



The Allstate Corporation

Barclays Global Financial Services Conference

Thomas J. Wilson: Chairman, President, and Chief Executive Officer

September 10, 2014

Allstate[®]
You're in good hands.



This presentation contains forward-looking statements and information. Additional information on factors that could cause results to differ materially from those projected in this presentation is available in the 2013 Form 10-K, our form 10-Q for the quarter ended June 30, 2014, in our most recent earnings release, and at the end of these slides. These materials are available on our website, allstateinvestors.com. This presentation also contains some non-GAAP measures. You can find the reconciliation of those measures to GAAP measures on our website, allstateinvestors.com, under the “Quarterly Investor Info” link.



Overview...

- Nation's largest publicly held personal lines insurer
- Broad portfolio of businesses
- Serve 16 million households
- Allstate: Over 32,000 exclusive agents, financial specialists and licensed sales producers
- Esurance: "Insurance for the modern world"
- Encompass: Mass-affluent package product distributed through independent agencies

Investor Value Proposition...

- A competitively **differentiated strategy** based on Segmentation, Analytics and Advanced Technology
- **Attractive returns** generated from low volatility auto insurance and repositioned homeowners business
- **Growth** through focused customer value propositions and expansions of product lines and geographic footprint





Our Strategy is to Provide Unique Customer Value Propositions to Each Consumer Segment



- Develop differentiated Customer Value Propositions
- Execute Customer Value Propositions at best possible cost



Strategy is Based on Consumer Behavior and Competitive Landscape

Relative Market Shares ⁽¹⁾ Customer Segment



- Green: Share of segment is between 1 and 2 times overall auto market share
- Yellow: Share of segment is between ½ and 1 times overall auto market share
- Red: Share of segment is less than half of overall auto market share



Strategy Based On: Segmentation, Analytics and Advanced Technology

Segmentation

- Allstate Agencies being repositioned as Trusted Advisors
- Esurance provides technology and tools to support customers
- Encompass provides mass affluent packaged policy
- Broad product portfolio to support Allstate Agency relationships and lower net acquisition costs for Esurance
- Best value through low costs

Analytics

- Sophisticated auto and home insurance pricing expertise
- Enterprise risk management; catastrophe exposure, investment portfolio and return on required capital
- Effective and efficient claims settlements

Advanced Technology

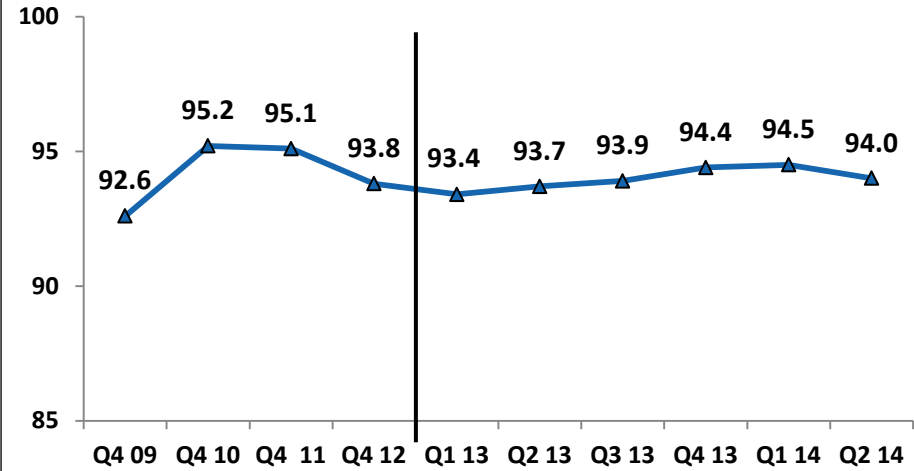
- Simplification, continuous improvement and worldwide talent pool
- Integrated Digital Enterprise: Analytics + Technology = New Business Models
- Telematics offerings: Drivewise® & DriveSense™



