

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 3, 2023
THE ALLSTATE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction of incorporation)

1-11840
(Commission
File Number)

36-3871531
(IRS Employer
Identification No.)

3100 Sanders Road, Northbrook, Illinois 60062
(Address of principal executive offices) (Zip Code)

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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

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

Emerging growth company

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

Section 2 – Financial Information

Item 2.02. Results of Operations and Financial Condition.

The Registrant's press release dated May 3, 2023, announcing its financial results for the first quarter of 2023, and the Registrant's first quarter 2023 investor supplement are furnished as Exhibits 99.1 and 99.2, respectively, to this report. The information contained in the press release and the investor supplement are furnished and not filed pursuant to instruction B.2 of Form 8-K.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 99.1 [Registrant's press release dated May 3, 2023](#)
- 99.2 [First quarter 2023 Investor Supplement of The Allstate Corporation](#)
- 104 Cover Page Interactive Data File (formatted as inline XBRL)

SIGNATURES

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

THE ALLSTATE CORPORATION
(Registrant)

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

Date: May 3, 2023



FOR IMMEDIATE RELEASE

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Allstate Reports First Quarter 2023 Results

NORTHBROOK, Ill., May 3, 2023 – The Allstate Corporation (NYSE: ALL) today reported financial results for the first quarter of 2023.

The Allstate Corporation Consolidated Highlights ⁽¹⁾			
(\$ in millions, except per share data and ratios)	Three months ended March 31,		
	2023	2022	% / pts Change
Consolidated revenues	\$13,786	\$12,336	11.8 %
Net income (loss) applicable to common shareholders	(346)	634	NM
per diluted common share ⁽²⁾	(1.31)	2.25	NM
Adjusted net income (loss)*	(342)	730	NM
per diluted common share* ⁽²⁾	(1.30)	2.59	NM
Return on Allstate common shareholders' equity (trailing twelve months)			
Net income applicable to common shareholders	(13.0)%	15.6 %	(28.6)
Adjusted net income*	(6.7)%	13.0 %	(19.7)
Common shares outstanding (in millions)	263.1	275.7	(4.6)
Book value per common share	58.65	75.46	(22.3)
Consolidated premiums written ⁽³⁾	12,865	11,859	8.5
Property-Liability insurance premiums earned	11,635	10,498	10.8
Property-Liability combined ratio			
Recorded	108.6	97.3	11.3
Underlying combined ratio*	93.3	90.9	2.4
Catastrophe losses	1,691	462	NM
Total policies in force (in thousands)	186,726	190,309	(1.9)

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

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

⁽³⁾ Includes premiums and contract charges for Allstate Health and Benefits segment.

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

NM = not meaningful

"Allstate's operating strength enabled us to continue implementing the auto insurance profit improvement plan and help over 100,000 customers recover from catastrophe losses in the first quarter, while executing the Transformative Growth initiative," said Tom Wilson, Chair, CEO and President of The Allstate Corporation. "Property-Liability earned premiums increased by \$1.1 billion or 10.8% over the prior year due to rate increases on auto and home insurance. The profit improvement plan also includes expense reductions and reduced new business volume, both of which are being successfully implemented. Auto loss costs, however, continued to increase rapidly and

essentially offset higher premiums, which combined with exceptionally high first quarter catastrophe losses resulted in an underwriting loss of \$1.0 billion. The investment portfolio total return was 2.4% for the quarter as extending duration into higher rates and a shift from equity risk into fixed income maintained investment income despite a decline in performance-based returns. Profits from Health and Benefits and Protection Services reduced the net loss to \$346 million or \$1.31 per share for the quarter."

"Transformative Growth is critical to navigating the current operating environment and capturing future growth. The new auto insurance product is designed to be affordable, simple and connected and will be available to about one-third of the U.S. market in 2023. Expense reductions are partially offsetting current increases in claims severity and will support increased competitiveness when targeted profitability is restored. Distribution transformation is working, with higher Allstate exclusive agent productivity, expanded product offerings through independent agents and enhanced direct capabilities. Protection Plans continues to expand product coverage and grow internationally. Health and Benefits is rebuilding its operating systems to lower costs and support growth. The combination of an aggressive strategy and Allstate's brand, customer base and financial strength will lead to long-term growth," concluded Wilson.

First Quarter 2023 Results

- Total revenues of \$13.8 billion in the first quarter of 2023 increased 11.8% compared to the prior year quarter driven by a 10.8% increase in Property-Liability earned premium and net gains on investments and derivatives in the first quarter of 2023 compared to a net loss in 2022.
- Net loss applicable to common shareholders was \$346 million in the first quarter of 2023 compared to income of \$634 million in the prior year quarter. The decrease was driven by an underwriting loss primarily due to higher catastrophe losses. Adjusted net loss* was \$342 million, or \$1.30 per diluted share, in the first quarter of 2023, compared to adjusted net income* of \$730 million in the prior year quarter.
- **Property-Liability** earned premium of \$11.6 billion increased 10.8% in the first quarter of 2023 compared to the prior year quarter, driven primarily by higher average premiums. The \$1.0 billion underwriting loss reflects higher catastrophe losses across lines and higher non-catastrophe losses primarily for auto insurance. This was partially offset by higher earned premiums, less adverse non-catastrophe prior year reserve reestimates and lower expenses compared to the prior year quarter.

(\$ in millions)	Three months ended March 31,		
	2023	2022	% / pts Change
Premiums earned	11,635	10,498	10.8
Allstate Brand	9,852	9,011	9.3
National General	1,783	1,487	19.9
Underwriting income (loss)	(1,001)	280	NM
Allstate Brand	(972)	251	NM
National General	(28)	29	NM

- Premiums written of \$11.8 billion increased 9.5% compared to the prior year quarter, driven by both the Allstate brand and National General. Auto insurance written premiums increased 10.4% driven by higher average premiums from rate increases in both the Allstate and National General brands, partially offset by policies in force declines. Homeowners insurance written premiums increased 11.1%, primarily reflecting inflation in insured home replacement costs, rate increases and policies in force growth.
- The underlying combined ratio* of 93.3 in the first quarter of 2023 was 2.4 points above the prior year quarter, reflecting higher earned premiums and lower expenses which were offset by increased claim severity and frequency.
- The expense ratio of 21.1 in the first quarter of 2023 decreased 2.9 points compared to the first quarter of 2022, driven by lower advertising and operating expenses and higher earned premium growth relative to fixed costs.
- Prior year reserve reestimates, excluding catastrophes, were unfavorable \$27 million in the first quarter of 2023, with \$23 million attributed to commercial insurance, primarily related to business that is being exited.

(\$ in millions, except ratios)	Three months ended March 31,		
	2023	2022	% / pts Change
Premiums written	\$ 11,783	\$ 10,761	9.5 %
Allstate Brand	9,705	9,035	7.4
National General	2,078	1,726	20.4
Recorded combined ratio	108.6	97.3	11.3
Allstate Protection auto	104.4	102.1	2.3
Allstate Protection homeowners	119.0	83.9	35.1
Underlying combined ratio*	93.3	90.9	2.4
Allstate Protection auto	102.6	98.8	3.8
Allstate Protection homeowners	67.6	68.0	(0.4)

- **Allstate Protection auto** insurance earned premium increased 11.7%, driven by higher average premiums from rate increases, partially offset by a decline in policies in force. Allstate brand auto net written premium growth of 8.2% compared to the prior year quarter reflects a 16.0% increase in average gross written premium driven by rate increases, partially offset by a decline in policies in force and the impact of a higher proportion of premiums cancelled during the policy term. Allstate brand implemented auto rate increases in 28 locations in the first quarter at an average of 8.4%, or 1.7% on total premiums, which should raise annualized written premiums by approximately \$454 million. We expect to continue to pursue additional rate increases in 2023 to improve auto insurance profitability. Policies in force declined as profitability actions negatively impacted Allstate brand new issued applications and retention, partially offset by growth at National General.

The recorded auto insurance combined ratio of 104.4 in the first quarter of 2023 was 2.3 points above the prior year quarter, reflecting higher accident frequency, current report year claim severity, and catastrophe losses, which were partially offset by increased earned premium, expense reductions and lower adverse non-catastrophe prior year reserve reestimates. The underlying combined ratio* of 102.6 was 3.8 points above the prior year quarter primarily driven by higher incurred losses from increased accident frequency and claim severity across physical damage and injury coverages. We continue to execute a comprehensive plan to improve auto insurance profitability, including raising rates, reducing expenses, lowering growth and enhancing loss cost management.

- **Allstate Protection homeowners** insurance earned premium grew 12.9%, and policies in force increased 1.4% compared to the first quarter of 2022. Allstate brand net written premium increased 9.4% compared to the prior year quarter, primarily driven by average premium increases due to implemented rate increases and inflation in insured home replacement costs. Allstate brand homeowners implemented rate increases in 18 locations in the first quarter at an average of 13.7%, or 4.9% on total premiums. National General written premiums grew as rates were increased to improve underwriting margins.

