



June P. Howard
Senior Vice President, Chief Accounting Officer
Aflac, Inc.
1932 Wynnton Road
Columbus, GA 31999

January 29, 2018

Ms. Susan M. Cospers
Technical Director
File Reference No. 2018-200
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856- 5116

Re: File Reference No. 2018-200, Proposed Accounting Standards Update—Leases (Topic 842): Targeted Improvements

Dear Ms. Cospers,

Aflac Incorporated ("Aflac") welcomes the opportunity to share with you our views regarding the Proposed Accounting Standards Update—Leases (Topic 842): Targeted Improvements ("proposed ASU"). Aflac acknowledges and appreciates the goal of the Financial Accounting Standards Board ("FASB", or "the Board") to reduce the cost of implementing the new leases standard by (1) providing entities with an additional (and optional) transition method to adopt the new lease requirements by recognizing a cumulative-effect adjustment to retained earnings in the period of adoption without requiring adjustments to prior comparative periods presented, and (2) providing lessors with a practical expedient, by class of underlying assets, to not separate non-lease components from the related lease components, if certain conditions are met.

Aflac is a general business holding company and acts as a management company, overseeing the operations of its subsidiaries by providing management services and making capital available. Its principal business is supplemental health and life insurance, which is marketed and administered through its subsidiary, American Family Life Assurance Company of Columbus (Aflac Columbus), which operates in the United States ("Aflac U.S.") and as a branch in Japan ("Aflac Japan"). Most of Aflac's policies are individually underwritten and marketed through independent agents. Additionally, Aflac U.S. markets and administers group products through Continental American Insurance Company (CAIC), branded as Aflac Group Insurance. Our insurance operations in the United States and our branch in Japan service the two markets for our insurance business.

Aflac offers voluntary insurance policies in Japan and the United States that provide a layer of financial protection against income and asset loss. We continue to diversify our product offerings in both Japan and the United States. Aflac Japan sells voluntary supplemental insurance products, including cancer plans, general medical indemnity plans, medical/sickness riders, care plans, living benefit life plans, ordinary life insurance plans, and annuities. Aflac U.S. sells voluntary supplemental insurance products including products designed to protect individuals from depletion of assets (accident, cancer, critical illness/care, hospital intensive care, hospital indemnity, fixed-benefit dental, and vision care plans) and loss-of-income products (life and short-term disability plans).

Our general comments regarding the matters addressed in the proposed ASU are as follows:

We fully support the proposed changes to the guidance as it pertains to the provision regarding the transition method and comparative reporting at adoption. We believe this additional (and optional) transition method will significantly simplify the transition and also reduce the time and related costs of implementing Topic 842.

The proposed practical expedient for lessors does not significantly impact Aflac. Therefore, we do not have any comments to Questions 3 through 5 of the proposed ASU.

Our comments regarding Questions for Respondents are as follows:

Transition—Comparative Reporting at Adoption

Question 1: Would the proposed optional transition method to apply the new lease requirements through a cumulative-effect adjustment in the period of adoption reduce the costs and complexity associated with implementing Topic 842? If not, please explain why.

Yes. We support the Board's proposed amendments to reduce the complexity and cost of transition requirements associated with implementing Topic 842. We believe this optional transition method will provide relief to reporting entities and will not compromise the usefulness of the information provided to readers of the financial statements and related footnote disclosures.

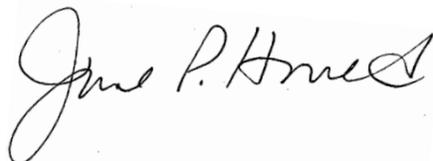
Question 2: Is the proposed transition method, as written in this proposed Update, operable? If not, please explain why.

Yes. We believe the proposed transition method is operable and support the adoption of the amendments as written.

Conclusion

We appreciate the opportunity to share the opinions of Aflac with the FASB regarding this proposed guidance. If you have any questions or concerns regarding our comments, please feel free to contact June Howard, SVP and CAO, or Marzena Wright, VP, Accounting Policy, Investment Accounting, & Capital Advisory at 212-510-4629 or MWright2@aflac.com.

Sincerely,



June P. Howard
Senior Vice President and
Chief Accounting Officer