



Manulife Financial Corporation

*June 30, 2003*

*Statistical Information Package*

*(Unaudited)*

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Note: Certain comparative amounts have been reclassified to conform with the current period's presentation.

**FINANCIAL HIGHLIGHTS**


(Canadian \$ in millions unless otherwise stated and per share information, unaudited)

	For the three months ended			For the six months ended			For the twelve months ended
	Jun 30 2003	Jun 30 2002	% Change	Jun 30 2003	Jun 30 2002	% Change	Dec 31 2002
Net income	387	343	13 %	725	677	7 %	1,370
Less: net income (loss) attributed to participating policyholders	1	(1)	N/A	3	(2)	N/A	(8)
<b>Net income attributed to shareholders</b>	<b>386</b>	<b>344</b>	<b>12 %</b>	<b>722</b>	<b>679</b>	<b>6 %</b>	<b>1,378</b>
<b>Selected key performance measures</b>							
Basic earnings per common share	\$ 0.83	\$ 0.71	17 %	\$ 1.56	\$ 1.41	11 %	\$ 2.90
Weighted average number of common shares outstanding (in millions)	463	483		463	483		476
Diluted earnings per common share	\$ 0.83	\$ 0.71	17 %	\$ 1.55	\$ 1.40	11 %	\$ 2.88
Weighted average number of diluted common shares outstanding (in millions)	466	487		466	486		479
Return on common shareholders' equity (annualized)	18.0%	16.1%	193 bp	16.9%	16.2%	71 bp	16.2%
<b>Premiums and deposits:</b>							
Life and health insurance premiums	2,021	2,076	(3) %	4,033	4,035	(0) %	8,342
Annuity and pension premiums	577	592	(3) %	1,405	1,153	22 %	2,437
Segregated fund deposits	4,196	4,223	(1) %	8,677	8,790	(1) %	16,706
Mutual fund deposits	306	349	(12) %	652	645	1 %	1,189
ASO premium equivalents	222	223	(0) %	436	435	0 %	860
<b>Total premiums and deposits <sup>(1)</sup></b>	<b>7,322</b>	<b>7,463</b>	<b>(2) %</b>	<b>15,203</b>	<b>15,058</b>	<b>1 %</b>	<b>29,534</b>
<b>Funds under management:</b>							
	<b>Jun 30 2003</b>	<b>Jun 30 2002</b>	<b>% Change</b>				<b>As at Dec 31 2002</b>
General fund	76,886	78,284	(2) %				81,195
Segregated funds	60,966	56,906	7 %				58,831
Mutual funds	2,543	1,889	35 %				2,167
Other managed funds	3,916	2,753	42 %				3,982
<b>Total funds under management</b>	<b>144,311</b>	<b>139,832</b>	<b>3 %</b>				<b>146,175</b>
<b>Total capital <sup>(2)</sup></b>	<b>12,019</b>	<b>11,879</b>	<b>1 %</b>				<b>11,978 (a)</b>

(2) Total capital includes total equity, subordinated debt, non-controlling interest in Manulife Financial Capital Trust and trust preferred securities issued by subsidiaries.

(a) Common share buybacks during 2002 have reduced total capital by \$726.

**DIVISIONAL HIGHLIGHTS**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Shareholders' net income (loss)</b>								
U.S.	111	107	126	116	111	218	229	471
Canadian	125	94	103	85	97	219	190	378
Asian	73	58	72	72	60	131	113	257
Japan	25	25	26	27	28	50	58	111
Reinsurance	51	57	52	42	40	108	90	184
Other	1	(5)	(7)	(15)	8	(4)	(1)	(23)
<b>Total</b>	<b>386</b>	<b>336</b>	<b>372</b>	<b>327</b>	<b>344</b>	<b>722</b>	<b>679</b>	<b>1,378</b>

**Premiums and deposits**

U.S.	4,210	4,699	4,372	4,124	4,500	8,909	9,288	17,784
Canadian	1,641	1,786	1,509	1,435	1,515	3,427	3,047	5,991
Asian	781	747	802	787	795	1,528	1,486	3,075
Japan	513	466	435	409	394	979	777	1,621
Reinsurance	177	183	272	331	259	360	460	1,063
<b>Total</b>	<b>7,322</b>	<b>7,881</b>	<b>7,390</b>	<b>7,086</b>	<b>7,463</b>	<b>15,203</b>	<b>15,058</b>	<b>29,534</b>

	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
<b>Funds under management</b>					
U.S.	72,116	70,264	73,979	69,293	70,111
Canadian	36,890	35,270	34,136	33,822	34,311
Asian	11,246	10,967	11,534	9,845	9,067
Japan	11,114	12,473	13,721	13,631	13,643
Reinsurance	3,703	3,923	4,134	4,333	3,985
Other	9,242	8,680	8,671	8,324	8,715
<b>Total</b>	<b>144,311</b>	<b>141,577</b>	<b>146,175</b>	<b>139,248</b>	<b>139,832</b>

**DIVISIONAL HIGHLIGHTS (CONT'D)**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Insurance sales:</b>								
<i>New annualized premium sales</i>								
U.S.	79	85	78	64	60	164	154	296
Canadian	98	117	82	87	66	215	140	309
Asian	78	72	100	86	86	150	151	337
Japan	35	34	36	34	32	69	71	141
<b>Total Insurance new annualized premium sales</b>	<b>290</b>	<b>308</b>	<b>296</b>	<b>271</b>	<b>244</b>	<b>598</b>	<b>516</b>	<b>1,083</b>

**Wealth management sales <sup>(1)</sup>:**

U.S. <sup>(2)</sup>	2,511	2,792	3,154	2,572	2,851	5,303	5,907	11,633
Canadian	625	840	533	485	531	1,465	1,156	2,174
Asian	200	154	144	202	208	354	340	686
Japan	190	124	80	36	40	314	54	170
<b>Total</b>	<b>3,526</b>	<b>3,910</b>	<b>3,911</b>	<b>3,295</b>	<b>3,630</b>	<b>7,436</b>	<b>7,457</b>	<b>14,663</b>

(1) Wealth management sales include group pension and individual wealth management sales. New business sales for the Group Pensions businesses are measured by new annualized and single deposits (using a best estimate calculation of annualization). New business sales for Individual Wealth Management businesses other than U.S. College Savings are measured by Premiums, Segregated fund deposits and Mutual fund deposits, if applicable.

(2) U.S. Division wealth management sales include U.S. College Savings sales, which represent sales made by Manulife distribution channels on behalf of a third party, for which an asset-based fee is earned. Deposits for the U.S. College Savings business are not included in U.S. Individual Wealth Management premiums and deposits.

**CONSOLIDATED STATEMENTS OF OPERATIONS**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Revenue</b>								
Premium income	2,598	2,840	2,765	2,826	2,668	5,438	5,188	10,779
Investment income	1,186	1,085	1,163	1,031	924	2,271	2,041	4,235
Other revenue	372	361	392	378	371	733	748	1,518
<b>Total revenue</b>	<b>4,156</b>	<b>4,286</b>	<b>4,320</b>	<b>4,235</b>	<b>3,963</b>	<b>8,442</b>	<b>7,977</b>	<b>16,532</b>
<b>Policy benefits and expenses</b>								
To policyholders and beneficiaries								
Death and disability benefits	745	781	883	885	879	1,526	1,620	3,388
Maturity and surrender benefits	832	913	905	940	1,014	1,745	2,200	4,045
Annuity payments	305	317	355	341	326	622	646	1,342
Policyholder dividends and experience rating refunds	215	212	247	239	237	427	446	932
Net transfers to (from) segregated funds	265	101	162	(112)	171	366	606	656
Change in actuarial liabilities	252	479	208	554	(126)	731	(455)	307
General expenses	629	634	689	596	592	1,263	1,205	2,490
Commissions	317	308	311	282	310	625	614	1,207
Interest expense	63	62	63	67	59	125	113	243
Premium taxes	31	29	27	28	28	60	56	111
Non-controlling interest in subsidiaries	19	19	17	17	19	38	38	72
Trust preferred securities issued by subsidiaries	14	16	16	16	16	30	33	65
<b>Total policy benefits and expenses</b>	<b>3,687</b>	<b>3,871</b>	<b>3,883</b>	<b>3,853</b>	<b>3,525</b>	<b>7,558</b>	<b>7,122</b>	<b>14,858</b>
<b>Income before income taxes</b>	<b>469</b>	<b>415</b>	<b>437</b>	<b>382</b>	<b>438</b>	<b>884</b>	<b>855</b>	<b>1,674</b>
Income taxes	(82)	(77)	(68)	(58)	(95)	(159)	(178)	(304)
<b>Net income</b>	<b>387</b>	<b>338</b>	<b>369</b>	<b>324</b>	<b>343</b>	<b>725</b>	<b>677</b>	<b>1,370</b>
Less: net income (loss) attributed to participating policyholders	1	2	(3)	(3)	(1)	3	(2)	(8)
<b>Net income attributed to shareholders</b>	<b>386</b>	<b>336</b>	<b>372</b>	<b>327</b>	<b>344</b>	<b>722</b>	<b>679</b>	<b>1,378</b>

## CONSOLIDATED BALANCE SHEETS



(Canadian \$ in millions, unaudited)

	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
<b>Assets</b>					
Invested assets					
Bonds	42,264	44,584	46,677	47,515	46,183
Mortgages	9,520	9,396	9,294	8,685	8,379
Stocks	6,724	6,940	6,898	7,017	6,835
Real estate	3,780	3,807	3,570	3,526	3,298
Policy loans	4,456	4,773	4,939	4,910	4,668
Cash and short-term investments	5,899	5,112	5,143	3,854	4,248
Other investments	1,222	1,198	1,041	900	1,031
<b>Total invested assets</b>	<b>73,865</b>	<b>75,810</b>	<b>77,562</b>	<b>76,407</b>	<b>74,642</b>
Other assets					
Accrued investment income	860	925	1,010	1,036	966
Outstanding premiums	462	487	558	816	546
Goodwill	556	597	634	625	609
Miscellaneous	1,143	1,268	1,431	1,609	1,521
<b>Total other assets</b>	<b>3,021</b>	<b>3,277</b>	<b>3,633</b>	<b>4,086</b>	<b>3,642</b>
<b>Total assets</b>	<b>76,886</b>	<b>79,087</b>	<b>81,195</b>	<b>80,493</b>	<b>78,284</b>
<b>Segregated fund net assets</b>	<b>60,966</b>	<b>56,508</b>	<b>58,831</b>	<b>53,966</b>	<b>56,906</b>
<b>Liabilities and equity</b>					
Actuarial liabilities	51,791	54,335	56,397	56,031	53,959
Benefits payable and provision for unreported claims	2,266	2,511	2,693	2,609	2,367
Policyholder amounts on deposit	2,487	2,677	2,835	2,823	2,729
Deferred realized net gains	3,371	3,364	3,297	3,288	3,288
Banking deposits	1,889	1,766	1,437	1,355	1,315
Other liabilities	3,009	2,546	2,499	2,536	2,677
	64,813	67,199	69,158	68,642	66,335
<b>Subordinated debt</b>	1,352	1,388	1,436	1,433	1,400
<b>Non-controlling interest in subsidiaries</b>	1,054	1,057	1,059	1,074	1,070
<b>Trust preferred securities issued by subsidiaries</b>	681	724	794	781	763
<b>Equity</b>					
Participating policyholders' equity	95	94	92	95	98
Shareholders' equity					
Common shares	598	597	596	600	620
Preferred shares	344	-	-	-	-
Contributed surplus	7	3	-	-	-
Shareholders' retained earnings	7,942	8,025	8,060	7,868	7,998
<b>Total equity</b>	<b>8,986</b>	<b>8,719</b>	<b>8,748</b>	<b>8,563</b>	<b>8,716</b>
<b>Total liabilities and equity</b>	<b>76,886</b>	<b>79,087</b>	<b>81,195</b>	<b>80,493</b>	<b>78,284</b>
<b>Segregated fund net liabilities</b>	<b>60,966</b>	<b>56,508</b>	<b>58,831</b>	<b>53,966</b>	<b>56,906</b>

**CONSOLIDATED STATEMENTS OF EQUITY**


(Canadian \$ in millions, unaudited)

Operating retained earnings (excluding contributed surplus and currency translation account)	For the three months ended							For the six months ended		For the twelve months ended
	Participating Policyholders	Shareholders	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		Dec 31
			2003	2003	2002	2002	2002	2003	2002	2002
Balance, beginning of period	94	7,976	8,070	7,815	7,654	7,972	7,696	7,815	7,392	7,392
Net income	1	386	387	338	369	324	343	725	677	1,370
Shareholder dividends	-	(84)	(84)	(83)	(83)	(67)	(67)	(167)	(135)	(285)
Purchase and cancellation of common shares	-	-	-	-	(125)	(575)	-	-	-	(700)
Transfer of participating policyholders' retained earnings on acquisition	-	-	-	-	-	-	-	-	38	38
<b>Balance, end of period</b>	<b>95</b>	<b>8,278</b>	<b>8,373</b>	<b>8,070</b>	<b>7,815</b>	<b>7,654</b>	<b>7,972</b>	<b>8,373</b>	<b>7,972</b>	<b>7,815</b>
<b>Currency translation account</b>										
Balance, beginning of period	-	49	49	337	309	124	269	337	287	287
Change during the period	-	(385)	(385)	(288)	28	185	(145)	(673)	(163)	50
<b>Balance, end of period</b>	<b>-</b>	<b>(336)</b>	<b>(336)</b>	<b>49</b>	<b>337</b>	<b>309</b>	<b>124</b>	<b>(336)</b>	<b>124</b>	<b>337</b>
<b>Total retained earnings</b>	<b>95</b>	<b>7,942</b>	<b>8,037</b>	<b>8,119</b>	<b>8,152</b>	<b>7,963</b>	<b>8,096</b>	<b>8,037</b>	<b>8,096</b>	<b>8,152</b>
<b>Contributed surplus</b>										
Balance, beginning of period	-	3	3	-	-	-	-	-	-	-
Change during the period	-	4	4	3	-	-	-	7	-	-
<b>Balance, end of period</b>	<b>-</b>	<b>7</b>	<b>7</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>
<b>Preferred shares</b>										
Preferred shares issued	-	350	350	-	-	-	-	350	-	-
Issuance costs, net of tax	-	(6)	(6)	-	-	-	-	(6)	-	-
<b>Balance, end of period</b>	<b>-</b>	<b>344</b>	<b>344</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>344</b>	<b>-</b>	<b>-</b>
<b>Common shares</b>										
Balance, beginning of period	-	597	597	596	600	620	619	596	614	614
Common shares issued on exercise of options	-	1	1	1	1	1	1	2	6	8
Purchase and cancellation of common shares	-	-	-	-	(5)	(21)	-	-	-	(26)
<b>Balance, end of period</b>	<b>-</b>	<b>598</b>	<b>598</b>	<b>597</b>	<b>596</b>	<b>600</b>	<b>620</b>	<b>598</b>	<b>620</b>	<b>596</b>
<b>Total equity</b>	<b>95</b>	<b>8,891</b>	<b>8,986</b>	<b>8,719</b>	<b>8,748</b>	<b>8,563</b>	<b>8,716</b>	<b>8,986</b>	<b>8,716</b>	<b>8,748</b>

