Aflac Incorporated Investor Presentation

August 2019

Forward-Looking Statements and Non-GAAP Financial Measures

FORWARD-LOOKING INFORMATION

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" to encourage companies to provide prospective information, so long as those informational statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those included in the forward-looking statements. The Company desires to take advantage of these provisions. This document contains cautionary statements identifying important factors that could cause actual results to differ materially from those projected herein, and in any other statements made by company officials in communications with the financial community and contained in documents filed with the Securities and Exchange Commission (SEC). Forward-looking statements are not based on historical information and relate to future operations, strategies, financial results or other developments. Furthermore, forward-looking information is subject to numerous assumptions, risks and uncertainties. In particular, statements containing words such as "expect," "anticipate," "believe," "goal," "objective," "may," "should," "estimate," "intends," "projects," "will," "assumes," "potential," "target", "outlook" or similar words as well as specific projections of future results, generally qualify as forward-looking. Aflac undertakes no obligation to update such forward-looking statements.

The Company cautions readers that the following factors, in addition to other factors mentioned from time to time, could cause actual results to differ materially from those contemplated by the forward-looking statements: difficult conditions in global capital markets and the economy; exposure to significant interest rate risk; concentration of business in Japan; foreign currency fluctuations in the yen/dollar exchange rate; limited availability of acceptable yen-denominated investments; U.S. tax audit risk related to conversion of the Japan branch to a subsidiary; deviations in actual experience from pricing and reserving assumptions; ability to continue to develop and implement improvements in information technology systems; competitive environment and ability to anticipate and respond to market trends; ability to protect the Aflac brand and the Company's reputation; ability to attract and retain qualified sales associates, brokers, employees, and distribution partners; interruption in telecommunication, information technology and other operational systems, or a failure to maintain the security, confidentiality or privacy of sensitive data residing on such systems; failure to comply with restrictions on patient privacy and information security; extensive regulation and changes in law or regulation by governmental authorities; tax rates applicable to the Company may change; defaults and credit downgrades of investments; decline in creditworthiness of other financial institutions; significant valuation judgments in determination of amount of impairments taken on the Company's investments; subsidiaries' ability to pay dividends to the Parent Company; decreases in the Company's financial strength or debt ratings; inherent limitations to risk management policies and procedures; concentration of the Company's investments in any particular single-issuer or sector; differing judgments applied to investment valuations; ability to effectively manage key executive succession; catastrophic events including, but not necessarily limited to, epidemics, pandemics, tornadoes, hurricanes, earthquakes, tsunamis, war or other military action, terrorism or other acts of violence, and damage incidental to such events; changes in accounting standards; increased expenses and reduced profitability resulting from changes in assumptions for pension and other postretirement benefit plans; level and outcome of litigation; allegations or determinations of worker misclassification in the United States.

Non-U.S. GAAP Financial Measures and Reconciliations

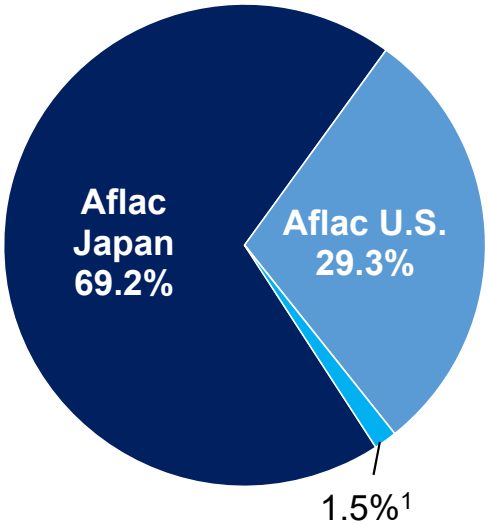
In this presentation, Aflac Incorporated presents certain financial information that is not calculated in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). These "non-U.S. GAAP financial measures" are meant to be supplemental to the U.S. GAAP measures that Aflac Incorporated presents. Refer to slides "Effect of Foreign Currency on Adjusted Results, "Reconciliation of Net Earnings Per Diluted Share to Adjusted Earnings Per Diluted Share," "2019 Annual Adjusted EPS Scenarios" and the Appendix for definitions of these measures and a reconciliation of the non-U.S. GAAP financial measures used in this presentation to the most directly comparable GAAP measures, or an explanation of why such a reconciliation is not provided

