

ALLSTATE CORP
Form 10-Q
May 08, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

**x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2008**

OR

**o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 1-11840

THE ALLSTATE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

36-3871531
(I.R.S. Employer Identification No.)

OR

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2775 Sanders Road
Northbrook, Illinois
(Address of principal executive offices)

60062
(Zip Code)

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Registrant's telephone number, including area code: 847/402-5000

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes

No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of **large accelerated filer**, **accelerated filer** and **smaller reporting company** in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes

No

As of April 30, 2008, the registrant had 550,770,847 common shares, \$.01 par value, outstanding.

THE ALLSTATE CORPORATION

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March 31, 2008

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

THE ALLSTATE CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(\$ in millions, except per share data)	Three Months Ended March 31, (Unaudited)		2007
	2008		
Revenues			
Property-liability insurance premiums earned	\$ 6,764	\$	6,806
Life and annuity premiums and contract charges	452		483
Net investment income	1,526		1,571
Realized capital gains and losses	(655)		471
	8,087		9,331
Costs and expenses			
Property-liability insurance claims and claims expense	4,676		4,117
Life and annuity contract benefits	397		428
Interest credited to contractholder funds	624		649
Amortization of deferred policy acquisition costs	1,075		1,153
Operating costs and expenses	792		727
Restructuring and related charges	(1)		(1)
Interest expense	88		72
	7,651		7,145
Loss on disposition of operations	(9)		
Income from operations before income tax expense	427		2,186
Income tax expense	79		691
Net income	\$ 348	\$	1,495
Earnings per share:			
Net income per share - Basic	\$ 0.62	\$	2.42
Weighted average shares - Basic	558.9		616.8
Net income per share - Diluted	\$ 0.62	\$	2.41
Weighted average shares - Diluted	561.6		621.6
Cash dividends declared per share	\$ 0.41	\$	0.38

See notes to condensed consolidated financial statements.

THE ALLSTATE CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

March 31,

December 31,