

# Financial Analysts Briefing Supplement Second Quarter 2010

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

Aflac believes that an analysis of operating earnings, a non-GAAP financial measure, is vitally important to an understanding of the company's underlying profitability drivers. Aflac defines operating earnings as the profits derived from operations before realized investment gains and losses, the impact from ASC 815 (or hedging activities), and nonrecurring items. Management uses operating earnings to evaluate the financial performance of Aflac's insurance operations because realized gains and losses, the impact from ASC 815, and nonrecurring items tend to be driven by general economic conditions and events, and therefore may obscure the underlying fundamentals and trends in Aflac's insurance operations. A reconciliation of operating earnings to net earning is included on page 5.

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

On January 1, 2010, the company adopted SFAS 167, which resulted in the consolidation of certain company investments into Qualified Special Purpose Entities (QSPEs) and Variable Interest Entities (VIEs). As a result, the interest rate and/or foreign currency swaps in these QSPEs and VIEs are now marked to market with the impact being included under realized investment gains and losses and therefore, excluded from operating earnings.

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**For more information, contact:**

**Kenneth S. Janke Jr. or  
Robin Y. Wilkey  
800.235.2667, option 3  
Fax. 706.324.6330  
aflac.com**

**Stock Price Range and Other Data**

Year	Total Actual Shares Traded (000 omitted)	Price Range			Year Close % Change	AFL Relative Perform. to S&P 500 Composite Avg. (1994 Close = 100)	Annual Relative % Change	AFL Relative Perform. to S&P Life Composite Avg. (1994 Close = 100)	Annual Relative % Change
		High	Low	Close					
1974	—	\$ .13	\$ .06	\$ .06	—	—	—	—	
1975 *	3,084	.21	.06	.18	218.2 %	—	—	—	
1976	2,883	.28	.17	.28	57.1	—	—	—	
1977	2,624	.32	.25	.29	5.5	—	—	—	
1978	5,154	.40	.22	.23	(20.7)	—	—	—	
1979	3,290	.36	.21	.28	21.7	—	—	—	
1980	3,494	.29	.18	.19	(32.1)	—	—	—	
1981	2,484	.26	.18	.20	2.6	—	—	—	
1982	4,243	.42	.19	.39	97.4	—	—	—	
1983	4,502	.61	.38	.61	58.4	—	—	—	
1984	5,201	.84	.46	.78	27.9	—	—	—	
1985	13,408	1.56	.77	1.39	77.6	—	—	—	
1986	19,387	2.50	1.39	1.74	25.3	—	—	—	
1987	49,914	2.47	1.32	1.89	8.6	—	—	—	
1988	27,245	2.27	1.54	1.84	(2.7)	—	—	—	
1989	70,347	3.00	1.79	2.40	30.8	—	—	—	
1990	38,959	2.57	1.62	2.55	6.3	—	—	—	
1991	39,803	4.15	2.39	3.99	56.3	—	—	—	
1992	35,563	4.65	3.20	4.60	15.4	—	—	—	
1993	40,913	5.67	4.13	4.75	3.3	—	—	—	
1994	46,430	6.02	4.21	5.34	12.3	100.0	100.0	—	
1995	52,772	7.46	5.32	7.25	35.9	101.4	96.5	(3.5) %	
1996	62,101	11.00	7.07	10.69	47.4	124.3	120.2	24.5	
1997	61,771	14.47	9.38	12.78	19.6	113.4	116.3	(3.2)	
1998	100,659	22.66	11.35	21.94	71.7	153.7	192.3	65.4	
1999	180,514	28.38	19.50	23.60	7.5	138.3	244.9	27.3	
2000	218,965	37.47	16.78	36.10	53.0	235.5	335.8	37.1	
2001	418,406	36.10	23.00	24.56	(32.0)	184.2	251.3	(25.2)	
2002	485,387	33.45	23.10	30.12	22.6	294.8	373.5	48.6	
2003	479,602	36.91	28.00	36.18	20.1	280.2	358.0	(4.1)	
2004	397,333	42.60	33.85	39.84	10.1	283.1	327.5	(8.5)	
2005	405,829	49.65	35.50	46.42	16.5	320.2	315.7	(3.6)	
2006	437,580	49.40	41.63	46.00	(.9)	279.3	272.1	(13.8)	
2007	558,870	63.91	45.18	62.63	36.2	367.3	338.4	24.4	
2008	984,507	68.81	29.68	45.84	(26.8)	437.1	490.8	45.0	
<b>2009</b>	<b>1,796,345</b>	<b>47.75</b>	<b>10.83</b>	<b>46.25</b>	<b>.9</b>	<b>357.2</b>	<b>437.5</b>	<b>(10.9)</b>	
6/09	1,292,546	46.96	10.83	31.09	(32.2)	291.2	379.3	(22.7)	
<b>6/10</b>	<b>534,516</b>	<b>56.56</b>	<b>39.91</b>	<b>42.67</b>	<b>(7.7)</b>	<b>356.5</b>	<b>392.1</b>	<b>(10.4)</b>	

\*First full year traded on NYSE

## Price Performance of Aflac Incorporated and Market Indexes

(Relative Performance Based on 1994 Closing Prices)

December 31

	1994	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Aflac</b>	<b>5.33</b>	<b>10.69</b>	<b>12.78</b>	<b>21.94</b>	<b>23.60</b>	<b>36.10</b>	<b>24.56</b>	<b>30.12</b>	<b>36.18</b>	<b>39.84</b>	<b>46.42</b>	<b>46.00</b>	<b>62.63</b>	<b>45.84</b>	<b>46.25</b>
Rel. Perf.		2.0	2.4	4.1	4.4	6.8	4.6	5.6	6.8	7.5	8.7	8.6	11.7	8.6	8.7
<b>Dow Jones Ind.</b>	<b>3834.44</b>	<b>6448.27</b>	<b>7908.25</b>	<b>9181.43</b>	<b>11497.12</b>	<b>10786.85</b>	<b>10021.50</b>	<b>8341.63</b>	<b>10453.92</b>	<b>10783.01</b>	<b>10717.50</b>	<b>12463.15</b>	<b>13264.82</b>	<b>8776.39</b>	<b>10428.05</b>
Rel. Perf.		1.7	2.1	2.4	3.0	2.8	2.6	2.2	2.7	2.8	2.8	3.3	3.5	2.3	2.7
<b>S&amp;P Life</b>	<b>100.00</b>	<b>166.80</b>	<b>206.02</b>	<b>213.90</b>	<b>180.70</b>	<b>201.57</b>	<b>183.25</b>	<b>151.23</b>	<b>189.51</b>	<b>228.11</b>	<b>275.73</b>	<b>317.00</b>	<b>347.08</b>	<b>175.15</b>	<b>198.22</b>
Rel. Perf.		1.7	2.1	2.1	1.8	2.0	1.8	1.5	1.9	2.3	2.8	3.2	3.5	1.8	2.0
<b>NYSE Comp.</b>	<b>2653.37</b>	<b>4148.07</b>	<b>5405.19</b>	<b>6299.93</b>	<b>6876.10</b>	<b>6945.57</b>	<b>6236.39</b>	<b>5000.00</b>	<b>6464.00</b>	<b>7250.06</b>	<b>7753.95</b>	<b>9139.02</b>	<b>9740.32</b>	<b>5757.05</b>	<b>7184.96</b>
Rel. Perf.		1.6	2.0	2.4	2.6	2.6	2.4	1.9	2.4	2.7	2.9	3.4	3.7	2.2	2.7
<b>S&amp;P 500</b>	<b>459.27</b>	<b>740.74</b>	<b>970.43</b>	<b>1229.23</b>	<b>1469.25</b>	<b>1320.28</b>	<b>1148.08</b>	<b>879.82</b>	<b>1111.92</b>	<b>1211.92</b>	<b>1248.29</b>	<b>1418.30</b>	<b>1468.36</b>	<b>903.25</b>	<b>1115.10</b>
Rel. Perf.		1.6	2.1	2.7	3.2	2.9	2.5	1.9	2.4	2.6	2.7	3.1	3.2	2.0	2.4
<b>Nikkei</b>	<b>19723.06</b>	<b>19361.35</b>	<b>15258.74</b>	<b>13842.17</b>	<b>18934.34</b>	<b>13785.69</b>	<b>10542.62</b>	<b>8578.95</b>	<b>10676.64</b>	<b>11488.76</b>	<b>16111.43</b>	<b>17225.83</b>	<b>15307.78</b>	<b>8859.56</b>	<b>10546.44</b>
Rel. Perf.		1.0	.8	.7	1.0	.7	.5	.4	.5	.6	.8	.9	.8	.4	.5

### Relative Performance AFL/Other Averages

(1994 Close = 100)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
AFL/DJIA	119.2	116.2	171.8	147.6	240.6	176.2	259.6	248.8	265.6	311.4	265.4	339.5	375.5	318.9
AFL/S&P Life	120.2	116.3	192.3	244.9	335.8	251.3	373.5	358.0	327.5	315.7	272.1	338.4	490.8	437.5
AFL/NYSE Comp.	128.2	117.6	173.3	170.8	258.6	195.9	299.7	278.5	273.4	297.9	250.4	319.9	396.2	320.3
AFL/S&P 500	124.3	113.4	153.7	138.3	235.5	184.2	294.8	280.2	283.1	320.2	279.3	367.3	437.1	357.2
AFL/Nikkei	204.2	309.8	586.2	461.0	968.5	861.6	1298.4	1253.2	1282.5	1065.5	987.6	1513.1	1913.5	1621.8

### Annual Percent Change in Relative Performance

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
AFL/DJIA	17.0	(2.5)	47.9	(14.1)	63.0	(26.8)	47.3	(4.2)	6.8	17.2	(14.8)	27.9	10.6	(15.1)
AFL/S&P Life	24.5	(3.2)	65.4	27.3	37.1	(25.2)	48.6	(4.1)	(8.5)	(3.6)	(13.8)	24.4	45.0	(10.8)
AFL/NYSE Comp.	23.8	(8.3)	47.3	(1.4)	51.4	(24.2)	53.0	(7.1)	(1.8)	9.0	(15.9)	27.7	23.8	(19.2)
AFL/S&P 500	22.6	(8.7)	35.5	(10.0)	70.2	(21.8)	60.1	(5.0)	1.0	13.1	(12.8)	31.5	19.0	(18.3)
AFL/Nikkei	51.3	51.7	89.2	(21.4)	110.1	(11.0)	50.7	(3.5)	2.3	(16.9)	(7.3)	53.2	26.5	(15.2)

### AFL Trading Volume

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
No. Shar. Trad.(Act.) (000 omitted)	62,101	61,771	100,659	180,514	218,965	418,406	485,387	479,602	397,333	405,829	437,580	558,870	984,507	1,796,345

## Price Performance of Aflac Incorporated and Market Indexes

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

	<u>12/31/09</u>	<u>1/31/10</u>	<u>2/28/10</u>	<u>3/31/10</u>	<u>4/30/10</u>	<u>5/31/10</u>	<u>6/30/10</u>
<b>Aflac</b>	<b>46.25</b>	<b>48.43</b>	<b>49.45</b>	<b>54.29</b>	<b>50.96</b>	<b>44.30</b>	<b>42.67</b>
Rel. Perf.	8.7	9.1	9.3	10.2	9.6	8.3	8.0
<b>Dow Jones Ind.</b>	<b>10428.05</b>	<b>10067.33</b>	<b>10325.26</b>	<b>10856.63</b>	<b>11008.61</b>	<b>10136.63</b>	<b>9774.02</b>
Rel. Perf.	2.7	2.6	2.7	2.8	2.9	2.6	2.5
<b>S&amp;P Life</b>	<b>198.22</b>	<b>199.81</b>	<b>206.32</b>	<b>240.74</b>	<b>243.87</b>	<b>218.81</b>	<b>204.07</b>
Rel. Perf.	2.0	2.0	2.1	2.4	2.4	2.2	2.0
<b>NYSE Comp.</b>	<b>7184.96</b>	<b>6883.78</b>	<b>7035.04</b>	<b>7447.80</b>	<b>7474.40</b>	<b>6791.57</b>	<b>6469.65</b>
Rel. Perf.	2.7	2.6	2.7	2.8	2.8	2.6	2.4
<b>S&amp;P 500</b>	<b>1115.10</b>	<b>1073.87</b>	<b>1104.49</b>	<b>1169.43</b>	<b>1186.69</b>	<b>1089.41</b>	<b>1030.71</b>
Rel. Perf.	2.4	2.3	2.4	2.5	2.6	2.4	2.2
<b>Nikkei</b>	<b>10546.44</b>	<b>10198.04</b>	<b>10126.03</b>	<b>11089.94</b>	<b>11057.40</b>	<b>9768.70</b>	<b>9382.64</b>
Rel. Perf.	.5	.5	.5	.6	.6	.5	.5

### Relative Performance AFL/Other Averages

(1994 Close = 100)

	<u>12/31/09</u>	<u>1/31/10</u>	<u>2/28/10</u>	<u>3/31/10</u>	<u>4/30/10</u>	<u>5/31/10</u>	<u>6/30/10</u>
AFL/DJIA	318.9	345.9	344.3	359.5	332.8	314.2	313.9
AFL/S&P Life	437.5	454.5	449.4	422.9	391.8	379.6	392.1
AFL/NYSE Comp.	320.3	350.0	349.7	362.7	339.2	324.5	328.1
AFL/S&P 500	357.2	388.4	385.6	399.8	369.8	350.2	356.5
AFL/Nikkei	1621.8	1756.3	1806.1	1810.5	1704.4	1677.1	1681.9

