



# INSURANCE EXPENSE EXHIBIT

FOR THE YEAR ENDED DECEMBER 31, 2008

(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 .....  | \$ ..... 820,196,508 |
| 2.2 Amount included on Exhibit of Net Investment Income, Line 2.1, Column 2 .....  | \$ ..... 30,381,134  |
| 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 .....  | \$ ..... 84,041,409  |
| 2.5 Amount included on Exhibit of Net Investment Income, Line 2.21, Column 2 ..... | \$ ..... 3,371,185   |
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 .....                | \$ ..... 1,430,670,938 |
| 3.2 Net Realized Capital Gain or (Loss), Page 4, Line 10, Column 1 ..... | \$ ..... (861,656,741) |
- 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 2008 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 .....	193,107					193,107
1.2 Reinsurance assumed .....	337,928					337,928
1.3 Reinsurance ceded .....	(20,717)					(20,717)
1.4 Net claim adjustment services (Lines 1.1+1.2-1.3) .....	551,751					551,751
2. Commission and brokerage:						
2.1 Direct excluding contingent .....		1,091,583				1,091,583
2.2 Reinsurance assumed excluding contingent .....		1,473,850				1,473,850
2.3 Reinsurance ceded excluding contingent .....		631				631
2.4 Contingent - direct .....		113,088				113,088
2.5 Contingent - reinsurance assumed .....		234,780				234,780
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) .....		2,912,670				2,912,670
3. Allowances to managers and agents .....		27,350	1,045			28,395
4. Advertising .....	9,050	442,512				451,562
5. Boards, bureaus and associations .....	344	245	13,902			14,491
6. Surveys and underwriting reports .....	4		116,840			116,844
7. Audit of assureds' records .....						
8. Salary related items:						
8.1 Salaries .....	1,095,697	307,755	431,951		32,940	1,868,343
8.2 Payroll taxes .....	83,457	22,919	30,263		1,931	138,571
9. Employee relations and welfare .....	225,869	114,191	173,185		7,404	520,648
10. Insurance .....	2,015	1,346	1,879		174	5,414
11. Directors' fees .....						
12. Travel and travel items .....	101,615	49,041	29,991		947	181,593
13. Rent and rent items .....	112,120	35,321	57,377		(877)	203,940
14. Equipment .....	13,258	13,041	17,521		586	44,405
15. Cost or depreciation of EDP equipment and software .....	103,772	82,190	88,524		3,149	277,635
16. Printing and stationery .....	14,051	14,446	19,336		2,702	50,536
17. Postage, telephone and telegraph, exchange and express .....	65,094	130,216	84,321		394	280,026
18. Legal and auditing .....	8,582	5,476	44,778		1,021	59,857
19. Totals (Lines 3 to 18) .....	1,834,928	1,246,049	1,110,913		50,371	4,242,261
20. Taxes, licenses and fees:						
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....	5,296			576,888		576,888
20.2 Insurance department licenses and fees .....				13,152		13,152
20.3 Gross guaranty association assessments .....				(3,188)		(3,188)
20.4 All other (excluding Federal and foreign income and real estate) .....				16,270		16,270
