Presentation Notes for the Investment Community



March 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.

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Investor Update

March 4, 2019

Forward-Looking Statements and Non-GAAP Financial Measures

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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

Financial Drivers

- Strong and stable profit margins
- Investment in growth and digital initiatives
- Stable consolidated net investment income
- Strength in cash flow and balanced capital deployment

Underpinned by Economic Value and Risk Management

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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.

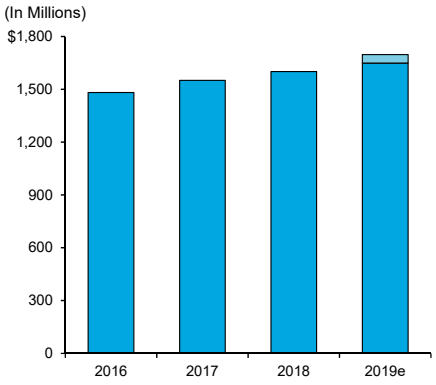
Fully Digital Experience
Online, Mobile, Chat, Text, etc.

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

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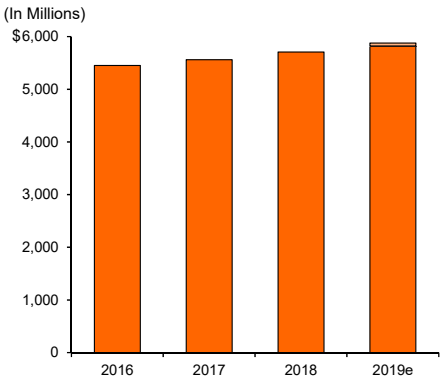
Aflac U.S. Production

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:

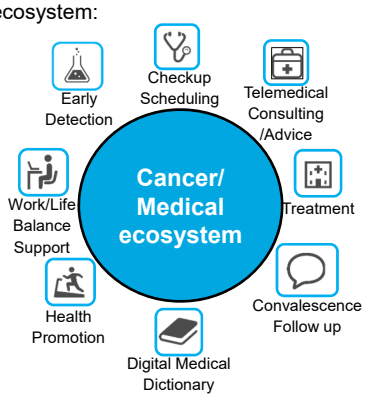
1) **Focused, profitable growth:** continued focus on selling core cancer and medical policies complemented by the sales of first sector protection

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

3) **Japan Post strategic alliance:** Commitment to cancer business, strategic growth and productivity initiatives

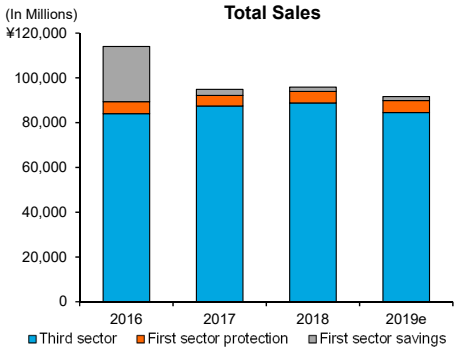
Long-term Growth and Innovation

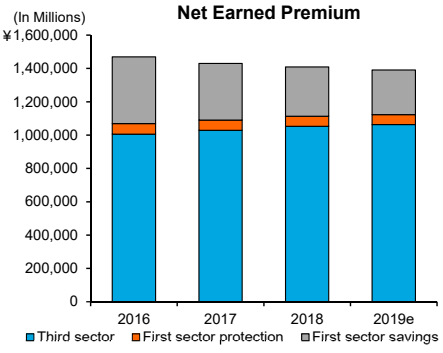
Innovative, customer-centric solutions around Aflac Japan's Cancer/Medical ecosystem:



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Aflac Japan Production





Low/Mid-single-digit decline in 2019 **sales** reflects:

- Focus on riders and other enhancements
- 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 re-pricing 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**
- **Combined third and first sector protection** earned premium growth in the 1%-2% range

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Insurance Segment Margins

Japan Segment (As Reported in ¥)

	2018	2019e
	Total	Total
Benefit Ratio	69.9%	69 – 71%
Expense Ratio	20.3%	19.5 – 21.5%
Pretax Profit Margin	21.1%	19.5 – 21.5%

