The Allstate Corporation

First Quarter 2019 Earnings Presentation

May 2, 2019

Allstate®

You're in good hands.

Forward-Looking Statements and Non-GAAP Financial Information

Company Participants

Tom Wilson, Chair, President and Chief Executive Officer
Steve Shebik, Vice Chair
Mario Rizzo, Chief Financial Officer
Glenn Shapiro, President of Allstate Personal Lines
Don Civgin, President of Service Businesses
Jess Merten, Chief Risk Officer
John Dugenske, Chief Investment and Corporate Strategy Officer
Mary Jane Fortin, President of Allstate Financial Businesses
Eric Ferren, Controller and Chief Accounting Officer
John Griek, Director of Investor Relations

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 2018 Form 10-K, in our most recent earnings release, and at the end of these slides. These materials are available on our website, www.allstateinvestors.com, under the “Financials” link.

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

Allstate Protecting People from Life's Uncertainties

Grow Personal Property-Liability Market Share

- 4 Customer Segments
- Differentiated Products and Brands
- Analytical Expertise
- Telematics
- Integrated Digital Enterprise

Brands, Customers, Investment Expertise, Distribution, Claims and Capital

Expand Protection Businesses

- Life Insurance
- Workplace Benefits (Allstate Benefits)
- Protection Plans (SquareTrade)
- Transportation Network Companies (Allstate Business Insurance)
- Identity Protection (InfoArmor)

Shareholder Value

- Customer Satisfaction
- Unit Growth
- Attractive Returns on Capital
- Sustainable Profitability
- Diversified Business Platform

Allstate's Strategy Drives Growth and Attractive Returns

- Progress on all 2019 Operating Priorities
- Policies in force increased in the first quarter of 2019
  - Allstate brand (Property-Liability) +2.3%
  - Esurance brand +10.9%
  - SquareTrade +86.3%
- Property-Liability underlying combined ratio* of 84.2
- Total return on investment portfolio increased but reported income declined
- Adjusted net income return on equity* of 13.5% in the first quarter of 2019

	Three months ended March 31,		
($ in millions, except per share data and ratios)	2019	2018	Change
Total revenues	$10,990	$9,770	12.5%
Total revenues (excl. realized capital gains and losses)	10,328	9,904	4.3%
Property-Liability insurance premiums	8,507	8,019	6.1%
Net investment income	648	786	(17.6)%
Realized capital gains and losses	662	(134)	NM
Income applicable to common shareholders:			
Net income	1,261	977	29.1%
per diluted common share	*3.74*	*2.71*	*38.0%*
Adjusted net income*	776	1,108	(30.0)%
*per diluted common share**	*2.30*	*3.08*	*(25.3)%*
Return on common shareholders' equity (trailing twelve months)			
Net income applicable to common shareholders	10.8%	17.9%	(7.1) pts
Adjusted net income*	13.5%	16.2%	(2.7) pts

NM = not meaningful

Allstate Delivering on 2019 Operating Priorities

Better Serve Customers	▪ Enterprise Net Promoter Score increased as customer satisfaction improved ▪ Renewal ratio improved across Allstate, Esurance and Encompass brands
Achieve Target Economic Returns on Capital	▪ Adjusted net income return on equity* of 13.5% in the first quarter
Grow Customer Base	▪ Policy growth in Allstate and Esurance brands ▪ SquareTrade policies grew to 77.9 million
Proactively Manage Investments	▪ Total return of 4.7% for the latest 12 months ▪ Net investment income impacted by lower performance-based results
Build Long-Term Growth Platforms	▪ Expanded transportation network company from 4 states to 15 ▪ Growing telematics usage ▪ SquareTrade adding capabilities, expanding markets and achieving acquisition goals

Property-Liability Results Remain Strong

- **Net written premium increased 6.2% in the first quarter**
- **Allstate brand insurance policies increased 2.3% in the first quarter**
- **Esurance policy growth accelerated in the first quarter to 10.9%**
- **Underlying combined ratio* of 84.2 in the first quarter**
  - **2019 annual Property-Liability underlying combined ratio* outlook is 86 – 88**

