

2008 Financial Analysts Briefing Morning Session Presentation Notes



May 15, 2008

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aflac.com

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Columbus, GA 31999

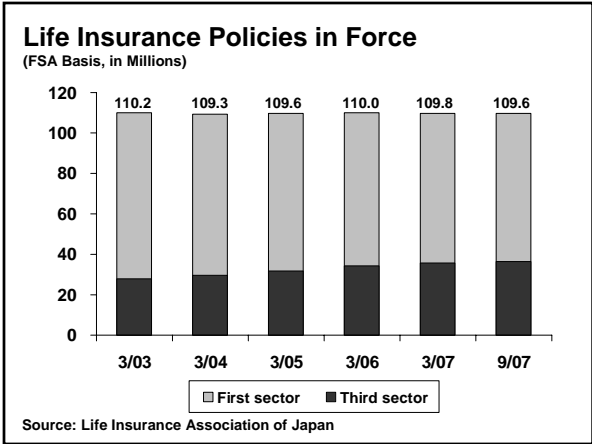
For more than 50 years, Aflac products have given policyholders the opportunity to direct cash where it is needed most when a life-interrupting medical event causes financial challenges. Aflac is the number one provider of guaranteed-renewable insurance in the United States and the number one insurance company in terms of individual insurance policies in force in Japan. Our insurance products provide protection to more than 40 million people worldwide. Aflac has been included in Fortune magazine's listing of America's Most Admired Companies for seven years and in Fortune magazine's list of the 100 Best Companies to Work For in America for ten consecutive years. Aflac has also been recognized three times by both Fortune magazine's listing of the Top 50 Employers for Minorities and Working Mother magazine's listing of the 100 Best Companies for Working Mothers. Aflac Incorporated is a Fortune 500 company listed on the New York Stock Exchange under the symbol AFL. To find out more about Aflac, visit aflac.com.

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: legislative and regulatory developments, including changes to health care and health insurance delivery; assessments for insurance company insolvencies; competitive conditions in the United States and Japan; new product development and customer response to new products and new marketing initiatives; ability to attract and retain qualified sales associates and employees; ability to repatriate profits from Japan; changes in U.S. and/or Japanese tax laws or accounting requirements; credit and other risks associated with Aflac's investment activities; significant changes in investment yield rates; fluctuations in foreign currency exchange rates; deviations in actual experience from pricing and reserving assumptions including, but not limited to, morbidity, mortality, persistency, expenses and investment yields; level and outcome of litigation; downgrades in the company's credit rating; changes in rating agency policies or practices; subsidiary's ability to pay dividends to the parent company; ineffectiveness of hedging strategies; catastrophic events; and general economic conditions in the United States and Japan, including increased uncertainty in the U.S. and international financial markets.

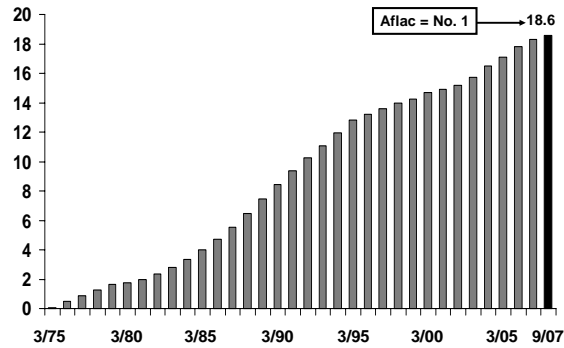


Introduction to Aflac Japan
Tohru Tonoike
President; Chief Operating Officer,
Aflac Japan



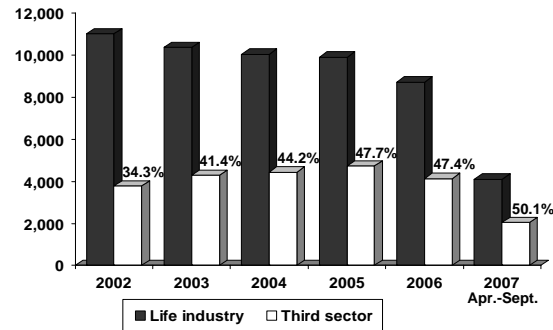
The Number One Life Insurer in Japan

(Policies in Force, FSA Basis, in Millions)



New Business in Policies

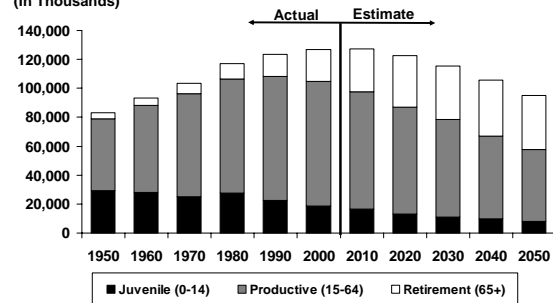
(FSA Basis, in Thousands)



Source: Life Insurance Association of Japan, Insurance Research Institute

Japan's Aging Population and Declining Birthrate

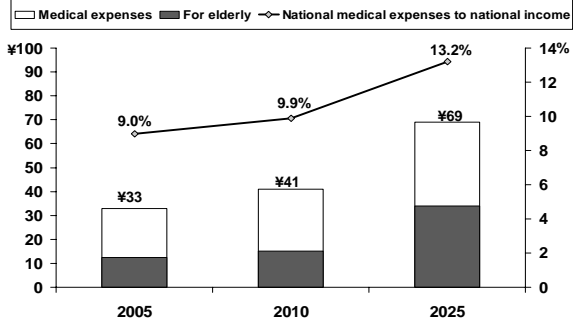
(In Thousands)



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

National Medical Expenses

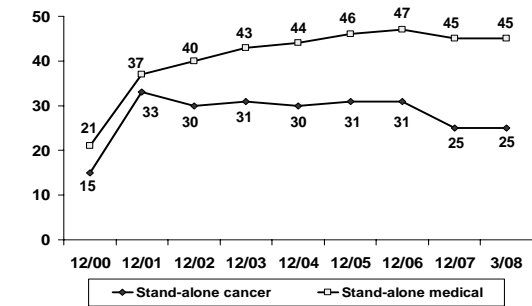
(Yen in Trillions)



Source: Ministry of Health, Labor and Welfare, 8/07

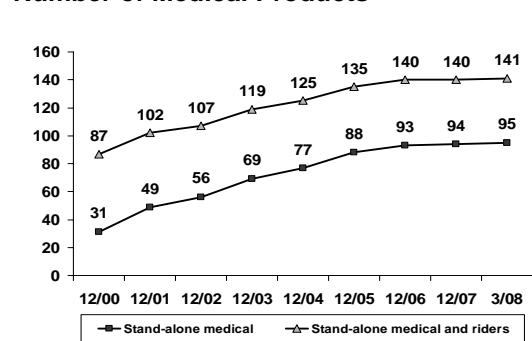
Competitors in the Third Sector

(Number of Life and Non-life Insurance Companies)



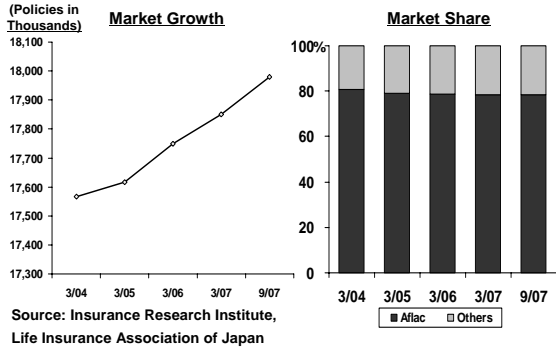
Reflects results of company mergers and companies that have discontinued sales
Source: Web sites of each company

Number of Medical Products

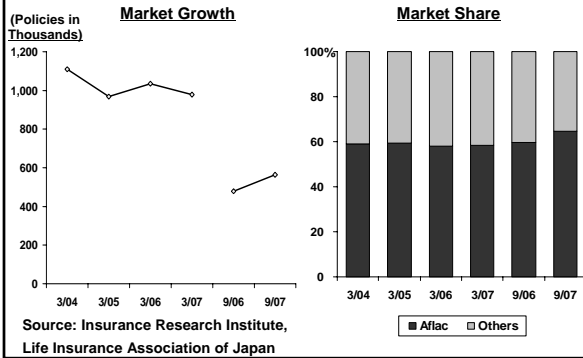


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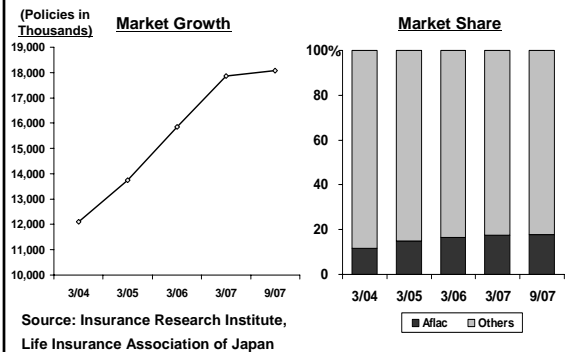
Aflac's Share of In-Force Business: Cancer
(FSA Basis, Stand-alone, Life Industry Only)



