

Third Quarter 2011 Financial & Operating Results



November 3, 2011



Caution Regarding Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the “safe harbour” provisions of Canadian provincial securities laws and the U.S. Private Securities Litigation Reform Act of 1995. The forward-looking statements in this presentation include, but are not limited to, statements with respect to our 2015 management objectives for earnings and return on equity, management objectives with respect to hedging equity markets and interest rate risks, potential future changes related to fixed income URR assumptions if current low interest rates persist and the impact of our annual goodwill impairment testing. The forward-looking statements in this presentation also relate to, among other things, our objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and can generally be identified by the use of words such as “may”, “will”, “could”, “should”, “would”, “likely”, “suspect”, “outlook”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “forecast”, “objective”, “goal”, “seek”, “aim”, “continue”, “embark” and “endeavour” (or the negative thereof) and words and expressions of similar import, and include statements concerning possible or assumed future results. Although we believe that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements and they should not be interpreted as confirming market or analysts’ expectations in any way. Certain material factors or assumptions are applied in making forward-looking statements, including in the case of our 2015 management objectives for earnings and return on equity, the assumptions described under “Key Planning Assumptions and Uncertainties” in our 2010 Annual Report and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: the factors identified in “Key Planning Assumptions and Uncertainties” in our 2010 Annual Report; general business and economic conditions (including but not limited to performance and volatility of equity markets, interest rate fluctuations and movements in credit and swap spreads, currency rates, investment losses and defaults, market liquidity and creditworthiness of guarantors, reinsurers and counterparties); changes in laws and regulations; changes in accounting standards; our ability to execute strategic plans and changes to strategic plans; downgrades in our financial strength or credit ratings; our ability to maintain our reputation; impairments of goodwill or intangible assets or the establishment of valuation allowances against future tax assets; the accuracy of estimates relating to long-term morbidity, mortality and policyholder behavior; the accuracy of other estimates used in applying accounting policies and actuarial methods; our ability to source appropriate non-fixed income assets to back our long dated liabilities; our ability to implement effective hedging strategies and unforeseen consequences arising from such strategies; level of competition and consolidation; our ability to market and distribute products through current and future distribution channels; unforeseen liabilities or asset impairments arising from acquisitions and dispositions of businesses; the realization of losses arising from the sale of investments classified as available for sale; our liquidity, including the availability of financing to satisfy existing financial liabilities on their expected maturity dates when required; obligations to pledge additional collateral; the availability of letters of credit to provide capital management flexibility; accuracy of information received from counterparties and the ability of counterparties to meet their obligations; the availability, affordability and adequacy of reinsurance; legal and regulatory proceedings, including tax audits, tax litigation or similar proceedings; our ability to adapt products and services to the changing market; our ability to attract and retain key executives, employees and agents; the appropriate use and interpretation of complex models or deficiencies in models used; political, legal, operational and other risks associated with our non-North American operations; acquisitions and our ability to complete acquisitions including the availability of equity and debt financing for this purpose; the disruption of or changes to key elements of the Company’s or public infrastructure systems; environmental concerns; and our ability to protect our intellectual property and exposure to claims of infringement. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the body of this presentation as well as under “Risk Factors” in our most recent Annual Information Form, under “Risk Management” and “Critical Accounting and Actuarial Policies” in the Management’s Discussion and Analysis in our most recent annual and interim reports, in the “Risk Management” note to consolidated financial statements in our most recent annual and interim reports and elsewhere in our filings with Canadian and U.S. securities regulators. We do not undertake to update any forward-looking statements except as required by law.

CEO's remarks

Donald Guloien

President & Chief Executive Officer



Hedging working as expected

- Manulife today reported a net loss attributed to shareholders of \$1,277 million for 3Q11
- Dynamic and macro hedging performed as expected and generated over \$3.3 billion in after-tax gains, which offset approximately 70% of the earnings impact of variable annuity risk and non variable annuity equity-related losses in 3Q11. The remaining 30% includes market elements that we are not able to hedge or consciously decide not to hedge
- We exceeded our 2014 interest rate risk reduction goal and are at 88% of our 2014 goal for equity risk reduction
- MLI's MCCR was 219% as of September 30, 2011. This ratio does not reflect the benefits of our de-risking activities, which have reduced the downside risk to our capital position but receives no explicit credit in the capital formula
- General fund asset performance continues to be a strength reflecting our strategy of avoiding risk concentration with a diversified, high-quality portfolio and our continuing excellent credit experience despite the difficult markets

Business growth was strong

- Sales¹ of targeted insurance products increased 21%, excluding certain products with less preferred risk profiles. Including these products, sales increased by 5%
- Targeted wealth products sales grew by 12%, which was led by 20% growth in Asia and continued strong growth in mutual fund sales in Canada and the U.S.
- Interest rate declines led to declines in our margins and new business embedded value (NBEV)¹. We have taken a number of re-pricing actions to protect margins
- In Asia, we continued to grow our agency force and add new Bancassurance relationships resulting in increased sales (excluding Japan NWL). We recently completed a strategic partnership with PT Bank Danamon Indonesia Tbk
- In Canada, we reported sales growth despite the continued implementation of price increases and product changes, led by mutual fund and Group Retirement Solutions sales increases
- Momentum in the U.S. continued with growth in mutual funds sales and retirement sales. The successful transition of our life insurance product portfolio has resulted strong growth of targeted products, and improved business mix
- Net income in accordance with U.S. GAAP for 3Q11 was \$3.4 billion higher than our results under IFRS. Total equity in accordance with U.S. GAAP was nearly \$16 billion higher than under IFRS

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

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CFO's remarks

Michael Bell

Senior Executive Vice President & Chief Financial Officer



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3Q11 highlights

- Manulife today reported a net loss attributed to shareholders of \$1,277 million for 3Q11
- Under the Canadian insurance accounting and regulatory capital regime, a substantial impact from the third quarter financial market conditions was reflected in our current period results
- The \$889 million direct impact of lower equity markets and interest rates (including refinements to the fixed income ultimate reinvestment rate (“URR”)) would have been substantially worse without the significant expansion of our hedging programs over the last several quarters
- Net loss excluding the direct impact of equity markets and interest rates of \$388 million included a charge related to our annual review of actuarial methods and assumptions and the impact of other market factors on our hedged VA block results
- We remain ahead of our original timetable for reducing equity market and interest rate sensitivity. We have exceeded our 2014 goal for interest rates earnings sensitivity and are at 88% of our 2014 target for equity markets
- MLI’s MCCR ratio was 219% at the end of the third quarter. Particularly considering expanded hedges, we view this as a strong capital buffer
- As previously communicated, we recognized a gain of \$303 million on the sale of our Life Retrocession business to Pacific Life