Aflac Incorporated: Leading Supplemental Insurer

Aflac Incorporated through its subsidiaries is the leading supplemental insurer in the U.S. and Japan providing a layer of financial protection due to a medical event or critical illness, such as cancer, to more than 50 million people



2018 Adjusted Revenues by Business Segment



$21.8B 2018 Revenue

$2.9B 2018 Net Earnings

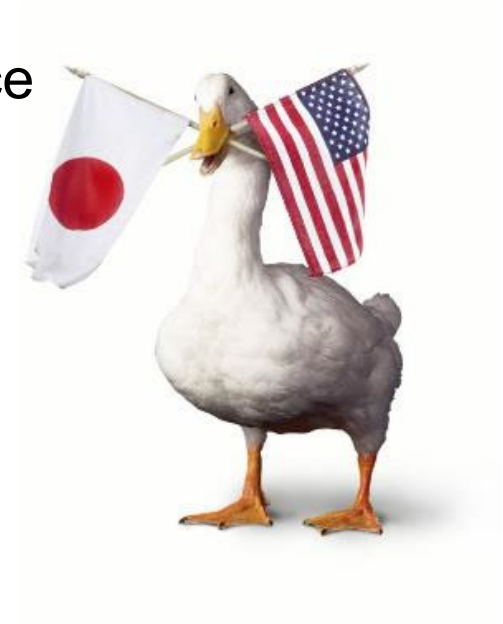
$34.5B[2] Market Cap

+19.5% 2018 Cash Dividend

[1] Corporate and other [2] As of 12/31/2018

Aflac Strategic Points of Leverage in U.S. and Japan

- Industry-leading market share and scale
- Recognized and powerful brand
- Diverse and productive distribution
- Product innovation and customized, high-quality service
- Strong capital position
  - » Stable earnings
  - » Strong cash flows



Aflac Japan Overview

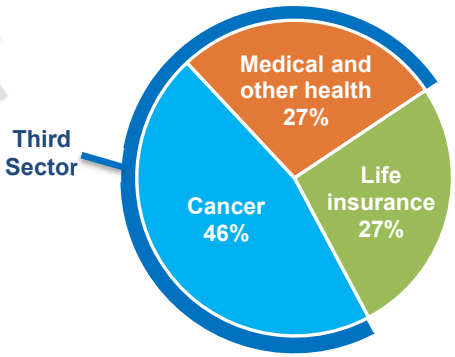
Business Profile

- In 1974, Aflac pioneered cancer insurance in Japan and launched a standalone whole life medical policy in 2002
- Today, our core **third sector** insurance – cancer and medical – helps policyholders cover out-of-pocket expenses not covered by Japan's national health insurance system.
- Aflac Japan's third sector product portfolio is complemented by a select offering of **first sector protection** products
- Aflac Japan insures **1 in 4 households**[1] in Japan and is the **#1** cancer and medical insurer[2]

Expansive Distribution

Core	**Traditional Channel**	• Vital for Aflac Japan sales, with over 9,800 agencies
Strategic Partners	**Japan Post**	• More than 20,000 post offices nationwide selling Aflac cancer insurance products • Japan Post Insurance Co., Ltd. offers Aflac cancer insurance products through its 76 branches
	Dai-ichi Life	• Nearly 40,000 Dai-Ichi Life sales representatives offer Aflac cancer insurance products
	Daido Life	• Selling cancer insurance products in SME association market
	Banks	• Aflac Japan products are represented at 371 banks, nearly 90% of the total banks in Japan

2018 U.S. GAAP Net Earned Premium



Demand For Third Sector Insurance

- Strain of rising costs on national healthcare system and individuals for out-of-pocket expenses
- Longevity and an aging population
- Healthcare and medical technology advancements to add or revise coverage to match the current medical environment