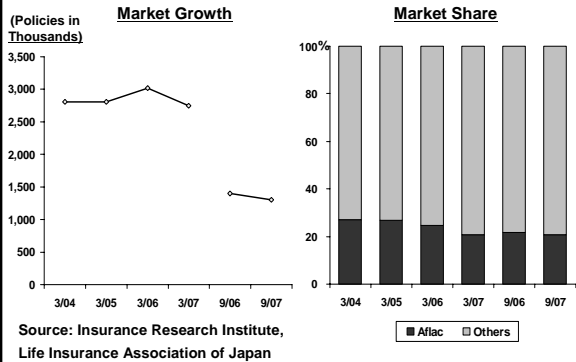
Aflac's Share of New Business: Cancer
(FSA Basis, Stand-alone, Life Industry Only)



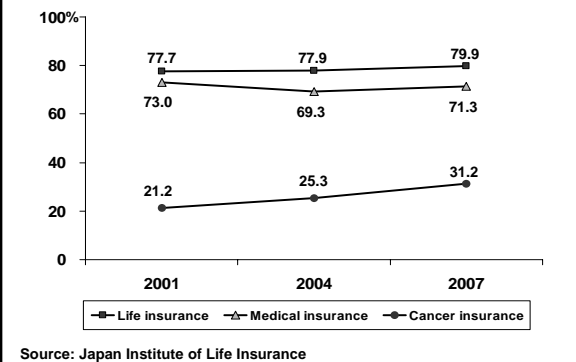
Aflac's Share of In-Force Business: Medical
(FSA Basis, Stand-alone, Life Industry Only)



Aflac's Share of New Business: Medical (FSA Basis, Stand-alone, Life Industry Only)



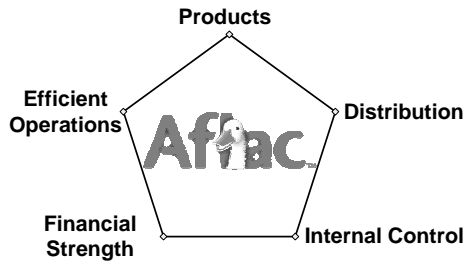
Insurance Product Penetration (Individual Basis)



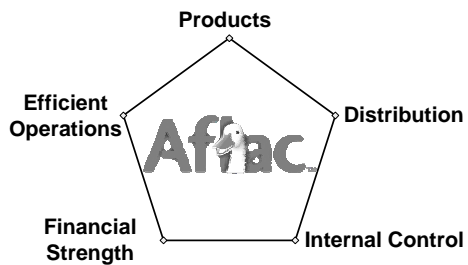
Aflac Japan's Strategy for Growth

- Product broadening
- Distribution expansion
- Operational efficiency

Aflac Japan's Competitive Strengths



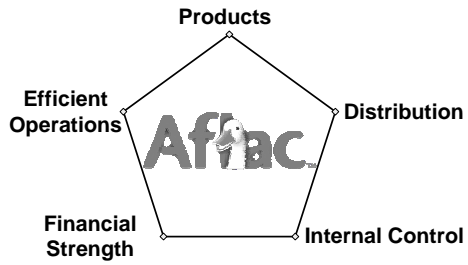
Aflac Japan's Competitive Strengths



Aflac Japan's Product Line

- | <u>Third Sector Products</u> | <u>First Sector Products</u> |
|------------------------------|------------------------------|
| • Cancer Forte NEW | • WAYS |
| • Rider MAX | • Ordinary life |
| • Super Care | • Fixed annuity |
| • EVER | |
| • EVER Half | |
| • EVER Bonus | |
| • EVER Paid Up | |
| • Gentle EVER NEW | |

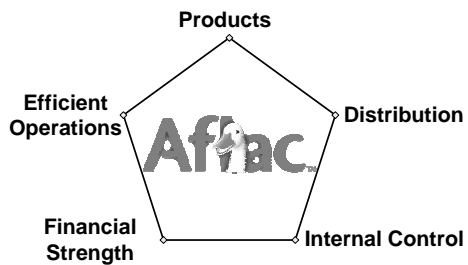
Aflac Japan's Competitive Strengths



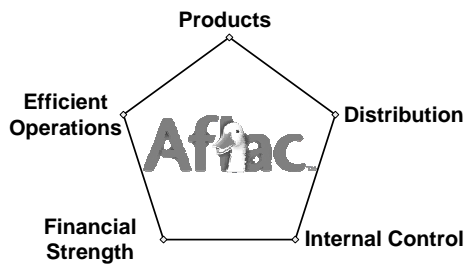
Aflac Japan's Distribution Channels

- Affiliated corporate
- Independent corporate
- Individual
- Dai-ichi Mutual Life
- Alternative outlets - afladirect.com, ITSUMO
- Over-the-counter sales by banks
- Japan Post Network

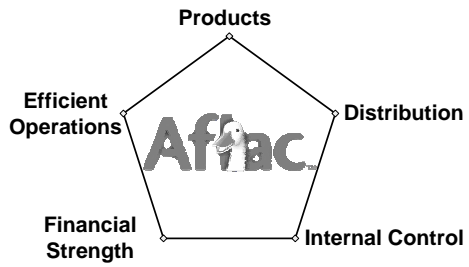
Aflac Japan's Competitive Strengths



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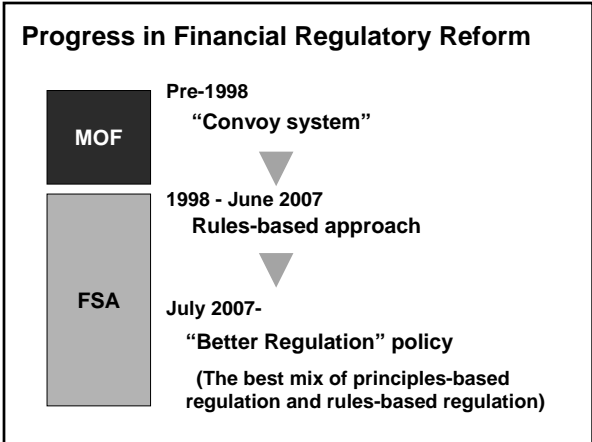
Aflac Japan's 2008 Corporate Slogan

アフラック
変化を
力にする

Let changes be our power!!



Japan's Regulatory Environment
Charles Lake
Vice Chairman,
Aflac Japan



FSA's "Financial and Capital Market Competitiveness Plan" and Other Regulatory Initiatives

- "Plan for Strengthening the Competitiveness of Japan's Financial and Capital Markets" (Dec. 2007)

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- Prime Minister Fukuda's 2008 Economic Growth Plan

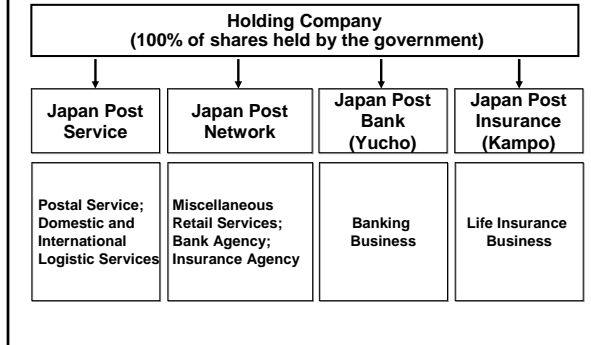
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- Policyholder Protection Corporation

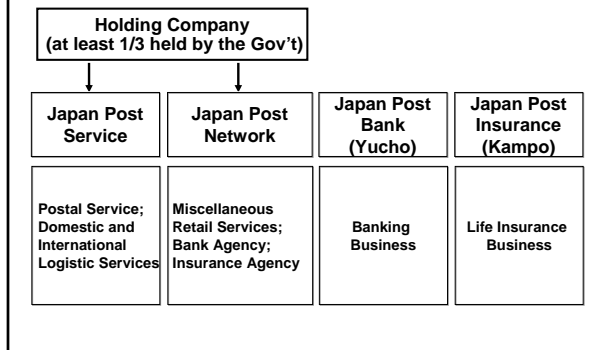
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- Policyholder Protection Corporation
- Status of claims review

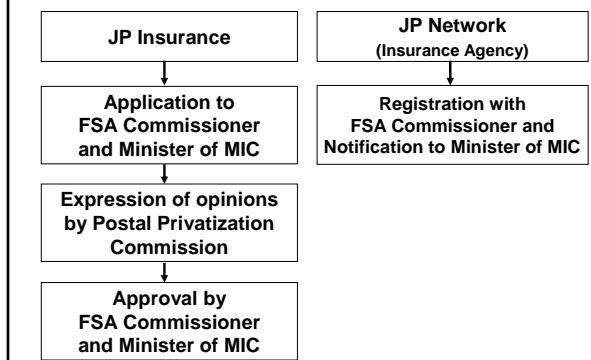
Postal Privatization: Current Status and Before IPO



