(7/27/2017)

Financial Analysts Briefing Supplement

Second Quarter 2017

This document is a statistical supplement to the Financial Analysts Briefing book. Throughout the presentation, amounts presented may not foot du to rounding. As you review the supplement, please note:

The following discussion includes references to Aflac's non-U.S. GAAP performance measures, operating earnings, operating earnings per diluted share, amortized hedge costs, and adjusted book value. These measures are not calculated in accordance with U.S. GAAP. The measures exclude items that the company believes may obscure the underlying fundamentals and trends in insurance operations because they tend to be driven by general economic conditions and events or related to infrequent activities not directly associated with insurance operations. Management uses operating earnings and operating earnings per diluted share to evaluate the financial performance of Aflac's insurance operations on a consolidated basis and believes that a presentation of these measures is vitally important to an understanding of the underlying profitability drivers and trends of Aflac's insurance business. The company believes that amortized hedge costs, which are a component of operating earnings, measure the periodic currency risk management costs associated with hedging a portion of Aflac Japan's U.S. dollar-denominated investmentsand are an important component of net investment income.The Company considers adjusted book value important as it excludes components of shareholders' equity that fluctuate due to market movements that are outside management's control.

Aflac defines these non-U.S.GAAP financial measures as follows:

- Operating earnings includes interest cash flows associated with notes payable and amortized hedge costs related to foreign currency denominated investments, but excludes certain items that cannot be predicted or that are outside of management's control, such as realized investment gains and losses from securities transactions, impairments, change in loan loss reserves and certain derivative and foreign currency activities; nonrecurring items; and other non-operating income (loss) from net earnings. Nonrecurring and other non-operating items consist of infrequent events and activity not associated with the normal course of the Company's insurance operations and do not reflect Aflac's underlying business performance. A reconciliation of net earnings to operating earnings is on page 2.
- Operating earnings per share (basic or dilutive) are the operating earnings for the period divided by the weighted average outstanding shares (basic or dilutive) for the period presented.
- Amortized hedge costs represent costs incurred in using foreign currency forward contracts to hedge the foreign exchange risk of a portion of U.S. dollar-denominated assets in the company's Japan segment investment portfolio. These amortized hedge costs 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.
- Adjusted book value is the U.S. GAAP book value, less Accumulated Other Comprehensive Income ("AOCI" as recorded on the U.S. GAAP balance sheet).

Because a significant portion of the company's business is conducted in Japan and foreign exchange rates are outside of management's control, Aflac believes it is important to understand the impact of translating Japanese yen into U.S. dollars. Operating earnings per diluted share "excluding foreign currency impact" are computed using the average yen/dollar exchange rate for the comparable prior year period, which eliminates dollar based fluctuations driven solely from currency rate changes.

On January 1, 2016, the Company retrospectively adopted revised accounting guidance for Accounting for Costs Associated with Debt Issuance, which resulted in an immaterial decrease to other assets and notes payable.

On January 1, 2016, the Company revised its definition of purchases to include the reinvestment of proceeds related to unplanned sale activity. New purchases include all purchases related to fixed maturities and perpetuals, loan receivables, and equities. Securities lending/repurchase agreement activity and capital contributions to alternatives are excluded. The definition of new money yield has also been revised to reflect this change. Yields for equities are based on assumed dividend yield at time of purchase. Historical amounts have been revised to reflect the new definitions.

Effective January 1, 2017, operating earnings includes the impact of amortized hedge costs incurred in using foreign currency forward contracts to hedge a portion of the foreign currency exchange risk on the U.S. dollar-denominated assets in Aflac Japan's investment portfolio. Prior period operating earnings have been revised to conform to this change.

On January 1, 2017, the Company adopted a policy to classify all foreign currency gains (losses) as components of the Certain derivatives and foreign currency gains (losses) line item of the income statement, which is a component of Realized investment gains (losses). Amounts have been reclassified from Other income and Securities transactions and impairments for all prior periods to be consistent with the current period.

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Aflac Incorporated and Subsidiaries

Share Data

(In Thousands)

	Period	Beginning Shares Outstanding	Shares Issued: Stk. Bon. & DRP	Shares Issued: Stk. Opt. & Misc.	Shares Purchased: Treas. Shares	Shares Purchased: Misc. Purch.[1]	Ending Shares Outstanding	QTD Weighted Avg. Shares: Avg. Shares	QTD Weighted Avg. Shares: Dilutive Shares	QTD Weighted Avg. Shares: Avg. Diluted	YTD Weighted Avg. Shares: Avg. Shares	YTD Weighted Avg. Shares: Dilutive Shares	YTD Weighted Avg. Shares: Avg. Diluted
2015	1	442,445	295	1,020	9,827	162	433,771	437,306	2,621	439,927	437,306	2,621	439,927
	2	433,771	316	289	3,707	52	430,617	431,672	2,585	434,257	434,473	2,604	437,077
	3	430,617	308	556	3,887	27	427,567	428,735	2,367	431,102	432,540	2,524	435,064
	4	427,567	290	286	3,758	5	424,380	425,056	2,500	427,556	430,654	2,518	433,172
2016	1	424,380	311	853	10,152	189	415,203	418,748	2,172	420,920	418,748	2,172	420,920
	2	415,203	283	537	5,874	34	410,115	411,853	2,473	414,326	415,301	2,322	417,623
	3	410,115	228	532	2,748	106	408,021	408,519	2,621	411,140	413,023	2,423	415,446
	4	408,021	243	392	2,844	2	405,810	406,847	2,533	409,380	411,471	2,450	413,921
2017	1	405,810	247	582	8,493	144	398,002	401,130	2,939	404,069	401,130	2,939	404,069
	2	**398,002**	**252**	**435**	**2,661**	**29**	**395,999**	**396,433**	**2,915**	**399,348**	**398,768**	**2,927**	**401,695**

[1] *Includes swapped shares and/or shares purchased for deferred compensation program*

Summary of Operating Results by Business Segment

(In Millions, except per-share data and where noted)

	Years Ended December 31,					3 Months Ended June 30,			6 Months Ended June 30,		
	2012	2013	2014	2015	2016	2016	2017	% Change	2016	2017	% Change
Aflac Japan	$ 3,899	$ 3,604	$ 3,423	$ 3,103	$ 3,148	$ 802	**$ 791**	(1.4)	$ 1,608	**$ 1,560**	(3.0)
Aflac U.S.	997	1,038	1,073	1,101	1,208	291	**330**	13.4	623	**640**	2.7
Interest expense, non-insurance operations	(184)	(198)	(198)	(146)	(128)	(30)	**(30)**		(59)	**(59)**	
Parent company, other operations and eliminations	(59)	(70)	(80)	(57)	(111)	(21)	**(18)**		(53)	**(41)**	
Pretax operating earnings	4,653	4,374	4,218	4,001	4,117	1,042	**1,073**	3.0	2,119	**2,100**	(.9)
Income taxes	1,559	1,504	1,444	1,377	1,426	359	**342**	(4.7)	731	**694**	(5.1)
Operating earnings [1]	3,094	2,870	2,774	2,624	2,691	683	**731**	7.0	1,388	**1,406**	1.3
Reconciling items:											
Securities transactions and impairments	(503)	63	199	150	55	(11)	**(3)**		66	**(20)**	
Certain derivatives and foreign currency gains (losses) [2]	159	378	73	(56)	32	(197)	**(16)**		(234)	**(108)**	
Other and non-recurring income (loss) [2]	(7)	–	–	(233)	(137)	–	**(8)**		–	**(28)**	
Income tax benefit (expense) on items excluded from operating earnings	123	(153)	(95)	48	18	73	**10**		59	**55**	
Net earnings	$ 2,866	$ 3,158	$ 2,951	$ 2,533	$ 2,659	**$ 548**	**$ 713**	30.1	$ 1,279	**$ 1,305**	2.0
Effective Tax rate	33.4 %	34.4 %	34.3 %	34.4 %	34.6 %	34.3 %	31.8 %		34.4 %	**32.9** %	
Earnings per share of common stock:											
Net earnings (basic)	$ 6.14	$ 6.80	$ 6.54	$ 5.88	$ 6.46	$ 1.33	**$ 1.80**	35.3	$ 3.08	**$ 3.27**	6.2
Net earnings (diluted)	6.11	6.76	6.50	5.85	6.42	1.32	**1.79**	35.6	3.06	**3.25**	6.2
Operating earnings (basic) [1]	$ 6.63	$ 6.18	$ 6.15	$ 6.09	$ 6.54	$ 1.66	**$ 1.84**	10.8	$ 3.34	**$ 3.53**	5.7
Operating earnings (diluted) [1]	6.59	6.14	6.11	6.06	6.50	1.65	**1.83**	10.9	3.32	**3.50**	5.4

[1] *See definition of operating earnings on cover page. All prior period operating earnings have been adjusted for the reclassification of amortized hedge costs for consistency with current period presentation.*

[2] Foreign currency gains (losses) for all periods have been reclassified from Other and non-recurrring income (loss) to Certain derivatives and foreign currency gains (losses).

