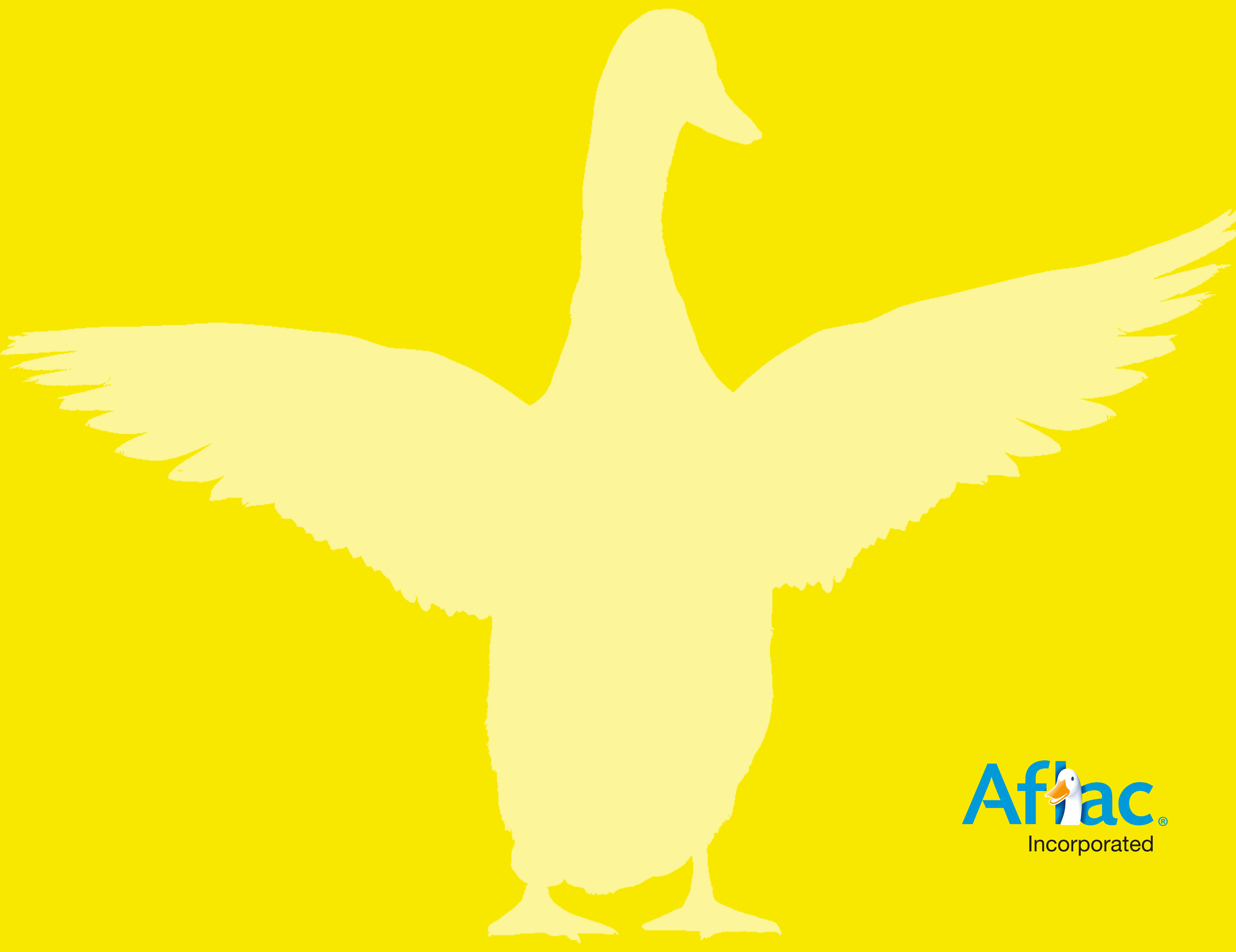
Aflac's Financial Analysts Briefing 2011



Aflac Incorporated

About This Book

This book primarily contains information about Aflac that, most of which was given at the company's 2011 Financial Analysts Briefing held on May 17-18, 2011, at the Mandarin Oriental Hotel in New York, New York. All information is intended to provide a comprehensive discussion and analysis of Aflac's operations. The information contained in this book was based on conditions that existed at the end of the first quarter 2011. Circumstances may have changed materially since those presentations were made. The company undertakes no obligation to update the presentations. This information was prepared as a supplement to the company's annual and quarterly releases, 10-Ks and 10-Qs. This book does not include footnotes to the financial statements or certain items that appear in reports or registration statements filed with the Securities and Exchange Commission. We believe the information presented in this book was accurate at the time of the presentations, but its accuracy cannot be guaranteed.

Forward-Looking Information

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" to encourage companies to provide prospective information, so long as those informational statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those included in the forward-looking statements. We desire to take advantage of these provisions. This document contains cautionary statements identifying important factors that could cause actual results to differ materially from those projected herein, and in any other statements made by company officials in communications with the financial community and contained in documents filed with the Securities and Exchange Commission (SEC).

Forward-looking statements are not based on historical information and relate to future operations, strategies, financial results or other developments. Furthermore, forward-looking information is subject to numerous assumptions, risks and uncertainties. In particular, statements containing words such as "expect," "anticipate," "believe," "goal," "objective," "may," "should," "estimate," "intends," "projects," "will," "assumes," "potential," "target" or similar words as well as specific projections of future results, generally qualify as forward-looking. Aflac undertakes no obligation to update such forward-looking statements. We caution readers that the following factors, in addition to other factors mentioned from time to time, could cause actual results to differ materially from those contemplated by the forward-looking statements: difficult conditions in global capital markets and the economy generally; governmental actions for the purpose of stabilizing the financial markets; defaults and downgrades in certain securities in our investment portfolio; impairment of financial institutions; credit and other risks associated with Aflac's investment in perpetual securities; differing judgments applied to investment valuations; subjective determinations of amount of impairments taken on our investments; realization of unrealized losses; limited availability of acceptable yen-denominated investments; concentration of our investments in any particular sector or issuer; concentration of business in Japan; ongoing changes in our industry; exposure to significant financial and capital markets risk; fluctuations in foreign currency exchange rates; significant changes in investment yield rates; deviations in actual experience from pricing and reserving assumptions; subsidiaries' ability to pay dividends to the Parent Company; changes in law or regulation by governmental authorities; ability to attract and retain qualified sales associates and employees; ability to continue to develop and implement improvements in information technology systems; changes in U.S. and/or Japanese accounting standards; decreases in our financial strength or debt ratings; level and outcome of litigation; ability to effectively manage key executive succession; catastrophic events including, but not necessarily limited to, tornadoes, hurricanes, earthquakes, tsunamis, and radiological disasters; and failure of internal controls or corporate governance policies and procedures.

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Section I
Aflac Incorporated

Strategic Overview of Aflac

Daniel P. Amos
Chairman and Chief Executive Officer

I'd like to kick off this year's analyst briefing with an overview of our operations and our strategy for growth.

I believe the actions we've taken during the past several years, and continue to take, serve only to enhance shareholder value in the future. For decades, Aflac's two-part growth strategy for the United States and Japan has been the driving force behind our success: *We offer relevant products through expanded distribution channels*. By managing our business using this strategy, we have achieved growth in our insurance operations. Japan and the United States are countries ideally suited to the voluntary products we offer.

In Japan and the U.S., we proactively look for ways to anticipate challenges that might come our way, but there are some things you just can't prepare for. Before the sun had even come up on March 11, a call came in that reminded me of a call I'd received in 1995 when the Kobe earthquake struck. It was the news about the earthquake and tsunami. As the days and weeks unfolded, the whole world watched helplessly through TV and social media as the devastation became more evident and tested the resolve of many Japanese people. Having operated in Japan for more than 35 years, we've found that the Japanese people are very resilient. And I saw this resilience when I visited Japan the week after the quake.

Not a month-and-a-half later, a catastrophe of a different type unfolded as a record number of tornadoes stormed across the central and southern part of the United States. And now, the floods along the Mississippi are testing the resolve of many Americans – again revealing the resilience of the human spirit. While these are completely different events, they serve as stark reminders about how important products like accident, medical, and life insurance are.

I'll start with a review of our U.S. operations. Aflac U.S. has applied our growth strategy of providing relevant products through expanding distribution for decades now.

On the product side of our two-part strategy, we have transformed Aflac U.S. from basically a one-product company to the leading seller of individually insurance products since the early 1990s. We then took a significant step to further enhance our product portfolio with our 2009 acquisition of CAIC, now Aflac Group Insurance. This acquisition has allowed us to add group products to our existing portfolio of individual voluntary products. In doing so, we can now leverage the strong brand and market-leading status we've established through our individual products as we now also apply that strength to our portfolio of group products. On the distribution side, we have been establishing and developing broker relationships through our Aflac for Brokers initiative. The unmistakable synergy between these two efforts has been gaining traction ever since. We're pleased and thrilled to see the payoff, which is even more remarkable in an economy that is still challenged.

The new annualized premium sales increase of 6.3% in the first quarter was a good start toward achieving our 2011 Aflac U.S. sales objective of flat to 5% sales growth. As you know, we don't typically update you on sales results for the second quarter. In light of the situation in Japan, I told you I'd update you on Aflac Japan sales. So I want to do the same for Aflac U.S. In the first six weeks of the second quarter, Aflac U.S. generated new annualized premium growth in line with our first quarter results, after adjusting for the extra day in the first quarter and one less day in the second quarter. I want to remind you, though, that the majority of sales come in the final few weeks of the quarter, so the six-week growth only provides a snapshot in time, and therefore may not reflect sales for the entire quarter.

You know, we've come through a challenging economy. But even during the toughest of times, we did not sit back helplessly and wait for the economy to turn. With an economic recovery in mind, we assembled several key product and distribution initiatives to position Aflac U.S. for better growth. We're now seeing both results and synergy from those efforts.

To give you some idea about the growth of our group operations, in the year-and-a-half since we acquired CAIC, we've outgrown our offices in South Carolina. With the addition of Aflac Group Insurance to our individual product portfolio, Aflac U.S. is now fully "product *and* distribution equipped." As outlined in Paul's presentation, we offer a portfolio of individual *and* group voluntary products that are sold by traditional agents *and* brokers in both small *and* large accounts. The way I see it, more product options and more distribution opportunities mean more potential policyholders.

Tom Morey's presentation covers how we develop individual and group products and how we are driving sales through synchronized product introductions as we do in Japan. When it comes to selling group vs. individual products, I have told our entire U.S. sales force many times that I'm product-neutral. I don't care whether they sell group *or* individual products – but I do want both products offered at the worksite to employers with more than 100 workers. That's because if we don't offer the group products up front, you can bet someone else will. I truly believe that if an employer wants group products and knows Aflac offers them, they'll choose Aflac over the competition.

In addition, we have developed initiatives centered around recruiting, training, motivating, and selling. Our sales team puts these core tenets into action and our marketing department is on board to provide support on each one. As we consider new initiatives, if it doesn't help us accomplish one of these core tenets, we move on to an initiative that does. The presentations from Tom Giddens and Michael Zuna provide details on each one.

While leveraging our strong and trusted brand, we're also equipping our traditional sales agents and the brokers with tools to help them recruit, train, motivate and sell. With all of these factors working together, we're striving to create a sum that's greater than its parts to help generate success for traditional sales agents, for brokers, and for Aflac.

We continue to believe the U.S. provides a vast and accessible market for our products, and we are building our business with that potential in mind. We believe our expectation that Aflac U.S. sales growth for 2011 will be flat to up 5% is reasonable. Given the fact that the economy is still recovering, we remain somewhat cautious. I would remind you that this is a "momentum" business, and I would obviously like to see the momentum build for a few quarters. It is clear, however, that the addition of the group product platform for our field force and our growing broker initiative only serve to enhance our ability to leverage the Aflac brand to reach more companies across the United States.

Now let me turn to Aflac Japan, where our strategy for growth has also generated positive results. Before I cover some of our operational highlights, I promised you that I would share information about Aflac Japan's second quarter sales growth and the impact of the earthquake and tsunami, so that's where I'll start. Our sales growth in the first six weeks of the second quarter has been virtually flat, compared with last year. Since our original projection for the second quarter was to be up 4%, it is obvious that the quake and tsunami has had some impact on our sales. Through this week, Japan sales are up about 8% year-to-date, which is ahead of our sales target for the year. As we told you before, comparisons will be tougher in the second half of the year. However we still expect to achieve our sales target of down 2% to up 3% for the year.

Now, to address our growth strategy in Japan, I'll provide a brief overview of our products and distribution, and our Aflac Japan management presentations include additional information. For more than three decades, Aflac has been positioned as the number one seller of third sector, or supplemental insurance products in Japan. The growing need for supplemental insurance reflects Japan's rapidly aging population and the related financial stress on Japan's national health care system.

Because of the significant financial risk that can arise from serious illnesses and accidents, Japanese consumers have increasingly understood the need for additional insurance protection. Aflac's leading market position has resulted, in part, from an intense focus on protection-oriented products.

By monitoring changing consumer needs and improving our products accordingly, our product line has remained a key competitive strength for many years. Aflac has earned a reputation as being a product innovator, and we have developed and maintained a strong brand. That is certainly the case with our founding product, cancer insurance. Keep in mind that the foundation of our product portfolio has been, and continues to be, the cancer and medical products. Importantly, we maintained our position as the number one seller of both of these products in Japan, which confirms the continued popularity and demand for our innovative policies. The solid platform we've established with these two pillar products has allowed us to leverage our competitive advantages, such as branding and administrative efficiency.

More recently, we have also found success through the development of two unique life insurance products; child endowment and WAYS. As we have discussed, our child endowment product has premiums that are about three times that of our health products, but it is a much lower profit margin product at about 5%. However, the profit margin increases to at least 10% when customers purchase it using discounted advance premium. With respect to a lower profit margin, understand one thing – we are in the business to make money. I am willing to accept a lower profit if it helps grow the business, but I will not accept a loss-leader product. Kriss' presentation materials show you how child endowment contributes to our profits. Keep in mind, our child endowment product is also helpful in enhancing our policyholder base, allowing an opportunity for our sales agents to cross-sell additional products like cancer and medical to new consumers. In fact, for every five endowment policies we sell, we sell one additional product. In the non-bank channel, for every five child endowment products we sell, we're selling two additional products.

The sale of our child endowment product has been consumer-driven with the government subsidy for children. We feel the demand for the product is dropping and sales of this product are slowing for two primary reasons. First, we've already taken one pass at selling our child endowment for children up to age seven. Essentially, the remaining growth will come from newborns. Second, if the child subsidy is reduced or suspended – and it may be as the government re-evaluates its post-earthquake spending – it will further reduce the demand for this product.

The sales force, including banks, has already started shifting to the sales of other products like WAYS in the bank channel and cancer insurance in other channels. Another unique life insurance product we have seen success in is our WAYS product. You'll recall that WAYS is our unique hybrid whole-life product that can be converted to a fixed annuity, medical coverage or nursing care benefits when the policyholder reaches a predetermined age. Consumers find WAYS attractive because of its guaranteed principal and the future flexibility of its benefit options. Banks like to sell this product because of its high premium and attractive commissions. We like it, because the average premium for ways is about 10 times the premium of our health products, which contributes strongly to Aflac Japan's top line growth. WAYS has a profit margin of around 14%. The profit margin on WAYS is enhanced to around 18% when policyholders elect to pay all of their premiums upfront, through "discounted advance premium."

Now I'll give you an overview of the other important aspect of our growth strategy – distribution – for Aflac Japan. In the mid 1970s, virtually all of our sales came from affiliated corporate agencies. Since that time, our distribution system has steadily evolved to include a diversity of sales outlets. During the 1990s, we expanded our ability to provide face-to-face sales by building a large network of independent corporate and individual agencies. In late 2000 we entered into a strategic marketing agreement with Dai-ichi Life, which I believe has been one of the most effective alliances in the insurance industry. We also added alternative distribution outlets, including internet sales and telemarketing capabilities.

More recently, we are selling through more banks than any company offering third sector products, and our innovative products align well with the product needs of banks. At the end of the first quarter 2011, Aflac Japan was represented by more than 90% of the total number of banks in Japan, and Shinkai-san's presentation includes more details on this topic. Like our product line, our extensive and diversified distribution system is a key competitive strength in the Japanese market. With our ability to provide our sales force with valued products, attractive commissions, effective support, and financial strength, I don't expect that competitive strength to diminish.

Now, having covered our operations in the U.S. and Japan, I will turn to our strategy for investment portfolio activities and capital management. Our business generates large cash flows, and managing this capital means making decisions and adjustments about the factors we have control over. The presentation materials from Ken and Kriss give you some insight into our thought process when considering our capital deployment options and factors that play into our decisions in this regard. The underlying strength of our operations has allowed us to build capital, and our balance sheet is strong. We remain focused on maintaining a strong RBC ratio that is consistent with our management incentive plan of achieving a minimum RBC ratio of 400% with a target of 450%. While concentrating on achieving this RBC range, we are also intent on managing our capital position in a way that supports our financial strength and debt ratings. At the end of last week, we completed our first quarter statutory financial statements and finalized our calculation of the RBC ratio. At the end of March, we estimated that our RBC ratio would be 520%, down from the year-end number in part due to derisking activities in the first quarter.

I will update you on these derisking activities in a moment. Let me remind you that our first quarter derisking activities didn't mark the *start* of our derisking – they marked another step in an ongoing process, because we are in the business of managing risk, not avoiding risk. I want to review with you some of the portfolio derisking activities we've been actively carrying out over the last couple of years. For instance, from the first quarter of 2009 through the first quarter of 2011, we have significantly decreased our exposure to perpetual subordinated securities, going from approximately 13% of the portfolio to less than 9%, a 30% decrease. From the perspective of our exposures in the "PIIGS" countries, we've also lowered our exposure there. At the start of 2009, the sovereign and financial exposures in these countries made up approximately 6% of the total portfolio. This number declined to 4% at the end of the first quarter of this year, a 33% decrease. We've also lowered our concentration in financial exposures by both selling assets as well as reducing the percentage of new investments allocated to the financial sector. At the start of 2009, banks and other financials made up about 41% of the total portfolio, and at the end of the first quarter this year, that number had dropped to 33%, a 20% decrease. Even subsequent to the end of the first quarter, we've actively continued our derisking efforts. We sold our entire perpetual holdings of Bank of Scotland and our entire holdings in Irish Life and permanent. Additionally, we sold the last of our perpetual exposure in Lloyds.

As I told you during the first quarter teleconference, we are now focusing on derisking from the standpoint of reducing our concentrated positions, which are predominantly a legacy issue. Following the first quarter, we sold $57 million of our Tunisian holdings at 94 cents on the dollar. Although this represents a small percent of our holdings, it shows that there is a market for our yen-denominated bonds.

We view derisking as a process, not an event. Based on market conditions, we will continue to identify and consider potential derisking activities on an ongoing basis throughout the year. Jerry's presentation covers additional information about our two largest concentrations, which are JGBs and U.S. Treasuries. As I said in our first quarter earnings teleconference, we are willing to accept lower earnings growth in order to reduce risk in our portfolio. Until late 2008, we were deploying excess capital to our shareholders through share repurchase and dividend increases because of our very high capital adequacy ratios. When the financial crisis hit, we focused on preservation of capital and enhancing our capital adequacy ratios. With the crisis largely in our rearview mirror, we are now in a position to deploy capital again – but our approach will still reflect a cautious outlook.

We remain cognizant of the impact on RBC and solvency margin ratios. We are willing to reduce share repurchases to focus on portfolio derisking, but keep in mind, we view this as a short-term sacrifice to conserve capital as we prudently derisk the business. The amount of funds applied to share repurchase will depend on our RBC levels, which also relates to the results of our derisking activities and other financial results.

Another option we have for deploying capital comes in the way of paying cash dividends to shareholders. Keep in mind, 2010 marked Aflac's 28th consecutive year of cash dividend increases, which is one of the strongest records out there. We expect to increase our dividend this year.

I can't think of a more unusual year in which we have been aggressively pursuing objectives that are so important and at the same time, in conflict. As we move forward, striking the right balance between all of these priorities is paramount to managing the company for the longer-term benefit of shareholders.

Let me comment on some of the factors that have impacted the growth of our earnings per share for the past several years and also will impact for the next several years. The most important influences to the growth include portfolio derisking activities, which I discussed earlier. The other major factors are: One, the continued low interest rate environment, especially in Japan; two, slower earned premium growth in the U.S.; and three, a slowing rate of decline in the benefit ratio in Japan. While interest rates have been declining for many years in Japan, the past two years have been especially tough, with new money yields averaging less than 3%. Slower earned premium growth has also been a factor in the U.S., where prior to 2008, we averaged growth in double digits. As we discussed for several years, the rate of decline in the benefit ratio in Japan has moderated. We expect the rate of decline will continue to flatten out even more this year and next. This slowing rate of decline in the benefit ratio has been impacted by product mix and claims trends that have already improved quite substantially over the past decade. While all these factors individually may have a small impact on earnings growth, together the impact is much stronger.

I want to reaffirm our 2011 objective of growing operating earnings per diluted share at 8%, excluding the impact of the yen. For earnings growth in 2012, our target is to achieve operating earnings per diluted share growth of flat to up 5% on a currency neutral basis.

While I have given a broad overview of the factors influencing our growth, the presentation materials from the 2011 Aflac Financial Analysts Briefing provides more. I firmly believe we are up to the challenge of striking the right balance among all the priorities that I discussed.

Investor concerns have changed; and current events too numerous to count have changed the world forever. And we continue to adapt to those changes. But what has *not* changed is the confidence we place in our product and distribution strategy for growth. And, we believe that by derisking our portfolio, we are better positioned to enhance shareholder value.

Aflac Incorporated Financial Results

Kriss Cloninger III
President; Chief Financial Officer

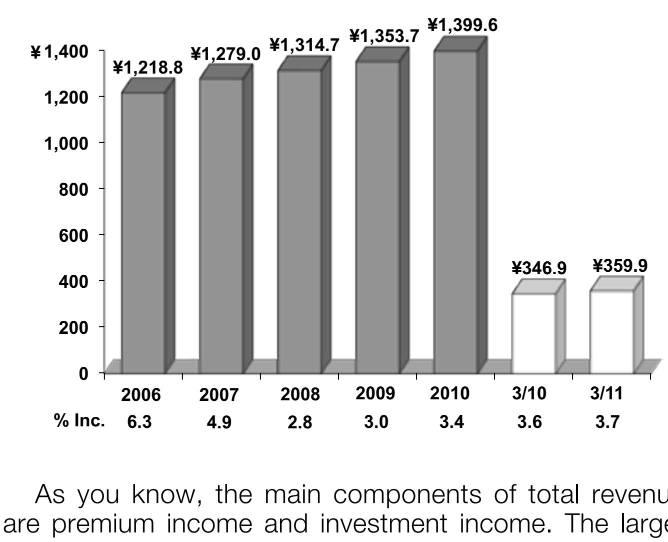
I will provide information about Aflac's financial results and the assumptions used in modeling our operating earnings-per-share growth expectations. Let me start with a broad overview of each of our segments. Then I will go into more depth on our modeling assumptions.

Segment Contributions to Operating Earnings
(In Millions)

	2009	2010	3/10	3/11
Aflac Japan	$2,800	$3,283	$ 821	$ 980

Aflac Japan remains the primary contributor to our overall operations. In the first quarter of 2011, Aflac Japan represented approximately 79% of pretax insurance earnings.

Aflac Japan Total Revenues
(In Billions)

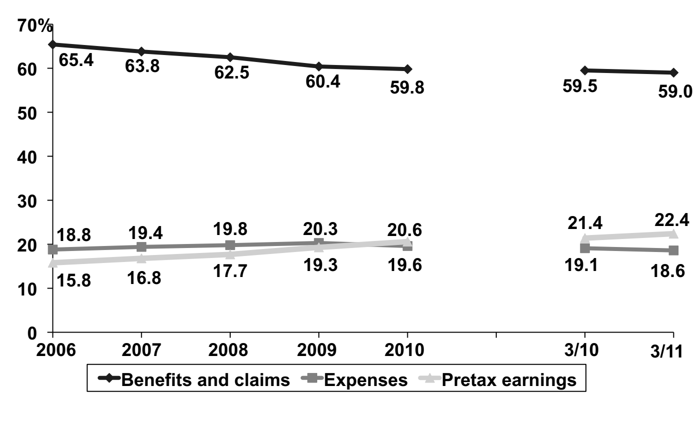


As you know, the main components of total revenues are premium income and investment income. The largest component, premium income, has benefited from a predictable and stable source of renewal revenues. In fact, we estimate that 91% of Aflac Japan's premium income will be derived from renewal premiums this year, with the balance coming from new sales.

Aflac Japan continues to produce increasing revenues in yen terms. The growth rates had been declining somewhat in recent years due primarily to lower new sales contributions in 2006 through 2008. However, revenue growth rates improved beginning in 2009 and continuing into 2011 reflecting faster sales growth. It's worth noting that the exchange rate can influence the rate of investment income growth when reported in yen, as it did in 2010 and so far this year. Dollar-denominated investment income accounts for about 33% of Aflac Japan's total investment income. As such, when the yen strengthens to the dollar, the growth rates of investment income, revenues and earnings are suppressed in yen terms.

Of course, the opposite occurs when the yen weakens. However, there is no impact on a consolidated basis as reported in dollars.

Aflac Japan Operating Ratios
(To Total Revenues)

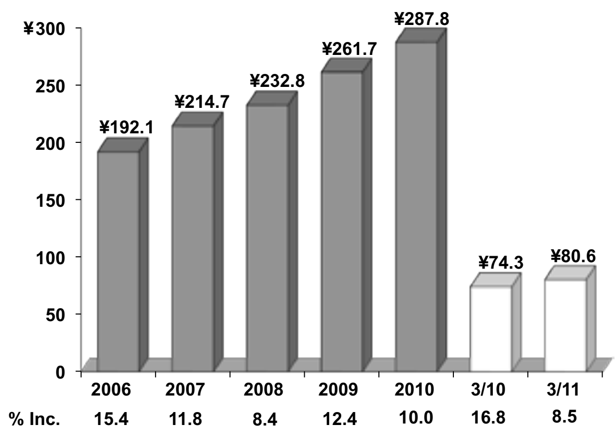


Total annual operating expenses as a percentage of revenues have remained in a fairly narrow range for the last five years. Aflac Japan's low expense ratio reflects efficient operations, lower net-commission expense, and a strong and stable persistency rate.

Although low interest rates and profit repatriations suppress our margins, this has been more than offset by the improvement in the benefit ratio, which has significantly enhanced the overall profit margin in recent years. I will provide more information about the benefit ratio development pattern later.

Aflac Japan Pretax Operating Earnings

(In Billions)



The expanded profit margin over the last several years has enabled us to grow Aflac Japan's pretax operating earnings at a significantly faster rate than total revenue growth.

Segment Contributions to Operating Earnings

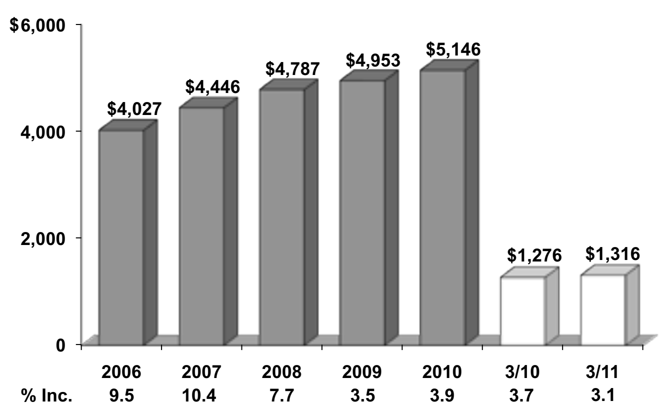
(In Millions)

	2009	2010	3/10	3/11
Aflac Japan	$2,800	$3,283	$ 821	$ 980
Aflac U.S.	776	924	244	253

Aflac U.S. is our other major operating segment. It accounted for the remaining 21% of pretax insurance earnings in the first quarter of this year.

Aflac U.S. Total Revenues

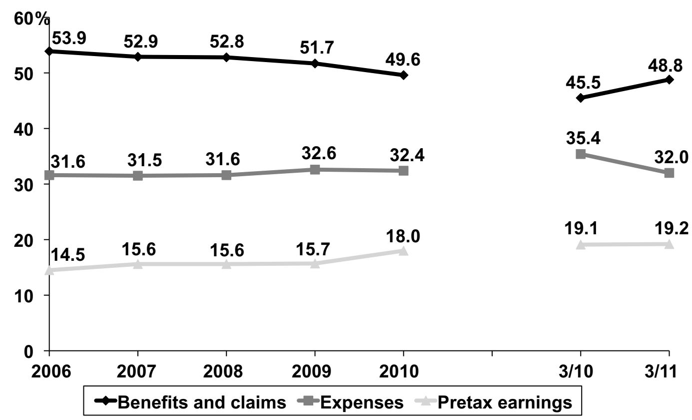
(In Millions)



The growth in total revenues is largely driven by the premium income growth rate, which has slowed in recent years. The slowdown in premium income has resulted from generally lower persistency rates and weaker sales over the last three years. As we have discussed, we believe the slowdown in premium income growth has been primarily tied to weak economic conditions. Revenue growth in 2010 benefited from the inclusion of Aflac Group business.

Aflac U.S. Operating Ratios

(To Total Revenues)

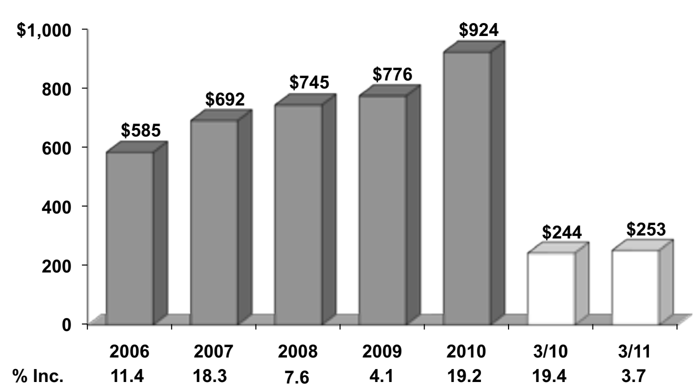


Over an extended period of time, the operating ratios of Aflac U.S. have been very stable. However, benefit and expense ratios in 2010 were influenced by lapses that occurred following the loss of a large payroll account in 2009. As a result of increased lapsation, the benefit ratio declined sharply, reflecting the release of benefit reserves associated with the lapsed policies. The higher expense ratio in 2010 also reflected increased amortization of deferred acquisition costs, or DAC, for those lapsed policies. However, the net impact of the reserve release and DAC amortization was a sizeable benefit to the bottom line in the first quarter of 2010.

For the first quarter of 2011, the benefit ratio returned to a more normalized level. The expense ratio was lower than a year ago, reflecting significant advertising expenses in the first quarter of 2010 as well as the increased amortization previously discussed. However, as you can see, the expense ratio in the first quarter of this year was fairly consistent with our recent history.

Aflac U.S. Pretax Operating Earnings

(In Millions)



Despite the very difficult earnings comparison to last year, pretax operating earnings rose slightly in the first quarter of this year for Aflac U.S.

However, for the full year, we expect pretax operating earnings to be flat to down slightly due to the difficult comparison created by the previously mentioned reserve release in 2010. We also anticipate somewhat higher expenses, including advertising, during the remainder of this year. Although Aflac Japan is the dominant segment of our total company results, Aflac U.S. remains a significant and important contributor to our growth.

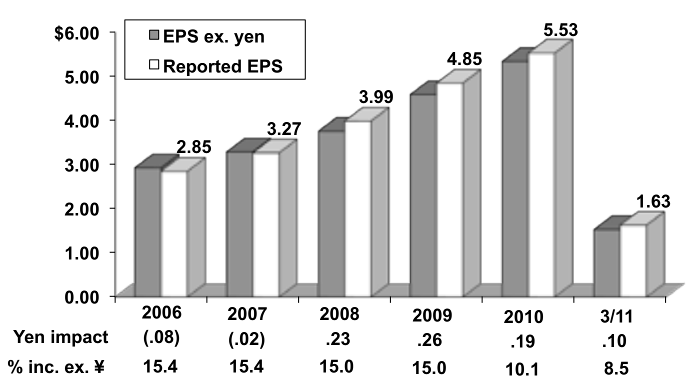
Segment Contributions to Operating Earnings
(In Millions)

	2009	2010	3/10	3/11
Aflac Japan	$2,800	$3,283	$ 821	$ 980
Aflac U.S.	776	924	244	253
Interest expense	(73)	(140)	(31)	(41)
Corp. & other exp.	(68)	(60)	(14)	(14)
Pretax oper. earnings	$3,435	$4,007	$1,020	$1,179
Income taxes	1,158	1,389	354	408
Operating earnings	$2,277	$2,618	$ 666	$ 771

The increase in interest expense in 2010 and in the first quarter of 2011 was due to the higher interest rates associated with our recent dollar-denominated debt issuance. In addition, the stronger yen also increased interest expense somewhat on our yen-denominated debt once converted to dollars.

Parent company and other unallocated expenses were fairly consistent with 2009 and our consolidated tax rate has been very stable over the last several years.

Operating Earnings Per Share
(Diluted Basis)



At the bottom of this slide, you'll see the per-share impact from the changes in average yen/dollar exchange rates for the last five years. Over the long run, the impact from currency fluctuations tends to be smoothed. However, for the last three years, our per-share results benefited significantly from the strengthening of the yen. Our sensitivity to currency changes on a per-share basis has increased in the last few years primarily due to a greater portion of our consolidated earnings being derived from yen-denominated sources.

Reconciliation of Operating to Net Earnings Per Diluted Share

	2009	2010	3/10	3/11
Operating earnings	$4.85	$5.53	$1.41	$1.63
Reconciling items*:				
Realized gains (losses):				
Sales & impairments	(1.67)	(.58)	(.06)	(.75)
Derivatives & hedging	(.01)	—	—	(.04)
Debt extinguishment	.02	—	—	—
Net earnings	$3.19	$4.95	$1.35	$ .84

*Net of tax

In addition to net earnings, we believe that an analysis of operating earnings, a non-GAAP financial measure, is vitally important to an understanding of Aflac's underlying profitability drivers. We define operating earnings as the profits we derive from our operations before the effect of realized investment gains and losses from securities transactions, impairments, and derivative and hedging activities, as well as nonrecurring items. Our derivative and hedging activities are limited, and we consider them largely passive in nature. They relate to certain investments we are required to consolidate under current accounting requirements.

We use operating earnings to evaluate our financial performance because realized gains and losses, the impact of derivatives and hedging, and nonrecurring items tend to be driven by general economic conditions and events, and therefore can obscure the underlying fundamentals and trends in Aflac's insurance operations.

Our realized investment losses in 2010 declined sharply from 2009. In 2010, we realized $437 million of after-tax losses and $164 million of after-tax gains, for a net loss of $273 million, or $.58 per diluted share. As you know, our losses in the first quarter of 2011 were largely attributable to derisking activities.

EPS Growth Objectives

- **Increase operating earnings per diluted share 8% in 2011, excluding the impact of foreign currency**
- **Increase operating earnings per diluted share 0% to 5% in 2012, excluding the impact of foreign currency**

Taking all of this into account, our focus is on maintaining strong fundamentals in our core businesses and producing solid earnings growth. Our goal for 2011 is to increase operating earnings per diluted share 8%, excluding the yen. As Dan's presentation indicates, our objective for 2012 is to generate operating earnings per diluted share in the range of flat to up 5%, excluding the impact of the yen.

Factors Influencing 2012 EPS Growth

- **Slower investment income growth from:**
  - » **Investment losses/derisking**
  - » **Low investment yields**
- **Slower U.S. earned premium growth**
- **Benefit ratio development in Japan**

When we released first quarter earnings, we commented on the impact of derisking activities on our 2012 earnings outlook.

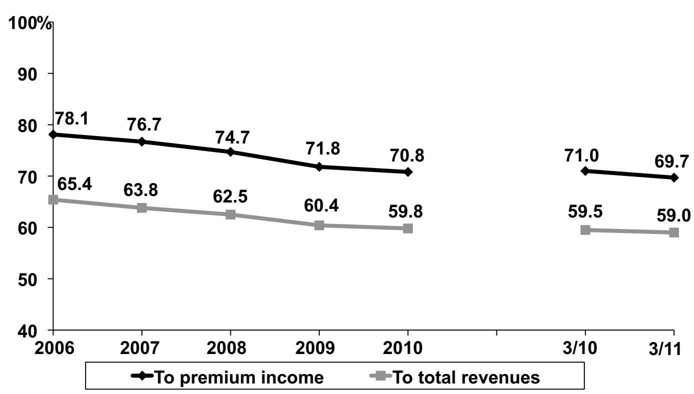
Like many other financial institutions, we have had significant realized investment losses since the onset of the financial crisis. These losses are primarily associated with the crisis itself and our proactive derisking activities. We estimate that our consolidated investment income in 2012 will be lower by $89 million before taxes due to the loss of proceeds on the securities we have sold since mid-2008 through the end of 2010 and reinvested at lower rates.

In addition, overall reinvestment rates have posed challenges since 2008, particularly in Japan. Our blended new money rate in Japan averaged 3.38% from 2006 through 2008. For the two years since then, the average was 2.82%. The difference between those two rates is meaningful in financial terms. To give you an idea of how important 50 basis points can be to our investment income growth, let me provide an example. Based on cash flow estimates for 2009 through 2012, if we were able to earn an additional 50 basis points in each of those years, we estimate our 2012 investment income would be approximately $132 million higher than our current outlook.

Aflac U.S. has experienced slower earned premium growth. Prior to the onset of the financial crisis, Aflac U.S. was growing its top line at a consistent double-digit rate. For instance, from 2003 through 2007, Aflac U.S. earned premium increased at an average annual rate of 12.2%. However, sales began to weaken in the second half of 2008 and have, until this year, been on a downward trend, which has pressured earned premium growth. Next year, we expect U.S. premium growth to be in the range of flat to up 5%. And because our U.S. margins are much more stable than in Japan, the slowing of earned premium growth translates directly into slower U.S. earnings growth.

The other factor influencing our 2012 EPS growth is the development of Aflac Japan's benefit ratio.

Aflac Japan Benefit Ratios



In Japan, our benefit ratio has been trending downward since peaking at 73.4% of revenues in 1996.

As we have discussed for many years, this declining trend has resulted from two major factors: improving claims experience, primarily on our cancer insurance business, and a shift in the mix of our business toward products with lower benefit ratios. First, let me review why we have seen favorable claims experience for most of our health products.

You'll recall that Japan's national health care system has been under severe pressure to reduce costs. The government has modified their reimbursement practice to pay more per day for shorter hospital stays, which has had the effect of significantly shortening hospital stays. The shortening of stays has been particularly noteworthy on our cancer insurance business, causing the ratio of actual to historical experience to fall from 85% in 2004 to 76% in 2009. This ratio decline is significant. In fact, the length of hospital stays declined at a much faster rate than we originally expected. As a result, there is less room for additional improvement in the future.

Though we expect this favorable trend to continue, hospitalization periods have dropped significantly in recent years. You will find more detailed information about this in Sue Blanck's discussion when we put out the 2011 Aflac Financial Analysts Briefing book.

Rider MAX and EVER claims have been lower than our original expectation since those products were introduced in 1998 and 2002, respectively. Like cancer insurance, we expect this favorable experience to continue. Yet there is also less room for significant levels of claims improvement in our medical products because average hospital stays for non-cancer medical events are much shorter than they are for cancer treatments. The bottom line is that we expect the overall benefit ratio for Rider MAX and EVER to remain relatively stable.

The other major factor behind the decrease in Aflac Japan's benefit ratio has been the change in business mix over time. Our efforts at broadening our product line have significantly changed our in-force business. For instance, cancer life premiums in force represented approximately 48% of total premiums in force at the end of March, compared with 94% in 1992. For many years we added significant layers of lower benefit ratio products, including medical insurance. However, since 2009, the mix has changed again with strong sales of child endowment and WAYS. At the end of first quarter this year, these two products represented approximately 6.3% of total in-force business in terms of AP. This change in mix can be meaningful because benefit ratios vary quite a bit by product.

Expected Benefit Ratios by Product

Traditional cancer life – full CSV	68% - 73%
Cancer life – reduced CSV	63% - 68%
21st Century Cancer life – full CSV	55% - 60%
21st Century Cancer life – reduced CSV	50% - 55%
Cancer Forte – full CSV	55% - 60%
Cancer Forte – reduced CSV	48% - 53%
Cancer DAYS	47% - 50%
EVER	50% - 55%
Riders to cancer and medical	40% - 53%
Other ordinary life products	60% - 75%
WAYS	65% - 80%
Child endowment	85% - 95%

The traditional cancer life product that we were selling through the 1990s had a full cash surrender value, or CSV, and a benefit ratio in the area of 68% to 73%. To offset some of the effect of the 1999 premium rate increase on newly issued cancer life policies, which was caused by a lower assumed interest rate, we elected to reduce the cash surrender value. This product modification was well received by consumers looking to maximize their premium value.

Reducing the CSV brought down the benefit ratio as well. Our current cancer insurance products have benefit ratios that range from 47% to 60%. The benefit ratios of our medical products are 50% to 55%, and the riders to our cancer and medical products range from 40% to 53%.

Ordinary life insurance products, including WAYS, have expected benefit ratios from 60% to 80%. Our child endowment product has an even higher benefit ratio ranging from 85% to 95%. Although the expected benefit ratios of these products are higher than our health products, the commission expense is lower for each of these products. In general, the higher the benefit ratio is for a product, the lower the expense ratio. And these lower expense ratios help narrow the gap on the profit margin.

For certain products, a customer may elect to pay all of the premiums upfront in return for a small discount. We refer to this payment method as discounted advanced premiums. Aflac invests these funds and earns an interest spread that increases our profits.

The resulting profit margin increases by about a third on WAYS and as much as 100% on child endowment. This is a very important point because about 50% of the child endowment policies currently sold by banks are issued using discounted advance premiums. Approximately 90% of WAYS policies sold through banks are issued with discounted advance premiums. Furthermore, a significant portion of both products is generated through banks, and these products remain very popular with bank customers.

In the non-bank channels, we also realize some profit enhancement on a child endowment sale by cross-selling another product. In fact, recent experience has been that four additional policies are sold for every 10 child endowment policies in the non-bank channel. That enhances the profit margin associated with those customers.

Finally, let me remind you that the annual premium for our child endowment product is about three times the amount of our traditional health products when sold through banks. The premium for WAYS is almost ten times the premium of our health products.

Given all these factors, we believe that the total profitability for these lower-margin products is still within an acceptable range of our profitability targets. To illustrate this point, let me share a hypothetical example using data for our child endowment product, which has a lower margin than WAYS. These following slides demonstrate the financial effect of adding child endowment to our product mix.

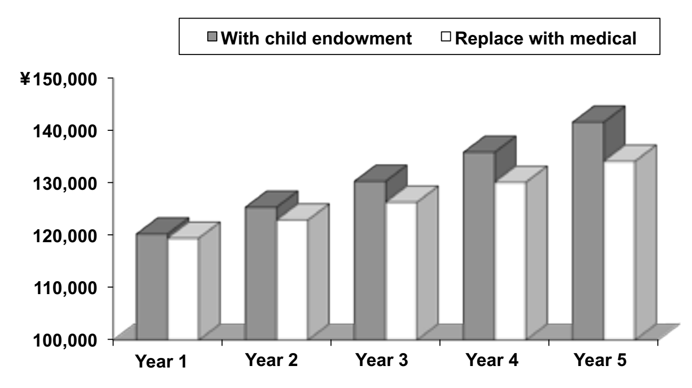
Child Endowment Analysis Assumptions

- **Beginning annualized premium in force of ¥100 million**
- **Sales of ¥10 million in year one**
- **Sales growth of 3% annually in years two through five**
- **Child endowment accounts for 20% of sales in each of the five years**
- **“Replace with medical” assumes one medical policy sale rather than one child endowment policy sale**

This hypothetical analysis assumes an in-force block with ¥100 million of annualized premium at the start of year one and adds ¥10 million of sales in the first year. Sales in years two through five grow at 3% annually. For the bars labeled “with child endowment,” we have assumed that the endowment product makes up 20% of sales in each of the five years. For the bars representing the “replace with medical” data, we have assumed that we sold one medical policy rather than one child endowment policy.

We made this assumption because it is unrealistic to think that if our sales force was not selling an endowment policy, they would be selling three medical policies for an equivalent amount of new premium instead. This is especially true in the bank channel, which has a preference for higher premium products and accounts for a significant portion of endowment sales.

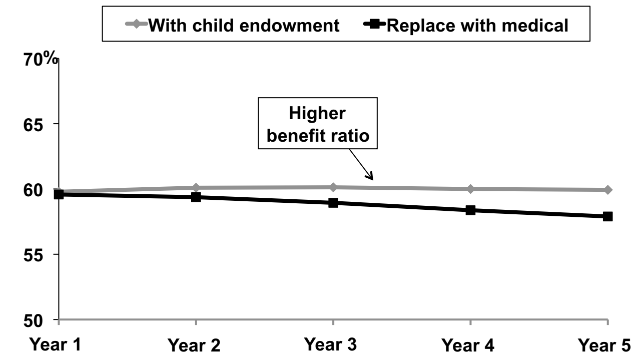
The Impact on Total Revenues from Child Endowment vs. Medical Sales



As this chart illustrates, child endowment produces a significant effect on our revenue growth in a short period of time, compared with the revenue produced by the sale of the same number of medical policies. It is this effect, plus the strong sales of medical insurance in late 2009 and the first half of 2010, that enhanced our revenue growth recently.

The Impact on Benefit Ratios from Child Endowment vs. Medical Sales

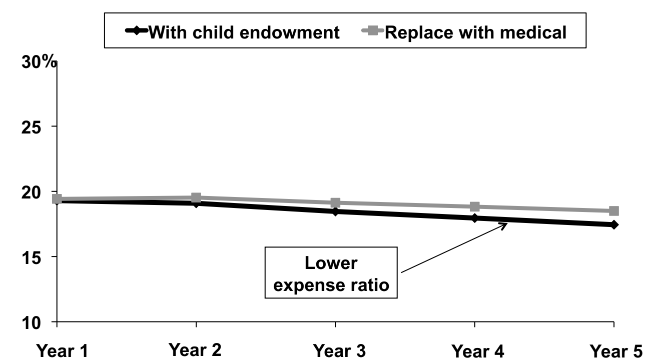
(To Total Revenues)



As I showed you earlier, child endowment and our other ordinary products have higher benefit ratios than Aflac Japan's current overall benefit ratio. Because of the relative size of the premium and the persistent nature of our child endowment product, significant sales of this product will cause Aflac Japan's overall benefit ratio to be higher than it would have been if the medical product, with its lower loss ratio, had been sold instead.

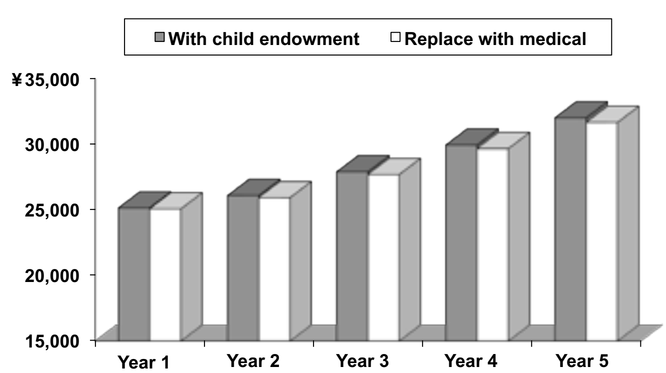
The Impact on Expense Ratios from Child Endowment vs. Medical Sales

(To Total Revenues)



However, as this graph shows, child endowment has a favorable impact on the expense ratio. This helps mitigate the impact of the higher benefit ratio on the profit margin.

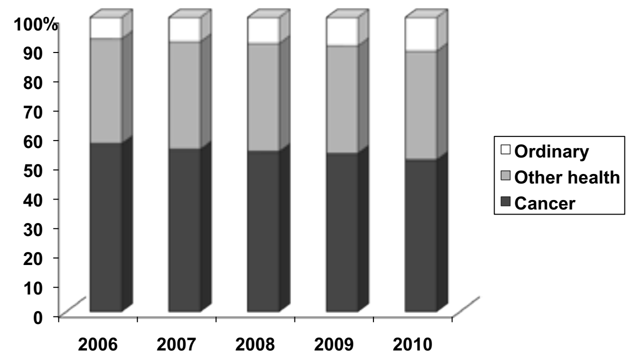
The Impact on Pretax Operating Earnings from Child Endowment vs. Medical Sales



This graph illustrates that the profits that emerge are generally consistent when we replace the sale of each child endowment policy with a medical policy. The higher premium and lower margin products not only contribute to the bottom line, they also provide the bank channel with the type of product they are most interested in selling.

Aflac Japan Revenue by Product Category*

(% of Total Revenues)

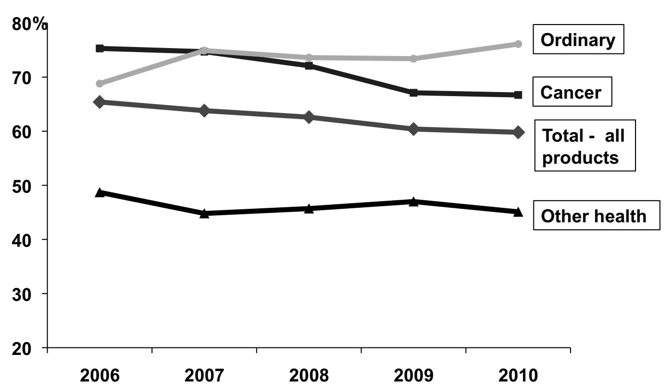


*Assumes investment income is allocated by product category

Now let's look at the actual impact that sales of ordinary products, including child endowment, have had on Aflac Japan's revenue and benefit ratio. In this chart, investment income is allocated by product category. Recently the sale of ordinary products, including child endowment, has significantly increased, which has impacted the composition of Aflac Japan's revenues. Cancer insurance has gone from 57% of total revenues in 2006 to 51% in 2010. The other health category remained a fairly stable contributor going from 36% of the total in 2006 to 37% in 2010. Ordinary products went from 7% of total revenues in 2006 to 12% in 2010.

Aflac Japan Benefit Ratios by Product Category

(% of Total Revenues)



As indicated previously, this change in composition is important because the benefit ratios are very different for cancer, the other health category and all ordinary products. The cancer benefit ratio has been trending down in the last several years, falling from 75.3% in 2006 to 66.7% in 2010. Other health has also fallen in this period, going from 48.7% in 2006 to 45.1% in 2010. However, the trend has been less stable in the other health line. For ordinary products, the benefit ratio has risen in this five-year period, from 68.8% in 2006 to 76.1% in 2010. This increase has primarily resulted from the shift in sales to higher benefit ratio products, mainly child endowment. In aggregate, the downward trend in the cancer benefit ratio has more than offset the upward trend in the ordinary benefit ratio, resulting in the total benefit ratio falling from 65.4% in 2006 to 59.8% in 2010.

Going forward, we expect the total benefit ratio for the cancer product line to continue to decline, although we anticipate that the rate will slow, as we said in the past, because there is less room for year-over-year improvement given how short the hospital stays have become.

We anticipate that the benefit ratio of the other health lines will be relatively stable, staying in the range of 45% to 47%, where it has been for the last five years. For the ordinary line, the benefit ratio is expected to increase over the next few years as the impact of strong child endowment sales works its way through the block. For the aggregate benefit ratio, the change in sales mix to higher benefit-ratio products will suppress the trend of a declining benefit ratio for Aflac Japan and may cause the trend to reverse. Now, let me turn to our modeling assumptions.

Aflac Japan Assumptions

	2011	2012
Sales growth	-2% to +3%	0% to +5%
New money yield	2.50% to 3.00%	2.50% to 3.00%
Benefit ratio	-.50% to -1.00%	-.50% to +1.00%
Expense ratio	0% to -.5%	0% to -.5%
Persistency	stable	stable

We believe all of these assumptions are reasonable, but they are not necessarily official objectives for either this year or next. For Japan, our assumption for 2011 is that sales will be down 2% to up 3%, and flat to up 5% for 2012. Our assumption for new money yields for both periods is a range of 2.50% to 3.00%. We decreased our 2011 assumption for benefit ratio improvement by 50 basis points from last year's analyst meeting.

For 2011, we assume the benefit ratio will improve 50 to 100 basis points, compared with 2010, primarily reflecting the larger-than-expected sales of products with higher benefit ratios. In 2012, we anticipate the benefit ratio will be fairly stable, compared with 2011, and may increase modestly. As this evolving product mix has also impacted our expense ratio, we've included it in the assumptions this year. We believe the expense ratio will decline slightly in 2011 and 2012, reflecting the impact of lower expense ratios on products with higher benefit ratios. Our financial modeling assumes that persistency will remain fairly stable for both 2011 and 2012, compared with 2010.

Aflac U.S. Assumptions

	2011	2012
Sales growth	0% to +5%	0% to +5%
New money yield	5.50% to 6.00%	5.50% to 6.00%
Benefit ratio	+1.50% to +2.00%	stable
Expense ratio	stable	stable
Persistency	stable	stable

For Aflac U.S., we are assuming sales will be flat to up 5% for both this year and 2012. Again, I would emphasize that these are simply modeling assumptions and not our official targets, which we haven't set for 2012 in terms of sales. In terms of new money yields, we have assumed we will invest in the 5.50% to 6.00% range.

We anticipate the benefit ratio will rise 150 to 200 basis points in 2011, which primarily reflects a normalization of the ratio following the lapsation of a large payroll account in 2009 that impacted our first quarter 2010. In 2012, we expect the benefit ratio to remain relatively stable, compared with 2011. We also assumed that the expense ratio and persistency will be fairly stable in both 2011 and 2012, compared with 2010.

