



# INSURANCE EXPENSE EXHIBIT

FOR THE YEAR ENDED DECEMBER 31, 2007

(To Be Filed by April 1)

Of The (Name) Allstate Insurance Company .....

ADDRESS (City, State and Zip Code) Northbrook , IL 60062-7127 .....

NAIC Group Code 0008 ..... NAIC Company Code 19232 ..... Employer's Identification Number (FEIN) 36-0719665 .....

Contact Person LYNN CIRRIINCIONE ..... Title ACCOUNTING SENIOR MANAGER ..... Telephone 847-402-3209 .....

IF MODIFICATIONS AND/OR CHANGES AFFECTING THIS EXHIBIT ARE MADE TO THE ANNUAL STATEMENT SUBSEQUENT TO THE FILING OF THIS EXHIBIT, AN AMENDED ANNUAL STATEMENT AND INSURANCE EXPENSE EXHIBIT MUST BE FILED WITH THE APPROPRIATE INSURANCE DEPARTMENT.

- (1) Refer to Annual Statement Instructions appendix for Uniform Classification of Expenses for definition of Expense Groups and instructions for allocation of expenses to lines of business.
- (2) Compute all ratios to nearest fourth place and express as percentages, e.g. 48.3.
- (3) There should be submitted in Interrogatory 4 a detailed statement or footnote with respect to any item or items requiring special comment or explanation.
- (4) Parts I, II and III only: Report all amounts to the nearest thousand or through truncation of digits below a thousand. (Example: \$602,503 may be reported as \$603 by rounding or as \$602 by truncation.)
- (5) Interrogatories only: Report all amounts in whole dollars. Do NOT omit thousands.
- (6) Each individual insurer whether or not a member of a group must submit this exhibit.

## INTERROGATORIES

1. Change in reserve for deferred maternity and other similar benefits are reflected in:
- |                           |       |
|---------------------------|-------|
| 1.1 Premiums Earned ..... | [   ] |
| 1.2 Losses Incurred ..... | [   ] |
| 1.3 Not Applicable .....  | [ X ] |
2. Indicate amounts received from securities subject to proration for federal tax purposes. Report amounts in whole dollars only:
- |  |                        |
|--|------------------------|
| 2.1 Amount included on Exhibit of Net Investment Income, Line 1.1, Column 2 .....  | \$ ..... 808,538,357   |
| 2.2 Amount included on Exhibit of Net Investment Income, Line 2.1, Column 2 .....  | \$ ..... 26,238,652    |
| 2.3 Amount included on Exhibit of Net Investment Income, Line 2.11, Column 2 ..... | \$ .....               |
| 2.4 Amount included on Exhibit of Net Investment Income, Line 2.2, Column 2 .....  | \$ ..... 91,618,266    |
| 2.5 Amount included on Exhibit of Net Investment Income, Line 2.21, Column 2 ..... | \$ ..... 1,062,736,124 |
3. Indicate amounts shown in the Annual Statement for the following items. Report amounts in whole dollars only:
- |  |                        |
|--|------------------------|
| 3.1 Net Investment Income, Page 4, Line 9, Column 1 .....                | \$ ..... 2,720,016,715 |
| 3.2 Net Realized Capital Gain or (Loss), Page 4, Line 10, Column 1 ..... | \$ ..... 987,592,885   |
- 4.1 The information provided in the Insurance Expense Exhibit will be used by many persons to estimate the allocation of expenses and profit to the various lines of business. Are there any items requiring special comment or explanation? .....
- Yes [   ]    No [ X ]
- 4.2 Are items allocated to lines of business in Parts II and III using methods not defined in the instructions? .....
- Yes [ X ]    No [   ]
- Statement may be attached.
- 4.3 If yes, explain:  
 The Miscellaneous taxes unassigned reflected on Parts II and III are tax expenses that were incurred in states and provinces where AIC is licensed but does not write any business.

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2007 OF THE ALLSTATE INSURANCE COMPANY

**PART I - ALLOCATION TO EXPENSE GROUPS**

(000 OMITTED)