Aflac Incorporated and Subsidiaries

Consolidated Statements of Earnings - US GAAP

(In Millions, except per-share data)

	Years Ended December 31,					3 Months Ended June 30,			6 Months Ended June 30,		
	2012	2013	2014	2015	2016	2016	2017	% Change	2016	2017	% Change
Revenues:											
Net premiums											
Gross premiums	$ 22,168	$ 20,233	$ 19,412	$ 17,904	$ 19,592	$ 4,916	**$ 4,752**		$ 9,605	**$ 9,476**	
Assumed (ceded)	(20)	(98)	(340)	(334)	(367)	(93)	**(87)**		(180)	**(173)**	
Total net premiums	22,148	20,135	19,072	17,570	19,225	4,823	**4,665**	(3.3)	9,425	**9,303**	(1.3)
Net investment income	3,473	3,293	3,319	3,135	3,278	822	**802**	(2.4)	1,623	**1,596**	(1.7)
Realized investment gains (losses) [(1)]	(349)	426	282	106	(14)	(223)	**(56)**		(194)	**(196)**	
Other income [(1)]	92	85	55	61	70	15	**17**		34	**34**	
Total revenues	25,364	23,939	22,728	20,872	22,559	5,437	**5,428**	(.2)	10,888	**10,737**	(1.4)
Benefits and Expenses:											
Benefits and claims, net											
Incurred claims -direct	10,378	9,110	8,738	7,952	8,780	2,212	**2,216**		4,304	**4,444**	
Incurred claims -assumed (ceded)	(19)	(90)	(283)	(314)	(356)	(117)	**(114)**		(230)	**(225)**	
Increase in FPB -direct	4,971	4,798	4,496	4,089	4,460	1,121	**900**		2,130	**1,799**	
Increase in FPB -assumed (ceded)	–	(5)	(14)	19	35	38	**37**		75	**73**	
Total net benefits and claims	15,330	13,813	12,937	11,746	12,919	3,254	**3,039**	(6.6)	6,279	**6,091**	(3.0)
Acquisition and operating expenses:											
Amortization of D.A.C.	1,117	1,074	1,108	1,066	1,141	284	**283**		576	**577**	
Insurance commissions	1,744	1,528	1,436	1,303	1,368	344	**335**		678	**664**	
Insurance expenses	2,415	2,222	2,261	2,214	2,452	655	**665**		1,273	**1,339**	
Interest expense	261	293	317	289	268	66	**61**		131	**122**	
Other expenses	195	193	178	392	344	–	**–**		–	**–**	
Total acquisition and operating expenses	5,732	5,310	5,300	5,264	5,573	1,349	**1,344**	(.4)	2,658	**2,702**	1.7
Total benefits and expenses	21,062	19,123	18,237	17,010	18,492	4,603	**4,383**	(4.8)	8,937	**8,793**	(1.6)
Pretax earnings	4,302	4,816	4,491	3,862	4,067	834	**1,045**		1,951	**1,944**	
Income taxes	1,436	1,658	1,540	1,329	1,408	286	**332**		672	**639**	
Net earnings	$ 2,866	$ 3,158	$ 2,951	$ 2,533	$ 2,659	$ 548	**$ 713**	30.1	$ 1,279	**$ 1,305**	2.0

[(1)] *Foreign currency gains (losses) for all periods have been reclassified from Other income to Realized investment gains (losses) for consistency with current period presentation.*

Aflac Incorporated and Subsidiaries

Analysis of Net Earnings and Net Earnings Per Diluted Share

(In Millions, except for per-share data)

Period		Net Earnings	Real. Inv. Gains (Losses) [1] Securities Transactions/ Impairments [3]	Real. Inv. Gains (Losses) [1] Certain Deriv. and Foreign Currency G/L [3]	Other and Non-Recurring Items [1][3]	Operating Currency Impact [2]	Net Earnings Per Share	Real. Inv. Gains (Losses) [1] Securities Transactions/ Impairments Per Share [3]	Real. Inv. Gains (Losses) [1] Certain Deriv. and Foreign Currency G/L Per Share [3]	Other and Non-Recurring Items Per Share [1][3]	Operating Currency Impact Per Share [2]
	2012	2,866	(327)	104	(5)	8	6.11	(.70)	.22	(.01)	.01
	2013	3,158	41	247	–	(357)	6.76	.09	.53	–	(.76)
	2014	2,951	129	48	–	(117)	6.50	.28	.11	.01	(.26)
	2015	2,533	96	(36)	(151)	(198)	5.85	.22	(.08)	(.34)	(.46)
	2016	2,659	35	22	(89)	141	6.42	.08	.05	(.22)	.34
2015	1	663	39	(46)	–	(58)	1.51	.09	(.11)	–	(.13)
	2	573	60	22	(150)	(59)	1.32	.14	.05	(.35)	(.14)
	3	567	(72)	(23)	–	(58)	1.32	(.17)	(.05)	–	(.13)
	4	730	69	11	(1)	(23)	1.71	.16	.03	.01	(.05)
2016	1	731	50	(24)	–	13	1.74	.12	(.06)	–	.03
	2	548	(7)	(128)	–	36	1.32	(.02)	(.31)	–	.09
	3	629	(24)	(61)	–	61	1.53	(.06)	(.15)	–	.15
	4	751	16	235	(89)	32	1.84	.04	.58	(.22)	.08
2017	1	592	(11)	(60)	(13)	5	1.47	(.03)	(.15)	(.03)	.01
	2	**713**	**(2)**	**(11)**	**(5)**	**(9)**	**1.79**	**(.01)**	**(.03)**	**(.01)**	**(.02)**

[1] Items are presented net of tax at a 35% tax rate.

[2] See definition of foreign currency impact from cover page

[3] Foreign currency gains/(losses) and amortized hedge costs for all periods have been reclassified from Other income to Realized investment gains (losses), and from Certain derivatives and foreign currency gains (losses) to operating income (not disclosed on this page), respectively, for consistency with current period presentation.

Aflac Incorporated and Subsidiaries

Consolidated Balance Sheets

(In Millions, except per-share data)

	December 31,					June 30,	
	2012	2013	2014	2015	2016	2016	2017
Assets:							
Investments and cash:							
Securities available for sale:							
Fixed Maturities	$ 51,466	$ 53,227	$ 61,407	$ 60,795	$ 68,778	$ 74,793	**$ 74,698**
Fixed Maturities - consolidated variable interest entities	5,787	4,843	4,166	4,554	4,982	5,493	**5,059**
Perpetual securities	3,728	2,479	2,240	1,719	1,425	1,635	**1,627**
Perpetual securities - consolidated variable interest entities	574	468	429	228	208	197	**216**
Equity securities	23	21	28	135	265	256	**280**
Equity securities - consolidated variable interest entities	–	–	–	363	1,044	941	**1,123**
Securities held to maturity:							
Fixed Maturities	54,137	44,178	34,159	33,459	33,350	38,346	**32,613**
Fixed Maturities - consolidated variable interest entities	289	237	83	–	–	–	**–**
Other Investments	174	463	171	294	1,450	622	**2,016**
Cash and cash equivalents	2,041	2,543	4,658	4,350	4,859	3,700	**4,264**
Total investments and cash	118,219	108,459	107,341	105,897	116,361	125,983	**121,896**
Receivables, primarily premiums, net	976	1,165	842	705	669	758	**871**
Accrued investment income	842	798	762	768	754	806	**760**
Deferred policy acquisition costs	9,658	8,798	8,273	8,511	8,993	9,552	**9,340**
Property and equipment, net	564	481	429	427	433	467	**442**
Other assets	798	1,567	2,080	1,948	2,609	3,721	**2,085**
Total assets	$ 131,057	$ 121,268	$ 119,727	$ 118,256	$ 129,819	$ 141,287	**$ 135,394**
Liabilities and Shareholders' Equity:							
Liabilities:							
Total policy liabilities	$ 97,720	$ 89,402	$ 83,933	$ 87,631	$ 93,726	$ 103,066	**$ 98,458**
Notes payable	4,315	4,858	5,242	4,971	5,360	5,009	**5,252**
Income taxes, primarily deferred	3,858	3,718	5,293	4,340	5,387	6,714	**6,057**
Other liabilities	9,186	8,670	6,912	3,606	4,864	3,948	**4,124**
Total liabilities	115,079	106,648	101,380	100,548	109,337	118,737	**113,891**
Shareholders' equity:							
Common stock	67	67	67	67	67	67	**67**
Additional paid-in capital	1,505	1,644	1,711	1,828	1,976	1,905	**2,048**
Retained earnings	17,387	19,885	22,156	24,007	25,981	24,944	**26,942**
Accumulated other comprehensive income (loss):							
Unrealized foreign currency translation gains (losses)	333	(1,505)	(2,541)	(2,196)	(1,983)	(847)	**(1,580)**
Unrealized gains (losses) on investment securities	2,570	1,035	4,672	2,986	4,805	6,441	**5,173**
Unrealized gains (losses) on derivatives	(5)	(12)	(26)	(26)	(24)	(19)	**(23)**
Pension liability adjustment	(183)	(81)	(126)	(139)	(168)	(143)	**(169)**
Treasury stock	(5,696)	(6,413)	(7,566)	(8,819)	(10,172)	(9,798)	**(10,955)**
Total shareholders' equity	15,978	14,620	18,347	17,708	20,482	22,550	**21,503**
Total liabilities & shareholders' equity	$ 131,057	$ 121,268	$ 119,727	$ 118,256	$ 129,819	$ 141,287	**$ 135,394**

