Presentation Notes for the 2019 Outlook Conference Call



December 3, 2018

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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; operation of the former Japan branch as a legal subsidiary; limited availability of acceptable yen-denominated investments; deviations in actual experience from pricing and reserving assumptions; ability to continue to develop and implement improvements in information technology systems; governmental actions for the purpose of stabilizing the financial markets; 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; ongoing changes in the Company's industry; failure to comply with restrictions on patient privacy and information security; extensive regulation and changes in law or regulation by governmental authorities; changes in tax rates applicable to the company; defaults and credit downgrades of investments; ability to attract and retain qualified sales associates, brokers, employees, and distribution partners; decline in creditworthiness of other financial institutions; subsidiaries' ability to pay dividends to Aflac Incorporated; 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; significant valuation judgments in determination of amount of impairments taken on the Company's investments; 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 U.S. and/or Japanese accounting standards; loss of consumer trust resulting from events external to the Company's operations; increased expenses and reduced profitability resulting from changes in assumptions for pension and other postretirement benefit plans; level and outcome of litigation; and failure of internal controls or corporate governance policies and procedures.

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Forward-Looking Statement

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The estimated impact of tax reform, which is included in GAAP net income and equity, but excluded from adjusted earnings as defined, is a preliminary estimate and may be adjusted for the current and future periods, possibly materially, due to, among other things, further refinement of the company's calculations, changes in interpretations and assumptions the company has made, tax guidance that may be issued and actions the company may take as a result of tax reform.

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 "Reconciliation of Net Earnings to Adjusted Earnings," "Reconciliation of Net Earnings Per Diluted Share to Adjusted Earnings Per Diluted Share," "2018 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

Agenda

- ***Strategic Focus and Value Creation***
  Dan Amos
  Chairman and CEO, Aflac Incorporated

- ***Financial Outlook and Capital Management***
  Fred Crawford
  CFO, Aflac Incorporated

Dan Amos

Strategic Focus and Value Creation

Aflac Strategic Points of Leverage

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



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2019 Strategic Focus

- **Profitable Growth**
  - » Core products
  - » Distribution
  - » Digital ventures
  - » Customer experience
- **Efficiencies** – invest in IT infrastructure for improved productivity and long-term expense ratios
- **Financial Strength** – maintain stable margins and capital deployment with disciplined risk management

Strong Leadership and Governance

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Aflac U.S. Growth Initiatives

Near-term Focus and Investment

Driving sales in:

- Small-business market
- Broker market
- Existing accounts

Continue to focus on:

- **Productivity** of agents and brokers
- **Policyholder retention**

Long-Term Growth and Innovation

- Build infrastructure for digital future
- Leverage venture investments to enhance customer experience and enable agent-assisted and digital distribution
- Innovate and deliver new-to-market benefit solutions

Digital Platform

Guided Shopping
Suggested products, peer reviews, etc.

Digital Buying
Buy anytime and anywhere

New Innovative Products
On Demand, etc.



Multiple Payment Options
Digital wallets, PayPal, etc.

Fully Digital Experience
Online, Mobile, Chat, Text, etc.

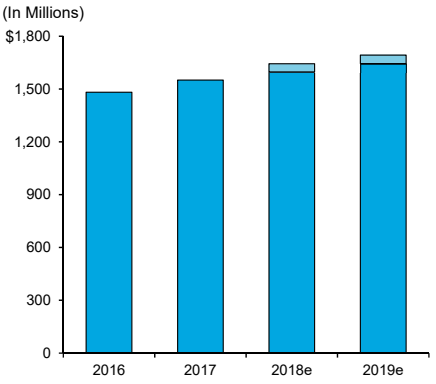
Real-Time, Automated
Customer Service and Communications via robotics and AI