Operating Expense Classifications	1 Loss Adjustment Expense	Other Underwriting Expenses			5 Investment Expenses	6 Total Expenses
		2 Acquisition, Field Supervision and Collection Expenses	3 General Expenses	4 Taxes, Licenses and Fees		
1. Claim adjustment services:						
1.1 Direct .....	254,991					254,991
1.2 Reinsurance assumed .....	332,164					332,164
1.3 Reinsurance ceded .....	(18,106)					(18,106)
1.4 Net claim adjustment services (Lines 1.1+1.2-1.3) .....	605,260					605,260
2. Commission and brokerage:						
2.1 Direct excluding contingent .....		1,203,618				1,203,618
2.2 Reinsurance assumed excluding contingent .....		1,463,476				1,463,476
2.3 Reinsurance ceded excluding contingent .....		976				976
2.4 Contingent - direct .....		125,291				125,291
2.5 Contingent - reinsurance assumed .....		246,200				246,200
2.6 Contingent - reinsurance ceded .....						
2.7 Policy and membership fees .....						
2.8 Net commission and brokerage (Lines 2.1+2.2-2.3+2.4+2.5-2.6+2.7) .....		3,037,608				3,037,608
3. Allowances to managers and agents .....						
4. Advertising .....	11,867	477,602				489,469
5. Boards, bureaus and associations .....	755	236	13,280			14,272
6. Surveys and underwriting reports .....	1		109,838			109,839
7. Audit of assureds' records .....						
8. Salary related items:						
8.1 Salaries .....	1,059,760	320,930	472,038		37,261	1,889,989
8.2 Payroll taxes .....	80,133	22,884	29,749		1,686	134,451
9. Employee relations and welfare .....	321,649	187,378	120,118		7,727	636,873
10. Insurance .....	1,787	1,143	1,569		140	4,638
11. Directors' fees .....						
12. Travel and travel items .....	91,817	44,577	23,072		799	160,265
13. Rent and rent items .....	111,251	36,585	55,761		(248)	203,349
14. Equipment .....	14,506	13,475	17,384		537	45,903
15. Cost or depreciation of EDP equipment and software .....	95,454	77,267	90,107		2,381	265,209
16. Printing and stationery .....	12,762	18,703	18,663		2,124	52,252
17. Postage, telephone and telegraph, exchange and express .....	65,573	138,437	83,201		354	287,565
18. Legal and auditing .....	15,225	4,837	34,824		2,135	57,021
19. Totals (Lines 3 to 18) .....	1,882,540	1,344,052	1,069,605		54,898	4,351,094
20. Taxes, licenses and fees:						
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....	7,303			586,687		586,687
20.2 Insurance department licenses and fees .....				11,694		11,694
20.3 Gross guaranty association assessments .....				(2,307)		(2,307)
20.4 All other (excluding Federal and foreign income and real estate) .....				63,846		63,846
20.5 Total taxes, licenses and fees (Lines 20.1+20.2+20.3+20.4) .....				659,920		659,920
21. Real estate expenses .....					34,106	34,106
22. Real estate taxes .....					11,751	11,751
23. Reimbursements by uninsured plans .....	XXX	XXX	XXX	XXX	XXX	XXX
24. Aggregate write-ins for miscellaneous operating expenses .....	457,437	157,790	177,545		8,065	800,837
25. TOTAL EXPENSES INCURRED .....	2,945,237	4,539,450	1,247,150	659,920	108,820	9,500,577
<b>DETAILS OF WRITE-INS</b>						
2401. Outside clerical .....	481,910	170,904	132,705		7,829	793,348
2402. Miscellaneous income and expense .....	4,498	6,078	69,985		(264)	80,296
2403. Donations .....	5	4	22,374		500	22,884
2498. Summary of remaining write-ins for Line 24 from overflow page .....	(28,976)	(19,195)	(47,519)			(95,690)
2499. Totals (Lines 2401 through 2403 plus 2498)(Line 24 above) .....	457,437	157,790	177,545		8,065	800,837

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2007 OF THE ALLSTATE INSURANCE COMPANY

**PART II - ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE**

PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS AND PERCENTAGES TO PREMIUMS EARNED FOR BUSINESS NET OF REINSURANCE

(000 OMITTED)