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Notable items impacting 3Q11 earnings

| Amount (C\$ millions) | Description |
|--------------------------|---|
| (889) | Direct impact of equity markets and interest rate movements¹ Reflects a loss of \$556 million from equity markets, \$266 million loss from interest rates and \$67 million refinement to fixed income ultimate reinvestment rate (“URR”) |
| (900) | Impact of market factors on VA guarantee liabilities that are dynamically hedged Includes the impact of higher realized equity and interest rate volatilities, fund tracking error and items not hedged (e.g. unhedged risks, PfADs) |
| (651) | Changes in actuarial methods and assumptions (excluding URR) Items include reserve strengthening of \$475 million for adjustments to U.S. life mortality table and \$309 million for VA lapse update ² |
| (107) | Expected cost of macro equity hedges Based on long-term total return assumptions and notional future value of \$5.4 billion at quarter-start |
| 307 | Investment-related gains Includes \$94 million gain on de-risking activities and \$213 million in other investment gains |
| 303 | Gain on sale of Life Retrocession business Previously announced sale to Pacific Life |

¹ The direct impact of interest rates and equity markets is based upon movements in markets up or down relative to our base long-term assumptions.

² A variety of other items contributed positively and negatively – please see MD&A for details.

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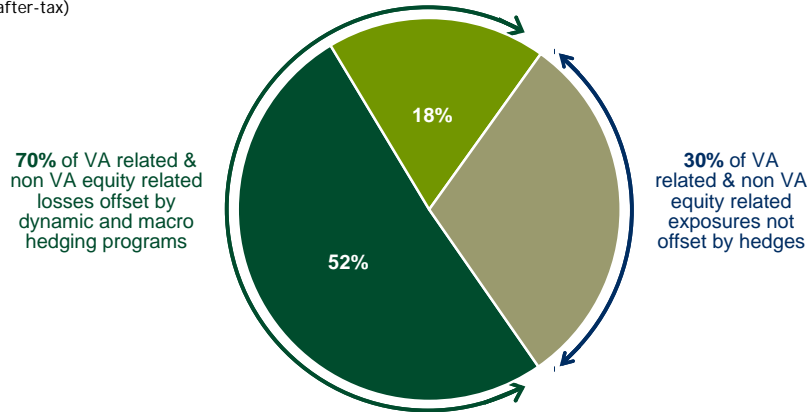
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Manulife's hedging offset 70% of Variable Annuity (VA) risk & non VA equity related losses in 3Q11

Earnings Impact of VA Related Risk & Non VA Related Equity Risk

Including after-tax earnings impact of liability movements
(C\$ 4.8 billion after-tax)



- Dynamic hedging program asset gains¹
- Macro hedging program asset gains²
- All sources of ineffectiveness and business not hedged

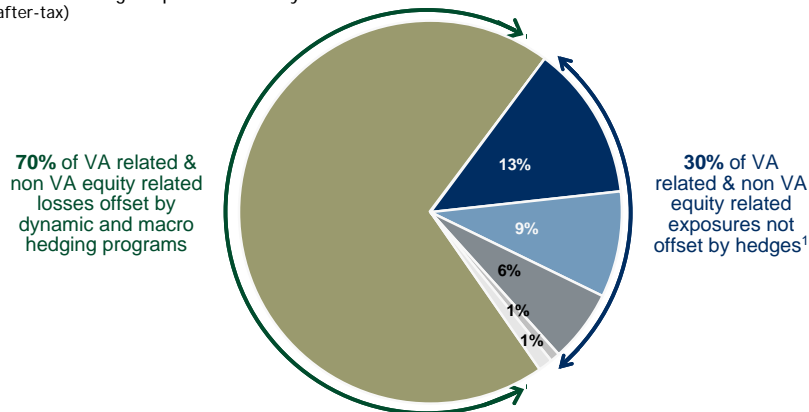
¹ Dynamic hedging asset offsets include after-tax gains of \$1.9 billion on interest rate derivatives and \$0.5 billion on equity futures.

² Macro hedging asset offset represents \$882 million after-tax gains on equity futures.

VA & non VA equity related items within 3Q11 financial results

Earnings Impact of VA Related Risk & Non VA Related Equity Risk

Including after-tax earnings impact of liability movements
(C\$ 4.8 billion after-tax)



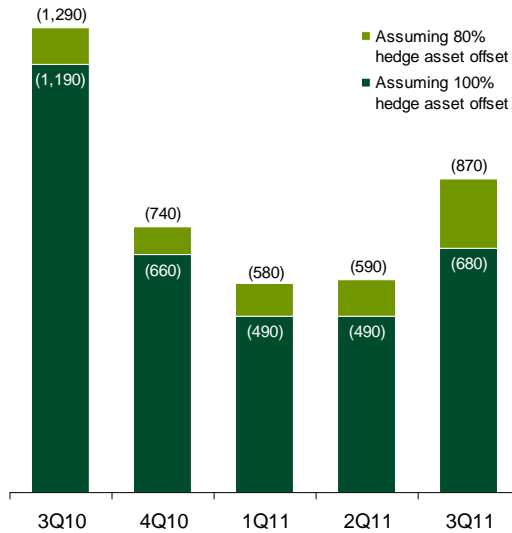
- Higher volatility, fund tracking error, policyholder behaviour and items not dynamically hedged (in the hedged VA block)
- Loss on variable annuity guarantees not hedged
- Loss on unhedged provisions for adverse deviations backing VA guarantees (in the hedged VA block)
- Loss on general fund equity investments
- Loss on asset based fees
- Gains from hedging

¹ Please refer to slide 32 for a reconciliation of VA related & non VA equity related items to Notable items

Achieved 88% of our 2014 goal for equity risk reduction despite equity market declines

Equity Market Sensitivity¹

(C\$ millions)



Estimated impact of 10% equity market decline:

- Range of \$(680) to \$(870) million to earnings vs. \$(490) to \$(590) million in 2Q11
- (9) pts to MCCR vs. (5) pts in 2Q11

Continued progress in managing sensitivity of earnings to equity markets:

- Short sold approximately \$150 million of TOPIX futures contracts under our macro hedging program
- Equity market earnings sensitivity increased as more variable annuity contracts ended further in-the-money

57% - 66% of underlying earnings sensitivity to equity market changes now hedged

- Ahead of goal to hedge 60% by year end 2012
- At 88% of our year end 2014 goal of hedging 75%

¹ Earnings sensitivity to equity markets is defined by the impact of a 10 per cent decline in the market value of equity funds on the net income attributed to shareholders. Please refer to "Caution related to sensitivities" on page 27 of the third quarter press release.