Postal Privatization: After IPO and by 2017



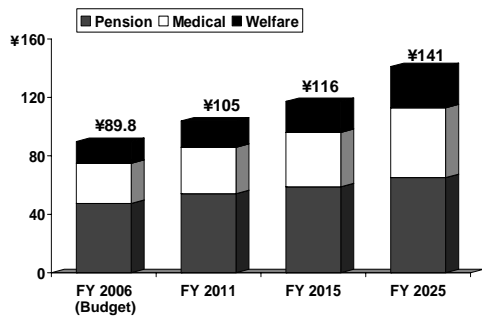
Comparison of the Approval Process for New Insurance Sales



The Council for Promotion of Cancer Policy

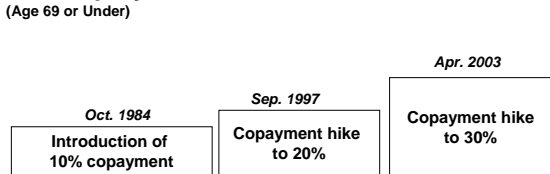
- Developed the **Basic Plan for Promotion of Cancer Measures**
- **The goal of the plan:**
 - » Decrease cancer death rates
 - » Improve “quality of life”
- Enhance the awareness of Japanese consumers regarding cancer

Rapidly Increasing Social Security Benefits (Yen in Trillions)



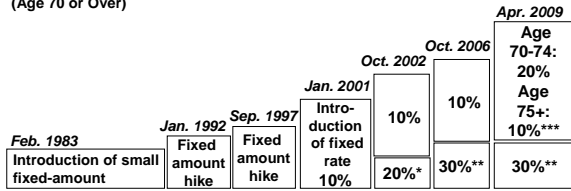
Source: Ministry of Health, Labor and Welfare, 5/06

Major Changes in Copayments for the Employed (Age 69 or Under)



Major Changes in Copayments for the Elderly

(Age 70 or Over)

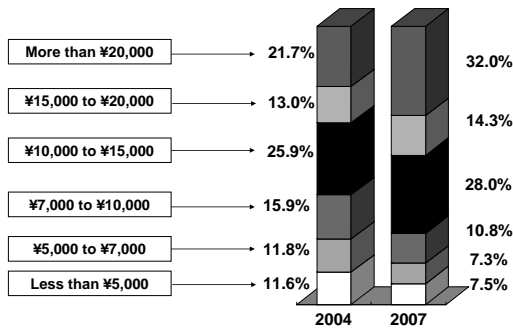


*Husband and wife or individual with annual income exceeding ¥6.37 million or ¥4.5 million, respectively, including pension

**Husband and wife or individual with annual income exceeding ¥5.2 million or ¥3.8 million, respectively, including pension

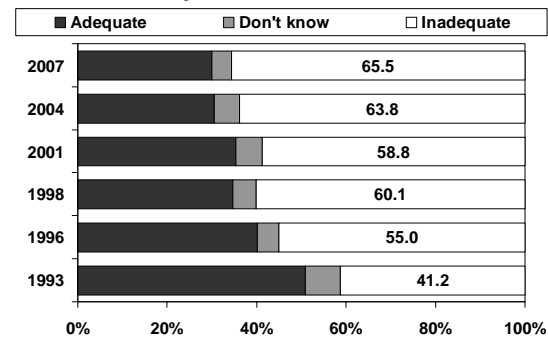
***Advanced Elderly Health System was introduced from April 2008

Daily Out-of-Pocket Hospitalization Expenses



Source: Japan Institute of Life Insurance, 12/07

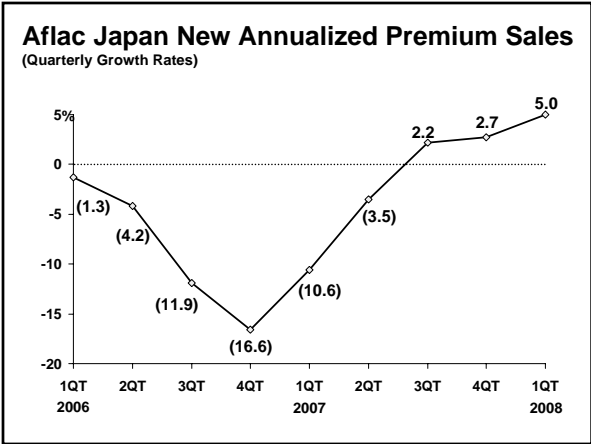
The Public's View on the National Health Care System



Source: Japan Institute of Life Insurance, 12/07

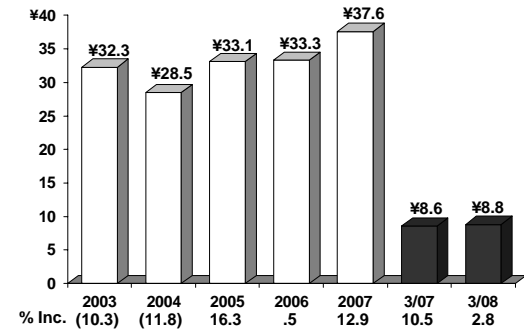


**Aflac Japan Marketing and Sales
Takaaki Matsumoto
First Senior Vice President;
Director of Marketing and Sales,
Aflac Japan**



New Sales of Cancer Insurance

(New Annualized Premium, Yen in Billions)



New Features of Cancer Forte

- First-occurrence annuity benefit
 - » Paid in years two through five following diagnosis
- Outpatient benefits
 - » Increased from 30 days to 60 days per hospitalization
- “Premier Support”
 - » Counseling and doctor referral services

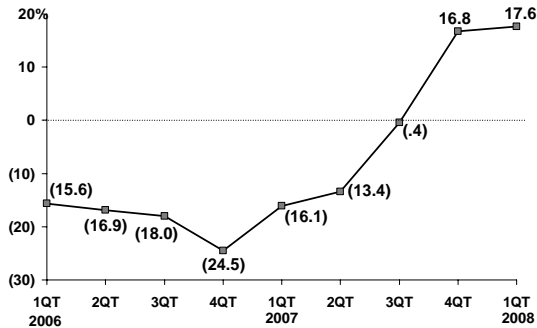
Premium Comparison of Cancer Products

(Whole-life, Stand-alone Basis)

	Male - Direct Rate	
	40-year-old	50-year-old
Aflac (CSV=0%)	¥3,984	¥5,542
Co. A (CSV=0%)	4,066	5,698
Co. B (CSV=30%)	4,002	6,147
Co. C (CSV=30%)	5,037	7,307
Co. D (CSV=100%)	5,582	7,516
(Cancer Forte for existing policyholders)		
Aflac (CSV=0%)	1,426	1,922

New Sales of Medical Insurance

(Quarterly Growth Rates)



Gentle EVER Contribution to Medical Sales

(First Quarter 2008)

	Sales Contribution	Average Premium Per Policy Excluding Riders
EVER Half	16.9%	¥ 47,100
EVER Bonus	.7	65,900
EVER Paid up	13.9	57,300
EVER	52.4	57,400
Gentle EVER	14.6	116,400
Other	1.5	-
Total	100.0%	

Premium Comparison of Nonstandard Medical Products

(Stand-alone Basis)

	CSY	Max. Days per Hospital Stay	Max. Lifetime Days	Issue Age	Monthly Premium (50-yr. Male)
Aflac	0%	60	1,095	40-80	¥ 5,730
Co. A	100	60	1,095	45-85	11,460
Co. B	100	62	1,000	50-75	13,011
Co. C	100	60	1,000	40-75	9,220

Premiums for ¥5,000/day hospitalization benefits
 Aflac: Policy period; whole life
 Co. A: Policy period; age 90 maturity. Death benefit; ¥500,000
 Co. B: Policy period; whole life. Death benefit; ¥1,000,000
 Co. C: Policy period; whole life. Death benefit; ¥500,000

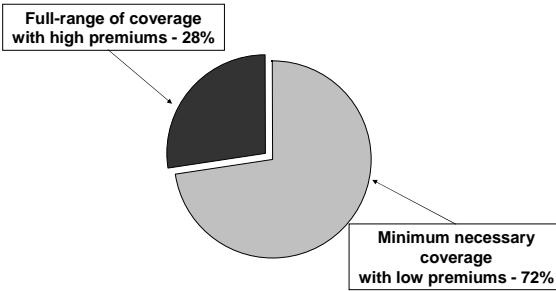
Premium Comparison of Medical Products

(Whole-life, Stand-alone Basis)

	Requires Overnight Stay	Max. Days per Hospital Stay	Max. Lifetime Days	Issue Age	Monthly Premium (50-yr. Male)
Aflac	No	60	1,095	0-80	¥ 5,890
Co. A	No	60	730	18-75	7,050
Co. B	Yes	62	1,095	50-74	10,020
Co. C	No	60	1,095	2-70	6,900

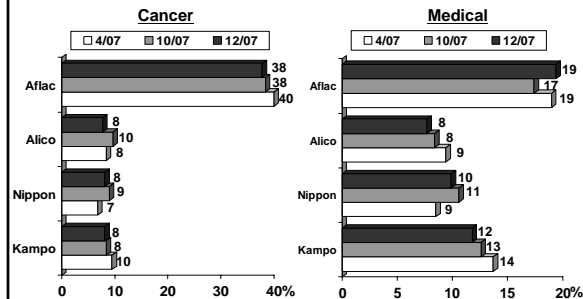
Premiums for ¥10,000/day hospitalization benefits
 Co. A: Maximum days per hospital stay is 180 for certain diseases. Maximum lifetime days is 1,095.
 Co. B: Maximum lifetime unlimited for cancer.
 Co. C: Premium may be reduced if interest rates rise.