**CONSOLIDATED STATEMENTS OF CASH FLOWS**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Operating activities</b>								
<b>Operating cash inflows</b>								
Premiums and annuity considerations	2,623	2,911	3,024	2,556	2,657	5,534	5,125	10,705
Investment income received	1,135	1,094	1,102	919	984	2,229	2,103	4,124
Other revenue	372	361	392	378	371	733	748	1,518
<b>Total operating cash inflows</b>	<b>4,130</b>	<b>4,366</b>	<b>4,518</b>	<b>3,853</b>	<b>4,012</b>	<b>8,496</b>	<b>7,976</b>	<b>16,347</b>
<b>Operating cash outflows</b>								
Benefit payments	2,126	2,200	2,065	1,920	2,332	4,326	4,520	8,505
Insurance expenses and taxes	1,082	1,061	1,068	1,001	1,012	2,143	1,973	4,042
Dividends paid to policyholders	215	212	247	239	237	427	446	932
Net transfers to (from) segregated funds	265	101	162	(112)	171	366	606	656
Change in other assets and liabilities	(333)	(291)	(185)	399	(358)	(624)	(143)	71
<b>Total operating cash outflows</b>	<b>3,355</b>	<b>3,283</b>	<b>3,357</b>	<b>3,447</b>	<b>3,394</b>	<b>6,638</b>	<b>7,402</b>	<b>14,206</b>
<b>Cash provided by operating activities</b>	<b>775</b>	<b>1,083</b>	<b>1,161</b>	<b>406</b>	<b>618</b>	<b>1,858</b>	<b>574</b>	<b>2,141</b>
<b>Investing activities</b>								
Purchases and mortgage advances	(8,434)	(11,277)	(12,540)	(9,449)	(10,770)	(19,711)	(24,270)	(46,259)
Disposals and repayments	7,814	9,914	12,976	9,168	10,106	17,728	22,836	44,980
Cash received from assumptions and acquisitions of businesses, net of cash paid	-	-	(36)	-	-	-	(103)	(139)
<b>Cash provided by (used in) investing activities</b>	<b>(620)</b>	<b>(1,363)</b>	<b>400</b>	<b>(281)</b>	<b>(664)</b>	<b>(1,983)</b>	<b>(1,537)</b>	<b>(1,418)</b>
<b>Financing activities</b>								
Increase (decrease) in repurchase agreements and securities sold but not yet purchased	546	224	(129)	(62)	(375)	770	(165)	(356)
Banking deposits, net	123	329	82	40	373	452	546	668
Shareholder dividends	(84)	(83)	(83)	(67)	(67)	(167)	(135)	(285)
Borrowed (repaid) funds, net	-	(1)	-	(1)	-	(1)	(1)	(2)
Common shares issued on exercise of options	1	1	1	1	1	2	6	8
Preferred shares issued, net	344	-	-	-	-	344	-	-
Purchase and cancellation of common shares	-	-	(130)	(596)	-	-	-	(726)
<b>Cash provided by (used in) financing activities</b>	<b>930</b>	<b>470</b>	<b>(259)</b>	<b>(685)</b>	<b>(68)</b>	<b>1,400</b>	<b>251</b>	<b>(693)</b>
<b>Cash and short term investments</b>								
Increase (decrease) during the period	1,085	190	1,302	(560)	(114)	1,275	(712)	30
Currency impact on cash and short-term investments	(260)	(249)	24	118	(14)	(509)	(25)	117
Balance, beginning of period	4,849	4,908	3,582	4,024	4,152	4,908	4,761	4,761
<b>Balance, end of period</b>	<b>5,674</b>	<b>4,849</b>	<b>4,908</b>	<b>3,582</b>	<b>4,024</b>	<b>5,674</b>	<b>4,024</b>	<b>4,908</b>
<b>Composition of cash and short-term investments</b>								
<b>Beginning of period</b>								
Gross cash and short-term investments	5,112	5,143	3,854	4,248	4,427	5,143	4,995	4,995
Net payments in transit, included in other liabilities	(263)	(235)	(272)	(224)	(275)	(235)	(234)	(234)
<b>Net cash and short-term investments, beginning of period</b>	<b>4,849</b>	<b>4,908</b>	<b>3,582</b>	<b>4,024</b>	<b>4,152</b>	<b>4,908</b>	<b>4,761</b>	<b>4,761</b>
<b>End of period</b>								
Gross cash and short-term investments	5,899	5,112	5,143	3,854	4,248	5,899	4,248	5,143
Net payments in transit, included in other liabilities	(225)	(263)	(235)	(272)	(224)	(225)	(224)	(235)
<b>Net cash and short-term investments, end of period</b>	<b>5,674</b>	<b>4,849</b>	<b>4,908</b>	<b>3,582</b>	<b>4,024</b>	<b>5,674</b>	<b>4,024</b>	<b>4,908</b>

## CONSOLIDATED STATEMENTS OF SEGREGATED FUNDS



(Canadian \$ in millions, unaudited)

Consolidated statements of segregated fund net assets	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
<b>Investments, at market values</b>					
Bonds	3,738	3,968	3,698	2,693	2,737
Stocks	53,704	48,473	51,014	46,499	50,795
Mortgages	-	-	26	10	4
Cash and short-term investments	3,509	4,074	4,119	4,823	3,465
Accrued investment income	5	11	10	10	10
Other assets (liabilities), net	10	(18)	(36)	(69)	(105)
<b>Total segregated fund net assets, end of quarter</b>	<b>60,966</b>	<b>56,508</b>	<b>58,831</b>	<b>53,966</b>	<b>56,906</b>
<b>Composition of segregated fund net assets:</b>					
Held by Policyholders	60,693	56,132	58,450	53,563	56,476
Held by the Company	273	376	381	403	430
<b>Total segregated fund net assets, end of quarter</b>	<b>60,966</b>	<b>56,508</b>	<b>58,831</b>	<b>53,966</b>	<b>56,906</b>

### Consolidated statements of changes in segregated fund net assets

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Additions</b>								
Deposits from policyholders	4,196	4,507	4,146	3,758	4,223	8,703	9,109 (a)	17,013 (a)
Net realized and unrealized investment gains (losses)	5,622	(1,683)	2,435	(6,967)	(6,037)	3,939	(6,020)	(10,552)
Interest and dividends	410	259	449	252	389	669	631	1,332
Net transfers from (to) general fund	265	101	162	(112)	171	366	606	656
Funds assumed and acquired	-	-	-	-	-	-	40	40
Currency revaluation	(3,947)	(3,525)	(96)	2,035	(2,322)	(7,472)	(2,316)	(377)
<b>Total additions (reduction)</b>	<b>6,546</b>	<b>(341)</b>	<b>7,096</b>	<b>(1,034)</b>	<b>(3,576)</b>	<b>6,205</b>	<b>2,050</b>	<b>8,112</b>
<b>Deductions</b>								
Payments to policyholders	1,879	1,776	2,017	1,696	1,980	3,655	3,904	7,617
Management and administrative fees	209	206	214	210	226	415	446	870
<b>Total deductions</b>	<b>2,088</b>	<b>1,982</b>	<b>2,231</b>	<b>1,906</b>	<b>2,206</b>	<b>4,070</b>	<b>4,350</b>	<b>8,487</b>
Net addition (reduction) to segregated funds for the period	4,458	(2,323)	4,865	(2,940)	(5,782)	2,135	(2,300)	(375)
Segregated fund net assets, beginning of period	56,508	58,831	53,966	56,906	62,688	58,831	59,206	59,206
<b>Segregated fund net assets, end of period</b>	<b>60,966</b>	<b>56,508</b>	<b>58,831</b>	<b>53,966</b>	<b>56,906</b>	<b>60,966</b>	<b>56,906</b>	<b>58,831</b>

(a) Deposits from policyholders for the six months ended June 30, 2002 and the year ended December 31, 2002 included \$319 of segregated fund net seed capital in Japan.

## CONSOLIDATED SOURCE OF EARNINGS



(Canadian \$ in millions, unaudited)

Source of Earnings	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
Expected profit from in force business	287	298	281	271	266	585	516	1,068
Strain on new business	(44)	(57)	(15)	(33)	(29)	(101)	(71)	(119)
Experience gains (losses)	60	16	78	33	23	76	104	215
Changes in assumptions	-	-	(42)	-	33	-	33	(9)
Earnings on surplus	165	156	138	114	146	321	275	527
<b>Income before income taxes</b>	<b>468</b>	<b>413</b>	<b>440</b>	<b>385</b>	<b>439</b>	<b>881</b>	<b>857</b>	<b>1,682</b>
Income taxes	(82)	(77)	(68)	(58)	(95)	(159)	(178)	(304)
<b>Net Income attributed to shareholders</b>	<b>386</b>	<b>336</b>	<b>372</b>	<b>327</b>	<b>344</b>	<b>722</b>	<b>679</b>	<b>1,378</b>

### Glossary

Expected profit from in force business	Formula-driven release of PfADS (Provisions for Adverse Deviations) on the non-fee businesses and expected annual profit on fee businesses
Strain on new business	Capitalized value of future profits on non-fee income new business, less: -PfADSs in respect of non-fee income new business -non-capitalized acquisition expenses on fee income business -acquisition expense gaps
Experience gains (losses)	Earnings impact of any differences between actual experience in the current period relative to expected experience implicit in the actuarial liabilities, or differences in current period fee income due to equity market performance
Changes in assumptions	Changes in future assumptions that impact current period actuarial liabilities and income
Earnings on surplus	Actual investment returns on the Company's surplus (shareholders' equity)
Income taxes	Tax charges to income, consistent with the amount on the statement of operations

**ASSET COMPOSITION AND QUALITY - PORTFOLIO COMPOSITION**


(Canadian \$ in millions, unaudited)

**Invested assets**

	Carrying value	%	Unrealized gains	%	Unrealized losses	%	Fair value	%	Deferred realized net gains	%	Total realized and unrealized net gains	%
<b>As at June 30, 2003</b>												
Bonds (fixed maturity)												
Canadian government & agency	8,532	11 %	1,284	20 %	(28)	2 %	9,788	12 %	390	12 %	1,646	20 %
Foreign governments & agency	9,267	13 %	461	7 %	(10)	1 %	9,718	12 %	423	12 %	874	11 %
Corporate	23,878	32 %	2,107	34 %	(45)	3 %	25,940	33 %	1,090	32 %	3,152	39 %
Mortgage/asset-backed securities	587	1 %	47	1 %	(1)	0 %	633	1 %	27	1 %	73	1 %
Mortgages	9,520	13 %	963	15 %	(4)	0 %	10,479	13 %	59	2 %	1,018	13 %
Stocks	6,724	9 %	943	15 %	(1,355)	88 %	6,312	8 %	1,250	37 %	838	10 %
Real estate	3,780	5 %	436	7 %	(90)	6 %	4,126	5 %	91	3 %	437	5 %
Policy loans	4,456	6 %	-	N/A	-	N/A	4,456	6 %	-	N/A	-	N/A
Cash and short-term investments	5,899	8 %	2	N/A	-	N/A	5,901	8 %	-	N/A	2	N/A
Other investments	1,222	2 %	54	1 %	-	N/A	1,276	2 %	41	1 %	95	1 %
<b>Total invested assets</b>	<b>73,865</b>	<b>100 %</b>	<b>6,297</b>	<b>100 %</b>	<b>(1,533)</b>	<b>100 %</b>	<b>78,629</b>	<b>100 %</b>	<b>3,371</b>	<b>100 %</b>	<b>8,135</b>	<b>100 %</b>

**As at December 31, 2002**

Bonds (fixed maturity)												
Canadian government & agency	8,674	11 %	1,328	24 %	(113)	6 %	9,889	12 %	277	8 %	1,492	22 %
Foreign governments & agency	9,958	13 %	824	15 %	(55)	3 %	10,727	13 %	318	10 %	1,087	16 %
Corporate	26,953	35 %	1,553	28 %	(130)	6 %	28,376	35 %	860	26 %	2,283	34 %
Mortgage/asset-backed securities	1,092	1 %	77	2 %	(6)	0 %	1,163	2 %	35	1 %	106	2 %
Mortgages	9,294	12 %	735	13 %	(6)	0 %	10,023	13 %	46	1 %	775	11 %
Stocks	6,898	9 %	566	10 %	(1,665)	81 %	5,799	7 %	1,632	50 %	533	8 %
Real estate	3,570	5 %	372	7 %	(74)	4 %	3,868	5 %	100	3 %	398	6 %
Policy loans	4,939	6 %	-	N/A	-	N/A	4,939	6 %	-	N/A	-	N/A
Cash and short-term investments	5,143	7 %	1	N/A	-	N/A	5,144	6 %	-	N/A	1	N/A
Other investments	1,041	1 %	46	1 %	(10)	0 %	1,077	1 %	29	1 %	65	1 %
<b>Total invested assets</b>	<b>77,562</b>	<b>100 %</b>	<b>5,502</b>	<b>100 %</b>	<b>(2,059)</b>	<b>100 %</b>	<b>81,005</b>	<b>100 %</b>	<b>3,297</b>	<b>100 %</b>	<b>6,740</b>	<b>100 %</b>