Quarterly Financial Results

(Dollars In Millions, except per-share data)

Period		Net Premium Income	Net Inv. Income	Total Revenues	Benefits & Claims	Total Acquistions & Oper. Exp.	Total Pretax Earn.	Net Earn.	Operating Earn. [1]	Net EPS Basic	Net EPS Dil.	Oper. EPS [1] Basic	Oper. EPS [1] Dil.	Total Assets	Invest & Cash	Equity BV Per Share	AOCI BV Per Share	Adjusted BV Per Share [2]	Adjusted BV Per Share % Change
	2012	22,148	3,473	25,364	15,330	5,732	4,302	2,866	3,094	6.14	6.11	6.63	6.59	131,057	118,219	34.16	5.81	28.35	12.1%
	2013	20,135	3,293	23,939	13,813	5,310	4,816	3,158	2,870	6.80	6.76	6.18	6.14	121,268	108,459	31.82	(1.23)	33.05	16.6%
	2014	19,072	3,319	22,728	12,937	5,300	4,491	2,951	2,774	6.54	6.50	6.15	6.11	119,727	107,341	41.47	4.48	36.99	11.9%
	2015	17,570	3,135	20,872	11,746	5,264	3,862	2,533	2,624	5.88	5.85	6.09	6.06	118,256	105,897	41.73	1.48	40.25	8.8%
	2016	19,225	3,278	22,559	12,919	5,573	4,067	2,659	2,691	6.46	6.42	6.54	6.50	129,819	116,361	50.47	6.48	43.99	9.3%
2015	1	4,432	782	5,226	2,952	1,261	1,013	663	670	1.52	1.51	1.53	1.52	121,355	108,711	42.97	5.38	37.59	11.0%
	2	4,364	777	5,287	2,937	1,476	874	573	641	1.33	1.32	1.49	1.48	115,539	103,280	39.52	1.18	38.34	8.9%
	3	4,380	784	5,040	2,927	1,249	864	567	662	1.32	1.32	1.54	1.54	117,414	104,900	40.36	1.24	39.12	7.8%
	4	4,394	792	5,319	2,930	1,279	1,110	730	651	1.72	1.71	1.53	1.52	118,256	105,897	41.73	1.48	40.25	8.8%
2016	1	4,602	801	5,451	3,025	1,309	1,117	731	705	1.75	1.74	1.68	1.68	127,766	114,320	48.22	7.07	41.15	9.5%
	2	4,823	822	5,437	3,254	1,349	834	548	683	1.33	1.32	1.66	1.65	141,287	125,983	54.98	13.24	41.74	8.9%
	3	5,022	842	5,716	3,378	1,375	963	629	714	1.54	1.53	1.75	1.74	144,101	128,935	55.84	13.14	42.70	9.1%
	4	4,778	813	5,955	3,262	1,540	1,153	751	589	1.85	1.84	1.45	1.44	129,819	116,361	50.47	6.48	43.99	9.3%
2017	1	4,638	794	5,309	3,052	1,359	898	592	676	1.48	1.47	1.68	1.67	133,650	120,503	51.11	6.62	44.49	8.1%
	2	**4,665**	**802**	**5,428**	**3,039**	**1,344**	**1,045**	**713**	**731**	**1.80**	**1.79**	**1.84**	**1.83**	**135,394**	**121,896**	**54.30**	**8.59**	**45.71**	**9.5%**

[1] See definition of operating earnings on cover page. All prior period operating earnings and operating earnings per share have been adjusted for the reclassification of amortized hedge costs for consistency with current period presentation.

[2] See definition of Adjusted Book Value on cover page

Currency Impact on Operating Earnings Per Share[1]

(Diluted Basis)

Period	Operating EPS[1]	Growth	QTD Foreign Currency Impact[2]	YTD Foreign Currency Impact[2]	Excluding Foreign Currency Impact[2]	Change Excluding Foreign Currency Impact
2012	$ 6.59	5.1 %	N/A	.01	$ 6.58	5.1 %
2013	$ 6.14	(6.8) %	N/A	(.76)	$ 6.90	4.5 %
2014	$ 6.11	(.5) %	N/A	(.26)	$ 6.40	4.2 %
2015	$ 6.06	(.8) %	N/A	(.46)	$ 6.51	6.5 %
2016	$ 6.50	7.3 %	N/A	.34	$ 6.15	1.5 %
2015 1	$ 1.52	(9.6) %	(.13)	(.13)	$ 1.65	(1.8) %
2	1.48	(10.8)	(.14)	(.27)	1.62	(2.3)
3	1.54	2.9	(.13)	(.40)	1.67	11.6
4	1.52	19.2	(.05)	(.46)	1.57	23.1
	$ 6.06	(.8) %			$ 6.51	6.5 %
2016 1	$ 1.68	10.1 %	.03	.03	$ 1.65	8.1 %
2	1.65	11.8	.09	.12	1.56	5.6
3	1.74	13.0	.15	.26	1.59	3.3
4	1.44	(5.5)	.08	.34	1.36	(10.7)
	$ 6.50	7.3 %			$ 6.15	1.5 %
2017 1	$ 1.67	(.6) %	.01	.01	$ 1.66	(1.2) %
2	**$ 1.83**	**10.9** %	**(.02)**	**(.01)**	**$ 1.85**	**12.1** %
	$ 3.50	**5.4** %			**$ 3.51**	**5.7** %

[1] *See definition of operating earnings per share from cover page. All prior period operating earnings have been adjusted for the reclassification of amortized hedge costs for consistency with current period presentation.*

[2] *See definition of foreign currency impact from cover page.*

Composition of Invested Assets
(In Millions)

	December 31,					June 30,	
	2012	2013	2014	2015	2016	2016	2017
Debt Securities[1]							
Fixed Maturities, excluding Bank Loans	$ 107,425	$ 100,425	$ 92,126	$ 92,713	$ 97,695	$ 106,223	**$ 102,769**
Fixed Maturities - Bank Loans	414	501	501	1,388	2,018	2,122	**1,802**
Perpetual Securities	4,213	2,987	2,440	1,841	1,506	1,916	**1,560**
Total Debt Securities	112,052	103,913	95,067	95,942	101,219	110,261	**106,131**
Loan Receivables, net of reserves[1]							
Middle Market Loans	–	–	–	118	319	227	**578**
Commercial Mortgage Loans[2]	–	–	–	–	855	188	**1,052**
Total Loan Receivables	–	–	–	118	1,174	415	**1,630**
Equity Securities[1]	20	17	19	480	1,203	1,245	**1,289**
Alternatives[3]	–	–	–	–	–	–	**46**
Total Portfolio	$ 112,072	$ 103,930	$ 95,086	$ 96,540	$ 103,596	$ 111,921	**$ 109,096**

Unrealized Gains (Losses) on Invested Assets
(In Millions)