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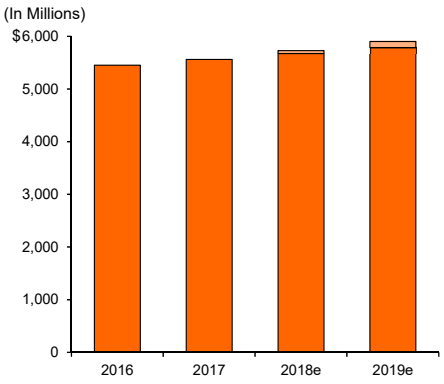
Aflac U.S. 2019 Growth Outlook

Total Sales



- 2019 stable growth of 3%-5%
- Continue to expect sales to skew to 4Q
- Reflects increased broker productivity and expansion of new channels

Net Earned Premium



- Steady growth of 2%-3% in 2019
- Earned premium best illustrates long-term value
- Reflects sales growth and strong persistency

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Aflac Japan Growth Initiatives

Near-term Focus and Investment

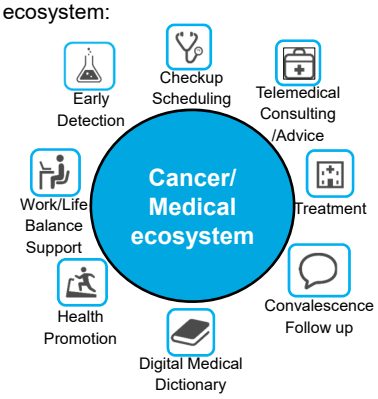
Franchise value enhancement:

1) **Focused, profitable growth:** continued focus on selling core cancer and medical policies complemented by the sales of first sector protection

2) **Policyholder retention:** allow profitability to emerge as we maintain business

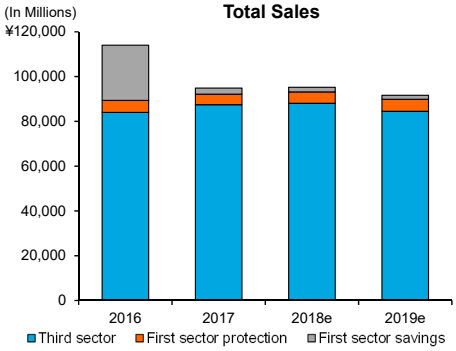
Long-term Growth and Innovation

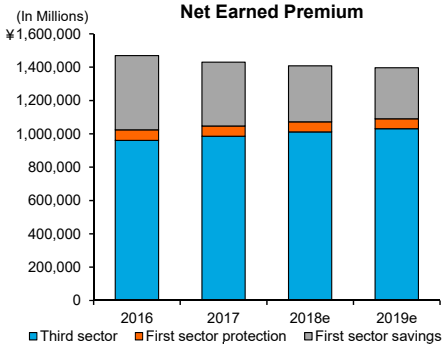
Innovative, customer-centric solutions around Aflac Japan's Cancer/Medical ecosystem:



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Aflac Japan 2019 Growth Outlook





Low-single-digit decline in 2019 **total sales** reflects:

- Focus on riders and other enhancements
- Low-single-digit decline in **third sector and first sector protection sales combined** following a strong cancer product launch in 2018
- Continued reduction in **first sector savings** as expected after repricing in April 2017

Expect slight decline in total net earned premium as **first sector savings** policies become **paid up**:

- Paid-up polices' **profitability continues to emerge over the life of the policies**
- Third sector drives **combined third sector and first sector protection** net earned premium growth in the +2% range

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Fred Crawford

Financial Outlook and Capital Management

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Financial Drivers of 2019 Forecast

- Strong and stable pretax profit margins
- Investment in growth and digital initiatives
- Stable NII with tactical approach to Japan's USD portfolio
- Strength in cash flow and capital deployment

Underpinned by Economic Value and Risk Management

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2019 Forecast: Insurance Segment Margins

Japan Segment (As Reported in ¥)

	2018 YTD	2019e
	Total	Total
Benefit Ratio	70.1%	69 – 71%
Expense Ratio	20.1%	19.5 – 21.5%
Pretax Profit Margin	21.0%	19.5 – 21.5%

