

Financial Analysts Briefing Supplement

First Quarter 2017

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

The following discussion includes references to non-U.S. GAAP performance measures, operating earnings, operating earnings per diluted share and return on equity. These measures are not calculated in accordance with U.S. GAAP. The measures exclude items that the company believes may obscure the underlying fundamentals and trends in insurance operations because they tend to be driven by general economic conditions and events or related to infrequent activities not directly associated with insurance operations. Management uses operating earnings and operating earnings per diluted share to evaluate the financial performance of Aflac's insurance operations on a consolidated basis and believes that a presentation of these measures is vitally important to an understanding of the underlying profitability drivers and trends of Aflac's insurance business.

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

- Operating earnings includes interest cash flows associated with notes payable and amortized hedge costs related to foreign currency denominated investments, but excludes certain items that cannot be predicted or that are outside of management's control, such as realized investment gains and losses from securities transactions, impairments, and certain derivative and foreign currency activities; nonrecurring items; and other non-operating income (loss) from net earnings. Nonrecurring and other non-operating items consist of infrequent events and activity not associated with the normal course of the Company's insurance operations and do not reflect Aflac's underlying business performance. A reconciliation of net earnings to operating earnings is on page 2.
- Operating earnings per share (basic or dilutive) are the operating earnings for the period divided by the average outstanding shares (basic or dilutive) for the period presented.
- Operating revenues as presented in yen include amortized hedge costs, but exclude other realized investment gains (losses), foreign currency gains (losses) and revenue items considered to be non-recurring in nature.
- Operating profit margin as presented in yen is calculated by dividing operating earnings by operating revenues.

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

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

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

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

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

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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
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	452,950	304	183	2,928	10	450,499	451,246	2,735	453,981	452,833	2,841	455,674
	4	450,499	321	240	8,590	25	442,445	446,370	2,660	449,030	451,204	2,796	454,000
2015	1	442,445	295	1,020	9,827	162	433,771	437,306	2,621	439,927	437,306	2,621	439,927
	2	433,771	316	289	3,707	52	430,617	431,672	2,585	434,257	434,473	2,604	437,077
	3	430,617	308	556	3,887	27	427,567	428,735	2,367	431,102	432,540	2,524	435,064
	4	427,567	290	286	3,758	5	424,380	425,056	2,500	427,556	430,654	2,518	433,172
2016	1	424,380	311	853	10,152	189	415,203	418,748	2,172	420,920	418,748	2,172	420,920
	2	415,203	283	537	5,874	34	410,115	411,853	2,473	414,326	415,301	2,322	417,623
	3	410,115	228	532	2,748	106	408,021	408,519	2,621	411,140	413,023	2,423	415,446
	4	408,021	243	392	2,844	2	405,810	406,847	2,533	409,380	411,471	2,450	413,921
2017	1	405,810	247	582	8,493	144	398,002	401,130	2,939	404,069	401,130	2,939	404,069

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

Summary of Operating Results by Business Segment

(In Millions, except per-share data)

	Years Ended December 31,					3 Months Ended March 31,		
	2012	2013	2014	2015	2016	2016	2017	% Change
Aflac Japan	\$ 3,899	\$ 3,604	\$ 3,423	\$ 3,103	\$ 3,148	\$ 806	\$ 769	(4.7)
Aflac U.S.	997	1,038	1,073	1,101	1,208	332	310	(6.7)
Interest expense, non-insurance operations	(184)	(198)	(198)	(146)	(128)	(29)	(29)	
Parent company, other operations and eliminations	(59)	(70)	(80)	(57)	(111)	(32)	(23)	
Pretax operating earnings	4,653	4,374	4,218	4,001	4,117	1,077	1,027	(4.6)
Income taxes	1,559	1,504	1,444	1,377	1,426	372	351	(5.5)
Operating earnings*	3,094	2,870	2,774	2,624	2,691	705	676	(4.2)
Reconciling items:								
Securities transactions and impairments	(503)	63	199	150	55	77	(17)	
Certain derivatives and foreign currency gains (losses)	159	378	73	(56)	32	(37)	(92)	
Other and non-recurring income (loss)	(7)	–	–	(233)	(137)	–	(20)	
Income tax benefit (expense) on items excluded from operating earnings	123	(153)	(95)	48	18	(14)	45	
Net earnings	\$ 2,866	\$ 3,158	\$ 2,951	\$ 2,533	\$ 2,659	\$ 731	\$ 592	(19.0)
Earnings per share of common stock:								
Net earnings (basic)	\$ 6.14	\$ 6.80	\$ 6.54	\$ 5.88	\$ 6.46	\$ 1.75	\$ 1.48	(15.4)
Net earnings (diluted)	6.11	6.76	6.50	5.85	6.42	1.74	1.47	(15.5)
Operating earnings (basic)*	\$ 6.63	\$ 6.18	\$ 6.15	\$ 6.09	\$ 6.54	\$ 1.68	\$ 1.68	–
Operating earnings (diluted)*	6.59	6.14	6.11	6.06	6.50	1.68	1.67	(.6)

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

Numbers may not foot due to rounding.

Consolidated Statements of Earnings - US GAAP

(In Millions, except per-share data)

	<u>Years Ended December 31,</u>					<u>3 Months Ended March 31,</u>		
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>
Revenues:								
Net premiums								
Gross premiums	\$ 22,168	\$ 20,233	\$ 19,412	\$ 17,904	\$ 19,592	\$ 4,690	\$ 4,724	.7
Assumed (ceded)	(20)	(98)	(340)	(334)	(367)	(88)	(86)	(2.1)
Total net premiums	22,148	20,135	19,072	17,570	19,225	4,602	4,638	.8
Net investment income	3,473	3,293	3,319	3,135	3,278	801	794	(.9)
Realized investment gains (losses) ⁽¹⁾	(349)	426	282	106	(14)	30	(140)	
Other income ⁽¹⁾	92	85	55	61	70	18	17	
Total revenues	<u>25,364</u>	<u>23,939</u>	<u>22,728</u>	<u>20,872</u>	<u>22,559</u>	<u>5,451</u>	<u>5,309</u>	<u>(2.6)</u>
Benefits and Expenses:								
Benefits and claims, net								
Incurred claims -direct	10,378	9,110	8,738	7,952	8,780	2,093	2,230	6.6
Incurred claims -assumed (ceded)	(19)	(90)	(283)	(314)	(356)	(86)	(86)	.7
Increase in FPB -direct	4,971	4,798	4,496	4,089	4,460	1,010	899	(10.9)
Increase in FPB -assumed (ceded)	—	(5)	(14)	19	35	8	9	10.5
Total net benefits and claims	15,330	13,813	12,937	11,746	12,919	3,025	3,052	.9
Acquisition and operating expenses:								
Amortization of D.A.C.	1,117	1,074	1,108	1,066	1,141	292	294	
Insurance commissions	1,744	1,528	1,436	1,303	1,368	333	328	
Insurance expenses	2,415	2,222	2,261	2,214	2,452	563	614	
Interest expense	261	293	317	289	268	65	62	
Other expenses	195	193	178	392	344	56	61	
Total acquisition and operating expenses	5,732	5,310	5,300	5,264	5,573	1,309	1,359	3.8
Total benefits and expenses	<u>21,062</u>	<u>19,123</u>	<u>18,237</u>	<u>17,010</u>	<u>18,492</u>	<u>4,334</u>	<u>4,411</u>	<u>1.8</u>
Pretax earnings	4,302	4,816	4,491	3,862	4,067	1,117	898	
Income taxes	1,436	1,658	1,540	1,329	1,408	386	306	
Net earnings	<u>\$ 2,866</u>	<u>\$ 3,158</u>	<u>\$ 2,951</u>	<u>\$ 2,533</u>	<u>\$ 2,659</u>	<u>\$ 731</u>	<u>\$ 592</u>	<u>(19.0)</u>

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

Analysis of Net Earnings and Net Earnings Per Diluted Share

(In Millions, except for per-share data)