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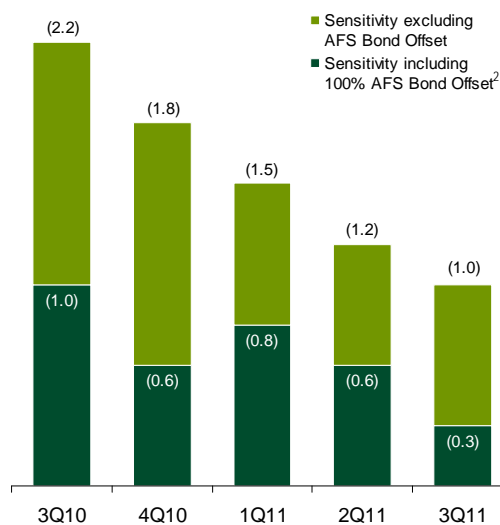
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Exceeded our 2014 goal for interest rate risk reduction

Interest Rate Sensitivity¹

(C\$ billions)



Estimated impact of 1% parallel decline in interest rates (excluding AFS bond offset):

- \$(1.0) billion to earnings vs. \$(1.2) billion in 2Q11
- (17) pts to MCCR vs. (19) pts in 2Q11

Estimated impact of 1% parallel decline in interest rates (including AFS bond offset):

- \$(300) million to earnings vs. \$(600) million in 2Q11

Further de-risking activities taken in 3Q11:

- Realized AFS gains reduced impact of interest rate decline
- Executed forward starting interest rate swaps and purchased longer duration bonds

Exceeded our original 2014 goal for reducing interest rate sensitivity to \$1.1 billion

¹ Earnings sensitivity to interest rates is defined by the impact of a one per cent parallel decline in interest rates on the net income attributed to shareholders. Please refer to "Caution related to sensitivities" on page 27 of the third quarter press release.

² See page 31 of the MD&A section of the third quarter 2011 press release.

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Reserve strengthening primarily as a result of U.S. life mortality and VA lapse updates

Impact from Changes in Actuarial Methods & Assumptions¹

| (C\$ millions) | (After-tax) |
|--|----------------|
| U.S. Life Mortality Update | (475) |
| Other Mortality Updates and Future Mortality & Morbidity Improvements ² | 742 |
| VA Lapses & Other Policyholder Behaviour | (309) |
| Investment Updates (excluding URR changes) | (327) |
| Other | (282) |
| Changes in Actuarial methods and assumptions (excluding URR) | \$(651) |
| Refinements to fixed income ultimate reinvestment rate ("URR") | (67) |
| Total changes in actuarial methods and assumptions | \$(718) |

¹ See Accounting Matters and Controls section of Management's Discussion and Analysis for a more detailed description of assumption and methodology changes.

² A material component of other mortality updates is the review of the U.S. VA mortality assumptions. Mortality updates in Canada, Japan and Singapore, and the implementation of future mortality improvements contributed to the \$742 million after-tax impact of the reserve release.

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Source of Earnings impacted by business changes and challenging external market environment

Source of Earnings¹

(C\$ millions)

| | 2Q11 | 3Q11 |
|--|------------|----------------|
| Expected Profit on In-Force | 842 | 800 |
| Impact of New Business | (95) | (144) |
| Experience Gains (Losses) | 204 | (2,266) |
| Mgmt Actions & Chgs in Assumptions | (576) | (316) |
| Earnings on Surplus Funds | 158 | 96 |
| Other | (6) | (62) |
| Income Before Taxes | 527 | (1,892) |
| Income Taxes | (37) | 615 |
| Shareholders' Net Income | 490 | (1,277) |
| <i>Currency Adjusted Expected Profit on In-force</i> | <i>842</i> | <i>800</i> |

- The sale of our life retrocession business, the reinsurance of a block of our Canadian individual insurance business and the inclusion of future mortality improvements in our reserves, as part of our annual basis change, were the primary drivers of the reduction in **expected profit on in-force** relative to 2Q11
- **Impact of New Business** worsened due to lower interest rates in North America and increased investment in Asian distribution
- **Experience losses** were primarily due to the impact of lower equity markets and interest rates on segregated fund guarantees, reinvestment assumptions used in valuation of policyholder liabilities and the returns on general account equities and fee income. These were partly offset by gains on our macro hedges and investment gains primarily related to fixed income trading
- **Management actions & changes in assumptions** include the impact of reserve strengthening resulting from our annual basis change and the expected cost of macro hedging, partially offset by realized gains on AFS bonds and gain on the sale of our life retrocession business
- **Earnings on Surplus** included losses on alternative assets (gains in Q2) and \$14 million higher equity OTTI

¹ The Source of Earnings (SOE) analysis is prepared following OSFI regulatory guidelines and draft guidelines of the Canadian Institute of Actuaries. The SOE is used to identify the primary sources of gains or losses in each reporting period. Per OSFI instructions, SOE amounts denominated in foreign currencies are translated at the prior quarter's balance sheet exchange rates, with the difference between those rates and the average rates used in the Statement of Income included in Experience gains (losses)

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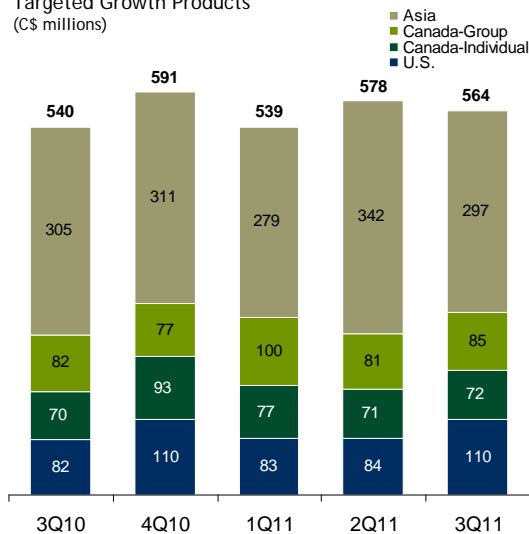
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Record insurance sales in Hong Kong, Indonesia, the Philippines and Vietnam