The recorded homeowners insurance combined ratio of 119.0 increased 35.1 points compared to the first quarter of 2022, due to elevated catastrophe losses primarily related to five large wind events in March. The underlying combined ratio* of 67.6 decreased by 0.4 points compared to the prior year quarter, driven by higher earned premium and a lower expense ratio, partially offset by higher claim severity.

- **Protection Services** revenues increased to \$671 million in the first quarter of 2023, 7.0% higher than the prior year quarter, primarily due to Allstate Protection Plans and Allstate Dealer Services, partially offset by a decline at Arity. Adjusted net income of \$34 million decreased by \$19 million compared to the prior year quarter, primarily due to higher claim severity and growth investments at Allstate Protection Plans.

(\$ in millions)	Three months ended March 31,		
	2023	2022	% / \$ Change
Total revenues ⁽¹⁾	\$ 671	\$ 627	7.0 %
Allstate Protection Plans	385	329	17.0
Allstate Dealer Services	148	135	9.6
Allstate Roadside	64	65	(1.5)
Arity	37	62	(40.3)
Allstate Identity Protection	37	36	2.8
Adjusted net income (loss)	\$ 34	\$ 53	(19)
Allstate Protection Plans	28	43	(15)
Allstate Dealer Services	7	9	(2)
Allstate Roadside	4	2	2
Arity	(4)	(1)	(3)
Allstate Identity Protection	(1)	—	(1)

⁽¹⁾ Excludes net gains and losses on investments and derivatives

- **Allstate Protection Plans** revenue of \$385 million increased \$56 million, or 17.0%, compared to the prior year quarter, reflecting growth at U.S. retailers and expansion of products and international markets. Adjusted net income of \$28 million in the first quarter of 2023 was \$15 million lower than the prior year quarter, primarily due to higher appliance and furniture claim severity and a larger proportion of lower margin business.
- **Allstate Dealer Services** revenue of \$148 million was 9.6% higher than the first quarter of 2022. Adjusted net income of \$7 million in the first quarter was \$2 million lower than the prior year quarter driven by increased claim severity.
- **Allstate Roadside** revenue of \$64 million in the first quarter of 2023 decreased 1.5% compared to the prior year quarter reflecting lower retail membership revenue and lower rescue volumes from wholesale partners. Adjusted net income was \$2 million higher than the prior year quarter, primarily driven by increased pricing and lower retail loss frequency.
- **Arity** revenue of \$37 million decreased \$25 million compared to the prior year quarter, primarily due to reductions in insurance client advertising. Adjusted net loss of \$4 million in the first quarter of 2023 was \$3 million below the prior year quarter reflecting lower revenue.
- **Allstate Identity Protection** revenue of \$37 million in the first quarter of 2023 was in line with the prior year quarter. The adjusted net loss of \$1 million compared to break-even results for the prior year quarter.

- **Allstate Health and Benefits** premiums and contract charges decreased 1.1% compared to the prior year quarter, primarily driven by a reduction in individual health and employer voluntary benefits, which was partially offset by growth in group health. Adjusted net income of \$56 million in the first quarter of 2023 decreased \$1 million compared to the prior year quarter, primarily due to a decline in employer voluntary benefits, partially offset by growth in group health. Effective January 1, 2023, we adopted the FASB guidance revising the accounting for certain long-duration insurance contracts in the Allstate Health and Benefits segment using the modified retrospective approach to the transition date of January 1, 2021, which had an immaterial impact on operating results.

(\$ in millions)	Three months ended March 31, ⁽¹⁾		
	2023	2022	% Change
Premiums and contract charges	\$ 463	\$ 468	(1.1)%
Employer voluntary benefits	255	263	(3.0)
Group health	107	94	13.8
Individual health	101	111	(9.0)
Adjusted net income	56	57	(1.8)

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

- **Allstate Investments** \$63.5 billion portfolio has 75% allocated to investment grade fixed income and short-term investments, and holdings of high yield debt and public equities were substantially reduced over the last year. Net investment income was \$575 million in the first quarter of 2023, a decrease of \$19 million from the prior year quarter, as higher market-based income was offset by lower performance-based results and higher expenses.

(\$ in millions, except ratios)	Three months ended March 31,		
	2023	2022	\$ / pts Change
Net investment income	\$ 575	\$ 594	\$ (19)
Market-based investment income ⁽¹⁾	507	323	184
Performance-based investment income ⁽¹⁾	126	306	(180)
Net gains (losses) on investments and derivatives	14	(267)	281
Change in unrealized net capital gains and losses, pre-tax	872	(2,038)	2,910
Total return on investment portfolio	2.4 %	(2.8)%	5.2
Total return on investment portfolio (trailing twelve months)	1.2 %	1.8 %	(0.6)

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

- **Market-based investment income** was \$507 million in the first quarter of 2023, an increase of \$184 million, or 57.0%, compared to the prior year quarter, reflecting higher interest rates and investment balances.
- **Performance-based investment income** totaled \$126 million in the first quarter of 2023, a decrease of \$180 million compared to strong valuation increases in the prior year quarter. This \$9 billion portfolio is comprised of more than 400 investments primarily in private equity, real estate and infrastructure. Commercial real estate is also diversified with approximately \$230 million in office properties, including commercial mortgage loan investments.
- **Net gains on investments and derivatives** were \$14 million in the first quarter of 2023, compared to \$267 million of net losses in the prior year quarter. Net gains in the first quarter of 2023 were driven by valuation increases on equity investments, partially offset by losses on fixed income sales and net losses on derivative positions.
- **Unrealized net capital losses** were \$2.0 billion, \$872 million less than the prior quarter, as lower interest rates resulted in higher fixed income valuations. Fixed income investments in U.S. regional banks were approximately \$240 million as of March 31, 2023.
- **Total return** on the investment portfolio was 2.4% for the first quarter of 2023. Proactive portfolio management actions continue to defensively position the investment portfolio to the risk of economic recession, including extending fixed income duration and reducing public equity exposure.

Proactive Capital Management

"Allstate has the financial strength and asset-liability position to protect customers, fund operating priorities and thrive in a volatile economic environment," said Jess Merten, Chief Financial Officer. "The investment portfolio risk profile is lower than long-term targets and could provide approximately \$16 billion of liquidity within one week. Liability funding is highly predictable with approximately 75% related to future claim settlements and unearned insurance premiums. Statutory capital in the insurance companies of \$15.0 billion and \$4.2 billion of investments are held at the holding company as of March 31, 2023. Common shareholders received dividends of \$224 million and \$153 million of shares were repurchased in the first quarter," concluded Merten.

Visit www.allstateinvestors.com for additional information about Allstate's results, including a webcast of its quarterly conference call and the call presentation. The conference call will be at 9 a.m. ET on Thursday, May 4. Financial information, including material announcements about The Allstate Corporation, is routinely posted on www.allstateinvestors.com.

Forward-Looking Statements

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

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

(\$ in millions, except par value data)

	March 31, 2023	December 31, 2022
Assets		
Investments		
Fixed income securities, at fair value (amortized cost, net \$46,120 and \$45,370)	\$ 44,103	\$ 42,485
Equity securities, at fair value (cost \$2,147 and \$4,253)	2,174	4,567
Mortgage loans, net	781	762
Limited partnership interests	7,971	8,114
Short-term, at fair value (amortized cost \$6,722 and \$4,174)	6,722	4,173
Other investments, net	1,724	1,728
Total investments	63,475	61,829
Cash	662	736
Premium installment receivables, net	9,483	9,165
Deferred policy acquisition costs	5,471	5,442
Reinsurance and indemnification recoverables, net	9,528	9,619
Accrued investment income	436	423
Deferred income taxes	345	382
Property and equipment, net	971	987
Goodwill	3,502	3,502
Other assets, net	5,758	5,904
Total assets	\$ 99,631	\$ 97,989
Liabilities		
Reserve for property and casualty insurance claims and claims expense	\$ 38,644	\$ 37,541
Reserve for future policy benefits	1,338	1,322
Contractholder funds	878	879
Unearned premiums	22,499	22,299
Claim payments outstanding	1,333	1,268
Other liabilities and accrued expenses	9,114	9,353
Debt	8,452	7,964
Total liabilities	82,258	80,626
Equity		
Preferred stock and additional capital paid-in, \$1 par value, 25 million shares authorized, 81.0 thousand shares issued and outstanding, \$2,025 aggregate liquidation preference	1,970	1,970
Common stock, \$0.01 par value, 2.0 billion shares authorized and 900 million issued, 263 million and 263 million shares outstanding	9	9
Additional capital paid-in	3,780	3,788
Retained income	50,388	50,970
Treasury stock, at cost (637 million and 637 million shares)	(36,980)	(36,857)
Accumulated other comprehensive income:		
Unrealized net capital gains and losses	(1,573)	(2,255)
Unrealized foreign currency translation adjustments	(115)	(165)
Unamortized pension and other postretirement prior service credit	25	29
Discount rate for reserve for future policy benefits	(10)	(1)
Total accumulated other comprehensive income	(1,673)	(2,392)
Total Allstate shareholders' equity	17,494	17,488
Noncontrolling interest	(121)	(125)
Total equity	17,373	17,363
Total liabilities and equity	\$ 99,631	\$ 97,989