Preference of Medical Insurance by Product Type



Source: Yahoo Value Insight Corporation, 12/07

The Most Preferred Insurer for Cancer and Medical Insurance



Source: Yahoo Value Insight Corporation

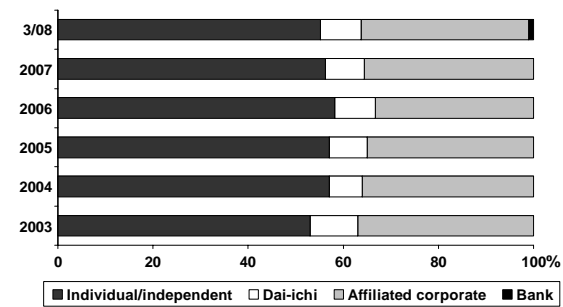
Industry New Sales

(FSA Basis, 4/07- 9/07)

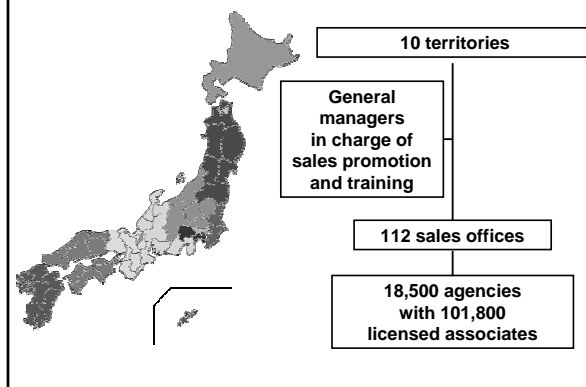
Rank In Third Sector	Company	Third Sector (In Millions)	AP in New Business		
			% Change	Total (In Millions)	% Change
1	Aflac	¥ 37,377	6%	¥ 49,097	3%
2	Nippon	24,100	(11)	104,800	(25)
3	Sumitomo	22,900	(24)	87,600	(14)
4	Dai-ichi	21,100	(16)	66,300	(22)
5	Alico	21,087	(7)	71,150	(25)
Industry total		¥236,197	(3)	¥1,117,247	(9)

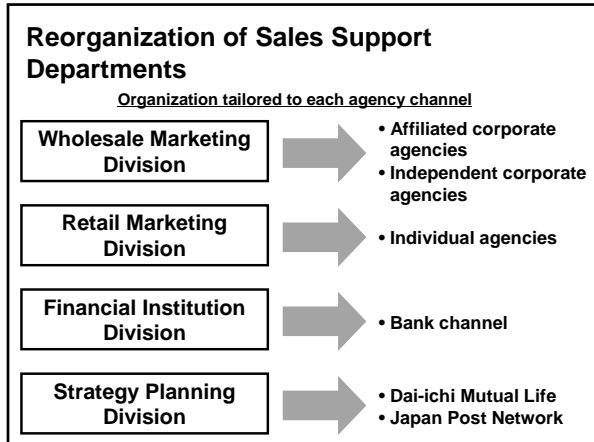
Sales Composition by Type of Agency

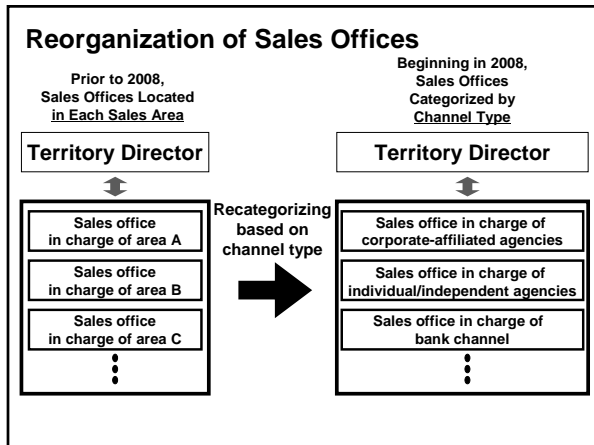
(New Annualized Premium Sales)