Corporate Assumptions

	2011	2012
Share repurchase	3 to 12 million	0 to 12 million
Cash dividend	+1% to 10%	+1% to 10%
Tax rate	unchanged	unchanged
Capital structure	unchanged	unchanged

We are assuming repurchases of three to 12 million shares in 2011 and zero to 12 million shares in 2012. We continue to view share repurchase as a preferred means of deploying capital to our shareholders. However, as we have indicated, we are willing to reduce share repurchase to pursue portfolio derisking. The amount of funds applied to share repurchase will depend on our RBC levels, which will vary depending on the results of our derisking activities and other financial results.

Historically, it has been our policy to increase cash dividends to shareholders generally in line with the growth rate of operating earnings per diluted share before the effect of foreign currency. As you know, we were cautious about increasing the dividend during the financial crisis. However, as we emerged from the crisis, we increased the dividend effective with the fourth quarter of last year. We have assumed an increase in cash dividends of 1% to 10% for 2011 and 2012.

We have assumed the 2010 operating tax rate of 34.7% will remain in effect in 2011 and 2012. Although there has been some talk about corporate tax rate reductions in both Japan and the United States, it appears unlikely in the short run. The recent natural disasters in Japan have delayed a possible tax cut there, and the politics of debt reduction in the United States make a corporate tax rate reduction difficult to predict. In addition, we are also assuming no significant change to our capital structure, compared with year-end 2010. We continue to view a 25% debt-to-capital ratio as a ceiling.

All of these assumptions reflect our best estimates of factors that can impact future financial results. We believe they are reasonable, if not conservative. But I want to remind you again that there are risks that can affect our future financial performance. We regularly assess those risks and describe them in our SEC filings, and I'd encourage you to review them as well.

2011 Operating EPS Scenarios

Average Exchange Rate	Annual Operating EPS	% Growth Over 2010	Yen Impact
80	$6.34	14.6%	$.37
85	6.09	10.1	.12
87.69*	5.97	8.0	—
90	5.87	6.1	(.10)
95	5.68	2.7	(.29)

*Actual 2010 exchange rate

The highlighted line on this chart represents our 2011 earnings target of an 8% increase in operating earnings per diluted share before the impact of currency. Assuming we produce earnings growth of 8% this year before the effect of the yen, we would report $5.97 in operating earnings per diluted share. If the yen averages 80 to 85 for the full year, reported operating earnings should come in around $6.09 to $6.34 per diluted share in 2011.

2011 Management Priorities

- **Continue derisking to enhance portfolio quality**
- **Increase 2011 operating earnings per share 8%, excluding currency**
- **Generate 2012 operating EPS growth of flat to up 5%, excluding currency**
- **Provide for adequate regulatory dividend capacity in 2012**
- **Maintain RBC ratio in line with management objectives**
- **Maintain financial strength and debt ratings**

As Dan indicated, 2011 is a challenging and unusual year as we pursue objectives that are both important, but difficult to balance. We want to continue to identify opportunities to derisk the portfolio in a prudent fashion. Clearly, derisking our legacy investment positions that carry relatively high coupons has negative implications for future investment income growth and, therefore, earnings growth.

As we have previously discussed, we are willing to accept lower earnings growth in order to reduce risk in our portfolio. However, we want to achieve our target of an 8% increase in operating earnings per diluted share this year before the effect of the yen. We also want to be in a position to achieve flat to 5% operating earnings per diluted share growth on a currency neutral basis in 2012.

Knowing that realized losses on a statutory accounting basis influence our ability to dividend from the life insurance subsidiary to the parent company, we want to manage our losses in a way that doesn't constrain our shareholder dividend capacity in 2012.

We also want to maintain a strong RBC ratio that is consistent with our management incentive plan minimum of 400% with a target of 450%. And we want to manage our capital position in a way that supports our financial strength and debt ratings. At the end of last week, we completed our first quarter statutory financial statements and finalized the calculation of our RBC ratio. At the end of March, we estimate that our RBC ratio would be 520%. The change from our year-end RBC ratio primarily reflects our derisking activities year to date.

We recognize that we must emphasize revenue growth from new sales and increased investment income in order to grow our profits over the longer term. While margin expansion in the Japan health segment is not over, it may be a less significant element of Aflac's growth story in the future, depending upon the mix of business we sell. We are committed to remaining one of the best organic growth stories among life and health insurance companies in the world.

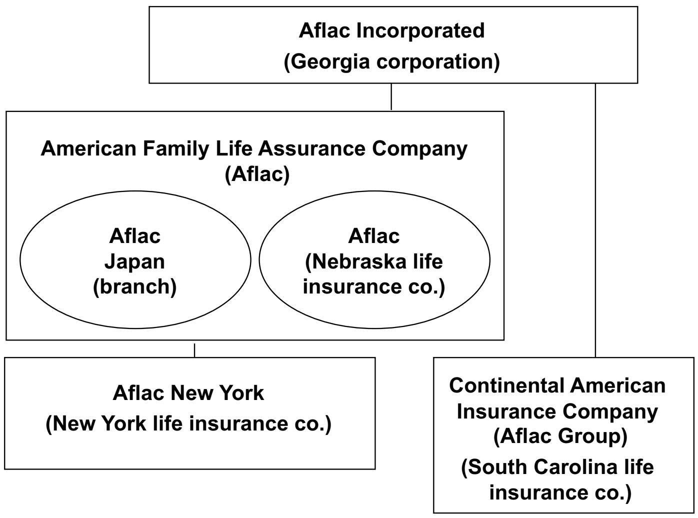
I hope that this information about Aflac's operations in Japan and the United States has given you an increased understanding about the opportunities we see and how we approach our business. I also hope you have a strong sense of our commitment to transparent disclosure. We believe it's important to present information to investors in the same manner in which we actually manage our operations. And I want to assure you that as we always have, we will maintain the highest degree of integrity in the way we manage Aflac and report its financial results.

Capital and Investment Risk Management

Kenneth S. Janke Jr.
Executive Vice President; Deputy Chief Financial Officer

Let me begin the capital and investment risk management topics with a description of Aflac's organizational structure.

Aflac's Principal Operating Units



Our principal subsidiary is American Family Life Assurance Company of Columbus, or Aflac, which is domiciled in Nebraska. We report two operating segments – Aflac U.S. and Aflac Japan. The Aflac U.S. segment includes its subsidiary, Aflac New York, which is domiciled in New York and subject to the insurance laws of that state. The Aflac U.S. reporting segment also includes the recently acquired Continental American Insurance Company (CAIC), a South Carolina company. CAIC, now called Aflac Group Insurance, was acquired in 2009 as a subsidiary of Aflac Incorporated.

Aflac Japan, which operates as a branch of Aflac, is primarily regulated by Japan's Financial Services Agency, or FSA. However, as a branch of our U.S. business, the insurance laws and regulations of Nebraska also apply to Aflac Japan. The regulatory rules relate to operations, marketing, investments and capital levels. It's important to remember that Aflac Japan's branch status influences the manner in which we manage our business, especially as it relates to capital management issues.

Capital Adequacy Ratios

(December 31)

	2008	2009	2010
RBC ratios:			
Aflac	476%	479%	555%
Aflac New York	288	353	418
Aflac Group Insurance*	569	599	415

*Purchased in 4QT 2009

The capital levels of our operating units are influenced by our desire to maintain appropriate RBC ratios. Aflac's RBC ratio reflects Aflac Japan and our Columbus-based U.S. operations. Aflac New York has to meet its own risk-based capital requirements on a stand-alone basis. Aflac New York's RBC ratio improved significantly last year due to its strong statutory earnings. Aflac Group also maintains a stand-alone RBC ratio. That ratio remains high but declined last year due to Aflac Group's very strong growth.

For our principal operating subsidiary, we want to maintain an RBC ratio that supports our ratings and compares favorably to our peers. We have been estimating quarterly RBC ratios for the last two years and will continue to do so throughout 2011. However, we will likely discontinue that practice in 2012. But, it's important to remember that we have and will continue to emphasize the importance of maintaining a strong RBC ratio internally by including it as a component to our officers' incentive compensation plan. The RBC ratio is also the vesting requirement for performance-based restricted stock.

Aflac RBC Components and Ratios

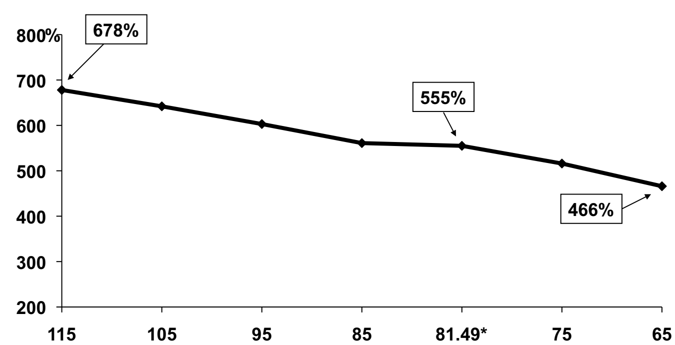
(In Millions)

	Company Action Level	Total Adjusted Capital	RBC Ratio
2006	$ 734	$4,415	601%
2007	778	4,464	574
2008	970	4,623	476
2009	1,208	5,785	479
2010	1,215	6,748	555

Aflac's RBC ratio has been strong for many years. However, our RBC ratio declined from its high in 2006 as we deployed capital in late 2007 and mid-2008 for the repurchase of our shares. In addition, our 2008 RBC ratio was negatively affected by realized investment losses and the 25% strengthening of the yen. Downward ratings migration on certain investments and fairly sizeable capital losses pressured our RBC ratio in 2009. You may recall that we moved $500 million of capital from the parent company to the Aflac subsidiary in late 2009, which benefited our RBC ratio by approximately 40 points. Our ratio improved significantly in 2010, reflecting strong surplus growth accompanied by an improvement in portfolio ratings, which resulted in little change in our required capital.

RBC Ratio Sensitivity to Yen/Dollar Exchange Rates

(December 31, 2010)



*Actual 2010 year-end exchange rate

As we have discussed in previous years, the required capital component of the RBC ratio is proportionately more sensitive to changes in the exchange rate than the total adjusted capital component. That occurs because a significant percentage of our statutory capital and surplus is effectively hedged by dollar-denominated assets. Because we have largely hedged equity against currency fluctuations, our RBC ratio declines when the yen strengthens because our required capital increases at a greater rate than our total adjusted capital.

After retaining more yen capital in Japan in 2009 to enhance our solvency margin, we have since elected to increase Aflac Japan's dollar investments, as Jerry will discuss. As a result, our RBC ratio is currently more sensitive to currency fluctuations than it was last year. Based on the data in this slide, every 10 yen move in the exchange rate last year would have resulted in an average change of about 42 points in the RBC ratio.

Capital Adequacy Ratios

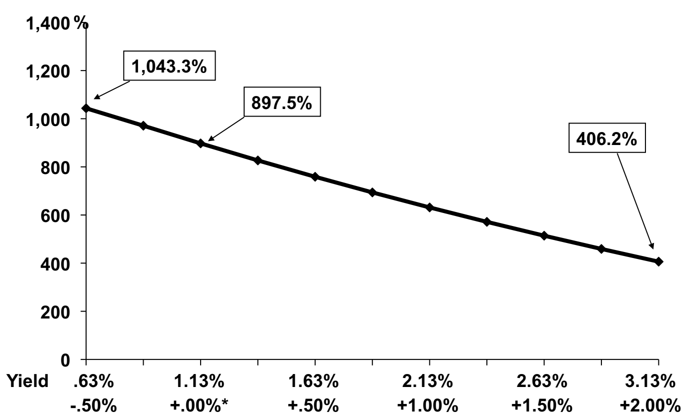
(December 31)

	2008	2009	2010
RBC ratios:			
Aflac	**476%**	**479%**	**555%**
Aflac New York	**288**	**353**	**418**
Aflac Group Insurance*	**569**	**599**	**415**
Aflac Japan solvency margin	**881**	**886**	**898**

***Purchased in 4QT 2009**

In addition to U.S. regulatory requirements, Aflac Japan must also meet capital requirements of Japan's FSA on a stand-alone basis. Japan's solvency margin is similar to the risk-based capital concept. Like the RBC ratio, a minimum solvency margin of 200% is required. As you can see, our solvency margin ratio has been very stable over the last three years and significantly higher than the 200% threshold. Note the solvency margins shown above are December 31 ratios and not official March 31 data. Unlike the RBC ratio, the capital component of Japan's solvency margin ratio includes unrealized gains and losses on bonds that are classified as available for sale. Because of the long-duration nature of our assets, this is the most volatile component of Aflac Japan's regulatory capital.

Sensitivity of FSA Solvency Margin Ratio



***Based on 10-year JGB market data as of 12/31/10**

This graph shows the sensitivity of the solvency margin ratio to interest rate changes as measured by the yield of 10-year JGBs. Using our December 31 ratio, our solvency margin ratio would change by about 246 percentage points for every 100 basis point change in yen yields. The ratio is more sensitive to interest rate changes than last year primarily because we have a greater portion of the portfolio classified as available for sale. The sensitivity of the solvency margin to interest rates is the reason we are very reluctant to reclassify all of our held-to-maturity investments to available for sale. In a rising interest rate environment, our solvency margin could be significantly pressured, and we believe that is an unacceptable risk.

In addition to interest rate changes, our solvency margin is impacted by profit repatriation to Aflac U.S. Over the past five years, for example, we have repatriated profits of ¥231 billion, which would otherwise have increased our solvency margin ratio by 510 percentage points.

Impact of Solvency Margin Ratio Calculation Revision

- **New rule to take effect 3/31/12**
- **Limitations on recognition of policy reserves, hybrid capital, etc.**
- **Risk factors to reflect greater volatility**
- **Solvency margin ratios to decline by approximately half**

As we have discussed in the past, the FSA will be implementing changes in the solvency margin calculation that will be disclosed this year and take effect in 2012. The basic formula will remain unchanged as will the 200% regulatory minimum. However, for the numerator, there will be limitations on recognition of some policy reserves and hybrid capital in the overall capital level. From the aspect of risk factors, or the denominator, the assumed volatility will be significantly higher for any risk type. As such, we estimate that solvency margin ratios will drop to about half the current levels for most life insurance companies, including Aflac Japan. However, we still expect Aflac Japan's solvency margin ratio to remain at a level that is appropriate to support our operations.

With the continued strength in our capital adequacy ratios, the obvious questions are how much capital do you consider as "excess" and how might it be deployed? First, let me comment on our existing obligations.

Parent Company Loan Maturities*

(March 31, 2011)

Contractual Maturities	Percent of Total	Amount (In Millions)	Average Interest Rate
2011	14.0%	$ 421	1.03%
2012	10.6	320	1.87
2015	15.9	480	3.43
2016	3.2	96	2.26
2019	28.2	850	8.50
2039	13.2	396	6.97
2040	14.9	448	6.48
Total	100.0%	$3,011	5.24%

***Excludes capitalized leases of $6 million at March 31, 2011**

Along these lines, let me turn to Aflac Incorporated's debt maturity schedule as of March 31, 2011. As we have stated in the past, our overall preference is to issue debt in yen. Low interest rates, combined with yen cash flows to service yen-denominated obligations, make that market particularly attractive. At March 31, approximately 35% of our outstanding debt was yen-denominated.

However, Japan's debt market was essentially closed to foreign issuers in 2009 and 2010, especially for financial names without government guarantees. Therefore, all of our public debt issuance in the last two years has been in the U.S. dollar market. We have $421 million of yen-denominated debt obligations that are due in September of this year.

Aflac Incorporated Capitalization

(In Millions)

	2009	2010	3/11
Total long-term debt	$ 2,599	$ 3,038	$ 3,017
Shareholders' equity*	9,057	10,992	11,044
Total capitalization	$11,656	$14,030	$14,061
Debt-to-total capitalization	22.3%	21.7%	21.5%

*Excludes unrealized gains/losses on investment securities and derivatives

In thinking about Aflac's debt capacity, we focus in part on our debt-to-total capital ratio. Our computation of total capitalization includes long-term debt, but excludes the unrealized gains and losses in shareholders' equity. Because a portion of our outstanding debt is yen-denominated, while most of our equity is dollar-denominated, a strengthening yen increases our reported debt balance in dollar terms. As a result, our debt-to-total capital ratio increases somewhat when the yen strengthens. And when the yen weakens, the opposite occurs. Our debt-to-total capital ratio has been fairly stable over the last several years and remains under our desired level of 25%.

Yen-Hedged Net-Asset Position*

	2010	3/11
In Yen (billions):		
Aflac Japan net assets	¥724.1	¥746.6
Less $ denom. net assets	456.7	580.9
¥ Denom. net assets in Japan	267.4	165.7
¥ Denom. net liabilities (parent)	(84.8)	(84.6)
Consol. ¥ denom. net assets	¥182.6	¥ 81.1
In Dollars (millions):		
Aflac Japan net assets	$8,887	$8,979
Less $ denom. net assets	5,605	6,987
¥ Denom. net assets in Japan	3,282	1,992
¥ Denom. net liabilities (parent)	(1,041)	(1,017)
Consol. ¥ denom. net assets	$2,241	$ 975

*Includes unrealized gains/losses on investment securities

Our yen-denominated debt obligations also impact our net-asset position in Japan. We have reduced our yen-denominated equity by investing a portion of Aflac Japan's portfolio in dollar-denominated securities. We have also designated the parent company's yen-denominated debt as a hedge against our remaining yen-denominated net assets. If the yen-denominated debt we have designated is less than the yen-denominated net assets, then the hedge is deemed effective and the related exchange effect on the debt is reported in equity. If the total of yen-denominated debt exceeds the investment in Aflac Japan, then the portion of the hedge that exceeds the investment is deemed ineffective. In such a case, we would report the related exchange effect on the excess portion as a realized investment gain or loss in the line item from our press releases we have labeled "impact of derivatives and hedging." We estimate that if the hedge were ineffective by ¥10 billion, we would report a foreign exchange gain or loss of approximately $1 million for every 1% strengthening or weakening of the period-ending exchange rate. At March 31, 2011, our hedge was effective with yen-denominated assets exceeding yen-denominated liabilities by ¥81.1 billion, or $975 million. The reduction in the unhedged position since year-end 2010 reflects an increase in dollar investments at Aflac Japan.

Aflac Incorporated Liquidity Analysis

(In Millions)

	2009 Actual	2010 Actual	2011 Plan
Max. dividend to parent*	$1,209	$1,414	$1,468
Proceeds from borrowings	1,400	748	—
Management fees	117	212	231
Allocated expenses	34	35	37
Other income	19	20	17
Less: Operating expenses	(55)	(63)	(68)
Less: Interest expense	(57)	(124)	(160)
Less: Purchase of CAIC	(100)	—	—
Less: Loan repayment	(450)	(454)	(399)
Less: Shareholder dividend	(524)	(536)	(561)
Uncommitted cash flow	$1,593	$1,252	$ 565

*Without regulatory approval

This chart shows the anticipated cash requirements of Aflac Incorporated. For this illustration, you'll note that we assumed that we do not issue any debt this year.

Nebraska's statute references the dividend restriction as the larger of statutory operating income or 10% of the prior year statutory surplus. However, the Nebraska Department of Insurance has interpreted the income test to be the larger of operating income less realized losses for the prior year. Based on that interpretation and our statutory results in 2010, the maximum we can dividend in 2011 without regulatory approval is slightly less than $1.5 billion.

In addition to the dividend, management fees and allocated expenses, Aflac Incorporated also receives cash from the exercise of stock options along with some investment income, which is included in the "other" line. The parent company uses these funds to pay operating expenses, interest expense, principal payments on debt, and dividends to shareholders. This year's plan calls for uncommitted cash flow of roughly $565 million.

Selected Statutory Items
(In Millions)

	Operating Income	Net Income	Total Adjusted Capital
2006	$1,680	$1,715	$4,415
2007	1,808	1,790	4,464
2008	1,789	1,209	4,623
2009	2,141	1,414	5,785
2010	2,523	1,468	6,748
2011 est.*	2,343	1,695	7,564

*Assumes 2010 average exchange rate of 87.69 and no additional realized gains/losses beyond March 31, 2011

Our ability to provide liquidity to the parent company is directly related to our statutory results. We expect another strong year of capital generation in 2011. Based on our current outlook for the year, we estimate 2011 statutory operating income of approximately $2.3 billion. Assuming no additional statutory capital gains or losses beyond the first quarter of this year, we would expect net income of $1.7 billion. We also estimate our total adjusted capital will be approximately $7.6 billion at the end of this year.

Projected Capital Position
(In Millions)

	RBC Ratio of 450%	RBC Ratio of 400%
2006	$1,112	$1,479
2007	963	1,352
2008	258	743
2009	349	953
2010	1,281	1,888
2011 est.*	1,799	2,439

*Assumes 2010 average exchange rate of 87.69 and no additional realized gains/losses beyond March 31, 2011

An RBC ratio of 450% is our target for incentive compensation this year, while the minimum level is 400%. This table shows our statutory capital levels above RBC ratios of 400% and 450%. Based on the previous statutory financial projections, we estimate our capital position above those ratios will be in a range of $1.8 to $2.4 billion at the end of 2011. For this example, we have assumed that the resources for this year's share repurchases reside at the parent company.

As you know, we have been reluctant to refer to these numbers as excess capital. We will continue to retain a conservative bias in our capital management approach. However, as we have discussed, we are more comfortable deploying capital this year than we were in the last two years. In that regard, we believe that appropriate uses of capital remain prudent portfolio derisking activities and the repurchase of our shares.

Investment Risk Management

- **Derisking**
- **Global credit limits**
- **Credit Workbench**
- **Global Investment Management System (GIMS)**

As Jerry's presentation covers, derisking remains a top priority from an investment risk management perspective. Although there is some overlap, we tend to think of derisking candidates as those that fall into the categories of financials, perpetuals, PIIGS, and below-investment-grade securities, in addition to concentrated positions in single issuer names. I'd like to emphasize that when we consider divesting any asset, we must first evaluate that potential transaction on a U.S. GAAP, U.S. statutory, and FSA accounting basis, as well as the impact on our tax position in both Japan and the U.S. We must also consider whether the asset is in the held-to-maturity or available-for-sale category. And we pay particular attention to the effect on our solvency margin and risk-based capital ratios when evaluating assets for potential sale. However, even with those constraints, I believe our derisking action during the financial crisis and so far this year, is evidence of our commitment to enhancing the quality of our portfolio

In terms of credit concentrations, you may recall that since 2005, we have limited new investment exposures to a maximum of 5% of total adjusted capital in order to increase the diversity of credit risks in our portfolio. While we believe this self-imposed, one-size-fits-all limit has been effective, we are currently in the process of establishing a new policy. Our new global credit exposure policy will create a framework of global single-issuer concentration limits and a process for allocating the credit limits across our various portfolios. This new policy will help us provide a clearer credit approval process and elevated scrutiny as exposures reach higher levels. It will also allow for varying credit limits based on ratings and other factors critical to maintaining an appropriate level of portfolio risk.

We believe a key to further enhancing our risk management discipline will be the improvement our global investment platform. To that end, we have two significant projects underway. The first is called Credit Workbench, which will allow us to electronically aggregate and integrate internal and external research, security documentation and other data on our investments. When completed later this year, it will provide portfolio managers, credit analysts, and risk managers with easy access to all information needed to evaluate investment opportunities and it will be accessible by both our U.S. and Japanese investment teams.

The second key initiative is the creation of a new Global Investment Management System, or GIMS, that will give Aflac a globally-integrated data warehouse and risk analytics platform. This project is being directed by Bill Wright, who joined us last year as senior vice president of Strategy and Investment Risk Management. While the entire GIMS project is scheduled for completion by mid-2012, the consolidated data warehouse will be live later this year, along with market risk-related analytical capabilities. GIMS will enhance our portfolio managers' investment decision-making. It will also provide us with an advanced set of analytical tools that will enable us to better evaluate market and credit risks in our portfolio.

I hope this presentation has given you a good understanding about how we are approaching capital management. Although we are becoming farther removed from the depths of the financial crisis, we remain very aware of potential risks to our capital position. Maintaining a strong capital base will remain a top priority for Aflac, while also taking advantage of portfolio derisking opportunities and deploying capital for our shareholders.

Aflac Investments

W. Jeremy "Jerry" Jeffery
Senior Vice President, Fixed Income

September of 2008 marked the beginning of an era that has called into question every notion of what constitutes acceptable risk in investing. While default rates actually declined in 2010, the fear of defaults and/or restructuring has become an obsession with market observers everywhere. We have maintained our long-term, high quality focus on any new investments we have made and have adapted to economic realities. For the past two years, we have opportunistically reduced exposures not only to credits where we no longer had absolute confidence in their ability to repay us, but also to investments in categories such as PIIGS, perpetuals, and financials – areas where we felt it prudent to trim our exposure. And with our new investments, we continue to emphasize a high quality, diversified fixed income approach. As a result, there has been a material change in the composition of our invested assets.

Our investment process is well-known to most of you. But let me review it briefly and follow with a discussion of our current priorities.

Investment Considerations

- **Aflac Global Investment Policy**
- **Product needs - Japan**
  - » **Longer liability durations**
  - » **Yen-denominated policy liabilities**
- **Product needs - U.S.**
  - » **Shorter liability durations**
- **Credit risk**
- **Aflac Incorporated objectives**

As most of you have heard many times, product needs still drive our investment process. Our high persistency rate in Japan causes long liability durations. We support these liabilities by purchasing long-duration, yen-denominated assets. Since the Japanese credit market has virtually no sponsorship beyond ten years, we have developed our own strategy of long-dated investing that is unique among Japanese life insurers. Our U.S. policy liabilities have far shorter durations, and they have no cash values if they lapse. So our business model tends to insulate us from any sudden liquidity needs. We primarily invest for the long term, and our persistent book of business gives us the ability to continue to invest that way.

Intensive credit analysis is the core of our investment discipline. Every investment we make receives a thorough credit review prior to approval. Our Global Investment Policy, established by Aflac's Board of Directors, governs every investment decision we make. This policy prohibits transactions deemed as "speculative in nature." Therefore, it has been our policy to not purchase securities rated below investment grade, even if our investment guidelines permit such purchases. Inasmuch as net investment income is a primary driver of our consolidated earnings performance, our specific investment activities also take into account yield requirements.

Aflac's Investment Portfolios

(March 31, 2011, In Millions)

	Book Value	% of Total
Aflac Japan - yen	$69,016	80.0%
Aflac Japan - dollar	8,569	9.9
Aflac U.S.	8,201	9.5
Aflac New York	345	.4
Aflac Group Insurance	81	.1
Aflac Incorporated	111	.1
Total	$86,323	100.0%

As this slide shows, we have six separate investment portfolios, each of which has a specific purpose. Although our overall management style is consistent throughout portfolios, we manage each portfolio separately based on cash flows, regulatory requirements, and profit objectives. Our Global Investment Policy governs all transactions in both the United States and Japan.

Clearly our largest portfolio is the yen-denominated portfolio that supports Aflac Japan's policy liabilities. Given Aflac Japan's persistent business and our pursuit of asset/liability matching, the yen portfolio is marked by long-dated instruments. At the end of March, the average maturity of this portfolio was 17 years and the average duration was 11.5 years. As I suggested, Japan does not have a long-dated corporate bond market. As such, approximately 72% of our yen-denominated investments are from non-Japanese issuers, predominantly Euroyen issuers. As you know, many of these non-Japanese issuers have privately issued yen-denominated securities to Aflac Japan. A high percentage of our privately-issued securities employ standard medium-term note documentation, though we have negotiated specific covenant protections in many cases.

For more than 20 years, Aflac Japan has maintained a portfolio of dollar-denominated investments. The rationale behind this portfolio was to take advantage of more attractive yields and for many years, lower tax rates. In addition, by investing a portion of Aflac Japan's equity in dollars, we have helped mitigate the currency impact on Aflac's consolidated GAAP equity. At the end of March, Aflac Japan's dollar-denominated portfolio represented 9.9% of our consolidated investments, yet it accounted for 11% of total net investment income.

The Aflac U.S. portfolio, which comprised 9.5% of our holdings at the end of March, supports the policy liabilities for our U.S. insurance operation, excluding our New York and Aflac Group subsidiaries. We continue to invest primarily in corporate bonds to fulfill our U.S. regulatory requirements and profit objectives. The average rating on this portfolio was 'A' at the end of March. Given the different policy characteristics of our U.S. business, our duration is shorter than Aflac Japan's yen portfolio. At the end of March, the duration of the U.S. portfolio was 10 years and the average maturity was 18.7 years.

The Aflac New York portfolio is for the book of business of our New York subsidiary. As you can see from the slide, the New York portfolio had $345 million of invested assets at the end of March. The average rating was 'A', and the yield to worst was 6.40% at the end of the first quarter of this year. The average maturity was 21.9 years. Like Aflac New York, Aflac Group is a separate corporation, and its assets must remain segregated to support its liabilities.

We also maintain a small portfolio at the holding company level. The primary purpose of this portfolio is to temporarily hold capital until it is deployed for other corporate purposes.

Consolidated Portfolio Composition

(March 31, 2011, In Millions)

	Book Value	% of Total
Debt securities:		
Fixed maturity	$76,947	89.1%
Perpetual	7,583	8.8
Asset backed	890	1.0
RMBS	749	.9
CMBS	127	.2
CDOs	5	—
Equity securities	22	—
Total	$86,323	100.0%

Let me comment on the overall structure of our portfolio. As you can see, our portfolio is dominated by fixed maturity securities, followed by perpetual securities.

Our exposures to collateralized mortgage obligations and collateralized debt obligations remain relatively small. We also have an immaterial position in equities, which is primarily for business relationship purposes in Japan.

Ten Largest Investment Positions

(March 31, 2011, In Millions)

	Book Value	% of Debt Sec.	% in AFS	% in HTM
Government of Japan	$16,756	19.4%	99.5%	.5%
United States Treasury	964	1.1	100.0	—
Israel Electric Corp LTD	914	1.1	8.2	91.8
Republic of Tunisia	889	1.0	100.0	—
Republic of South Africa	735	.9	—	100.0
HSBC Holdings PLC	721	.8	16.7	83.3
Commerzbank AG*	637	.7	100.0	—
Unicredit Spa	605	.7	50.3	49.7
Mizuho Financial Group Inc.	564	.7	100.0	—
Bank of America Corp**	541	.6	—	100.0

*Includes Dresdner
**Includes Merrill Lynch

This slide lists our largest credit exposures as well as their classification. As a part of our routine credit work, we have frequent contact with the management of all of these companies. We have reduced our exposures to several of these and will continue to do so where we are fairly compensated.

I'd like to share a few other observations about our concentrations. It is worth noting that our largest exposure by far is to the Government of Japan through their government bond issuance. Given our large block of business in Japan, we consider this to be appropriate. We understand the fiscal problems of the Japanese government, but the government's debt is largely internally owned.

Also, at present, the owners of that debt have confidence in Japan's abilities to address their problems. The second largest holding is U.S. Treasuries and I will address it later when we cover Japan's dollar investment strategy. The Commerzbank AG exposure reached its current size as the result of large bank mergers. Over 90% of our Commerzbank holdings are Lower Tier 2 holdings and thus rated single A. With the exception of mergers, we have not added to any top ten concentrations except for JGBs and Treasuries. We do not add to any exposure or establish a new position when it would exceed 5% of total adjusted capital on a statutory basis. I'll return to some of these large positions later when discussing portfolio derisking.

Perpetual Security Holdings

(March 31, 2011, In Millions)

	Book Value	Market Value	Unrealized Gain/Loss
Upper Tier II	$5,121	$5,003	$(118)
Tier I	2,462	2,365	(97)
Total	$7,583	$7,368	$(215)

As the name suggests, perpetual securities do not have stated maturities. Instead, they have interest rate step-up provisions and a strong market expectation that they will be redeemed at their step-up dates, thereby creating economic maturities.

Of our total perpetual holdings, 94.9% are yen-denominated and the average economic maturity is 14.8 years. The average coupon on the yen perpetuals is 4.3%. Among our holdings, 67.5% are Upper Tier II securities, which are senior to equity and preferred shares. The coupons for all of our Upper Tier II holdings are deferrable and cumulative.

Our primary investment premise when purchasing securities of banks and other financials was that governments would take extraordinary efforts to support the financial institutions that underpin their respective economies.

Residential Mortgage-Backed Securities

(March 31, 2011, In Millions)

	Book Value	Market Value	Avg. Rating
Agency	$674	$699	AAA
Non-agency	75	76	BB
Total	$749	$775	

Our residential mortgage backed securities in Japan are almost entirely invested in securities issued by government sponsored entities, which are rated 'AAA.' In the dollar-denominated portfolios, our RMBS exposure has been reduced to an immaterial amount.

Commercial Mortgage-Backed Asset-Backed Securities and CDOs

(March 31, 2011, In Millions)

	Book Value	Market Value	Avg. Rating
CMBS	$127	$147	AA
Asset backed	890	947	AA
CDOs	5	5	CCC

Our U.S. commercial mortgage-backed securities, or CMBS, exposure totaled $127 million, $58 million of which were rated 'AAA' at the end of March. All of our CMBS holdings pass our most severe stress tests with comfortable subordination cushions. At the end of the first quarter we had no exposure to Japanese CMBS.

Historically, our asset-backed securities have made up an immaterial part of our dollar holdings. Aflac Japan's dollar-denominated portfolio has a small exposure to this class, and all are investment grade rated.

As I noted last year, ASC 810 required us to consolidate certain holdings, including almost all of our CDOs, on our balance sheet. As such, they are no longer classified as CDOs and instead appear in the asset-backed category. For these securities, we must now determine the fair value of the underlying collateral and the swaps separately.

81% of the collateral in the CDOs is rated AAA and the remainder is rated AA. In fact, the only CDO security we do not have to consolidate is the $5 million holding you see here in which we have less than a 50% position.

Investment Pricing Methods*

(March 31, 2011)

Active market feeds	29.9%
Model pricing, broker quotes, custodian feeds	69.3
Best efforts (e.g., outside evaluators)	.8
	100.0%

*Applies to available-for-sale securities only

We spend a great deal of time refining the precision of our portfolio pricing, as today's market conditions make reasonable valuations more challenging than ever. Let me briefly walk you through our process.

We employ active market feeds for the most readily observable of our public securities, including JGBs and U.S. Treasuries. This covers 29.9% of our portfolio. For the bulk of our holdings, we use either pricing feeds from our custodian bank, specific single name quotes from participant dealers, or model pricing of our single name holdings.

Our pricing feeds are used primarily to evaluate our public U.S. corporate bond holdings, while our model pricing is used to evaluate most of our investment grade yen-denominated privately issued holdings. Our model pricing derives its inputs from the Barclays Capital Global Multiverse Index, which generates spread information based on rating, maturity, and specific level of subordination. This method is used for about 69.3% of our portfolio.

For some holdings there are few, if any, observable transactions to determine value. This pertains, for instance, to our CDO holdings where there is little or no activity in the sector. For these types of assets, we employ an outside evaluation firm to provide pricing. Only .8% of our holdings are valued using this best efforts approach.

Unrealized Gains and Losses

(In Millions)

	3/31/10	12/31/10	3/31/11
Available for sale:			
Gains	$ 2,116	$ 2,539	$ 2,290
Losses	(2,587)	(2,600)	(2,398)
Total AFS	$ (471)	$ (61)	$ (108)
Held to maturity:			
Gains	$ 572	$ 1,148	$ 770
Losses	(1,483)	(763)	(1,061)
Total HTM	$ (911)	$ 385	$ (291)

The unrealized losses in our portfolio peaked in the first quarter of 2009 but have declined significantly since then to the point that we ended 2010 in an unrealized gain position.

This reflected a general tightening of corporate spreads along with a significant derisking of the portfolio. Should we experience a rising rate environment, we may again find ourselves in a net unrealized loss position. However, because we have the ability and intent to hold securities to maturity, we would not expect to realize these losses unless our credit analysis concludes an issuer will not be able to meet its obligations for interest and principal payments or the holding is outside of our target sector or issuer risk exposure limits.

Credit Ratings*

	2009	2010	3/31/11
AAA	3.3%	3.3%	4.3%
AA	34.6	35.7	35.2
A	39.6	36.0	32.9
BBB	15.6	18.8	20.8
BB or below	6.9	6.2	6.8
Total	100.0%	100.0%	100.0%

*At amortized cost

Credit quality remains a primary focus of our investment approach. At the end of March, 2011, 72.4% of our holdings were rated 'A' or better. If a security we hold is downgraded to below investment grade, we immediately classify that security as available for sale if it is not already so classified. The unrealized gain or loss on the security then becomes reflected in shareholders' equity.

As you can see, our below-investment-grade exposure increased from 6.2% at the end of the year to 6.8% at the end of the first quarter of this year. This is largely due to the reclassification of our Tunisian holdings.

Split-Rated Securities

(March 31, 2011, In Millions)

	Number of Issues	Book Value	Market Value
Investment grade	7	$ 995	$ 635
Below investment grade	21	2,905	2,458
Total	28	$3,900	$3,093

We classify split-rated securities as investment grade or below investment grade on a case-by-case basis. However, if two of three rating agencies have an issue rated as below investment grade, we automatically put it in that category. We also give consideration to the NAIC rating, along with other factors, such as a watch list for upgrade or downgrade by one of the major rating agencies. At the end of March 2011, Aflac had $3.9 billion of split-rated securities, which represented 4.4% of Aflac's total investments and cash.

Designating a security as below investment grade does not mean we immediately impair the security and write off the difference between fair value and carrying value.

We first reference independent pricing sources to assess the value of the security. If the fair value is below our amortized cost, our analysis then focuses on determining whether the decline is other than temporary. If the decline is deemed to be other than temporary our Impairment Policy mandates that we reduce our cost basis to fair value. A decline deemed to be temporary means that we expect to receive all contractual payments due from the instrument. In such a case we do not reduce its carrying value as long as we have the ability and intent to hold the security to a recovery in value or maturity.

Aflac's Debt Impairment Policy

- **Recoverability of principal and interest**
- **Percentage decline in value and length of time during which decline has occurred**
- **Market conditions**
- **Ability and intent to hold investment**
- **Pattern of continuing operating losses of issuer**
- **Rating agency actions**
- **Adverse changes in production or revenue sources or technological conditions**
- **Adverse changes in issuer's economic, regulatory or political environment**

When considering whether or not to impair any debt security, we start with a very straightforward question: will the issuer pay their principal and interest under the stated terms? We then apply a far more detailed analysis. This impairment policy applies to our debt investments on GAAP, statutory and FSA bases. A debt security being in an unrealized loss position does not automatically warrant an impairment charge.

Although price is a consideration in our analysis, it is by no means the primary determinant of the timing of a debt impairment. Instead, there are several factors we consider when concluding an impairment is appropriate as shown on this slide. We apply an additional impairment evaluation for perpetual securities.

Aflac's Equity Impairment Policy

Percentage Decline From Cost	Consecutive Months in Decline
10%	12
20	9
35	6

Although we continue to view the perpetual securities we own as more debt-like than equity-like, under GAAP, they are defined as equities because they have no stated contractual maturity. Based on current GAAP accounting practice, we evaluate our holdings of perpetual securities using a debt impairment method unless a security is downgraded to below investment grade. Should that happen, SEC guidance requires us to use an equity impairment method. For statutory and FSA accounting purposes, these securities are considered debt instruments.

As you can see, the equity impairment model is based on an aging schedule of unrealized losses. Following a downgrade of a perpetual security to below investment grade, we will apply this model for our GAAP financial statements regardless of our credit analysis of the issuer's ability to meet its contractual obligations. If, however, our internal credit analysis indicates the issuer of a perpetual security may not be able to meet its obligations, we will also record an impairment on a statutory and FSA accounting basis as well.

Portfolio Derisking Activities

- **Perpetual securities**
- **PIIGS**
- **Financial holdings**
- **Concentrated investment positions**

At the outset I mentioned our opportunistic reduction of certain exposures within our portfolio. I thought you might want to hear about the scope of our derisking activities since the emergence of the financial crisis.

Subordination Distribution

(Book Value Basis)

	12/31/08	12/31/09	12/31/10	3/31/11
Senior	73.5%	76.5%	79.5%	81.3%
Subordinated:				
Lower Tier II	11.2	11.1	10.1	8.7
Upper Tier II	9.9	7.4	6.1	5.9
Tier I	4.7	4.3	3.7	3.5
Surplus notes	.5	.5	.4	.4
Trust pref. (non-bank)	.1	.1	.1	.1
Other	.1	.1	.1	.1
Equities	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%

As you can see, senior debt comprises the majority of our debt exposure, and remains the bias for portfolio additions. Since the end of 2008, senior debt has increased from 73.5% of total investments to 81.3% at the end of March. The Lower Tier II securities are all fixed-maturity securities that are ranked higher than everything but senior debt. We have not purchased Upper Tier II or Tier I capital securities of any description since 2005. In fact, since April 2008, all of our new money purchases have been senior debt obligations.

Perpetual Securities Derisking Transactions

(01/01/09-03/31/11, In Thousands)

	Number of Transactions	Proceeds
Scheduled redemptions	5	$ 447,110
Tenders/exchanges	4	901,196
Other sales transactions	2	52,306
Total		$1,400,612

Early in 2009, one of the fears that emerged from the financial crisis was that perpetual securities would no longer be redeemed unless there was a strong economic incentive for the issuing bank to do so. Since the coupon step-up levels in many cases were and are lower than bank refinancing costs at the perpetual level, it was thought that our economic maturities would be ignored. Yet our experience belies this notion.

Since January of 2009, five of our perpetual securities with a notional value of almost $450 million have been redeemed as scheduled. Only one $16 million holding that was scheduled to redeem remains outstanding. I should add that this year we accepted a premium tender offer for another perpetual holding whose face value approximated $120 million, which had an economic maturity later this year. Our tenders and exchanges of perpetuals have exceeded $1 billion of proceeds value since late 2009. Each of the exchanges was for more senior, dated securities from the same issuer.

Consolidated Exposure to "PIIGS"

(March 31, 2011, In Millions)

		Book Value	% of Total
Portugal:	Financial institutions	$ 842	23.7%
Ireland:	Financial institutions	621	17.5
Italy:	Sovereign	301	8.5
	Financial institutions	180	5.1
Greece:	Financial institutions*	372	10.5
Spain:	Sovereign**	716	20.2
	Financial institutions	517	14.5
	Total	$3,549	100.0%

*Subsequent to quarter-end, the company sold its entire holdings of EFG Eurobank Ergasias, reducing Greek exposure to $208 million as of 4/27/2011

**Regions of Andalucia and Catalunya

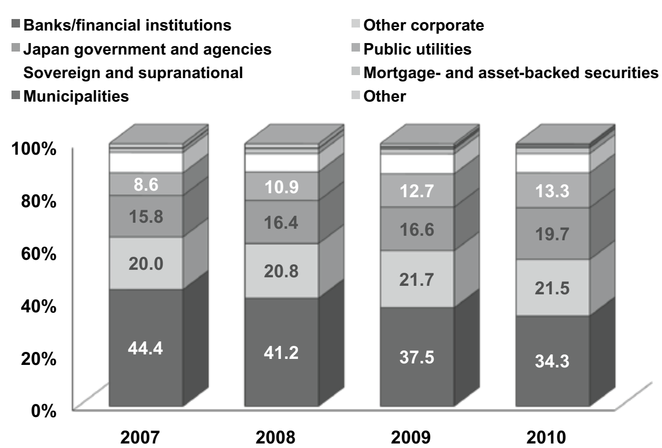
The topic of the PIIGS economies and their futures is a complex one, but the simple fact is that for the smaller economies in peripheral Europe enormous challenges lie ahead. Therefore, we have taken aggressive steps to reduce our risk in this area, as it inevitably will be influenced by political solutions defying traditional credit analysis.

We have reduced our exposures in Greece and Ireland by over $1.4 billion in the last year. This was accomplished through both tender offers and outright sales.

Let me comment on some significant derisking activities in this sector. At the end of the third quarter of 2010, our exposure to the Irish banking system totaled $970 million, 28% of which was senior debt. Today that total is $511 million, all of which is senior debt. The drivers of this derisking were the tendering of our entire Allied Irish Bank subordinated debt exposure in January and the tendering of our entire Irish Life and Permanent exposure in April of this year. Greece is certainly a country that has generated many comments and questions. After prolonged negotiations we have been able to reduce our bank exposure in this country from $1.14 billion to $208 million. You will recall in June of last year we sold our entire sovereign Greece exposure. This left us with exposure to three major Greek banks totaling $1.1 billion.

Because their enterprise risks are so closely correlated we viewed this as a single risk, and reducing that risk became a high priority. In the first quarter we sold our entire Alpha Bank exposure and impaired the remaining two bank holdings, EFG Eurobank and National Bank of Greece. We then sold our entire EFG exposure subsequent to quarter end. Both EFG and Alpha were sold at levels significantly higher than our year end valuations. The sale of the sovereign debt and the reduction in our bank exposures have reduced our overall Greek exposure to just 15% of where it stood a year ago.

Reducing Financial Investment Exposures



As you can see, we have steadily and significantly reduced the financials weighting in our portfolio over the last several years. This reduction resulted from perpetual redemptions, sales, tenders and exchanges, and impairments as well as the PIIGS transactions I discussed. There are other financial related transactions that I would like to highlight.

In 2008, Takefuji was one of our top five exposures, and our holdings at that time exceeded $700 million. But strong covenant protection enabled us to put back over half of our exposure at par in two transactions in 2008 and 2009. We disposed of our remaining Takefuji exposure early last year at a loss, but our overall recovery on our initial exposure was almost 70% of par, thanks to the strong covenants we negotiated on the front end. Our only other material exposure to the Japanese consumer finance sector is Aiful, and we have impaired that holding to market levels as of year end 2010, leaving us with only $67 million at risk.

Another large financial holding we substantially reduced was Lloyds Banking Group. At one time our holdings exceeded $800 million as a result of mergers between HBOS, Bank of Scotland, and Lloyds Bank. All of this exposure was in the form of perpetual securities. Today we have no perpetual exposure to Lloyds, and our holdings now total $357 million.

This was primarily accomplished through several tenders and exchanges with the bank over a six-month period in 2009 through 2010. We further derisked our bank exposure in the UK last year by exchanging perpetual RBS securities for senior debt. While we incurred a capital loss through the sale, the coupon of the new senior debt security was far higher than the exchanged perpetual, and as a result our income from this investment actually increased despite the reduction in principal. In addition, the new security was and is rated AA, versus the BB rating on the perpetual.

In addition to actively reducing exposure to financial names, we have been de-emphasizing financials since 2009 when making new investments. Purchases of financials represented 24.1% of new money in 2008, while it was only 7.7% in 2010. We have instead been proportionately increasing our holdings of public utilities and Japanese government and agency securities.

Additional Derisking Activities in Highly Concentrated Investment Positions

(In Millions)

Holdings	Sales 1QT 11
HSBC	$ 56
Commerzbank	58
Israel Electric	62
Bank of America	138
Total	$314

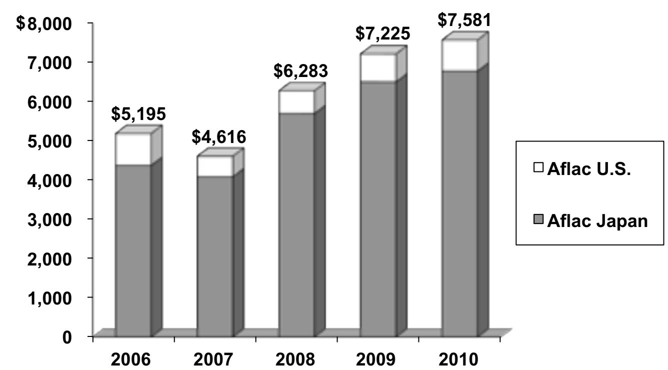
I have alluded several times to our commitment to reducing concentrated investment positions, and have shared several examples. Where possible, we are working to reduce any exposure that exceeds 10% of 2010 total adjusted capital, even if our credit view is positive. One limiting factor in this exercise is that many of these positions are classified as held to maturity for both the U.S. and Japan accounting purposes. As Ken noted, selling a bond classified as held to maturity without demonstrating a material change in credit quality creates significant accounting concerns.

But we were able to identify several available for sale holdings in some of our largest concentrations, and we made their disposal a priority where the valuations were appropriate. In our dollar portfolios we sold $314 million out of these large concentrations in the first quarter and achieved a small net gain from the derisking. Whether referring to perpetuals, PIIGS, financials or concentrated holdings, we believe our thoughtful derisking approach has resulted in substantial risk reduction at a reasonable cost.

Now, let me turn to our investment activities, starting with our investment cash flow.

Investment Cash Flow

(In Millions)



The vast majority of cash flow to investments is allocated to Aflac Japan. As we have discussed in the past, cash flow from Aflac U.S. has been constrained in recent years. In late 2007 and in 2008, we funded share repurchase activities with U.S. cash flow. However, in late 2009, U.S. investment cash flow increased significantly following the $500 million of capital we pushed down from the holding company. Because of the timing, almost all this cash flow was deployed in early 2010.

Our cash flow in 2010 amounted to $7.6 billion. The primary contributor to cash flow is operations, followed by investment income and redemptions. Our 2011 cash flow projection is $8.9 billion, assuming calls and redemptions take place as scheduled.

Because most of our cash flow is attributable to Aflac Japan, we must invest primarily in long-dated, yen-denominated debt securities to meet the characteristics of Aflac Japan's policy liabilities.

Purchases by Asset Class

	2009	2010	3/31/11
Debt securities:			
Fixed maturity	98.0%	98.1%	100.0%
Perpetual	—	—	—
RMBS	1.3	—	—
CMBS	—	—	—
Asset backed	.7	1.9	—
CDOs	—	—	—
Equity securities	—	—	—
Total	100.0%	100.0%	100.0%

Fixed maturity securities from single corporate issuers have dominated our purchases over the past several quarters. We are not purchasing perpetual securities due to the uncertain regulatory climate and accounting uncertainty. In fact, we last purchased perpetuals in 2005.

Our RMBS and CMBS purchases have been infrequent and typically of only the highest credit quality. Additionally, we have not purchased any CDOs during the last several quarters due to poor liquidity and uncertain credit conditions. And we do not anticipate adding materially to our small equity position.

Composition of Purchases by Sector

	2009	2010	3/31/11
Banks/financials	5.3%	7.7%	10.5%
Gov't/gov't guaranteed	44.9	45.7	52.9
Municipalities	6.0	5.4	4.0
Public utilities	14.0	13.1	7.0
CDOs	—	—	—
Sovereign/supranational	10.2	4.9	—
Mortgage/asset backed	2.0	1.9	—
Other corporate	17.6	21.3	25.6
Total	100.0%	100.0%	100.0%

As I alluded to earlier, we are committed to diversification when making new investments. What you see in this chart certainly bears that out. Our bank purchases have fallen as purchases of utilities and other corporate names have risen. Credit spreads have tightened materially over the past few quarters, a trend which shows little sign of reversing itself. The temptation for many would be to relax credit standards to maintain yield levels, but we consider that an imprudent risk. Rather we are increasing our JGB purchases in Japan and accepting temporarily lower yields rather than higher credit risk.

Increasing Aflac Japan's Dollar Investments

	Amount (In Millions)	Yield
Phase 1*	$993	4.26%
Phase 2**	$750	4.67%

*3QT 10 – 1QT 11
**Began 1QT 11

Stubbornly low Japanese interest rates, combined with negative market technicals, make sourcing attractive yen investments increasingly difficult. Although we have maintained a dollar portfolio in Japan for many years, we have a far lower non-yen investment exposure than our peers. Therefore, after months of careful study, we elected to increase dollar investments in our Japan portfolio.

The first phase began in July of last year, in the form of a $1 billion program funded by the sale of JGBs that were maturing in the next twelve months. This enabled us to capture capital gains from these bonds and allowed us to reinvest at new money rates in excess of 4% by purchasing 10-year, single-A rated credit.

The success of this program led us to expand it in 2011. Our Board of Directors authorized us to invest $2 billion of yen cash flow in dollar securities throughout this year. We chose to invest the first $750 million in 15-year Treasury Strips at a yield of 4.67%. This choice was based on liquidity, ease of execution, and elimination of reinvestment risk. The remaining dollar allocation may be used to offset derisking sales, whereby the loss of future income can be minimized, or to deploy new money, which will improve our new money yield. As Ken discussed, we continue to evaluate our ability to invest in dollars at Aflac Japan based on our net yen hedged position, so our ability to invest in dollars in future years is limited. But we are very pleased with the results to date.

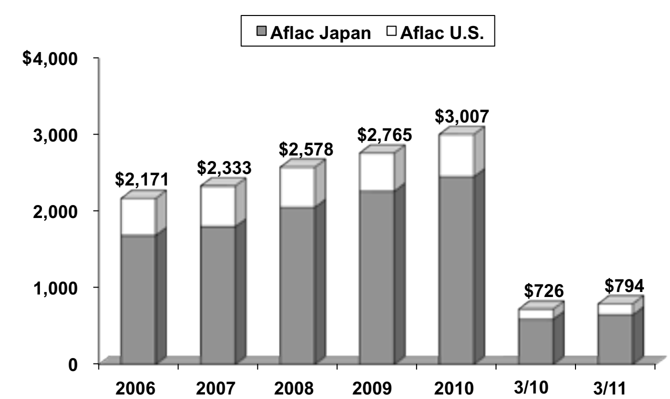
Credit Ratings on Purchases

	2009	2010	3/31/11
AAA	7.6%	1.0%	24.2%
AA	58.9	60.7	41.3
A	31.4	24.5	15.3
BBB	2.1	13.8	19.2
	100.0%	100.0%	100.0%

The credit ratings on our purchases remain high and are in keeping with our conservative investment philosophy. You will note that our 'AAA' purchases declined from 2009 to 2010 as we deemphasized the purchase of CDOs and CMOs. In the first quarter of 2011, however, our new money purchase of U.S. Treasury Strips described in the previous slide caused a large increase in 'AAA' purchases. The Treasuries effectively replaced planned JGB purchases; hence the decline in 'AA' investments during the first quarter.