	Premiums Written (Pg. 8, Pt. 1B, Col. 6)		Premiums Earned (Pg. 6, Pt. 1, Col. 4)		Dividends to Policyholders (Pg. 4, Line 17)		Incurred Loss (Pg. 9, Pt. 2, Col. 7)		Defense and Cost Containment Expenses Incurred		Adjusting and Other Expenses Incurred		Unpaid Losses (Pg. 10, Pt. 2A, Col. 8)		Defense and Cost Containment Expenses Unpaid		Adjusting and Other Expenses Unpaid		Unearned Premium Reserves (Pg. 7, Pt. 1A, Col. 5)		Agents' Balances	
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %	19 Amount	20 %	21 Amount	22 %
1. Fire	73,956	XXX	76,688	100.0			43,037	56.1	3,901	5.1	8,600	11.2	24,841	32.4	2,576	3.4	2,489	3.2	41,309	53.9	11,895	15.5
2.1 Allied Lines	59,568	XXX	62,587	100.0			19,625	31.4	600	1.0	4,575	7.3	7,687	12.3	694	1.1	3,421	5.5	32,774	52.4	9,595	15.3
2.2 Multiple Peril Crop		XXX		100.0																		
2.3 Federal Flood		XXX		100.0							8,439											(916)
3. Farmowners Multiple Peril		XXX		100.0			(3)															
4. Homeowners Multiple Peril	6,129,020	XXX	6,100,737	100.0	(2)	0.0	3,303,149	54.1	96,087	1.6	598,182	9.8	1,740,324	28.5	178,533	2.9	217,032	3.6	3,461,895	56.7	986,373	16.2
5.1 Commercial Multiple Peril (Non-Liability Portion)	426,367	XXX	425,780	100.0			256,587	60.3	2,609	0.6	50,342	11.8	123,190	28.9	5,572	1.3	26,830	6.3	231,729	54.4	68,681	16.1
5.2 Commercial Multiple Peril (Liability Portion)	163,735	XXX	166,582	100.0			39,052	23.4	24,629	14.8	10,648	6.4	156,811	94.1	52,889	31.7	8,607	5.2	81,906	49.2	26,288	15.8
6. Mortgage Guaranty		XXX		100.0																		
8. Ocean Marine	6,546	XXX	6,352	100.0			2,211	34.8	149	2.3	764	12.0	1,342	21.1	56	0.9	263	4.1	2,944	46.3	1,054	16.6
9. Inland Marine	254,179	XXX	250,441	100.0			82,346	32.9	2,956	1.2	28,658	11.4	28,518	11.4	3,914	1.6	7,134	2.8	124,539	49.7	40,943	16.3
10. Financial Guaranty		XXX		100.0																		
11. Medical Malpractice		XXX		100.0			33	(12)					1,383		368		27					
12. Earthquake	5,738	XXX	17,707	100.0			(3,440)	(19.4)	(1,678)	(9.5)	(158)	(0.9)	246	1.4	86	0.5	2,785	15.7	3,243	18.3	924	5.2
13. Group A&H (See Interrogatory 1)		XXX		100.0			21						37				1					
14. Credit A&H																						
		XXX		100.0			3,000.0						234									
15. Other A&H (See Interrogatory 1)		XXX		100.0			8						18									
16. Workers' Compensation	233	XXX	237	100.0			1,574	662.8	924	389.1	56	23.7	131,099	55,214.6	2,494	1,050.2	2,097	883.2	(793)	(333.9)	37	15.8
17. Other Liability	114,313	XXX	113,644	100.0			111,640	98.2	24,369	21.4	22,150	19.5	420,881	370.4	59,861	52.7	26,303	23.1	54,410	47.9	18,414	16.2
18. Products Liability	1,864	XXX	1,985	100.0			(272)	(13.7)	319	16.1	3,348	168.6	1,158,475	58,362.6	210,695	10,614.6	42,100	2,120.9	367	18.5	300	15.1
19.1, 19.2 Private Passenger Auto Liability	9,595,698	XXX	9,624,943	100.0	(3)	0.0	5,593,192	58.1	398,789	4.1	993,049	10.3	6,694,655	69.6	1,298,716	13.5	745,727	7.7	2,572,555	26.7	1,545,628	16.1
19.3, 19.4 Commercial Auto Liability	348,985	XXX	369,845	100.0			161,093	43.6	15,621	4.2	32,537	8.8	434,565	117.5	48,523	13.1	24,443	6.6	168,919	45.7	56,203	15.2
21.1 Private Passenger Auto Physical Damage	7,720,945	XXX	7,678,579	100.0	(3)	0.0	3,632,383	47.3	35,265	0.5	566,678	7.4	219,686	2.9	20,097	0.3	67,442	0.9	2,020,331	26.3	1,243,719	16.2
21.2 Commercial Auto Physical Damage	139,195	XXX	146,813	100.0			55,177	37.6	566	0.4	12,038	8.2	4,532	3.1	283	0.2	1,946	1.3	67,239	45.8	22,422	15.3
22. Aircraft (all perils)	46	XXX	47	100.0			(1,305)	(2,779.3)	99	210.5	(2)	(4.9)	3,858	8,217.8	55	117.9	24	52.1	22	47.0	7	15.8
23. Fidelity	306	XXX	334	100.0			(223)	(66.6)	(1)	(0.2)	67	20.0	86	25.7	2	0.5	80	24.0	145	43.3	49	14.7
24. Surety	4	XXX	4	100.0			(4,039)	(93,359.4)	35	813.3			373	8,613.2	53	1,219.3	25	566.9	2	45.7	1	16.4
26. Burglary and Theft	813	XXX	919	100.0			95	10.3	2	0.2	(57)	(6.2)	105	11.4	1	0.1	36	3.9	376	40.9	131	14.2
27. Boiler and Machinery		XXX		100.0			(260)				95		87				132				(6)	
28. Credit		XXX		100.0																		
29. International		XXX		100.0																		
30, 31, 32 Reinsurance - Non-proportional Assumed		XXX		100.0			(1,665)		25				9,108		29							
33. Aggregate write-ins for Other Lines of Business	14,288	XXX	7,707	100.0			531	6.9	8	0.1	(30)	(0.4)	29	0.4			424	5.5	7,837	101.7	2,302	29.9
34. TOTAL (Lines 1 through 33)	25,055,797	XXX	25,051,933	100.0	(8)	0.0	13,290,545	53.1	605,260	2.4	2,339,978	9.3	11,162,168	44.6	1,885,496	7.5	1,179,367	4.7	8,871,750	35.4	4,034,046	16.1
<b>DETAILS OF WRITE-INS</b>																						
3301. Identity theft	14,300	XXX	6,906	100.0			2	0.0			1	0.0	2	0.0			1	0.0	7,395	107.1	2,304	33.4
3302. Mechanical breakdown	(12)	XXX	801	100.0			529	66.0	8	1.0	(32)	(4.0)	27	3.3			422	52.7	442	55.2	(2)	(0.2)
3303. Miscellaneous taxes unassigned		XXX		100.0																		
3398. Summary of remaining write-ins for Line 33 from overflow page		XXX		100.0																		
3399. Totals (Lines 3301 thru 3303 plus 3398)(Line 33 above)	14,288	XXX	7,707	100.0			531	6.9	8	0.1	(30)	(0.4)	29	0.4			424	5.5	7,837	101.7	2,302	29.9

**INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2007 OF THE ALLSTATE INSURANCE COMPANY**  
**PART II - ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE (continued)**  
 PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS AND PERCENTAGES TO PREMIUMS EARNED FOR BUSINESS NET OF REINSURANCE  
 (000 OMITTED)

	Commission and Brokerage Expenses Incurred (IEE Pt. 1, Line 2.8, Col. 2)		Taxes, Licenses & Fees Incurred (IEE Pt. 1, Line 20.5, Col. 4)		Other Acquisitions, Field Supervision, and Collection Expenses Incurred (IEE Pt. 1, Line 25 minus 2.8 Col. 2)		General Expenses Incurred (IEE Pt. 1, Line 25, Col. 3)		Other Income Less Other Expenses (Pg. 4, Line 15 minus Line 5)		Pre-Tax Profit or Loss Excluding All Investment Gain		Investment Gain on Funds Attributable to Insurance Transactions		Profit or Loss Excluding Investment Gain Attributable to Capital and Surplus		Investment Gain Attributable to Capital and Surplus		Total Profit or Loss	
	23 Amount	24 %	25 Amount	26 %	27 Amount	28 %	29 Amount	30 %	31 Amount	32 %	33 Amount	34 %	35 Amount	36 %	37 Amount	38 %	39 Amount	40 %	41 Amount	42 %
1. Fire	9,139	11.9	3,699	4.8	3,184	4.2	4,419	5.8	574	0.7	1,284	1.7	5,718	7.5	7,001	9.1	7,550	9.8	14,551	19.0
2.1 Allied Lines	5,372	8.6	1,925	3.1	3,447	5.5	2,433	3.9	551	0.9	25,162	40.2	3,302	5.3	28,464	45.5	5,381	8.6	33,845	54.1
2.2 Multiple Peril Crop																				
2.3 Federal Flood	(219)		1,331		(12,595)		(12,421)		2		15,467		17		15,484		(21)		15,463	
3. Farmowners Multiple Peril											3				4				4	
4. Homeowners Multiple Peril	787,271	12.9	154,261	2.5	397,727	6.5	236,823	3.9	50,012	0.8	577,251	9.5	412,842	6.8	990,093	16.2	583,216	9.6	1,573,310	25.8
5.1 Commercial Multiple Peril (Non-Liability Portion)	52,870	12.4	11,556	2.7	24,857	5.8	24,344	5.7	3,241	0.8	5,857	1.4	30,597	7.2	36,454	8.6	41,070	9.6	77,524	18.2
5.2 Commercial Multiple Peril (Liability Portion)	20,217	12.1	4,943	3.0	8,157	4.9	9,930	6.0	797	0.5	49,803	29.9	27,647	16.6	77,449	46.5	21,786	13.1	99,235	59.6
6. Mortgage Guaranty																				
8. Ocean Marine	757	11.9	128	2.0	458	7.2	520	8.2	98	1.5	1,463	23.0	296	4.7	1,759	27.7	531	8.4	2,291	36.1
9. Inland Marine	39,348	15.7	6,149	2.5	12,240	4.9	10,567	4.2	1,771	0.7	69,950	27.9	10,177	4.1	80,127	32.0	20,825	8.3	100,952	40.3
10. Financial Guaranty																				
11. Medical Malpractice											(21)		218		198				84	282
12. Earthquake	672	3.8	(967)	(5.5)	357	2.0	885	5.0	5	0.0	22,041	124.5	1,376	7.8	23,418	132.3	1,552	8.8	24,969	141.0
13. Group A&H (See Interrogatory 1)											(21)		4		(17)				1	(16)
14. Credit A&H																				
													257,880.0		257,877.1		99,410.00		357,287.1	
												(2,900.0)	26	00.0	26	00.0	10	0.0	36	00.0