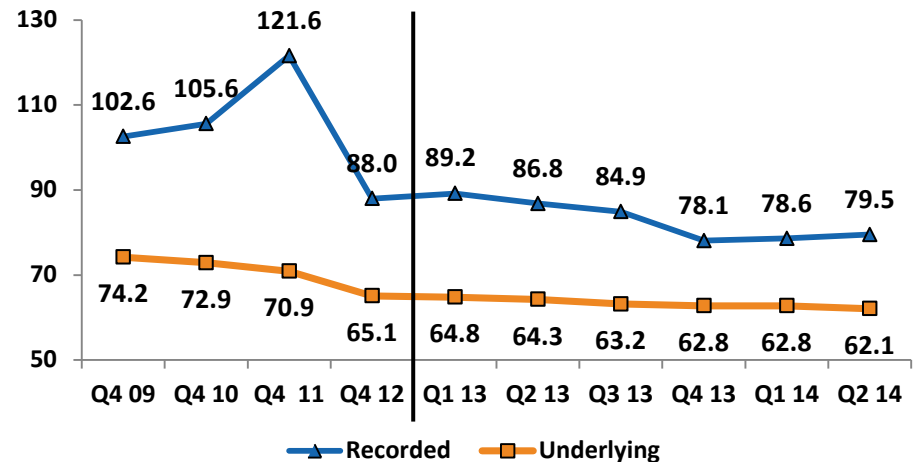
Low volatility auto returns maintained while homeowner business was repositioned

- Auto pricing and underwriting targets broadened as homeowner returns improved; margins continue to perform within a stable range of performance
- Homeowners approaching rate adequacy with the majority of states operating at or below acceptable long-term returns

Allstate Brand Auto Underlying Combined Ratio¹



Allstate Brand Homeowners Combined Ratio¹





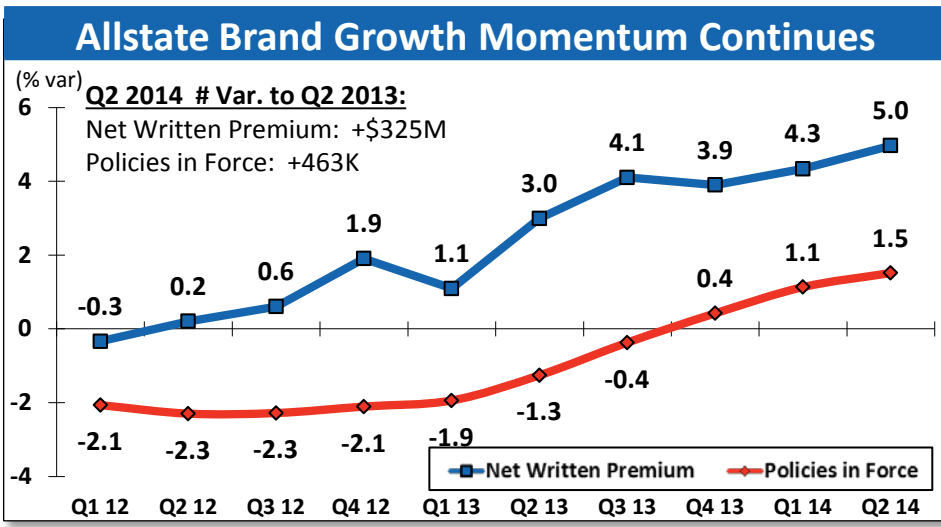
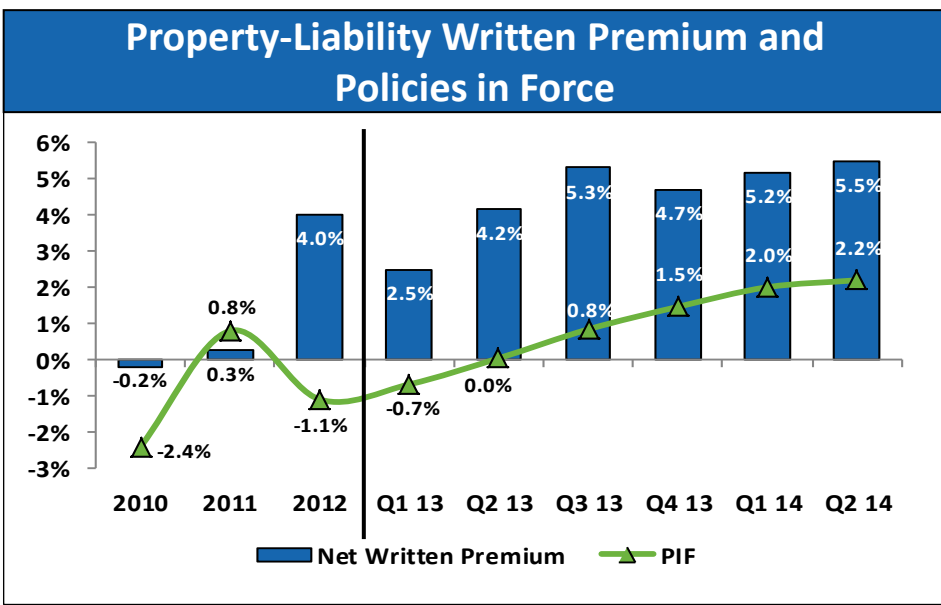
Growth Through Focused Customer Value Propositions