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

(\$ in millions, except per share data)

	Three months ended March 31,	
	2023	2022
Revenues		
Property and casualty insurance premiums	\$ 12,173	\$ 10,981
Accident and health insurance premiums and contract charges	463	468
Other revenue	561	560
Net investment income	575	594
Net gains (losses) on investments and derivatives	14	(267)
Total revenues	13,786	12,336
Costs and expenses		
Property and casualty insurance claims and claims expense	10,326	7,822
Accident, health and other policy benefits	265	268
Amortization of deferred policy acquisition costs	1,744	1,608
Operating costs and expenses	1,716	1,902
Pension and other postretirement remeasurement (gains) losses	(53)	(247)
Restructuring and related charges	27	12
Amortization of purchased intangibles	81	87
Interest expense	86	83
Total costs and expenses	14,192	11,535
(Loss) income from operations before income tax expense	(406)	801
Income tax (benefit) expense	(85)	151
Net (loss) income	(321)	650
Less: Net loss attributable to noncontrolling interest	(1)	(10)
Net (loss) income attributable to Allstate	(320)	660
Less: Preferred stock dividends	26	26
Net (loss) income applicable to common shareholders	\$ (346)	\$ 634
Earnings per common share:		
Net (loss) income applicable to common shareholders per common share - Basic	\$ (1.31)	\$ 2.28
Weighted average common shares - Basic	263.5	278.1
Net (loss) income applicable to common shareholders per common share - Diluted	\$ (1.31)	\$ 2.25
Weighted average common shares - Diluted	263.5	281.8

Definitions of Non-GAAP Measures

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

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

- Net gains and losses on investments and derivatives
- Pension and other postretirement rereasurement gains and losses
- Amortization or impairment of purchased intangibles
- Gain or loss on disposition
- Adjustments for other significant non-recurring, infrequent or unusual items, when (a) the nature of the charge or gain is such that it is reasonably unlikely to recur within two years, or (b) there has been no similar charge or gain within the prior two years
- Related income tax expense or benefit of these items

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

We use adjusted net income as an important measure to evaluate our results of operations. We believe that the measure provides investors with a valuable measure of the Company's ongoing performance because it reveals trends in our insurance and financial services business that may be obscured by the net effect of net gains and losses on investments and derivatives, pension and other postretirement rereasurement gains and losses, amortization or impairment of purchased intangibles, gain or loss on disposition and adjustments for other significant non-recurring, infrequent or unusual items and the related tax expense or benefit of these items. Net gains and losses on investments and derivatives, and pension and other postretirement rereasurement gains and losses may vary significantly between periods and are generally driven by business decisions and external economic developments such as capital market conditions, the timing of which is unrelated to the insurance underwriting process. Gain or loss on disposition is excluded because it is non-recurring in nature and the amortization or impairment of purchased intangibles is excluded because it relates to the acquisition purchase price and is not indicative of our underlying business results or trends. Non-recurring items are excluded because, by their nature, they are not indicative of our business or economic trends. Accordingly, adjusted net income excludes the effect of items that tend to be highly variable from period to period and highlights the results from ongoing operations and the underlying profitability of our business. A byproduct of excluding these items to determine adjusted net income is the transparency and understanding of their significance to net income variability and profitability while recognizing these or similar items may recur in subsequent periods. Adjusted net income is used by management along with the other components of net income (loss) applicable to common shareholders to assess our performance. We use adjusted measures of adjusted net income in incentive compensation. Therefore, we believe it is useful for investors to evaluate net income (loss) applicable to common shareholders, adjusted net income and their components separately and in the aggregate when reviewing and evaluating our performance. We note that investors, financial analysts, financial and business media organizations and rating agencies utilize adjusted net income results in their evaluation of our and our industry's financial performance and in their investment decisions, recommendations and communications as it represents a reliable, representative and consistent measurement of the industry and the Company and management's performance. We note that the price to earnings multiple commonly used by insurance investors as a forward-looking valuation technique uses adjusted net income as the denominator. Adjusted net income should not be considered a substitute for net income (loss) applicable to common shareholders and does not reflect the overall profitability of our business.

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

(\$ in millions, except per share data)

	Three months ended March 31,			
	Consolidated		Per diluted common share	
	2023	2022	2023	2022
Net income (loss) applicable to common shareholders	\$ (346)	\$ 634	\$ (1.31) ⁽¹⁾	\$ 2.25
Net (gains) losses on investments and derivatives	(14)	267	(0.05)	0.95
Pension and other postretirement rereasurement (gains) losses	(53)	(247)	(0.20)	(0.88)
Amortization of purchased intangibles	81	87	0.31	0.31
(Gain) loss on disposition	(9)	16	(0.04)	0.06
Income tax expense (benefit)	(1)	(27)	(0.01)	(0.10)
Adjusted net income (loss) *	\$ (342)	\$ 730	\$ (1.30)⁽¹⁾	\$ 2.59

⁽¹⁾ Due to a net loss reported for the three months ended March 31, 2023, calculation uses weighted average shares of 263.5 million, which excludes weighted average diluted shares of 2.6 million.

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

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

(\$ in millions)	For the twelve months ended March 31,	
	2023	2022
Return on Allstate common shareholders' equity		
Numerator:		
Net income (loss) applicable to common shareholders	\$ (2,374)	\$ 3,545
Denominator:		
Beginning Allstate common shareholders' equity	\$ 21,105	\$ 24,421
Ending Allstate common shareholders' equity ⁽¹⁾	15,524	21,105
Average Allstate common shareholders' equity	\$ 18,315	\$ 22,763
Return on Allstate common shareholders' equity	(13.0)%	15.6 %
Adjusted net income return on Allstate common shareholders' equity		
Numerator:		
Adjusted net income (loss) *	\$ (1,311)	\$ 2,910
Denominator:		
Beginning Allstate common shareholders' equity	\$ 21,105	\$ 24,421
Less: Unrealized net capital gains and losses	(996)	1,681
Adjusted beginning Allstate common shareholders' equity	22,101	22,740
Ending Allstate common shareholders' equity ⁽¹⁾	15,524	21,105
Less: Unrealized net capital gains and losses	(1,573)	(996)
Adjusted ending Allstate common shareholders' equity	17,097	22,101
Average adjusted Allstate common shareholders' equity	\$ 19,599	\$ 22,421
Adjusted net income return on Allstate common shareholders' equity *	(6.7)%	13.0 %

⁽¹⁾ Excludes equity related to preferred stock of \$1,970 million for both periods.

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

The following tables reconcile the respective combined ratio to the underlying combined ratio. Underwriting margin is calculated as 100% minus the combined ratio.

Property-Liability

Combined ratio
Effect of catastrophe losses
Effect of prior year non-catastrophe reserve reestimates
Effect of amortization of purchased intangibles
Underlying combined ratio*
Effect of prior year catastrophe reserve reestimates

Three months ended March 31,	
2023	2022
108.6	97.3
(14.5)	(4.4)
(0.3)	(1.5)
(0.5)	(0.5)
93.3	90.9
(0.4)	(0.1)

Allstate Protection - Auto Insurance

Combined ratio
Effect of catastrophe losses
Effect of prior year non-catastrophe reserve reestimates
Effect of amortization of purchased intangibles
Underlying combined ratio*
Effect of prior year catastrophe reserve reestimates

Three months ended March 31,	
2023	2022
104.4	102.1
(1.2)	(0.6)
(0.1)	(2.1)
(0.5)	(0.6)
102.6	98.8
(0.4)	(0.1)

Allstate Protection - Homeowners Insurance

Combined ratio
Effect of catastrophe losses
Effect of prior year non-catastrophe reserve reestimates
Effect of amortization of purchased intangibles
Underlying combined ratio*
Effect of prior year catastrophe reserve reestimates

Three months ended March 31,	
2023	2022
119.0	83.9
(51.6)	(15.4)
0.5	(0.1)
(0.3)	(0.4)
67.6	68.0
(0.2)	(0.4)

#####



The Allstate Corporation

**Investor Supplement
First Quarter 2023**

The condensed consolidated financial statements and financial exhibits included herein are unaudited and should be read in conjunction with the consolidated financial statements and notes thereto included in the most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. The results of operations for interim periods should not be considered indicative of results to be expected for the full year.

Measures used in these financial statements and exhibits that are not based on generally accepted accounting principles ("non-GAAP") are denoted with an asterisk (*). These measures are defined on the pages "Definitions of Non-GAAP Measures" and are reconciled to the most directly comparable generally accepted accounting principles ("GAAP") measure herein.

