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): May 5, 2015

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

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

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

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

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

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

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

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

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

Section 2 – Financial Information

Item 2.02. Results of Operations and Financial Condition.

On May 5, 2015, the registrant issued a press release announcing its financial results for the first quarter of 2015, and the availability of the registrant's first 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 May 5, 2015
99.2	First quarter 2015 Investor Supplement of The Allstate Corporation

SIGNATURES

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

THE ALLSTATE CORPORATION
(Registrant)

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

Date: May 5, 2015

FOR IMMEDIATE RELEASE

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Allstate's Broad-Based Business Model Generates Profitable Growth

NORTHBROOK, Ill., May 5, 2015 – The Allstate Corporation (NYSE: ALL) today reported financial results for the first quarter of 2015. The financial highlights were:

The Allstate Corporation Consolidated Highlights			
	Three months ended March 31,		
($ millions, except per share amounts and ratios)	2015	2014	% / pts Change
Consolidated revenues	$ 8,952	$ 8,684	3.1
Net income available to common shareholders	648	587	10.4
per diluted common share	1.53	1.30	17.7
Operating income*	616	588	4.8
per diluted common share*	1.46	1.30	12.3
Return on common shareholders' equity			
Net income available to common shareholders	13.7%	10.4%	3.3 pts
Operating income*	13.0%	14.4%	(1.4) pts
Book value per common share	49.19	46.70	5.3
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities*	44.68	42.98	4.0
Property-Liability combined ratio			
Recorded	93.7	94.7	(1.0) pts
Underlying combined ratio* (excludes catastrophes, prior year reserve reestimates and amortization of purchased intangibles)	89.0	88.4	0.6 pts
Catastrophe losses	294	445	(33.9)

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

"Allstate's strategy of building a broad-based business model continued to generate profitable growth," said Thomas J. Wilson, chairman and chief executive officer of The Allstate Corporation. "The Allstate brand had good growth and returns in auto, home and other lines of insurance. The strength of homeowners returns, including low catastrophe losses, more than offset the impact of increased economic activity on auto margins which is being factored into our pricing. Esurance targets self-serve customers and has intentionally slowed its growth until the loss ratio improves. Encompass has been raising its rates to improve profitability. Our customer-focused strategy resulted in a Property-Liability underlying combined ratio of 89.0 in the first quarter and policy in force growth of 875,000, or 2.6% versus the prior year quarter," said Wilson.

"We also did well managing investments and shareholders' capital," continued Wilson. "A proactive risk and return approach to investing resulted in a 2.0% increase in investment income after factoring in the sale of Lincoln Benefit Life Company. Net income available to shareholders was $648 million and operating income return on equity was 13.0% over the trailing twelve months. Net income and operating income per share increased by 17.7% and 12.3%, respectively, versus the first quarter of 2014. These results enabled us to both invest in long-term growth initiatives and provide excellent current returns to shareholders. Total cash returned to shareholders in common stock dividends and share repurchases was $1.0 billion for the quarter. Overall, it was a good start to 2015," concluded Wilson.

First Quarter Operating Results

The Property-Liability combined ratio of 93.7 in the first quarter was 1.0 point favorable to the prior year quarter, and resulted in underwriting income* of $467 million, an increase of 25.5% compared with the prior year quarter. The underlying combined ratio of 89.0 for the first quarter was 0.6 points unfavorable compared with the same period of last year.

Auto losses were elevated in the first quarter, reflecting seasonal winter weather and higher non-weather levels of frequency and severity in all three brands where we underwrite risk. Allstate brand auto had a first quarter combined ratio of 96.8, and an underlying combined ratio of 95.6, which was 1.8 points unfavorable to the prior year quarter. Allstate brand bodily injury frequency increased 6.8% from low levels in the first quarter of 2014. Property damage frequency increased 2.1%, and was impacted in part by adverse winter weather experienced predominantly in the east, as well as higher frequency trends broadly across the country. Prior year reserve reestimates negatively impacted the Allstate brand auto recorded combined ratio by 0.8 points in the first quarter of 2015, with approximately half due to litigation settlement accruals. While losses were elevated in the quarter, Allstate brand auto continued to generate a good combined ratio. Price increases in auto insurance originally planned for later in 2015 have been accelerated due to increased non-weather related loss trends.

Allstate brand homeowners margins were excellent, with strong results during a quarter with moderate levels of catastrophe losses. The first quarter 2015 recorded combined ratio for Allstate brand homeowners was 78.7, resulting in $348 million in underwriting income. The underlying combined ratio of 64.5 was 1.3 points better than the first quarter of 2014. Allstate brand other personal lines also had a strong first quarter, recording a combined ratio of 89.3, and an underlying combined ratio of 82.1.

Allstate Financial generated $134 million in operating income in the first quarter of 2015, $21 million lower than the prior year quarter after adjusting 2014's first quarter results for the disposition of Lincoln Benefit Life Company (LBL). The reduction in Allstate Financial operating income was due primarily to lower investment income, worse mortality, and higher expenses.

Total portfolio net investment income rose 2.0% in the first quarter compared with the same quarter a year ago, excluding the LBL results in the 2014 quarter. Income from limited partnership interests rose 39.4% to $198 million in the first quarter compared to the prior year quarter, driven primarily by favorable real estate valuations.

Net income available to common shareholders was $1.53 per diluted share, or $648 million, versus $1.30 per share in the first quarter of last year. Operating income was $1.46 per share, or $616 million, compared to $1.30 in the first quarter of 2014.

2015 Operating Priorities

Allstate is focused on five operating priorities in 2015 to both deliver solid near-term operating results and invest in long-term strategic growth.

- Grow insurance policies in force
- Maintain the underlying combined ratio
- Proactively manage investments
- Modernize the operating model
- Build long-term growth platforms

Grow Insurance Policies in Force

Property-Liability net written premium grew 4.8% while policies in force grew by 875,000, or 2.6% in the first quarter of 2015, reflecting the operating priorities in each of the three brands where we underwrite risk. The Allstate brand accounted for the majority of growth in Property-Liability in the first quarter of 2015, as it increased net written premium by 4.9%, and policies in force by 752,000, or 2.4%, compared with the first quarter of 2014.

- Allstate brand auto policies were 623,000, or 3.2%, higher in the first quarter of 2015 than the same quarter a year ago.
- Allstate brand homeowner policies increased 51,000, or 0.8% in the first quarter of 2015 compared to the prior year quarter.
- Allstate brand other personal lines increased by 103,000 policies in the first quarter of 2015, 2.6% higher than the prior year quarter, reflecting increased household penetration.
- Esurance grew net written premium by 8.6% and policies in force by 8.9% in the first quarter of 2015 compared with the prior year quarter, as we purposefully slowed growth by lowering advertising expenses and implementing pricing and underwriting actions to ensure long-term returns are at acceptable levels.
- Encompass continued to implement profit improvement actions which reduced the size of the business in the first quarter 2015. Net written premium was 1.4% below the first quarter of 2014, and policies in force were 0.2% lower compared with the prior year quarter.

Maintain the Underlying Combined Ratio

The underlying combined ratio was 89.0 for the first quarter of 2015, within the full-year outlook range of 87 - 89.

- Recorded combined ratios: Total Property-Liability 93.7, Allstate brand auto 96.8, Allstate brand homeowners 78.7, Allstate brand other personal lines 89.3, Esurance 117.8, Encompass 95.6
- Underlying combined ratios: Total Property-Liability 89.0, Allstate brand auto 95.6, Allstate brand homeowners 64.5, Allstate brand other personal lines 82.1, Esurance 116.5, Encompass 90.6

Proactively Manage Investments

The investment portfolio's pre-tax yield increased to 4.6% in the first quarter, up from 4.5% in the first quarter of 2014.

Investing in Sustainable Value Creation

Long-term shareholder value will be created by modernizing the operating model and building long-term growth platforms.

- We are building a more effective and efficient operating model by simplifying technology platforms, implementing continuous improvement processes and optimizing the worldwide deployment of resources.
- The Allstate agency business model is being revised to reduce low value-added activities while increasing agencies' ability to provide trusted advice to customers.
- Esurance's advertising investment remains significantly above a long-term sustainable level relative to premiums, as we grow market share in the self-serve consumer segment. Esurance also continues to invest in expanding its product offerings and geographic reach.
- The Allstate Drivewise® and Esurance DriveSense® telematics offerings continue to expand their reach and now have 779,000 customers.

Excellent Capital Management

"We made significant progress in the first quarter on our commitment to proactively manage our shareholders' capital," said Steve Shebik, chief financial officer. "We returned $1.0 billion in cash to shareholders in the first quarter of 2015 through a combination of share repurchases and common stock dividends. After completing our 2014 $2.5 billion common share repurchase authorization in February, we initiated a new $3 billion authorization, including a $500 million accelerated share repurchase program (ASR). We also finalized the terms of our 2015 catastrophe reinsurance program, excluding Florida, which is expected to be placed in the second quarter of 2015."

As of March 31, 2015, $2.4 billion remained on our common share repurchase program. The $500 million ASR initiated in March 2015 is expected to be completed by the end of the second quarter. Book value per diluted common share increased 5.3% from a year ago, to $49.19 as of March 31.

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 Wednesday, May 6.

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

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

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

THE ALLSTATE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

($ in millions, except per share data)	Three months ended March 31, 2015	2014
	(unaudited)	
Revenues		
Property-liability insurance premiums	$ 7,426	$ 7,064
Life and annuity premiums and contract charges	537	607
Net investment income	850	959
Realized capital gains and losses:		
Total other-than-temporary impairment ("OTTI") losses	(53)	(80)
OTTI losses reclassified to (from) other comprehensive income	4	(1)
Net OTTI losses recognized in earnings	(49)	(81)
Sales and other realized capital gains and losses	188	135
Total realized capital gains and losses	139	54
	8,952	8,684
Costs and expenses		
Property-liability insurance claims and claims expense	4,993	4,759
Life and annuity contract benefits	441	488
Interest credited to contractholder funds	199	307
Amortization of deferred policy acquisition costs	1,070	1,035
Operating costs and expenses	1,090	1,094
Restructuring and related charges	4	6
Interest expense	73	87
	7,870	7,776
Loss on disposition of operations	(1)	(59)
Income from operations before income tax expense	1,081	849
Income tax expense	404	249
Net income	677	600
Preferred stock dividends	29	13
Net income available to common shareholders	$ 648	$ 587
Earnings per common share:		
Net income available to common shareholders per common share – Basic	$ 1.56	$ 1.31
Weighted average common shares – Basic	415.8	446.4
Net income available to common shareholders per common share – Diluted	$ 1.53	$ 1.30
Weighted average common shares – Diluted	422.6	452.8
Cash dividends declared per common share	$ 0.30	$ 0.28