**As at June 30, 2002**

Bonds (fixed maturity)												
Canadian government & agency	8,833	12 %	966	27 %	(24)	1 %	9,775	13 %	218	7 %	1,160	23 %
Foreign governments & agency	8,422	12 %	278	8 %	(22)	1 %	8,678	11 %	208	6 %	464	9 %
Corporate	27,354	37 %	1,060	30 %	(653)	37 %	27,761	37 %	676	21 %	1,083	22 %
Mortgage/asset-backed securities	1,574	2 %	96	3 %	(15)	1 %	1,655	2 %	39	1 %	120	2 %
Mortgages	8,379	11 %	445	13 %	(11)	1 %	8,813	11 %	38	1 %	472	9 %
Stocks	6,835	9 %	204	6 %	(960)	54 %	6,079	8 %	1,961	60 %	1,205	24 %
Real estate	3,298	4 %	403	11 %	(50)	3 %	3,651	5 %	102	3 %	455	9 %
Policy loans	4,668	6 %	-	N/A	-	N/A	4,668	6 %	-	N/A	-	N/A
Cash and short-term investments	4,248	6 %	1	N/A	-	N/A	4,249	6 %	-	N/A	1	N/A
Other investments	1,031	1 %	74	2 %	(31)	2 %	1,074	1 %	46	1 %	89	2 %
<b>Total invested assets</b>	<b>74,642</b>	<b>100 %</b>	<b>3,527</b>	<b>100 %</b>	<b>(1,766)</b>	<b>100 %</b>	<b>76,403</b>	<b>100 %</b>	<b>3,288</b>	<b>100 %</b>	<b>5,049</b>	<b>100 %</b>

**ASSET COMPOSITION AND QUALITY - BONDS/MORTGAGES**


(Canadian \$ in millions, unaudited)

Bond portfolio credit quality NAIC designation	Jun 30 2003		Mar 31 2003		As at Dec 31 2002		As at Sep 30 2002		As at Jun 30 2002	
	value	%	value	%	value	%	value	%	value	%
AAA	11,359	27%	12,496	28%	12,208	26%	12,362	26%	11,608	25%
AA	7,769	18%	8,467	19%	9,105	20%	9,539	20%	9,518	21%
A	14,871	35%	15,377	35%	16,568	35%	16,099	34%	15,103	32%
BBB	6,553	16%	6,457	14%	6,971	15%	7,614	16%	8,067	18%
BB & lower, and unrated	1,712	4%	1,787	4%	1,825	4%	1,901	4%	1,887	4%
<b>Total</b>	<b>42,264</b>	<b>100%</b>	<b>44,584</b>	<b>100%</b>	<b>46,677</b>	<b>100%</b>	<b>47,515</b>	<b>100%</b>	<b>46,183</b>	<b>100%</b>

**Bond portfolio by sector / industry holdings**

	As at June 30, 2003					As at December 31, 2002					As at June 30, 2002				
	Carrying value	%	Fair value	Unrealized net gains	Investment grade %	Carrying value	%	Fair value	Unrealized net gains	Investment grade %	Carrying value	%	Fair value	Unrealized net gains (losses)	Investment grade %
Government and agency	17,799	42%	19,506	1,707	99%	18,632	40%	20,616	1,984	100%	17,255	37%	18,453	1,198	100%
Financial	9,550	23%	10,303	753	97%	11,569	25%	12,194	625	97%	12,013	26%	12,379	366	97%
Telecommunications	2,554	6%	2,939	385	84%	3,039	7%	3,215	176	85%	3,485	8%	3,203	(282)	84%
Utilities	3,508	8%	3,797	289	94%	3,821	8%	4,041	220	94%	3,679	8%	3,820	141	93%
Energy <sup>(1)</sup>	2,172	5%	2,362	190	94%	2,383	5%	2,478	95	93%	2,167	5%	2,225	58	98%
Industrial	1,939	5%	2,087	148	95%	1,948	4%	2,081	133	96%	1,686	4%	1,737	51	96%
Securitized (ABS/MBS)	587	1%	633	46	99%	1,092	2%	1,163	71	99%	1,574	3%	1,655	81	99%
Consumer (non-cyclical)	1,531	4%	1,660	129	93%	1,522	3%	1,627	105	93%	1,504	3%	1,565	61	91%
Consumer (cyclical)	1,075	3%	1,132	57	86%	1,113	2%	1,145	32	83%	1,069	2%	1,077	8	82%
Basic materials	384	1%	394	10	79%	384	1%	395	11	75%	466	1%	471	5	83%
Technology	341	1%	368	27	93%	335	1%	351	16	94%	305	1%	307	2	94%
Media & Internet	707	1%	771	64	83%	708	2%	713	5	94%	669	1%	642	(27)	90%
Other	117	0%	127	10	89%	131	0%	136	5	94%	311	1%	335	24	98%
<b>Total</b>	<b>42,264</b>	<b>100%</b>	<b>46,079</b>	<b>3,815</b>	<b>96%</b>	<b>46,677</b>	<b>100%</b>	<b>50,155</b>	<b>3,478</b>	<b>96%</b>	<b>46,183</b>	<b>100%</b>	<b>47,869</b>	<b>1,686</b>	<b>96%</b>

(1) As at June 30, 2003, December 31, 2002 and June 30, 2002, 50%, 48% and 50% of the Energy holdings are in regulated pipelines, respectively.

Mortgage portfolio composition	Jun 30 2003		Mar 31 2003		As at Dec 31 2002		As at Sep 30 2002		As at Jun 30 2002	
	value	%	value	%	value	%	value	%	value	%
Commercial										
Residential <sup>(2)</sup>	1,217	13%	1,230	13%	1,275	14%	1,248	14%	1,277	15%
Retail	2,314	24%	2,240	24%	2,196	24%	2,058	24%	2,039	24%
Office	2,677	28%	2,670	28%	2,619	28%	2,397	28%	2,171	26%
Industrial	2,164	23%	2,152	23%	2,160	23%	2,092	24%	2,033	24%
Other commercial	225	2%	250	3%	255	3%	267	3%	292	4%
Other mortgages	923	10%	854	9%	789	8%	623	7%	567	7%
<b>Total</b>	<b>9,520</b>	<b>100%</b>	<b>9,396</b>	<b>100%</b>	<b>9,294</b>	<b>100%</b>	<b>8,685</b>	<b>100%</b>	<b>8,379</b>	<b>100%</b>

(2) Includes multi-unit residential properties, such as condominiums.

**ASSET COMPOSITION AND QUALITY - IMPAIRED ASSETS AND PROVISIONS**


(Canadian \$ in millions, unaudited)

Net impaired assets	As at June 30, 2003			As at December 31, 2002			As at June 30, 2002		
	Gross amount	Allowance for impairment	Carrying value	Gross amount	Allowance for impairment	Carrying value	Gross amount	Allowance for impairment	Carrying value
Mortgages	45	18	27	36	20	16	65	29	36
Other impaired assets	288	216	72	377	270	107	455	320	135
<b>Total</b>	<b>333</b>	<b>234</b>	<b>99</b>	<b>413</b>	<b>290</b>	<b>123</b>	<b>520</b>	<b>349</b>	<b>171</b>

Changes in allowance for impairment	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	Jun 30 2002	Dec 31 2002
Balance, beginning of the period	260	290	334	349	202	290	208	208
Net provisions during the period	(4)	1	4	8	174	(3)	185	197
Write-offs, net of recoveries	(22)	(31)	(48)	(23)	(27)	(53)	(44)	(115)
<b>Balance, end of period</b>	<b>234</b>	<b>260</b>	<b>290</b>	<b>334</b>	<b>349</b>	<b>234</b>	<b>349</b>	<b>290</b>

Reserves for future credit losses	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
Provision for future credit losses included in actuarial liabilities <sup>(1)</sup>	1,589	1,651	1,699	1,673	1,634

(1) Excludes allowances for pass-through credit risk pertaining to participating policies and certain other policies. The allowance for expected credit losses implicit in actuarial liabilities for these policies is estimated to be approximately \$300 as at June 30, 2003.

Ratios	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
Net impaired assets as a percentage of total invested assets	0.13%	0.14%	0.16%	0.21%	0.23%
Performing assets coverage ratio*	4.43%	4.42%	4.27%	4.02%	3.99%
Impaired assets coverage ratio**	547%	525%	482%	403%	381%

\* Calculated as allowance for impairment and provision for future credit losses included in actuarial liabilities less gross impaired assets, as a % of total mortgages and non-government bonds less total gross impaired assets.

\*\*Calculated as allowance for impairment and provision for future credit losses included in actuarial liabilities, as a % of gross impaired assets.

**INVESTMENT INCOME**


(Canadian \$ in millions, unaudited)

	Gross investment income (loss)	Provision for impairment, net	Amortization of net realized and unrealized gains (losses)	Total		Gross investment income (loss)	Provision for impairment, net	Amortization of net realized and unrealized gains (losses)	Total		Gross investment income (loss)	Provision for impairment, net	Amortization of net realized and unrealized gains (losses)	Total			
For the three months ended June 30, 2003					Yield %	For the three months ended March 31, 2003					Yield %	For the three months ended December 31, 2002					Yield %
Bonds	577	8	73	658	6.61%	604	(7)	63	660	6.27%	646	(9)	59	696	6.18%		
Mortgages	163	(4)	4	163	7.22%	167	6	4	177	8.04%	165	5	4	174	8.06%		
Stocks	49	-	44	93	7.04%	27	-	17	44	3.38%	29	-	30	59	4.50%		
Real estate	67	-	14	81	9.22%	67	-	13	80	9.76%	70	-	12	82	10.14%		
Policy loans	93	-	-	93	8.12%	96	-	-	96	8.10%	102	-	-	102	8.29%		
Cash and short-term investments	32	-	-	32	N/A	25	-	-	25	N/A	18	-	-	18	N/A		
Other investments	40	-	26	66	N/A	18	-	(14)	4	N/A	(12)	-	45	33	N/A		
Currency	-	-	-	-	N/A	-	-	(1)	(1)	N/A	-	-	(1)	(1)	N/A		
<b>Total</b>	<b>1,021</b>	<b>4</b>	<b>161</b>	<b>1,186</b>	<b>6.84%</b>	<b>1,004</b>	<b>(1)</b>	<b>82</b>	<b>1,085</b>	<b>6.15%</b>	<b>1,018</b>	<b>(4)</b>	<b>149</b>	<b>1,163</b>	<b>6.35%</b>		
For the three months ended September 30, 2002					Yield %	For the three months ended June 30, 2002					Yield %						
Bonds	667	(12)	31	686	6.04%	671	(172)	42	541	4.82%							
Mortgages	160	-	3	163	7.86%	156	(2)	4	158	7.89%							
Stocks	9	-	16	25	1.98%	24	-	66	90	7.67%							
Real estate	67	4	14	85	11.04%	68	-	14	82	11.04%							
Policy loans	99	-	-	99	8.16%	98	-	-	98	8.37%							
Cash and short-term investments	13	-	-	13	N/A	22	-	-	22	N/A							
Other investments	(33)	-	(7)	(40)	N/A	(42)	-	(25)	(67)	N/A							
Currency	-	-	-	-	N/A	-	-	-	-	N/A							
<b>Total</b>	<b>982</b>	<b>(8)</b>	<b>57</b>	<b>1,031</b>	<b>5.63%</b>	<b>997</b>	<b>(174)</b>	<b>101</b>	<b>924</b>	<b>5.18%</b>							
For the six months ended June 30, 2003					Yield %	For the six months ended June 30, 2002					Yield %	For the year ended December 31, 2002					Yield %
Bonds	1,181	1	136	1,318	6.43%	1,314	(177)	70	1,207	5.40%	2,627	(198)	160	2,589	5.82%		
Mortgages	330	2	8	340	7.62%	310	(8)	8	310	7.86%	635	(3)	15	647	7.95%		
Stocks	76	-	61	137	5.23%	63	-	139	202	8.66%	101	-	185	286	5.84%		
Real estate	134	-	27	161	9.48%	135	-	24	159	10.60%	272	4	50	326	10.64%		
Policy loans	189	-	-	189	8.11%	192	-	-	192	8.15%	393	-	-	393	8.23%		
Cash and short-term investments	57	-	-	57	N/A	46	-	-	46	N/A	77	-	-	77	N/A		
Other investments	58	-	12	70	N/A	(41)	-	(34)	(75)	N/A	(86)	-	4	(82)	N/A		
Currency	-	-	(1)	(1)	N/A	-	-	-	-	N/A	-	-	(1)	(1)	N/A		
<b>Total</b>	<b>2,025</b>	<b>3</b>	<b>243</b>	<b>2,271</b>	<b>6.49%</b>	<b>2,019</b>	<b>(185)</b>	<b>207</b>	<b>2,041</b>	<b>5.77%</b>	<b>4,019</b>	<b>(197)</b>	<b>413</b>	<b>4,235</b>	<b>5.93%</b>		

**ACTUARIAL LIABILITIES**


(Canadian \$ in millions, unaudited)

Changes in actuarial liabilities	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
Balance, beginning of period	54,335	56,397	56,031	53,959	54,804	56,397	54,690	54,690
Normal change to new and in force policies	252	479	166	554	(93)	731	(422)	298
Changes in methods and assumptions	-	-	42	-	(33)	-	(33)	9
Changes due to acquisition and assumption of businesses	-	-	95	-	-	-	573	668
Currency impact	(2,796)	(2,541)	63	1,518	(719)	(5,337)	(849)	732
<b>Balance, end of period</b>	<b>51,791</b>	<b>54,335</b>	<b>56,397</b>	<b>56,031</b>	<b>53,959</b>	<b>51,791</b>	<b>53,959</b>	<b>56,397</b>

**Assets backing liabilities and equity**

As at June 30, 2003	Individual life insurance		Annuities and pensions	Other	Capital	Total
	Participating	Non-participating				
Assets						
Bonds	11,689	4,564	11,222	9,016	5,773	42,264
Mortgages	1,516	931	3,893	3,003	177	9,520
Stocks	2,063	373	321	1,067	2,900	6,724
Real estate	1,832	744	80	957	167	3,780
Other	4,823	1,516	2,874	2,383	3,002	14,598
<b>Total</b>	<b>21,923 (a)</b>	<b>8,128 (a)</b>	<b>18,390 (a)</b>	<b>16,426</b>	<b>12,019</b>	<b>76,886</b>

**As at December 31, 2002**

Assets						
Bonds	13,809	5,197	12,412	9,507	5,752	46,677
Mortgages	1,583	880	3,886	2,393	552	9,294
Stocks	2,317	311	307	1,157	2,806	6,898
Real estate	1,772	483	61	915	339	3,570
Other	5,797	1,531	2,649	2,250	2,529	14,756
<b>Total</b>	<b>25,278 (a)</b>	<b>8,402 (a)</b>	<b>19,315 (a)</b>	<b>16,222</b>	<b>11,978</b>	<b>81,195</b>

**As at June 30, 2002**

Assets						
Bonds	13,851	4,508	12,230	9,874	5,720	46,183
Mortgages	1,523	793	3,453	2,037	573	8,379
Stocks	2,299	314	277	982	2,963	6,835
Real estate	1,739	459	61	836	203	3,298
Other	5,674	1,672	1,848	1,975	2,420	13,589
<b>Total</b>	<b>25,086 (a)</b>	<b>7,746 (a)</b>	<b>17,869 (a)</b>	<b>15,704</b>	<b>11,879</b>	<b>78,284</b>

The deferred realized net gains taken into account in the computation of actuarial liabilities as at June 30, 2003, December 31, 2002 and June 30, 2002 were \$1,966, \$1,859 and \$1,825 respectively.