	Net Earnings	Real. Inv. Gains/(Losses) ⁽¹⁾		Other and Non-Recurring Items ⁽¹⁾⁽³⁾	Operating Currency Impact ⁽²⁾	Net Earnings Per Share	Real. Inv. Gains/(Losses) ⁽¹⁾		Other and Non-Recurring Items Per Share ⁽¹⁾⁽³⁾	Operating Currency Impact Per Share ⁽²⁾	
		Securities Transactions/Impairments ⁽³⁾	Certain Deriv. and Foreign Currency G/L ⁽³⁾				Securities Transactions/Impairments Per Share ⁽³⁾	Certain Deriv. and Foreign Currency G/L Per Share ⁽³⁾			
2012	2,866	(327)	104	(5)	8	6.11	(.70)	.22	(.01)	.01	
2013	3,158	41	247	–	(357)	6.76	.09	.53	–	(.76)	
2014	2,951	129	48	–	(117)	6.50	.28	.11	.01	(.26)	
2015	2,533	96	(36)	(151)	(198)	5.85	.22	(.08)	(.34)	(.46)	
2016	2,659	35	22	(89)	141	6.42	.08	.05	(.22)	.34	
2014	1	732	25	(63)	–	(48)	1.60	.05	(.14)	–	(.10)
	2	810	45	13	–	(13)	1.78	.10	.03	–	(.03)
	3	706	24	4	–	(19)	1.56	.05	.01	–	(.04)
	4	703	35	94	–	(37)	1.57	.08	.21	–	(.08)
2015	1	663	39	(46)	–	(58)	1.51	.09	(.11)	–	(.13)
	2	573	60	22	(150)	(59)	1.32	.14	.05	(.35)	(.14)
	3	567	(72)	(23)	–	(58)	1.32	(.17)	(.05)	–	(.13)
	4	730	69	11	(1)	(23)	1.71	.16	.03	.01	(.05)
2016	1	731	50	(24)	–	13	1.74	.12	(.06)	–	.03
	2	548	(7)	(128)	–	36	1.32	(.02)	(.31)	–	.09
	3	629	(24)	(61)	–	61	1.53	(.06)	(.15)	–	.15
	4	751	16	235	(89)	32	1.84	.04	.58	(.22)	.08
2017	1	592	(11)	(60)	(13)	5	1.47	(.03)	(.15)	(.03)	.01

(1) Items are presented net of tax at a 35% tax rate.

(2) See definition of foreign currency impact from cover page

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

Addition of quarters may not equal annual amounts due to rounding.

Consolidated Balance Sheets

(In Millions, except per-share data)

	December 31,					March 31,	
	2012	2013	2014	2015	2016	2016	2017
Assets:							
Investments and cash:							
Securities available for sale:							
Fixed Maturities	\$ 51,466	\$ 53,227	\$ 61,407	\$ 60,795	\$ 68,778	\$ 67,267	\$ 72,113
Fixed Maturities - consolidated variable interest entities	5,787	4,843	4,166	4,554	4,982	4,861	4,964
Perpetual securities	3,728	2,479	2,240	1,719	1,425	1,723	1,555
Perpetual securities - consolidated variable interest entities	574	468	429	228	208	186	215
Equity securities	23	21	28	135	265	221	271
Equity securities - consolidated variable interest entities	-	-	-	363	1,044	649	1,078
Securities held to maturity:							
Fixed Maturities	54,137	44,178	34,159	33,459	33,350	35,515	34,401
Fixed Maturities - consolidated variable interest entities	289	237	83	-	-	-	-
Other Investments	174	463	171	294	1,450	450	1,701
Cash and cash equivalents	2,041	2,543	4,658	4,350	4,859	3,448	4,205
Total investments and cash	<u>118,219</u>	<u>108,459</u>	<u>107,341</u>	<u>105,897</u>	<u>116,361</u>	<u>114,320</u>	<u>120,503</u>
Receivables, primarily premiums, net	976	1,165	842	705	669	723	618
Accrued investment income	842	798	762	768	754	750	723
Deferred policy acquisition costs	9,658	8,798	8,273	8,511	8,993	8,929	9,255
Property and equipment, net	564	481	429	427	433	443	444
Other assets	798	1,567	2,080	1,948	2,609	2,601	2,107
Total assets	<u>\$ 131,057</u>	<u>\$ 121,268</u>	<u>\$ 119,727</u>	<u>\$ 118,256</u>	<u>\$ 129,819</u>	<u>\$ 127,766</u>	<u>\$ 133,650</u>
Liabilities and Shareholders' Equity:							
Liabilities:							
Total policy liabilities	\$ 97,720	\$ 89,402	\$ 83,933	\$ 87,631	\$ 93,726	\$ 94,128	\$ 97,624
Notes payable	4,315	4,858	5,242	4,971	5,360	4,984	5,250
Income taxes, primarily deferred	3,858	3,718	5,293	4,340	5,387	5,106	5,626
Other liabilities	9,186	8,670	6,912	3,606	4,864	3,527	4,810
Total liabilities	<u>115,079</u>	<u>106,648</u>	<u>101,380</u>	<u>100,548</u>	<u>109,337</u>	<u>107,745</u>	<u>113,310</u>
Shareholders' equity:							
Common stock	67	67	67	67	67	67	67
Additional paid-in capital	1,505	1,644	1,711	1,828	1,976	1,866	2,008
Retained earnings	17,387	19,885	22,156	24,007	25,981	24,565	26,400
Accumulated other comprehensive income (loss):							
Unrealized foreign currency translation gains (losses)	333	(1,505)	(2,541)	(2,196)	(1,983)	(1,584)	(1,650)
Unrealized gains (losses) on investment securities	2,570	1,035	4,672	2,986	4,805	4,684	4,474
Unrealized gains (losses) on derivatives	(5)	(12)	(26)	(26)	(24)	(24)	(22)
Pension liability adjustment	(183)	(81)	(126)	(139)	(168)	(140)	(170)
Treasury stock	(5,696)	(6,413)	(7,566)	(8,819)	(10,172)	(9,413)	(10,767)
Total shareholders' equity	<u>15,978</u>	<u>14,620</u>	<u>18,347</u>	<u>17,708</u>	<u>20,482</u>	<u>20,021</u>	<u>20,340</u>
Total liabilities & shareholders' equity	<u>\$ 131,057</u>	<u>\$ 121,268</u>	<u>\$ 119,727</u>	<u>\$ 118,256</u>	<u>\$ 129,819</u>	<u>\$ 127,766</u>	<u>\$ 133,650</u>

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

	Premium Income	Net Investment Income	Total Revenues	Benefits & Claims	Total Acu. & Oper. Exp.	Total Benefits & Expense	Total Pretax Earn.	Net Earn.	Operating Earn. *	Net EPS		Oper. EPS *		Total Assets	Invest & Cash	Equity BV Per Share	AOCI BV Per Share	Equity excl. AOCI BV Per Share
										Basic	Dil.	Basic	Dil.					
2012 1	5,378	882	6,240	3,646	1,392	5,038	1,202	785	814	1.68	1.68	1.75	1.74	115,529	103,104	29.19	4.28	24.91
2	5,467	845	5,902	3,763	1,398	5,161	741	483	755	1.04	1.03	1.62	1.61	122,187	109,255	30.29	4.64	25.65
3	5,660	869	6,847	3,932	1,435	5,367	1,480	1,017	831	2.17	2.16	1.78	1.77	137,804	124,215	34.10	6.58	27.52
4	5,643	876	6,375	3,989	1,506	5,495	880	581	694	1.24	1.24	1.49	1.48	131,057	118,219	34.16	5.81	28.35
2013 1	5,184	833	6,208	3,521	1,326	4,847	1,361	892	786	1.91	1.90	1.69	1.68	120,500	107,400	33.34	3.55	29.79
2	5,013	813	6,044	3,411	1,275	4,686	1,358	889	755	1.91	1.90	1.62	1.61	116,273	103,936	29.47	(1.80)	31.27
3	5,028	821	5,886	3,485	1,332	4,817	1,069	702	684	1.51	1.50	1.47	1.46	119,878	106,712	31.47	(.99)	32.46
4	4,910	826	5,801	3,396	1,377	4,773	1,028	675	645	1.46	1.45	1.40	1.39	121,268	108,459	31.82	(1.23)	33.05
2014 1	4,854	827	5,640	3,220	1,316	4,536	1,104	732	769	1.61	1.60	1.69	1.68	123,255	110,493	34.53	.68	33.85
2	4,888	843	5,838	3,293	1,307	4,600	1,238	810	753	1.79	1.78	1.66	1.65	127,835	114,734	38.76	3.54	35.22
3	4,841	841	5,736	3,355	1,307	4,662	1,074	706	677	1.56	1.56	1.50	1.49	127,218	114,691	39.63	3.33	36.30
4	4,489	808	5,514	3,069	1,370	4,439	1,075	703	575	1.57	1.57	1.29	1.28	119,727	107,341	41.47	4.48	36.99
2015 1	4,432	782	5,226	2,952	1,261	4,213	1,013	663	670	1.52	1.51	1.53	1.52	121,355	108,711	42.97	5.38	37.59
2	4,364	777	5,287	2,937	1,476	4,413	874	573	641	1.33	1.32	1.49	1.48	115,539	103,280	39.52	1.18	38.34
3	4,380	784	5,040	2,927	1,249	4,176	864	567	662	1.32	1.32	1.54	1.54	117,414	104,900	40.36	1.24	39.12
4	4,394	792	5,319	2,930	1,279	4,209	1,110	730	651	1.72	1.71	1.53	1.52	118,256	105,897	41.73	1.48	40.25
2016 1	4,602	801	5,451	3,025	1,309	4,334	1,117	731	705	1.75	1.74	1.68	1.68	127,766	114,320	48.22	7.07	41.15
2	4,823	822	5,437	3,254	1,349	4,603	834	548	683	1.33	1.32	1.66	1.65	141,287	125,983	54.98	13.24	41.74
3	5,022	842	5,716	3,378	1,375	4,753	963	629	714	1.54	1.53	1.75	1.74	144,101	128,935	55.84	13.14	42.70
4	4,778	813	5,955	3,262	1,540	4,802	1,153	751	589	1.85	1.84	1.45	1.44	129,819	116,361	50.47	6.48	43.99
2017 1	4,638	794	5,309	3,052	1,359	4,411	898	592	676	1.48	1.47	1.68	1.67	133,650	120,503	51.11	6.62	44.49