[1] Based on the number of households (as of January 1, 2018) published by Japan's Ministry of Internal Affairs and Communications and the number of households with policies-in-force (as of January 2019), calculated using Aflac Japan's standards

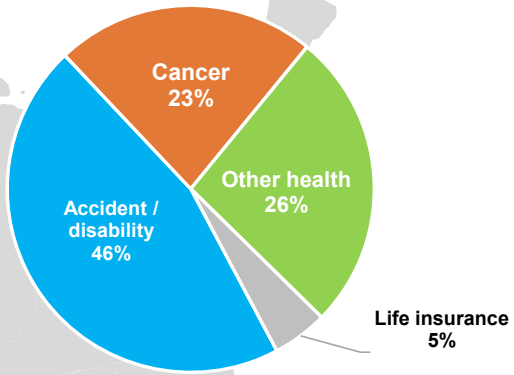
[2] Aflac is the number one insurer in terms of the number of policies in-force for both cancer insurance and medical insurance, according to Statistics of Life Insurance Business in Japan 2018.

Aflac U.S. Overview

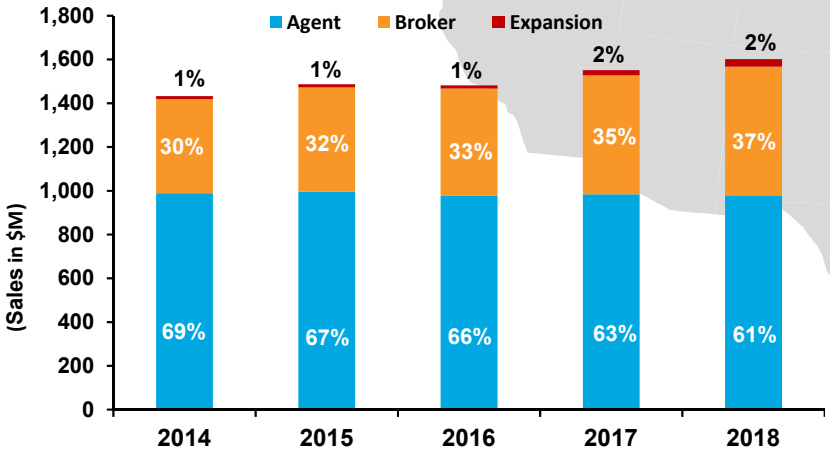
Business Profile

- Aflac is the # 1 provider of supplemental insurance at the worksite in the U.S.[1]
- ~98% of Aflac U.S. Individual and Group sales occur via payroll deduction
- Aflac's supplemental policies pay cash directly to the insured to help protect against rising out-of-pocket expenses when a qualifying medical event occurs
- One Day Pay[SM] symbolizes a transformative innovation for Aflac and the industry
- Aflac's vision is to be the number one distributor of benefits solutions supporting the U.S. workforce