THE ALLSTATE CORPORATION
BUSINESS RESULTS

($ in millions, except ratios)	Three months ended March 31, 2015	Three months ended March 31, 2014
Property-Liability		
Premiums written	$ 7,306	$ 6,969
Premiums earned	$ 7,426	$ 7,064
Claims and claims expense	(4,993)	(4,759)
Amortization of deferred policy acquisition costs	(1,000)	(961)
Operating costs and expenses	(962)	(968)
Restructuring and related charges	(4)	(4)
Underwriting income	467	372
Net investment income	358	312
Periodic settlements and accruals on non-hedge derivative instruments	(1)	(3)
Amortization of purchased intangible assets	12	17
Income tax expense on operations	(281)	(230)
Operating income	555	468
Realized capital gains and losses, after-tax	18	34
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	1	2
Amortization of purchased intangible assets, after-tax	(8)	(11)
Change in accounting for investments in qualified affordable housing projects, after-tax	(28)	—
Net income available to common shareholders	$ 538	$ 493
Catastrophe losses	$ 294	$ 445
Operating ratios:		
Claims and claims expense ratio	67.2	67.4
Expense ratio	26.5	27.3
Combined ratio	93.7	94.7
Effect of catastrophe losses on combined ratio	4.0	6.3
Effect of prior year reserve reestimates on combined ratio	0.5	(0.2)
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	(0.1)	—
Effect of amortization of purchased intangible assets on combined ratio	0.1	0.2
Effect of Discontinued Lines and Coverages on combined ratio	—	—
Allstate Financial		
Premiums and contract charges	$ 537	$ 607
Net investment income	484	640
Contract benefits	(441)	(488)
Interest credited to contractholder funds	(192)	(291)
Amortization of deferred policy acquisition costs	(69)	(74)
Operating costs and expenses	(123)	(118)
Restructuring and related charges	—	(2)
Income tax expense on operations	(62)	(85)
Operating income	134	189
Realized capital gains and losses, after-tax	72	—
Valuation changes on embedded derivatives that are not hedged, after-tax	(5)	(11)
Loss on disposition of operations, after-tax	(1)	(16)
Change in accounting for investments in qualified affordable housing projects, after-tax	(17)	—
Net income available to common shareholders	$ 183	$ 162
Corporate and Other		
Net investment income	$ 8	$ 7
Operating costs and expenses	(78)	(95)
Income tax benefit on operations	26	32
Preferred stock dividends	(29)	(13)
Operating loss	(73)	(69)
Realized capital gains and losses, after-tax	—	1
Net loss available to common shareholders	$ (73)	$ (68)
Consolidated net income available to common shareholders	$ 648	$ 587

THE ALLSTATE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

($ in millions, except par value data)	March 31, 2015	December 31, 2014
Assets	(unaudited)	
Investments:		
Fixed income securities, at fair value (amortized cost $58,235 and $59,672)	$ 61,403	$ 62,440
Equity securities, at fair value (cost $3,752 and $3,692)	4,166	4,104
Mortgage loans	4,276	4,188
Limited partnership interests	4,699	4,527
Short-term, at fair value (amortized cost $2,497 and $2,540)	2,497	2,540
Other	3,396	3,314
Total investments	80,437	81,113
Cash	916	657
Premium installment receivables, net	5,502	5,465
Deferred policy acquisition costs	3,527	3,525
Reinsurance recoverables, net	8,408	8,490
Accrued investment income	597	591
Property and equipment, net	1,026	1,031
Goodwill	1,219	1,219
Other assets	2,128	2,046
Separate Accounts	4,304	4,396
Total assets	$ 108,064	$ 108,533
Liabilities		
Reserve for property-liability insurance claims and claims expense	$ 23,103	$ 22,923
Reserve for life-contingent contract benefits	12,318	12,380
Contractholder funds	22,267	22,529
Unearned premiums	11,489	11,655
Claim payments outstanding	796	784
Deferred income taxes	779	715
Other liabilities and accrued expenses	5,635	5,653
Long-term debt	5,194	5,194
Separate Accounts	4,304	4,396
Total liabilities	85,885	86,229
Equity		
Preferred stock and additional capital paid-in, $1 par value, 72.2 thousand shares issued and outstanding, $1,805 aggregate liquidation preference	1,746	1,746
Common stock, $.01 par value, 900 million issued, 409 million and 418 million shares outstanding	9	9
Additional capital paid-in	3,109	3,199
Retained income	38,363	37,842
Deferred ESOP expense	(23)	(23)
Treasury stock, at cost (491 million and 482 million shares)	(21,799)	(21,030)
Accumulated other comprehensive income:		
Unrealized net capital gains and losses:		
Unrealized net capital gains and losses on fixed income securities with OTTI	71	72
Other unrealized net capital gains and losses	2,255	1,988
Unrealized adjustment to DAC, DSI and insurance reserves	(189)	(134)
Total unrealized net capital gains and losses	2,137	1,926
Unrealized foreign currency translation adjustments	(29)	(2)
Unrecognized pension and other postretirement benefit cost	(1,334)	(1,363)
Total accumulated other comprehensive income	774	561
Total shareholders' equity	22,179	22,304
Total liabilities and shareholders' equity	$ 108,064	$ 108,533

THE ALLSTATE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

($ in millions)	Three months ended March 31, 2015	2014
	(unaudited)	
Cash flows from operating activities		
Net income	$ 677	$ 600
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and other non-cash items	87	98
Realized capital gains and losses	(139)	(54)
Loss on disposition of operations	1	59
Interest credited to contractholder funds	199	307
Changes in:		
Policy benefits and other insurance reserves	115	(18)
Unearned premiums	(117)	(92)
Deferred policy acquisition costs	(35)	3
Premium installment receivables, net	(66)	(46)
Reinsurance recoverables, net	(24)	(45)
Income taxes	59	(68)
Other operating assets and liabilities	(191)	(270)
Net cash provided by operating activities	566	474
Cash flows from investing activities		
Proceeds from sales		
Fixed income securities	9,453	6,483
Equity securities	1,152	1,328
Limited partnership interests	296	238
Mortgage loans	—	10
Other investments	47	30
Investment collections		
Fixed income securities	1,213	849
Mortgage loans	114	324
Other investments	60	50
Investment purchases		
Fixed income securities	(9,210)	(6,252)
Equity securities	(1,172)	(1,330)
Limited partnership interests	(365)	(277)
Mortgage loans	(202)	(2)
Other investments	(193)	(243)
Change in short-term investments, net	(63)	189
Change in other investments, net	2	36
Purchases of property and equipment, net	(59)	(55)
Disposition (acquisition) of operations	—	(2)
Net cash provided by investing activities	1,073	1,376
Cash flows from financing activities		
Repayment of long-term debt	—	(1)
Proceeds from issuance of preferred stock	—	725
Contractholder fund deposits	261	403
Contractholder fund withdrawals	(572)	(1,084)
Dividends paid on common stock	(118)	(113)
Dividends paid on preferred stock	(29)	(12)
Treasury stock purchases	(1,010)	(1,115)
Shares reissued under equity incentive plans, net	64	77
Excess tax benefits on share-based payment arrangements	26	13
Other	(2)	(6)
Net cash used in financing activities	(1,380)	(1,113)
Cash classified as held for sale	—	(242)
Net increase in cash	259	495
Cash at beginning of period	657	675
Cash at end of period	$ 916	$ 1,170

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

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

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

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

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

The following table reconciles operating income and net income available to common shareholders.

($ in millions, except per share data)	For the three months ended March 31,							
	Property-Liability		Allstate Financial		Consolidated		Per diluted common share	
	2015	2014	2015	2014	2015	2014	2015	2014
Operating income	$ 555	$ 468	$ 134	$ 189	$ 616	$ 588	$ 1.46	$ 1.30
Realized capital gains and losses, after-tax	18	34	72	—	90	35	0.21	0.08
Valuation changes on embedded derivatives that are not hedged, after-tax	—	—	(5)	(11)	(5)	(11)	(0.01)	(0.02)
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	1	2	—	—	1	2	—	—
Amortization of purchased intangible assets, after-tax	(8)	(11)	—	—	(8)	(11)	(0.02)	(0.02)
Loss on disposition of operations, after-tax	—	—	(1)	(16)	(1)	(16)	—	(0.04)
Change in accounting for investments in qualified affordable housing projects, after-tax	(28)	—	(17)	—	(45)	—	(0.11)	—
Net income available to common shareholders	$ 538	$ 493	$ 183	$ 162	$ 648	$ 587	$ 1.53	$ 1.30

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

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

($ in millions)	**For the twelve months ended March 31,**	
	2015	**2014**
Return on common shareholders' equity		
Numerator:		
Net income available to common shareholders	$ 2,807	$ 2,141
Denominator:		
Beginning common shareholders' equity [(1)]	$ 20,600	$ 20,619
Ending common shareholders' equity [(1)]	20,433	20,600
Average common shareholders' equity	$ 20,517	$ 20,610
Return on common shareholders' equity	13.7%	10.4%

	For the twelve months ended March 31,	
	2015	**2014**
Operating income return on common shareholders' equity		
Numerator:		
Operating income	$ 2,395	$ 2,611
Denominator:		
Beginning common shareholders' equity	$ 20,600	$ 20,619
Unrealized net capital gains and losses	2,091	2,905
Adjusted beginning common shareholders' equity	18,509	17,714
Ending common shareholders' equity	20,433	20,600
Unrealized net capital gains and losses	2,137	2,091
Adjusted ending common shareholders' equity	18,296	18,509
Average adjusted common shareholders' equity	$ 18,403	$ 18,112
Operating income return on common shareholders' equity	13.0%	14.4%

(1) Excludes equity related to preferred stock of $1,746 million and $1,505 million as of March 31, 2015 and 2014, respectively.

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

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

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

	Three months ended March 31,	
	2015	**2014**
Combined ratio excluding the effect of catastrophes, prior year reserve reestimates and amortization of purchased intangible assets ("underlying combined ratio")	89.0	88.4
Effect of catastrophe losses	4.0	6.3
Effect of prior year non-catastrophe reserve reestimates	0.6	(0.2)
Effect of amortization of purchased intangible assets	0.1	0.2
Combined ratio	93.7	94.7
Effect of prior year catastrophe reserve reestimates	(0.1)	—

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

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

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

	Three months ended March 31,	
	2015	**2014**
Underlying combined ratio	87.4	86.4
Effect of catastrophe losses	4.1	6.4
Effect of prior year non-catastrophe reserve reestimates	0.7	(0.2)
Combined ratio	92.2	92.6
Effect of prior year catastrophe reserve reestimates	—	—

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

	Three months ended March 31,	
	2015	**2014**
Underlying combined ratio	95.6	93.8
Effect of catastrophe losses	0.3	0.4
Effect of prior year non-catastrophe reserve reestimates	0.9	(0.8)
Combined ratio	96.8	93.4
Effect of prior year catastrophe reserve reestimates	(0.1)	(0.1)

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

	Three months ended March 31,	
	2015	**2014**
Underlying combined ratio	64.5	65.8
Effect of catastrophe losses	13.9	21.3
Effect of prior year non-catastrophe reserve reestimates	0.3	0.2
Combined ratio	78.7	87.3
Effect of prior year catastrophe reserve reestimates	(0.1)	0.6

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

	Three months ended March 31,	
	2015	**2014**
Underlying combined ratio	82.1	83.4
Effect of catastrophe losses	7.4	12.7
Effect of prior year non-catastrophe reserve reestimates	(0.2)	4.4
Combined ratio	89.3	100.5
Effect of prior year catastrophe reserve reestimates	(0.3)	(0.5)

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

	Three months ended March 31,	
	2015	**2014**
Underlying combined ratio	90.6	91.8
Effect of catastrophe losses	6.3	11.2
Effect of prior year non-catastrophe reserve reestimates	(1.3)	(0.4)
Combined ratio	95.6	102.6
Effect of prior year catastrophe reserve reestimates	(0.9)	(0.3)

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

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

	Three months ended March 31,	
	2015	**2014**
Underlying loss ratio	78.2	76.4
Expense ratio, excluding the effect of amortization of purchased intangible assets	38.3	47.8
Underlying combined ratio	116.5	124.2
Effect of catastrophe losses	—	0.3
Effect of prior year non-catastrophe reserve reestimates	(1.0)	(0.9)
Effect of amortization of purchased intangible assets	2.3	3.5
Combined ratio	117.8	127.1

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 March 31,**	
	2015	**2014**
Book value per common share		
Numerator:		
Common shareholders' equity	$ 20,433	$ 20,600
Denominator:		
Common shares outstanding and dilutive potential common shares outstanding	415.4	441.1
Book value per common share	$ 49.19	$ 46.70
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities		
Numerator:		
Common shareholders' equity	$ 20,433	$ 20,600
Unrealized net capital gains and losses on fixed income securities	1,871	1,640
Adjusted common shareholders' equity	$ 18,562	$ 18,960
Denominator:		
Common shares outstanding and dilutive potential common shares outstanding	415.4	441.1
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities	$ 44.68	$ 42.98