- Premium declines ~1.5% largely due to paid-up first sector savings policies
- Premium mix drives favorable benefit ratio with expense ratio elevated
- Profit margin remains strong

U.S. Segment

	2018	2019e
	Total	Total
Benefit Ratio	50.6%	49 – 51%
Expense Ratio	35.2%	35 – 37%
Pretax Profit Margin	19.9%	18.5 – 20.5%

- Premium growth of 2% - 3% reflecting sales growth and persistency
- Premium mix drives favorable benefit ratio with expense ratio elevated
- Profit margin remains strong

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

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Net Investment Income

Stable Consolidated Net Investment Income Considerations

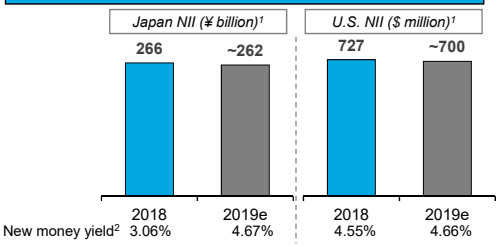
Japan[1] and U.S. NII decline modestly

- Driven by rising USD hedge costs and $3.4 billion de-risking, which shifted assets to a lower risk profile
- RBC drawdown: ~$1billion dividend of excess capital in 2018/19 from Aflac U.S. to holding company

Offset by Corporate and Other NII

- Assets and enterprise hedging program

Net Investment Income Forecast



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 ($ billion)	~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 ($ billion)[4]	~0.885			
Benefits	• Reduce earnings volatility	• Stable net margin	• Locked-in hedge cost	• Dollar income

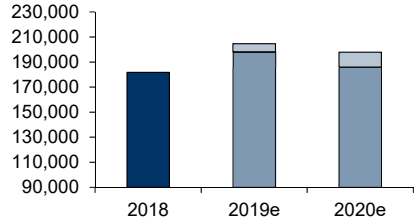
[1] Net of internal expenses and external expenses; (Japan Portfolio net of hedge costs); [2] Gross yield corresponds to yield reported under US GAAP; [3] Only includes forwards (i.e., economic hedge); [4] Including external expenses, and excluding internal expenses
Note: JPY/USD converted at assumed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

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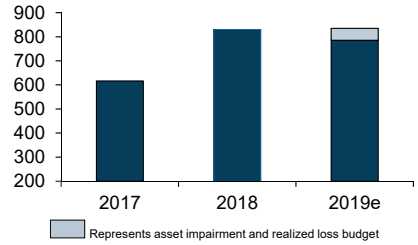
FSA and Statutory Earnings

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

- Forecasts assume consolidated $200 million of annual pretax impairments and realized losses
- 2019 SMR estimated at 950% and U.S. RBC at ~525%, including tax reform and C-1 changes
- Up to 100% dividend policy on FSA and U.S. statutory earnings

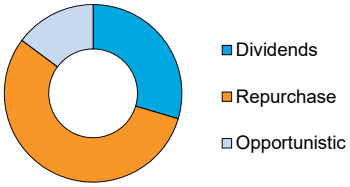
[1] American Family Life Assurance Company of Columbus

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Capital Management

Aflac Incorporated 2019 Estimated Liquidity (in $ millions)	
Operating Cash [1]	$3,500
- Capital Buffer [2]	($1,000)
- Liquidity Support [2]	($1,000)
Cash Available to Shareholders [3]	$1,500

2019 Capital Deployment
$2.7 to $3.0 billion*



*Includes $500 million of U.S. excess capital drawdown

Highlights

- 2018 share repurchase: 28.9 million shares for $1.3 billion
- 2019 share repurchase range of $1.3 to $1.7 billion
- 2018 holding company capital and liquidity of ~$2.8 billion

"Opportunistic": Corporate development and venture capital investing

[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 EPS[1] Outlook

Weighted-Average Yen/Dollar Exchange Rate	Adjusted Earnings Per Diluted Share[2]	Foreign Currency Impact
100	$ 4.26 - 4.46	$ .16
105	4.18 - 4.38	.08
110.39	4.10 – 4.30	–
115	4.03 - 4.23	(.07)
120	3.96 - 4.16	(.14)

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

[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 actual 2018 weighted average exchange rate of 110.39.

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