2018 Net Earned Premium



Distribution



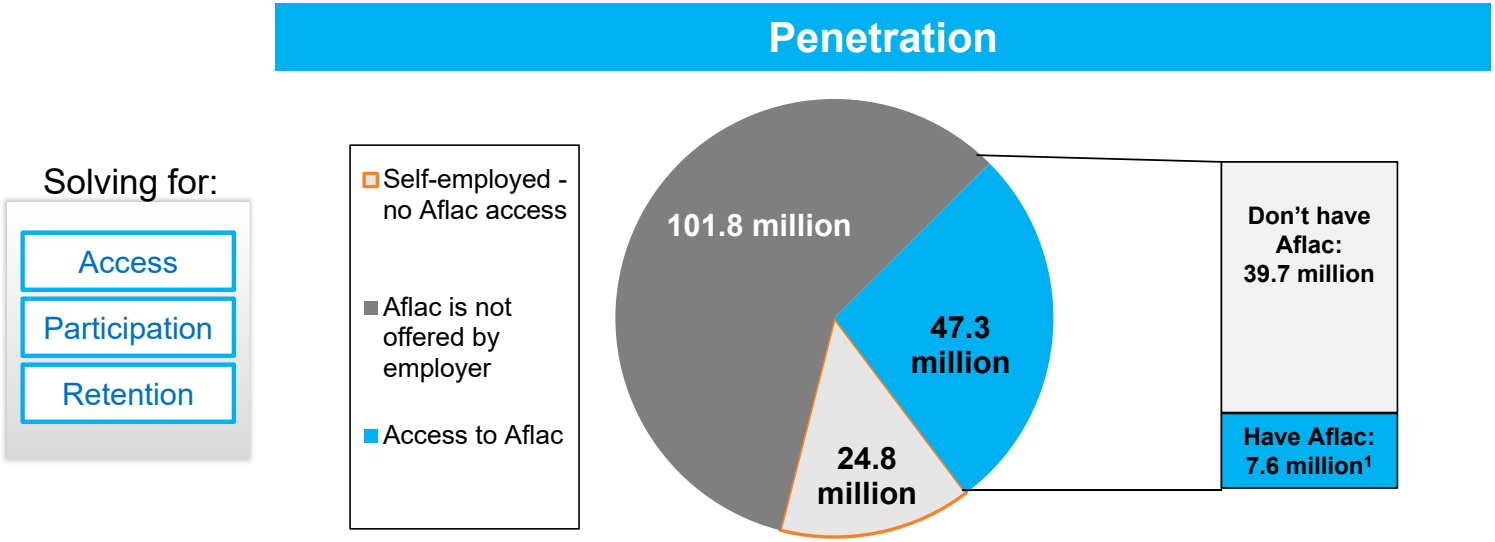
Demand for Supplemental Insurance

- Employees seek protection from rising out-of-pocket expenses that accompany medical events
- Employers seek affordable yet attractive benefits to attract and retain employees

[1] Eastbridge Consulting Group, Inc. *U.S. Worksite/Voluntary Sales Report. Carrier Results for 2017*. Avon, CT: June 2018; Supplemental sales are defined as 100% employee-paid through payroll deduction.

Aflac's Tremendous Growth Opportunity





[1] Total Aflac policy and certificate holders as of Dec. 31, 2018
Source: 2016 U.S. Census Bureau; Bureau of Labor Statistics

Aflac Japan Segment Performance

(Period Ended June 30, In billions of Yen)

	2019	2018	% Δ
Net premiums	¥ 699.0	¥ 705.2	(.9)%
Pretax adjusted earnings	183.1	179.7	1.9%
Benefit ratio to premium	69.0%	69.8%	
Expense ratio to revenue	20.3	19.7	
Pretax profit margin	21.9	21.5	
Premium persistency	94.1%	94.1%	

Aflac U.S. Segment Performance

(Period Ended June 30, In millions of Dollars)

	2019	2018	% Δ
Net premiums	$2,920	$2,853	2.3%
Pretax adjusted earnings	661	677	(2.4)%
Benefit ratio to premium	49.7%	50.5%	
Expense ratio to revenue	35.6	34.1	
Pretax profit margin	20.1	21.1	
Premium persistency	78.3%	78.6%	

Corporate and Other

(Period Ended June 30, In millions)

	2019	2018	% Δ
Net investment income	$42	$39	+7.7%
Amortized hedge income[1]	40	9	+344.4%
Net investment income, including amortized hedge income	$82	48	+70.8%
Pretax adjusted earnings	$(45)	$(84)	(46.4)%

[1] See the discussion and definition of amortized hedge income in the Appendix

Reconciliation of Net Earnings to Adjusted Earnings[1]

(Six Months Ended June 30, In millions of Dollars)

	2019	2018	% Inc.
Net earnings	$1,745	$1,550	12.6%
Items impacting net earnings:			
Realized investment (gains) losses	(70)	63	
Other and non-recurring (income) loss	1	70	
Income tax (benefit) expense on items excluded from adjusted earnings	18	(28)	
Adjusted earnings	$1,695	$1,655	2.4%
Current period foreign currency impact[2]	13	N/A	
Adjusted earnings excluding current period foreign currency impact[3]	$1,708	$1,655	3.2%

[1] Amounts may not foot due to rounding.
[2] Prior period foreign currency impact reflected as "N/A" to isolate change for current period only.
[3]. Amounts excluding current period foreign currency impact are computed using the average yen/dollar exchange rate for the comparable prior-year period, which eliminates fluctuations driven solely by yen-to-dollar currency rate changes.