Net Investment Income

(In Millions)



Aflac's consolidated net investment income growth has averaged 8.5% per year over the last five years. Translation of the stronger yen to the dollar benefited our growth rates from 2008 through 2010. Excluding the currency, the steady growth of our operations has led to increased invested assets.

Growth in the asset base, combined with the emphasis on long dated, high quality investments, has assisted Aflac Incorporated in reaching its corporate earnings targets.

The past year has clearly been a time for derisking and redesigning our credit exposure profile. We think our deliberate and thoughtful approach has yielded a beneficial result in terms of capital preservation and sustained earnings. As our portfolio grows, we continue to look for new investment opportunities, but they will be consistent with the need for a predictable income to support our corporate objectives.

Product Pricing and Reserving

Susan R. Blanck
Executive Vice President; Corporate Actuary, First Senior Vice President, Aflac Japan

This presentation contains information regarding product pricing and reserving, as well as claim experience trends. It also includes information that illustrates profit emergence under GAAP.

Pricing Assumptions for Aflac Japan and Aflac U.S.

- **Morbidity**
- **Mortality**
- **Persistency**
- **Expenses**
- **Investment returns**

Product pricing includes assumptions for morbidity, mortality, persistency, expenses and investment returns. In Japan, the product pricing assumptions are approved by the FSA. Premiums are calculated using assumptions that include provisions for adverse deviation, or PAD. These may be greater than those used for GAAP. No explicit margin for profit is added. Instead, profit margins arise from the pricing PAD.

The interest rate assumption for product pricing is established by each company and must be justified to the FSA. The rate may vary depending on the type of product. For example, we use a lower interest rate for pricing first sector products than for third sector products. Other pricing assumptions, such as morbidity and persistency, are also reviewed and approved by the FSA. These assumptions may be developed based on Aflac experience, industry experience, national statistics or a blend of this data.

The persistency assumptions are generally higher than our actual persistency. For products with cash values, we generally assume no voluntary lapses. When the cash values are not present in the product, we use a low level of voluntary lapse in each year. In the first part of 2007, we modified our first sector premium rates to reflect the revised standard mortality table that was promulgated by the FSA. In September 2007, we reflected the new standard mortality table for third sector products in our product pricing. This table has lower mortality rates than the previous table, and generally adds to the conservatism in our overall pricing persistency assumptions for third sector products.

The expense assumptions reflect our actual operational costs. Aflac Japan's cost structure per policy is favorable when compared to other life insurance companies in Japan. Reflecting the efficiency of our operations in our product pricing allows us to maintain a competitive edge in our premium rates.

For Aflac U.S., we tend to base pricing assumptions on our own experience, including some provisions for adverse deviation. In addition, it is our practice to target an explicit profit margin, expressed as a percentage of premium. Because most of our products do not consume significant amounts of statutory capital for a long period of time, we do not price on a return-on-invested-capital basis. We do, however, monitor invested capital patterns on a regulatory basis and may include an invested surplus charge if necessary.

FSA Reserve Assumptions

(Aflac Japan)

- **Net level method**
- **Interest Rate – 1.50%**
- **Lapse Rate – lower than pricing basis**
- **Mortality – standard mortality table**
- **Morbidity – pricing basis with stress testing**

In Japan, we are required to use specific reserving methods, as well as certain minimum assumptions for our FSA reporting. The net level premium reserving approach required by the FSA is similar to what we use for GAAP reporting. Benefit reserves begin building from the first policy year. However, unlike GAAP reporting, where we are allowed to defer certain costs of acquiring business, FSA reporting doesn't make any allowance for the first-year profit strain of issuing a policy. In addition, the interest rates, lapse assumptions, mortality tables and morbidity rates required for the reserve calculation generally result in reserves that are larger than those calculated using the pricing assumptions.

FSA Reserving Strain

(Aflac Japan Representative Plan)

Premium Rate as a Percentage of FSA Basis Premium	FSA Reporting Basis Breakeven Year
100%	5
90	8
80	18

This has an influence on our product pricing, because there can be significant FSA surplus strain when the product pricing assumptions result in lower premiums than those based on FSA reserving assumptions. This slide shows the FSA surplus strain for a representative medical product. As shown, the surplus strain is fairly minimal when the product premiums use the same assumptions as the FSA reserving with a breakeven period of five years. However, when the premiums are lower than those calculated using FSA reserving assumptions, the breakeven period lengthens dramatically. Using premiums that are 90% of the FSA basis premiums, the breakeven period lengthens to eight years. And, at an 80% premium level, the breakeven period lengthens to 18 years. This discourages the use of pricing assumptions that are more liberal than FSA reserving assumptions.

Aflac U.S. Statutory Reserve Assumptions

- 1- or 2-year preliminary term for health
- Interest rate – generally lower than pricing
- Lapse rate – prescribed, generally lower than pricing basis
- Mortality – pricing basis or lower for health
- Morbidity – pricing basis with load and some prescribed tables

In the United States, premium rates are filed with each state's Department of Insurance. We must demonstrate that premiums are reasonable in relation to the benefits provided by the policy. Many states also require that we demonstrate the product experience will meet or exceed a minimum loss ratio requirement. For most of our U.S. health products, we use a two-year preliminary term method for calculating statutory benefit reserves. With this method, benefit reserves begin building from the third policy year. This feature helps mitigate the surplus strain caused by new business. Statutory reporting prescribes the maximum interest rates that can be used in the reserve calculation. The lapse assumptions, mortality tables and morbidity rates are generally based on our pricing assumptions with an added margin for conservatism.

GAAP Reserve Assumptions

- Morbidity
- Mortality
- Persistency
- Expenses
- Investment returns

Once the premium rates are established, we determine appropriate assumptions to use in calculating GAAP reserves. The calculation of GAAP reserves requires assumptions for morbidity, mortality, persistency, expenses and investment returns.

Aflac Japan Investment Return Assumptions

	GAAP	Pricing	FSA
Life/Health	1.50% - 2.75%	1.50% - 2.35%	1.50%
Annuity	1.65%	1.65%	1.50%

As the chart shows, for our major product lines in Japan, GAAP reserve assumptions generally use higher investment return rates than the pricing or FSA reserving assumptions. GAAP assumptions generally use claim and persistency assumptions that are derived from our actual experience, or from assumptions used in the product pricing when we don't have enough of our own credible experience.

Aflac U.S. Investment Return Assumptions

	GAAP	Pricing	Statutory
Life/Health	5.50%	4.50% - 7.00%	4.00%

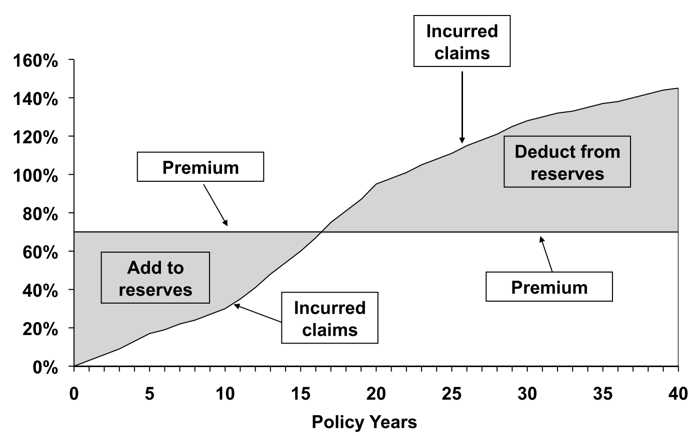
In the United States, all of our currently issued products use a 5.50% investment return for GAAP reserves. That is generally in line with our pricing assumptions. However, some products that were priced several years ago used higher or lower investment assumptions when they were priced. For statutory accounting purposes, we use a 4.0% interest assumption for all new business.

GAAP Reporting

- Benefit reserve uses net level premium method
- Certain acquisition costs are capitalized and put into a deferred policy acquisition cost asset
- The deferred policy acquisition cost asset is amortized over the premium paying period of a policy
- Requires a provision for adverse deviation (PAD) in the benefit reserve calculation

GAAP reserves are computed using the net level premium method. Under this approach, benefit reserves begin to build in the first policy year. Certain expenses associated with the cost of acquiring new business are capitalized and amortized over the premium paying period of a policy. The combination of the net level premium reserve methodology and the capitalization of acquisition costs results in an expected profit emergence pattern that is fairly level over time. However, there are various acquisition costs we are not allowed to defer, so the expected profit in the first policy year is usually much lower than in other policy years.

Claims vs. Reserves



This simplified schematic shows why benefit reserves are provided and illustrates the relationship between incurred claims and benefit reserves. The policyholder pays a level premium each year. In early years, incurred claims are lower than the premium. The difference between the premium paid and claims incurred is added to the benefit reserve. In later years, incurred claims exceed the premium and the benefit reserves are released to accommodate the higher claims.

In theory, GAAP benefit reserves are derived in such a way that gross profits would emerge in a fairly level pattern over time. However, GAAP benefit reserves are required to include a provision for adverse deviation, or PAD, which suppresses the profit somewhat in the early years of a policy and magnifies the profit in later years.

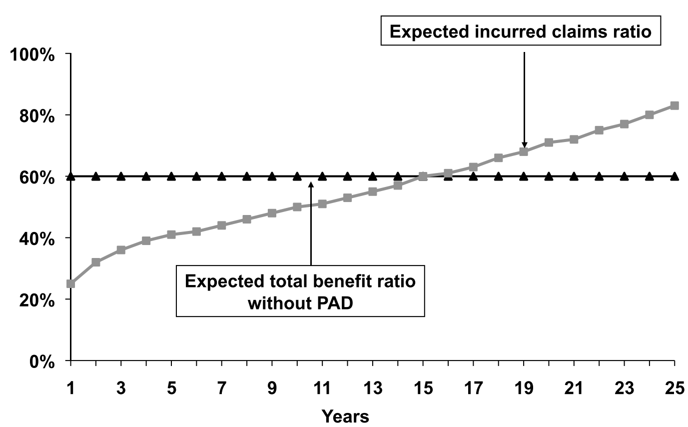
GAAP Experience Emergence Parameters

- **Assumes representative health plan where claim costs are expected to increase by policy year**
- **The expected lifetime loss ratio for the representative plan is 60%**
- **All ratios shown are to earned premium**
- **The margins shown are gross margins**
- **Demonstration excludes required interest**

To demonstrate this, we have developed some illustrations using a representative health product where claim costs are expected to increase by policy year. This representative product has an expected lifetime loss ratio of 60% as measured using the present values of future claims and future premiums. All ratios shown in these slides are tied to earned premium. And the margins that are illustrated are gross margins. The gross margin is the percentage of premium in each year that is available for expenses and profit. Required interest is excluded for this demonstration.

GAAP Experience Emergence without PAD

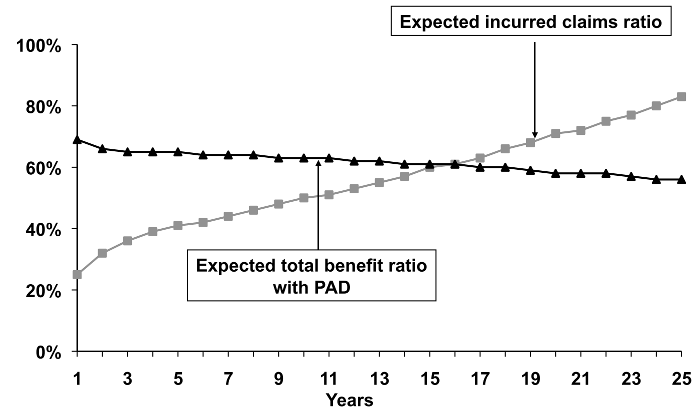
(Ratios to Earned Premium)



The first chart shows the expected incurred claims ratios and expected total benefit ratios assuming that the GAAP benefit reserves are calculated without the required provision for adverse deviation. This chart demonstrates that if actual experience exactly matches expected experience in all years, the total benefit ratio would be the same 60% in each year, which is the expected lifetime loss ratio for the product.

GAAP Experience Emergence with PAD

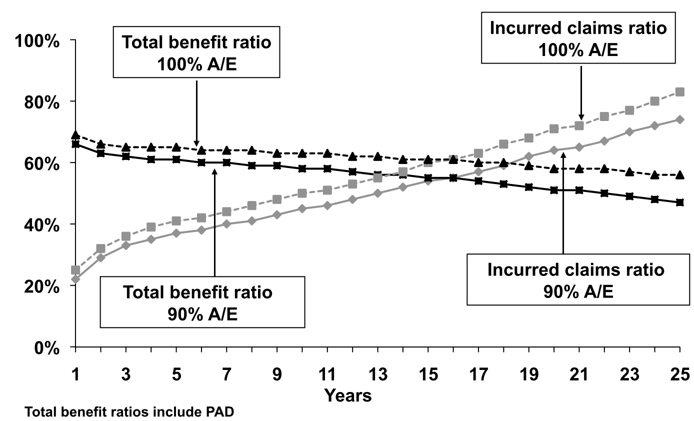
(Ratios to Earned Premium)



This next chart shows the same expected incurred claims ratios. But this time, the GAAP benefit reserves have been calculated with the required PAD. As you can see, the expected total benefit ratio is no longer flat and is higher than the expected lifetime loss ratio of 60% in early policy years. The margins are captured in the GAAP benefit reserve in early policy years when the reserve is building and incurred claims ratios are low. They are released over time as reserves are used to fund the higher level of incurred claims anticipated in later policy years. Again, this chart assumes that the actual experience emerges exactly as expected.

GAAP Experience Emergence

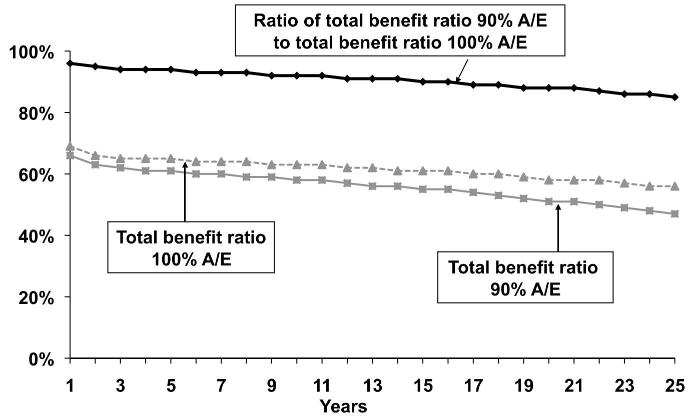
(Ratios to Earned Premium, 90% Actual-to-Expected Claims)



Now, we move on to a demonstration where the actual experience emergence differs from what was expected. This chart includes the original expected total benefit ratios with PAD and incurred claims ratios, but also illustrates the patterns if the actual claim costs emerge at 90% of expected. While the incurred claims ratios are 90% of the original expected incurred claims ratios in each policy year, the total benefit ratios decline slightly in the early policy years, and by an increasing amount in later years when provisions for adverse deviations are released and the incurred claims are a larger portion of the total benefit ratio.

GAAP Experience Emergence

(Ratios to Earned Premium, 90% Actual-to-Expected Claims)

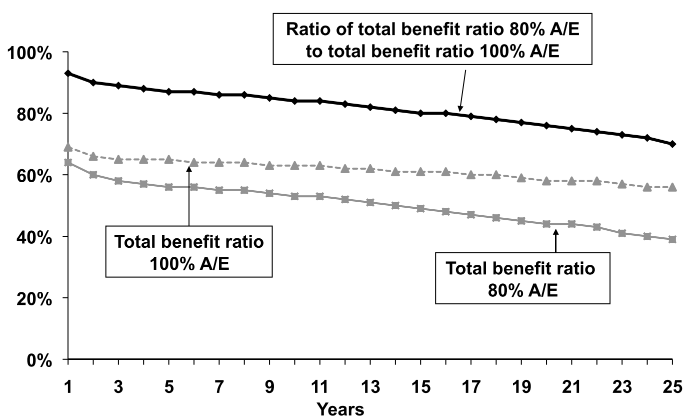


Total benefit ratios include PAD

Here, I've added a line showing the ratio of the total benefit ratios under the 90% actual to expected claim emergence to the original expected total benefit ratios. In early policy years, the ratio is between 90% and 100%. However, in later policy years, the ratio is less than 90%. As discussed previously, this demonstrates the build up of margins in early policy years followed by the release of those margins in later policy years.

GAAP Experience Emergence

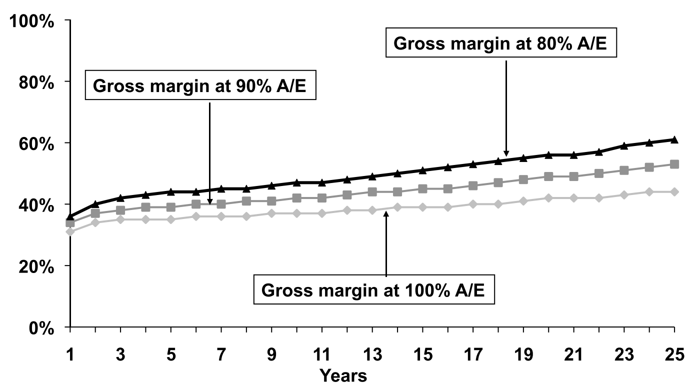
(Ratios to Earned Premium, 80% Actual-to-Expected Claims)



Total benefit ratios include PAD

Next, I'll show the same presentation but with claims at 80% actual to expected. As the chart illustrates, the difference in profit emergence in early years versus later years is even more pronounced, with a ratio between 85% and 95% in early years, falling well below 75% in later years.

GAAP Gross Margin Scenarios

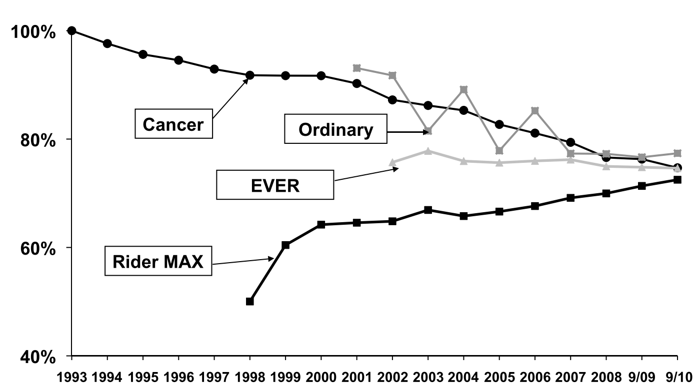


Finally, let's look at how gross margins emerge under each scenario. While the gross margins under each scenario have relatively small differences in early years, the difference expands with each policy year as provisions for adverse deviation are released and the difference between actual and expected total benefits grows larger.

Now, let me take that theoretical discussion and apply it to our operations in Japan.

Aflac Japan Actual vs. Tabular Claims

(Tabular = 100%)



The characteristics of GAAP reserving that I just described are reflected in the trend of our total benefit ratio in Japan. In recent years, we have experienced favorable claim trends for our major product lines in Japan. Rider MAX claims have been better than our original expectation since that product's introduction in 1998. Actual cancer life claims as a percentage of tabular claims have declined since 1993 and were about 75% as of September 2010. EVER claims have also been lower than our original expectation since that product's introduction in 2002.

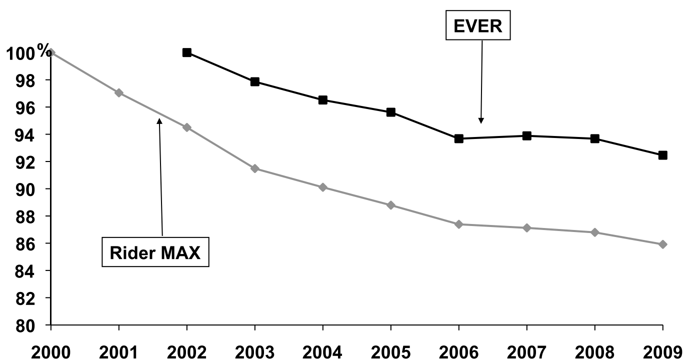
The ordinary product line also shows favorable ratios. However, favorable claim ratios for ordinary products have a smaller impact on profits than favorable claim ratios in third sector products. This is because cash values make up a large part of the benefit ratio.

As Kriss discussed in his presentation, the recent significant increase in the sale of ordinary products has had an impact on the composition of Aflac Japan's revenues. In the near term, the change in sales mix to higher benefit-ratio products will suppress the trend of a declining benefit ratio in Japan and may cause the declining trend to reverse in 2012.

As we have shown you previously, our experience in Japan related to the average length of stay in the hospital for cancer treatment has declined steadily for some time now. The Ministry of Health, Labor and Welfare has tried to control escalating national health care costs by limiting reimbursements to hospitals for longer hospital stays. At this time, the amount of reimbursement a hospital receives varies depending on the aggregate average length of stay for the hospital. Prior to July 2006, the variation between the highest reimbursement rate and the lowest reimbursement rate was just under 25%, with the highest level paying ¥12,090 per day if stays averaged 21 days or less and the lowest level paying ¥9,740 per day if stays average more than 28 days. In July 2006, the reimbursement scale was modified. Now, the highest reimbursement rate is ¥15,550 per day if stays average 19 days or less and the lowest reimbursement rate is ¥9,540 per day if stays average more than 24 days. With a more than 60% increase in the reimbursement rate for the shortest length of stay category compared to the longest length of stay category, there is a great deal of financial incentive for hospitals to shorten the length of hospital stays. In addition, Japan has adopted a strategy to realize a moderation of medical expenses. These measures include numerical targets for average hospital days, targets for implementation of specified health guidance for patients and numerical targets for a decrease in patients with metabolic syndrome which is akin to pre-obesity and obesity. All of these measures have target achievement dates of 2012.

Aflac Japan Trends in Sickness Hospitalization

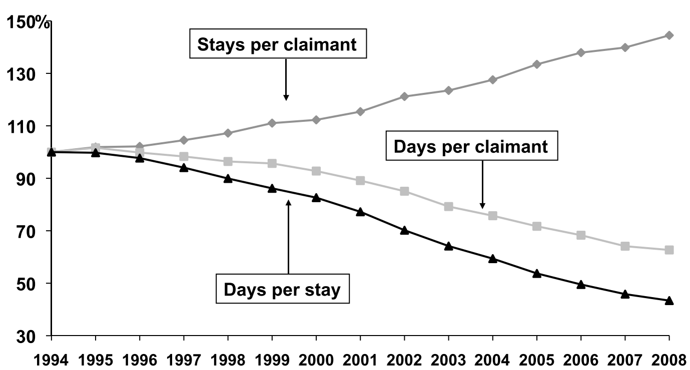
(Average Length of Stay)



We have seen the effect of these actions in our actual experience. For example, with the sickness hospitalization benefit, we have seen a generally downward trend in the average length of hospital stays for Rider MAX and EVER. The next slide shows the hospitalization trends for cancer.

Aflac Japan Trends in Cancer Hospitalization

(Cancer Only, 24-Month Runoff)

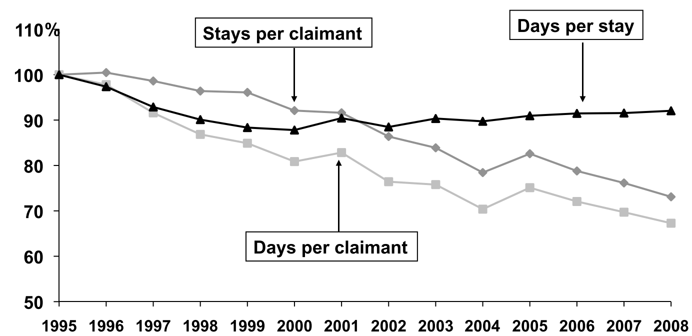


Cancer treatment patterns in Japan are being influenced by significant advances in early-detection techniques and by the increased use of pathological diagnosis rather than clinical exams. Follow-up radiation and chemotherapy treatments are occurring more often on an outpatient basis. Such changes in treatment not only increase the quality of life and initial outcomes for the patients, but also decrease the average length of each hospital stay. In short, more people are surviving cancer, and those who continue in treatment are generally living longer.

Despite the significant decline in the average length of stay per hospitalization, we have also noted that the number of hospital stays per claimant has been increasing. Our analysis of claims data shows that the total number of days hospitalized per claimant is declining, but at a much slower rate than the average length of stay per hospitalization. We anticipate that more hospital stays of shorter durations will continue going forward.

Aflac U.S. Trends in Cancer Hospitalization

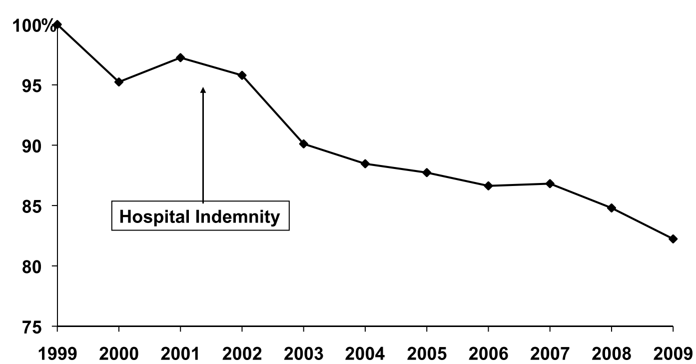
(Cancer Only, 24-Month Runoff)



In the United States, we are seeing a trend toward greater use of outpatient treatments for cancer. The average days per hospital stay for cancer treatment has leveled off in the last few years. The average number of hospital stays per claimant and the total hospitalization days per claimant had a slight uptick in 2005, but both have declined considerably in recent years. This is expected to continue as more and more treatments are performed on an outpatient basis.

Aflac U.S. Trends in Average Length of Stay

(Average Length of Stay)



Finally, we look at our hospital indemnity products in the U.S. For the past several years, we have seen a downward trend in the average length of stay per hospitalization.

I hope that this information provides a strong foundation for understanding how our products are priced as well as how the profit from those products emerges. While we generally do not project future improvements in claim trends in our pricing, the impact of lower- than-expected claim costs over time and the emergence of the profit from the better-than- expected experience has a strong impact on our projections and our outlook for Aflac's future profit growth.

Section II
Aflac Japan

Introduction to Aflac Japan

Tohru Tonoike
President and Chief Operating Officer, Aflac Japan

As you already know, a massive earthquake hit Japan on March 11. The disaster caused significant damage to portions of northeastern Japan, but the damage was primarily isolated to the coastal regions of three prefectures out of Japan's 47 total prefectures. Since the earthquake struck in the middle of the afternoon, most individuals were at work. Consequently, many lives were saved and fortunately none of our employees were injured.

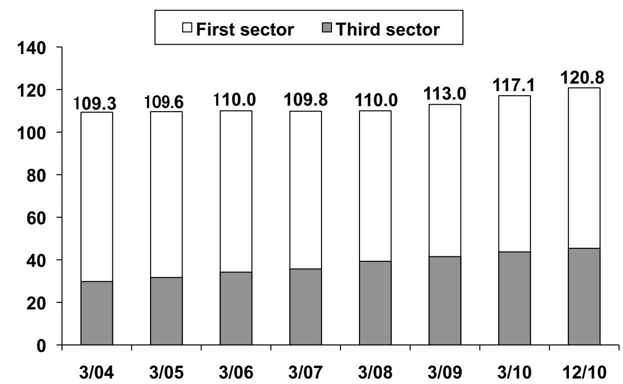
Our major administrative office in Tokyo is approximately 400 kilometers, or about 250 miles, from the epicenter and was not directly affected by the earthquake. However, as a result of the rolling blackouts in an effort to accommodate power shortage in eastern Japan, we have had to make some adjustments. Despite some difficulties, our employees are using great ingenuity and taking actions to continue our operations and promptly meet the needs of our policyholders. Our smooth operation through this crisis is greatly attributed to the efforts of our employees. I would also like to acknowledge the efforts of our sales associates who pulled together to assist one another throughout this ordeal.

It is important to note, however, that the Japanese government and Japanese citizens prepare for emergency situations. The mere fact that "tsunami" is a Japanese word demonstrates that such events do occur in Japan. For many generations, Japanese citizens have prepared to deal with such disasters. Throughout the ordeal the Japanese people relied upon their training and reacted swiftly and calmly and continue to unite in an effort to minimize disruption.

As a testament to both our disaster readiness and strength of operations, we were able to operate virtually as normal the following business day after the earthquake and tsunami. In spite of everything that has already happened, we have been able to focus on our mission – pay claims in a timely manner during our customers' time of need.

I would like to update you on the current status of the insurance market in Japan and the position of Aflac within that market. Following my presentation, other officers from Aflac Japan will provide an overview of their areas. I hope these presentations will help you understand Aflac Japan's current state, competitive strengths and opportunities for growth.

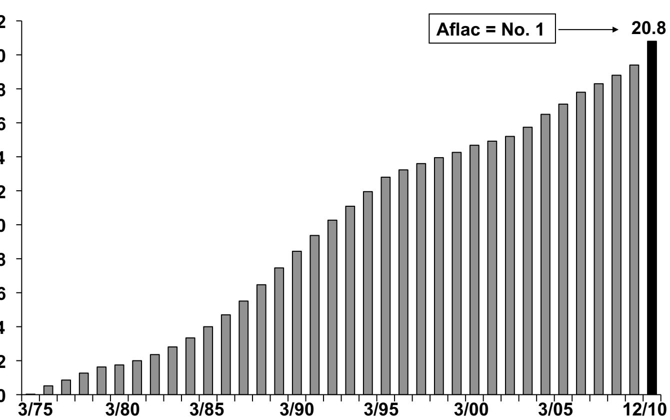
Life Insurance Policies in Force
(FSA Basis, In Millions)



Source: Life Insurance Association of Japan

The number of life insurance policies in force in Japan increased last year due to strong bank sales and the growth in the policy count of third sector products, including cancer and medical insurance. The total number of policies in force for all life insurers at the end of December 2010 was 120.8 million, up about 3.7 million from the end of March 2010.

The Number One Life Insurer in Japan
(Policies in Force, FSA Basis, In Millions)

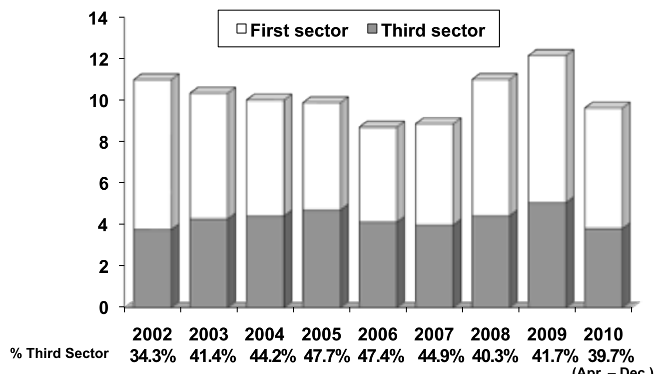


Aflac Japan's number of policies in force has been steadily increasing over the past 36 years, as a result of growth in new business and the high persistency of our in-force business. We established a solid position as

Japan's number one life insurance company in terms of the number of individual policies in force in fiscal year 2003 and have remained number one since then. Aflac's number of policies in force at the end of December 2010 exceeded 20.8 million and accounted for 17% of the total number of individual policies in force of all life insurers in Japan.

Third Sector Contribution to Life Insurance Industry New Policy Sales

(FSA Basis, In Millions)

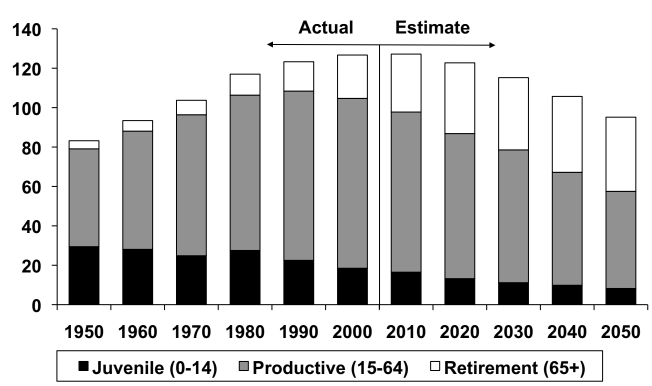


Source: Life Insurance Association of Japan, Insurance Research Institute.

The total number of new stand-alone life insurance policies in Japan, including first sector and third sector products, declined from fiscal year 2002 through fiscal year 2006. However, this number turned upward in fiscal year 2007. This increase reflects the fact that life insurance statistics began including new policies sold by Kampo, previously known as Japan Post Insurance. Kampo, a company that exclusively sells first sector base policies, took over the postal life insurance operation following the start of the privatization process in October 2007. Although the inclusion of Kampo in the total life insurance new business increased the overall first sector contribution, thereby reducing the overall third sector contribution, the share of third sector still remains around 40%. We believe this shows that consumers continue to prefer products that provide living benefits, such as cancer and medical, over products that provide death benefits.

Japan's Aging Population and Declining Birthrate

(In Millions)



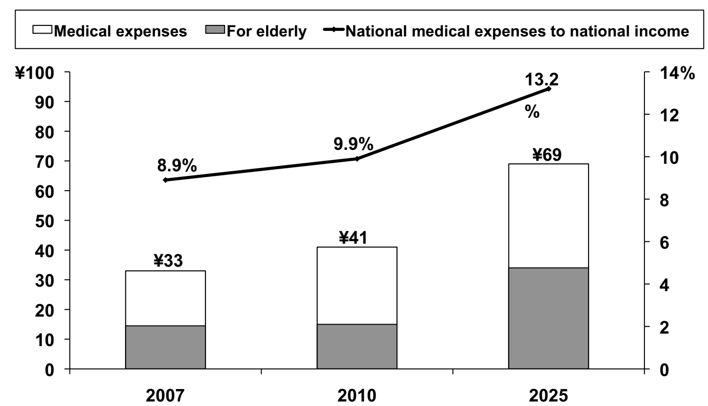
Source: National Institute of Population and Social Security Research, Future Estimated Population of Japan, 12/06

One major reason consumers prefer living benefits centers around Japan's rapidly aging society. Japan's population reached its peak in October 2005 at 127.8 million. Since that time, the number of deaths has been exceeding the number of births, resulting in a population decline. Japan's population was 127.38 million as of September 2010 and is anticipated to drop below 100 million by 2050. To support this estimate, let me share with you some results of a census conducted by Japan's Ministry of Internal Affairs and Communications at the end of March 2010. According to this census, 38 out of Japan's 47 prefectures saw a decline in population, and there are 20 prefectures where people who are 65 or older topped 25% of the total population.

What's more, the primary reason for Japan's shrinking population is its low birth rate. The birth rate was 1.37 in 2010, far below the estimated level of 2.08 that is required to maintain a stable population size. The population in Japan is expected to continue to decline because young people represent a declining percentage of the total population, as the downward trend in birth rate continues.

National Medical Expenses

(In Trillions)



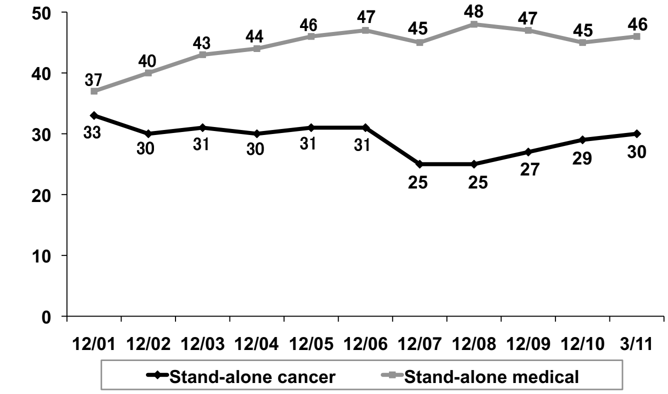
Source: Ministry of Health, Labor and Welfare, 7/08

Japan has a national health care system that covers all Japanese citizens. However, as fiscal resources are tight in all areas, including medical, nursing care and pension benefits, it is clear that the difficult fiscal situation will persist going forward. National medical expenses are expected to increase along with the rapidly aging population. This projected trend led to an increase in co-payments for the elderly in April 2008, with another extensive overhaul for both the elderly and general population anticipated as early as 2012.

Because of the rapidly aging population and higher co-payments for medical expenses, the market for third sector products has been steadily expanding, and this trend is expected to continue. As a natural consequence, the competition among private insurers in the third sector market has intensified. However, we believe we can expand our leading position as the third sector market continues its growth in the future.

Competitors in the Third Sector

(Number of Life and Non-life Insurance Companies)

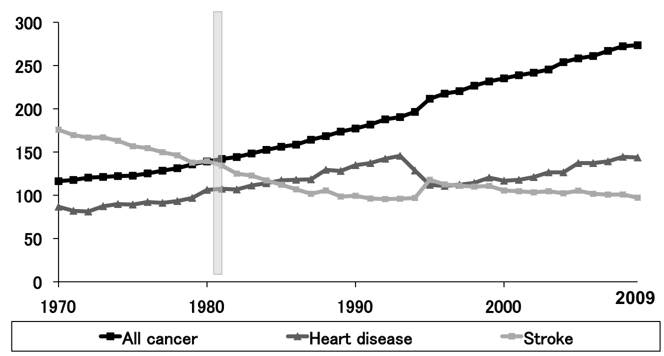


Reflects results of company mergers and companies that have discontinued sales
Source: websites of each company

When Aflac began its operations in Japan in 1974, we were the first life company to sell cancer insurance in Japan. However, mid-sized insurers and other foreign insurers followed suit and entered the market in the early 1980s. This market was opened to all life and non-life insurers in 2001. Not surprisingly, as of April 2011, Japan had a total of 46 competitors selling stand-alone medical products and 30 selling stand-alone cancer products, including both life and non-life companies. While the total number of competitors seems to have leveled out, actually some are still entering this market while others are leaving. Given a series of new product launches and revisions by the competitors in the pipeline, we believe the market for third sector products will remain very competitive.

Leading Causes of Death 1970 – 2009

(Number of Deaths per 100,000 People)



Source: Population Survey Report issued by the Ministry of Health, Labor and Welfare

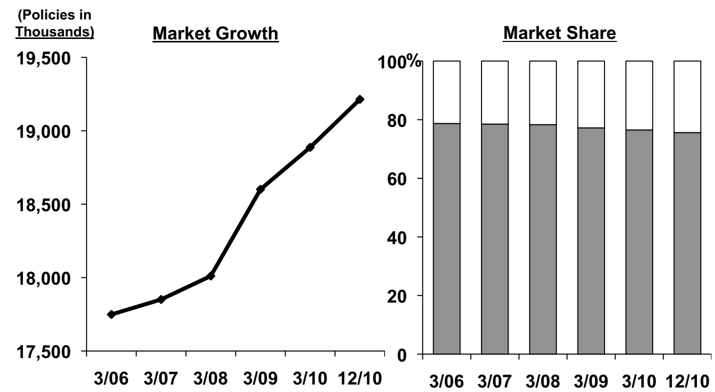
The number of Japanese who are diagnosed with cancer has been increasing since cancer became the leading cause of death in 1981. In 2009, one out of every three deaths in Japan was cancer-related. Cancer-related deaths exceeded the number of deaths from heart attacks and strokes combined, which are the second and third cause of death.

In addition, statistics from the Foundation for Promotion of Cancer Research indicate that approximately 54% of men and 41% of women will be diagnosed with cancer in their lifetime. Because cancer has become such a relatively common disease in Japan, the government enacted the Cancer Control Act in 2006. In the following years, government's efforts to educate the public about cancer and the importance of early detection, has heightened cancer awareness among the Japanese population.

In addition, advancement in cancer treatments are going through significant changes and becoming increasingly diverse. For example, more and more patients are receiving anticancer drug treatment, radiation therapy, and outpatient treatment in addition to surgery. Consequently, I believe it is natural for the public to have higher expectations from cancer insurance to assist with the fight against cancer.

Aflac's Share of In-Force Business: Cancer

(FSA Basis, Stand-alone, Life Industry Only)



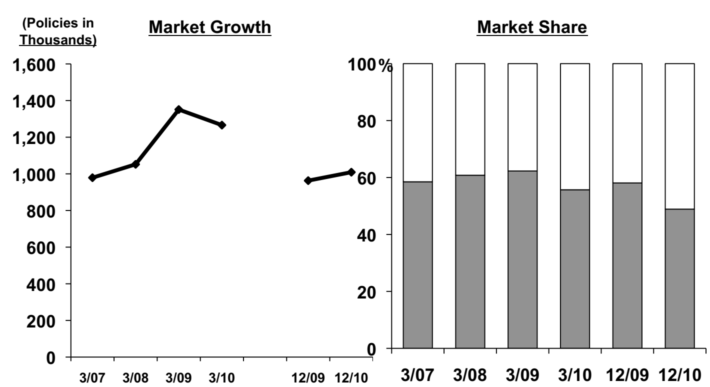
Source: Insurance Research Institute,
Life Insurance Association of Japan

Next, I would like to show you some data related to Aflac Japan's core lines of business: cancer and medical products. These slides reflect FSA-based fiscal year data, which runs from April through March and includes products sold only by life insurers. The data reflects the latest figures based on each life insurer's financial statements for the third quarter of fiscal year 2010. Additionally, some non-life insurers also sell medical insurance products. Because third sector sales data is not disclosed by non-life companies, we were not able to include it in the statistics shown on these slides.

The graph on the left side shows that the number of policies in force for stand-alone cancer products in the life insurance industry is growing each year. The graph on the right side illustrates Aflac Japan's share of in-force business for cancer insurance. Aflac Japan remains the market leader, with a year-end 2010 market share of 75% of in-force cancer business.

Aflac's Share of New Business: Cancer

(FSA Basis, Stand-alone, Life Industry Only)



Source: Insurance Research Institute,
Life Insurance Association of Japan

As shown in the graph on the right side, Aflac's share of new business for cancer insurance remains high at 49% for the April to December 2010 period. The market share of Aflac Japan has declined slightly because we have been focusing on medical insurance sales since the launch of New EVER in August 2009.

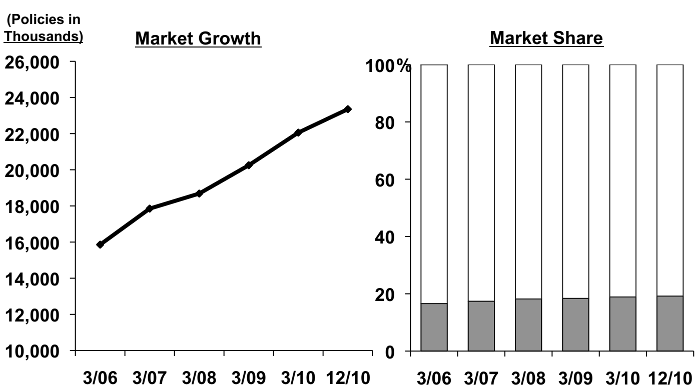
At the same time, we vigorously promoted partnerships with local governments in cancer prevention and education. In December of last year, we completed execution of partnership agreements with all of the 47 prefectures in Japan. Following the enforcement of the Cancer Control Act, local governments and consumers are increasingly aware of the necessity for cancer prevention and insurance. Having identified Aflac as a cancer insurance pioneer, consumers have placed their trust in our company and our products. Mr. Ariyoshi will comment more on this matter.

In March, we introduced the first revision to our base cancer policy in three years: DAYS, which replaces Cancer Forte, our previous base policy. This enhanced product speaks to the changing landscape in cancer treatment as well as our commitment to remaining the number one provider of cancer insurance in Japan. DAYS has benefits that provide extensive coverage for outpatient treatments, and we hope this new product will renew the focus of agents and customers focus on the benefits of cancer insurance. In addition, policyholders who currently have an older base cancer policy may purchase DAYS Plus, a stand-alone policy, which will allow them to upgrade their benefits to the same coverage as DAYS.

And thus, we are effectively continuing our never-ending efforts to create superior products that stay in touch with diverse consumer needs while also providing valuable information to consumers about cancer prevention, coverage, and cutting-edge treatments.

Aflac's Share of In-Force Business: Medical

(FSA Basis, Stand-alone, Life Industry Only)

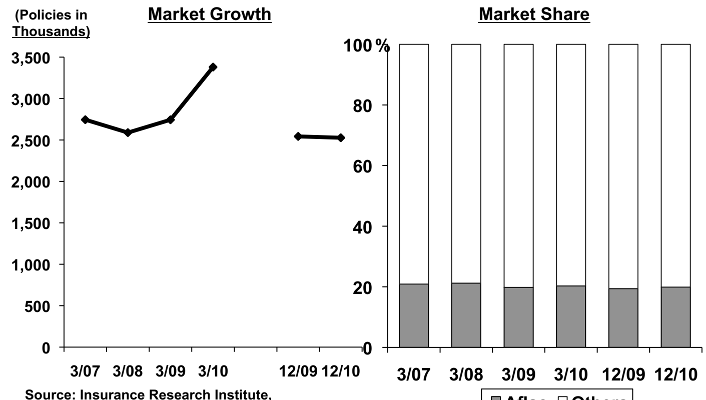


Source: Insurance Research Institute, Life Insurance Association of Japan

This slide illustrates the growth of policies in force for stand-alone medical insurance and Aflac Japan's share of that market. Aflac had a 19% share of in-force business at the end of December 2010. Although we were not the first insurer to enter the medical insurance market in Japan, we quickly became the leader in that market when we launched EVER in 2002. And we are committed to remaining the leader of the supplemental medical insurance market.

Aflac's Share of New Business: Medical

(FSA Basis, Stand-alone, Life Industry Only)



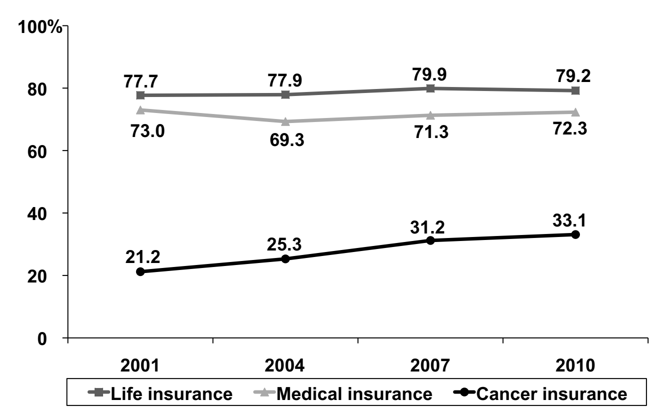
Source: Insurance Research Institute, Life Insurance Association of Japan

Aflac Japan's share of new business for stand-alone medical insurance was 20% for the April to December 2010 period. As shown in the graph on the left side, the growth of new business for medical insurance slowed from fiscal year 2006 through 2008. More recently, however, it has been growing significantly in the life insurance industry as a whole. As we have previously discussed, competition in this market remains high.

Bolstered by strong sales of New EVER, the revised medical product we introduced in August 2009, Aflac Japan remains the number one seller of medical insurance. Since its release, New EVER has been promoted by a character called "Maneki Neko Duck" we created. It is a combination of the Aflac Duck with a traditional Maneki Neko, a "good luck cat," and the result has been nothing short of an advertising phenomenon among Japanese consumers of all ages. Most important, the advertising campaign featuring the Maneki Neko Duck has been a major boost to New EVER sales. To leverage a government child subsidy, we have expanded the scope of Maneki Neko Duck's advertising from promoting just medical products to also promoting our child endowment product. We timed this new facet of the Maneki Neko Duck campaign to coincide with the start of the subsidy payments.

Insurance Product Penetration

(Individual Basis)

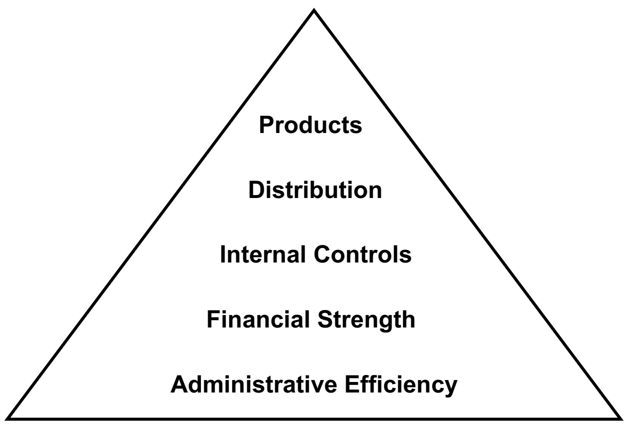


Life insurance does not include annuity insurance and child endowment
Source: Japan Institute of Life Insurance

This slide illustrates market penetration rates for various insurance products in Japan. In 2010, 79.2% of Japanese citizens were covered by some type of life insurance.

Although the market penetration for cancer insurance has been steadily increasing, it is still only 33%. Given the aging of Japan's population, cancer morbidity is expected to grow and the need for cancer insurance is considered to be strong. Meanwhile, medical insurance penetration stands at 72.3%. As I stated earlier, because of Japan's rapidly aging population and the likely increase in national health care expenses, I believe there is opportunity for expansion in the medical insurance market. Additionally, life insurance riders on medical policies traditionally sold throughout Japan were primarily term riders, and many current in-force policies are still classified as term. We believe this presents a significant opportunity for us to convert these term policies to whole life.

Aflac Japan's Competitive Strengths



Aflac Japan has five key competitive strengths that help us stand out within the industry, These competitive strengths include: products, distribution, internal controls, financial strength and administrative efficiency. We have consistently maintained our competitive edge in these areas and anticipate that strength to continue.

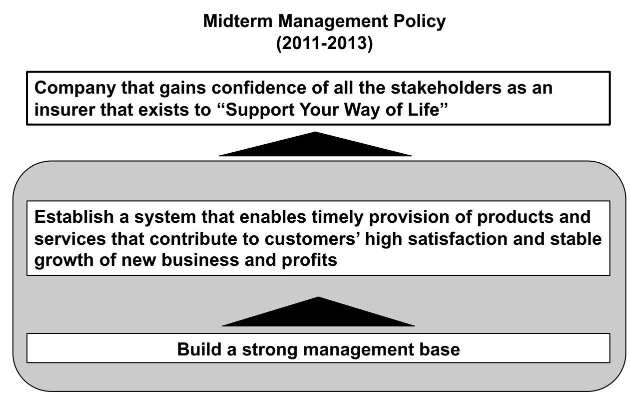
Mr. Ariyoshi and Mr. Shinkai will provide information about products and distribution later in their presentations. But I want to emphasize that we remain focused on the growing third sector market and are committed to providing competitive products that match the needs of our customers. In addition, we will further reinforce our existing channels such as traditional channels and bank channels. At the same time, we plan to integrate all these channels effectively to further increase the productivity.

Let me move on to internal controls and financial strength. In recent years, financial institutions around the globe have come under increasingly intense scrutiny of their risk management. Insurers have been requested to implement International Financial Reporting Standards (IFRS) and economic value-based solvency assessments. While there is some uncertainty as to the future of these standards and assessments, we are fully prepared and have developed the integrated risk management program introduced last year and have maintained our financial strength. Aflac Japan has implemented an internal control assessment based on the J-SOX Act, which is the Japanese version of the U.S. Sarbanes-Oxley Act. In addition, we have established a robust corporate governance system by further strengthening compliance and internal audit systems and by adopting comprehensive integrated risk management processes.

As we strive to improve our administrative efficiency, we will aggressively pursue business process improvements and IT infrastructure enhancements to reinforce efficient and accurate policy administration. I believe this will enable us to continue to provide customers with quality services and build upon our strengths in this increasingly competitive third sector market.

Midterm Management Policy

(State To Be Achieved)



Aflac Japan has formulated its midterm management policy for the three years from 2011 to 2013. This slide illustrates the areas of focus for management during the next three years.

We will further solidify our management foundation and build a system that enables us to offer products that anticipate and respond to customer needs while offering services geared toward customer satisfaction. Additionally, our focus remains on growing the business and earnings at a stable rate while maintaining our existing competitive strengths. We will also seek to gain the confidence of all our stakeholders as an insurer that exists to "Support Your Way of Life."

Japan's Public Policy and Regulatory Environment

Charles D. Lake II
Chairman, Aflac Japan

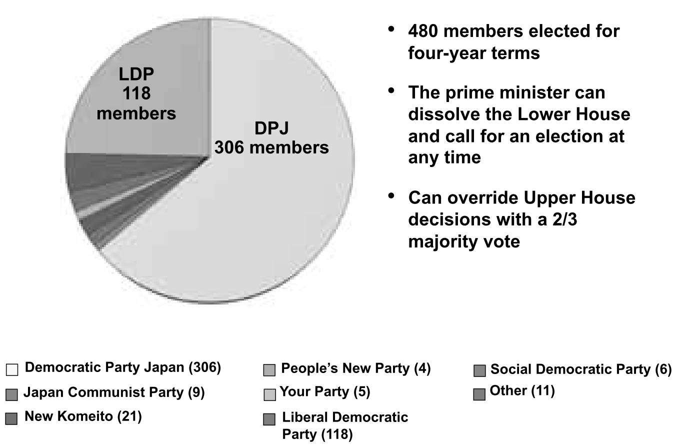
Understandably, recovery and reconstruction from the March 11, 2011 disaster, including the debate over reconstruction budgets and how to fund them, continue to dominate the political scene in Japan, pushing, at least temporarily, other items further down the Government's list of regulatory priorities. But, before I jump into an explanation of recent political developments and the policy environment, please allow me to take a moment to give a quick overview of the Japanese political system and how it works. I realize this may be familiar ground for many of you, but I hope you will find it useful.

