

ALLSTATE CORP  
Form 10-Q  
May 01, 2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**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, 2007**

**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.)**

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

**60062**  
**(Zip Code)**

**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 x No o**

**Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.**

**Large accelerated filer**  
**x**

**Accelerated filer**  
**o**

**Non-accelerated filer**  
**o**

**OR**

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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, 2007, the registrant had 607,408,065 common shares, \$.01 par value, outstanding.

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**THE ALLSTATE CORPORATION**  
**INDEX TO QUARTERLY REPORT ON FORM 10-Q**  
**March 31, 2007**

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**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****THE ALLSTATE CORPORATION AND SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

	Three Months Ended March 31, 2007 (Unaudited)		2006	
(in millions, except per share data)				
<b>Revenues</b>				
Property-liability insurance premiums earned	\$	6,806	\$ 6,876	
Life and annuity premiums and contract charges		483	495	
Net investment income		1,571	1,511	
Realized capital gains and losses		471	199	
		9,331	9,081	
<b>Costs and expenses</b>				
Property-liability insurance claims and claims expense		4,117	3,873	
Life and annuity contract benefits		428	373	
Interest credited to contractholder funds		649	620	
Amortization of deferred policy acquisition costs		1,153	1,139	
Operating costs and expenses		727	779	
Restructuring and related charges	(1	)	107	
Interest expense		72	81	
		7,145	6,972	
Loss on disposition of operations			(53	)
<b>Income from operations before income tax expense</b>		2,186	2,056	
Income tax expense		691	641	
<b>Net income</b>	\$	1,495	\$ 1,415	
<b>Earnings per share:</b>				
<b>Net income per share - Basic</b>	\$	2.42	\$ 2.20	
<b>Weighted average shares - Basic</b>		616.8	643.2	
<b>Net income per share - Diluted</b>	\$	2.41	\$ 2.19	
<b>Weighted average shares - Diluted</b>		621.6	647.4	
Cash dividends declared per share	\$	0.38	\$ 0.35	

See notes to condensed consolidated financial statements.



**THE ALLSTATE CORPORATION AND SUBSIDIARIES**

**CONDENSED CONSOLIDATED STATEMENTS OF FIN**