30	42	11	39	67	175	159
Short-term	-	-	-	1	-	1	-	-	1	1
Other	28	28	30	28	29	29	29	27	114	114
Subtotal	661	659	661	660	694	661	691	714	2,641	2,760
Less: Investment expense	(24)	(26)	(28)	(25)	(29)	(29)	(28)	(27)	(103)	(113)
Net investment income	$ 637	$ 633	$ 633	$ 635	$ 665	$ 632	$ 663	$ 687	$ 2,538	$ 2,647
Net investment income, after-tax	$ 424	$ 423	$ 422	$ 424	$ 440	$ 420	$ 437	$ 455	$ 1,693	$ 1,752
PRE-TAX YIELDS [2]										
Fixed income securities	5.0 %	5.1 %	5.0 %	4.8 %	5.0 %	4.9 %	4.9 %	4.8 %	5.0 %	4.9 %

Equity securities	2.8	2.4	3.0	2.6	6.2	4.5	5.2	3.9	2.7	4.8
Mortgage loans	5.4	6.4	5.9	6.2	5.9	5.5	5.3	5.2	6.0	5.5
Limited partnership interests	13.8	7.4	7.8	6.1	8.9	2.4	8.8	16.0	8.8	8.9
Total portfolio	5.3	5.2	5.1	5.0	5.2	4.9	5.0	5.2	5.1	5.1
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY ASSET TYPE										
Fixed income securities	$ 8	$ (12)	$ 23	$ (18)	$ 54	$ (59)	$ (5)	$ (49)	$ 1	$ (59)
Equity securities	8	5	31	1	1	(1)	-	-	45	-
Mortgage loans	1	(6)	(6)	31	3	(3)	9	(1)	20	8
Limited partnership interests	(3)	-	(3)	-	(1)	-	2	(1)	(6)	-
Derivatives and other	-	(3)	12	5	(1)	7	2	30	14	38
Total	$ 14	$ (16)	$ 57	$ 19	$ 56	$ (56)	$ 8	$ (21)	$ 74	$ (13)
REALIZED CAPITAL GAINS AND LOSSES (PRE-TAX) BY TRANSACTION TYPE										
Impairment write-downs	$ (5)	$ (10)	$ (16)	$ (2)	$ (13)	$ (12)	$ (6)	$ (20)	$ (33)	$ (51)
Change in intent write-downs	(4)	(7)	(1)	(7)	-	(1)	-	(16)	(19)	(17)
Net other-than-temporary impairment losses recognized in earnings	(9)	(17)	(17)	(9)	(13)	(13)	(6)	(36)	(52)	(68)
Sales	23	6	62	21	69	(51)	10	(8)	112	20
Valuation of derivative instruments	-	(5)	6	(4)	(10)	(3)	(11)	8	(3)	(16)
Settlements of derivative instruments	-	-	6	11	10	11	15	15	17	51
Total	$ 14	$ (16)	$ 57	$ 19	$ 56	$ (56)	$ 8	$ (21)	$ 74	$ (13)
AVERAGE INVESTMENT BALANCES (in billions) [3]	$ 37.8	$ 44.3	$ 51.9	$ 53.2	$ 53.7	$ 54.5	$ 55.0	$ 55.3	$ 44.8	$ 54.6

(1) As of December 31, 2013, Allstate Financial has commitments to invest in additional limited partnership interests totaling $1.37 billion.
(2) Pre-tax yields are calculated as annualized investment income before investment expense (including dividend income in the case of equity securities) divided by the average of investment balances at the end of each quarter during the year. Investment balances, for purposes of the pre-tax yield calculation, exclude unrealized capital gains and losses and include investments classified as held for sale. Excluding investments classified as held for sale, pre-tax yield was 5.5% for the three months ended December 31, 2013.
(3) Average investment balances for the quarter are calculated as the average of the current and prior quarter investment balances. Year-to-date average investment balances are calculated as the average of investment balances at the end of each quarter during the year. For purposes of the average investment balances calculation, unrealized capital gains and losses are excluded and investments classified as held for sale are included.

THE ALLSTATE CORPORATION
INVESTMENT RESULTS
($ in millions)

