Presentation Notes for the Bank of America Merrill Lynch 2019 Insurance Conference



February 13, 2019

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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.



Forward-Looking Statements and Non-GAAP Financial Measures

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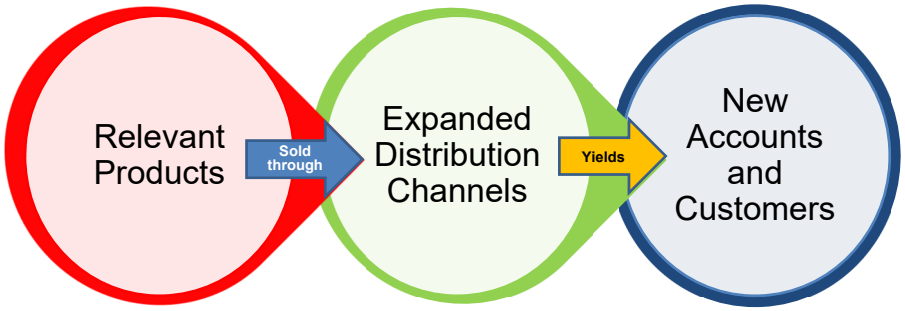
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The estimated impact of tax reform, which is included in GAAP net income and equity, but excluded from adjusted earnings as defined, is a preliminary estimate and may be adjusted for the current and future periods, possibly materially, due to, among 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," 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's Strategy



Protecting Against:
- Rising out-of-pocket medical expenses, co-pays and deductibles

Paying:
- Fixed, cash benefits directly to insureds

Reaching Customers:
- At the worksite as well as offsite
- Through agency, broker and expansion of distribution

Insuring:
- More than 50 million people and growing

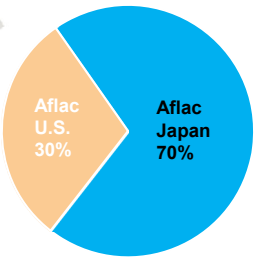
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Aflac Japan Overview

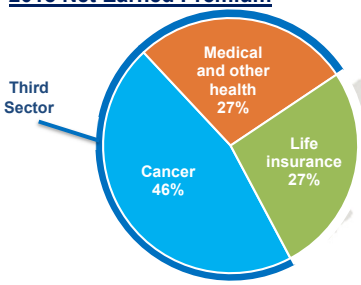
Business Profile

- In 1974, Aflac pioneered cancer insurance in Japan and launched a standalone 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** in Japan and is the **#1** cancer and medical insurer

2018 Total Revenues by Insurance Business Segment



2018 Net Earned Premium



Demand For Supplemental 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

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Competitive Advantage: Product Innovation

Third Sector

Cancer	Medical	Income Support
生きるためのがん保険 Days1	ちゃんと応える医療保険 EVER	病気やケガで働けなくなったときの 給与サポート保険

Health Promotion Medical (October 2018)
- Refunds a portion of premium if “Health Age” is less than actual age
- First health promotion medical insurance in Japan to be offered and purchased online

Lump-sum mid-term additions and riders to attach to Aflac medical policies (January 2019)
- Income support, nursing care / dementia, outpatient services

First Sector Protection

変わらない保険料で、一生涯の保障を。 かしこく備える終身保険

Prepare Smart whole-life insurance

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Competitive Advantage: Broad Distribution

Category	Channel	Details
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 • Kampo (Japan Post Insurance Co., Ltd.) offers Aflac cancer insurance products through its 76 branches
	Dai-ichi Life	• Approximately 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 was represented at 371 banks, nearly 90% of the total banks in Japan.