Each brand contributing to growth

- Allstate brand auto PIF growing over prior year
- Homeowners rate of decline decreasing; positioned for growth at an acceptable return
- Esurance, Encompass growth rates expected to slow given profit improvement actions

The Allstate Brand is positioned to be a driver of profitable growth

- After a period of improving returns and stabilizing the business, with adverse impacts to market share, the Allstate Brand began driving profitable growth in 2013

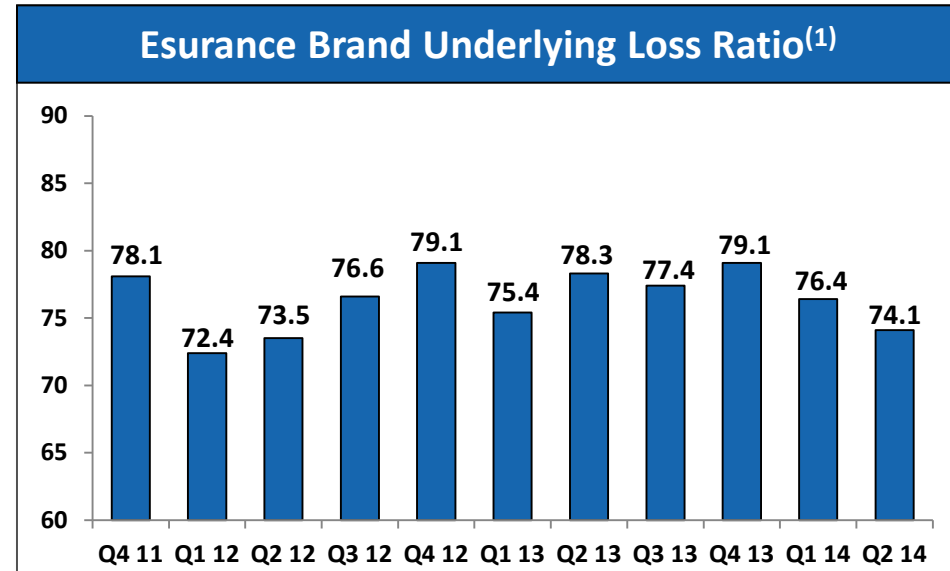
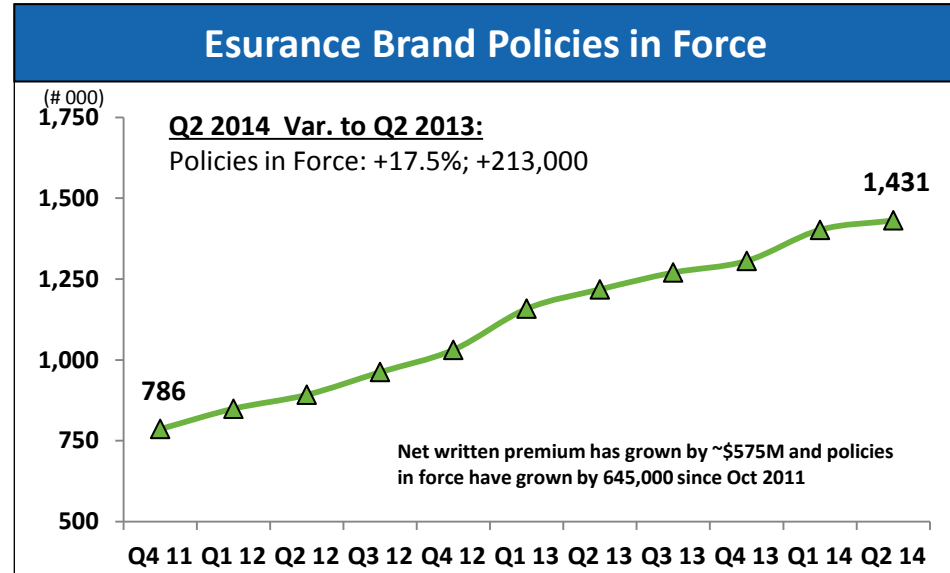