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

Percentage Increases/(Decreases) and Selected Ratios

	Premium Income	Net	Total Revenues	Total	Operating Expenses	Pretax Earnings	Effective	Net Earnings Per Share	Operating	Operating		Total Assets	Invested Assets	Equity	
		Investment		Benefits			Tax		Earnings	Profit Margins ⁽²⁾	Per				
		Income		& Claims			Rate		Per Share ⁽¹⁾	Pretax	After-Tax			Share	
2012	8.8	5.9	14.4	11.5	4.8	45.8	33.4	47.9	5.1	18.1	12.0	12.8	14.3	23.0	
2013	(9.1)	(5.2)	(5.6)	(9.9)	(7.4)	11.9	34.4	10.6	(6.8)	18.6	12.2	(7.5)	(8.3)	(6.8)	
2014	(5.3)	.8	(5.1)	(6.3)	(.2)	(6.7)	34.3	(3.8)	(.5)	18.8	12.4	(1.3)	(1.0)	30.3	
2015	(7.9)	(5.6)	(8.2)	(9.2)	(.7)	(14.0)	34.4	(10.0)	(.9)	19.3	12.7	(1.2)	(1.3)	.6	
2016	9.4	4.6	8.1	10.0	5.8	5.3	34.6	9.7	7.3	18.4	12.0	9.8	9.9	21.0	
2014	1	(6.4)	(.7)	(9.1)	(8.6)	(.7)	(18.9)	33.7	(15.8)	.3	20.5	13.5	2.3	2.9	3.6
	2	(2.5)	3.8	(3.4)	(3.4)	2.3	(8.8)	34.5	(6.3)	2.5	20.1	13.1	9.9	10.4	31.6
	3	(3.7)	2.4	(2.5)	(3.7)	(1.9)	.6	34.3	4.0	2.0	18.1	11.8	6.1	7.5	25.9
	4	(8.6)	(2.2)	(4.9)	(9.6)	(.4)	4.4	34.6	8.3	(7.9)	16.3	10.6	(1.3)	(1.0)	30.3
2015	1	(8.7)	(5.4)	(7.3)	(8.3)	(4.2)	(8.3)	34.5	(5.6)	(9.6)	19.7	12.8	(1.5)	(1.6)	24.4
	2	(10.7)	(8.0)	(9.4)	(10.8)	13.0	(29.4)	34.5	(25.8)	(10.8)	19.0	12.3	(9.6)	(10.0)	2.0
	3	(9.5)	(6.7)	(12.1)	(12.8)	(4.5)	(19.5)	34.5	(15.4)	2.9	19.7	12.7	(7.7)	(8.5)	1.8
	4	(2.1)	(2.0)	(3.5)	(4.5)	(6.8)	3.4	34.2	8.9	19.2	19.1	12.4	(1.2)	(1.3)	.6
2016	1	3.8	2.4	4.3	2.5	3.7	10.4	34.6	15.2	10.1	20.1	13.0	5.3	5.2	12.2
	2	10.5	5.9	2.8	10.8	(8.5)	(4.7)	34.3	—	11.8	18.7	12.0	22.3	22.0	39.1
	3	14.6	7.3	13.4	15.4	10.2	11.2	34.7	15.9	13.0	18.8	11.9	22.7	22.9	38.4
	4	8.7	2.7	12.0	11.4	20.3	4.0	34.9	7.6	(5.5)	15.7	9.9	9.8	9.9	21.0
2017	1	.8	(.8)	(2.7)	.9	3.7	(19.5)	34.1	(15.5)	(.6)	19.0	12.5	4.6	5.4	6.0

(1) Diluted basis, see definition of operating earnings on cover page. All prior period operating earnings have been adjusted for the reclassification of hedge costs for consistency with current period presentation.

(2) See definition of operating profit margin on cover page. All prior period operating profit margins have been adjusted for the reclassification of hedge costs for consistency with current period presentation.

Currency Impact on Operating Earnings Per Share⁽¹⁾
(Diluted Basis)

		Operating EPS ⁽¹⁾	Growth	QTD For. Curr Impact ⁽²⁾	YTD For. Curr Impact ⁽²⁾	Excl. For. Curr Impact ⁽²⁾	Grwth Excl. For. Curr Impact			Operating EPS ⁽¹⁾	Growth	QTD For. Curr Impact ⁽²⁾	YTD For. Curr Impact ⁽²⁾	Excl. For. Curr Impact ⁽²⁾	Grwth Excl. For. Curr Impact
2012	1	\$ 1.74	7.4 %	.04	.04	\$ 1.70	4.9 %	2015	1	\$ 1.52	(9.6) %	(.13)	(.13)	\$ 1.65	(1.8) %
	2	1.61	3.9	.01	.05	1.60	3.2		2	1.48	(10.8)	(.14)	(.27)	1.62	(2.3)
	3	1.77	7.4	–	.05	1.77	7.2		3	1.54	2.9	(.13)	(.40)	1.67	11.6
	4	1.48	1.0	(.04)	.01	1.52	4.8		4	1.52	19.2	(.05)	(.46)	1.57	23.1
		<u>\$ 6.59</u>	<u>5.1 %</u>			<u>\$ 6.58</u>	<u>5.1 %</u>			<u>\$ 6.06</u>	<u>(.8) %</u>			<u>\$ 6.51</u>	<u>6.5 %</u>
2013	1	\$ 1.68	(3.5) %	(.15)	(.15)	\$ 1.83	5.0 %	2016	1	\$ 1.68	10.1 %	.03	.03	\$ 1.65	8.1 %
	2	1.61	.1	(.22)	(.37)	1.83	13.8		2	1.65	11.8	.09	.12	1.56	5.6
	3	1.46	(17.2)	(.21)	(.58)	1.67	(5.4)		3	1.74	13.0	.15	.26	1.59	3.3
	4	1.39	(6.0)	(.18)	(.76)	1.57	6.2		4	1.44	(5.5)	.08	.34	1.36	(10.7)
		<u>\$ 6.14</u>	<u>(6.8) %</u>			<u>\$ 6.90</u>	<u>4.5 %</u>			<u>\$ 6.50</u>	<u>7.3 %</u>			<u>\$ 6.15</u>	<u>1.5 %</u>
2014	1	\$ 1.68	.3 %	(.10)	(.10)	\$ 1.78	6.2 %	2017	1	\$ 1.67	(.6) %	.01	.01	\$ 1.66	(1.2) %
	2	1.65	2.5	(.03)	(.13)	1.68	4.4								
	3	1.49	2.0	(.04)	(.18)	1.53	4.6								
	4	1.28	(7.9)	(.08)	(.26)	1.36	(1.8)								
		<u>\$ 6.11</u>	<u>(.5) %</u>			<u>\$ 6.40</u>	<u>4.2 %</u>			<u>\$ 1.67</u>	<u>(.6) %</u>			<u>\$ 1.66</u>	<u>(1.2) %</u>

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

(2) See definition of foreign currency impact from cover page.

Addition of quarters may not equal annual amounts due to rounding.