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Competitive Advantage: Strong and Trusted Brand

9 out of 10 Japanese citizens recognize the Aflac brand











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Aflac Japan Segment Performance

(Twelve Months Ended December 31, In billions of Yen)

	2018	2017
Third sector sales	¥ 88.8	¥ 87.4
Net premium	1,408.7	1,430.4
Pretax adjusted earnings	¥ 354.2	¥ 343.6
Benefit ratio to premium	69.9%	71.3%
Expense ratio to revenue	20.3	19.2
Pretax profit margin	21.1	20.4
Premium persistency	94.0%	94.8%

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Aflac U.S. Overview

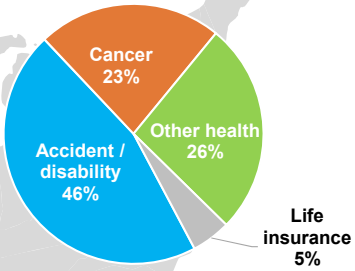
Business Profile

- 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℠ 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

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

2018 Net Earned Premium



Broad Product Array

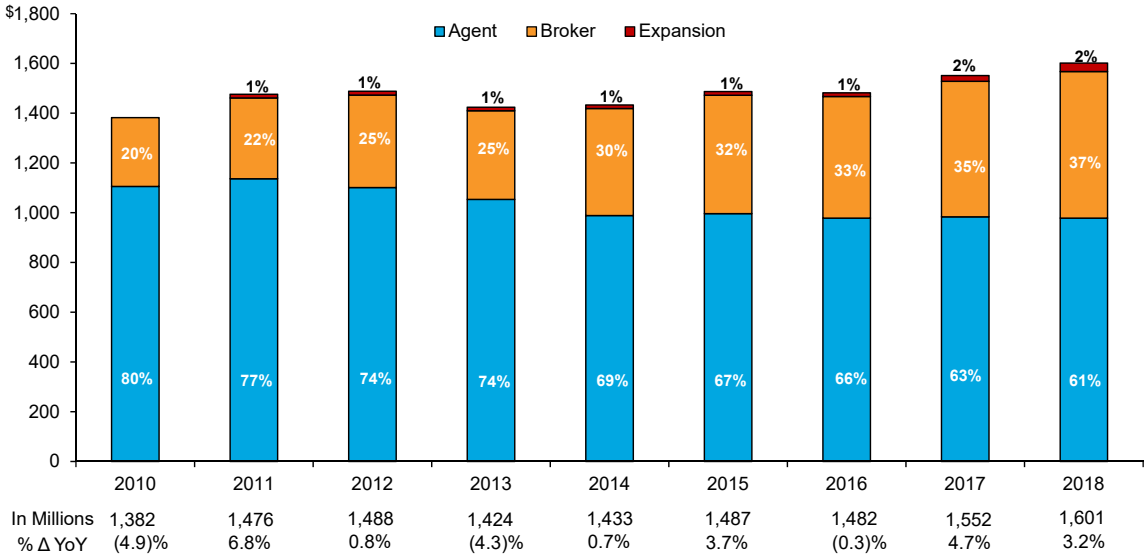
- Cancer
- Accident
- Short-Term Disability
- Critical Illness
- Hospital Indemnity
- Dental
- Vision
- Life (Term, Whole)

[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.

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Aflac U.S. Distribution Mix

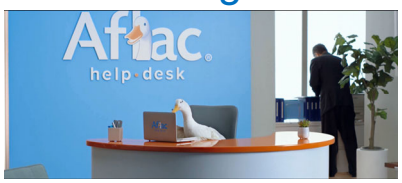
(New AP in millions)



	2010	2011	2012	2013	2014	2015	2016	2017	2018
In Millions	1,382	1,476	1,488	1,424	1,433	1,487	1,482	1,552	1,601
% Δ YoY	(4.9)%	6.8%	0.8%	(4.3)%	0.7%	3.7%	(0.3)%	4.7%	3.2%

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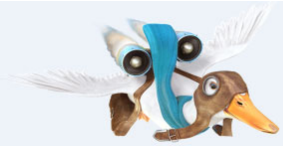
Reinforcing the Aflac Brand