### Monthly Percent Change in Relative Performance

	<u>12/31/09</u>	<u>1/31/10</u>	<u>2/28/10</u>	<u>3/31/10</u>	<u>4/30/10</u>	<u>5/31/10</u>	<u>6/30/10</u>
AFL/DJIA	(.3)	8.5	(.4)	4.4	(7.4)	(5.6)	(.1)
AFL/S&P Life	(.9)	3.9	(1.1)	(5.9)	(7.3)	(3.1)	3.3
AFL/NYSE Comp.	(.8)	9.3	(.1)	3.7	(6.5)	(4.3)	1.1
AFL/S&P 500	(1.3)	8.7	(.7)	3.7	(7.5)	(5.3)	1.8
AFL/Nikkei	(11.0)	8.3	2.8	.2	(5.9)	(1.6)	.3

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

	<u>12/31/09</u>	<u>1/31/10</u>	<u>2/28/10</u>	<u>3/31/10</u>	<u>4/30/10</u>	<u>5/31/10</u>	<u>6/30/10</u>
High	47.75	52.16	51.90	55.20	56.56	51.74	46.20
Low	45.00	46.50	45.78	49.53	48.73	40.32	39.91
Close	46.25	48.43	49.45	54.29	50.96	44.30	42.67
No. Shar. Trad.(Act.) (000 omitted)	61,947	65,416	78,048	60,615	77,349	143,628	109,459

**Aflac Incorporated and Subsidiaries**

**Share Data**  
(In thousands)

		Beginning Shares Outstanding	Shares Issued		Shares Purchased		Ending Shares Outstanding	QTD Weighted Avg. Shares			YTD Weighted Avg. Shares		
			Stk. Bon. & DRP	Stk. Opt. & Misc.	Treas. Shares	Misc. Purch.*		Avg. Shares	Dilutive Shares	Avg. Diluted	Avg. Shares	Dilutive Shares	Avg. Diluted
2005	1	503,608	382	939	2,942	–	501,987	502,706	6,743	509,449	502,706	6,743	509,449
	2	501,987	443	1,450	2,640	68	501,172	501,426	6,576	508,002	502,063	6,659	508,722
	3	501,172	323	876	2,000	88	500,283	500,557	6,766	507,323	501,555	6,695	508,250
	4	500,283	328	790	2,418	89	498,894	499,112	6,972	506,084	500,939	6,764	507,704
2006	1	498,894	337	1,268	2,066	2	498,431	498,037	6,537	504,574	498,037	6,537	504,574
	2	498,431	413	332	2,052	–	497,124	496,951	6,335	503,286	497,491	6,436	503,927
	3	497,124	343	212	3,013	–	494,666	494,923	6,029	500,952	496,626	6,300	502,926
	4	494,666	368	703	3,134	53	492,550	492,614	5,950	498,564	495,614	6,213	501,827
2007	1	492,550	357	987	5,062	–	488,832	490,554	6,104	496,658	490,554	6,104	496,658
	2	488,832	407	1,428	2,000	184	488,483	487,900	6,327	494,227	489,219	6,216	495,435
	3	488,483	333	1,241	2,000	305	487,752	487,065	5,754	492,819	488,493	6,062	494,555
	4	487,752	302	557	2,011	70	486,530	486,017	6,223	492,240	487,869	6,102	493,971
2008	1	486,530	324	840	12,500	103	475,091	478,138	6,279	484,417	478,138	6,279	484,417
	2	475,091	364	578	–	6	476,027	474,383	6,445	480,828	476,261	6,362	482,623
	3	476,027	348	183	–	5	476,553	475,357	5,388	480,745	476,076	6,037	482,113
	4	476,553	487	308	10,701	32	466,615	465,450	3,528	468,978	473,405	5,410	478,815
2009	1	466,615	355	539	–	85	467,424	466,097	1,035	467,132	466,097	1,035	467,132
	2	467,424	–	64	–	4	467,484	466,401	1,884	468,285	466,249	1,460	467,709
	3	467,484	–	345	–	52	467,777	466,586	3,128	469,714	466,362	2,016	468,378
	4	467,777	–	914	–	123	468,568	467,128	3,993	471,121	466,552	2,511	469,063
2010	1	468,568	–	948	–	94	469,422	467,926	4,524	472,450	467,926	4,524	472,450
	2	<b>469,422</b>	–	<b>1,348</b>	–	<b>1</b>	<b>470,769</b>	<b>468,824</b>	<b>3,715</b>	<b>472,539</b>	<b>468,377</b>	<b>4,120</b>	<b>472,497</b>

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

## Aflac Incorporated and Subsidiaries

### Summary of Operating Results by Business Segment

(In Millions, except per-share data)

	Years Ended December 31,					3 Months Ended June 30,			6 Months Ended June 30,		
	2005	2006	2007	2008	2009	2009	2010	% Change	2009	2010	% Change
Aflac Japan	\$ 1,515	\$ 1,652	\$ 1,821	\$ 2,250	\$ 2,800	\$ 679	\$ 798	17.4 %	\$ 1,361	\$ 1,619	19.0 %
Aflac U.S.	525	585	692	745	776	198	227	15.0	402	471	17.3
Interest expense, non-insurance operations	(20)	(17)	(21)	(26)	(73)	(17)	(31)		(24)	(63)	
Parent company, other operations and eliminations	(41)	(35)	(25)	(43)	(68)	(6)	(16)		(15)	(29)	
Pretax operating earnings	1,979	2,185	2,467	2,926	3,435	854	978	14.6	1,724	1,998	15.9
Income taxes	687	753	854	1,014	1,158	292	339	16.0	595	693	16.6
Operating earnings*	1,292	1,432	1,613	1,912	2,277	562	639	13.8	1,129	1,305	15.6
Reconciling items:											
Impact from ASC No. 815, net of tax	(10)	—	2	(3)	(3)	—	—		(3)	—	
Realized investment gains (losses), net of tax	167	51	19	(655)	(788)	(249)	(58)		(255)	(88)	
Gross gain on extinguishment of debt	—	—	—	—	11	1	—		11	—	
Japanese pension obligation transfer, net of tax	—	—	—	—	—	—	—		—	—	
Release of deferred tax asset valuation allowance	34	—	—	—	—	—	—		—	—	
Net earnings	\$ 1,483	\$ 1,483	\$ 1,634	\$ 1,254	\$ 1,497	\$ 314	\$ 581	85.3 %	\$ 882	\$ 1,217	38.0 %
Earnings per share of common stock:											
Net earnings (basic)	\$ 2.96	\$ 2.99	\$ 3.35	\$ 2.65	\$ 3.21	\$ .67	\$ 1.24	85.1 %	\$ 1.89	\$ 2.60	37.6 %
Net earnings (diluted)	2.92	2.95	3.31	2.62	3.19	.67	1.23	83.6	1.89	2.58	36.5
Operating earnings (basic)	\$ 2.58	\$ 2.89	\$ 3.31	\$ 4.04	\$ 4.88	\$ 1.20	\$ 1.36	13.3 %	\$ 2.42	\$ 2.79	15.3 %
Operating earnings (diluted)	2.54	2.85	3.27	3.99	4.85	1.20	1.35	12.5	2.42	2.76	14.0

\* See definition on cover page

Numbers may fail to foot due to rounding  
Aflac Group Insurance included starting 4th quarter 2009

**Aflac Incorporated and Subsidiaries**

**Consolidated Statements of Earnings**

(In Millions, except per-share data)

	Years Ended December 31,					3 Months Ended June 30,			6 Months Ended June 30,		
	2005	2006	2007	2008	2009	2009	2010	% Change	2009	2010	% Change
<b>Revenues:</b>											
Premiums, principally supplemental health	\$ 11,990	\$ 12,314	\$ 12,973	\$ 14,947	\$ 16,621	\$ 3,995	\$ 4,333	8.5 %	\$ 8,110	\$ 8,681	7.1 %
Net investment income	2,071	2,171	2,333	2,578	2,765	668	727	8.8	1,356	1,453	7.2
Realized investment gains (losses)	262	79	28	(1,007)	(1,212)	(383)	(89)		(392)	(135)	
Other income	40	52	59	36	80	33	9		57	45	
Total revenues	<u>14,363</u>	<u>14,616</u>	<u>15,393</u>	<u>16,554</u>	<u>18,254</u>	<u>4,313</u>	<u>4,980</u>	15.5	<u>9,131</u>	<u>10,044</u>	10.0
<b>Benefits and expenses:</b>											
Benefits and claims	8,890	9,016	9,285	10,499	11,308	2,723	2,885	5.9	5,534	5,741	3.7
Acquisition and operating expenses:											
Amortization of D.A.C.	542	574	640	775	942	225	229		475	509	
Insurance commissions	1,302	1,303	1,331	1,460	1,568	381	398		770	801	
Insurance expenses	1,281	1,337	1,491	1,743	1,977	462	508		919	988	
Interest expense	23	19	27	29	72	14	33		21	66	
Other operating expense	99	103	120	134	152	35	38		68	76	
Total acquisition and operating expenses	<u>3,247</u>	<u>3,336</u>	<u>3,609</u>	<u>4,141</u>	<u>4,711</u>	<u>1,117</u>	<u>1,206</u>	8.0	<u>2,253</u>	<u>2,440</u>	8.3
Total benefits and expenses	<u>12,137</u>	<u>12,352</u>	<u>12,894</u>	<u>14,640</u>	<u>16,019</u>	<u>3,840</u>	<u>4,091</u>	6.5	<u>7,787</u>	<u>8,181</u>	5.1
Pretax earnings	2,226	2,264	2,499	1,914	2,235	473	889		1,344	1,863	
Income taxes	<u>743</u>	<u>781</u>	<u>865</u>	<u>660</u>	<u>738</u>	<u>159</u>	<u>308</u>		<u>462</u>	<u>646</u>	
Net earnings	<u>\$ 1,483</u>	<u>\$ 1,483</u>	<u>\$ 1,634</u>	<u>\$ 1,254</u>	<u>\$ 1,497</u>	<u>\$ 314</u>	<u>\$ 581</u>	85.3 %	<u>\$ 882</u>	<u>\$ 1,217</u>	38.0 %
Operating earnings *	<u>\$ 1,292</u>	<u>\$ 1,432</u>	<u>\$ 1,613</u>	<u>\$ 1,912</u>	<u>\$ 2,277</u>	<u>\$ 562</u>	<u>\$ 639</u>	13.8 %	<u>\$ 1,129</u>	<u>\$ 1,305</u>	15.6 %
<b>Earnings Per Share of common stock:</b>											
Net earnings (basic)	\$ 2.96	\$ 2.99	\$ 3.35	\$ 2.65	\$ 3.21	\$ .67	\$ 1.24	85.1 %	\$ 1.89	\$ 2.60	37.6 %
Net earnings (diluted)	2.92	2.95	3.31	2.62	3.19	.67	1.23	83.6	1.89	2.58	36.5
Operating earnings (basic) *	\$ 2.58	\$ 2.89	\$ 3.31	\$ 4.04	\$ 4.88	\$ 1.20	\$ 1.36	13.3 %	\$ 2.42	\$ 2.79	15.3 %
Operating earnings (diluted) *	2.54	2.85	3.27	3.99	4.85	1.20	1.35	12.5	2.42	2.76	14.0

\* See definition of operating earnings on cover page

Aflac Group Insurance included starting 4th quarter 2009

**Aflac Incorporated and Subsidiaries**

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

(In Millions, except for per-share data)

		<b>Net Earnings</b>	<b>Real. Inv. Gains/ (Losses)</b>	<b>Impact From ASC No. 815</b>	<b>Non-Recurring Items</b>	<b>Currency Impact</b>	<b>Net Earnings Per Share</b>	<b>Real. Inv. Gains/ (Losses) Per Share</b>	<b>Impact From ASC No. 815 Per Share</b>	<b>Non-Recurring Items Per Share</b>	<b>Currency Impact Per Share</b>
2001	\$	687	\$ (34)	\$ 1	\$ -	\$ (37)	\$ 1.28	\$ (.06)	\$ -	\$ -	\$ (.07)
2002		785	(15)	37	(26)	(10)	1.49	(.03)	.07	(.05)	(.02)
2003		768	(191)	(3)	-	33	1.47	(.37)	-	-	.06
2004		1,266	(5)	(13)	131	39	2.45	(.01)	(.03)	.26	.08
2005		1,483	167	(10)	34	(8)	2.92	.33	(.02)	.07	(.02)
2006		1,483	51	-	-	(39)	2.95	.10	-	-	(.08)
2007		1,634	18	2	-	(11)	3.31	.04	-	-	(.02)
2008		1,254	(655)	(3)	-	111	2.62	(1.37)	-	-	.23
2009		1,497	(788)	(3)	11	124	3.19	(1.67)	(.01)	.02	.26
2007	1	416	9	-	-	(4)	.84	.02	-	-	(.01)
	2	415	9	-	-	(11)	.84	.02	-	-	(.02)
	3	420	1	2	-	(3)	.85	-	-	-	-
	4	382	(1)	1	-	7	.78	-	-	-	.01
2008	1	474	(4)	3	-	25	.98	(.01)	.01	-	.05
	2	483	(1)	(3)	-	38	1.00	-	(.01)	-	.08
	3	100	(389)	(4)	-	20	.21	(.81)	-	-	.04
	4	197	(262)	1	-	28	.42	(.56)	-	-	.07
2009	1	569	(6)	(3)	10	41	1.22	(.01)	(.01)	.02	.09
	2	314	(249)	-	1	24	.67	(.53)	-	-	.05
	3	363	(226)	-	-	42	.77	(.48)	-	-	.09
	4	251	(307)	-	-	17	.53	(.65)	-	-	.03
2010	1	636	(30)	-	-	22	1.35	(.06)	-	-	.05
	2	<b>581</b>	<b>(58)</b>	-	-	<b>12</b>	<b>1.23</b>	<b>(.12)</b>	-	-	<b>.02</b>