The Allstate Corporation
Investor Supplement - First Quarter 2023

Consolidated Operations	Table of Contents	
Condensed Consolidated Statements of Operations	1	Corporate and Other
Contribution to Income	2	Segment Results
Book Value per Common Share and Debt to Capital	3	Investments
Return on Allstate Common Shareholders' Equity	4	Investment Position and Results
Policies in Force	5	Investment Position and Results by Strategy
Property-Liability		Definitions of Non-GAAP Measures
Results	6	Glossary
Allstate Protection		Items included in the glossary are denoted with a caret (^) the first time used.
Profitability Measures	7	Appendices ⁽¹⁾
Impact of Net Rate Changes Implemented on Premiums Written	8	<i>Historical Results Reflecting Adoption of Accounting Standard related to Long-Duration Insurance Contracts</i>
Auto Profitability Measures and Statistics	9	Condensed Consolidated Financial Statements and Other Financial Information
Homeowners Profitability Measures and Statistics	10	App A, B
Protection Services		
Segment Results	11	
Allstate Health and Benefits		
Segment Results and Other Statistics	12	

⁽¹⁾ Effective January 1, 2023, we adopted the Financial Accounting Standards Board ("FASB") guidance revising the accounting for certain long-duration insurance contracts using the modified retrospective approach to the transition date of January 1, 2021. The pages provide a summary of the impacts of this change on previously reported periods, including our condensed consolidated financial statements.

The Allstate Corporation
Condensed Consolidated Statements of Operations ⁽¹⁾

(\$ in millions, except per share data)

	Three months ended				
	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Revenues					
Property and casualty insurance premiums [^]	12,173	\$ 11,900	\$ 11,661	\$ 11,362	\$ 10,981
Accident and health insurance premiums and contract charges [^]	463	436	463	465	468
Other revenue [^]	561	660	561	563	560
Net investment income	575	557	690	562	594
Net gains (losses) on investments and derivatives	14	95	(167)	(733)	(267)
Total revenues	<u>13,786</u>	<u>13,648</u>	<u>13,208</u>	<u>12,219</u>	<u>12,336</u>
Costs and expenses					
Property and casualty insurance claims and claims expense	10,326	10,002	10,073	9,367	7,822
Accident, health and other policy benefits	205	257	252	265	268
Amortization of deferred policy acquisition costs	1,744	1,725	1,863	1,816	1,608
Operating costs and expenses	1,716	1,852	1,842	1,850	1,902
Pension and other postretirement remeasurement (gains) losses	(53)	25	79	259	(247)
Restructuring and related charges	27	24	14	1	12
Amortization of purchased intangibles	81	89	90	87	87
Interest expense	86	84	85	83	83
Total costs and expenses	<u>14,192</u>	<u>14,058</u>	<u>14,118</u>	<u>13,530</u>	<u>11,535</u>
Income (loss) from operations before income tax expense	(406)	(410)	(910)	(1,311)	801
Income tax expense (benefit)	(85)	(114)	(236)	(289)	151
Net income (loss)	(321)	(296)	(674)	(1,022)	650
Less: Net income (loss) attributable to noncontrolling interest	(1)	(19)	(15)	(9)	(10)
Net income (loss) attributable to Allstate	(320)	(277)	(659)	(1,013)	660
Less: Preferred stock dividends	26	26	26	27	26
Net income (loss) applicable to common shareholders	<u>\$ (346)</u>	<u>\$ (303)</u>	<u>\$ (685)</u>	<u>\$ (1,040)</u>	<u>\$ 634</u>
Earnings per common share					
Net income (loss) applicable to common shareholders per common share - Basic	\$ (1.31)	\$ (1.15)	\$ (2.55)	\$ (3.80)	\$ 2.28
Weighted average common shares - Basic	263.5	264.4	268.7	273.8	278.1
Net income (loss) applicable to common shareholders per common share - Diluted	\$ (1.31) ⁽²⁾	\$ (1.15) ⁽³⁾	\$ (2.55) ⁽⁴⁾	\$ (3.80) ⁽⁵⁾	\$ 2.25
Weighted average common shares - Diluted	263.5 ⁽²⁾	264.4 ⁽³⁾	268.7 ⁽⁴⁾	273.8 ⁽⁵⁾	281.8
Cash dividends declared per common share	\$ 0.89	\$ 0.85	\$ 0.85	\$ 0.85	\$ 0.85

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

⁽²⁾ Due to a net loss reported for the three months ended March 31, 2023, calculation uses weighted average shares of 263.5 million, which excludes weighted average diluted shares of 2.6 million.

⁽³⁾ Due to a net loss reported for the three months ended December 31, 2022, calculation uses weighted average shares of 264.4 million, which excludes weighted average diluted shares of 3.1 million.

⁽⁴⁾ Due to a net loss reported for the three months ended September 30, 2022, calculation uses weighted average shares of 268.7 million, which excludes weighted average diluted shares of 2.9 million.

⁽⁵⁾ Due to a net loss reported for the three months ended June 30, 2022, calculation uses weighted average shares of 273.8 million, which excludes weighted average diluted shares of 3.2 million.

The Allstate Corporation
Contribution to Income ⁽¹⁾

(\$ in millions, except per share data)

	Three months ended				
	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Contribution to income					
Net income (loss) applicable to common shareholders	\$ (346)	\$ (303)	\$ (685)	\$ (1,040)	\$ 634
Net (gains) losses on investments and derivatives	(14)	(95)	167	733	267
Pension and other postretirement rereasurement (gains) losses	(53)	25	79	259	(247)
Amortization of purchased intangibles	81	89	90	87	87
(Gain) loss on disposition	(9)	(83) ⁽³⁾	5	(27)	16
Income tax expense (benefit)	(1)	16	(67)	(219)	(27)
Adjusted net income (loss) *	<u>\$ (342)</u>	<u>\$ (351)</u>	<u>\$ (411)</u>	<u>\$ (207)</u>	<u>\$ 730</u>
Income per common share - Diluted					
Net income (loss) applicable to common shareholders	\$ (1.31) ⁽²⁾	\$ (1.15) ⁽⁴⁾	\$ (2.55) ⁽⁵⁾	\$ (3.80) ⁽⁶⁾	\$ 2.25
Net (gains) losses on investments and derivatives	(0.05)	(0.36)	0.62	2.68	0.95
Pension and other postretirement rereasurement (gains) losses	(0.20)	0.09	0.29	0.95	(0.88)
Amortization of purchased intangibles	0.31	0.34	0.34	0.32	0.31
(Gain) loss on disposition	(0.04)	(0.32)	0.02	(0.10)	0.06
Income tax expense (benefit)	(0.01)	0.07	(0.25)	(0.80)	(0.10)
Adjusted net income (loss) *	<u>\$ (1.30) ⁽²⁾</u>	<u>\$ (1.33) ⁽⁴⁾</u>	<u>\$ (1.53) ⁽⁵⁾</u>	<u>\$ (0.75) ⁽⁶⁾</u>	<u>\$ 2.59</u>
Weighted average common shares - Diluted	263.5 ⁽²⁾	264.4 ⁽⁴⁾	268.7 ⁽⁵⁾	273.8 ⁽⁶⁾	281.8

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

⁽²⁾ Due to a net loss reported for the three months ended March 31, 2023, calculation uses weighted average shares of 263.5 million, which excludes weighted average diluted shares of 2.6 million.

⁽³⁾ Includes \$83 million related to the gain on sale of headquarters in the fourth quarter of 2022 reported as other revenue in Corporate and Other segment.

⁽⁴⁾ Due to a net loss reported for the three months ended December 31, 2022, calculation uses weighted average shares of 264.4 million, which excludes weighted average diluted shares of 3.1 million.

⁽⁵⁾ Due to a net loss reported for the three months ended September 30, 2022, calculation uses weighted average shares of 268.7 million, which excludes weighted average diluted shares of 2.9 million.

⁽⁶⁾ Due to a net loss reported for the three months ended June 30, 2022, calculation uses weighted average shares of 273.8 million, which excludes weighted average diluted shares of 3.2 million.

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

(\$ in millions, except per share data)

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

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

⁽²⁾ Excludes equity related to preferred stock of \$1.970 million for all periods shown.

⁽³⁾ Common shares outstanding were 263,057,581 and 263,458,276 as of March 31, 2023 and December 31, 2022, respectively.

The Allstate Corporation
Return on Allstate Common Shareholders' Equity⁽¹⁾

(\$ in millions)

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

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

⁽²⁾ Net income applicable to common shareholders and adjusted net income reflect a trailing twelve-month period.

⁽³⁾ Excludes equity related to preferred stock of \$1,970 million for all periods shown.

**The Allstate Corporation
Policies in Force**

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

- ⁽¹⁾ Policy counts are based on items rather than customers.
- A multi-car customer would generate multiple item (policy) counts, even if all cars were insured under one policy.
 - PIF does not reflect banking relationships for our lender-placed insurance products to customers including fire, home and flood products, as well as collateral protection insurance and guaranteed asset protection products for automobiles.
 - Commercial lines PIF for shared economy agreements reflect contracts that cover multiple drivers as opposed to individual drivers.
 - Allstate Roadside reflects memberships in force and do not include their wholesale partners as the customer relationship is managed by the wholesale partner.
 - Allstate Dealer Services reflects service contracts and other products sold in conjunction with auto lending and vehicle sales transactions and do not include their third party administrators ("TPAs") as the customer relationship is managed by the TPAs.
 - Allstate Protection Plans represents active consumer product protection plans.
 - Allstate Identity Protection reflects individual customer counts for identity protection products.
 - Allstate Health and Benefits reflects certificate counts as opposed to group counts.