Composition of Invested Assets
(In Millions)

	December 31,					March 31,	
	2012	2013	2014	2015	2016	2016	2017
Debt Securities⁽¹⁾							
Fixed Maturities, excluding Bank Loans	\$ 107,425	\$ 100,425	\$ 92,126	\$ 92,713	\$ 97,695	\$ 92,456	\$ 102,797
Fixed Maturities - Bank Loans	414	501	501	1,388	2,018	1,287	1,865
Perpetual Securities	4,213	2,987	2,440	1,841	1,506	2,089	1,563
Total Debt Securities	<u>112,052</u>	<u>103,913</u>	<u>95,067</u>	<u>95,942</u>	<u>101,219</u>	<u>95,832</u>	<u>106,225</u>
Loan Receivables, net of reserves⁽¹⁾							
Middle Market Loans	-	-	-	118	319	66	439
Commercial Mortgage Loans	-	-	-	-	855	-	870
Total Loan Receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>118</u>	<u>1,174</u>	<u>66</u>	<u>1,309</u>
Equity Securities⁽¹⁾	20	17	19	480	1,203	119	1,252
Alternatives⁽²⁾	-	-	-	-	-	-	51
Total Portfolio	<u>\$ 112,072</u>	<u>\$ 103,930</u>	<u>\$ 95,086</u>	<u>\$ 96,540</u>	<u>\$ 103,596</u>	<u>\$ 96,017</u>	<u>\$ 108,837</u>

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

	December 31,					March 31,	
	2012	2013	2014	2015	2016	2016	2017
Debt Securities							
Available For Sale - Gross Gains	\$ 4,712	\$ 3,654	\$ 8,127	\$ 6,605	\$ 8,608	\$ 6,625	\$ 8,386
Available For Sale - Gross Losses	(783)	(2,135)	(710)	(1,792)	(1,084)	(1,456)	(1,363)
Total Available For Sale	<u>3,929</u>	<u>1,519</u>	<u>7,417</u>	<u>4,813</u>	<u>7,524</u>	<u>5,169</u>	<u>7,023</u>
Held to Maturity - Gross Gains	1,213	2,041	4,379	4,278	6,735	3,589	6,553
Held to Maturity - Gross Losses	(798)	(610)	(124)	(217)	(64)	(370)	(31)
Total Held to Maturity	<u>415</u>	<u>1,431</u>	<u>4,255</u>	<u>4,061</u>	<u>6,671</u>	<u>3,219</u>	<u>6,522</u>
Loan Receivables							
Gross Gains	-	-	-	-	1	-	1
Gross Losses	-	-	-	-	(33)	-	(22)
Total Loan Receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32)</u>	<u>-</u>	<u>(21)</u>
Equity Securities							
Gross Gains	4	5	9	22	114	12	118
Gross Losses	(1)	(1)	-	(4)	(8)	-	(21)
Total Equities	<u>3</u>	<u>4</u>	<u>9</u>	<u>18</u>	<u>106</u>	<u>12</u>	<u>97</u>

(1) Presented at amortized cost

(2) Presented at fair value; includes asset classes such as private equity and real estate managed by Global Investments; excludes Corporate driven activity

Supplemental Investment Data by Segment

	December 31,					3 Months Ended March 31,	
	2012	2013	2014	2015	2016	2016	2017
Aflac Japan:							
Invested assets (in millions) ⁽¹⁾	¥ 8,870,864	¥ 9,986,250	¥ 10,240,112	¥ 10,259,013	¥ 10,711,399	¥ 10,279,019	¥ 10,868,231
Return on average invested assets ⁽²⁾	2.86 %	2.81 %	2.76 %	2.81 %	2.47 %	2.64 %	2.36 %
Portfolio book yield at end of period ⁽³⁾	2.87 %	2.80 %	2.83 %	2.80 %	2.62 %	2.75 %	2.57 %
Total purchases for period (in millions) ⁽³⁾	¥ 2,248,632	¥ 2,002,324	¥ 1,037,534	¥ 637,967	¥ 1,198,579	¥ 254,891	¥ 395,435
New money yield ⁽³⁾⁽⁴⁾	2.25 %	2.11 %	2.07 %	2.89 %	1.40 %	2.14 %	1.21 %
Aflac U.S.:							
Invested assets (in millions) ⁽¹⁾	\$ 10,629	\$ 11,564	\$ 12,660	\$ 13,661	\$ 14,124	\$ 14,126	\$ 14,261
Return on average invested assets ⁽²⁾	6.25 %	5.70 %	5.46 %	5.19 %	5.04 %	5.02 %	4.99 %
Portfolio book yield at end of period ⁽³⁾	6.28 %	6.01 %	5.89 %	5.77 %	5.60 %	5.74 %	5.56 %
Total purchases for period (in millions) ⁽³⁾	\$ 1,511	\$ 1,038	\$ 963	\$ 904	\$ 1,144	\$ 294	\$ 318
New money yield ⁽³⁾⁽⁴⁾	4.17 %	4.06 %	4.32 %	4.45 %	3.89 %	4.67 %	4.33 %

Hedge Cost Metrics ⁽⁵⁾

	December 31,					3 Months Ended March 31,	
	2012	2013	2014	2015	2016	2016	2017
FX forward notional at end of period (in USD billions) ⁽⁶⁾	6.9	11.2	14.5	13.1	11.8	12.8	10.7
Weighted average original tenor (in months) ⁽⁷⁾	3.8	3.3	9.0	8.8	20.6	10.3	27.4
Weighted average remaining tenor (in months) ⁽⁸⁾	1.6	1.5	1.7	6.4	18.5	5.9	23.8
Annualized hedge costs (in basis points) ⁽⁹⁾	16	27	27	53	149	100	184
Amortized hedge costs for period (in millions)	\$ (5)	\$ (24)	\$ (35)	\$ (72)	\$ (186)	\$ (32)	\$ (52)

Credit Ratings on Fixed Maturities and Perpetual Securities

(At Amortized Cost)

	December 31,					March 31,	
	2012	2013	2014	2015	2016	2016	2017
AAA	1.5 %	1.4 %	1.3 %	1.3 %	2.0 %	1.3 %	1.2 %
AA	46.2	46.7	5.7	5.7	5.0	5.7	4.7
A	22.8	23.4	64.1	61.0	63.1	63.2	64.8
BBB	24.8	24.4	25.0	26.9	24.6	24.9	24.5
BB or Lower	4.7	4.1	3.9	5.1	5.3	4.9	4.8
	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

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

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

(3) Includes fixed maturities and perpetual securities, loan receivables, and equities

(4) Reported on a gross yield basis; excludes investment expenses, external management fees, and hedge costs

(5) Amortized hedge costs (a non-U.S. GAAP measure) represent costs incurred in using foreign currency forward contracts to hedge the foreign exchange risk of our U.S. dollar-denominated assets in our Japan segment investment portfolio. These amortized hedge costs are derived from the difference between the foreign currency spot rate at time of trade inception and the contractual foreign currency forward rate.

(6) Notional is reported net of any offsetting positions

(7) Tenor based on derivative's original execution date to settlement date

(8) Tenor based on period reporting date to settlement date

(9) Based on annualized amortized hedge costs divided by average FX forward notional for the period

Top 15 Global Investment Positions
(In Millions)

March 31, 2017

No	Consolidated Corporate/Sovereign Exposure	Consolidated Book Value	% of Total Debt & Perpetual Securities	Consolidated Book Value	% of Total Debt & Perpetual Securities	Seniority	Ratings		
							Moody's	S&P	Fitch
1	Japan National Government (1)	\$ 47,131	44.37 %	\$ 47,131	44.37 %	Senior	A1	A+	A
2	Republic of South Africa	535	.50	535	.50	Senior	Baa2	BBB-	BBB-
3	Bank of Tokyo-Mitsubishi UFJ Ltd. BTMU Curacao Holdings NV	401	.38	401	.38	Lower Tier II	A2	-	A-
4	Bank of America NA Bank of America Corp. Bank of America Corp.	401	.38	223 178	.21 .17	Senior Lower Tier II	Baa1 Baa3	BBB+ BBB	A A-
5	Investcorp SA Investcorp Capital Limited Investcorp Capital Limited	380	.36	330 50	.31 .05	Senior Senior	Ba2 Ba2	- -	BB -
6	Banobras	330	.31	330	.31	Senior	A3	BBB+	BBB+
7	Sultanate of Oman	312	.29	312	.29	Senior	Baa1	BBB-	BBB
8	Nordea Bank AB Nordea Bank AB Nordea Bank Finland	300	.28	229 71	.21 .07	Tier I Upper Tier II	Baa3 Baa2	BBB BBB	- -
9	JP Morgan Chase & Co. JPMorgan Chase & Co. (including Bear Stearns Companies Inc) JPMorgan Chase & Co. (Bank One Corp) JPMorgan Chase & Co. (NBD Bank) JPMorgan Chase & Co. (FNBC)	298	.28	270 16 11 1	.25 .02 .01 .00	Senior Lower Tier II Lower Tier II Senior	A3 Baa1 A1 Aa1	A- BBB+ A- A+	A+ A A -
10	AXA AXA-UAP AXA	291	.27	241 50	.22 .05	Upper Tier II CC FNB	A3 A3	BBB+ BBB+	BBB BBB+
11	Petroleos Mexicanos (Pemex) Pemex Proj FDG Master TR Pemex Finance Ltd.	290	.27	267 23	.25 .02	Senior Senior	Baa3 Baa3	BBB+ A	BBB+ A+
12	Deutsche Telekom AG Deutsche Telekom AG Deutsche Telekom International Finance	289	.27	267 22	.25 .02	Senior Senior	Baa1 Baa1	BBB+ BBB+	BBB+ BBB+
13	CFE	285	.27	285	.27	Senior	Baa1	BBB+	BBB+
14	Barclay's Bank PLC Barclay's Bank PLC Barclay's Bank PLC Barclay's Bank PLC	280	.26	123 110 47	.12 .10 .04	Lower Tier II Upper Tier II Tier I	Baa3 Ba1 Ba2	BBB- BB BB	A- BBB BB+
15	Investor AB	267	.25	267	.25	Senior	Aa3	AA-	-
	Subtotal	\$ 51,790	48.74 %	\$ 51,790	48.74 %				
	TOTAL FIXED INCOME PORTFOLIO	\$ 106,225	100.00 %	\$ 106,225	100.00 %				