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THE ALLSTATE CORPORATION

Investor Supplement
First Quarter 2015

The consolidated financial statements and financial exhibits included herein are unaudited. These consolidated financial statements and exhibits should be reac 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 per 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 ast defined on the page "Definitions of Non-GAAP Measures" and are reconciled to the most directly comparable generally accepted accounting principles ("GAAP"

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

	Three months ended		
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Revenues			
Property-liability insurance premiums	$ 7,426	$ 7,354	$ 7,307
Life and annuity premiums and contract charges	537	520	512
Net investment income	850	779	823
Realized capital gains and losses:			
Total other-than-temporary impairment ("OTTI") losses	(53)	(65)	(53)
OTTI losses reclassified to (from) other comprehensive income	4	(1)	-
Net OTTI losses recognized in earnings	(49)	(66)	(53)
Sales and other realized capital gains and losses	188	172	347
Total realized capital gains and losses	139	106	294
Total revenues	8,952	8,759	8,936
Costs and expenses			
Property-liability insurance claims and claims expense	4,993	4,618	4,909
Life and annuity contract benefits	441	431	433
Interest credited to contractholder funds	199	202	198
Amortization of deferred policy acquisition costs	1,070	1,035	1,030
Operating costs and expenses	1,090	1,156	1,068
Restructuring and related charges	4	5	3
Loss on extinguishment of debt	-	-	-
Interest expense	73	73	78
Total costs and expenses	7,870	7,520	7,719
(Loss) gain on disposition of operations	(1)	3	(27)
Income from operations before income tax expense	1,081	1,242	1,190
Income tax expense	404	418	409
Net income	$ 677	$ 824	$ 781
Preferred stock dividends	29	29	31
Net income available to common shareholders	$ 648	$ 795	$ 750
Earnings per common share:			
Net income available to common shareholders per common share - Basic	$ 1.56	$ 1.89	$ 1.77
Weighted average common shares - Basic	415.8	420.2	424.5
Net income available to common shareholders per common share - Diluted	$ 1.53	$ 1.86	$ 1.74
Weighted average common shares - Diluted	422.6	427.7	431.2
Cash dividends declared per common share	$ 0.30	$ 0.28	$ 0.28

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

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

THE ALLSTATE CORPORATION
REVENUES
($ in millions)

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

[(1)] For presentation in the Consolidated Statements of Operations, service fees of the Corporate and Other segment are re expenses.

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

	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	March 31, 2014
Assets					
Investments					
Fixed income securities, at fair value (amortized cost $58,235, $59,672, $59,616, $59,447 and $58,587)	$ 61,403	$ 62,440	$ 62,313	$ 62,634	$ 61,161
Equity securities, at fair value (cost $3,752, $3,692, $3,877, $4,658 and $4,575)	4,166	4,104	4,335	5,394	5,297
Mortgage loans	4,276	4,188	4,143	4,174	4,472
Limited partnership interests	4,699	4,527	4,348	4,309	5,024
Short-term, at fair value (amortized cost $2,497, $2,540, $2,463, $2,914 and $2,573)	2,497	2,540	2,463	2,914	2,573
Other	3,396	3,314	3,119	3,138	3,163
Total investments	80,437	81,113	80,721	82,563	81,690
Cash	916	657	885	889	1,170
Premium installment receivables, net	5,502	5,465	5,604	5,384	5,271
Deferred policy acquisition costs	3,527	3,525	3,516	3,377	3,316
Reinsurance recoverables, net [(1)]	8,408	8,490	7,555	7,500	7,512
Accrued investment income	597	591	595	611	610
Property and equipment, net	1,026	1,031	1,012	990	1,024
Goodwill	1,219	1,219	1,219	1,219	1,243
Other assets	2,128	2,046	2,682	2,920	2,187
Separate Accounts	4,304	4,396	4,521	4,780	4,878
Assets held for sale	-	-	-	-	15,390
Total assets	$ 108,064	$ 108,533	$ 108,310	$ 110,233	$ 124,291

Liabilities

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

Equity

Preferred stock and additional capital paid-in, 72.2 thou
72.2 thousand, 72.2 thousand and 62.2 thousand ou
Common stock, 409 million, 418 million, 419 million, 434 million and 434 million shares outstanding
Additional capital paid-in
Retained income
Deferred ESOP expense
Treasury stock, at cost (491 million, 482 million, 481 m
466 million and 466 million)
Accumulated other comprehensive income:
Unrealized net capital gains and losses:
Unrealized net capital gains and losses on fixed i
securities with other-than-temporary impairmen
Other unrealized net capital gains and losses
Unrealized adjustment to DAC, DSI and insuranc
reserves
Total unrealized net capital gains and losses
Unrealized foreign currency translation adjustments
Unrecognized pension and other postretirement benefit cost
Total accumulated other comprehensive income
Total shareholders' equity
Total liabilities and shareholders' equity

(1) Reinsurance recoverables of unpaid losses related to Property-Liability were $5,719 million, $5,694 million, $4,764 million, $4,695 million and $4,671 million as of March 31, 2015, December 3

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

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

[1] Excludes equity related to preferred stock of $1,746 million, $1,746 million, $1,746 million, $1,746 million and $1,505 million a
2014, September 30, 2014, June 30, 2014 and March 31, 2014, respectively.

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

	Twelve mont		
	March 31, 2015	Dec. 31, 2014	Sep 20
Return on Common Shareholders' Equity			
Numerator:			
Net income available to common shareholders [(1)]	$ 2,807	$ 2,746	$ 2
Denominator:			
Beginning common shareholders' equity	$ 20,600	$ 20,700	$ 20
Ending common shareholders' equity	20,433	20,558	20
Average common shareholders' equity [(2)]	$ 20,517	$ 20,629	$ 20
Return on common shareholders' equity	13.7 %	13.3 %	
Operating Income Return on Common Shareholders' Equity *			
Numerator:			
Operating income [(1)]	$ 2,395	$ 2,367	$ 2
Denominator:			
Beginning common shareholders' equity	$ 20,600	$ 20,700	$ 20
Unrealized net capital gains and losses	2,091	1,646	1
Adjusted beginning common shareholders' equity	18,509	19,054	18
Ending common shareholders' equity	20,433	20,558	20
Unrealized net capital gains and losses	2,137	1,926	1
Adjusted ending common shareholders' equity	18,296	18,632	18
Average adjusted common shareholders' equity [(2)]	$ 18,403	$ 18,843	$ 18
Operating income return on common shareholders' equity	13.0 %	12.6 %	

(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, wit equity and adjusted common shareholders' equity, respectively, for the twelve-month period as data points.

THE ALLSTATE CORPORATION
DEBT TO CAPITAL
($ in millions)

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

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

	Three months en		
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 677	$ 824	$ 781
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, amortization and other non-cash items	87	89	88
Realized capital gains and losses	(139)	(106)	(294)
Loss on extinguishment of debt	-	-	-
Loss (gain) on disposition of operations	1	(3)	27
Interest credited to contractholder funds	199	202	198
Changes in:			
Policy benefits and other insurance reserves	115	491	(53)
Unearned premiums	(117)	(56)	535
Deferred policy acquisition costs	(35)	(31)	(112)
Premium installment receivables, net	(66)	129	(234)
Reinsurance recoverables, net	(24)	(958)	(71)
Income taxes	59	30	370
Other operating assets and liabilities	(191)	60	129
Net cash provided by operating activities	566	671	1,364
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales			
Fixed income securities	9,453	6,961	13,443
Equity securities	1,152	1,492	2,519
Limited partnership interests	296	389	282
Mortgage loans	-	-	-
Other investments	47	114	211
Investment collections			
Fixed income securities	1,213	949	1,057
Mortgage loans	114	238	142
Other investments	60	33	51
Investment purchases			
Fixed income securities	(9,210)	(8,109)	(14,848)
Equity securities	(1,172)	(1,235)	(1,540)
Limited partnership interests	(365)	(506)	(239)
Mortgage loans	(202)	(283)	(109)
Other investments	(193)	(320)	(257)
Change in short-term investments, net	(63)	7	325
Change in other investments, net	2	(12)	9
Purchases of property and equipment, net	(59)	(81)	(83)
Disposition and acquisition of operations	-	-	-
Net cash provided by (used in) investing activities	1,073	(363)	963
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term debt	-	-	(651)
Proceeds from issuance of preferred stock	-	-	-
Contractholder fund deposits	261	258	260
Contractholder fund withdrawals	(572)	(615)	(909)
Dividends paid on common stock	(118)	(117)	(122)
Dividends paid on preferred stock	(29)	(31)	(31)
Treasury stock purchases	(1,010)	(112)	(932)
Shares reissued under equity incentive plans, net	64	62	55
Excess tax benefits on share-based payment arrangements	26	19	4
Other	(2)	-	(5)
Net cash used in financing activities	(1,380)	(536)	(2,331)
Cash classified as held for sale	-	-	-
NET INCREASE (DECREASE) IN CASH	259	(228)	(4)
CASH AT BEGINNING OF PERIOD	657	885	889
CASH AT END OF PERIOD	$ 916	$ 657	$ 885

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

Change in Deferred Policy Acquisition Costs
For the three months ended March 31, 2015

	Beginning balance Dec. 31, 2014	Acquisition costs deferred	Amortization before adjustments [1] [2]	Amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged [2]	Amortization (acceleration) deceleration for changes in assumptions [2]	Effect of unrealized capital gains and losses	Ending balance Mar. 31, 2015	DAC b impa unrea capital and l
Property-Liability	$ 1,820	$ 1,032	$ (1,000)	$ -	$ -	$ -	$ 1,852	$
Allstate Financial:								
Traditional life and accident and health	753	44	(40)	-	-	-	757	
Interest-sensitive life	905	26	(28)	(2)	-	(27)	874	
Fixed annuity	47	-	(1)	1	-	(3)	44	
Subtotal	1,705	70	(69)	(1)	-	(30)	1,675	
Consolidated	$ 3,525	$ 1,102	$ (1,069)	$ (1)	$ -	$ (30)	$ 3,527	$

Change in Deferred Policy Acquisition Costs
For the three months ended March 31, 2014

	Beginning balance Dec. 31, 2013	DAC classified as held for sale beginning balance	Total DAC including those classified as held for sale	Acquisition costs deferred	Amortization before adjustments [1] [2]	Amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged [2]	Effect of unrealized capital gains and losses	Total DAC those c as held
Property-Liability	$ 1,625	$ -	$ 1,625	$ 962	$ (961)	$ -	$ -	$
Allstate Financial:								
Traditional life and accident and health	711	13	724	39	(36)	-	-	
Interest-sensitive life	991	700	1,691	28	(34)	(2)	(75)	
Fixed annuity	45	30	75	-	(4)	2	(4)	
Subtotal	1,747	743	2,490	67	(74)	-	(79)	
Consolidated	$ 3,372	$ 743	$ 4,115	$ 1,029	$ (1,035)	$ -	$ (79)	$

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

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

	Three months en		
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Premiums written	$ 7,306	$ 7,292	$ 7,806
Decrease (increase) in unearned premiums	166	74	(512)
Other	(46)	(12)	13
Premiums earned	7,426	7,354	7,307
Claims and claims expense	(4,993)	(4,618)	(4,909)
Amortization of deferred policy acquisition costs	(1,000)	(973)	(972)
Operating costs and expenses	(962)	(1,021)	(948)
Restructuring and related charges	(4)	(5)	(4)
Underwriting income *	467	737	474
Net investment income [1]	358	294	344
Periodic settlements and accruals on non-hedge derivative instruments	(1)	(2)	(1)
Amortization of purchased intangible assets	12	17	17
Income tax expense on operations	(281)	(359)	(281)
Operating income	555	687	553
Realized capital gains and losses, after-tax	18	(11)	173
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	1	2	-
Amortization of purchased intangible assets, after-tax	(8)	(12)	(11)
(Loss) gain on disposition of operations	-	-	(1)
Change in accounting for investments in qualified affordable housing projects, after-tax	(28)	-	-
Net income available to common shareholders	$ 538	$ 666	$ 714
Catastrophe losses	$ 294	$ 95	$ 517
Operating ratios			
Claims and claims expense ("loss") ratio	67.2	62.8	67.2
Expense ratio	26.5	27.2	26.3
Combined ratio	93.7	90.0	93.5
Combined ratio excluding the effect of catastrophes *	89.7	88.7	86.4
Effect of catastrophe losses on combined ratio	4.0	1.3	7.1
Combined ratio	93.7	90.0	93.5
Combined ratio excluding the effect of catastrophes, prior year reserve reestimates and amortization of purchased intangible assets ("underlying combined ratio")	89.0	89.5	86.1
Effect of catastrophe losses on combined ratio	4.0	1.3	7.1
Effect of prior year reserve reestimates on combined ratio	0.5	(1.0)	0.1
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	0.1	-	-
Effect of amortization of purchased intangible assets on combined ratio	0.1	0.2	0.2
Combined ratio	93.7	90.0	93.5
Effect of restructuring and related charges on combined ratio	0.1	0.1	0.1
Effect of Discontinued Lines and Coverages on combined ratio	-	0.1	1.4

(1) The increase in first quarter 2015 compared to first quarter 2014 was primarily due to higher equity method limited partnership favorable real estate valuations. Economic conditions that have contributed to favorable market performance continue to be r results, but we continue to expect this income to vary significantly between periods.

