



The Allstate Corporation

Barclays Global Financial Services Conference

Thomas J. Wilson, Chairman and Chief Executive Officer

September 13, 2016

Allstate[®]
You're in good hands.



Forward-Looking Statements and Non-GAAP Financial Information

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 2015 Form 10-K, in our most recent earnings release, and at the end of these slides. These materials are available on our website, allstateinvestors.com, under the “Financials” link.

This presentation also contains some non-GAAP measures. You can find the reconciliation of those measures to GAAP measures within our most recent earnings release and investor supplement. These materials are available on our website, allstateinvestors.com, under the “Financials” link.



Allstate Creates Long-Term Value By Leveraging Our Capabilities and Strategic Assets

- **Serve more than 16 million households**
- **Nation's largest publicly held personal lines insurer**
- **Over 36,000 total Allstate agencies and licensed sales professionals**
- **Operate in all 50 states plus D.C. and Canada**
- **Diversified portfolio of businesses**
 - **Auto**
 - **Homeowners**
 - **Other Personal Lines**
 - **Business Insurance**
 - **Life Insurance**
 - **Workplace Benefits**
- **\$80 billion investment portfolio**
- **Unique customer value propositions**
- **Drivewise® and DriveSense® telematics offerings**
- **\$35.7 billion in revenue**
- **\$105 billion in total assets**