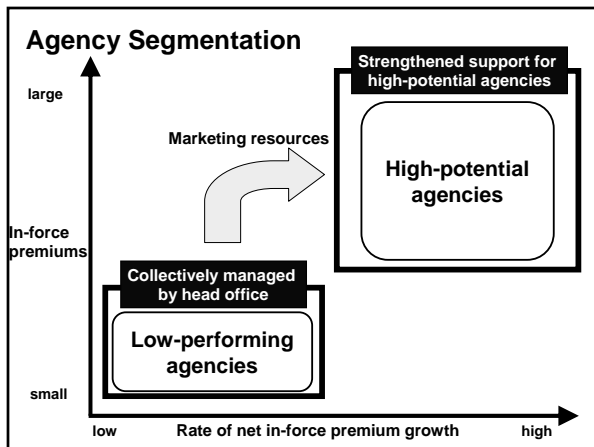


Sales Organization

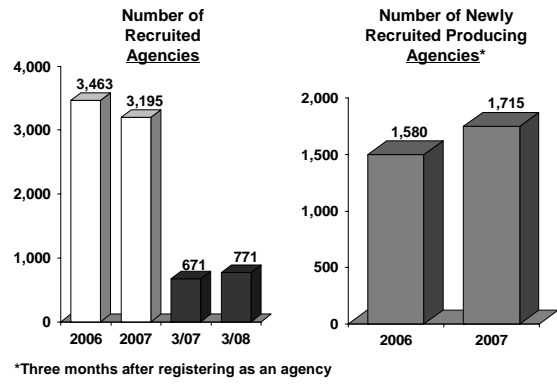




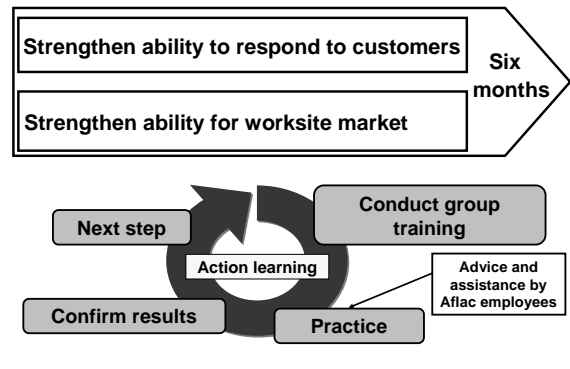




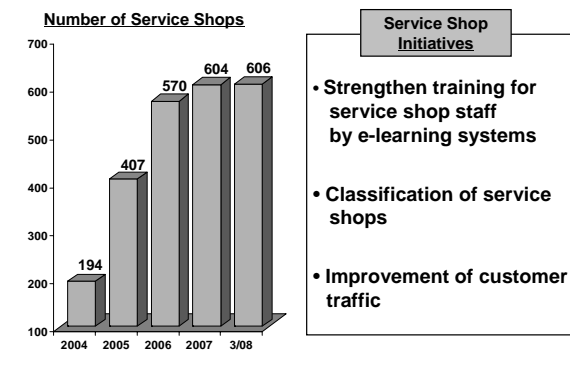
Recruitment of New Agencies

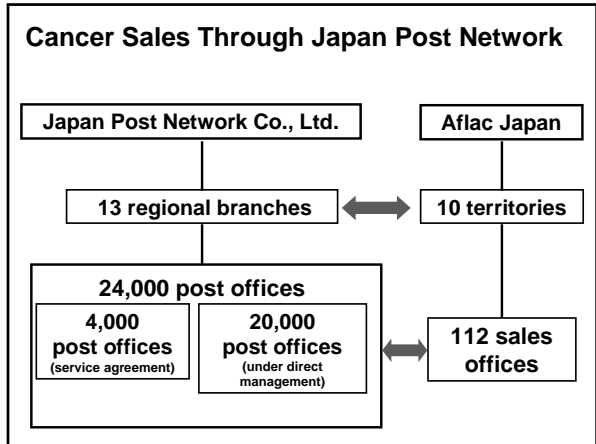


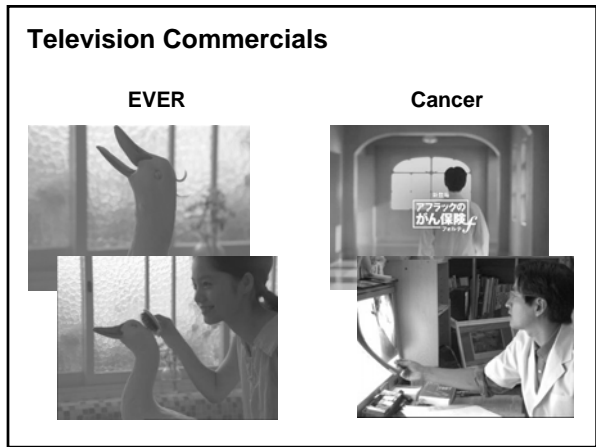
New Associates Basic Training - ABT

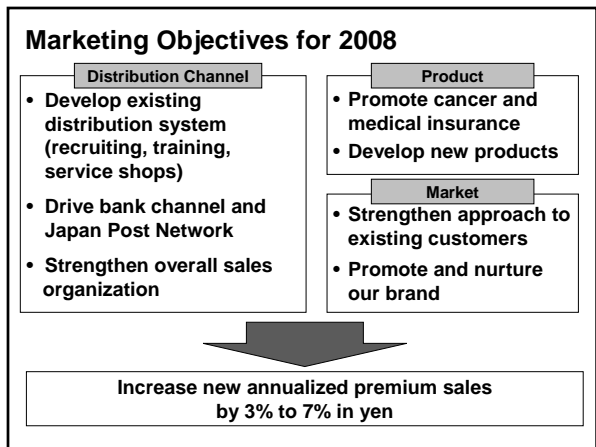


Improvement of Service Shops











**Aflac Japan
Bank Channel Sales
Hisayuki Shinkai
First Senior Vice President,
Financial Institutions**

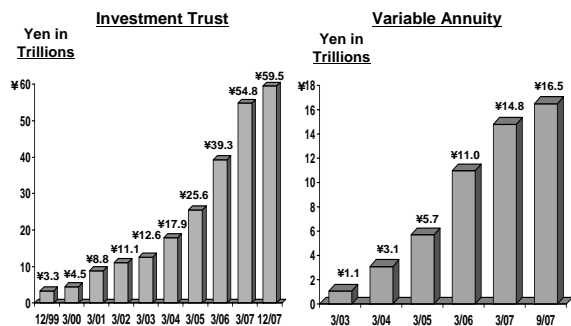
History of Bank Sales

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

Financial Institutions in Japan

	No. of Institutions	No. of Branches		No. of Employees	
		Total	Avg. per Institution	Total	Avg. per Institution
Mega banks	4	2,182	546	77,060	19,265
Major banks	7	463	66	26,082	3,726
Regional banks	64	7,421	116	124,736	1,949
Second-tier regional banks	45	3,274	73	47,227	1,049
Shinkin banks	281	7,754	28	113,001	402
Other new banks	2	13	7	577	289
Total	403	21,107	52	388,683	964

Sales Power of Banks



Source: Investment Trusts Association of Japan, Insurance Daily

Characteristics of Banks in Japan

- Large allocation of household financial assets to deposits
- Consumers reliance on banks
 - » High credibility
 - » Total care by banks
- Door-to-door sales
 - » Unique in Japan, regional banks, shinkin banks
- Less independent financial planners (FP)
 - » 85% of FPs belong to financial institutions

Relationships with Banks

	Business with Affiliated Corporate Agencies			Bank Employees Related Business	
	No. of Affiliated Corporate Agencies	No. of Cancer Policies in Force*	No. of Cancer Policy-Holders*	No. of Bank Employees*	Coverage
Mega banks	4	1,455	51	77	66%
Major banks	5	264	9	26	35
Regional banks	62	490	79	125	63
Second-tier regional banks	42	211	28	47	60
Shinkin banks	145	193	44	113	39
Total	258	2,613	211	388	54%

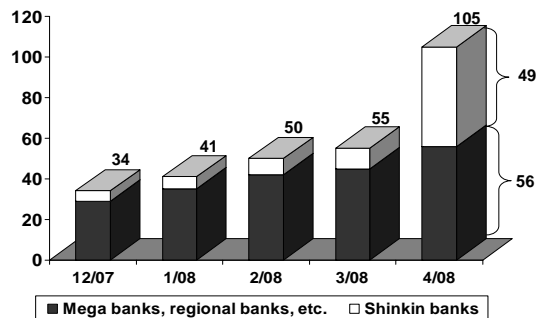
*In thousands

Banks' Points of View

- Highly recognized company and products by consumers
 - » Simple and easy-to-explain products
- High commissions
- Sales support and training
 - » 13 specialized offices and 250 employees
 - » 99 traditional sales offices support banks
 - » Specialized call center for day-to-day operation

Number of Banks Selling Aflac Products

(Third Sector Products Only)

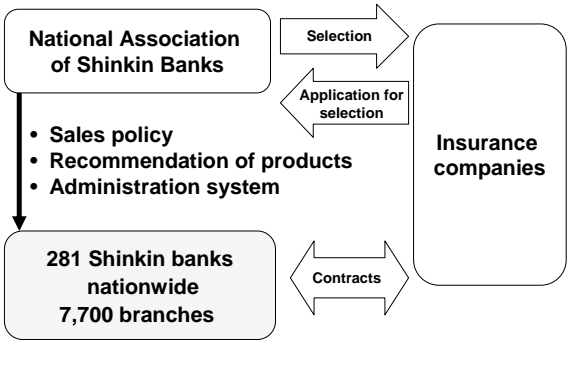


Third Sector Sales by Bank Type

(As of April 2008)

	No. of Institutions	No. Selling Aflac products	No. Selling Cancer	No. Selling EVER
Mega banks	4	3	3	3
Major banks	7	3	2	3
Regional banks	64	36	33	30
Second tier regional banks	45	12	10	11
Shinkin banks	281	49	47	40
Other new banks	2	2	2	2
Total	403	105	97	89

The Shinkin Industry



Regulatory Concerns

- Detailed regulation imposed

↓ Requires:

- Administrative framework at banks
- Knowledge and skills of salesperson

↓ Cautious behavior at the beginning

- Financial Instruments and Exchange Law
 - » Enforced in September 2007
 - » Applied to investment instruments
 - » Third sector products not covered
 - » Affected in case of combined sales
 - » Require lead time

First Quarter 2008 New Sales Through the Bank Channel

(Yen in Millions)

Cancer Forte	¥ 95
EVER	88
WAYS	14
Sub-total	¥197
Annuity	79
Total	¥276

Prospects for the Second Quarter and Beyond

- “Test period” ended and promotion under 2008 budget begins
- Shinkin sales get on track - regional banks to grow
- More focus on third sector by banks in light of turbulent financial markets



**Aflac Japan Administration
Hiroshi Yamauchi
First Senior Vice President;
Chief Administrative Officer,
Aflac Japan**

Maintenance Expenses Per Policy in Force

(FSA Basis, 3/07)

Rank by Assets	General Operating Expenses (In Millions)*	Policies in Force (In Thousands)	Cost Per Policy
1 Nippon	¥250,919	12,962	¥19,357
2 Dai-ichi	192,118	11,391	16,865
3 Meiji Yasuda	171,707	9,319	18,425
4 Sumitomo	166,433	8,899	18,702
6 Alico	61,610	5,471	11,260
7 Taiyo	50,753	3,163	16,041
11 Aflac	88,569	18,303	4,839
14 Sony	30,561	4,109	7,436
18 Tokio Anshin	35,381	2,013	17,576

*Excluding renewal commissions
Source: Disclosure statement from each company

**Number of Policies Per
Administrative Employee**

(FSA Basis, 3/07)

Rank by Assets	Administrative Employees	Policies in Force (In Thousands)	Policies per Employee
1 Nippon	11,149	12,962	1,163
2 Dai-ichi	9,998	11,391	1,139
3 Meiji Yasuda	8,409	9,319	1,108
4 Sumitomo	8,367	8,899	1,064
6 Alico	3,038	5,471	1,801
7 Taiyo	2,735	3,163	1,157
11 Aflac	3,241	18,303	5,648
14 Sony	1,014	4,109	4,053
18 Tokio Anshin	1,347	2,013	1,494

Source: Disclosure statement from each company

**Efficiency Improvement Measures
by Leveraging IT**

- AANET
- e-App
- eco
- Aflac Net Billing

Aflac's Call Centers

Inbound
(Policy Administration/Customer Service departments)