20.5 Total taxes, licenses and fees (Lines 20.1+20.2+20.3+20.4) .....				603,121		603,121
21. Real estate expenses .....					38,389	38,389
22. Real estate taxes .....					12,498	12,498
23. Reimbursements by uninsured plans .....	XXX	XXX	XXX	XXX	XXX	XXX
24. Aggregate write-ins for miscellaneous operating expenses .....	698,384	141,428	193,027		590	1,033,429
25. TOTAL EXPENSES INCURRED	3,085,063	4,300,147	1,303,940	603,121	101,848	9,394,120
<b>DETAILS OF WRITE-INS</b>						
2401. Outside clerical .....	550,497	155,827	147,288		8,667	862,278
2402. Change in ULAE reserves .....	202,271					202,271
2403. Miscellaneous income and expense .....	(27,385)	8,462	62,391		(8,077)	35,392
2498. Summary of remaining write-ins for Line 24 from overflow page .....	(27,000)	(22,861)	(16,651)			(66,512)
2499. Totals (Lines 2401 through 2403 plus 2498)(Line 24 above) .....	698,384	141,428	193,027		590	1,033,429

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2008 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	61,858	XXX	66,311	100.0			42,284	63.8	3,622	5.5	7,164	10.8	22,551	34.0	4,121	6.2	3,095	4.7	36,855	55.6	9,940	15.0
2.1 Allied Lines	54,769	XXX	62,084	100.0			41,223	66.4	400	0.6	7,051	11.4	10,566	17.0	570	0.9	5,377	8.7	25,460	41.0	8,802	14.2
2.2 Multiple Peril Crop		XXX		100.0																		
2.3 Federal Flood		XXX		100.0							(8,941)											(131)
3. Farmowners Multiple Peril		XXX		100.0			3						3									
4. Homeowners Multiple Peril	6,056,488	XXX	6,170,328	100.0			4,908,352	79.5	103,737	1.7	833,042	13.5	2,129,857	34.5	186,300	3.0	396,769	6.4	3,348,056	54.3	973,258	15.8
5.1 Commercial Multiple Peril (Non-Liability Portion)	451,664	XXX	440,170	100.0			335,925	76.3	6,123	1.4	46,717	10.6	150,794	34.3	7,110	1.6	23,927	5.4	243,223	55.3	72,589	16.5
5.2 Commercial Multiple Peril (Liability Portion)	160,873	XXX	161,864	100.0			74,350	45.9	23,480	14.5	8,342	5.2	175,282	108.3	60,428	37.3	9,743	6.0	80,916	50.0	25,846	16.0
6. Mortgage Guaranty		XXX		100.0																(1)		
8. Ocean Marine	6,261	XXX	6,433	100.0			16,579	257.7	388	6.0	3,947	61.4	5,540	86.1	205	3.2	3,287	51.1	2,771	43.1	1,006	15.6
9. Inland Marine	220,536	XXX	240,571	100.0			84,848	35.3	(318)	(0.1)	14,111	5.9	26,471	11.0	1,740	0.7	5,615	2.3	104,504	43.4	35,443	14.7
10. Financial Guaranty		XXX		100.0																		
11. Medical Malpractice		XXX		100.0			(254)		(314)		(5)		1,104		53		22					
12. Earthquake	4,561	XXX	5,690	100.0			1,139	20.0	519	9.1	365	6.4	1,347	23.7	501	8.8	1,570	27.6	2,114	37.1	733	12.9
13. Group A&H (See Interrogatory 1)		XXX		100.0			25						55				1					
14. Credit A&H		XXX		100.0									234									
15. Other A&H (See Interrogatory 1)		XXX		100.0			12						27									
16. Workers' Compensation																						
	111	XXX	(21)	100.0			12,045	(56,942.3)	2,313	(10,934.6)	816	(3,857.0)	128,258		2,778	(13,133.8)	2,744	(12,974.5)	(661)	3,123.5	18	(84.3)