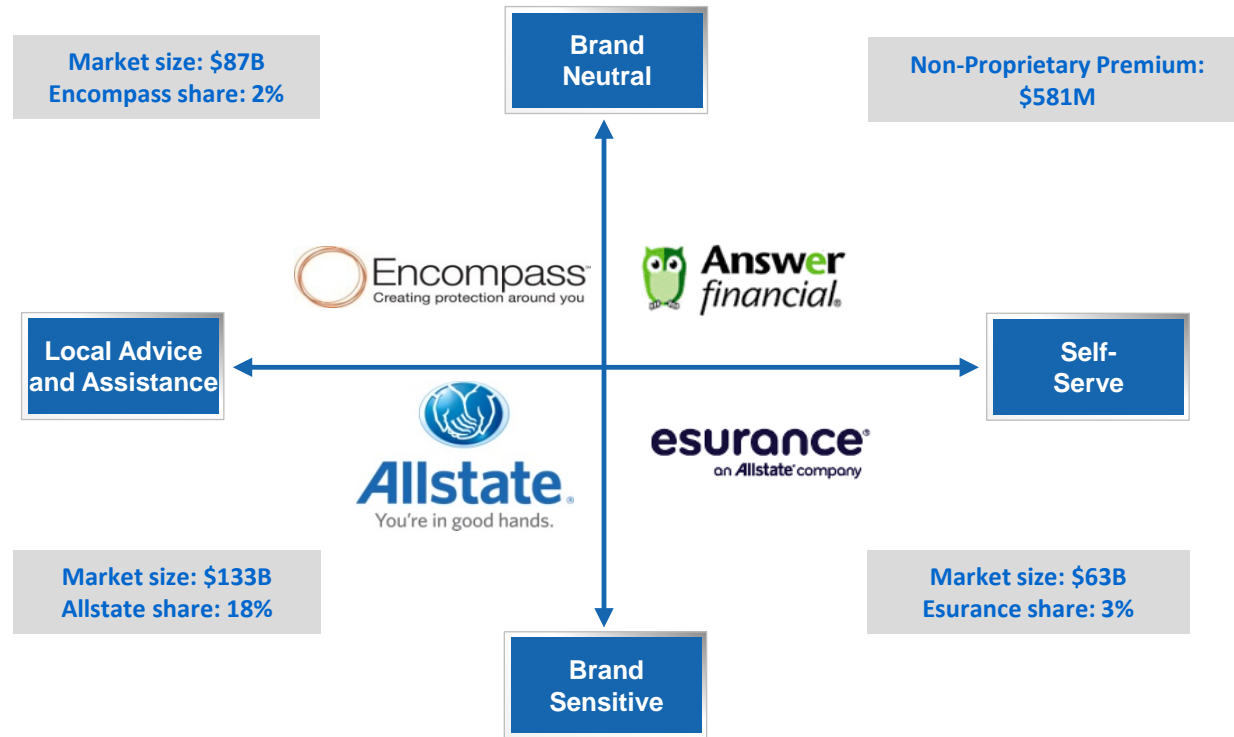
2016 Operating Priorities

1. **Better serve our customers through innovation, effectiveness and efficiency**
2. **Achieve target economic returns on capital**
3. **Grow insurance policies in force**
4. **Proactively manage investments**
5. **Build and acquire long-term growth platforms**

Note: Results shown above are as of year end 2015.



Allstate Delivers the Best Value to Each Customer Segment by Offering Unique Products and Services at a Competitive Price



Strategy Based On: Segmentation, Analytics and Advanced Technology

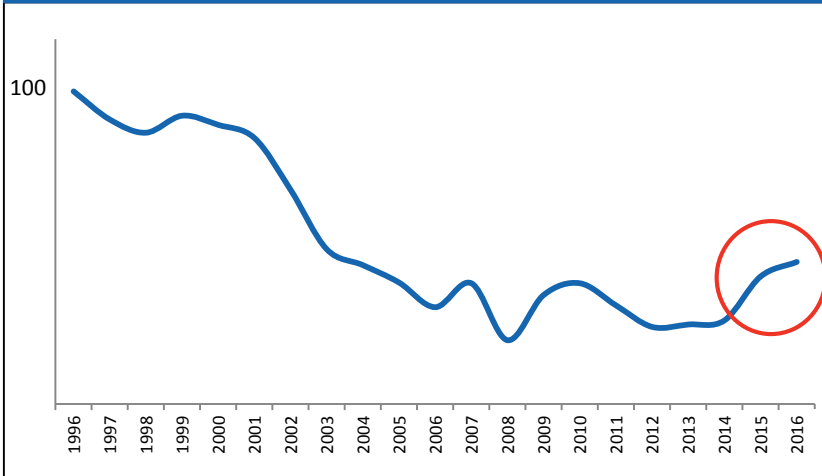
Segmentation	Analytics	Advanced Technology
<ul style="list-style-type: none"> ▪ Allstate agencies as trusted advisors ▪ Broad product portfolio across segments ▪ Best value 	<ul style="list-style-type: none"> ▪ Sophisticated pricing expertise ▪ Effective and efficient claims settlements ▪ Enterprise risk management 	<ul style="list-style-type: none"> ▪ Infrastructure simplification ▪ Telematics - connected car ▪ Enterprise digitization

Note: Market share statistics based on Allstate internal analysis, which is based on multiple sources including AM Best and public filings for 2015. Non-proprietary premium for Answer Financial reflects year end 2015.