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

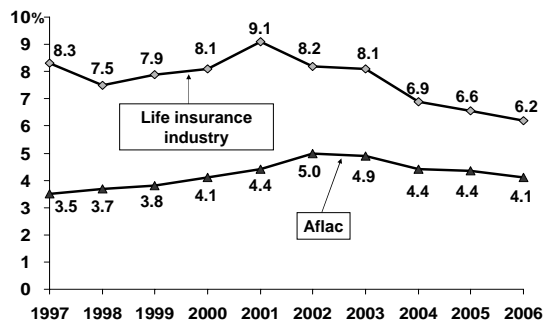
Associates Support Center
(Inquiries from sales agencies)

Outbound
(Sales/Marketing departments)

Hot Call Center
(Outgoing calls to existing policyholders)

Surrender and Lapse Rates

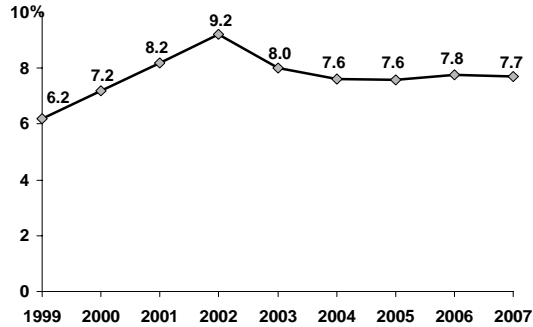
(Individual Insurance Only, FSA Policy Basis)



Source: Japan Institute of Life Insurance

Ratio of Not-Taken Policies

(Percentage of All New Applications)



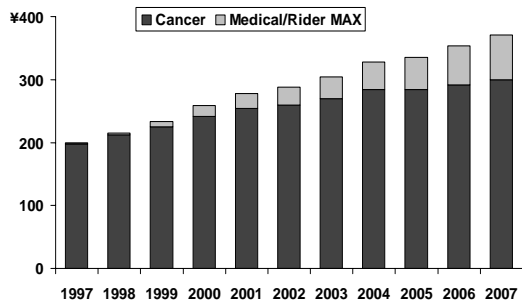
Source: Internal data

Key Points to Improving Persistency Rates

- Sales agencies take follow-up action
- Communicate the importance of improving persistency rates to sales agencies

Claims Payments

(Yen in Billions)



Source: Internal data



Aflac Japan Investments
Jerry Jeffery
Senior Vice President;
Chief Investment Officer

- Aflac Japan Investment Considerations**
- Aflac investment policy
 - Product needs
 - » Long liability durations
 - » Yen-denominated policy liabilities
 - Credit risk
 - Aflac Incorporated objectives

Split-Rated Securities

(March 31, 2008)

	Amort. Cost (In Mil)	Moody's Rating	S&P Rating	SVO Class	Inv. Grade or BIG
Ahold	¥32,000	Baa3	BB+	3	BIG.
Union Carbide	1,528	Ba2	BBB-	2	Inv.
Orcor Electric Delivery	1,054	Ba1	BBB-	2	Inv.
Total	¥34,582				

Aflac Japan Credit Ratings*

	2006	2007	3/08
AAA	4.8%	5.3%	5.3%
AA	37.9	48.2	49.0
A	38.0	28.7	27.2
BBB	16.6	15.9	16.6
BB or below	2.7	1.9	1.9
Total	100.0%	100.0%	100.0%

*At amortized cost

Below-Investment-Grade Holdings

(March 31, 2008, Yen in Millions)

	Amortized Cost	Fair Value	Unrealized Gain (Loss)
Ahold	¥ 32,000	¥29,840	¥ (2,160)
Ford Motor Credit	30,000	20,399	(9,601)
CSAV, Tollo Shipping	24,000	16,177	(7,823)
BAWAG Capital Finance	14,000	9,029	(4,971)
Ford Motor Company	4,081	2,763	(1,318)
Academica Charter Schools	1,621	1,420	(201)
Patrick Family Housing	149	149	-
ISTC	-	92	92
Total	¥105,851	¥79,869	¥(25,982)

Aflac's Impairment Policy

- Percentage decline in value and the length of time during which the decline has occurred
- Recoverability of principal and interest
- Market conditions
- Ability and intent to hold the 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

Aging Schedule of Aflac Japan's Below-Investment-Grade Holdings

(March 31, 2008, Yen in Millions)

Months Below Investment Grade	Amort. Cost	Fair Value	Unrealized Gain (Loss)
Less than 6 months	¥ 1,621	¥ 1,512	¥ (109)
6 to 12 months	149	149	—
12 to 24 months	38,000	25,206	(12,794)
More than 24 months	66,081	53,002	(13,079)
Total	¥105,851	¥79,869	¥(25,982)

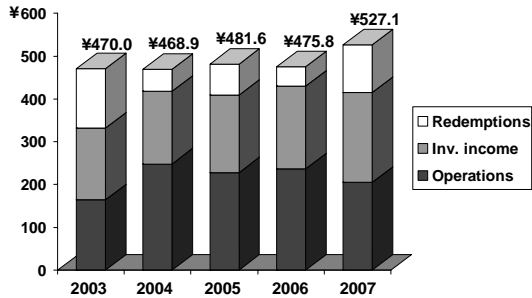
Aging of Unrealized Losses on Below-Investment-Grade Holdings

(March 31, 2008, Yen in Millions)

	Unrealized Loss	% Decline from Cost	Number of Months 20% or More Below Cost
CSAV, Tollo Shipping	¥7,823	32.6%	27
Ford Motor Company	1,318	32.3	10
BAWAG Capital Finance	4,971	35.5	9
Ford Motor Credit	9,601	32.0	3
Academica Charter Schools	201	12.4	—
Ahold	2,160	6.8	—

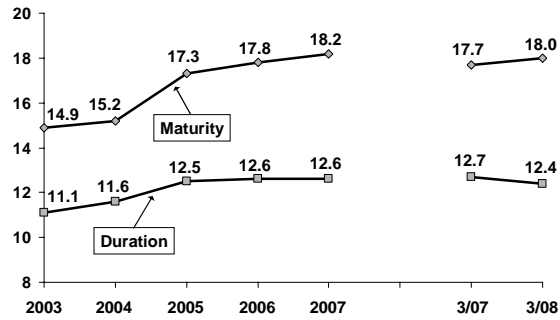
Investment Cash Flow

(Yen in Billions)



Average Maturity and Duration

(Yen-Denominated, in Years)



2007 Longer-Dated Yen Purchases

	Acquisition Cost (In Billions)	% of 2007 New Money	Yield	Remaining Years
Euroyen	¥241.5	45.8%	2.85%	30.0
RDCs	117.9	22.4	4.24	29.6
Loans	12.1	2.3	2.96	29.9
JGBs	4.1	.8	1.25	14.8
Industrial/Samurai	20.0	3.8	2.81	30.0
ABS, RMBS, CDO	39.6	7.5	3.06	12.3
	<u>¥435.2</u>	<u>82.6%</u>	<u>3.23%</u>	<u>28.1</u>

Aflac Japan's Dollar-Denominated Portfolio

(In Millions)

	<u>Amount</u>	<u>% of Investments and Cash*</u>	<u>Yield</u>
2003	\$2,525	7.2%	7.48%
2004	2,714	6.9	7.28
2005	2,903	7.4	7.11
2006	3,117	7.4	7.04
2007	3,355	7.1	6.81
3/08	3,772	6.9	6.71

*At amortized cost

Aflac Japan Dollar-Denominated Mortgage-Backed Securities

(March 31, 2008, in Millions)

		<u>FICO Score</u>	<u>LTV Ratio</u>	<u>Rating</u>
Agency CMOs	\$ 74.3	719	74.4%	AAA
Bank of America	5.6	752	70.2	AAA
Countrywide	29.1	732	68.6	AAA
Credit Suisse	5.5	736	61.3	AAA
First Union (CMBS)	4.5	N/A	63.8	AAA
Res Asset Sec Trust	9.6	720	67.0	AAA
Lehman Brothers	3.8	699	72.2	AAA
Morgan Stanley	5.0	699	75.1	AAA
Residential Funding	5.0	735	69.4	AAA
Wells Fargo	<u>27.2</u>	<u>752</u>	<u>72.4</u>	<u>AAA</u>
Total	\$169.6	<u>728</u>	<u>71.6</u>	<u>AAA</u>

Reverse-Dual Currency Securities

Features:

- Yen principal with dollar coupon
- Loan or bond format
- 23.6% of total investments and cash at March 31, 2008
- Average yield of 4.38%

Sample Issuers:

- BMW Japan Finance Corp.
- Dresdner Bank
- Deutsche Bank
- Barclays Bank
- Transco

Reverse-Dual Securities Breakeven Analysis

Forward ¥/\$ Rate*	Internal Rate of Return
¥100.19	3.83%
90.00	3.43
80.00	3.05
70.00	2.66
60.00	2.28
55.27	2.09