*Adjusted to reflect ASC 718 beginning in 2002*

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

*Aflac Group Insurance included starting 4th quarter 2009*

## Aflac Incorporated and Subsidiaries

### Consolidated Balance Sheets

(In Millions, except per-share data)

	December 31,					June 30,	
	2005	2006	2007	2008	2009	2009	2010
<b>Assets:</b>							
Investments and cash:							
Securities available for sale:							
Fixed Maturities	\$ 28,142	\$ 28,805	\$ 30,511	\$ 35,012	\$ 36,781	\$ 32,982	\$ 38,451
Fixed Maturities - consolidated variable interest entities	—	—	—	—	—	—	4,767
Perpetual securities	4,365	4,403	4,090	8,047	7,263	7,226	5,758
Perpetual securities - consolidated variable interest entities	—	—	—	—	—	—	1,383
Equity securities	89	30	27	27	24	26	23
Securities held to maturity:							
Fixed Maturities	10,867	13,483	16,819	24,436	26,687	23,559	26,289
Fixed Maturities - consolidated variable interest entities	—	—	—	—	—	—	565
Perpetual securities	4,172	3,990	3,985	—	—	—	—
Other Investments	57	58	61	87	114	90	112
Cash and cash equivalents	1,297	1,203	1,563	941	2,323	1,689	2,184
Total investments and cash	<u>48,989</u>	<u>51,972</u>	<u>57,056</u>	<u>68,550</u>	<u>73,192</u>	<u>65,572</u>	<u>79,532</u>
Receivables, primarily premiums	584	535	732	920	764	840	659
Accrued investment income	484	538	561	650	649	627	704
Deferred policy acquisition costs	5,590	6,025	6,654	8,237	8,533	8,089	8,941
Property and equipment, net	448	458	496	597	593	579	594
Other assets	266	277	306	377	375	334	809
Total assets	<u>\$ 56,361</u>	<u>\$ 59,805</u>	<u>\$ 65,805</u>	<u>\$ 79,331</u>	<u>\$ 84,106</u>	<u>\$ 76,041</u>	<u>\$ 91,239</u>
<b>Liabilities and Shareholders' Equity:</b>							
Liabilities:							
Total policy liabilities	\$ 42,329	\$ 45,440	\$ 50,676	\$ 66,219	\$ 69,245	\$ 64,795	\$ 73,810
Notes payable	1,395	1,426	1,465	1,721	2,599	1,997	2,653
Income taxes, primarily deferred	2,577	2,462	2,531	1,201	1,653	880	1,964
Other liabilities	2,133	2,136	2,338	3,551	2,192	2,019	2,782
Total liabilities	<u>48,434</u>	<u>51,464</u>	<u>57,010</u>	<u>72,692</u>	<u>75,689</u>	<u>69,691</u>	<u>81,209</u>
Shareholders' equity:							
Common stock	65	66	66	66	66	66	66
Additional paid-in capital	791	895	1,054	1,184	1,228	1,201	1,271
Retained earnings	8,048	9,304	10,637	11,306	12,410	12,058	13,340
Accumulated other comprehensive income:							
Unrealized foreign currency translation	77	54	129	750	776	591	599
Unrealized gains on investment securities	1,917	1,450	874	(1,211)	(640)	(2,126)	139
Unrealized gains on derivatives	—	—	—	—	—	—	(3)
Pension liability adjustment	(37)	(78)	(69)	(121)	(107)	(117)	(106)
Treasury stock	<u>(2,934)</u>	<u>(3,350)</u>	<u>(3,896)</u>	<u>(5,335)</u>	<u>(5,316)</u>	<u>(5,323)</u>	<u>(5,276)</u>
Total shareholders' equity	<u>7,927</u>	<u>8,341</u>	<u>8,795</u>	<u>6,639</u>	<u>8,417</u>	<u>6,350</u>	<u>10,030</u>
Total liabilities & shareholders' equity	<u>\$ 56,361</u>	<u>\$ 59,805</u>	<u>\$ 65,805</u>	<u>\$ 79,331</u>	<u>\$ 84,106</u>	<u>\$ 76,041</u>	<u>\$ 91,239</u>

Amounts have been adjusted for adoption of SAB No. 108 on January 1, 2006

Aflac Group Insurance included starting 4th quarter 2009

**Aflac Incorporated and Subsidiaries**

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

	Premium Income	Net Invest. Income	Total Rev.	Benefits & Claims	Total Acqu. & Oper. Exp.	Total Benefits & Exp.	Total Pretax Earn.	Oper. Earn. *	Net Earn.	Oper. EPS *		Net EPS		Total Assets	Invest. & Cash	Equity Per Share	Unreal. G/L on Sec. Per Share	Equity excl G/L on Sec. Per Share
										Basic	Dil.	Basic	Dil.					
2002 1	1,998	381	2,371	1,534	561	2,095	276	184	174	.35	.35	.34	.33	37,379	32,290	10.23	3.30	6.93
2	2,097	397	2,513	1,610	590	2,200	313	193	203	.37	.36	.39	.38	41,941	36,344	11.28	4.03	7.25
3	2,253	418	2,707	1,735	625	2,360	347	200	230	.39	.38	.44	.44	42,893	37,267	11.85	4.29	7.56
4	2,247	418	2,666	1,711	669	2,380	286	212	178	.41	.40	.35	.34	45,058	39,147	12.43	4.70	7.74
2003 1	2,372	430	2,807	1,800	645	2,445	362	236	230	.46	.45	.44	.43	45,341	39,415	13.62	5.57	8.05
2	2,407	436	2,861	1,827	665	2,492	370	232	241	.45	.44	.47	.47	47,830	41,656	14.74	6.36	8.38
3	2,478	448	2,931	1,872	693	2,565	366	239	231	.47	.46	.45	.44	49,236	42,711	13.01	3.93	8.65
4	2,664	473	2,847	2,029	718	2,747	100	256	67	.50	.49	.13	.13	50,964	44,051	13.04	4.54	8.50
2004 1	2,773	474	3,280	2,078	736	2,814	466	284	304	.56	.55	.60	.59	53,289	46,379	13.76	4.90	8.87
2	2,768	484	3,233	2,068	752	2,819	414	284	258	.56	.55	.51	.50	52,130	45,136	12.17	2.89	9.27
3	2,822	491	3,321	2,124	745	2,869	452	292	293	.58	.57	.58	.57	52,913	46,032	14.32	4.69	9.64
4	2,939	509	3,448	2,212	794	3,006	442	293	410	.58	.57	.81	.80	59,326	51,955	15.04	4.80	10.24
2005 1	3,041	514	3,559	2,266	787	3,053	506	335	328	.67	.66	.65	.64	57,041	49,755	15.49	4.88	10.61
2	3,020	518	3,567	2,229	822	3,051	516	326	336	.65	.64	.67	.66	57,995	50,547	16.88	5.86	11.02
3	2,997	522	3,669	2,237	787	3,024	645	333	455	.67	.66	.91	.90	57,453	49,917	16.00	4.35	11.65
4	2,931	517	3,567	2,157	851	3,008	559	298	364	.60	.59	.73	.72	56,361	48,989	15.89	3.84	12.05
2006 1	3,005	524	3,559	2,181	803	2,984	574	364	375	.73	.72	.75	.74	56,136	48,865	15.48	2.61	12.87
2	3,093	542	3,697	2,243	830	3,073	624	376	408	.76	.75	.82	.81	57,432	49,795	14.70	1.17	13.53
3	3,102	548	3,672	2,291	824	3,115	558	363	367	.73	.72	.74	.73	58,353	50,686	16.51	2.58	13.93
4	3,114	557	3,687	2,300	880	3,180	507	329	332	.67	.66	.67	.67	59,805	51,972	16.93	2.94	13.99
2007 1	3,156	566	3,751	2,258	857	3,115	636	407	416	.83	.82	.85	.84	61,192	53,268	17.37	2.80	14.56
2	3,162	572	3,764	2,266	863	3,129	635	407	415	.83	.82	.85	.84	60,114	52,197	16.77	1.80	14.97
3	3,260	592	3,861	2,331	888	3,219	642	417	420	.86	.85	.86	.85	63,576	55,073	17.33	1.55	15.78
4	3,395	604	4,018	2,431	1,002	3,433	585	382	382	.79	.78	.79	.78	65,805	57,056	18.08	1.80	16.28
2008 1	3,635	627	4,267	2,538	1,003	3,541	726	475	474	.99	.98	.99	.98	72,269	62,788	17.12	.49	16.63
2	3,684	637	4,336	2,575	1,021	3,596	740	487	483	1.03	1.01	1.02	1.00	70,552	60,892	16.59	(.45)	17.04
3	3,647	637	3,691	2,551	992	3,543	148	493	100	1.04	1.02	.21	.21	70,457	60,727	13.64	(1.85)	15.49
4	3,981	677	4,260	2,835	1,124	3,959	301	458	197	.98	.98	.42	.42	79,331	68,550	14.23	(2.60)	16.82
2009 1	4,115	688	4,818	2,811	1,136	3,947	871	568	569	1.22	1.22	1.22	1.22	71,815	61,729	11.12	(6.39)	17.51
2	3,995	668	4,313	2,723	1,117	3,840	473	562	314	1.20	1.20	.67	.67	76,041	65,572	13.58	(4.55)	18.13
3	4,165	692	4,526	2,817	1,160	3,977	549	589	363	1.26	1.25	.78	.77	82,616	71,625	16.85	(2.38)	19.23
4	4,347	717	4,597	2,956	1,298	4,254	343	558	251	1.19	1.18	.54	.53	84,106	73,192	17.96	(1.37)	19.33
2010 1	4,348	726	5,065	2,857	1,234	4,091	974	666	636	1.42	1.41	1.36	1.35	85,178	73,998	19.14	(.46)	19.60
2	<b>4,333</b>	<b>727</b>	<b>4,980</b>	<b>2,885</b>	<b>1,206</b>	<b>4,091</b>	<b>889</b>	<b>639</b>	<b>581</b>	<b>1.36</b>	<b>1.35</b>	<b>1.24</b>	<b>1.23</b>	<b>91,239</b>	<b>79,532</b>	<b>21.31</b>	<b>.29</b>	<b>21.02</b>

\* See definition of operating earnings on cover page

Quarterly amounts adjusted to reflect ASC 718 beginning in 2002

Equity per share amounts have been adjusted for adoption of SAB No. 108 on January 1, 2006

Aflac Group Insurance included starting 4th quarter 2009

**Aflac Incorporated and Subsidiaries**

**Percentage Increases and Selected Ratios**

		Net		Total	Total	Operating	Pretax	Tax	Operating	Profit Margins		Total	Invested	Equity
		Premium	Investment							Total	Benefits			
		Income	Income	Revenues	& Claims		Earnings	Rate	Per Share *	Operating	Operating	Assets	Assets	Share
										Profit Margin**	Profit Margin**			
2001		(2.0) %	— %	(1.1) %	(4.5) %	6.2 %	6.3 %	36.4 %	11.3 %	11.2 %	7.1 %	1.7 %	1.9 %	17.3 %
2002		6.6	4.1	6.9	4.5	8.8	16.8	35.8	16.4	12.1	7.7	19.0	19.4	19.5
2003		15.4	10.7	11.6	14.3	11.3	(2.0)	35.8	23.5	12.8	8.2	13.1	12.5	4.9
2004		13.9	9.5	16.0	12.7	11.1	47.5	28.6	21.2	13.7	8.9	16.4	17.9	15.4
2005		6.1	5.8	8.1	4.8	7.3	25.5	33.4	13.9	14.0	9.2	(5.0)	(5.7)	5.7
2006		2.7	4.8	1.8	1.4	2.8	1.7	34.5	12.2	15.0	9.9	6.1	6.1	6.7
2007		5.4	7.5	5.3	3.0	8.2	10.4	34.6	14.7	16.1	10.5	10.0	9.8	6.8
2008		15.2	10.5	7.5	13.1	14.7	(23.4)	34.5	22.0	16.7	10.9	20.6	20.1	(21.3)
2009		11.2	7.3	10.3	7.7	13.8	16.8	33.0	21.6	17.7	11.7	6.0	6.8	26.2
2007	1	5.0	7.9	5.4	3.5	6.7	10.7	34.6	13.9	16.7	10.9	9.0	9.0	12.2
	2	2.2	5.6	1.8	1.0	3.9	1.7	34.6	9.3	16.6	10.9	4.7	4.8	14.1
	3	5.1	7.9	5.1	1.7	7.8	15.1	34.5	18.1	16.5	10.8	9.0	8.7	5.0
	4	9.0	8.4	9.0	5.7	13.8	15.4	34.7	18.2	14.6	9.5	10.0	9.8	6.8
2008	1	15.2	10.9	13.8	12.4	17.0	14.1	34.7	19.5	17.0	11.1	18.1	17.9	(1.4)
	2	16.5	11.2	15.2	13.6	18.4	16.5	34.7	23.2	17.2	11.2	17.4	16.7	(1.1)
	3	11.9	7.8	(4.4)	9.5	11.6	(76.9)	32.5	20.0	17.5	11.5	10.8	10.3	(21.3)
	4	17.2	12.1	6.0	16.6	12.3	(48.6)	34.4	25.6	15.0	9.8	20.6	20.1	(21.3)
2009	1	13.2	9.6	12.9	10.7	13.3	20.0	34.7	24.5	18.1	11.8	(.6)	(1.7)	(35.0)
	2	8.4	5.0	(.5)	5.8	9.3	(36.1)	33.6	18.8	18.2	12.0	7.8	7.7	(18.1)
	3	14.2	8.6	22.6	10.4	16.9	270.6	33.9	22.5	18.4	12.1	17.3	17.9	23.5
	4	9.2	5.9	7.9	4.3	15.5	13.8	26.6	20.4	16.1	11.0	6.0	6.8	26.2
2010	1	5.7	5.6	5.1	1.6	8.6	11.8	34.7	15.6	20.0	13.0	18.6	19.9	72.1
	2	<b>8.5</b>	<b>8.8</b>	<b>15.5</b>	<b>5.9</b>	<b>8.0</b>	<b>88.1</b>	<b>34.6</b>	<b>12.5</b>	<b>19.3</b>	<b>12.6</b>	<b>20.0</b>	<b>21.3</b>	<b>56.9</b>