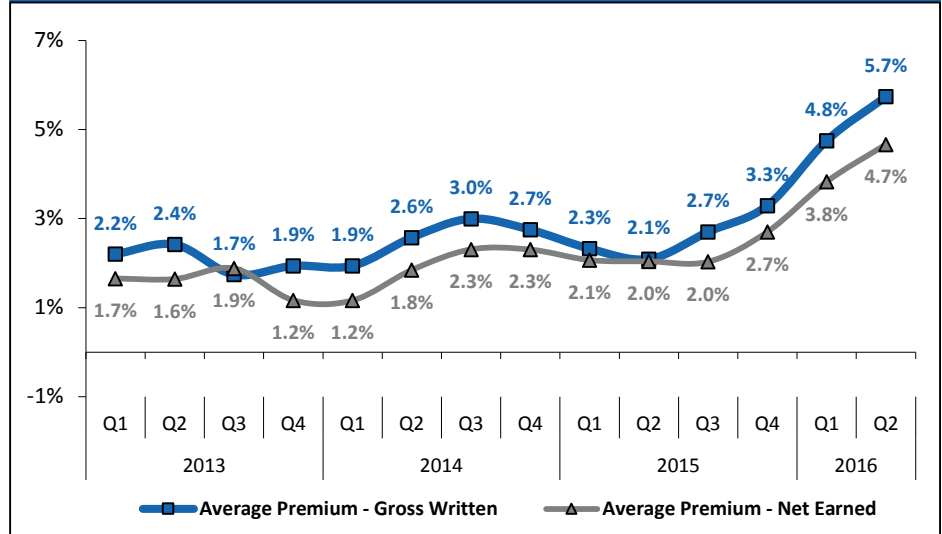


Auto Profitability Impacted by a Sudden, Sharp Increase in Accident Frequency

Allstate Brand Auto Property Damage Gross Frequency: Indexed to Year-end 1996



Allstate Brand Auto: Average Premium Per Policy

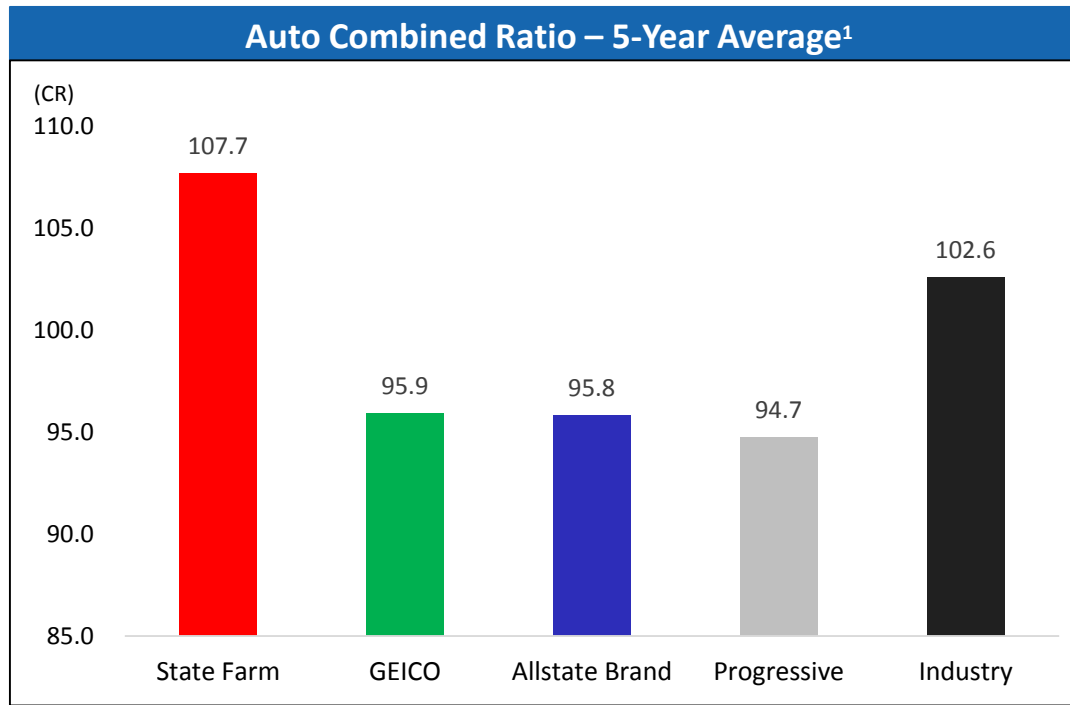


- Profit improvement plan leverages national and local capabilities:
 - Auto rate increases of approximately \$2 billion¹ approved across all three underwriting brands in 2015 and through Q2 2016
 - Underwriting guideline changes intended to slow new business and target underperforming segments and geographies
 - Claims organization focused on operational excellence
 - Expense spending reductions resulted in a 0.8 point lower property-liability expense ratio in Q2 2016 compared to Q2 2015

⁽¹⁾ Estimate based on historical written premium. Actual amounts realized will be based on retention and mix of customers. Approximately 30% of the Allstate brand rate increases approved in 2015 were earned in 2015, with the remainder expected to be earned in 2016 and 2017. Approximately 39% of the Allstate brand auto rate increases approved in the first half of 2016 are expected to be earned in 2016, with the remainder expected to be earned in 2017.