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

	Three months ended		
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Property-Liability Underwriting Summary			
Allstate Protection	$ 469	$ 741	$ 579
Discontinued Lines and Coverages	(2)	(4)	(105)
Underwriting income	$ 467	$ 737	$ 474
Allstate Protection Underwriting Summary			
Premiums written	$ 7,306	$ 7,292	$ 7,805
Premiums earned	$ 7,426	$ 7,354	$ 7,306
Claims and claims expense	(4,992)	(4,615)	(4,804)
Amortization of deferred policy acquisition costs	(1,000)	(973)	(972)
Operating costs and expenses	(961)	(1,020)	(947)
Restructuring and related charges	(4)	(5)	(4)
Underwriting income	$ 469	$ 741	$ 579
Catastrophe losses	$ 294	$ 95	$ 517
Operating ratios			
Loss ratio	67.2	62.7	65.8
Expense ratio	26.5	27.2	26.3
Combined ratio	93.7	89.9	92.1
Effect of catastrophe losses on combined ratio	4.0	1.3	7.1
Effect of restructuring and related charges on combined ratio	0.1	0.1	0.1
Effect of amortization of purchased intangible assets on combined ratio	0.1	0.2	0.2
Discontinued Lines and Coverages Underwriting Summary			
Premiums written	$ -	$ -	$ 1
Premiums earned	$ -	$ -	$ 1
Claims and claims expense	(1)	(3)	(105)
Operating costs and expenses	(1)	(1)	(1)
Underwriting loss	$ (2)	$ (4)	$ (105)
Effect of Discontinued Lines and Coverages on the Property-Liability combined ratio	-	0.1	1.4
Underwriting Income (Loss) by Brand			
Allstate brand	$ 526	$ 782	$ 676
Esurance brand	(69)	(59)	(62)
Encompass brand	14	22	(31)
Answer Financial	(2)	(4)	(4)
Underwriting income	$ 469	$ 741	$ 579

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

	Three months ended		
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Allstate brand [1]			
Auto	$ 4,535	$ 4,347	$ 4,490
Homeowners	1,379	1,598	1,831
Other personal lines	357	376	426
Commercial lines	128	126	122
Other business lines	184	176	185
	6,583	6,623	7,054
Esurance brand			
Auto	434	354	403
Homeowners	5	4	3
Other personal lines	2	1	2
	441	359	408
Encompass brand			
Auto	147	160	178
Homeowners	111	123	137
Other personal lines	24	27	28
	282	310	343
Allstate Protection	7,306	7,292	7,805
Discontinued Lines and Coverages	-	-	1
Property-Liability	$ 7,306	$ 7,292	$ 7,806
Allstate Protection			
Auto	$ 5,116	$ 4,861	$ 5,071
Homeowners	1,495	1,725	1,971
Other personal lines	383	404	456
Commercial lines	128	126	122
Other business lines	184	176	185
	$ 7,306	$ 7,292	$ 7,805
[1] **Canada premiums included in Allstate brand**			
Auto	$ 173	$ 200	$ 233
Homeowners	41	53	66
Other personal lines	11	13	16
	$ 225	$ 266	$ 315

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

	Three months ended March 31, 2015 [1]			Three months ended December 31, 2014		
	Number of locations	Total brand (%) [4]	Location specific (%) [5]	Number of locations	Total brand (%) [4]	Location specific (%) [5]
Allstate brand						
Auto [2] [9]	18 [6]	0.4	3.9	14 [6]	0.7	3.
Homeowners [3]	10 [7]	0.2	3.0	16 [7]	0.9	4.
Esurance brand						
Auto	13	1.3	4.4	7	1.4	5.
Encompass brand						
Auto	6	1.3	6.9	13	2.8	6.
Homeowners	4	0.4	8.1	9	2.5	7.

	Three months ended June 30, 2014			Three months ended March 31, 2014		
	Number of locations	Total brand (%) [4]	Location specific (%) [5]	Number of locations	Total brand (%) [4]	Location specific (%) [5]
Allstate brand						
Auto [2]	25 [6]	- [8]	(0.2)	19	0.8	2.
Homeowners [3]	11 [7]	0.4	5.7	8 [7]	0.2	2.
Esurance brand						
Auto	15	1.7	4.4	17	2.2	8.
Encompass brand						
Auto	12	2.4	7.6	2	0.5	4.
Homeowners	12	1.5	7.8	1	-	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 rate changes approved for the three month period ending March 31, 2015 are estimated to total $108 million. Rate changes do not include rating plan enhancements, including the i level in the state. Allstate Brand rate changes exclude Canada and specialty auto in periods prior to first quarter 2014.

(2) Impacts of Allstate brand auto effective rate changes as a percentage of total brand prior year-end premiums written were 0.8%, 0.4%, 0.2%, 1.1%, 0.5% and 0.5% for the three mo 2014, March 31, 2014 and December 31, 2013, respectively. Rate changes are included in the effective calculations in the period the rate change is effective for renewal contracts.

(3) Impacts of Allstate brand homeowners effective rate changes as a percentage of total brand prior year-end premiums written were 0.9%, 0.3%, 0.1%, 0.5%, 1.3% and 0.4% for the t June 30, 2014, March 31, 2014 and December 31, 2013, respectively.

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

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

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

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

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

(9) Given current loss cost trends, we expect the level of rate increases to accelerate. Approved rates in April 2015 exceed that of the entire first quarter of 2015.

THE ALLSTATE CORPORATION
POLICIES IN FORCE AND OTHER STATISTICS

	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Policies in Force (in thousands) [(1)]			
Allstate Brand			
Auto	20,036	19,916	19,751
Homeowners	6,114	6,106	6,082
Landlord	738	738	737
Renter	1,494	1,466	1,447
Condominium	658	655	652
Other	1,245	1,248	1,248
Other personal lines	4,135	4,107	4,084
Commercial lines	326	325	320
Other business lines	941	948	958
Excess and surplus	27	27	26
Total	31,579	31,429	31,221
Esurance Brand			
Auto	1,470	1,424	1,410
Homeowners	15	10	6
Other personal lines	42	36	33
Total	1,527	1,470	1,449
Encompass Brand			
Auto	778	790	792
Homeowners	361	365	365
Other personal lines	120	122	123
Total	1,259	1,277	1,280
Total Policies in Force	34,365	34,176	33,950
Other Customer Relationships			
Good Hands Roadside Members (in thousands) [(2)]	2,118	2,055	1,996
Non-Proprietary Premiums ($ in millions)			
Ivantage [(3)]	$ 1,446	$ 1,422	$ 1,407
Answer Financial [(4)]	149	129	134

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

(2) Membership provides pay on demand access to roadside services. Fees for three months ended March 31, 2015 were $86 t

(3) Represents non-proprietary premiums under management as of the end of the period related to personal and commercial lin
an Allstate product is not available. During first quarter 2015, we added $15 million of premiums under management includin
an independent agency subsidiary partially offset by the impact of conforming commercial business to the current counting m

(4) Represents non-proprietary premiums written for the period. Commissions earned for the three months ended March 31, 201

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

	Three months en		
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Net premiums written	$ 6,583	$ 6,623	$ 7,05
Net premiums earned			
Auto	$ 4,432	$ 4,376	$ 4,35
Homeowners	1,631	1,625	1,61
Other personal lines	391	390	38
Commercial lines	125	125	12
Other business lines	141	140	13
Total	6,720	6,656	6,61
Incurred losses			
Auto	$ 3,175	$ 3,103	$ 2,96
Homeowners	894	634	93
Other personal lines	244	223	22
Commercial lines	98	88	7
Other business lines	69	65	7
Total	4,480	4,113	4,26
Expenses			
Auto	$ 1,113	$ 1,140	$ 1,08
Homeowners	389	399	38
Other personal lines	105	118	10
Commercial lines	38	41	3
Other business lines	69	63	6
Total	1,714	1,761	1,67
Underwriting income (loss)			
Auto	$ 144	$ 133	$ 30
Homeowners	348	592	30
Other personal lines	42	49	5
Commercial lines	(11)	(4)	1
Other business lines	3	12	[illegible]
Total	526	782	67
Loss ratio [1]	66.7	61.8	64.
Expense ratio	25.5	26.5	25.
Combined ratio	92.2	88.3	89.
Effect of catastrophe losses on combined ratio	4.1	1.3	6.
Effect of prior year reserve reestimates on combined ratio	0.7	(1.0)	(1.
Effect of advertising expenses on combined ratio	2.3	2.4	2.
Underlying combined ratio	87.4	87.9	84.
Effect of catastrophe losses	4.1	1.3	6.
Effect of prior year non-catastrophe reserve reestimates	0.7	(0.9)	(1.
Combined ratio	92.2	88.3	89.

[1] Approximately 0.3 points of the increase in first quarter 2015 compared to first quarter 2014 is due to claims staffing expenses being
in 2013. Staffing was restored throughout 2014.

THE ALLSTATE CORPORATION
ALLSTATE BRAND STATISTICS (1)

	Three months		
	March 31, 2015	Dec. 31, 2014	Sept. 3 2014
New Issued Applications (in thousands) (2)			
Auto (7)	792	740	80
Homeowners	177	178	20
Average Premium - Gross Written ($) (3)			
Auto	484	486	48
Homeowners	1,148	1,144	1,14
Average Premium - Net Earned ($) (4)			
Auto	444	444	44
Homeowners	1,060	1,060	1,05
Renewal Ratio (%) (5)			
Auto	88.8	88.6	88.
Homeowners	88.4	88.6	88.
Bodily Injury Claim Frequency			
(% change year-over-year)			
Auto (6)	6.8	4.0	(1.
Property Damage Claim Frequency			
(% change year-over-year)			
Auto (6)	2.1	0.5	(1.
Auto Paid Severity			
(% change year-over-year)			
Bodily injury	3.9	6.0	2.
Property damage	4.8	3.9	5.
Homeowners Excluding Catastrophe Losses			
(% change year-over-year)			
Claim frequency	(7.9)	(4.1)	(5.
Claim severity	6.6	8.1	9.

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

(2) New Issued Applications: Item counts of automobiles or homeowners insurance applications for insurance policies that were issu whether the customer was previously insured by another Allstate Protection brand. Allstate brand includes automobiles added by amount allowed on a policy which is currently four or ten depending on the state.

