

# Financial Analysts Briefing Supplement Third Quarter 2014

This document is a Third Quarter statistical supplement to the Financial Analysts Briefing book. As you review the supplement, please note the following:

Aflac believes that an analysis of operating earnings, a non-GAAP financial measure, is vitally important to an understanding of the company's underlying profitability drivers. Aflac defines operating earnings as the profits derived from operations, inclusive of interest cash flows associated with notes payable, but before realized investment gains and losses from securities transactions, impairments, and derivative and hedging activities, as well as other and nonrecurring items. Aflac's derivative activities are primarily used to hedge foreign exchange and interest rate risk in our investment portfolio as well as manage foreign exchange risk in certain notes payable and forecasted cash flows denominated in yen. Management uses operating earnings to evaluate the financial performance of Aflac's insurance operations because realized gains and losses from securities transactions, impairments, and derivative and hedging activities, as well as other and nonrecurring items, tend to be driven by general economic conditions and events or related to infrequent activities not directly associated with the company's insurance operations, and therefore may obscure the underlying fundamentals and trends in Aflac's insurance operations. A reconciliation of operating earnings to net earnings is included on page 5.

On October 1, 2009, Aflac Incorporated acquired Continental American Insurance Company (now referred to as Aflac Group Insurance). Beginning in the fourth quarter of 2009, Aflac U.S. sales and financial results reflect the inclusion of this acquisition.

On January 1, 2010, the company adopted amended accounting guidance, which resulted in the consolidation of certain company investments in Variable Interest Entities (VIEs). As a result, the interest rate, foreign currency, and credit default swaps on certain VIEs are now marked to market with the impact being included as part of realized investment gains and losses and therefore, excluded from operating earnings.

On January 1, 2012, the company retrospectively adopted revised accounting guidance for Accounting for Costs Associated with Acquiring or Renewing Insurance Contracts, which resulted in an immaterial decrease to deferred policy acquisition costs and earnings in prior periods.

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**Stock Price Range and Other Data**

Year	Total Actual Shares Traded (000 omitted)	Price Range			Year Close % Change	AFL Relative Perform. to S&P 500 Composite Avg. (1994 Close = 100)	Annual Relative % Change	AFL Relative Perform. to S&P Life Composite Avg. (1994 Close = 100)	Annual Relative % Change
		High	Low	Close					
1974	—	\$ .13	\$ .06	\$ .06	—	—	—	—	
1975 *	3,084	.21	.06	.18	218.2 %	—	—	—	
1976	2,883	.28	.17	.28	57.1	—	—	—	
1977	2,624	.32	.25	.29	5.5	—	—	—	
1978	5,154	.40	.22	.23	(20.7)	—	—	—	
1979	3,290	.36	.21	.28	21.7	—	—	—	
1980	3,494	.29	.18	.19	(32.1)	—	—	—	
1981	2,484	.26	.18	.20	2.6	—	—	—	
1982	4,243	.42	.19	.39	97.4	—	—	—	
1983	4,502	.61	.38	.61	58.4	—	—	—	
1984	5,201	.84	.46	.78	27.9	—	—	—	
1985	13,408	1.56	.77	1.39	77.6	—	—	—	
1986	19,387	2.50	1.39	1.74	25.3	—	—	—	
1987	49,914	2.47	1.32	1.89	8.6	—	—	—	
1988	27,245	2.27	1.54	1.84	(2.7)	—	—	—	
1989	70,347	3.00	1.79	2.40	30.8	—	—	—	
1990	38,959	2.57	1.62	2.55	6.3	—	—	—	
1991	39,803	4.15	2.39	3.99	56.3	—	—	—	
1992	35,563	4.65	3.20	4.60	15.4	—	—	—	
1993	40,913	5.67	4.13	4.75	3.3	—	—	—	
1994	46,430	6.02	4.21	5.34	12.3	100.0	—	—	
1995	52,772	7.46	5.32	7.25	35.9	101.4	100.0	—	
1996	62,101	11.00	7.07	10.69	47.4	124.3	96.5	(3.5) %	
1997	61,771	14.47	9.38	12.78	19.6	113.4	120.2	24.5	
1998	100,659	22.66	11.35	21.94	71.7	153.7	116.3	(3.2)	
1999	180,514	28.38	19.50	23.60	7.5	138.3	192.3	65.4	
2000	218,965	37.47	16.78	36.10	53.0	235.5	244.9	27.3	
2001	418,406	36.10	23.00	24.56	(32.0)	184.2	335.8	37.1	
2002	485,387	33.45	23.10	30.12	22.6	294.8	251.3	(25.2)	
2003	479,602	36.91	28.00	36.18	20.1	280.2	373.5	48.6	
2004	397,333	42.60	33.85	39.84	10.1	283.1	358.0	(4.1)	
2005	405,829	49.65	35.50	46.42	16.5	320.2	327.5	(8.5)	
2006	437,580	49.40	41.63	46.00	(0.9)	320.2	315.7	(3.6)	
2007	558,870	63.91	45.18	62.63	36.2	279.3	272.1	(13.8)	
2008	984,507	68.81	29.68	45.84	(26.8)	367.3	338.4	24.4	
2009	1,796,345	47.75	10.83	46.25	.9	437.1	490.8	45.0	
2010	967,837	58.31	39.91	56.43	22.0	357.2	437.5	(10.9)	
2011	1,076,441	59.54	31.25	43.26	(23.3)	386.4	434.0	(.8)	
2012	787,975	54.93	38.14	53.12	22.8	296.2	429.4	(1.1)	
2013	669,573	67.62	48.17	66.80	25.8	320.8	471.7	9.9	
						311.2	371.1	(21.3)	
9/13	544,975	63.63	48.17	61.99	16.7	317.5	394.8	(16.3)	
9/14	359,255	66.69	57.70	58.25	(12.8)	254.3	332.7	(10.3)	

\*First full year traded on NYSE

**Price Performance of Aflac Incorporated and Market Indexes**  
(Relative Performance Based on 1994 Closing Prices)

	1994	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Aflac</b>	<b>5.33</b>	<b>23.60</b>	<b>36.10</b>	<b>24.56</b>	<b>30.12</b>	<b>36.18</b>	<b>39.84</b>	<b>46.42</b>	<b>46.00</b>	<b>62.63</b>	<b>45.84</b>	<b>46.25</b>	<b>56.43</b>	<b>43.26</b>	<b>53.12</b>	<b>66.80</b>
Rel. Perf.		4.4	6.8	4.6	5.6	6.8	7.5	8.7	8.6	11.7	8.6	8.7	10.6	8.1	10.0	12.5
<b>Dow Jones Ind.</b>	<b>3834.44</b>	<b>11497.12</b>	<b>10786.85</b>	<b>10021.50</b>	<b>8341.63</b>	<b>10453.92</b>	<b>10783.01</b>	<b>10717.50</b>	<b>12463.15</b>	<b>13264.82</b>	<b>8776.39</b>	<b>10428.05</b>	<b>11577.51</b>	<b>12217.56</b>	<b>13104.14</b>	<b>16576.66</b>
Rel. Perf.		3.0	2.8	2.6	2.2	2.7	2.8	2.8	3.3	3.5	2.3	2.7	3.0	3.2	3.4	4.3
<b>S&amp;P Life</b>	<b>100.00</b>	<b>180.70</b>	<b>201.57</b>	<b>183.25</b>	<b>151.23</b>	<b>189.51</b>	<b>228.11</b>	<b>275.73</b>	<b>317.00</b>	<b>347.08</b>	<b>175.15</b>	<b>198.22</b>	<b>243.79</b>	<b>188.90</b>	<b>211.15</b>	<b>337.56</b>
Rel. Perf.		1.8	2.0	1.8	1.5	1.9	2.3	2.8	3.2	3.5	1.8	2.0	2.4	1.9	2.1	3.4
<b>NYSE Comp.</b>	<b>2653.37</b>	<b>6876.10</b>	<b>6945.57</b>	<b>6236.39</b>	<b>5000.00</b>	<b>6464.00</b>	<b>7250.06</b>	<b>7753.95</b>	<b>9139.02</b>	<b>9740.32</b>	<b>5757.05</b>	<b>7184.96</b>	<b>7964.02</b>	<b>7477.03</b>	<b>8443.51</b>	<b>10400.33</b>
Rel. Perf.		2.6	2.6	2.4	1.9	2.4	2.7	2.9	3.4	3.7	2.2	2.7	3.0	2.8	3.2	3.9
<b>S&amp;P 500</b>	<b>459.27</b>	<b>1469.25</b>	<b>1320.28</b>	<b>1148.08</b>	<b>879.82</b>	<b>1111.92</b>	<b>1211.92</b>	<b>1248.29</b>	<b>1418.30</b>	<b>1468.36</b>	<b>903.25</b>	<b>1115.10</b>	<b>1257.64</b>	<b>1257.60</b>	<b>1426.19</b>	<b>1848.36</b>
Rel. Perf.		3.2	2.9	2.5	1.9	2.4	2.6	2.7	3.1	3.2	2.0	2.4	2.7	2.7	3.1	4.0
<b>Nikkei</b>	<b>19723.06</b>	<b>18934.34</b>	<b>13785.69</b>	<b>10542.62</b>	<b>8578.95</b>	<b>10676.64</b>	<b>11488.76</b>	<b>16111.43</b>	<b>17225.83</b>	<b>15307.78</b>	<b>8859.56</b>	<b>10546.44</b>	<b>10228.92</b>	<b>8455.35</b>	<b>10395.18</b>	<b>16291.31</b>
Rel. Perf.		1.0	.7	.5	.4	.5	.6	.8	.9	.8	.4	.5	.5	.4	.5	.8

**Relative Performance AFL/Other Averages**  
(1994 Close = 100)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
AFL/DJIA	147.6	240.6	176.2	259.6	248.8	265.6	311.4	265.4	339.5	375.5	318.9	350.4	254.6	291.5	289.7
AFL/S&P Life	244.9	335.8	251.3	373.5	358.0	327.5	315.7	272.1	338.4	490.8	437.5	434.0	429.4	471.7	371.1
AFL/NYSE Comp.	170.8	258.6	195.9	299.7	278.5	273.4	297.9	250.4	319.9	396.2	320.3	352.5	287.9	313.0	319.6
AFL/S&P 500	138.3	235.5	184.2	294.8	280.2	283.1	320.2	279.3	367.3	437.1	357.2	386.4	296.2	320.8	311.2
AFL/Nikkei	461.0	968.5	861.6	1298.4	1253.2	1282.5	1065.5	987.6	1513.1	1913.5	1621.8	2040.2	1892.2	1889.9	1516.4

**Annual Percent Change in Relative Performance**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
AFL/DJIA	(14.1)	63.0	(26.8)	47.3	(4.2)	6.8	17.2	(14.8)	27.9	10.6	(15.1)	9.9	(27.4)	14.5	(.6)
AFL/S&P Life	27.3	37.1	(25.2)	48.6	(4.1)	(8.5)	(3.6)	(13.8)	24.4	45.0	(10.8)	(.8)	(1.1)	9.9	(21.3)
AFL/NYSE Comp.	(1.4)	51.4	(24.2)	53.0	(7.1)	(1.8)	9.0	(15.9)	27.7	23.8	(19.2)	10.1	(18.3)	8.7	2.1
AFL/S&P 500	(10.0)	70.2	(21.8)	60.1	(5.0)	1.0	13.1	(12.8)	31.5	19.0	(18.3)	8.2	(23.3)	8.3	(3.0)
AFL/Nikkei	(21.4)	110.1	(11.0)	50.7	(3.5)	2.3	(16.9)	(7.3)	53.2	26.5	(15.2)	25.8	(7.3)	(.1)	(19.8)

**AFL Trading Volume**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
No. Shar. Trad.(Act.) (000 omitted)	180,514	218,965	418,406	485,387	479,602	397,333	405,829	437,580	558,870	984,507	1,796,345	967,837	1,076,441	787,975	669,573

**Aflac Incorporated**

**Price Performance of Aflac Incorporated and Market Indexes**

(Closing Prices and Relative Performance - 1994 Close = 100)

	<u>12/31/2013</u>	<u>1/31/14</u>	<u>2/28/14</u>	<u>3/31/14</u>	<u>4/30/2014</u>	<u>5/31/2014</u>	<u>6/30/2014</u>	<u>7/31/2014</u>	<u>8/31/2014</u>	<u>9/30/2014</u>	<u>10/31/2014</u>	<u>11/30/2014</u>	<u>12/31/2014</u>
<b>Aflac</b>	<b>66.80</b>	<b>62.78</b>	<b>64.08</b>	<b>63.04</b>	<b>62.72</b>	<b>61.23</b>	<b>62.25</b>	<b>59.74</b>	<b>61.24</b>	<b>58.25</b>			
Rel. Perf.	12.5	11.8	12.0	11.8	11.8	11.5	11.7	11.2	11.5	10.9			
<b>Dow Jones Ind.</b>	<b>16576.66</b>	<b>15698.85</b>	<b>16321.71</b>	<b>16457.66</b>	<b>16580.84</b>	<b>16717.17</b>	<b>16826.60</b>	<b>16563.30</b>	<b>17098.45</b>	<b>17042.90</b>			
Rel. Perf.	4.3	4.1	4.3	4.3	4.3	4.4	4.4	4.3	4.5	4.4			
<b>S&amp;P Life</b>	<b>337.56</b>	<b>310.00</b>	<b>318.43</b>	<b>323.16</b>	<b>316.91</b>	<b>314.11</b>	<b>335.04</b>	<b>324.29</b>	<b>337.76</b>	<b>328.25</b>			
Rel. Perf.	3.4	3.1	3.2	3.2	3.2	3.1	3.4	3.2	3.4	3.3			
<b>NYSE Comp.</b>	<b>10400.33</b>	<b>9967.65</b>	<b>10425.86</b>	<b>10527.77</b>	<b>10627.18</b>	<b>10756.32</b>	<b>10979.43</b>	<b>10726.43</b>	<b>11046.33</b>	<b>10702.93</b>			
Rel. Perf.	3.9	3.8	3.9	4.0	4.0	4.1	4.1	4.0	4.2	4.0			
<b>S&amp;P 500</b>	<b>1848.36</b>	<b>1782.59</b>	<b>1859.45</b>	<b>1872.34</b>	<b>1883.95</b>	<b>1923.57</b>	<b>1960.23</b>	<b>1930.67</b>	<b>2003.37</b>	<b>1972.29</b>			
Rel. Perf.	4.0	3.9	4.0	4.1	4.1	4.2	4.3	4.2	4.4	4.3			
<b>Nikkei</b>	<b>16291.31</b>	<b>14914.53</b>	<b>14841.07</b>	<b>14827.83</b>	<b>14304.11</b>	<b>14632.38</b>	<b>15162.10</b>	<b>15620.77</b>	<b>15424.59</b>	<b>16173.52</b>			
Rel. Perf.	.8	.8	.8	.8	.7	.7	.8	.8	.8	.8			