Auto Combined Ratio in Line with Largest Publicly Owned Peers and Better than Mutuals Over Past 5 Years



- **The recent challenges in the auto market have resulted in higher loss costs and a rise in premium across the industry**
 - **Auto price inflation increasing at 6.3%² as rate increases accelerate across the industry in response to rising loss costs**

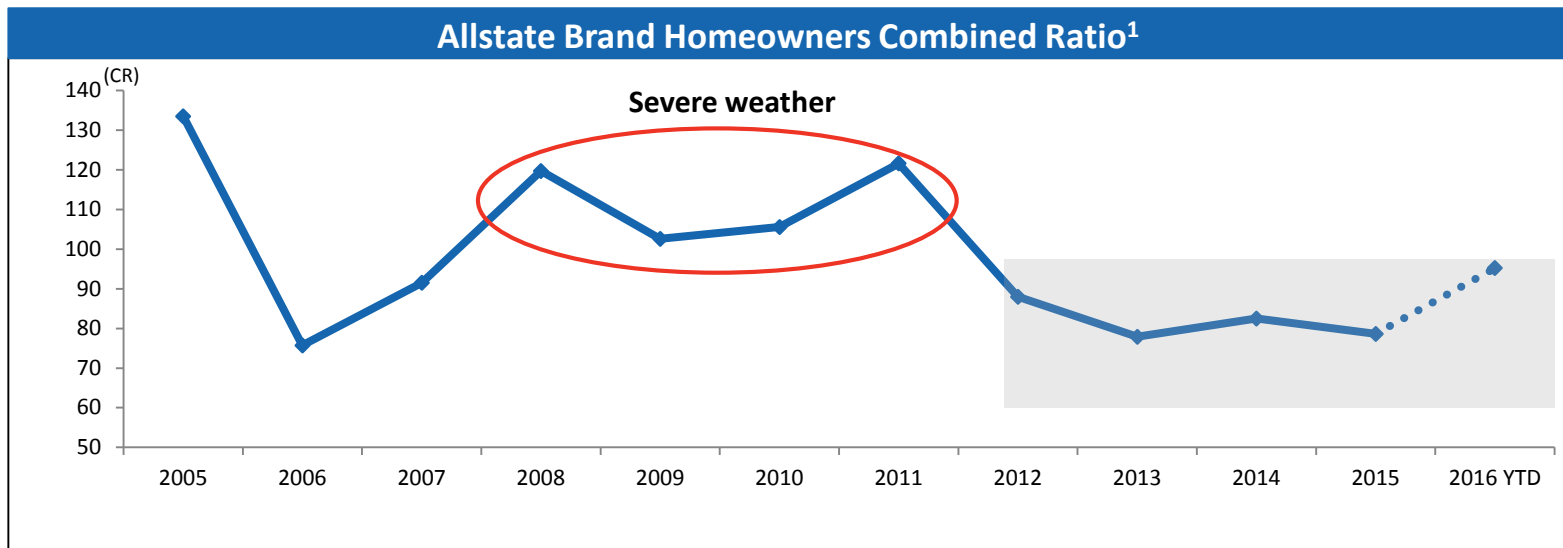
¹Five year history is for 2011 – 2015; competitor information sourced from SNL

²Source is Bureau of Labor Statistics



Allstate Brand Homeowners a Competitive Advantage

- Repositioned homeowners business to adapt to dramatic increase in severe weather that began in 2008
 - Average gross premium increased over 30% from 2008 – 2015
 - Reduced size of the business by ~25% (2 million policies) from peak in 2006 to the bottom in Q1 2014. The reduction in size was offset by brokering third party insurance. The decline in homeowner policies had a negative impact on auto insurance items in force.
 - Significant shift to \$1,000 and higher base deductibles
 - House & Home® product, which appropriately prices roofing losses, is approximately 27% of Allstate brand homeowner premium
 - Cumulative underwriting income of \$4.6B from 2012 – 2015, net of \$5.0B of catastrophe losses