	December 31,					June 30,	
	2012	2013	2014	2015	2016	2016	2017
Debt Securities							
Available For Sale - Gross Gains	$ 4,712	$ 3,654	$ 8,127	$ 6,605	$ 8,608	$ 11,472	**$ 9,222**
Available For Sale - Gross Losses	(783)	(2,135)	(710)	(1,792)	(1,084)	(1,269)	**(1,140)**
Total Available For Sale	3,929	1,519	7,417	4,813	7,524	10,203	**8,082**
Held to Maturity - Gross Gains	1,213	2,041	4,379	4,278	6,735	10,507	**6,709**
Held to Maturity - Gross Losses	(798)	(610)	(124)	(217)	(64)	(57)	**(15)**
Total Held to Maturity	415	1,431	4,255	4,061	6,671	10,450	**6,694**
Loan Receivables							
Gross Gains	–	–	–	–	1	6	**1**
Gross Losses	–	–	–	–	(33)	–	**(15)**
Total Loan Receivables	–	–	–	–	(32)	6	**(14)**
Equity Securities							
Gross Gains	4	5	9	22	114	46	**133**
Gross Losses	(1)	(1)	–	(4)	(8)	(94)	**(19)**
Total Equities	3	4	9	18	106	(48)	**114**

[1] *Presented at amortized cost*

[2] *Includes Transitional Real Estate (TRE) loans.*

[3] *Presented at fair value; includes asset classes such as private equity and real estate managed by Global Investments; excludes Corporate driven activity*

Aflac Incorporated and Subsidiaries

Supplemental Investment Data by Segment

	December 31,					3 Months Ended June 30,		6 Months Ended June 30,	
	2012	2013	2014	2015	2016	2016	2017	2016	2017
Aflac Japan:									
Invested assets (in millions)[1]	¥ 8,870,864	¥ 9,986,250	¥ 10,240,112	¥ 10,259,013	¥ 10,711,399	¥ 10,362,445	¥ **10,897,407**	¥ 10,362,445	¥ **10,897,407**
Return on average invested assets[2]	2.86 %	2.81 %	2.76 %	2.81 %	2.47 %	2.69 %	**2.28** %	2.74 %	**2.31** %
Portfolio book yield at end of period[3]	2.87 %	2.80 %	2.83 %	2.80 %	2.62 %	2.71 %	**2.55** %	2.71 %	**2.55** %
Total purchases for period (in millions)[3]	¥ 2,248,632	¥ 2,002,324	¥ 1,037,534	¥ 637,967	¥ 1,198,579	¥ 223,659	¥ **177,781**	¥ 478,550	¥ **573,336**
New money yield[3][4]	2.25 %	2.11 %	2.07 %	2.89 %	1.40 %	1.67 %	**2.25** %	1.92 %	**1.54** %
Aflac U.S.:									
Invested assets (in millions)[1]	$ 10,629	$ 11,564	$ 12,660	$ 13,661	$ 14,124	$ 13,756	$ **14,199**	$ 13,756	$ **14,199**
Return on average invested assets[2]	6.25 %	5.70 %	5.46 %	5.19 %	5.04 %	5.04 %	**5.05** %	5.03 %	**5.02** %
Portfolio book yield at end of period[3]	6.28 %	6.01 %	5.89 %	5.77 %	5.60 %	5.69 %	**5.54** %	5.69 %	**5.54** %
Total purchases for period (in millions)[3]	$ 1,511	$ 1,038	$ 963	$ 904	$ 1,144	$ 332	$ **355**	$ 627	$ **672**
New money yield[3][4]	4.17 %	4.06 %	4.32 %	4.45 %	3.89 %	3.70 %	**4.46** %	4.16 %	**4.40** %

Hedge Cost Metrics [5]

	December 31,					3 Months Ended June 30,		6 Months Ended June 30,	
	2012	2013	2014	2015	2016	2016	2017	2016	2017
FX forward notional at end of period (in USD billions)[6]	6.9	11.2	14.5	13.1	11.8	13.0	**10.9**	13.0	**10.9**
Weighted average original tenor (in months)[7]	3.8	3.3	9.0	8.8	20.6	11.4	**27.1**	11.4	**27.1**
Weighted average remaining tenor (in months)[8]	1.6	1.5	1.7	6.4	18.5	6.2	**20.6**	6.2	**20.6**
Annualized amortized hedge costs (in basis points)[9]	16	27	27	53	149	114	**209**	106	**190**
Amortized hedge costs for period (in millions)	$ (5)	$ (24)	$ (35)	$ (72)	$ (186)	$ (37)	$ **(56)**	$ (69)	$ **(108)**

[1] *Invested assets, including cash and short term investments, are stated at amortized cost; except for equities, which are at fair value.*

[2] *Net of investment expenses and amortized hedge costs, year-to-date number reflected on a quarterly average basis*

[3] *Includes fixed maturities and perpetual securities, loan receivables, and equities*

[4] *Reported on a gross yield basis; excludes investment expenses, external management fees, and amortized hedge costs*

[5] *See definition of amortized hedge costs on cover page*

[6] *Notional is reported net of any offsetting positions*

[7] *Tenor based on derivative's original execution date to settlement date*

[8] *Tenor based on period reporting date to settlement date*

[9] *Based on annualized amortized hedge costs divided by average FX forward notional for the period*

Credit Ratings on Fixed Maturities and Perpetual Securities

(At Amortized Cost)

						June 30,	
Credit Rating	**2012**	**2013**	**2014**	**2015**	**2016**	**2016**	**2017**
AAA	1.5 %	1.4 %	1.3 %	1.3 %	2.0 %	1.7 %	**1.1** %
AA	46.2	46.7	5.7	5.7	5.0	5.1	**4.3**
A	22.8	23.4	64.1	61.0	63.1	61.9	**65.4**
BBB	24.8	24.4	25.0	26.9	24.6	26.0	**24.0**
BBB or lower	4.7	4.1	3.9	5.1	5.3	5.3	**5.2**
	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	**100.0** %

Portfolio Allocation by Currency

(Dollars In Millions, USGAAP Basis)

	June 30, 2017			
	Japan Segment		**US Segment**	
	Amortized Cost	**Fair Value**	**Amortized Cost**	**Fair Value**
JGB	47,844	55,723	–	–
Other	24,478	28,174	–	–
Total yen denominated	72,322	83,897	–	–
US dollar denominated	23,024	24,795	13,001	14,513
Total	**95,346**	**108,692**	**13,001**	**14,513**

Long-Term Debt Data

Adjusted Leverage Ratios

(In Millions)

	December 31,					6 Months Ended June 30,	
	2012	2013	2014	2015	2016	2016	2017
Adjusted debt[1]	$ 4,065	$ 4,284	$ 4,992	$ 4,721	$ 4,460	$ 4,759	$ **5,002**
Adjusted capitalization[2]	17,478	17,879	18,693	19,143	20,161	20,887	**21,355**
Adjusted debt to adjusted capitalization	23.3 %	24.0 %	26.7 %	24.7 %	22.1 %	22.8 %	**23.4** %
Revised adjusted capitalization[3]	$ 17,578	$ 19,717	$ 21,610	$ 22,054	$ 22,562	$ 22,127	$ **23,354**
Adjusted debt to revised adjusted capitalization	23.1 %	21.7 %	23.1 %	21.4 %	19.8 %	21.5 %	**21.4** %

Debt Maturities[4]

(In Millions)

June 30, 2017

	≤ 1 year	1 > 5 years	5 > 10 years	10 > 20 years	20 years +	Total
Senior notes	$ –	$ 945	$ 2,959	$ –	$ 880	$ **4,784**
Subordinated debt	–	–	–	–	500	**500**
Total	$ –	$ 945	$ 2,959	$ –	$ 1,380	$ **5,284**

Ratings

June 30, 2017

	Financial Strength: Aflac of Columbus					Long-Term Senior Debt: Aflac Inc.				
	S&P	Moody's	AM Best	R&I	Fitch	S&P	Moody's	AM Best	R&I	Fitch
Rating	A+	Aa3	A+	AA-	A+	A-	A3	a-	A	A-

[1] The debt amount is the sum of the gross notes payable and has been adjusted for 50% of our subordinated debentures.

The debt was also adjusted between 2nd quarter of 2013 and 2nd quarter of 2014 for the portion of senior notes designated as pre-funding of 2014 maturities.

[2] Adjusted capitalization is the sum of the adjusted debt plus shareholders' equity, excluding the unrealized gains and losses on investment securities and derivatives

[3] Revised adjusted capitalization is the sum of debt, excluding pre-funding amounts, plus shareholders' equity excluding AOCI

[4] Debt maturity amounts do not include discounts, premiums, deferred charges or capital lease obligations.