15. Other A&H (See Interrogatory 1)											(8)		1		(7)				1	(6)
16. Workers' Compensation			57	24.2			1	0.4	(1)	(0.4)	(2,376)	(1,000.6)	15,239	6,418.2	12,863	5,417.6	5,855	2,466.1	18,719	7,883.7
17. Other Liability	13,922	12.3	2,130	1.9	6,097	5.4	7,486	6.6	464	0.4	(73,685)	(64.8)	56,311	49.6	(17,374)	(15.3)	29,137	25.6	11,763	10.4
18. Products Liability	258	13.0	36	1.8	79	4.0	139	7.0			(1,922)	(96.8)	160,198	8,070.6	158,276	7,973.8	61,867	3,116.8	220,143	11,090.6
19.1, 19.2 Private Passenger Auto Liability	1,142,255	11.9	251,024	2.6	584,591	6.1	501,690	5.2	89,634	0.9	249,991	2.6	1,011,259	10.5	1,261,250	13.1	953,034	9.9	2,214,284	23.0
19.3, 19.4 Commercial Auto Liability	39,247	10.6	9,637	2.6	11,287	3.1	30,461	8.2	1,414	0.4	71,378	19.3	66,462	18.0	137,841	37.3	49,632	13.4	187,473	50.7
21.1 Private Passenger Auto Physical Damage	910,661	11.9	210,065	2.7	457,027	6.0	416,212	5.4	74,796	1.0	1,525,087	19.9	68,005	0.9	1,593,092	20.7	472,574	6.2	2,065,666	26.9
21.2 Commercial Auto Physical Damage	15,801	10.8	3,369	2.3	4,707	3.2	13,476	9.2	610	0.4	42,289	28.8	4,140	2.8	46,429	31.6	11,167	7.6	57,596	39.2
22. Aircraft (all perils)	5	11.1	1	2.4	3	6.9	3	5.5			1,243	2,647.7	528	1,124.8	1,771	3,772.5	207	440.2	1,978	4,212.7
23. Fidelity	37	11.2	8	2.5	11	3.4	19	5.8	(1)	(0.3)	414	123.7	30	9.1	444	132.8	33	10.0	477	142.8
24. Surety											4,008	92,646.1	394	9,109.8	4,402	101,755.9	152	3,516.4	4,554	105,272.3
26. Burglary and Theft	84	9.1	10	1.1	51	5.6	40	4.3	(2)	(0.2)	692	75.4	45	4.9	738	80.3	76	8.2	813	88.5
27. Boiler and Machinery	(155)		46		66		125		1		85		25		109		9		119	
28. Credit	(68)		162		3						(98)				(98)				(98)	
29. International																				
30, 31, 32 Reinsurance - Non-proportional Assumed																				
33. Aggregate write-ins for Other Lines of Business	135	1.7	351	4.5	87	1.1	(2)	0.0	10	0.1	6,639	86.1	24,438	317.1	31,076	403.2	(21,494)	(278.9)	9,582	124.3
34. TOTAL (Lines 1 through 33)	3,037,608	12.1	659,920	2.6	1,501,842	6.0	1,247,150	5.0	223,978	0.9	2,593,617	10.4	1,900,497	7.6	4,494,114	17.9	2,244,699	9.0	6,738,813	26.9
<b>DETAILS OF WRITE-INS</b>																				
3301. Identity theft	137	2.0	22	0.3	87	1.3	(208)	(3.0)	10	0.1	6,875	99.6	418	6.1	7,293	105.6	563	8.2	7,856	113.8
3302. Mechanical breakdown	(2)	(0.2)					205	25.6			92	11.5	23,582	2,942.9	23,674	2,954.4	(22,600)	(2,820.4)	1,074	134.0
3303. Miscellaneous taxes unassigned			329								(329)		438		109		543		652	
3398. Summary of remaining write-ins for Line 33 from overflow page																				
3399. Totals (Lines 3301 thru 3303 plus 3398)(Line 33 above)	135	1.7	351	4.5	87	1.1	(2)	0.0	10	0.1	6,639	86.1	24,438	317.1	31,076	403.2	(21,494)	(278.9)	9,582	124.3