Insurance Sales¹

Targeted Growth Products
(C\$ millions)



3Q11 sales of targeted insurance products were \$564 million, up 5%² versus 3Q10:

- + Excluding the impact of Japan NWL sales and IIC products with less preferred risk profiles, sales were up 21%
- ± Asia Insurance sales down 3% as a result of price increases in Japan, largely offset by record sales in Hong Kong, Indonesia, the Philippines and Vietnam
- + Canada Insurance sales up 3%, led by 11% growth in products with preferred risk profiles
- + John Hancock Life sales up 42%; targeted growth products now represent 89% of total life insurance sales

3Q11 total insurance products sales of \$646 million, up 2% versus 3Q10:

- Successful shift in product mix towards targeted products
- 10% decline in insurance products not targeted for growth

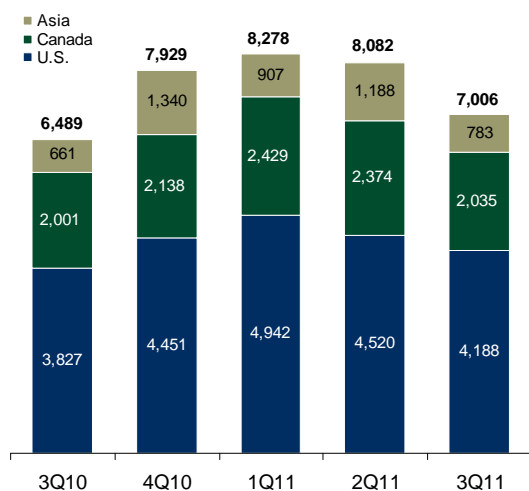
¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below. Insurance sales consist of recurring premiums and 10% of both excess and single premiums with the exception of Canada Group Benefits which is measured by new annualized premiums and single premium sales, including ASO premium equivalents.

² All sales growth figures stated on a constant currency basis, a Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

Robust sales of targeted wealth products continue despite difficult environment

Wealth Sales¹

Targeted Growth Products
(C\$ millions)



3Q11 sales of targeted wealth products were \$7.0 billion, up 12%² versus 3Q10:

- + Asia wealth sales up 20%, led by the successful IPO of a Renminbi bond fund in Taiwan
- + Canada wealth sales up 2% with strong growth in mutual funds and Group Retirement Services more than offsetting lower fixed product sales
- + U.S. Wealth sales up 16% on double digit growth of mutual funds and retirement plans

3Q11 total wealth management products sales of \$7.9 billion, up 7% versus 3Q10:

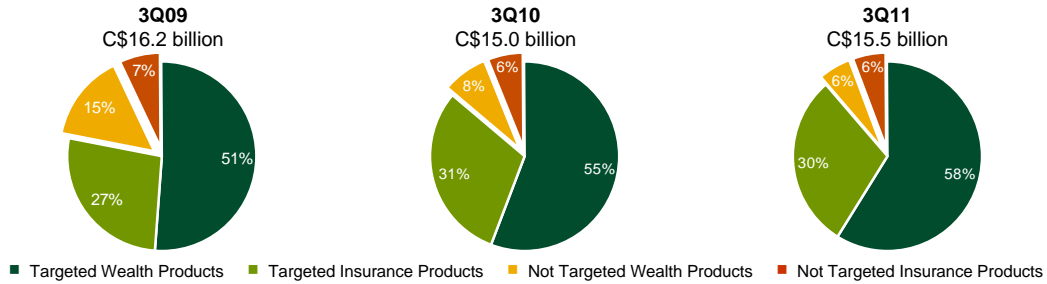
- Successful shift in product mix towards strong growth of targeted products
- 19% decline in wealth management products not targeted for growth

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

² All sales growth figures stated on a constant currency basis a Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

Tangible progress on improving business mix

Premiums & Deposits¹



Targeted growth products now represent 88% of total company in-force Premiums and Deposits

- + Up 2 points from 86% in the prior year, and 10 points from 3Q09

Total Company Premiums and Deposits of \$15.5 billion, were up 7%² vs. 3Q10

- + Targeted Wealth Products P&D up 15%, driven by strong mutual fund deposit growth in North America and Renminbi bond fund launch in Taiwan
- + Targeted Insurance Products P&D up 3%, due to growth in in-force business growth in Asia, partially offset by sale of life retrocession business
- + P&D for Not Targeted for Growth Wealth and Insurance Products P&D down 19% and 2%, respectively

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

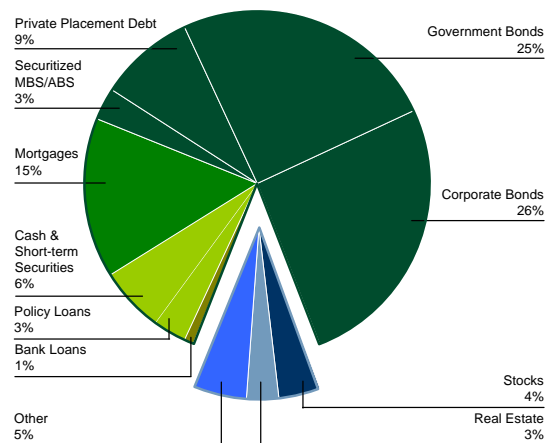
² All P&D growth (decline) figures stated on a constant currency basis, a Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

Diversified high quality asset mix avoids risk concentrations

Total Invested Assets

(C\$225.9 billion)

Fixed Income
Non-Fixed Income



Diversified, high quality portfolio:

- 88% of the total portfolio is Fixed Income, of which 95% is Investment Grade
- 12% Non-Fixed Income, well diversified by asset class and geography; stocks and real estate largely unlevered with only modest leverage used in other classes such as infrastructure and private equity

Limited Net Exposure¹ to:

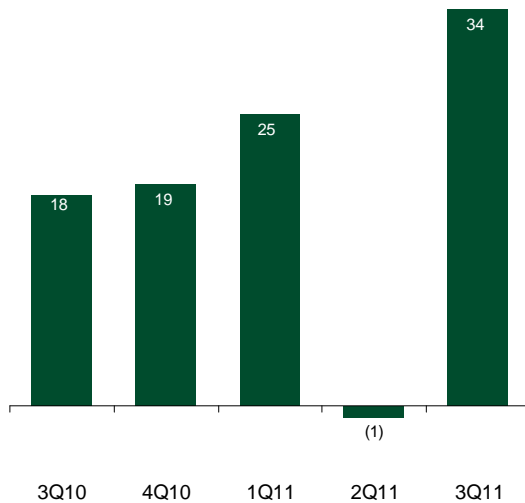
- Greece, Italy, Ireland, Portugal, and Spain:
 - No sovereign or financial sector exposure to Greece, Portugal or Spain
- Banks and financials (C\$34 million)
- Sovereign debt (C\$14 million)

Carrying Value as at September 30, 2011.