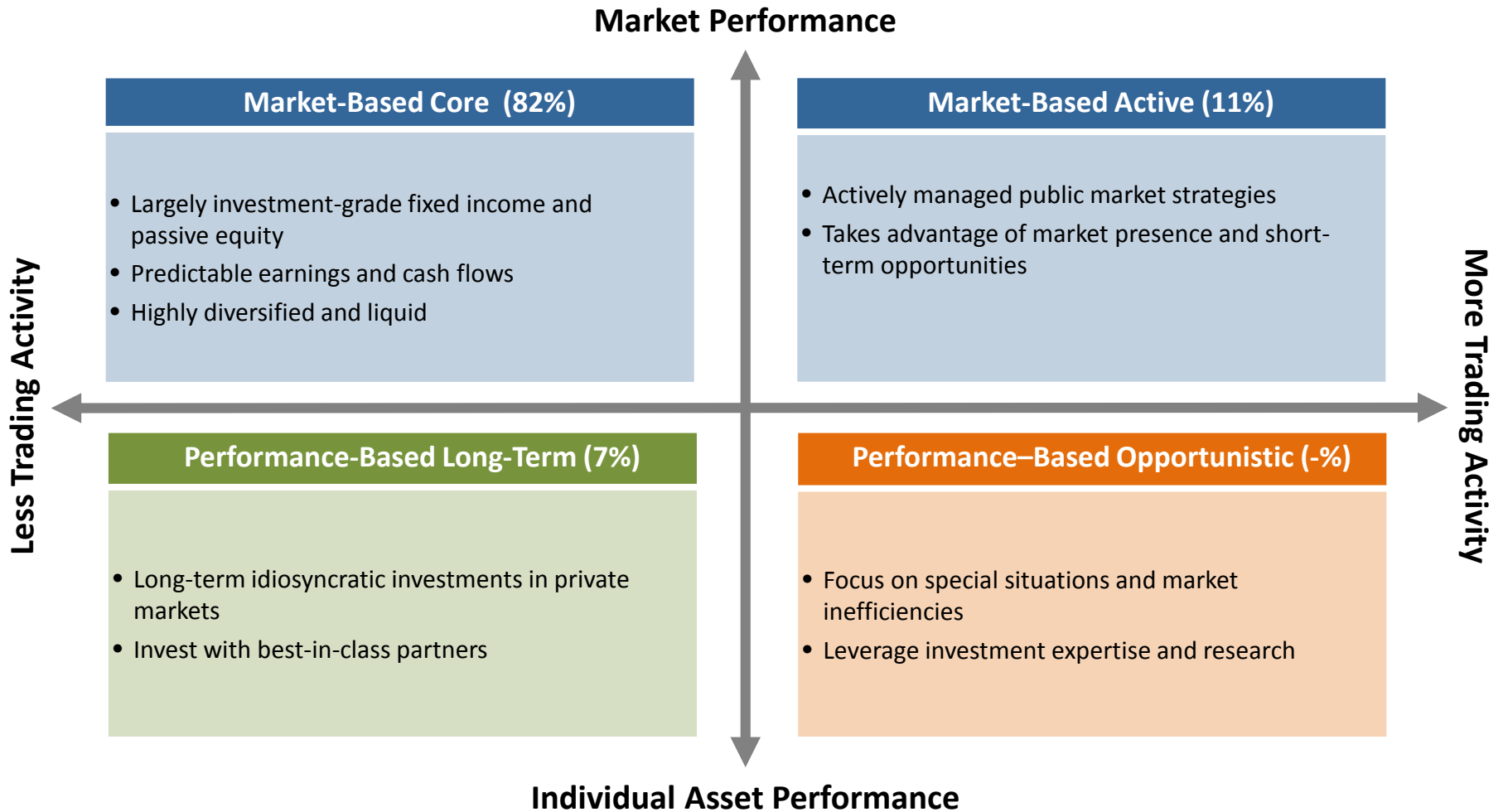
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 ²
Catastrophe losses (\$B)	\$4.1	\$0.6	\$1.1	\$2.7	\$1.6	\$1.8	\$2.9	\$1.4	\$1.0	\$1.4	\$1.2	\$1.2
Underwriting income (\$B)	(\$1.9)	\$1.4	\$0.5	(\$1.1)	(\$0.1)	(\$0.3)	(\$1.3)	\$0.7	\$1.4	\$1.1	\$1.4	\$0.2

⁽¹⁾Allstate Brand Homeowners results prior to 2011 are not adjusted for DAC accounting change adopted in 2012. ⁽²⁾Results through June 30, 2016.