17.1 Other Liability	302,232	XXX	208,341	100.0			255,356	122.6	16,458	7.9	22,987	11.0	546,909	262.5	58,261	28.0	27,311	13.1	148,300	71.2	48,573	23.3
17.3 Excess Workers' Compensation		XXX		100.0																		
18. Products Liability	1,683	XXX	1,634	100.0			24,982	1,529.3	(20,933)	(1,281.5)	4,352	266.4	1,113,767	68,182.7	176,275	10,791.2	42,154	2,580.6		417	25.5	270
19.1, 19.2 Private Passenger Auto Liability	9,272,873	XXX	9,403,649	100.0			5,591,912	59.5	370,187	3.9	962,633	10.2	6,636,393	70.6	1,280,267	13.6	744,938	7.9	2,441,779	26.0	1,490,274	15.8
19.3, 19.4 Commercial Auto Liability	294,023	XXX	319,723	100.0			141,018	44.1	12,038	3.8	20,177	6.3	391,123	122.3	43,598	13.6	18,536	5.8	143,218	44.8	47,252	14.8
21.1 Private Passenger Auto Physical Damage	7,411,299	XXX	7,535,542	100.0			3,741,622	49.7	33,366	0.4	598,762	7.9	274,936	3.6	21,025	0.3	94,745	1.3	1,896,088	25.2	1,191,103	15.8
21.2 Commercial Auto Physical Damage	116,273	XXX	127,221	100.0			46,567	36.6	530	0.4	11,426	9.0	5,758	4.5	265	0.2	1,432	1.1	56,291	44.2	18,687	14.7
22. Aircraft (all perils)		XXX	22	100.0			(11)	(50.3)	51	228.7	(6)	(25.1)	3,477	15,745.3	61	275.7	19	85.7				
23. Fidelity	278	XXX	290	100.0			1	0.5			(64)	(22.1)	85	29.3	2	0.6	14	5.0	132	45.4	44	15.3
24. Surety	(1)	XXX	(1)	100.0			108	(18,221.6)	19	(3,138.8)	22	(3,712.3)	422	(71,423.0)	57	(9,648.3)	40	(6,857.0)	2	(314.6)		0.0
26. Burglary and Theft	557	XXX	660	100.0			141	21.4	8	1.2	22	3.3	123	18.7	2	0.2	16	2.4	272	41.2	89	13.5
27. Boiler and Machinery		XXX		100.0			1				(62)		126				20				(1)	
28. Credit		XXX		100.0																		
29. International		XXX		100.0																		
30. Warranty	(3)	XXX	(113)	100.0			210	(186.2)	3	(2.6)	358	(316.7)	5	(4.5)			263	(232.3)	110	(97.5)		
31, 32, 33 Reinsurance - Non-proportional Assumed		XXX		100.0			(133)		76				8,508		89							
34. Aggregate write-ins for Other Lines of Business	15,058	XXX	15,342	100.0			(16)	(0.1)			101	0.7	4	0.0					7,553	49.2	2,420	0.0
35. TOTAL (Lines 1 through 34)	24,431,394	XXX	24,765,742	100.0			15,318,289	61.9	551,752	2.2	2,533,315	10.2	11,633,724	47.0	1,843,707	7.4	1,381,639	5.6	8,537,402	34.5	3,926,217	15.9
<b>DETAILS OF WRITE-INS</b>																						
3401. Identity theft	15,058	XXX	14,900	100.0			11	0.1			(421)	(2.8)	4	0.0					7,553	50.7	2,420	16.2
3402. Mechanical breakdown		XXX	442	100.0			(27)	(6.1)			522	118.2										
3403. Miscellaneous taxes unassigned		XXX		100.0																		
3498. Summary of remaining write-ins for Line 34 from overflow page		XXX		100.0																		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	15,058	XXX	15,342	100.0			(16)	(0.1)			101	0.7	4	0.0					7,553	49.2	2,420	15.8

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2008 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	8,939	13.5	5,027	7.6	2,685	4.0	4,355	6.6	634	1.0	(7,130)	(10.8)	317	0.5	(6,813)	(10.3)	382	0.6	(6,431)	(9.7)
2.1 Allied Lines	4,042	6.5	6,495	10.5	2,109	3.4	1,985	3.2	480	0.8	(741)	(1.2)	184	0.3	(557)	(0.9)	284	0.5	(273)	(0.4)