¹ Net Exposure excludes par and pass-through and reflects the impact of downgrades on reserves. Presented based on location of issuer.

Underwriting standards result in fourth credit experience gain in last five quarters

Net Credit Experience (C\$ millions)



Impact on 3Q11 Earnings

| (C\$ millions): | Pre-tax | Post-tax |
|-----------------------------------|-------------|-------------|
| Credit (impairments) / recoveries | \$(8) | \$(5) |
| Credit (downgrades) / upgrades | (31) | (20) |
| Other credit impacts | 48 | 30 |
| Total Impact | \$9 | \$5 |
| Assumed in policy liabilities | \$42 | \$29 |
| Net Credit Experience Gain | \$51 | \$34 |

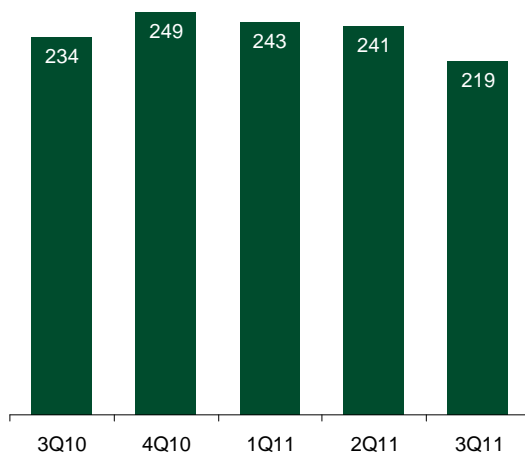
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Strong capital position provides protection for policyholders

Minimum Continuing Capital and Surplus Requirements Ratio (MLI)¹ (%)



Strong 3Q11 MCCR ratio at 219%

- + Sale of Life Retrocession business: +6 pts
- Growth in required capital : (8) pts
- Phase-in of IFRS² and related party reinsurance agreements: (4) pts

We have a substantial buffer to meet future policyholder claims:

- In addition to best estimate liabilities, our reserves include provisions for adverse deviations ("PfADs")
- Unlike some other jurisdictions, Canadian capital standards offer no explicit credit for hedging

¹ MLI refers to The Manufacturers Life Insurance Company. 2011 results based on IFRS, all other on CGAAP.

² Full phase in of IFRS Phase I and asset related party reinsurance agreements expected to impact MCCR by a further 2 points over remaining period (ending 4Q12) and 3 points in 4Q11, respectively. In addition, there is a potential unfavourable impact in 2013 on amendments to IAS 19 for defined benefit pension plan accounting – See MD&A for more details.

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Improved sensitivity to parallel change in interest rates

| Potential Impact ¹ of an immediate parallel change in "all rates" on: | 3Q11 | | 2Q11 | | |
|--|----------------|-----------|----------|-----------|----------|
| | (C\$ millions) | -100 bps | +100 bps | -100 bps | +100 bps |
| General fund products | | \$(400) | \$400 | \$(900) | \$800 |
| Variable annuity guarantees | | (600) | 400 | (300) | 200 |
| Total impact excluding AFS bonds held in surplus segment | | \$(1,000) | \$800 | \$(1,200) | \$1,000 |
| Impact on AFS bonds held in surplus segment ⁽²⁾ | | 700 | (700) | 600 | (600) |
| Total impact including AFS bonds held in surplus segment | | \$(300) | \$100 | \$(600) | \$400 |

MCCSR Impact:

| | | | | |
|---|----------|---------|----------|---------|
| - Excluding AFS bonds held in surplus segment | (17) pts | +13 pts | (19) pts | +16 pts |
| - Including AFS bonds held in surplus segment | (12) pts | +8 pts | (15) pts | +12 pts |

Potential Impact¹ of a parallel change in corporate bond spreads:

| (C\$ millions) | 3Q11 | | 2Q11 | |
|-------------------|---------|---------|---------|---------|
| | -50 bps | +50 bps | -50 bps | +50 bps |
| Corporate Spreads | \$(900) | \$600 | \$(500) | \$400 |

Potential Impact¹ of a parallel change in swap spreads:

| (C\$ millions) | 3Q11 | | 2Q11 | |
|----------------|---------|---------|---------|---------|
| | -20 bps | +20 bps | -20 bps | +20 bps |
| Swap Spreads | \$600 | \$(600) | \$400 | \$(400) |

¹ All estimated sensitivities are approximate and based on a single parameter. No simple formula can accurately estimate ultimate future impact.

² The amount of gain or loss that can be realized on AFS fixed income assets held in the surplus segment will depend on the amount of unrealized gain or loss. The table above only shows the change in the unrealized position, as the total unrealized position will depend upon the unrealized position at the beginning of the period.

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Potential future impacts of a declining and/or sustained low interest rate environment