(a) These totals represent the actuarial liabilities balance for the respective lines of business.

**ACTUARIAL LIABILITIES - SEGREGATED FUND AND VARIABLE ANNUITY PRODUCT GUARANTEES**


(Canadian \$, unaudited)

**Actuarial Liabilities for Segregated Fund and Variable Annuity Product Guarantees**

	\$ in billions		\$ in millions
	Fund value, net of amounts reinsured*	Amount at risk, net of amounts reinsured*	Actuarial liabilities
<b>As at June 30, 2003</b>			
Maturity / Income Benefits	7.6	1.1	
Death Benefits <sup>(1)</sup>	6.7	2.6	
<b>Balance</b>	<b>14.3</b>	<b>3.7</b>	<b>569</b>
<b>As at March 31, 2003</b>			
Maturity / Income Benefits	7.0	1.5	
Death Benefits <sup>(1)</sup>	6.6	3.3	
<b>Balance</b>	<b>13.6</b>	<b>4.8</b>	<b>598</b>
<b>As at December 31, 2002</b>			
Maturity / Income Benefits	7.3	1.2	
Death Benefits <sup>(1)</sup>	7.1	3.3	
<b>Balance</b>	<b>14.4</b>	<b>4.5</b>	<b>579</b>

\* Amounts reinsured include amounts covered under stop loss treaties as well as first dollar treaties. Certain of the treaties include deductibles and claims limits.

(1) Death benefits include stand-alone guarantees and guarantees in excess of maturity guarantees where both are provided on one policy.

The net amount at risk is not currently payable. Guaranteed death benefits are contingent and only payable upon the eventual death of policyholders if fund values remain below guaranteed values. Maturity and income benefits are also contingent and only payable at scheduled maturity in the future, if the policyholders are still living and have not terminated their policies and fund values remain below guaranteed values.

Guaranteed benefits in a single contract are frequently a combination of death benefit and maturity or income benefits. Actuarial liabilities reflect the combined impact of the death and maturity/income benefit guarantees taking into account that, in practice, only one of the benefits will be payable.

**ACTUARIAL LIABILITIES - WEALTH MANAGEMENT DAC BALANCES**


(Canadian \$ in millions, unaudited)

**Deferred Acquisition Cost ("DAC") Balances in Wealth Management Businesses**

	For the three months ended	
	Jun 30 2003	Mar 31 2003
Opening balance	2,706	2,761
Amount capitalized	169	176
Amount amortized	(61)	(60)
Currency	(188)	(171)
<b>Ending balance</b>	<b>2,626</b>	<b>2,706</b>

	Funds under management	DAC	DAC as a % of funds under management
<b>As at June 30, 2003</b>			
U.S. Annuities	27,913	1,355	4.9%
U.S. Group Pensions	26,051	789	3.0%
Canadian Individual Wealth Management	19,781	293	1.5%
Other	11,977	189	1.6%
<b>Balance</b>	<b>85,722</b>	<b>2,626</b>	<b>3.1%</b>
<b>As at March 31, 2003</b>			
U.S. Annuities	26,732	1,403	5.2%
U.S. Group Pensions	24,445	824	3.4%
Canadian Individual Wealth Management	18,801	292	1.6%
Other	11,290	187	1.7%
<b>Balance</b>	<b>81,268</b>	<b>2,706</b>	<b>3.3%</b>
<b>As at December 31, 2002</b>			
U.S. Annuities	28,568	1,452	5.1%
U.S. Group Pensions	24,864	838	3.4%
Canadian Individual Wealth Management	17,893	285	1.6%
Other	11,375	186	1.6%
<b>Balance</b>	<b>82,700</b>	<b>2,761</b>	<b>3.3%</b>

Under Canadian GAAP, DAC balances are classified as reductions to actuarial liabilities on the balance sheet. Recoverability is tested quarterly.

**DIVISIONAL SUMMARY - CONSOLIDATED STATEMENTS OF OPERATIONS**


(Canadian \$ in millions, unaudited)

For the three months ended June 30, 2003	U.S. Division	Canadian Division	Asian Division	Japan Division	Reinsurance Division	Corporate and Other	Total
<b>Revenue</b>							
Premiums							
Life and health insurance	497	667	357	323	177	-	2,021
Annuities and pensions	330	222	25	-	-	-	577
Total premium income	827	889	382	323	177	-	2,598
Investment income	444	490	87	35	55	75	1,186
Other revenue	244	68	32	7	14	7	372
Total revenue	1,515	1,447	501	365	246	82	4,156
<b>Policy benefits and expenses</b>							
Policyholder benefits	971	1,003	266	213	155	6	2,614
General expenses	210	179	95	89	11	45	629
Commissions	166	67	48	30	6	-	317
Other	15	36	13	2	4	57	127
Total policy benefits and expenses	1,362	1,285	422	334	176	108	3,687
Income (loss) before income taxes	153	162	79	31	70	(26)	469
Income taxes	(42)	(39)	(3)	(6)	(19)	27	(82)
<b>Net income</b>	111	123	76	25	51	1	387
Less: net income (loss) attributed to participating policyholders	-	(2)	3	-	-	-	1
<b>Net income attributed to shareholders</b>	111	125	73	25	51	1	386

**For the three months ended June 30, 2002**

<b>Revenue</b>							
Premiums							
Life and health insurance	478	640	345	354	259	-	2,076
Annuities and pensions	391	177	24	-	-	-	592
Total premium income	869	817	369	354	259	-	2,668
Investment income	397	371	86	(31)	48	53	924
Other revenue	252	67	29	7	10	6	371
Total revenue	1,518	1,255	484	330	317	59	3,963
<b>Policy benefits and expenses</b>							
Policyholder benefits	982	869	256	160	236	(2)	2,501
General expenses	210	167	104	96	10	5	592
Commissions	162	65	48	25	10	-	310
Other	14	29	13	2	2	62	122
Total policy benefits and expenses	1,368	1,130	421	283	258	65	3,525
Income (loss) before income taxes	150	125	63	47	59	(6)	438
Income taxes	(39)	(30)	(2)	(19)	(19)	14	(95)
<b>Net income</b>	111	95	61	28	40	8	343
Less: net income (loss) attributed to participating policyholders	-	(2)	1	-	-	-	(1)
<b>Net income attributed to shareholders</b>	111	97	60	28	40	8	344

**DIVISIONAL SUMMARY - SOURCE OF EARNINGS**


(Canadian \$ in millions, unaudited)

	U.S. Division	Canadian Division	Asian Division	Japan Division	Reinsurance Division	Corporate and Other	Total
<b>For the three months ended June 30, 2003</b>							
	10	10	10	10	10	10	
Expected profit from in force business	94	62	56	27	48	-	287
Strain on new business	(16)	(9)	(1)	(9)	(9)	-	(44)
Experience gains (losses)	30	50	7	5	6	(38)	60
Changes in assumptions	-	-	-	-	-	-	-
Earnings on surplus	45	60	14	8	24	14	165
<b>Income (loss) before income taxes</b>	<b>153</b>	<b>163</b>	<b>76</b>	<b>31</b>	<b>69</b>	<b>(24)</b>	<b>468</b>
Income taxes	(42)	(38)	(3)	(6)	(18)	25	(82)
<b>Net Income attributed to shareholders</b>	<b>111</b>	<b>125</b>	<b>73</b>	<b>25</b>	<b>51</b>	<b>1</b>	<b>386</b>
<b>For the three months ended March 31, 2003</b>							
	9	9	9	9	9	9	
Expected profit from in force business	99	60	57	31	51	-	298
Strain on new business	(27)	(7)	(5)	(8)	(10)	-	(57)
Experience gains (losses)	22	6	(2)	(1)	5	(14)	16
Changes in assumptions	-	-	-	-	-	-	-
Earnings on surplus	49	60	12	9	26	-	156
<b>Income (loss) before income taxes</b>	<b>143</b>	<b>119</b>	<b>62</b>	<b>31</b>	<b>72</b>	<b>(14)</b>	<b>413</b>
Income taxes	(36)	(25)	(4)	(6)	(15)	9	(77)
<b>Net Income (loss) attributed to shareholders</b>	<b>107</b>	<b>94</b>	<b>58</b>	<b>25</b>	<b>57</b>	<b>(5)</b>	<b>336</b>

**U.S. DIVISION - HIGHLIGHTS**


(Canadian \$ in millions, unaudited)

Statements of operations	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	Jun 30 2002	Dec 31 2002
<b>Revenue</b>								
Premiums								
Life and health insurance	497	502	498	466	478	999	975	1,939
Annuities and pensions	330	549	397	458	391	879	761	1,616
Total premium income	827	1,051	895	924	869	1,878	1,736	3,555
Investment income	444	449	465	451	397	893	857	1,773
Other revenue	244	243	244	251	252	487	503	998
Total revenue	1,515	1,743	1,604	1,626	1,518	3,258	3,096	6,326
<b>Policy benefits and expenses</b>								
Policyholder benefits	971	1,205	1,046	1,111	982	2,176	1,998	4,155
General expenses	210	223	223	203	210	433	430	856
Commissions	166	156	159	135	162	322	326	620
Other	15	16	12	19	14	31	31	62
Total policy benefits and expenses	1,362	1,600	1,440	1,468	1,368	2,962	2,785	5,693
Income before income taxes	153	143	164	158	150	296	311	633
Income taxes	(42)	(36)	(38)	(42)	(39)	(78)	(82)	(162)
<b>Net income attributed to shareholders</b>	111	107	126	116	111	218	229	471

**U.S. DIVISION - HIGHLIGHTS (CONT'D)**


(Canadian \$ in millions unless otherwise stated, unaudited)

	For the three months ended					For the six months ended			For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30		Dec 31	
	2003	2003	2002	2002	2002	2003	2002	2002	
<b>Shareholders' net income: (Cdn\$ in millions)</b>									
Insurance	71	71	80	82	79	142	157	319	
Group Pensions	21	24	28	23	19	45	42	93	
Individual Wealth Management <sup>(1)</sup>	19	12	18	11	13	31	30	59	
<b>Total shareholders' net income</b>	<b>111</b>	<b>107</b>	<b>126</b>	<b>116</b>	<b>111</b>	<b>218</b>	<b>229</b>	<b>471</b>	
<b>Shareholders' net income: (U.S.\$ in millions)</b>									
Insurance	51	47	51	52	51	98	100	203	
Group Pensions	15	16	18	15	13	31	27	60	
Individual Wealth Management <sup>(1)</sup>	13	8	12	7	8	21	19	38	
<b>Total shareholders' net income</b>	<b>79</b>	<b>71</b>	<b>81</b>	<b>74</b>	<b>72</b>	<b>150</b>	<b>146</b>	<b>301</b>	
<b>Revenue (premiums, investment income and other revenue):</b>									
Insurance	861	864	886	833	792	1,725	1,670	3,389	
Group Pensions	192	223	217	186	215	415	410	813	
Individual Wealth Management <sup>(1)</sup>	462	656	501	607	511	1,118	1,016	2,124	
<b>Total revenue</b>	<b>1,515</b>	<b>1,743</b>	<b>1,604</b>	<b>1,626</b>	<b>1,518</b>	<b>3,258</b>	<b>3,096</b>	<b>6,326</b>	
<b>Payments to policyholders:</b>									
Insurance	396	362	446	405	405	758	819	1,670	
Group Pensions	80	96	107	99	134	176	252	458	
Individual Wealth Management <sup>(1)</sup>	135	190	201	270	172	325	317	788	
<b>Total payments to policyholders</b>	<b>611</b>	<b>648</b>	<b>754</b>	<b>774</b>	<b>711</b>	<b>1,259</b>	<b>1,388</b>	<b>2,916</b>	
<b>Commissions:</b>									
Insurance	37	37	38	28	35	74	70	136	
Group Pensions	33	35	33	30	31	68	64	127	
Individual Wealth Management <sup>(1)</sup>	96	84	88	77	96	180	192	357	
<b>Total commissions</b>	<b>166</b>	<b>156</b>	<b>159</b>	<b>135</b>	<b>162</b>	<b>322</b>	<b>326</b>	<b>620</b>	

(1) Individual Wealth Management includes the Annuities, College Savings (529 plan) and Private Account (managed account) product lines.