2.2 Multiple Peril Crop																				
2.3 Federal Flood	(44)		(1,749)		(17,382)		(4,727)		2		32,845		4		32,849				32,849	
3. Farmowners Multiple Peril											(3)				(3)				(3)	
4. Homeowners Multiple Peril	759,810	12.3	157,108	2.5	353,363	5.7	245,366	4.0	52,168	0.8	(1,138,283)	(18.4)	27,933	0.5	(1,110,350)	(18.0)	32,037	0.5	(1,078,314)	(17.5)
5.1 Commercial Multiple Peril (Non-Liability Portion)	71,573	16.3	12,639	2.9	29,483	6.7	28,301	6.4	5,446	1.2	(85,145)	(19.3)	1,843	0.4	(83,302)	(18.9)	2,342	0.5	(80,960)	(18.4)
5.2 Commercial Multiple Peril (Liability Portion)	15,307	9.5	2,866	1.8	8,707	5.4	12,479	7.7	413	0.3	16,746	10.3	1,858	1.1	18,604	11.5	1,171	0.7	19,775	12.2
6. Mortgage Guaranty																				
8. Ocean Marine	1,024	15.9	99	1.5	503	7.8	588	9.1	81	1.3	(16,613)	(258.2)	43	0.7	(16,570)	(257.6)	39	0.6	(16,532)	(257.0)
9. Inland Marine	27,680	11.5	5,150	2.1	10,899	4.5	10,782	4.5	1,574	0.7	88,994	37.0	601	0.2	89,595	37.2	1,046	0.4	90,640	37.7
10. Financial Guaranty																				
11. Medical Malpractice											574		10		584		3		587	
12. Earthquake	622	10.9	990	17.4	330	5.8	224	3.9	40	0.7	1,543	27.1	27	0.5	1,570	27.6	34	0.6	1,604	28.2
13. Group A&H (See Interrogatory 1)											(25)				(24)				(24)	
14. Credit A&H													2		2		1		2	
15. Other A&H (See Interrogatory 1)											(12)				(12)				(12)	
16. Workers' Compensation			81	(381.6)					1	(3.3)	(15,275)	72,212.2	924	(4,368.0)	(14,351)	67,844.2	294	(1,390.0)	(14,057)	66,454.2
17.1 Other Liability	18,214	8.7	6,543	3.1	29,484	14.2	9,942	4.8	735	0.4	(149,908)	(72.0)	4,243	2.0	(145,665)	(69.9)	2,090	1.0	(143,575)	(68.9)
17.3 Excess Workers' Compensation																				
18. Products Liability	232	14.2	59	3.6	(117)	(7.2)	(23)	(1.4)	2	0.1	(6,916)	(423.4)	9,423	576.9	2,507	153.5	3,052	186.8	5,559	340.3
19.1, 19.2 Private Passenger Auto Liability	1,098,131	11.7	219,257	2.3	535,623	5.7	518,729	5.5	80,006	0.9	187,183	2.0	62,635	0.7	249,818	2.7	49,711	0.5	299,529	3.2
19.3, 19.4 Commercial Auto Liability	32,972	10.3	8,095	2.5	10,746	3.4	28,457	8.9	1,502	0.5	67,723	21.2	3,776	1.2	71,499	22.4	2,365	0.7	73,864	23.1
21.1 Private Passenger Auto Physical Damage	857,747	11.4	176,752	2.3	415,010	5.5	433,066	5.7	69,336	0.9	1,348,554	17.9	4,462	0.1	1,353,016	18.0	24,889	0.3	1,377,905	18.3
21.2 Commercial Auto Physical Damage	13,204	10.4	2,759	2.2	4,396	3.5	12,660	10.0	599	0.5	36,278	28.5	235	0.2	36,513	28.7	533	0.4	37,046	29.1
22. Aircraft (all perils)									1	5.0	(11)	(48.3)	26	116.8	15	68.5	8	38.0	24	106.5
23. Fidelity	35	12.0	7	2.6	11	3.7	21	7.2	1	0.3	281	96.6	1	0.5	282	97.0	1	0.5	283	97.5
24. Surety											(149)	25,172.7	3	(565.4)	(145)	24,607.2	1	(182.9)	(144)	24,424.4
26. Burglary and Theft	60	9.0	137	20.7	(7)	(1.1)			1	0.2	302	45.7	2	0.3	304	46.0	3	0.5	307	46.5
27. Boiler and Machinery	(180)		34		56		128		2		23		1		24				25	
28. Credit	263		77		7						(347)				(347)				(347)	
29. International																				