**Relative Performance AFL/Other Averages**

(1994 Close = 100)

	<u>12/31/2013</u>	<u>1/31/14</u>	<u>2/29/14</u>	<u>3/31/14</u>	<u>4/30/2014</u>	<u>5/31/2014</u>	<u>6/30/2014</u>	<u>7/31/2014</u>	<u>8/31/2014</u>	<u>9/30/2014</u>	<u>10/31/2014</u>	<u>11/30/2014</u>	<u>12/31/2014</u>
AFL/DJIA	289.7	287.5	282.3	275.4	272.0	263.3	266.0	259.3	257.5	245.7			
AFL/S&P Life	371.1	379.7	377.3	365.8	371.1	365.5	348.4	345.4	340.0	332.7			
AFL/NYSE Comp.	319.6	313.4	305.8	297.9	293.6	283.2	282.1	277.1	275.8	270.8			
AFL/S&P 500	311.2	303.3	296.8	290.0	286.7	274.1	273.5	266.5	263.3	254.3			
AFL/Nikkei	1516.4	1556.7	1596.8	1572.3	1621.6	1547.6	1518.4	1414.4	1468.3	1332.0			

**Monthly Percent Change in Relative Performance**

	<u>12/31/2013</u>	<u>1/31/14</u>	<u>2/29/14</u>	<u>3/31/14</u>	<u>4/30/2014</u>	<u>5/31/2014</u>	<u>6/30/2014</u>	<u>7/31/2014</u>	<u>8/31/2014</u>	<u>9/30/2014</u>	<u>10/31/2014</u>	<u>11/30/2014</u>	<u>12/31/2014</u>
AFL/DJIA	(2.3)	(.8)	(1.8)	(2.4)	(1.2)	(3.2)	1.0	(2.5)	(.7)	(4.6)			
AFL/S&P Life	(1.6)	2.3	(.6)	(3.1)	1.5	(1.5)	(4.7)	(.8)	(1.6)	(2.1)			
AFL/NYSE Comp.	(1.5)	(1.9)	(2.4)	(2.6)	(1.4)	(3.5)	(.4)	(1.8)	(.5)	(1.8)			
AFL/S&P 500	(1.7)	(2.6)	(2.1)	(2.3)	(1.1)	(4.4)	(.2)	(2.6)	(1.2)	(3.4)			
AFL/Nikkei	(3.2)	2.7	2.6	(1.5)	3.1	(4.6)	(1.9)	(6.9)	3.8	(9.3)			

**AFL High, Low, Close & Trading Volume**

	<u>12/31/2013</u>	<u>1/31/14</u>	<u>2/29/14</u>	<u>3/31/14</u>	<u>4/30/2014</u>	<u>5/31/2014</u>	<u>6/30/2014</u>	<u>7/31/2014</u>	<u>8/31/2014</u>	<u>9/30/2014</u>	<u>10/31/2014</u>	<u>11/30/2014</u>	<u>12/31/2014</u>
High	67.62	66.69	64.48	66.01	64.47	63.91	63.52	64.20	61.64	61.76			
Low	65.13	61.34	60.45	62.10	60.60	60.87	61.20	59.64	58.50	57.70			
Close	66.80	62.78	64.08	63.04	62.72	61.23	62.25	59.74	61.24	58.25			
No. Shar. Trad.(Act.) (000 omitted)	39,966	44,988	37,518	39,134	41,040	36,061	34,716	35,319	40,856	49,622			

**Aflac Incorporated and Subsidiaries**

**Share Data**  
(In thousands)

		Beginning Shares Outstanding	Shares Issued		Shares Purchased		Ending Shares Outstanding	QTD Weighted Avg. Shares			YTD Weighted Avg. Shares		
			Stk. Bon. & DRP	Stk. Opt. & Misc.	Treas. Shares	Misc. Purch.*		Avg. Shares	Dilutive Shares	Avg. Diluted	Avg. Shares	Dilutive Shares	Avg. Diluted
2009	1	466,615	355	539	–	85	467,424	466,097	1,035	467,132	466,097	1,035	467,132
	2	467,424	–	64	–	4	467,484	466,401	1,884	468,285	466,249	1,460	467,709
	3	467,484	–	345	–	52	467,777	466,586	3,128	469,714	466,362	2,016	468,378
	4	467,777	–	914	–	123	468,568	467,128	3,993	471,121	466,552	2,511	469,063
2010	1	468,568	–	948	–	94	469,422	467,926	4,524	472,450	467,926	4,524	472,450
	2	469,422	–	1,348	–	1	470,769	468,824	3,715	472,539	468,377	4,120	472,497
	3	470,769	–	278	–	3	471,044	469,868	3,701	473,569	468,880	3,979	472,859
	4	471,044	–	711	2,000	94	469,661	469,506	4,252	473,758	469,038	4,047	473,085
2011	1	469,661	324	830	3,100	151	467,564	468,012	4,092	472,104	468,012	4,092	472,104
	2	467,564	421	86	1,000	4	467,067	466,498	3,254	469,752	467,317	3,673	470,990
	3	467,067	507	67	1,000	2	466,639	465,910	1,883	467,793	466,843	3,076	469,919
	4	466,639	437	159	900	25	466,310	465,559	2,175	467,734	466,519	2,851	469,370
2012	1	466,310	381	971	–	199	467,463	465,887	2,646	468,533	465,887	2,646	468,533
	2	467,463	524	129	–	6	468,110	466,788	1,802	468,590	466,337	2,224	468,561
	3	468,110	401	278	–	65	468,724	467,422	2,299	469,721	466,702	2,249	468,951
	4	468,724	364	737	1,948	91	467,786	467,364	2,927	470,291	466,868	2,419	469,287
2013	1	467,786	364	978	2,979	124	466,025	466,462	2,662	469,124	466,462	2,662	469,124
	2	466,025	406	692	2,284	19	464,820	465,213	2,762	467,975	465,834	2,712	468,546
	3	464,820	310	908	308	19	465,710	464,324	3,067	467,391	465,325	2,727	468,052
	4	465,710	284	1,118	7,641	58	459,413	462,058	3,447	465,505	464,502	2,906	467,408
2014	1	459,413	284	976	6,535	110	454,028	454,731	2,968	457,699	454,731	2,968	457,699
	2	454,028	342	199	1,607	12	452,950	452,559	2,821	455,380	453,639	2,895	456,534
	3	<b>452,950</b>	<b>304</b>	<b>183</b>	<b>2,928</b>	<b>10</b>	<b>450,499</b>	<b>451,246</b>	<b>2,735</b>	<b>453,981</b>	<b>452,833</b>	<b>2,841</b>	<b>455,674</b>

\* Includes swapped shares and/or shares purchased for deferred compensation program

**Aflac Incorporated and Subsidiaries**

**Summary of Operating Results by Business Segment**

(In Millions, except per-share data)

	Years Ended December 31,					3 Months Ended September 30,			9 Months Ended September 30,		
	2009	2010	2011	2012	2013	2013	2014	% Change	2013	2014	% Change
Aflac Japan	\$ 2,800	\$ 3,260	\$ 3,829	\$ 3,904	\$ 3,628	\$ 846	\$ 828	(2.1) %	\$ 2,775	\$ 2,688	(3.1) %
Aflac U.S.	776	922	904	997	1,038	269	269	.3	833	872	4.7
Interest expense, non-insurance operations	(73)	(140)	(168)	(184)	(198)	(50)	(49)		(147)	(150)	
Parent company, other operations and eliminations	(68)	(60)	(63)	(59)	(69)	(18)	(7)		(52)	(43)	
Pretax operating earnings	3,435	3,982	4,502	4,658	4,399	1,047	1,041	(.5)	3,409	3,367	(1.2)
Income taxes	1,158	1,380	1,556	1,561	1,512	360	356	(.4)	1,173	1,151	(1.7)
Operating earnings*	2,277	2,602	2,946	3,097	2,887	687	685	(.5)	2,236	2,216	(.9)
Reconciling items:											
Impact from Derivatives and Hedging	(3)	(1)	(159)	100	212	(26)	(17)		109	(63)	
Realized investment gains (losses), net of tax	(788)	(273)	(850)	(326)	41	41	21		138	91	
Other and non-recurring items, net of tax	11	—	—	(5)	18	—	17		—	4	
Net earnings	\$ 1,497	\$ 2,328	\$ 1,937	\$ 2,866	\$ 3,158	\$ 702	\$ 706	.5 %	\$ 2,483	\$ 2,248	(9.5) %
Earnings per share of common stock:											
Net earnings (basic)	\$ 3.21	\$ 4.96	\$ 4.16	\$ 6.14	\$ 6.80	\$ 1.51	\$ 1.56	3.3 %	\$ 5.34	\$ 4.96	(7.1) %
Net earnings (diluted)	3.19	4.92	4.12	6.11	6.76	1.50	1.56	4.0	5.31	4.93	(7.2)
Operating earnings (basic)*	\$ 4.88	\$ 5.55	\$ 6.32	\$ 6.63	\$ 6.22	\$ 1.48	\$ 1.52	2.7 %	\$ 4.81	\$ 4.89	1.7 %
Operating earnings (diluted)*	4.85	5.50	6.27	6.60	6.18	1.47	1.51	2.7	4.78	4.86	1.7

\* See definition of operating earnings on cover page

Numbers may fail to foot due to rounding

Aflac Group Insurance included starting 4th quarter 2009

Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs

**Aflac Incorporated and Subsidiaries**

**Consolidated Statements of Earnings**

(In Millions, except per-share data)

	Years Ended December 31,					3 Months Ended September 30,			9 Months Ended September 30,		
	2009	2010	2011	2012	2013	2013	2014	% Change	2013	2014	% Change
<b>Revenues:</b>											
Net premiums, principally supplemental health	\$ 16,621	\$ 18,073	\$ 20,362	\$ 22,148	\$ 20,135	\$ 5,028	\$ 4,841	(3.7) %	\$ 15,225	\$ 14,583	(4.2) %
Net investment income	2,765	3,007	3,280	3,473	3,293	821	841	2.4	2,467	2,511	1.8
Realized investment gains (losses)	(1,212)	(422)	(1,552)	(349)	399	22	16		379	72	
Other income	80	74	81	92	112	15	38		67	48	
Total revenues	<u>18,254</u>	<u>20,732</u>	<u>22,171</u>	<u>25,364</u>	<u>23,939</u>	<u>5,886</u>	<u>5,736</u>	(2.5)	<u>18,138</u>	<u>17,214</u>	(5.1)
<b>Benefits and Expenses:</b>											
Benefits and claims, net	11,308	12,106	13,749	15,330	13,813	3,485	3,355	(3.7)	10,417	9,868	(5.3)
Acquisition and operating expenses:											
Amortization of D.A.C.	942	958	1,033	1,117	1,074	256	271		790	841	
Insurance commissions	1,568	1,637	1,725	1,744	1,528	388	361		1,158	1,096	
Insurance expenses	1,977	2,159	2,336	2,415	2,222	568	566		1,631	1,637	
Interest expense	72	149	196	261	293	71	77		211	238	
Other operating expense	152	162	182	195	193	49	32		143	118	
Total acquisition and operating expenses	<u>4,711</u>	<u>5,065</u>	<u>5,472</u>	<u>5,732</u>	<u>5,310</u>	<u>1,332</u>	<u>1,307</u>	(1.9)	<u>3,933</u>	<u>3,930</u>	(.1)
Total benefits and expenses	<u>16,019</u>	<u>17,171</u>	<u>19,221</u>	<u>21,062</u>	<u>19,123</u>	<u>4,817</u>	<u>4,662</u>	(3.2)	<u>14,350</u>	<u>13,798</u>	(3.9)
Pretax earnings	2,235	3,561	2,950	4,302	4,816	1,069	1,074		3,788	3,416	
Income taxes	<u>738</u>	<u>1,233</u>	<u>1,013</u>	<u>1,436</u>	<u>1,658</u>	<u>367</u>	<u>368</u>		<u>1,305</u>	<u>1,168</u>	
Net earnings	<u>\$ 1,497</u>	<u>\$ 2,328</u>	<u>\$ 1,937</u>	<u>\$ 2,866</u>	<u>\$ 3,158</u>	<u>\$ 702</u>	<u>\$ 706</u>	.5 %	<u>\$ 2,483</u>	<u>\$ 2,248</u>	(9.5) %
Operating earnings *	<u>\$ 2,277</u>	<u>\$ 2,602</u>	<u>\$ 2,946</u>	<u>\$ 3,097</u>	<u>\$ 2,887</u>	<u>\$ 687</u>	<u>\$ 685</u>	(.5) %	<u>\$ 2,236</u>	<u>\$ 2,216</u>	(.9) %
<b>Earnings Per Share of Common Stock:</b>											
Net earnings (basic)	\$ 3.21	\$ 4.96	\$ 4.15	\$ 6.14	\$ 6.80	\$ 1.51	\$ 1.56	3.3 %	\$ 5.34	\$ 4.96	(7.1) %
Net earnings (diluted)	3.19	4.92	4.12	6.11	6.76	1.50	1.56	4.0	5.31	4.93	(7.2)
Operating earnings (basic) *	\$ 4.88	\$ 5.55	\$ 6.31	\$ 6.63	\$ 6.22	\$ 1.48	\$ 1.52	2.7 %	\$ 4.81	\$ 4.89	1.7 %
Operating earnings (diluted) *	4.85	5.50	6.27	6.60	6.18	1.47	1.51	2.7	4.78	4.86	1.7

\* See definition of operating earnings on cover page

Numbers may fail to foot due to rounding

Aflac Group Insurance included starting 4th quarter 2009

Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs

**Aflac Incorporated and Subsidiaries**

**Analysis of Net Earnings and Net Earnings Per Diluted Share**

(In Millions, except for per-share data)