- Premium declines ~1.5% largely due to paid-up first sector savings policies
- Stable net investment income with growth in USD portfolio
- Premium mix drives favorable benefit ratio with expense ratio elevated
- Profit margin remains strong

U.S. Segment

	2018 YTD	2019e
	Total	Total
Benefit Ratio	50.5%	49 – 51%
Expense Ratio	34.3%	35 – 37%
Pretax Profit Margin	20.9%	18.5 – 20.5%

- Premium growth of 2%-3% reflecting sales growth and persistency
- Net investment income impacted by continued U.S. capital drawdown
- Premium mix drives favorable benefit ratio with expense ratio elevated
- Profit margin remains strong

13 Note: Benefit ratios measured to earned premium; expense ratios and pretax margins based on total revenue

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2019 Investment Strategy

Net Investment Income Forecast Considerations

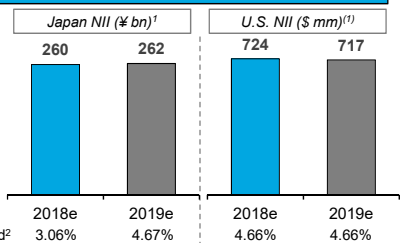
Japan NII increases modestly[1]

- Callable and maturing privates (-)
- USD portfolio build (+)

U.S. NII declines with RBC drawdown

- Corporate investment income benefits from shift in excess capital to holding company

Net Investment Income Forecast



New money yield[2]	2018e	2019e	2018e	2019e
	3.06%	4.67%	4.66%	4.66%

Estimated 2019 Japan USD Portfolio Key Metrics

	Total Dollar Program	1 Floaters (Short Hedges)[3]	2 Fixed Income & Growth (Long Hedges)[3]	3 Fixed Income & Growth (Unhedged)
Market value ($ bn)	~26	~25%	~10%	~65%
Asset duration (yrs)	~4.7	~0.2	~6.0	~6.0
Hedge duration (yrs)	~1.7	~0.3 to ~0.9	~1.7	N/A
Net NII ($ bn)[4]	~0.885			
Benefits	• Reduce earnings volatility	• Stable net margin	• Locked-in hedge cost	• Dollar income

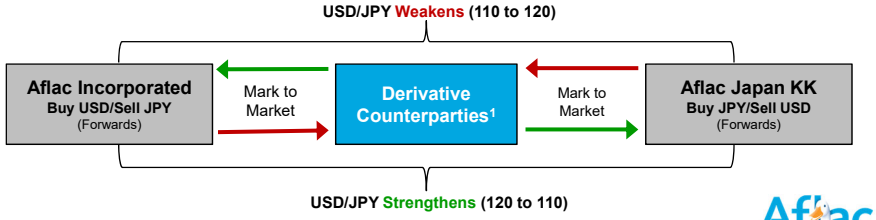
[1] Net of internal expenses and external expenses; (Japan Portfolio net of hedge costs); [2] Gross yield corresponds to yield reported under US GAAP; [3] Only includes forwards (i.e., economic hedge); [4] Including external expenses, and excluding internal expenses
14 Note: JPY/USD converted at assumed exchange rate of 110.00

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Enterprise Hedge Costs: Reducing FX Exposure

Strategic Overview	• Enter into offsetting forward contracts at Aflac Incorporated to partially offset hedge costs incurred in Aflac Japan KK • Offset the yen exposure in Aflac Japan KK by increasing the U.S. dollar exposure at Aflac Incorporated
Key Benefits	• Average notional in the $3 billion range building throughout 2019 • The Japan subsidiary remains neutral or benefits from the project • Forecasted impact to adjusted earnings of $60 to $80 million pre-tax for 2019 • Manage enterprise hedge costs in the most capital-efficient way possible • Reduce net income volatility

Aflac Derivative Portfolios by Entity: Mark-to-Market Movements Due to Changes In USD/JPY

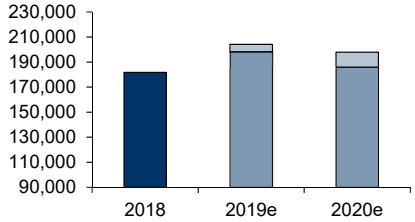


15 [1]Any third-party dealer Aflac Incorporated or Aflac Japan KK faces on derivative exposures.