(3) Average Premium - Gross Written: Gross premiums written divided by issued item count. Gross premiums written include the im ceded reinsurance premiums and exclude the impacts from mid-term premium adjustments and premium refund accruals. Avera 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 t adjustments and ceded reinsurance, but does not include impacts of premium refund accruals. Average premiums represent the 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 for homeowners.

(6) The increase in bodily injury frequency in first quarter 2015 reflects favorable frequency results in first quarter 2014 as well as inc Quarterly fluctuations in bodily injury frequency can be volatile and have ranged from a decrease of (3.9) to an increase of 6.8 sin of time, on a 12 month moving basis, the year over year (decreases) and increases were (3.7), (1.5), (0.6) and 1.7 for the periods 2015, respectively. The increase in property damage frequency in first quarter 2015 was impacted in part by adverse winter weat as well as higher frequency trends broadly across the country. First quarter 2014 was also adversely impacted by winter weather

(7) Auto new issued applications increased to 792 thousand in first quarter 2015 from 714 thousand in first quarter 2014. As a result of autos on a single policy, new issued applications are approximately 1.0 point lower in first quarter 2015 compared to first quarte

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

	Three months	
	March 31, 2015	Dec. 31, 2014
Net premiums written	$ 441	$ 359
Net premiums earned		
Auto	$ 382	$ 378
Homeowners	3	2
Other personal lines	2	1
	387	381
Incurred losses		
Auto	$ 297	$ 300
Homeowners	1	1
Other personal lines	1	1
	299	302
Expenses		
Auto	$ 155	$ 136
Homeowners	-	-
Other personal lines	2	2
	157	138
Underwriting loss		
Auto	$ (70)	$ (58)
Homeowners	2	1
Other personal lines	(1)	(2)
	(69)	(59)
Loss ratio	77.2	79.3
Expense ratio [(1)]	40.6	36.2
Combined ratio	117.8	115.5
Underlying loss ratio *	78.2	80.3
Expense ratio, excluding the effect of amortization of purchased intangible assets	38.3	33.1
Underlying combined ratio	116.5	113.4
Effect of catastrophe losses on combined ratio	-	0.3
Effect of prior year reserve reestimates on combined ratio	(1.0)	(1.3)
Effect of amortization of purchased intangible assets on combined ratio	2.3	3.1
Effect of advertising expenses on combined ratio	17.3	11.8
Underlying combined ratio	116.5	113.4
Effect of catastrophe losses	-	0.3
Effect of prior year non-catastrophe reserve reestimates	(1.0)	(1.3)
Effect of amortization of purchased intangible assets	2.3	3.1
Combined ratio	117.8	115.5
Policies in Force (in thousands)		
Auto	1,470	1,424
Homeowners	15	10
Other personal lines	42	36
	1,527	1,470
New Issued Applications (in thousands)		
Auto	195	168
Homeowners	6	4
Other personal lines	12	10
	213	182
Average Premium - Gross Written ($)		
Auto	520	500
Homeowners	849	781
Renewal Ratio (%)		
Auto	79.9	79.4

(1) Customer acquisition costs totaled 27.3 points in first quarter 2015 compared to 38.0 points in first quarter 2014. The spending customer acquisition costs which occur prior to premiums being written, contributed approximately 2.8 points to the expense ra points in first quarter 2014.

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

	Three months ended		
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Net premiums written	$ 282	$ 310	$ 343
Net premiums earned			
Auto	$ 165	$ 164	$ 168
Homeowners	127	126	123
Other personal lines	27	27	27
Total	319	317	318
Incurred losses			
Auto	$ 116	$ 126	$ 131
Homeowners	74	56	103
Other personal lines	23	18	20
Total	213	200	254
Expenses			
Auto	$ 47	$ 48	$ 50
Homeowners	37	38	37
Other personal lines	8	9	8
Total	92	95	95
Underwriting income (loss)			
Auto	$ 2	$ (10)	$ (13)
Homeowners	16	32	(17)
Other personal lines	(4)	-	(1)
Total	14	22	(31)
Loss ratio	66.8	63.1	79.8
Expense ratio	28.8	30.0	29.9
Combined ratio	95.6	93.1	109.7
Effect of catastrophe losses on combined ratio	6.3	1.9	16.4
Effect of prior year reserve reestimates on combined ratio	(2.2)	(1.2)	(1.9)
Effect of advertising expenses on combined ratio	0.6	0.3	-
Underlying combined ratio	90.6	92.7	95.6
Effect of catastrophe losses	6.3	1.9	16.4
Effect of prior year non-catastrophe reserve reestimates	(1.3)	(1.5)	(2.3)
Combined ratio	95.6	93.1	109.7
Policies in Force (in thousands)			
Auto	778	790	792
Homeowners	361	365	365
Other personal lines	120	122	123
	1,259	1,277	1,280
New Issued Applications (in thousands)			
Auto	23	28	34
Homeowners	12	15	18
Average Premium - Gross Written ($)			
Auto	913	901	898
Homeowners	1,519	1,482	1,471
Renewal Ratio (%)			
Auto	78.5	80.0	79.4
Homeowners	83.2	84.9	84.8

THE ALLSTATE CORPORATION
AUTO PROFITABILITY MEASURES

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

[1] Approximately half of the unfavorable reserve reestimates in first quarter 2015 were due to litigation settlement accruals.

THE ALLSTATE CORPORATION
HOMEOWNERS PROFITABILITY MEASURES

($ in millions)	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
	Three months e		
Net premiums written			
Allstate brand	$ 1,379	$ 1,598	$ 1,831
Esurance brand	5	4	3
Encompass brand	111	123	137
	1,495	1,725	1,971
Net premiums earned			
Allstate brand	$ 1,631	$ 1,625	$ 1,616
Esurance brand	3	2	1
Encompass brand	127	126	123
	1,761	1,753	1,740
Incurred losses			
Allstate brand	$ 894	$ 634	$ 930
Esurance brand	1	1	1
Encompass brand	74	56	103
	969	691	1,034
Expenses			
Allstate brand	$ 389	$ 399	$ 382
Esurance brand	-	-	-
Encompass brand	37	38	37
	426	437	419
Underwriting income			
Allstate brand	$ 348	$ 592	$ 304
Esurance brand	2	1	-
Encompass brand	16	32	(17
	366	625	287
Loss ratio			
Allstate brand	54.8	39.0	57.6
Esurance brand	33.3	50.0	100.0
Encompass brand	58.3	44.4	83.7
Allstate Protection	55.0	39.4	59.4
Expense ratio			
Allstate brand	23.9	24.6	23.6
Esurance brand	-	-	-
Encompass brand	29.1	30.2	30.1
Allstate Protection	24.2	24.9	24.1
Combined ratio			
Allstate brand	78.7	63.6	81.2
Esurance brand	33.3	50.0	100.0
Encompass brand	87.4	74.6	113.8
Allstate Protection	79.2	64.3	83.5
Effect of catastrophe losses on combined ratio			
Allstate brand	13.9	3.8	22.0
Encompass brand	14.2	4.8	36.6
Effect of prior year reserve reestimates on combined ratio			
Allstate brand	0.2	(1.1)	(0.1
Encompass brand	(1.6)	(2.4)	(6.5
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio			
Allstate brand	(0.1)	0.1	0.7
Encompass brand	(1.6)	0.8	0.9

THE ALLSTATE CORPORATION
OTHER PERSONAL LINES PROFITABILITY MEASURES

($ in millions)	Three months end March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Net premiums written			
Allstate brand	$ 357	$ 376	$ 426
Esurance brand	2	1	2
Encompass brand	24	27	28
	383	404	456
Net premiums earned			
Allstate brand	$ 391	$ 390	$ 389
Esurance brand	2	1	2
Encompass brand	27	27	27
	420	418	418
Incurred losses			
Allstate brand	$ 244	$ 223	$ 229
Esurance brand	1	1	1
Encompass brand	23	18	20
	268	242	250
Expenses			
Allstate brand	$ 105	$ 118	$ 103
Esurance brand	2	2	2
Encompass brand	8	9	8
	115	129	113
Underwriting income			
Allstate brand	$ 42	$ 49	$ 57
Esurance brand	(1)	(2)	(1)
Encompass brand	(4)	-	(1)
	37	47	55
Loss ratio			
Allstate brand	62.4	57.2	58.9
Esurance brand	50.0	100.0	50.0
Encompass brand	85.2	66.7	74.1
Allstate Protection	63.8	57.9	59.8
Expense ratio			
Allstate brand	26.9	30.2	26.4
Esurance brand	100.0	200.0	100.0
Encompass brand	29.6	33.3	29.6
Allstate Protection	27.4	30.9	27.0
Combined ratio			
Allstate brand	89.3	87.4	85.3
Esurance brand	150.0	300.0	150.0
Encompass brand	114.8	100.0	103.7
Allstate Protection	91.2	88.8	86.8
Effect of catastrophe losses on combined ratio			
Allstate brand	7.4	2.8	4.9
Esurance brand	-	-	-
Encompass brand	7.4	-	7.4
Effect of prior year reserve reestimates on combined ratio			
Allstate brand	(0.5)	5.1	2.6
Esurance brand	-	-	-
Encompass brand	11.1	-	3.7
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio			
Allstate brand	(0.3)	-	(0.2)
Esurance brand	-	-	-
Encompass brand	-	-	-

THE ALLSTATE CORPORATION
COMMERCIAL LINES PROFITABILITY MEASURES [1]

($ in millions)	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
	Three months en		
Net premiums written	$ 128	$ 126	$ 122
Net premiums earned	$ 125	$ 125	$ 120
Incurred losses	$ 98	$ 88	$ 72
Expenses	$ 38	$ 41	$ 38
Underwriting (loss) income	$ (11)	$ (4)	$ 10
Loss ratio	78.4	70.4	60.0
Expense ratio	30.4	32.8	31.7
Combined ratio	108.8	103.2	91.7
Effect of catastrophe losses on combined ratio	4.0	4.8	3.3
Effect of prior year reserve reestimates on combined ratio [2]	8.0	(0.8)	(14.2)
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	0.8	-	0.7

[1] Commercial lines all represent Allstate Brand products.
[2] Unfavorable non-catastrophe reserve reestimates of $9 million in first quarter 2015 related to certain fire losses and a general l

THE ALLSTATE CORPORATION
OTHER BUSINESS LINES PROFITABILITY MEASURES

($ in millions)	Three months end		
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Net premiums written	$ 184	$ 176	$ 185
Net premiums earned	$ 141	$ 140	$ 138
Incurred losses	$ 69	$ 65	$ 70
Expenses	$ 69	$ 63	$ 63
Underwriting income	$ 3	$ 12	$ 5
Loss ratio	49.0	46.4	50.7
Expense ratio	48.9	45.0	45.7
Combined ratio	97.9	91.4	96.4
Effect of catastrophe losses on combined ratio	-	-	-
Effect of prior year reserve reestimates on combined ratio	-	(0.7)	-
Effect of catastrophe losses included in prior year reserve reestimates on combined ratio	-	-	-

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

	Three months e		
	March 31, 2015	Dec. 31, 2014	Sept. 30 2014
Auto			
Allstate brand underlying combined ratio	95.6	98.2	92.
Effect of catastrophe losses on combined ratio	0.3	0.2	1.
Effect of prior year non-catastrophe reserve reestimates on combined ratio	0.9	(1.4)	(1.
Allstate brand combined ratio	96.8	97.0	93.
Esurance brand underlying combined ratio	117.0	113.2	112.
Effect of catastrophe losses on combined ratio	-	0.3	1.
Effect of prior year non-catastrophe reserve reestimates on combined ratio	(1.0)	(1.3)	(0.
Effect of amortization of purchased intangible assets on combined ratio	2.3	3.1	3.
Esurance brand combined ratio	118.3	115.3	116.
Encompass brand underlying combined ratio	103.0	106.7	104.
Effect of catastrophe losses on combined ratio	-	-	3.
Effect of prior year non-catastrophe reserve reestimates on combined ratio	(4.2)	(0.6)	0.
Encompass brand combined ratio	98.8	106.1	107.
Homeowners			
Allstate brand underlying combined ratio	64.5	61.0	60.
Effect of catastrophe losses on combined ratio	13.9	3.8	22.
Effect of prior year non-catastrophe reserve reestimates on combined ratio	0.3	(1.2)	(0.
Allstate brand combined ratio	78.7	63.6	81.
Encompass brand underlying combined ratio	73.2	73.0	84.
Effect of catastrophe losses on combined ratio	14.2	4.8	36.
Effect of prior year non-catastrophe reserve reestimates on combined ratio	-	(3.2)	(7.
Encompass brand combined ratio	87.4	74.6	113.
Other Personal Lines			
Allstate brand underlying combined ratio	82.1	79.5	77.
Effect of catastrophe losses on combined ratio	7.4	2.8	4.
Effect of prior year non-catastrophe reserve reestimates on combined ratio	(0.2)	5.1	2.
Allstate brand combined ratio	89.3	87.4	85.
Encompass brand underlying combined ratio	96.3	100.0	92.
Effect of catastrophe losses on combined ratio	7.4	-	7.
Effect of prior year non-catastrophe reserve reestimates on combined ratio	11.1	-	3.
Encompass brand combined ratio	114.8	100.0	103.

