

Investor Information

Although the stock market began 2003 with a great deal of uncertainty, the year finished with a strong rally. Led by optimism of further economic improvement in the United States, the stock market posted gains for the first year since 1999. AFLAC's shares were also met with uncertainty beginning in April of last year as investors intensely focused on the sluggishness of AFLAC U.S. sales growth. However, our shares ended the year strongly and produced solid returns for our shareholders for the year.

2003 – A Year of Solid Market Performance

AFLAC's share price closed the year at \$36.18, up 20.1% from our 2002 closing price of \$30.12. By comparison, the Standard & Poor's 500 Index was up 26.4% and the Dow Jones Industrial Average rose 25.3% in 2003. Insurance stocks, as measured by the Standard & Poor's Life Insurance Index, also performed well, rising 25.3% in 2003. As a result, our shares modestly underperformed insurance stocks and broader market averages in 2003. However, unlike those market indicators, AFLAC's rise in value last year followed an increase of more than 22% in 2002.

Actually, AFLAC's shares have had a long history of strong market performance, reflecting our record of strong earnings growth. For example, our shares have outperformed the S&P 500 Index in 21 of the last 29 years. Including reinvested cash dividends, AFLAC's total return to shareholders was 21.2% in 2003. For the last five years, AFLAC's total return has compounded annually at 11.3%. And over the last 10 years, our total return to shareholders has compounded at 23.6% annually.

Although our shares underperformed the market in 2003, our total return to shareholders was 21.2% for the year. AFLAC's total return to shareholders has compounded at 11.3% annually over the last five years, which was significantly better than the negative returns of the S&P Life and Health Insurance and S&P 500 indices during the same period.

Peer Company Comparison

(S&P Life and Health Insurance Index Companies)

Symbol	Year-end Market Value (In billions)	2003 Return*	Five-Year Returns*	
			Total	Annual
AFLAC	AFL \$ 18.4	21.2%	70.9%	11.3%
Jefferson-Pilot	JP 7.1	36.9	14.4	2.7
John Hancock	JHF 10.9	35.7	**	**
Lincoln National	LNC 7.3	32.9	15.0	2.8
Metlife	MET 25.4	25.4	**	**
Prudential Financial	PRU 22.5	33.2	**	**
Torchmark	TMK 5.2	25.9	36.0	6.3
UnumProvident	UNM 4.7	(7.3)	(69.5)	(21.1)

* Includes reinvested cash dividends

** Not applicable

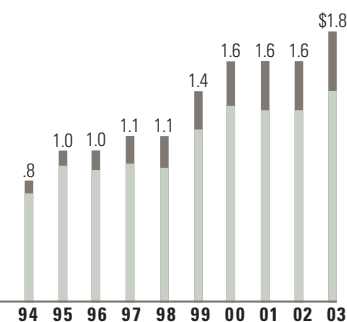
Despite continued low investment yields in Japan, net investment income rose 10.7% to a record \$1.8 billion.

Net Investment Income

(In billions)

U.S.

Japan



AFLAC's earliest shareholders have been extremely well-rewarded. Investors who purchased 100 shares when AFLAC was founded in 1955 paid \$1,110 for their investment. As a result of 28 stock dividends or stock splits, those 100 shares had grown to 187,980 shares at the end of the year, excluding reinvested cash dividends. At December 31, 2003, their original investment was worth more than \$6.8 million. In addition, AFLAC's early investors received approximately \$56,300 in cash dividends last year, or more than 50 times the acquisition price of those original 100 shares!

A Commitment to Serving Our Shareholders

We take our disclosure and service commitments to our shareholders very seriously. Our goal is to provide all members of the investment community with transparent and relevant disclosure of issues that may affect an investor's understanding of our operations. Whether distributing information about AFLAC through regulatory filings, additional financial material on aflac.com, or Internet webcasts, our overriding objective is to provide investors with the information they need to make informed investment decisions.

Our Shareholder Services Department provides stock transfer services and administers our dividend reinvestment plan. It also offers many shareholder services, including *aflinc*, which is accessed through our Web site, aflac.com. Through *aflinc*, shareholders can get secure Internet access to their investment accounts. Shareholders can also view account balances, complete investment transactions, change home and e-mail addresses, as well as view, download, and print dividend-related tax forms. We also provide electronic delivery of certain documents, such as reinvestment statements, proxy statements, and annual and quarterly reports to shareholders through *aflinc*. About 29,000 shareholders have signed up for *aflinc*, which represented nearly 38% of our registered shareholders at year-end. We also offer other informational services on aflac.com. The conference calls we conduct in conjunction with quarterly earnings releases are webcast at aflac.com and are archived for two weeks following the release. In addition, investors can access

webcasts of our company's analyst meetings. Investors can view and print the shareholder calendar of events at aflac.com or sign up for an e-mail alert notification service. This service automatically sends investors an e-mail message whenever news is made public about AFLAC. In addition, investors can find valuable financial information at our Web site. Annual and quarterly reports, SEC filings, and quarterly statistical financial supplements can all be easily downloaded from the Investor Relations page and printed.