The Allstate Corporation
Property-Liability Results

(\$ in millions, except ratios)

Three months ended

	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Premiums written	\$ 11,793	\$ 11,480	\$ 12,037	\$ 11,509	\$ 10,761
(Increase) decrease in unearned premiums	(127)	(87)	(852)	(599)	(258)
Other	(21)	(33)	(28)	(36)	(5)
Premiums earned	11,635	11,380	11,157	10,874	10,498
Other revenue	353	350	364	355	347
Claims and claims expense	(10,180)	(9,865)	(9,554)	(9,211)	(7,700)
Amortization of deferred policy acquisition costs	(1,452)	(1,453)	(1,414)	(1,355)	(1,348)
Operating costs and expenses	(1,279)	(1,365)	(1,390)	(1,450)	(1,445)
Restructuring and related charges	(21)	(20)	(14)	2	(5)
Amortization of purchased intangibles	(57)	(82)	(61)	(59)	(58)
Underwriting income (loss) ⁽¹⁾	\$ (1,001)	\$ (1,035)	\$ (1,292)	\$ (864)	\$ 280
Catastrophe losses	\$ (1,691)	\$ (779)	\$ (763)	\$ (1,108)	\$ (462)
Claims expense excluding catastrophe expense ^a	(870)	(701)	(879)	(851)	(821)
Operating ratios and reconciliations to underlying ratios					
Loss ratio	87.5	86.7	89.0	84.9	73.3
Effect of catastrophe losses	(14.5)	(6.8)	(6.8)	(10.2)	(4.4)
Effect of prior year non-catastrophe reserve reestimates	(0.3)	(2.5)	(7.8)	(3.8)	(1.5)
Underlying loss ratio^a	72.7	77.4	74.4	70.9	67.4
Expense ratio^a	21.1	22.4	22.6	23.0	24.0
Effect of amortization of purchased intangibles	(0.5)	(0.6)	(0.6)	(0.5)	(0.5)
Underlying expense ratio^a	20.6	21.8	22.0	22.5	23.5
Effect of advertising expense	(1.3)	(1.3)	(1.7)	(2.3)	(3.3)
Effect of restructuring and related charges	(0.2)	(0.1)	(0.1)	-	(0.1)
Adjusted underlying expense ratio^a	19.1	20.4	20.2	20.2	20.1
Claims expense ratio excluding catastrophe expense ^a	5.8	6.2	6.1	6.0	5.9
Adjusted expense ratio^a	24.9	26.6	26.3	26.2	26.0
Combined ratio	108.6	109.1	111.6	107.9	97.3
Effect of catastrophe losses	(14.5)	(6.8)	(6.8)	(10.2)	(4.4)
Effect of prior year non-catastrophe reserve reestimates	(0.3)	(2.5)	(7.8)	(3.8)	(1.5)
Effect of amortization of purchased intangibles	(0.5)	(0.6)	(0.6)	(0.5)	(0.5)
Underlying combined ratio^a	93.3	99.2	96.4	93.4	90.9
Effect of Run-off Property-Liability on combined ratio	-	-	1.1	-	-
⁽¹⁾ Underwriting income (loss)					
Allstate brand	\$ (972)	\$ (990)	\$ (1,049)	\$ (825)	\$ 251
National General	(28)	(44)	(124)	(38)	29
Amwest Financial	2	1	3	2	2
Total underwriting income (loss) for Allstate Protection	(998)	(1,033)	(1,170)	(861)	282
Run-off Property-Liability	(3)	(2)	(122)	(3)	(2)
Total underwriting income (loss) for Property-Liability	\$ (1,001)	\$ (1,035)	\$ (1,292)	\$ (864)	\$ 280
Other financial information					
Net investment income	\$ 509	\$ 494	\$ 632	\$ 506	\$ 558
Income tax (expense) benefit on operations	91	115	179	79	(115)
Net income (loss) attributable to noncontrolling interest, after-tax	(1)	(17)	(15)	(10)	(10)
Amortization of purchased intangibles	(57)	(82)	(61)	(59)	(58)

The Allstate Corporation
Allstate Protection Profitability Measures

(\$ in millions, except ratios)

Three months ended

	Three months ended				
	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Premiums written					
Auto	\$ 8,349	\$ 7,774	\$ 7,860	\$ 7,470	\$ 7,562
Homeowners	2,534	2,775	3,145	3,008	2,281
Other personal lines	548	530	606	609	504
Commercial lines	227	248	285	297	294
Other business lines *	125	153	141	125	120
Total	\$ 11,783	\$ 11,480	\$ 12,037	\$ 11,509	\$ 10,761
Net premiums earned					
Auto	\$ 7,908	\$ 7,741	\$ 7,545	\$ 7,348	\$ 7,081
Homeowners	2,810	2,720	2,642	2,566	2,490
Other personal lines	562	543	540	545	531
Commercial lines	232	249	296	295	283
Other business lines	123	127	134	120	113
Total	\$ 11,635	\$ 11,380	\$ 11,157	\$ 10,874	\$ 10,498
Underwriting income (loss)					
Auto	\$ (346)	\$ (974)	\$ (1,315)	\$ (578)	\$ (147)
Homeowners	(534)	197	266	(192)	400
Other personal lines	(89)	(107)	(10)	11	16
Commercial lines	(60)	(190)	(117)	(135)	(22)
Other business lines	29	40	3	31	31
Answer Financial	2	1	3	2	2
Total	\$ (998)	\$ (1,033)	\$ (1,170)	\$ (861)	\$ 282
Claims expense excluding catastrophe expense	\$ 668	\$ 699	\$ 675	\$ 650	\$ 619
Operating ratios and reconciliations to underlying ratios					
Loss ratio	87.5	86.7	88.0	84.9	73.3
Effect of catastrophe losses	(14.5)	(6.8)	(6.8)	(10.2)	(4.4)
Effect of prior year non-catastrophe reserve reestimates	(0.3)	(2.5)	(6.8)	(3.8)	(1.5)
Underlying loss ratio *	72.7	77.4	74.4	70.9	67.4
Expense ratio	21.1	22.4	22.5	23.0	24.0
Effect of amortization of purchased intangibles	(0.5)	(0.6)	(0.6)	(0.5)	(0.5)
Underlying expense ratio *	20.6	21.8	21.9	22.5	23.5
Effect of advertising expense	(1.3)	(1.3)	(1.7)	(2.3)	(3.3)
Effect of restructuring and related charges	(0.2)	(0.2)	(0.1)	-	(0.1)
Adjusted underlying expense ratio *	19.1	20.3	20.1	20.2	20.1
Combined ratio	108.6	109.1	110.5	107.9	97.3
Underlying combined ratio *	93.3	99.2	96.3	93.4	90.9
Claims expense ratio excluding catastrophe expense	5.7	6.1	6.1	6.0	5.9

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

	Three months ended March 31, 2023			Three months ended December 31, 2022		
	Number of locations ⁽¹⁾	Total brand (%) ^{(2) (3)}	Location specific (%) ⁽⁴⁾	Number of locations	Total brand (%) ⁽³⁾	Location specific (%)
Allstate brand						
Auto	28	1.7	8.4	38	6.1	11.2
Homeowners	18	4.9	13.7	16	2.1	11.3
National General						
Auto	28	1.9	5.6	26	4.3	8.5
Homeowners	7	1.5	12.2	16	4.4	15.7
	Three months ended September 30, 2022			Three months ended June 30, 2022		
	Number of locations	Total brand (%) ⁽³⁾	Location specific (%)	Number of locations	Total brand (%) ⁽³⁾	Location specific (%)
Allstate brand						
Auto	19	4.7	14.0	30	2.5	8.7
Homeowners	9	0.5	6.9	13	0.7	5.4
National General						
Auto	19	1.1	3.2	19	2.7	6.0
Homeowners	7	1.6	10.8	10	0.7	6.5

⁽¹⁾ Refers to the number of U.S. states, the District of Columbia or Canadian provinces where rate changes have been implemented. Allstate brand operates in 50 states, the District of Columbia, and 5 Canadian provinces. National General operates in 50 states and the District of Columbia.

⁽²⁾ Represents the impact in the locations where rate changes were implemented during the period as a percentage of total brand prior year-end premiums written.

⁽³⁾ Total Allstate brand implemented auto insurance rate increases totaled \$454 million in the first quarter of 2023, after implementing \$1.48 billion, \$1.14 billion and \$601 million of rate increases in the fourth, third and second quarters of 2022, respectively.

⁽⁴⁾ Represents the impact in the locations where rate changes were implemented during the period as a percentage of its respective total prior year-end premiums written in those same locations.