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

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

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

THE ALLSTATE CORPORATION
HOMEOWNERS SUPPLEMENTAL INFORMATION
($ in millions)

	Three months ended March 31, 20				
Primary Exposure Groupings [1]	Earned premiums	Incurred losses	Loss ratios	Catastrophe losses	Effect of catastrophes on loss rati
Florida	$ 29	$ 16	55.2%	$ -	0.0
Other hurricane exposure states	933	575	61.6%	207	22.2
Total hurricane exposure states [2]	962	591	61.4%	207	21.5
Other catastrophe exposure states [4]	799	378	47.3%	38	4.8
Total	$ 1,761	$ 969	55.0%	$ 245	13.9

(1) **Basis of Presentation**

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

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

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

(4) Includes Canada.

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

	Three months ended			
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	Ju
Allstate brand				
Auto	$ 13	$ 9	$ 80	$
Homeowners	227	62	355	
Other personal lines	29	11	19	
Commercial lines	5	6	4	
Other business lines	-	-	-	
Total	274	88	458	
Esurance brand				
Auto	-	1	7	
Homeowners	-	-	-	
Other personal lines	-	-	-	
Total	-	1	7	
Encompass brand				
Auto	-	-	5	
Homeowners	18	6	45	
Other personal lines	2	-	2	
Total	20	6	52	
Allstate Protection	$ 294	$ 95	$ 517	$
Allstate Protection				
Auto	$ 13	$ 10	$ 92	$
Homeowners	245	68	400	
Other personal lines	31	11	21	
Commercial lines	5	6	4	
Other business lines	-	-	-	
	$ 294	$ 95	$ 517	$

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

	Effect of all catastrophe losses on the Property-Liability combined ratio					Premiums earned	Tota catastr
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year	year-to-date	losses b
2006	1.6	3.7	2.5	4.1	3.0	$ 27,369	$
2007	2.4	6.3	5.0	7.0	5.2	27,233	1
2008	8.4	10.3	26.8	3.9	12.4	26,967	3
2009	7.8	12.5	6.2	5.0	7.9	26,194	2
2010	10.0	9.8	5.9	8.3	8.5	25,957	2
2011	5.2	36.2	16.7	1.0	14.7	25,942	3
2012	3.9	12.3	3.1	15.7	8.8	26,737	2
2013	5.3	9.4	1.8	1.7	4.5	27,618	1
2014	6.3	13.0	7.1	1.3	6.9	28,929	1
2015	4.0					7,426	
Average	5.4	12.5	8.3	5.3	7.8		

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

	Three months ended March 31, 2015			
Size of catastrophe	Number of events		Claims and claims expense	
Greater than $250 million	-	- %	$ -	- %
$101 million to $250 million	1	9.1	104	35.4
$50 million to $100 million	2	18.2	123	41.8
Less than $50 million	8	72.7	72	24.5
Total	11	100.0 %	299	101.7
Prior year reserve reestimates			(5)	(1.7)
Total catastrophe losses			$ 294	100.0 %

THE ALLSTATE CORPORATION
PROPERTY-LIABILITY
EFFECT OF PRIOR YEAR RESERVE REESTIMATES ON THE COMBINED RAT
($ in millions)

	Three months ended			
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 201
Prior Year Reserve Reestimates [1]				
Auto	$ 24	$ (75)	$ (79)	$ (
Homeowners	1	(21)	(9)	
Other personal lines	1	20	11	(
Commercial lines	10	(1)	(17)	
Other business lines	-	(1)	-	
Allstate Protection	36	(78)	(94)	
Discontinued Lines and Coverages	1	2	105	
Property-Liability	$ 37	$ (76)	$ 11	$
Allstate brand [2]	$ 47	$ (69)	$ (85)	$
Esurance brand	(4)	(5)	(3)	
Encompass brand [2]	(7)	(4)	(6)	
Allstate Protection [2]	$ 36	$ (78)	$ (94)	$
Effect of Prior Year Reserve Reestimates on Combined Ratio [1][3]				
Auto	0.3	(1.0)	(1.1)	(
Homeowners	-	(0.3)	(0.1)	(
Other personal lines	-	0.3	0.2	(
Commercial lines	0.2	-	(0.3)	
Other business lines	-	-	-	
Allstate Protection	0.5	(1.0)	(1.3)	(
Discontinued Lines and Coverages	-	-	1.4	
Property-Liability	0.5	(1.0)	0.1	(
Allstate brand [2]	0.6	(0.9)	(1.2)	(
Esurance brand	-	-	-	(
Encompass brand [2]	(0.1)	(0.1)	(0.1)	
Allstate Protection [2]	0.5	(1.0)	(1.3)	(

[1] Favorable reserve reestimates are shown in parentheses.
[2] (Favorable) unfavorable reserve reestimates included in catastrophe losses for Allstate brand, Encompass branc totaled $(2) million, $(3) million and $(5) million and $3 million, $(1) million and $2 million, respectively, in the thre 31, 2015 and 2014, respectively.
[3] Calculated using Property-Liability premiums earned for the respective period.

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

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

THE ALLSTATE CORPORATION

ALLSTATE PERSONAL LINES-AUTO, HOMEOWNERS AND OTHER PERSONAL LINES PROFIT

($ in millions)

	Three months en		
	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Net premiums written			
Auto	$ 4,535	$ 4,347	$ 4,49
Homeowners	1,379	1,598	1,83
Landlord	128	140	14
Renter	67	64	7
Condominium	51	57	6
Other	111	115	13
Other personal lines	357	376	42
Total	6,271	6,321	6,74
Net premiums earned			
Auto	$ 4,432	$ 4,376	$ 4,35
Homeowners	1,631	1,625	1,61
Other personal lines	391	390	38
Total	6,454	6,391	6,35
Incurred losses			
Auto	$ 3,175	$ 3,103	$ 2,96
Homeowners	894	634	93
Other personal lines	244	223	22
Total	4,313	3,960	4,12
Expenses			
Auto	$ 1,113	$ 1,140	$ 1,08
Homeowners	389	399	38
Other personal lines	105	118	10
Total	1,607	1,657	1,57
Underwriting income (loss)			
Auto	$ 144	$ 133	$ 30
Homeowners	348	592	30
Other personal lines	42	49	5
Total	534	774	66
Loss ratio	66.8	62.0	64.
Expense ratio	24.9	25.9	24.
Combined ratio	91.7	87.9	89.
Effect of catastrophe losses on combined ratio	4.2	1.3	7.
Effect of prior year reserve reestimates on combined ratio	0.6	(1.0)	(1.
Underlying combined ratio	86.9	87.6	83.
Effect of catastrophe losses	4.2	1.3	7.
Effect of prior year non-catastrophe reserve reestimates	0.6	(1.0)	(1.
Combined ratio	91.7	87.9	89.
Policies in Force (in thousands)			
Auto	20,036	19,916	19,75
Homeowners	6,114	6,106	6,08
Other personal lines	4,135	4,107	4,08
Excess and surplus	27	27	2
Total	30,312	30,156	29,94

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

	Three months e		
	March 31, 2015	Dec. 31, 2014	Sept. 30 2014
Net premiums written			
Esurance	$ 441	$ 359	$ 4
Encompass	282	310	3
Commercial lines	128	126	1
Allstate Roadside Services	91	86	[illegible]
Allstate Dealer Services	93	90	[illegible]
Other business lines	184	176	1
Total	1,035	971	1,0
Net premiums earned			
Esurance	$ 387	$ 381	$ 3
Encompass	319	317	3
Commercial lines	125	125	1
Other business lines	141	140	1
Total	972	963	9
Incurred losses			
Esurance	$ 299	$ 302	$ 2
Encompass	213	200	2
Commercial lines	98	88	[illegible]
Other business lines	69	65	[illegible]
Total	679	655	6
Expenses			
Esurance	$ 157	$ 138	$ 1
Encompass	92	95	[illegible]
Commercial lines	38	41	[illegible]
Other business lines	69	63	[illegible]
Answer Financial	2	4	
Total	358	341	3
Underwriting income (loss)			
Esurance	$ (69)	$ (59)	$ (
Encompass	14	22	(
Commercial lines	(11)	(4)	[illegible]
Other business lines	3	12	
Answer Financial	(2)	(4)	
Total	(65)	(33)	(
Loss ratio	69.9	68.0	71
Expense ratio	36.8	35.4	36
Combined ratio	106.7	103.4	108
Effect of catastrophe losses on combined ratio	2.6	1.3	6
Effect of prior year reserve reestimates on combined ratio	(0.1)	(1.2)	(2
Effect of amortization of purchased intangible assets	1.2	1.8	1
Underlying combined ratio	102.8	101.6	103
Effect of catastrophe losses	2.6	1.3	6
Effect of prior year non-catastrophe reserve reestimates	0.1	(1.3)	(3
Effect of amortization of purchased intangible assets	1.2	1.8	1
Combined ratio	106.7	103.4	108
Policies in Force (in thousands)			
Esurance	1,527	1,470	1,4
Encompass	1,259	1,277	1,2
Commercial lines	326	325	3
Other business lines	941	948	9
Total	4,053	4,020	4,0

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

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

(1) Refer to pages 35 for further details related to the impact of LBL on comparison of Allstate Financial results.

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

	Three months ended			
	March 2015	March 2014	Change	L
Premiums and contract charges	$ 537	$ 607	$ (70)	$
Net investment income	484	640	(156)	
Contract benefits	(441)	(488)	47	
Interest credited to contractholder funds	(192)	(291)	99	
Amortization of deferred policy acquisition costs	(69)	(74)	5	
Operating costs and expenses	(123)	(118)	(5)	
Restructuring and related charges	-	(2)	2	
Income tax expense on operations	(62)	(85)	23	
Operating income	134	189	(55)	
Realized capital gains and losses, after-tax	72	-	72	
Valuation changes on embedded derivatives that are not hedged, after-tax	(5)	(11)	6	
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	-	-	-	
DAC and DSI unlocking relating to realized capital gains and losses, after tax	-	-	-	
(Loss) gain on disposition of operations, after-tax	(1)	(16)	15	
Change in accounting for investments in qualified affordable housing projects, after-tax	(17)	-	(17)	
Net income available to common shareholders	$ 183	$ 162	$ 21	$

(1) As a result of LBL disposition on April 1, 2014, Allstate Financial results no longer include LBL beginning in th
2014. To assist with comparison of Allstate Financial results between periods, results of LBL business for the f
excluded in this presentation.