	Net Earnings	Real. Inv. Gains/(Losses)		Other and Non-Recurring Items	Operating Currency Impact	Net Earnings Per Share	Real. Inv. Gains/(Losses)		Other and Non-Recurring Items Per Share	Operating Currency Impact Per Share
		Securities Transactions/Impairments	Impact From Derivatives and Hedging				Securities Transactions/Impairments Per Share	Impact From Derivatives and Hedging Per Share		
2003	\$ 768	\$ (191)	\$ (3)	\$ —	\$ 33	\$ 1.47	\$ (.37)	\$ —	\$ —	\$ .06
2004	1,266	(5)	(13)	131	39	2.45	(.01)	(.03)	.26	.08
2005	1,483	167	(10)	34	(8)	2.92	.33	(.02)	.07	(.02)
2006	1,483	51	—	—	(39)	2.95	.10	—	—	(.08)
2007	1,634	18	2	—	(11)	3.31	.04	—	—	(.02)
2008	1,254	(655)	(3)	—	111	2.62	(1.37)	—	—	.23
2009	1,497	(788)	(3)	11	124	3.19	(1.67)	(.01)	.02	.26
2010	2,328	(273)	(1)	—	92	4.92	(.58)	—	—	.19
2011	1,937	(850)	(159)	—	170	4.12	(1.81)	(.34)	—	.36
2012	2,866	(326)	100	(5)	8	6.11	(.69)	.21	(.01)	.01
2013	3,158	41	212	18	(357)	6.76	.09	.45	.04	(.76)
2011										
1	389	(357)	(19)	—	49	.83	(.75)	(.04)	—	.10
2	274	(480)	26	—	51	.58	(1.03)	.06	—	.11
3	736	155	(189)	—	45	1.57	.33	(.41)	—	.09
4	538	(168)	23	—	26	1.14	(.36)	.05	—	.06
2012										
1	785	(81)	52	—	20	1.68	(.17)	.11	—	.04
2	483	(228)	(44)	—	6	1.03	(.49)	(.09)	—	.01
3	1,017	124	62	—	2	2.16	.26	.13	—	—
4	581	(141)	30	(5)	(20)	1.24	(.29)	.06	(.01)	(.04)
2013										
1	892	42	60	—	(71)	1.90	.08	.13	—	(.15)
2	889	55	75	—	(103)	1.90	.12	.16	—	(.22)
3	702	41	(26)	—	(97)	1.50	.09	(.06)	—	(.21)
4	675	(97)	103	18	(85)	1.45	(.21)	.22	.04	(.18)
2014										
1	732	25	(61)	(6)	(48)	1.60	.05	(.13)	(.01)	(.10)
2	810	45	15	(7)	(13)	1.78	.10	.03	(.01)	(.03)
3	<b>706</b>	<b>21</b>	<b>(17)</b>	<b>17</b>	<b>(19)</b>	<b>1.56</b>	<b>.05</b>	<b>(.04)</b>	<b>.04</b>	<b>(.04)</b>

Addition of quarters may not equal annual amounts due to rounding

Aflac Group Insurance included starting 4th quarter 2009

Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs



## Aflac Incorporated and Subsidiaries

### Consolidated Balance Sheets

(In Millions, except per-share data)

	December 31,					September 30,	
	2009	2010	2011	2012	2013	2013	2014
<b>Assets:</b>							
Investments and cash:							
Securities available for sale:							
Fixed Maturities	\$ 36,781	\$ 43,100	\$ 42,222	\$ 51,466	\$ 53,227	\$ 51,949	\$ 63,100
Fixed Maturities - consolidated variable interest entities	—	5,255	5,350	5,787	4,843	4,974	4,132
Perpetual securities	7,263	5,974	5,149	3,728	2,479	2,484	2,543
Perpetual securities - consolidated variable interest entities	—	1,538	1,290	574	468	457	483
Equity securities	24	23	25	23	21	22	23
Securities held to maturity:							
Fixed Maturities	26,687	29,470	46,366	54,137	44,178	43,351	37,652
Fixed Maturities - consolidated variable interest entities	—	614	643	289	237	256	91
Other Investments	114	135	168	174	463	470	4,001
Cash and cash equivalents	2,323	2,121	2,249	2,041	2,543	2,749	2,666
Total investments and cash	<u>73,192</u>	<u>88,230</u>	<u>103,462</u>	<u>118,219</u>	<u>108,459</u>	<u>106,712</u>	<u>114,691</u>
Receivables, primarily premiums, net	764	661	680	976	1,165	950	870
Accrued investment income	649	738	802	842	798	775	770
Deferred policy acquisition costs	8,533	8,938	9,789	9,658	8,798	9,173	8,713
Property and equipment, net	593	620	617	564	481	510	449
Other assets	375	1,056	887	835	1,606	1,798	1,760
Total assets	<u>\$ 84,106</u>	<u>\$ 100,243</u>	<u>\$ 116,237</u>	<u>\$ 131,094</u>	<u>\$ 121,307</u>	<u>\$ 119,918</u>	<u>\$ 127,253</u>
<b>Liabilities and Shareholders' Equity:</b>							
Liabilities:							
Total policy liabilities	\$ 69,245	\$ 82,310	\$ 94,239	\$ 97,720	\$ 89,402	\$ 93,937	\$ 90,200
Notes payable	2,599	3,038	3,285	4,352	4,897	4,953	4,558
Income taxes, primarily deferred	1,653	1,689	2,308	3,858	3,718	3,255	4,469
Other liabilities	2,192	2,666	3,459	9,186	8,670	3,115	10,173
Total liabilities	<u>75,689</u>	<u>89,703</u>	<u>103,291</u>	<u>115,116</u>	<u>106,687</u>	<u>105,260</u>	<u>109,400</u>
Shareholders' equity:							
Common stock	66	66	66	67	67	67	67
Additional paid-in capital	1,228	1,320	1,408	1,505	1,644	1,605	1,726
Retained earnings	12,410	13,787	15,148	17,387	19,885	19,380	21,628
Accumulated other comprehensive income (loss):							
Unrealized foreign currency translation gains (losses)	776	817	984	333	(1,505)	(418)	(1,805)
Unrealized gains (losses) on investment securities	(640)	33	1,143	2,570	1,035	143	3,402
Unrealized gains (losses) on derivatives	—	31	9	(5)	(12)	(8)	(17)
Pension liability adjustment	(107)	(128)	(171)	(183)	(81)	(178)	(80)
Treasury stock	<u>(5,316)</u>	<u>(5,386)</u>	<u>(5,641)</u>	<u>(5,696)</u>	<u>(6,413)</u>	<u>(5,933)</u>	<u>(7,068)</u>
Total shareholders' equity	<u>8,417</u>	<u>10,540</u>	<u>12,946</u>	<u>15,978</u>	<u>14,620</u>	<u>14,658</u>	<u>17,853</u>
Total liabilities & shareholders' equity	<u>\$ 84,106</u>	<u>\$ 100,243</u>	<u>\$ 116,237</u>	<u>\$ 131,094</u>	<u>\$ 121,307</u>	<u>\$ 119,918</u>	<u>\$ 127,253</u>

Aflac Group Insurance included starting 4th quarter 2009

Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs and for the reclassification of certain policy liabilities

**Aflac Incorporated and Subsidiaries**

**Quarterly Financial Results**  
(In Millions, except per-share data)

		Premium Income	Net Invest. Income	Total Rev.	Benefits & Claims	Total Acqu. & Oper. Exp.	Total Benefits & Exp.	Total Pretax Earn.	Oper. Earn. *	Net Earn.	Oper. EPS *		Net EPS		Total Assets	Invest. & Cash	Equity Per Share	Unreal. G/L on Sec. Per Share	Equity excl G/L on Sec. Per Share
											Basic	Dil.	Basic	Dil.					
2007	1	3,156	566	3,751	2,258	857	3,115	636	407	416	.83	.82	.85	.84	61,192	53,268	17.37	2.80	14.56
	2	3,162	572	3,764	2,266	863	3,129	635	407	415	.83	.82	.85	.84	60,114	52,197	16.77	1.80	14.97
	3	3,260	592	3,861	2,331	888	3,219	642	417	420	.86	.85	.86	.85	63,576	55,073	17.33	1.55	15.78
	4	3,395	604	4,018	2,431	1,002	3,433	585	382	382	.79	.78	.79	.78	65,805	57,056	18.08	1.80	16.28
2008	1	3,635	627	4,267	2,538	1,003	3,541	726	475	474	.99	.98	.99	.98	72,269	62,788	17.12	.49	16.63
	2	3,684	637	4,336	2,575	1,021	3,596	740	487	483	1.03	1.01	1.02	1.00	70,552	60,892	16.59	(.45)	17.04
	3	3,647	637	3,691	2,551	992	3,543	148	493	100	1.04	1.02	.21	.21	70,457	60,727	13.64	(1.85)	15.49
	4	3,981	677	4,260	2,835	1,124	3,959	301	458	197	.98	.98	.42	.42	79,331	68,550	14.23	(2.60)	16.82
2009	1	4,115	688	4,818	2,811	1,136	3,947	871	568	569	1.22	1.22	1.22	1.22	71,815	61,729	11.12	(6.39)	17.51
	2	3,995	668	4,313	2,723	1,117	3,840	473	562	314	1.20	1.20	.67	.67	76,041	65,572	13.58	(4.55)	18.13
	3	4,165	692	4,526	2,817	1,160	3,977	549	589	363	1.26	1.25	.78	.77	82,616	71,625	16.85	(2.38)	19.23
	4	4,347	717	4,597	2,956	1,298	4,254	343	558	251	1.19	1.18	.54	.53	84,106	73,192	17.96	(1.37)	19.33
2010	1	4,348	726	5,065	2,857	1,238	4,095	970	664	634	1.41	1.40	1.35	1.34	84,473	73,998	18.17	(.46)	18.63
	2	4,333	727	4,980	2,885	1,215	4,099	881	634	576	1.36	1.34	1.23	1.22	90,501	79,532	20.29	.29	20.00
	3	4,607	765	5,394	3,102	1,245	4,347	1,046	678	684	1.44	1.44	1.46	1.44	97,067	85,585	22.57	1.26	21.31
	4	4,785	789	5,294	3,263	1,368	4,631	664	626	434	1.34	1.32	.92	.92	100,243	88,230	22.44	.14	22.30
2011	1	4,872	794	5,117	3,222	1,304	4,526	591	765	389	1.64	1.62	.83	.83	100,353	88,441	22.48	(.04)	22.52
	2	4,956	784	5,088	3,310	1,334	4,644	444	727	274	1.56	1.55	.59	.58	105,415	92,984	24.52	1.62	22.90
	3	5,210	843	5,987	3,517	1,377	4,894	1,093	770	736	1.65	1.65	1.58	1.57	113,857	100,808	26.05	1.52	24.53
	4	5,324	858	5,979	3,700	1,457	5,157	822	684	538	1.47	1.45	1.15	1.14	116,237	103,462	27.76	2.47	25.29
2012	1	5,378	882	6,240	3,646	1,392	5,038	1,202	814	785	1.75	1.74	1.68	1.68	115,552	103,104	29.19	3.10	26.09
	2	5,467	845	5,902	3,763	1,398	5,161	741	755	483	1.62	1.61	1.04	1.03	122,209	109,255	30.29	3.15	27.14
	3	5,660	869	6,847	3,932	1,435	5,367	1,480	831	1,017	1.78	1.77	2.17	2.16	137,840	124,215	34.10	4.83	29.27
	4	5,643	876	6,375	3,989	1,506	5,495	880	697	581	1.49	1.48	1.24	1.24	131,094	118,219	34.16	5.48	28.67
2013	1	5,184	833	6,208	3,521	1,326	4,847	1,361	790	892	1.69	1.69	1.91	1.90	120,538	107,400	33.34	4.23	29.10
	2	5,013	813	6,044	3,411	1,275	4,686	1,358	759	889	1.63	1.62	1.91	1.90	116,313	103,936	29.46	(.45)	29.91
	3	5,028	821	5,886	3,485	1,332	4,817	1,069	687	702	1.48	1.47	1.51	1.50	119,918	106,712	31.47	.29	31.19
	4	4,910	826	5,801	3,396	1,377	4,773	1,028	651	675	1.41	1.40	1.46	1.45	121,307	108,459	31.82	2.23	29.59
2014	1	4,854	827	5,640	3,220	1,316	4,536	1,104	774	732	1.70	1.69	1.61	1.60	123,292	110,493	34.53	4.25	30.27
	2	4,888	843	5,838	3,293	1,307	4,600	1,238	757	810	1.67	1.66	1.79	1.78	127,871	114,734	38.76	6.41	32.35
	3	<b>4,841</b>	<b>841</b>	<b>5,736</b>	<b>3,355</b>	<b>1,307</b>	<b>4,662</b>	<b>1,074</b>	<b>685</b>	<b>706</b>	<b>1.52</b>	<b>1.51</b>	<b>1.56</b>	<b>1.56</b>	<b>127,253</b>	<b>114,691</b>	<b>39.63</b>	<b>7.51</b>	<b>32.12</b>

\* See definition of operating earnings on cover page

Equity per share amounts have been adjusted for revised accounting guidance for quantifying financial statement misstatements on January 1, 2006