Statements of Pretax Operating Earnings

(Before Management Fee)

(In Millions)

	Years Ended December 31,					3 Months Ended June 30,			6 Months Ended June 30,		
	2012	2013	2014	2015	2016	2016	2017	% Change	2016	2017	% Change
Revenues:											
Net premiums											
Gross premiums	$ 4,990	$ 5,146	$ 5,206	$ 5,342	$ 5,452	$ 1,362	**$ 1,388**		$ 2,728	**$ 2,778**	
Assumed (ceded)	6	7	5	5	2	**–**	**–**		1	**–**	
Total net premiums	4,996	5,153	5,211	5,347	5,454	1,362	**1,388**	1.9	2,729	**2,778**	1.8
Net investment income	613	632	645	678	703	176	**180**	2.3	350	**358**	2.3
Other income excl. realized foreign exchange gains (losses)	19	6	3	8	10	–	**2**		3	**3**	
Total operating revenues	5,628	5,791	5,859	6,033	6,167	1,538	**1,570**	2.1	3,082	**3,139**	1.8
Benefits and expenses:											
Benefits and claims, net											
Incurred claims -direct	2,388	2,468	2,477	2,514	2,515	644	**624**		1,263	**1,263**	
Incurred claims -assumed (ceded)	(2)	(2)	1	–	(1)	–	**(1)**		–	**(2)**	
Increase in FPB -direct	448	423	373	359	355	99	**92**		170	**164**	
Increase in FPB -assumed (ceded)	–	–	2	–	–	–	**–**		–	**–**	
Total net benefits and claims	2,834	2,889	2,853	2,873	2,869	743	**715**	(3.8)	1,433	**1,425**	(.6)
Amortization of deferred policy acquisition costs	400	433	459	488	497	117	**116**	(.9)	258	**256**	(.8)
General operating expenses	1,397	1,431	1,474	1,571	1,593	387	**408**	5.7	768	**818**	6.5
Total benefits and expenses	4,631	4,753	4,786	4,932	4,959	1,247	**1,239**	(.6)	2,459	**2,499**	1.6
Pretax operating earnings	$ 997	$ 1,038	$ 1,073	$ 1,101	$ 1,208	$ 291	**$ 330**	13.4	$ 623	**$ 640**	2.7

Balance Sheets
(In Millions)

	December 31,					June 30,	
	2012	2013	2014	2015	2016	2016	2017
Assets:							
Investments and cash	$ 12,420	$ 12,221	$ 14,311	$ 14,340	$ 15,223	$ 15,433	**$ 15,702**
Receivables, principally premiums, net	428	466	517	545	457	473	**511**
Accrued investment income	170	171	176	184	187	186	**187**
Deferred policy acquisition costs	2,857	2,979	3,062	3,142	3,228	3,162	**3,264**
Other assets	247	275	317	326	358	458	**332**
Total assets	$ 16,122	$ 16,112	$ 18,383	$ 18,537	$ 19,453	$ 19,712	**$ 19,996**
Liabilities and Shareholders' Equity:							
Future policy benefits	$ 6,931	$ 7,354	$ 7,728	$ 8,087	$ 8,442	$ 8,257	**$ 8,606**
Policy and contract claims	1,278	1,421	1,511	1,609	1,652	1,644	**1,660**
Unearned premium	125	122	117	118	118	135	**124**
Other policyholder funds	200	201	–	–	–	–	**–**
Deferred income taxes	1,238	617	954	304	721	993	**845**
Other liabilities	983	1,083	1,353	1,453	1,471	1,686	**1,653**
Shareholders' equity	5,367	5,314	6,720	6,966	7,049	6,997	**7,108**
Total liabilities & shareholders' equity	$ 16,122	$ 16,112	$ 18,383	$ 18,537	$ 19,453	$ 19,712	**$ 19,996**

Quarterly Statements of Pretax Operating Earnings and Percentage Changes

(Restated to conform to current classifications)
(Dollars In Millions)

Period	Net Earned Prem.	% Change	Net Invest. Income	% Change	Total Operating Revenues	% Change	Total Ben.	% Change	Amort.	% Change	General Oper. Exp.	% Change	Total Oper. Exp.	% Change	Pretax Oper. Earn.	% Change
2012	4,996	5.3	613	4.3	5,628	5.4	2,834	4.5	400	4.4	1,397	4.0	1,797	4.1	997	10.3
2013	5,153	3.1	632	3.1	5,791	2.9	2,889	1.9	433	8.3	1,431	2.4	1,864	3.7	1,038	4.1
2014	5,211	1.1	645	2.1	5,859	1.2	2,853	(1.2)	459	6.0	1,474	3.0	1,933	3.7	1,073	3.4
2015	5,347	2.6	678	5.1	6,033	3.0	2,873	0.7	488	6.3	1,571	6.6	2,059	6.5	1,101	2.6
2016	5,454	2.0	703	3.7	6,167	2.2	2,869	(0.1)	497	1.8	1,593	1.4	2,090	1.5	1,208	9.7
2015 1	1,339	3.5	166	3.3	1,508	3.6	710	3.6	128	(1.5)	385	14.5	513	10.0	285	(6.1)
2	1,331	1.6	168	4.0	1,501	1.9	715	1.0	113	4.8	380	6.0	493	5.7	293	(2.0)
3	1,346	3.0	173	7.2	1,520	3.6	735	1.9	114	1.6	385	5.7	499	4.7	286	6.2
4	1,331	2.3	171	5.6	1,504	2.7	712	(3.4)	133	22.2	422	1.1	555	5.5	237	18.3
2016 1	1,367	2.1	174	5.1	1,544	2.3	690	(2.9)	141	9.8	381	(1.0)	522	1.7	332	16.6
2	1,362	2.2	176	4.4	1,538	2.5	743	3.8	117	3.9	387	1.9	504	2.4	291	(.3)
3	1,365	1.4	176	1.7	1,542	1.4	715	(2.7)	116	1.2	388	1.2	504	1.2	323	12.4
4	1,361	2.2	177	4.0	1,543	2.6	722	1.2	124	(7.0)	435	3.6	559	1.1	262	10.4
2017 1	1,390	1.7	178	2.0	1,569	1.7	710	2.9	140	(.7)	409	7.6	549	5.4	310	(6.7)
2	**1,388**	**1.9**	**180**	**2.3**	**1,570**	**2.1**	**715**	**(3.8)**	**116**	**(.9)**	**409**	**5.7**	**525**	**4.2**	**330**	**13.4**

Operating Ratios

(Before Management Fee)

	Period	Premium Persistency Rate	Tot. Ben./ Premium	Amort./ Premium	Tot. Oper. Expenses/ Total Rev.	Combined Ratio/ Total Rev.	Pretax Profit Margin
	2012	76.9	56.7	8.0	32.0	82.3	17.7
	2013	76.3	56.1	8.4	32.2	82.1	17.9
	2014	76.5	54.7	8.8	33.0	81.7	18.3
	2015	76.5	53.7	9.1	34.1	81.7	18.3
	2016	77.4	52.6	9.1	33.9	80.4	19.6
2015	1	76.7	53.1	9.6	34.0	81.1	18.9
	2	76.6	53.7	8.5	32.8	80.5	19.5
	3	76.8	54.7	8.5	32.8	81.2	18.8
	4	76.5	53.5	10.0	36.9	84.2	15.8
2016	1	76.6	50.5	10.3	33.8	78.5	21.5
	2	76.7	54.6	8.6	32.7	81.0	19.0
	3	76.9	52.4	8.5	32.7	79.1	20.9
	4	77.4	53.0	9.1	36.3	83.0	17.0
2017	1	77.5	51.0	10.0	35.1	80.3	19.7
	2	**77.6**	**51.5**	**8.4**	**33.4**	**79.0**	**21.0**

Aflac U.S. Sales Results

(Dollars In Millions)

Period		Annl. Prem. In Force	% Change	New Annl. Prem. Sales	% Change
2012		5,451	5.1	1,488	.8
2013		5,570	2.2	1,424	(4.3)
2014		5,668	1.8	1,433	.7
2015		5,760	1.6	1,487	3.7
2016		5,896	2.4	1,482	(.3)
2015	1	5,607	1.8	316	(.5)
	2	5,624	1.6	344	3.1
	3	5,627	1.9	330	.4
	4	5,760	1.6	497	9.6
2016	1	5,736	2.3	328	3.7
	2	5,756	2.4	347	1.0
	3	5,762	2.4	324	(1.8)
	4	5,896	2.4	483	(2.9)
2017	1	5,858	2.1	333	1.7
	2	**5,882**	**2.2**	**356**	**2.4**

Aflac U.S. Product Mix

(New Annualized Premium Sales, Dollars in Millions)

