The Allstate Corporation

Fourth Quarter 2019 Earnings Presentation

February 5, 2020

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
Don Civgin, Chief Executive Officer of Protection Products and Services
Mario Rizzo, Chief Financial Officer
Glenn Shapiro, President of Personal Property-Liability
John Dugenske, President of Investments and Financial Products
Mary Jane Fortin, President of Financial Products
John Pintozzi, Controller and Chief Accounting Officer
Mark Nogal, 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's Strategy Drives Profitable Growth

Increase Personal Property-Liability Market Share

Allstate. You're in good hands.

- Differentiated Products
- Sophisticated Pricing
- Claims Expertise
- Integrated Digital Enterprise

Encompass. Creating protection around you

Answer financial.

Leveraging Allstate Brand and Capabilities

Expand Protection Businesses

Allstate Life Insurance

Allstate Protection Plans

Allstate Business Insurance

Allstate Identity Protection

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Allstate Benefits

- Circle of Protection for Customers
- Innovative Growth Platforms
- Broad Distribution
- Support Property-Liability Businesses

Allstate Roadside

Allstate Dealer Services

Shareholder Value

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

Allstate Delivers Excellent Results in 2019

- Total revenues of $11.5 billion in the fourth quarter and $44.7 billion for the year
- Net income of $1.7 billion in the fourth quarter, $4.7 billion for the full year 2019
- Adjusted net income* per diluted share of $3.13 in the fourth quarter, $10.43 for the full year 2019
- Adjusted net income return on common shareholders' equity* of 16.9% in 2019

	Three months ended Dec. 31,			Twelve months ended Dec. 31,		
($ in millions, except per share data and ratios)	2019	2018	Change	2019	2018	Change
Total revenues	$11,472	$9,481	21.0%	$44,675	$39,815	12.2%
Total revenues (excl. realized capital gains and losses)	10,770	10,375	3.8%	42,790	40,692	5.2%
Property-Liability insurance premiums	8,873	8,422	5.4%	34,843	32,950	5.7%
Net investment income	689	786	(12.3)%	3,159	3,240	(2.5)%
Realized capital gains and losses	702	(894)	NM	1,885	(877)	NM
Income applicable to common shareholders:						
Net income	1,707	(585)	NM	4,678	2,012	132.5%
per diluted common share	*5.23*	*(1.71)*	NM	*14.03*	*5.70*	*146.1%*
Adjusted net income*	1,020	552	84.8%	3,477	3,129	11.1%
*per diluted common share**	*3.13*	*1.59*	*96.9%*	*10.43*	*8.86*	*17.7%*
Return on common shareholders' equity (trailing twelve months)						
Net income applicable to common shareholders				21.7%	10.0%	11.7 pts
Adjusted net income*				16.9%	16.2%	0.7 pts

NM = not meaningful

Allstate Delivered on 2019 Operating Priorities; Launching Transformative Growth Plan from a Position of Strength

Better Serve Customers	▪ Enterprise Net Promoter Score increased with improvement at most businesses
Grow Customer Base	▪ Total policies in force reached 145.9 million, a 27.7% increase from prior year ▪ Property-Liability policies increased 1.3% from prior year to 33.7 million
Achieve Target Returns on Capital	▪ Strong results in Property-Liability insurance with an underlying combined ratio* of 85.0 in 2019, at favorable end of annual range of 84.5-86.5 ▪ Adjusted net income return on common shareholders' equity* of 16.9% in 2019
Proactively Manage Investments	▪ Net investment income of $3.2 billion in 2019 reflects higher market-based yields ▪ Performance-based results were below expectations for the quarter, but long-term returns have been strong ▪ Total return of 9.2% on $88.4 billion investment portfolio in 2019
Build Long-Term Growth Platforms	▪ Accelerating Transformative Growth Plan ▪ Arity continued to expand telematics usage and capabilities ▪ Expanding Allstate Identity Protection ▪ Avail, a car sharing business, initiated operations