A Broad Shareholder Base

Approximately 78,400 registered shareholders owned AFLAC shares at the end of 2003. The mix of our shareholder base has remained fairly stable over the last few years. Institutional investors own about half of our shares, with the balance owned by individual investors. Directors, employees and agents owned approximately 5% of the company's shares at the end of 2003.

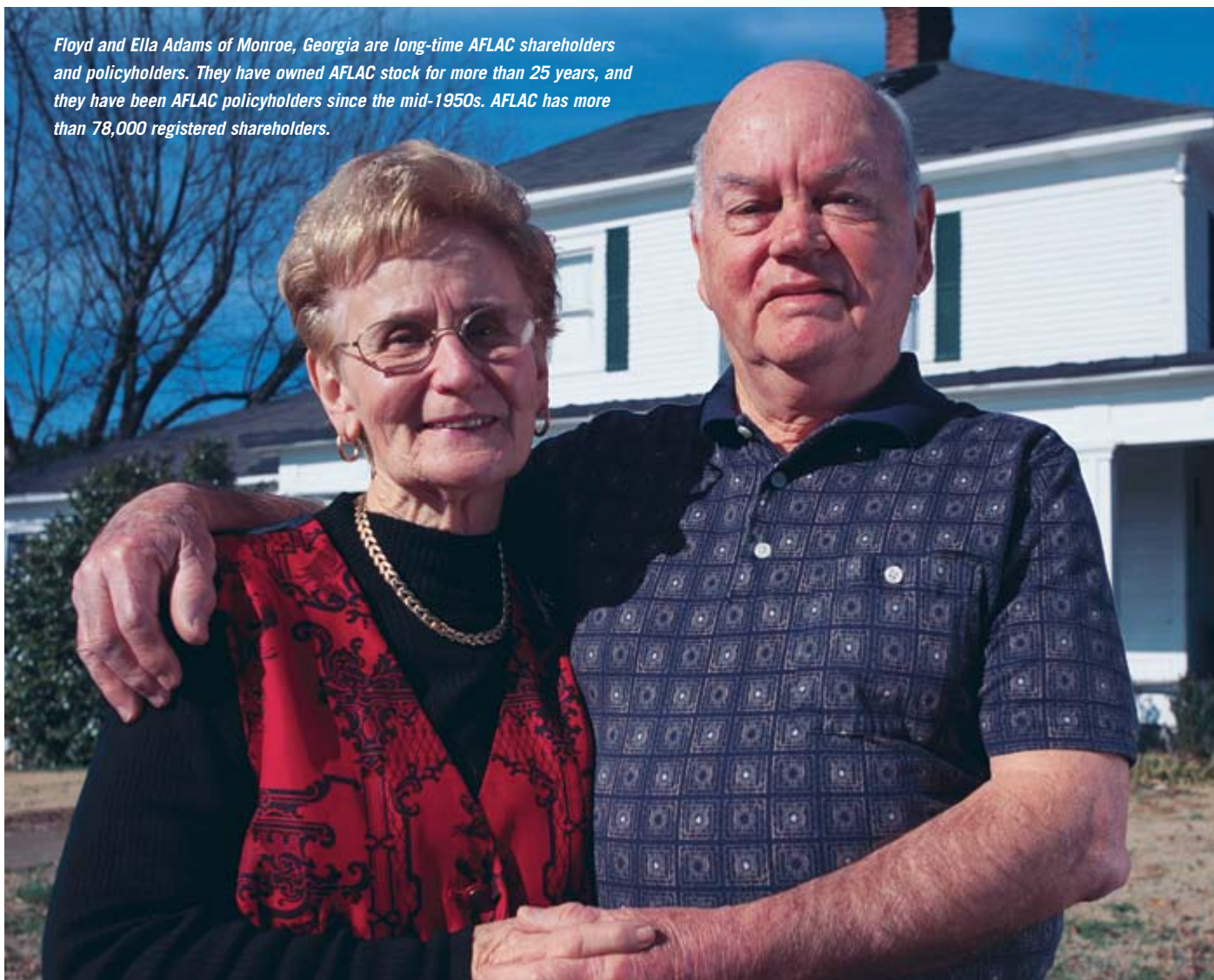
AFLAC's shares have outperformed the S&P 500 and the S&P Life and Health Index in five of the last nine years.

Comparative Market Performance

(1994 = 100)



Based on data from the National Association of Investors Corporation (NAIC), AFLAC was again the most popular stock among its nearly 265,000 members in terms of number of shares held and the market value of those shares. According to research conducted by NAIC, its membership owned approximately 23 million shares of AFLAC.



Floyd and Ella Adams of Monroe, Georgia are long-time AFLAC shareholders and policyholders. They have owned AFLAC stock for more than 25 years, and they have been AFLAC policyholders since the mid-1950s. AFLAC has more than 78,000 registered shareholders.