30. Warranty	97	(85.7)	60	(52.9)	21	(18.4)	33	(29.0)			(895)	791.5	27	(23.8)	(868)	767.8	(25)	22.5	(893)	790.2
31, 32, 33 Reinsurance - Non-proportional Assumed																				
34. Aggregate write-ins for Other Lines of Business	2,943	19.2	637	4.1	1,551	10.1	1,575	10.3	219	1.4	8,770	57.2	17	0.1	8,788	57.3	72	0.5	8,860	57.8
35. TOTAL (Lines 1 through 34)	2,912,670	11.8	603,121	2.4	1,387,476	5.6	1,303,940	5.3	213,242	0.9	368,420	1.5	118,658	0.5	487,078	2.0	120,353	0.5	607,431	2.5
<b>DETAILS OF WRITE-INS</b>																				
3401. Identity theft	2,943	19.7	590	4.0	1,551	10.4	1,469	9.9	218	1.5	8,976	60.2	17	0.1	8,788	59.0	72	0.5	8,860	59.5
3402. Mechanical breakdown							106	24.0	1	0.1	(159)	(36.0)								
3403. Miscellaneous taxes unassigned			47								(47)									
3498. Summary of remaining write-ins for Line 34 from overflow page																				
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	2,943	19.2	637	4.1	1,551	10.1	1,575	10.3	219	1.4	8,770	57.2	17	0.1	8,788	57.3	72	0.5	8,860	57.8

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 2008 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 .....	27,579	XXX	30,448	100.0			15,290	50.2	433	1.4	1,794	5.9	6,012	19.7	155	0.5	1,406	4.6	13,626	44.8	(7,044)	(23.1)
2.1 Allied Lines .....	15,831	XXX	17,713	100.0			12,847	72.5	(116)	(0.7)	2,786	15.7	3,862	21.8	148	0.8	2,324	13.1	7,750	43.8	(4,044)	(22.8)
2.2 Multiple Peril Crop .....		XXX		100.0																		
2.3 Federal Flood .....	283,347	XXX	249,750	100.0			343,661	137.6			(8,941)	(3.6)	138,201	55.3					171,438	68.6	(72,376)	(29.0)
3. Farmowners Multiple Peril .....		XXX		100.0																		
4. Homeowners Multiple Peril .....	2,995,673	XXX	3,163,765	100.0			1,967,280	62.2	47,377	1.5	359,327	11.4	1,086,144	34.3	101,670	3.2	185,760	5.9	1,514,172	47.9	(765,188)	(24.2)
5.1 Commercial Multiple Peril (Non- Liability Portion) .....	324,364	XXX	341,148	100.0			249,458	73.1	4,328	1.3	36,173	10.6	125,444	36.8	5,667	1.7	19,901	5.8	160,123	46.9	(82,853)	(24.3)
5.2 Commercial Multiple Peril (Liability Portion) .....	124,039	XXX	131,295	100.0			69,372	52.8	21,267	16.2	7,798	5.9	164,622	125.4	56,997	43.4	9,274	7.1	60,534	46.1	(31,684)	(24.1)
6. Mortgage Guaranty .....		XXX		100.0																		
8. Ocean Marine .....	2,249	XXX	2,493	100.0			3,859	154.8	87	3.5	1,059	42.5	1,306	52.4	49	2.0	883	35.4	984	39.5	(575)	(23.0)
9. Inland Marine .....	109,596	XXX	115,435	100.0			38,785	33.6	751	0.7	9,667	8.4	10,078	8.7	269	0.2	4,643	4.0	52,307	45.3	(27,994)	(24.3)
10. Financial Guaranty .....		XXX		100.0																		
11. Medical Malpractice .....		XXX		100.0																		
12. Earthquake .....	2,299	XXX	2,798	100.0			1,334	47.7	523	18.7	560	20.0	1,325	47.4	488	17.5	1,566	56.0	1,074	38.4	(587)	(21.0)
13. Group A&H (See Interrogatory 1) .....		XXX		100.0																		
14. Credit A&H .....		XXX		100.0																		
15. Other A&H (See Interrogatory 1) .....		XXX		100.0																		