3/31/08
 20-yr.
 JGB
 yield

*Assumed constant exchange rate during the period

Credit Ratings on Aflac Japan Purchases

	<u>2006</u>	<u>2007</u>	<u>3/08</u>
AAA	9.7%	18.0%	9.7%
AA	53.7	48.5	57.0
A	33.4	29.6	12.9
BBB	3.2	3.9	20.4
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Composition of Investments and Cash*

	<u>2006</u>	<u>2007</u>	<u>3/08</u>
Yen-denom. bonds:			
Government	16.3%	14.7%	14.4%
Industrial	2.3	2.1	2.1
Public utility	1.0	.9	.9
Euroyen/Samurai	48.1	49.3	49.0
ABS, RMBS, CDO	.9	1.5	1.9
Yen-denom. stocks	-	-	-
Dollar-denom. securities	7.4	7.0	6.8
Loans	23.3	23.9	24.4
Cash & short-term invest.	.7	.6	.5
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

*At amortized cost

Largest Investment Concentrations

(March 31, 2008, at Amortized Cost, Yen in Millions)

		Rating Category
Japanese Government Bonds	¥908,715	AA
HSBC	83,780	AA/A
Banque Centrale De Tunisie	80,226	BBB
Israel Electric	77,879	BBB
HBOS	71,935	AA/A
Takefuji	71,776	BBB
Republic of South Africa	61,491	BBB
Credit Suisse Group	60,547	AA/A
Mitsubishi UFJ Financial Group	55,057	AA
Mizuho Financial Group	51,953	AA
Fortis Bank	51,604	AA

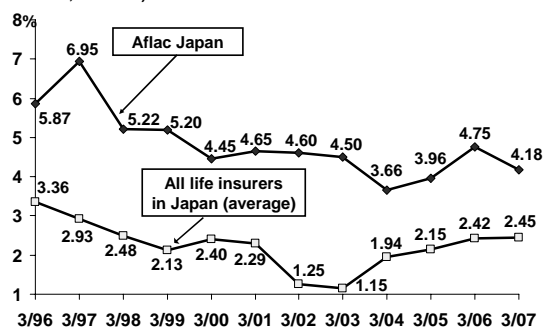
Industry and Geographic Breakdown

(March 31, 2008, Yen in Billions)

	North America	Europe	Asia	Other	Total
Utility	¥ 23	¥ 216	¥ 91	¥126	¥ 456
Bank & Finance	499	1,487	298	189	2,473
Industrial	293	454	139	104	990
Sovereign	45	152	980	266	1,443
Securitized	78	5	36	—	119
Total	¥938	¥2,314	¥1,544	¥685	¥5,481

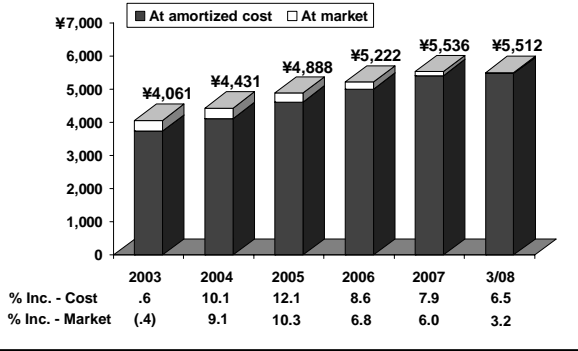
Comparison of Yields in Japan

(FSA Basis, March 31)



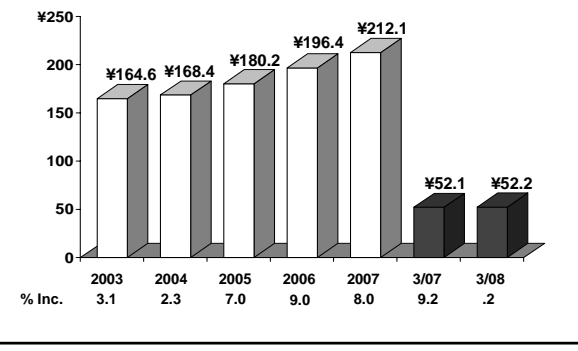
Investments and Cash

(Yen in Billions)



Net Investment Income

(Yen in Billions)



Adding Value Without Adding Risk

(Yen in Millions)

Impact on 2007 Net Investment Income

• Increase New Money Yield

+10 bp	+20 bp	+30 bp
¥108	¥216	¥324

• New Money Investment Acceleration

2 Weeks Early	1 Month Early	2 Months Early
¥309	¥662	¥1,324

Callable and Redeemable Securities

(Yen in Billions)

	<u>Redemption Amount*</u>	<u>Yield</u>	<u>First Call Amount*</u>	<u>Yield</u>	<u>Total Amount</u>	<u>Yield</u>
2008	¥ 74.0	4.21%	¥ 39.9	4.78%	¥ 113.9	4.40%
2009	171.5	5.23	50.0	2.49	221.5	4.61
2010	37.5	4.79	97.8	2.91	135.3	3.43
2011	265.7	5.41	121.9	3.68	387.6	4.86
2012	170.4	4.62	193.5	3.39	363.9	3.96
	<u>¥719.1</u>	<u>5.03%</u>	<u>¥503.2</u>	<u>3.37%</u>	<u>¥1,222.2</u>	<u>4.35%</u>

*At amortized cost



Aflac Japan Financial Results
Yuji Arai
Senior Vice President;
Principal Financial Officer,
Aflac Japan

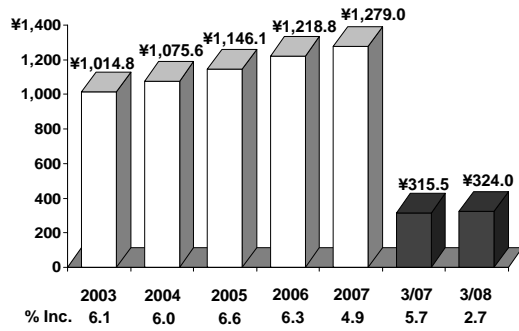
Pretax Operating Earnings Growth

(Yen in Billions)

	Total Revenues		Profit Margin	=	Pretax Operating Earnings
2003	¥1,014.8	×	12.8%	=	¥130.2
2004	1,075.6	×	13.9	=	149.3
2005	1,146.1	×	14.5	=	166.4
2006	1,218.8	×	15.8	=	192.1
2007	1,279.0	×	16.8	=	214.7

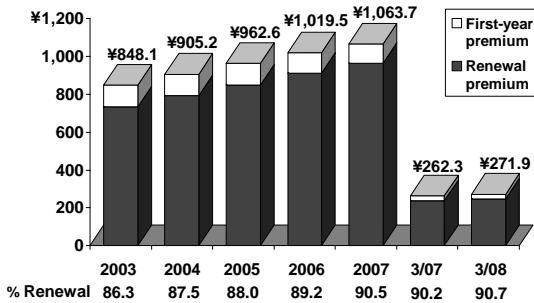
Total Revenues

(Yen in Billions)



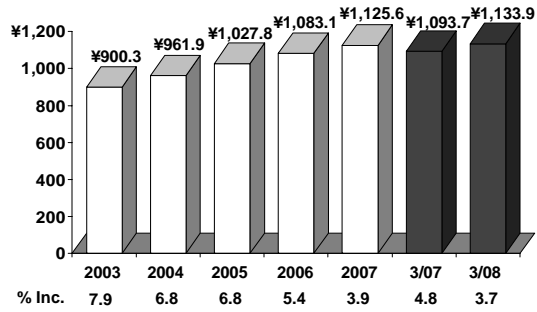
Premium Income

(Yen in Billions)



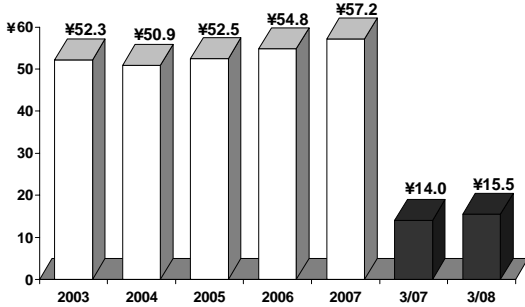
Annualized Premiums in Force

(Yen in Billions)

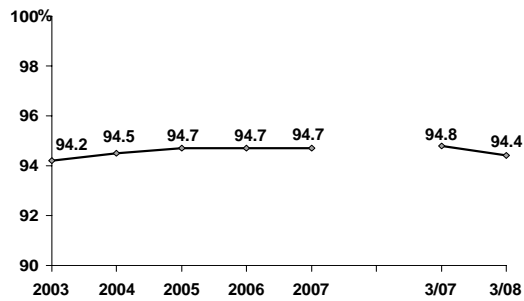


Trend of Terminated Annualized Premium

(GAAP Basis, Yen in Billions)