Aflac Group Insurance included starting 4th quarter 2009

Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs

**Aflac Incorporated and Subsidiaries**

**Percentage Increases and Selected Ratios**

	Premium Income	Net		Total Benefits & Claims	Operating Expenses	Pretax Earnings	Effective Tax Rate	Operating Earnings Per Share *	Profit Margins		Total Assets	Invested Assets	Equity Per Share	Adj. Debt to Cap.***	
		Investment Income	Total Revenues						Pretax Operating Profit Margin**	After-tax Operating Profit Margin**					
2003	15.4 %	10.7 %	11.6 %	14.3 %	11.3 %	(2.0) %	35.8 %	23.5 %	12.8 %	8.2 %	13.1 %	12.5 %	4.9 %	24.5	
2004	13.9	9.5	16.0	12.7	11.1	47.5	28.6	21.2	13.7	8.9	16.4	17.9	15.4	21.7	
2005	6.1	5.8	8.1	4.8	7.3	25.5	33.4	13.9	14.0	9.2	(5.0)	(5.7)	5.7	18.8	
2006	2.7	4.8	1.8	1.4	2.8	1.7	34.5	12.2	15.0	9.9	6.1	6.1	6.7	17.1	
2007	5.4	7.5	5.3	3.0	8.2	10.4	34.6	14.7	16.1	10.5	10.0	9.8	6.8	15.6	
2008	15.2	10.5	7.5	13.1	14.7	(23.4)	34.5	22.0	16.7	10.9	20.6	20.1	(21.3)	18.0	
2009	11.2	7.3	10.3	7.7	13.8	16.8	33.0	21.6	17.7	11.7	6.0	6.8	26.2	22.3	
2010	8.7	8.7	13.6	7.1	7.0	60.4	34.6	13.4	18.8	12.3	19.2	20.5	24.9	22.5	
2011	12.7	9.1	6.9	13.6	8.0	(17.1)	34.3	14.0	19.0	12.4	16.0	17.3	23.7	21.8	
2012	8.8	5.9	14.4	11.5	4.8	45.8	33.4	5.3	18.1	12.0	12.8	14.3	23.0	23.4	
2013	(9.1)	(5.2)	(5.6)	(9.9)	(7.4)	11.9	34.4	(6.4)	18.7	12.3	(7.5)	(8.3)	(6.8)	24.3	
2011	1	12.0	9.4	1.0	12.7	5.3	(39.0)	34.2	15.7	20.6	13.4	18.8	19.5	23.7	22.3
	2	14.4	7.9	2.2	14.8	9.8	(49.6)	38.3	15.7	19.3	12.6	16.5	16.9	20.8	22.2
	3	13.1	10.1	11.0	13.4	10.6	4.5	32.6	14.6	19.4	12.7	17.3	17.8	15.4	22.4
	4	11.3	8.9	12.9	13.4	6.4	23.9	34.6	9.8	16.9	11.0	16.0	17.3	23.7	21.8
2012	1	10.4	11.0	21.9	13.2	6.8	103.1	34.7	7.4	19.8	13.0	15.1	16.6	29.2	24.5
	2	10.3	7.8	16.0	13.7	4.8	67.0	34.8	3.9	18.3	11.9	15.9	17.5	23.5	22.4
	3	8.6	3.2	14.4	11.8	4.2	35.4	31.3	7.3	18.2	12.7	21.1	23.2	30.9	23.2
	4	6.0	2.0	6.6	7.8	3.4	7.0	33.9	2.1	16.2	10.6	12.8	14.3	23.0	23.4
2013	1	(3.6)	(5.6)	(.5)	(3.4)	(4.8)	13.3	34.5	(2.9)	19.9	13.1	4.3	4.2	14.2	22.9
	2	(8.3)	(3.8)	2.4	(9.4)	(8.7)	83.3	34.5	.6	19.8	13.0	(4.8)	(4.9)	(2.7)	23.9
	3	(11.2)	(5.6)	(14.0)	(11.4)	(7.2)	(27.8)	34.3	(16.9)	17.8	11.7	(13.0)	(14.1)	(7.7)	23.1
	4	(13.0)	(5.7)	(9.0)	(14.9)	(8.6)	16.9	34.4	(5.4)	17.2	11.3	(7.5)	(8.3)	(6.8)	24.3
2014	1	(6.4)	(.7)	(9.1)	(8.6)	(.7)	(18.9)	33.7	—	20.5	13.6	2.3	2.9	3.6	23.6
	2	(2.5)	3.8	(3.4)	(3.4)	2.3	(8.8)	34.5	2.5	20.1	13.2	9.9	10.4	31.6	22.8
	3	(3.7)	2.4	(2.5)	(3.7)	(1.9)	.6	34.3	2.7	18.3	12.0	6.1	7.5	25.9	22.9

\* Diluted basis. See definition of operating earnings on cover page

\*\* See definition of operating earnings on cover page

\*\*\* Adjusted capitalization is the sum of the debt plus shareholders' equity, excluding the unrealized gains and losses on investment securities and derivatives. The debt amount is the sum of the gross notes payable. Beginning in 3rd quarter of 2012, the debt has been adjusted for 50% of our subordinated debentures. The debt was also adjusted between 2nd quarter of 2013 and the 2nd quarter of 2014 for the portion of senior notes designated as pre-funding of 2014 maturities.

*Equity per share amounts have been adjusted for revised accounting guidance for quantifying financial statement misstatements on January 1, 2006*

*Aflac Group Insurance included starting 4th quarter 2009*

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs*

**Aflac Incorporated and Subsidiaries**

**Currency Impact on Operating Earnings Per Share**  
(Diluted Basis)

		Reported	Reported	QTD	YTD	EPS	EPS			Reported	Reported	QTD	YTD	EPS	EPS
		EPS*	Growth	Yen	Yen	Excl.	Growth			EPS*	Growth	Yen	Yen	Excl.	Growth
				Effect	Effect*	1 Yr. Yen	Ex. 1 Yr.					Effect	Effect*	1 Yr. Yen	Ex. 1 Yr.
						Impact*	Yen Impact							Impact*	Yen Impact
<b>2007</b>	<b>1</b>	\$ .82	13.9 %	(.01)	(.01)	\$ .83	15.3 %	<b>2011</b>	<b>1</b>	\$ 1.62	15.7 %	.10	.10	\$ 1.52	8.6 %
	<b>2</b>	.82	9.3	(.02)	(.03)	.84	12.0		<b>2</b>	1.55	15.7	.11	.21	1.44	7.5
	<b>3</b>	.85	18.1	–	(.03)	.85	18.1		<b>3</b>	1.65	14.6	.10	.31	1.55	7.6
	<b>4</b>	.78	18.2	.01	(.02)	.77	16.7		<b>4</b>	1.45	9.8	.05	.36	1.40	6.1
		<u>\$ 3.27</u>	<u>14.7 %</u>			<u>\$ 3.29</u>	<u>15.4 %</u>			<u>\$ 6.27</u>	<u>14.0 %</u>			<u>\$ 5.91</u>	<u>7.5 %</u>
<b>2008</b>	<b>1</b>	\$ .98	19.5 %	.05	.05	\$ .93	13.4 %	<b>2012</b>	<b>1</b>	\$ 1.74	7.4 %	.04	.04	\$ 1.70	4.9 %
	<b>2</b>	1.01	23.2	.08	.13	.93	13.4		<b>2</b>	1.61	3.9	.01	.06	1.60	3.2
	<b>3</b>	1.02	20.0	.04	.17	.98	15.3		<b>3</b>	1.77	7.3	–	.06	1.77	7.3
	<b>4</b>	.98	25.6	.07	.23	.91	16.7		<b>4</b>	1.48	2.1	(.04)	.01	1.52	4.8
		<u>\$ 3.99</u>	<u>22.0 %</u>			<u>\$ 3.76</u>	<u>15.0 %</u>			<u>\$ 6.60</u>	<u>5.3 %</u>			<u>\$ 6.59</u>	<u>5.1 %</u>
<b>2009</b>	<b>1</b>	\$ 1.22	24.5 %	.09	.09	\$ 1.13	15.3 %	<b>2013</b>	<b>1</b>	\$ 1.69	(2.9) %	(.15)	(.15)	\$ 1.84	5.7 %
	<b>2</b>	1.20	18.8	.05	.14	1.15	13.9		<b>2</b>	1.62	0.6	(.22)	(.37)	1.84	14.3
	<b>3</b>	1.25	22.5	.09	.23	1.16	13.7		<b>3</b>	1.47	(16.9)	(.21)	(.58)	1.68	(5.1)
	<b>4</b>	1.18	20.4	.03	.26	1.15	17.3		<b>4</b>	1.40	(5.4)	(.18)	(.76)	1.58	6.8
		<u>\$ 4.85</u>	<u>21.6 %</u>			<u>\$ 4.59</u>	<u>15.0 %</u>			<u>\$ 6.18</u>	<u>(6.4) %</u>			<u>\$ 6.94</u>	<u>5.2 %</u>
<b>2010</b>	<b>1</b>	\$ 1.40	14.8 %	.05	.05	\$ 1.35	10.7 %	<b>2014</b>	<b>1</b>	\$ 1.69	– %	(.10)	(.10)	\$ 1.79	5.9 %
	<b>2</b>	1.34	11.7	.02	.07	1.32	10.0		<b>2</b>	\$ 1.66	2.5	(.03)	(.13)	\$ 1.69	4.3
	<b>3</b>	1.44	15.2	.07	.14	1.37	9.6		<b>3</b>	\$ 1.51	2.7	(.04)	(.18)	\$ 1.55	5.4
	<b>4</b>	1.32	11.9	.05	.19	1.27	7.6								
		<u>\$ 5.50</u>	<u>13.4 %</u>			<u>\$ 5.31</u>	<u>9.5 %</u>			<u>\$ 4.86</u>	<u>1.7 %</u>			<u>\$ 5.04</u>	<u>5.4 %</u>

\* Addition of quarters may not equal annual amounts due to rounding

See Definition of operating earnings from cover page

Aflac Group Insurance included starting 4th quarter 2009

Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs

**Composition of Invested Assets**

(In Millions)

	December 31,					September 30,	
	2009	2010	2011	2012	2013	2013	2014
<b>Debt Securities (1)</b>							
Fixed Maturities	\$ 62,520	\$ 76,326	\$ 91,013	\$ 106,814	\$ 100,147	\$ 99,172	\$ 99,397
Perpetual Securities	7,554	7,827	6,897	4,213	2,987	3,293	2,820
Residential Mortgage Backs	1,000	811	681	519	368	423	321
Commercial Mortgage Backs	129	127	110	23	24	23	26
Asset Backed	174	917	561	482	387	400	282
CDOs	497	5	-	-	-	-	-
Total debt securities	<u>71,874</u>	<u>86,013</u>	<u>99,262</u>	<u>112,051</u>	<u>103,913</u>	<u>103,311</u>	<u>102,846</u>
<b>Equity Securities (1)</b>	21	22	22	20	17	18	15
<b>Total Portfolio</b>	<u>\$ 71,895</u>	<u>\$ 86,035</u>	<u>\$ 99,284</u>	<u>\$ 112,071</u>	<u>\$ 103,930</u>	<u>\$ 103,329</u>	<u>\$ 102,861</u>

**Unrealized Gains (Losses) on Investment Securities**

(In Millions)

	December 31,					September 30,	
	2009	2010	2011	2012	2013	2013	2014
<b>Available For Sale: Gains</b>	\$ 1,925	\$ 2,539	\$ 3,678	\$ 4,716	\$ 3,659	\$ 2,867	\$ 6,139
Losses	(3,065)	(2,600)	(1,918)	(784)	(2,136)	(2,703)	(976)
Total AFS	<u>\$ (1,140)</u>	<u>\$ (61)</u>	<u>\$ 1,760</u>	<u>\$ 3,932</u>	<u>\$ 1,523</u>	<u>\$ 164</u>	<u>\$ 5,163</u>
<b>Held to Maturity: Gains</b>	\$ 632	\$ 1,148	\$ 991	\$ 1,214	\$ 2,041	\$ 2,102	\$ 3,183
Losses	(1,491)	(763)	(1,618)	(798)	(610)	(953)	(210)
Total HTM	<u>\$ (859)</u>	<u>\$ 385</u>	<u>\$ (627)</u>	<u>\$ 416</u>	<u>\$ 1,431</u>	<u>\$ 1,149</u>	<u>\$ 2,973</u>

**Supplemental Investment Data by Segment**

	December 31,					3 Months Ended September 30,		9 Months Ended September 30,	
	2009	2010	2011	2012	2013	2013	2014	2013	2014
<b>Aflac Japan:</b>									
Invested assets (in millions) (1)	¥ 5,984,151	¥ 6,417,206	¥ 7,180,568	¥ 8,870,864	¥ 9,986,250	¥ 9,073,857	¥ 10,466,694	¥ 9,073,857	¥ 10,466,694
Return on avg. invested assets (2)	3.65 %	3.36 %	3.18 %	2.89 %	2.86 %	2.88 %	2.76 %	2.88 %	2.79 %
Portfolio book yield at end of period	3.77	3.56	3.29	2.87	2.80	2.98	2.83	2.98	2.83
Total new money yield	3.03	2.63	2.48	2.40	2.48	2.00	1.91	2.87	2.13
<b>Aflac U.S.:</b>									
Invested assets (in millions) (1)	\$ 7,696	\$ 8,778	\$ 9,035	\$ 10,629	\$ 11,564	\$ 11,539	\$ 11,958	\$ 11,539	\$ 11,958
Return on avg. invested assets (2)	6.66 %	6.51 %	6.41 %	6.25 %	5.70 %	5.66 %	5.49 %	5.77 %	5.53 %
Portfolio book yield at end of period	7.08	6.88	6.67	6.28	6.05	6.10	5.92	6.10	5.92
New money yield	7.24	5.81	5.67	3.96	4.06	4.51	4.36	3.97	4.34

(1) At amortized cost

(2) Net of investment expenses, year-to-date number reflected on a quarterly average basis

**Top 20 Global Investment Positions**  
(In Millions)

September 30, 2014

No.	Consolidated Corporate/Sovereign Exposure	Total Consolidated Book Value	% of Total Debt & Perp Securities	Book Value	% of Total Debt & Perp Securities	Seniority	Ratings		
							Moody's	S&P	Fitch
1	JAPAN NATIONAL GOVERNMENT (1)	\$ 39,244	38.16 %	\$ 39,244	38.16 %	Senior	Aa3	AA-	A+
2	US TREASURY	1,374	1.34						
	US Treasury (2)			1,371	1.33	Senior	Aaa	AA+	AAA
	Atlanta GA Downtown Development Authority			3	.01	Senior	–	AA+	–
3	REPUBLIC OF SOUTH AFRICA	555	.54	555	.54	Senior	Baa1	BBB-	BBB
4	BANK OF AMERICA NA	413	.40						
	Bank of America Corp.			228	.22	Senior	Baa2	A-	A
	Bank of America Corp.			183	.18	Lower Tier II	Baa3	BBB+	BBB+
	Bank of America NA			2	.00	Senior	A2	A	A
5	BANK OF TOKYO-MITSUBISHI UFJ LTD	411	.40						
	BTMU Curacao Holdings NV			411	.40	Lower Tier II	A1	–	A-
6	INVESTCORP SA	388	.38						
	Investcorp Capital Limited			388	.38	Senior	Ba2	–	BB
7	DEUTSCHE BANK AG	366	.36						
	Deutsche Postbank AG			220	.21	Lower Tier II	Ba1	–	A-
	Deutsche Bank Capital Trust II			132	.13	Tier1	Ba3	BB	BBB-
	Deutsche BK CAP FDG Capital Trust I			14	.02	Tier1	Ba3	BB	BBB-
8	JP MORGAN CHASE & CO	366	.36						
	JPMorgan Chase & Co (including Bear Stearns Companies Inc)			324	.32	Senior	A3	A	A+
	JPMorgan Chase & Co (Bank One Corp)			17	.02	Lower Tier II	Baa1	A-	A
	JPMorgan Chase & Co (FNBC)			14	.01	Senior	Aa1	A+	–
	JPMorgan Chase & Co (NBD Bank)			11	.01	Lower Tier II	A2	A	A
9	SUMITOMO MITSUI FINANCIAL GROUP INC	365	.35						
	Sumitomo Mitsui Banking Corporation (includes SMBC International Finance)			228	.22	Upper Tier II	A2	BBB+	–
	Sumitomo Mitsui Banking Corporation			91	.09	Lower Tier II	A1	A	–
	Sumitomo Mitsui Banking Corporation			46	.04	Upper Tier II	A2	BBB+	–
10	NATIONAL GRID PLC	365	.35						
	National Grid Gas PLC			183	.18	Senior	A3	A-	A
	National Grid Electricity Transmission PLC			182	.17	Senior	A3	A-	A
11	TELECOM ITALIA SPA	365	.35						
	Telecom Italia Finance SA			183	.18	Senior	Ba1	BB+	BBB-
	Olivetti Finance NV			182	.17	Senior	Ba1	BB+	BBB-
12	CITIGROUP INC	342	.33						
	Citigroup Inc (includes Citigroup Global Markets Holdings Inc)			274	.27	Senior	Baa2	A-	A
	Citigroup Inc (Citicorp)			67	.06	Senior	Baa2	A-	A
	Citigroup Inc (Citicorp)			1	.00	Lower Tier II	Baa3	BBB+	A-
13	BANOBRAS	338	.33	338	.33	Senior	A3	BBB+	BBB+
14	PETROLEOS MEXICANOS (PEMEX)	325	.32						
	Pemex Proj FDG Master TR			274	.27	Senior	A3	BBB+	BBB+
	Premex Finance LTD			51	.05	Senior	A3	A-	A+
15	OMAN, (SULTANATE OF)	320	.31	320	.31	Senior	A1	A	–
16	KONINKLIJKE AHOLD NV	316	.31						
	Koninklijke Ahold NV			301	.29	Senior	Baa3	BBB	BBB
	Ahold USA Lease			15	.02	Senior	Baa3	BBB	–

