

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

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| OMB APPROVAL | |
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

| | | |
|---|---|---|
| <p>1. Name and Address of Reporting Person*</p> <p><u>LIDDY EDWARD M</u></p> <hr/> <p>(Last) (First) (Middle)</p> <p><u>C/O THE ALLSTATE CORPORATION</u></p> <p><u>2775 SANDERS ROAD</u></p> <hr/> <p>(Street)</p> <p><u>NORTHBROOK IL 60062-6127</u></p> <hr/> <p>(City) (State) (Zip)</p> | <p>2. Issuer Name and Ticker or Trading Symbol</p> <p><u>ALLSTATE CORP [ALL]</u></p> <hr/> <p>3. Date of Earliest Transaction (Month/Day/Year)</p> <p><u>08/29/2005</u></p> <hr/> <p>4. If Amendment, Date of Original Filed (Month/Day/Year)</p> | <p>5. Relationship of Reporting Person(s) to Issuer (Check all applicable)</p> <p><input checked="" type="checkbox"/> Director 10% Owner</p> <p><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)</p> <p style="text-align: center;"><u>Chairman and CEO</u></p> <hr/> <p>6. Individual or Joint/Group Filing (Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person</p> <p><input type="checkbox"/> Form filed by More than One Reporting Person</p> |
|---|---|---|

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 08/29/2005 | | M | | 307,428 | A | \$26.69 | 715,134 ⁽¹⁾ | D | |
| Common Stock | 08/29/2005 | | F ⁽²⁾ | | 48,113 | D | \$56.96 | 667,021 ⁽¹⁾ | D | |
| Common Stock | 08/29/2005 | | F ⁽³⁾ | | 144,052 | D | \$56.96 | 522,969 ⁽¹⁾ | D | |
| Common Stock | 08/29/2005 | | S | | 103,300 | D | \$56.69 | 419,669 ⁽¹⁾ | D | |
| Common Stock | | | | | | | | 3,399.4564 | I | by 401(k) Plan |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---------|--|-----------------|---|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | |
| Employee Stock Option (right to buy) | \$26.69 | 08/29/2005 | | M | | | 307,428 | 05/18/2001 | 05/18/2010 | Common Stock 307,428 | \$26.69 | 0 | D | |
| Employee Stock Option (right to buy) | \$56.96 | 08/29/2005 | | A | | 144,052 | | 08/29/2006 ⁽⁴⁾ | 05/18/2010 | Common Stock 144,052 | \$0 | 144,052 | D | |

Explanation of Responses:

- The transactions reported in this Form 4 were effected pursuant to a Rule 10b5-1(c) trading plan adopted by the reporting person on August 5, 2004.
- Delivery of shares to issuer to pay minimum tax withholding liability incurred in connection with the exercise.
- Delivery of already-owned stock to issuer in payment of option exercise price.
- The option vests in four equal increments, August 29, 2006, August 29, 2007, August 29, 2008 and August 29, 2009.

EDWARD M LIDDY

08/31/2005

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.