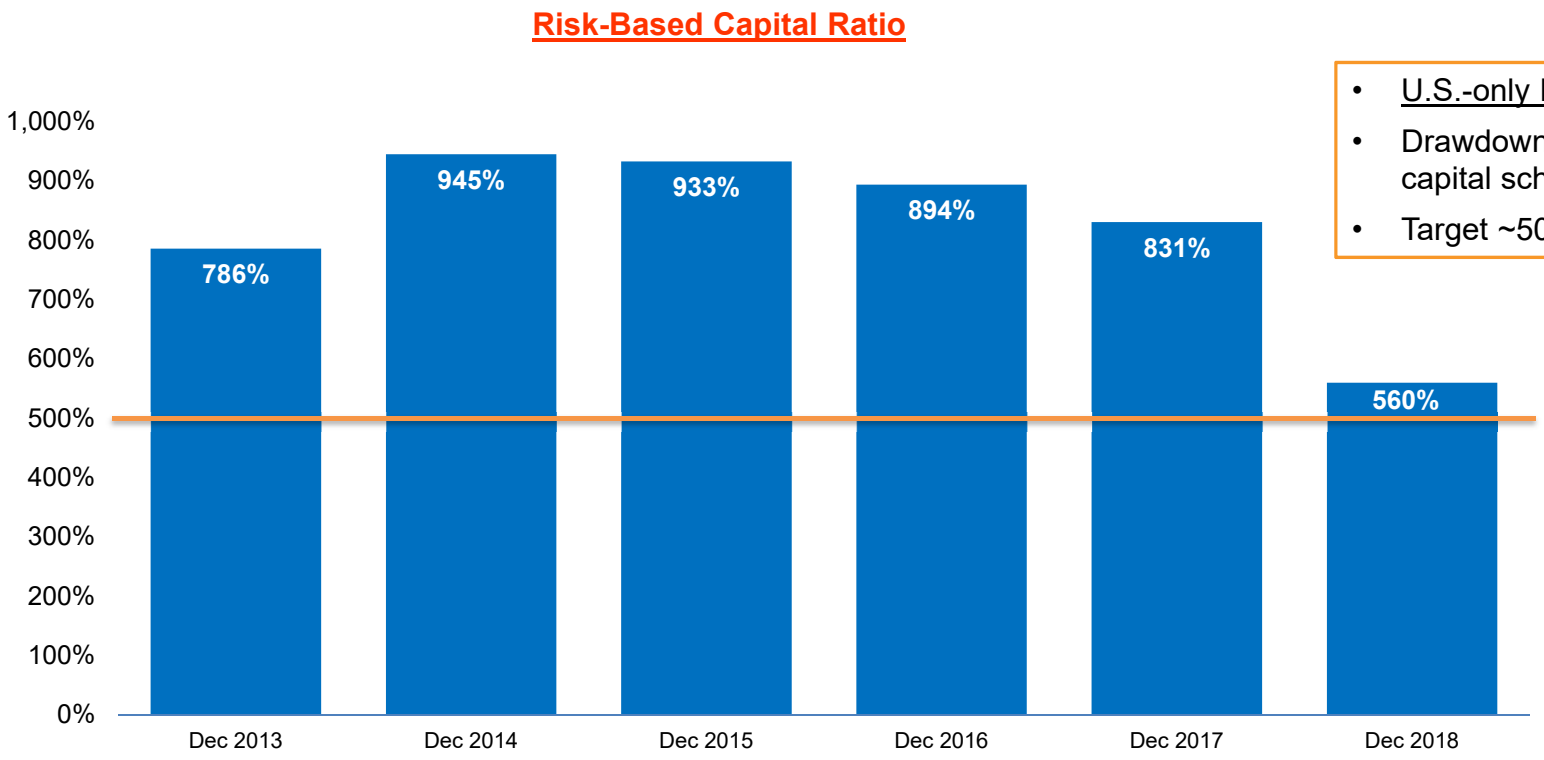
Strong Capital Profile

(Year Ended Dec 31)