The Japanese Government

- **Constitutional monarchy with parliamentary government**
- **Bicameral parliament**
  - » **House of Representatives (Lower House)**
  - » **House of Councillors (Upper House)**
- **Executive power vested in a cabinet composed of a prime minister and ministers of state (all civilians)**
- **Prime minister must be member of parliament and is chosen by peers**

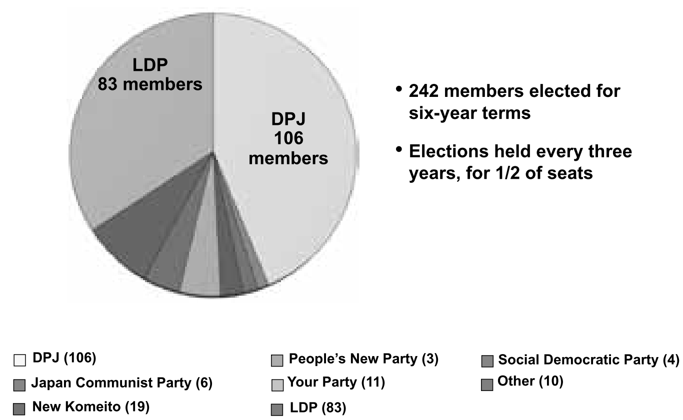
Japan is a constitutional monarchy with a parliamentary government. Sovereignty is vested in the Japanese people, with the Emperor defined as the symbol of the state. Japan's government is a parliamentary democracy, with a House of Representatives, or "Lower House," and a House of Councillors, or "Upper House." Executive power is vested in a cabinet composed of a prime minister and ministers of state, all of whom must be civilians. The prime minister must be a member of parliament, which is known as the "National Diet" in Japan, and is chosen by his or her colleagues. The prime minister has the power to appoint and remove ministers, a majority of whom must be Diet members.

House of Representatives
(Lower House)



The Lower House has 480 members elected for four-year terms. The Lower House can be dissolved and an election called at anytime by the Prime Minister, which means that its election schedule is not fixed. The last Lower House election was held in August 2009 and resulted in a landslide victory for the Democratic Party of Japan, or DPJ. The next Lower House election must be held no later than summer 2013.

House of Councillors
(Upper House)



The Upper House has 242 members elected for six-year terms. Upper House elections are held every three years, during which one-half, or 121, of the Upper House seats are contested. The last Upper House election was held on July 11, 2010, and resulted in a dramatic setback for the DPJ and its coalition partners. The next Upper House election will be held in the summer of 2013.

Control of the Government

- **The Lower House is the key to gaining control of Japan's government.**
- **A bill passed by the Lower House, but voted down by the Upper House, can be overridden by the Lower House with a two-thirds vote.**
- **In the case of disagreements over treaties, the budget, and the selection of the prime minister, the Lower House decision becomes the will of the Diet.**
- **The president of the majority party generally serves as prime minister.**

The Lower House has several powers not given to the Upper House, making it the key to gaining control of Japan's government. For example, if a bill is passed by the Lower House, but voted down by the Upper House, the Lower House can override the decision by a two-thirds vote. In the case of treaties, the budget, and the selection of the prime minister, however, if the two houses reach different decisions that cannot be resolved, the decision of the Lower House becomes the will of the Diet. As a result, the party that controls a majority of seats in the Lower House holds the reins of power. And the president of that party generally serves as prime minister.

Political Parties and Coalitions

- **Japan's political parties often form partnerships, or coalitions, with other parties.**
- **The Democratic Party of Japan (DPJ) currently has a coalition with the People's New Party.**

Japan's Political Parties Include:

- **Democratic Party of Japan**
- **Japan Communist Party**
- **Liberal Democratic Party**
- **New Komeito**
- **New Party Nippon**
- **New Reform Party**
- **People's New Party**
- **Social Democratic Party**
- **Sunrise Party**
- **Your Party**

Japan has two major political parties, the Democratic Party of Japan, which is now in power, and the Liberal Democratic Party, or LDP, which held power nearly uninterrupted from 1955 to 2009. There are a number of other political parties that vary in size and influence, including New Komeito, Your Party, the Japan Communist Party, the Social Democratic Party, and the People's New Party.

Political parties in Japan's parliamentary system often form partnerships, or coalitions, including in cases when they need to gain a majority in one or both houses of the Diet for the purposes of passing legislation. The ruling DPJ currently has a coalition with the People's New Party.

Historic Change of Government

- **The Democratic Party of Japan (DPJ) wins historic election in September 2009 and establishes first real non-Liberal Democratic Party (LDP) administration in post-war period.**
- **The DPJ attempts to consolidate policymaking and governmental control within the Cabinet contributing to disarray in policymaking process.**
- **Major DPJ defeat in July 2010 election leads to "twisted," or divided, Diet, where the DPJ controls the Lower House, but not the Upper House.**
- **Defeats in nationwide local elections in April 2011 further undermine DPJ leadership.**

In the August 2009 general election, the DPJ won an overwhelming majority of seats in the Lower House, resulting in a dramatic shift from the LDP's more than five decades as the ruling party and a truly historic change of government. In the months that followed, funding scandals and other challenges related to making an uncharted transition from being in opposition to actually governing contributed to a decline in public support and ultimately a major defeat in the July 2010 Upper House election. This defeat has created difficult political circumstances, including a divided parliament, or so-called "twisted Diet," whereby the DPJ has a majority in the Lower House, but not in the Upper House. Needless to say, Japan remains in the midst of historic political change. I would like to take a moment to discuss this change, and its meaning with regard to Japan's business and regulatory environment going forward.

Although Japan actually experienced a change of ruling party in the early 1990s, that change occurred due mainly to the departure of dissatisfied members of the then-ruling LDP, who went on to create a number of new parties. This development forced an election and a defeat of the LDP in 1993, but the LDP maintained its position as the largest party in the Lower House, which enabled it to quickly come back into power after 10 months.

In the July, 2010 Upper House election, the DPJ lost ten seats, while its coalition partner, the People's New Party, lost all three of its seats that were contested in the election. As a result, the ruling coalition is now 13 seats short of the majority required to pass legislation in the Upper House. More recently, lack of concrete progress on key issues and criticism of the Prime Minister's leadership in the wake of the 3/11 disaster led to defeats of DPJ-supported candidates in nationwide local elections held in April 2011. Although these defeats did not reduce the number of DPJ Diet seats, it resulted in growing calls for Prime Minister Kan to step down, not only from within the opposition parties but within the ruling DPJ as well. Nevertheless, at this time Prime Minister Kan has yet to step down and shows no desire to do so.

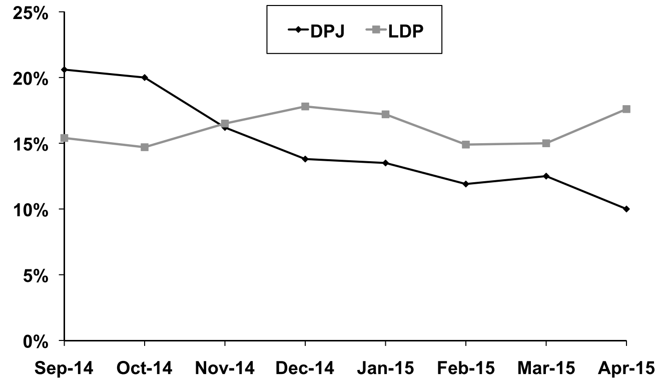
Despite these defeats, the DPJ will continue to maintain a strong majority in the more powerful Lower House. Thus, the DPJ will remain in power until the next general election, which takes place whenever the prime minister chooses to dissolve the Lower House, but by August 2013 at the latest. The DPJ, however, remains 9 seats shy of the two-thirds majority in the Lower House needed to override a "no" vote in the Upper House. Accordingly, it is likely to be extremely difficult to get any legislation passed.

While the obvious solution to this problem would be to form a majority in a coalition with additional parties, doing so – while not impossible – will be extremely difficult under the current conditions. Specifically, the three other major parties, the LDP, the New Komeito, and the up-and-coming Your Party have been clearly on the record saying that they would not join a coalition without a major policy shift by the DPJ. In April 2011, LDP leader Sadakazu Tanigaki turned down an offer from Prime Minister Kan to form a "Grand Coalition" to enable a unified response to the earthquake and nuclear disaster and ensure passage of related legislation through the Diet.

The DPJ assumed power aiming to fundamentally change Japan's policymaking process and the role of career government officials. Whereas the policymaking process under the LDP was said to be heavily dependent on and influenced by career government officials, the DPJ has been working to change to a Cabinet-centric system of policymaking and government control. The DPJ's Cabinet- or politician-centric policymaking approach has forced DPJ policymakers – most of whom lack actual governing experience – to learn on the job and attempt to execute policy without fully utilizing Japan's experienced and knowledgeable bureaucracy.

Political Party Approval Ratings

(September 2010 to Present)



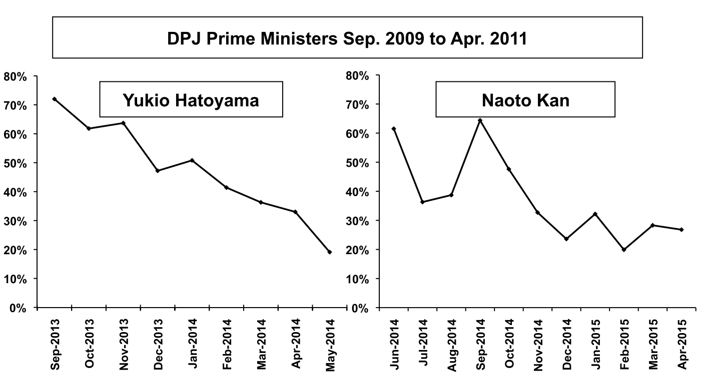
Data Source: Jiji

The result has been somewhat disappointing for voters who held high hopes that a change in government would bring about the reforms needed to address Japan's longstanding issues and bring about sustained economic growth; some of which are outlined below. This disappointment has been reflected in the public opinion polls. A recent Jiji Press opinion poll shows support for the ruling DPJ falling from 21% in September 2010 to just 10.0% in April 2011. Meanwhile support for the opposition LDP remains low as well, but is now higher than that for the DPJ, rising from 15% in September 2010 to 17.6% in April 2011.

In June 2010, the Government of Japan released an updated "New Growth Strategy" and Growth Strategy Implementation Plan aimed at ensuring sustainable growth in the Japanese economy. The growth strategy named "environment," "health," "Asia," "tourism," "science and technology," and "employment and human resources" as strategic areas and identified concrete numerical goals across these sectors and the economy as a whole.

The government also announced its Fiscal Management Strategy in June. This strategy which was reviewed and updated in January 2011 calls for, among other things, reducing by half the deficit in the primary balance relative to GDP by 2015 and achieving a surplus in the primary balance by 2020 through such measures as cuts in expenditures and comprehensive tax reform. Although the earthquake/tsunami disaster has clearly put additional pressures on policy makers, Finance Minister Yoshihiko Noda has reconfirmed his government's commitment to proceeding with the Fiscal Management Strategy as scheduled.

Factors Contributing to Declining Approval Rating

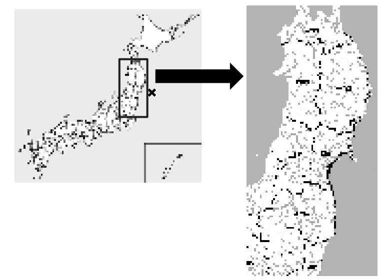


Data Source: Kyodo

Having said that, sliding approval ratings and a less than stellar track record on executing according to plan, make it doubtful that any major changes in the regulatory environment will result from these initiatives.

Tohoku Pacific Ocean Earthquake and Tsunami

- **Magnitude 9.0**
- **Waves up to 37.9 meters**
- **Over 25,000 people feared dead**
- **Damaged reactors in the Fukushima 1 Nuclear Power Station**
- **Over 100,000 people still displaced**
- **443 square kilometers flooded**



Source: PASCO

As you all know, on March 11, 2011 a magnitude 9.0 earthquake struck the northeast coast of Japan triggering a massive tsunami. The earthquake and subsequent tsunami caused a large degree of destruction to the northeast Japan coastline, with over 25,000 people feared dead and over 100,000 people still displaced. The earthquake and tsunami also damaged the Fukushima No. 1 Nuclear Power Station, with the earthquake cutting off external power to the plant and the tsunami disabling the backup diesel generators and residual heat removal systems to the No. 1-3 reactors. Two hydrogen explosions then caused severe damage to the plant's No. 1 and No. 3 reactors. Since the disaster, officials had been working to restore power to the site, while keeping the reactors from overheating until proper cooling systems could be restored. External power was recovered at the end of March.

On April 17, Tokyo Electric Power Company (TEPCO) announced a roadmap approved by the government to achieve cold shutdown of the No. 1-3 reactors at the Fukushima 1 Nuclear Power Station within 6-9 months. Stage 1 focuses on stable cooling and preventing the further release and spread of radioactive materials. Stage 2 centers on achieving cold shutdown and decreasing the amount of contaminated water at the site. The No. 4 reactor is already under cold shutdown. Plant operator TEPCO continues to inject nitrogen gas into the containment vessels of the plant's damaged reactors to head off the risk of further hydrogen explosions. Fresh water is also being injected into the reactors and the spent fuel rods in order to achieve stable cooling.

Health Issues

- ***"The Fukushima accident and Chernobyl are very different ... mechanics are totally different."***
  - Denis Flory, IAEA Deputy Director General

- ***"Risks for Tokyo and other areas away from the plant remain low."***
  - Sir John Beddington, UK Government Chief Scientific Adviser

- **Japan continually monitors the air, food and water**

As a result of radioactive materials that were released into the environment, the government has assigned the disaster a level 7 on the International Nuclear Emergency Scale. Although this is the same level assigned to the Chernobyl accident, the amount of radioactive materials released by the Fukushima accident is a mere 10% of that released in Chernobyl. The International Atomic Energy Agency (IAEA) Deputy Director General, Denis Flory, reiterated this point stating that "The Fukushima accident and Chernobyl are very different…Mechanics are totally different." Potentially harmful radiation levels have been detected in and around the Fukushima 1 Nuclear Power Station. While U.S.-based Centers for Disease Control and Prevention stated on April 18, 2011 that "…risk of exposure to radiation and the risk of contamination from radioactive materials are believed to be low, especially for anyone outside a 80 km radius of the nuclear power plant." The U.K. Government's Chief Scientific Adviser Sir John Beddington has also maintained throughout the crisis that risks for Tokyo and other areas away from the plant remain low.

While it has been widely reported around the world that some foodstuffs have been found to contain levels of radioactive materials above the legally permissible limit near Fukushima, experts agree that the actual risks to human health are currently low as is the risk to the food supply overall. Japan inspects radioactivity in food everyday and is restricting the distribution of food that fails to meet provisional regulation values. A joint FAO/IAEA Food Safety Assessment Team is also on the ground working in Fukushima, Ibaraki, Tochigi and Gunma prefectures. Furthermore, the World Health Organization (WHO) advised on April 8, 2011 that, "contaminated food would have to be consumed over prolonged periods of time to represent a risk to human health."

Drinking water is also being monitored daily and the Japanese Government has been implementing the necessary measures. As was widely reported in the press, on March 23, the Japanese Government recommended that the residents of the Tokyo area refrain from giving their babies tap water due to higher than usual radionuclide levels. This recommendation was withdrawn after 2 days and since then there have been no further concerns over the safety of Tokyo tap water. Indeed, the WHO recently stated that "drinking tap water in Japan poses no immediate health risk..." Sir John Beddingfield stated that "I don't think this is an area of concern... in Tokyo and areas a substantial distance outside the 80 kilometer zone."

Economic Role of Tohoku Region

Share of affected prefectures of total GDP

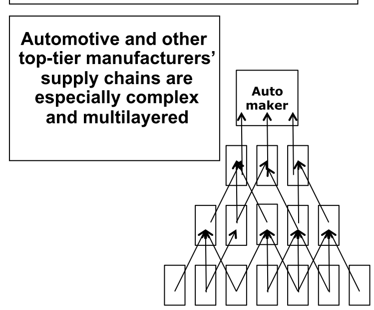
Region	GDP (JPY trillion)	Share
3 most affected prefectures in Tohoku (Iwate, Miyagi, Fukushima)	20.3	4.0%
Tohoku (Iwate, Miyagi, Fukushima, Aomori, Yamagata, Akita)	32.3	6.4%
Tohoku + North Kanto (Iwate, Miyagi, Fukushima, Aomori, Yamagata, Akita, Ibaragi, Tochigi)	51.8	10.3%

Source: Cabinet office

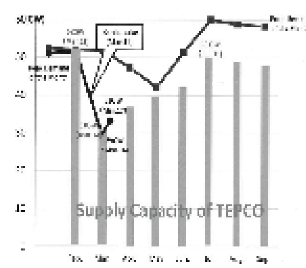
From a humanitarian perspective, this earthquake, tsunami and nuclear accident is undoubtedly a large scale disaster. However, economically this disaster will likely have less of an impact than one may presume. Tohoku's role in the Japanese economy is comparatively small, holding just 4 percent of the nation's GDP. Furthermore, the reconstruction effort is likely to create demand across various sectors in turn lifting Japan's real gross domestic product.

Concerns over Supply Chain Effects and Electric Power Supply

Concern over disruptions to supply chain spreading to other parts of Japan



Projected power demand and estimated TEPCO supply



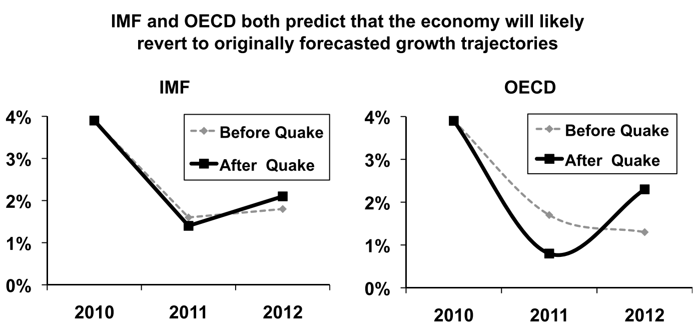
Nevertheless, the disaster has significantly reduced the capacity of the two key energy suppliers in the region, Tohoku Electric Power, which powers northeastern Japan, and TEPCO, which powers Tokyo and other areas in the eastern region, creating a gap between supply and demand. The disaster has forced some companies in the region to revise operations in order to implement energy saving practices. For example, some manufacturing companies are having to slow down production in order to respond to the energy shortage and the legal obligation to comply with energy use restrictions. There is concern that the energy shortage, along with the transport and logistics problems felt immediately after the earthquake and tsunami, will have a notable impact on supply chains.

However, the government has invoked a law to reduce power consumption by large electricity users such as factories and commercial facilities. Electricity users will have to reduce energy consumption by 15 percent. It has also drawn up a range of energy conservation measures for households which account for just over 30% of electricity consumption. By implementing this plan, the government aims to mitigate the need for rolling blackouts and thereby ensure greater confidence in the ability of Japan to work through the energy shortage without significant impact on the economy.

A major factor contributing to the need for the government to impose power usage restrictions is the fact that electric power companies in eastern and western Japan operate using different frequencies and there is no system enabling an interchange of large amounts of electricity between the two systems. Therefore TEPCO is limited in its ability to get electricity supplies from western Japan to power Tokyo and prefectures to the north.

In addition to those nuclear facilities shut down due to damage from the tsunami, Prime Minister Kan requested on May 6, that another of Japan's energy companies, Chubu Electric Power Co. temporarily shut down its plant located in Hamaoka, Shizuoka prefecture due to it being located in an area especially susceptible to a high magnitude earthquake. Chubu Electric will implement measures to ensure a stable electricity supply such as restarting one of its thermal power units. The impact this suspension will have on power supply is expected to be different to the impact of TEPCO's supply shortage on eastern Japan owing to the fact that Chubu Electric and other utilities in western Japan all transmit electricity at the same frequency (60Hz). Chubu Electric can therefore purchase electricity from various suppliers. The Prime Minister has insisted that no further requests will be made for operational shutdowns at nuclear power plants.

Real GDP Growth Forecast



Source: IMF "World Economic Outlook" April 2011

Source: OECD "Japan's economic outlook following the 11 March 2011 earthquake"

Despite the challenges confronting Japan, many analysts are optimistic of its recovery. The IMF and OECD both predict that the disaster will lower the Japanese economy's growth potential for 2011. Nevertheless, GDP growth will remain in positive territory and 2012 will see the economy bounce back to originally forecast growth trajectories.

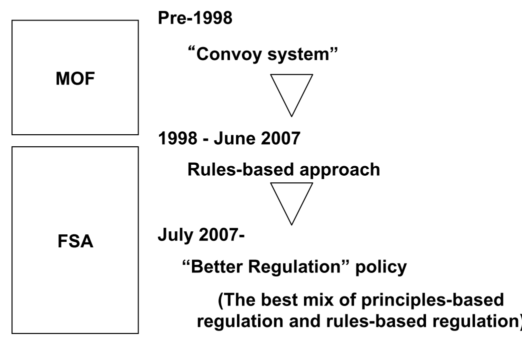
Recovery Plan for Northeast Japan

Multiple supplementary budgets in 2011

- **Implementation for first supplementary budget planned for May**
  - **To fund clearing rubble, building temporary housing, support reemployment and help businesses rebuild**
- **Some funding will come from freezing funds in current fiscal year budget**
- **The newly formed Reconstruction Design Council will discuss further ways to fund the supplementary budgets**
- **Second supplementary budget to be debated over the next few months**

On May 2, 2011, the ruling parties and the opposition put aside their differences and the Diet passed legislation approving a ¥4 trillion budget to pay for the disaster relief effort. This first supplementary budget is being funded without the issuance of additional government debt, through the reallocation of funds, and is the first of a planned series of spending packages related to the earthquake disaster. This budget will be used to fund immediate measures such as clearing debris, building temporary housing and providing financial support to businesses affected by the disaster. The government is now focusing on drafting a broad after-quake reconstruction plan. Following on, the government will compile a second supplementary budget to further fund quake-related measures. The drafting of this budget will be debated over the next few months for submission to the Diet.

Progress in Financial Regulatory Reform



The challenges posed by the global financial crisis, changes in the domestic political and policy environments, and now the 3/11 disaster have resulted in a slowdown, to some extent, of efforts by the Japanese Government, particularly the Financial Services Agency (FSA), to strengthen Japan's competitiveness as an international financial center. Nevertheless, the FSA remains steadfast in its commitment to these efforts and its work is ongoing. I will summarize it in a moment.

As I have noted previously, Japan's financial system has changed dramatically in the past decade. The old Ministry of Finance emphasized maximum control, industry protection, and the use of informal administrative guidance based on its "convoy system" philosophy. The FSA replaced this philosophy with a rules-based regulatory approach, which relies on transparency and the notion of self-responsibility by financial institutions. In recent years, the FSA has taken further steps to achieve the best mix of principles-based regulation and rules-based regulation, calling this the "Better Regulation" initiative. FSA Commissioner Katsunori Mikuniya and other senior FSA officials continue to reiterate that the FSA will carefully consider its role in helping to maintain financial system stability, improve consumer protection and convenience, and establish fair, transparent, and vibrant markets. The FSA will also continue to work closely with other regulatory authorities, including through the G-20 and the Financial Stability Board, to ensure that Japan's financial regulatory approaches are consistent with policy measures agreed to globally.

Regulatory Developments Pertaining to Japan's Financial and Capital Markets

New Growth Strategy (June 2010) commits to establishing Japan as a major financial player in Asia and supporting financial sector's role in promoting overall economic growth

- » **Improvements in markets and exchanges**
- » **Reforms to legal infrastructure for financing**
- » **Development of bond market for professional investors**
- » **Expansion of English financial disclosure scope**

In its New Growth Strategy released in June 2010, the government committed to establishing Japan as a main financial market and player in Asia and envisions the financial sector as promoting Japan's overall economic growth as it supports enterprises in other sectors and as a growth sector itself. The government aims to achieve these goals through such measures as improvements in markets and exchanges, development of a bond market for professional investors, and expanded scope for disclosures allowed in English. Work on these issues has been slow, but in December 2010, the FSA released an action plan aimed at implementing these aspects of the New Growth Strategy. The action plan established, for example, a disclosure working group, which is putting together a report regarding English language disclosures; while another team is working with the Ministry of Agriculture, Forestry, and Fisheries and the Ministry of Economy, Trade and Industry to explore the feasibility of establishing a comprehensive exchange for stocks, commodities, and other instruments by fiscal 2013. An interim report on the progress under the work plan is due out in December 2011. The impact of this strategy and any related regulatory changes, however, is not expected to have a material impact on Aflac's operations.

In direct relation to the insurance sector, the FSA is currently reviewing market conduct rules applied to bank sales of insurance that were implemented in December 2007. Although it is too early to predict the outcome of this review, it is possible that regulations related to medical and cancer insurance sales through small and medium-sized financial institutions such as regional banks and Shinkin Banks could be relaxed. Because the global regulatory trend is to strengthen regulations generally, some experts in Japan are opposed to this. However, foreign insurance companies, including Aflac, will continue to advocate that the FSA ease relevant regulations in this area.

In addition, beginning in March 2011, the FSA is requesting that insurance companies disclose what their solvency margin ratio would be under the newly revised calculation standard. The FSA projects that the new standard will result in solvency margin ratios decreasing by approximately half for major life insurance companies and approximately 30 percent for major non-life insurance companies. After implementation of the new standard in March 2012, Aflac's solvency margin ratio is expected to decline, but only by a similar level to that of other major life insurance companies.

Postal Reform Developments

12/4/09	**IPO freeze legislation**
3/24/10	**Postal reform outline**
4/30/10	**Postal legislation submitted to Diet**
6/16/10	**Diet session ends without postal legislation passing**
10/13/10	**Postal legislation submitted to Diet**
12/03/10	**Extraordinary Diet session ends without postal legislation passing; continued into current session as ongoing deliberation**
04/12/11	**Special committee established, but members not fully appointed**

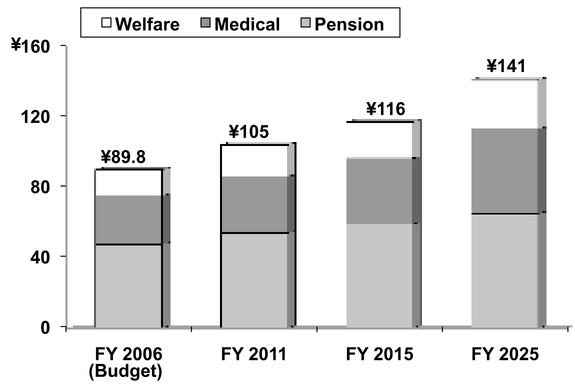
In April 2010, Japan Post reform legislation was introduced to the Diet. During our last few financial analyst briefings, we discussed Japan's complex political dynamics and how they were affecting debate over the postal legislation. The legislation continues to languish in the Diet. Although in mid-April 2011, a special committee to deliberate the postal legislation was formed, Diet leaders have not yet gotten around to appointing its members. And in light of the Diet's heavy disaster-related legislative agenda as well as the complications resulting from the twisted Diet (discussed above), many policy experts we interact with in Tokyo strongly doubt the legislation will pass the Diet during the current legislative session, which is scheduled to end in late June. In addition, the chairman of the Privatization Commission continues to state that as long as the Japan Post IPOs remain suspended, the commission would not approve expanded products for either the Postal Insurance or Postal Bank operations. The Diet is expected to reconvene in late September, but given that the ruling coalition does not control a majority in the Upper House, it is unclear whether the postal legislation will be taken up again in the next Diet session. Accordingly, in our view the postal reform debate will not have an immediate material impact on our operations in Japan.

As you likely know, Aflac's cancer products are sold through 1,000 post offices around Japan. We have established a good relationship with the post office company and believe that this will not change regardless of the outcome of any postal reform debate in the Diet. To this end, Aflac Japan is continuing to develop this channel.

Now with regard to the child care allowance, since April 2010, the government has provided a monthly allowance of ¥13,000 per child of junior high school age or younger, making high school tuition effectively free, and increasing the government's maternity subsidy by more than 30% to ¥550,000. The program was recently extended for 6 months using stop-gap legislation to September. However, due to an anticipated increase in public spending to fund disaster recovery efforts, many policymakers are talking about reinstating the previous child allowance system which was means tested and consisted of lower monthly payments.

Rapidly Increasing Social Security Benefits

(Yen in Trillions)



Source: Ministry of Health, Labor and Welfare, 5/06

As I have noted in previous briefings, a declining fertility rate and aging population are among the most difficult challenges that Japan faces on the path to continued growth and prosperity. As these trends progress, Japan's publicly-funded social insurance programs will continue to come under ever-increasing financial pressure.

Against this backdrop, the DPJ-led government established a "study team" that has begun a full-scale discussion on introducing a system to more accurately link tax, pension, and medical information for each Japanese citizen. Addressing this issue is an essential foundation of the DPJ's plan to enhance the efficiency and effectiveness of Japan's tax and social welfare systems.

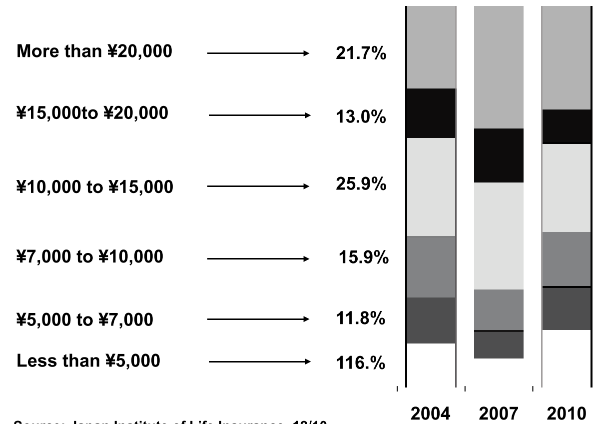
Major Changes in Copayments for the Employed and Elderly

- **Japan's health care system is under great financial strain**
  - **Copayments are now 30% for salaried workers under 70 and high-income seniors**
- **Advanced Elderly Health system was introduced in 2008 to try to separate fees for advanced elderly from that of the younger population, but the DPJ is currently designing a replacement system**
- **Details of the new system are unknown, but the reforms should lead to enhanced consumer interest in Aflac's core products**

Japan has a compulsory and universal public health care insurance system. The system's costs are covered by premiums paid by the insured and their employers, as well as taxes and copayments paid by patients. Given Japan's aging population and declining birthrate, however, the system has been under great financial strain, and copayments for salaried workers under 70 are 30%.

In April 2008, recognizing that the national health care system will be unsustainable as the costs of providing medical care for the elderly swell, the government introduced Advanced Elderly Health, a system that separates medical treatment fees for advanced elderly from that of the younger population. The DPJ-led government, however, began designing a replacement system in November 2009 and aims to introduce legislation to implement it beginning in fiscal 2013. Although details of the new system are unknown at this point, we believe the reforms will lead to enhanced consumer interest in the health care sector, including supplemental medical and cancer insurance products.

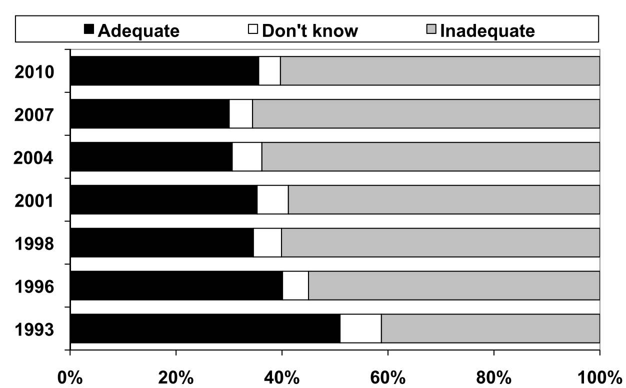
Daily Out-of-Pocket Hospitalization Expenses



Source: Japan Institute of Life Insurance, 12/10

The DPJ-led government is also expected to conduct a review of the social security system, including pensions, health care, and nursery care. However, because Japan's falling fertility rate, aging population, and related need for fiscal discipline will not change, it is unlikely that the government will choose an option, for example, to expand national health care insurance coverage. Related to this, much of the need for our products will continue to arise because of the many expenses that are not covered by Japan's health care system. Patients will have to continue to bear significant expenses while in the hospital, including extra charges for private or semi-private rooms, special treatments or medicines not covered by the national health care system, transportation costs for family members, and daily necessities. According to the most recent survey by the Japan Institute of Life Insurance, roughly one-third of patients had more than ¥20,000 of daily out-of-pocket hospitalization expenses, up from 22% just three years earlier.

The Public's View on the National Health Care System



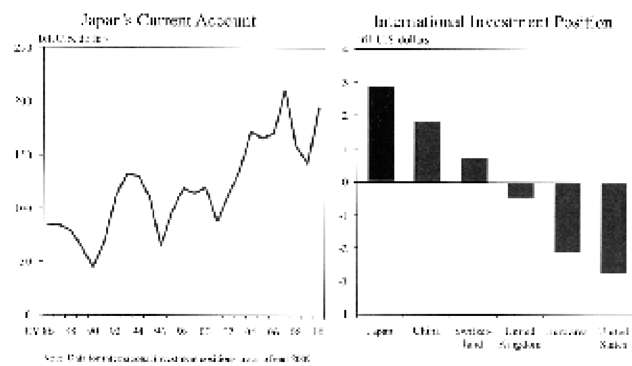
Source: Japan Institute of Life Insurance, 12/10

Given Japan's aging population and declining birthrate, the Government of Japan faces tight financial conditions, and many people worry that additional increases in out-of-pocket expenses will be necessary. Some worry not only that their burden will increase, but that the scope of government coverage may be reduced as well.

Japan's rapidly aging population and low birthrate are putting the country's social security system under increasing strain, which is forcing Japanese consumers to bear an ever-growing share of the burden. Despite the fluid situation in Japanese politics in May 2011, the political consensus is that the current system cannot be sustained without significant changes. In this environment, the companies that prevail will be those that are customer-centric. Aflac will proactively and comprehensively prepare for any environmental changes and will continue to closely interact with our stakeholders as we always have. Aflac is well-positioned to take advantage of the opportunities presented, and we believe that we will continue to be a successful company in the Japanese market.

Optimism for Japan's Recovery

Despite high levels of debt and long standing structural issues, Japan still has a number of economic strengths



And as the reconstruction efforts in Tohoku get underway, I firmly believe that Japan's economy will continue to function smoothly and that the recovery efforts by the government and others have the potential to create opportunity for more robust growth and innovation in Japan going forward.

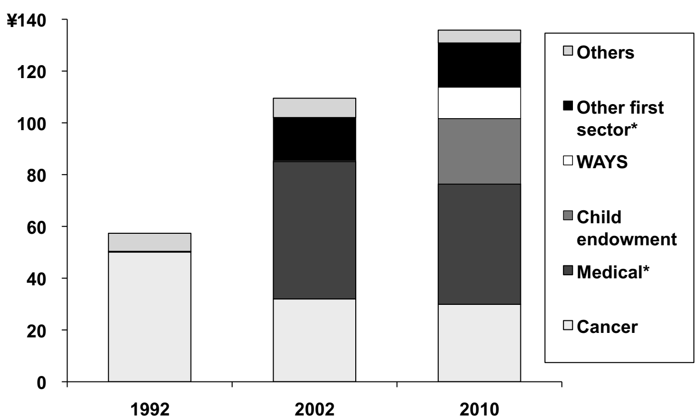
Aflac Japan Marketing and Sales

Koji Ariyoshi
First Senior Vice President; Director of Marketing and Sales, Aflac Japan

I will cover our marketing and sales strategy and supporting activities, beginning with Aflac Japan's product mix.

Aflac Japan's Product Mix

(New Annualized Premium, In Billions)



*Includes term- and whole-life ordinary policies and annuities
**Includes stand-alone medical, Rider MAX and other medical riders

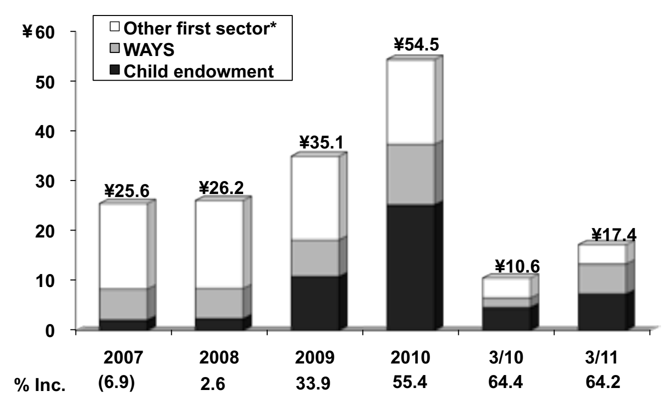
This slide shows new annualized premium by product. It was not until early 2002 that we introduced EVER, a stand-alone, whole-life medical product that propelled Aflac to be the number one seller of medical insurance in Japan.

It's important to remember that the foundation of our product portfolio has been, and continues to be, cancer and medical products. Our solid platform of these two pillar products together accounted for 56% of our product mix in 2010.

Our status as the number one provider of cancer and medical coverage in Japan confirms the continued popularity and demand for our innovative policies. It also shows how we have been successful in leveraging our competitive advantages, such as branding and promotional activities to grow our product offerings and meet the evolving needs of consumers. More recently, WAYS and our child endowment product, which fall in the first sector, are attracting consumers as the products meet evolving needs of consumers. I will elaborate on them in the next slide.

Aflac's First Sector New Sales

(New Annualized Premium, In Billions)



*Includes term- and whole-life policies and annuities

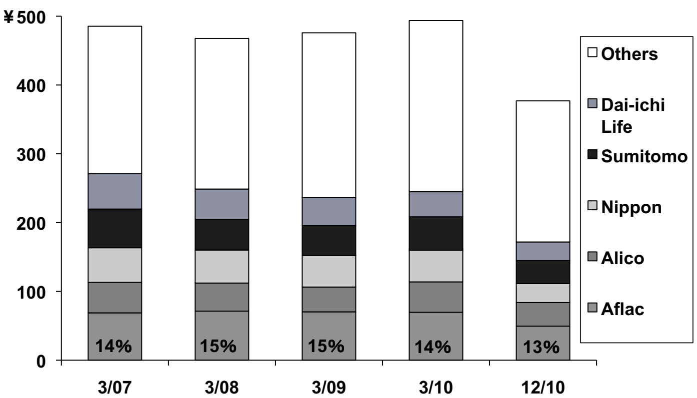
This graph shows sales results for the first sector products we offer. Sales of first sector products in 2010 increased 55.4% over the previous year, in great part due to our child endowment and WAYS products, which sold particularly well through the growing bank channel.

Our child endowment product helps fund the higher costs associated with education by paying out a lump-sum benefit when a child enters high school or college, as well as an educational annuity during college. Aflac's strong brand combined with integrated promotional activities using Maneki Neko duck, this product's rate of return, our expanding presence in banks, and the government's child subsidy payment that started in June 2010 have helped make our endowment policy the product of choice for educational savings instruments.

WAYS is a unique hybrid whole-life product that provides the option of being converted to a fixed annuity, medical coverage or nursing care benefits when the policyholder reaches a predetermined age. Consumers find this product attractive because its diverse options offer future flexibility. Additionally, WAYS appeals to savings-minded consumers. Mr. Shinkai will discuss further how our banking channel has become both a greater contributor to our top-line growth.

Shares of Third Sector New Sales*

(FSA Premium Basis, Stand-alone and Riders, Life Industry Only, In Billions)



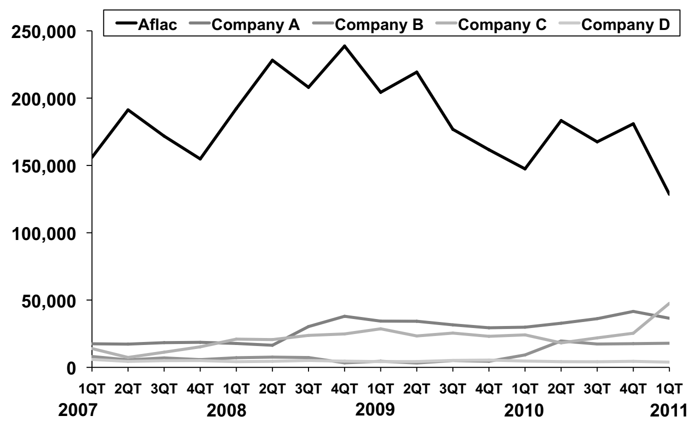
*Excludes Kampo

As I indicated, although first sector products were drivers to sales growth in 2010, it's important to remember that the foundation of our product portfolio has been, and continues to be, in the third sector where cancer and medical products are categorized. While competition has intensified, this slide shows the FSA-based shares of new annualized premium in the third sector market. Aflac Japan is maintaining a high market share by developing products adapted to the evolving needs of the market and and reaching consumers through effective promotions. And most importantly, we remain number one in the industry, which confirms the continued popularity and demand for our innovative policies.

We expect the need for third sector products will only continue to grow in the future. With an aging population, medical expenses in Japan will grow. Because the government is experiencing increased demands on financial resources, Japanese consumers expect to bear a larger share of the cost of health care. As the leader in the third sector, we are focused on maintaining our leadership position.

Comparative Cancer Policy Sales

(Stand-alone Basis)

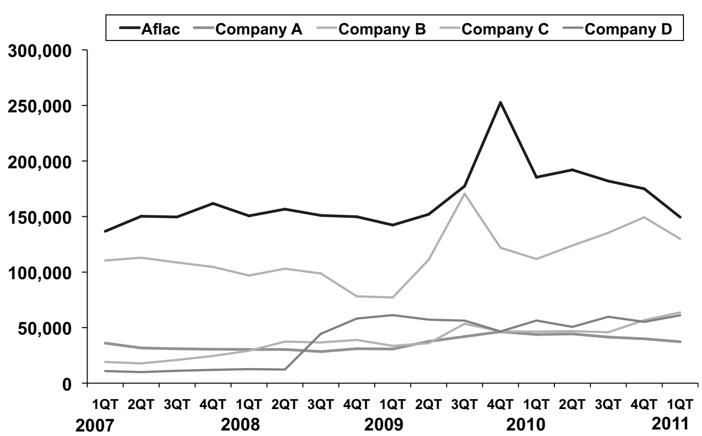


Source: Internal data, excluding one-year term policy sales

Let me now discuss the current competitive environment for cancer insurance sales. The Japanese government's national cancer awareness and prevention programs have heightened public interest in cancer. As a result, more competitors have taken notice and are increasing their efforts in selling cancer insurance. However, Aflac has successfully leveraged its significant competitive advantages, and we continue to dominate the cancer insurance market.

Comparative Medical Sales

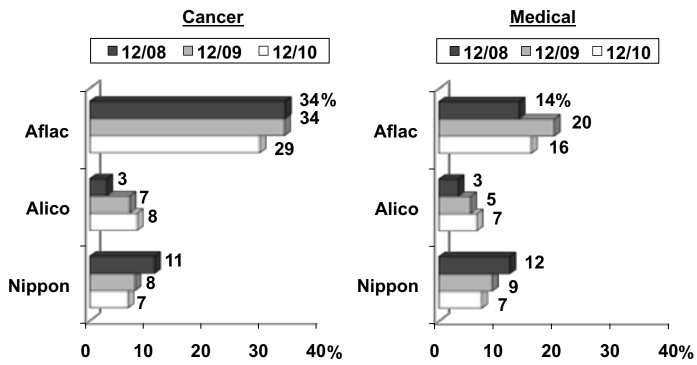
(Stand-alone Basis)



Source: Internal data, excluding one-year term policy sales

A large number of competitors continue to operate in the medical market, and create new product offerings. This is because the need for medical insurance among Japanese consumers is rising as a result of increases in out-of pocket medical expenses. This has, in turn, led to intensified competition. In spite of crowded market conditions, Aflac Japan has continued to maintain its number one position in the medical insurance market.

The Most Preferred Insurers for Cancer and Medical Insurance

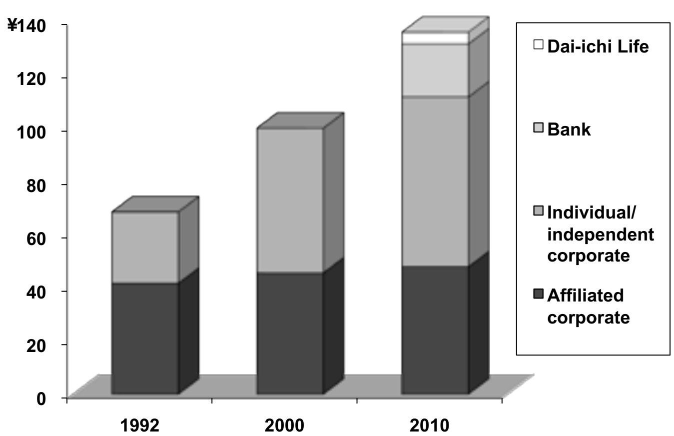


Source: Macromill, Inc.

When consumers were asked which insurance company they would prefer to purchase cancer and medical insurance from, Aflac was cited most often as the preferred choice, confirming that Aflac's strong brand is one of our key competitive advantages. Successful advertising only speaks to one aspect of Aflac's strong brand – financial strength and a solid reputation for accurate and prompt claims payments have also bolstered Aflac's brand and earned the trust of consumers.

Sales by Channel

(New Annualized Premium, In Billions)

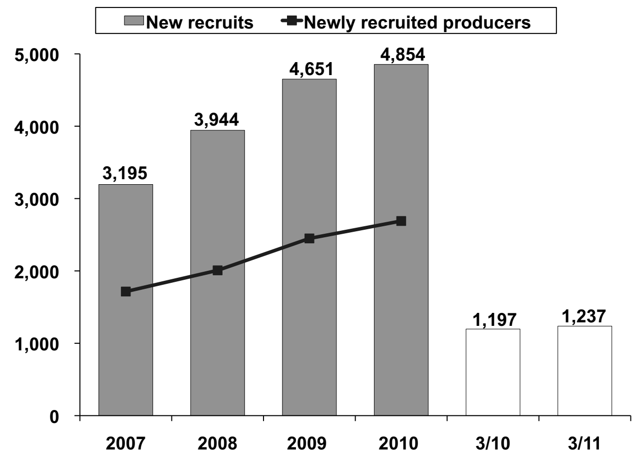


When the company began doing business in Japan in 1974, affiliated corporate agencies became our first distribution channel. Today, our sales channels have expanded to also include individual/independent agencies, Dai-ichi Life, post offices, and banks.

Affiliated corporate agencies focus mainly on the worksite market, as they are directly associated with a specific corporation and sell insurance policies primarily to that corporation's employees. About 90% of the more than 2,000 companies listed on the Tokyo Stock Exchange offer our products to their employees. The stability of Japan's worksite market contributes to our high persistency because premiums are payroll-deducted and Japanese employees tend to remain at jobs longer. We plan to further cultivate the worksite market by having affiliated corporate agencies with large in-force blocks of businesses utilizing telemarketing and face-to-face sales approaches.

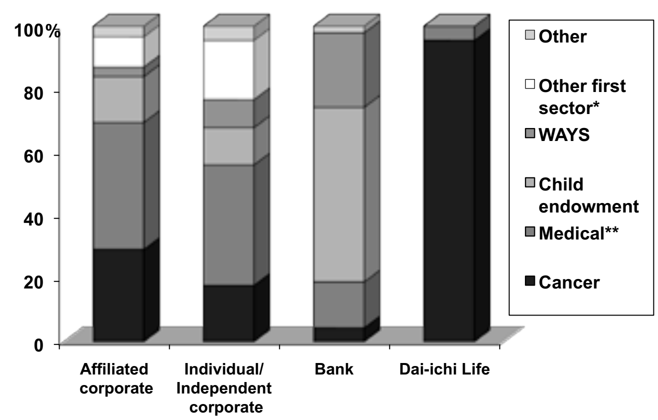
The individual and independent agency channel has been our primary distribution channel and with a 51% contribution to 2010 total new annualized premium sales, represented the greatest percentage of overall sales. The number of individual and independent agencies continues to grow. The strength of this channel reflects consumers' desire for face-to-face consultative sales to help them select the coverage that best suits their needs.

New Agency Recruiting



As you can see, we have been experiencing success with recruiting, and believe this success is largely driven by programs that encourage success early on. These programs include intensive training programs, advanced commissions, and incentives that motivate.

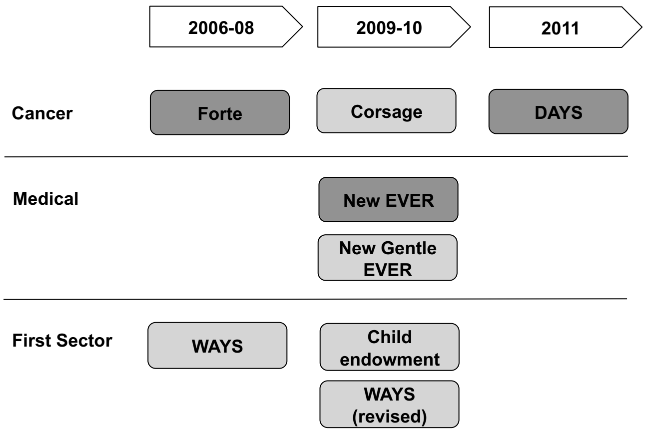
Product Mix by Channel



*Includes term- and whole-life policies and annuities
**Includes stand-alone medical, Rider MAX and other medical riders

Affiliated corporate agencies and individual/independent agencies mainly sell cancer and medical insurance – our core products. In 2010, bank sales primarily focused on child endowment and WAYS. Tailoring our product strategies by channel reduces channel conflict and assists in achieving stable and well-balanced growth.

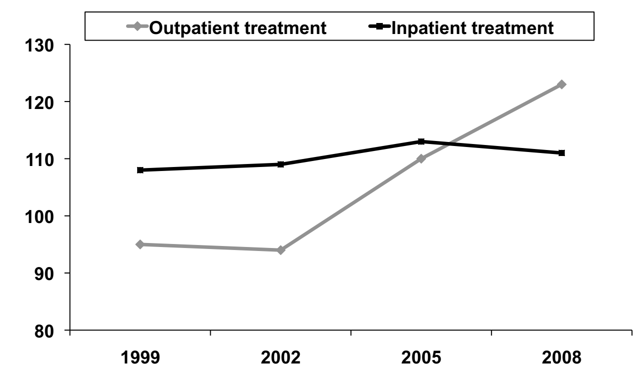
Product Strategy



This slide shows our product launches since 2006. As I indicated, our primary focus on the third sector includes our cancer and medical products, which we continually review to ensure benefits remain relevant to consumer needs. We also developed first sector products such as child endowment and WAYS, which are tailored to meet consumer and channel needs. In addition, in March we rolled out our most recent base cancer policy called DAYS.

Cancer Treatment Trends

(Number of Cancer Treatments per 100,000 People)



Source: Patient survey research by the Ministry of Health, Labor and Welfare

Aflac Japan's product development team continually monitors cancer treatment trends and the financial burdens that consumers face when fighting cancer. By taking advantage of the largest number of policies in-force we have, we gather inputs from our existing policyholders, as well as analyze claim trends to better understand most up-to-date and detailed treatment trends. In turn, we can create relevant and needed products. For example, this graph shows the declining number of inpatient treatments and the increasing number of outpatient treatments. Additionally, our research shows that more than 50% of recent cancer patients are receiving anticancer drug treatment to prevent cancer recurrence.

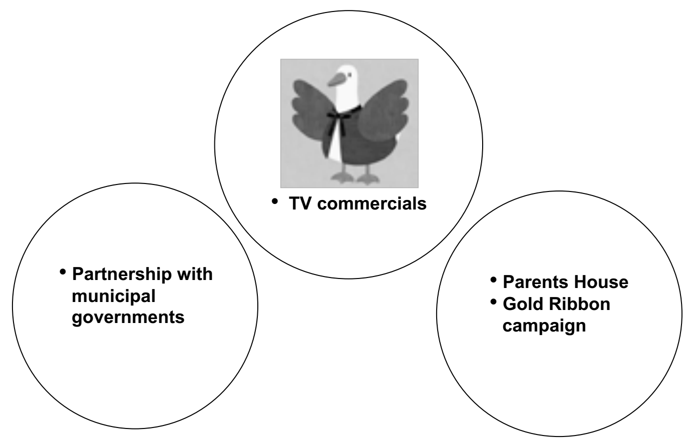
New Cancer Products

＼新登場／
生きるための がん保険 デイズ Days

- **Enhancement of outpatient benefits**
- **Coverage for anticancer drug treatment**
- **Coverage for recurrence**
- **Coverage for income loss**

Accordingly, the introduction of Cancer DAYS, which now includes enhanced benefits for outpatient treatments, anticancer medication, and income support, speaks to the changing landscape in cancer treatment as well as our commitment to being the number one provider of cancer insurance in Japan. Since its launch two months ago, DAYS has been well-received by consumers and is one of the most competitive products in the industry.

Promotional Activities for DAYS

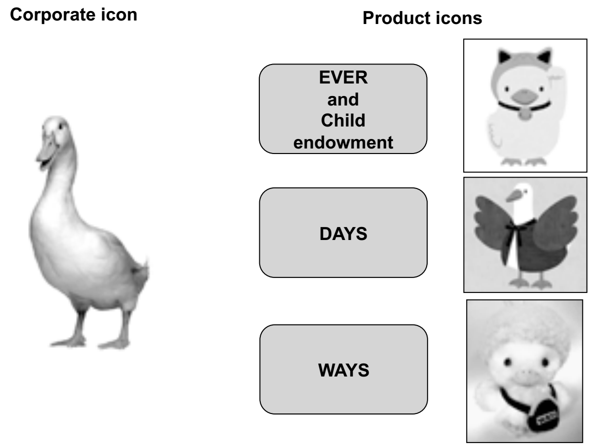


In terms of promoting DAYS, we wanted our advertising campaign to reflect that we are a reliable partner because we know patients fighting cancer face a difficult journey. Playing off the bluebird, which is a widely regarded symbol of happiness in Japan, we created the "Blue Duck" character that promotes DAYS. "Blue Duck" is intended to convey peace and happiness – feelings that are fleeting when someone is fighting cancer. Additionally, we are rolling out new promotions that feature one of Japan's most popular singers/actors who appeals to broad age groups, including younger consumers.