**Aflac Incorporated and Subsidiaries**

**Top 20 Global Investment Positions**  
(In Millions)

**September 30, 2014**

No.	Consolidated Corporate/Sovereign Exposure	Total Consolidated Book Value	% of Total Debt & Perp Securities	Book Value	% of Total Debt & Perp Securities	Seniority	Ratings		
							Moody's	S&P	Fitch
<b>17 NORDEA BANK AB</b>		308	.30						
	Nordea Bank AB			235	.23	Tier1	Baa3	BBB	BBB+
	Nordea Bank Finland			72	.07	Upper Tier II	Baa2	-	-
	Nordea Bank AB			1	.00	Senior	Aa3	AA-	AA-
<b>18 GERMAN AGENCY BANKS</b>		307	.30						
	Landwirtschaftliche Rentenbank			229	.22	Lower Tier II	Aaa	AAA	AAA
	KFW			78	.08	Senior	Aaa	AAA	AAA
<b>19 NAVIENT CORP</b>		303	.29	303	.29	Senior	Ba3	BB	BB
<b>20 AXA</b>		298	.29						
	AXA-UAP			247	.24	Upper Tier II	A3	BBB-	BBB
	AXA			51	.05	CC FNB	A3	BBB	BBB
	Subtotal	\$ 47,069	45.77 %	\$ 47,069	45.77 %				
	<b>TOTAL FIXED INCOME PORTFOLIO</b>	\$ 102,846	100.00 %	\$ 102,846	100.00 %				

(1) Japan Government Bonds (JGBs) or JGB-backed securities

(2) Sold our entire position on October 20, 2014

\*\* If aggregated our total exposure under the Berkshire Hathaway family of companies would have placed it among our top 20 exposures.

However, we consider Berkshire Hathaway Energy company and Burlington Northern Santa Fe, LLC holdings distinct from those of the parent company and believe it appropriate to report them separately.

## Aflac Incorporated and Subsidiaries

### Credit Ratings on Debt and Perpetual Securities

(At Amortized Cost)

	December 31,					September 30,	
	2009	2010	2011	2012	2013	2013	2014
AAA	3.3 %	3.3 %	1.8 %	1.5 %	1.4 %	1.5 %	2.6 %
AA	34.6	35.7	39.1	46.2	46.7	42.8	45.0
A	39.6	36.0	29.7	22.8	23.4	25.1	23.5
BBB	15.6	18.8	23.6	24.8	24.4	26.1	24.9
BB or Lower	6.9	6.2	5.8	4.7	4.1	4.5	4.0
	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

### Subordination Distribution of Debt Securities

(In Millions)

	December 31, 2013		September 30, 2014	
	Amortized Cost	% of Total	Amortized Cost	% of Total
Fixed maturities				
Senior notes	\$ 97,165	93.5 %	\$ 96,437	93.9 %
Subordinated securities:				
Lower Tier II	3,156	3.1	3,012	2.9
Tier I*	139	.1	137	.1
Surplus Notes	330	.3	304	.3
Trust Preferred - Non-banks	85	.1	85	.1
Other Subordinated - Non-banks	51	-	51	-
Total fixed maturities	<u>3,761</u>	<u>3.6</u>	<u>3,589</u>	<u>3.4</u>
Perpetual securities				
Upper Tier II	1,920	1.9	1,849	1.8
Tier I	858	.8	770	.7
Other Subordinated - Non-banks	209	.2	201	.2
Total perpetual securities	<u>2,987</u>	<u>2.9</u>	<u>2,820</u>	<u>2.7</u>
Total	<u>\$ 103,913</u>	<u>100.0 %</u>	<u>\$ 102,846</u>	<u>100.0 %</u>

\* Includes Trust Preferred securities

Aflac Group Insurance included starting 4th quarter 2009



## Aflac Incorporated and Subsidiaries

### Below-Investment-Grade Holdings (1)

(In Millions)

	December 31, 2013				September 30, 2014			
	Par Value	Amortized Cost	Fair Value	Unrealized gains (losses)	Par Value	Amortized Cost	Fair Value	Unrealized gains (losses)
DEUTSCHE BANK AG	\$ *	*	*	*	\$ 416	\$ 366	\$ 397	\$ 31
INVESTCORP CAPITAL LIMITED	401	401	327	(74)	388	388	366	(22)
TELECOM ITALIA SPA	380	380	328	(52)	365	365	371	6
COMMERZBANK AG (INCLUDES DRESDNER BANK)	380	244	336	92	365	235	338	103
REPUBLIC OF TUNISIA	446	275	284	9	338	204	246	42
ISRAEL ELECTRIC CORPORATION LIMITED	417	316	316	-	*	*	*	*
NAVIENT CORP	314	314	227	(87)	304	303	215	(88)
UPM-KYMMENE	294	294	233	(61)	283	283	240	(43)
KLM ROYAL DUTCH AIRLINES	285	209	209	0	274	201	247	46
BARCLAYS BANK PLC (2)	64	47	62	15	246	159	243	84
SOCIETE GENERALE (2)	237	212	198	(14)	228	204	203	(1)
BANK OF IRELAND, THE GOVERNOR & CO. OF	190	190	134	(56)	183	183	131	(52)
GENERALITAT DE CATALUNYA	171	63	113	50	164	60	131	71
EDP (ENERGIAS DE PORTUGAL SA)	137	135	142	7	126	125	132	7
IKB DEUTSCHE INDUSTRIEBANK AG	123	55	55	-	119	50	63	13
KOMMUNALKREDIT AUSTRIA	*	*	*	*	119	93	95	2
TOKYO ELECTRIC POWER CO.,INC.	163	164	166	2	87	87	88	1
REDES ENERGETICAS NACIONAIS SGPS,S.A.	95	95	89	(6)	*	*	*	*
ALCOA INC	*	*	*	*	84	85	100	15
SPAREBANKEN VEST (2)	60	60	52	(8)	-	-	-	-
Other Issuers (below \$50M in Par Value) (3)	367	359	354	(5)	332	346	360	14
	<u>\$ 4,524</u>	<u>\$ 3,813</u>	<u>\$ 3,625</u>	<u>\$ (188)</u>	<u>\$ 4,421</u>	<u>\$ 3,737</u>	<u>\$ 3,966</u>	<u>\$ 229</u>

\* Investment grade at respective reporting date

(1) Does not include senior secured bank loans in an externally managed portfolio that were below investment grade when initially purchased

(2) Includes perpetual security

(3) Includes 15 issuers in 2013 and 16 issuers in 2014

**Statements of Earnings**  
(Before Management Fee)  
(Unaudited GAAP)  
(In Millions)

	<u>Years Ended December 31,</u>					<u>3 Months Ended September 30,</u>			<u>9 Months Ended September 30,</u>		
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2013</u>	<u>2014</u>	<u>%</u> <u>Change</u>	<u>2013</u>	<u>2014</u>	<u>%</u> <u>Change</u>
<b>Revenues:</b>											
Net premiums	\$ 4,444	\$ 4,586	\$ 4,743	\$ 4,996	\$ 5,153	\$ 1,293	\$ 1,306	1.1 %	\$ 3,868	\$ 3,910	1.1 %
Net investment income	499	549	588	613	632	159	162	1.6	473	484	2.2
Other income and realized foreign currency translations	<u>10</u>	<u>11</u>	<u>10</u>	<u>19</u>	<u>6</u>	<u>1</u>	<u>-</u>		<u>4</u>	<u>2</u>	
Total revenues	<u>4,953</u>	<u>5,146</u>	<u>5,341</u>	<u>5,628</u>	<u>5,791</u>	<u>1,453</u>	<u>1,468</u>	<u>1.0</u>	<u>4,345</u>	<u>4,396</u>	<u>1.2</u>
<b>Benefits and expenses:</b>											
Incurred claims	2,225	2,268	2,308	2,386	2,466	616	630	2.3	1,822	1,854	1.7
Increase in future policy benefits	336	286	405	448	423	108	92	(15.2)	306	262	(14.3)
Amortization of deferred policy acquisition costs	419	395	383	400	433	103	112	9.3	321	350	9.1
General operating expenses	<u>1,197</u>	<u>1,275</u>	<u>1,341</u>	<u>1,397</u>	<u>1,431</u>	<u>357</u>	<u>365</u>	<u>1.7</u>	<u>1,063</u>	<u>1,058</u>	<u>(.6)</u>
Total benefits and expenses	<u>4,177</u>	<u>4,224</u>	<u>4,437</u>	<u>4,631</u>	<u>4,753</u>	<u>1,184</u>	<u>1,199</u>	<u>1.2</u>	<u>3,512</u>	<u>3,524</u>	<u>.3</u>
Pretax operating earnings	<u>\$ 776</u>	<u>\$ 922</u>	<u>\$ 904</u>	<u>\$ 997</u>	<u>\$ 1,038</u>	<u>\$ 269</u>	<u>\$ 269</u>	<u>.3 %</u>	<u>\$ 833</u>	<u>\$ 872</u>	<u>4.7 %</u>
Realized capital gains (losses), net of taxes	<u>(98)</u>	<u>(46)</u>	<u>34</u>	<u>44</u>	<u>4</u>	<u>(7)</u>	<u>(21)</u>		<u>(3)</u>	<u>(28)</u>	

*Aflac Group Insurance included starting 4th quarter 2009*

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs*

**Balance Sheets**  
(Unaudited GAAP)  
(In Millions)

	December 31,					September 30,	
	2009	2010	2011	2012	2013	2013	2014
<b>Assets:</b>							
Investments and cash	\$ 8,364	\$ 9,553	\$ 10,450	\$ 12,420	\$ 12,221	\$ 12,280	\$ 13,401
Receivables, principally premiums, net	379	390	394	428	466	482	479
Accrued investment income	123	145	162	170	171	166	168
Deferred policy acquisition costs	2,687	2,549	2,687	2,857	2,979	2,939	3,007
Other assets	226	237	249	247	275	268	253
	<u>226</u>	<u>237</u>	<u>249</u>	<u>247</u>	<u>275</u>	<u>268</u>	<u>253</u>
Total assets	\$ <u>11,779</u>	\$ <u>12,874</u>	\$ <u>13,942</u>	\$ <u>16,122</u>	\$ <u>16,112</u>	\$ <u>16,135</u>	\$ <u>17,308</u>
<b>Liabilities and Shareholders' Equity:</b>							
Future policy benefits	\$ 5,779	\$ 6,078	\$ 6,483	\$ 6,931	\$ 7,354	\$ 7,236	\$ 7,616
Policy and contract claims	1,023	1,126	1,195	1,278	1,421	1,354	1,479
Unearned premium	108	127	128	125	122	123	120
Other policyholder funds	277	201	200	200	201	201	0
Deferred income taxes	487	383	914	1,238	617	613	833
Other liabilities	649	945	879	983	1,083	1,136	1,204
Shareholders' equity	3,456	4,014	4,143	5,367	5,314	5,472	6,056
	<u>3,456</u>	<u>4,014</u>	<u>4,143</u>	<u>5,367</u>	<u>5,314</u>	<u>5,472</u>	<u>6,056</u>
Total liabilities & shareholders' equity	\$ <u>11,779</u>	\$ <u>12,874</u>	\$ <u>13,942</u>	\$ <u>16,122</u>	\$ <u>16,112</u>	\$ <u>16,135</u>	\$ <u>17,308</u>

*Aflac Group Insurance included starting 4th quarter 2009*

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs and for the reclassification of certain policy liabilities*

**Quarterly Statements of Earnings and Percentage Changes**

(Unaudited GAAP – Restated to conform to current classifications)

(In Millions)