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

Below-Investment-Grade Holdings

(In Millions)

	December 31, 2016				March 31, 2017			
	Par Value	Amortized Cost	Fair Value	Unrealized gains (losses)	Par Value	Amortized Cost	Fair Value	Unrealized gains (losses)
Investcorp Capital Limited	\$ 368	\$ 368	\$ 346	\$ (22)	\$ 380	\$ 380	\$ 361	\$ (19)
Navient Corp.	287	152	197	45	297	158	195	37
Republic of Tunisia	318	191	264	73	267	157	178	21
KLM Royal Dutch Airlines ⁽¹⁾	257	189	213	24	267	196	219	23
Barclays Bank PLC ⁽¹⁾	236	152	221	69	242	158	230	72
Deutsche Postbank AG	206	206	179	(27)	214	214	192	(22)
Telecom Italia SpA	172	172	212	40	178	178	221	43
Generalitat de Catalunya	154	57	111	54	143	52	108	56
Diamond Offshore Drilling Inc.	124	141	96	(45)	124	142	99	(43)
IKB Deutsche Industriebank AG	112	47	91	44	116	49	98	49
Alcoa, Inc.	100	80	97	17	100	83	100	17
Noble Holdings International Ltd.	95	98	68	(30)	95	99	69	(30)
Petrobras International Finance Company	91	90	83	(7)	91	90	89	(1)
EMC Corp.	85	86	76	(10)	85	86	78	(8)
Teck Resources Ltd.	70	73	66	(7)	70	75	68	(7)
Transocean Inc.	68	72	57	(15)	68	72	61	(11)
CF Industries Inc.	60	59	54	(5)	60	59	57	(2)
Votorantim Overseas Trading IV Ltd.	50	49	54	5	50	49	55	6
UPM-Kymmene	180	178	188	10	*	*	*	*
Cenovus Energy Inc.	75	78	71	(7)	*	*	*	*
Other Issuers (below \$50 million in par value)	333	321	309	(12)	333	325	322	(3)
Subtotal⁽²⁾	\$ 3,441	\$ 2,859	\$ 3,053	\$ 194	\$ 3,180	\$ 2,622	\$ 2,800	\$ 178
Senior secured bank loans	\$ 1,758	\$ 1,855	\$ 1,764	\$ (91)	\$ 1,651	\$ 1,719	\$ 1,654	\$ (65)
High yield corporate bonds	614	602	624	22	614	614	629	15
Middle market loans, net of reserves ⁽³⁾	324	319	320	1	446	439	440	1
Grand Total	\$ 6,137	\$ 5,635	\$ 5,761	\$ 126	\$ 5,891	\$ 5,394	\$ 5,523	\$ 129

* Investment grade at respective reporting date

(1) Includes perpetual security

(2) Securities initially purchased as investment grade, but have subsequently been downgraded to below investment grade

(3) Middle market loans are carried at amortized cost

Long-Term Debt Data

Adjusted Leverage Ratios

(In Millions)

	December 31,					3 Months Ended March 31,	
	2012	2013	2014	2015	2016	2016	2017
	Adjusted debt ⁽¹⁾	\$ 4,065	\$ 4,284	\$ 4,992	\$ 4,721	\$ 4,460	\$ 4,734
Adjusted capitalization ⁽²⁾	17,478	17,879	18,693	19,143	20,161	20,095	20,888
Adjusted debt to adjusted capitalization	23.3 %	24.0 %	26.7 %	24.7 %	22.1 %	23.6 %	23.9 %
Revised adjusted capitalization ⁽³⁾	\$ 17,578	\$ 19,717	\$ 21,610	\$ 22,054	\$ 22,562	\$ 22,069	\$ 22,958
Adjusted debt to revised adjusted capitalization	23.1 %	21.7 %	23.1 %	21.4 %	19.8 %	21.5 %	21.8 %

Debt Maturities⁽⁴⁾

(In Millions)

March 31, 2017

	1 yr or less	> 1 yr <5 yrs	>5 yrs <10 yrs	>10 yrs <20 yrs	20 yrs & beyond	Total
Senior Notes	\$ 650	\$ 944	\$ 2,423	\$ -	\$ 1,250	\$ 5,267
Subordinated debt	-	-	-	-	500	500
	\$ 650	\$ 944	\$ 2,423	\$ -	\$ 1,750	\$ 5,767

Ratings

March 31, 2017

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

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

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

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

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

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

Statements of Earnings Pre-Tax Operating Earnings
(Before Management Fee)
(In Millions)

	<u>Years Ended December 31,</u>					<u>3 Months Ended March 31,</u>		
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2016</u>	<u>2017</u>	<u>% Change</u>
Revenues:								
Net premiums								
Gross premiums	\$ 4,990	\$ 5,146	\$ 5,206	\$ 5,342	\$ 5,452	\$ 1,366	\$ 1,390	1.7
Assumed (ceded)	6	7	5	5	2	1	-	(43.1)
Total net premiums	<u>4,996</u>	<u>5,153</u>	<u>5,211</u>	<u>5,347</u>	<u>5,454</u>	<u>1,367</u>	<u>1,390</u>	1.7
Net investment income	613	632	645	678	703	174	178	2.0
Other income excl. realized foreign exchange gains (losses)	<u>19</u>	<u>6</u>	<u>3</u>	<u>8</u>	<u>10</u>	<u>3</u>	<u>1</u>	
Total operating revenues	<u>5,628</u>	<u>5,791</u>	<u>5,859</u>	<u>6,033</u>	<u>6,167</u>	<u>1,544</u>	<u>1,569</u>	1.7
Benefits and expenses:								
Benefits and claims, net								
Incurred claims -direct	2,388	2,468	2,477	2,514	2,515	619	639	3.2
Incurred claims -assumed (ceded)	(2)	(2)	1	-	(1)	-	(1)	-
Increase in FPB -direct	448	423	373	359	355	71	72	1.7
Increase in FPB -assumed (ceded)	-	-	2	-	-	-	-	-
Total net benefits and claims	<u>2,834</u>	<u>2,889</u>	<u>2,853</u>	<u>2,873</u>	<u>2,869</u>	<u>690</u>	<u>710</u>	2.9
Amortization of deferred policy acquisition costs	400	433	459	488	497	141	140	(.7)
General operating expenses	<u>1,397</u>	<u>1,431</u>	<u>1,474</u>	<u>1,571</u>	<u>1,593</u>	<u>381</u>	<u>409</u>	7.6
Total benefits and expenses	<u>4,631</u>	<u>4,753</u>	<u>4,786</u>	<u>4,932</u>	<u>4,959</u>	<u>1,212</u>	<u>1,259</u>	4.0
Pretax operating earnings	<u>\$ 997</u>	<u>\$ 1,038</u>	<u>\$ 1,073</u>	<u>\$ 1,101</u>	<u>\$ 1,208</u>	<u>\$ 332</u>	<u>\$ 310</u>	<u>(6.7)</u>

Balance Sheets
(In Millions)