**U.S. DIVISION - HIGHLIGHTS (CONT'D)**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		months ended
	2003	2003	2002	2002	2002	2003	2002	Dec 31
<b>New business sales:</b>								2002
Insurance								
New annualized premium sales	79	85	78	64	60	164	154	296
Group Pensions								
New annualized premium sales	204	335	423	251	229	539	549	1,223
Single premium sales	657	944	1,093	857	893	1,601	1,866	3,816
Individual Wealth Management	1,650	1,513	1,638	1,464	1,729	3,163	3,492	6,594

	For the three months ended					For the six months ended		For the twelve
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		months ended
	2003	2003	2002	2002	2002	2003	2002	Dec 31
<b>Premiums and deposits:</b>								2002
Insurance	573	615	603	593	621	1,188	1,262	2,458
Group Pensions	2,057	2,648	2,223	2,153	2,289	4,705	4,851	9,227
Individual Wealth Management	1,580	1,436	1,546	1,378	1,590	3,016	3,175	6,099
<b>Total premiums and deposits</b>	<b>4,210</b>	<b>4,699</b>	<b>4,372</b>	<b>4,124</b>	<b>4,500</b>	<b>8,909</b>	<b>9,288</b>	<b>17,784</b>
Premiums	827	1,051	895	924	869	1,878	1,736	3,555
Segregated fund deposits	3,383	3,648	3,477	3,200	3,631	7,031	7,552	14,229
<b>Total premiums and deposits</b>	<b>4,210</b>	<b>4,699</b>	<b>4,372</b>	<b>4,124</b>	<b>4,500</b>	<b>8,909</b>	<b>9,288</b>	<b>17,784</b>

	As at				
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
<b>Funds under management:</b>					
Insurance	18,152	19,087	20,547	20,631	19,856
Group Pensions	26,051	24,445	24,864	22,624	22,727
Individual Wealth Management	27,913	26,732	28,568	26,038	27,528
<b>Total funds under management</b>	<b>72,116</b>	<b>70,264</b>	<b>73,979</b>	<b>69,293</b>	<b>70,111</b>
General fund	23,560	25,154	26,790	26,138	24,694
Segregated funds	48,556	45,110	47,189	43,155	45,417
<b>Total funds under management</b>	<b>72,116</b>	<b>70,264</b>	<b>73,979</b>	<b>69,293</b>	<b>70,111</b>

**U.S. DIVISION - INSURANCE**


(Canadian \$ in millions unless otherwise stated, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30		Dec 31 2002
						2003	2002	
<b>Statements of operations - extract:</b>								
Shareholders' net income (Cdn \$ in millions)	71	71	80	82	79	142	157	319
Shareholders' net income (U.S. \$ in millions)	51	47	51	52	51	98	100	203
Revenue (premiums, investment income and other revenue)	861	864	886	833	792	1,725	1,670	3,389
Payments to policyholders	396	362	446	405	405	758	819	1,670
Commissions	37	37	38	28	35	74	70	136
<b>New business sales:</b>								
New annualized premium sales (Cdn \$ in millions)	79	85	78	64	60	164	154	296
New annualized premium sales (U.S. \$ in millions)	57	56	49	42	39	113	97	188
<b>Premiums and deposits: (Cdn \$ in millions)</b>								
Premiums	497	502	498	466	478	999	975	1,939
Segregated fund deposits	76	113	105	127	143	189	287	519
<b>Total premiums and deposits</b>	<b>573</b>	<b>615</b>	<b>603</b>	<b>593</b>	<b>621</b>	<b>1,188</b>	<b>1,262</b>	<b>2,458</b>
<b>Premiums and deposits: (U.S. \$ in millions)</b>								
Premiums	355	333	318	298	308	688	619	1,235
Segregated fund deposits	54	75	67	81	92	129	182	330
<b>Total premiums and deposits</b>	<b>409</b>	<b>408</b>	<b>385</b>	<b>379</b>	<b>400</b>	<b>817</b>	<b>801</b>	<b>1,565</b>
<b>Funds under management: (Cdn \$ in millions)</b>								
	As at							
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002			
General fund	16,344	17,290	18,595	18,779	17,879			
Segregated funds	1,808	1,797	1,952	1,852	1,977			
<b>Total funds under management</b>	<b>18,152</b>	<b>19,087</b>	<b>20,547</b>	<b>20,631</b>	<b>19,856</b>			
<b>Funds under management: (U.S. \$ in millions)</b>								
General fund	12,059	11,767	11,772	11,842	11,772			
Segregated funds	1,334	1,223	1,236	1,168	1,302			
<b>Total funds under management</b>	<b>13,393</b>	<b>12,990</b>	<b>13,008</b>	<b>13,010</b>	<b>13,074</b>			

**U.S. DIVISION - GROUP PENSIONS**


(Canadian \$ in millions unless otherwise stated, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Statements of operations - extract:</b>								
Shareholders' net income (Cdn \$ in millions)	21	24	28	23	19	45	42	93
Shareholders' net income (U.S. \$ in millions)	15	16	18	15	13	31	27	60
Revenue (premiums, investment income and other revenue)	192	223	217	186	215	415	410	813
Payments to policyholders	80	96	107	99	134	176	252	458
Commissions	33	35	33	30	31	68	64	127
<b>New business sales:</b>								
New annualized premium sales (Cdn \$ in millions)	204	335	423	251	229	539	549	1,223
New annualized premium sales (U.S. \$ in millions)	146	222	269	161	147	368	348	778
Single premium sales (Cdn \$ in millions)	657	944	1,093	857	893	1,601	1,866	3,816
Single premium sales (U.S. \$ in millions)	470	625	696	548	574	1,095	1,185	2,429
<b>Premiums and deposits: (Cdn \$ in millions)</b>								
Premiums	61	88	76	67	79	149	141	284
Segregated fund deposits	1,996	2,560	2,147	2,086	2,210	4,556	4,710	8,943
<b>Total premiums and deposits</b>	<b>2,057</b>	<b>2,648</b>	<b>2,223</b>	<b>2,153</b>	<b>2,289</b>	<b>4,705</b>	<b>4,851</b>	<b>9,227</b>
<b>Premiums and deposits: (U.S. \$ in millions)</b>								
Premiums	44	58	48	43	51	102	90	181
Segregated fund deposits	1,427	1,695	1,368	1,335	1,421	3,122	2,989	5,692
<b>Total premiums and deposits</b>	<b>1,471</b>	<b>1,753</b>	<b>1,416</b>	<b>1,378</b>	<b>1,472</b>	<b>3,224</b>	<b>3,079</b>	<b>5,873</b>
<b>Funds under management: (Cdn \$ in millions)</b>								
	<b>As at</b>							
	<b>Jun 30</b>	<b>Mar 31</b>	<b>Dec 31</b>	<b>Sep 30</b>	<b>Jun 30</b>			
	<b>2003</b>	<b>2003</b>	<b>2002</b>	<b>2002</b>	<b>2002</b>			
General fund	2,641	2,779	2,920	2,825	2,647			
Segregated funds	23,410	21,666	21,944	19,799	20,080			
<b>Total funds under management</b>	<b>26,051</b>	<b>24,445</b>	<b>24,864</b>	<b>22,624</b>	<b>22,727</b>			
<b>Funds under management: (U.S. \$ in millions)</b>								
General fund	1,948	1,891	1,849	1,781	1,743			
Segregated funds	17,273	14,746	13,892	12,485	13,221			
<b>Total funds under management</b>	<b>19,221</b>	<b>16,637</b>	<b>15,741</b>	<b>14,266</b>	<b>14,964</b>			

**U.S. DIVISION - STATEMENT OF CHANGES IN GROUP PENSIONS FUNDS UNDER MANAGEMENT**

**Statement of changes in group pensions funds under management <sup>(1)</sup>**

<b>(Canadian \$ in millions, unaudited)</b>	<b>For the three months ended</b>					<b>For the six months ended</b>		<b>For the twelve</b>
	<b>Jun 30 2003</b>	<b>Mar 31 2003</b>	<b>Dec 31 2002</b>	<b>Sep 30 2002</b>	<b>Jun 30 2002</b>	<b>2003</b>	<b>Jun 30 2002</b>	<b>months ended Dec 31 2002</b>
<b>Beginning balance</b>	24,445	24,864	22,624	22,727	24,487	24,864	23,268	23,268
Premiums and deposits	2,057	2,648	2,223	2,153	2,289	4,705	4,851	9,227
Withdrawals	(953)	(916)	(1,090)	(844)	(1,059)	(1,869)	(2,123)	(4,057)
Net	1,104	1,732	1,133	1,309	1,230	2,836	2,728	5,170
Net investment income (loss) <sup>(2)</sup>	2,494	(363)	1,147	(2,365)	(1,822)	2,131	(1,748)	(2,966)
Other <sup>(3)</sup>	(1,992)	(1,788)	(40)	953	(1,168)	(3,780)	(1,521)	(608)
<b>Ending balance</b>	<b>26,051</b>	<b>24,445</b>	<b>24,864</b>	<b>22,624</b>	<b>22,727</b>	<b>26,051</b>	<b>22,727</b>	<b>24,864</b>
<b>(U.S. \$ in millions, unaudited)</b>								
<b>Beginning balance</b>	16,637	15,741	14,266	14,964	15,367	15,741	14,606	14,606
Premiums and deposits	1,471	1,753	1,416	1,378	1,472	3,224	3,079	5,873
Withdrawals	(682)	(606)	(694)	(540)	(681)	(1,288)	(1,348)	(2,582)
Net	789	1,147	722	838	791	1,936	1,731	3,291
Net investment income (loss) <sup>(2)</sup>	1,783	(240)	731	(1,514)	(1,172)	1,543	(1,126)	(1,909)
Other <sup>(4)</sup>	12	(11)	22	(22)	(22)	1	(247)	(247)
<b>Ending balance</b>	<b>19,221</b>	<b>16,637</b>	<b>15,741</b>	<b>14,266</b>	<b>14,964</b>	<b>19,221</b>	<b>14,964</b>	<b>15,741</b>

**Notes:**

(1) In this presentation, funds under management include general and segregated funds under management.

(2) Net investment income (loss) includes interest, dividends, net realized investment gains and losses and changes in net unrealized investment gains and losses.

(3) Other includes currency revaluation, and management and administrative fees.

(4) Other includes management and administrative fees.

**U.S. DIVISION - INDIVIDUAL WEALTH MANAGEMENT**


(Canadian \$ in millions unless otherwise stated, unaudited)

Statements of operations - extract:	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
Shareholders' net income (Cdn \$ in millions)	19	12	18	11	13	31	30	59
Shareholders' net income (U.S. \$ in millions)	13	8	12	7	8	21	19	38
Revenue (premiums, investment income and other revenue)	462	656	501	607	511	1,118	1,016	2,124
Payments to policyholders	135	190	201	270	172	325	317	788
Commissions	96	84	88	77	96	180	192	357
<b>New business sales:</b>								
Annuities (Cdn \$ in millions) <sup>(1)</sup>	1,580	1,436	1,546	1,378	1,590	3,016	3,175	6,099
Annuities (U.S. \$ in millions) <sup>(1)</sup>	1,130	951	986	883	1,022	2,081	2,017	3,886
College Savings (529 plan) (Cdn \$ in millions) <sup>(2)</sup>	70	77	92	86	139	147	317	495
College Savings (529 plan) (U.S. \$ in millions) <sup>(2)</sup>	50	51	58	56	89	101	201	315

(1) New business sales for the Annuities product line are measured by Premiums and Segregated fund deposits.

(2) College Savings (529 plan) sales represent sales made by Manulife distribution channels on behalf of a third party, for which an asset-based fee is earned. Deposits for the College Savings business are not included in Individual Wealth Management premiums and deposits.

**Premiums and deposits: (Cdn \$ in millions)**

	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
Premiums	269	461	321	391	312	730	620	1,332
Segregated fund deposits	1,311	975	1,225	987	1,278	2,286	2,555	4,767
<b>Total premiums and deposits</b>	<b>1,580</b>	<b>1,436</b>	<b>1,546</b>	<b>1,378</b>	<b>1,590</b>	<b>3,016</b>	<b>3,175</b>	<b>6,099</b>

**Premiums and deposits: (U.S. \$ in millions)**

	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
Premiums	192	305	205	251	200	497	394	850
Segregated fund deposits	938	646	781	632	822	1,584	1,623	3,036
<b>Total premiums and deposits</b>	<b>1,130</b>	<b>951</b>	<b>986</b>	<b>883</b>	<b>1,022</b>	<b>2,081</b>	<b>2,017</b>	<b>3,886</b>

Funds under management: (Cdn \$ in millions)	As at				
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
General fund	4,575	5,085	5,275	4,534	4,168
Segregated funds	23,338	21,647	23,293	21,504	23,360
<b>Total funds under management</b>	<b>27,913</b>	<b>26,732</b>	<b>28,568</b>	<b>26,038</b>	<b>27,528</b>

**Funds under management: (U.S. \$ in millions)**

	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
General fund	3,376	3,461	3,339	2,859	2,744
Segregated funds	17,220	14,733	14,746	13,560	15,381
<b>Total funds under management</b>	<b>20,596</b>	<b>18,194</b>	<b>18,085</b>	<b>16,419</b>	<b>18,125</b>

Assets in College Savings plans (529 plan) (Cdn \$ in millions)	679	594	582	476	425
Assets in College Savings plans (529 plan) (U.S. \$ in millions)	501	405	369	300	280

(3) Assets in College Savings plans (529 plan) are not included in funds under management.