		<b>Earned</b>	<b>%</b>	<b>Net</b>	<b>%</b>	<b>Total</b>	<b>%</b>	<b>Total</b>	<b>%</b>	<b>Amort.</b>	<b>%</b>	<b>General</b>	<b>%</b>	<b>Total</b>	<b>%</b>	<b>Pretax</b>	<b>%</b>
		<b>Prem.</b>	<b>Change</b>	<b>Invest.</b>	<b>Change</b>	<b>Rev.</b>	<b>Change</b>	<b>Ben.</b>	<b>Change</b>		<b>Change</b>	<b>Oper.</b>	<b>Change</b>	<b>Oper.</b>	<b>Change</b>	<b>Oper.</b>	<b>Change</b>
				<b>Income</b>								<b>Exp.</b>		<b>Exp.</b>		<b>Earn.</b>	
2007	1	961	10.9	122	10.3	1,085	10.7	572	9.3	80	7.4	264	12.1	344	11.0	169	15.4
	2	972	10.7	124	8.4	1,099	10.6	584	10.8	79	11.8	265	7.6	344	8.5	171	14.1
	3	993	10.7	127	5.4	1,122	10.0	596	9.3	76	12.1	268	9.3	344	9.9	182	12.3
	4	1,010	10.9	127	6.2	1,140	10.4	599	4.4	88	14.3	283	11.1	371	11.8	170	34.2
2008	1	1,050	9.3	123	1.3	1,176	8.4	616	7.8	95	18.4	274	3.8	369	7.2	191	12.6
	2	1,064	9.5	125	.1	1,191	8.4	628	7.6	85	8.2	288	8.5	373	8.4	190	11.1
	3	1,078	8.5	129	1.7	1,209	7.8	637	6.9	88	16.4	280	4.4	368	7.0	204	11.9
	4	1,080	7.0	128	.7	1,211	6.2	645	7.7	102	15.7	304	7.1	406	9.1	160	(5.5)
2009	1	1,103	5.0	125	1.4	1,230	4.7	609	(1.1)	126	32.8	291	6.1	417	13.0	204	7.2
	2	1,094	2.8	127	1.8	1,223	2.7	631	.4	104	21.9	290	1.1	394	5.8	198	4.0
	3	1,110	3.0	123	(4.4)	1,236	2.2	642	.8	93	5.4	285	1.9	378	2.7	216	5.7
	4	1,136	5.2	124	(3.1)	1,264	4.3	680	5.3	96	(6.0)	330	8.7	426	5.0	158	(1.5)
2010	1	1,142	3.5	132	5.6	1,276	3.7	580	(4.7)	125	(1.3)	325	12.1	450	8.0	245	20.0
	2	1,147	4.9	135	6.1	1,285	5.1	655	3.8	82	(20.5)	323	10.8	405	2.6	225	13.9
	3	1,150	3.6	138	11.9	1,290	4.4	668	4.1	89	(4.6)	307	7.6	396	4.6	226	4.8
	4	1,148	1.0	144	16.1	1,295	2.5	649	(4.5)	100	3.8	320	(3.0)	420	(1.5)	226	42.9
2011	1	1,169	2.5	144	8.8	1,316	3.1	642	10.6	107	(14.1)	316	(3.1)	423	(6.1)	251	2.4
	2	1,186	3.4	148	9.7	1,337	4.0	676	3.2	89	8.0	329	2.0	418	3.2	243	7.8
	3	1,192	3.7	147	7.1	1,342	4.0	704	5.4	91	2.6	332	8.2	423	6.9	214	(5.2)
	4	1,195	4.1	149	3.4	1,347	4.0	690	6.3	96	(3.3)	365	13.9	461	9.8	196	(13.1)
2012	1	1,231	5.2	152	5.5	1,385	5.2	678	5.6	110	2.3	326	3.1	436	2.9	271	8.1
	2	1,251	5.5	153	3.6	1,406	5.2	719	6.3	92	3.6	337	2.6	429	2.9	258	6.3
	3	1,254	5.2	153	3.5	1,412	5.2	712	1.1	101	10.8	339	1.9	440	3.8	260	21.5
	4	1,261	5.5	156	4.4	1,425	5.8	724	4.9	98	1.7	395	8.4	493	7.0	208	5.9
2013	1	1,280	4.0	157	3.4	1,438	3.9	691	1.8	120	9.5	346	6.5	466	7.3	281	3.6
	2	1,295	3.5	158	3.1	1,454	3.4	714	(.7)	98	6.4	359	6.4	457	6.4	283	9.9
	3	1,293	3.1	159	4.2	1,453	2.9	724	1.6	103	2.1	357	5.6	460	4.8	269	3.3
	4	1,285	2.0	159	2.0	1,446	1.4	761	5.2	112	14.5	368	(7.1)	480	(2.8)	205	(1.3)
2014	1	1,294	1.1	161	2.5	1,455	1.2	686	(.7)	130	8.4	336	(3.1)	466	(.1)	303	7.9
	2	1,311	1.2	161	2.5	1,473	1.3	708	(.8)	108	9.6	357	(.4)	465	1.7	300	5.7
	<b>3</b>	<b>1,306</b>	<b>1.1</b>	<b>162</b>	<b>1.6</b>	<b>1,468</b>	<b>1.0</b>	<b>722</b>	<b>(.3)</b>	<b>112</b>	<b>9.3</b>	<b>365</b>	<b>1.7</b>	<b>477</b>	<b>3.4</b>	<b>269</b>	<b>.3</b>

*Aflac Group Insurance included starting 4th quarter 2009*

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs*

**Operating Ratios**  
(Before Management Fee)

Period		Premium Persistency Rate *	Incurred Claims/ Total Rev.	Incurred Claims/ Premium	Tot. Ben./ Total Revenues	Tot. Ben./ Premium	Amort./ Premium	Tot. Oper. Expenses/ Total Rev.	Combined Ratio/ Total Rev.	Pretax Profit Margin
2003		74.0 %	42.2 %	48.3 %	53.5 %	61.1 %	8.1 %	31.5 %	85.0 %	15.0 %
2004		73.7	42.6	48.5	54.0	61.4	8.4	31.1	85.1	14.9
2005		74.4	42.6	48.2	54.2	61.3	8.0	31.5	85.7	14.3
2006		73.9	38.7	43.8	53.9	61.0	8.2	31.6	85.5	14.5
2007		73.9	40.1	45.3	52.9	59.7	8.2	31.5	84.4	15.6
2008		73.2	42.7	47.8	52.8	59.1	8.7	31.6	84.4	15.6
2009		72.2	44.9	50.1	51.7	57.7	9.4	32.6	84.3	15.7
2010		73.6	44.1	49.5	49.6	55.7	8.6	32.5	82.1	17.9
2011		76.2	43.2	48.7	50.8	57.2	8.1	32.3	83.1	16.9
2012		77.1	42.4	47.8	50.3	56.7	8.0	32.0	82.3	17.7
2013		76.8	42.6	47.9	49.9	56.1	8.4	32.2	82.1	17.9
2011	1	73.0	42.9	48.3	48.8	54.9	9.2	32.1	80.9	19.1
	2	75.2	42.3	47.7	50.6	57.0	7.5	31.3	81.9	18.1
	3	75.9	45.0	50.7	52.5	59.1	7.6	31.5	84.0	16.0
	4	76.2	42.6	48.0	51.2	57.7	8.0	34.2	85.4	14.6
2012	1	74.7	42.8	48.2	49.0	55.1	8.9	31.4	80.4	19.6
	2	76.6	42.6	47.9	51.1	57.5	7.4	30.6	81.7	18.3
	3	76.9	42.5	47.9	50.4	56.8	8.0	31.2	81.6	18.4
	4	77.1	41.6	47.1	50.8	57.4	7.8	34.6	85.4	14.6
2013	1	74.7	42.3	47.6	48.0	54.0	9.4	32.5	80.5	19.5
	2	76.3	41.1	46.2	49.1	55.1	7.6	31.4	80.5	19.5
	3	76.7	42.4	47.6	49.8	56.0	7.9	31.7	81.5	18.5
	4	76.8	44.5	50.1	52.7	59.2	8.7	33.1	85.8	14.2
2014	1	73.8	42.1	47.3	47.1	53.0	10.1	32.1	79.2	20.8
	2	76.4	41.5	46.7	48.1	54.1	8.2	31.6	79.7	20.3
	3	<b>76.8</b>	<b>42.9</b>	<b>48.2</b>	<b>49.2</b>	<b>55.2</b>	<b>8.6</b>	<b>32.4</b>	<b>81.6</b>	<b>18.4</b>

*Aflac Group Insurance included starting 4th quarter 2009*

*\*Premium persistency rate excludes Aflac Group Insurance*

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs*

**Aflac U.S. Sales Results**  
(In Millions)

	<b>Period</b>	<b>Annl. Prem. In Force</b>	<b>% Change</b>	<b>New Annl. Prem. Sales</b>	<b>% Change</b>	<b>Convers. Prem.</b>	<b>Total New Prem.</b>	<b>% Change</b>
	2003	\$ 3,043	13.8 %	\$ 1,111	4.9 %	\$ 17	\$ 1,128	5.4 %
	2004	3,374	10.9	1,156	4.0	30	1,186	5.1
	2005	3,711	10.0	1,235	6.8	24	1,259	6.1
	2006	4,101	10.5	1,395	13.0	28	1,423	13.1
	2007	4,510	10.0	1,522	9.1	36	1,558	9.5
	2008	4,789	6.2	1,518	(.2)	33	1,551	(.4)
	2009	4,956	3.5	1,426	(6.1)	27	1,453	(6.4)
	2010	4,973	.3	1,357	(4.9)	25	1,382	(4.9)
	2011	5,188	4.3	1,453	7.1	23	1,476	6.8
	2012	5,451	5.1	1,468	1.0	20	1,488	.8
	2013	5,570	2.2	1,407	(4.2)	17	1,424	(4.3)
2010	1	4,868	2.8	309	(10.3)	7	316	(10.0)
	2	4,887	3.1	327	(2.8)	6	333	(2.4)
	3	4,897	2.6	319	(5.3)	5	324	(5.3)
	4	4,973	.3	401	(1.8)	8	409	(2.3)
2011	1	4,981	2.3	329	6.2	7	336	6.3
	2	5,038	3.1	348	6.4	5	353	5.9
	3	5,085	3.8	336	5.3	4	340	5.0
	4	5,188	4.3	440	9.8	7	447	9.3
2012	1	5,237	5.2	345	5.1	6	351	4.5
	2	5,295	5.1	354	1.6	5	359	1.5
	3	5,324	4.7	331	(1.4)	4	335	(1.5)
	4	5,451	5.1	438	(.6)	6	444	(.7)
2013	1	5,427	3.6	328	(5.0)	4	332	(5.2)
	2	5,484	3.6	359	1.5	5	364	1.4
	3	5,494	3.2	327	(1.4)	3	330	(1.5)
	4	5,570	2.2	393	(10.3)	4	397	(10.4)
2014	1	5,506	1.4	314	(4.5)	4	318	(4.4)
	2	5,537	1.0	331	(8.1)	3	334	(8.2)
	<b>3</b>	<b>5,525</b>	<b>.6</b>	<b>324</b>	<b>(.8)</b>	<b>4</b>	<b>328</b>	<b>(.6)</b>

*Aflac Group Insurance included starting 4th quarter 2009*

**Aflac U.S. Product Mix**  
(New Annualized Premium Sales, in Millions)

	Income-Loss Protection				Asset-Loss Protection				Supplemental Medical				Other	% of Total	
	STD	% of Total	Life	% of Total	Accident	% of Total	Critical Care*	% of Total	Hospital Indemnity	% of Total	Dental/Vision	% of Total			
2007	\$ 300	19.2 %	\$ 85	5.5 %	\$ 492	31.6 %	\$ 360	23.1 %	\$ 212	13.6 %	\$ 106	6.8 %	\$ 3	.2 %	
2008	283	18.3	96	6.2	471	30.3	361	23.3	241	15.5	97	6.3	2	.1	
2009	257	17.7	91	6.3	436	30.0	329	22.6	254	17.5	83	5.7	4	.2	
2010	236	17.1	83	6.0	421	30.5	320	23.2	246	17.8	76	5.5	1	—	
2011	266	18.0	83	5.7	443	30.0	356	24.1	232	15.7	96	6.5	—	—	
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	
2012	1	70	20.0	21	5.9	103	29.4	83	23.7	52	14.7	22	6.3	—	—
	2	73	20.3	20	5.6	109	30.3	79	22.1	55	15.3	23	6.4	—	—
	3	69	20.5	19	5.7	101	30.2	73	21.9	51	15.3	22	6.4	—	—
	4	90	20.2	21	4.8	126	28.4	108	24.4	70	15.7	23	5.2	6	1.3
2013	1	71	21.3	18	5.4	90	27.2	69	20.8	53	16.0	21	6.4	10	2.9
	2	76	20.9	19	5.3	98	26.9	71	19.5	62	17.2	24	6.5	14	3.7
	3	70	21.1	18	5.5	92	27.9	65	19.7	53	16.2	22	6.6	10	3.0
	4	86	21.5	20	5.0	108	27.2	91	22.8	71	17.8	21	5.4	—	.3
2014	1	69	21.6	20	6.2	89	27.9	67	21.1	53	16.8	20	6.4	—	—
	2	75	22.4	21	6.3	93	27.8	68	20.3	55	16.5	22	6.7	—	—
	3	<b>76</b>	<b>23.1</b>	<b>20</b>	<b>6.0</b>	<b>95</b>	<b>29.1</b>	<b>66</b>	<b>20.1</b>	<b>50</b>	<b>15.3</b>	<b>21</b>	<b>6.4</b>	—	—

**Aflac U.S. Sales Force Data**

	Recruited		Licensed Sales		Weekly Average		Monthly Average		
	Agents	% Increase	Associates	% Increase	Producers	% Increase	Producers	% Increase	
2006	26,108	7.8 %	68,394	8.5 %	10,330	6.4 %	44,482	6.3 %	
2007	24,247	(7.1)	71,258	4.2	10,945	6.0	46,818	5.3	
2008	25,755	6.2	74,390	4.4	11,232	2.6	48,402	3.4	
2009	28,482	10.6	75,315	1.2	11,145	(.8)	48,292	(.2)	
2010	22,167	(22.2)	72,535	(3.7)	10,410	(6.6)	45,113	(6.6)	
2011	24,495	10.5	74,802	3.1	10,427	.2	45,188	.2	
2012	24,955	1.9	76,462	2.2	10,197	(2.2)	44,398	(1.7)	
2013	22,041	(11.7)	76,305	(0.2)	9,577	(6.1)	41,505	(6.1)	
2013	1	5,434	(18.9)	75,919	(.5)	9,507	(6.7)	41,200	(6.7)
	2	6,307	(1.2)	76,244	(.8)	9,759	(5.1)	42,291	(5.1)
	3	5,317	(12.7)	75,895	(.9)	9,253	(5.6)	40,100	(5.6)
	4	4,983	(13.8)	76,305	(.2)	9,791	(6.9)	42,430	(6.9)
2014	1	5,599	3.0	73,331	(3.4)	9,024	(5.1)	39,110	(5.1)
	2	6,051	(4.1)	74,388	(2.4)	9,353	(4.2)	40,531	(4.2)
	3	<b>5,529</b>	<b>4.0</b>	<b>74,604</b>	<b>(1.7)</b>	<b>9,130</b>	<b>(1.3)</b>	<b>39,564</b>	<b>(1.3)</b>