Aflac is partnering with municipal governments to hold joint symposiums and seminars about cancer education. This is an example Aflac's unique effort to leverage our experience and know-how within the cancer insurance sector. Additionally, the recognition Aflac receives for our cancer-related social responsibility programs such as Parents House and Gold Ribbon brings awareness to our commitment to fighting cancer.

In 2010, Aflac became the first insurance company to win "the Philanthropic Grand Prize." We will continue reaching out to cancer patients and Japanese citizens as we support the fight against cancer and demonstrate to consumers that they can trust us to do the right thing.

Promotion Strategy



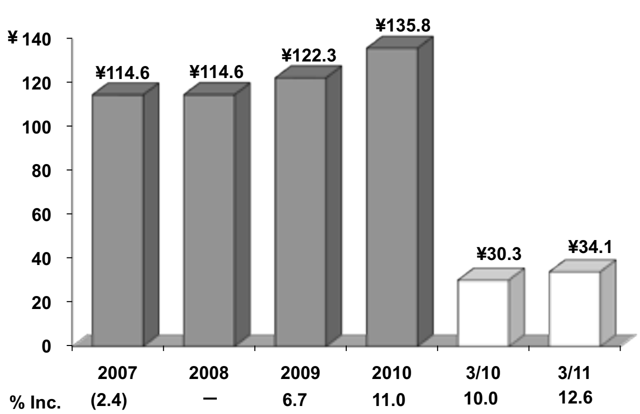
The Aflac Duck will continue to serve as our primary promotional character, and as I indicated, we've created separate characters to market specific products. For example, the "Maneki Neko Duck," the character that first appeared at the 2009 launch of New EVER, has been very popular among consumers and will continue to promote our medical insurance and, more recently, our child endowment policies.

Advertising for WAYS and DAYS

Additionally, we have launched commercials that show our characters that promote our DAYS and WAYS products.

Aflac Japan New Annualized Premium Sales

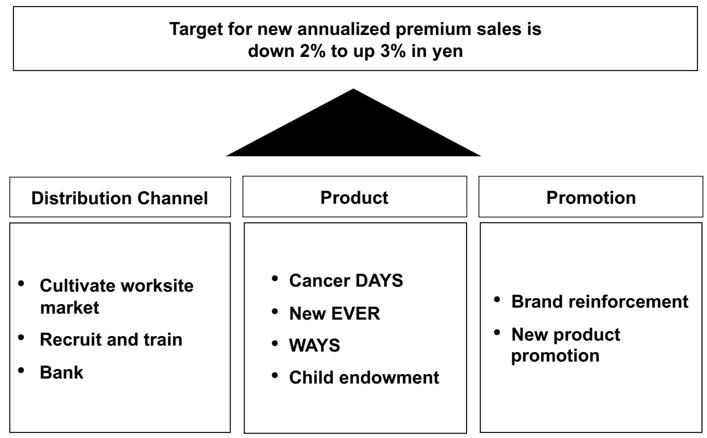
(In Billions)



Sales of our child endowment product and WAYS continued to do well in the first quarter, as expected, and total new annualized premium increased 12.6%. We are focused on enhancing sales of our pillar third sector products with the introduction of DAYS.

With two consecutive years of strong sales results, our outlook for 2011 is to achieve new annualized premium sales between the range of down 2% and up 3%. Although the sales of the past couple of months have been somewhat affected by the disaster that struck Japan, we will not change our sales target as we are confident in overcoming this impact.

Sales Strategy for 2011



We continue to see competition growing in the third sector market. With this intensifying competition, we have implemented an integrated marketing strategy in 2011 to achieve our goals, and remain the number one provider in the third sector market. With a focus on our integrated marketing strategy, which brings together our channels, products, and promotion, we believe we are well positioned to meet our goals.

Expanding the fast-growing bank channel and further strengthening our other channels is a primary focus for us. We will aggressively promote the sales of DAYS, while continuing to also promote our medical insurance sales. We continue to strive as a company to increase customers' trust, through effective advertising.

In addition, Aflac Japan will strive to further develop our reputation as a good corporate citizen by maintaining a leadership role in responding to the recent disasters. We believe these types of actions strengthen out bonds with Japanese citizens and reflect our desire to do the right thing.

I am confident that Aflac Japan will succeed in 2011 by working together with associates and implementing a marketing strategy that adapts to the evolving needs of Japanese citizens and also to our expanding distribution channel.

Aflac Japan Bank Channel Sales

Hisayuki Shinkai
First Senior Vice President, Aflac Japan

I would like to provide information about the sale of insurance products through the bank channel.

History of Bank Channel Deregulation

December 1998	**Investment trusts first offered**
April 2001	**Long-term fire insurance related to housing loans, etc.**
October 2002	**Individual annuity, accident insurance with annuity, etc.**
December 2005	**Single premium whole-life, single-premium endowment insurance, etc.**
December 2007	**All remaining insurance products**

Let me begin with a brief regulatory history of bank channel sales. Sales of financial products through the bank channel began in December 1998 when the sale of investment trust products was first permitted. Since then, the pace of deregulation has accelerated. The sales of long-term fire insurance and individual annuity products were deregulated in April 2001 and October 2002, respectively. Then in December 2005, the ban on the sale of single-premium whole-life and endowment insurance was lifted. Finally, in December 2007, the remaining restrictions were fully removed, including those on third sector products.

Financial Institutions in Japan

(March 31, 2011)

		No. of Branches		No. of Employees	
	No. of Institutions	Total	Avg. per Institution	Total	Avg. per Institution
Mega banks	4	2,193	548	87,789	21,947
Regional banks	105	10,634	101	186,024	1,772
Shinkin banks	271	7,611	28	115,474	426
Other banks	22	778	35	32,799	1,491
Total	402	21,216	53	422,086	1,050

As of March 2011, Japan had a total of 402 banks, including mega banks, regional banks and shinkin banks. These banks represent our target market and have a total of about 21,000 branches that employ more than 400,000 people in Japan. The mega banks include Mizuho, Tokyo-Mitsubishi UFJ and Sumitomo Mitsui. We have also included Resona as a mega bank due to its large and extensive nationwide sales network. With an average of 548 branches per mega bank, these four mega banks offer a wide range of banking services throughout the nation, from investment banking and commercial to retail and private banking.

As of March 2011, there were 105 regional banks in Japan. Regional banks use the over-the-counter sales method as the primary sales method to sell insurance products to its customers, followed by door-to-door sales. Shinkin banks are cooperative financial institutions specializing in services for small- to medium-sized businesses and individuals. Their sales activities are deeply rooted in local communities, and door-to-door sales make up a significant part of their retail business.

Reasons for Banks' Compatibility with Insurance Sales

- **Consumers have strong comfort and confidence levels with banks**
- **Convenient one-stop shopping compatible with insurance sales**
- **Many regional and Shinkin banks sell door-to-door**

Japan's banks have several characteristics that lend themselves to insurance sales. First, consumers are already very comfortable doing business at banks and banks have already earned the confidence and trust of their customers. In fact, at the end of December 2010, 55% of Japanese household financial assets were in cash and deposits at banks. This is almost four times that of the United States. Second, when customers in Japan purchase a financial product, they often visit banks to transfer funds from their account. Hence, they can make a deposit and purchase financial products in one convenient and streamlined process. The same is true if they were to purchase an insurance product at a bank.

Third, the door-to-door sales approach has enabled both regional and shinkin banks to build strong relationships with their customers.

Aflac's Extensive Reach within the Bank Channel

(March 31, 2011)

	No. of Banks		Coverage
	Total	Aflac Agencies	No. of Banks
Mega banks	4	4	100 %
Regional banks	105	103	98
Shinkin banks	271	240	89
Other banks	22	17	77
Total	402	364	91 %

Since the end of December 2007, we have secured agreements with more than 90% of all banks currently operating in Japan to sell Aflac products. At the end of March 2011, the actual number of banks with agreements to sell Aflac products had risen to 364. We believe this number is significantly greater than any of our competitors.

Regulatory Restrictions Related to Bank Sales

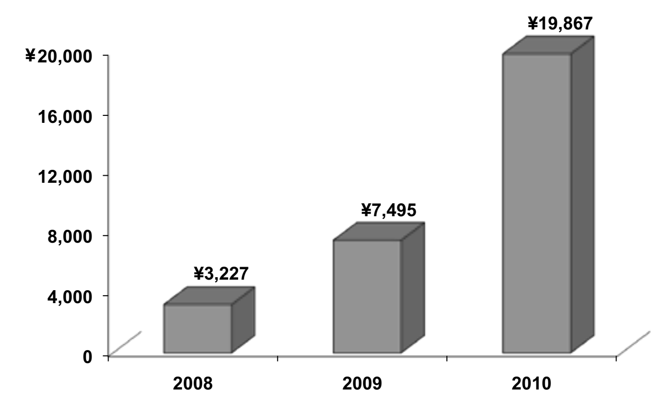
- **Restriction on sales to corporate borrowers**
- **Maximum benefit amount in place for insurance sales through Shinkin banks**
- **FSA review currently taking place to possibly loosen restrictions**

Let me touch on Japan's current regulatory environment for bank sales. When insurance sales at banks were fully deregulated in December 2007, the FSA added very detailed regulations to prevent banks from abusing their strong market position. Let me give you some examples of how complicated these regulations can be. One of the major regulations includes a restriction on sales to executives and employees of corporate borrowers as a lending condition. Banks are only permitted to sell insurance products to corporate borrowers with 51 or more employees. However there is one exception: shinkin banks, which typically deal with small enterprises, may sell to executives and employees of corporate borrowers with 21 or more employees. The daily hospitalization benefit for shinkin banks is also limited to ¥10,000 for cancer and ¥5,000 for medical insurance. In addition for shinkin banks, the total insured amount cannot exceed ¥10 million for first sector products, including WAYS and child endowment. We think this restriction on daily hospital benefits for third sector products poses the largest challenge for future sales growth at banks.

Japan's FSA established a three-year period to monitor any abusive conduct by banks with respect to insurance sales. This period has ended and the FSA is now reviewing current regulations based on results of their monitoring. However, completion of the review has been postponed due to the earthquake in March, and we are awaiting their final review results.

Aflac Bank Channel Sales – Annual Basis

(Annualized Premium Basis, In Millions)



As you can see on this slide, sales by banks have grown rapidly year by year since full deregulation in December 2007. In 2010, we saw a 165% increase in bank channel sales, accounting for nearly 15% of total sales for Aflac Japan. Let me elaborate on the factors that enabled us to achieve this phenomenal growth.

Growth Factors for Bank Channel Sales

- **Growing number of branches and sales people engaged in sales of Aflac's products**
- **Increasing number of banks selling WAYS and Child endowment:**

	March 2009	March 2010	March 2011
Child endowment	0	133	245
WAYS	8	22	104

- **Improving productivity at bank branches**

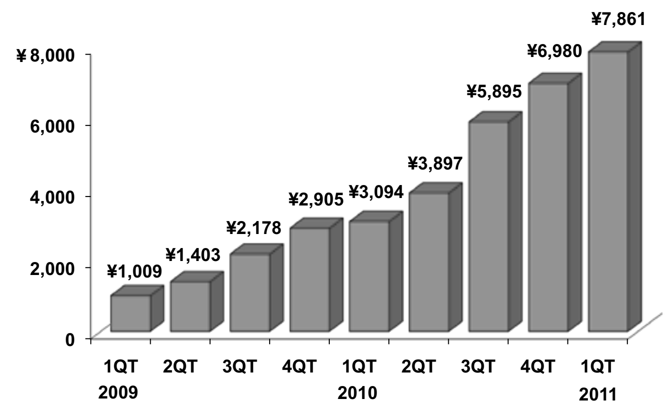
There are three primary factors for this growth. First, both the number of bank branches and sales people selling our products has significantly increased, particularly at mega banks.

Second, more banks have been increasing the number of Aflac products they sell as they respond to the needs of consumers by pursuing consultative sales methods. For example, prior to 2010, most banks were selling cancer and medical products. The number of banks also selling child endowment and WAYS has rapidly increased more recently.

Finally, productivity within the banks has steadily improved as the sales people have become increasingly confident in recommending our products. This is attributable to the experience they've gained selling our products and the intensive training Aflac has provided to enhance their knowledge.

Aflac Bank Channel Sales

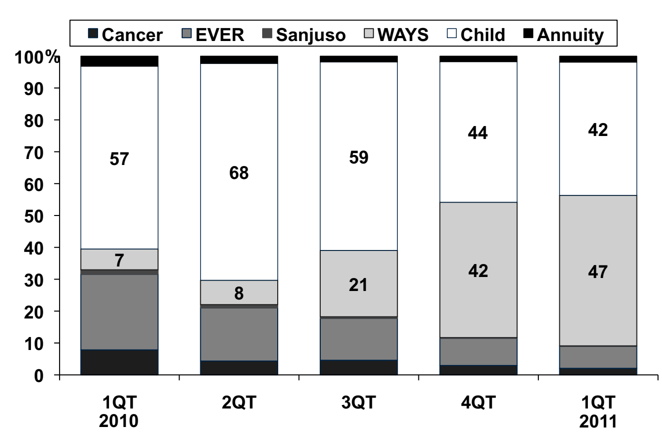
(Annualized Premium Basis, In Millions)



This slide shows bank sales growth going back to 2009. As you can see, sales have grown each consecutive quarter, with first quarter results this year posting record sales. Third quarter 2009 and third quarter 2010 marked the greatest quarter-to-quarter growth rates. These successes were attributable to the third quarter 2009 introduction of our child endowment product and a rapid increase in adoption of WAYS by banks, especially mega banks, beginning in the third quarter of 2010.

Bank Channel Sales by Product

(Annualized Premium Basis)

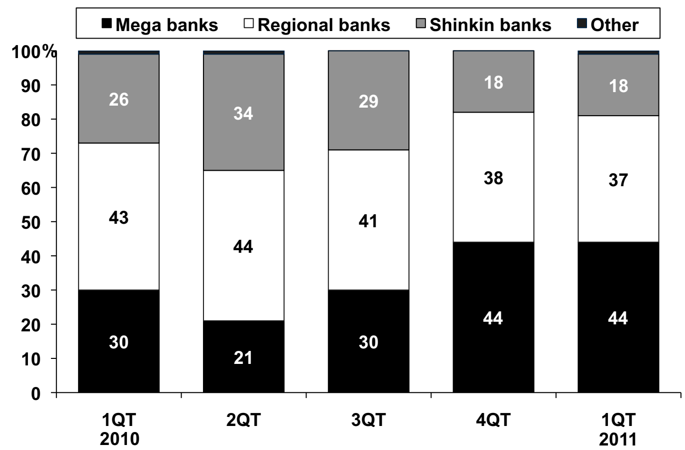


In looking at banks' new annualized premium sales contribution by product since the first quarter of 2010, two products stand out: child endowment and WAYS.

Starting in the third quarter of 2010, sales of WAYS began to grow rapidly and surpassed sales of child endowment in the first quarter of 2011.

Sales Contribution by Bank Type

(Annualized Premium Basis)



In looking at the contribution to Japan's total bank sales in 2010, regional banks accounted for the highest share for most of the year. In the fourth quarter of 2010, mega banks rapidly increased their share to 44% and this trend continued into the first quarter of 2011. This change is largely attributable to the launch of sales of the WAYS product by mega banks late in the third quarter.

Average AP by Product for Bank Sales

(2010)

	Per Policy
EVER	¥ 45,000
Cancer	55,000
WAYS	465,000
Child endowment	160,000

This slide shows the average new annual premium per policy sold. As you can see, WAYS has the highest average annual premium among our products at almost ten times more than the third sector products such as cancer and medical. The average annual premium for our child endowment policy is about three times the size of our health policies, meaning the premium is a very solid contributor to our top-line growth. Although the commission percentage paid on these two products is less than our traditional third sector products, their significantly higher premiums still make WAYS and child endowment attractive products for banks to sell.

Premium Payment Method of Key Products

(Banks Only)

	% of New Business Using Discounted Advance Premium Payment Option	
	2010	1QT 2011
Child endowment	45.0%	49.4%
WAYS	90.4%	92.0%

When purchasing our WAYS and child endowment products, customers may opt for several different payment options. Most customers choose the payment option we refer to as "discounted advanced premium" for both products. This is primarily because many bank customers have a large amount of money to invest. They have seen some people experience loss of principal from their purchase of investment products, which has contributed to a more conservative investment stance, and their preference has shifted more toward products with a guaranteed principal.

In the first quarter of this year, the advance payment option represented 49% of new AP from sales of child endowment and 92% of WAYS. These products' profit margins are significantly enhanced when policyholders elect to pay premiums upfront using discounted advanced premium. The profit margin more than doubles when customers elect to pay premiums upfront using this option, as Kriss' presentation illustrates.

Productivity of Bank Branches

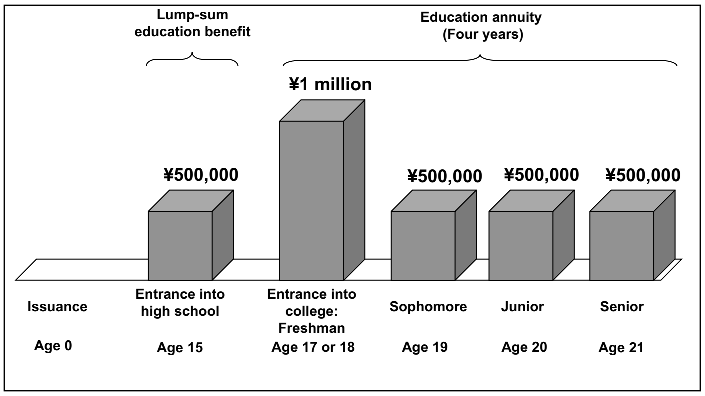
	% of Branches Selling at least one Policy per Month		% of Branches Selling at least two Policies per Month	
	2009	2010	2009	2010
Mega	14.3%	51.1%	4.0%	33.6%
Regional	9.7	22.7	2.6	12.7
Shinkin	17.0	25.5	7.1	14.6
Average	12.9%	26.2%	4.2%	15.3%

Next, I will discuss our expectations for further increasing productivity within each bank in an effort to continue to grow this channel. Currently, we define productive bank branch as a branch which sells at least one policy per month. Under this definition, 13% of all branches were productive in 2009, and this metric doubled in 2010.

Our first focus is to increase the number of bank branches that are productive. If we look at our most productive bank based on this criteria, approximately 88% of this bank's branches were productive. Clearly, there is room for significant improvement in this area.

Our next focus is to increase the number of policies sold per month within each branch. If we were to define a productive branch as a branch that sells at least two policies per month, the percentage of productive branches was 15% in 2010. If we look at our most productive bank based on this definition, approximately 70% of this bank's branches were productive in 2010. Therefore, if we increase both the depth and breadth of the productivity at bank branches, we will continue to see significant growth in this channel.

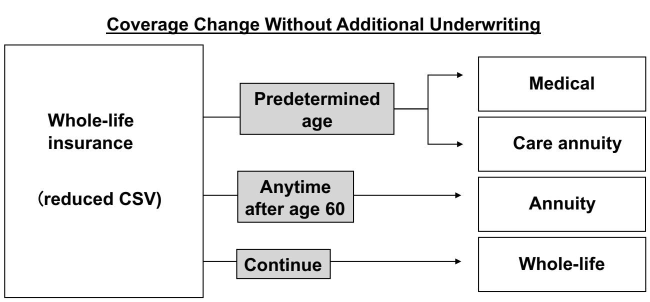
Aflac's Child Endowment Product



Child endowment products are popular among Japanese consumers as a means to financially prepare for their child's future education. This policy can be purchased for children from birth to age seven, and helps fund the higher costs associated with education by paying out a lump-sum benefit when a child enters high school or college, as well as an educational annuity during college. It also provides a death benefit that covers children from birth until they turn 18. In the event of the death of the insured child, the policyholder will receive a return of paid up premiums. There is also an optional rider available that in the event of the policyholder's death, the future premium payments would be waived.

Aflac's strong brand, this product's unmatched rate of return, our expanding presence in banks, and the government's child subsidy payment that started in June 2010 have helped make our endowment policy the product of choice for educational savings instruments. Banks are eager to sell child endowment products because they can use these products to cross sell banking products such as educational or housing loans and other savings-type products.

Aflac's WAYS Product



WAYS is a unique hybrid product that starts as a whole-life policy to provide death coverage until the insured person reaches a predetermined age, at which time the policyholder can choose to convert either a portion or all of their life insurance benefit.

WAYS has been a popular product with banks for several reasons. First, this unique product, which is not offered by our competitors, serves as a tool for the banks to use to attract customers.

Second, the desire for customers to find safe and guaranteed products remains very high since the financial crisis. Many bank customers are attracted to WAYS because of its higher investment yield relative to traditional bank products. In addition, the discounted advance premium payment feature of WAYS allows bank customers to invest large sums of money. Between 2011 and 2012, approximately ¥8 trillion of JGBs that are held by consumers will mature. These JGBs were mostly sold by banks and have an average yield slightly above 1%. Currently, yields on JGBs are around 0.5%. As a result, WAYS can be an attractive alternative for investing large sums of money.

Lastly, both the premium payments and commissions are larger than other insurance products.

2011 Strategy for Bank Sales

- **Focus on improving productivity at banks with signed agreements:**
  - » **Increase the number of productive branches**
  - » **Increase productivity at branch level**
- **Strategic promotion of WAYS**

As I indicated, further deregulation for bank sales is now under review. If the limits on daily benefits for cancer and medical products are relaxed, banks would likely view this as an incentive to focus more on the sale of third sector products. However, even without this change, I believe sales momentum within the bank channel will continue throughout 2011 by focusing on the following two strategic actions.

First, we will increase the breadth and depth of the sales activity at bank branches in an effort to increase productivity. Since we already have agreements with more than 90% of all banks, we see increasing productivity within these banks as a main source of growth.

Second, going forward, we will customize certain features of the WAYS product to appeal to particular market segments. WAYS is already popular, particularly among older consumers, as individuals search for ways to better protect their assets. We have enhanced product features by expanding the eligible age group from 65 to 75 at the end of March. This June, we will increase the maximum benefit amount a policyholder may purchase. The policy amount varies by age – for example, a 60-year-old will be able to purchase ¥12 million coverage, a significant increase from the current level of ¥8 million, except at shinkin banks that are subject to ¥10 million maximum coverage cap.

Finally, let me briefly touch upon the impact of the earthquake on bank sales. The share of new AP in 2010 from the three prefectures that were most affected by the disaster was approximately 4% of the total bank sales. Rolling blackouts have had an impact, but it has not been material. We have also learned that this summer, all financial services companies, including Aflac, are being called upon to reduce power consumption by 15%, which presents a bit of uncertainty in the coming months, but we do not expect this to materially impact our bank sales operations.

We believe the bank channel is a great opportunity for the distribution of our products and we expect this channel will continue to grow in the future.

Aflac Japan Administration

Jun Isonaka
Senior Vice President; Chief Administrative Officer, Aflac Japan

I would like to share information with you regarding Aflac Japan's efforts to provide the best customer service, while at the same time maintaining low-cost operations from an administrative perspective. Let me start by showing you a couple of statistical comparisons between Aflac Japan and our competitors.

Maintenance Expenses Per Policy in Force

(FSA Basis, 03/10)

Rank by Assets		General Operating Expenses (In Millions)	Policies in Force** (In Thousands)	Cost per Policy
1	Nippon	¥260,401	11,775	¥22,114
2	Dai-ichi	201,196	10,970	18,340
3	Meiji Yasuda	177,294	8,535	20,772
4	Sumitomo	166,891	8,459	19,729
6	Alico	78,431	5,773	13,585
7	Aflac*	104,379	20,100	5,192
8	Taiyo	52,100	4,430	11,760
13	Sony	38,214	4,954	7,713
16	Tokio Anshin	37,448	2,738	13,677

*Excluding renewal commissions
**Excluding individual annuities
Source: Disclosure statement from each company

As you can see, our maintenance expenses per policy in force are considerably lower than those of any of our competitors. These costs refer to general administrative costs but exclude renewal commissions paid to sales associates.

It is worth noting that Aflac Japan continues to rank as the number one life insurance company in Japan in terms of the number of individual policies in force. Furthermore, the number of policies in force used to calculate Aflac Japan's operating cost per policy does not include the number of riders, which makes the figure of ¥5,192 even more remarkable.

Number of Policies Per Administrative Employee

(FSA Basis, 03/10)

Rank by Assets		Administrative Employees	Policies in Force* (In Thousands)	Policies per Employee
1	Nippon	14,242	11,775	826
2	Dai-ichi	13,570	10,970	808
3	Meiji Yasuda	9,071	8,535	940
4	Sumitomo	9,612	8,459	880
6	Alico	4,533	5,773	1,273
7	Aflac	3,791	20,100	5,302
8	Taiyo	3,013	4,430	1,470
13	Sony	1,318	4,954	3,758
16	Tokio Anshin	1,531	2,738	1,788

*Excluding individual annuities
Source: Disclosure statement from each company

This slide shows the number of policies in force per administrative employee. As you can see, Aflac Japan also achieves efficient operations through employee productivity. This measure shows that our employees administer about five times the number of policies in force, compared with various large domestic life insurance companies. This difference in productivity helps explain how we maintain a low-cost operating advantage.

Efficiency Improvement Measures by Leveraging IT

- **AANET**
- **Benefit and Claims Workflow System**

To further improve efficiency while maintaining quality service, Aflac Japan is actively employing IT solutions. One of the IT solutions is AANET, which is a sales support system that provides information and services to Aflac sales associates via the Internet. Aflac Japan developed and launched AANET in 2000, and since then it has become a broadly used and effective sales support tool that enables our sales associates to efficiently quote premiums and sort customer data by various categories, such as product, age, address and group attributes. This allows our associates to effectively suggest additional policies or riders to their customers. AANET also helps our sales associates verify policyholders' policy status and download policy maintenance documents, just to name a few functions. Previously, our sales associates had to process customers' address changes by paper. But now, they can directly register new addresses on AANET and complete all processes electronically themselves. At present, 99% of our address change transactions are paperless.

Let me turn your attention to another IT highlight: our benefits and claims payment workflow system that was implemented at the end of February this year. In this workflow system, claims documents from customers are scanned and then examined without physically transferring real documents. The system provides real-time data thus enabling paperless administration, eliminating the risk of losing documents and reducing the time spent distributing claims documents. This has led to a more efficient claims operation. This workflow is also effective in improving customer service as transforming paper-based data into electronic records makes it possible for us to retrieve information easily and respond to inquiries from customers promptly.

Aflac's Inbound Call Centers

Aflac Call Center
(Inquiries from existing policyholders)
(Inquiries from prospective customers)

Associates Support Center
(Inquiries from sales agencies)

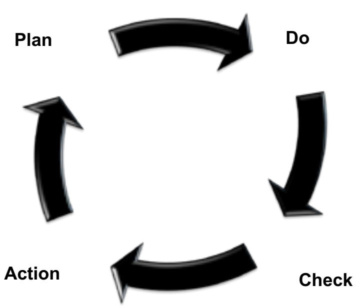
Alliance Support Center
(Inquiries from banks, Japan Post and Dai-ichi Life)

Next, let me discuss Aflac's Inbound Call Centers, which play an extremely important role in serving our customers and associates. We have three centers for inbound calls, and each is separated according to the type of caller. One is the Aflac Call Center, which receives inquiries from existing and prospective policyholders. Another inbound call center is the Associates Support Center, which takes calls from our associates. And finally, the Alliance Support Center takes calls from our large sales channels such as banks, the Japan Post Network Co., Ltd. and Dai-ichi Life.

Aflac Call Center operators not only respond quickly and accurately to customers' inquiries, but they also suggest sending appropriate brochures to existing and prospective customers who may consider purchasing new policies. Through AANET, the Aflac Call Center notifies sales associates when an existing customer calls to share a change in life status, such as marriage or the birth of a new child. This allows the sales associate to follow up, which ultimately generates new sales in many cases.

We believe offering high-quality service through the call centers not only enhances the Aflac brand in general, but also efficiently contributes to improving customer service while building strong relationships with all stakeholders, including our customers, sales associates as well as banks, Dai-ichi Life, and Japan Post.

ISO10002: Customer Complaints Management System



The Aflac Call Center handled a total of 1.7 million inquiries from customers and associates in 2010. However, our companywide system does far more than simply answer calls and resolve the matter at hand. At Aflac Japan, details from all customer requests and complaints received by our sales offices and associates and those received at the Aflac Call Center are systematically compiled and analyzed to give us an opportunity to improve our services as an organization. In other words, if a complaint trend exists, we not only want to resolve the issue for the customer at the initial point of contact, but we want to determine if there is an underlying situation so we have the opportunity to fix a root problem. We established what we call a "PDCA Cycle" to ensure we continually examine our data and processes from an empirical perspective and take the right actions. "PDCA" stands for "Plan," "Do," "Check" and "Action." More specifically, for "Plan," we are consciously planning specific actions and targets to manage our customer complaints management system. For instance, we plan by conducting customer satisfaction surveys to get input on their experience using our Call Center. For "Do," in addition to resolving customer service issues, we are doing a detailed analysis of the customer complaints and requests we receive to highlight areas we can improve upon. For "Check," we are checking complaint trends and customer satisfaction surveys to precisely understand this feedback and determine what challenges we are facing. And for "Action," we are putting these efforts into action so we can continually improve the customer complaints management system. After our PDCA Cycle gained third-party certification, we issued a declaration on July 1, 2010, that confirms our system conforms to the international standard for customer complaints management, known as ISO10002. Aflac Japan's ISO10002 certification plays an active part in our appeal to external parties by tangibly demonstrating our sincere commitment to customer service. This program is the first of its kind among our major competitors in Japan, which makes us all the more proud of this achievement as a company that is committed to backing up our promise to more than 20 million policies in force.

Lapse/Surrender Rates

(Individual Insurance Only; FSA Policy Basis; 3/10)

Industry average:	**6.1%**
Aflac:	**4.6%**

Source: Japan Institute of Life Insurance

This slide exemplifies our continuing efforts to preserve in-force business. As an index to measure our performance in preserving in-force business, Aflac Japan places particular importance on the surrender and lapse rate. As shown on this slide, Aflac Japan's surrender and lapse rate for fiscal year 2009, which ended March 2010, was 1.5 percentage points lower than the industry average, which shows our competitive edge with respect to persistency.

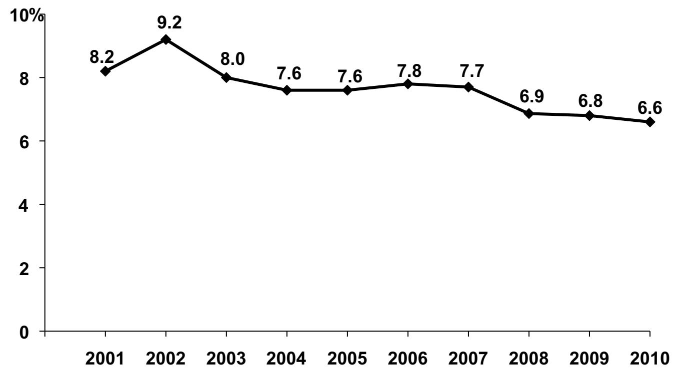
Key Points to Maintaining In-force Business

- **Sales agencies take follow-up action**
- **Communicate the importance and financial impact of maintaining persistency rates to sales agencies**

To grow our business, it is certainly important to encourage our policyholders to keep their policies for a long period. As the primary point of contact between Aflac Japan and our customers, it is equally important that our sales associates conduct timely and appropriate follow-up actions. To support our associates in taking such actions, we have been emphasizing the importance of maintaining in-force policies. We do this by educating our associates and providing them with information, including surrender and lapse rates as well as successful initiatives executed by other associates. By doing so, we can create an environment where associates are in tune with how their follow up directly impacts policy persistency. Ultimately, not only does our policy persistency benefit, but the associates benefit because preserved policies generate a continuation of commission payments for them.

Policies Not Issued

(Percentage of All New Applications)

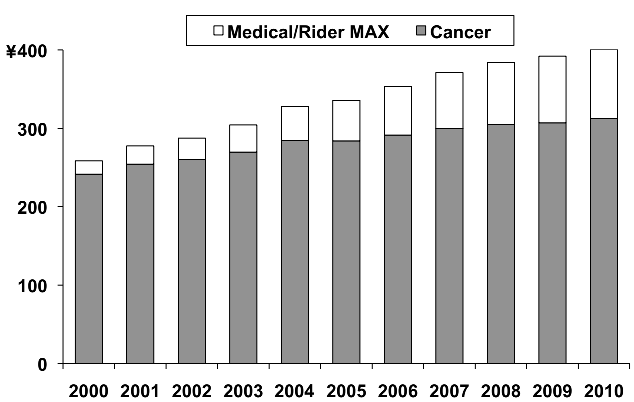


Source: Internal Aflac data

In addition to the efforts to maintain our in-force business, we have been making an effort to reduce the number of policies, that were not issued primarily because the application is incomplete. We have been providing associates with materials on estimated profit losses on the policies that we were not able to issue due to incomplete applications. This information has helped them understand the importance of reducing errors and omissions in the application process. The percentage of applications with errors and omissions has trended down over the last several years.

Claims Payments

(Yen in Billions)



Source: Internal Aflac data

This chart shows the actual claims payments in yen between 2001 and 2010. As you can see, the actual payment amount has been growing steadily. In 2010, we paid about ¥312.8 billion on about 290,000 cancer claims. The total amount paid on medical policies in 2010 was about ¥92.1 billion, but we made approximately 600,000 payments, which was greater than the number of cancer insurance payments.

The most important service an insurance company can provide is to live up to its promise of paying benefits promptly when policyholders need them the most. Aflac Japan remains dedicated to providing quick and accurate claims payments, and we are taking measures to further enhance our claim payment accuracy. Specifically, in order to minimize any variance in claim payment accuracy among different locations, we consolidated our seven payment offices into two. We are also stepping up our employee training efforts to enhance the consistency and accuracy of claims payments. As for our claims turnaround time, Aflac Japan is now able to pay most claims within three business days. In fact, there are many customers who voice their amazement and appreciation about how quickly Aflac pays their claims.

Disaster Readiness – Operational Structure

- **Two operation centers in Japan**
- **Telephone counseling**
- **Temporary customer kiosks**
- **Expedited claims and benefit payments**

As a result of the earthquake and subsequent tsunami which occurred in March 2011, we have had numerous questions regarding our disaster readiness. At the outset, I want to assure you that Aflac Japan has a robust disaster readiness plan, which was in place long before the earthquake.

Aflac Japan maintains two administration bases: Tokyo in eastern Japan and Osaka in western Japan. In fact, prior to the March 11 earthquake, we had already established a system and process to conduct administrative operations in Osaka in the event Tokyo was affected by a disaster.

The earthquake did not cause direct damage to administrative departments in Tokyo. However, rolling blackouts and voluntary efforts to save electricity have made it more difficult for us to handle our usual volume of administrative processing, particularly from a logistics standpoint. As such, we transferred a small part of our administrative processing operation from Tokyo to Osaka and dispatched 14 employees to Osaka. Thanks to our disaster readiness efforts, this process has run very smoothly, as expected. We have been able to pay claims and steadily and continue other administrative processes without disruption or delay. Most importantly, we have responded quickly to our policyholders when they need us most – which is now.

Additionally, we are offering more services to customers in the affected area. Specifically, we offered telephone counseling services to policyholders and established temporary customer kiosks in sales offices in the affected areas to expedite claims and benefit payments.

We continue to believe our low-cost operation is one of Aflac Japan's greatest competitive strengths. This efficiency is a source of pride for our employees at Aflac Japan, who are all dedicated to pursuing ways to improve our business operation and better serve our customers. Aflac Japan will continually make efforts towards maintaining its low-cost operations while also enhancing services to customers to strike the balance that benefits everyone with whom we do business.

Aflac Japan's Product Line

(as of 4/30/11)

DAYS Cancer (No CSV)

Benefits:			Sample Premium (Monthly Group Rate):		
First occurrence	¥ 1,000,000	$ 11,765	30-year-old male	¥ 3,004	$ 35.34
Hospitalization/day	10,000	118	40-year-old male	4,444	52.28
Surgical	200,000	2,353	50-year-old male	7,244	85.22
Outpatient/day	10,000	118			
Radiation Therapy	200,000	2,353			
Anticancer drug treatment per month	100,000 or 50,000	1,176 or 588			

New EVER (Stand-alone whole life medical)

Benefits:			Sample Premium (Monthly Group Rate):		
Sickness or accident hospitalization/day	¥ 10,000*	$ 118	30-year-old male	¥ 3,220	$ 37.88
Surgical	50,000 to 400,000	588 to 4,706	40-year-old male	4,300	50.99
Radiation therapy	100,000	1,176	50-year-old male	6,080	71.53
Lump-sum advanced medical treatment	100,000	1,176			

*Covers overnight hospital stay. Maximum days per hospital stay is 60. Maximum lifetime days is 1,095.

New Gentle EVER

Benefits*:			Sample Premium (Monthly Group Rate):		
Sickness or accident hospitalization/day	¥ 10,000**	$ 118	30-year-old male	¥ 7,850	$ 92.35
Surgical	100,000 or 50,000	1,176 or 588	40-year-old male	8,980	105.65
Radiation Therapy	100,000	1,176	50-year-old male	10,520	123.76
Lump-sum advanced medical treatment	100,000	1,176			

*Cut in half for occurrences within one year after issue date.
**Covers overnight hospital stay. Maximum days per hospital stay is 60. Maximum lifetime days is 1,095.

Care Master

(One Unit, Individual Coverage)

Benefits:			Sample Premium (Monthly Group Rate):		
Care annuity/year	¥ 240,000	$ 2,824	30-year-old male	¥ 1,248	$ 14.68
Lump-sum care benefit*	50,000	588	40-year-old male	1,728	20.33
			50-year-old male	2,424	28.52

*First year only

WAYS

Benefits:			Sample Premium (Monthly Direct Rate):		
Payment through age 60	¥ 5,000,000	$ 58,824	30-year-old male	¥ 8,715	$102.53
			40-year-old male	14,105	165.94
			50-year-old male	29,995	352.88

Ordinary Life (Basic Plan)

	Whole Life		Sample Premium (Monthly Direct Rate):		
Payment through age 60	¥ 5,000,000	$ 58,824	30-year-old male	¥ 9,575	$112.65
			40-year-old male	15,125	177.94
			50-year-old male	31,210	367.18

Child Endowment

Benefits:			Sample Premium** (Monthly Direct Rate):		
Lump-sum education	¥ 500,000	$ 5,882	30-year-old male	¥12,470	$146.71
Education annuities*	2,500,000	29,412	40-year-old male	12,630	148.59
			50-year-old male	13,010	153.06

*Paid over four years
**Payment through age 18 of the child

Note: Premiums in dollars reflect exchange rate of ¥85=$1.

Corporations Supporting Aflac Japan

(as of 4/30/11)

Construction

- \# Taisei Corporation
- \# Kajima Corporation
- ▶ # Takenaka Corp.
- * Shimizu Corp.
- \# Obayashi Corp.
- \# Tokyu Construction Co. Ltd.

Foods

- \# Sapporo Holdings, Ltd.
- \# Kirin Holdings Co., Ltd.
- ▶ * Coca-Cola Japan Company, Ltd.
- \# Ajinomoto Co., Inc.
- \# Nissin Food Holdings Co., Ltd.
- \# Megmilk Snow Brand Co., Ltd.
- \# Asahi Breweries, Ltd.
- \# Nichirei Corp.
- \# Yamazaki Baking Co., Ltd.
- \# Fujiya Co., Ltd.
- * Kikkoman Corp.

Textiles

- \# Toyobo Co., Ltd.
- ▶ # Kracie Holdings, Ltd.
- \# Renown, Inc.
- \# The Japan Wool Textile Co., Ltd.
- \# Wacoal Holdings Corp.
- \# Teijin Ltd.
- ▶ # Mitsubishi Rayon Co., Ltd.
- \# Kuraray Co., Ltd.

Paper & Pulp

- \# Oji Paper Co., Ltd.
- \# Nippon Paper Group, Inc.
- \# Mitsubishi Paper Mills, Ltd.

Chemicals

- \# Mitsui Chemicals, Inc.
- * Showa Denko K.K.
- \# Sumitomo Chemical Co., Ltd.
- \# Ube Industries, Ltd.
- \# Kao Corporation
- \# Dai-ichi Sankyo Co., Ltd.
- \# Takeda Pharmaceutical Co., Ltd.
- \# Sionogi & Co., Ltd.
- * Astellas Pharma, Inc.
- \# Shiseido Co., Ltd.
- ▶ # Otsuka Pharmaceutical Co., Ltd.
- \# Mitsubishi Chemical Holdings Corp.
- \# Daicel Chemical Industries, Ltd.
- \# Sekisui Chemical Co., Ltd.
- \# Asahi Kasei Corp.

Oil & Coal Products

- \# Cosmo Oil Co., Ltd.
- ▶ # JX Nippon Oil & Energy Corporation
- \# Showa Shell Sekiyu K.K.
- Tonen General Sekiyu K.K.

Rubber Goods

- \# Bridgestone Corp.

Glass & Chemicals

- \# Asahi Glass Co., Ltd.
- \# Nippon Sheet Glass Co., Ltd.

Iron & Steel

- \# Nippon Steel Corporation
- \# JFE Holdings
- \# Sumitomo Metal Industries, Ltd.
- \# Kobe Steel, Ltd.

Non-ferrous Metals

- \# Mitsubishi Materials Corporation

Machinery

- \# Komatsu, Ltd.
- \# Sumitomo Heavy Industries, Ltd.
- \# Kubota Corp.
- \# Tsubakimoto Chain Co.
- \# Ebara Corp.
- * Shibuya Kogyo Co., Ltd.
- \# Brother Industries, Ltd.

Electric Appliances

- \# Hitachi, Ltd.
- \# Toshiba Corporation
- \# Mitsubishi Electric Corporation
- \# Fuji Electric Co., Ltd.
- \# Fujitsu, Ltd.
- \# Panasonic Corporation
- \# Sharp Corporation
- \# Sony Corporation
- ▶ # Sanyo Electric Co., Ltd.
- \# Pioneer Corporation
- ▶ # Victor Co. of Japan, Ltd.
- \# NEC Corporation
- * Ikegami Tsushinki Co., Ltd.
- ▶ # IBM Japan, Ltd.
- * TDK Corp.

Transport Equipment

- \# Denso Corporation
- \# Mitsui Engineering & Shipbuilding Co., Ltd.
- \# Hitachi Zosen Corporation
- \# Mitsubishi Heavy Industries, Ltd.
- \# Kawasaki Heavy Industries, Ltd.
- \# IHI Corporation
- \# Nissan Motor Co., Ltd.
- \# Toyota Motor Corp.
- \# Mazda Motor Corp.
- \# Yamaha Motor Co., Ltd.
- \# Honda Motor Co., Ltd.
- \# Isuzu Motors, Ltd.

Precision Machinery

- \# Canon, Inc.
- \# Konica Minolta Holdings, Inc.
- \# Nikon Corp.
- \# Citizen Holdings Co., Ltd.
- * Seiko Holdings Corp.
- \# Ricoh Co., Ltd.

Miscellaneous Mfg.

- \# Yamaha Corp.
- \# Dai Nippon Printing Co., Ltd.
- \# Toppan Printing Co., Ltd.
- * ASICS Corp.
- ▶ # YKK Corp.

Commerce

- \# Mitsui & Co., Ltd.
- \# Itochu Corporation
- \# Marubeni Corporation
- \# Toyota Tsusho Corporation
- \# Sumitomo Corporation
- \# Mitsubishi Corporation
- \# Sojitz Corporation
- \# Isetan Mitsukoshi Holdings
- \# J. Front Retailing Co., Ltd.
- \# The Daiei, Inc.
- \# AEON Co., Ltd.
- ▶ # Skylark Co., Ltd.
- \# Takashimaya Co., Ltd.
- ▶ # Tokyu Department Store Co., Ltd.

Long-Term Credit Banks, City Banks

- \# Shinsei Bank, Ltd.
- \# Mizuho Financial Group, Inc.
- \# Mitsubishi UFJ Financial Group, Inc.
- \# The Sumitomo Mitsui Banking Corporation
- \# Resona Holdings, Inc.

Securities, Non-life Insurance

- \# Daiwa Securities Group, Inc.
- ▶ # Nikko Cordial Corporation
- \# Nomura Holdings, Inc.
- \# MS & AD Insurance Group Holdings, Inc.
- * Tokio Marine Holdings, Inc.
- ▶ # Nippon Koa Insurance Co., Ltd.
- ▶ # The SMBC Friend Securities Co., Ltd.

Transportation

- \# Nippon Yusen K.K.
- \# Japan Airlines Co., Ltd.
- \# All Nippon Airways Co., Ltd.
- \# Tobu Railway Co., Ltd.
- \# Tokyu Corp.
- \# East Japan Railway Co.
- \# Odakyu Electric Railway Co., Ltd.
- * Nippon Konpo Unyu Soko Co., Ltd.
- ▶ # Seibu Railway Co., Ltd.

Communications

- ▶ # Nikkei, Inc.
- ▶ # The Asahi Shimbun Co.
- \# Dentsu Incorporated
- \# Hakuhodo Incorporated
- ▶ # The Yomiuri Shimbun Holdings
- ▶ # The Mainichi Newspapers Co., Ltd.
- \# Nippon Telegraph & Telephone Corp.

Electricity & Gas

- \# The Tokyo Electric Power Co., Inc.
- \# The Kansai Electric Power Co., Inc.
- \# Chubu Electric Power Co., Inc.

Life Insurance

- \# The Dai-ichi Life Insurance Co., Ltd.
- ▶ # Nippon Life Insurance Co.
- ▶ * Asahi Mutual Life Insurance Co.

Legend

- \# Corporate agent and payroll group
- * Payroll group
- ▶ Not listed on Tokyo Stock Exchange

Section III
Aflac U.S.

Introduction to Aflac U.S.

Paul S. Amos II
President, Aflac; Chief Operating Officer, Aflac U.S.

My presentation and the three that follow will provide you with an overall picture of our business operations in the United States. I will begin by giving you an update on the voluntary insurance market.

Our Vision

To be the leading provider of voluntary insurance in the U.S.

It has been our longstanding goal, and our vision, to be the leading provider of voluntary insurance in the United States. We have been the leader for decades by equipping our sales associates with individually underwritten voluntary products primarily sold through payroll deduction.

Voluntary Worksite Market Share

	2010	Market share
Aflac	$1,383	26.4%
Company A	$325	6.9%
Company B	$359	6.8%
Company C	$361	6.2%
All others	$2,815	53.7%

Source: U.S. Worksite Sales Report Carrier Results for 2010, Eastbridge Consulting Group 2010

As you can see on the slide, the most recent data shows that we have about 26% of the voluntary worksite market share. To better illustrate our leading position, look closely at our top three competitors that, even in the aggregate, have a smaller share of the market than Aflac. Keep in mind, this data is from 2010 and our dominant market share primarily reflects the success our sales agents have had selling individual products to workers at the vast number of small employers in the U.S.

The Business Market

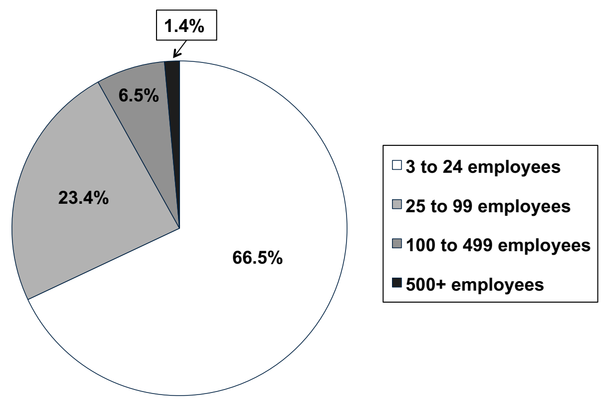
Size of Firm	Number of Firms (000)	Number of Employees (Millions)	% of Total Employees
0 - 19 Workers	5,410	21.8	18.1%
20 - 99 Workers	532	20.9	17.3
100 - 499 Workers	89	17.2	14.2
Subtotal	6,031	59.9	49.6%
500+ Workers	18	60.7	50.4
Total	6,049	120.6	100.0%

Source: U.S. Census Bureau Tabulations by Enterprise Size, 2007

Historically, Aflac's success in selling individual products to these smaller businesses has been our bread and butter and has represented most of our new annualized premium sales, and our traditional individual agents continue to be the driving force behind our relationships with small businesses. We still regard our success in this market as "core" to our operating model.

According to the most recent data from the U.S. Small Business Administration, the United States had approximately six million small businesses in 2007 with fewer than 500 workers, and these small businesses employed nearly 60 million people, or almost half of the total workforce. The other half of the workforce is employed by firms with 500 or more workers.

Aflac Accounts by Employee Size



Source: Internal data, 12/31/10

Having focused on selling Aflac insurance to smaller employers, you can see that we have not established a significant presence with medium and large employers. This means there is a vast opportunity to sell to the nearly 61 million additional employees who work at medium and large businesses who have not yet benefited from our affordable insurance protection.

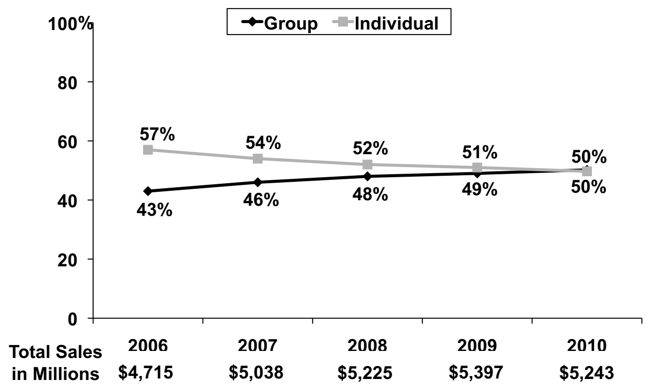
While we still see vast potential in selling to the smaller case market, we identified a need to step outside our traditional "comfort zone" and add larger businesses to the smaller case market so that we were no longer leaving money on the table.

Appeal of the Group Product Platform

- **Customization of products**
- **Uniform cost/coverage offered across state lines**
- **Guaranteed/simplified-issue products**

Our limited presence within larger accounts, and even some medium-sized accounts, is because they typically prefer offering group products to their employees. This is due to three primary factors. First, group products can be customized to meet the needs of their employees. Second, larger accounts want products with uniform cost and coverage for their entire employee block that is sometimes spread across state lines. And finally, employers appreciate the simplified underwriting of group products, and additionally, they like that the products are usually guaranteed issue.

Changes in the Voluntary Worksite Market – Product Mix



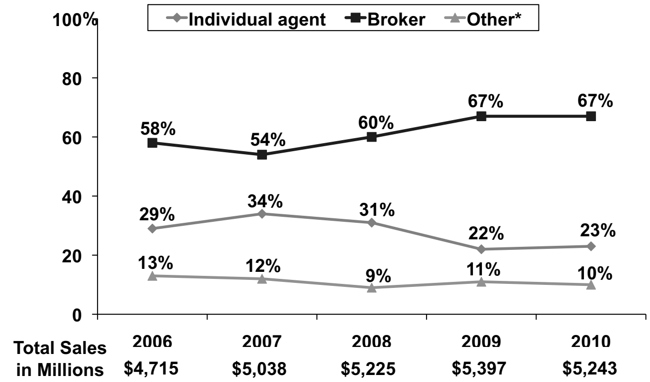
Source: U.S. Worksite Sales Report Carrier Results, Eastbridge Consulting Group

Although our basic business model of distributing individually issued voluntary products through independent agents has been very successful for more than five decades, there have been changes in the voluntary worksite market in recent years. As you can see, the sales contribution from individual products has been declining, while group products' contribution has been increasing.

By 2010, half of all voluntary insurance policies sold were on a group platform basis. While we've clearly been the dominant player in the individual voluntary market, we had no footing in the group market – but that all changed in October 2009 with our acquisition of CAIC, now branded as Aflac Group Insurance. This acquisition was a critical step toward competing in the group product arena because it gave us instant access to the group product platform we had historically lacked.

Through Aflac Group Insurance, and our expanded product portfolio, we can now reach expanded numbers of employers and their workers. We went from a portfolio that appealed mainly to smaller employers to one that appeals to small and large employers, as well as those in between. Ultimately, these options open doors that were previously closed – doors that now potentially open to 60 million additional employees who work at larger businesses.

Changes in the Voluntary Worksite Market – Channel Mix



Source: U.S. Worksite Sales Report Carrier Results, Eastbridge Consulting Group
*Worksite specialists (primarily enrollers) and insurance generalists

Even before we acquired a group platform, however, we realized that brokers were a critical component in securing larger accounts. In 2007, we began laying the groundwork for establishing new and stronger relationships with regional and large-account brokers. We reached out to them to gain their perspective on what it would take for them to do business with Aflac. They identified our lack of a group product platform as a major obstacle to offering Aflac products to their accounts.

We were also held back from actively pursuing the broker market due to concerns about conflict with our established, enormously successful, 70,000-strong independent agent sales force. As you can see, however, with brokers controlling the majority, and most recently over two-thirds of the voluntary market sales, it was clear that we could no longer allow this concern to limit the share of the market we could address. So, in January 2009, we officially launched our broker initiative, Aflac for Brokers. In October of that same year, we fortified our broker initiative with group product offerings through the acquisition of CAIC. Combined, these two endeavors enabled us to reach more of the large account market by offering both the sales channel and the product platform they prefer.