Transformative Growth Plan Is a Multi-Year Effort to Increase Market Share

- Transformative Growth Plan builds on Allstate's strengths and reflects current market conditions
  - Leverage Allstate brand, pricing sophistication, claims expertise, product breadth and broad distribution platform
  - GEICO and Progressive are growing auto insurance market share faster through significant advertising investments and low cost structures
  - Consumers' needs are changing due to increased connectivity and advanced analytics (telematics and QuickFoto claim)
  - Majority of consumers value personal insurance agents (Integrated Service)
- Transformative Growth Plan has 3 components
  - Expand customer access
  - Improve customer value proposition by reducing expenses and redesigning property-liability products
  - Invest in technology and marketing
- Esurance's direct distribution expertise will be further leveraged using the Allstate brand
  - Esurance success since acquisition (October, 2011):
    - Premium is 2.4x larger
    - Policies in force 2x greater
    - Return above cost of capital
  - Reposition Allstate brand and phase out Esurance brand in late 2020
- Expense reductions will improve affordability while funding growth investments
- Independent agent platform will be strengthened by merging the Allstate branded Independent Agent offering into Encompass

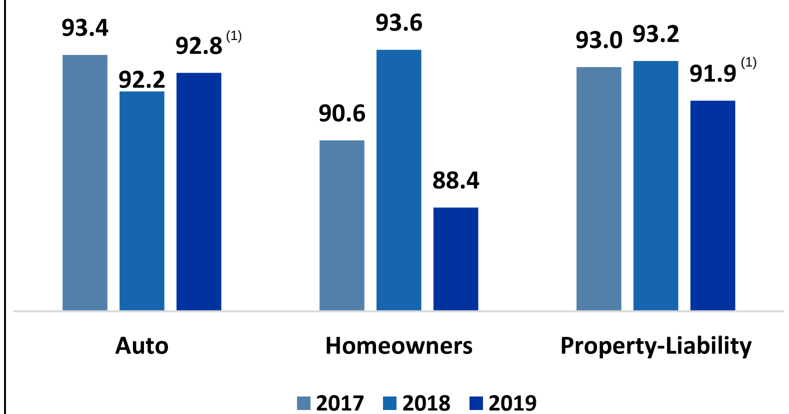
Property-Liability Results Remain Strong

- Policy and premium growth continued with strong underlying profitability across businesses
- Underwriting income of $1.0 billion in the fourth quarter driven by lower catastrophe losses and strong underlying results
  - Auto and homeowners insurance profitability generating excellent returns
  - Expense ratio declined in the quarter despite increased marketing investments and write-off of Esurance acquisition intangible related to brand name

Property-Liability Results

($ in millions)	Q4	Var PY	2019	Var PY
Net Premiums Written	$8,737	4.4%	$35,419	5.6%
Premiums Earned	8,873	5.4%	34,843	5.7%
Policies in Force (in thousands)			33,692	1.3%
Underwriting Income	1,000	249.7%	2,804	24.5%
Catastrophe Losses	295	(69.4)%	2,557	(10.4)%
(% to premiums earned)				
Loss Ratio	63.8	(7.3) pts	67.8	(0.3) pts
Expense Ratio	24.9	(0.6) pts	24.2	(0.9) pts
Combined Ratio	88.7	(7.9) pts	92.0	(1.2) pts
Combined Ratio ex. Impairment*[(1)]	88.1	(8.5) pts	91.9	(1.3) pts
Underlying Combined Ratio*	84.9	(1.4) pts	85.0	(0.3) pts

Combined Ratio by Line of Business[(2)]



[(1)] 2019 results adjusted to exclude $51 million, pre-tax, charge for impairment of the Esurance trade name in the fourth quarter of 2019. Represents a 0.6 point and 0.1 point impact on Property-Liability results in the fourth quarter and full year combined ratios, respectively

[(2)] Aggregated results by line for auto and homeowners include Allstate, Esurance and Encompass brands