Esurance Benefitting from Allstate's Ownership, But Not Yet at Scale

Benefits under Allstate

- Preferred auto underwriting experience
- Expanding geography from 30 to 43 states
- Broadening product suite:
 - Renters
 - Motorcycle
 - Homeowners
- Increased marketing investment (\$500 million acquisition to date)
- Claim expertise



⁽¹⁾ Loss Ratio excluding the impact of catastrophes and prior year reserve reestimates



Allstate is an Attractive Investment Opportunity

- **Strategy: Segmentation, Analytics and Advanced Technology**
- **Attractive auto and underlying home margins**
- **Platform for sustainable growth**
- **Focused priorities and a history of delivering on commitments**
- **Successful risk and capital management**
 - Investment portfolio positioning for interest rate rise
 - Balance sheet / capital management
 - Share repurchases



Forward-Looking Statements and Risk Factors

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

Premiums written and premiums earned, the denominator of the underlying combined ratio, may be materially less than projected. Policyholder attrition may be greater than anticipated resulting in a lower amount of insurance in force.

Unanticipated increases in the severity or frequency of standard auto insurance claims may adversely affect our underwriting results. Changes in the severity or frequency of claims may affect the profitability of our Allstate Protection segment. Changes in bodily injury claim severity are driven primarily by inflation in the medical sector of the economy and litigation. Changes in auto physical damage claim severity are driven primarily by inflation in auto repair costs, auto parts prices and used car prices. The short-term level of claim frequency we experience may vary from period to period and may not be sustainable over the longer term. A decline in gas prices, increase in miles driven, and higher unemployment are examples of factors leading to a short-term frequency change. A significant long-term increase in claim frequency could have an adverse effect on our underwriting results.

We undertake no obligation to publicly correct or update any forward-looking statements.



Helping make communities and the nation a better, safer place to live



Nearly 4,000 employees pledged to be teen safe driving advocates



ALLSTATE FOUNDATION

Purple Purse to get people talking about domestic violence

Purple Purse

We helped pass nearly 100,000



AN ALLSTATE FOUNDATION PROGRAM

customers and consumers on relevant safety topics

1,400 agency owners helped to inform



GIVING BACK

200,000 TOTAL VOLUNTEER HOURS ANNUALLY

65% of agency owners and employees are involved in Corporate Responsibility Programs

3,700 volunteers participated in Allstate's Week of Service

THE CIVIC 50

Named among the Top 50 Most Civic Minded Companies

by National Conference on Citizenship, Points of Light, Bloomberg LP



Allstate® You're in good hands.

\$5.4 million

donated by employees and agency owners through the Giving Campaign