	December 31,					March 31,	
	2012	2013	2014	2015	2016	2016	2017
Assets:							
Investments and cash	\$ 12,420	\$ 12,221	\$ 14,311	\$ 14,340	\$ 15,223	\$ 15,243	\$ 15,631
Receivables, principally premiums, net	428	466	517	545	457	499	463
Accrued investment income	170	171	176	184	187	177	179
Deferred policy acquisition costs	2,857	2,979	3,062	3,142	3,228	3,135	3,227
Other assets	247	275	317	326	358	359	317
Total assets	\$ 16,122	\$ 16,112	\$ 18,383	\$ 18,537	\$ 19,453	\$ 19,413	\$ 19,817
Liabilities and Shareholders' Equity:							
Future policy benefits	\$ 6,931	\$ 7,354	\$ 7,728	\$ 8,087	\$ 8,442	\$ 8,158	\$ 8,514
Policy and contract claims	1,278	1,421	1,511	1,609	1,652	1,630	1,660
Unearned premium	125	122	117	118	118	136	126
Other policyholder funds	200	201	-	-	-	-	-
Deferred income taxes	1,238	617	954	304	721	562	873
Other liabilities	983	1,083	1,353	1,453	1,471	1,417	1,549
Shareholders' equity	5,367	5,314	6,720	6,966	7,049	7,510	7,095
Total liabilities & shareholders' equity	\$ 16,122	\$ 16,112	\$ 18,383	\$ 18,537	\$ 19,453	\$ 19,413	\$ 19,817

Quarterly Statements of Pre-Tax Operating Earnings and Percentage Changes

(Restated to conform to current classifications)

(Dollars In Millions)

		Earned	%	Net	%	Total	%	Total	%	Amort.	%	General	%	Total	%	Pre-tax	%
		Prem.	Change	Invest.	Change	Operating	Change	Ben.	Change		Change	Oper.	Change	Oper.	Change	Oper.	Change
				Income		Revenues						Exp.		Exp.		Earn.	
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
	3	1,306	1.1	162	1.6	1,468	1.0	722	(.3)	112	9.3	365	1.7	477	3.4	269	.3
	4	1,301	1.2	161	1.8	1,463	1.2	737	(3.2)	109	(2.5)	416	13.5	525	9.8	201	(2.2)
2015	1	1,339	3.5	166	3.3	1,508	3.6	710	3.6	128	(1.5)	385	14.5	513	10.0	285	(6.1)
	2	1,331	1.6	168	4.0	1,501	1.9	715	1.0	113	4.8	380	6.0	493	5.7	293	(2.0)
	3	1,346	3.0	173	7.2	1,520	3.6	735	1.9	114	1.6	385	5.7	499	4.7	286	6.2
	4	1,331	2.3	171	5.6	1,504	2.7	712	(3.4)	133	22.2	422	1.1	555	5.5	237	18.3
2016	1	1,367	2.1	174	5.1	1,544	2.3	690	(2.9)	141	9.8	381	(1.0)	522	1.7	332	16.6
	2	1,362	2.2	176	4.4	1,538	2.5	743	3.8	117	3.9	387	1.9	504	2.4	291	(.3)
	3	1,365	1.4	176	1.7	1,542	1.4	715	(2.7)	116	1.2	388	1.2	504	1.2	323	12.4
	4	1,361	2.2	177	4.0	1,543	2.6	722	1.2	124	(7.0)	435	3.6	559	1.1	262	10.4
2017	1	1,390	1.7	178	2.0	1,569	1.7	710	2.9	140	(.7)	409	7.6	549	5.4	310	(6.7)

Addition of quarters may not equal annual amounts due to rounding

Operating Ratios
(Before Management Fee)

	<u>Period</u>	<u>Premium Persistency Rate</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⁽¹⁾</u>
	2012	76.9	56.7	8.0	32.0	82.3	17.7
	2013	76.3	56.1	8.4	32.2	82.1	17.9
	2014	76.5	54.7	8.8	33.0	81.7	18.3
	2015	76.5	53.7	9.1	34.1	81.7	18.3
	2016	77.4	52.6	9.1	33.9	80.4	19.6
2014	1	76.3	53.0	10.1	32.1	79.2	20.8
	2	76.4	54.1	8.2	31.6	79.7	20.3
	3	76.5	55.2	8.6	32.4	81.6	18.4
	4	76.5	56.6	8.4	35.9	86.3	13.7
2015	1	76.7	53.1	9.6	34.0	81.1	18.9
	2	76.6	53.7	8.5	32.8	80.5	19.5
	3	76.8	54.7	8.5	32.8	81.2	18.8
	4	76.5	53.5	10.0	36.9	84.2	15.8
2016	1	76.6	50.5	10.3	33.8	78.5	21.5
	2	76.7	54.6	8.6	32.7	81.0	19.0
	3	76.9	52.4	8.5	32.7	79.1	20.9
	4	77.4	53.0	9.1	36.3	83.0	17.0
2017	1	77.5	51.0	10.0	35.1	80.3	19.7

(1) See definition of operating profit margin on cover page

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

	<u>Period</u>	<u>Annl. Prem. In Force</u>	<u>% Change</u>	<u>New Annl. Prem. Sales</u>	<u>% Change</u>	<u>Convers. Prem.</u>	<u>Total New Prem.</u>	<u>% Change</u>
	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)
	2014	5,668	1.8	1,415	.5	18	1,433	.7
	2015	5,760	1.6	1,460	3.2	27	1,487	3.7
	2016	5,896	2.4	1,454	(.4)	28	1,482	(.3)
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)
	3	5,525	.6	324	(.8)	4	328	(.6)
	4	5,668	1.8	447	13.7	7	454	14.1
2015	1	5,607	1.8	310	(1.2)	6	316	(.5)
	2	5,624	1.6	339	2.6	5	344	3.1
	3	5,627	1.9	324	—	6	330	.4
	4	5,760	1.6	487	9.1	9	497	9.6
2016	1	5,736	2.3	321	3.4	7	328	3.7
	2	5,756	2.4	341	.8	6	347	1.0
	3	5,762	2.4	318	(2.0)	6	324	(1.8)
	4	5,896	2.4	475	(2.6)	8	483	(2.9)
2017	1	5,858	2.1	327	2.1	6	333	1.7

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

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

Aflac U.S. Sales Force Data

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

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

Statements of Pre-Tax Operating Earnings⁽¹⁾
 (Before Management Fee)
 (In Millions)

	Years Ended December 31,					3 Months Ended March 31,		
	2012	2013	2014	2015	2016	2016	2017	%
								Change
Revenues:								
Net premiums								
Gross premiums	¥ 1,370,560	¥ 1,471,640	¥ 1,499,689	¥ 1,520,403	¥ 1,534,961	¥ 383,665	¥ 378,861	(1.3)
Assumed (ceded)	(2,080)	(10,508)	(36,729)	(62,710)	(65,456)	(16,653)	(15,954)	(4.2)
Total net premiums	1,368,480	1,461,132	1,462,960	1,457,693	1,469,505	367,012	362,907	(1.1)
Net investment income:								
Yen denominated	151,738	145,931	150,869	148,500	146,180	37,106	36,769	(.9)
US\$ denominated	75,471	112,831	130,543	146,357	131,473	34,665	32,442	(6.4)
Net investment income	227,209	258,762	281,412	294,857	277,653	71,771	69,211	(3.6)
Amortized hedge costs on foreign investments ⁽²⁾	(431)	(2,319)	(3,554)	(8,666)	(20,804)	(3,872)	(5,563)	43.7
Net investment income, less amortized hedge costs on foreign investments	226,778	256,443	277,858	286,191	256,849	67,899	63,648	(6.3)
Other income excl. realized foreign currency gains (losses)	4,603	5,322	3,383	3,723	4,297	988	1,173	
Total operating revenues ⁽¹⁾	1,599,861	1,722,897	1,744,201	1,747,607	1,730,651	435,899	427,728	(1.9)
Benefits and expenses:								
Benefits and claims, net								
Incurred claims -direct	637,561	647,433	660,367	658,123	679,996	170,170	180,822	6.3
Incurred claims -assumed (ceded)	(1,395)	(8,858)	(30,290)	(52,915)	(56,422)	(14,375)	(14,381)	-
Increase in FPB -direct	361,043	427,087	435,965	451,610	445,933	108,514	94,052	(13.3)
Increase in FPB -assumed (ceded)	-	(487)	(1,741)	(3,344)	(2,602)	(677)	(465)	(31.3)
Total net benefits and claims	997,209	1,065,175	1,064,301	1,053,474	1,066,905	263,632	260,028	(1.4)
Amortization of deferred policy acquisition costs	57,168	62,623	68,550	69,902	69,839	17,453	17,522	.4
General operating expenses	234,371	243,559	250,244	248,773	252,316	61,962	62,557	1.0
Total benefits and expenses	1,288,748	1,371,357	1,383,095	1,372,149	1,389,060	343,047	340,107	(.9)
Pretax operating earnings ⁽¹⁾	¥ 311,113	¥ 351,540	¥ 361,106	¥ 375,458	¥ 341,591	¥ 92,852	¥ 87,621	(5.6)

(1) See definition of operating earnings and operating revenues on cover page

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

Statements of Pre-Tax Operating Earnings ⁽¹⁾
 (Before Management Fee)
 (In Millions)