16. Workers' Compensation .....		XXX		100.0			1,746		907		758		73,838		1,586		2,208					
17.1 Other Liability .....	187,613	XXX	131,764	100.0			156,994	119.1	13,716	10.4	21,362	16.2	334,381	253.8	47,163	35.8	23,240	17.6	91,697	69.6	(47,922)	(36.4)
17.3 Excess Workers' Compensation .....		XXX		100.0																		
18. Products Liability .....	1,743	XXX	1,768	100.0			18,397	1,040.5	(47,091)	(2,663.3)	6,578	372.0	969,933	54,856.5	236,266	13,362.5	29,574	1,672.6	812	45.9	(445)	(25.2)
19.1, 19.2 Private Passenger Auto Liability .....	3,579,974	XXX	3,728,602	100.0			2,165,958	58.1	130,335	3.5	354,571	9.5	4,179,101	112.1	704,695	18.9	509,911	13.7	861,123	23.1	(914,436)	(24.5)
19.3, 19.4 Commercial Auto Liability .....	194,001	XXX	207,078	100.0			97,860	47.3	7,487	3.6	14,673	7.1	230,583	111.4	25,269	12.2	14,372	6.9	94,490	45.6	(49,554)	(23.9)
21.1 Private Passenger Auto Physical Damage .....	2,945,753	XXX	3,025,578	100.0			1,306,135	43.2	12,739	0.4	220,473	7.3	73,521	2.4	5,499	0.2	51,369	1.7	696,715	23.0	(752,437)	(24.9)
21.2 Commercial Auto Physical Damage .....	70,909	XXX	76,694	100.0			30,112	39.3	355	0.5	6,235	8.1	3,675	4.8	164	0.2	1,096	1.4	34,348	44.8	(18,112)	(23.6)
22. Aircraft (all perils) .....	(1)	XXX	22	100.0																		
23. Fidelity .....	278	XXX	290	100.0			1	0.4		0.0	(64)	(22.1)	33	11.3	2	0.6	13	4.5	132	45.4	(71)	(24.3)
24. Surety .....	(1)	XXX	(1)	100.0			37	(5,766.2)	6	(934.7)	23	(3,500.1)	29	(4,559.8)	8	(1,245.5)	32	(4,982.0)	2	(287.6)		
26. Burglary and Theft .....	521	XXX	620	100.0			50	8.0		0.0	22	3.5	110	17.7	1	0.1	16	2.5	245	39.6	(133)	(21.5)
27. Boiler and Machinery .....	1,371	XXX	1,492	100.0			130	8.7		0.0	(62)	(4.1)	31	2.1		0.0	18	1.2	648	43.5	(350)	(23.5)
28. Credit .....		XXX		100.0																		
29. International .....		XXX		100.0																		
30. Warranty .....	(3)	XXX	(109)	100.0			207	(190.5)	3	(2.7)	352	(324.0)	5	(4.7)			263	(241.8)	106	(97.4)	1	(0.7)
34. Aggregate write-ins for Other Lines of Business .....	4,271	XXX	4,739	100.0			(26)	(0.5)			(229)	(4.8)	1	0.0					2,120	44.7	(1,091)	(23.0)
35. TOTAL (Lines 1 through 34) .....	10,871,407	XXX	11,233,382	100.0			6,479,487	57.7	193,107	1.7	1,034,917	9.2	7,402,922	65.9	1,186,130	10.6	857,876	7.6	3,764,447	33.5	(2,776,895)	(24.7)
<b>DETAILS OF WRITE-INS</b>																						
3401. Identity theft .....	4,271	XXX	4,319	100.0			1	0.0			162	3.8	1	0.0					2,120	49.1	(1,091)	(25.3)
3402. Mechanical breakdown .....		XXX	420	100.0			(27)	(6.3)			(391)	(93.1)										
3403. Miscellaneous taxes unassigned .....		XXX		100.0																		
3498. Summary of remaining write-ins for Line 34 from overflow page .....		XXX		100.0																		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....	4,271	XXX	4,739	100.0			(26)	(0.5)			(229)	(4.8)	1	0.0					2,120	44.7	(1,091)	(23.0)

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2008 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 .....	3,637	11.9	593	1.9	1,992	6.5	1,953	6.4	432	1.4	5,188	17.0