The Allstate Corporation
Auto Profitability Measures and Statistics

(\$ in millions, except ratios)

	Three months ended				
	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Allstate Protection					
Premiums written	\$ 8,349	\$ 7,774	\$ 7,860	\$ 7,470	\$ 7,562
Net premiums earned	7,898	7,741	7,545	7,348	7,081
Underwriting income (loss)	(348)	(874)	(1,315)	(578)	(147)
Operating ratios and reconciliations to underlying ratios					
Loss ratio	83.4	90.6	95.3	84.9	77.6
Effect of catastrophe losses	(1.2)	(0.5)	(4.4)	(1.5)	(0.6)
Effect of prior year non-catastrophe reserve reestimates ("PYRR")	(0.1)	(2.3)	(8.5)	(3.8)	(2.1)
Underlying loss ratio *	82.1	87.8	82.4	79.6	74.9
Expense ratio	21.0	22.0	22.1	23.0	24.5
Effect of amortization of purchased intangibles	(0.5)	(0.6)	(0.5)	(0.5)	(0.6)
Underlying expense ratio *	20.5	21.4	21.6	22.5	23.9
Combined ratio	104.4	112.6	117.4	107.9	102.1
Effect of catastrophe losses	(1.2)	(0.5)	(4.4)	(1.5)	(0.6)
Effect of PYRR	(0.1)	(2.3)	(8.5)	(3.8)	(2.1)
Effect of amortization of purchased intangibles ("APIA")	(0.5)	(0.6)	(0.5)	(0.5)	(0.6)
Underlying combined ratio *	102.6	109.2	104.0	105.1	98.6
Allstate brand					
Premiums written	\$ 6,826	\$ 6,560	\$ 6,704	\$ 6,374	\$ 6,308
Net premiums earned	6,680	6,544	6,416	6,283	6,073
Underwriting income (loss)	(332)	(909)	(1,222)	(578)	(137)
Loss ratio	84.3	92.2	97.1	86.4	79.3
Effect of catastrophe losses and non-catastrophe PYRR	(0.6)	(3.0)	(13.6)	(5.5)	(2.9)
Underlying loss ratio *	83.7	89.2	83.5	80.9	76.4
Combined ratio	105.0	113.9	119.0	109.2	102.3
Effect of catastrophe losses, non-catastrophe PYRR and APIA	(0.8)	(3.1)	(13.7)	(5.6)	(3.0)
Underlying combined ratio *	104.2	110.8	105.3	103.6	99.3
Average premium - gross written * (\$)	726	698	667	644	626
Annualized average earned premium* (\$)	1,260	1,209	1,174	1,138	1,106
Annualized average earned premium* (% change year-over-year)	13.9	10.1	7.2	3.4	0.4
Average underlying loss (incurred pure premium) ** (\$)	1,055	1,078	981	921	834
Average underlying loss (incurred pure premium) ** (% change year-over-year)	29.5	29.3	22.6	25.1	34.7
Renewal ratio * (%)	85.7	85.0	87.0	87.5	87.5
National General					
Premiums written	\$ 1,523	\$ 1,214	\$ 1,156	\$ 1,096	\$ 1,254
Net premiums earned	1,248	1,197	1,129	1,095	1,008
Underwriting income (loss)	(14)	(65)	(93)	-	(10)
Combined ratio	101.1	105.4	108.2	100.0	101.0
Effect of catastrophe losses, non-catastrophe PYRR and APIA ⁽¹⁾	(7.1)	(4.9)	(11.4)	(6.6)	(5.6)
Underlying combined ratio *	94.0	100.6	96.8	93.4	95.4

⁽¹⁾ Includes 2.4 points and 3.4 points in the first quarter of 2023 and 2022, respectively, related to the effect of amortization of purchased intangibles.

The Allstate Corporation
Homeowners Profitability Measures and Statistics

(\$ in millions, except ratios)

Three months ended

	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Allstate Protection					
Premiums written	\$ 2,534	\$ 2,775	\$ 3,145	\$ 3,008	\$ 2,281
Net premiums earned	2,810	2,720	2,642	2,566	2,490
Underwriting income (loss)	(534)	197	268	(192)	400
Operating ratios and reconciliations to underlying ratios					
Loss ratio	98.5	70.4	67.4	84.5	61.8
Effect of catastrophe losses	(51.6)	(22.2)	(13.4)	(35.6)	(15.4)
Effect of prior year non-catastrophe reserve reestimates	0.5	(0.7)	(1.9)	(1.9)	(0.1)
Underlying loss ratio *	<u>47.4</u>	<u>47.5</u>	<u>52.1</u>	<u>47.0</u>	<u>46.3</u>
Expense ratio	20.5	22.4	22.5	23.0	22.1
Effect of amortization of purchased intangibles	(0.3)	(0.4)	(0.5)	(0.5)	(0.4)
Underlying expense ratio *	<u>20.2</u>	<u>22.0</u>	<u>22.0</u>	<u>22.5</u>	<u>21.7</u>
Combined ratio	119.0	92.8	89.9	107.5	83.9
Effect of catastrophe losses	(51.6)	(22.2)	(13.4)	(35.6)	(15.4)
Effect of prior year non-catastrophe reserve reestimates ("PYRR")	0.5	(0.7)	(1.9)	(1.9)	(0.1)
Effect of amortization of purchased intangibles ("APIA")	(0.3)	(0.4)	(0.5)	(0.5)	(0.4)
Underlying combined ratio *	<u>67.6</u>	<u>69.5</u>	<u>74.1</u>	<u>69.5</u>	<u>68.0</u>
Allstate brand					
Premiums written	\$ 2,210	\$ 2,448	\$ 2,803	\$ 2,665	\$ 2,020
Net premiums earned	2,488	2,408	2,350	2,281	2,210
Underwriting income (loss)	(508)	197	268	(132)	368
Combined ratio	120.4	91.8	86.6	105.8	83.3
Effect of catastrophe losses, non-catastrophe PYRR and APIA	(54.5)	(23.7)	(15.0)	(38.8)	(18.6)
Underlying combined ratio *	<u>65.9</u>	<u>68.1</u>	<u>71.6</u>	<u>67.0</u>	<u>64.7</u>
Average premium - gross written (\$)	1,706	1,668	1,635	1,590	1,554
Renewal ratio (%)	86.3	86.7	87.4	86.9	86.2
National General					
Premiums written	\$ 324	\$ 327	\$ 342	\$ 343	\$ 261
Net premiums earned	322	312	292	285	280
Underwriting income (loss)	(26)	-	(2)	(60)	32
Combined ratio	108.1	100.0	100.7	121.1	88.6
Effect of catastrophe losses, non-catastrophe PYRR and APIA ⁽¹⁾	(27.4)	(20.2)	(13.7)	(31.6)	(10.7)
Underlying combined ratio *	<u>80.7</u>	<u>79.8</u>	<u>87.0</u>	<u>89.5</u>	<u>77.9</u>

⁽¹⁾ Includes 1.3 points and 2.5 points in the first quarter of 2023 and 2022, respectively, related to the effect of amortization of purchased intangibles.

The Allstate Corporation
Protection Services Segment Results

(\$ in millions)

	Three months ended				
	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Protection Services					
Net premiums written	\$ 619	\$ 742	\$ 657	\$ 670	\$ 630
Premiums earned	\$ 538	\$ 520	\$ 504	\$ 488	\$ 483
Other revenue	84	78	84	91	94
Intersegment insurance premiums and service fees	33	31	39	36	41
Net investment income	16	14	13	12	9
Claims and claims expense	(153)	(140)	(141)	(128)	(123)
Amortization of deferred policy acquisition costs	(251)	(243)	(236)	(228)	(221)
Operating costs and expenses	(221)	(229)	(214)	(215)	(218)
Restructuring and related charges	(1)	(1)	(1)	-	-
Income tax expense on operations	(11)	6	(13)	(16)	(12)
Less: net income (loss) attributable to noncontrolling interest	-	(2)	-	1	-
Adjusted net income⁽¹⁾	34	38	35	43	53
Depreciation	6	6	6	6	6
Restructuring and related charges	1	1	1	-	-
Income tax expense on operations	11	(6)	13	16	12
Adjusted earnings before taxes, depreciation and restructuring¹	\$ 52	\$ 39	\$ 55	\$ 65	\$ 71
Allstate Protection Plans					
Net premiums written	\$ 439	\$ 570	\$ 452	\$ 456	\$ 429
Premiums earned	\$ 361	\$ 346	\$ 330	\$ 318	\$ 313
Revenue ^a	385	367	349	338	329
Claims and claims expense	(105)	(94)	(92)	(82)	(77)
Amortization of deferred policy acquisition costs	(141)	(134)	(129)	(123)	(119)
Other costs and expenses ^b	(103)	(102)	(90)	(83)	(80)
Restructuring and related charges	-	(1)	-	-	-
Income tax expense on operations	(8)	4	(9)	(13)	(10)
Less: net income (loss) attributable to noncontrolling interest	-	(2)	-	1	-
Adjusted net income	\$ 28	\$ 42	\$ 29	\$ 36	\$ 43
Allstate Dealer Services					
Revenue	\$ 148	\$ 145	\$ 143	\$ 139	\$ 135
Adjusted net income	7	8	10	8	9
Allstate Roadside					
Revenue	\$ 64	\$ 64	\$ 65	\$ 64	\$ 65
Adjusted net income	4	3	1	1	2
Arity					
Revenue	\$ 37	\$ 33	\$ 49	\$ 52	\$ 62
Adjusted net income (loss)	(4)	(7)	(2)	(1)	(1)
Allstate Identity Protection					
Revenue	\$ 37	\$ 34	\$ 34	\$ 36	\$ 36
Adjusted net income (loss)	(1)	(8)	(3)	(1)	-