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

	Twelve months		
	March 31, 2015	Dec. 31, 2014	Sept. 3 2014
Return on Attributed Equity			
Numerator:			
Net income available to common shareholders [(1)]	$ 652	$ 631	$ 5
Denominator:			
Beginning attributed equity [(2)]	$ 7,812	$ 7,273	$ 7,8
Ending attributed equity	7,920	7,672	7,3
Average attributed equity [(3)]	$ 7,866	$ 7,473	$ 7,5
Return on attributed equity	8.3 %	8.4 %	7
Operating Income Return on Attributed Equity			
Numerator:			
Operating income [(1)]	$ 552	$ 607	$ 6
Denominator:			
Beginning attributed equity [(2)]	$ 7,812	$ 7,273	$ 7,8
Unrealized net capital gains and losses	1,280	946	1,0
Adjusted beginning attributed equity	6,532	6,327	6,7
Ending attributed equity	7,920	7,672	7,3
Unrealized net capital gains and losses	1,499	1,420	1,3
Adjusted ending attributed equity	6,421	6,252	6,0
Average adjusted attributed equity [(3)]	$ 6,477	$ 6,290	$ 6,3
Operating income return on attributed equity	8.5 %	9.7 %	1(

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

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

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

(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 section above. On April 1, 2014, the sale of LBL was completed.
(4) Policies sold reduced by lapses within twelve months of sale.
(5) New business written premiums reflect annualized premiums at initial customer enrollment (including new accounts and new emp
existing accounts), reduced by an estimate for certain policies that are expected to lapse. A significant portion of Allstate Benefits
written in the fourth quarter during many clients' annual employee benefits enrollment.

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

	Thre	
	March 31, 2015	Dec. 31, 2014
Contractholders funds, beginning balance	$ 22,529	$ 22,848
Contractholders funds classified as held for sale, beginning balance	-	-
Total contractholders funds, including those classified as held for sale	22,529	22,848
Deposits		
Interest-sensitive life insurance	249	248
Fixed annuities	51	43
Total deposits	300	291
Interest credited	199	202
Benefits, withdrawals, maturities and other adjustments		
Benefits	(273)	(242)
Surrenders and partial withdrawals	(305)	(377)
Maturities of and interest payments on institutional products	-	(1)
Contract charges	(203)	(204)
Net transfers from separate accounts	1	1
Other adjustments	19	11
Total benefits, withdrawals, maturities and other adjustments	(761)	(812)
Contractholder funds sold in LBL disposition	-	-
Contractholder funds classified as held for sale, ending balance	-	-
Contractholder funds, ending balance	$ 22,267	$ 22,529

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

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

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL WEIGHTED AVERAGE INVESTMENT SPREADS

	Three months ended March 31, 2015			T
	Weighted average investment yield	Weighted average interest crediting rate	Weighted average investment spreads	Weighted average investment yield
Interest-sensitive life insurance	5.1 %	3.9 %	1.2 %	5
Deferred fixed annuities and institutional products	4.3	2.8	1.5	4
Immediate fixed annuities with and without life contingencies	7.3	5.9	1.4	7
Investments supporting capital, traditional life and other products	4.2	n/a	n/a	4

(1) For purposes of these calculations, investments, reserves and contractholder funds classified as held for sale were included for periods prior to April

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

	As of March 31, 2015		Twelve months ended March 31, 2015
	Reserves and Contractholder funds	Attributed equity excluding unrealized capital gains/losses [3][4]	Operating income [5]
Underwritten products			
Life insurance	$ 10,534	$ 2,336	$ 251
Accident and health insurance	834	645	104
Subtotal	11,368	2,981	355
Annuities and institutional products:			
Immediate Annuities:			
Sub-standard structured settlements and group pension terminations [1]	5,061	1,531	8
Standard structured settlements and SPIA [2]	7,196	1,106	69
Subtotal	12,257	2,637	77
Deferred Annuities	10,876	802	119
Institutional products	85	1	1
Subtotal	23,218	3,440	197
Total Allstate Financial	$ 34,586	$ 6,421	$ 552

	Three months ended March 31, 2015			
	Life insurance	Accident and health insurance	Annuities and institutional products	Allstate Financial
Operating income	$ 61	$ 25	$ 48	$
Realized capital gains and losses, after-tax	2	-	70	
Valuation changes on embedded derivatives that are not hedged, after-tax	-	-	(5)	
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(1)	-	1	
DAC and DSI unlocking relating to realized capital gains and losses, after-tax	-	-	-	
Reclassification of periodic settlements and accruals on non-hedge derivative instruments, after-tax	-	-	-	
Loss on disposition of operations, after-tax	(1)	-	-	
Change in accounting for investments in qualified affordable housing projects, after-tax	(6)	-	(11)	
Net income available to common shareholders	$ 55	$ 25	$ 103	$

(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

(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 conti

(3) Total Allstate Financial attributed equity is the sum of equity for Allstate Life Insurance Company and the applicable equity for Allstate Financial Insurance Holdings Corporation, excluding unrealize

(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 ca 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 fina quarters. Statutory capital is adjusted for appropriate GAAP accounting differences. Changes in internal capital factors, investment portfolio mix and risk as well as changes in GAAP and statutor products.

(5) Product line operating income includes allocation of income on investments supporting capital. Operating income reflects a trailing twelve-month period.

THE ALLSTATE CORPORATION
ALLSTATE FINANCIAL INSURANCE POLICIES AND ANNUITIES IN FORCE

(in thousands)

	March 31, 2015	Dec. 31, 2014	Sept. 3 2014
ALLSTATE FINANCIAL INSURANCE POLICIES AND ANNUITIES IN FORCE BY PRODUCT			
Underwritten products			
Life insurance	2,448	2,434	2,4
Accident and health insurance	2,777	2,555	2,5
	5,225	4,989	4,9
Annuities			
Deferred annuities	186	191	1
Immediate annuities	106	108	1
	292	299	3
Total	5,517	5,288	5,2
ALLSTATE FINANCIAL INSURANCE POLICIES AND ANNUITIES IN FORCE BY SOURCE OF BUSINESS			
Allstate Agencies [2]	1,904	1,902	1,8
Allstate Benefits	3,218	2,983	2,9
Other [3]	395	403	4
Total	5,517	5,288	5,2
INSURANCE POLICIES AND ANNUITIES IN FORCE INCLUDED IN LINCOLN BENEFIT LIFE COMPANY SALE			
Life insurance	-	-	
Deferred annuities	-	-	
Total	-	-	

(1) Allstate Financial insurance policies and annuities in force reflect the number of contracts in force excluding sold blocks of business th dispositions of the business being effected through reinsurance arrangements. Policy counts associated with our voluntary employee b 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 broke

THE ALLSTATE CORPORATION

ALLSTATE LIFE AND ANNUITIES AND ALLSTATE BENEFITS RESULTS AND PRODUCT I

($ in millions)

	For the three months ended March 31, 2015			
	Allstate Life	Allstate Annuities	Allstate Benefits	Allstate Financial Segment
Premiums	$ 125	$ -	$ 203	$ 328
Contract charges	180	3	26	209
Net investment income	121	345	18	484
Contract benefits	(184)	(153)	(104)	(441)
Interest credited to contractholder funds	(69)	(113)	(10)	(192)
Amortization of deferred policy acquisition costs	(32)	(1)	(36)	(69)
Operating costs and expenses	(58)	(10)	(55)	(123)
Restructuring and related charges	-	-	-	-
Income tax expense on operations	(24)	(23)	(15)	(62)
Operating income	59	48	27	134
Realized capital gains and losses, after-tax	2	70	-	72
Valuation changes on embedded derivatives that are not hedged, after-tax	-	(5)	-	(5)
DAC and DSI amortization relating to realized capital gains and losses and valuation changes on embedded derivatives that are not hedged, after-tax	(1)	1	-	-
DAC and DSI unlocking relating to realized capital gains and losses, after tax	-	-	-	-
Loss on disposition of operations, after-tax	(1)	-	-	(1)
Change in accounting for investments in qualified affordable housing projects, after-tax	(6)	(11)	-	(17)
Net income	$ 53	$ 103	$ 27	$ 183
Premiums and Contract Charges - by Product				
Underwritten Products				
Traditional life insurance premiums	$ 124	$ -	$ 8	$ 132
Accident and health insurance premiums	1	-	195	196
Interest-sensitive life insurance contract charges	180	-	26	206
	305	-	229	534
Annuities				
Immediate annuities with life contingencies premiums	-	-	-	-
Other fixed annuity contract charges	-	3	-	3
	-	3	-	3
Total life and annuity premiums and contract charges	$ 305	$ 3	$ 229	$ 537
Benefit Spread by Product Group				
Life Insurance	$ 63	$ -	$ 5	$ 68
Accident and health insurance	(1)	-	108	107
Annuities	-	(21)	-	(21)
Total benefit spread	$ 62	$ (21)	$ 113	$ 154
Investment Spread by Product Group				
Annuities and institutional products	$ -	$ 69	$ -	$ 69
Life insurance	31	-	2	33
Accident and health insurance	2	-	2	4
Net investment income on investments supporting capital	20	33	4	57
Investment spread before valuation changes on embedded derivatives that are not hedged	53	102	8	163
Valuation changes on derivatives embedded in equity-indexed annuity contracts that are not hedged	-	(7)	-	(7)
Total investment spread	$ 53	$ 95	$ 8	$ 156

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

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

THE ALLSTATE CORPORATION
INVESTMENTS
($ in millions)

PROPERTY-LIABILITY

	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	March 31, 2014	March 31, 2015
Fixed income securities, at fair value:						
Tax-exempt	$ 4,362	$ 4,138	$ 4,288	$ 4,353	$ 4,618	$ 28
Taxable	25,674	26,696	27,078	26,091	24,223	28,798
Equity securities, at fair value	3,074	3,076	3,053	4,072	4,341	1,089
Mortgage loans	333	370	372	373	403	3,943
Limited partnership interests	2,571	2,498	2,411	2,438	2,900	2,124
Short-term, at fair value	932	822	1,328	812	894	948
Other	1,536	1,483	1,401	1,531	1,528	1,860
Total	$ 38,482	$ 39,083	$ 39,931	$ 39,670	$ 38,907	$ 38,790
Fixed income securities, amortized cost:						
Tax-exempt	$ 4,276	$ 4,054	$ 4,181	$ 4,238	$ 4,521	$ 28
Taxable	25,181	26,376	26,715	25,484	23,696	26,245
Ratio of fair value to amortized cost	102.0%	101.3%	101.5%	102.4%	102.2%	109.7%
Equity securities, cost	$ 2,706	$ 2,723	$ 2,745	$ 3,492	$ 3,737	$ 1,043
Short-term, amortized cost	932	822	1,328	812	894	948

CORPORATE AND OTHER

	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	June 30, 2014	March 31, 2014	March 31, 2015
Fixed income securities, at fair value:						
Tax-exempt	$ 568	$ 564	$ 561	$ 565	$ 558	$ 4,958
Taxable	1,973	1,960	1,363	1,725	1,703	56,445
Equity securities, at fair value	3	-	-	-	-	4,166
Mortgage loans	-	-	-	-	-	4,276
Limited partnership interests	4	5	4	5	3	4,699
Short-term, at fair value	617	692	255	1,064	809	2,497
Other	-	-	-	-	-	3,396
Total	$ 3,165	$ 3,221	$ 2,183	$ 3,359	$ 3,073	$ 80,437
Fixed income securities, amortized cost:						
Tax-exempt	$ 547	$ 543	$ 536	$ 541	$ 538	$ 4,851
Taxable	1,958	1,957	1,360	1,718	1,700	53,384
Ratio of fair value to amortized cost	101.4%	101.0%	101.5%	101.4%	101.0%	105.4%
Equity securities, cost	$ 3	$ -	$ -	$ -	$ -	$ 3,752
Short-term, amortized cost	617	692	255	1,064	809	2,497

(1) Excludes investments classified as held for sale that totaled $11.5 billion as of March 31, 2014.