Property-Liability Results

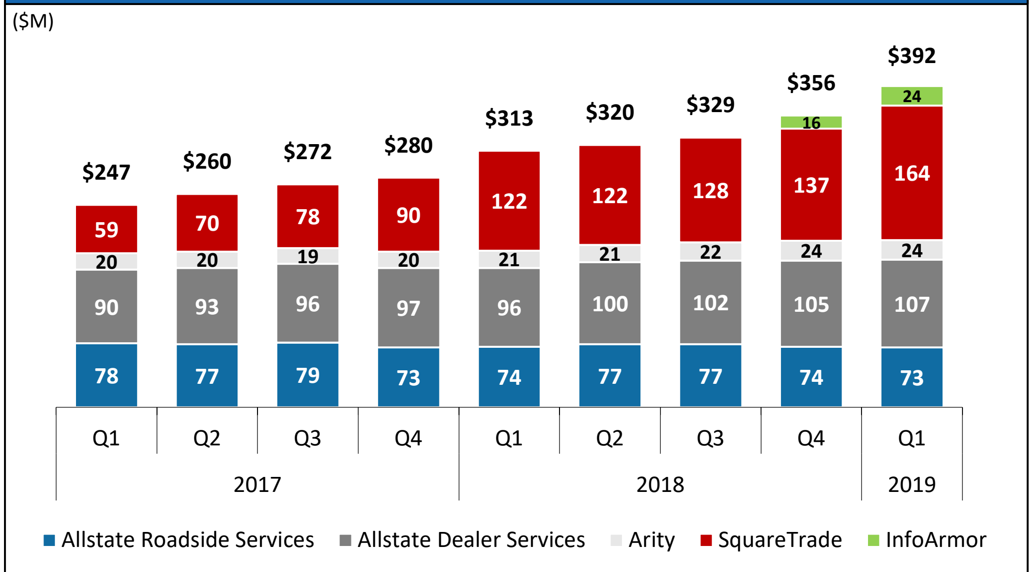
($ in millions)	Q1	Var PY
Net Premiums Written	$8,327	6.2%
Premiums Earned	8,507	6.1%
Catastrophe Losses	680	88.4%
Underwriting Income	700	(30.3)%
Policies in Force (in thousands)	33,387	2.6%
(% to premiums earned)		
Loss Ratio	67.4	4.5 pts
Expense Ratio	24.4	(0.2) pts
Combined Ratio	91.8	4.3 pts
Underlying Combined Ratio*	84.2	0.6 pts

Results by Brand

($ in millions)	Q1	Var PY
Net Premiums Written		
Allstate Brand Auto	$5,395	4.7%
Allstate Brand Homeowners	1,565	6.8%
Esurance Brand	559	13.4%
Encompass Brand	224	0.4%
(% to premiums earned)		
Underlying Combined Ratio*		
Allstate Brand Auto	90.2	0.8 pts
Allstate Brand Homeowners	63.7	0.6 pts
Esurance Brand	97.4	(1.0) pts
Encompass Brand	88.5	1.3 pts

Service Businesses Segment Growing Rapidly

Service Businesses Revenues



Service Businesses Results

($ in millions)	Q1	Var PY
Revenues	$392	25.2%
Adjusted Net Income	$11	$14
SquareTrade	$14	$12
Arity	$(2)	$1
Allstate Roadside Services	$(6)	$(1)
Allstate Dealer Services	$6	$3
InfoArmor	$(1)	NA
Policies in Force (in thousands)	83,589	79.7%

NA = not applicable

- **Policies in force grew to 83.6 million, led by SquareTrade**
- **Revenues increased 25% in the first quarter, primarily through growth at SquareTrade and the acquisition of InfoArmor**
- **Acquired iCracked in February, expanding SquareTrade's consumer protection offerings to include on-site, on-demand repair services for smartphones and tablets**

Allstate Life and Benefits Generated Attractive Returns; Allstate Annuities Impacted by Lower Performance-based Investment Income