Proactive Investment Approach Balances Risk and Return

Source of Investment Return (\$80B portfolio at Q2 2016)





The Personal Transportation System in the U.S. Will Be Transformed

Personal Transportation System	
Vehicles	~240 million ¹
Value of Fleet	~\$4 trillion ²
Annual Direct Costs	~\$2.1 trillion ³
Annual Indirect Costs	~\$1 trillion ³
Total Utilization	~4% ⁴
Peak Hours Utilization	~33% ⁵

- The personal transportation system is expensive and highly inefficient
 - Large U.S. automotive fleet of 240 million vehicles
 - Low capacity utilization
 - Significant opportunity to reduce cost and improve efficiency
- Potential for shifts in ownership, capacity, safety and connectivity
- Transformation of the Personal Transportation System will be gradual given dispersed economic ownership
 - Many constituents will be required to adapt new business models and technologies to fully realize personal transportation system efficiency gains
- Modest efficiency gains represent a significant economic opportunity for the U.S.

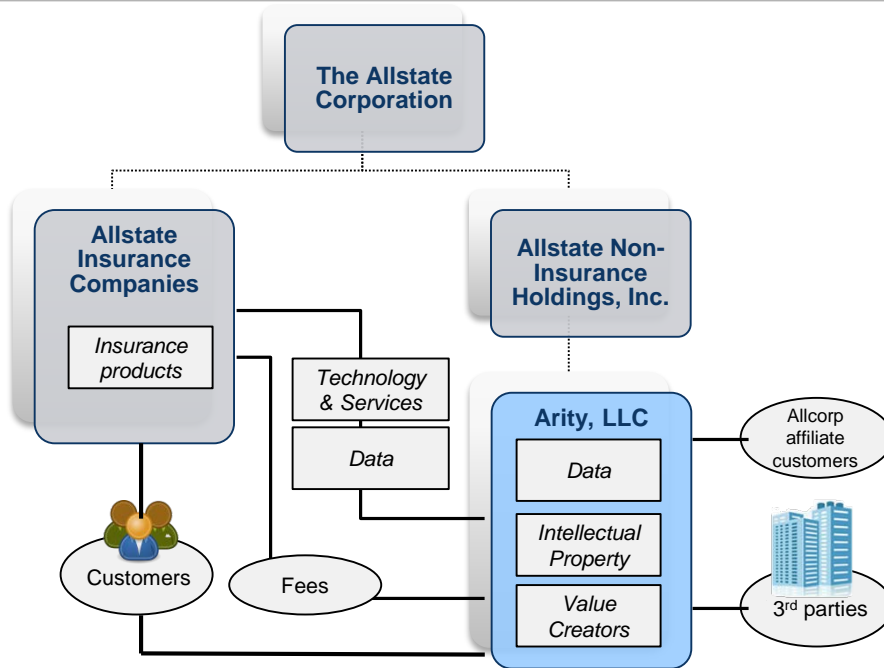
¹DOT, 2015; includes cars and light duty trucks; ²\$16,800 value per car (USA Today, 2014) x 240M; ³Allstate Analysis; ⁴Morgan Stanley "Auto & Auto-Related", 2015; ⁵NHTS, 2009;