	2016	2017	2018
Aflac RBC ratio	894%	831%	560%
Aflac Japan SMR	945%	1,064%	965%

Average exchange rates for 2016, 2017, and 2018 were 108.70, 112.16 and 110.39, respectively

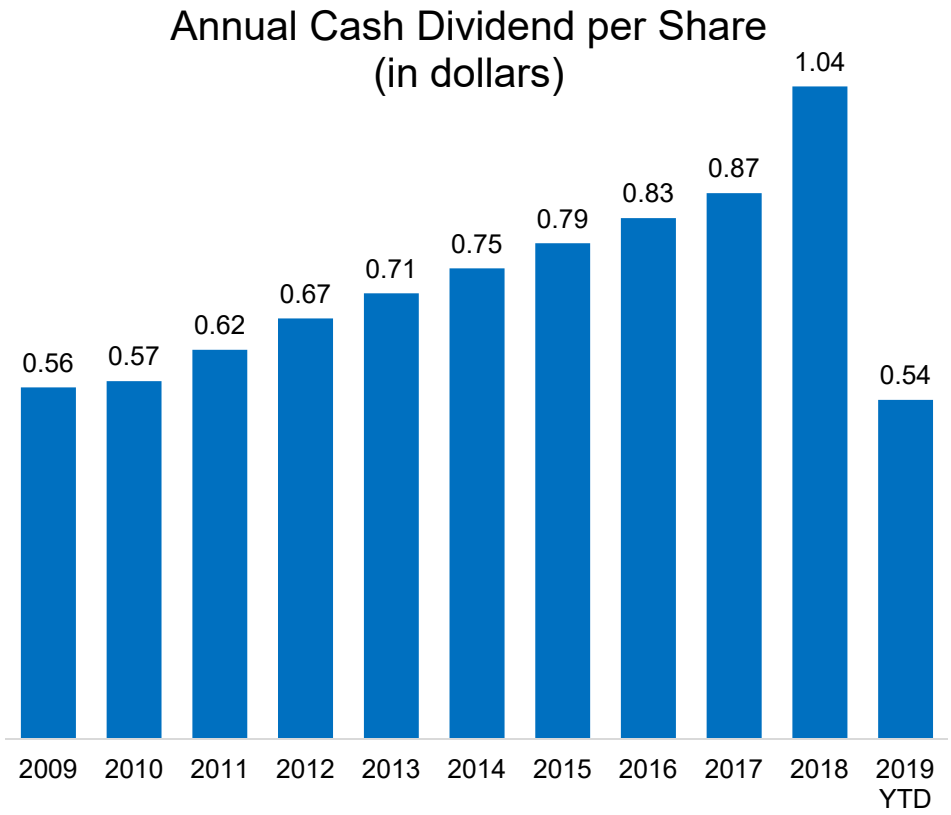
Drawing Down RBC Ratio Post Conversion

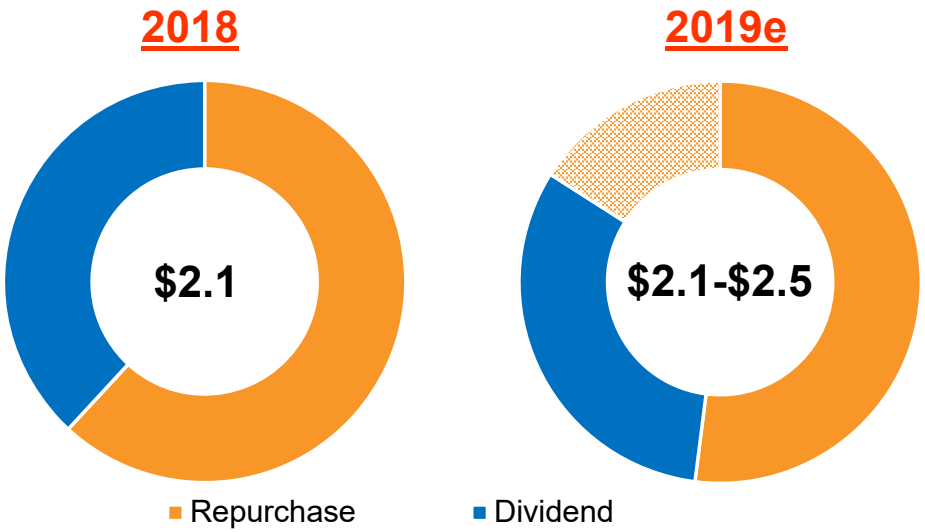


- U.S.-only RBC in the 700% range;
- Drawdown of $500 million of excess capital scheduled for later 2019
- Target ~500% RBC at the end of 2019

Capital Plan: Returning Capital to Shareholders

(In Billions of Dollars)





[1] Dividends and share repurchase as percentage of adjusted earnings. Adjusted earnings is a non-U.S. GAAP financial measure. See "Definitions of Non-U.S. GAAP Financial Measures" for more information on this measure.

Aflac Maintains Strong Ratings

	Holding Company	Operating Companies			
	Aflac Incorporated	Aflac Life Insurance Japan, Ltd.	Aflac (Columbus)	Aflac (New York)	Continental American Insurance Company
S&P	A-	A+	A+	A+	-
Moody's	A3	Aa3	Aa3	-	-
Fitch	A-	AA-	AA-	AA-	-
AM Best	a-	A+	A+	A+	A+
R&I	A	AA-	AA-	-	-
JCR	A+	AA	AA	-	-

The Outlook for all ratings assigned by Moody's, Fitch, AM Best, and JCR is Stable; as of April 25, 2019.
The Outlook for all ratings assigned by S&P and R&I is Positive; as of April 25, 2019.
Ratings for operating companies are "Insurer Financial Strength Ratings," and ratings for the holding company are senior "Issuer Credit Ratings"

Appendix

Definitions of Non-U.S. GAAP Financial Measures

Aflac defines the non-U.S. GAAP measures included in this presentation as follows:

- Aflac defines adjusted earnings (a non-U.S. GAAP financial measure) as the profits derived from operations. The most comparative U.S. GAAP measure is net earnings. Adjusted earnings are adjusted revenues less benefits and adjusted expenses. The adjustments to both revenues and expenses account for