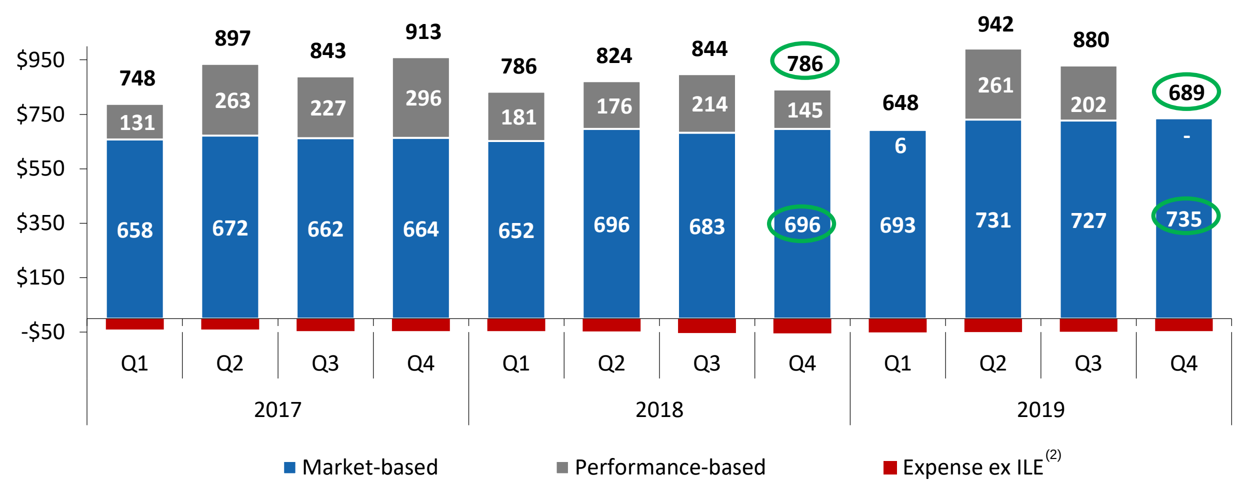
Total Return on Portfolio Reflects Strong Markets; Net Investment Income Lower on Performance-based Results

- **Total return of 9.2% for the full year 2019**
  - **3.7% from investment income**
  - **5.5% from bond and equity valuations**
- **Net investment income of $689 million in the fourth quarter was below prior year quarter, with higher market-based income offset by lower performance-based results**

Net Investment Income

($M)

	2019	Var PY
Market-based	$2,886	5.8%
Performance-based	469	(34.5)%
Expense ex ILE[2]	(196)	3.4%
Total	**$3,159**	**(2.5)%**



	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Total Return	1.6	1.8	1.5	1.1	-0.5	0.5	1.1	-0.2	3.3	2.8	1.9	1.3
Total TTM[1]	4.0	4.0	4.1	5.9	3.8	2.5	2.1	0.8	4.7	7.0	7.8	9.2

(1) Trailing twelve months

(2) Investee level expenses (ILE) comprise depreciation and asset level operating expenses, which totaled $81 million in 2019 and are netted against market-based and performance-based income

Performance-based Investments Generate Excellent Returns But Create Income Volatility

- **Performance-based investments optimize risk adjusted returns**
  - **Appropriately matched to liabilities (e.g. payout annuities) and capital**
  - **Broadens overall portfolio diversification and provides idiosyncratic returns**
  - **Highly diversified portfolio**
    - **Variety of asset classes (e.g. private equity, real estate, infrastructure) and geographies**
    - **Multiple investment approaches: Limited partnerships, co-investments, direct investments**
- **Performance-based investments create quarterly investment income volatility but higher total returns than fixed income portfolio**
  - **Valuation of two limited partnerships were reduced by $74 million in the fourth quarter of 2019**

					Reported Income ($M)			
		IRR (as of 9/30/19)(1)			2019		2018	
Asset Allocation	Position ($M)	1 Year	3 Year	5 Year	Q4	FY	Q4	FY
Private equity	$6,540	7.0%	12.3%	11.2%	$(15)	$339	$132	$591
Real estate	2,169	9.3%	10.1%	9.8%	35	204	29	189
Investee level expenses					(20)	(74)	(16)	(64)
Total Performance-based	8,709	7.6%	11.7%	10.8%	-	469	145	716

(1) Internal rate of return based on most recently available financial statements, which are reported on a one quarter lag.

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

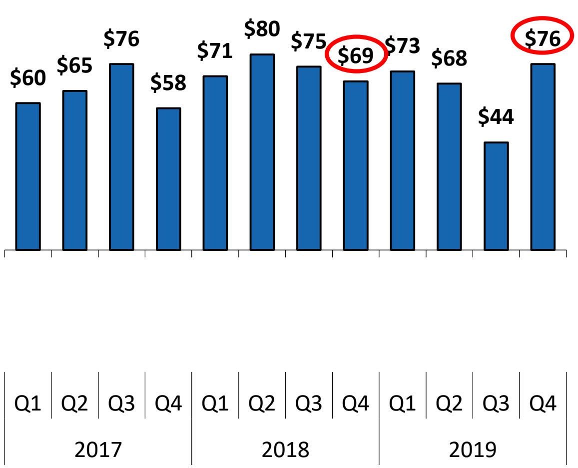
- **Allstate Life adjusted net income of $76 million increased $7 million to prior year quarter driven by higher net investment income and lower operating costs and expenses**
- **Allstate Benefits adjusted net income of $16 million was $10 million lower than the prior year quarter, largely due to the write-off of acquisition costs related to the non-renewal of a large underperforming account**
- **Allstate Annuities adjusted net loss of $33 million in the fourth quarter, driven by lower performance-based income**