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

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

Annual amounts adjusted to reflect ASC 718 beginning in 2002; quarterly percentage changes beginning in 2003

Equity per share amounts have been adjusted for adoption of SAB No. 108 on January 1, 2006

Aflac Group Insurance included starting 4th quarter 2009

**Aflac Incorporated and Subsidiaries**

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

		Reported	Reported	QTD	YTD	EPS	EPS			Reported	Reported	QTD	YTD	EPS	EPS
		EPS*	Growth	Yen	Yen	Excl.	Growth			EPS*	Growth	Yen	Yen	Excl.	Growth
			%	Effect	Effect*	1 Yr. Yen	Ex. 1 Yr.				%	Effect	Effect*	1 Yr. Yen	Ex. 1 Yr.
						Impact*	Yen Impact							Impact*	Yen Impact
<b>2003</b>	<b>1</b>	\$ .45	32.4 %	.02	.02	\$ .43	22.9 %	<b>2007</b>	<b>1</b>	\$ .82	13.9	(.01)	(.01)	\$ .83	15.3 %
	<b>2</b>	.44	22.2	.02	.04	.42	16.7		<b>2</b>	.82	9.3	(.02)	(.03)	.84	12.0
	<b>3</b>	.46	21.1	-	.04	.46	21.1		<b>3</b>	.85	18.1	-	(.03)	.85	18.1
	<b>4</b>	.49	19.5	.02	.06	.47	17.5		<b>4</b>	.78	18.2	.01	(.02)	.77	16.7
		<u>\$ 1.84</u>	<u>23.5 %</u>			<u>\$ 1.78</u>	<u>19.5 %</u>			<u>\$ 3.27</u>	<u>14.7 %</u>			<u>\$ 3.29</u>	<u>15.4 %</u>
<b>2004</b>	<b>1</b>	\$ .55	22.2 %	.03	.03	\$ .52	15.6 %	<b>2008</b>	<b>1</b>	\$ .98	19.5	.05	.05	\$ .93	13.4 %
	<b>2</b>	.55	25.0	.02	.05	.53	20.5		<b>2</b>	1.01	23.2	.08	.13	.93	13.4
	<b>3</b>	.57	23.9	.02	.07	.55	19.6		<b>3</b>	1.02	20.0	.04	.17	.98	15.3
	<b>4</b>	.57	16.3	.01	.08	.56	14.3		<b>4</b>	.98	25.6	.07	.23	.91	16.7
		<u>\$ 2.23</u>	<u>21.2 %</u>			<u>\$ 2.15</u>	<u>16.8 %</u>			<u>\$ 3.99</u>	<u>22.0 %</u>			<u>\$ 3.76</u>	<u>15.0 %</u>
<b>2005</b>	<b>1</b>	\$ .66	20.0 %	.01	.01	\$ .65	18.2 %	<b>2009</b>	<b>1</b>	\$ 1.22	24.5	.09	.09	\$ 1.13	15.3 %
	<b>2</b>	.64	16.4	.01	.02	.63	14.5		<b>2</b>	1.20	18.8	.05	.14	1.15	13.9
	<b>3</b>	.66	15.8	-	.02	.66	15.8		<b>3</b>	1.25	22.5	.09	.23	1.16	13.7
	<b>4</b>	.59	3.5	(.03)	(.02)	.62	8.8		<b>4</b>	1.18	20.4	.03	.26	1.15	17.3
		<u>\$ 2.54</u>	<u>13.9 %</u>			<u>\$ 2.56</u>	<u>14.8 %</u>			<u>\$ 4.85</u>	<u>21.6 %</u>			<u>\$ 4.59</u>	<u>15.0 %</u>
<b>2006</b>	<b>1</b>	\$ .72	9.1	(.04)	(.04)	\$ .76	15.2 %	<b>2010</b>	<b>1</b>	\$ 1.41	15.6	.05	.05	\$ 1.36	11.5 %
	<b>2</b>	.75	17.2	(.02)	(.06)	.77	20.3		<b>2</b>	<b>1.35</b>	<b>12.5</b>	<b>.02</b>	<b>.07</b>	<b>1.33</b>	<b>10.8</b>
	<b>3</b>	.72	9.1	(.02)	(.08)	.74	12.1								
	<b>4</b>	.66	11.9	-	(.08)	.66	11.9								
		<u>\$ 2.85</u>	<u>12.2 %</u>			<u>\$ 2.93</u>	<u>15.4 %</u>			<u>\$ 2.76</u>	<u>14.0 %</u>			<u>\$ 2.69</u>	<u>11.2 %</u>

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

Quarterly amounts adjusted to reflect ASC 718 beginning in 2002; percentage changes beginning in 2003

Aflac Group Insurance included starting 4th quarter 2009

**Aflac Incorporated and Subsidiaries**

**Composition of Invested Assets**

(At Amortized Cost, in Millions)

	December 31,					June 30,	
	2005	2006	2007	2008	2009	2009	2010
<b>Debt Securities*</b>							
Fixed Maturities	\$ 36,389	\$ 39,841	\$ 44,906	\$ 58,257	\$ 62,520	\$ 56,892	\$ 67,717
Perpetual Securities	8,422	8,326	8,252	9,074	7,554	8,310	7,464
Residential Mortgage Backs	259	461	644	1,068	1,000	979	954
Commercial Mortgage Backs	4	5	30	132	129	131	129
Asset Backed	75	121	143	104	174	142	872
CDOs	–	154.00	495	909	497	759	2
Total debt securities	<u>45,149</u>	<u>48,908</u>	<u>54,470</u>	<u>69,544</u>	<u>71,874</u>	<u>67,213</u>	<u>77,138</u>
<b>Equity Securities</b>	<u>35</u>	<u>20</u>	<u>21</u>	<u>24</u>	<u>21</u>	<u>22</u>	<u>22</u>
<b>Total Portfolio</b>	<u>\$ 45,184</u>	<u>\$ 48,928</u>	<u>\$ 54,491</u>	<u>\$ 69,568</u>	<u>\$ 71,895</u>	<u>\$ 67,235</u>	<u>\$ 77,160</u>

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

(In Millions)

	December 31,					June 30,	
	2005	2006	2007	2008	2009	2009	2010
<b>Available For Sale:</b> Gains	\$ 3,033	\$ 2,358	\$ 1,977	\$ 2,049	\$ 1,925	\$ 1,470	\$ 2,728
Losses	(581)	(575)	(1,036)	(4,095)	(3,065)	(4,912)	(2,652)
Total AFS	<u>\$ 2,452</u>	<u>\$ 1,783</u>	<u>\$ 941</u>	<u>\$ (2,046)</u>	<u>\$ (1,140)</u>	<u>\$ (3,442)</u>	<u>\$ 76</u>
<b>Held to Maturity:</b> Gains	\$ 564	\$ 487	\$ 408	\$ 571	\$ 632	\$ 355	\$ 676
Losses	(513)	(567)	(1,087)	(1,923)	(1,491)	(1,850)	(1,172)
Total HTM	<u>\$ 51</u>	<u>\$ (80)</u>	<u>\$ (679)</u>	<u>\$ (1,352)</u>	<u>\$ (859)</u>	<u>\$ (1,495)</u>	<u>\$ (496)</u>

**Supplemental Investment Data by Segment**

						3 Months Ended June 30,		6 Months Ended June 30,	
	2005	2006	2007	2008	2009	2009	2010	2009	2010
<b>Aflac Japan:</b>									
Invested assets (in millions)**	¥ 4,598,348	¥ 5,011,702	¥ 5,393,712	¥ 5,686,195	¥ 5,984,151	¥ 5,795,518	¥ 6,190,831	¥ 5,795,518	¥ 6,190,831
Return on avg. invested assets***	4.14 %	4.11 %	4.06 %	3.82 %	3.65 %	3.69 %	3.55 %	3.69 %	3.55 %
Portfolio yield at end of period	4.22	4.14	4.02	3.90	3.77	3.85	3.71	3.85	3.71
New money yield - yen only	2.95	3.10	3.05	3.20	2.80	3.04	2.55	3.27	2.51
New money yield - blended	3.19	3.33	3.38	3.43	3.03	3.25	2.77	3.57	2.72
<b>Aflac U.S.:</b>									
Invested assets (in millions)**	\$ 6,481	\$ 7,065	\$ 7,189	\$ 7,135	\$ 7,696	\$ 7,339	\$ 8,663	\$ 7,339	\$ 8,663
Return on avg. invested assets***	6.54 %	6.86 %	6.79 %	6.77 %	6.66 %	6.80 %	6.24 %	6.80 %	6.36 %
Portfolio yield at end of period	7.24	7.15	7.00	7.10	7.17	7.22	7.04	7.22	7.04
New money yield	6.16	6.44	6.44	7.60	7.26	7.45	6.11	8.06	6.01

\* Includes perpetual debentures

\*\* At original amortized cost

\*\*\* Net of investment expenses, year-to-date number reflected on a quarterly average basis

**Aflac Incorporated and Subsidiaries**

**Top 20 Global Investment Positions\***

(In Millions)

**June 30, 2010**

No.	Consolidated Corporate/Sovereign Exposure	Total		% of Total		Book Value	% of Total		Seniority	Ratings			
		Consolidated	Book Value	Debt	Securities		Debt	Securities		Moody's	S&P	Fitch	
1	<b>JAPAN</b>	\$	13,576	17.60	%	\$	13,576	17.60	%	Senior	Aa2	AA	AA-
2	<b>ISRAEL ELECTRIC CORP LTD</b>		921	1.19			921	1.19		Senior	Baa2	BBB	
3	<b>TUNISIA, REPUBLIC OF</b>		903	1.17			903	1.17		Senior	Baa2	BBB	BBB
4	<b>HSBC HOLDINGS PLC</b>		772	1.00									
	Republic New York Corp						11	.01		Lower Tier II	A2	A+	AA-
	HSBC Finance Corporation (formerly Household Finance)						591	.77		Senior	A3	A	AA-
	HSBC Holdings PLC						15	.02		Upper Tier II	A1	A	AA-
	HSBC Bank PLC						40	.05		Upper Tier II	A3	A	A+
	The Hongkong & Shanghai Banking Corporation Ltd						80	.10		Upper Tier II	Aa3		
	HSBC Holdings PLC (HSBC Capital Funding LP)						35	.05		Tier I	A3	A-	A+
5	<b>SOUTH AFRICA, REPUBLIC OF</b>		692	.90			692	.90		Senior	A3	BBB+	BBB+
6	<b>COMMERZBANK AG (INCLUDES DRESDNER BANK)</b>		664	.86									
	Commerzbank AG						434	.56		Lower Tier II	A1	A-	A
	Dresdner Bank AG (Dresdner Funding Trust IV)						175	.23		Lower Tier II	A1	A-	A
	Dresdner Bank AG (Dresdner Funding Trust I)						55	.07		Tier I	Baa3	CCC	B
7	<b>BANK OF AMERICA CORP (INCLUDES MERRILL LYNCH)</b>		606	.79									
	Bank of America Corp (incl. Fleet Fin. Grp Inc, Nationsbank Corp.)						267	.35		Lower Tier II	A3	A-	A
	Bank of America Corp (NB Capital Trust, Bankamerica Instit-A)						18	.02		Tier I	Baa3	BB	BB
	Merrill Lynch & Co Inc						309	.40		Senior	A2	A	A+
	Merrill Lynch & Co Inc						12	.02		Lower Tier II	A3	A-	A
8	<b>MIZUHO FINANCIAL GROUP INC</b>		587	.76			587	.76		Upper Tier II	A2	A-	
	Mizuho Bank, Mizuho Finance Cayman & Aruba												
9	<b>UNICREDIT SPA</b>		573	.74									
	Unicredito Bank Austria						11	.01		Lower Tier II	Aa3	AA+	
	Hypovereinsbank (Unicredit Bank AG)						226	.29		Lower Tier II	A2	A-	A
	Hypovereinsbank (HVB Funding Trust I, III & VI)						336	.44		Tier I	Baa3	BBB	BBB
10	<b>SUMITOMO MITSUI FINANCIAL GROUP INC</b>		565	.73									
	Sumitomo Mitsui Banking Corporation						113	.14		Lower Tier II	Aa3	A	A-
	Sumitomo Mitsui Banking Corporation (SMBC Int'l Finance)						452	.59		Upper Tier II	A1	A-	
11	<b>COMMONWEALTH BANK OF AUSTRALIA</b>		554	.71									
	Commonwealth Bank of Australia						226	.29		Lower Tier II	Aa2	AA-	AA-
	Commonwealth Bank of Australia						226	.29		Upper Tier II		A+	
	Bankwest						102	.13		Upper Tier II	Aa2	AA-	
12	<b>BANK OF TOKYO-MITSUBISHI UFJ LTD</b>		509	.66			509	.66		Lower Tier II	Aa3	A	A-
	Bank of Tokyo-Mitsubishi UFJ Ltd (BTMU Curacao Holdings NV)												
13	<b>BNP PARIBAS (INCLUDES FORTIS)</b>		509	.66									
	BNP Paribas						113	.15		Senior	Aa2	AA	AA-
	Fortis Bank SA-NV						283	.36		Upper Tier II	A3	A	A-
	Fortis Luxembourg Finance SA						113	.15		Upper Tier II	Baa2	A	A-