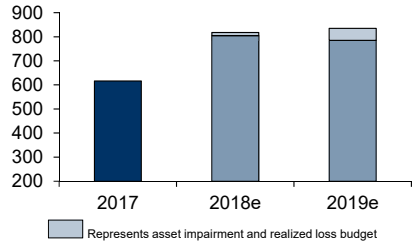
FSA and Statutory Earnings

Regulatory Earnings Drive Capital Generation

Japan FSA Earnings Projection
(Fiscal year ending March, ¥ in millions)



U.S. Statutory[1] Earnings Projection
(Year ending December, $ in millions)



Considerations

- FY2019 - FY2020 assumes $200 million of pre-tax impairments and realized losses
- Growth in FSA earnings on shift to third-sector with lower hedge ratio driving modest volatility
- U.S. statutory earnings builds with revenue growth and premium mix
- 2019 SMR estimated at 950% and U.S. RBC at ~525%, including tax reform and C-1 changes

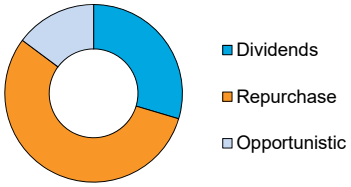
16 [1] American Family Life Assurance Company of Columbus

2019 Capital Management Outlook

Aflac Incorporated Liquidity

$MM	2018e	2019e
Operating Cash[1]	$2,900	$3,500
- Capital Buffer[2]	$1,000	$1,000
- Liquidity Support[2]	$1,000	$1,000
Cash Available to Shareholders[3]	$900	$1,500

2019 Capital Deployment
$2.7 to $3.0 billion



Highlights

- 2019 share repurchase range of $1.3 to $1.7 billion
- U.S. excess capital drawdown of $500 million
- Up to 100% dividend policy on FSA and U.S. statutory earnings
- Holding company capital buffer and liquidity support ~$2.0 billion

 [1]Total cash less non-operating cash; [2] Balance based on internal policy; [3] Net cash that may be deployable to shareholders

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2019 Adjusted Earnings Outlook

2019 Annual Adjusted EPS Scenarios[1]

Weighted-Average Annual Exchange Rate	Annual Adjusted EPS[2]	Yen Impact
¥ 105	$ 4.18 – 4.38	$ .08
110	**4.10 – 4.30**	**.00**
115	4.03 – 4.23	(.07)

- 2019 EPS range up approximately 3% excluding currency and when normalizing 2018[2]

EPS reflects strength in core margins, investment in IT and digital platforms and return of capital to shareholders

 [1] See appendix for non-GAAP definitions including adjusted earnings and adjusted EPS
[2] Normalized 2018 adjusted EPS – assumes high point of full year earnings guidance adjusted for 110 ¥/$ and removes certain positive tax ($.01) identified in 2018 earnings disclosures

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Questions and Answers

Appendix

Adjusted Earnings

Aflac defines adjusted earnings (a non-U.S. GAAP financial measure) as the profits derived from operations. 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 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. The most comparable U.S. GAAP measure is net earnings.

Adjusted earnings per share (basic or dilutive)

The Company defines adjusted earnings per share (basic or diluted) to be adjusted earnings for the period divided by the weighted average outstanding shares (basic or diluted) for the period presented. The most comparable GAAP measure is net earnings per share.

Reconciliations of the foregoing measures to the most comparable respective U.S. GAAP measures are not available without unreasonable effort. This is due to the unpredictable and uncontrollable nature of the reconciling items, which would require an unreasonable effort to forecast and we believe would result in such a broad range of projected values that would not be meaningful to investors. For this reason, we believe that the probable significance of such information is low.