| | |
|-----------------------------|---|
| First Order Impacts | <ul style="list-style-type: none"> ▪ Fixed Income Initial Reinvestment Rate ("IRR"): Under CALM/IFRS, interest rate assumptions on policyholder liabilities are largely marked-to-market to the current interest rate environment. Manulife has already recognized the current environment and would not expect to book further material IRR charges if rates remained constant ▪ Fixed Income Ultimate Reinvestment Rate ("URR"): URR is used in the calculation of the company's reserves for cash flows 20+ years in the future. The URR is a formulaic calculation defined as 90% of the average of the 5 and 10-yr moving average risk free rates. A prolonged low interest rate environment would result in additional reserve strengthening for the next several years as the moving average moves closer to the current risk free rates. The current estimate of the potential future cumulative URR charge if rates remained constant with Sept. 30, 2011 for the next ten years is approximately \$2 to \$3 billion (after-tax) ▪ New Business Strain: The difference between the current investable returns and the returns used in pricing new business are generally capitalized when new business is written. Lower rates result in higher new business strain until products are re-priced |
| Second Order Impacts | <ul style="list-style-type: none"> ▪ Reserve Scenarios: If rates were to decline further in the near term with no change to the URR, Canadian actuarial standards of practice could require us to value some reserves using a more conservative interest rate scenario. Our current scenario, which grades rates to the URR, could be replaced by a scenario that results in higher reserves and increased earnings sensitivities to changes in interest rates ▪ Sales: Low interest rates could negatively impact sales ▪ Operating expense pressures: Lower sales volumes could put increased pressure on the need to lower operating expenses or face higher operating expense losses ▪ Higher hedging costs: Lower risk free rates tend to increase cost of both dynamic and macro hedging programs ▪ Earnings on Surplus: The re-investment of cash flows into low yielding AFS bonds could result in lower future earnings on surplus ▪ Expected Profit from In-Force: Lower sales volumes and lower margin sales could result in lower future expected profit from in force ▪ Potential impairment: Prolonged low interest rates could lead to the potential impairment of goodwill ▪ Overall Economic Environment: A lower interest rate environment could be correlated with other macro-economic factors including unfavorable economic growth and lower returns on other asset classes |

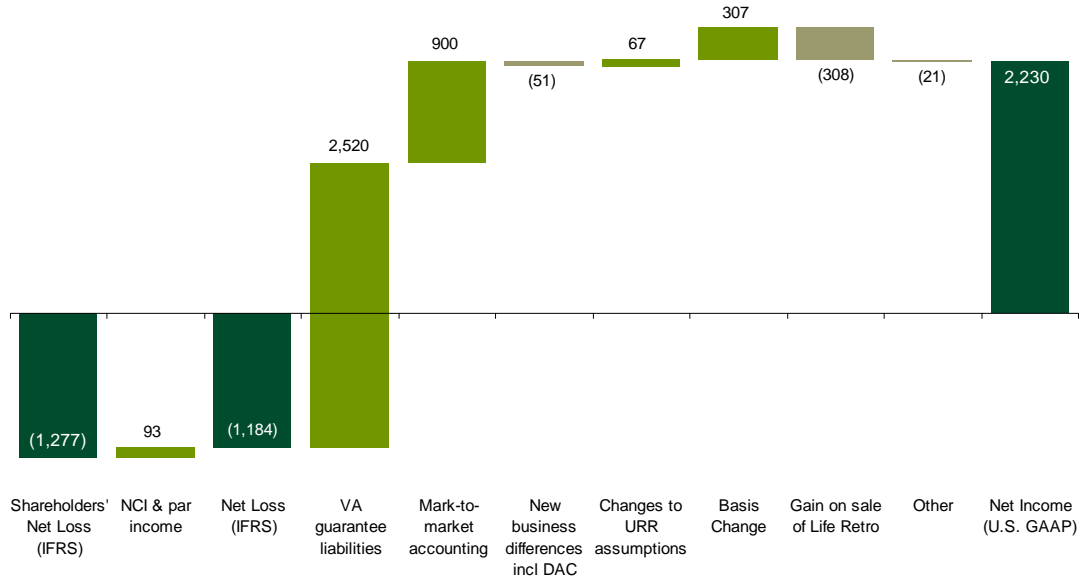
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U.S. GAAP results were approximately \$3.4 billion higher than results under IFRS in 3Q11

(C\$ millions)



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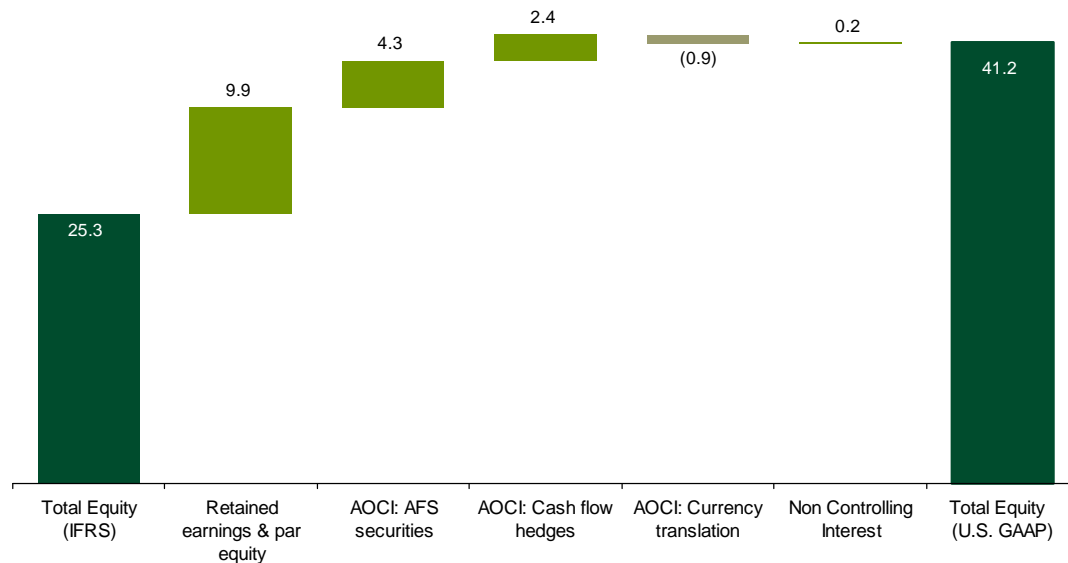
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Total equity under U.S. GAAP was nearly \$16 billion higher than under IFRS at Sept. 30, 2011

(C\$ billions)



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Key questions

- Update on 2015 management earnings objective described at 2010 Investor Day
- Net impact of market factors on VA guarantee liabilities that are dynamically hedged
- Potential for goodwill impairment

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Demonstrated progress on strategic priorities

- The direct impact of lower equity markets and interest rates would have been substantially worse without the significant expansion of our hedging programs over the last year
- Net loss for the quarter included the annual update to actuarial methods and assumptions
- We remain ahead of our original timetable for reducing equity market and interest rate sensitivity. We have exceeded our 2014 goal for interest rates earnings sensitivity and have achieved approximately 88% of our 2014 target for equity markets
- MLI's MCCSR ratio was 219% at the end of the third quarter
- We continued to change our mix of sales to products which we have targeted for growth

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

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Question & Answer Session



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Appendix

- Additional Risk Disclosures
- History of IFRS to U.S. GAAP reporting difference



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Variable annuity product guarantees

Net Exposure Amount at Risk¹ (See below)

(C\$ billions)



Net exposure amount at risk increased due to equity market declines and currency impacts in 3Q11

Virtually all new VA sales dynamically hedged

| (C\$ billions) | Guarantee Value | | Amount at Risk (in-the-money guarantees) | |
|---------------------------|-----------------|-------|---|------|
| | 2Q11 | 3Q11 | 2Q11 | 3Q11 |
| Gross Exposure | 107.5 | 114.3 | 12.0 | 21.0 |
| Reinsured | 10.9 | 11.4 | 2.3 | 3.5 |
| Dynamically Hedged | 57.4 | 60.6 | 3.8 | 8.5 |
| Net Exposure ¹ | 39.2 | 42.3 | 5.9 | 9.0 |

¹ Please note the Company's disclosures which describe risk factors for hedging and reinsurance strategies.