While many entrants experienced growing pains as they made their initial forays into the group market, we have been able to minimize the anticipated channel conflict by integrating broker relationship managers at two levels in our sales hierarchy and incorporating broker sales goals into the compensation packages of our sales leadership. This combination has empowered our traditional sales force and is already showing signs of success and great potential for momentum.

As I indicated, we are expanding our reach, not shifting our focus. We will continue to sell through smaller employers, while also engaging the larger-case market with our new group product offerings and stronger ties with brokers that specialize in this market. The presentation by Tom Giddens, our director of sales, expands upon our successes and our strategy going forward.

Changes in the Voluntary Worksite Market – Competition

Aetna	**Principal Financial Group**
AFA Insurance	**The Hartford**
Allstate	**United Healthcare**
Assurant	**Unum**
Cigna	
Colonial Life	
Guardian	
Humana	
ING	
Lincoln	
MetLife	

Aflac has spent more than five decades establishing the competitive strengths that have propelled us to our market-leading status in the individual voluntary insurance market. Until recently, we've leveraged competitive strengths such as products, brand, distribution and operational efficiency, to sell individual products primarily through independent sales agents. As competition from both new and established players has increased within the voluntary worksite market, however, we've taken our competitive advantages and applied them to a new product platform and a new sales channel. While our competitors are attempting to come downstream from the larger-case market into the small account niche, we're not only protecting this share of the market that Aflac has dominated for many years, but we are also proactively launching a counterattack to capture more of the larger-case market. By doing so, we are maintaining our dominance in the small account arena while simultaneously gaining a foothold in a market that, until now, has remained largely untapped for Aflac.

Need for Voluntary Products

- **Whether group or individual, consumers need voluntary insurance now more than ever**
- **Our cash benefits help consumers pay everyday expenses**
- **Health care costs continue to shift to consumers**

We believe consumers need the protection our voluntary products offer now more than ever, whether that coverage is provided on an individual or a group platform. When policyholders encounter medical and financial hardship, our products provide a value that is very real and tangible. For many, Aflac products have meant the difference between paying their mortgage or losing their home; between paying their car note or finding alternate transportation; and even between receiving and foregoing needed medical treatments. As Dr. Joshi, senior vice president for research at the American Hospital Association, described the situation, "High out-of-pocket expenses and premiums affect health care decisions for patients. If premiums and costs continue to be shifted to consumers, households will face difficult choices, like forgoing needed care, or reexamining how they can best care for their families." These are the very types of unthinkable decisions our Aflac policies are designed to prevent our policyholders from being forced to make.

Aflac U.S. Competitive Strengths

- **Products**
- **Advertising and Brand Awareness**
- **Distribution**
- **Efficiency**

I briefly covered our competitive strengths. Now, I would like to explore these strengths further, beginning with our products. Our goal at Aflac is to provide products that protect policyholders and respond to evolving consumer needs. As the world has changed, we've changed along with it by continually researching and developing new products and enhancing our current products to provide the optimal offering to diverse groups of consumers and accounts.

Whether they are administered on the group or individual platform, our products fall into three main categories – income loss protection, asset loss protection, and supplemental medical. This three-pronged approach is built on the notion that consumers seek to protect themselves and their families from different types of losses. Our goal, as a result, is to develop and offer products that respond to each of these underlying needs. Tom Morey will provide additional details about our product portfolio and product development process.

Our advertising featuring the Aflac Duck has taken our brand recognition from less than 10% "pre-duck" to our current level where nine out of 10 people know our brand. As the Aflac Duck approaches his 12th birthday, we celebrate the many ways he has touched our business. Michael Zuna will provide detailed information about our branding efforts and how marketing is working together with both our product development and sales areas to further improve sales results.

Just as we have been successful at leveraging the Aflac brand to promote our traditional products, we are now leveraging our brand to promote our group products and expanded distribution platform. We believe we can apply the strength of the Aflac brand to our group platform and attain the same kind of success that we've achieved in the individual market, especially through the broker distribution channel.

We believe consumers at small and larger accounts alike will choose Aflac products over the competition because they know the Aflac brand and they trust the Aflac brand.

As we discussed earlier during the segment on brokers, our distribution system is one of the strongest of our competitive strengths. No other company has been able to establish a dedicated field force network like we have at Aflac with over 70,000 licensed sales associates and brokers who sell our products.

Beyond expanding the size and capabilities of our traditional sales force, we remain excited about developing closer relationships with insurance brokers. While our broker distribution initiative is still in its early stage, our efforts are already translating into sales. At the same time, we have also been investing in our "traditional" sales force. Last year, we aligned the total compensation and bonus structure for our field force to ensure they were focusing on the behaviors that grow our business long-term; behaviors like account growth, training, and career agent recruiting. We also implemented management programs including, our "book of business," initiative designed to re-engage our veteran agents, help them sell more business in existing accounts, and, ultimately, reduce account defection. As for recruiting new agents to join our ranks, I told you at the end of 2010 that I thought we'd turn the corner, and I think that has happened. Tom Giddens will share more about this and several other distribution-specific growth initiatives.

As our business continues to grow and we expand our reach to new markets, the importance of providing world-class customer service in a timely and efficient manner becomes even more important. Our administrative efficiency and ability to control expenses have allowed us to create products that provide excellent value to consumers while paying competitive commissions to the channels selling our products.

Our business model continues to demand that we have more high-touch service relationships and value-added customer services for our sales force – both brokers and traditional agents – as well as our accounts and policyholders. We have united the efforts of our marketing and servicing teams to drive satisfaction and persistency within these important audiences. Through our utilization of technology and other avenues that promote strategic agility and drive increased productivity, we have been able to meet these additional demands in an efficient manner while increasing loyalty among our customers.

Health Care Environment

- **Companies selling major medical are entering the voluntary insurance business**
- **Aflac's primary focus is voluntary insurance sold at the worksite**
- **Large businesses and brokers may focus more on voluntary products due to:**
  - » **Cost shifting and reduction of benefits at larger businesses**
  - » **Downward pressure on major medical commissions**

No discussion about insurance in the U.S. is complete without addressing the topic of health care reform. We are often asked how the evolving health care environment affects our business. Actually, we believe it presents Aflac with some opportunities.

Just take a look at Japan's health care environment where its citizens are covered by a nationally sponsored health plan – but still greatly benefit from the financial protection Aflac products provide. While a large number of people here in the United States are covered by comprehensive insurance through their employer, these individuals still have to pay out-of-pocket expenses. The affordable and relevant benefits of Aflac products can lighten this financial burden, regardless of where the comprehensive coverage is obtained.

This clear need for voluntary products, combined with the evolving health care landscape, has resulted in many new companies entering the voluntary insurance market. Because the voluntary market is not directly subject to the health care exchanges or mandates, many comprehensive insurance companies, in particular, have scrambled to enter our market. But I want to point out one thing: While these new entrants are making forays into our market as a contingency plan for health care reform, for Aflac, voluntary insurance sold at the worksite represents our primary focus. Our focus and discipline within the voluntary market has contributed to our market-leading position in voluntary individual products, and we believe consumers will now also select Aflac voluntary group products over the competition.

In this environment, we anticipate that many businesses, especially larger businesses, will turn to brokers to help navigate through the many health care options. From there, two primary factors have the potential to elevate brokers' focus on voluntary products. First, larger businesses may become more likely to shift costs to employees and reduce benefits to minimize impact to their bottom line. Second, health care reform will likely mandate higher loss ratios within major medical plans which will, in turn, put downward pressure on broker commissions for these policies. Keep in mind, broker commissions remain unaffected for the types of products Aflac sells. Brokers are seeing that offering Aflac products provides them with an ideal opportunity to grow their businesses by offering our diverse line of supplemental products to their clients without reduced commissions. With the aforementioned increased competition in this arena, it is critical that we make both our group and individual products as attractive as possible to this important constituency.

I previously indicated that I thought we'd turn the corner in recruiting, and I think that the last two quarters' recruiting results provide evidence that we are successfully making that turn. I also conveyed that I hoped sales would improve, and, with our performance in the first quarter of 2011, I have very good reason to believe that our sales are also moving in the right direction. Now that we have a product portfolio of group and individual products, we are better equipped than ever to leverage our competitive strengths to remain number one in the voluntary insurance market. We will stay true to our strategy of offering relevant products through an expanding distribution network. That means offering an expanded portfolio of individual and group products through sales agents and brokers to reach the tens of millions of consumers who can benefit from our affordable insurance protection.

Aflac U.S. Product Strategy

Thomas O. Morey
Vice President; Product Division

As Paul shared, our vision is to be the leading provider of voluntary insurance in the United States – a vision which has been a reality for decades, thanks to our success and dominance in the voluntary individual insurance market.

While individual products have propelled this success for decades, Paul shared how the growth of voluntary group products has outpaced the growth of voluntary individual products in recent years – a fact that has not gone unnoticed by Aflac.

This growth in the voluntary group product category contributed to our decision to acquire CAIC, now branded Aflac Group Insurance – an acquisition that marked our bold entrance into the voluntary group insurance arena. By combining the competitive strengths we've established at Aflac with CAIC's strong group platform, we've translated this winning combination into positive sales results.

With an expanded portfolio offering that now includes group products in addition to our individual products, I will cover our product development approach, current product portfolio, and long-term product strategy for Aflac U.S. But first, let me share how Aflac products – both individual and group – work.

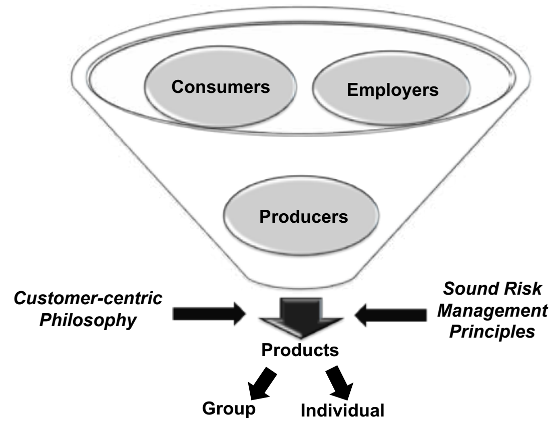
How Aflac Products Work

- **Pay cash benefits directly to insureds**
- **Help protect against:**
  - » **Loss of income**
  - » **Out-of-pocket medical expenses**
  - » **Loss of assets**
- **Primarily sold at the worksite**

Aflac insurance products pay cash benefits directly to the insureds to help when a specific health event causes financial challenges. These cash benefits help provide an added layer of protection against the adverse economic effects of sickness, injury, and death. Put another way, Aflac products protect against loss of income, medical expenses consumers must bear including copayments and deductibles, as well as protection from asset loss.

We sell our products primarily to actively working employees at the worksite on either an individually issued or group issued basis. Our products are designed as an addition to, not replacement for, the insured's primary insurance, whether privately or publicly provided. Aflac insurance policies protect millions of people with an added layer of financial protection, and the opportunity to focus on recovery rather than the financial stress that often accompanies a major medical event.

Aflac U.S. Product Development Process



In the Product Development Division I manage, we develop and coordinate products for the individual and group platforms. The organizational structure of our Product Development Division is centered around specific products and product categories that take into account the needs of consumers, employers, and producers. Additionally, we adhere to sound risk management principles and our commitment to delivering on our promise to customers.

When we consider a new product or product category, we customize its development on a case-by-case basis. With the addition of Aflac Group Insurance, we now have more resources and expertise than ever available to us when we're developing products.

Typically when developing a product, we call upon one area considered to have expertise with that type of product, and that team becomes the point of control. In turn, that area coordinates additional resources to further complement the process.

We don't set out to create a product that is specifically an individual product or a group product – we initially approach product development from a "needs" standpoint.

Product Development Approach

- **Consumer needs**
- **Producer needs**
- **Risk management principles**
- **Aflac's customer-centric philosophy**

The success of our products, whether they are group or individual, largely depends upon responding to – and in some cases, anticipating – the needs of consumers.

We analyze consumer needs by using research from our Insights area, which is a division of Aflac that conducts surveys and focus groups with consumers, business decision makers, and producers throughout the country. With the consumer perspective in mind, we also review other publicly available data as well as direct feedback we get from our customers, employers and producers.

Producers, a term that includes sales associates, sales management, and brokers, are often the "eyes and ears" of the company and help identify emerging needs for new or enhanced products and product categories.

Producers typically deal with payroll accounts and consumers on a regular basis and therefore are privy to firsthand knowledge about the kinds of products and benefits that consumers request. To leverage this valuable knowledge, we assemble a Producer Advisory Group for each product development undertaking. These advisory groups are made up of a broad range of our producers, both traditional sales associates and brokers, from various levels and different geographic areas.

I indicated earlier that we can tap into the expertise of different areas or subject matter experts as the need arises on a case-by-case basis. For example, when developing a group product, we would typically focus on leveraging broker feedback because if a product reflects broker wants and needs, brokers are more likely to sell that product, and many brokers prefer group products.

Each of our products falls into one of two underwriting categories: guaranteed issue or simplified issue. Products we offer on a group basis are typically guaranteed issue policies. For these policies, workers considered eligible from the standpoint of their employer automatically qualify for the guaranteed issue coverage. Products we offer on an individual basis are typically simplified-issue policies. While simplified-issue products are typically offered at the worksite, each policy must be approved on a case-by-case basis. To streamline the application process, we try to limit the underwriting questions in the application. If the questions are answered favorably, the producer can commit to issuing the policy to the applicant, but if an applicant's answers reveal a health condition, we require additional underwriting to proceed with any coverage and it is possible that the application may be denied.

Regarding which product platform is preferred, we have often said that we are "platform agnostic." By that we mean that we don't specify to our producers that they should sell one platform over another. In fact, we are working to align the design of our group and individual product offerings as closely as possible. This allows our producers to sell from a product concept basis, not from a platform basis, allowing them to focus more on the products themselves and less on the platform differences.

We have a reputation for knowing how to properly price products, and we intend to maintain that reputation. While understanding consumer and producers needs are of key importance for new product development, we must observe fundamental principles of sound risk management.

These principles include adhering to sound individual or group underwriting practices, medical evidence of insurability, and appropriate classification of risks by industry. Our product development follows a pricing strategy consistent with our long-term corporate risk management goals and in line with the risks being assumed. This is very important as we continue our practice of designing products with predictable characteristics that maintain a stable profit margin. Adhering to these principles is not only important to the affordability, stability, and value of our policies to customers, but is also essential to compensating our producers with competitive commissions. Additionally, it demonstrates our long-term commitment to acting as good stewards of our shareholders' investments.

Aflac was founded around a customer-centric philosophy. For both our group and individual policies, we continue to develop our products with simple and clear policy language. From an application to a claim, we want to ensure that our processes are streamlined, efficient, and effective. This is consistent with Aflac's belief that an insurance contract should clearly communicate what the consumer can expect to be delivered.

Aflac U.S. Product Portfolio

	Individual Platform	Group Platform
• **Income-loss protection**		
» **Disability (short-term)**	✓	✓
» **Life (term, whole-life)**	✓	✓
» **Life (juvenile)**	✓	
• **Supplemental medical**		
» **Hospital indemnity**	✓	✓
» **Dental**	✓	✓
» **Vision**	✓	
• **Asset-loss protection**		
» **Accident**	✓	✓
» **Critical care:**		
- **Cancer**	✓	✓
- **Critical illness**	✓	✓
- **Hospital intensive care**	✓	

As I covered earlier, our products help provide an additional layer of protection against loss of income, out-of-pocket medical expenses, and loss of assets. Based on our desire to respond to the evolving needs of consumers, employers, and producers, we expect our offerings to evolve over time.

This is a snapshot of our current product offerings and the availability of each by platform type. Our some of our group product offerings focus primarily on lump-sum benefits for diagnosis of critical illnesses, while the corresponding individual plans focus mainly on providing ongoing benefits during critical illnesses. Each plan is optimized to meet the needs of the different sales environments. Group products are simpler in nature and require less time to understand and sell. Individual products typically have more features and involve more face-to-face education during the sales process. Let me provide you with an overview by category, starting with those that help protect against the loss of income.

There are two primary types of products that provide loss-of-income protection: short-term disability insurance and life insurance. Income loss can be, in one sense, a primary economic issue when someone suffers even a fairly moderate injury or illness. That's because everyday living expenses such as mortgage or rent, utilities, automobile expenses, and credit payments, continue coming in while income often does not.

The benefit payments for our short-term disability policies typically last 12 months or less. This product, which is sold exclusively to actively working employees, has an average monthly benefit of less than $1,500 per month. Aflac disability insurance is intended to supplement other sources of disability coverage, including sick leave or salary continuance provided by employers.

Our life insurance products can be viewed as a loss-of-income protection product or a loss-of-asset protection product. When sold at worksites, this category primarily provides loss-of-income protection because the only financial information verifiable at the point of sale is earned income. We offer all of our life insurance products on both a term-life and whole-life basis. Most of our life insurance policies can be issued on an individual or group basis, with the exception of our juvenile life insurance that is only available on an individual basis. Our life policies have an average face amount of less than $50,000.

While all of our products are considered supplemental in nature, we refer to this category as "supplemental medical" because the benefits of these products are aligned more closely with out-of-pocket medical expenses. We mainly offer two types of supplemental products: hospital indemnity insurance and insurance that provides dental and vision coverage. The primary purpose of hospital indemnity insurance is to aid with deductibles and copays for moderate-to-severe illnesses and injuries. Our products help cover costs associated with hospitalization, surgery, and major diagnostic tests. We also have a benefit for routine wellness visits and physical examinations, both of which encourage a preventive approach to health care.

There is a major difference in how our hospital indemnity insurance is offered on an individual versus group basis. Individually issued coverage is offered on a standardized basis, with different plan levels and options for various deductibles. Because major medical coverage can change annually, group coverage is customizable for large groups to align with these changes.

Aflac dental products are available both on an individually issued or group issued basis, while our vision product is available exclusively on an individual basis. Consumers find vision and dental products appealing because employers are shifting costs of coverage in these categories to employees.

The primary purpose of asset-loss protection products is to provide cash benefits to people experiencing the most severe illnesses and injuries. Like the two previous categories, the benefit payments can be used toward the expenses of the claimant's choosing. However, the primary purpose of the products in this category is to protect against the economic effects of both loss-of-capability and costs-to-family.

The first economic effect, loss-of-capability, results when an injury or illness leaves someone unable to successfully complete their routine activities independently. For example, a person stricken by an illness or injury and who is unable to perform their normal routine must typically pay others to do so, which is less economical, and therefore requires more resources.

Because disability insurance typically pays less than a person earns, and since the most severe conditions typically result in increased daily living expenses, a significant economic gap may exist. The second economic effect, costs-to-family, can include lodging, transportation, and counseling for family members who often want and need to be a part of the process of caring for a severely ill or injured family member. The products Aflac provides in this category are primarily designed to help protect against these costs, which would otherwise require the individual or family members to deplete their assets.

Accident insurance products primarily provide cash benefits to defray loss-of-capability expenses and costs-to-family for severe injuries. The accident insurance block is our second-largest block for Aflac U.S.

The critical care category primarily provides cash benefits to defray loss-of-capability expenses and costs-to-family for severe illnesses. Types of policies we offer for this category include cancer, critical illness, and hospital intensive care, the last of which is offered exclusively on an individual basis.

Product Strategy

- **Sell products to consumers where they want to make the purchase decision**
- **Revised individual dental product 1QT 2011**
- **Future roll-outs include simpler underwriting**
- **Continual enhancements address evolving consumer needs**

Our primary product distribution strategy is to offer products to consumers at the place where they want to make the purchase decision, which is the worksite.

We rolled out a new individual dental product in the first quarter of 2011, designed to address both the increasing number of employers shifting costs from employer-paid to employee-paid and the needs of accounts, primarily the smaller businesses, to have an affordable dental plan.

In addition, we plan to roll out revisions to some of our other product lines later this year. Some of the revisions include simpler underwriting designed to more appropriately fit the amount of time allowed for a payroll sale. Our continual product enhancements are designed to address evolving consumer needs.

Metrics for Measuring Success

- **Sales**
- **Revenue**
- **Profitability**
- **Productivity**

Finally, we measure success of our product offerings by very familiar metrics: sales growth, revenue growth, and profitability.

The product division particularly measures exactly what new and existing products contribute to the overall productivity of our producers, as well as their contributions to overall company profitability. Since we are focused on the evolving needs of the marketplace, and on providing products on the platform that best meets the needs of employers and employees and their families, the goal is to provide products that match needs as they evolve. Tracking productivity provides the best way to do that.

We don't sell a tangible item that someone can touch and feel. We sell a promise to be there when the insured needs us most. That promise is kept with every claim we pay and every account we service. In the more than five decades we've operated in the United States, our product portfolio has seen many changes and has evolved with the times. Most recently, we added a new product platform that includes group products. But no matter what the change, one thing has remained constant: We keep our promise when our insureds need us most.

Aflac U.S. Sales

Thomas R. Giddens
Senior Vice President; Director of Sales

For more than five decades, Aflac has been cultivating a network of people – our distribution system – to deliver products that offer valuable benefits Americans need. This description of our business defines our two-part strategy of developing relevant products through an expanding sales force.

Aflac U.S. Product Portfolio

	Individual Platform	Group Platform
• **Income-loss protection**		
» **Disability (short-term)**	✓	✓
» **Life (term, whole-life)**	✓	✓
» **Life (juvenile)**	✓	
• **Supplemental medical**		
» **Hospital indemnity**	✓	✓
» **Dental**	✓	✓
» **Vision**	✓	
• **Asset-loss protection**		
» **Accident**	✓	✓
» **Critical care:**		
- **Cancer**	✓	✓
- **Critical illness**	✓	✓
- **Hospital intensive care**	✓	

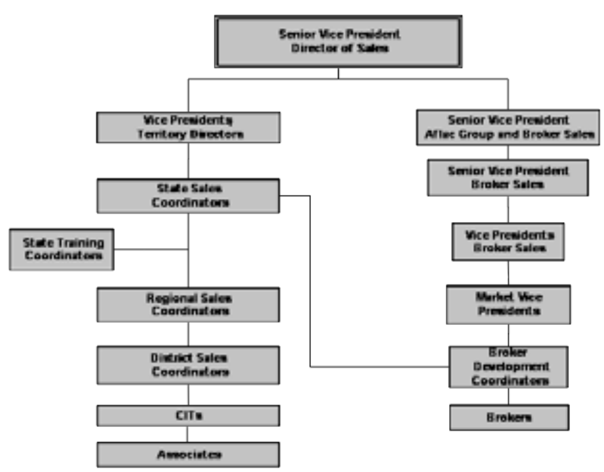
Since our founding in 1955, we have focused on individual products – that is until October 2009 when we acquired Continental American Insurance Company (CAIC), now rebranded as Aflac Group Insurance. The group product categories we gained through this acquisition coordinated very well with our current individual product portfolio. These group products offer income and asset loss protection and supplement other insurance products. Our expanded product portfolio gives us the ability to offer our clients and their employees the products they want.

Distribution Channels

- **Historical production:**
  - » **Career agents - 85%**
  - » **Brokers - 15%**
- **Broker production expected to grow**
- **2010 production:**
  - » **Career agents - 80%**
  - » **Brokers - 20%**

Our products are sold through two main channels: career associates and brokers. Historically, about 85% of our production comes from our career associates and about 15% from insurance brokers. But as we've continued to build relationships with brokers, we have seen broker production represent an expanding part of our distribution system. In 2010, 80% of our production came from the traditional career channel and 20% from the broker channel. This result demonstrates that the initiative called "Aflac for Brokers" that we started in 2009 is already generating results and we expect those results to continue.

Sales Organization



This chart shows the reporting structure of our current field force organization. The traditional sales channel is shown on the left, and our newly expanded broker channel is shown on the right.

Our traditional sales associates are the foundation of our sales organization. The next level in the Aflac hierarchy is the coordinator in training, or CIT position. In effect, CITs are being groomed for the next level of management – the district sales coordinator, or DSC position. DSCs are charged with a significant amount of field training and some recruiting, while simultaneously generating their own individual production and leading their team to achieve district production quotas. They are managed by the next level of Aflac sales management: regional sales coordinators, or RSCs. RSCs assist with training, but spend a considerable amount of time driving the recruiting of new sales associates.

Each state also has up to two state training coordinators, or STCs, who support and coordinate headquarters and field training efforts on a statewide basis. Both RSCs and STCs are managed by state sales coordinators, or SSCs, who lead state operations. SSCs report to the territory directors, or TDs, who are at the corporate vice president level. TDs, in turn, report to me, the senior vice president, director of sales. Of all the levels of the sales organization, only TDs and, the senior vice president, director of sales, have a salary-based element as part of their total compensation.

On the right side of this chart, the broker channel is shown. When a broker brings an account to the table, the degree to which a sales associate participates may vary. Sometimes associates become more like consultative enrollers and less of a driving point of contact for the account. Insurance brokers have established networks of clients and manage the insurance needs of about 70% of companies in the United States. Over the last three years, we have been building both a corporate and sales infrastructure to support our expansion into the broker market. Broker development coordinators and market vice presidents are important components that support that infrastructure.

Paul gave you the numbers of American businesses with fewer than 500 employees. This market remains an incredible opportunity for us. He also showed you that almost half of the total workforce is employed by businesses with more than 500 employees. We have begun executing the plans to capture more of this market.

As they say, timing is everything. As we've seen the need to embrace brokers as an additional distribution channel, our field force has begun to see that there are ways that they can also benefit from these broker relationships.

Fundamentals of Success

- **Recruit**
- **Train**
- **Motivate**
- **Sell**

Paul's presentation covers details about the broker side, so I'll focus a bit more on the career side, starting with four fundamentals of our business that determine our success: Recruit, Train, Motivate, Sell, or RTMS as we refer to it. Basic, yes, but there is beauty in simplicity. If something we're considering doesn't fit squarely into one of these four categories, then it doesn't warrant our full attention.

Two Ways to Grow Sales

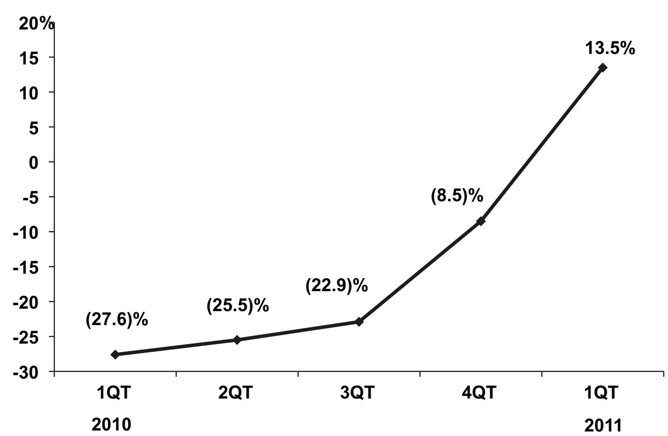
- **Improve productivity**
- **Expand distribution**

"We need more <u>from</u> you
or
We need more <u>of</u> you."

Before I expand on our four fundamentals, we recognize there are only two ways we can grow our sales. We can either improve productivity – the premium per average weekly producer, which has traditionally only moved up with the increase in the average policy premium as we release new products. Or we can expand capacity, or our total distribution, which equates to an increase in recruiting and ultimately the number of average weekly producers. Simply stated, I tell the sales force, "We need more from you, or we need more of you."

With respect to "more of you," which is recruiting, Paul indicated he thought we'd see a turnaround in the first quarter of 2011, and that's exactly what we saw.

Recruiting



You'll recall that for the first nine months of 2010, recruiting was down significantly. Although recruiting in the fourth quarter of 2010 was also down 8.5%, this result showed significant improvement over the rest of the year, and first quarter 2011 recruiting actually saw a positive increase of 13.5%. Let me cover what we have been doing to get to where we are.

Recruiting Activities

- Recruiting is its own department
- ROI helps evaluate value of recruiting activities
- Monthly "recruiting accountability" conference calls with TDs and SSCs
- RSCs have first-ever recruiting targets
- Recruiting commercials

In the fourth quarter of 2010, we extracted the recruiting function from Field Force Development to allow recruiting and training opportunities to channel their activities in a more streamlined fashion. To get the best "bang for our buck," we are taking a more analytical and strategic approach by beginning to track our recruiting leads through the system and into production. For example, headquarters is working with the territory directors and each state operation to track: the number of leads generated specific to their source (such as TV ad, career fair, referral or nomination), the number of first and second interviews conducted, the number of leads who sit for exams, etc. Based on evaluating each stage of the process, we can modify our recruitment strategy to ensure we have enough leads in the pipeline to meet our recruitment targets, and ultimately our sales goals.

We conduct monthly recruiting conference calls between TDs and SSCs to help them stay on their recruiting targets. In 2011, we designated an annual recruiting target for RSCs for the first time. And we will continue to drive recruiting lead generation through the English and Spanish recruiting commercials.

Training Focus

- Optimizing enrollments
- Asset management tool
- Product training to include group products
  - » CI Wrap
- Selling in a competitive environment

Once we've recruited a sales associate, the training begins. Our training in 2011 will focus on four areas that are designed to have a direct impact on our total annualized premium. More importantly, though, they can help lay the foundation for success.

First, we have created a new Sales Implementation Department that focuses on optimizing enrollment through strategies and sales technology to help associates negotiate the best enrollment conditions that satisfy the needs of the account. This department also drives the technology that continues to play a more prominent role in our enrollments process.

Second, we introduced an asset management tool called the "Book of Business" which gives associates account information such as premium and commission opportunities, penetration rates, next open enrollment period, and opportunities to add new products. These activities can also lead to possible referrals and nominations. This tool allows associates to think strategically about their business and the assets that drive growth. For example, if an associate would like to concentrate on selling a particular product one week, they can use their customized Book of Business to determine which accounts do not have that product. Additionally, this tool aids our agents, particularly veteran agents to identify inactive accounts or accounts that are in need of immediate servicing.

Third, we created a Critical Illness, or "CI Wrap" program in 2010 and targeted accounts where a group critical illness product would be a good fit at a good price and not jeopardize any existing individual products already in place. This program was a tremendous success in the first quarter of 2011 and we will continue highlighting it for the remainder of the year.

The focus of this year's National Training Day was geared specifically to our veteran associates and we designed it deliberately to get our associates thinking about the marketplace and economy around them, not just the world of Aflac. This is part of a larger movement to enhance the professionalism of our sales force which will continue with the new Aflac University. The new Aflac University will enable us to provide state of the art training for our associates – utilizing collaborative online training classes, on-demand video training courses and traditional training manuals.

Once a newly recruited sales associate is trained, it is very important that they maintain their motivation. But we know that different incentives appeal to different people.

Traditional Commission Structure*

	First-Year Rate	Renewal Rate
Associate	34.50%	6.10%
DSC	6.95	3.30
RSC	4.75	1.50
BDC 1	.40	.10
BDC 2	.40	.10
STC 1	.40	.10
STC 2	.40	.10
SSC	4.00	1.00
Total	51.80%	12.30%

*Example based on a typical accident plan commission package

Members of Aflac's sales force are commission-only, and their compensation is directly tied to the time, effort, and sales ability of the individual. In addition to individual performance criteria, each coordinator level is given team performance criteria designed to instill a built-in support system that drives success at all levels.

Although the commission paid on each product varies slightly, this slide illustrates an example of a typical commission paid through the traditional sales structure. Once the policy is issued, Aflac offers the opportunity to receive a portion of their anticipated first-year commissions in advance of collection of the premium – an offer that most associates accept.

Broker Commission Structure*

	First-Year Rate	Renewal Rate
Associate	10.00%	2.50%
CCM	3.50	1.00
Broker	19.00	2.60
DSC	6.95	3.30
RSC	4.75	1.50
BDC 1	.40	.10
BDC 2	.40	.10
STC 1	.40	.10
STC 2	.40	.10
SSC	4.00	1.00
Total	49.80%	12.30%

*Example based on a typical accident plan commission package

Using a basic accident policy as an example, the broker receives the largest percentage of the total commission package where the broker is actively involved in securing the business. Other commission packages reflect varying levels of involvement for the broker, the Aflac associate, and the sales hierarchy. In general, the more actively involved the broker is, the higher the commission they receive.

Coordinator Bonuses

Level	Previous	%	As of March 2010	%
SSC	New AP	80%	New AP	40%
	Broker new AP	20%	Broker new AP AWPs AWNPs Account growth	60%
RSC	New AP	100%	New AP	50%
			AWPs AWNPs Account growth	50%
DSC	New AP/ New Associate Training	100%	No change	

Prior to March 2010, our old bonus structure for state and regional coordinators was entirely sales-based. In the first quarter 2010, we modified the bonus structure for these coordinators to focus more on the people development aspects of our business. As such, bonuses for SSCs and RSCs now include growth measures for average weekly producers, average weekly new producers and payroll accounts. We believe that modifying the incentives for our sales coordinators will result in better execution of the activities that ultimately lead to sales.

Motivation is not always about money, trophies or trips. We are committed to helping our sales management develop leadership abilities so they can better motivate their teams.

Of course, the ultimate goal of every effort I have described is to sell a policy. So in theory, once a sales associate is recruited, trained, and motivated, they should be ready to sell.

Supporting Sales

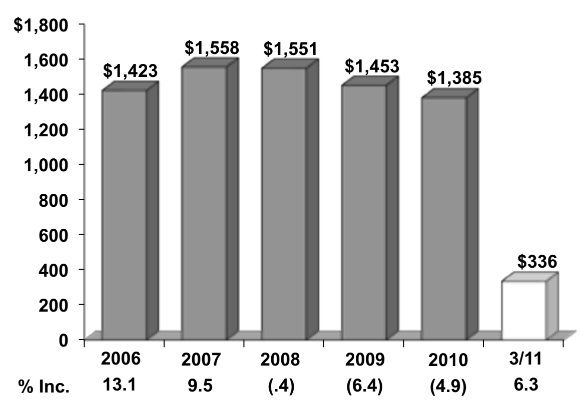
- Smart Launch
- Renewed training/emphasis on opening accounts
- Expand training to facilitate selling in a competitive environment
- Develop management tools for prospecting in larger case accounts

In addition to all of the efforts we have developed to train sales associates in high-impact areas, we are driving sales through a specific product push strategy called "Smart Launch." We modeled "Smart Launch" after several Aflac Japan product introductions that have generated impressive results by focusing the sales force on selling a specific product at a specific time. To that end, we began pushing our dental product during the first quarter, and Michael Zuna will provide more details shortly. In addition to other launches, we will also maintain an ongoing secondary focus on life throughout the year, which reminds the field to "upsell" life insurance in addition to other products.

Following our 2010 decline in recruiting, our sales force generated fewer new accounts. This is not surprising because new recruits typically open the majority of our new accounts, so fewer new recruits points to fewer new accounts. With 95% of our business sold through payroll deduction, I do want to share how we are driving the field force to excel in new account acquisition. As part of our focus to increase new recruits, we'll also spend time training, motivating and re-engaging our veterans in this area. Expanded training to facilitate selling in a competitive environment helps associates secure accounts from the competition instead of walking away.

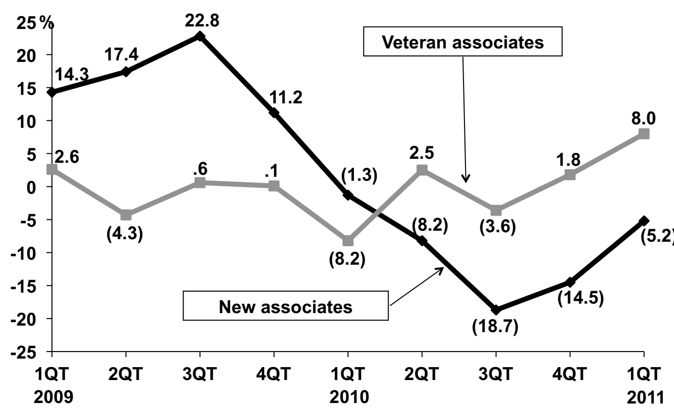
Finally, we will roll out a project to develop management tools for prospecting in larger case accounts. This segmented approach enables our multiple channels to pursue a more methodical strategy in targeting larger accounts.

Aflac U.S. New Premium Sales
(In Millions)



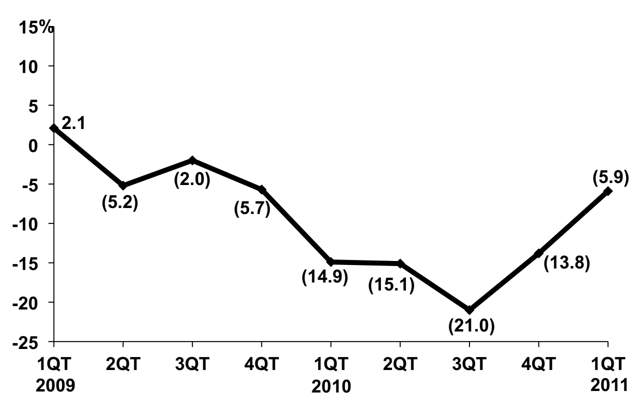
Following the explosive sales growth of 2000 through 2002, our growth slowed from 2003 to 2005 as we focused on enhancing our sales force infrastructure and training. Sales improved in 2006 and 2007. There is no doubt that our sales have been negatively impacted by the weak economy and consumer and small business uncertainty. 2010 marked the third consecutive year we were challenged in a difficult economy to generate new annualized premium sales growth. We are very pleased and excited that for the first time in nine quarters, we generated positive sales results with a 6.3% sales increase in the first quarter of 2011.

Payroll Growth by Associate Type



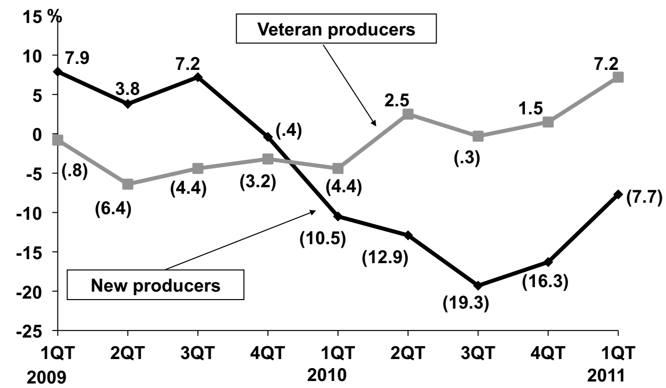
But sales alone are not the only way we measure our progress or identify where we need to improve. We look at other metrics, including payroll account growth by new and veteran associates, to gauge success. We define new associates as those who have been selling Aflac products for less than 104 weeks, and veteran associates as those who have been selling for more than 104 weeks. Payroll account growth for new and veteran associates has improved for the last two quarters, meaning we are moving in the right direction in terms of securing shelf space to sell Aflac products.

Premium Growth by New Associates



New associate premium growth has also shown improvement over the last two quarters. The addition of the Book of Business not only helps veterans expand their penetration into existing accounts, it also helps to give new associates a place to go and write business which is helping our new associates sell.

Growth of Average Weekly New and Veteran Producers



While we're seeing a steady improvement in average weekly new and veteran producers, this metric for new producers is closely aligned with the challenged level of recruiting over the last couple of years. However, with the recent improvement in recruiting, combined with our refined training, we believe these numbers will continue to improve.

2011 Sales Objective

- **Our 2011 objective for Aflac U.S. is to increase sales in the range of flat to up 5%**

We believe Aflac U.S. sales growth for 2011 will be flat to up 5% , and our first quarter sales results are a good start toward achieving that objective. Given the state of the economy, we still remain somewhat cautious. In addition, this is a "momentum" business. Although our 6.3% sales increase is a great start, I would obviously like to see the momentum build for a few quarters before I'm ready to say we've turned the corner in sales. We are leveraging our strengths, including the strong Aflac brand, our growing product portfolio and our expanded distribution system to reach more companies, large and small, across the United States.

There are many good things happening in the field and at headquarters. Above all, there is a renewed and revitalized spirit of collaboration within headquarters, and our sales force can sense it. Our field is beginning to win, and they believe they can continue to win. Motivation is high in the field; we are encouraged by this. To conclude, I have every expectation that we'll meet our 2011 sales target and build a solid infrastructure for future growth. To that end, we will continue to improve recruiting, training, motivation, and of course, sales.

Aflac U.S. Marketing

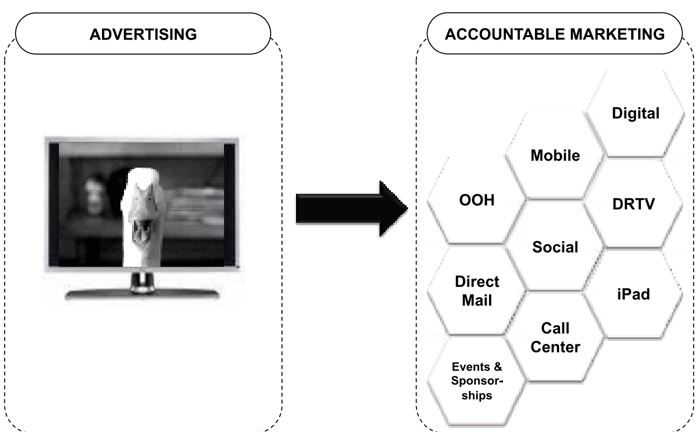
Michael W. Zuna
Senior Vice President; Chief Marketing Officer, Aflac U.S.

I took over as Aflac's chief marketing officer about seven months ago. In all sincerity, there's no better job than leading the Aflac marketing team and – I have to say – working with one of the world's strongest marketing icons: the Aflac Duck.

I'm going to share a lot of business-driving information, including my team's objectives and strategy as well as Marketing's most important role at Aflac – supporting Tom Giddens, his sales team and Aflac's 72,000 agents and brokers.

Simply, our marketing team has one goal: to reach prospective customers, brokers, decision-makers and policyholders at the moments that most influence their purchase decisions and simply help convert those moments into sales.

From Advertising to Accountable Marketing

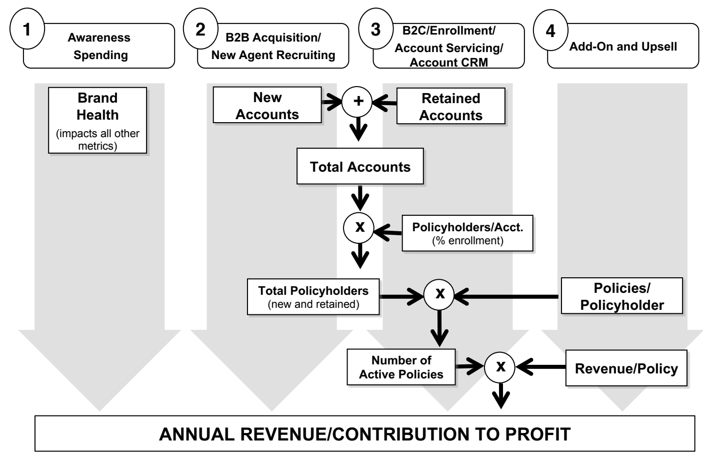


Aflac Marketing is undergoing an evolution: We're moving from what's been a simple reliance on broad, consumer-focused advertising and adopting a more holistic, relationship-building strategy. We're aggressively supporting our four key markets, which I will cover shortly, at multiple touch points. What's more, we're doing it in a measurable, accountable way to optimize and maximize our return on marketing investment. From an expense standpoint, it is important to note that we are staying within the framework of what was already budgeted.

Accountable Marketing

I indicated that we're marketing in an accountable way. And that requires a clear segmentation strategy. Our key markets are consumers, businesses, brokers and agents, and we've identified unique objectives, strategies and tactics for each. We've also aligned our messaging and media to meet the specific needs of each segment.

Key Marketing Objectives to Drive AP



Of course, Marketing ultimately plays an important role in driving new annualized premium sales through increased production – both through new sales and retention of existing business. We're doing that by: 1) Continuing to invest in and maintain our brand health measures like awareness, preference and purchase intent. Why? Because we know empirically that strong brands drive total shareholder returns. Specifically, those brands that build strength through creating an emotional bond with customers – and ensure distinctive, relevant and consistent delivery in the marketplace. Recent McKinsey Brand Research demonstrated that companies with strong brand delivery generated total returns to shareholders 9.5 times higher than those with weaker brands; 2) Enrolling more accounts and focusing on business-to-business marketing and agent recruiting; 3) Enrolling more policyholders within our accounts; and 4) Upselling within existing accounts and to existing policyholders.

Key Marketing Targets and Relative Goals

Target	Strategy	Goal
CONSUMERS	CONTINUE TO DELIGHT THE CONSUMER WITH THE DUCK	DRIVE INCREASED CONSIDERATION
BUSINESSES	CAPITALIZE ON THE SHIFT TOWARD EMPLOYEE-PAID BENEFITS	INCREASE SHELF SPACE
BROKERS	DEMONSTRATE BENEFITS OF OUR GROUP PLATFORM	AGGRESSIVE SHARE CAPTURE
AGENTS	RECRUIT HIGHER QUALITY CANDIDATES	GREATER PRODUCTION PER AGENT

We've developed goals that touch the emotional and financial trigger points of each key marketing target.

First, with consumers, we'll continue to use the Duck to entertain while developing a more meaningful, competitive and emotional connection that makes them care about the products we offer. In other words, we'll continue to define our brand – drive purchase intent – in ways that differentiates us from competitors.

With businesses, our goal is to create increased shelf space, meaning new accounts, and to capitalize on the shift in the marketplace toward employee-paid benefits.

In the broker arena, we're working to demonstrate our long-term commitment and the benefits of our multi-platform offerings to aggressively capture market share.

And, finally, we'll continue to recruit new agents and generate higher-quality agent leads and seek to increase production per agent.

Aflac is a Safety Net

AFLAC IS A SAFETY NET
that provides an added layer of financial protection against income and asset loss due to:

higher copays, deductibles and other out-of-pocket expenses

- **Pays cash directly to claimants**
- **Pays claims quickly**
- **Provides excellent value to policyholders**

With respect to our positioning, Aflac has been – and will continue to be – a safety net for those who experience the financial difficulties that accompany illness and injury. We work with businesses and brokers to help provide our nation's families with additional protection for things that major medical insurance does not cover. We've earned a reputation for paying benefits quickly, for providing excellent value and for paying benefits directly to policyholders to use as they see fit – to pay copays or deductibles, or living expenses such as the mortgage, rent, electricity or car payment. We've also earned a reputation for being ethical, honest and for delivering on our promises. That reputation is not only a compelling advantage; it also ensures that our policyholders can focus on recovery, not on their finances.

Fundamentals of Success

- **Recruit**
- **Train**
- **Motivate**
- **Sell**

From a sales standpoint, Aflac's 2011 strategy, which includes four fundamentals of success, is simple: Recruit. Train. Motivate. Sell. I'll cover some highlights that show how Marketing and Sales are completely aligned and share a common vision to achieve those objectives.

Recruiting Impact in 2010

- **48% of new accounts from 1st year agents**
- **65% of new accounts from 1st and 2nd year agents**
- **23% of AP from 1st year agents**
- **36% of AP from 1st and 2nd year agents**

Source: Internal data

Recruiting, at Aflac, is an important part of our distribution methodology, or think of it as expanding our store shelf space. It's how we grow our sales force and, subsequently, our market share. Recruiting is essential to new account and sales growth. Why? Because the majority of new accounts – 65% – is brought in by first- and second-year agents. More importantly, nearly 40% of our annualized premium is generated by these new agents.

National Recruiting Campaign

- **Television**
- **Internet**
- **Bilingual (English and Spanish)**

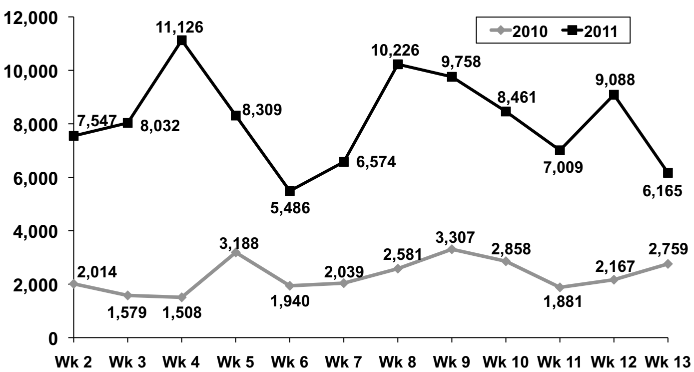
As we've discussed before, it is absolutely imperative that we continue to recruit and add talent to our sales force. So, I'll cover how we're expanding our distribution network. I'm proud to say that our national recruiting campaign was extremely powerful – and we used highly efficient direct response television advertising, a first for us, as the flagship of our integrated campaign. The comprehensive campaign, which launched January 10 and continued through March 31, included TV, newspapers, online, and search-engine marketing and optimization. It also featured retooled relationships with top job sites such as monster.com, refreshed recruiting materials and our first-ever bilingual television ads featuring – and this is important – Aflac agents.

Recruiting Commercial

Who better to communicate why Aflac is a great career opportunity than the people who already found success with selling Aflac? It's worth noting that because the Hispanic market is the fastest-growing segment of our nation's population – with increasing buying power and influence – we also have a bilingual version.

Using Marketing to Grow Recruits

(Recruiting Leads Comparison)



Our strategy is working, and we finished the first quarter with recruiting increasing significantly up 13.5%. This was due to a significant increase in quantity and quality of lead generation as evidenced by an increase in new agent production as well as superior field execution.

As I indicated, Aflac's fundamentals are recruit, train, motivate and sell. I have something really special in the training arena to share with you. First, I want to address the ways marketing drives motivation – and the ways we're increasing our agents' excitement and drive to work harder and be more successful. As you know, a motivated sales force is a successful sales force, and we've taken some giant steps toward ensuring that our sales team feels good about working with Aflac.

In the same way we update our products and benefits to adapt to consumer needs, we also continually review our sales reward programs to ensure the incentives we offer motivate our sales agents.

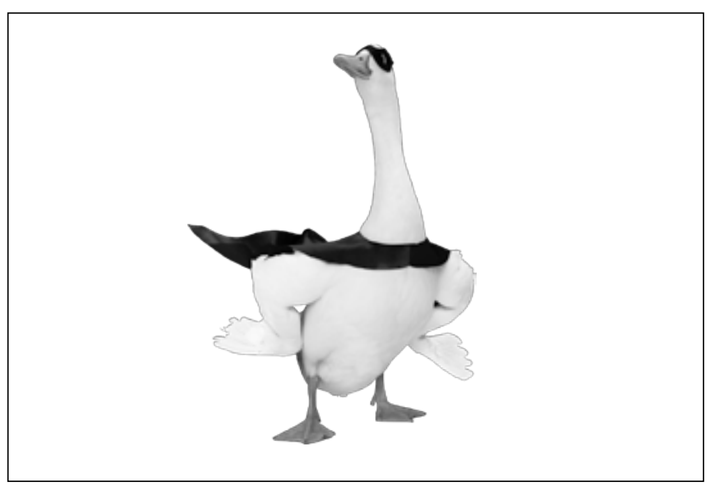
Rewards Program

We know from our own internal research with our sales force that our rewards program had grown stale and could benefit from an update. From those discussions, we learned that we didn't offer the type and variety of incentive items that were in demand and would truly drive sales activities. So, in partnership with Audrey Tillman, Executive Vice President of Corporate Services, and her HR team, we completely redesigned the program and now offer a more expansive and higher quality rewards with premier, top-of-the-line, luxury items from Tiffany, MontBlanc and Coach, to name a few. Importantly, although this is a relatively new program, we have already seen positive results.

We've also completely redesigned the field contests and promotion materials to make them simpler to understand and digest. We've even upgraded our agents' reward trips, which are earned for meeting certain sales and annualized premium goals, and the promotional videos that get them motivated about those trips and ready to deliver our products to our customers.

While Marketing plays an important role in recruiting, training, and motivating, our ultimate objective is helping our agents sell in today's marketplace.

Selling in Today's Marketplace: Superhero Aflac Duck



Let's start with our superhero, the Aflac Duck, who has been one of our best sales agents. In fact, our top sales agent. He truly is our superhero. He's been with us for 11 years now, and I can assure you that he's not going anywhere. We're taking him into a lot of new places and situations. He's going to work harder than ever before, and he's moved into areas designed to drive account acquisition, retention, loyalty and additional profit.

The New Voice of the Aflac Duck

As you may have heard, Aflac has been in the market for a new "voice of the Aflac Duck." Well, I can truly say that Americans everywhere and of all ages, from toddlers to octogenarians, wanted the job. Our phones rang off the hook for weeks with people seeking to audition.

In the end, through a combination of in-person and online tryouts, more than 12,500 people gave us their best quack. We listened to all of them, yes, all of them, and selected entry #5,184, Daniel McKeague, a father of three from Hugo, Minnesota, to be the new voice of the Aflac Duck.

Believe it or not, the coverage from this entire process generated more than 70,400 distinct media stories. If you attach a dollar amount to all this positive media exposure, we estimate that the press from this was worth unbelievable $39 million! But you can't really buy that kind of press at any price.

2011 Media Strategy Highlights

KEY HIGHLIGHTS	RESULTS
Scientific approach to budget allocation based on business priorities	**38% increase in working dollars and increased funds to support B2B**
Full-year flighting strategy	**Aligns with key sales/account weeks**
TV inventory purchased on psychographics	**Optimizes programming and efficiencies**
Local market spot coverage	**Supports key growth markets**
Enhanced online segmentation and engagement	**Extends TV reach, reduces waste and drives lead generation**

Following are some quick highlights of our media plan. This year, we're taking a more scientific approach to our budget, which has delivered a 38% increase in working media year-over-year without increasing our marketing budget. We are also validating our business-to-consumer advertising efforts and increasing support of our business-to-business activities.