NOTE: THE ALLOCATION OF INVESTMENT INCOME FROM CAPITAL AND SURPLUS BY LINE OF BUSINESS MAY NOT ACCURATELY REFLECT THE PROFITABILITY OF A PARTICULAR LINE FOR USE IN THE RATE MAKING PROCESS.

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2007 OF THE ALLSTATE INSURANCE COMPANY

**PART III - ALLOCATION TO LINES OF DIRECT BUSINESS WRITTEN**

PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS, AND PERCENTAGES TO PREMIUMS EARNED FOR DIRECT BUSINESS WRITTEN

(000 OMITTED)

	Premiums Written Pg. 8, Pt. 1B, Col. 1)		Premiums Earned Sch. T, Line 59, Col. 3)		Dividends to Policyholders		Incurred Loss (Sch. T, Line 59, Col. 6)		Defense and Cost Containment Expenses Incurred		Adjusting and Other Expenses Incurred		Unpaid Losses (Sch. T, Line 59, Col. 7)		Defense and Cost Containment Expenses Unpaid		Adjusting and Other Expenses Unpaid		Unearned Premium Reserves		Agents' Balances	
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %	19 Amount	20 %	21 Amount	22 %
1. Fire	32,688	XXX	33,703	100.0			20,358	60.4	530	1.6	2,638	7.8	7,918	23.5	189	0.6	1,654	4.9	16,496	48.9	(3,495)	(10.4)
2.1 Allied Lines	19,366	XXX	20,084	100.0			7,442	37.1	28	0.1	2,421	12.1	2,781	13.8	359	1.8	2,547	12.7	9,632	48.0	(2,071)	(10.3)
2.2 Multiple Peril Crop		XXX		100.0																		
2.3 Federal Flood	263,628	XXX	249,823	100.0			55,188	22.1			8,439	3.4	22,221	8.9					137,841	55.2	(28,187)	(11.3)
3. Farmowners Multiple Peril		XXX		100.0																		
4. Homeowners Multiple Peril	3,276,752	XXX	3,343,603	100.0			1,643,425	49.2	50,591	1.5	329,867	9.9	1,015,900	30.4	104,862	3.1	144,330	4.3	1,682,264	50.3	(350,351)	(10.5)
5.1 Commercial Multiple Peril (Non-Liability Portion)	357,667	XXX	376,451	100.0			188,757	50.1	1,240	0.3	41,737	11.1	109,476	29.1	4,972	1.3	24,550	6.5	176,907	47.0	(38,242)	(10.2)
5.2 Commercial Multiple Peril (Liability Portion)	138,794	XXX	146,478	100.0			35,095	24.0	23,143	15.8	10,188	7.0	150,067	102.5	51,060	34.9	8,336	5.7	67,789	46.3	(14,840)	(10.1)
6. Mortgage Guaranty		XXX		100.0																		
8. Ocean Marine	2,801	XXX	3,035	100.0			602	19.8	37	1.2	500	16.5	144	4.8	7	0.2	208	6.9	1,227	40.4	(300)	(9.9)
9. Inland Marine	121,929	XXX	126,435	100.0			38,708	30.6	693	0.5	19,096	15.1	10,979	8.7	291	0.2	5,872	4.6	58,146	46.0	(13,026)	(10.3)
10. Financial Guaranty		XXX		100.0																		
11. Medical Malpractice		XXX		100.0																		
12. Earthquake	2,727	XXX	10,052	100.0			(3,536)	(35.2)	(1,761)	(17.5)	(215)	(2.1)										
13. Group A&H (See Interrogatory 1)		XXX		100.0																		
14. Credit A&H																						
		XXX		100.0				3,000.0						387								
15. Other A&H (See Interrogatory 1)		XXX		100.0																		
16. Workers' Compensation	165	XXX	165	100.0			1,292	783.0	378	229.3	100	60.8	76,801	46,551.1	1,431	867.1	1,549	938.9			(18)	(10.7)