Period	STD	% of Total	Life	% of Total	Accident	% of Total	Critical Care[(1)]	% of Total	Hospital Indemnity	% of Total	Dental/ Vision	% of Total	Other	% of Total
2012	301	20.3	81	5.4	439	29.5	344	23.1	227	15.3	90	6.1	6	.3
2013	302	21.2	75	5.3	388	27.3	296	20.8	240	16.9	89	6.2	34	2.3
2014	320	22.4	83	5.8	403	28.1	307	21.4	235	16.4	85	5.9	–	–
2015	345	23.2	78	5.2	444	29.9	326	21.9	217	14.6	77	5.2	–	–
2016	348	23.5	76	5.1	437	29.5	327	22.1	219	14.8	75	5.0	–	–
2015 1	75	23.6	19	6.0	92	29.0	67	21.1	46	14.6	18	5.7	–	–
2	84	24.4	19	5.5	102	29.6	72	20.9	48	13.9	19	5.7	–	–
3	81	24.4	18	5.5	100	30.4	67	20.4	45	13.6	19	5.7	–	–
4	105	21.2	22	4.4	150	30.2	120	24.2	79	15.9	21	4.1	–	–
2016 1	77	23.4	18	5.6	98	30.0	70	21.4	46	14.0	19	5.6	–	–
2	81	23.3	19	5.6	104	30.1	74	21.3	50	14.3	19	5.4	–	–
3	81	25.0	18	5.4	97	29.9	65	19.9	46	14.1	17	5.7	–	–
4	109	22.5	20	4.2	138	28.5	119	24.6	78	16.1	19	4.1	–	–
2017 1	83	25.0	18	5.4	97	29.2	69	20.8	46	13.8	20	5.8	–	–
2	**85**	**23.9**	**19**	**5.3**	**106**	**29.8**	**75**	**21.1**	**50**	**14.0**	**21**	**5.9**	**–**	**–**

Aflac U.S. Sales Force Data

		Recruited Agents			Average Weekly Producer Equivalents	Productivity (Production/ Avg. Weekly Producers)
		Career	Broker	Total		
	2012	19,757	5,198	24,955	10,197	145,907
	2013	17,410	4,631	22,041	9,577	148,640
	2014	17,935	3,864	21,799	9,340	153,424
	2015	18,649	2,826	21,475	9,252	160,687
	2016	16,167	2,425	18,592	9,061	163,501
2015	1	4,692	714	5,406	9,019	35,054
	2	5,059	732	5,791	9,152	37,578
	3	4,760	658	5,418	8,910	37,000
	4	4,138	722	4,860	9,927	50,059
2016	1	4,044	677	4,721	9,069	36,134
	2	4,371	586	4,957	9,007	38,579
	3	4,175	637	4,812	8,678	37,305
	4	3,573	528	4,101	9,492	50,848
2017	1	4,392	667	5,059	8,844	37,680
	2	**4,525**	**632**	**5,157**	**8,749**	**40,664**

[(1)] *Includes cancer, critical illness, and hospital intensive care products*

Statements of Pretax Operating Earnings

(Before Management Fee)

(In Millions)

	Years Ended December 31,					3 Months Ended June 30,			6 Months Ended June 30,		
	2012	2013	2014	2015	2016	2016	2017	% Change	2016	2017	% Change
Revenues:											
Net premiums											
Gross premiums	¥ 1,370,560	¥ 1,471,640	¥ 1,499,689	¥ 1,520,403	¥ 1,534,961	¥ 384,276	**¥ 373,731**		¥ 767,940	**¥ 752,592**	
Assumed (ceded)	(2,080)	(10,508)	(36,729)	(62,710)	(65,456)	(16,467)	**(15,775)**		(33,119)	**(31,729)**	
Total net premiums	1,368,480	1,461,132	1,462,960	1,457,693	1,469,505	367,809	**357,956**	(2.7)	734,821	**720,863**	(1.9)
Net investment income:											
Yen denominated	151,738	145,931	150,869	148,500	146,180	36,496	**35,844**	(1.8)	73,602	**72,612**	(1.3)
US$ denominated	75,471	112,831	130,543	146,357	131,473	32,948	**32,326**	(1.9)	67,614	**64,769**	(4.2)
Net investment income	227,209	258,762	281,412	294,857	277,653	69,444	**68,170**	(1.8)	141,216	**137,381**	(2.7)
Amortized hedge costs on foreign investments [(1)(2)]	(431)	(2,319)	(3,554)	(8,666)	(20,804)	(4,278)	**(6,038)**	41.1	(8,151)	**(11,601)**	42.3
Net investment income, less amortized hedge costs on foreign investments	226,778	256,443	277,858	286,191	256,849	65,166	**62,132**	(4.7)	133,065	**125,780**	(5.5)
Other income excl. realized foreign currency gains (losses)	4,603	5,322	3,383	3,723	4,297	1,146	**1,134**		2,133	**2,307**	
Total operating revenues	1,599,861	1,722,897	1,744,201	1,747,607	1,730,651	434,121	**421,222**	(3.0)	870,019	**848,950**	(2.4)
Benefits and expenses:											
Benefits and claims, net											
Incurred claims -direct	637,561	647,433	660,367	658,123	679,996	169,451	**176,971**		339,621	**357,793**	
Incurred claims -assumed (ceded)	(1,395)	(8,858)	(30,290)	(52,915)	(56,422)	(13,962)	**(13,921)**		(28,337)	**(28,302)**	
Increase in FPB -direct	361,043	427,087	435,965	451,610	445,933	110,458	**89,717**		218,973	**183,769**	
Increase in FPB -assumed (ceded)	–	(487)	(1,741)	(3,344)	(2,602)	(635)	**(398)**		(1,312)	**(863)**	
Total net benefits and claims	997,209	1,065,175	1,064,301	1,053,474	1,066,905	265,312	**252,369**	(4.9)	528,945	**512,397**	(3.1)
Amortization of deferred policy acquisition costs	57,168	62,623	68,550	69,902	69,839	18,036	**18,603**	3.1	35,489	**36,125**	1.8
General operating expenses	234,371	243,559	250,244	248,773	252,316	64,225	**62,134**	(3.3)	126,186	**124,691**	(1.2)
Total benefits and expenses	1,288,748	1,371,357	1,383,095	1,372,149	1,389,060	347,573	**333,106**	(4.2)	690,620	**673,213**	(2.5)
Pretax operating earnings	¥ 311,113	¥ 351,540	¥ 361,106	¥ 375,458	¥ 341,591	¥ 86,548	**¥ 88,116**	1.8	¥ 179,399	**¥ 175,737**	(2.0)

(1) See definition of amortized hedge costs on cover page

(2) Amortized hedge costs have been included in operating earnings (as a reduction of net investment income and operating revenues) in accordance with the revised definition of operating earnings. All prior periods have been adjusted for this reclassification for consistency with current period presentation.

Statements of Pretax Operating Earnings

(Before Management Fee)

(In Millions)

	Years Ended December 31,					3 Months Ended June 30,			6 Months Ended June 30,		
	2012	2013	2014	2015	2016	2016	2017	% Change	2016	2017	% Change
Revenues:											
Net premiums											
Gross premiums	$ 17,177	$ 15,087	$ 14,206	$ 12,563	$ 14,140	$ 3,555	**$ 3,364**		$ 6,878	**$ 6,698**	
Assumed (ceded)	(26)	(105)	(345)	(517)	(603)	(153)	**(142)**		(297)	**(282)**	
Total net premiums	17,151	14,982	13,861	12,046	13,537	3,402	**3,222**	(5.3)	6,581	**6,416**	(2.5)
Net investment income											
Yen denominated	1,902	1,497	1,429	1,227	1,346	337	**323**	(4.5)	659	**646**	(2.0)
US$ denominated	943	1,154	1,233	1,209	1,208	305	**291**	(4.6)	605	**577**	(4.6)
Net investment income	2,845	2,651	2,662	2,436	2,554	642	**614**	(4.5)	1,264	**1,223**	(3.2)
Amortized hedge costs on foreign investments[(1)(2)]	(5)	(24)	(35)	(72)	(186)	(37)	**(56)**	51.4	(69)	**(108)**	56.5
Net investment income, less amortized hedge costs on foreign investments	2,840	2,627	2,627	2,364	2,368	605	**557**	(7.9)	1,195	**1,115**	(6.7)
Other income excl. realized foreign currency gains (losses)	57	55	32	31	40	11	**10**		19	**21**	
Total operating revenues	20,048	17,664	16,520	14,441	15,945	4,018	**3,789**	(5.7)	7,795	**7,551**	(3.1)
Benefits and expenses:											
Benefits and claims, net											
Incurred claims -direct	7,990	6,641	6,261	5,438	6,265	1,568	**1,593**		3,043	**3,184**	
Incurred claims -assumed (ceded)	(17)	(88)	(284)	(436)	(519)	(129)	**(125)**		(254)	**(252)**	
Increase in FPB -direct	4,523	4,376	4,123	3,731	4,106	1,022	**808**		1,961	**1,635**	
Increase in FPB -assumed (ceded)	–	(5)	(16)	(28)	(24)	(6)	**(4)**		(12)	**(8)**	
Total net benefits and claims	12,496	10,924	10,084	8,705	9,828	2,455	**2,272**	(7.5)	4,737	**4,559**	(3.8)
Amortization of deferred policy acquisition costs	716	641	649	578	643	167	**167**	–	318	**322**	1.3
Operating expenses	2,937	2,495	2,364	2,055	2,326	594	**559**	(5.9)	1,131	**1,110**	(1.9)
Total benefits and expenses	16,149	14,060	13,097	11,338	12,797	3,216	**2,998**	(6.8)	6,187	**5,991**	(3.2)
Pretax operating earnings	$ 3,899	$ 3,604	$ 3,423	$ 3,103	$ 3,148	$ 802	**$ 791**	(1.4)	$ 1,608	**$ 1,560**	(3.0)