\* Includes cancer, critical illness, and hospital intensive care products

Aflac Group Insurance included starting 4th quarter 2009

**Statements of Earnings**  
(Unaudited GAAP – Yen in Millions)  
(Before Management Fee)

	<u>Years Ended December 31,</u>					<u>3 Months Ended September 30,</u>			<u>9 Months Ended September 30,</u>		
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2013</u>	<u>2014</u>	<u>%</u> <u>Change</u>	<u>2013</u>	<u>2014</u>	<u>%</u> <u>Change</u>
<b>Revenues:</b>											
Net premiums	¥ 1,137,958	¥ 1,181,389	¥ 1,245,361	¥ 1,368,480	¥ 1,461,132	¥ 369,535	¥ 367,115	(.7) %	¥ 1,097,324	¥ 1,098,472	.1 %
Net investment income:											
Yen denominated	141,029	144,220	143,468	151,738	145,931	35,966	38,106	6.0	109,307	112,794	3.2
US\$ denominated	70,700	70,845	70,697	75,471	112,831	29,190	32,138	10.1	82,704	94,995	14.9
Total investment income	211,729	215,065	214,165	227,209	258,762	65,156	70,244	7.8	192,011	207,789	8.2
Other income and realized foreign currency translations	4,059	3,116	3,615	4,603	5,322	802	806		4,333	2,593	
Total revenues	<u>1,353,746</u>	<u>1,399,570</u>	<u>1,463,141</u>	<u>1,600,292</u>	<u>1,725,216</u>	<u>435,493</u>	<u>438,165</u>	.6	<u>1,293,668</u>	<u>1,308,854</u>	1.2
<b>Benefits and expenses:</b>											
Incurred claims	589,194	588,228	601,114	636,166	638,575	161,587	160,198	(.9)	481,338	476,577	(1.0)
Increase in future policy benefits	228,281	248,412	278,685	361,043	426,600	111,661	113,182	1.4	319,518	321,412	.6
Amortization of deferred policy acquisition costs	48,814	49,468	51,863	57,168	62,623	15,156	16,488	8.8	45,343	50,517	11.4
General operating expenses	225,709	227,501	226,132	234,371	243,559	63,395	62,266	(1.8)	179,338	183,780	2.5
Total benefits and expenses	<u>1,091,998</u>	<u>1,113,609</u>	<u>1,157,794</u>	<u>1,288,748</u>	<u>1,371,357</u>	<u>351,799</u>	<u>352,134</u>	.1	<u>1,025,537</u>	<u>1,032,286</u>	.7
Pretax operating earnings	¥ <u>261,748</u>	¥ <u>285,961</u>	¥ <u>305,347</u>	¥ <u>311,544</u>	¥ <u>353,859</u>	¥ <u>83,694</u>	¥ <u>86,031</u>	2.8 %	¥ <u>268,131</u>	¥ <u>276,568</u>	3.1 %
Realized capital gains (losses), net of taxes	<u>(64,133)</u>	<u>(16,946)</u>	<u>(81,921)</u>	<u>(34,236)</u>	<u>6,956</u>	<u>2,330</u>	<u>(4,092)</u>		<u>13,702</u>	<u>(1,467)</u>	

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs*



**Statements of Earnings**  
(Unaudited GAAP – Dollars in Millions)  
(Before Management Fee)

	Years Ended December 31,					3 Months Ended September 30,			9 Months Ended September 30,		
	2009	2010	2011	2012	2013	2013	2014	%	2013	2014	%
							Change			Change	
<b>Revenues:</b>											
Net premiums	\$ 12,178	\$ 13,487	\$ 15,619	\$ 17,151	\$ 14,982	\$ 3,735	\$ 3,534	(5.4) %	\$ 11,357	\$ 10,672	(6.0) %
Net investment income											
Yen denominated	1,510	1,645	1,799	1,902	1,497	364	367	1.0	1,132	1,096	(3.2)
US\$ denominated	<u>755</u>	<u>808</u>	<u>889</u>	<u>943</u>	<u>1,154</u>	<u>295</u>	<u>309</u>	4.7	<u>854</u>	<u>923</u>	8.1
Total investment income	2,265	2,453	2,688	2,845	2,651	659	676	2.7	1,986	2,019	1.6
Other income and realized foreign currency translations	<u>43</u>	<u>37</u>	<u>46</u>	<u>57</u>	<u>55</u>	<u>8</u>	<u>9</u>		<u>46</u>	<u>25</u>	
Total revenues	<u>14,486</u>	<u>15,977</u>	<u>18,353</u>	<u>20,053</u>	<u>17,688</u>	<u>4,402</u>	<u>4,219</u>	(4.2)	<u>13,389</u>	<u>12,716</u>	(5.0)
<b>Benefits and expenses:</b>											
Incurred claims	6,296	6,709	7,534	7,973	6,553	1,633	1,543	(5.5)	4,984	4,630	(7.1)
Increase in future policy benefits	2,450	2,844	3,503	4,523	4,371	1,129	1,090	(3.5)	3,305	3,122	(5.5)
Amortization of deferred policy acquisition costs	523	563	650	716	641	153	159	3.7	469	491	4.6
Operating expenses	<u>2,417</u>	<u>2,601</u>	<u>2,837</u>	<u>2,937</u>	<u>2,495</u>	<u>641</u>	<u>599</u>	(6.6)	<u>1,856</u>	<u>1,785</u>	(3.8)
Total benefits and expenses	<u>11,686</u>	<u>12,717</u>	<u>14,524</u>	<u>16,149</u>	<u>14,060</u>	<u>3,556</u>	<u>3,391</u>	(4.6)	<u>10,614</u>	<u>10,028</u>	(5.5)
Pretax operating earnings	\$ <u>2,800</u>	\$ <u>3,260</u>	\$ <u>3,829</u>	\$ <u>3,904</u>	\$ <u>3,628</u>	\$ <u>846</u>	\$ <u>828</u>	(2.1) %	\$ <u>2,775</u>	\$ <u>2,688</u>	(3.1) %
Realized capital gains (losses), net of taxes	<u>(690)</u>	<u>(228)</u>	<u>(1,043)</u>	<u>(372)</u>	<u>90</u>	<u>22</u>	<u>(37)</u>		<u>153</u>	<u>(2)</u>	

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs*

**Balance Sheets**  
(Unaudited GAAP – Yen in Millions)

	December 31,					September 30,	
	2009	2010	2011	2012	2013	2013	2014
<b>Assets:</b>							
Investments and cash	¥ 5,915,236	¥ 6,346,113	¥ 7,190,297	¥ 9,070,942	¥ 9,956,712	¥ 9,042,859	¥ 10,884,470
Receivables, principally premiums, net	36,566	23,876	23,985	48,978	77,023	48,385	47,525
Accrued investment income	48,229	48,160	49,550	57,900	65,595	59,186	65,498
Deferred policy acquisition costs	538,430	520,682	552,104	588,831	613,229	609,329	624,544
Other assets	59,467	109,003	89,625	75,618	139,790	159,026	141,629
<b>Total assets</b>	<b>¥ 6,597,928</b>	<b>¥ 7,047,834</b>	<b>¥ 7,905,561</b>	<b>¥ 9,842,269</b>	<b>¥ 10,852,349</b>	<b>¥ 9,918,785</b>	<b>¥ 11,763,666</b>
<b>Liabilities and Shareholders' Equity:</b>							
Future policy benefits	¥ 5,131,769	¥ 5,380,182	¥ 5,658,866	¥ 6,019,908	¥ 6,510,973	¥ 6,403,132	¥ 6,834,520
Policy and contract claims	206,913	211,268	216,618	238,612	246,868	244,261	257,211
Unearned premiums	75,377	230,014	497,744	1,019,848	1,108,717	1,121,927	1,053,199
Other policyholder funds	301,227	271,956	330,328	443,125	596,488	541,401	718,591
Income taxes (prim. deferred)	126,859	129,771	132,268	246,740	339,101	277,697	406,643
Other liabilities	130,168	126,952	187,217	696,680	750,833	157,619	922,091
Shareholders' equity	625,615	697,691	882,520	1,177,356	1,299,369	1,172,748	1,571,411
<b>Total liabilities &amp; shareholders' equity</b>	<b>¥ 6,597,928</b>	<b>¥ 7,047,834</b>	<b>¥ 7,905,561</b>	<b>¥ 9,842,269</b>	<b>¥ 10,852,349</b>	<b>¥ 9,918,785</b>	<b>¥ 11,763,666</b>

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs and for the reclassification of certain policy liabilities*

**Balance Sheets**  
(Unaudited GAAP – Dollars in Millions)

	December 31,					September 30,	
	2009	2010	2011	2012	2013	2013	2014
<b>Assets:</b>							
Investments and cash	\$ 64,226	\$ 77,876	\$ 92,492	\$ 104,769	\$ 94,475	\$ 92,510	\$ 99,447
Receivables, principally premiums, net	397	293	309	566	731	495	434
Accrued investment income	524	591	637	669	622	605	598
Deferred policy acquisition costs	5,846	6,390	7,102	6,801	5,819	6,234	5,706
Other assets	646	1,337	1,152	873	1,326	1,627	1,295
Total assets	<u>\$ 71,639</u>	<u>\$ 86,487</u>	<u>\$ 101,692</u>	<u>\$ 113,678</u>	<u>\$ 102,973</u>	<u>\$ 101,471</u>	<u>\$ 107,480</u>
<b>Liabilities and Shareholders' Equity:</b>							
Future policy benefits	\$ 55,720	\$ 66,023	\$ 72,792	\$ 69,530	\$ 61,780	\$ 65,505	\$ 62,444
Policy and contract claims	2,247	2,593	2,786	2,756	2,342	2,499	2,350
Unearned premiums	818	2,823	6,403	11,779	10,520	11,478	9,623
Other policyholder liabilities	3,271	3,337	4,249	5,118	5,660	5,539	6,565
Income taxes (prim. deferred)	1,377	1,592	1,702	2,850	3,218	2,841	3,716
Other liabilities	1,413	1,557	2,408	8,047	7,124	1,612	8,425
Shareholders' equity	6,793	8,562	11,352	13,598	12,329	11,997	14,357
Total liabilities & shareholders' equity	<u>\$ 71,639</u>	<u>\$ 86,487</u>	<u>\$ 101,692</u>	<u>\$ 113,678</u>	<u>\$ 102,973</u>	<u>\$ 101,471</u>	<u>\$ 107,480</u>

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs and for the reclassification of certain policy liabilities*

**Quarterly Statements of Earnings and Percentage Changes**  
(Unaudited GAAP – Yen in Millions)

		Earned		Net Investment		Total Revenues		Total Benefits		Amort.	General Operating Expense		Total Operating Expense		Pretax Oper. Earn.		
		Premiums	% Change	Income	% Change	Revenues	% Change	Benefits	% Change		Expense	% Change	Expense	% Change	Earn.	% Change	
2007	1	262,347	4.9	52,108	9.2	315,528	5.7	201,522	3.9	8,859	8.8	49,574	6.0	58,433	6.4	55,573	11.8
	2	264,454	4.3	53,427	10.6	319,057	5.5	203,130	3.4	9,166	9.7	51,104	5.9	60,270	6.5	55,657	12.6
	3	266,961	4.2	53,795	7.7	320,621	4.3	204,375	.7	8,841	9.1	52,298	6.8	61,139	7.1	55,107	16.7
	4	269,937	4.0	52,747	4.6	323,751	4.2	207,267	1.9	10,465	22.7	57,609	8.9	68,074	10.8	48,410	5.8
2008	1	271,920	3.6	52,187	.2	323,989	2.7	202,316	.4	10,132	14.4	53,320	7.6	63,452	8.6	58,221	4.8
	2	273,872	3.6	53,077	(.7)	328,427	2.9	203,421	.1	10,407	13.5	54,766	7.2	65,173	8.1	59,833	7.5
	3	276,489	3.6	54,254	.9	331,252	3.3	206,046	.8	10,034	13.5	54,486	4.2	64,520	5.5	60,686	10.1
	4	278,952	3.3	52,466	(.5)	331,065	2.3	210,398	1.5	11,059	5.7	55,561	(3.6)	66,620	(2.1)	54,047	11.6
2009	1	281,655	3.6	52,462	.5	334,769	3.3	206,007	1.8	11,656	15.0	53,493	.3	65,149	2.7	63,613	9.3
	2	282,289	3.1	52,981	(.2)	336,743	2.5	203,467	-	11,792	13.3	55,238	.9	67,030	2.8	66,246	10.7
	3	285,977	3.4	53,170	(2.0)	339,883	2.6	203,728	(1.1)	11,552	15.1	56,763	4.2	68,315	5.9	67,840	11.8
	4	288,037	3.3	53,116	1.2	342,351	3.4	204,273	(2.9)	13,814	24.9	60,214	8.4	74,028	11.1	64,050	18.5
2010	1	290,832	3.3	53,765	2.5	346,939	3.6	206,510	.2	12,280	5.4	54,273	1.5	66,553	2.2	73,876	16.1
	2	293,109	3.8	54,572	3.0	347,550	3.2	205,037	.8	12,120	2.8	57,487	4.1	69,607	3.8	72,906	10.1
	3	296,816	3.8	53,590	.8	350,806	3.2	209,097	2.6	11,922	3.2	56,111	(1.1)	68,033	(.4)	73,676	8.6
	4	300,632	4.4	53,138	-	354,274	3.5	215,996	5.7	13,146	(4.8)	59,628	(1.0)	72,774	(1.7)	65,504	2.3
2011	1	304,800	4.8	53,414	(.7)	359,857	3.7	212,407	2.9	12,689	3.3	54,608	.6	67,297	1.1	80,153	8.5
	2	308,057	5.1	51,837	(5.0)	360,322	3.7	215,205	5.0	13,233	9.2	56,402	(1.9)	69,635	-	75,482	3.5
	3	312,867	5.4	54,081	.9	367,526	4.8	219,113	4.8	13,444	12.8	55,704	(.7)	69,148	1.6	79,265	7.6
	4	319,637	6.3	54,833	3.2	375,435	6.0	233,074	7.9	12,497	(4.9)	59,418	(.4)	71,915	(1.2)	70,446	7.5
2012	1	328,595	7.8	58,055	8.7	387,957	7.8	235,015	10.6	14,085	11.0	56,114	2.8	70,199	4.3	82,743	3.2
	2	338,028	9.7	55,396	6.9	393,471	9.2	244,044	13.4	14,189	7.2	57,936	2.7	72,125	3.6	77,302	2.4
	3	346,351	10.7	56,073	3.7	404,150	10.0	253,137	15.5	14,193	5.6	58,650	5.3	72,843	5.3	78,170	(1.4)
	4	355,507	11.2	57,685	5.2	414,714	10.5	265,012	13.7	14,701	17.6	61,672	3.8	76,373	6.2	73,329	4.1
2013	1	360,685	9.8	62,272	7.3	425,429	9.7	261,264	11.2	15,122	7.4	57,452	2.4	72,574	3.4	91,591	10.7
	2	367,104	8.6	64,583	16.6	432,746	10.0	266,345	9.1	15,065	6.2	58,491	1.0	73,556	2.0	92,845	20.1
	3	369,535	6.7	65,156	16.2	435,493	7.8	273,248	7.9	15,156	6.8	63,395	8.1	78,551	7.8	83,694	7.1
	4	363,808	2.3	66,751	15.7	431,548	4.1	264,319	(.3)	17,280	17.5	64,221	4.1	81,501	6.7	85,728	16.9
2014	1	365,865	1.4	68,105	9.4	434,923	2.2	260,514	(.3)	16,899	11.8	61,710	7.4	78,609	8.3	95,800	4.6
	2	365,492	(.4)	69,440	7.5	435,766	.7	264,095	(.8)	17,129	13.7	59,805	2.2	76,934	4.6	94,737	2.0
	<b>3</b>	<b>367,115</b>	<b>(.7)</b>	<b>70,244</b>	<b>7.8</b>	<b>438,165</b>	<b>.6</b>	<b>273,380</b>	<b>-</b>	<b>16,488</b>	<b>8.8</b>	<b>62,266</b>	<b>(1.8)</b>	<b>78,754</b>	<b>.3</b>	<b>86,031</b>	<b>2.8</b>