17. Other Liability	74,093	XXX	76,204	100.0			86,085	113.0	9,811	12.9	19,390	25.4	273,100	358.4	48,238	63.3	21,194	27.8	35,848	47.0	(7,922)	(10.4)
18. Products Liability	1,843	XXX	1,962	100.0			(31,638)	(1,612.6)	(21,345)	(1,087.9)	5,746	292.9	991,019	50,512.0	303,916	15,490.6	27,288	1,390.9	837	42.7	(197)	(10.0)
19.1, 19.2 Private Passenger Auto Liability	4,094,872	XXX	4,218,190	100.0			2,331,912	55.3	167,236	4.0	373,778	8.9	4,499,860	106.7	775,622	18.4	532,071	12.6	1,009,751	23.9	(437,824)	(10.4)
19.3, 19.4 Commercial Auto Liability	221,879	XXX	225,950	100.0			112,765	49.9	10,909	4.8	20,695	9.2	239,858	106.2	27,151	12.0	15,785	7.0	107,567	47.6	(23,723)	(10.5)
21.1 Private Passenger Auto Physical Damage	3,250,050	XXX	3,307,123	100.0			1,379,596	41.7	13,142	0.4	232,588	7.0	52,996	1.6	5,826	0.2	43,483	1.3	776,541	23.5	(347,496)	(10.5)
21.2 Commercial Auto Physical Damage	82,834	XXX	84,626	100.0			33,133	39.2	355	0.4	6,992	8.3	2,788	3.3	167	0.2	1,244	1.5	40,133	47.4	(8,857)	(10.5)
22. Aircraft (all perils)	46	XXX	47	100.0			(1)	(2.3)		0.7	1	2.7							22	47.1	(5)	(10.5)
23. Fidelity	306	XXX	334	100.0			6	1.8	(2)	(0.6)	67	20.1	33	9.8	2	0.5	79	23.5	145	43.3	(33)	(9.9)
24. Surety	4	XXX	4	100.0				(4.1)		(1.1)			14	330.8	4	90.4	16	361.4	2	46.0		
26. Burglary and Theft	751	XXX	856	100.0			88	10.3	(1)	(0.1)	(57)	(6.7)	95	11.1	1	0.1	36	4.2	344	40.2	(80)	(9.4)
27. Boiler and Machinery	1,634	XXX	1,729	100.0			172	9.9		0.0	93	5.4	4	0.2		0.0	130	7.5	769	44.5	(175)	(10.1)
28. Credit		XXX		100.0																		
29. International		XXX		100.0																		
33. Aggregate write-ins for Other Lines of Business	4,257	XXX	2,855	100.0			507	17.8	7	0.3	(16)	(0.6)	27	1.0			393	13.8	2,588	90.6	(455)	(15.9)
34. TOTAL (Lines 1 through 33)	11,949,088	XXX	12,229,709	100.0			5,899,955	48.2	254,991	2.1	1,074,049	8.8	7,456,768	61.0	1,324,128	10.8	833,325	6.8	4,126,423	33.7	(1,277,588)	(10.4)
<b>DETAILS OF WRITE-INS</b>																						
3301. Identity theft	4,268	XXX	2,101	100.0			1	0.0			(17)	(0.8)	1	0.0			1	0.0	2,167	103.2	(456)	(21.7)
3302. Mechanical breakdown	(12)	XXX	754	100.0			506	67.1	7	1.0	1	0.1	27	3.5			392	52.0	420	55.7	1	0.2
3303. Miscellaneous taxes unassigned		XXX		100.0																		
3398. Summary of remaining write-ins for Line 33 from overflow page		XXX		100.0																		
3399. Totals (Lines 3301 thru 3303 plus 3398)(Line 33 above)	4,257	XXX	2,855	100.0			507	17.8	7	0.3	(16)	(0.6)	27	1.0			393	13.8	2,588	90.6	(455)	(15.9)

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2007 OF THE ALLSTATE INSURANCE COMPANY  
**PART III - ALLOCATION TO LINES OF DIRECT BUSINESS WRITTEN (continued)**  
 PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS, AND PERCENTAGES TO PREMIUMS EARNED FOR DIRECT BUSINESS WRITTEN  
 (000 OMITTED)