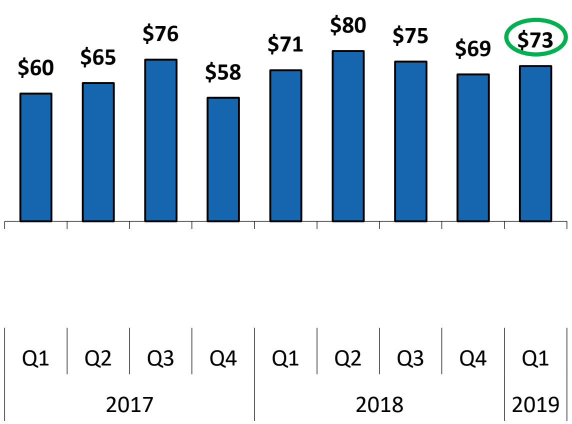
- **Allstate Life adjusted net income higher than the prior year quarter as increased premiums and investment income more than offset higher contract benefits and expenses**
- **Allstate Benefits adjusted net income was higher than the prior year quarter due to lower contract benefits**
- **Allstate Annuities adjusted net income was impacted by lower performance-based investment income**

Allstate Life

Adjusted Net Income

	Q1 2019	Var PY
Adjusted Net Income	$73	2.8%
Premiums & Contract Charges	$337	3.1%

($M)

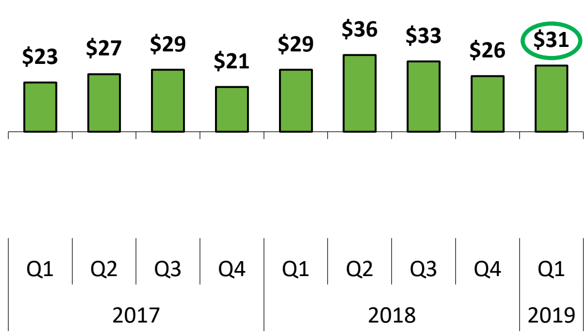


Allstate Benefits

Adjusted Net Income

	Q1 2019	Var PY
Adjusted Net Income	$31	6.9%
Premiums & Contract Charges	$288	0.7%

($M)

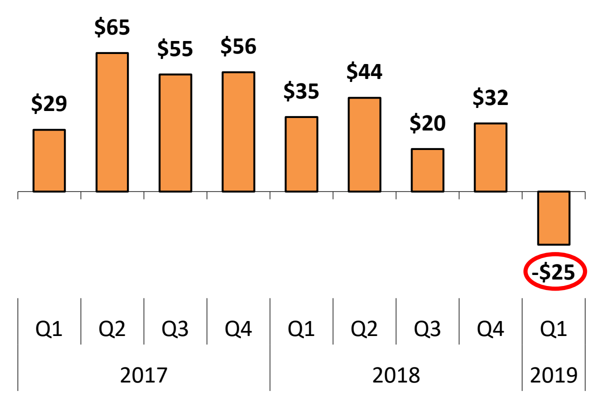


Allstate Annuities

Adjusted Net Income

	Q1 2019	Var PY
Adjusted Net Income	$(25)	NM
Investment Spread	$(12)	NM

($M)