**Aflac Incorporated and Subsidiaries**

**Top 20 Global Investment Positions\***

(In Millions)

**June 30, 2010**

No.	Consolidated Corporate/Sovereign Exposure	Total Consolidated Book Value	% of Total Debt Securities	Book Value	% of Total Debt Securities	Seniority	Ratings		
							Moody's	S&P	Fitch
<b>14</b>	<b>ERSTE GROUP BANK AG</b>	\$ 486	.63 %						
	Erste Group Bank			\$ 113	.15 %	Lower Tier II	A1	A-	A-
	Erste Group Bank (Erste Finance Jersey Ltd 3 & 5)			373	.48	Tier I	Ba2		BBB-
<b>15</b>	<b>INVESTCORP SA</b>	468	.61	468	.61	Senior	Ba2		BB+
	Investcorp Capital Limited								
<b>16</b>	<b>JP MORGAN CHASE &amp; CO (INCLUDING BEAR STEARNS)</b>	453	.59						
	JPMorgan Chase & Co (including Bear Stearns Companies Inc)			396	.51	Senior	Aa3	A+	AA-
	JPMorgan Chase & Co (FNBC)			29	.04	Senior	Aa1	AA-	
	JPMorgan Chase & Co (Bank One Corp)			17	.02	Lower Tier II	A1	A	A+
	JPMorgan Chase & Co (NBD Bank)			11	.02	Lower Tier II	Aa2	A+	A+
<b>17</b>	<b>TELECOM ITALIA SPA</b>	452	.59	452	.59	Senior	Baa2	BBB	BBB
	Telecom Italia Finance SA								
<b>18</b>	<b>NATIONAL GRID PLC</b>	452	.58						
	National Grid Gas PLC			226	.29	Senior	A3	A-	A
	National Grid Electricity Transmission PLC			226	.29	Senior	A3	A-	A
<b>19</b>	<b>METLIFE INC</b>	448	.58						
	MetLife Inc			165	.21	Senior	A3	A-	A-
	Metropolitan Life Global Funding I			283	.37	Senior	Aa3	AA-	
<b>20</b>	<b>CITIGROUP INC</b>	446	.58						
	Citigroup Inc (incl. Citigroup Global Markets Holdings Inc, Assoc. Corp)			445	.58	Senior	A3	A	A+
	Citigroup Inc (Citicorp)			1	-	Lower Tier II	Baa1	A-	A
	Subtotal	\$ 24,636	31.93 %	\$ 24,636	31.93 %				
	<b>TOTAL DEBT SECURITIES</b>	<b>\$ 77,139</b>	<b>100.00 %</b>	<b>\$ 77,139</b>	<b>100.00 %</b>				

\* Includes perpetual securities

## Aflac Incorporated and Subsidiaries

### Credit Ratings on Debt Securities

(At Amortized Cost)

	December 31,					June 30,	
	2005	2006	2007	2008	2009	2009	2010
AAA	4.0 %	5.8 %	6.3 %	5.7 %	3.3 %	5.1 %	3.7 %
AA	33.7	35.0	44.3	39.8	34.6	33.5	33.9
A	38.9	39.4	30.7	34.1	39.6	38.0	38.0
BBB	21.1	17.2	16.8	18.6	15.6	16.9	17.9
BB or Lower	2.3	2.6	1.9	1.8	6.9	6.5	6.5
	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

### Subordination Distribution of Debt and Perpetual Securities

(In Millions)

	December 31, 2009		June 30, 2010	
	Amortized Cost	% of Total	Amortized Cost	% of Total
Senior notes	\$ 54,971	76.5 %	\$ 60,227	78.0 %
Subordinated securities:				
Fixed maturities (stated maturity date):				
Lower Tier II	7,944	11.1	8,370	10.9
Upper Tier II	178	.2	15	—
Tier I*	754	1.0	589	.8
Surplus Notes	336	.5	336	.4
Trust Preferred - Non-banks	85	.1	85	.1
Other Subordinated - Non-banks	52	.1	52	.1
Total fixed maturities	<u>9,349</u>	<u>13.0</u>	<u>9,447</u>	<u>12.3</u>
Perpetual securities (economic maturity date):				
Upper Tier II	5,200	7.2	5,100	6.6
Tier I	2,354	3.3	2,364	3.1
Total perpetual securities	<u>7,554</u>	<u>10.5</u>	<u>7,464</u>	<u>9.7</u>
Total	<u>\$ 71,874</u>	<u>100.0 %</u>	<u>\$ 77,138</u>	<u>100.0 %</u>

\* Includes Trust Preferred securities

Aflac Group Insurance included starting 4th quarter 2009

**Aflac Incorporated and Subsidiaries**

**Below-Investment-Grade Holdings**

(In Millions)

	December 31, 2009				June 30, 2010			
	Par Value	Amortized Cost	Fair Value	Unrealized gains (losses)	Par Value	Amortized Cost	Fair Value	Unrealized gains (losses)
INVESTCORP CAPITAL LIMITED	\$ 452	\$ 452	\$ 223	\$ (229)	\$ 468	\$ 468	\$ 374	\$ (94)
LLOYDS BANKING GROUP PLC (Includes HBOS) (1)	896	597	612	15	440	362	347	(15)
IRISH LIFE AND PERMANENT PLC (1)	402	204	197	(7)	418	213	218	5
EFG EUROBANK ERGASIAS	*	*	*	*	384	383	118	(265)
TAKEFUJI CORPORATION	363	194	194	—	—	—	—	—
UPM-KYMMENE	337	337	224	(113)	350	350	219	(131)
FORD MOTOR CREDIT COMPANY	326	326	302	(24)	339	339	328	(11)
NBG (NATIONAL BANK OF GREECE)	*	*	*	*	339	339	118	(221)
ALPHA BANK	*	*	*	*	339	339	112	(227)
DEXIA SA (Includes Dexia Bank Belgium & Dexia Overseas) (1)	326	233	233	—	339	243	206	(37)
SWEDBANK AB (1)	152	117	119	2	328	275	272	(3)
CSAV (TOLLO SHIPPING CO. S.A.)	261	261	135	(126)	271	271	122	(149)
HELLA KG HUECK AND CO.	239	238	148	(90)	249	248	180	(68)
KBC GROUP NV (Includes KBL European Private Bankers S.A.) (1)	217	121	182	61	226	126	161	35
AIFUL CORPORATION	175	175	74	(101)	170	170	73	(97)
BAWAG CAPITAL FINANCE JERSEY (1)	152	131	114	(17)	158	111	100	(11)
IKB DEUTSCHE INDUSTRIEBANK	141	141	73	(68)	147	147	100	(47)
TERRA (CDO) ** (3)	129	114	95	(19)	—	—	—	—
FINANCE FOR DANISH INDUSTRY (FIH)	109	109	81	(28)	113	113	100	(13)
COUNTRYWIDE HOME LOANS (CMO) ** (2)	129	114	82	(32)	97	87	68	(19)
INVESTKREDIT FUNDING II LTD. (1)	76	46	46	—	—	—	—	—
ROYAL BANK OF SCOTLAND GROUP PLC (1)	329	134	132	(2)	58	19	34	15
EIRLES TWO LIMITED 310 A (CDO) (3)	54	20	28	8	—	—	—	—
DRESDNER BANK AG (Part of Commerzbank) (Tier 1 Only)	216	218	172	(46)	53	55	40	(15)
MACY'S INC.	53	58	50	(8)	53	58	55	(3)
Various Other Issuers (below \$50M in Par Value) (4)	847	610	517	(93)	337	331	261	(70)
Total	\$ 6,381	\$ 4,950	\$ 4,033	\$ (917)	\$ 5,676	\$ 5,047	\$ 3,606	\$ (1,441)

\*Investment grade at respective reporting date

\*\* Beginning January 1, 2010, these investments are consolidated and are no longer reported as a single investment.

(1) Perpetual security

(2) Collateralized mortgage obligation

(3) Collateralized debt obligation

(4) Includes 19 different issuers as of 06/30/10

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

	<u>Years Ended December 31,</u>					<u>3 Months Ended June 30,</u>			<u>6 Months Ended June 30,</u>		
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>	<u>%</u> <u>Change</u>	<u>2009</u>	<u>2010</u>	<u>%</u> <u>Change</u>
<b>Revenues:</b>											
Premiums	\$ 3,245	\$ 3,552	\$ 3,936	\$ 4,272	\$ 4,444	\$ 1,094	\$ 1,147	4.9 %	\$ 2,197	\$ 2,289	4.2 %
Net investment income	421	465	500	505	499	127	135	6.1	252	267	5.9
Other income and realized foreign currency translations	10	10	10	10	10	2	3		4	5	
Total revenues	<u>3,676</u>	<u>4,027</u>	<u>4,446</u>	<u>4,787</u>	<u>4,953</u>	<u>1,223</u>	<u>1,285</u>	<u>5.1</u>	<u>2,453</u>	<u>2,561</u>	<u>4.4</u>
<b>Benefits and expenses:</b>											
Incurred claims	1,565	1,557	1,783	2,043	2,225	558	560	.4	1,100	1,134	3.1
Increase in future policy benefits	426	612	567	484	336	73	95	30.0	140	101	(27.6)
Amortization of deferred policy acquisition costs	258	290	323	370	419	104	90	(13.2)	230	228	(1.0)
General operating expenses	902	983	1,081	1,145	1,197	290	313	7.4	581	627	7.8
Total benefits and expenses	<u>3,151</u>	<u>3,442</u>	<u>3,754</u>	<u>4,042</u>	<u>4,177</u>	<u>1,025</u>	<u>1,058</u>	<u>3.1</u>	<u>2,051</u>	<u>2,090</u>	<u>1.9</u>
Pretax operating earnings	\$ <u>525</u>	\$ <u>585</u>	\$ <u>692</u>	\$ <u>745</u>	\$ <u>776</u>	\$ <u>198</u>	\$ <u>227</u>	<u>15.0 %</u>	\$ <u>402</u>	\$ <u>471</u>	<u>17.3 %</u>
Realized capital gains, net of taxes	(3)	6	2	(139)	(98)	(17)	(23)		(89)	(18)	

*Aflac Group Insurance included starting 4th quarter 2009*

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

	<u>December 31,</u>					<u>June 30,</u>	
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>
<b>Assets:</b>							
Investments and cash	\$ 7,040	\$ 7,486	\$ 7,396	\$ 6,393	\$ 8,364	\$ 6,864	\$ 9,402
Receivables, principally premiums	296	330	355	415	379	334	351
Accrued investment income	104	122	118	117	123	115	136
Deferred policy acquisition costs	1,966	2,168	2,385	2,593	2,687	2,608	2,704
Other assets	141	143	161	161	226	204	228
Total assets	<u>\$ 9,547</u>	<u>\$ 10,249</u>	<u>\$ 10,415</u>	<u>\$ 9,679</u>	<u>\$ 11,779</u>	<u>\$ 10,125</u>	<u>\$ 12,821</u>
<b>Liabilities and Shareholders' Equity:</b>							
Future policy benefits	\$ 3,780	\$ 4,391	\$ 4,958	\$ 5,442	\$ 5,779	\$ 5,582	\$ 5,881
Policy and contract claims	848	816	856	933	1,023	957	1,056
Unearned premium	104	106	109	110	108	111	109
Other policyholder funds	40	52	56	265	277	269	281
Deferred income taxes	596	642	754	238	487	296	559
Other liabilities	733	714	673	586	649	636	844
Shareholders' equity	<u>3,446</u>	<u>3,528</u>	<u>3,009</u>	<u>2,105</u>	<u>3,456</u>	<u>2,274</u>	<u>4,091</u>
Total liabilities & shareholders' equity	<u>\$ 9,547</u>	<u>\$ 10,249</u>	<u>\$ 10,415</u>	<u>\$ 9,679</u>	<u>\$ 11,779</u>	<u>\$ 10,125</u>	<u>\$ 12,821</u>

Amounts have been adjusted for adoption of SAB No. 108 on January 1, 2006  
Aflac Group Insurance included starting 4th quarter 2009

**Quarterly Statements of Earnings and Percentage Changes**

(Unaudited GAAP – Restated to conform to current classifications)

(In Millions)