We've aligned our marketing and television flighting, – those periods of time when we advertise on TV with our key sales periods, including specific power weeks where the sales force coordinates intense sales efforts. We've expanded our television-channel base from seven cable networks to more than 30. And, we're purchasing our media based on psychographics – in other words, on what drives our targets emotionally, rather than on simple demographics. This optimizes our advertising spend. We've also added support in key local growth markets. Finally, we enhanced our online segmentation and engagement to extend our reach, reduce waste, optimize search and drive increased lead generation.

We'll continue to align ourselves and do more with the top business publications, including Fortune, Forbes, Fast Company and the Harvard Business Review. We're also increasing our presence in the Wall Street Journal, the New York Times and in leading publications targeted to business decision-makers and human resources professionals.

Smart Product Launch Strategy

SMART Product Launch Strategy

Another important growth driver is our new Smart Product Launch strategy. We're working more closely than ever before with our 72,000-member sales team to execute localized marketing. We're choosing one product per quarter and working with our sales force to drive home the value of that product at the individual account level.

Cultivating Growth in Existing Accounts

Dental

- **Third most desired voluntary benefit**
- **Almost two-thirds of our accounts do not have Aflac dental**

Market Opportunity

- **Approximately 62% of employees view dental insurance as essential***
- **61% of Aflac accounts are most likely to add dental in the next 12 months****

***Source: National Association of Dental Plans**
****Source: Internal data**

Our first quarter 2011 launch was our dental product – the third most requested employee benefit behind major medical and retirement products. As we began the launch, we were operating on the knowledge of two important points that provide us with great marketing opportunities: approximately 62% of employees view dental insurance as essential, and 61% of Aflac accounts are most likely to add dental insurance in the next 12 months. So in the first quarter of this year, working closely with our sales team, we launched our first-ever product-specific direct marketing campaign focused solely on marketing the dental plan, with more than 91,000 accounts receiving our marketing materials.

Dental Product Mailing

Let's take a look at the campaign materials and how they worked. In early February, the accounts received a mock toothpaste box and we notified agents that their existing accounts were being targeted. Five days later, the accounts received a second custom mailing – the "wing" piece you see here. Just a few days after that, the agents went in and contacted the accounts. As you can see, it was all about marketing and sales working together to achieve a common objective.

As a result, I'm pleased to say that first-quarter dental sales were up 37% over the same period last year, which was our number one product increase in the first quarter of this year.

Building on the success of this launch, we have several other Smart Product Launches planned for 2011. We are excited about the opportunities that exist with this targeted marketing approach.

Innovative Sales, Training and Marketing

- **15 million tablets sold in 2010**
- **54 million tablets expected to be sold in 2011**
- **49% of small business owners have smartphones**

Source: Gartner

Finally, the last area I want to cover is a sales and marketing innovation we're confident will help our agents generate the maximum amount of sales.

We found, through our own research, that many of our agents were spending more time inside their offices at their computers, working on various reports and responding to e-mails. That's not the ideal use of their time. We want them out in the field where they are most productive. And we can make that happen with technology.

Apple sold 15 million iPads in 2010 and plans to sell 54 million tablets in 2011, which is more than three times the number sold in 2010. Today, more than 80% of Fortune 100 companies are deploying or piloting iPad technology, and nearly half of small business owners are reported to own smartphones.

Welcome to LaunchPad

With tablet technology, we're giving our sales force a first-of-its-kind business-productivity tool. This business tool is platform-neutral and it will work on any tablet, laptop, desktop or smartphone. Agents follow the usual login process and arrive at their home screens, which are akin to dashboards. Their home screen gives them everything needed to run their business on any given day.

A Comprehensive Overview

At the top left is our sales reporting tool, called RPM at a Glance, which is customized by level within our sales organization. For example, new agents would only see their own sales numbers, which they will use to track and manage their business, while regional sales coordinators would see their sales numbers, along with their region totals so they can most effectively manage their own organizations no matter where they are. You'll also notice that on the top right, we've included a "latest news" section that allows us to push relevant and timely information to help all levels of our sales force run their businesses.

Another key section is our important training portal, where we give agents the chance to see all of our training and marketing content in an easily digestible format including our latest television commercials, policyholder and agent testimonials. It's literally a mobile classroom where we give associates 30- to 60-second snapshots of the critical sales information they need for business success.

Under our employer tool, we have our business applications that help our associates provide relevant and customizable information to business decision makers and brokers to help them understand the need for and value of our products and services. The data is completely customizable in multiple ways – by state, industry, product, employer size, competitor and target audience, and the application includes helpful interactive calculators and business tools designed for sales conversion.

A Tool that Drives Business

As you can see, we're utilizing the latest technology to provide our sales force with high quality tools, training and information in order to help them sell and market to existing and potential accounts as effectively as possible.

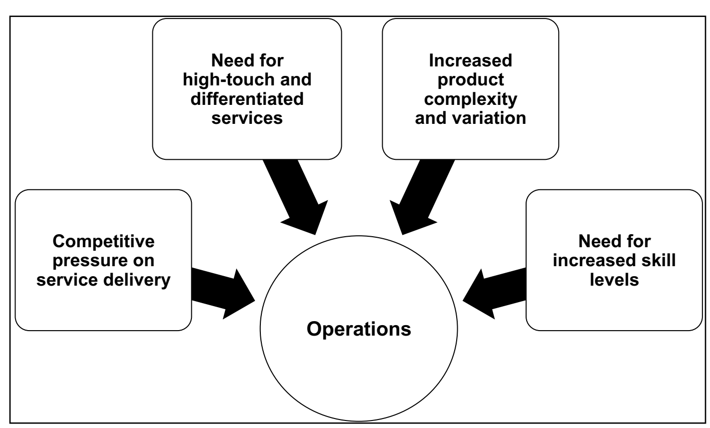
I hope you see that first, we've defined a clear, simple and long-term marketing strategy that is capable of generating sales results. Second, we've concentrated and focused our resources to deliver maximum return with complete sales alignment. Third, we're set to maintain consistency and progressing with focus and scale. And finally, we're retaining our flexibility and continually assessing our strategy to adapt and stay ahead of both our competitors and the market.

Aflac U.S. Internal Operations

Teresa L. White
Executive Vice President; Chief Administrative Officer

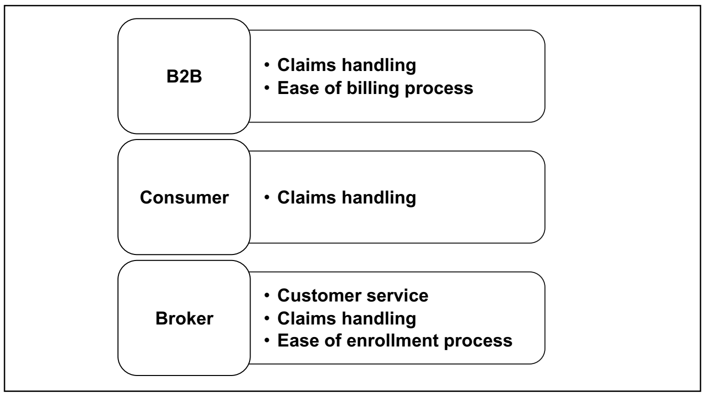
Internal Operations includes the core processing functions of Aflac U.S. as well as support functions for our accounts, policyholders, brokers and sales associates. Aflac U.S. has experienced numerous significant changes in landscape over the last several years, including increased competition, expansion of the broker channel, introduction of group products, and increased presence in the large account market. This section details the impact of these changes to our operations and service environment and the strategies we employ as a result.

Impact of Environmental Changes



As competition increases, there is greater pressure on service delivery, and understanding the needs of customers becomes paramount. The broker channel and large account market segments require customized service and ongoing personal contact. The introduction of group products along with our traditional product portfolio drives increased product complexity and variation. These factors create a need for employees with higher skill levels and competencies. As changes in landscape occur, we continually reassess our operational model to ensure our corporate strategy is aligned and our customers are satisfied with their Aflac experience.

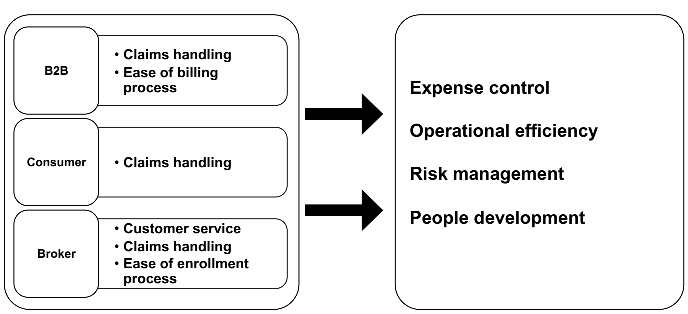
Voice of the Customer



According to independent third party research, the key service factors that drive the brand perception of a provider center around how easy it is to do business with them and their responsiveness. We regularly assess our brand perception by evaluating a variety of attributes that are important to customers, including claims handling, ease of the billing process, knowledgeable customer service staff, and ease of the enrollment process. Customers within the market perceive Aflac as better than our core competitors based on these key service factors. Additionally, this research shows that Aflac compares favorably to its core competitors on broader measures such as overall satisfaction with level of service, ease of doing business with provider, and likelihood to continue doing business.

We arm our agents and brokers with this competitive information to more aggressively market our strong service delivery capabilities and influence employer consideration of Aflac as the provider of choice.

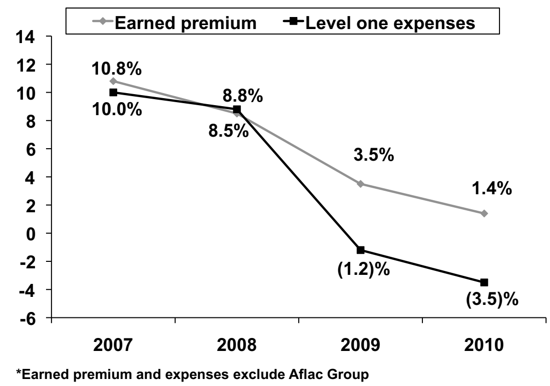
Tenets of Operational Management



In order to meet our overall corporate objectives, we have to balance our key tenet of customer experience with our four tenets of operational management: expense control, operational efficiency, risk management, and people development.

Our customers demand a seamless customer experience regardless of the strategic decisions we make. With over 80% of Internal Operations' expenses allocated to personnel and postage, balancing our customers' needs and wants with our expense control objectives can be particularly challenging. We continuously employ alternative solutions such as utilization of a non-traditional workforce, resource-sharing, reallocation of staff or elimination of non-essential processes. It is this balance that allows us to continue to maintain strategic operational agility.

Expense Control While Adding Revenue-Generating Services

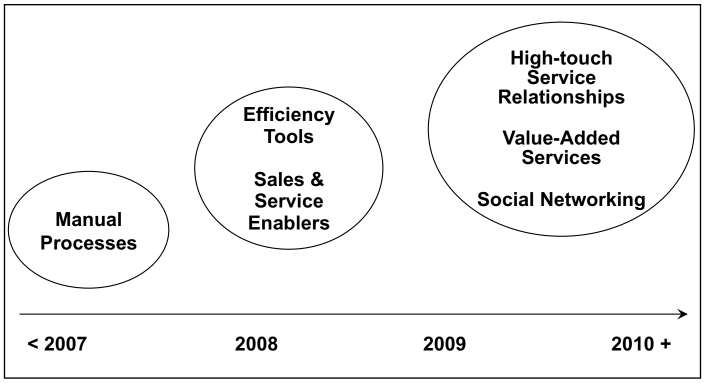


Our objective with expense control is to maintain a favorable trend against earned premium. In 2007 and 2008, the percent change in our expenses was much closer to that of earned premium because we made the decision to invest in service levels, quality, and business analytics, anticipating that an investment at that time would yield positive results in the future. We believe this investment ultimately helped us to control expenses as well, since the gap between expenses and earned premium was much more favorable during the last two years as we capitalized on strategic partnerships and resource reallocation.

Due to our stewardship of resources and the discipline of balancing our operational tenets, we have been able to aggressively manage key expenses while maintaining or improving all service levels and adding revenue-generating services such as a call center for direct sales and support of our enrollment services.

One specific example of expense control can be seen in our response to the additional fourth quarter volume resulting from the recent increase in group sales at Aflac Group. In our New Business processing area, we cross-trained employees at our headquarters in Columbus, Georgia to assist Aflac Group located in Columbia, South Carolina, to accommodate additional capacity needs. Although we made the decision that the two companies would remain separate, we continue to assess specific points of integration that will drive a better customer experience while allowing us to take advantage of economies of scale. This practice is not uncommon to our U.S. operations.

Operational Efficiency Through Evolving Services



Our next tenet, operational efficiency, also plays a large role in our ability to continue to satisfy demand for customer support. In today's competitive climate, our customers desire faster yet more customized service, and our capabilities have evolved to support this trend. Over time, we have moved from manual processes to increased automation and efficiency, and we are now leveraging this efficiency to focus on customized, high touch service.

Although as early as 1994, we saw our SmartApp enrollment system increase field and headquarters efficiency through automation, our primary investments were still more heavily weighted on resources to support manual processes for traditional transactions. We later evolved to focus on more efficiency tools and sales and service enablers. More recently, broker and group business have driven an increase in more high-touch service relationships and more value-added services. Roles such as large account executives and broker development managers, along with our enrollment services and solutions help nurture the relationships that drive loyalty to Aflac in this competitive environment. However, this also marks a departure for administration from a solely transaction-based operational model. This evolution was made possible through our utilization of technology and other avenues that promote strategic agility and drive increased productivity. We were able to move many simple transactions and forms to online self-service. Technology enabled us to reallocate staff to non-traditional administrative positions, such as making outbound welcome calls to new payroll accounts.

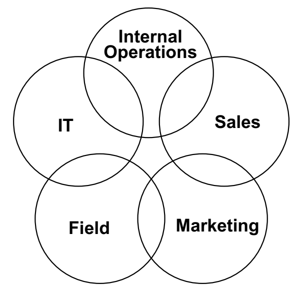
Risk Management

- **Continuously implement a risk management methodology in our processes and systems**
- **Align internal risk assessment practices with business and risk objectives**
- **Improve risk planning, mitigation and control approaches**

The goal of our third tenet, risk management, is to proactively identify potential risks in our systematic and manual processes and then implement controls to mitigate them. As an example, we conduct a risk assessment for every new product introduction. This assessment spans the end-to-end process from the product development to the administrative support after product approval by regulators and introduction to the market. We also monitor changes to the regulatory environment and act preemptively to accommodate future changes. On the back end, we audit the affected business processes to ensure proper implementation of such changes. These activities enable us to build process or system controls that eliminate regulatory non-compliance, minimize customer dissatisfaction, and improve operational efficiency.

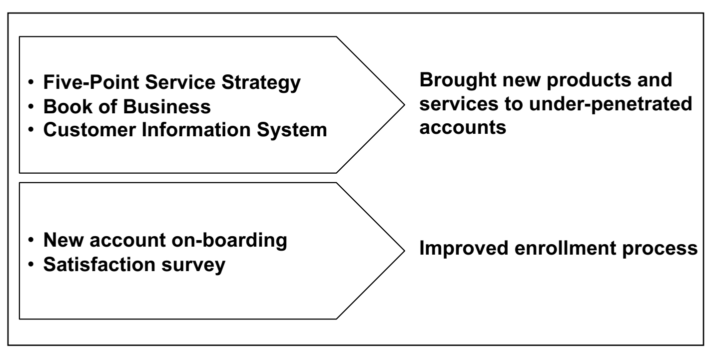
People Development

- **Frequent communication**
- **Established expectations**
- **Coaching and development**
- **Work life balance**
- **Accountability**
- **Cross-organizational collaboration**



The final tenet of operational management is people development. We realize that employees are our most valuable asset, so we partner with our Human Resources department to fulfill the basic employee needs of frequent communication, established expectations, coaching and development, and work/life balance. Additionally, we equip management with tools to provide consistent rewards for desired behaviors and solutions to promote accountability when necessary. We also require that operational areas transcend traditional organizational boundaries and silos, and instead, network with subject matter experts across divisions to build and retain our customer relationships.

Driving the Value Proposition of the Sale



One example where Internal Operations has worked with a cross-functional team to improve customer service is the on-boarding initiative. Team members from Marketing and Sales, IT, Internal Operations, and our field force worked collaboratively to develop innovative processes and solutions to enhance the overall Aflac "welcome experience" for our accounts. As a result, in 2010 we launched a Five-Point Service Strategy to our field force to ensure a deliberate customer experience for our accounts through personal contact at key touch points in the account life cycle. This strategy encompasses the customer experience from the initial account setup to the ongoing servicing of the account.

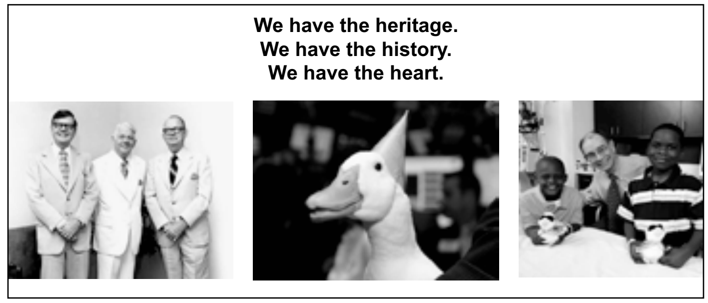
The team also introduced materials to help agents explain to their clients what they should expect during the Aflac enrollment experience and ongoing billing support process. Additionally, we introduced two tools that provide key information to enable field execution of the Five-Point Service Strategy. One tool, the Book of Business, allows associates to think strategically about their business and the assets that drive growth. This tool gives associates account information such as premium and commission opportunities, penetration rates, next open enrollment period, opportunities to add new products, and possible referrals and nominations. The second tool, called the Customer Information System (CIS), provides our associates a comprehensive view of account billing history, inquiries to headquarters, and all service activity associated with those accounts.

With both the Book of Business and Customer Information System, our associates are better able to integrate sales and service when establishing relationships with new accounts or growing their relationships with existing accounts. By using both of these tools in 2010, the field force brought new products and services to many of our dormant and under-penetrated accounts, including a number of accounts that had no new sales for more than two years.

From a headquarters perspective, we have implemented a satisfaction survey that gives new accounts the chance to tell us how we are doing. New accounts are sent a questionnaire that gives respondents the opportunity to rate their satisfaction with Aflac in multiple categories and provide specific feedback regarding their experience during the initial account setup and enrollment period.

By working together to develop and execute these strategies, we have sharpened the field force's focus on service.

Service the Aflac Way



In conclusion, change is constant. Therefore, our discipline is necessary to support smart growth. Our strategic plans target innovation across the entire customer experience, while continuously managing operational resources.

Taking care of our employees helps us take care of our business, and we know we cannot leave this important aspect of our success to chance. Aflac avoids major cost reduction emergencies in downturns through continual application of this philosophy. And yet, we continue to provide the level of caring service to our customers that has become a hallmark of the rich tradition at Aflac. Our employees understand that we are selling a promise – a simple promise that Aflac will be there for our customers in their time of need. This is a promise that has withstood the test of time. It is our foundation and has shaped who we are. Employees at Aflac are proudly committed to providing the kind of genuine, caring, and personal service that our founders believed in from the start. That's the "Aflac Way."

Aflac U.S. Payroll Product Line

(as of 4/30/11)

	Benefit Amounts	Monthly Premium Rates (Payroll) Individual/Family
Accident Indemnity*		
Accident emergency treatment	$75 - $120/accident	$13.65 - $58.24
Initial accident hospitalization	$500 - $2,000	
Accidental-death	$1,500 - $150,000	
Accident specific-sum injuries	$20 - $12,500	
Accident hospital confinement	$150 - $250/day	
Accident rehabilitation confinement	$75 - $150/day	
Intensive care	$300 - $400/day	
Wellness	$40 - $60/year	
Major diagnostic exams	$100 - $200/year	
Accident follow-up treatment	$25 - $35/day (maximum of 6 treatments per accident)	
Physical therapy	$25 - $35/treatment/day (up to 10 treatments per accident)	
Appliances benefit	$50 - $125/accident	
Prosthesis	$250 - $750/accident	
Blood/plasma/platelets	$100 - $200/accident	
Ambulance	$120 - $200 ground / $800 - $1,500 air	
Transportation	$200 - $600 round trip (up to 3 times per year per covered person)	
Family lodging	$75 - $125/night/50+miles/up to 30 days	
Accident dismemberment	$400 - $40,000 depending upon loss	
X-Ray Benefit	$20 - $25/accident	
Epidural pain management benefit	$100/accident	
Lump Sum Critical Illness*		$5.72 - $122.46
Covers: heart attack, stroke, end-stage renal failure, coma, paralysis, major human organ transplant		
Major Critical Illness Event	$10,000 - $100,000 (same for children)	
(if hospitalization and event free for five years)	$10,000 - $100,000 (same for children)	
Subsequent Critical Illness Event	$5,000	
Coronary Artery Bypass Graft Surgery	$3,000	
Cancer*		$16.12 - $250.38
Wellness benefit	$50 - $125/year	
Cancer vaccine benefit	$40	
Bone marrow donor	$40	
Annual care benefit	$500/year for 5 years	
Initial diagnosis benefit	$2,500 - $10,000 ($5,000 - $20,000 for dependent children)	
Initial diagnosis building benefit	$500/annually	
Initial treatment benefit	$3,000/covered person	
Hospital confinement	$300 - $600/day ($375-$750 for dependent children)	
Radiation	$500/week	
Injected chemotherapy	$900/week	
Oral chemotherapy	$400/month	
National cancer institute (evaluation/consultation)	$1,000	
Immunotherapy	$500/month	
Medical imaging	$200	
Experimental treatment	$500/calendar week if charged $125/calendar week if no charge	
Anti-nausea	$150/month	
Stem cell transplantation benefit	$10,000/covered person	
Nursing services	$150/day	
Surgery and anesthesia	$140 - $6,250	
Outpatient hospital surgical	$300	
Skin cancer surgery	$50 - $600	
Surgical prosthesis	$3,000	
Prosthesis nonsurgical	$250	
Reconstructive surgery	$350 - $3,000	
Blood and plasma	$150/day	
Additional surgical opinion	$300/opinion/day	
Ambulance	$250 ground, $2,000 air	
Transportation	$0.50/mile	
Lodging	$80/day	
Bone marrow transplant	$10,000, donor $1,000	
Extended-care facility	$150/day	
Hospice	$1,000 day one, $50/day thereafter	
Home health care	$150/day	
Lump Sum Cancer		$7.54 - $164.58
Internal Cancer	$10,000 - $100,000 (same for children)	
Carcinoma In Situ	$2,000	
Cancer Related Death	$5,000	

Aflac U.S. Payroll Product Line (con't)

(as of 4/30/11)

	Benefit Amounts	Monthly Premium Rates (Payroll)
		Individual/Family
Specified Health Event		$9.10 - $83.59
Covers: heart attack, stroke, coronary artery bypass surgery, coma, paralysis, major third-degree burns, end-stage renal failure, major human organ transplant, persistent vegetative state		
First occurrence	$5,000 ($7,500 children)	
Reoccurrence	$2,500	
Secondary specified events	$250/procedure	
Hospitalization	$300/day	
Continuing care	$125	
Ambulance	$250 ground, $2,000 air	
Lodging	$75/day	
Transportation	$.50/mile up to $1,500 per occurrence	
Hospital Intensive Care		$10.40 - $34.06
Hospital intensive care unit	$700 - 800/day (days 1-7) $1,200 - $1,300/day (days 8-15)	
Sub-acute intensive care unit benefit	$350/day (days 1-15)	
Organ transplant	$25,000 - $50,000	
Ambulance	$250 ground, $2,000 air	
Hospital Indemnity*		
Hospital confinement	$100/day	$27.95 - $138.32
Annual confinement benefit (first 5 days)	$400 - $500/day/policy/year	
Surgical	$100 - $1,000	
Wellness	$50/once per year/policy	
Outpatient surgical room charge	$300 general/$100 w/o for surgery or invasive diagnostic exam	
Invasive diagnostic exams	$100/person/day	
Rehabilitation	$100/day 15 days/confinement 30 days/year	
Medical diagnostic imaging	$150/exam/person per year	
Ambulance	$100 ground/$1,000 air	
Initial hospitalization (rider)	$250, $500, $750, $1,000	
[Three levels available with benefits added at each level. Level 1 compatible with Health Savings Accounts (HSAs)].		
Sickness Indemnity		
Physician's visit (payable for accident, sickness, or wellness)	$15 - $25/visit 3 - 4 visits/year (indiv.) or 6 - 8 visits/year (family)	$19.90 - $105.90
The following benefits are payable for sickness only:		
Hospital confinement	$50 - $200/day	
Initial hospitalization	$250	
Diagnostic exams	$150/year	
Surgical schedule	$100 - $2,000/year	
Ambulance	$100 ground/$1,000 air	
Dental*		
Dental wellness (Preventive)	$25 - $75/year	$23.40 - Individual (Basic)
Scheduled benefits	$15 - $1,100	$159.50 - Two-parent family (Premier Plus)
Vision		$13.90 - $49.90
Vision correction materials	$50 - $210	
Refractive error correction	$100 - $420	
Eye exam	$35	
Permanent visual impairment	Up to $20,000	
Specific eye diseases/disorders	$1,000	
Eye surgery	$50 - $1,500	
Short-Term Disability*		
Disability benefits for sickness and off-the-job injury	$500 - $5,000	$14.95 - $266.50
Elimination periods 0-180 days. Benefit periods 3-24 months		
Life*		$6.50 - $102.96
Whole-life face amounts	$10,000 - $250,000	
10-, 20-, and 30-year term face amounts	$10,000 - $250,000	
Optional return of premium on 20- and 30-year term policies	$25,000; $50,000; $100,000 & $200,000	
Accelerated death benefit		
Waiver of premium		
Optional accidental-death benefit rider		
Dependent coverage available		
Simplified-issue, rates guaranteed		

**Also available on a group platform. Benefits of group and individual products may vary.*

Section IV
The Management Team

Daniel P. Amos
Chairman and Chief Executive Officer,
Aflac, Aflac Incorporated

Dan Amos, 59, graduated from the University of Georgia with a bachelor's degree in insurance and risk management. He first joined Aflac as a sales associate while in his teens. He served as state manager of Aflac's Alabama/West Florida Territory for 10 years. Under his leadership, his sales territory was the number one producing area in 1981 and 1982. He was elected president of Aflac in 1983 and chief operating officer of Aflac in 1987. He became chief executive officer in 1990 and was named chairman in 2001. Dan is a member of the boards of trustees of Children's Healthcare of Atlanta and House of Mercy of Columbus. He is a past recipient of the Dr. Martin Luther King Jr. Unity Award and the Anti-Defamation League's Torch of Liberty Award, and has been named by CNN as CEO of the Week. He also was named one of America's Best CEOs for the insurance category in 2010 by *Institutional Investor* magazine, the fifth time he has appeared on the prestigious list. Under Dan's leadership, Aflac has been named to the *Ethisphere* Institute's annual list of World's Most Ethical Companies for five consecutive years. Dan is the former chairman of the boards of The Japan-America Society of Georgia and the University of Georgia Foundation.

Paul S. Amos II
President, Aflac;
Chief Operating Officer, Aflac U.S.

Paul Amos, 35, holds a bachelor's degree in economics from Duke University and a master's degree in business administration from Emory University. He also holds a juris doctor degree from Tulane University. He joined Aflac in 2002 as the state sales coordinator for the Georgia-North sales territory. Under his guidance, Georgia-North grew to become the company's No. 1 state operation. Paul was promoted to executive vice president, Aflac U.S., in January 2005 and assumed the additional responsibilities of chief operating officer in February 2006. He was promoted to his current position as president of Aflac in 2007. In his role, he oversees all aspects of the U.S. operation including about 4,200 employees and more than 70,000 independent sales agents. His primary responsibility is to develop strategies that boost U.S. sales, revenue and profits. Prior to joining Aflac, he worked in the corporate legal division of the merger and acquisition firm Skadden, Arps, Slate, Meagher and Flom in Washington, D.C. Paul actively participates in a number of professional, philanthropic and educational organizations. He serves on the boards of directors of Aflac Incorporated, the Winship Cancer Center at Emory University, the Georgia Chamber of Commerce and the Turner School of Business at Columbus State University. In addition, he is a member of the Georgia Research Alliance Board of Trustees and the Duke University Divinity School's Board of Visitors.

Kriss Cloninger III
President and Chief Financial Officer,
Aflac Incorporated

Kriss Cloninger, 63, joined Aflac Incorporated in March 1992 as senior vice president and chief financial officer. He was promoted to executive vice president in 1993 and president in May 2001. Since joining Aflac, he has had primary responsibility for overseeing the financial management of all company operations. He has been named Best CFO in the insurance/life category in America by *Institutional Investor* magazine three times and is a member of the boards of directors of Aflac Incorporated, Tupperware Brands Corporation, and Total Systems Services, Inc. He holds bachelor's and master's degrees in business administration from the University of Texas at Austin and is a Fellow of the Society of Actuaries.

Susan R. Blanck
Executive Vice President; Corporate Actuary;
First Senior Vice President,
Aflac Japan

Sue Blanck, 44, graduated from the University of Missouri-Columbia with a bachelor's degree in education. She joined Aflac's Actuarial Department in the U.S. pricing area in 1993. She was promoted to second vice president and assistant actuary in 1998. In 2000 she was promoted to vice president, and in 2002 she assumed responsibility for developing Aflac's business and financial plans. She was promoted to senior vice president and deputy corporate actuary in March 2004, to corporate actuary in January 2006, assumed the additional responsibilities of first senior vice president, Aflac Japan, in June 2008, and was promoted to executive vice president in 2011. In this capacity, she will continue to work on product development and strategic marketing initiatives in Japan. She is a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries.

Kenneth S. Janke Jr.

Executive Vice President;
Deputy Chief Financial Officer
Aflac Incorporated

Ken Janke, 53, attended Michigan State University and received a bachelor's degree in political science from the University of Michigan in 1981 and a master's degree in business administration from Oakland University in 1985. He joined Aflac Incorporated in 1985 as manager of Investor Relations and was promoted to senior vice president in 1993. In 2002 Aflac's Investor Relations Department was recognized by Investor Relations magazine as the "Best Overall Investor Relations" Department for a large-cap company and Ken was named the "Best Investor Relations Officer" for a large-cap company in 2003. In 2010, he was promoted to executive vice president; deputy chief financial officer. Prior to joining Aflac, he served as director of Corporate Services for the National Association of Investors Corporation (NAIC) in Madison Heights, Michigan. He also chairs Aflac's Corporate Disclosure Committee.

D. Christian Goodall

Chief Executive Officer,
Aflac Group Insurance

Chris Goodall, 53, is chief executive officer of Aflac Group Insurance. He joined CAIC in 1995 as general counsel, also serving as vice president and president prior to his promotion to chief executive officer of Aflac Group Insurance. Before joining CAIC, he served as partner with the law firm of Adams, Quackenbush, Herring & Stuart in Columbia, South Carolina. Chris graduated from Wofford College with a bachelor of arts degree and went on to receive his juris doctorate degree from the Samford University School of Law. He is currently a member of the Boards of Directors of Aflac Group Insurance (CAIC) and the Association of South Carolina Life Insurance Companies. He serves as vice chairman of the Board of Trustees for Providence Hospital; and served as a Commissioner of the SC ETV Commission, having been appointed by Governor Sanford from the 2nd Congressional District. He also serves on the Board of Directors for the Souper Bowl of Caring; Project Pet in Columbia, SC; and Wofford College. He is a member of the World Presidents Organization and the Midlands Business Leaders Group.

Joey M. Loudermilk

Executive Vice President;
General Counsel;
Corporate Secretary

Joey Loudermilk, 58, earned a bachelor's degree with honors from Georgia State University and a juris doctorate degree from the University of Georgia School of Law. He worked in private law practice before joining Aflac in 1983 as head of the company's then newly formed Legal Department. In 1988, he assumed responsibility for Governmental Relations. In February 1989, he became treasurer for Aflac Incorporated's political action committee (Aflac-PAC) and was appointed senior vice president, corporate counsel, for Aflac Incorporated in 1989. In 1991 he was promoted to general counsel of Aflac Incorporated and Aflac, and in 2000 he was promoted to his current position as executive vice president. He is a member of the State Bar of Georgia, and serves on the boards of the Columbus Regional Medical Foundation, Goodwill Industries, and the Columbus State University Foundation. He has also served on the State Board of Education, the Georgia Humanities Council, and the Georgia Military Affairs Coordinating Committee. He is a former president of the Rotary Club of Columbus.

Audrey Boone Tillman

Executive Vice President,
Corporate Services

Audrey Boone Tillman, 47, received a bachelor of arts degree from the University of North Carolina at Chapel Hill and a juris doctor degree from the University of Georgia School of Law. Before joining Aflac in 1996, she completed a federal judicial clerkship, worked in private practice, and was a law school professor. She holds law licenses in Georgia, North Carolina, and the District of Columbia. Her main areas of responsibility include: Human Resources, Facilities, Corporate Learning and Environmental Services. She was promoted to second vice president in 1997 and to vice president in 2000, where she concentrated on employment law. She was promoted to senior vice president of Human Resources in 2001, and to her current position in 2008. She recently served as a director-at-large for the Society for Human Resource Management (SHRM).

Teresa L. White
Executive Vice President, Internal Operations;
Chief Administrative Officer

Teresa White, 44, earned a bachelor's degree in business administration from the University of Texas at Arlington and a master's degree in management from Troy State University. She joined Aflac in 1998 as second vice president, Client Services; was promoted to vice president of Client Services in 2000; to senior vice president, director of Sales Support and Administration in October 2004; to deputy chief administrative officer in March 2007; and to her current position in March 2008. In her current role, Teresa oversees administrative functions in Client Services, Claims, Aflac New York Administration, New Account Set-Up, New Business, Field Contracting and Compensation, and Account Relations. She also oversees the Sales Support and Administration and Sales Financial Management departments. Teresa is an alumnus of Leadership Columbus, and is a Fellow of the Life Management Institute. She currently serves on the board of directors for Communicorp. She's also a member of Delta Sigma Theta Sorority, Inc.

Eric M. Kirsch
First Senior Vice President;
Global Chief Investment Officer

Eric Kirsch, 51, joined Aflac in November 2011 as first senior vice president, global chief investment officer and is responsible for Aflac's investment portfolio and team of more than 50 investment professionals. Prior to joining Aflac, he served as managing director and global head of insurance asset management at Goldman Sachs Asset Management, where he managed a global team of 55 professionals and oversaw the management of over $70 billion of insurance assets. Prior to that, he spent 27 combined years at Deutsche Asset Management (DeAM) and Bankers Trust Company, most recently serving as managing director and global head of insurance asset management. At DeAM Eric was responsible for a staff of over 100 people and managing over $150 billion in insurance assets. He also served as a member of the Global Operating Committee of DeAM. Prior to this, he served as managing director and head of North America Fixed Income, responsible for more than $150 billion of assets across multiple fixed income investment strategies. He also previously served as vice president and stable value portfolio manager at Bankers Trust Company. Eric received a bachelor of business administration from Baruch College in 1984, and a master of business administration degree from Pace University in 1988. He earned his CFA designation in 1990. Eric also serves as a Trustee of the Jersey Shore University Medical Center Foundation.

Joseph E. Bohling
Senior Vice President,
Chief Human Resources Officer

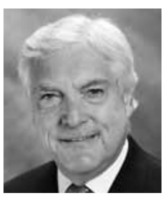
Joe Bohling, 44, joined Aflac in July 2011 as senior vice president, chief human resources officer and brings more than 20 years of experience in a variety of industries and disciplines to Aflac. Beginning his career practicing law as a complex commercial litigator, Joe moved on to serve in numerous cross-functional senior management and executive positions at PepsiCo/Frito-Lay, Comcast Cable and Cardinal Health. He also held the position of senior vice president of HR for CitiFinancial Auto/Citigroup, and mostly recently vice president of HR Services at Concentra, a Humana Inc. business division. He received his bachelor's degree in speech communications and history from Colorado State University and a juris doctor degree from the University of Colorado School of Law. He serves on the executive committee of the Colorado State University Alumni Association Board of Directors and also on the Dallas Children's Theater Board of Trustees.

Michael B. Boyle
Senior Vice President,
Chief Information Officer

Mike Boyle, 52, joined Aflac in July 2011 as senior vice president, chief information officer. He earned a bachelor's degree in economics with a minor in philosophy and an emphasis in Far Eastern thought from the University of South Carolina. He has more than 29 years of experience in information technology in the financial services industry and most recently served as senior vice president, chief information officer as well as the head of back office operations and the customer service call centers at Allstate Financial Services in Chicago. Prior to his tenure at Allstate, he was chief information officer and director of broker dealer back office operations and the head of electronic trading for Robertson Stephens Investment Bank in San Francisco. He also held progressively responsible management and executive management positions in New York and London during his 15-year career with Merrill Lynch. Mike is committed to volunteering at several not-for-profit organizations and serves on the board of governors of the MIB, an Insurance industry risk management organization.

Laree R. Daniel
Senior Vice President,
Customer Assurance Organization

Laree Daniel, 49, holds bachelor of science degrees in business and psychology from Nebraska Wesleyan University and a master of science degree in organizational psychology from the University of Nebraska at Omaha. She joined Aflac in September 2007 as a customer experience consultant for Internal Operations, was promoted to vice president of Client Services in December 2007, and in March 2009 was promoted to her current position as senior vice president of the Customer Assurance Organization for Aflac, which includes Client Services, Claims, Aflac Benefit Services, and New York Administration. Laree is an insurance industry veteran with more than 18 years of leadership, having joined Aflac from two of the nation's largest insurers – Assurant Health and Mutual of Omaha. She most recently served as chief administrative officer for Assurant Health in Milwaukee, and prior to that held various leadership positions at Mutual of Omaha. Her professional designations include the Health Insurance Association of America (HIAA) and the Accredited Customer Service (ACS).



Phillip J. "Jack" Friou
Senior Vice President;
Director of Governmental Relations

Jack Friou, 61, graduated from the University of Georgia in 1971 with a bachelor's degree in political science and served in the Army for two years. He joined Aflac in 1973 and has served in various capacities in administration and marketing, including Agency Administration, the Policyholder Service Department and the Compliance Department. He also served as president of Aflac New York and senior vice president, Marketing and Agency Development. His current area of responsibility includes state legislative and regulatory relations.

Thomas R. Giddens
Senior Vice President;
Director of Sales

Tom Giddens, 56, joined Aflac in 1983 as assistant vice president before serving in the field for more than 20 years. He was a regional sales coordinator in Atlanta where he consistently exceeded goals, resulting in his promotion to state sales coordinator of Georgia-North. As state sales coordinator, Tom was recognized as the company's top salesperson for three consecutive years, earning the company's all-time sales record. Throughout Tom's career as an RSC, his region was recognized four times as the number one RSC in terms of new annualized premium sales. In 2007, Tom's numerous achievements and contributions were recognized when he became the youngest member of the Aflac Sales Hall of Fame. Tom was subsequently named Southeast territory director in December 2009, where his team lead in sales, and to senior vice president and co-director of Sales in May 2010. Tom currently serves on the Boards of the Georgia Chamber of Commerce, Children's Hospital of Atlanta, and the Aflac Credit Union. He received a bachelor's degree in physical education from Georgia Southwestern University.

June P. Howard, CPA, CFA
Senior Vice President;
Chief Accounting Officer,
Financial Services

June Howard, 45, graduated from the University of Alabama in Huntsville with a bachelor's degree in business administration. She joined Aflac in June 2009 and is responsible for financial reporting, investment accounting and International Financial Reporting Standards (IFRS) implementation. She assumed the additional role of chief accounting officer in November 2010. Before joining Aflac, she held financial reporting positions of increasing responsibility at ING and The Hartford. Additionally, she worked as an auditor with Ernst & Young for nearly 10 years. June is a member of the American Institute of Certified Public Accountants, the Alabama Society of Certified Public Accountants, the CFA Institute and the Atlanta Society of Financial Analysts.

W. Jeremy "Jerry" Jeffery
Senior Vice President,
Fixed Income

Jerry Jeffery, 60, graduated from Yale University with a bachelor of arts in political science. He joined Aflac in 2005 as senior vice president and deputy chief investment officer. Prior to joining Aflac, Jerry had a 23-year career with Morgan Stanley, where he focused on diverse fixed income strategies affecting a wide range of industries. Over the last 10 years there, he served as executive director of Fixed Income Institutional Sales.

Thomas P. McKenna
Senior Vice President;
Legal Division

Tom McKenna, 45, received his bachelor's degree in political science from Columbus State University. He joined the Legal Department in 1993 after receiving his juris doctor degree from the Walter F. George School of Law at Mercer University. Since then, he has assumed progressively responsible management positions, including his most recent role as vice president and deputy general counsel. He assumed his current position in January 2012 where he continues to manage and direct the operations of the Aflac U.S. Legal Division. In addition, he coordinates legal functions with Compliance and Governmental Relations, Internal Operations, Marketing, Claims and IT; maintains programs designed to reduce or eliminate legal risks for company operations; provides legal counsel to management on a broad range of topics; and ensures compliance with the company's employee handbook and code of ethics. He is a member of the State Bar of Georgia.

John A. Moorefield
Senior Vice President;
Strategic Management,
Aflac International

John A. Moorefield, 49, graduated from North Carolina State University. He joined Aflac in 2005 and has worked in several key positions including chief information officer of Aflac Japan, where he managed Aflac Japan's technology service delivery and directed the completion of several key initiatives. In that role, he was also responsible for the development of short-term and long-term Aflac Japan information technology. In his current role as senior vice president, strategic management for Aflac International, John oversees Aflac Group operations, various strategic initiatives and planning activities for Aflac U.S. He also coordinates strategic operations between Aflac's U.S. and Japan operations. Prior to joining Aflac, John served as a Principal in ApproxiCom, LLC and held executive leadership positions at Cap Gemini Ernst & Young LLP, Fidelity Investments, and NationsBank, where he was responsible for technology strategy and delivery of information architecture and systems.

Robert P. Moran
Senior Vice President;
Chief Financial Officer;
Chief Actuary, Aflac Group Insurance

Rob Moran, 48, graduated with a bachelor of science degree and a master's degree in business administration from Duke University. As executive vice president, chief financial officer and chief actuary for Aflac Group Insurance, Rob is responsible for the development and management of all group products. Prior to joining Aflac Group Insurance/CAIC in 2001, Rob was vice president and actuary at Colonial Life & Accident, where he held similar responsibilities. Rob was also President of Investors Consolidated Insurance Company.

Robert M. Ottman
Senior Vice President,
Strategic Transformation

Bob Ottman, 55, began his management career at Aflac in 1999 and has served in several leadership positions, including second vice president, Aflac Administrative Services and vice president, AIM and Aflac Benefit Services. He was promoted to senior vice president with responsibility for Claims, Shared Services, Hispanic Services, Benefit Services and New York Administration in 2005, to his position as senior vice president over Sales Operations Management in 2009, and to his current position in Strategic Transformation in 2010. In his current role, Bob manages the various activities that help drive transformation to ensure that Aflac's strategic vision and business value is realized through prioritization and execution of enterprise-wide efforts to support Aflac U.S. Bob holds a bachelor's degree from Eastern Connecticut State University. Before joining Aflac, he held the position of vice president at Frank Gates USA (formerly Acordia of Dallas). He is a member of the Employers Council on Flexible Compensation (ECFC) and holds a Certified in Flexible Compensation (CFCI) designation.

David L. Pringle
Senior Vice President,
Federal Relations

David Pringle, 55, graduated from Mississippi State University, where he received a bachelor of arts degree in insurance and risk management. He has worked for Aflac for more than 31 years. For nine of those years, David worked with the Aflac sales force in Mississippi, North Carolina and West Virginia, where he worked his way from the position of associate to state sales coordinator. During his career with Aflac, David has also worked at Aflac Worldwide Headquarters as the assistant agency director for the West Territory, and director of Training, where he was responsible for helping develop the concept for Aflac's state training programs. He assumed his current position in 2006. His primary responsibility is to coordinate Aflac's government relations and lobbying efforts in Washington, D.C. He also serves as secretary and principal fundraiser for Aflac's Political Action Committee (Aflac PAC), which is the largest political action committee among all insurance companies.

Ralph A. Rogers Jr.
Senior Vice President;
Senior Adviser,
Financial

Ralph Rogers, 62, graduated from Tennessee Technological University in 1970 with a bachelor's of business administration degree in accounting. He joined Aflac in 2000 as senior vice president, Financial Services and served as chief accounting officer from 2002 to 2010. Before coming to Aflac, he was a senior vice president at another large insurance company. He is a member of the American Institute of Certified Public Accountants, the Tennessee Society of Certified Public Accountants, Financial Executives International, and the Institute of Management Accountants.

Ronald S. Sanders
Senior Vice President;
Director of Aflac Group and Broker Sales

Ron Sanders, 56, received a bachelor's degree in environmental science from Lamar University. He joined Aflac in 1983 as an associate in Beaumont, Texas. He was promoted to district sales coordinator in 1984 and to regional sales coordinator in 1986. In 1988 Ron took a marketing position with Aflac headquarters and in 1990, he was named state sales coordinator of Arizona/New Mexico. Ron was promoted to vice president, Southwest Territory Director in April 2005, to senior vice president, deputy director of Aflac U.S. sales in November 2008. In February 2009, Ron was named director of Aflac U.S. sales and in November 2010, he was named to his current position as senior vice president, director of Aflac Group and Broker Sales.

Eric B. Seldon
Senior Vice President,
Business Services;
President and Vice Chairman,
Communicorp

Eric B. Seldon, 42, received a bachelor's degree in business administration from Madison University. Before joining Aflac in 1999 as an operations manager in Client Services, he was vice president of Card Services at Total System Services Inc. After joining Aflac, he took the helm of Payroll Account Service Billing, where he managed the reconciling and billing activities for the company's payroll accounts, and was promoted to director of New Business. He has held several leadership positions within Aflac, most recently serving as second vice president, Support Services, and then vice president, Business Services & Support. He was promoted to his current position in 2010 and is responsible for the strategic direction of Support Services, Payment Services, Account Relations, Strategic Partnerships, New Account Set-Up, and New Business/Underwriting, as well as all Communicorp administration and operations. He has more than 20 years of leadership experience, including more than 11 years with Aflac. He is a member of the Georgia Minority Supplier Development Council and is certified by the U.S. Postal Service as a Mail Center Professional and by Mailcom for Mail Center Security Training.

Eugene C. "Gene" Sorrel Sr.
President,
Aflac Group Insurance

Gene Sorrel, 70, graduated with bachelor of arts degree from the University of Southwestern Louisiana in 1966. After working with Colonial Life & Accident Company in Columbia, South Carolina, for 25 years, he joined CAIC in 1997. Gene has 47 years experience in the worksite industry. He was inducted into the Benefits Marketing Association's Worksite Hall of Fame in 2006 and currently serves as president of Aflac Group Insurance.

Robin Y. Wilkey, CPA
Senior Vice President,
Investor and Rating Agency Relations

Robin Wilkey, 53, graduated from the University of Georgia with a bachelor's degree in finance and went on to receive her designation as a certified public accountant. She joined Aflac in 1990 as an accountant in Financial, was promoted to senior auditor in Internal Auditing and to manager of Information Systems and Payroll in the Human Resources Division. She joined the Investor Relations Department in 1998 as senior director, was promoted to second vice president in 2002, to vice president, Investor Relations in 2003, and to her current position as senior vice president, Investor and Rating Agency Relations in 2010. Prior to working at Aflac, she worked in auditing and accounting in the banking and medical industries.

William R. Wright, Jr.
Senior Vice President,
Investment Strategy and Risk
Management,
Aflac Incorporated

Bill Wright, 59, received a bachelor of arts degree in political science and East Asian studies from Wittenberg University, a diploma in Chinese Mandarin from the Defense Language Institute, and a master's of business administration degree in finance from the New York University Stern School of Business. Prior to joining Aflac in 2010, he worked with the National EDP Directorate of Coopers & Lybrand, and then various positions at Bankers Trust Company. He went on to serve as global fixed income portfolio manager at Continental Asset Management, a subsidiary of Continental Corporation; vice president/portfolio manager of International Fixed Income for GE Investments Corporation; managing director of GE Asset Management's first non-U.S. subsidiary in London; managing director and chief investment officer of GE Edison Life Insurance Company in Tokyo, Japan; executive vice president and chief investment officer of Fixed Income Insurance at GE Asset Management; and senior vice president, chief investment officer of Genworth Financial, Inc. He is a member of CFA Institute.

Michael W. Zuna
Senior Vice President;
Chief Marketing Officer

Michael Zuna, 42, graduated cum laude from the United States Naval Academy with a bachelor's degree in economics. He served 10 years in the Navy. Michael joined Aflac in 2009 as vice president of Marketing, a role in which he managed Aflac's brand strategy, national advertising, business-to-business and business-to-consumer marketing. He was promoted to senior vice president; chief marketing officer in 2010 and is responsible for all marketing activities including brand stewardship, marketing and brand strategy, advertising, corporate identity, research, customer relationship management and field marketing to Aflac's 70,000+ agents and brokers. Prior to joining Aflac, he served as the managing director of Saatchi & Saatchi New York and has also held leadership roles at Arnold Worldwide and Ogilvy & Mather.

Brian L. Abeyta
Vice President,
New Business Operations

Brian Abeyta, 44, holds a bachelor's degree from the Air Force Academy and a master's degree from the Florida Institute of Technology. He is a military veteran, having served eight years of Air Force active duty. Brian is a 2010 graduate of the Leadership Georgia program. He joined Aflac in 2001 as a senior corporate project manager and served in several positions in IT, most recently as vice president, Project Management Office. In 2011 Brian moved from IT to Vice President, New Business Operations to include New Business, Underwriting, New Account Set-up, and Business Process Innovation. Brian also actively participates in long-range strategy planning and manages policy development.

J. Brian Angel
Vice President;
Counsel, Government Relations

Brian Angel, 45, received his bachelor of business administration degree from the University of Texas at Austin. He joined Aflac's Legal Department in 1992 after earning his juris doctor degree from the University of Texas School of Law. In 1996 he was promoted to second vice president, regulatory counsel, and transferred to Albany, New York, where he assumed day-to-day responsibility for Aflac New York's legal, regulatory, and government relations matters. In 2001 he relocated back to Columbus to serve as Aflac's privacy officer. In 2003 he joined the Government Relations department as counsel and was promoted to his current position in 2006. He is a member of the state bars of Texas and Georgia.

Lynn G. Barnson
Vice President;
Territory Director, Southwest Territory

Lynn Barnson, 55, joined Aflac in 1981 as an associate in southern Utah, where he attended Southern Utah State College. Eight months after joining Aflac, he was promoted to a district sales coordinator and spent three years building a successful organization. In 1985, he was offered the opportunity to be a regional sales coordinator in Ft. Worth, Texas. In 1987, Lynn was promoted to director of Metro Development at Aflac Worldwide Headquarters in Georgia and in 1988 to vice president, agency director of the newly formed Mountain Territory. In 1988, Lynn accepted promotion as Territory Director of a new enlarged West Territory. Lynn has served as a Territory Director for over 18 years, meeting many of the objectives assigned to him. Lynn took on the position as the Nevada state sales coordinator in 2004 and in January 2009 rejoined the Southwest Territory. He is in his 29th year with Aflac.

Michael E. Bartow, CPA
Vice President,
Financial Control

Mike Bartow, 56, received a bachelor's of business administration degree in accounting from the University of Wisconsin at Oshkosh. He became a Fellow of the Life Management Institute in 1981 and earned a CPA designation in 1983. Before joining Aflac in 1986, he was a manager at Sentry Insurance. He was promoted to second vice president in 1995 and to vice president in 2001. He is a member of the American Institute of Certified Public Accountants.

Tyler G. Bennett
Vice President,
IT Business Partnership Management

Tyler Bennett, 40, earned a bachelor's degree in business management from Purdue University and a master's degree in business administration from Auburn University. Tyler joined Aflac in 1999. Previous roles include second vice president of Technology Support and vice president of New Business/Large Account Relations. In his current role as vice president, IT Business Partnership Management Office, Tyler leads the IT Business Partnership, Aflac IT Wingspan Enrollment, and Aflac Group IT teams. Prior to joining Aflac, Tyler worked with Weyerhaeuser and Westvaco.

Christopher S. Bernardine Sr., WBC

Vice President,
Enrollment Solutions Strategy

Chris Bernardine, 42, has more than 19 years of dedicated experience in benefit communication and employee benefits. He joined Aflac in 2009 as second vice president of Broker Services and was promoted to vice president in 2010. He assumed his current position in October 2011 where his primary role is to oversee enrollment initiatives and processes. Prior to joining Aflac, Chris was managing director of Employee Benefit Communications, Inc. (EBC) and led one of the first and only national distribution, communication and enrollment services organization in the worksite industry. Chris has also held several sales and management positions at Combined Insurance Company and Aon, also serving as a partner and president of Beacon Benefit Communicators. Chris has earned the Certified Enrollment Specialist (CES) designation from the Benefits Marketing Association and is a current Board member of Workplace Benefits Association as well as a past board member of the Mass Marketing Insurance Institute (MI2). He worked with the American Association of Homes and Services for the Aging (AAHSA), and developed the AAHSA Benefit and Communication Program. He attended Delaware County College.

Alfred O. Blackmar, FLMI

Vice President,
Facilities Support

Alfred Blackmar, 49, graduated from Presbyterian College with a bachelor's degree in business administration. He joined Aflac in 1984 and has been in his current position since 1999. He previously served as vice president; deputy director, Compliance. He is past executive chairman of the Life and Health Compliance Association.