Allstate has Established Arity to Operate Its Connected Car Business

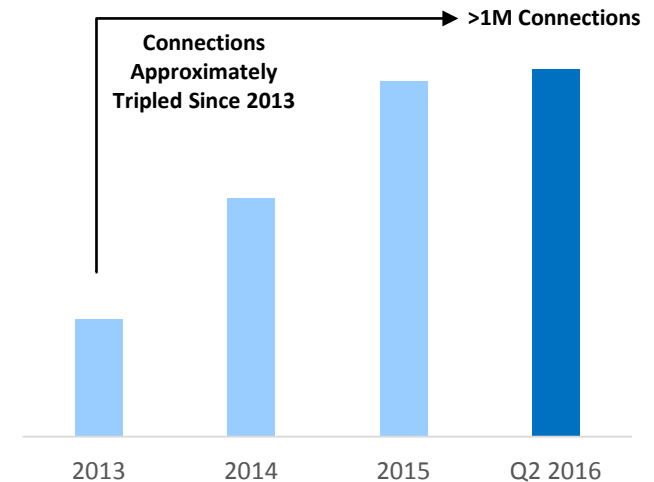
- Allstate is combining its assets and capabilities with technology advances to enhance its business model and build a connected car strategic platform
- Arity improves the effectiveness of connected car initiatives for Allstate's insurance operations and enables expansion of the business model

Operational Model



Connections

User connections exceed 1M across Allstate, Esurance and Answer Financial Brands





Allstate is an Attractive Investment Opportunity

- **Focused on improving auto margins and expanding share of auto profits through focused value propositions**
 - One point improvement in auto margin equates to \$130 million of annualized operating income (\$0.35 per share) and a 0.7 point ROE increase

- **Ability to expand market presence** in all 4 personal insurance customer segments

- **Disciplined, economic value-based management of our business** with proven leadership in transparency and accountability
 - Early identification and focus on auto profitability
 - Matching investment strategy to liability profile in annuities

- **Leveraging brand capabilities and market position for growth**
 - Additional personal insurance products
 - Connected car



Forward-Looking Statements

This presentation 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 include risks related to: (1) adverse changes in the nature and level of catastrophes and severe weather events; (2) impacts of catastrophe management strategy on premium growth; (3) unexpected increases in the frequency or severity of claims; (4) regulatory changes, including limitations on rate increases and requirements to underwrite business and participate in loss sharing arrangements; (5) market convergence and regulatory changes on our risk segmentation and pricing; (6) the cyclical nature of the property and casualty business; (7) reestimates of reserves for claims; (8) adverse legal determinations regarding discontinued product lines and other legal and regulatory actions; (9) changes in underwriting and actual experience; (10) the influence of changes in market interest rates on spread-based products; (11) changes in estimates of profitability on interest-sensitive life products; (12) reducing our concentration in spread-based business and exiting certain distribution channels; (13) changes in tax laws; (14) our ability to mitigate the capital impact associated with life insurance statutory reserving requirements; (15) operational issues relating to a decline in Lincoln Benefit Life Company’s financial strength ratings ; (16) market risk and declines in credit quality relating to our investment portfolio; (17) our subjective determination of the fair value of our fixed income and equity securities and the amount of realized capital losses recorded for impairments of our investments; (18) competition in the insurance industry; (19) conditions in the global economy and capital markets; (20) losses from legal and regulatory actions; (21) restrictive regulation and regulatory reforms; (22) the availability of reinsurance at current levels and prices; (23) risks of our reinsurers; (24) a downgrade in our financial strength ratings; (25) the effect of adverse capital and credit market conditions; (26) failure in cyber or other information security; (27) the impact of a large scale pandemic, the threat or incurrence of terrorism or military action; (28) possible impairments in the value of goodwill; (29) changes in accounting standards; (30) the realization of deferred tax assets; (31) restrictions on our subsidiaries’ ability to pay dividends; (32) restrictions under the terms of certain of our securities on our ability to pay dividends or repurchase our stock; (33) changing climate and weather conditions; (34) loss of key vendor relationships or failure of a vendor to protect confidential and proprietary information; and (35) failure to protect intellectual property. Additional information concerning these and other factors may be found in our filings with the Securities and Exchange Commission, including the “Risk Factors” section in our most recent Annual Report on Form 10-K. Forward-looking statements speak only as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statement.