Adjusted Net Income

Allstate Life

	YTD	Var PY
Adjusted Net Income	$261	(11.5)%
Premiums & Contract Charges	$1,343	2.1%

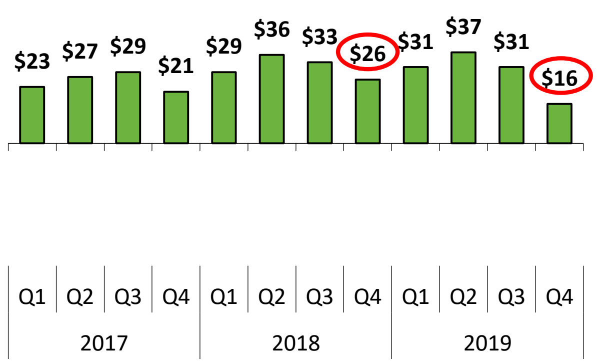
($M)



Allstate Benefits

	YTD	Var PY
Adjusted Net Income	$115	(7.3)%
Premiums & Contract Charges	$1,145	0.9%

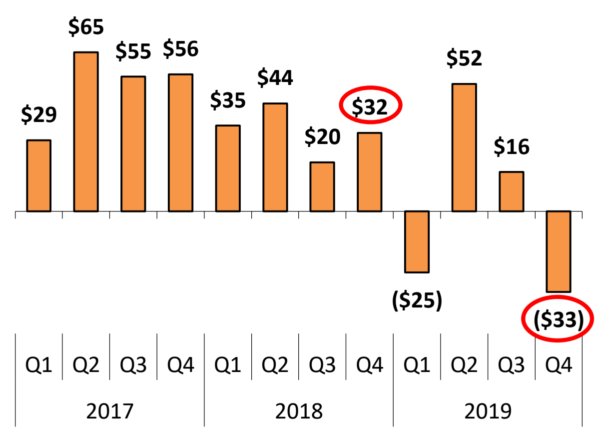
($M)



Allstate Annuities

	YTD	Var PY
Adjusted Net Income	$10	(92.4)%
Investment Spread	$131	(51.5)%

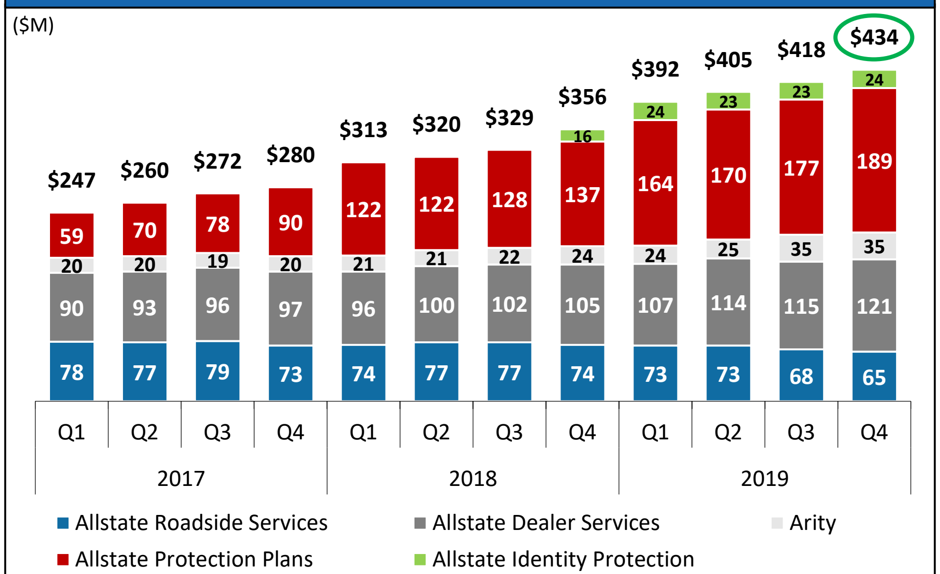
($M)



Service Businesses Growth Continues; Adjusted Net Income Improved in 2019

- Policies in force increased 42.0% to 105.9 million, primarily due to Allstate Protection Plans
- Revenues of $434 million in the quarter; $1.6 billion in 2019 were 25.1% higher than prior year
- Adjusted net income of $3 million in the quarter and $38 million for the full year 2019
  - Improved loss performance in Allstate Protection Plans and Allstate Dealer Services
  - Significant investments in Allstate Identity Protection