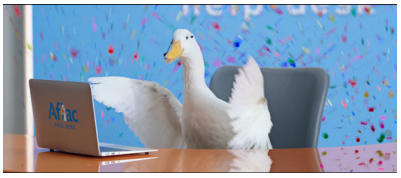


Aflac SmartClaim®
One Day Pay™



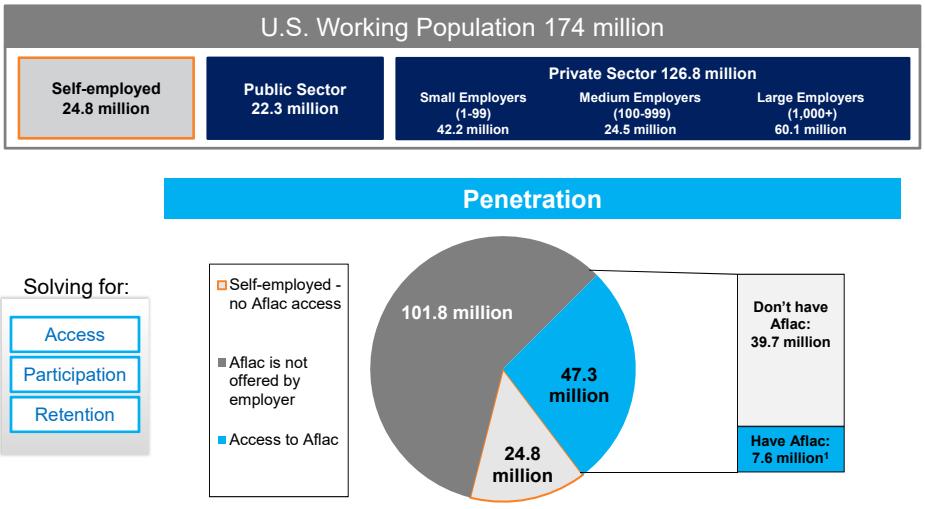


my Special AFLAC DUCK



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Aflac's Growth Opportunity



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

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Aflac U.S. Segment Performance

(Twelve Months Ended December 31, In billions of Dollars)

	2018	2017
New sales	$1.60	$1.55
Net premium	5.71	5.56
Pretax adjusted earnings	$1.29	$1.25
Benefit ratio to premium	50.6%	51.9%
Expense ratio to revenue	35.2	34.3
Pretax profit margin	19.9	19.8
Premium persistency	78.7%	78.4%

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Consolidated Financial Performance and Capital Management

Effect of Foreign Currency on Adjusted Results[1]

(Twelve Months Ended December 31, 2018)

	Including Currency	Excluding Currency[2]
Net premium income[3]	0.8%	(0.3)%
Net investment income[4]	8.4	7.7
Total benefits and expenses	0.7	(0.3)
Adjusted earnings	18.8	17.8
Adjusted earnings per diluted share	22.4%	21.5%

[1] Adjusted earnings and adjusted earnings per diluted share are non-U.S. GAAP measures. Refer to the appendix.
[2]. Amounts excluding current period foreign currency impact were 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.
[3] Net of reinsurance
[4] Less amortized hedge costs on foreign investments

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2019 Adjusted EPS[1] Objective

- For 2019, we expect adjusted earnings per diluted share of $4.10 - $4.30, assuming a yen/dollar exchange rate of 110.39

[1] A non-U.S. GAAP financial measure. See "2019 Annual Adjusted EPS Scenarios" for more information on this measure.

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Strong Capital Profile

(Year Ended Dec 31)

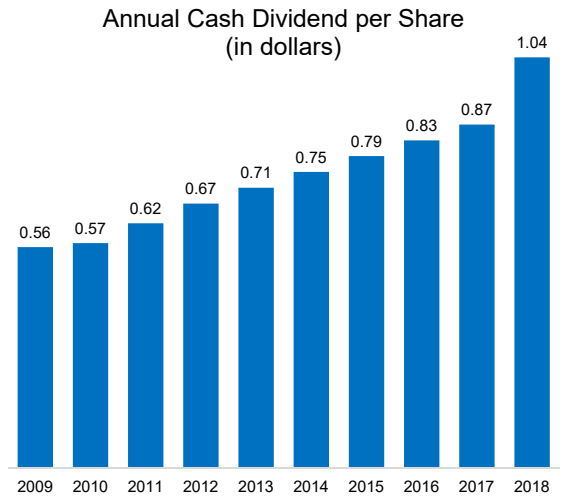
	2016	2017	2018
Aflac RBC ratio[1]	894%	831%	~650%
Aflac Japan SMR	945%	1,064%	~970%