Keith J. Brown

Vice President,
IT Advanced Tech Group

Keith Brown, 49, holds a Bachelor of Science degree in computer science from North Carolina State University. He joined Aflac in 2011 as vice president, Advanced Technology and is responsible for IT architecture, development processes, system integration, and new technology evaluation. Prior to joining Aflac, Keith spent more than 20 years in IT working for global technology and life science companies with a focus on enterprise systems delivery and operations. Most recently, Keith led enterprise systems at Amgen, including operations for global enterprise resource planning, business intelligence, content management, internet and system testing. He is a member of the Association of Computing Machinery and the IEEE Computer Society. He has completed executive education programs at the UNC Kenan-Flagler Business School.

Michael S. Chille

Vice President;
Territory Director, Northeast Territory

Michael Chille, 40 earned his bachelor's degree from the State University of New York at New Paltz. He started his career with Aflac in 1995 as a personal producer. Later on in that same year, Michael was promoted to a district sales coordinator. In April 1996, he had the privilege of being appointed to regional sales coordinator of the newly formed region in the Hudson Valley area of New York. The performance of Michael's regional team elevated him to state sales coordinator of Metro New York/New Jersey in the summer of 1998. That original state operation produced seven individuals who later became state sales coordinators. Michael considers this one of the greatest accomplishments of his Aflac career. He assumed his present position as vice president and Northeast Territory Director in November of 2003.

Timothy J. Craig

Vice President;
Territory Director, West Territory

Tim Craig, 51, began his career with Aflac in 1981 as an associate in Utah. Throughout his career with Aflac he has held the positions of district, regional and state sales coordinator. As district sales coordinator, he was the recipient of the No. 2 companywide DSC award and held the Aflac record for the most production for month, quarter and year in 1987. He was an RSC in Texas and assumed a marketing coordinator position for the West Territory in 1991. He was promoted to SSC of Utah in 1995. As an SSC, one of his most important contributions to Aflac was achieving and exceeding market potential index for 12 out of 13 years. He has qualified for numerous Aflac awards and recognitions. Tim was promoted to his current position as vice president, territory director, West Territory in December of 2008.

J. Todd Daniels

Vice President,
Financial Planning and Analysis

Todd Daniels, 40, joined Aflac in 2002 as an actuarial assistant and has held several positions within the Actuarial department, most recently serving as second vice president, associate actuary. In his current role, he is responsible for Aflac's financial planning and corporate modeling. Additionally, Todd is involved in actuarial analysis for Aflac Group Insurance and U.S. business planning support. Prior to joining Aflac, he served as an Actuarial Associate for Liberty National Life. He holds a bachelor's degree in applied mathematics from Auburn University and is a Fellow of the Society of Actuaries and member of the American Academy of Actuaries.

William H. Dudley
Vice President,
Regional Director – Southeast

Bill Dudley, 45, graduated from Furman University with a bachelor's degree in political science and received his juris doctorate from the University of South Carolina. He practiced law with a small regional firm for five years before joining Aflac in the State Governmental Relations Division. His areas of responsibility include managing executive, legislative and regulatory affairs in fifteen states in the southeast and midwest, with particular emphasis in Nebraska, Georgia and South Carolina. Additionally, he acts as the liaison to the governors, attorneys general and their respective organizations. He is a member of the State Bar of Georgia.

Tye M. Elliott
Vice President;
Territory Director, North Territory

Tye Elliott, 46, started as an agent with Aflac in 1994. Since then, he has held positions as regional and state sales coordinator. As an Aflac agent, he qualified for FAME 26 times, President's Club four times, and numerous other state and national conventions. He holds a bachelor's degree from Illinois Wesleyan University. In his current position as vice president and territory director, Tye develops, manages, and guides sales and recruiting activities in the North Territory. He also implements policies and programs to achieve maximum sales and recruiting volume within the territory, as well as develops and implements competitive sales strategies and plans to expand the number of active accounts and increase the penetration within existing accounts.

William G. "Billy" Farmer
Vice President,
Eastern Broker Division

Billy Farmer, 49, joined Aflac in 1996 as a DSC in Georgia South. He was promoted to RSC of Aflac's newly created Macon region in 1999, and served in that capacity until 2004. Billy joined Allstate's Workplace Division in 2005 as regional sales director over the Georgia market and was promoted in 2006 to regional director of Georgia and Alabama. In October 2010, he returned to Aflac as vice president, Eastern Broker Division, where he is responsible for developing and strengthening relationships with national and regional brokers and accounts in the eastern part of the United States. He also oversees and coordinates the activities of Aflac's market vice presidents, who are charged with increasing broker sales and market penetration in accounts with 500 or more employees.

Ronald D. Fields, LUTCF, CLF
Vice President,
Western Broker Division

Ron Fields, 56, joined Aflac in November 2009 as market vice president for Broker Sales and was promoted to vice president, Western Broker Division in 2010. Ron spent 30 years with American General/AIG. He started his career as an agent and progressed through the career ranks to senior regional vice president of Sales where he managed Career, Broker, Worksite, and Ordinary initiatives. Just prior to joining Aflac, Ron was the territory manager with Colonial Life in the Northeast. He has been active in industry issues and has his LUTCF and CLF designations. In his current role as vice president of the Western Broker Division, he is responsible for developing and strengthening relationships with national and regional brokers and accounts in the western part of the United States. He also oversees and coordinates the activities of Aflac's market vice presidents, who are charged with increasing broker sales and market penetration in accounts with 500 or more employees.

Daniel J. Fleishman
Vice President,
Sponsorships and Emerging Markets

Dan Fleishman, 45, holds a bachelor of arts degree from Dartmouth College. He joined Aflac in 2009 as vice president, Sponsorships and Emerging Markets. Prior to joining Aflac, Dan worked at Wachovia as senior vice president, director of cross-enterprise marketing and before that, he held the position of director of marketing partnerships with the National Basketball Association. While at Wachovia, Dan played the lead role in the creation, development, marketing, and activation of the Wachovia Championship, considered by players, broadcasters, media and fans as one of the premier events on the PGA Tour. In his current role, Dan oversees strategy and implementation of Aflac's sponsorship portfolio and multicultural marketing initiatives.

Lynn B. Fry
Vice President,
Aflac Trust

Lynn Fry, 52, joined Aflac in March 1982 in the Information Technology Division. In 1993 she was promoted to second vice president, Information Systems, and in 1997 she was promoted to vice president. In 2000 she moved to the Marketing Division to serve as vice president of Marketing Technology Support, focusing on technology for the company's field force. In 2002 she assumed additional responsibilities in Sales Support, and currently is responsible for Sales Administration and Support, Field Contracting and Compensation, and the Field Liaison Office. Lynn assumed her current position in October 2011 where she is responsible for taking proactive measures to identify and prevent fraud and abuse.

Brett J. Gant, FSA, MAAA
Vice President,
Actuarial Pricing

Brett Gant, 53, received a bachelor's degree in mathematics from Marietta College and a master's degree in statistics from Miami University of Ohio. He joined Aflac in the Actuarial Department in 1981. In 1993 he was promoted to vice president overseeing pricing development for Aflac U.S. products. In 2003 he received additional responsibilities supporting Aflac Japan business. In 2008 he assumed his current position of overseeing U.S. actuarial involvement supporting profitability analysis and components of valuation and financial reporting for Aflac Japan business, as well as responsibilities for re-rating and monitoring analysis for Aflac U.S. products. He is a member of the Society of Actuaries and the American Academy of Actuaries.

Gregory J. Gantt, CFA
Vice President,
Fixed Income Investments

Greg Gantt, 52, received his bachelor's degree in accounting from Georgia State University. He joined Aflac in 1982 as a member of the Financial Planning Department. He moved to the Investment Department in 1987, where he was in charge of investment accounting. In 1991 he was promoted to his current position with responsibility for managing Aflac Japan's U.S. dollar fixed-income portfolio. He is also a part of the Aflac Global Investments team that oversees management of Aflac assets worldwide. He is a member of the Association for Investment Management and Research.

Jon D. Geiger
Market Vice President,
Broker Sales – East Coast Division

Jon Geiger, 42, brings more than 20 years of experience in the voluntary and supplemental insurance industry to Aflac. Most recently, Jon was territory manager/worksite specialist with American General. He also worked with Allstate Workplace Division for five years as a regional sales director. As a market vice president, Jon helps increase broker production and market penetration in accounts with 500 or more employees and serves as a go-to expert for group and individual products, Enrollment Services and Solutions, and enrollments. Jon makes large account sales calls with broker development coordinators, RSCs, DSCs and the original servicing agent. Jon received his bachelor's degree in finance with a minor in economics from Eastern Illinois University and previously served as a president of the Chicago and Northeastern Illinois Association of Health Underwriters.

Kenneth L. "Casey" Graves
Vice President,
Human Resources Support

Casey Graves, 54, received a bachelor of science degree in marketing/management and an associate of arts degree in computer science from Southeast Missouri State University. He joined Aflac in 2002 as manager of Human Resources Information Systems (HRIS) and Payroll. He was promoted to second vice president in October 2004 and then to vice president in August 2006. Casey is responsible for Compensation, Benefits, Human Resources Information Systems, HR Finance the Payroll Departments within Human Resources, Health Services, and Aflac Group, and has more than 25 years of experience in human resources and information systems. He also played a key role in the implementation of the SAP HCM module in 2007. Before joining Aflac, he worked for Darden Restaurants as director of IT in support of human resources, and as director of HRIS. He also spent 15 years with the McDonnell Douglas Corporation, where he served in various human resources-related roles.

Dexter A. Harris
Vice President;
Territory Director, Southeast Territory

Dexter Harris, 35, joined Aflac in 1999 and progressively advanced through ranks of associate, district sales coordinator, regional sales coordinator, training manager, and sales strategy consultant before being promoted to the state sales coordinator of Florida-South in 2006. Responsibilities have ranged from sales strategy design and execution to training, management, and leadership development of Aflac employees and field force members. Recognized for numerous conventions, accomplishments, and leadership awards, becoming an Aflac zealot to add value has always been his personal goal. In his last role as state sales coordinator, his state team ranked in the top five nationally in every sales category in 2009, before being promoted in August to vice president and territory director of the Southeast Territory. He received his bachelors of business administration degree from Georgia College and State University located in Milledgeville, Georgia.

Mark A. Hellickson, CLU, ChFC

Market Vice President,
Broker Sales – West Coast Division

Mark Hellickson, 50, started his career in the insurance industry in 1985 and brings more than 25 years of experience to Aflac. Most recently, Mark was manager of benefits development in the Minneapolis office of Mercer Health and Benefits. Before that, Mark was the client service director for the Principal Financial Group sales office in Minneapolis. As a market vice president, Mark helps increase broker production and market penetration in accounts with 500 or more employees and serves as a go-to expert for group and individual products, Enrollment Services and Solutions, and enrollments. He also makes large account sales calls with broker development coordinators, RSCs, DSCs and the original servicing agent.

James R. Hill

Vice President,
Credit Union Services

Jimmy Hill, Sr., 70, joined Aflac in central Virginia in 1979. He spent six years as a district and regional coordinator and was promoted to state sales coordinator in 1984. For the next nineteen years, he served in this position for Idaho/Wyoming, West Texas, Southern California/Southern Nevada and Virginia/DC. He retired in 2003 and was inducted into the Aflac Hall of Fame. That year he founded Credit Union Specialty, an agency focusing on serving the credit union community. In March 2010, he accepted the position of vice president, Credit Union Services with Aflac.

Jeffrey L. Hyman

Vice President,
National Accounts and Specialty Markets

Jeff Hyman, 51, is vice president, National Accounts and Specialty Markets. He is responsible for developing and implementing sales strategies to support Aflac associates, key account managers and brokers in acquiring new national accounts. In addition to being responsible for national accounts, Jeff oversees Credit Union Services and Strategic Operations. With a priority on building relationships with associations and unions, achieving targeted sales volume, maximizing market potential, and helping design and execute marketing and sales strategies for Aflac products, he helps Aflac maintain its strong leadership within the industry. Jeff joined Aflac in December 2008 as second vice president of Broker Sales for the Northeast and East Territories and assumed the additional responsibilities of the South Territory in June 2009. In November 2009, he was promoted to his current position. Before joining Aflac, Jeff was director of business development at ARAG, a global leader of legal insurance based in Dusseldorf, Germany. Earlier, he served eight years as president of JLH Consulting Inc. of Florence, S.C., a privately held consulting firm. He also served eight years at GE as divisional manager for their life and annuity division, managing director for association and third-party affinity groups and vice president for credit insurance.

Nicholas C. Jensen

Market Vice President,
Broker Sales – West Coast Division

Nick Jensen, 31, graduated from Oregon State University's School of Business and began his career with Aflac in March of 2003 as an associate in Corvallis, Oregon. As an associate, Nick qualified for the Fireball, Super Fireball, Triple Crown and All-Star Awards. He was given a scratch district opportunity in August of 2003 – and by the end of that year his team led the state in MPI, new accounts opened, Fast Starts and Fireballs. He qualified for FAME every quarter he was a DSC before being promoted to RSC in January of 2005 in Portland, Oregon. As an RSC he grew his team from 1.7 million to 4.2 million in four years, won multiple Key Club, National Conventions, and FAME Awards but is most proud of his record on training where his team led his state in new associate first-year awards for four out of five years.

Laura Kane
Vice President,
Corporate Communications

Laura Kane, 49, holds a bachelor's degree from Michigan State University in communications. She joined Aflac in 2003 and was promoted to vice president of external communications in 2008. Laura serves as Aflac's primary spokesperson and oversees communications initiatives that enhance and protect the corporate reputation. In 2008, Kane was inducted into the PR News PR Hall of Fame at the National Press Club. Prior to joining Aflac, she developed and executed communications programs for the Metro Atlanta Chamber of Commerce, Disney ABC, Euro RSCG and WNYC.

Angela T. Kates
Vice President,
Internal Communications

Angela Kates, 37, earned a bachelor's degree in communication studies from The College of Wooster and a master's degree in the same field at Wake Forest University. In her current role as vice president of Internal Communications, she leads four teams and is responsible for crafting and disseminating messaging that positively influences the behavior, understanding and engagement of Aflac's more than 4,300 employees and 70,000 independent sales associates. Since joining Aflac in 2002, she has held increasingly responsible positions at WWHQ, serving as a senior regulatory compliance analyst, manager of Corporate Communications and most recently U.S. Operations chief of staff. Prior to joining Aflac, she held positions at Bell & Howell Publishing Systems and MCI WorldCom. Kates is a member of the International Association of Business Communicators and the Society for Human Resources Management. She serves as a corporate representative on the Green Committee of Aflac's Board of Directors, as well as on the board of trustees for the RiverCenter for the Performing Arts and the alumni board of trustees for The College of Wooster.

John R. Keddy
Vice President,
IT Application Services

John Keddy, 46, holds a master's degree in business administration from Columbia University and a bachelor's degree in economics from Rutgers College. He joined Aflac in 2008 as vice president, IT Application Services, where he oversees the day-today operations of Application Services and Professional Services organizations, to include enrollment, imaging, management information systems, and financial services. He has nearly 20 years of experience in the insurance industry. Before joining Aflac he also served as a vice president at Conseco and at ING.

Mary Ellen Keim
Vice President,
Fixed Income Investments

Mary Ellen Keim, 55, holds a bachelor of science degree from the University of Alabama. Before joining Aflac, she worked in the Trust Department of First National Bank of Tuscaloosa as a portfolio manager and trust administrator. She successfully completed the National Association of Security Dealers Series 7 and Series 63 exams in 1986. She is a member of the Association of Investment Management and Research.

Nadeem G. Khan
Vice President,
Center of Excellence

Nadeem G. Khan, 38, holds a master's degree in business administration, as well as a bachelor's degree in commerce with specialization in accounting and economics, from Osmania University in Hyderabad, India. He joined Aflac in 2004 as a project manager in the IT Project Management Office. He most recently served as second vice president with responsibility for Technology Support, Change Management and Aflac Group Process Alignment and Control teams within the Center of Excellence. Nadeem came to Aflac with diversified leadership experience in strategic planning, project and program management, customer-relationship management and loyalty management and was promoted to his current position in December 2011. Nadeem currently serves on the board of directors for Better Business Bureau of Columbus and other non-profit organizations. He is also an alumnus of Leadership Columbus.

Bradley L. Knox
Vice President,
Federal Relations

Bradley Knox, 44, holds a juris doctorate from Regent University School of Law and a bachelor's degree from Oral Roberts University. Prior to joining Aflac, Brad served as chief counsel for the Committee on Small Business in the U.S. House of Representatives, as founder and CEO of DigiTech Systems Solutions Inc., and as a major in The Judge Advocate General's Corps, U.S. Air Force. In his current role as vice president of Federal Relations, Brad coordinates Aflac's government relations and lobbying activities in Washington, D.C.

Charles B. Lacy, Jr.
Market Vice President,
Broker Sales – East Coast Division

Chuck Lacy, 51, joined Aflac in 1986 and currently serves as market vice president in the Broker and Market Development Department. Before coming to WWHQ in 2006, he served 17 years as an RSC, one year as a DSC and two-and-a-half years as an associate. Chuck's Aflac awards include the following: Fireball, Super Fireball, five Bronze Key Clubs, 12 Silver Key Clubs, 17 Fame Awards, 10 National Conventions, Presidents Club and three Triple Crowns. In his current role as market vice president, he helps increase broker production and market penetration in accounts with 500 or more employees and serves as a go-to expert for group and individual products, Enrollment Services and Solutions, and enrollments. He also makes large account sales calls with broker development coordinators, RSCs, DSCs and the original servicing agent.

Robert C. Landi, CPA
Vice President,
Corporate Tax

Robert Landi, 50, received a bachelor's degree in business administration from the University of Tennessee at Knoxville. He joined Aflac in 1988 as a tax and financial analyst and was promoted to second vice president, Corporate Tax, in 1993. He was promoted to his current position in 1999 and is responsible for corporate taxes, including federal and state income taxes, premium taxes, payroll taxes, and other state and local taxes. He is a member of the American Institute of CPAs and the Tennessee Society of CPAs.

John G. Laughbaum
Vice President,
Business to Business Marketing

John Laughbaum, 42, holds a master's of business administration from the Kellogg School of Management at Northwestern University and a bachelor's degree from George Mason University. Since joining Aflac in 1997, John has served as an analyst, director, second vice president and vice president across a range of functions including business-to-business marketing, social and digital marketing, product development, market research, sales force development and planning, multicultural marketing and broker marketing. His current responsibilities as vice president, Channel Marketing and Sales Development, include business-to-business and broker marketing and advertising, product advertising, services marketing and account marketing. He is a Fellow of the Life Management Institute.

Eric J. Leger
Vice President,
Field Force Development

Eric Leger, 48, is a 1986 graduate of Lubbock Christian University where he obtained a bachelor's degree in education. He began his career in the field force with Aflac in Lubbock, Texas in June 2002. His successes in the field force allowed him to be promoted to district sales coordinator in January 2003 followed by promotion to state training coordinator in 2004 where he served in Texas South Central for over four years. Eric was then promoted to state sales coordinator for the state of New Mexico in 2008, a role in which he served for one year before becoming vice president of Field Force Development in January 2009. In his current role he oversees the development and implementation of all field force training, recruiting and coordinator development. Prior to his career with Aflac, Eric was a successful Texas high school baseball and football coach for sixteen years.

Jeffery A. Link
Vice President,
Compliance

Jeff Link, 47, graduated from Columbus State University in 1987 with a bachelor's degree in business administration. Before joining Aflac, he held various marketing positions with Pascoe Building Systems and Premier Industrial. He joined Aflac's Compliance Department in 1988 as an analyst. In 1996 he became a second vice president, responsible for forms filings. He was promoted to his current position in 2001. He is a member of the Executive Committee of the Life and Health Compliance Association.

James M. Mattison
Market Vice President,
Broker Sales – West Coast Division

Jim Mattison, 56, is market vice president, Broker and Market Development, where he is responsible for developing sales strategies to support Aflac's field force in acquiring new accounts through relationships developed with national and regional brokers, achieving targeted sales volume, maximizing market potential, and helping design and implement market sales strategies for Aflac products. Prior to joining Aflac Jim was vice president with Marsh Global Consumer, where he developed solutions for large employers (5,000+ lives) with voluntary benefits. Jim began working in the insurance industry in 1980 in the employee benefits arena. Throughout his years of experience, he has worked both on the retail and carrier side. He worked for both The Guardian and The Hartford as a regional manager. He graduated with a bachelor of arts from San Diego State University and is a Certified Continuing Education Instructor in California. He has earned his GBDS (Group Benefits Disability Specialist) Designation and is licensed in Health and Life, and Property & Casual.

Harold E. McKeever
Market Vice President,
Broker Sales – West Coast Division

Harold McKeever, 55, has 30 years in the voluntary worksite insurance business. He joined Aflac with Aflac's purchase of Continental American Insurance Company (CAIC) in 2009, where he was vice president of Sales. Harold started out in sales before eventually being promoted to an officer position. He served as vice president for two other insurance companies, and prior to working in the insurance field, worked for 10 years in the labor relations field. As a market vice president, Harold helps increase broker production and market penetration in accounts with 500 or more employees and serves as a go-to expert for group and individual products, Enrollment Services and Solutions, and enrollments. Harold makes large account sales calls with broker development coordinators, RSCs, DSCs and the original servicing agent. He also serves on the Advisory Board of Workplace Benefits.

Greg R. Miller
Vice President,
Chief Learning Officer

Greg Miller, 48, joined Aflac in January 2012 as vice president and chief learning officer. He has more than 26 years of experience in education, adult learning and human resources and most recently served as vice president of Talent Management at Concentra Inc., a division of Humana Inc. In this position, he was responsible for leadership-development strategy, talent planning and talent management. Greg earned a bachelor's degree in communication from the University of Oregon, a master's degree in communication from San Diego State University and a doctorate of philosophy in communication arts and sciences from the Annenberg School for Communication at the University of Southern California.

Virgil R. Miller
Vice President,
Client Services

Virgil Miller, 42, holds a master's degree in business management from Wesleyan College, a bachelor's degree in accounting from Georgia College and a Six Sigma greenbelt from Villanova University. He joined Aflac's management team in 2004 in the Policy Service Department after working in leadership in the property and casualty industry. In 2006, he was promoted to second vice president of Policy Services where he drove key metrics and process innovation. He later became second vice president of the customer service center where he championed technology innovation and conservation strategies. In 2009, he was promoted to Vice President of Client Services. He served as a U.S. Marine and is a veteran of Operation Desert Storm. He was a member of the United Way Board of Trustees, Leadership Macon and the Community Impact Leadership Board of Central Georgia.

Patrick A. Monahan
Market Vice President,
Broker Sales – East Coast Division

Patrick Monahan, 47, started his career in the insurance industry in 1999. He brings over 26 years of corporate account and national account sales experience to the Aflac team. Patrick most recently had been an insurance broker in the NYC/Long Island marketplace, building a personal book of business to over $12 million. Prior to that, he worked for a few benefit carriers as a broker account specialist developing relationships and closing sales. As a market vice president, Patrick helps increase broker production and market penetration in accounts with 500 or more employees and serves as a go-to expert for group and individual products, Enrollment Services and Solutions, and enrollments. He also makes large account sales calls with broker development coordinators, RSCs, DSCs and the original servicing agent. He remains active in inner-city volunteer programs such as NY Cares and is a mentor and member of the board of directors for "In the Spirit of the Children," which is a non-profit organization catering to the needs of young adults coming out of the foster care system.

Thomas O. Morey, FSA, MAAA
Vice President,
Product Division

Tom Morey, 49, earned bachelor's and master's degrees in mathematics from the University of West Florida. He became a member of the American Academy of Actuaries in 1998 and a Fellow of the Society of Actuaries in 2000. He joined Aflac in 1995, was promoted to senior manager, Pricing, in 2000; to second vice president, Pricing and Rerating, in 2003; to vice president, U.S. Products and Business Planning, in 2005; and to vice president, U.S. Product Development and Financial Planning for Aflac Incorporated. Prior to joining Aflac, he spent 11 years as a weapon system cost estimator for the United States Air Force.

David Barry Moskowitz

Market Vice President,
Broker Sales – East Coast Division

David Moskowitz, 64, received his Bachelor of Science degree in Business from Arizona State University. He joined Aflac in 1990 and held numerous field sales management positions starting out as a District Sales Coordinator in Tucson, Arizona. He was promoted to Regional Sales Coordinator in 1991. He also held the position of marketing coordinator for the West Territory from 1993 to 1995 when he returned to the field as a regional sales coordinator in Albuquerque, New Mexico and was promoted to the state sales coordinator in 2000. He moved to Texas after a two-year sabbatical to serve as a top regional sales coordinator in Fort Worth, TX. He was hired by Colonial Life and Accident as a Territory Sales Manager in 2008 for North Texas and developed the territory to one of the top territories before returning to Aflac, where he had a strong history of meeting and exceeding his sales quotas at every position he held. As a market vice president, his duties include developing the broker market with a concentration in the 500 life and above cases and driving results working with the broker development coordinator team in his market.

Perry J. Mullins, CPA

Vice President,
Expense Management

Perry Mullins, 53, received a bachelor of business administration degree in accounting from the University of Wisconsin at Eau Claire. He passed the CPA exam in 1981 and became a Fellow of the Life Management Institute in 1984. Perry was a manager at Sentry Insurance before joining Aflac's Financial Reporting department in 1987. He was promoted to second vice president in 1998 and to vice president in 2007. He is a member of the American Institute of Certified Public Accountants.

Kevin Murphy, CPCU

Market Vice President,
Broker Sales – East Coast Division

Kevin Murphy, 55, graduated from St. Mary's University with a bachelor of arts degree. He joined Aflac in 2009 as a market vice president in Broker Sales. Kevin began his career in insurance in 1981 as a commercial property/casualty underwriter in Aetna's Chicago office. He spent nine years there in both underwriting and management positions. Kevin then spent seven years selling all lines of insurance as an independent insurance agent. For the 12 years prior to joining Aflac, he served as executive director for the New York Association of Homes and Services for the Aging (NYAHSA), the business unit of the not-for-profit nursing home association in New York. NYAHSA is predominantly an insurance agency that works with the members of the association to provide commercial insurance and group insurance. During his tenure, he transformed the agency from annual revenues of $260,000 to annual revenues of more than $3 million. He received his Chartered Property Casualty Underwriter (CPCU) designation in 1991.

Michael T. Naumann

Market Vice President,
Broker Sales – West Coast Division

Michael Naumann, 45, graduated summa cum laude from Marquette University with a Bachelor of Science degree. He joined Aflac in 2008 and in his current roles as market vice president, Broker and Market Development, Michael is responsible for developing and implementing sales strategies to support Aflac's field force in acquiring new accounts through relationships developed with national brokers, achieving targeted sales volume, maximizing market potential, and helping design and implement marketing and sales strategies for Aflac products. Prior to joining Aflac, Michael was national sales director, group division, for Guarantee Trust Life Insurance Company and also served as vice president of sales for National Benefit Consultants. He is a veteran of the U.S. Coast Guard Reserve and member of the National Association of Health Underwriters and Greenleaf Center for Servant Leadership.

David A. Nelson

Vice President,
Travel, Meetings and Incentives

David Nelson, 57, joined Aflac in 1988 as a travel analyst after working in the airline industry for 16 years. In 1995 he was promoted to director of Travel, Meetings and Incentives. He was promoted to his current position in 1997 and is responsible for all aspects of Aflac's corporate travel program, the planning of all business meetings, and the planning of all sales force incentive travel programs. He is a member of the National Business Travel Association, the Georgia Business Travel Association, and the Financial and Insurance Conference Planners Association.

Thomas A. OKray

Vice President,
Financial Planning and Controls

Tom OKray, 56, received his bachelor's degree in accounting, risk management and insurance from the University of Wisconsin. Before joining Aflac in 1988, he was a staff accountant with Wausau Insurance Company. He became a second vice president in 1995 and was promoted to his current position in 2001. He is a member of the board of directors, investment committee and audit committee of the Georgia Life and Health Insurance Guaranty Association.

J. Lance Osborne
Vice President;
Territory Director, Pacific Territory

Lance Osborne, 49, joined Aflac in July 1988 as an associate, and in August 1991, after being promoted to district sales coordinator, he established a scratch district in the Atlanta/Northwest Georgia region, where he served in that capacity for five years. In 1997 he was promoted to regional sales coordinator, and in 2002, he was asked to accept a leadership role supporting Georgia-North as state training coordinator. In January 2005, Lance was promoted to vice president, Field Force Development, and in December 2008, he assumed his current position as vice president, territory director of the Pacific Territory.

Daron H. Phillips
Market Vice President,
Broker Sales – West Coast Division

Daron Phillips, 41, started his career in the insurance industry in 1991 and began selling Aflac insurance in 1995 as a broker. He worked as an Aflac associate, DSC, RSC and BDC (broker development coordinator) for Aflac before accepting the job as market vice president. In his current role as market vice president, Daron helps increase broker production and market penetration in accounts with 500 or more employees and serves as a go-to expert for group and individual products, Enrollment Services and Solutions, and enrollments. He also makes large account sales calls with broker development coordinators, RSCs, DSCs and the original servicing agent.

Daniel M. Quigley
Vice President,
IT Enterprise Services

Dan Quigley, 52, holds a bachelor of arts degree in political science from Boston University. He joined Aflac in 2007 as vice president, Enterprise Services, and is responsible for all technology infrastructure, operations, and data security in the Information Technology division. Prior to joining Aflac in 2007, Dan spent more than 20 years in IT working for major Fortune 500 companies across different industries implementing global technology solutions. Most recently, he was at Novartis A.G., where he held multiple positions such as head of Network Services and head of IT Infrastructure for the Novartis Consumer Health Division. Dan is a member of the Society for Information Management and the Institute of Electrical and Electronics Engineers. He has completed executive education and leadership programs at the Wharton School and Harvard Business School’s MIT Novartis “IT Excellence Program.”

Vilma I. Salaverria, HIA, MHP
Vice President,
Corporate Learning

Vilma Salaverria, 53, earned a bachelor’s degree in business administration, with a major in accounting and a minor in management from the University of Puerto Rico. She joined Aflac in 1992 and has held various positions, including her more recent roles as manager of marketing services overhead, director of marketing, associate administration, second vice president of New Business/Underwriting, vice president of Client Services, and vice president of Emerging Markets. She currently serves as vice president of Corporate Learning, where she is responsible for providing corporate oversight for the creation and implementation of the strategy, design and delivery of training and development of Aflac employees. Vilma is a 2007 graduate of the Leadership of Columbus program and serves on the Board of Trustees for Columbus Technical College. She was recognized in Hispanic magazine in 1999 for her work in multicultural markets, earning her a listing on the Hispanic Business magazine’s Corporate Elite Directory. Prior to joining Aflac, Vilma was the comptroller/office manager for a trade association in the automotive aftermarket industry, overseeing benefits for a statewide membership of 500 companies. Additionally, she worked in small business accounting and taught high school in Delaware and Puerto Rico.

Daniel F. Skelley, FSA, MAAA
Vice President,
Actuarial Valuation

Dan Skelley, 62, received bachelor’s and master’s degrees in applied mathematics from Georgia Tech. Before joining Aflac in 1983, he taught mathematics on the high school and college levels. He became an assistant vice president in 1986, a second vice president in 1990, and was promoted to his current position in 1993. His primary responsibilities are the actuarial items in financial reporting for all Aflac U.S. products. He is a member of the Society of Actuaries and the American Academy of Actuaries.

Eugene C. “Chip” Sorrel, Jr.
Market Vice President,
Broker Sales – East Coast Division

Chip Sorrel, 46, brings 27 years of worksite industry experience to Aflac. He started his insurance career in 1982 in Louisiana with Techeland Insurance Center in the Property and Casualty Department. During his 14 year tenure with Colonial Life and Accident in Louisiana, he served 10 years as the marketing director for the Southwest Territory. Prior to joining Aflac, he was employed with Continental American Insurance Company, where he served as senior vice president of Sales and Marketing. In his current role as market vice president, he helps increase broker production and market penetration in accounts with 500 or more employees and serves as a go-to expert for group and individual products, Enrollment Services and Solutions, and enrollments. He also makes large account sales calls with broker development coordinators, RSCs, DSCs and the original servicing agent.

Alexander W. Stephanouk
Vice President, Internal Audit,
Aflac Incorporated

Alex Stephanouk, 41, holds a bachelor’s degree in marketing from Auburn University and a master of business administration degree in internal audit and human resources from Louisiana State University. He joined Aflac in 2009 as vice president, Internal Audit, for Aflac Incorporated. Before joining Aflac, he was managing director of Advisory Services at KPMG in Atlanta and he also worked as manager of Business Process Risk Consulting at Arthur Andersen, LLP. He holds the Certified Internal Auditor (CIA) and the Certified Information Systems Auditor (CISA) designations. Alex is responsible for all corporate Internal Audit activities and works directly with management on business process improvement recommendations, as well as the coordination of Internal Audit’s role within companywide enterprise risk management activities. Additionally, he serves as president of the Columbus Chapter of the Institute of Internal Auditors and on the board of directors for the Family Center.

Michael J. Tomlinson
Vice President;
Territory Director, Central Territory

Mike Tomlinson, 53, joined Aflac in 1980 as a sales associate in Detroit Lakes, Minnesota. Mike progressed through the Aflac coordinator ranks of district sales coordinator and regional sales coordinator in Minnesota. He assumed the role of SSC of North and South Dakota in 1989. North and South Dakota is currently the leading state organization in Aflac for sales per capita and in force premium per capita. Mike accepted the position of vice president, territory director for the Central Territory in May 2008.

Blakely H. Voltz, ACS
Vice President, Claims

Blake Voltz, 41, received a bachelor’s degree in finance from the University of Georgia. He joined Aflac in 1992 and has held several management positions in Client Services. Prior to his current position, he was second vice president in the Strategic Planning Office, where he worked with the administrative business units to develop innovative process changes to improve efficiency and quality. Blake also has served as second vice president in the Customer Service Center and Policy Service. He has almost 15 years of leadership experience at Aflac. He was promoted to his current position in November 2006. Blake holds the Life Office Management Association (LOMA) Associate Customer Service designation.

Gary S. Warlop
Vice President, Financial Services;
Assistant Treasurer

Gary Warlop, 56, joined Aflac in 1987 as a senior staff accountant in Financial Reporting. He was promoted to manager of Accounts Payable in 1988, manager of Financial Reporting in 1996, and second vice president, Financial Reporting in 2001. He previously served as an auditor for the Illinois Department of Insurance; held managerial positions in accounting with various life and health insurance organizations; and was vice president, assistant controller for United Companies Life Insurance Company in Baton Rouge, Louisiana. As vice president; Financial Services, Gary oversees cash management, the annual proxy statement and employee benefits accounting. He holds a bachelor’s degree in business administration from Western Illinois University and is a certified public accountant (CPA) and a Fellow of the Life Management Institute (FLMI).

William D. Wenberg
Vice President;
Territory Director, South Central Territory

Bill Wenberg, 62, graduated from Moorhead State University with a degree in accounting. Bill began his career with Aflac as a sales associate in 1983 in Minneapolis, Minnesota. He spent 12 years as a regional sales coordinator, and in 1997, he was ranked as the number two RSC in the company. He was promoted in 1998 to Arkansas State Sales Coordinator, a position he held until October 2003, when he became the North Territory Director. Bill has qualified for 20 national conventions, eight President’s Clubs, and FAME 36 times. In 2004, Bill became East Territory Director, and in 2005, he was given the privilege of becoming the Central Territory Director. Beginning in March 2008 and continuing throughout 2009, Bill served as the Territory Director of the South Territory and at the start of 2010, he assumed his role as Territory Director of the newly formed South Central Territory.

Gary W. "Ike" Willingham, CFC
Market Vice President

Ike Willingham, 56, joined Aflac in 1993 as an associate and currently serves as market vice president in Broker and Market Development. Prior to his current role, Ike has worked in the field as district sales coordinator, regional sales coordinator, and state sales coordinator as well as the director of Broker Development at WWHQ. He worked for Colonial Life as a Territory manager in New York City for two years and returned to the Broker Development department at Aflac. In his current role, Ike drives broker production and market penetration in accounts with 500 or more employees and serves as a go-to expert for group and individual products, Enrollment Services and Solutions, and enrollments. He also makes large account sales calls with broker development coordinators, RSCs, DSCs and the original servicing agent.

Martin A. Durant III
Senior Advisor

Martin Durant, 62, graduated from the University of West Florida with a bachelor's degree in accounting. Immediately after college, he gained experience with a venture capital firm and as an accountant with KPMG/Peat Marwick. He originally joined Aflac in 1990 as vice president and controller of Aflac Incorporated and remained with Aflac for 10 years, during which time he was promoted to senior vice president, Corporate Services. In 1999, he accepted a position as senior vice president and CFO of Carmike Cinemas, Inc., from which he retired in April 2006. He became senior vice president, Corporate Finance in July 2006 and was promoted to executive vice president; deputy chief financial officer in June 2008 where he worked on capital management, risk management and other financial matters.

Thomas L. McDaniel Jr.
Second Vice President,
Investor Relations

Tom McDaniel, 38, joined Aflac in 2004 as an assistant staff attorney in the Legal division. Prior to his current role in Investor and Rating Agency Relations, he served as second vice president in Legal, providing legal advice and recommendations to executive and senior management on labor and employment issues, and other complex matters that could have an impact on Aflac's business operations. Prior to joining Aflac, Tom was in private practice at a prominent labor and employment law firm headquartered in Atlanta, Georgia. Tom holds a bachelor's degree as well as a master of business administration degree from the University of Oklahoma. He earned his juris doctor degree from the University of Georgia in 2001.

Delia H. Moore
Manager,
Rating Agency Relations

Delia Moore, 40, graduated from Columbus State University with a bachelor of business administration degree in accounting and earned a master's degree in accounting from Auburn University. Delia joined Aflac in 2003 as a supervisor in Policy Service and in 2005 was promoted to manager of Investor Relations. In November 2011 she was promoted to Rating Agency Relations, where she manages Aflac's relationships and open communications with rating agencies. In her current role, she serves as a liaison for senior management in developments, changes and potential strategic decisions as it relates to rating agencies. Prior to joining Aflac, Delia performed in various leadership capacities at major Fortune 500 companies including AT&T and Citibank.

Mark A. Caldwell, CPA
Manager,
Investor Relations

Mark Caldwell, 28, joined Aflac in 2009, and has held various leadership roles in Financial Reporting and Internal Audit prior to joining Investor Relations. He holds a bachelor's degree in management focused in both accounting and finance from the Georgia Institute of Technology and earned a master's degree in accounting from Auburn University. Prior to joining Aflac, Mark held various analytical roles in both the investment banking and retail industries. As manager of Investor Relations, he is responsible for overseeing retail investor relations activities at Aflac, including educating the individual, broker, and financial advisor investment community on Aflac's financial performance.

Aflac Japan Management

Tohru Tonoike
President and Chief Operating Officer,
Aflac Japan

Tohru Tonoike, 61, graduated from Hitotsubashi University and worked for Dai-ichi Kangyo Bank, which later merged with two other banks to form the Mizuho Financial Group, prior to joining Aflac Japan as deputy president in February 2007. In 2005 he became president and representative director of Dai-ichi Kangyo Asset Management Company, another division of the Mizuho Financial Group. Tonoike served on the Aflac board of directors from November 2004 through January 2007. He was promoted to president of Aflac Japan in July 2007.

Charles D. Lake II
Chairman,
Aflac Japan

Charles Lake, 49, received a bachelor's degree in Asian studies and political science from the University of Hawaii at Manoa in 1985 and a juris doctorate from the George Washington University School of Law in 1990. He joined Aflac International in February 1999 and Aflac Japan in June 1999. He became deputy president in 2001, president in 2003, vice chairman in 2005 and chairman in 2008. Before joining Aflac, he practiced law with Dewey Ballantine LLP in Washington, D.C. He also served as director of Japan affairs and special counsel at the office of the U.S. Trade Representative in the executive office of the President. He currently serves as chairman of the U.S.-Japan Business Council and vice chairman of the Maureen and Mike Mansfield Foundation. He also serves as a director on the board of the Tokyo Stock Exchange Group, Inc., and board member of the Coalition of Service Industries. He is also chairman of the American Council of Life Insurers' International Committee and president emeritus of the American Chamber of Commerce in Japan (ACCJ).

Koji Ariyoshi
Executive Vice President;
Director of Marketing and Sales

Koji Ariyoshi, 57, graduated from Ritsumeikan University in 1978. He joined Aflac as senior vice president responsible for sales planning in October 2008. From January through March 2009, he was directly in charge of the Retail Marketing, Alliance Management and Hojinkai Promotion Departments, and from April through December 2009, he oversaw all the marketing and sales departments as deputy director of Marketing and Sales. He was promoted to First Senior Vice President and Director of Marketing and Sales in January 2010. He was promoted to his current position in January 2012. Before joining Aflac, he worked for Alico Japan as Vice President and AXA Life Insurance as Senior Vice President.

Hiroshi Yamauchi
Executive Vice President,
Planning and Research, HR and General Affairs, Investment, Financial Accounting, Actuarial and Investment Risk Management, IT, and Compliance Divisions

Hiroshi Yamauchi, 59, graduated from Saitama University in 1976 and joined Aflac that same year. He served in the Actuarial Department as section manager and assistant general manager. He was promoted to general manager in the Policy Maintenance Department in 1998, to vice president in 1999 and to first senior vice president in 2002. He was promoted to his current position in January 2012.

Jun Isonaka
First Senior Vice President,
Chief Administrative Officer

Jun Isonaka, 53, graduated from Kwansei Gakuin University in 1980 and joined Aflac that same year. He served as general manager of the Group Marketing and Marketing and Sales Promotion Departments from 1999 through 2001. He was promoted to vice president in 2002 and to senior vice president in January 2007. He became Chief Administrative Officer in January 2010 and was promoted to his current position in January 2012.

Hisayuki Shinkai
First Senior Vice President,
Public Relations, Investor Relations, Financial Institutions, Financial Institutions Support

Hisayuki Shinkai, 60, joined Aflac in 1999 as general manager of the Public Relations Department and was promoted to senior vice president in 2002 and to first senior vice president in 2006. He graduated from Tohoku University in 1974 and previously worked for the Long Term Credit Bank of Japan, Ltd. In his current role, he is responsible for all departments related to bank sales.

Yuji Arai, CFA
Senior Vice President,
Administration Management,
Customer Services Promotion,
Compliance Promotion;
Compliance Officer

Yuji Arai, 48, graduated from Keio University in 1986 and joined Aflac that same year. He became assistant general manager of the Investment Department in 2001, and he began supervising the Investment Department and the Investment Analysis Office in 2002. In January 2005 he was promoted to senior vice president and assumed his current role in January 2012. He is a chartered financial analyst certified by the CFA Institute and a charter member of the CFA Society of Japan.

Andrew J. Conrad
Senior Vice President and General Counsel; Aflac Japan
Senior Vice President and Counsel; Director of Governmental and Legal Affairs, Aflac International Incorporated

Andy Conrad, 47, holds a law degree from Harvard Law School and a master's degree from the Fletcher School of Law & Diplomacy at Tufts University. Before joining Aflac, he practiced law at Dewey Ballantine LLP in Washington, D.C. He joined Aflac International in 2001 and has held progressively responsible management positions. He was promoted to his current position in January 2012.

Yukio Fukushima
Senior Vice President, All Information Technology;
Chief Information Officer for Aflac Japan

Yukio Fukushima, 59, joined Aflac as vice president and general manager of the System Development Support Office and System Development Office 3 in 2006. He graduated from Tokyo Denki University in 1975 and previously worked for IBM Japan, Ltd. He was promoted to his current position in September 2008.

Masatoshi Koide
Senior Vice President,
Planning, Government Affairs and Research, Legal, Risk Management

Masatoshi Koide, 50, graduated from Tokyo University in 1984 and from Cornell Law School in 1989. He originally joined Aflac in November 1998 and stayed with Aflac until March 2006. He worked for Nikko Asset Management before he joined Aflac again in December 2008 as vice president. He was promoted to his current position in January 2012 and is a member of the New York State Bar.

Yosuke Miwa
Senior Vice President,
Human Resources, Human Resources Development, General Affairs

Yosuke Miwa, 59, graduated from Keio University in 1976 and joined Aflac in 1979. From 1998 to 2005, he served as general manager in various departments. In November 2005, he was promoted to vice president and to his current position in January 2008.

Yoshifumi Murayama
Senior Vice President,
Marketing Planning, Product Development, Advertising, Marketing Tool Support,Solicitation Management, and Sales Inspection

Yoshifumi Murayama, 52, graduated from Meiji University in 1982 and joined Aflac that same year. After serving as general manager of the Osaka Sales Department 1 in 2005 and 2006, he was named vice president in January 2007. He was promoted to his current position in January 2012.

Koichi Wakasugi
Senior Vice President,
Associates Sales Management, Corporate Marketing Promotion, Market Development, Retail Marketing Promotion, Shop Support, Alliance Business Promotion, Customer Relation Support, and Sales Training

Koichi Wakasugi, 55, graduated from Ryukoku University in 1979 and joined Aflac that same year. After serving as general manager of the Finance Institution, Chugoku Sales and Kinki Sales Departments, he was promoted to vice president of Retail Marketing Promotion in 2005. He was promoted to his current position in January 2012.

Kazuhiro Yamazaki
Senior Vice President,
Financial Management, Financial Accounting, Investment Risk Management, Actuarial Product Development, and Corporate Actuarial

Kazuhiro Yamazaki, 56, earned bachelor's and master's degrees from Waseda University and joined Aflac in 1982. After serving as general manager of the Financial Management and Internal Audit Departments, he was promoted to vice president in 2006. He was promoted to his current position in January 2012. He is a member of the American Institute of Certified Public Accountants, the Institute of Management Accountants and the Institute of Internal Auditors.

Kazumi Atsuta
Vice President, Chief Actuary
Actuarial Product Development; Corporate Actuarial

Kazumi Atsuta, 49, graduated from Chiba University in 1984 and joined Aflac that same year. Before being promoted to his current position in January 2007, he served as general manager of the Product Development, Actuarial Product Development and Corporate Actuarial Departments. In 1992, he gained full membership in the Institute of Actuaries of Japan.

Tomohito Hasumoto
Vice President
Special Assignments

Tomohito Hasumoto, 52, joined Aflac in 2012 as vice president of the IT Division. He graduated from Waseda University in 1984 and previously worked for IBM Japan Ltd., where he led the engineers of all the outsourcing services in Japan, as Director and Competency Executive, to deliver better service and to develop better solutions.

Hideo Hiraide
Vice President,
General Affairs

Hideo Hiraide, 56, graduated from Toyo University in 1979 and joined Aflac that same year. Before being promoted to his current position in January 2011, he served as general manager in four departments including sales and customer services.

Masahiro Hoshino
Vice President,
Tokai Corporate Sales

Masahiro Hoshino, 52, graduated from Chuo University in 1984 and joined Aflac in the following year. He served as general manager for the Hokkaido Sales Department from 2002 through 2004 and for the Shutoken Sales Department 3 in 2005 and 2006. In January 2007, he was promoted to vice president and assumed his current role in January 2012.

Osamu Ishii
Vice President,
Human Resources

Osamu Ishii, 54, graduated from Hitotsubashi University in 1979. Prior to joining Aflac in April 2008, he worked for Dai-ichi Kangyo Bank and also served as vice president and president at DKB Financial Products Inc. and general manager at Mizuho Corporate Bank. He assumed his current role in January 2012. He earned a master's degree in business administration from Massachusetts Institute of Technology in 1995.

Yoko Kijima
Vice President,
Policy Administration Planning, New Business, and Policy Data Administration

Yoko Kijima, 48, graduated from Jissen Women's University in 1986 and joined Aflac that same year. Before being promoted to her current position in January 2012, she served as general manager in policy administration management and contact center management.

Eiko Kisogawa
Vice President,
Policy Maintenance, Premium Accounting 1 and 2

Eiko Kisogawa, 49, graduated from Keio University in 1984 and joined Aflac that same year. In 1999, she earned a master's degree in business administration from Hitotsubashi University. Before being promoted to her current position in January 2012, she served as general manager in four departments.

Riko Kubo
Vice President, Internal Audit Officer;
Internal Audit

Riko Kubo, 50, graduated from Kobe College (Kobe Jogakuin University) in 1984 and originally joined Aflac that same year and stayed with Aflac until 1989. She joined Aflac again in 1996 and served as general manager for the Internal Audit Dept. from 2006 through 2011 and was promoted to her current position in January 2012. She holds the Certified Internal Auditor (CIA) designation.

Masayoshi Kunitani
Vice President,
Wide-area Corporate Sales

Masayoshi Kunitani, 49, graduated from Osaka City University in 1985 and joined Aflac that same year. Before being promoted to his current position in January 2012, he served as general manager in various sales departments.

Tetsuya Kurihara
Vice President,
Underwriting, East and West Japan Claims, Contact Center Management

Tetsuya Kurihara, 51, graduated from Rikkyo University in 1982 and joined Aflac that same year. Before being promoted to his current position in January 2011, he served as general manager in the Financial Institutions Department, the office of the President and the Planning Department. He assumed his current role in January 2012.

Makoto Kurumazuka
Vice President, Corporate Value Enhancement Program;
President, Aflac Technology Services

Makoto Kurumazuka, 45, graduated from Tokyo Metropolitan University in 1987 and joined Aflac that same year. After serving as general manager of the Systems Operations, User Service and Infrastructure Services Departments, he was promoted to vice president in January 2009. He assumed his current role in January 2012.

Iwao Nemoto
Vice President,
Financial Institutions

Iwao Nemoto, 48, graduated from Chuo University in 1985 and joined Aflac that same year. Before being promoted to his current position in January 2007, he served as general manager in the Associates Development Department and the Shutoken Sales Department 2.

Hitoshi Oda
Vice President,
Investments

Hitoshi Oda, 44, graduated from Keio University in 1989. He joined Aflac in 2001 after working for Toyo Trust and Banking (now Mitsubishi UFJ Trust and Banking). After serving as general manager of both the Investment Analysis Department and Asset Management Department, he was promoted to his current position in January 2010. He is a chartered financial analyst certified by the CFA Institute and a charter member of the CFA Society of Japan.

Yasuki Ohkawa
Vice President,
Retail Marketing Promotion

Yasuki Ohkawa, 51,graduated from Musashi University in 1983 and joined Aflac that same year. After serving as general manager of the Tokyo Sales Department 1 and the Human Resources Department for about three years respectively, he was promoted to his current position in January 2009.

Kohichi Ono
Vice President,
Kinki Corporate Sales

Kohichi Ono, 49, graduated from Waseda University in 1984 and joined Aflac that same year. Before being promoted to his current position in January 2007, he served as general manager in two sales departments and in the Marketing Promotion Department.

Takashi Osako
Vice President,
Government Affairs and Research

Takashi Osako, 49, graduated from Kwansei Gakuin University in 1985 and joined Aflac that same year. Before being promoted to vice president in 2004, he served as general manager of the Human Resource System Planning Department in 2001 and as head of the Office of the President in 2002. He assumed his current role in January 2012.

Takahisa Sekine
Vice President,
Financial Institutions

Takahisa Sekine, 49, graduated from Nihon University in 1985 and joined Aflac that same year. After serving as general manager in sales and marketing departments, he was promoted to his current position in January 2012.

Hiroshi Takeuchi
Vice President;
President; Aflac Insurance Services

Hiroshi Takeuchi, 43, graduated from Osaka University in 1991 and earned a master's degree in management engineering from Rensselaer Polytechnic Institute in 1999. He joined Aflac in 2003. In July 2004, he became president of aflacdirect.com and in August 2005, he became second vice president of Aflac Japan. He was promoted to vice president in January 2007. Currently, he also serves as president of Aflac Insurance Services.

Akitoshi Tatsukawa
Vice President;
Kinki Administration

Akitoshi Tatsukawa, 48, graduated from Rikkyo University in 1986 and joined Aflac that same year. Before being promoted to his current position in January 2012, he served as general manager in the Customer Services, East Japan Claims and Kinki Administration departments.

Kenji Usui, CIA
Vice President, Internal Audit Officer;
Risk Management

Kenji Usui, 52, graduated from Meiji University in 1984 and joined Aflac that same year. He served as general manager of the Internal Audit Department and was promoted to vice president in 2002. He assumed his current role in January 2012.

Tomoya Utsude
Vice President,
Planning

Tomoya Utsude, M.D., 49, graduated from the Medical School of Tokyo University in 1986 and joined Aflac in 1994. Before he became vice president in 2003, he worked as medical director and managed the Medical Underwriting Department from 1996 to 2000. Before joining Aflac, he was trained and had practical experience as a surgeon at the Tokyo University Hospital and as a surgical pathologist at the Cancer Institute, Japanese Foundation for Cancer Research. He assumed his current role in January 2012.

Yoshiki "Paul" Otake
Founder,
Executive Advisor

Paul Otake, 72, is the founder and retired chairman of Aflac Japan. A graduate of Hiroshima Prefectural University, he joined American International Underwriters (AIU) in 1967. He established the International Insurance Agency Group (IAG) in 1972. He was a representative to Aflac's Tokyo office before the establishment of the Japan branch in 1974 and served as vice president, marketing, from 1974 until he was promoted to president of Aflac Japan in 1986. He was named chairman of Aflac Japan in 1995, and he became executive advisor in January 2003 after retiring as chairman.

Ichiro Murakami
General Manager, Investor Relations;
Support Department, Aflac Japan

Ichiro Murakami, 54, graduated from Tokyo University in 1980 and joined Aflac in 2005. Prior to joining Aflac, he worked for the Long-Term Credit Bank of Japan, where he worked in several capacities, including investor relations for the bank. He assumed his current position in January 2011 after serving Aflac Japan as a general manager for bank sales for more than five years.

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N Y S E : A F L

Aflac Incorporated

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