**U.S. DIVISION - STATEMENT OF CHANGES IN VARIABLE ANNUITY FUNDS UNDER MANAGEMENT**

**Statement of changes in variable annuity funds under management <sup>(1)</sup>**

(Canadian \$ in millions, unaudited)	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	2003	Jun 30 2002	Dec 31 2002
<b>Beginning balance</b>	23,210	24,702	22,819	24,269	27,512	24,702	26,629	26,629
Gross sales	1,580	1,436	1,547	1,379	1,587	3,016	3,170	6,096
Withdrawals	(565)	(632)	(743)	(691)	(756)	(1,197)	(1,421)	(2,855)
Net sales	1,015	804	804	688	831	1,819	1,749	3,241
Net investment income (loss) <sup>(2)</sup>	2,412	(528)	1,163	(3,101)	(2,827)	1,884	(2,893)	(4,831)
Other <sup>(3)</sup>	(1,908)	(1,768)	(84)	963	(1,247)	(3,676)	(1,216)	(337)
<b>Ending balance</b>	<b>24,729</b>	<b>23,210</b>	<b>24,702</b>	<b>22,819</b>	<b>24,269</b>	<b>24,729</b>	<b>24,269</b>	<b>24,702</b>
<b>(U.S. \$ in millions, unaudited)</b>								
<b>Beginning balance</b>	15,797	15,638	14,390	15,980	17,265	15,638	16,716	16,716
Gross sales	1,129	951	985	883	1,021	2,080	2,013	3,881
Withdrawals	(404)	(419)	(473)	(442)	(487)	(823)	(903)	(1,818)
Net sales	725	532	512	441	534	1,257	1,110	2,063
Net investment income (loss) <sup>(2)</sup>	1,725	(350)	741	(1,984)	(1,818)	1,375	(1,859)	(3,102)
Other <sup>(4)</sup>	(1)	(23)	(5)	(47)	(1)	(24)	13	(39)
<b>Ending balance</b>	<b>18,246</b>	<b>15,797</b>	<b>15,638</b>	<b>14,390</b>	<b>15,980</b>	<b>18,246</b>	<b>15,980</b>	<b>15,638</b>

**Notes:**

(1) In this presentation, funds under management include general and segregated funds under management.

(2) Net investment income (loss) includes interest, dividends, net realized investment gains and losses and changes in net unrealized investment gains and losses.

(3) Other includes currency revaluation, and management and administrative fees.

(4) Other includes management and administrative fees.

**CANADIAN DIVISION - HIGHLIGHTS**


(Canadian \$ in millions, unaudited)

Statements of operations	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Revenue</b>								
Premiums								
Life and health insurance	667	624	624	622	640	1,291	1,219	2,465
Annuities and pensions	222	255	200	185	177	477	341	726
Total premium income	889	879	824	807	817	1,768	1,560	3,191
Investment income	490	403	462	378	371	893	789	1,629
Other revenue	68	67	64	79	67	135	144	287
Total revenue	1,447	1,349	1,350	1,264	1,255	2,796	2,493	5,107
<b>Policy benefits and expenses</b>								
Policyholder benefits	1,003	954	941	902	869	1,957	1,738	3,581
General expenses	179	175	184	166	167	354	329	679
Commissions	67	70	68	63	65	137	129	260
Other	36	31	32	31	29	67	52	115
Total policy benefits and expenses	1,285	1,230	1,225	1,162	1,130	2,515	2,248	4,635
Income before income taxes	162	119	125	102	125	281	245	472
Income taxes	(39)	(25)	(27)	(19)	(30)	(64)	(58)	(104)
<b>Net income</b>	123	94	98	83	95	217	187	368
Less: net loss attributed to participating policyholders	(2)	-	(5)	(2)	(2)	(2)	(3)	(10)
<b>Net income attributed to shareholders</b>	125	94	103	85	97	219	190	378

**CANADIAN DIVISION - HIGHLIGHTS (CONT'D)**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
<b>Shareholders' net income:</b>								
Individual Insurance	51	39	45	39	42	90	81	165
Individual Wealth Management	40	18	28	13	27	58	58	99
Group Businesses <sup>(1)</sup>	34	37	30	33	28	71	51	114
<b>Total shareholders' net income</b>	<b>125</b>	<b>94</b>	<b>103</b>	<b>85</b>	<b>97</b>	<b>219</b>	<b>190</b>	<b>378</b>

(1) Group Businesses include the Group Pensions and Group Benefits businesses.

**Revenue (premiums, investment income and other revenue):**

Individual Insurance	484	382	454	358	386	866	771	1,583
Individual Wealth Management	442	469	405	395	383	911	756	1,556
Group Pensions	109	104	109	112	102	213	206	427
Group Benefits	412	394	382	399	384	806	760	1,541
<b>Total revenue</b>	<b>1,447</b>	<b>1,349</b>	<b>1,350</b>	<b>1,264</b>	<b>1,255</b>	<b>2,796</b>	<b>2,493</b>	<b>5,107</b>

**Payments to policyholders:**

Individual Insurance	115	149	139	133	139	264	269	541
Individual Wealth Management	205	213	227	196	216	418	436	859
Group Pensions	107	97	77	89	84	204	369	535
Group Benefits	284	281	278	267	275	565	536	1,081
<b>Total payments to policyholders</b>	<b>711</b>	<b>740</b>	<b>721</b>	<b>685</b>	<b>714</b>	<b>1,451</b>	<b>1,610</b>	<b>3,016</b>

**Commissions:**

Individual Insurance	29	28	31	29	28	57	52	112
Individual Wealth Management	23	26	22	19	23	49	48	89
Group Pensions	3	2	3	2	2	5	4	9
Group Benefits	12	14	12	13	12	26	25	50
<b>Total commissions</b>	<b>67</b>	<b>70</b>	<b>68</b>	<b>63</b>	<b>65</b>	<b>137</b>	<b>129</b>	<b>260</b>

**CANADIAN DIVISION - HIGHLIGHTS (CONT'D)**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>New business sales:</b>								
Individual Insurance								
New annualized premium sales	40	33	35	32	35	73	67	134
Single premium sales	13	17	22	20	12	30	27	69
Individual Wealth Management	532	689	488	429	488	1,221	1,062	1,979
Group Pensions	93	151	45	56	43	244	94	195
Group Benefits	58	84	47	55	31	142	73	175
<b>Premiums and deposits:</b>								
Individual Insurance	314	288	297	279	310	602	568	1,144
Individual Wealth Management	532	689	488	429	488	1,221	1,062	1,979
Group Pensions	218	257	181	171	161	475	326	678
Group Benefits	577	552	543	556	556	1,129	1,091	2,190
<b>Total premiums and deposits</b>	<b>1,641</b>	<b>1,786</b>	<b>1,509</b>	<b>1,435</b>	<b>1,515</b>	<b>3,427</b>	<b>3,047</b>	<b>5,991</b>
Premiums	889	879	824	807	817	1,768	1,560	3,191
Segregated fund deposits	381	466	330	268	310	847	685	1,283
Mutual fund deposits	149	227	141	149	165	376	367	657
ASO premium equivalents	222	214	214	211	223	436	435	860
<b>Total premiums and deposits</b>	<b>1,641</b>	<b>1,786</b>	<b>1,509</b>	<b>1,435</b>	<b>1,515</b>	<b>3,427</b>	<b>3,047</b>	<b>5,991</b>

	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
<b>Funds under management:</b>					
Individual Insurance	8,432	8,148	7,963	7,996	7,942
Individual Wealth Management	19,781	18,801	17,893	17,729	18,245
Group Pensions	5,891	5,596	5,585	5,399	5,523
Group Benefits	2,786	2,725	2,695	2,698	2,601
<b>Total funds under management</b>	<b>36,890</b>	<b>35,270</b>	<b>34,136</b>	<b>33,822</b>	<b>34,311</b>
General fund	26,405	25,613	24,235	24,423	24,116
Segregated funds	9,021	8,305	8,577	8,140	8,907
Mutual funds	1,464	1,352	1,324	1,259	1,288
<b>Total funds under management</b>	<b>36,890</b>	<b>35,270</b>	<b>34,136</b>	<b>33,822</b>	<b>34,311</b>

**CANADIAN DIVISION - INDIVIDUAL INSURANCE**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	2003	Jun 30 2002	Dec 31 2002
<b>Statements of operations - extract:</b>								
Shareholders' net income	51	39	45	39	42	90	81	165
Revenue (premiums, investment income and other revenue)	484	382	454	358	386	866	771	1,583
Payments to policyholders	115	149	139	133	139	264	269	541
Commissions	29	28	31	29	28	57	52	112
<b>New business sales:</b>								
Individual Life Centre	30	28	30	28	29	58	54	112
Affinity Markets	10	5	5	4	6	15	13	22
<b>Total new annualized premium sales</b>	<b>40</b>	<b>33</b>	<b>35</b>	<b>32</b>	<b>35</b>	<b>73</b>	<b>67</b>	<b>134</b>
Affinity Markets								
Single premium sales	13	17	22	20	12	30	27	69
<b>Premiums and deposits:</b>								
Premiums	308	282	291	274	304	590	557	1,122
Segregated fund deposits	2	2	2	2	3	4	5	9
ASO premium equivalents	4	4	4	3	3	8	6	13
<b>Total premiums and deposits</b>	<b>314</b>	<b>288</b>	<b>297</b>	<b>279</b>	<b>310</b>	<b>602</b>	<b>568</b>	<b>1,144</b>

	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
<b>Funds under management:</b>					
General fund	8,267	7,992	7,794	7,830	7,757
Segregated funds	165	156	169	166	185
<b>Total funds under management</b>	<b>8,432</b>	<b>8,148</b>	<b>7,963</b>	<b>7,996</b>	<b>7,942</b>

**CANADIAN DIVISION - INDIVIDUAL WEALTH MANAGEMENT**


(Canadian \$ in millions, unaudited)

Statements of operations - extract:	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
Shareholders' net income	40	18	28	13	27	58	58	99
Revenue (premiums, investment income and other revenue)	442	469	405	395	383	911	756	1,556
Payments to policyholders	205	213	227	196	216	418	436	859
Commissions	23	26	22	19	23	49	48	89
<b>New business sales:</b>								
Individual Wealth Management <sup>(1)</sup>	532	689	488	429	488	1,221	1,062	1,979

(1) New business sales for Individual Wealth Management are measured by Premiums, Segregated fund deposits and Mutual fund deposits.

**Premiums and deposits:**

Premiums	184	218	164	145	147	402	280	589
Segregated fund deposits	199	244	183	135	176	443	415	733
Mutual fund deposits	149	227	141	149	165	376	367	657
<b>Total premiums and deposits</b>	<b>532</b>	<b>689</b>	<b>488</b>	<b>429</b>	<b>488</b>	<b>1,221</b>	<b>1,062</b>	<b>1,979</b>

Funds under management:	As at				
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
General fund	12,274	11,829	10,684	10,795	10,666
Segregated funds	6,043	5,620	5,885	5,675	6,291
Mutual funds	1,464	1,352	1,324	1,259	1,288
<b>Total funds under management</b>	<b>19,781</b>	<b>18,801</b>	<b>17,893</b>	<b>17,729</b>	<b>18,245</b>

**CANADIAN DIVISION - GROUP BUSINESSES**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Statements of operations - extract:</b>								
<i>Group Businesses</i> <sup>(1)</sup>								
Shareholders' net income	34	37	30	33	28	71	51	114
(1) Group Businesses include the Group Pensions and Group Benefits businesses.								
<i>Group Pensions</i>								
Revenue (premiums, investment income and other revenue)	109	104	109	112	102	213	206	427
Payments to policyholders	107	97	77	89	84	204	369	535
Commissions	3	2	3	2	2	5	4	9
<i>Group Benefits</i>								
Revenue (premiums, investment income and other revenue)	412	394	382	399	384	806	760	1,541
Payments to policyholders	284	281	278	267	275	565	536	1,081
Commissions	12	14	12	13	12	26	25	50
<b>New business sales:</b>								
Group Pensions <sup>(2)</sup>	93	151	45	56	43	244	94	195
Group Benefits <sup>(3)</sup>	58	84	47	55	31	142	73	175
(2) New business sales for the Group Pensions business are measured by new annualized and single deposits (using a best estimate calculation of annualization).								
(3) New business sales for the Group Benefits business are measured by new annualized premium sales, including ASO premium equivalents.								
<b>Premiums and deposits:</b>								
<i>Group Pensions</i>								
Premiums	38	37	36	40	30	75	61	137
Segregated fund deposits	180	220	145	131	131	400	265	541
<b>Total Group Pensions</b>	<b>218</b>	<b>257</b>	<b>181</b>	<b>171</b>	<b>161</b>	<b>475</b>	<b>326</b>	<b>678</b>
<i>Group Benefits</i>								
Premiums	359	342	333	348	336	701	662	1,343
ASO premium equivalents	218	210	210	208	220	428	429	847
<b>Total Group Benefits</b>	<b>577</b>	<b>552</b>	<b>543</b>	<b>556</b>	<b>556</b>	<b>1,129</b>	<b>1,091</b>	<b>2,190</b>
<b>Total premiums and deposits</b>	<b>795</b>	<b>809</b>	<b>724</b>	<b>727</b>	<b>717</b>	<b>1,604</b>	<b>1,417</b>	<b>2,868</b>
<b>Funds under management:</b>								
<i>Group Pensions</i>								
General fund	3,078	3,067	3,062	3,100	3,092			
Segregated funds	2,813	2,529	2,523	2,299	2,431			
<b>Total Group Pensions</b>	<b>5,891</b>	<b>5,596</b>	<b>5,585</b>	<b>5,399</b>	<b>5,523</b>			
<i>Group Benefits</i>								
General fund	2,786	2,725	2,695	2,698	2,601			
<b>Total funds under management</b>	<b>8,677</b>	<b>8,321</b>	<b>8,280</b>	<b>8,097</b>	<b>8,124</b>			

**ASIAN DIVISION - HIGHLIGHTS**


(Canadian \$ in millions, unaudited)

Statements of operations	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Revenue</b>								
Premiums								
Life and health insurance	357	361	397	369	345	718	658	1,424
Annuities and pensions	25	24	22	22	24	49	51	95
Total premium income	382	385	419	391	369	767	709	1,519
Investment income	87	76	84	76	86	163	174	334
Other revenue	32	29	35	26	29	61	53	114
Total revenue	501	490	538	493	484	991	936	1,967
<b>Policy benefits and expenses</b>								
Policyholder benefits	266	270	273	258	256	536	502	1,033
General expenses	95	94	122	99	104	189	197	418
Commissions	48	46	54	50	48	94	93	197
Other	13	16	13	14	13	29	27	54
Total policy benefits and expenses	422	426	462	421	421	848	819	1,702
Income before income taxes	79	64	76	72	63	143	117	265
Income taxes	(3)	(4)	(2)	(1)	(2)	(7)	(3)	(6)
<b>Net income</b>	76	60	74	71	61	136	114	259
Less: net income (loss) attributed to participating policyholders	3	2	2	(1)	1	5	1	2
<b>Net income attributed to shareholders</b>	73	58	72	72	60	131	113	257