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

The Allstate Corporation
Allstate Health and Benefits Segment Results and Other Statistics ⁽¹⁾

(\$ in millions)

	Three months ended				
	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Allstate Health and Benefits					
Premiums	\$ 433	\$ 403	\$ 434	\$ 435	\$ 440
Contract charges	30	33	29	30	28
Other revenue ⁽²⁾	101	125	90	92	95
Net investment income	19	19	17	16	17
Accident, health and other policy benefits	(265)	(257)	(252)	(265)	(268)
Amortization of deferred policy acquisition costs	(41)	(29)	(33)	(35)	(39)
Operating costs and expenses	(203)	(220)	(207)	(185)	(202)
Restructuring and related charges	(4)	(1)	1	(2)	-
Income tax expense on operations	(14)	(15)	(16)	(19)	(14)
Adjusted net income ^A	\$ 56	\$ 58	\$ 63	\$ 67	\$ 57
Interest credited to contractholder funds	(8)	(8)	(8)	(9)	(8)
Benefit ratio ^A	55.5 %	57.1 %	52.7 %	55.1 %	55.6 %
Premiums and contract charges					
Employer voluntary benefits ^A	\$ 255	\$ 256	\$ 257	\$ 257	\$ 263
Group health ^A	107	100	96	95	94
Individual health ^A	101	80	110	113	111
Total	\$ 463	\$ 436	\$ 463	\$ 465	\$ 468

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

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

**The Allstate Corporation
Corporate and Other Segment Results**

(\$ in millions)

	Three months ended				March 31, 2022
	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	
Other revenue	\$ 23	\$ 23 ⁽¹⁾	\$ 23	\$ 25	\$ 24
Net investment income	31	30	28	28	10
Operating costs and expenses	(48)	(83)	(65)	(75)	(59)
Restructuring and related charges	(1)	(2)	-	(1)	-
Interest expense	(86)	(86)	(83)	(83)	(83)
Income tax benefit on operations	18	24	19	26	23
Preferred stock dividends	(26)	(26)	(26)	(27)	(26)
Adjusted net loss [^]	<u>\$ (89)</u>	<u>\$ (100)</u>	<u>\$ (104)</u>	<u>\$ (107)</u>	<u>\$ (111)</u>

⁽¹⁾ Excludes \$83 million related to the gain on sale of headquarters in the fourth quarter of 2022 reported as other revenue.

The Allstate Corporation
Investment Position and Results

(\$ in millions)

As of or for the three months ended

	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Investment position					
Fixed income securities, at fair value	\$ 44,103	\$ 42,485	\$ 41,715	\$ 41,282	\$ 40,745
Equity securities [^]	2,174	4,567	4,723	4,681	5,315
Mortgage loans, net	781	762	833	848	855
Limited partnership interests [^]	7,971	8,114	7,907	7,943	7,977
Short-term, at fair value	6,722	4,173	4,030	4,384	4,344
Other investments, net	1,724	1,728	1,738	1,917	2,532
Total	<u>\$ 63,475</u>	<u>\$ 61,829</u>	<u>\$ 61,006</u>	<u>\$ 61,055</u>	<u>\$ 61,768</u>
Net investment income					
Fixed income securities	\$ 390	\$ 366	\$ 323	\$ 299	\$ 267
Equity securities	11	32	30	34	36
Mortgage loans	8	8	8	9	8
Limited partnership interests	134	144	325	224	292
Short-term investments	66	40	30	10	2
Other investments	41	42	38	42	40
Investment income, before expense	650	632	754	618	645
Investment expense	(75)	(75)	(64)	(66)	(51)
Net investment income	<u>\$ 575</u>	<u>\$ 557</u>	<u>\$ 690</u>	<u>\$ 562</u>	<u>\$ 594</u>
Pre-tax yields on fixed income securities [^]	3.4 %	3.2 %	2.9 %	2.8 %	2.6 %
Net gains (losses) on investments and derivatives, pre-tax by transaction type					
Sales	\$ (120)	\$ (227)	\$ (175)	\$ (303)	\$ (127)
Credit losses	(12)	(24)	(6)	(13)	(11)
Valuation change of equity investments	198	361	(285)	(689)	(447)
Valuation change and settlements of derivatives	(52)	(15)	299	272	318
Total	<u>\$ 14</u>	<u>\$ 95</u>	<u>\$ (167)</u>	<u>\$ (733)</u>	<u>\$ (267)</u>
Total return on investment portfolio [^]					
Net investment income	0.9 %	0.9 %	1.1 %	0.9 %	0.9 %
Valuation-interest bearing	1.1	1.0	(1.4)	(2.6)	(3.1)
Valuation-equity investments	0.4	0.6	(0.5)	(1.1)	(0.6)
Total	<u>2.4 %</u>	<u>2.5 %</u>	<u>(0.8) %</u>	<u>(2.8) %</u>	<u>(2.8) %</u>
Fixed income securities portfolio duration [^] (in years)	4.0	3.6	3.6	3.8	3.8
Fixed income securities portfolio duration including interest rate derivative positions (in years)	4.0	3.4	3.0	3.2	3.1
Fixed income and short-term investments duration including interest rate derivative positions (in years)	3.5	3.1	2.8	2.9	2.8

The Allstate Corporation
Investment Position and Results by Strategy

(\$ in millions)

As of or for the three months ended

	March 31, 2023	Dec. 31, 2022	Sept. 30, 2022	June 30, 2022	March 31, 2022
Investment Position					
Market-based [^]					
Interest-bearing investments [^]	\$ 52,337	\$ 48,114	\$ 47,364	\$ 47,457	\$ 47,480
Equity securities	1,765	4,112	4,263	4,259	4,915
LP and other alternative investments [^]	214	519	469	485	548
Total	\$ 54,316	\$ 52,745	\$ 52,116	\$ 52,201	\$ 52,943
Performance-based [^]					
Private equity ⁽¹⁾	\$ 7,168	\$ 6,965	\$ 6,980	\$ 6,996	\$ 6,943
Real estate	1,991	2,119	1,910	1,858	1,882
Total	\$ 9,159	\$ 9,084	\$ 8,890	\$ 8,854	\$ 8,825
Investment income					
Market-based					
Interest-bearing investments	\$ 401	\$ 432	\$ 376	\$ 336	\$ 296
Equity securities	14	34	25	29	26
LP and other alternative investments	13	-	5	4	3
Investment income, before expense	508	466	406	369	325
Investee level expenses	(1)	(2)	(4)	(1)	(2)
Income for yield calculation	\$ 507	\$ 464	\$ 402	\$ 368	\$ 323
Pre-tax yield	3.6 %	3.3 %	2.9 %	2.7 %	2.4 %
Performance-based					
Private equity	\$ 105	\$ 110	\$ 311	\$ 129	\$ 248
Real estate	37	56	37	120	72
Investment income, before expense	142	166	348	249	320
Investee level expenses	(16)	(19)	(13)	(13)	(14)
Income for yield calculation	\$ 126	\$ 147	\$ 335	\$ 236	\$ 306
Pre-tax yield	5.5 %	6.5 %	15.2 %	10.7 %	14.1 %
Total return on investments portfolio					
Market-based	2.6 %	2.8 %	(1.5) %	(3.7) %	(3.8) %
Performance-based	1.6	0.9	3.6	3.1	4.0
Internal rate of return [^]					
Performance-based					
10 year	12.7 %	12.9 %	13.0 %	13.0 %	13.0 %
5 year	12.1	13.1	13.3	14.1	13.9
3 year	16.0	15.7	14.9	15.2	15.0
1 year	5.9	11.2	17.4	24.6	27.7

⁽¹⁾ Includes infrastructure investments of \$1.06 billion as of March 31, 2023.