		<b>Earned</b>	<b>%</b>	<b>Net</b>	<b>%</b>	<b>Total</b>	<b>%</b>	<b>Total</b>		<b>%</b>	<b>General</b>	<b>%</b>	<b>Total</b>	<b>%</b>	<b>Pretax</b>	<b>%</b>	
		<b>Prem.</b>	<b>Change</b>	<b>Invest.</b>	<b>Change</b>	<b>Rev.</b>	<b>Change</b>	<b>Ben.</b>	<b>Change</b>	<b>Amort.</b>	<b>Change</b>	<b>Oper.</b>	<b>Change</b>	<b>Oper.</b>	<b>Change</b>	<b>Oper.</b>	<b>Change</b>
2002	1	524	19.5	80	9.3	606	18.0	320	17.8	42	26.8	154	19.1	196	20.7	90	13.5
	2	544	20.5	81	8.6	627	18.6	336	21.4	43	11.6	152	17.3	195	16.0	96	14.8
	3	568	20.5	84	9.4	654	19.0	350	20.8	42	17.5	164	16.8	206	17.0	98	17.2
	4	586	21.3	86	9.4	674	19.6	353	20.0	49	16.8	162	19.0	211	18.5	110	20.7
2003	1	624	19.0	88	9.9	714	17.8	383	19.8	50	18.9	175	14.2	225	15.2	106	16.6
	2	637	17.2	87	7.1	727	15.9	389	15.7	51	18.0	184	21.1	234	20.4	103	7.2
	3	660	16.3	92	9.4	755	15.3	403	15.3	48	14.7	189	14.1	236	14.2	115	17.6
	4	673	14.9	95	10.7	771	14.3	410	16.2	60	21.9	179	10.6	239	13.2	122	10.6
2004	1	710	13.9	97	10.6	810	13.4	435	13.5	59	18.0	194	11.2	253	12.7	121	14.7
	2	726	14.0	98	12.7	827	13.8	446	14.7	61	19.5	200	8.6	261	11.0	120	17.2
	3	745	12.8	100	8.4	847	12.3	459	13.9	59	22.8	202	7.5	261	10.6	127	10.1
	4	753	11.9	101	6.1	857	11.2	463	12.8	66	10.0	199	11.3	265	10.9	129	6.0
2005	1	787	10.7	102	5.2	891	10.1	480	10.2	64	8.7	214	10.3	278	9.9	133	9.7
	2	803	10.6	104	6.2	910	10.0	494	10.8	62	1.2	224	12.1	286	9.6	130	8.3
	3	820	10.1	107	7.4	929	9.7	508	10.6	60	1.3	228	12.9	288	10.3	133	5.1
	4	835	10.8	108	7.1	945	10.3	509	10.0	72	9.6	235	18.3	307	16.1	129	(.3)
2006	1	866	10.1	110	8.3	980	10.0	523	9.0	75	16.3	235	10.0	310	11.3	147	10.4
	2	878	9.3	115	10.0	994	9.2	527	6.7	70	13.6	247	9.8	317	10.5	150	15.1
	3	898	9.5	120	12.1	1,021	9.8	545	7.3	68	12.4	246	7.8	314	8.6	162	21.7
	4	910	9.0	120	11.0	1,033	9.3	574	12.7	77	7.5	256	8.4	333	8.2	126	(1.8)
2007	1	961	10.9	122	10.3	1,085	10.7	572	9.3	80	7.4	264	12.1	344	11.0	169	15.4
	2	972	10.7	124	8.4	1,099	10.6	584	10.8	79	11.8	265	7.6	344	8.5	171	14.1
	3	993	10.7	127	5.4	1,122	10.0	596	9.3	76	12.1	268	9.3	344	9.9	182	12.3
	4	1,010	10.9	127	6.2	1,140	10.4	599	4.4	88	14.3	283	11.1	371	11.8	170	34.2
2008	1	1,050	9.3	123	1.3	1,176	8.4	616	7.8	95	18.4	274	3.8	369	7.2	191	12.6
	2	1,064	9.5	125	.1	1,191	8.4	628	7.6	85	8.2	288	8.5	373	8.4	190	11.1
	3	1,078	8.5	129	1.7	1,209	7.8	637	6.9	88	16.4	280	4.4	368	7.0	204	11.9
	4	1,080	7.0	128	.7	1,211	6.2	645	7.7	102	15.7	304	7.1	406	9.1	160	(5.5)
2009	1	1,103	5.0	125	1.4	1,230	4.7	609	(1.1)	126	32.8	291	6.1	417	13.0	204	7.2
	2	1,094	2.8	127	1.8	1,223	2.7	631	.4	104	21.9	290	1.1	394	5.8	198	4.0
	3	1,110	3.0	123	(4.4)	1,236	2.2	642	.8	93	5.4	285	1.9	378	2.7	216	5.7
	4	1,136	5.2	124	(3.1)	1,264	4.3	680	5.3	96	(6.0)	330	8.7	426	5.0	158	(1.5)
2010	1	1,142	3.5	132	5.6	1,276	3.7	580	(4.7)	138	9.0	314	8.1	452	8.3	244	19.4
	2	<b>1,147</b>	<b>4.9</b>	<b>135</b>	<b>6.1</b>	<b>1,285</b>	<b>5.1</b>	<b>655</b>	<b>3.8</b>	<b>90</b>	<b>(13.2)</b>	<b>313</b>	<b>7.4</b>	<b>403</b>	<b>2.0</b>	<b>227</b>	<b>15.0</b>

Adjusted to reflect ASC 718 beginning in 2002; percentage changes beginning in 2003  
Aflac Group Insurance included starting 4th quarter 2009

**Operating Ratios**  
(Before Management Fee)

	<u>Period</u>	<u>Premium Persistency Rate</u>	<u>Incurred Claims/ Total Rev.</u>	<u>Tot. Ben./ Total Revenues</u>	<u>Amort./ Premium</u>	<u>Tot. Oper. Expenses/ Total Rev.</u>	<u>Combined Ratio/ Total Rev.</u>	<u>Pretax Profit Margin</u>
	2001	74.0 %	41.2 %	52.5 %	8.1 %	31.5 %	84.0 %	16.0 %
	2002	74.6	41.9	53.1	7.9	31.5	84.6	15.4
	2003	74.0	42.2	53.5	8.1	31.5	85.0	15.0
	2004	73.7	42.6	54.0	8.4	31.1	85.1	14.9
	2005	74.4	42.6	54.2	8.0	31.5	85.7	14.3
	2006	73.9	38.7	53.9	8.2	31.6	85.5	14.5
	2007	73.9	40.1	52.9	8.2	31.5	84.4	15.6
	2008	73.2	42.7	52.8	8.7	31.6	84.4	15.6
	2009	72.2	44.9	51.7	9.4	32.6	84.3	15.7
2007	1	73.0	37.2	52.7	8.3	31.7	84.4	15.6
	2	73.4	40.9	53.1	8.1	31.3	84.4	15.6
	3	73.8	41.2	53.1	7.6	30.6	83.7	16.3
	4	73.9	41.1	52.5	8.7	32.6	85.1	14.9
2008	1	71.9	40.1	52.4	9.0	31.4	83.8	16.2
	2	73.1	40.6	52.8	8.0	31.3	84.1	15.9
	3	73.5	43.5	52.7	8.2	30.4	83.1	16.9
	4	73.2	46.5	53.3	9.4	33.5	86.8	13.2
2009	1	66.9	44.1	49.5	11.4	33.9	83.4	16.6
	2	69.6	45.6	51.6	9.5	32.3	83.9	16.1
	3	71.3	44.4	51.9	8.4	30.6	82.5	17.5
	4	72.2	45.6	53.8	8.4	33.7	87.5	12.5
2010	1	66.4	45.0	45.5	12.0	35.4	80.9	19.1
	2	71.1	43.6	51.0	7.8	31.3	82.3	17.7

*Annual percentages adjusted to reflect ASC 718 beginning in 2002; quarterly percentage changes beginning in 2003  
Aflac Group Insurance included starting 4th quarter 2009 except for premium persistency rate*

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

	<b>Period</b>	<b>Annl. Prem. In Force</b>	<b>% Change</b>	<b>New Annl. Prem. Sales</b>	<b>% Change</b>	<b>Convers. Prem.</b>	<b>Total New Prem.</b>	<b>% Change</b>
	2001	\$ 2,238	20.3 %	\$ 908	29.5 %	\$ 11	\$ 919	29.1 %
	2002	2,674	19.5	1,059	16.6	11	1,070	16.4
	2003	3,043	13.8	1,111	4.9	17	1,128	5.4
	2004	3,374	10.9	1,156	4.0	30	1,186	5.1
	2005	3,711	10.0	1,235	6.8	24	1,259	6.1
	2006	4,101	10.5	1,395	13.0	28	1,423	13.1
	2007	4,510	10.0	1,522	9.1	36	1,558	9.5
	2008	4,789	6.2	1,518	(.2)	33	1,551	(.4)
	2009	4,956	3.5	1,426	(6.1)	27	1,453	(6.4)
2006	1	3,759	9.9	306	11.4	12	318	11.4
	2	3,836	9.4	321	6.2	6	327	6.3
	3	3,919	9.3	326	11.4	6	332	11.7
	4	4,101	10.5	442	21.0	5	447	21.2
2007	1	4,160	10.7	339	10.6	13	352	10.6
	2	4,241	10.6	359	11.9	6	365	11.8
	3	4,332	10.5	363	11.3	5	368	11.0
	4	4,510	10.0	461	4.3	12	473	5.9
2008	1	4,539	9.1	346	2.1	7	353	.4
	2	4,617	8.9	375	4.4	8	383	4.9
	3	4,680	8.0	361	(.3)	8	369	.1
	4	4,789	6.2	436	(5.5)	10	446	(5.6)
2009	1	4,737	4.4	345	(.3)	6	351	(.6)
	2	4,742	2.7	337	(10.3)	4	341	(10.9)
	3	4,774	2.0	336	(6.9)	6	342	(7.2)
	4	4,956	3.5	408	(6.3)	11	419	(6.3)
2010	1	4,868	2.8	309	(10.3)	7	316	(10.0)
	<b>2</b>	<b>4,887</b>	<b>3.1</b>	<b>327</b>	<b>(2.8)</b>	<b>6</b>	<b>333</b>	<b>(2.4)</b>

*Aflac Group Insurance included starting 4th quarter 2009*

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

	<u>Accident/ STD</u>	<u>% of Total</u>	<u>Cancer</u>	<u>% of Total</u>	<u>HIP</u>	<u>% of Total</u>	<u>Dental</u>	<u>% of Total</u>	<u>Other</u>	<u>% of Total</u>	
2005	\$ 647	51.4 %	\$ 233	18.5 %	\$ 140	11.1 %	\$ 97	7.7 %	\$ 142	11.3 %	
2006	740	52.0	249	17.5	177	12.4	91	6.4	166	11.7	
2007	792	50.8	277	17.7	212	13.6	90	5.8	187	12.1	
2008	754	48.6	288	18.6	241	15.5	84	5.4	184	11.9	
2009	692	47.6	256	17.6	256	17.6	72	4.9	177	12.3	
2008	1	175	49.6	62	17.7	52	14.9	21	5.9	43	11.9
	2	187	48.9	68	17.8	60	15.6	22	5.7	46	12.0
	3	179	48.7	64	17.5	59	16.1	21	5.7	46	12.0
	4	212	47.5	93	20.9	69	15.6	20	4.5	52	11.5
2009	1	167	47.6	62	17.6	59	16.9	20	5.6	43	12.3
	2	166	48.5	59	17.3	59	17.2	18	5.3	39	11.7
	3	168	49.0	59	17.2	57	16.8	18	5.2	40	11.8
	4	191	45.7	76	18.2	81	19.3	16	3.9	55	12.8
2010	1	150	47.5	51	16.3	61	19.5	15	4.8	39	11.9
	<b>2</b>	<b>163</b>	<b>48.8</b>	<b>55</b>	<b>16.5</b>	<b>58</b>	<b>17.3</b>	<b>16</b>	<b>4.9</b>	<b>41</b>	<b>12.5</b>

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

	<u>Recruited Agents</u>	<u>% Increase</u>	<u>Licensed Sales Associates</u>	<u>% Increase</u>	<u>Weekly Average Producers</u>	<u>% Increase</u>	
2005	24,209	8.0 %	63,008	6.8 %	9,712	.6 %	
2006	26,108	7.8	68,394	8.5	10,330	6.4	
2007	24,247	(7.1)	71,258	4.2	10,945	6.0	
2008	25,755	6.2	74,390	4.4	11,232	2.6	
2009	28,482	10.6	75,315	1.2	11,145	(.8)	
2009	1	8,100	25.0	74,414	2.7	11,121	2.4
	2	7,809	14.9	75,982	3.4	10,988	(2.6)
	3	7,084	9.4	76,333	3.0	11,085	(.1)
	4	5,489	(8.6)	75,315	1.2	11,384	(2.6)
2010	1	5,866	(27.6)	74,565	.2	10,339	(7.0)
	<b>2</b>	<b>5,821</b>	<b>(25.5)</b>	<b>72,838</b>	<b>(4.1)</b>	<b>10,495</b>	<b>(4.5)</b>

\* Aflac Group Insurance included starting 4th quarter 2009

\*\* Aflac Group Insurance is not included .