**ASIAN DIVISION - HIGHLIGHTS (CONT'D)**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Shareholders' net income:</b>								
Hong Kong	64	53	68	67	58	117	109	244
Other Asian Territories	9	5	4	5	2	14	4	13
<b>Total shareholders' net income</b>	<b>73</b>	<b>58</b>	<b>72</b>	<b>72</b>	<b>60</b>	<b>131</b>	<b>113</b>	<b>257</b>
<b>Revenues (premiums, investment income and other revenue):</b>								
Hong Kong	362	349	382	365	364	711	709	1,456
Other Asian Territories	139	141	156	128	120	280	227	511
<b>Total revenue</b>	<b>501</b>	<b>490</b>	<b>538</b>	<b>493</b>	<b>484</b>	<b>991</b>	<b>936</b>	<b>1,967</b>
<b>Payments to policyholders:</b>								
Hong Kong	102	110	106	111	116	212	221	438
Other Asian Territories	25	27	26	27	22	52	42	95
<b>Total payment to policyholders</b>	<b>127</b>	<b>137</b>	<b>132</b>	<b>138</b>	<b>138</b>	<b>264</b>	<b>263</b>	<b>533</b>
<b>Commissions:</b>								
Hong Kong	32	33	38	37	35	65	69	144
Other Asian Territories	16	13	16	13	13	29	24	53
<b>Total commissions</b>	<b>48</b>	<b>46</b>	<b>54</b>	<b>50</b>	<b>48</b>	<b>94</b>	<b>93</b>	<b>197</b>



**ASIAN DIVISION - HONG KONG**


(Canadian \$ in millions unless otherwise stated, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Statements of operations - extract:</b>								
Shareholders' net income (Cdn \$ in millions)	64	53	68	67	58	117	109	244
Shareholders' net income (U.S. \$ in millions)	46	35	44	43	37	81	69	156
Revenue (premiums, investment income and other revenue)	362	349	382	365	364	711	709	1,456
Payments to policyholders	102	110	106	111	116	212	221	438
Commissions	32	33	38	37	35	65	69	144
<b>New business sales:</b>								
New annualized premium insurance sales (Cdn \$ in millions)	47	42	60	54	54	89	93	207
New annualized premium insurance sales (U.S. \$ in millions)	33	28	38	34	35	61	60	132
<b>Wealth Management Sales</b>								
Hong Kong Pensions (Cdn \$ in millions) <sup>(1)</sup>	42	35	32	60	24	77	62	154
Hong Kong Pensions (U.S. \$ in millions) <sup>(1)</sup>	30	23	21	38	15	53	39	98
Hong Kong Individual Wealth Management (Cdn\$ in millions) <sup>(2)</sup>	53	36	55	21	50	89	70	146
Hong Kong Individual Wealth Management (U.S. \$ in millions) <sup>(2)</sup>	39	23	35	13	32	62	45	93

(1) New business sales for the Hong Kong Pensions business are measured by new annualized and single deposits (using a best estimate calculation of annualization).

(2) New business sales for Individual Wealth Management are measured by Premiums, Segregated fund deposits and Mutual fund deposits.

**Premiums and deposits: (Cdn \$ in millions)**

Premiums	278	270	291	283	271	548	524	1,098
Segregated fund deposits	197	227	226	235	223	424	463	924
Mutual fund deposits	53	36	55	21	50	89	70	146
<b>Total premiums and deposits</b>	<b>528</b>	<b>533</b>	<b>572</b>	<b>539</b>	<b>544</b>	<b>1,061</b>	<b>1,057</b>	<b>2,168</b>

**Premiums and deposits: (U.S. \$ in millions)**

Premiums	199	179	185	181	174	378	333	699
Segregated fund deposits	141	150	144	150	144	291	294	588
Mutual fund deposits	39	23	35	13	32	62	45	93
<b>Total premiums and deposits</b>	<b>379</b>	<b>352</b>	<b>364</b>	<b>344</b>	<b>350</b>	<b>731</b>	<b>672</b>	<b>1,380</b>

	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
<b>Funds under management: (Cdn \$ in millions)</b>					
General fund	4,546	4,858	5,215	5,195	4,611
Segregated funds	2,360	2,152	2,212	1,959	1,895
Mutual funds	384	330	316	270	277
Other managed funds	1,551	1,497	1,718	700	774
<b>Total funds under management</b>	<b>8,841</b>	<b>8,837</b>	<b>9,461</b>	<b>8,124</b>	<b>7,557</b>

**Funds under management: (U.S. \$ in millions)**

General fund	3,354	3,306	3,301	3,276	3,036
Segregated funds	1,741	1,465	1,400	1,235	1,248
Mutual funds	283	225	200	170	182
Other managed funds	1,145	1,019	1,087	441	510
<b>Total funds under management</b>	<b>6,523</b>	<b>6,015</b>	<b>5,988</b>	<b>5,122</b>	<b>4,976</b>

**ASIAN DIVISION - OTHER ASIAN TERRITORIES**


(Canadian \$ in millions, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Statements of operations - extract:</b>								
Shareholders' net income	9	5	4	5	2	14	4	13
Revenue (premiums, investment income and other revenue)	139	141	156	128	120	280	227	511
Payments to policyholders	25	27	26	27	22	52	42	95
Commissions	16	13	16	13	13	29	24	53

**New business sales:**

	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Insurance sales</b>								
New annualized premium sales	31	30	40	32	32	61	58	130
Single premium sales	36	15	14	17	17	51	34	65
<b>Wealth Management sales <sup>(1)</sup></b>	105	83	57	121	134	188	208	386

(1) New business sales for Wealth Management businesses are measured by Premiums, Segregated fund deposits and Mutual fund deposits.

**Premiums and deposits:**

	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
Premiums	104	115	128	108	98	219	185	421
Segregated fund deposits	45	16	45	19	19	61	36	100
Mutual fund deposits	104	83	57	121	134	187	208	386
<b>Total premiums and deposits</b>	253	214	230	248	251	467	429	907

	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
<b>Funds under management:</b>					
General fund	1,384	1,270	1,261	1,030	956
Segregated funds	326	274	285	232	230
Mutual funds	695	586	527	459	324
<b>Total funds under management</b>	2,405	2,130	2,073	1,721	1,510

**JAPAN DIVISION**


(Canadian \$ in millions, unaudited)

Statements of operations	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	Jun 30 2002	Dec 31 2002
<b>Revenue</b>								
Life and health insurance premium income	323	342	355	373	354	665	723	1,451
Investment income (loss)	35	33	31	47	(31)	68	3	81
Other revenue	7	5	11	9	7	12	14	34
<b>Total revenue</b>	<b>365</b>	<b>380</b>	<b>397</b>	<b>429</b>	<b>330</b>	<b>745</b>	<b>740</b>	<b>1,566</b>
<b>Policy benefits and expenses</b>								
Policyholder benefits	213	211	218	261	160	424	396	875
General expenses	89	110	117	107	96	199	204	428
Commissions	30	26	24	23	25	56	45	92
Other	2	2	3	1	2	4	4	8
<b>Total policy benefits and expenses</b>	<b>334</b>	<b>349</b>	<b>362</b>	<b>392</b>	<b>283</b>	<b>683</b>	<b>649</b>	<b>1,403</b>
Income before income taxes	31	31	35	37	47	62	91	163
Income taxes	(6)	(6)	(9)	(10)	(19)	(12)	(33)	(52)
<b>Net income attributed to shareholders</b>	<b>25</b>	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>50</b>	<b>58</b>	<b>111</b>

**JAPAN DIVISION (CONT'D)**


(Canadian \$ in millions unless otherwise stated, unaudited)

	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30	Dec 31	
	2003	2003	2002	2002	2002	2003	2002	
<b>Payments to policyholders</b>	514	549	537	523	627	1,063	1,234	2,294

**New Business Sales:**

Individual Insurance								
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30	Jun 30	Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
New annualized premium sales (Cdn \$ in millions)	35	34	36	34	32	69	71	141
New annualized premium sales (Japanese yen in millions)	2,903	2,707	2,772	2,605	2,603	5,610	5,876	11,253
Variable Annuities (Cdn \$ in millions) <sup>(1)</sup>	190	124	80	36	40	314	54	170
Variable Annuities (Japanese yen in millions) <sup>(1)</sup>	16,111	9,750	6,236	2,762	3,220	25,861	4,369	13,367

(1) New business sales for Variable Annuities are measured by Segregated fund deposits, excluding the impact of seed capital.

**Premiums and deposits:**

	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30	Jun 30	Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
Premiums	323	342	355	373	354	665	723	1,451
Segregated fund deposits	190	124	80	36	40	314	54	170
<b>Total premiums and deposits</b>	<b>513</b>	<b>466</b>	<b>435</b>	<b>409</b>	<b>394</b>	<b>979</b>	<b>777</b>	<b>1,621</b>

	As at				
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
<b>Funds under management:</b>					
General fund	10,411	11,806	13,153	13,151	13,186
Segregated funds <sup>(2)</sup>	703	667	568	480	457
<b>Total funds under management <sup>(2)</sup></b>	<b>11,114</b>	<b>12,473</b>	<b>13,721</b>	<b>13,631</b>	<b>13,643</b>

(2) Segregated funds under management as at June 30 and March 31, 2003, December 31, September 30 and June 30, 2002 included \$202, \$323, \$317, \$323 and \$329 of segregated fund seed capital, respectively.

**REINSURANCE DIVISION**


(Canadian \$ in millions, unaudited)

Statements of operations	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
<b>Revenue</b>								
Premium income	177	183	272	331	259	360	460	1,063
Investment income	55	60	61	58	48	115	107	226
Other revenue	14	11	12	8	10	25	23	43
<b>Total revenue</b>	<b>246</b>	<b>254</b>	<b>345</b>	<b>397</b>	<b>317</b>	<b>500</b>	<b>590</b>	<b>1,332</b>
<b>Policy benefits and expenses</b>								
Policyholder benefits	155	159	261	319	236	314	423	1,003
General expenses	11	11	11	13	10	22	21	45
Commissions	6	10	6	11	10	16	21	38
Other	4	2	2	3	2	6	3	8
<b>Total policy benefits and expenses</b>	<b>176</b>	<b>182</b>	<b>280</b>	<b>346</b>	<b>258</b>	<b>358</b>	<b>468</b>	<b>1,094</b>
Income before income taxes	70	72	65	51	59	142	122	238
Income taxes	(19)	(15)	(13)	(9)	(19)	(34)	(32)	(54)
<b>Net income attributed to shareholders</b>	<b>51</b>	<b>57</b>	<b>52</b>	<b>42</b>	<b>40</b>	<b>108</b>	<b>90</b>	<b>184</b>

Premiums	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30		Dec 31
	2003	2003	2002	2002	2002	2003	2002	2002
Life reinsurance	107	103	118	115	96	210	222	455
Property and Casualty reinsurance	58	67	140	201	148	125	203	544
Accident reinsurance	12	13	14	15	15	25	35	64
<b>Total premiums</b>	<b>177</b>	<b>183</b>	<b>272</b>	<b>331</b>	<b>259</b>	<b>360</b>	<b>460</b>	<b>1,063</b>

Funds under management:	As at				
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
General fund	3,703	3,923	4,134	4,333	3,985

**CORPORATE AND OTHER**


(Canadian \$ in millions, unaudited)

Statements of operations	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	Jun 30 2002	Dec 31 2002
<b>Revenue</b>								
Investment income	75	64	60	21	53	139	111	192
Other revenue	7	6	26	5	6	13	11	42
Total revenue	82	70	86	26	59	152	122	234
<b>Policy benefits and expenses</b>								
Policyholder benefits	6	4	21	(4)	(2)	10	6	23
General expenses	45	21	32	8	5	66	24	64
Commissions	-	-	-	-	-	-	-	-
Other	57	59	61	60	62	116	123	244
Total policy benefits and expenses	108	84	114	64	65	192	153	331
<b>Loss before income taxes</b>	(26)	(14)	(28)	(38)	(6)	(40)	(31)	(97)
Income taxes	27	9	21	23	14	36	30	74
<b>Net income (loss) attributed to shareholders</b>	1	(5)	(7)	(15)	8	(4)	(1)	(23)

Funds under management:	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
General fund	6,877	6,463	6,407	6,223	6,736
Other managed funds	2,365	2,217	2,264	2,101	1,979
<b>Total funds under management</b>	9,242	8,680	8,671	8,324	8,715

**SELECTED SUPPLEMENTAL FINANCIAL INFORMATION: SEGMENTED BY PRODUCT LINE**


(Canadian \$ in millions, unaudited)

The following tables provide, for each of the periods indicated, selected supplemental consolidated financial information with respect to the Company, segmented by product line. Mutual funds within operating divisions have been classified as wealth management operations because such funds are savings and retirement products.

Segmented by product line:	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
Net income (loss):								
Insurance	293	273	294	279	265	566	526	1,099
Wealth management	93	70	82	60	70	163	152	294
Sub total	386	343	376	339	335	729	678	1,393
Other <sup>(1)</sup>	1	(5)	(7)	(15)	8	(4)	(1)	(23)
<b>Total net income</b>	<b>387</b>	<b>338</b>	<b>369</b>	<b>324</b>	<b>343</b>	<b>725</b>	<b>677</b>	<b>1,370</b>

(1) Other net operating income represents any residual Company revenues and expenses, net of allocations to the Divisions, together with the results of the operations of the Investment Division and other non-operating lines. It has not been allocated to insurance operations or wealth management operations.

Premiums and deposits <sup>(2)</sup>:

Insurance	2,387	2,380	2,537	2,545	2,489	4,767	4,849	9,931
Wealth management	4,935	5,501	4,853	4,541	4,974	10,436	10,209	19,603
<b>Total premiums and deposits</b>	<b>7,322</b>	<b>7,881</b>	<b>7,390</b>	<b>7,086</b>	<b>7,463</b>	<b>15,203</b>	<b>15,058</b>	<b>29,534</b>

(2) Premiums and deposits are comprised of general fund premiums, segregated fund deposits, mutual fund deposits and ASO premium equivalents.