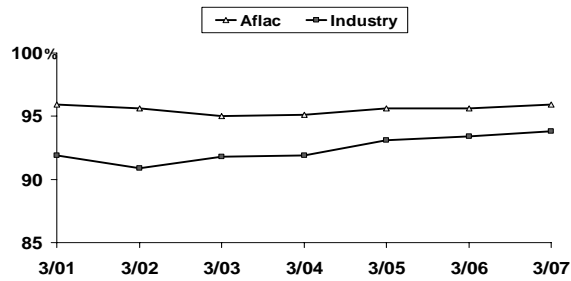
Persistency Rates*



*All product lines, excluding annuities

Comparison of Persistency Rates

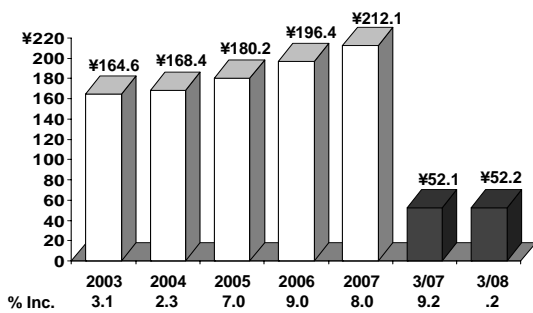
(FSA Policy Basis)



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

Net Investment Income

(Yen in Billions)



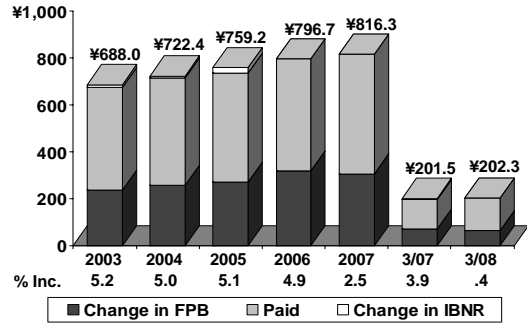
Aflac Japan Investment Margin

(Yen in Billions)

	2006 Amount	2007 Amount
Investment income	¥ 196	¥ 212
Actuarial assumed interest on benefit reserve liability	(184)	(193)
Yield spread	¥ 12	¥ 19

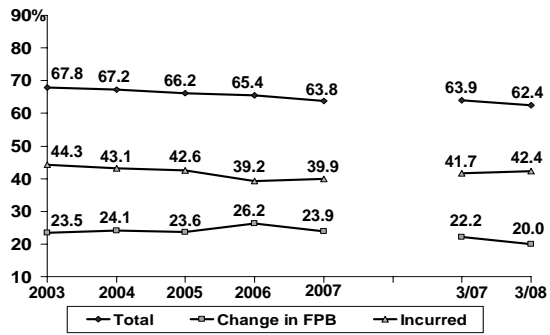
Total Benefits

(Yen in Billions)

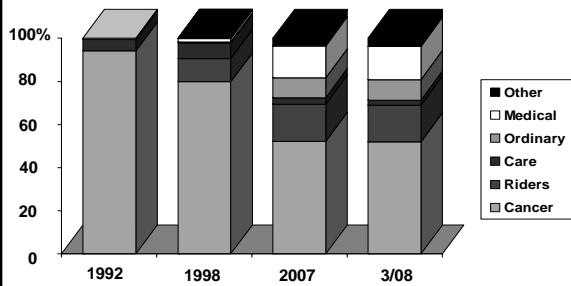


Benefit Ratios to Total Revenues

(In Yen)



Premiums in Force by Product

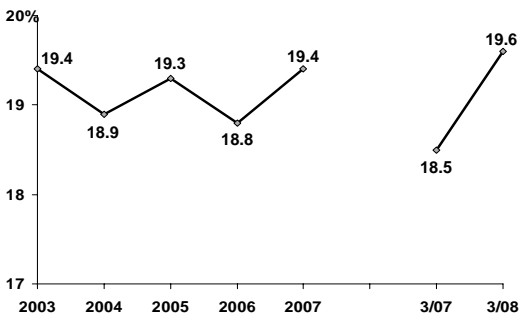


Expected Benefit Ratios by Product

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%
Riders to cancer and medical	42% - 55%
Ordinary life products	65% - 75%
EVER	51% - 57%

Total Operating Expenses to Total Revenues

(In Yen)



Amortization of DAC to Premium Income

(In Yen)



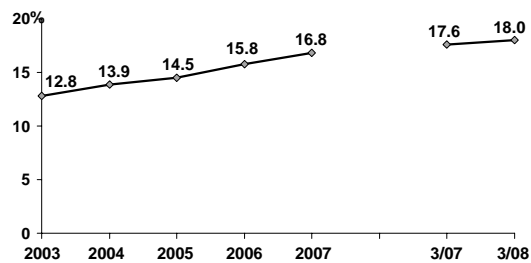
Total Net Commission Ratios

(Percentage of Premium Income)

	Commission Amortization	Net Commissions	Total Net Commissions
2003	2.6%	11.1%	13.7%
2004	2.5	10.5	13.0
2005	2.5	10.2	12.7
2006	2.6	9.8	12.4
2007	2.8	9.4	12.2
3/07	2.7	9.5	12.2
3/08	2.9	9.2	12.1

Pretax Profit Margins

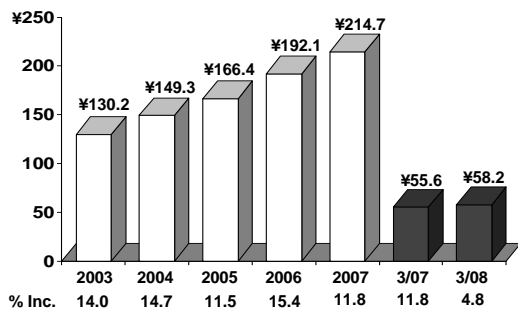
(In Yen)



Reflects SFAS 123R beginning in 2003

Pretax Operating Earnings

(Yen in Billions)



Yen/Dollar Exchange Rates

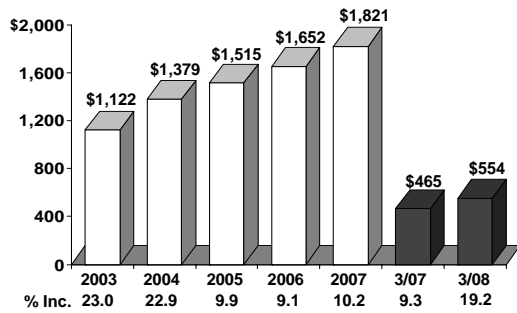
(2002 - 3/08)



Source: Bloomberg Financial Markets

Pretax Operating Earnings

(Dollars in Millions)



% Inc. 23.0 22.9 9.9 9.1 10.2 9.3 19.2

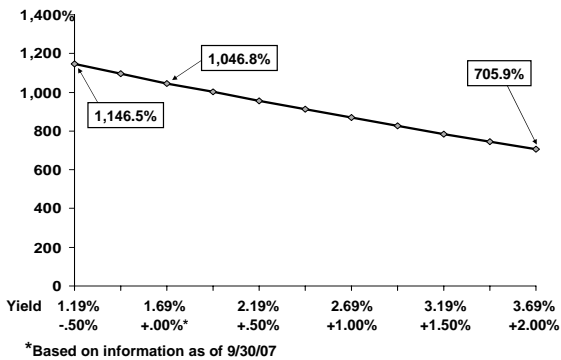
Comparison of Solvency Margins

(FSA Basis, 9/07)

	Solvency Margin
Meiji Yasuda	1,353.0%
Nippon	1,283.5
Daido	1,266.1
Fukoku	1,221.4
Taiyo	1,153.9
Dai-ichi	1,119.6
Sumitomo	1,058.7
Aflac Japan	1,046.8
Alico	1,008.0
Mitsui	877.6
Asahi	734.7

Source: Disclosure statement from each company

Sensitivity of FSA Solvency Margin Ratio



Update on Revision to the Solvency Margin Calculation

- Risks to reflect greater volatility and/or lower return
- Solvency margin ratios to decline significantly
- New rule to take effect 9/30/08 or 3/31/09

Comparison of FSA Basic Earnings

Rank by Assets	Company	FSA Basic Earnings* (In Millions)	% of FSA Basic Earnings to Assets
1	Nippon	¥730,050	1.47%
2	Dai-ichi	497,819	1.56
3	Meiji Yasuda	458,295	1.77
4	Sumitomo	302,809	1.47
5	Mitsui	91,954	1.25
6	Alico	93,881	1.64
7	Taiyo	53,984	.82
8	Daido	125,791	2.02
9	Asahi	48,088	.77
10	Fukoku	77,072	1.34
11	Aflac Japan	133,631	2.48

*Basic Earnings = Operating Income/Loss – Capital Gain/Loss – Extraordinary Income/Loss
Source: Disclosure statement from each company