	Three months ended								Twelve months ended	
	Dec. 31, 2013	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2013	Dec. 31, 2012
Consolidated investment portfolio										
Interest-bearing [1]	$ 70,796	$ 70,423	$ 82,729	$ 87,890	$ 88,194	$ 89,558	$ 88,836	$ 88,390	$ 70,796	$ 88,194
Equity/owned [2]	10,359	10,060	9,586	9,492	9,084	8,958	8,484	8,619	10,359	9,084
Total	$ 81,155	$ 80,483	$ 92,315	$ 97,382	$ 97,278	$ 98,516	$ 97,320	$ 97,009	$ 81,155	$ 97,278
Consolidated portfolio total return [3]										
Interest-bearing	0.6 %	0.8 %	(1.4) %	0.8 %	0.9 %	2.3 %	1.8 %	1.4 %	0.8 %	6.4 %
Equity/owned	0.6	0.3	-	0.4	0.3	0.2	-	0.6	1.3	1.1
Investment Expenses	(0.1)	(0.1)	(0.1)	-	(0.1)	(0.1)	-	-	(0.3)	(0.2)
Total	1.1	1.0	(1.5)	1.2	1.1	2.4	1.8	2.0	1.8	7.3
Consolidated portfolio total return [3]										
Income	1.1 %	1.0 %	1.0 %	1.0 %	1.1 %	1.0 %	1.0 %	1.0 %	4.1 %	4.1 %
Valuation	-	-	(2.5)	0.2	-	1.4	0.8	1.0	(2.3)	3.2
Total	1.1	1.0	(1.5)	1.2	1.1	2.4	1.8	2.0	1.8	7.3
Consolidated net investment income										
Interest-bearing [4]	$ 819	$ 861	$ 868	$ 895	$ 924	$ 940	$ 941	$ 927	$ 3,443	$ 3,732
Equity/owned	260	140	170	136	166	55	135	133	706	489
Investment expenses	(53)	(51)	(54)	(48)	(57)	(55)	(50)	(49)	(206)	(211)
Total	$ 1,026	$ 950	$ 984	$ 983	$ 1,033	$ 940	$ 1,026	$ 1,011	$ 3,943	$ 4,010
Consolidated Interest-bearing pre-tax yield [5]	4.1 %	4.3 %	4.3 %	4.3 %	4.4 %	4.4 %	4.4 %	4.4 %	4.2 %	4.4 %
Property-Liability net investment income										
Interest-bearing excluding prepayment premiums and litigation proceeds	$ 218	$ 229	$ 234	$ 246	$ 260	$ 275	$ 279	$ 273	$ 927	$ 1,087
Prepayment premiums and litigation proceeds	9	4	10	15	10	7	3	-	38	20
Total Interest-bearing	227	233	244	261	270	282	282	273	965	1,107
Equity/owned	183	99	125	102	118	41	91	61	509	311
Investment expenses	(28)	(23)	(26)	(22)	(26)	(24)	(21)	(21)	(99)	(92)
Total	382	309	343	341	362	299	352	313	1,375	1,326
Less: prepayment premiums and litigation proceeds	9	4	10	15	10	7	3	-	38	20
Total excluding prepayment premiums and litigation proceeds	$ 373	$ 305	$ 333	$ 326	$ 352	$ 292	$ 349	$ 313	$ 1,337	$ 1,306
Property-Liability interest-bearing pre-tax yield	2.9 %	3.1 %	3.2 %	3.5 %	3.6 %	3.8 %	3.8 %	3.8 %	3.2 %	3.8 %
Property-Liability interest-bearing pre-tax yield excluding prepayment premiums and litigation proceeds	2.8 %	3.0 %	3.1 %	3.3 %	3.5 %	3.7 %	3.8 %	3.8 %	3.1 %	3.7 %
Allstate Financial net investment income										
Interest-bearing excluding prepayment premiums and litigation proceeds	$ 569	$ 584	$ 591	$ 599	$ 619	$ 630	$ 640	$ 643	$ 2,343	$ 2,532
Prepayment	15	32	27	27	27	17	7	-	101	51

premiums and litigation proceeds										
Total interest-bearing	584	616	618	626	646	647	647	643	2,444	2,583
Equity/owned	77	43	43	34	48	14	44	71	197	177
Investment expenses	(24)	(26)	(28)	(25)	(29)	(29)	(28)	(27)	(103)	(113)
Total	637	633	633	635	665	632	663	687	2,538	2,647
Less: prepayment premiums and litigation proceeds	15	32	27	27	27	17	7	-	101	51
Total excluding prepayment premiums and litigation proceeds	$ 622	$ 601	$ 606	$ 608	$ 638	$ 615	$ 656	$ 687	$ 2,437	$ 2,596
Allstate Financial interest-bearing pre-tax yield	5.0 %	5.2 %	5.0 %	4.9 %	5.0 %	4.9 %	4.9 %	4.8 %	5.0 %	4.9 %
Allstate Financial interest-bearing pre-tax yield excluding prepayment premiums and litigation proceeds	4.8 %	4.9 %	4.8 %	4.7 %	4.8 %	4.8 %	4.8 %	4.8 %	4.8 %	4.8 %

(1) Includes fixed income securities, mortgage loans, short-term and other investments.

(2) Includes limited partnership interests, equity securities and real estate.

(3) Total return on investment portfolio is calculated from GAAP results including the total of net investment income, realized capital gains and losses, the change in unrealized net capital gains and losses, and the change in the difference between fair value and carrying value of mortgage loans and cost method limited partnerships, divided by the average fair value balances. For purposes of the total return calculation, investments classified as held for sale are included.

(4) Consolidated interest-bearing net investment income excluding investments classified as held for sale totaled $691 million for the three months ended December 31, 2013.

(5) Pre-tax interest-bearing yield is calculated as annualized interest-bearing investment income before investment expense divided by the average of interest-bearing investment balances at the end of each quarter during the year. Interest-bearing investment balances, for purposes of the pre-tax yield calculation, exclude unrealized capital gains and losses and include investments classified as held for sale. Excluding investments classified as held for sale, pre-tax consolidated interest-bearing yield was 4.1% for the three months ended December 31, 2013.

Definitions of Non-GAAP Measures

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

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

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

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

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

Combined ratio excluding the effect of catastrophes is a non-GAAP ratio, which is computed as the difference between two GAAP operating ratios: the combined ratio and the effect of catastrophes on the combined ratio. The most directly comparable GAAP measure is 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. 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. We believe it is useful for investors to evaluate these components separately and in the aggregate when reviewing our underwriting performance. The combined ratio excluding the effect of catastrophes should not be considered a substitute for the combined ratio and does not reflect the overall underwriting profitability of our business. A reconciliation of combined ratio excluding the effect of catastrophes to combined ratio is provided in the schedule, “Property-Liability Results”.

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

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

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