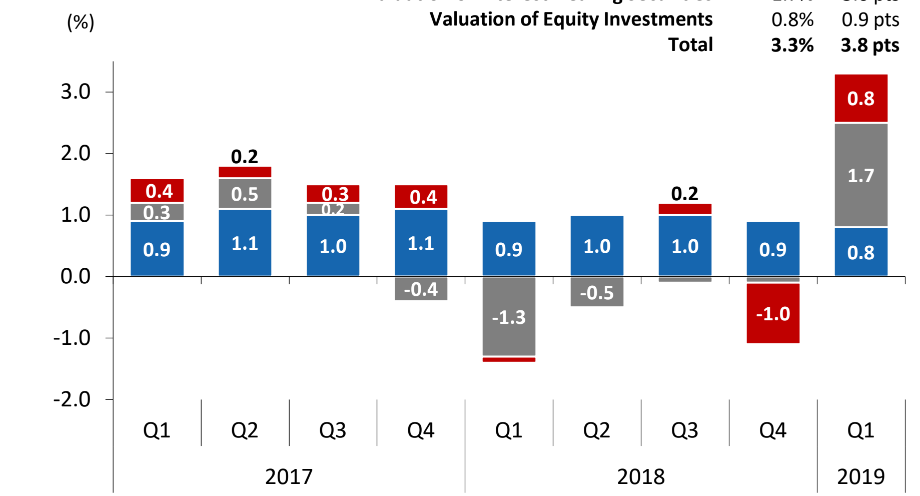
NM = not meaningful

Portfolio Return Reflects Strong Valuations; Net Investment Income Lower Reflecting Expected Variability of Performance-based Income

- Portfolio total return of 4.7% for the latest 12 months included a stable contribution from market-based investment income and higher fixed income valuations
- Net investment income for the quarter was $648 million
  - Market-based income reflects investment at higher market yields in 2018
  - Performance-based income lower, reflecting lower private equity asset appreciation

GAAP Total Return

	Q1 2019	Var PY
Net Investment Income	0.8%	(0.1) pts
Valuation of Interest-Bearing Securities	1.7%	3.0 pts
Valuation of Equity Investments	0.8%	0.9 pts
Total	**3.3%**	**3.8 pts**

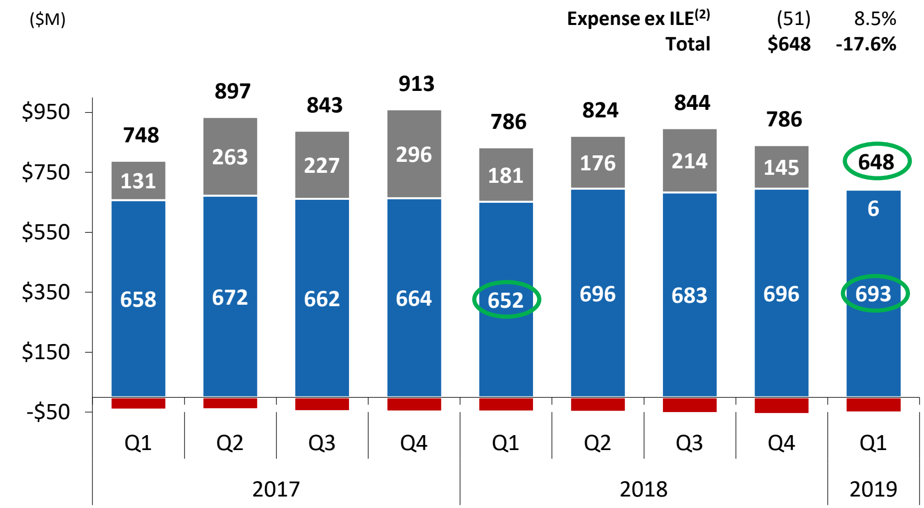


Total Return	1.6	1.8	1.5	1.1	-0.5	0.5	1.1	-0.2	3.3
Total TTM[1]	4.0	4.0	4.1	5.9	3.8	2.5	2.1	0.8	4.7

■ Net Investment Income ■ Val of Interest-Bearing Securities ■ Val of Equity Investments

Net Investment Income

	Q1 2019	Var PY
Market-based	693	6.3%
Performance-based	6	-96.7%
Expense ex ILE[2]	(51)	8.5%
Total	**$648**	**-17.6%**



■ Market-based ■ Performance-based ■ Expense ex ILE[2]