	Years Ended December 31,					3 Months Ended March 31,		
	2012	2013	2014	2015	2016	2016	2017	%
								Change
Revenues:								
Net premiums								
Gross premiums	\$ 17,177	\$ 15,087	\$ 14,206	\$ 12,563	\$ 14,140	\$ 3,324	\$ 3,334	.3
Assumed (ceded)	<u>(26)</u>	<u>(105)</u>	<u>(345)</u>	<u>(517)</u>	<u>(603)</u>	<u>(145)</u>	<u>(140)</u>	<u>(2.8)</u>
Total net premiums	17,151	14,982	13,861	12,046	13,537	3,179	3,194	.5
Net investment income								
Yen denominated	1,902	1,497	1,429	1,227	1,346	322	323	.6
US\$ denominated	<u>943</u>	<u>1,154</u>	<u>1,233</u>	<u>1,209</u>	<u>1,208</u>	<u>300</u>	<u>286</u>	<u>(4.8)</u>
Net investment income	2,845	2,651	2,662	2,436	2,554	622	609	(2.0)
Amortized hedge costs on foreign investments ⁽²⁾	<u>(5)</u>	<u>(24)</u>	<u>(35)</u>	<u>(72)</u>	<u>(186)</u>	<u>(32)</u>	<u>(52)</u>	<u>60.9</u>
Net investment income, less amortized hedge costs on foreign investments	2,840	2,627	2,627	2,364	2,368	590	557	(5.4)
Other income excl. realized foreign currency gains (losses)	<u>57</u>	<u>55</u>	<u>32</u>	<u>31</u>	<u>40</u>	<u>8</u>	<u>10</u>	
Total operating revenues ⁽¹⁾	<u>20,048</u>	<u>17,664</u>	<u>16,520</u>	<u>14,441</u>	<u>15,945</u>	<u>3,777</u>	<u>3,761</u>	<u>(.4)</u>
Benefits and expenses:								
Benefits and claims, net								
Incurred claims -direct	7,990	6,641	6,261	5,438	6,265	1,474	1,592	7.9
Incurred claims -assumed (ceded)	<u>(17)</u>	<u>(88)</u>	<u>(284)</u>	<u>(436)</u>	<u>(519)</u>	<u>(124)</u>	<u>(127)</u>	<u>1.5</u>
Increase in FPB -direct	4,523	4,376	4,123	3,731	4,106	939	827	(11.9)
Increase in FPB -assumed (ceded)	<u>—</u>	<u>(5)</u>	<u>(16)</u>	<u>(28)</u>	<u>(24)</u>	<u>(6)</u>	<u>(4)</u>	<u>(30.1)</u>
Total net benefits and claims	12,496	10,924	10,084	8,705	9,828	2,283	2,288	.2
Amortization of deferred policy acquisition costs	716	641	649	578	643	151	154	1.9
Operating expenses	<u>2,937</u>	<u>2,495</u>	<u>2,364</u>	<u>2,055</u>	<u>2,326</u>	<u>537</u>	<u>550</u>	<u>2.5</u>
Total benefits and expenses	<u>16,149</u>	<u>14,060</u>	<u>13,097</u>	<u>11,338</u>	<u>12,797</u>	<u>2,971</u>	<u>2,992</u>	<u>.7</u>
Pretax operating earnings ⁽¹⁾	<u>\$ 3,899</u>	<u>\$ 3,604</u>	<u>\$ 3,423</u>	<u>\$ 3,103</u>	<u>\$ 3,148</u>	<u>\$ 806</u>	<u>\$ 769</u>	<u>(4.7)</u>

(1) See definition of operating earnings and operating revenues on cover page

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

Balance Sheets
(In Millions)

	December 31,					March 31,	
	2012	2013	2014	2015	2016	2016	2017
Assets:							
Investments and cash	¥ 9,070,942	¥ 9,956,712	¥ 10,957,847	¥ 10,763,982	¥ 11,463,613	¥ 10,997,688	¥ 11,516,496
Receivables, principally premiums, net	48,978	77,023	46,498	30,941	24,102	29,672	17,498
Accrued investment income	57,900	65,595	70,342	69,957	65,475	64,199	60,444
Deferred policy acquisition costs	588,831	613,229	628,175	647,642	671,563	652,822	676,311
Other assets	75,618	139,790	174,330	264,521	339,639	329,552	297,145
Total assets	¥ 9,842,269	¥ 10,852,349	¥ 11,877,192	¥ 11,777,043	¥ 12,564,392	¥ 12,073,933	¥ 12,567,894
Liabilities and Shareholders' Equity:							
Future policy benefits	¥ 6,019,908	¥ 6,510,973	¥ 6,981,769	¥ 7,507,247	¥ 7,955,244	¥ 7,616,210	¥ 8,049,734
Policy and contract claims	238,612	246,868	255,508	264,473	278,697	265,918	288,281
Unearned premiums	1,019,848	1,108,717	1,025,812	933,347	791,992	918,464	751,748
Other policyholder funds	443,125	596,488	726,899	758,043	775,746	764,069	779,131
Income taxes (prim. deferred)	246,740	339,101	522,342	476,124	545,640	508,613	531,532
Other liabilities	696,680	750,833	595,019	200,639	316,241	178,609	310,652
Shareholders' equity	1,177,356	1,299,369	1,769,843	1,637,170	1,900,832	1,822,050	1,856,816
Total liabilities & shareholders' equity	¥ 9,842,269	¥ 10,852,349	¥ 11,877,192	¥ 11,777,043	¥ 12,564,392	¥ 12,073,933	¥ 12,567,894

Balance Sheets
(In Millions)

	December 31,					March 31,	
	2012	2013	2014	2015	2016	2016	2017
Assets:							
Investments and cash	\$ 104,769	\$ 94,475	\$ 90,899	\$ 89,246	\$ 98,409	\$ 97,601	\$ 102,652
Receivables, principally premiums, net	566	731	386	256	207	263	156
Accrued investment income	669	622	584	580	562	570	539
Deferred policy acquisition costs	6,801	5,819	5,211	5,370	5,765	5,794	6,028
Other assets	<u>873</u>	<u>1,326</u>	<u>1,445</u>	<u>2,194</u>	<u>2,915</u>	<u>2,925</u>	<u>2,648</u>
Total assets	<u>\$ 113,678</u>	<u>\$ 102,973</u>	<u>\$ 98,525</u>	<u>\$ 97,646</u>	<u>\$ 107,858</u>	<u>\$ 107,153</u>	<u>\$ 112,023</u>
Liabilities and Shareholders' Equity:							
Future policy benefits	\$ 69,530	\$ 61,780	\$ 57,916	\$ 62,244	\$ 68,291	\$ 67,591	\$ 71,751
Policy and contract claims	2,756	2,342	2,120	2,193	2,392	2,360	2,570
Unearned premiums	11,779	10,520	8,509	7,739	6,799	8,151	6,701
Other policyholder liabilities	5,118	5,660	6,030	6,284	6,659	6,781	6,944
Income taxes (prim. deferred)	2,850	3,218	4,333	3,948	4,684	4,513	4,738
Other liabilities	8,047	7,124	4,936	1,664	2,715	1,586	2,768
Shareholders' equity	<u>13,598</u>	<u>12,329</u>	<u>14,681</u>	<u>13,574</u>	<u>16,318</u>	<u>16,171</u>	<u>16,551</u>
Total liabilities & shareholders' equity	<u>\$ 113,678</u>	<u>\$ 102,973</u>	<u>\$ 98,525</u>	<u>\$ 97,646</u>	<u>\$ 107,858</u>	<u>\$ 107,153</u>	<u>\$ 112,023</u>

Quarterly Statements of Pre-Tax Operating Earnings⁽¹⁾ and Percentage Changes
(Yen In Millions)