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Sensitivity to equity markets

Potential impact on annual net income attributed to shareholders arising from changes in public equity returns^{1,2}

| As at September 30, 2011 | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| (C\$ millions) | -30% | -20% | -10% | +10% | +20% | +30% |
| Variable annuity guarantees | \$(6,140) | \$(3,890) | \$(1,830) | \$1,580 | \$2,920 | \$4,010 |
| Asset based fees | (260) | (170) | (80) | 80 | 170 | 250 |
| General fund equity investments | (310) | (220) | (110) | 110 | 210 | 320 |
| Total underlying sensitivity | \$(6,710) | \$(4,280) | \$(2,020) | \$1,770 | \$3,300 | \$4,580 |
| Impact of Hedging Programs: | | | | | | |
| Impact of macro hedge assets | \$1,270 | \$850 | \$420 | \$(420) | \$(850) | \$(1,270) |
| Impact of dynamic hedge assets (100% hedge offset) | 3,150 | 1,980 | 920 | (750) | (1,350) | (1,810) |
| Assumed partial hedge asset offset | (950) | (500) | (190) | (150) | (340) | (550) |
| Net impact of hedging programs | \$3,470 | \$2,330 | \$1,150 | \$(1,320) | \$(2,540) | \$(3,630) |
| Net income impact (full hedge offset) | \$2,290 | \$(1,450) | \$(680) | \$600 | \$1,100 | \$1,500 |
| Net income impact (partial hedge offset) | \$(3,240) | \$(1,950) | \$(870) | \$450 | \$760 | \$950 |
| Underlying sensitivity hedged (full hedge offset) | 66% | 66% | 66% | 66% | 67% | 67% |
| Underlying sensitivity hedged (partial hedge offset) | 52% | 54% | 57% | 75% | 77% | 79% |
| Potential impact on MLI's MCSR ratio | (34) pts | (22) pts | (9) pts | 2 pts | 5 pts | 6 pts |

¹ All estimated sensitivities are approximate and based on a single parameter. No simple formula can accurately estimate ultimate future impact.

² Please note the Company's disclosures which describe risk factors for hedging and reinsurance strategies.

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Notional hedging exposures

| Exposure | Index | Notional Value (C\$ billions) | | Approximate Long-Term Annual Return Assumption |
|---------------------------------|---------|----------------------------------|-----------------|---|
| | | 3Q11 | 2Q11 | |
| U.S. Equities | S&P 500 | \$(3.0) | \$(3.3) | ~10.0% |
| Canadian Equities | S&P/TSX | (0.3) | (0.3) | ~9.5% |
| Japanese Equities | TOPIX | (0.6) | (0.4) | ~6.0% |
| Europe & Other Equities | Various | (1.1) | (1.4) | ~9.0% |
| Macro hedges | | \$(5.0) | \$(5.4) | |
| Dynamic hedges | | (11.1) | (5.7) | |
| Notional value of hedges | | \$(16.1) | \$(11.1) | |

Macro hedging costs will vary depending on a number of factors, including:

- Notional amount of futures sold short, including changes during the period
- Actual & assumed total returns on various indices
- Swap and currency rates
- Tax rates of legal entities

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Reconciliation of VA and equity related items in notable items to Slide 10

Net impact of VA and equity related items included in Notable Items

| (C\$ millions) | 3Q11 |
|---|----------------|
| Charges on VA guarantee liabilities not dynamically hedged | (1,211) |
| Charges on general fund equities and on fee income | (227) |
| Gains on macro equity hedges | 882 |
| Impact of market factors on VA liabilities that are dynamically hedged ⁽¹⁾ | (900) |
| Net impact of VA and equity related items included in notable items | (1,456) |

VA related and non VA equity related exposures not offset by hedges (Slide 10)

| (C\$ million) | 3Q11 |
|--|----------------|
| Higher volatility, fund tracking error, policyholder behaviour & items not dynamically hedged (in the hedged VA block) | (642) |
| Loss on variable annuity guarantees not hedged ⁽²⁾ | (468) |
| Loss on unhedged PfADs backing VA guarantees (in the hedged VA block) | (258) |
| Loss on general fund equity investments ⁽²⁾ | (56) |
| Loss on asset based fees ⁽²⁾ | (32) |
| VA related and non VA equity related exposures not offset by hedges | (1,456) |

¹ The net charge of \$900 million was impacted by the decline in equity markets and interest rate levels as well as their correlations. Due to their correlations, the equity market and interest rate components cannot be separately identified with precision.

² Net of proportionally allocated benefit of \$882 million gain on macro equity hedges.