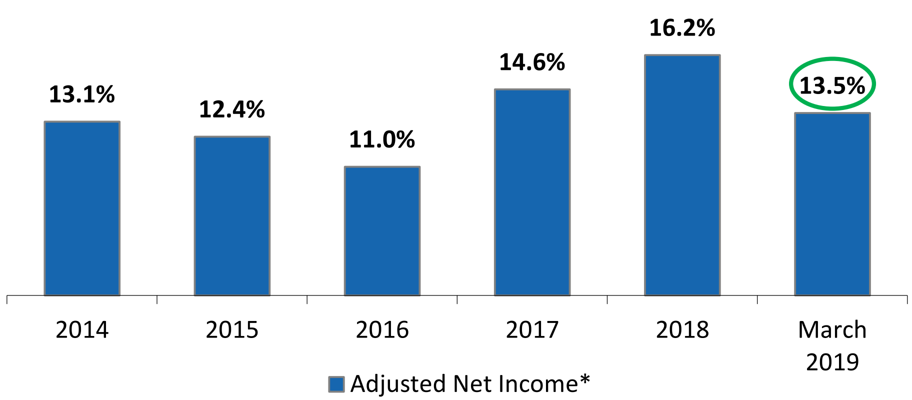
(1) Trailing twelve months

(2) Investee level expenses (ILE) comprise depreciation and asset level operating expenses and are netted against market-based and performance-based income

Attractive Returns and Capital Strength

- **Paid $158 million in common shareholder dividends in the first quarter of 2019**
  - **Quarterly dividend per common share increased 8.7% to $0.50; paid on April 1, 2019**
- **During the first quarter, shares continued to be purchased through a $1 billion accelerated share repurchase (ASR) program; no open market repurchases in the quarter**
  - **Entered into ASR agreement in December 2018 and expect completion by May 3, 2019**
  - **Upon completion, we will have $1.9 billion remaining on the $3 billion common share repurchase program**

Return on Common Shareholders' Equity[1]



	2014	2015	2016	2017	2018	March 2019
Net Income	10.0%	11.0%	9.1%	17.4%	10.0%	10.8%
Book Value per Common Share	$48.23	$47.33	$50.76	$57.58	$57.56	$63.59

[1] Trailing twelve months

Allstate Uses Economic Capital to Allocate Resources and Establish Performance Goals

- Sophisticated capital allocation methodology ensures appropriate balance between risk and return
  - Economic capital requirements established for individual risks, products, Market Facing Businesses and the corporation
  - Based on cash flow modeling, probability curves and considers key stakeholder perspectives
  - Diversification benefit between Market Facing Businesses is retained at Corporate for strategic purposes

- Current financial position is strong and performance exceeds return thresholds
  - Property-Liability business utilizes ~75% of economic capital
  - All major businesses earn returns above cost of capital other than Annuities

- Utilize dynamic process to allocate capital and determine return targets
  - Combined ratio targets are established to achieve target risk adjusted returns
  - Esurance is an example of a business where we are investing in growth while generating economic returns
  - Homeowners insurance economic capital is allocated to individual states
  - Homeowners insurance capital requirements have been reduced due to lower catastrophe risk

Capital Allocation Balances Risk and Return

Economic Capital

- Capital needed to accept risks given expected returns and range of outcomes
- Determined using sophisticated framework built on historical experience across hundreds of individual risks

4-Step Process for Determining Economic Capital

1. **Stand-Alone Risk** (35 Risk Groupings)
2. **Line of Business** (25 Risk Groupings)
3. **Market Facing Business** (10 Risk Groupings)
4. **Enterprise Capital** (1 Risk Group)

Regulatory Capital

- Capital needed to meet statutory requirements

Rating Agency Capital

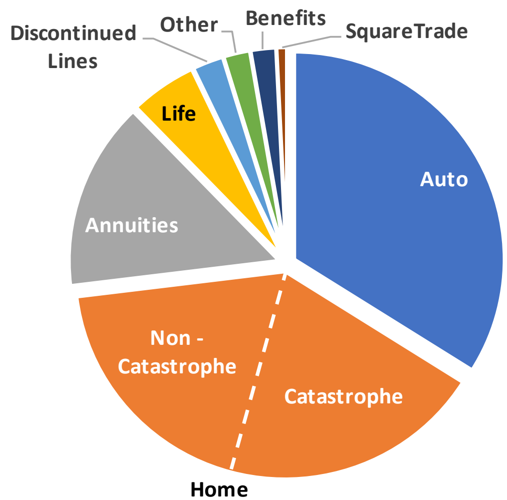
- Capital needed to maintain appropriate financial strength and issuer credit ratings