		Earned		NII, less Hedge		Total Operating		Total		General Operating		Total Operating		Pretax Oper.			
		Premiums	% Change	Costs ⁽²⁾	% Change	Revenues ⁽¹⁾⁽²⁾	% Change	Benefits	% Change	Amort.	% Change	Expense	% Change	Expense	% Change	Earn. ⁽¹⁾⁽²⁾	% Change
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	56,053	3.6	404,129	10.0	253,137	15.5	14,193	5.6	58,650	5.3	72,843	5.3	78,149	(1.4)
	4	355,507	11.2	57,275	4.5	414,304	10.4	265,012	13.7	14,701	17.6	61,672	3.8	76,373	6.2	72,919	3.5
2013	1	360,685	9.8	61,792	6.4	424,949	9.5	261,264	11.2	15,122	7.4	57,452	2.4	72,574	3.4	91,111	10.1
	2	367,104	8.6	63,978	15.5	432,141	9.8	266,345	9.1	15,065	6.2	58,491	1.0	73,556	2.0	92,241	19.3
	3	369,535	6.7	64,584	15.2	434,921	7.6	273,248	7.9	15,156	6.8	63,395	8.1	78,551	7.8	83,122	6.4
	4	363,808	2.3	66,089	15.4	430,886	4.0	264,319	(.3)	17,280	17.5	64,221	4.1	81,501	6.7	85,066	16.7
2014	1	365,865	1.4	67,410	9.1	434,228	2.2	260,514	(.3)	16,899	11.8	61,710	7.4	78,609	8.3	95,105	4.4
	2	365,492	(.4)	68,648	7.3	434,973	.7	264,095	(.8)	17,129	13.7	59,805	2.2	76,934	4.6	93,944	1.8
	3	367,115	(.7)	69,225	7.2	437,147	.5	273,380	-	16,488	8.8	62,266	(1.8)	78,754	.3	85,012	2.3
	4	364,488	.2	72,576	9.8	437,854	1.6	266,312	.8	18,034	4.4	66,462	3.5	84,496	3.7	87,046	2.3
2015	1	366,593	.2	71,523	6.1	439,034	1.1	265,291	1.8	17,798	5.3	59,874	(3.0)	77,672	(1.2)	96,071	1.0
	2	361,240	(1.2)	71,512	4.2	433,649	(.3)	263,305	(.3)	17,158	.2	63,326	5.9	80,484	4.6	89,861	(4.3)
	3	364,280	(.8)	71,963	4.0	437,238	-	261,589	(4.3)	17,607	6.8	63,735	2.4	81,342	3.3	94,307	10.9
	4	365,579	.3	71,192	(1.9)	437,687	-	263,289	(1.1)	17,339	(3.9)	61,838	(7.0)	79,177	(6.3)	95,220	9.4
2016	1	367,012	.1	67,899	(5.1)	435,899	(.7)	263,632	(.6)	17,453	(1.9)	61,962	3.5	79,415	2.2	92,852	(3.4)
	2	367,809	1.8	65,166	(8.9)	434,120	.1	265,312	.8	18,036	5.1	64,225	1.4	82,261	2.2	86,548	(3.7)
	3	368,263	1.1	61,786	(14.1)	431,140	(1.4)	266,694	2.0	17,008	(3.4)	63,097	(1.0)	80,105	(1.5)	84,342	(10.6)
	4	366,421	.2	61,998	(12.9)	429,491	(1.9)	271,267	3.0	17,342	-	63,032	1.9	80,374	1.5	77,850	(18.2)
2017	1	362,907	(1.1)	63,648	(6.3)	427,728	(1.9)	260,028	(1.4)	17,522	.4	62,557	1.0	80,079	.8	87,621	(5.6)

(1) See definition of operating earnings and operating revenues on cover page

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

Addition of quarters may not equal annual amounts due to rounding

Operating Ratios
(Before Management Fee)

	Period	Premium Persistency Rate	Tot. Ben./ Premium	Tot. Ben./ Premiums (3rd sector)	Amort./ Premium	Tot. Oper. Expenses/ Total Rev.	Combined Ratio/ Total Rev. ⁽¹⁾	Pretax Profit Margin ⁽¹⁾
	2012	94.8	72.9	67.1	4.2	18.2	80.6	19.4
	2013	94.9	72.9	64.7	4.3	17.8	79.6	20.4
	2014	94.7	72.7	62.8	4.7	18.3	79.3	20.7
	2015	94.9	72.3	60.9	4.8	18.2	78.5	21.5
	2016	95.1	72.6	61.1	4.8	18.6	80.3	19.7
2014	1	94.4	71.2	61.1	4.6	18.1	78.1	21.9
	2	94.6	72.3	62.3	4.7	17.7	78.4	21.6
	3	94.8	74.5	65.1	4.5	18.0	80.6	19.4
	4	94.7	73.1	62.7	4.9	19.3	80.1	19.9
2015	1	94.6	72.4	61.2	4.9	17.7	78.1	21.9
	2	94.8	72.9	61.8	4.7	18.6	79.3	20.7
	3	94.9	71.8	60.0	4.8	18.6	78.4	21.6
	4	94.9	72.0	60.6	4.7	18.1	78.2	21.8
2016	1	95.0	71.8	59.7	4.8	18.2	78.7	21.3
	2	95.0	72.1	60.4	4.9	18.9	80.1	19.9
	3	95.1	72.4	60.8	4.6	18.6	80.4	19.6
	4	95.1	74.0	63.6	4.7	18.7	81.9	18.1
2017	1	94.9	71.7	60.6	4.8	18.7	79.5	20.5

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

Aflac Japan Sales Results
(Yen In Millions, unless otherwise noted)

	<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>
	2012	1,492.5	11.1	210,401	30.9	219	210,620	30.8
	2013	1,567.1	5.0	149,155	(29.1)	153	149,308	(29.1)
	2014	1,594.4	1.7	114,375	(23.3)	138	114,513	(23.3)
	2015	1,617.7	1.5	120,736	5.6	119	120,855	5.5
	2016	1,606.1	(.7)	113,612	(5.9)	109	113,721	(5.9)
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)
	3	1,588.2	2.2	25,605	(20.8)	29	25,634	(20.8)
	4	1,594.4	1.7	33,311	1.5	44	33,355	1.5
2015	1	1,598.9	1.4	26,949	(2.2)	32	26,981	(2.2)
	2	1,604.0	1.3	30,547	9.4	34	30,581	9.4
	3	1,612.7	1.5	31,621	23.5	23	31,644	23.4
	4	1,617.7	1.5	31,619	(5.1)	31	31,650	(5.1)
2016	1	1,618.9	1.3	31,127	15.5	36	31,163	15.5
	2	1,622.4	1.1	30,221	(1.1)	29	30,250	(1.1)
	3	1,618.0	.3	26,494	(16.2)	19	26,513	(16.2)
	4	1,606.1	(.7)	25,770	(18.5)	26	25,796	(18.5)
2017	1	1,585.9	(2.0)	22,025	(29.2)	29	22,054	(29.2)

Aflac Japan

Aflac Japan Product Mix (New Annualized Premium Sales, Yen In Billions)

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

Aflac Japan Sales Force Data

Number of Agencies by Type

Sales Contribution by Agency Type

	Number of Agencies by Type				Sales Contribution by Agency Type					
	Individual/ Independent	Affiliated	Bank	Total	Individual/ Independent	Affiliated	Bank	Licensed Sales	Recruited Agencies	
	<u>Corporate</u>	<u>Corporate</u>			<u>Corporate</u>	<u>Corporate</u>		<u>Associates⁽²⁾</u>		
2012	16,703	1,780	372	18,855	34.7	19.7	45.6	125,266	3,248	
2013	14,228	1,693	372	16,293	43.8	24.9	31.3	126,584	1,655	
2014	12,871	1,628	371	14,870	46.1	32.4	21.5	121,143	958	
2015	11,585	1,552	372	13,509	47.0	38.1	14.9	113,967	344	
2016	10,560	1,496	372	12,428	46.7	44.4	8.9	108,721	180	
2016	1	11,334	1,543	370	13,247	49.7	35.7	14.6	112,964	50
	2	11,079	1,517	370	12,966	48.4	44.6	7.0	111,427	55
	3	10,826	1,506	370	12,702	43.0	50.1	6.9	110,237	41
	4	10,560	1,496	372	12,428	44.8	48.8	6.3	108,721	34
2017	1	10,295	1,493	373	12,161	47.3	44.7	8.0	108,056	45

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

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

**Yen/Dollar Exchange Rates
2012 - 2015
(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>
2012	1	82.19	79.59	2013	1	94.05	92.59	2014	1	102.92	102.70	2015	1	120.17	119.16
	2	79.31	79.88		2	98.59	95.60		2	101.36	102.42		2	122.45	120.14
	3	77.60	79.47		3	97.75	96.61		3	109.45	102.89		3	119.96	120.81
	4	86.58	79.81		4	105.39	97.54		4	120.55	105.46		4	120.61	120.99

**Yen/Dollar Exchange Rates
2016 - 2017
(By Quarter)**

		<u>Qtr End</u>	<u>Qtr Avg</u>	<u>Yearly Cum Avg</u>	<u>% change Cum Avg Yen vs. 15</u>			<u>Qtr End</u>	<u>Qtr Avg</u>	<u>Yearly Cum Avg</u>	<u>% change Cum Avg Yen vs. 16</u>
2016		112.68	115.35	115.35	3.3	2017	1	112.19	113.56	113.56	1.6
		102.91	108.28	111.82	7.4						
		101.12	102.37	108.58	11.3						
		116.49	109.10	108.70	11.3						