(1) *See definition of amortized hedge costs on cover page*

(2) *Amortized hedge costs have been included in operating earnings (as a reduction of net investment income and operating revenues) in accordance with the revised definition of operating earnings. All prior periods have been adjusted for this reclassification for consistency with current period presentation.*

Balance Sheets
(In Millions)

	December 31,					June 30,	
	2012	2013	2014	2015	2016	2016	2017
Assets:							
Investments and cash	¥ 9,070,942	¥ 9,956,712	¥ 10,957,847	¥ 10,763,982	¥ 11,463,613	¥ 11,242,906	**¥ 11,632,163**
Receivables, principally premiums, net	48,978	77,023	46,498	30,941	24,102	30,304	**40,908**
Accrued investment income	57,900	65,595	70,342	69,957	65,475	63,322	**63,405**
Deferred policy acquisition costs	588,831	613,229	628,175	647,642	671,563	657,660	**680,596**
Other assets	75,618	139,790	174,330	264,521	339,639	413,800	**294,564**
Total assets	¥ 9,842,269	¥ 10,852,349	¥ 11,877,192	¥ 11,777,043	¥ 12,564,392	¥ 12,407,992	**¥ 12,711,636**
Liabilities and Shareholders' Equity:							
Future policy benefits	¥ 6,019,908	¥ 6,510,973	¥ 6,981,769	¥ 7,507,247	¥ 7,955,244	¥ 7,727,169	**¥ 8,139,882**
Policy and contract claims	238,612	246,868	255,508	264,473	278,697	269,304	**293,600**
Unearned premiums	1,019,848	1,108,717	1,025,812	933,347	791,992	884,271	**719,482**
Other policyholder funds	443,125	596,488	726,899	758,043	775,746	768,421	**781,552**
Income taxes (prim. deferred)	246,740	339,101	522,342	476,124	545,640	594,646	**584,902**
Other liabilities	696,680	750,833	595,019	200,639	316,241	181,651	**225,307**
Shareholders' equity	1,177,356	1,299,369	1,769,843	1,637,170	1,900,832	1,982,530	**1,966,911**
Total liabilities & shareholders' equity	¥ 9,842,269	¥ 10,852,349	¥ 11,877,192	¥ 11,777,043	¥ 12,564,392	¥ 12,407,992	**¥ 12,711,636**

Balance Sheets
(In Millions)

	December 31,					June 30,	
	2012	2013	2014	2015	2016	2016	2017
Assets:							
Investments and cash	$ 104,769	$ 94,475	$ 90,899	$ 89,246	$ 98,409	$ 109,250	**$ 103,859**
Receivables, principally premiums, net	566	731	386	256	207	295	**365**
Accrued investment income	669	622	584	580	562	615	**566**
Deferred policy acquisition costs	6,801	5,819	5,211	5,370	5,765	6,391	**6,077**
Other assets	873	1,326	1,445	2,194	2,915	4,020	**2,630**
Total assets	$ 113,678	$ 102,973	$ 98,525	$ 97,646	$ 107,858	$ 120,571	**$ 113,497**
Liabilities and Shareholders' Equity:							
Future policy benefits	$ 69,530	$ 61,780	$ 57,916	$ 62,244	$ 68,291	$ 75,087	**$ 72,678**
Policy and contract claims	2,756	2,342	2,120	2,193	2,392	2,617	**2,621**
Unearned premiums	11,779	10,520	8,509	7,739	6,799	8,593	**6,424**
Other policyholder liabilities	5,118	5,660	6,030	6,284	6,659	7,467	**6,978**
Income taxes (prim. deferred)	2,850	3,218	4,333	3,948	4,684	5,778	**5,239**
Other liabilities	8,047	7,124	4,936	1,664	2,715	1,764	**2,012**
Shareholders' equity	13,598	12,329	14,681	13,574	16,318	19,265	**17,545**
Total liabilities & shareholders' equity	$ 113,678	$ 102,973	$ 98,525	$ 97,646	$ 107,858	$ 120,571	**$ 113,497**

Quarterly Statements of Pretax Operating Earnings and Percentage Changes

(Yen In Millions)

Period	Net Earned Premiums	% Change	NII, less Hedge Costs [1][2]	% Change	Total Operating Revenues [1][2]	% Change	Total Benefits	% Change	Amort.	% Change	General Operating Expense	% Change	Total Operating Expense	% Change	Pretax Oper. Earn. [1][2]	% Change
2012	1,368,480	9.9	226,778	5.9	1,599,861	9.3	997,209	13.3	57,168	10.2	234,371	3.6	291,539	4.9	311,113	1.9
2013	1,461,132	6.8	256,443	13.1	1,722,897	7.7	1,065,175	6.8	62,623	9.5	243,559	3.9	306,182	5.0	351,540	13.0
2014	1,462,960	0.1	277,858	8.4	1,744,201	1.2	1,064,301	(0.1)	68,550	9.5	250,244	2.7	318,794	4.1	361,106	2.7
2015	1,457,693	(0.4)	286,191	3.0	1,747,607	0.2	1,053,474	(1.0)	69,902	2.0	248,773	(0.6)	318,675	–	375,458	4.0
2016	1,469,505	0.8	256,849	(10.3)	1,730,651	(1.0)	1,066,905	1.3	69,839	(0.1)	252,316	1.4	322,155	1.1	341,591	(9.0)
2015 1	366,593	.2	71,523	6.1	439,034	1.1	265,291	1.8	17,798	5.3	59,874	(3.0)	77,672	(1.2)	96,071	1.0
2	361,240	(1.2)	71,512	4.2	433,649	(.3)	263,305	(.3)	17,158	.2	63,326	5.9	80,484	4.6	89,861	(4.3)
3	364,280	(.8)	71,963	4.0	437,238	–	261,589	(4.3)	17,607	6.8	63,735	2.4	81,342	3.3	94,307	10.9
4	365,579	.3	71,192	(1.9)	437,687	–	263,289	(1.1)	17,339	(3.9)	61,838	(7.0)	79,177	(6.3)	95,220	9.4
2016 1	367,012	.1	67,899	(5.1)	435,899	(.7)	263,632	(.6)	17,453	(1.9)	61,962	3.5	79,415	2.2	92,852	(3.4)
2	367,809	1.8	65,166	(8.9)	434,120	.1	265,312	.8	18,036	5.1	64,225	1.4	82,261	2.2	86,548	(3.7)
3	368,263	1.1	61,786	(14.1)	431,140	(1.4)	266,694	2.0	17,008	(3.4)	63,097	(1.0)	80,105	(1.5)	84,342	(10.6)
4	366,421	.2	61,998	(12.9)	429,491	(1.9)	271,267	3.0	17,342	–	63,032	1.9	80,374	1.5	77,850	(18.2)
2017 1	362,907	(1.1)	63,648	(6.3)	427,728	(1.9)	260,028	(1.4)	17,522	.4	62,557	1.0	80,079	.8	87,621	(5.6)
2	**357,956**	**(2.7)**	**62,132**	**(4.7)**	**421,222**	**(3.0)**	**252,369**	**(4.9)**	**18,603**	**3.1**	**62,134**	**(3.3)**	**80,737**	**(1.9)**	**88,116**	**1.8**

[1] See definition of amortized hedge costs on cover page

[2] Amortized hedge costs have been included in operating earnings (as a reduction of net investment income and operating revenues) in accordance with the revised definition of operating earnings effective January 1, 2017. All prior periods have been adjusted for this reclassification for consistency with current period presentation.