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

	<u>Years Ended December 31,</u>					<u>3 Months Ended June 30,</u>			<u>6 Months Ended June 30,</u>		
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>	<u>%</u> <u>Change</u>	<u>2009</u>	<u>2010</u>	<u>%</u> <u>Change</u>
<b>Revenues:</b>											
Premiums	¥ 962,553	¥ 1,019,506	¥ 1,063,700	¥ 1,101,233	¥ 1,137,958	¥ 282,289	¥ <b>293,109</b>	3.8 %	¥ 563,944	¥ <b>583,941</b>	3.5 %
Net investment income:											
Yen denominated	122,220	123,821	129,740	135,366	141,029	34,742	<b>36,058</b>	3.8	69,420	<b>72,395</b>	4.3
US\$ denominated	57,962	72,614	82,337	76,618	70,700	18,239	<b>18,514</b>	1.5	36,023	<b>35,942</b>	(.2)
Total investment income	180,182	196,435	212,077	211,984	211,729	52,981	<b>54,572</b>	3.0	105,443	<b>108,337</b>	2.7
Other income and realized foreign currency translations	3,393	2,899	3,180	1,516	4,059	1,473	<b>(131)</b>		2,125	<b>2,211</b>	
Total revenues	<u>1,146,128</u>	<u>1,218,840</u>	<u>1,278,957</u>	<u>1,314,733</u>	<u>1,353,746</u>	<u>336,743</u>	<u><b>347,550</b></u>	<u>3.2</u>	<u>671,512</u>	<u><b>694,489</b></u>	<u>3.4</u>
<b>Benefits and expenses:</b>											
Incurred claims	488,555	478,183	509,776	565,218	589,194	150,610	<b>144,746</b>	(3.9)	300,918	<b>296,771</b>	(1.4)
Increase in future policy benefits	270,646	318,542	306,518	256,964	228,281	52,857	<b>60,291</b>	14.1	108,556	<b>114,777</b>	5.7
Amortization of deferred policy acquisition costs	31,252	33,127	37,332	41,632	48,814	11,792	<b>12,789</b>	8.5	23,448	<b>25,749</b>	9.8
General operating expenses	189,233	196,864	210,584	218,131	225,709	55,238	<b>56,309</b>	1.9	108,731	<b>109,484</b>	.7
Total benefits and expenses	<u>979,686</u>	<u>1,026,716</u>	<u>1,064,210</u>	<u>1,081,945</u>	<u>1,091,998</u>	<u>270,497</u>	<u><b>274,135</b></u>	<u>1.3</u>	<u>541,653</u>	<u><b>546,781</b></u>	<u>.9</u>
Pretax operating earnings	¥ <u>166,442</u>	¥ <u>192,124</u>	¥ <u>214,747</u>	¥ <u>232,788</u>	¥ <u>261,748</u>	¥ <u>66,246</u>	¥ <u><b>73,415</b></u>	<u>10.8 %</u>	¥ <u>129,859</u>	¥ <u><b>147,708</b></u>	<u>13.7 %</u>
Realized capital gains, net of taxes	19,253	5,081	1,830	(52,777)	(64,133)	(22,327)	<b>(2,381)</b>		(15,908)	<b>(5,531)</b>	

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

	<u>Years Ended December 31,</u>					<u>3 Months Ended June 30,</u>			<u>6 Months Ended June 30,</u>		
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>	<u>%</u> <u>Change</u>	<u>2009</u>	<u>2010</u>	<u>%</u> <u>Change</u>
<b>Revenues:</b>											
Premiums	\$ 8,745	\$ 8,762	\$ 9,037	\$ 10,674	\$ 12,178	\$ 2,901	\$ 3,186	9.8 %	\$ 5,913	\$ 6,393	8.1 %
Net investment income											
Yen denominated	1,111	1,064	1,102	1,312	1,510	357	392	9.8	728	793	8.9
US\$ denominated	524	624	699	741	755	187	201	7.5	377	393	4.4
Total investment income	1,635	1,688	1,801	2,053	2,265	544	593	9.0	1,105	1,186	7.4
Other income and realized foreign currency translations	31	25	27	15	43	15	(1)		22	26	
Total revenues	10,411	10,475	10,865	12,742	14,486	3,460	3,778	9.2	7,040	7,605	8.0
<b>Benefits and expenses:</b>											
Incurred claims	4,440	4,111	4,325	5,477	6,296	1,547	1,573	1.7	3,152	3,249	3.1
Increase in future policy benefits	2,458	2,736	2,610	2,495	2,450	545	656	20.3	1,142	1,256	10.0
Amortization of deferred policy acquisition costs	284	285	318	404	523	121	139	14.8	245	282	14.9
Operating expenses	1,714	1,691	1,791	2,116	2,417	568	612	7.9	1,140	1,199	5.2
Total benefits and expenses	8,896	8,823	9,044	10,492	11,686	2,781	2,980	7.1	5,679	5,986	5.4
Pretax operating earnings	\$ 1,515	\$ 1,652	\$ 1,821	\$ 2,250	\$ 2,800	\$ 679	\$ 798	17.4 %	\$ 1,361	\$ 1,619	19.0 %
Realized capital gains, net of taxes	170	44	16	(513)	(690)	(232)	(35)		(166)	(70)	

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

	December 31,					June 30,	
	2005	2006	2007	2008	2008	2009	2010
<b>Assets:</b>							
Investments and cash	¥ 4,887,987	¥ 5,221,871	¥ 5,535,964	¥ 5,622,544	¥ 5,915,236	¥ 5,584,267	¥ 6,146,136
Receivables, principally premiums	34,995	26,375	45,037	48,004	36,566	49,372	28,796
Accrued investment income	44,687	49,151	50,316	48,364	48,229	48,989	50,120
Deferred policy acquisition costs	427,894	459,404	487,363	513,723	538,430	526,182	551,812
Other assets	59,215	61,758	62,872	61,286	59,467	59,998	95,669
	<u>59,215</u>	<u>61,758</u>	<u>62,872</u>	<u>61,286</u>	<u>59,467</u>	<u>59,998</u>	<u>95,669</u>
Total assets	¥ <u>5,454,778</u>	¥ <u>5,818,559</u>	¥ <u>6,181,552</u>	¥ <u>6,293,921</u>	¥ <u>6,597,928</u>	¥ <u>6,268,808</u>	¥ <u>6,872,533</u>
<b>Liabilities and Shareholders' Equity:</b>							
Future policy benefits	¥ 4,022,749	¥ 4,341,223	¥ 4,647,594	¥ 4,903,439	¥ 5,131,769	¥ 5,012,042	¥ 5,246,546
Policy and contract claims	195,597	187,495	182,563	198,856	206,913	208,382	210,640
Unearned premiums	57,920	64,147	66,679	69,581	75,377	70,592	78,978
Other policyholder funds	157,937	180,160	205,026	241,346	301,227	265,308	346,038
Income taxes (prim. deferred)	229,928	215,319	210,508	109,385	126,859	75,034	146,128
Other liabilities	141,923	141,515	174,370	230,217	130,168	122,303	160,085
Shareholders' equity	648,724	688,700	694,812	541,097	625,615	515,147	684,118
	<u>648,724</u>	<u>688,700</u>	<u>694,812</u>	<u>541,097</u>	<u>625,615</u>	<u>515,147</u>	<u>684,118</u>
Total liabilities & shareholders' equity	¥ <u>5,454,778</u>	¥ <u>5,818,559</u>	¥ <u>6,181,552</u>	¥ <u>6,293,921</u>	¥ <u>6,597,928</u>	¥ <u>6,268,808</u>	¥ <u>6,872,533</u>

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

	December 31,					June 30,	
	2005	2006	2007	2008	2009	2009	2010
<b>Assets:</b>							
Investments and cash	\$ 41,399	\$ 43,841	\$ 48,497	\$ 61,766	\$ 64,226	\$ 58,163	\$ 69,464
Receivables, principally premiums	296	221	395	527	397	514	325
Accrued investment income	378	413	441	531	524	510	566
Deferred policy acquisition costs	3,624	3,857	4,269	5,643	5,846	5,480	6,237
Other assets	503	518	551	674	646	626	1,081
Total assets	<u>\$ 46,200</u>	<u>\$ 48,850</u>	<u>\$ 54,153</u>	<u>\$ 69,141</u>	<u>\$ 71,639</u>	<u>\$ 65,293</u>	<u>\$ 77,673</u>
<b>Liabilities and Shareholders' Equity:</b>							
Future policy benefits	\$ 34,071	\$ 36,447	\$ 40,715	\$ 53,866	\$ 55,720	\$ 52,203	\$ 59,296
Policy and contract claims	1,657	1,574	1,599	2,185	2,247	2,170	2,381
Unearned premiums	491	539	584	764	818	735	893
Other policyholder liabilities	1,338	1,513	1,796	2,651	3,271	2,763	3,911
Income taxes (prim. deferred)	1,947	1,808	1,844	1,202	1,377	782	1,652
Other liabilities	1,202	1,187	1,528	2,529	1,413	1,274	1,808
Shareholders' equity	5,494	5,782	6,087	5,944	6,793	5,366	7,732
Total liabilities & shareholders' equity	<u>\$ 46,200</u>	<u>\$ 48,850</u>	<u>\$ 54,153</u>	<u>\$ 69,141</u>	<u>\$ 71,639</u>	<u>\$ 65,293</u>	<u>\$ 77,673</u>

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

		Net		Total		Total		Amort.	%	General		Total		Pretax			
		Earned	%	Investment	%	Revenues	%			Benefits	%	Operating	%	Operating	%	Oper.	%
		Premiums	Change	Income	Change	Revenues	Change	Benefits	Change	Change	Expense	Change	Expense	Change	Earn.	Change	
2002	1	195,276	5.2	39,784	10.5	234,806	6.0	160,780	3.5	6,253	14.3	39,278	4.8	45,531	6.0	28,495	21.7
	2	197,203	5.1	39,878	7.0	237,332	5.4	161,727	3.6	6,694	19.5	39,977	1.4	46,671	3.7	28,934	20.4
	3	200,982	5.6	39,502	4.2	240,533	5.4	165,145	4.7	6,766	28.0	40,636	.5	47,402	3.7	27,986	12.2
	4	203,540	6.0	40,527	4.7	244,063	5.8	166,398	4.5	6,377	20.4	42,489	2.7	48,866	4.7	28,799	15.5
2003	1	207,894	6.5	40,594	2.0	249,143	6.1	168,486	4.8	7,429	18.8	39,967	1.8	47,396	4.1	33,262	16.7
	2	209,745	6.4	41,220	3.4	251,551	6.0	170,470	5.4	7,594	13.4	40,691	1.8	48,285	3.5	32,796	13.3
	3	213,693	6.3	41,759	5.7	256,087	6.5	172,722	4.6	7,590	12.2	43,673	7.5	51,263	8.1	32,102	14.7
	4	216,794	6.5	41,037	1.3	258,064	5.7	176,277	5.9	6,962	9.2	42,834	.8	49,796	1.9	31,991	11.1
2004	1	221,283	6.4	40,342	(.6)	262,062	5.2	176,207	4.6	7,656	3.1	41,780	4.5	49,436	4.3	36,419	9.5
	2	224,011	6.8	42,206	2.4	266,636	6.0	177,997	4.4	7,248	(4.6)	44,136	8.5	51,384	6.4	37,254	13.6
	3	228,387	6.9	42,880	2.7	271,764	6.1	183,076	6.0	7,195	(5.2)	43,445	(.5)	50,639	(1.2)	38,049	18.5
	4	231,477	6.8	43,018	4.8	275,134	6.6	185,145	5.0	7,562	8.6	44,873	4.8	52,435	5.3	37,554	17.4
2005	1	235,596	6.5	42,935	6.4	279,283	6.6	186,718	6.0	7,583	(1.0)	43,269	4.9	50,852	2.9	41,713	14.5
	2	238,728	6.6	44,321	5.0	283,896	6.5	186,860	5.0	7,716	6.5	47,625	7.9	55,341	7.7	41,695	11.9
	3	242,260	6.1	45,572	6.3	288,658	6.2	192,244	5.0	7,654	6.4	45,176	4.0	52,830	4.3	43,584	14.5
	4	245,970	6.3	47,354	10.1	294,292	7.0	193,378	4.4	8,299	9.7	53,165	18.5	61,464	17.2	39,450	5.0
2006	1	250,138	6.2	47,734	11.2	298,568	6.9	193,938	3.9	8,140	7.3	46,763	8.1	54,903	8.0	49,727	19.2
	2	253,486	6.2	48,314	9.0	302,422	6.5	196,410	5.1	8,353	8.3	48,241	1.3	56,594	2.3	49,418	18.5
	3	256,254	5.8	49,954	9.6	307,264	6.4	202,960	5.6	8,106	5.9	48,958	8.4	57,064	8.0	47,240	8.4
	4	259,628	5.6	50,433	6.5	310,586	5.5	203,416	5.2	8,529	2.8	52,902	(.5)	61,431	(.1)	45,739	15.9
2007	1	262,347	4.9	52,108	9.2	315,528	5.7	201,522	3.9	8,859	8.8	49,574	6.0	58,433	6.4	55,573	11.8
	2	264,454	4.3	53,427	10.6	319,057	5.5	203,130	3.4	9,166	9.7	51,104	5.9	60,270	6.5	55,657	12.6
	3	266,961	4.2	53,795	7.7	320,621	4.3	204,375	.7	8,841	9.1	52,298	6.8	61,139	7.1	55,107	16.7
	4	269,937	4.0	52,747	4.6	323,751	4.2	207,267	1.9	10,465	22.7	57,609	8.9	68,074	10.8	48,410	5.8
2008	1	271,920	3.6	52,187	.2	323,989	2.7	202,316	.4	10,132	14.4	53,320	7.6	63,452	8.6	58,221	4.8
	2	273,872	3.6	53,077	(.7)	328,427	2.9	203,421	.1	10,407	13.5	54,766	7.2	65,173	8.1	59,833	7.5
	3	276,489	3.6	54,254	.9	331,252	3.3	206,046	.8	10,034	13.5	54,486	4.2	64,520	5.5	60,686	10.1
	4	278,952	3.3	52,466	(.5)	331,065	2.3	210,398	1.5	11,059	5.7	55,561	(3.6)	66,620	(2.1)	54,047	11.6
2009	1	281,655	3.6	52,462	.5	334,769	3.3	206,007	1.8	11,656	15.0	53,493	.3	65,149	2.7	63,613	9.3
	2	282,289	3.1	52,981	(.2)	336,743	2.5	203,467	-	11,792	13.3	55,238	.9	67,030	2.8	66,246	10.7
	3	285,977	3.4	53,170	(2.0)	339,883	2.6	203,728	(1.1)	11,552	15.1	56,763	4.2	68,315	5.9	67,840	11.8
	4	288,037	3.3	53,116	1.2	342,351	3.4	204,273	(2.9)	13,814	24.9	60,214	8.4	74,028	11.1	64,050	18.5
2010	1	290,832	3.3	53,765	2.5	346,939	3.6	206,510	.2	12,960	11.2	53,176	(.6)	66,136	1.5	74,293	16.8
	2	<b>293,109</b>	<b>3.8</b>	<b>54,572</b>	<b>3.0</b>	<b>347,550</b>	<b>3.2</b>	<b>205,037</b>	<b>.8</b>	<b>12,789</b>	<b>8.5</b>	<b>56,309</b>	<b>1.9</b>	<b>69,098</b>	<b>3.1</b>	<b>73,415</b>	<b>10.8</b>