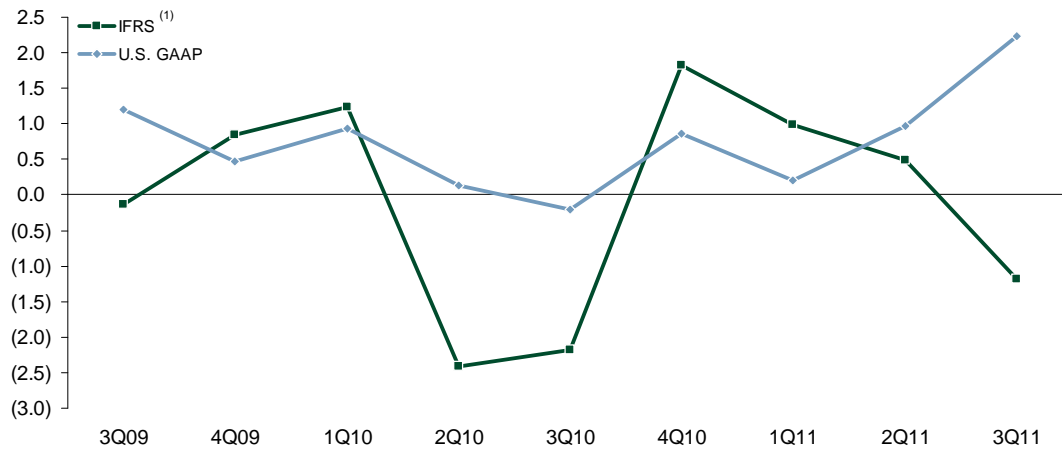
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Net Income in accordance with IFRS and U.S. GAAP

Net income
(C\$ billions)

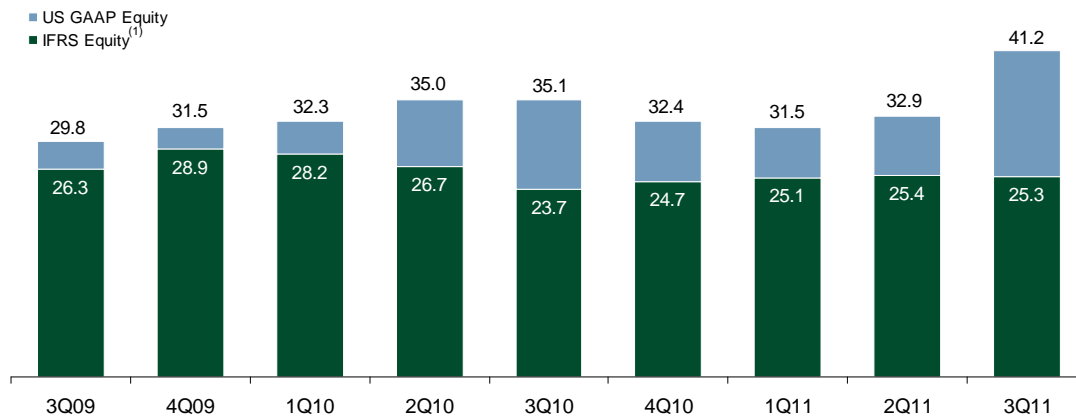


- IFRS¹ net income is typically more volatile compared to U.S. GAAP in periods of market dislocation due to more extensive use of mark-to-market accounting

¹ Effective January 1, 2010 Manulife adopted IFRS as a replacement of CGAAP. 3Q09 and 4Q09 are presented in accordance with CGAAP

Total equity in accordance with IFRS and U.S. GAAP

Equity (Book Value)
(C\$ billions)



- "Mark-to-market" accounting approach of IFRS which recognizes the current low interest rate and updated actuarial assumptions are not generally reflected in U.S. GAAP results
- Differences in accounting methods result nearly C\$16B lower equity under IFRS at 3Q11

¹ Effective January 1, 2010 Manulife adopted IFRS as a replacement of CGAAP. 3Q09 and 4Q09 are presented in accordance with CGAAP

Note to users

Performance and Non-GAAP Measures

We use a number of non-GAAP financial measures to measure overall performance and to assess each of our businesses. A financial measure is considered a non-GAAP measure for Canadian securities law purposes if it is presented other than in accordance with generally accepted accounting principles used for the Company's audited historical financial statements which is prior Canadian GAAP for 2010 and earlier and IFRS for 2011 and beyond. Non-GAAP measures include: Constant Currency Basis; New Business Embedded Value; Premiums and Deposits; and Sales. Non-GAAP financial measures are not defined terms under GAAP and, therefore, are unlikely to be comparable to similar terms used by other issuers. Therefore, they should not be considered in isolation or as a substitute for any other financial information prepared in accordance with GAAP. The Company uses financial performance measures that are prepared on a constant currency basis, which exclude the impact of currency fluctuations and which are non-GAAP measures. Quarterly amounts stated on a constant currency basis in this presentation are calculated, as appropriate, using the income statement and balance sheet exchange rates effective for the third quarter of 2010. New Business Embedded Value ("NBEV") is the change in shareholders' economic value as a result of sales in the reporting period. NBEV is calculated as the present value of expected future earnings, after the cost of capital, on actual new business sold in the period using future mortality, morbidity, policyholder behavior, expense and investment assumptions that are consistent with the assumptions used in the valuation of our policy liabilities. Effective the first quarter of 2011 we changed the calculation methodology for new business embedded value. Prior periods were not restated. We changed the NBEV calculation for interest sensitive life insurance products to now use current interest rates consistent with the valuation of policy liabilities. In 2010 and prior, we used an interest rate for life insurance products equal to the rate used in our annual business plan. For both 2011 and 2010 we used current rates to calculate the NBEV for wealth products. In addition, we now update policyholder experience assumptions for changes made during the year, whereas in 2010 and prior, we used assumptions that were in place at the beginning of each year. Premiums and deposits is a non-GAAP measure of top line growth. The Company calculates premiums and deposits as the aggregate of (i) general fund premiums, net of reinsurance, reported as premiums on the Consolidated Statement of Income, (ii) premium equivalents for administration only group benefit contracts, (iii) premiums in the Canadian Group Benefits reinsurance ceded agreement, (iv) segregated fund deposits, excluding seed money, (v) mutual fund deposits, (vi) deposits into institutional advisory accounts, and (vii) other deposits in other managed funds. Sales are measured according to product type. (i) For total individual insurance, sales include 100 per cent of new annualized premiums and 10 per cent of both excess and single premiums. For individual insurance, new annualized premiums reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. Sales are reported gross before the impact of reinsurance. Single premium is the lump sum premium from the sale of a single premium product, e.g. travel insurance. (ii) For group insurance, sales include new annualized premiums and administrative services only premium equivalents on new cases, as well as the addition of new coverages and amendments to contracts, excluding rate increases. (iii) For individual wealth management contracts, all new deposits are reported as sales. This includes individual annuities, both fixed and variable; variable annuity products; mutual funds; college savings 529 plans; and authorized bank loans and mortgages. (iv) For group pensions/retirement savings, sales of new regular premiums and deposits reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider. Sales include the impact of the addition of a new division or of a new product to an existing client. Total sales include both new regular and single premiums and deposits. For further information regarding these subjects, see our press release announcing our 2011 third quarter results.

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