Operating Ratios

(Before Management Fee)

	Period	Premium Persistency Rate	Tot. Ben./ Premium	Tot. Ben./ Premiums (3rd sector)	Amort./ Premium	Tot. Oper. Expenses/ Total Rev.	Combined Ratio/ Total Rev. [2]	Pretax Profit Margin [1][2]
	2012	94.8	72.9	67.1	4.2	18.2	80.6	19.4
	2013	94.9	72.9	64.7	4.3	17.8	79.6	20.4
	2014	94.7	72.7	62.8	4.7	18.3	79.3	20.7
	2015	94.9	72.3	60.9	4.8	18.2	78.5	21.5
	2016	95.1	72.6	61.1	4.8	18.6	80.3	19.7
2015	1	94.6	72.4	61.2	4.9	17.7	78.1	21.9
	2	94.8	72.9	61.8	4.7	18.6	79.3	20.7
	3	94.9	71.8	60.0	4.8	18.6	78.4	21.6
	4	94.9	72.0	60.6	4.7	18.1	78.2	21.8
2016	1	95.0	71.8	59.7	4.8	18.2	78.7	21.3
	2	95.0	72.1	60.4	4.9	18.9	80.1	19.9
	3	95.1	72.4	60.8	4.6	18.6	80.4	19.6
	4	95.1	74.0	63.6	4.7	18.7	81.9	18.1
2017	1	94.9	71.7	60.6	4.8	18.7	79.5	20.5
	2	**94.6**	**70.5**	**59.9**	**5.2**	**19.2**	**79.1**	**20.9**

[1] *See definition of amortized hedge costs on cover page*

[2] *Amortized hedge costs have been included in operating earnings (as a reduction of net investment income and operating revenues) in accordance with the revised definition of operating earnings effective January 1, 2017. All prior period ratios have been adjusted for this reclassification for consistency with current period presentation.*

Aflac Japan Sales Results

(Yen In Millions, unless otherwise noted)

	Period	Annl. Prem. In Force (Billions)	% Change	New Annl. Prem. Sales	% Change	Third Sector New Annl. Prem. Sales	% Change	Total New Premium	% Change
	2012	1,492.5	11.1	210,401	30.9	64,444	(4.6)	210,620	30.8
	2013	1,567.1	5.0	149,155	(29.1)	67,050	4.0	149,308	(29.1)
	2014	1,594.4	1.7	114,375	(23.3)	71,155	6.1	114,513	(23.3)
	2015	1,617.7	1.5	120,736	5.6	80,676	13.4	120,855	5.5
	2016	1,606.1	(.7)	113,612	(5.9)	83,992	4.1	113,721	(5.9)
2015	1	1,598.9	1.4	26,949	(2.2)	18,083	21.3	26,981	(2.2)
	2	1,604.0	1.3	30,547	9.4	20,092	25.2	30,581	9.4
	3	1,612.7	1.5	31,621	23.5	21,150	34.5	31,644	23.4
	4	1,617.7	1.5	31,619	(5.1)	21,352	(12.7)	31,650	(5.1)
2016	1	1,618.9	1.3	31,127	15.5	18,260	1.0	31,163	15.5
	2	1,622.4	1.1	30,221	(1.1)	22,352	11.2	30,250	(1.1)
	3	1,618.0	.3	26,494	(16.2)	21,680	2.5	26,513	(16.2)
	4	1,606.1	(.7)	25,770	(18.5)	21,700	1.6	25,796	(18.5)
2017	1	1,585.9	(2.0)	22,025	(29.2)	19,642	7.6	22,054	(29.2)
	2	**1,568.8**	**(3.3)**	**25,388**	**(16.0)**	**23,658**	**5.8**	**25,407**	**(16.0)**

Aflac Japan

Aflac Japan Product Mix

(New Annualized Premium Sales, Yen In Billions)

	Period	Cancer	% of Total	Medical[(1)]	% of Total	Income Support	% of Total	Child Endowment	% of Total	WAYS	% of Total	Ordinary Life Other	% of Total	Other	% of Total
	2012	27.6	13.1	36.8	17.5	–	–	24.4	11.6	94.5	44.9	18.0	8.5	9.3	4.4
	2013	25.4	17.0	41.6	27.9	–	–	17.4	11.7	41.1	27.5	15.4	10.3	8.3	5.6
	2014	34.7	30.3	36.4	31.8	–	–	11.7	10.2	16.0	14.0	9.5	8.3	6.2	5.4
	2015	48.8	40.4	31.9	26.4	–	–	9.9	8.2	20.2	16.7	7.5	6.2	2.6	2.1
	2016	53.0	46.6	29.6	26.0	1.4	1.3	7.2	6.4	13.5	11.8	7.0	6.2	1.9	1.7
2015	1	11.2	41.5	6.9	25.6	–	–	2.8	10.3	3.1	11.7	2.0	7.2	1.0	3.7
	2	12.5	41.0	7.5	24.7	–	–	2.4	7.9	5.6	18.3	1.9	6.1	.6	2.0
	3	12.0	37.9	9.1	28.9	–	–	2.4	7.7	5.7	18.1	1.9	5.8	.5	1.6
	4	13.1	41.3	8.3	26.2	–	–	2.3	7.3	5.7	18.1	1.8	5.7	.5	1.4
2016	1	11.0	35.4	7.2	23.2	–	–	2.8	9.1	7.8	25.1	1.7	5.5	.7	1.7
	2	13.9	46.0	8.4	27.9	–	–	1.5	5.1	4.1	13.5	1.8	6.0	.6	1.5
	3	14.0	52.9	7.0	26.2	.7	2.7	1.2	4.5	1.5	5.7	1.7	6.4	.4	1.6
	4	14.0	54.2	7.0	27.1	.7	2.8	1.7	6.4	.1	.4	1.8	7.0	.5	2.1
2017	1	11.1	50.2	8.1	36.8	.5	2.0	.2	.9	.1	.6	1.8	8.3	.3	1.2
	2	**14.2**	**56.0**	**9.0**	**35.3**	**.5**	**1.9**	**.1**	**.4**	**.2**	**.6**	**1.3**	**5.3**	**.1**	**.5**

(1) Includes stand-alone medical and other medical riders, including Rider MAX

Aflac Japan Sales Force Data

		Number of Agencies by Type				Sales Contribution by Agency Type				
	Period	Individual/ Independent Corporate	Affiliated Corporate	Bank	Total	Individual/ Independent Corporate	Affiliated Corporate	Bank	Licensed Sales Associates[(1)]	Recruited Agencies
	2012	16,703	1,780	372	18,855	34.7	19.7	45.6	125,266	3,248
	2013	14,228	1,693	372	16,293	43.8	24.9	31.3	126,584	1,655
	2014	12,871	1,628	371	14,870	46.1	32.4	21.5	121,143	958
	2015	11,585	1,552	372	13,509	47.0	38.1	14.9	113,967	344
	2016	10,560	1,496	372	12,428	46.7	44.4	8.9	108,721	180
2015	1	12,501	1,598	371	14,470	46.0	36.7	17.3	116,166	97
	2	12,218	1,572	372	14,162	47.3	38.1	14.6	116,495	93
	3	11,897	1,566	373	13,836	46.4	38.3	15.3	114,355	90
	4	11,585	1,552	372	13,509	48.0	39.1	12.9	113,967	64
2016	1	11,334	1,543	370	13,247	49.7	35.7	14.6	112,964	50
	2	11,079	1,517	370	12,966	48.4	44.6	7.0	111,427	55
	3	10,826	1,506	370	12,702	43.0	50.1	6.9	110,237	41
	4	10,560	1,496	372	12,428	44.8	48.8	6.3	108,721	34
2017	1	10,295	1,493	373	12,161	47.3	44.7	8.0	108,056	45
	2	**10,063**	**1,475**	**374**	**11,912**	**41.7**	**53.9**	**4.4**	**107,294**	**55**

(1) Excludes Dai-ichi Life, banks, Japan Post Group and Daido Life

Yen/Dollar Exchange Rates

	Period	Closing Rate	Qtr Avg	Yearly Cum Avg	% Change
	2012	86.58	N/A	79.81	(.1)
	2013	105.39	N/A	97.54	(18.2)
	2014	120.55	N/A	105.46	(7.5)
	2015	120.61	N/A	120.99	(12.8)
	2016	116.49	N/A	108.70	11.3
2015	1	120.17	119.16	119.16	(13.8)
	2	122.45	121.20	120.14	(14.7)
	3	119.96	122.15	120.81	(14.8)
	4	120.61	121.54	120.99	(12.8)
2016	1	112.68	115.35	115.35	3.3
	2	102.91	108.28	111.82	7.4
	3	101.12	102.37	108.58	11.3
	4	116.49	109.10	108.70	11.3
2017	1	112.19	113.56	113.56	1.6
	2	**112.00**	**111.10**	**112.31**	**(.4)**