Adjusted to reflect ASC 718 beginning in 2002; percentage changes in 2003

**Operating Ratios**  
(Before Management Fee)

<u>Period</u>	<u>Premium Persistence Rate</u>	<u>Incurred Claims/ Total Rev.</u>	<u>Tot. Ben./ Total Revenues</u>	<u>Amort./ Premium</u>	<u>Tot. Oper. Expenses/ Total Rev.</u>	<u>Combined Ratio/ Total Rev.</u>	<u>Pretax Profit Margin</u>	
2001	94.7 %	41.9 %	69.4 %	2.9 %	19.6 %	89.0 %	11.0 %	
2002	94.2	41.8	68.4	3.3	19.7	88.1	11.9	
2003	94.2	44.3	67.8	3.5	19.4	87.2	12.8	
2004	94.5	43.1	67.2	3.3	18.9	86.1	13.9	
2005	94.7	42.6	66.2	3.2	19.3	85.5	14.5	
2006	94.7	39.2	65.4	3.2	18.8	84.2	15.8	
2007	94.7	39.9	63.8	3.5	19.4	83.2	16.8	
2008	94.5	43.0	62.5	3.8	19.8	82.3	17.7	
2009	94.0	43.5	60.4	4.3	20.3	80.7	19.3	
2007	1	94.8	41.7	63.9	3.4	18.5	82.4	17.6
	2	94.7	40.6	63.7	3.5	18.9	82.6	17.4
	3	94.8	38.2	63.7	3.3	19.1	82.8	17.2
	4	94.7	38.9	64.0	3.9	21.0	85.0	15.0
2008	1	94.4	42.4	62.4	3.7	19.6	82.0	18.0
	2	94.5	42.0	61.9	3.8	19.9	81.8	18.2
	3	94.6	43.3	62.2	3.6	19.5	81.7	18.3
	4	94.5	44.2	63.6	4.0	20.1	83.7	16.3
2009	1	93.9	44.8	61.5	4.1	19.5	81.0	19.0
	2	93.9	44.7	60.4	4.2	19.9	80.3	19.7
	3	94.0	42.7	59.9	4.0	20.1	80.0	20.0
	4	94.0	41.8	59.7	4.8	21.6	81.3	18.7
2010	1	93.8	43.8	59.5	4.5	19.1	78.6	21.4
	<b>2</b>	<b>94.0</b>	<b>41.6</b>	<b>59.0</b>	<b>4.4</b>	<b>19.9</b>	<b>78.9</b>	<b>21.1</b>

*Adjusted to reflect ASC 718 beginning in 2002*

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

<u>Period</u>	<u>Annl. Prem. In Force (Billions)</u>	<u>% Change</u>	<u>New Annl. Prem. Sales</u>	<u>% Change</u>	<u>Convers. Prem.</u>	<u>Total New Premium</u>	<u>% Change</u>	
2001	¥ 782.2	5.6 %	¥ 91,704	(7.8) %	¥ 161	¥ 91,865	(7.9) %	
2002	834.4	6.7	96,208	4.9	12,112	108,320	17.9	
2003	900.3	7.9	113,203	17.7	7,967	121,170	11.9	
2004	961.9	6.8	116,507	2.9	6,018	122,525	1.1	
2005	1,027.8	6.8	124,846	7.2	3,938	128,784	5.1	
2006	1,083.1	5.4	114,654	(8.2)	2,801	117,455	(8.8)	
2007	1,125.6	3.9	113,114	(1.3)	1,522	114,636	(2.4)	
2008	1,161.7	3.2	113,399	.3	1,293	114,692	-	
2009	1,200.4	3.3	121,490	7.1	855	122,345	6.7	
2006	1							
	1	1,043.9	6.7	28,286	(3.1)	1,154	29,440	(1.3)
	2	1,057.0	6.5	30,550	(3.8)	651	31,201	(4.2)
	3	1,070.7	5.9	26,943	(10.8)	340	27,283	(11.9)
	4	1,083.1	5.4	28,875	(14.3)	656	29,531	(16.6)
2007	1							
	1	1,093.7	4.8	25,849	(8.6)	457	26,306	(10.6)
	2	1,102.9	4.3	29,853	(2.3)	270	30,123	(3.5)
	3	1,116.9	4.3	27,496	2.1	397	27,893	2.2
	4	1,125.6	3.9	29,916	3.6	399	30,315	2.7
2008	1							
	1	1,133.9	3.7	27,280	5.5	337	27,617	5.0
	2	1,143.1	3.6	28,316	(5.1)	334	28,650	(4.9)
	3	1,153.6	3.3	27,843	1.3	304	28,147	.9
	4	1,161.7	3.2	29,960	.1	317	30,277	(.1)
2009	1							
	1	1,169.3	3.1	27,270	-	236	27,506	(.4)
	2	1,175.9	2.9	29,790	5.2	284	30,074	5.0
	3	1,188.6	3.0	29,792	7.0	176	29,968	6.5
	4	1,200.4	3.3	34,637	15.6	161	34,798	14.9
2010	1							
	1	1,211.0	3.6	30,095	10.4	169	30,264	10.0
	2	<b>1,222.2</b>	<b>3.9</b>	<b>33,724</b>	<b>13.2</b>	<b>132</b>	<b>33,856</b>	<b>12.6</b>

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

		<u>Cancer</u>	<u>% of Total</u>	<u>Rider MAX</u>	<u>% of Total</u>	<u>Medical</u>	<u>% of Total</u>	<u>Life Insurance</u>	<u>% of Total</u>	<u>Other</u>	<u>% of Total</u>
2005	¥	33.1	25.7 %	¥ 14.4	11.2 %	¥ 48.1	37.3 %	¥ 23.5	18.2 %	¥ 9.7	7.6 %
2006		33.3	28.4	11.3	9.6	39.0	33.2	27.5	23.4	6.4	5.4
2007		37.6	32.8	8.2	7.1	37.6	32.8	25.6	22.3	5.6	5.0
2008		39.0	34.0	5.4	4.7	38.6	33.7	26.2	22.8	5.5	4.8
2009		34.6	28.3	3.3	2.7	44.7	36.5	35.0	28.7	4.7	3.8
2008	1	8.8	31.8	1.5	5.3	9.9	35.8	6.2	22.4	1.3	4.7
	2	9.7	33.8	1.4	4.8	9.6	33.6	6.5	22.6	1.4	5.2
	3	9.6	34.1	1.3	4.8	9.5	33.8	6.3	22.5	1.4	4.8
	4	10.9	36.0	1.2	4.1	9.6	31.7	7.2	23.7	1.4	4.5
2009	1	9.4	34.3	1.1	3.9	9.3	34.0	6.4	23.4	1.3	4.4
	2	9.5	31.6	1.1	3.5	9.4	31.1	9.0	29.9	1.1	3.9
	3	8.2	27.4	.7	2.3	10.8	36.2	9.2	30.8	1.1	3.3
	4	7.4	21.3	.5	1.4	15.1	43.5	10.4	29.9	1.4	3.9
2010	1	6.7	22.0	.4	1.5	11.3	37.4	10.6	35.0	1.3	4.1
	2	<b>7.8</b>	<b>23.2</b>	<b>.5</b>	<b>1.4</b>	<b>11.6</b>	<b>34.2</b>	<b>12.7</b>	<b>37.6</b>	<b>1.3</b>	<b>3.6</b>

**Aflac Japan Sales Force Data**

<u>Number of Agencies by Type</u>					<u>Sales Contribution by Agency Type</u>						
		<u>Individual/ Independent Corporate</u>	<u>Affiliated Corporate</u>	<u>Bank *</u>	<u>Total</u>	<u>Individual/ Independent Corporate</u>	<u>Affiliated Corporate</u>	<u>Dai-ichi</u>	<u>Bank</u>	<u>Licensed Sales Associates</u>	<u>Recruited Agencies</u>
2005		15,828	2,132	-	17,960	56.7 %	35.2 %	8.1 %	- %	81,751	4,388
2006		16,212	1,978	242	18,432	58.2	32.7	8.5	.6	90,226	3,463
2007		16,213	1,987	261	18,461	56.1	35.3	8.2	.4	100,810	3,195
2008		16,577	1,976	329	18,882	55.0	35.5	6.7	2.8	107,458	3,944
2009		17,366	1,916	353	19,635	54.7	34.8	4.4	6.1	110,528	4,651
2009	1	16,392	1,951	339	18,682	52.6	37.3	6.4	3.7	108,337	1,041
	2	16,632	1,932	346	18,910	54.2	36.9	4.2	4.7	109,110	1,375
	3	17,091	1,928	351	19,370	56.8	32.1	3.8	7.3	111,085	1,062
	4	17,366	1,916	353	19,635	54.7	33.4	3.5	8.4	110,528	1,173
2010	1	17,307	1,910	352	19,569	54.1	32.2	3.5	10.2	110,830	1,197
	2	<b>17,525</b>	<b>1,903</b>	<b>354</b>	<b>19,782</b>	<b>51.8</b>	<b>33.3</b>	<b>3.4</b>	<b>11.5</b>	<b>112,504</b>	<b>1,302</b>

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

**Yen/Dollar Exchange Rates  
1994 - 2008  
(By Quarter)**

		<u>Closing Rate</u>	<u>Yearly Cum Avg</u>			<u>Closing Rate</u>	<u>Yearly Cum Avg</u>			<u>Closing Rate</u>	<u>Yearly Cum Avg</u>			<u>Closing Rate</u>	<u>Yearly Cum Avg</u>				
<b>1994</b>	1	103.15	107.65	<b>1997</b>	1	124.10	121.28	<b>2000</b>	1	106.15	107.13	<b>2003</b>	1	120.20	118.93	<b>2006</b>	1	117.47	116.90
	2	98.80	105.54		2	114.35	120.48		2	105.50	106.91		2	119.80	118.71		2	115.24	115.65
	3	98.45	103.39		3	121.10	119.64		3	108.00	107.16		3	111.25	118.39		3	117.90	115.82
	4	99.85	102.26		4	130.10	121.07		4	114.75	107.83		4	107.13	115.95		4	119.11	116.31
<b>1995</b>	1	89.35	96.32	<b>1998</b>	1	132.10	128.09	<b>2001</b>	1	123.90	118.14	<b>2004</b>	1	105.69	107.32	<b>2007</b>	1	118.05	119.48
	2	84.65	90.39		2	141.00	131.90		2	124.60	120.43		2	108.43	108.52		2	123.26	120.13
	3	99.10	91.62		3	135.50	134.57		3	119.40	120.86		3	111.05	109.00		3	115.43	119.37
	4	102.95	94.10		4	115.70	130.89		4	131.95	121.54		4	104.21	108.26		4	114.15	117.93
<b>1996</b>	1	106.35	105.84	<b>1999</b>	1	120.55	116.58	<b>2002</b>	1	133.25	132.69	<b>2005</b>	1	107.39	104.50	<b>2008</b>	1	100.19	105.06
	2	109.50	106.75		2	121.10	118.80		2	119.45	129.77		2	110.62	106.04		2	106.42	104.77
	3	111.00	107.50		3	106.95	117.09		3	122.60	126.03		3	113.19	107.79		3	103.57	105.75
	4	116.10	108.84		4	102.40	113.96		4	119.90	125.15		4	118.07	109.88		4	91.03	103.46

**Yen/Dollar Exchange Rates  
2009 - 2010  
(By Quarter)**

		<u>Qtr End</u>	<u>Qtr Avg</u>	<u>Yearly Cum Avg</u>	<u>% change Cum Avg Yen vs.08</u>			<u>Qtr End</u>	<u>Qtr Avg</u>	<u>Yearly Cum Avg</u>	<u>% change Cum Avg Yen vs.09</u>
<b>2009</b>	1	98.23	93.37	93.37	12.5 %	<b>2010</b>	1	93.04	90.49	90.49	3.2 %
	2	96.01	97.53	95.44	9.8		2	<b>88.48</b>	<b>92.05</b>	<b>91.26</b>	<b>4.6</b>
	3	90.21	93.56	94.79	11.6						
	4	92.10	89.70	93.49	10.7						