Financial Flexibility

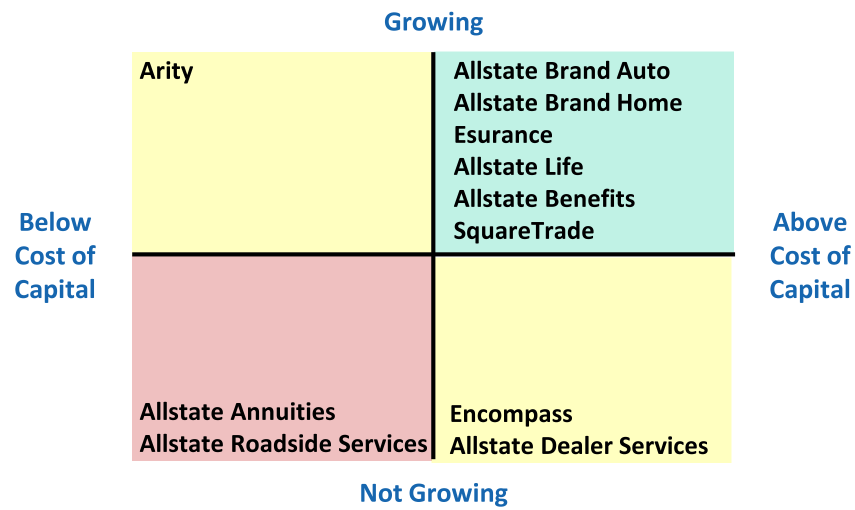
- Capital buffer for unanticipated events or opportunities