THE ALLSTATE CORPORATION
LIMITED PARTNERSHIP INVESTMENTS
($ in millions)

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

(1) As of March 31, 2015, valuations of EMA limited partnerships include approximately $549 million of cumulative pre-ta 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 fun
(3) In periods prior to June 30, 2014, other included tax credit funds.
(4) The increase in first quarter 2015 compared to first quarter 2014 was primarily due to higher equity method limited pa primarily from favorable real estate valuations. Economic conditions that have contributed to favorable market perfor in strong limited partnership results, but we continue to expect this income to vary significantly between periods.

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

	March 31, 2015			December 31, 2014		
	Unrealized net capital gains and losses	Fair value	Fair value as a percent of amortized cost [1]	Unrealized net capital gains and losses	Fair value	Fair as a p amortiz
Fixed income securities						
U.S. government and agencies	$ 134	$ 4,106	103.4	$ 136	$ 4,328	
Municipal	670	8,713	108.3	620	8,497	
Corporate	2,120	42,375	105.3	1,758	42,144	
Foreign government	85	1,375	106.6	102	1,645	
Asset-backed securities ("ABS")	8	3,055	100.3	7	3,978	
Residential mortgage-backed securities ("RMBS")	105	1,154	110.0	99	1,207	
Commercial mortgage-backed securities ("CMBS")	42	600	107.5	42	615	
Redeemable preferred stock	4	25	119.0	4	26	
Total fixed income securities	3,168	61,403	105.4	2,768	62,440	
Equity securities	414	4,166	111.0	412	4,104	
Short-term investments	-	2,497	100.0	-	2,540	
Derivatives	3	79	n/a	(2)	92	
EMA limited partnership interests [2]	(4)	n/a	n/a	(5)	n/a	
Investments classified as held for sale	-	n/a	n/a	-	n/a	
Unrealized net capital gains and losses, pre-tax	3,581			3,173		
Amounts recognized for:						
Insurance reserves [3]	(79)			(28)		
DAC and DSI [4]	(212)			(179)		
Amounts recognized	(291)			(207)		
Deferred income taxes	(1,153)			(1,040)		
Unrealized net capital gains and losses, after-tax	$ 2,137			$ 1,926		

	June 30, 2014			March 31, 2014		
	Unrealized net capital gains and losses	Fair value	Fair value as a percent of amortized cost [1]	Unrealized net capital gains and losses	Fair value	Fair as a p amortiz
Fixed income securities						
U.S. government and agencies	$ 146	$ 4,853	103.1	$ 132	$ 3,806	
Municipal	552	8,561	106.9	421	8,716	
Corporate	2,185	41,467	105.6	1,743	41,159	
Foreign government	107	1,676	106.8	96	1,737	
ABS	40	3,943	101.0	38	3,497	
RMBS	99	1,362	107.8	93	1,438	
CMBS	54	746	107.8	47	783	
Redeemable preferred stock	4	26	118.2	4	25	
Total fixed income securities	3,187	62,634	105.4	2,574	61,161	
Equity securities	736	5,394	115.8	722	5,297	
Short-term investments	-	2,914	100.0	-	2,573	
Derivatives	(19)	103	n/a	(19)	169	
EMA limited partnership interests [2]	(5)	n/a	n/a	(4)	n/a	
Investments classified as held for sale	-	n/a	n/a	327	n/a	
Unrealized net capital gains and losses, pre-tax	3,899			3,600		
Amounts recognized for:						
Insurance reserves [3]	(399)			(134)		
DAC and DSI [4]	(189)			(245)		
Amounts recognized	(588)			(379)		
Deferred income taxes	(1,161)			(1,130)		
Unrealized net capital gains and losses, after-tax	$ 2,150			$ 2,091		

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

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

(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 in a premium deficiency. Although we evaluate premium deficiencies on the combined performance of our life insurance and immediate annuities with life contingencie 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 i

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

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

(1) Pre-tax yields are calculated as annualized investment income before investment expense (including dividend income in the case of e
investment balances at the end of each quarter during the year. Investment balances, for purposes of the pre-tax yield calculation, ex
Amounts related to investments classified as held for sale were excluded from the pre-tax yield calculation in 2014.

(2) Total return on investment portfolio is calculated from GAAP results including the total of net investment income, realized capital gains
capital gains and losses, and the change in the difference between fair value and carrying value of mortgage loans and cost method li
value balances. Amounts related to investments classified as held for sale were excluded from the total return calculation in 2014.

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

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

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

(1) As of March 31, 2015, Property-Liability has commitments to invest in additional limited partnership interests totaling $1.18 billion.

(2) Pre-tax yields are calculated as annualized investment income before investment expense (including dividend income in the case
of investment balances at the end of each quarter during the year. Investment balances, for purposes of the pre-tax yield calculati
losses.

(3) Average investment balances for the quarter are calculated as the average of the current and prior quarter investment balances. Y
are calculated as the average of investment balances at the beginning of the year and the end of each quarter during the year. Fo
balances calculation, unrealized capital gains and losses are excluded.

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

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

(1) As of March 31, 2015, Allstate Financial has commitments to invest in additional limited partnership interests totaling $1.18 billion.

(2) Pre-tax yields are calculated as annualized investment income before investment expense (including dividend income in the case o investment balances at the end of each quarter during the year. Investment balances, for purposes of the pre-tax yield calculation, Amounts related to investments classified as held for sale were excluded from the pre-tax yield calculation in 2014.

(3) Average investment balances for the quarter are calculated as the average of the current and prior quarter investment balances. Ye calculated as the average of investment balances at the beginning of the year and the end of each quarter during the year. For pur calculation, unrealized capital gains and losses are excluded. Amounts related to investments classified as held for sale were excluc calculation in 2014.

THE ALLSTATE CORPORATION
INVESTMENT RESULTS
($ in millions)

	Three mont		
	March 31, 2015	Dec. 31, 2014	Sept 20
Consolidated investment portfolio			
Interest-bearing [1]	$ 71,287	$ 72,201	$ 71
Equity/owned [2]	9,150	8,912	8
Total	$ 80,437	$ 81,113	$ 80
Consolidated portfolio total return [3]			
Interest-bearing	1.4 %	0.9 %	
Equity/owned	0.4	0.2	
Investment expenses	(0.1)	-	
Total	1.7	1.1	
Consolidated portfolio total return [3]			
Income	1.0 %	1.0 %	
Valuation	0.7	0.1	
Total	1.7	1.1	
Consolidated net investment income			
Interest-bearing	$ 664	$ 675	$
Equity/owned	226	147	
Investment expenses	(40)	(43)	
Total	$ 850	$ 779	$
Consolidated Interest-bearing pre-tax yield [4]	3.9 %	3.9 %	
Property-Liability net investment income			
Interest-bearing excluding prepayment premiums and litigation proceeds	$ 226	$ 225	$
Prepayment premiums and litigation proceeds	7	9	
Total Interest-bearing	233	234	
Equity/owned	148	84	
Less: Investment expenses	(23)	(24)	
Total	358	294	
Less: prepayment premiums and litigation proceeds	(7)	(9)	
Total excluding prepayment premiums and litigation proceeds	$ 351	$ 285	$
Property-Liability interest-bearing pre-tax yield	2.9 %	2.8 %	
Property-Liability interest-bearing pre-tax yield excluding prepayment premiums and litigation proceeds	2.8 %	2.7 %	
Allstate Financial net investment income			
Interest-bearing excluding prepayment premiums and litigation proceeds	$ 413	$ 420	$
Prepayment premiums and litigation proceeds	8	13	
Total interest-bearing	421	433	
Equity/owned	78	63	
Less: Investment expenses	(15)	(16)	
Total	484	480	
Less: prepayment premiums and litigation proceeds	(8)	(13)	
Total excluding prepayment premiums and litigation proceeds	$ 476	$ 467	$
Allstate Financial interest-bearing pre-tax yield	5.1 %	5.2 %	
Allstate Financial interest-bearing pre-tax yield excluding prepayment premiums and litigation proceeds	5.0 %	5.0 %	

(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 l losses, and the change in the difference between fair value and carrying value of mortgage loans and cost method limited partnerships, divi related to investments classified as held for sale were excluded from the total return calculation in 2014.
(4) Pre-tax interest-bearing yield is calculated as annualized interest-bearing investment income before investment expense divided by the aver of each quarter during the year. Interest-bearing investment balances, for purposes of the pre-tax interest-bearing yield calculation, exclude to investments classified as held for sale were excluded from the pre-tax interest-bearing yield calculation in 2014.

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 m

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 losse
- valuation changes on embedded derivatives that are not hedged, after-tax,
- amortization of deferred policy acquisition costs ("DAC") and deferred sales inducements ("DSI"), to the extent they resulted from the recognition of certain realized capital gains and l
- 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

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 evalu 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 ga 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, 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 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 t 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 (e.g. net investment income and interest credited to contractholder funds) or replicated investments. Amortization of purchased intangible assets is excluded because it relates to the a 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 t 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 incom 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 o evaluate net income available to common shareholders, operating income and their components separately and in the aggregate when reviewing and evaluating our performance. We 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 represe 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 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 t

Underwriting income is calculated as premiums earned, less claims and claims expense ("losses"), amortization of DAC, operating costs and expenses and restructuring and related c 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 reviewing performance. Net income available to common shareholders is the most directly comparable GAAP measure. Underwriting income should not be considered a substitute fo 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 effec 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 catastroph 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 an 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 the comb Liability Results".

Combined ratio excluding the effect of catastrophes, prior year reserve reestimates and amortization of purchased intangible assets ("underlying combined ratio") is a non-G ratio, the effect of catastrophes on the combined ratio, the effect of prior year non-catastrophe reserve reestimates on the combined ratio and the effect of amortization of purchased int management to reveal the trends in our Property-Liability business that may be obscured by catastrophe losses, prior year reserve reestimates and amortization of purchased intangible 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 price and is not indicative of our underlying insurance business results or trends. We believe it is useful for investors to evaluate these components separately and in the aggregate wh 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 com the underlying combined ratio to combined ratio is provided in the schedules "Allstate Brand Profitability Measures", "Encompass Brand Profitability Measures" , "Esurance Brand Profita Personal Lines Profitability Measures" and "Emerging Businesses Profitability Measures".

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

Esurance brand underlying loss ratio is a non-GAAP ratio, which is computed as the difference between three GAAP operating ratios: the loss ratio, the effect of catastrophes on the We believe that this ratio is useful to investors and it is used by management to reveal the trends in the Esurance business that may be obscured by catastrophe losses and prior year 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 develo separately and in the aggregate when reviewing our underwriting performance. The most directly comparable GAAP measure is the loss ratio. The underlying loss ratio should not be c reconciliation of Esurance brand underlying loss ratio is provided in the schedule, "Esurance Brand Profitability Measures and Statistics".

Operating income return on common shareholders' equity is a ratio that uses a non-GAAP measure. It is calculated by dividing the rolling 12-month operating income by the averag 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 f 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 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 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 peri investors when considered along with return on common shareholders' equity because it eliminates the after-tax effects of realized and unrealized net capital gains and losses that can 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 tr shareholders' equity from return on common shareholders' equity is the transparency and understanding of their significance to return on common shareholders' equity variability and pr measures of operating income return on common shareholders' equity in incentive compensation. Therefore, we believe it is useful for investors to have operating income return on co performance. We note that investors, financial analysts, financial and business media organizations and rating agencies utilize operating income return on common shareholders' equit decisions, recommendations and communications as it represents a reliable, representative and consistent measurement of the industry and the company and management's utilizatio 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 operati 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 calcul 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 us 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 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 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 l 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 los 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 inco Common Share".