certain items that cannot be predicted or that are outside management's control. Adjusted revenues are U.S. GAAP total revenues excluding realized investment gains and losses, except for amortized hedge costs/income related to foreign currency exposure management strategies and net interest cash flows from derivatives associated with certain investment strategies. Adjusted expenses are U.S. GAAP total acquisition and operating expenses including the impact of interest cash flows from derivatives associated with notes payable but excluding any nonrecurring or other items not associated with the normal course of the Company's insurance operations and that do not reflect Aflac's underlying business performance.

Definitions of Non-U.S. GAAP Financial Measures

- Adjusted earnings per share (basic or diluted) are the adjusted earnings for the period divided by the weighted average outstanding shares (basic or diluted) for the period presented. The most comparable U.S. GAAP measure is net earnings per share.
- Adjusted earnings excluding current period foreign currency impact are computed using the average yen/dollar exchange rate for the comparable prior-year period, which eliminates fluctuations driven solely by yen-to-dollar currency rate changes.
- Amortized hedge costs/income represent costs/income incurred or recognized in using foreign currency forward contracts to hedge certain foreign exchange risks in the Company's Japan segment (costs) or in the Corporate and Other segment (income). These amortized hedge costs/income are derived from the difference between the foreign currency spot rate at time of trade inception and the contractual foreign currency forward rate, recognized on a straight line basis over the term of the hedge. There is no comparable U.S. GAAP financial measure for amortized hedge costs/income.