Economic Returns Are Strong Across Allstate's Businesses

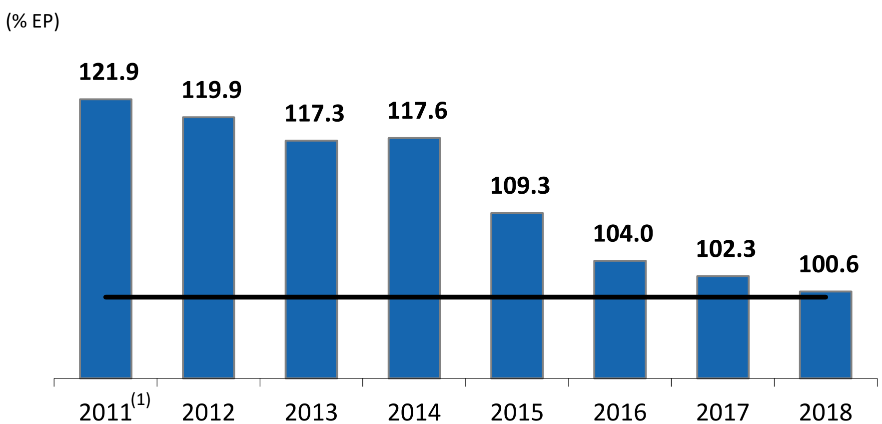
Economic Capital by Line



Return Profile – By Business



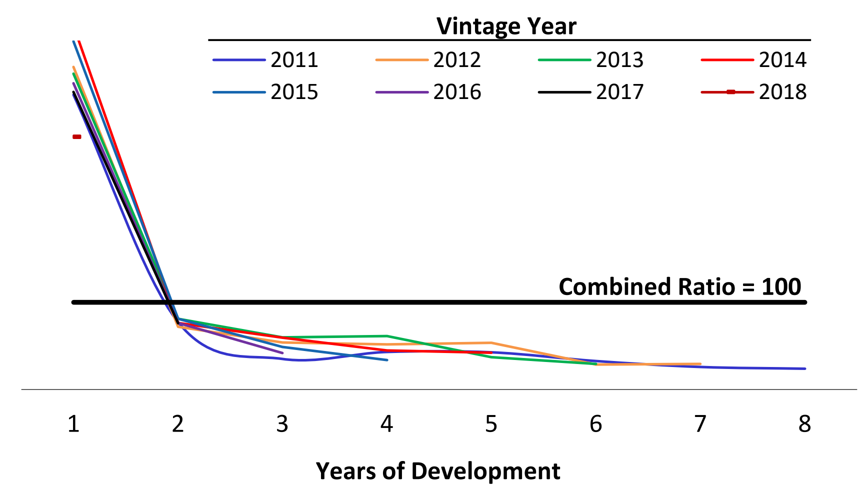
Esurance Auto Combined Ratio



Advertising Spend

	2011[1]	2012	2013	2014	2015	2016	2017	2018
$ M	22	149	184	254	200	187	143	163
% EP	10.9	15.4	14.8	17.4	12.6	11.2	8.3	8.7

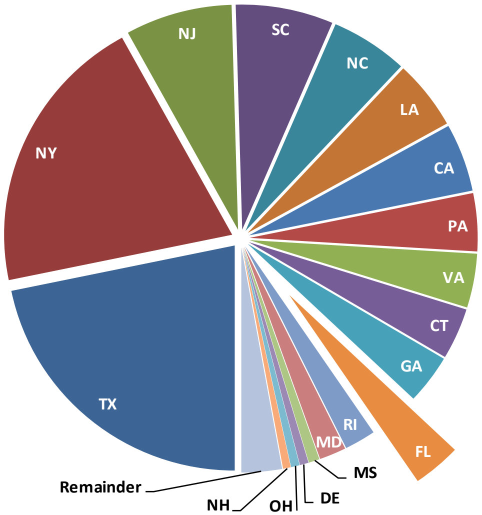
Esurance Auto Combined Ratio Vintage Year Development



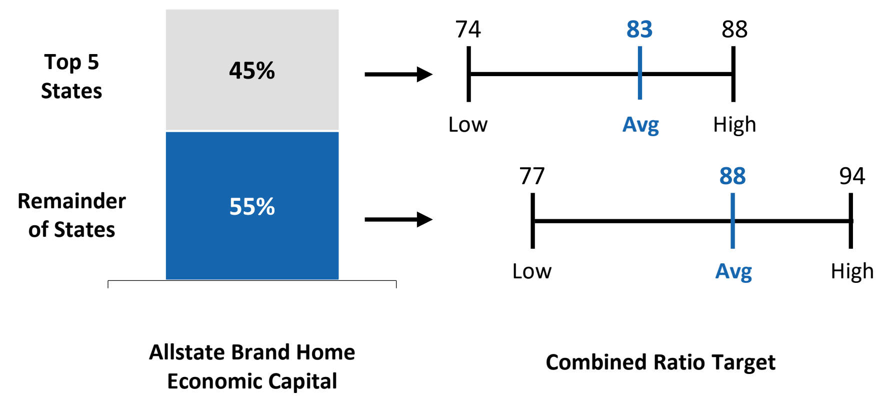
[1] Represents period from October 7, 2011 to December 31, 2011.

Dynamic Process Used To Determine Return Targets For Homeowners Insurance By State

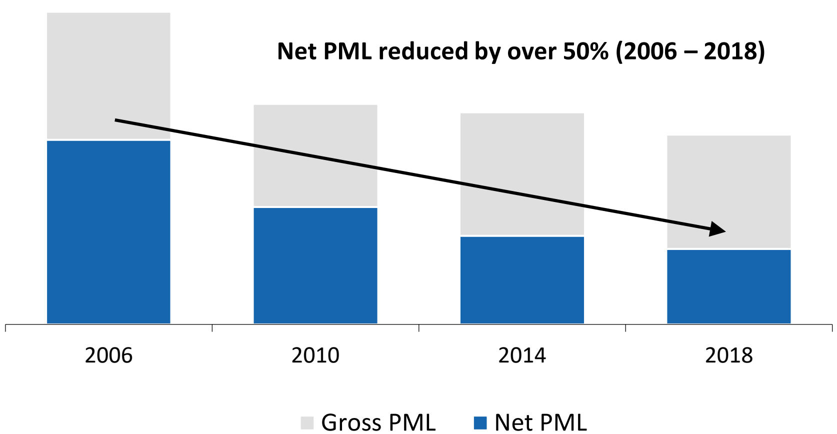
Gross Probable Maximum Loss (PML) Contribution by State[1]