Definitions of Non-GAAP Measures

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

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

- Net gains and losses on investments and derivatives
- Pension and other postretirement rereasurement gains and losses
- Amortization or impairment of purchased intangibles
- Gain or loss on disposition
- Adjustments for other significant non-recurring, infrequent or unusual items, when (a) the nature of the charge or gain is such that it is reasonably unlikely to recur within two years, or (b) there has been no similar charge or gain within the prior two years
- Related income tax expense or benefit of these items

Net income (loss) applicable to common shareholders is the GAAP measure that is most directly comparable to adjusted net income. We use adjusted net income as an important measure to evaluate our results of operations. We believe that the measure provides investors with a valuable measure of the Company's ongoing performance because it reveals trends in our insurance and financial services business that may be obscured by the net effect of net gains and losses on investments and derivatives, pension and other postretirement rereasurement gains and losses, amortization or impairment of purchased intangibles, gain or loss on disposition and adjustments for other significant non-recurring, infrequent or unusual items and the related tax expense or benefit of these items. Net gains and losses on investments and derivatives, and pension and other postretirement rereasurement gains and losses may vary significantly between periods and are generally driven by business decisions and external economic developments such as capital market conditions, the timing of which is unrelated to the insurance underwriting process. Gain or loss on disposition is excluded because it is non-recurring in nature and the amortization or impairment of purchased intangibles is excluded because it relates to the acquisition purchase price and is not indicative of our underlying business results or trends. Non-recurring items are excluded because, by their nature, they are not indicative of our business or economic trends. Accordingly, adjusted net income excludes the effect of items that tend to be highly variable from period to period and highlights the results from ongoing operations and the underlying profitability of our business. A byproduct of excluding these items to determine adjusted net income is the transparency and understanding of their significance to net income variability and profitability while recognizing these or similar items may recur in subsequent periods. Adjusted net income is used by management along with the other components of net income (loss) applicable to common shareholders to assess our performance. We use adjusted measures of adjusted net income in incentive compensation. Therefore, we believe it is useful for investors to evaluate net income (loss) applicable to common shareholders, adjusted net income and their components separately and in the aggregate when reviewing and evaluating our performance. We note that investors, financial analysts, financial and business media organizations and rating agencies utilize adjusted net income results in their evaluation of our and our industry's financial performance and in their investment decisions, recommendations and communications as it represents a reliable, representative and consistent measurement of the industry and the Company and management's performance. We note that the price to earnings multiple commonly used by insurance investors as a forward-looking valuation technique uses adjusted net income as the denominator. Adjusted net income should not be considered a substitute for net income (loss) applicable to common shareholders and does not reflect the overall profitability of our business. A reconciliation of adjusted net income to net income (loss) applicable to common shareholders is provided in the schedule, "Contribution to Income."

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

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

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

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

Underlying combined ratio is a non-GAAP ratio, which is the sum of the underlying loss and underlying expense ratios. We believe that this ratio is useful to investors and it is used by management to reveal the trends in our Property-Liability business that may be obscured by catastrophe losses, prior year reserve reestimates and amortization or impairment of purchased intangibles. We believe it is useful for investors to evaluate these components separately and in the aggregate when reviewing our underwriting performance. The most directly comparable GAAP measure is the combined ratio. The underlying combined ratio should not be considered a substitute for the combined ratio and does not reflect the overall underwriting profitability of our business. A reconciliation of the underlying combined ratio to combined ratio is provided in the schedule "Property-Liability Results", "Auto Profitability Measures" and "Homeowners Profitability Measures".

Definitions of Non-GAAP Measures (continued)

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

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

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

Glossary

Consolidated Operations

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

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

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

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

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

Property-Liability

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

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

Average underlying loss (incurred pure premium) is calculated as the underlying loss ratio multiplied by the annualized average earned premium.

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

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

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

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

Protection Services

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

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

Allstate Health and Benefits

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

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

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

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

Investments

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

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

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

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

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

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

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

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

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

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

The Allstate Corporation
Historical Results - As Adjusted

(3 in millions)	Three months ended			Twelve months ended	
	Sept. 30,	June 30,	March 31,	Dec. 31, 2022	Dec. 31, 2021
	2022	2022	2022		
Condensed Consolidated Statements of Operations					
Revenues					
Accident and health insurance premiums and contract charges				\$ 1,832	\$ 1,834
Total revenues				\$1,411	\$0,001
Costs and expenses					
Accident, health and other policy benefits				1,042	1,060
Amortization of deferred policy acquisition costs				6,024	6,228
Total costs and expenses				53,241	44,141
Income (loss) from operations before income tax expense				(1,630)	6,466
Income tax expense (benefit)				(488)	1,292
Net income (loss) from continuing operations				(1,342)	5,174
Net income (loss)				(1,342)	1,581
Net income attributable to Allstate				(1,269)	1,614
Net income (loss) applicable to common shareholders				(1,364)	1,500
Earnings per common share:					
Net income (loss) from continuing operations applicable to common shareholders per common share - Basic				(5.14)	17.28
Net income (loss) applicable to common shareholders per common share - Basic				(5.14)	5.09
Net income (loss) from continuing operations applicable to common shareholders per common share - Diluted ⁽¹⁾				(5.14)	17.03
Net income (loss) applicable to common shareholders per common share - Diluted ⁽¹⁾				(5.14)	5.01
Other Financial Information					
Adjusted net income (loss) applicable to common shareholders *				(239)	4,048
Adjusted net income (loss) applicable to common shareholders per common share - Diluted * ⁽¹⁾				(0.88)	13.53
Condensed Consolidated Statements of Comprehensive Income					
Net income (loss)	\$ (874)	\$ (1,022)	\$ 650	(1,342)	1,581
Other comprehensive (loss) income, after tax					
Changes in:					
Unrealized net capital gains and losses	(789)	(1,144)	(1,594)	(2,853)	(2,562)
Discount rate for reserves for future policy benefits	32	85	80	228	(229)
Other comprehensive (loss) income, after tax	(833)	(1,121)	(1,514)	(2,815)	(2,671)
Comprehensive (loss) income	(1,507)	(2,143)	(864)	(4,160)	(1,207)
Comprehensive (loss) income attributable to Allstate	(1,486)	(2,126)	(842)	(4,087)	(1,261)
Condensed Consolidated Statements of Cash Flows					
Cash flows from operating activities					
Net income (loss)	\$ (1,040)	\$ (372)	\$ 650	\$ (1,342)	\$ 1,581
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Changes in:					
Policy benefits and other insurance reserves	3,454	1,222	(111)	4,445	1,996
Unearned premiums	2,255	1,001	360	2,538	1,608
Deferred policy acquisition costs	(507)	(315)	(103)	(713)	(624)
Reinsurance recoverables, net	99	148	333	451	(1,570)
Income taxes	(555)	(288)	93	(715)	353
Other operating assets and liabilities	(281)	(788)	(574)	(541)	(1,268)
Net cash provided by operating activities	4,151	2,105	432	5,123	5,116

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

The Allstate Corporation
Historical Results - As Adjusted

(\$ in millions)	As of or for the three months ended			As of or for the twelve months ended	
	Sept. 30, 2022	June 30, 2022	March 31, 2022	Dec. 31, 2022	Dec. 31, 2021
Condensed Consolidated Statements of Financial Position					
Assets					
Deferred policy acquisition costs	\$ 5,291	\$ 5,049	\$ 4,843	\$ 5,442	\$ 4,738
Reinsurance and indemnification recoverables, net	9,972	9,438	9,764	9,019	10,105
Deferred income taxes	489	131	-	382	-
Other assets, net	6,108	6,350	6,057	5,904	6,084
Total assets	97,701	96,443	97,240	97,989	99,535
Liabilities					
Reserve for future policy benefits	1,318	1,466	1,566	1,322	1,695
Contractholder funds	893	892	891	879	890
Unearned premiums	22,015	21,015	20,235	22,298	19,933
Deferred income taxes	-	-	366	-	770
Total liabilities	80,130	76,470	74,239	80,626	74,643
Equity					
Retained income	51,499	52,412	53,686	50,970	53,288
Accumulated other comprehensive income:					
Unrealized net capital gains and losses	(2,929)	(2,140)	(996)	(2,255)	598
Discount rate for reserve for future policy benefits	3	(49)	(134)	(1)	(229)
Total AOCI	(3,042)	(2,209)	(1,088)	(2,392)	426
Total Allstate shareholders' equity	17,663	20,064	23,075	17,486	24,944
Total equity	17,571	19,973	23,001	17,363	24,892
Total liabilities and equity	97,701	96,443	97,240	97,989	99,535
Condensed Consolidated Statements of Shareholders' Equity					
Retained income					
Balance, beginning of period	52,412	53,686	53,288	53,288	52,767
Cumulative effect of change in accounting principle	-	-	-	-	21
Net income (loss)	(659)	(1,013)	660	(1,289)	1,614
Balance, end of period	51,499	52,412	53,686	50,970	53,288
Accumulated other comprehensive income (loss)					
Balance, beginning of period	(2,209)	(1,088)	426	426	3,304
Change in unrealized net capital gains and losses	(789)	(1,144)	(1,594)	(2,853)	(2,582)
Change in discount rate for reserve for future policy benefits	52	85	95	228	(229)
Balance, end of period	(3,042)	(2,209)	(1,088)	(2,392)	426
Total Allstate shareholders' equity	17,663	20,064	23,075	17,486	24,944
Total equity	17,571	19,973	23,001	17,363	24,892
Other Financial Information					
Book value per common share					\$ 80.70
Book value per common share, excluding the impact of unrealized net capital gains and losses on fixed income securities *					\$ 78.58
Ratio of debt to Allstate shareholders' equity					32.9 %
Ratio of debt to capital resources					24.2
Net income return on average Allstate common shareholders' equity ⁽¹⁾					5.9
Adjusted net income return on average Allstate common shareholders' equity * ⁽¹⁾					17.1

⁽¹⁾ Net income applicable to common shareholders and adjusted net income reflect a trailing twelve-month period.