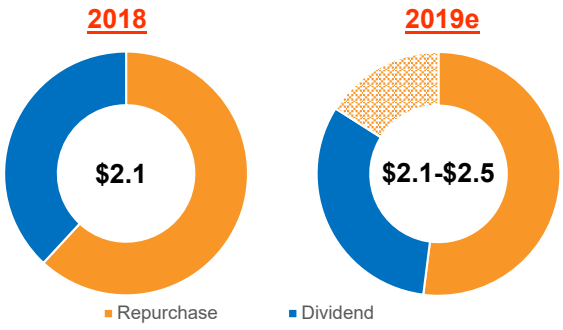
1 2018 estimate of RBC represents an estimate of U.S. only RBC adjusted to remove the impact of Japan branch conversion. Average JPY/ USD exchange rates for 2016, 2017, and 2018 were 108.70, 112.16 and 110.39, respectively

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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.

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Aflac Strategic Points of Leverage

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



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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. 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.

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 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.

Reconciliation of Net Earnings to Adjusted Earnings[1]

(Twelve Months Ended December 31)

	2018	2017	% Inc.
Net earnings	$2,920	$4,604	(36.6)%
Items impacting net earnings:			
Realized investment (gains) losses	297	–	
Other and non-recurring (income) loss	75	69	
Income tax (benefit) expense on items excluded from adjusted earnings	(83)	(24)	
Tax reform adjustment[2]	18	(1,933)	
Adjusted earnings	$3,226	$2,716	18.8%
Current period foreign currency impact[3]	(28)	N/A	
Adjusted earnings excluding current period foreign currency impact[4]	$3,198	$2,716	17.7%

[1] Amounts may not foot due to rounding.
[2] The impact of Tax Reform was estimated in 2017, and adjustments were recorded in 2018 for return-to- provision adjustments, various amended returns filed by the company, and final true-ups of deferred tax liabilities.
[3] Prior period foreign currency impact reflected as "N/A" to isolate change for current period only.
[4] 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.

Reconciliation of Net Earnings Per Diluted Share to Adjusted Earnings Per Diluted Share[1]

(Twelve Months Ended December 31)

	2018	2017	% Inc.
Net earnings per diluted share	$3.77	$5.77	(34.7)%
Items impacting net earnings:			
Realized investment (gains) losses	.38	–	
Other and non-recurring (income) loss	.10	.08	
Income tax (benefit) expense on items excluded from adjusted earnings	(.11)	(.03)	
Tax reform adjustment[2]	.02	(2.42)	
Adjusted earnings per diluted share	$4.16	$3.40	22.4%
Current period foreign currency impact[3]	(.04)	N/A	
Adjusted earnings per diluted share excluding current period foreign currency impact[4]	$4.13	$3.40	21.5%

[1] Amounts may not foot due to rounding.
[2] The impact of Tax Reform was estimated in 2017, and adjustments were recorded in 2018 for return-to-provision adjustments, various amended returns filed by the company, and final true-ups of deferred tax liabilities.
[3] Prior period foreign currency impact reflected as "N/A" to isolate change for current period only.
[4] Amounts excluding current period 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 yen-to-dollar currency rate changes.

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2019 Annual Adjusted EPS[1] Scenarios[2]

Weighted-Average Yen/Dollar Exchange Rate	Adjusted Earnings Per Diluted Share	Foreign Currency Impact
100	$ 4.26 - 4.46	$ .16
105	4.18 - 4.38	.08
110.39[3]	4.10 – 4.30	–
115	4.03 - 4.23	(.07)
120	3.96 - 4.16	(.14)

[1] A non-U.S. GAAP financial measure, 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. In reliance on the "unreasonable efforts" exception in Item 10(e)(1)(i)(B) of SEC Regulation S-K, a quantitative reconciliation to the most comparable U.S. GAAP measure is not provided for this financial measure. Forward-looking information with regard to the most comparable U.S. GAAP financial measure, earnings per share, is not available without unreasonable effort. This is due to the unpredictable and uncontrollable nature of these 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.
[2] Table recasts all quarters to the average exchange rate.
[3] Actual 2018 weighted-average exchange rate

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