Service Businesses Revenues



Service Businesses Results

($ in millions)	Q4	Var PY	2019	Var PY
Revenues	$434	21.9%	$1,649	25.1%
Adjusted Net Income	$3	$(5)	$38	$30
Allstate Protection Plans	12	3	60	37
Arity	(3)	(2)	(7)	4
Allstate Roadside Services	(1)	5	(15)	5
Allstate Dealer Services	7	2	26	11
Allstate Identity Protection	(12)	(13)	(26)	(27)
Policies in Force (in thousands)			105,947	42.0%

Excellent Cash Returns to Shareholders

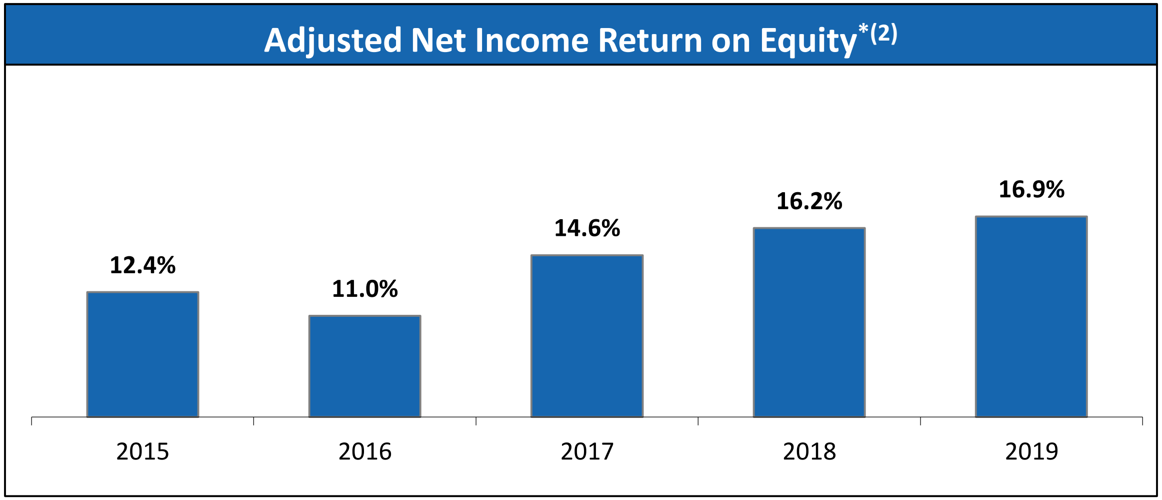
- Returned $2.5 billion to common shareholders in 2019 through $1.8 billion in share repurchases and $653 million in common shareholder dividends
- The $3 billion share repurchase program announced in October 2018 was completed in January 2020
- Announced a new $3 billion share repurchase authorization to be completed by the end of 2021
- Proactive capital management to reduce cost of capital
  - Issued $300 million of 4.75% fixed rate preferred stock on November 8, 2019
  - Used proceeds to redeem $288 million of 5.625% fixed rate preferred stock on January 15, 2020
    - $10 million charge will occur in Q1 2020 as a result of the redemption

Capital Position

	12/31/19	12/31/18
Total Shareholders' Equity ($ in millions)	$25,998	$21,312
Debt-to-Capital Ratio	20.3%	23.2%
Book Value per Common Share	$73.12	$57.56
Deployable Holding Company Assets ($ in billions)	$2.3	$1.5
Common shares outstanding (millions)	318.8	331.9

Targeting Attractive Long-Term Adjusted Net Income Return on Equity

- Allstate will no longer provide annual Property-Liability underlying combined ratio guidance and will focus on return on equity
  - Broader long-term measure
  - Greater focus on non-Property-Liability businesses
  - Factors in capital management actions
  - Highly correlated to stock price
  - Consistent with peers
- Long-term adjusted net income return on equity* goal of 14% to 17%
  - Range aligns with long-term incentive compensation[(1)]



[(1)] Further detail on the average performance net income return on equity measure is provided in our annual proxy statement.
[(2)] On December 22, 2017, the Tax Legislation became effective, reducing the U.S. corporate income tax rate from 35% to 21% beginning January 1, 2018. As a result, the corporate tax rate is not comparable for periods 2017 and prior.

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.