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs*

**Operating Ratios**  
(Before Management Fee)

	<u>Period</u>	<u>Premium Persistency Rate</u>	<u>Incurred Claims/ Total Rev.</u>	<u>Incurred Claims/ Premium</u>	<u>Tot. Ben./ Total Revenues</u>	<u>Tot. Ben./ Premium</u>	<u>Amort./ Premium</u>	<u>Tot. Oper. Expenses/ Total Rev.</u>	<u>Combined Ratio/ Total Rev.</u>	<u>Pretax Profit Margin</u>
	2003	94.2 %	44.3 %	53.1 %	67.8 %	81.1 %	3.5 %	19.4 %	87.2 %	12.8 %
	2004	94.5	43.1	51.3	67.2	79.8	3.3	18.9	86.1	13.9
	2005	94.7	42.6	50.8	66.2	78.9	3.2	19.3	85.5	14.5
	2006	94.7	39.2	46.9	65.4	78.1	3.2	18.8	84.2	15.8
	2007	94.7	39.9	47.9	63.8	76.7	3.5	19.4	83.2	16.8
	2008	94.5	43.0	51.4	62.5	74.7	3.8	19.8	82.3	17.7
	2009	94.0	43.5	51.8	60.4	71.8	4.3	20.3	80.7	19.3
	2010	94.2	42.0	49.8	59.8	70.8	4.2	19.8	79.6	20.4
	2011	94.4	41.1	48.3	60.1	70.6	4.3	19.0	79.1	20.9
	2012	94.9	39.8	46.5	62.3	72.9	4.2	18.2	80.5	19.5
	2013	94.9	37.0	43.7	61.7	72.9	4.3	17.8	79.5	20.5
2011	1	94.3	41.9	49.5	59.0	69.7	4.2	18.7	77.7	22.3
	2	94.3	41.9	49.0	59.7	69.9	4.3	19.4	79.1	20.9
	3	94.4	40.5	47.6	59.6	70.0	4.3	18.8	78.4	21.6
	4	94.4	40.1	47.1	62.1	72.9	3.9	19.1	81.2	18.8
2012	1	94.5	41.3	48.8	60.6	71.5	4.3	18.1	78.7	21.3
	2	94.7	40.0	46.5	62.0	72.2	4.2	18.4	80.4	19.6
	3	94.8	38.5	44.9	62.6	73.1	4.1	18.1	80.7	19.3
	4	94.9	39.3	45.9	63.9	74.5	4.1	18.4	82.3	17.7
2013	1	95.0	38.1	44.9	61.4	72.4	4.2	17.1	78.5	21.5
	2	95.1	36.5	43.0	61.5	72.6	4.1	17.0	78.5	21.5
	3	95.1	37.1	43.7	62.7	73.9	4.1	18.1	80.8	19.2
	4	94.9	36.4	43.2	61.2	72.7	4.7	18.9	80.1	19.9
2014	1	94.4	36.5	43.3	59.9	71.2	4.6	18.1	78.0	22.0
	2	94.6	36.2	43.2	60.6	72.3	4.7	17.7	78.3	21.7
	<b>3</b>	<b>94.8</b>	<b>36.6</b>	<b>43.6</b>	<b>62.4</b>	<b>74.5</b>	<b>4.5</b>	<b>18.0</b>	<b>80.4</b>	<b>19.6</b>

*Beginning in 2010, amounts have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs*

**Aflac Japan Sales Results**  
(Yen In Millions)

	<u>Period</u>	<u>Annl. Prem. In Force (Billions)</u>	<u>% Change</u>	<u>New Annl. Prem. Sales</u>	<u>% Change</u>	<u>Convers. Prem.</u>	<u>Total New Premium</u>	<u>% Change</u>
	2003	¥ 900.3	7.9 %	¥ 113,203	17.7 %	¥ 7,967	¥ 121,170	11.9 %
	2004	961.9	6.8	116,507	2.9	6,018	122,525	1.1
	2005	1,027.8	6.8	124,846	7.2	3,938	128,784	5.1
	2006	1,083.1	5.4	114,654	(8.2)	2,801	117,455	(8.8)
	2007	1,125.6	3.9	113,114	(1.3)	1,522	114,636	(2.4)
	2008	1,161.7	3.2	113,399	.3	1,293	114,692	–
	2009	1,200.4	3.3	121,490	7.1	855	122,345	6.7
	2010	1,255.6	4.6	135,299	11.4	515	135,813	11.0
	2011	1,343.7	7.0	160,738	18.8	295	161,033	18.6
	2012	1,492.5	11.1	210,400	30.9	220	210,620	30.8
	2013	1,567.1	5.0	149,155	(29.1)	153	149,308	(29.1)
2010	1	1,211.0	3.6	30,095	10.4	169	30,264	10.0
	2	1,222.2	3.9	33,724	13.2	132	33,856	12.6
	3	1,238.7	4.2	34,507	15.8	114	34,621	15.5
	4	1,255.6	4.6	36,973	6.7	99	37,072	6.5
2011	1	1,271.2	5.0	33,973	12.9	99	34,072	12.6
	2	1,285.1	5.2	36,035	6.9	69	36,104	6.6
	3	1,311.8	5.9	42,243	22.4	53	42,296	22.2
	4	1,343.7	7.0	48,488	31.1	74	48,562	31.0
2012	1	1,384.1	8.9	52,346	54.1	68	52,414	53.8
	2	1,423.6	11.2	53,146	47.5	64	53,210	47.4
	3	1,462.5	11.5	55,669	31.8	47	55,716	31.7
	4	1,492.5	11.1	49,240	1.6	41	49,281	1.5
2013	1	1,523.9	10.1	53,765	2.7	38	53,803	2.6
	2	1,538.1	8.0	30,217	(43.1)	63	30,280	(43.1)
	3	1,553.5	6.2	32,341	(41.9)	31	32,372	(41.9)
	4	1,567.1	5.0	32,832	(33.3)	21	32,853	(33.3)
2014	1	1,576.4	3.4	27,547	(48.8)	38	27,585	(48.7)
	2	1,584.2	3.0	27,912	(7.6)	28	27,940	(7.7)
	<b>3</b>	<b>1,588.2</b>	<b>2.2</b>	<b>25,605</b>	<b>(20.8)</b>	<b>29</b>	<b>25,634</b>	<b>(20.8)</b>

**Aflac Japan Product Mix**

(New Annualized Premium Sales, Yen in Billions)

		<u>% of</u>		<u>% of</u>	<u>Child</u>	<u>% of</u>		<u>% of</u>	<u>Ordinary</u>	<u>% of</u>		<u>% of</u>	
	<u>Cancer</u>	<u>Total</u>	<u>Medical *</u>	<u>Total</u>	<u>Endowment</u>	<u>Total</u>	<u>WAYS</u>	<u>Total</u>	<u>Life Other</u>	<u>Total</u>	<u>Other</u>	<u>Total</u>	
2007	¥ 37.6	32.8 %	¥ 45.7	39.9 %	¥ 1.1	1.0 %	¥ 6.2	5.4 %	¥ 18.2	15.9 %	¥ 5.7	5.0 %	
2008	39.0	34.0	44.0	38.4	2.4	2.1	6.0	5.3	17.7	15.4	5.5	4.8	
2009	34.6	28.3	48.0	39.2	10.9	8.9	7.3	6.0	16.8	13.8	4.7	3.8	
2010	29.9	22.0	46.5	34.2	25.3	18.6	12.1	8.9	17.1	12.6	5.0	3.7	
2011	31.6	19.6	35.9	22.3	27.4	17.0	42.1	26.2	16.6	10.3	7.3	4.6	
2012	27.6	13.1	36.8	17.5	24.4	11.6	94.5	44.9	18.0	8.5	9.3	4.5	
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	
2012	1	6.8	13.0	8.9	17.1	7.2	13.7	23.2	44.2	4.1	7.8	2.2	4.2
	2	7.1	13.4	9.0	16.9	6.5	12.2	24.1	45.2	4.2	7.9	2.3	4.5
	3	6.5	11.6	9.6	17.2	4.8	8.6	27.9	50.1	4.5	8.1	2.4	4.4
	4	7.2	14.6	9.3	18.8	5.9	12.0	19.3	39.2	5.2	10.5	2.4	4.9
2013	1	6.3	11.9	8.4	15.5	7.9	14.8	22.7	42.3	6.3	11.7	2.2	3.8
	2	7.2	23.6	8.2	27.1	3.5	11.4	7.0	23.3	3.2	10.6	1.2	4.0
	3	6.1	18.9	11.9	36.7	3.0	9.3	5.9	18.2	2.9	9.0	2.6	7.9
	4	5.9	17.8	13.2	40.2	3.0	9.2	5.4	16.5	3.0	9.2	2.3	7.1
2014	1	5.1	18.6	9.8	35.4	3.0	11.0	4.9	17.9	2.5	9.2	2.2	7.9
	2	6.3	22.5	9.8	35.0	2.9	10.4	4.1	14.8	2.6	9.2	2.3	8.1
	3	7.1	27.7	8.6	33.6	3.0	11.6	3.8	15.0	2.2	8.6	.9	3.5

**Aflac Japan Sales Force Data**

	<u>Number of Agencies by Type</u>				<u>Sales Contribution by Agency Type</u>						
	<u>Individual/</u>	<u>Affiliated</u>	<u>Bank**</u>	<u>Total</u>	<u>Individual/</u>	<u>Affiliated</u>	<u>Dai-ichi</u>	<u>Bank</u>	<u>Licensed</u>	<u>Recruited</u>	
	<u>Independent</u>	<u>Corporate</u>			<u>Corporate</u>	<u>Corporate</u>			<u>Sales</u>		<u>Associates***</u>
2007	16,213	1,987	261	18,461	56.1 %	35.3 %	8.2 %	.4 %	100,810	3,195	
2008	16,577	1,976	329	18,882	55.0	35.5	6.7	2.8	107,458	3,944	
2009	17,366	1,916	353	19,635	54.7	34.8	4.4	6.1	110,528	4,651	
2010	17,725	1,893	364	19,982	51.1	31.0	3.3	14.6	115,406	4,854	
2011	17,933	1,843	370	20,146	44.0	25.1	2.0	28.9	120,744	5,039	
2012	16,703	1,780	372	18,855	34.7	18.5	1.2	45.6	125,266	3,248	
2013	14,228	1,693	372	16,293	43.8	23.1	1.8	31.3	126,584	1,655	
2013	1	16,158	1,767	373	18,298	40.4	19.3	1.1	39.2	125,386	363
	2	15,555	1,747	373	17,675	44.7	26.5	2.0	26.8	126,352	554
	3	14,822	1,726	373	16,921	45.6	22.8	2.4	29.2	127,263	402
	4	14,228	1,693	372	16,293	46.7	26.7	2.0	24.6	126,584	336
2014	1	13,878	1,676	372	15,926	45.2	25.5	1.5	27.8	126,273	359
	2	13,559	1,657	372	15,588	46.0	28.7	2.0	23.3	126,564	251
	3	13,197	1,646	371	15,214	46.9	29.0	3.0	21.1	124,685	167

\* Includes stand-alone medical and other medical riders including Rider MAX

\*\* Includes banks selling for Aflac Japan prior to the deregulation in December 2007

\*\*\* Excludes Bank and Post Office Associates

**Yen/Dollar Exchange Rates  
1998 - 2012  
(By Quarter)**

		<u>Closing Rate</u>	<u>Yearly Cum Avg</u>			<u>Closing Rate</u>	<u>Yearly Cum Avg</u>			<u>Closing Rate</u>	<u>Yearly Cum Avg</u>			<u>Closing Rate</u>	<u>Yearly Cum Avg</u>				
<b>1998</b>	1	132.10	128.09	<b>2001</b>	1	123.90	118.14	<b>2004</b>	1	105.69	107.32	<b>2007</b>	1	118.05	119.48	<b>2010</b>	1	93.04	90.54
	2	141.00	131.90		2	124.60	120.43		2	108.43	108.52		2	123.26	120.13		2	88.48	91.32
	3	135.50	134.57		3	119.40	120.86		3	111.05	109.00		3	115.43	119.37		3	83.82	89.38
	4	115.70	130.89		4	131.95	121.54		4	104.21	108.26		4	114.15	117.93		4	81.49	87.73
<b>1999</b>	1	120.55	116.58	<b>2002</b>	1	133.25	132.69	<b>2005</b>	1	107.39	104.50	<b>2008</b>	1	100.19	105.06	<b>2011</b>	1	83.15	82.32
	2	121.10	118.80		2	119.45	129.77		2	110.62	106.04		2	106.42	104.77		2	80.73	81.85
	3	106.95	117.09		3	122.60	126.03		3	113.19	107.79		3	103.57	105.75		3	76.65	80.50
	4	102.40	113.96		4	119.90	125.15		4	118.07	109.88		4	91.03	103.46		4	77.74	79.75
<b>2000</b>	1	106.15	107.13	<b>2003</b>	1	120.20	118.93	<b>2006</b>	1	117.47	116.90	<b>2009</b>	1	98.23	93.37	<b>2012</b>	1	82.19	79.59
	2	105.50	106.91		2	119.80	118.71		2	115.24	115.65		2	96.01	95.44		2	79.31	79.88
	3	108.00	107.16		3	111.25	118.39		3	117.90	115.82		3	90.21	94.79		3	77.60	79.47
	4	114.75	107.83		4	107.13	115.95		4	119.11	116.31		4	92.10	93.49		4	86.58	79.81

**Yen/Dollar Exchange Rates  
2013 - 2014  
(By Quarter)**

		<u>Qtr End</u>	<u>Qtr Avg</u>	<u>Yearly Cum Avg</u>	<u>% change Cum Avg Yen vs.12</u>			<u>Qtr End</u>	<u>Qtr Avg</u>	<u>Yearly Cum Avg</u>	<u>% change Cum Avg Yen vs.13</u>
<b>2013</b>	1	94.05	92.59	92.59	(14.0) %	<b>2014</b>	1	102.92	102.70	102.70	(9.8) %
	2	98.59	98.76	95.60	(16.4)		2	101.36	102.15	102.42	(6.7) %
	3	97.75	98.93	96.61	(17.7)		3	<b>109.45</b>	<b>103.92</b>	<b>102.89</b>	<b>(6.1) %</b>
	4	105.39	100.54	97.54	(18.2)						

Beginning in 2010, Quarter and Yearly averages have been adjusted for the adoption of new accounting guidance related to the deferral of policy acquisition costs