2.1 Allied Lines .....	2,103	11.9	350	2.0	1,037	5.9	1,042	5.9	212	1.2	(2,123)	(12.0)
2.2 Multiple Peril Crop .....												
2.3 Federal Flood .....	(44)	0.0	(1,749)	(0.7)	(17,382)	(7.0)	(4,727)	(1.9)	2	0.0	(61,065)	(24.5)
3. Farmowners Multiple Peril .....												
4. Homeowners Multiple Peril .....	335,409	10.6	69,290	2.2	174,865	5.5	109,080	3.4	29,472	0.9	130,608	4.1
5.1 Commercial Multiple Peril (Non-Liability Portion) .....	48,247	14.1	8,678	2.5	20,428	6.0	21,275	6.2	4,026	1.2	(43,413)	(12.7)
5.2 Commercial Multiple Peril (Liability Portion) .....	13,011	9.9	2,452	1.9	6,044	4.6	9,815	7.5	285	0.2	1,820	1.4
6. Mortgage Guaranty .....												
8. Ocean Marine .....	457	18.3	31	1.2	246	9.9	212	8.5	19	0.8	(3,437)	(137.9)
9. Inland Marine .....	13,970	12.1	2,518	2.2	6,539	5.7	4,726	4.1	1,058	0.9	39,537	34.3
10. Financial Guaranty .....												
11. Medical Malpractice .....											(1)	
12. Earthquake .....	326	11.6	68	2.4	172	6.1	94	3.4	26	0.9	(253)	(9.0)
13. Group A&H (See Interrogatory 1) .....												
14. Credit A&H .....												
15. Other A&H (See Interrogatory 1) .....												
16. Workers' Compensation .....											(3,411)	
17.1 Other Liability .....	9,472	7.2	4,599	3.5	26,234	19.9	2,964	2.2	151	0.1	(103,425)	(78.5)
17.3 Excess Workers' Compensation .....												
18. Products Liability .....	232	13.1	59	3.4	(117)	(6.6)	(23)	(1.3)	1	0.1	23,734	1,342.3
19.1, 19.2 Private Passenger Auto Liability .....	410,881	11.0	89,042	2.4	217,871	5.8	191,848	5.1	34,519	0.9	202,616	5.4
19.3, 19.4 Commercial Auto Liability .....	21,558	10.4	4,808	2.3	6,844	3.3	18,041	8.7	733	0.4	36,539	17.6
21.1 Private Passenger Auto Physical Damage .....	336,271	11.1	72,357	2.4	176,091	5.8	171,075	5.7	31,423	1.0	761,860	25.2
21.2 Commercial Auto Physical Damage .....	8,045	10.5	1,736	2.3	2,578	3.4	7,520	9.8	275	0.4	20,389	26.6
22. Aircraft (all perils) .....		1.2		0.4					1	2.7	22	101.1
23. Fidelity .....	34	11.9	7	2.5	11	3.7	21	7.2			280	96.4
24. Surety .....											(67)	10,301.0
26. Burglary and Theft .....	60	9.6	10	1.6	(7)	(1.2)					486	78.4
27. Boiler and Machinery .....	176	11.8	34	2.3	56	3.8	128	8.6	1	0.1	1,029	69.0
28. Credit .....					7						(7)	
29. International .....												
30. Warranty .....		0.4		0.0	21	(19.1)	33	(30.4)			(724)	666.3
34. Aggregate write-ins for Other Lines of Business .....	826	17.4	143	3.0	455	9.6	588	12.4	93	2.0	3,075	64.9
35. TOTAL (Lines 1 through 34) .....	1,204,671	10.7	255,026	2.3	623,982	5.6	535,663	4.8	102,728	0.9	1,009,258	9.0
<b>DETAILS OF WRITE-INS</b>												
3401. Identity theft .....	826	19.1	143	3.3	455	10.5	496	11.5	93	2.1	2,329	53.9
3402. Mechanical breakdown .....							92	21.9	1	0.1	746	177.6
3403. Miscellaneous taxes unassigned .....												
3498. Summary of remaining write-ins for Line 34 from overflow page .....												
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....	826	17.4	143	3.0	455	9.6	588	12.4	93	2.0	3,075	64.9

**OVERFLOW PAGE FOR WRITE-INS**

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

2404.	Donations .....	9	116	18,315		18,439
2405.	Servicing fees .....	(27,008)	(22,978)	(34,966)		(84,952)
2497.	Summary of remaining write-ins for Line 24 from overflow page	(27,000)	(22,861)	(16,651)		(66,512)