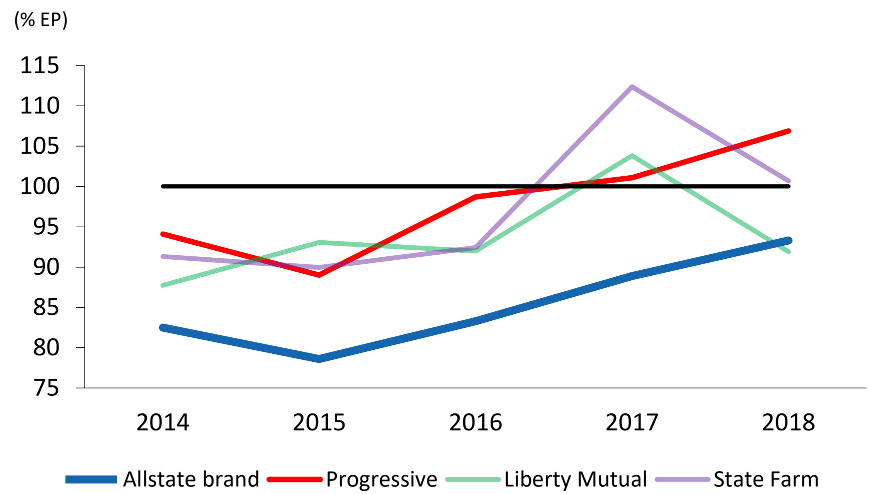
Home Economic Capital and Combined Ratio Targets by State



Gross and Net PML



Home Insurance Combined Ratios[2] (2014-2018)



[1] As of December 31, 2018.

[2] Competitor information: Statutory results per SNL; Allstate information: GAAP results per Investor Supplement.

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) our catastrophe management strategy on premium growth; (3) unexpected increases in the frequency or severity of claims; (4) the cyclical nature of the property and casualty businesses; (5) the availability of reinsurance at current levels and prices; (6) risk of our reinsurers; (7) changing climate and weather conditions; (8) changes in underwriting and actual experience; (9) changes in reserve estimates; (10) changes in estimates of profitability on interest-sensitive life products; (11) conditions in the global economy and capital markets; (12) a downgrade in financial strength ratings; (13) the effect of adverse capital and credit market conditions; (14) possible impairments in the value of goodwill; (15) the realization of deferred tax assets; (16) restrictions on our subsidiaries' ability to pay dividends; (17) restrictions under the terms of certain of our securities on our ability to pay dividends or repurchase our stock; (18) market risk and declines in credit quality relating to our investment portfolio; (19) our subjective determination of the amount of realized capital losses recorded for impairments of our investments and the fair value of our fixed income and equity securities; (20) the influence of changes in market interest rates or performance-based investment returns on our annuity business; (21) impacts of new or changing technologies on our business; (22) failure in cyber or other information security controls, as well as the occurrence of events unanticipated in our disaster recovery systems and business continuity planning; (23) misconduct or fraudulent acts by employees, agents and third parties; (24) the impact of a large scale pandemic, the threat or occurrence of terrorism or military action; (25) loss of key vendor relationships or failure of a vendor to protect confidential, proprietary and personal information; (26) intellectual property infringement, misappropriation and third party claims; (27) regulatory changes, including limitations on rate increases and requirements to underwrite business and participate in loss sharing arrangements; (28) regulatory reforms and restrictive regulations; (29) changes in tax laws; (30) our ability to mitigate the capital impact associated with statutory reserving and capital requirements; (31) changes in accounting standards; (32) losses from legal and regulatory actions; (33) our participation in indemnification programs, including state industry pools and facilities; (34) impacts from the Covered Agreement, including changes in state insurance laws; (35) competition in the insurance industry and impact of new or changing technologies; (36) market convergence and regulatory changes on our risk segmentation and pricing; (37) acquisitions and divestitures of businesses; and (38) reducing our concentration in spread-based business and exiting certain distribution channels. 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 are as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statement.