	Commission and Brokerage Expenses Incurred		Taxes, Licenses & Fees Incurred		Other Acquisitions, Field Supervision, and Collection Expenses Incurred		General Expenses Incurred		Other Income Less Other Expenses		Pre-Tax Profit or Loss Excluding All Investment	
	23 Amount	24 %	25 Amount	26 %	27 Amount	28 %	29 Amount	30 %	31 Amount	32 %	33 Amount	34 %
1. Fire .....	3,802	11.3	828	2.5	2,226	6.6	1,870	5.5	426	1.3	1,878	5.6
2.1 Allied Lines .....	2,261	11.3	494	2.5	1,320	6.6	1,129	5.6	216	1.1	5,205	25.9
2.2 Multiple Peril Crop .....												
2.3 Federal Flood .....	(219)	(0.1)	1,331	0.5	(12,595)	(5.0)	(12,421)	(5.0)	2	0.0	210,102	84.1
3. Farmowners Multiple Peril .....												
4. Homeowners Multiple Peril .....	368,949	11.0	73,943	2.2	208,389	6.2	92,284	2.8	31,479	0.9	607,635	18.2
5.1 Commercial Multiple Peril (Non-Liability Portion) .....	41,165	10.9	9,493	2.5	19,767	5.3	19,643	5.2	2,848	0.8	57,497	15.3
5.2 Commercial Multiple Peril (Liability Portion) .....	17,911	12.2	4,563	3.1	7,053	4.8	8,926	6.1	752	0.5	40,352	27.5
6. Mortgage Guaranty .....												
8. Ocean Marine .....	302	9.9	53	1.7	204	6.7	197	6.5	42	1.4	1,183	39.0
9. Inland Marine .....	13,772	10.9	2,961	2.3	7,965	6.3	5,013	4.0	1,240	1.0	39,467	31.2
10. Financial Guaranty .....												
11. Medical Malpractice .....											(2)	
12. Earthquake .....	292	2.9	59	0.6	205	2.0	439	4.4	17	0.2	14,586	145.1
13. Group A&H (See Interrogatory 1) .....												
14. Credit A&H .....												(2,900.0)
15. Other A&H (See Interrogatory 1) .....												
16. Workers' Compensation .....											(1,605)	(973.1)
17. Other Liability .....	8,343	10.9	1,882	2.5	4,610	6.1	4,228	5.5	245	0.3	(57,901)	(76.0)
18. Products Liability .....	258	13.1	36	1.8	79	4.0	138	7.0			48,688	2,481.6
19.1, 19.2 Private Passenger Auto Liability .....	468,809	11.1	124,920	3.0	277,270	6.6	185,507	4.4	44,316	1.1	333,074	7.9
19.3, 19.4 Commercial Auto Liability .....	24,868	11.0	5,467	2.4	6,927	3.1	17,911	7.9	757	0.3	27,164	12.0
21.1 Private Passenger Auto Physical Damage .....	368,658	11.1	103,501	3.1	217,507	6.6	163,170	4.9	37,097	1.1	866,057	26.2
21.2 Commercial Auto Physical Damage .....	9,360	11.1	2,091	2.5	2,734	3.2	7,474	8.8	326	0.4	22,814	27.0
22. Aircraft (all perils) .....	5	11.2	1	2.4	12	24.8	3	5.5	1	1.3	26	56.3
23. Fidelity .....	38	11.3	8	2.5			19	5.7			198	59.2
24. Surety .....											5	105.3
26. Burglary and Theft .....	84	9.8	15	1.8	51	6.0	40	4.6			636	74.3
27. Boiler and Machinery .....	217	12.5	46	2.7	66	3.8	125	7.2	2	0.1	1,013	58.6
28. Credit .....					3						(3)	
29. International .....												
33. Aggregate write-ins for Other Lines of Business .....	35	1.2	2	0.1	25	0.9	116	4.1	6	0.2	2,184	76.5
34. TOTAL (Lines 1 through 33) .....	1,328,909	10.9	331,696	2.7	743,821	6.1	495,811	4.1	119,772	1.0	2,220,250	18.2
<b>DETAILS OF WRITE-INS</b>												
3301. Identity theft .....	37	1.8			25	1.2	(71)	(3.4)	4	0.2	2,130	101.4
3302. Mechanical breakdown .....	(2)	(0.2)					187	24.8	1	0.1	56	7.4
3303. Miscellaneous taxes unassigned .....			2								(2)	
3398. Summary of remaining write-ins for Line 33 from overflow page .....												
3399. Totals (Lines 3301 thru 3303 plus 3398)(Line 33 above) .....	35	1.2	2	0.1	25	0.9	116	4.1	6	0.2	2,184	76.5

**OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Insurance Expense Exhibit Part 1 Line 24

2404.	Change in ULAE reserves .....	(13,834)				(13,834)
2405.	Servicing fees .....	(15,142)	(19,195)	(47,519)		(81,857)
2497.	Summary of remaining write-ins for Line 24 from overflow page	(28,976)	(19,195)	(47,519)		(95,690)