	As at				
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
Funds under management <sup>(3)</sup> :					
Insurance	49,347	51,629	54,804	54,825	52,926
Wealth management	85,722	81,268	82,700	76,099	78,191
Sub total	135,069	132,897	137,504	130,924	131,117
Other <sup>(4)</sup>	9,242	8,680	8,671	8,324	8,715
<b>Total funds under management</b>	<b>144,311</b>	<b>141,577</b>	<b>146,175</b>	<b>139,248</b>	<b>139,832</b>

(3) Funds under management are comprised of general fund assets, segregated funds, mutual and other managed funds.

(4) Other funds under management include any residual Company assets, primarily representing equity of the Company, net of allocations to the Divisions. These assets have not been allocated to insurance operations or wealth management operations.

**SELECTED SUPPLEMENTAL FINANCIAL INFORMATION FOR INSURANCE OPERATIONS**


(Canadian \$ in millions, unaudited)

Summary statements of operations :	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	2003	Jun 30 2002	Dec 31 2002
<b>Revenue</b>								
Premium income	2,021	2,012	2,146	2,161	2,076	4,033	4,035	8,342
Investment income	717	626	726	623	491	1,343	1,176	2,525
Other revenue	91	85	90	85	83	176	170	345
<b>Total revenue</b>	<b>2,829</b>	<b>2,723</b>	<b>2,962</b>	<b>2,869</b>	<b>2,650</b>	<b>5,552</b>	<b>5,381</b>	<b>11,212</b>
<b>Policy benefits and expenses</b>								
Policyholder benefits	1,834	1,746	1,935	1,905	1,690	3,580	3,489	7,329
General expenses	404	414	454	401	397	818	794	1,649
Commissions	160	158	162	151	155	318	300	613
Other	53	53	49	55	47	106	95	199
<b>Policy benefits and expenses</b>	<b>2,451</b>	<b>2,371</b>	<b>2,600</b>	<b>2,512</b>	<b>2,289</b>	<b>4,822</b>	<b>4,678</b>	<b>9,790</b>
Income before income taxes	378	352	362	357	361	730	703	1,422
Income taxes	(85)	(79)	(68)	(78)	(96)	(164)	(177)	(323)
<b>Net income</b>	<b>293</b>	<b>273</b>	<b>294</b>	<b>279</b>	<b>265</b>	<b>566</b>	<b>526</b>	<b>1,099</b>
<b>Revenue by division :</b> (Premiums, investment income and other revenue)								
U.S.	861	864	886	833	792	1,725	1,670	3,389
Canadian	896	776	836	757	770	1,672	1,531	3,124
Asian	461	449	498	453	441	910	850	1,801
Japan	365	380	397	429	330	745	740	1,566
Reinsurance	246	254	345	397	317	500	590	1,332
<b>Total</b>	<b>2,829</b>	<b>2,723</b>	<b>2,962</b>	<b>2,869</b>	<b>2,650</b>	<b>5,552</b>	<b>5,381</b>	<b>11,212</b>
<b>Policyholder benefits by division :</b> (Policyholder benefits and dividends, changes in actuarial liabilities and transfers to segregated funds)								
U.S.	617	621	636	588	550	1,238	1,176	2,400
Canadian	607	507	566	497	514	1,114	1,041	2,104
Asian	242	248	254	240	230	490	453	947
Japan	213	211	218	261	160	424	396	875
Reinsurance	155	159	261	319	236	314	423	1,003
<b>Total</b>	<b>1,834</b>	<b>1,746</b>	<b>1,935</b>	<b>1,905</b>	<b>1,690</b>	<b>3,580</b>	<b>3,489</b>	<b>7,329</b>

**SELECTED SUPPLEMENTAL FINANCIAL INFORMATION FOR INSURANCE OPERATIONS (CONT'D)**



(Canadian \$ in millions, unaudited)

Segmented by division :	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30	Dec 31	
	2003	2003	2002	2002	2002	2003	2002	
Premiums and deposits :								
U.S.	573	615	603	593	621	1,188	1,262	2,458
Canadian	891	840	840	835	866	1,731	1,659	3,334
Asian	423	400	467	413	389	823	745	1,625
Japan	323	342	355	373	354	665	723	1,451
Reinsurance	177	183	272	331	259	360	460	1,063
<b>Total premiums and deposits</b>	<b>2,387</b>	<b>2,380</b>	<b>2,537</b>	<b>2,545</b>	<b>2,489</b>	<b>4,767</b>	<b>4,849</b>	<b>9,931</b>

Funds under management :	As at				
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
U.S.	18,152	19,087	20,547	20,631	19,856
Canadian	11,218	10,873	10,658	10,694	10,543
Asian	5,805	5,878	6,241	5,946	5,281
Japan	10,469	11,868	13,224	13,221	13,261
Reinsurance	3,703	3,923	4,134	4,333	3,985
<b>Total funds under management</b>	<b>49,347</b>	<b>51,629</b>	<b>54,804</b>	<b>54,825</b>	<b>52,926</b>

Segmented by fund :	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30	Dec 31	
	2003	2003	2002	2002	2002	2003	2002	
Premiums and deposits :								
General fund premiums	2,021	2,012	2,146	2,161	2,076	4,033	4,035	8,342
Segregated fund deposits	144	154	177	173	190	298	379	729
ASO premium equivalents	222	214	214	211	223	436	435	860
<b>Total premiums and deposits</b>	<b>2,387</b>	<b>2,380</b>	<b>2,537</b>	<b>2,545</b>	<b>2,489</b>	<b>4,767</b>	<b>4,849</b>	<b>9,931</b>

Funds under management :	As at				
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
General fund	46,735	49,110	52,073	52,272	50,196
Segregated funds	2,612	2,519	2,731	2,553	2,730
<b>Total funds under management</b>	<b>49,347</b>	<b>51,629</b>	<b>54,804</b>	<b>54,825</b>	<b>52,926</b>

**SELECTED SUPPLEMENTAL FINANCIAL INFORMATION FOR WEALTH MANAGEMENT OPERATIONS**


(Canadian \$ in millions, unaudited)

Summary statements of operations:	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002	Jun 30 2003	2002	Dec 31 2002
<b>Revenue</b>								
Premium income	577	828	619	665	592	1,405	1,153	2,437
Investment income	394	395	377	387	380	789	754	1,518
Other revenue	274	270	276	288	282	544	567	1,131
<b>Total revenue</b>	<b>1,245</b>	<b>1,493</b>	<b>1,272</b>	<b>1,340</b>	<b>1,254</b>	<b>2,738</b>	<b>2,474</b>	<b>5,086</b>
<b>Policy benefits and expenses</b>								
Policyholder benefits	774	1,053	804	946	813	1,827	1,568	3,318
General expenses	180	199	203	187	190	379	387	777
Commissions	157	150	149	131	155	307	314	594
Other	17	14	13	13	13	31	22	48
<b>Policy benefits and expenses</b>	<b>1,128</b>	<b>1,416</b>	<b>1,169</b>	<b>1,277</b>	<b>1,171</b>	<b>2,544</b>	<b>2,291</b>	<b>4,737</b>
Income before income taxes	117	77	103	63	83	194	183	349
Income taxes	(24)	(7)	(21)	(3)	(13)	(31)	(31)	(55)
<b>Net income</b>	<b>93</b>	<b>70</b>	<b>82</b>	<b>60</b>	<b>70</b>	<b>163</b>	<b>152</b>	<b>294</b>
<b>Revenue by division:</b>								
(Premiums, investment income and other revenue)								
U.S.	654	879	718	793	726	1,533	1,426	2,937
Canadian	551	573	514	507	485	1,124	962	1,983
Asian	40	41	40	40	43	81	86	166
<b>Total</b>	<b>1,245</b>	<b>1,493</b>	<b>1,272</b>	<b>1,340</b>	<b>1,254</b>	<b>2,738</b>	<b>2,474</b>	<b>5,086</b>
<b>Policyholder benefits by division:</b>								
(Policyholder benefits and dividends, changes in actuarial liabilities and transfers to segregated funds)								
U.S.	354	584	410	523	432	938	822	1,755
Canadian	396	447	375	405	355	843	697	1,477
Asian	24	22	19	18	26	46	49	86
<b>Total</b>	<b>774</b>	<b>1,053</b>	<b>804</b>	<b>946</b>	<b>813</b>	<b>1,827</b>	<b>1,568</b>	<b>3,318</b>

**SELECTED SUPPLEMENTAL FINANCIAL INFORMATION FOR WEALTH MANAGEMENT OPERATIONS (CONT'D)**


(Canadian \$ in millions, unaudited)

Segmented by division :	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30	Dec 31	
	2003	2003	2002	2002	2002			
Premiums and deposits :								
U.S.	3,637	4,084	3,769	3,531	3,879	7,721	15,326	
Canadian	750	946	669	600	649	1,696	2,657	
Asian	358	347	335	374	406	705	1,450	
Japan	190	124	80	36	40	314	170	
<b>Total premiums and deposits</b>	<b>4,935</b>	<b>5,501</b>	<b>4,853</b>	<b>4,541</b>	<b>4,974</b>	<b>10,436</b>	<b>19,603</b>	

Funds under management :	As at				
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
U.S.	53,964	51,177	53,432	48,662	50,255
Canadian	25,672	24,397	23,478	23,128	23,768
Asian	5,441	5,089	5,293	3,899	3,786
Japan	645	605	497	410	382
<b>Total funds under management</b>	<b>85,722</b>	<b>81,268</b>	<b>82,700</b>	<b>76,099</b>	<b>78,191</b>

Segmented by fund :	For the three months ended					For the six months ended		For the twelve months ended
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Jun 30	Dec 31	
	2003	2003	2002	2002	2002			
Premiums and deposits :								
General fund premiums	577	828	619	665	592	1,405	2,437	
Segregated fund deposits	4,052	4,327	3,981	3,585	4,033	8,379	15,977	
Mutual fund deposits	306	346	253	291	349	652	1,189	
<b>Total premiums and deposits</b>	<b>4,935</b>	<b>5,501</b>	<b>4,853</b>	<b>4,541</b>	<b>4,974</b>	<b>10,436</b>	<b>19,603</b>	

Funds under management :	As at				
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	2003	2003	2002	2002	2002
General fund	23,274	23,514	22,715	21,998	21,352
Segregated funds	58,354	53,989	56,100	51,413	54,176
Mutual funds	2,543	2,268	2,167	1,988	1,889
Other managed funds	1,551	1,497	1,718	700	774
<b>Total funds under management</b>	<b>85,722</b>	<b>81,268</b>	<b>82,700</b>	<b>76,099</b>	<b>78,191</b>

## HISTORICAL FINANCIAL HIGHLIGHTS



(Canadian \$ in millions unless otherwise stated and per share information, unaudited)

Key performance measures	2002	2001	2000	1999	1998	1997
<b>Net income</b>	1,370	1,167	1,068	866	710	743
<b>Net operating income</b>	1,370	1,167	1,068	866	710	624
<b>Adjusted shareholders' net income <sup>(1)</sup></b>	1,378	1,159	1,075	874	710	743
<b>Capital <sup>(2)</sup></b>	11,978	11,513	8,555	7,771	7,415	6,377
<b>Operating return on common shareholders' equity (%) <sup>(3)</sup></b>	16.2%	15.1%	16.1%	14.0%	12.9%	13.6%
<b>Capital as a percentage of liabilities</b>	17.3%	17.2%	16.7%	16.1%	16.2%	14.4%

### Summary consolidated statements of operations

For the years ended December 31

	2002	2001	2000	1999	1998	1997
<b>Revenue</b>						
Premium income	10,779	10,247	8,515	8,672	5,696	5,622
Investment income	4,235	4,479	4,350	4,369	4,123	4,010
Other revenue	1,518	1,505	1,287	1,015	792	574
<b>Total revenue</b>	<b>16,532</b>	<b>16,231</b>	<b>14,152</b>	<b>14,056</b>	<b>10,611</b>	<b>10,206</b>
<b>Policy benefits and expenses</b>						
Policyholders and beneficiaries	9,431	10,134	7,654	6,608	6,385	6,508
Policyholder dividends and experience rating refunds	932	900	859	738	604	508
Change in actuarial liabilities	307	(208)	822	2,628	252	169
General expenses & commissions	3,697	3,611	3,277	2,703	2,118	1,868
Interest expense	243	257	191	179	158	156
Premium taxes	111	105	96	84	74	83
Non-controlling interest in subsidiaries	72	4	(151)	(114)	7	11
Trust preferred securities issued by subsidiaries	65	65	63	62	62	54
<b>Total policy benefits and expenses</b>	<b>14,858</b>	<b>14,868</b>	<b>12,811</b>	<b>12,888</b>	<b>9,660</b>	<b>9,357</b>
<b>Income before income taxes</b>	<b>1,674</b>	<b>1,363</b>	<b>1,341</b>	<b>1,168</b>	<b>951</b>	<b>849</b>
Unusual items	-	-	-	-	-	176
Income taxes	(304)	(196)	(273)	(302)	(241)	(282)
<b>Net income</b>	<b>1,370</b>	<b>1,167</b>	<b>1,068</b>	<b>866</b>	<b>710</b>	<b>743</b>

### Net income (loss) attributed to:

Participating policyholders (after demutualization)	(8)	8	(7)	(8)	-	-
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### Net income attributed to:

Shareholders (after demutualization)	1,378	1,159	1,075	267	-	-
Mutual operations (prior to demutualization)	-	-	-	607	710	743
<b>Adjusted shareholders' net income <sup>(1)</sup></b>	<b>1,378</b>	<b>1,159</b>	<b>1,075</b>	<b>874</b>	<b>710</b>	<b>743</b>
<b>Net income</b>	<b>1,370</b>	<b>1,167</b>	<b>1,068</b>	<b>866</b>	<b>710</b>	<b>743</b>

(1) Adjusted shareholders' net income refers to earnings from mutual operations (prior to demutualization) and net income attributed to shareholders (after demutualization).

(2) Capital includes: total equity (formerly surplus), subordinated debt, non-controlling interest in Manulife Financial Capital Trust and trust preferred securities issued by subsidiaries.

(3) Previously reported as operating return on surplus.

**HISTORICAL FINANCIAL HIGHLIGHTS (CONT'D)**


(Canadian \$ in millions, unaudited)

**Summary consolidated balance sheets**

As at December 31	2002	2001	2000	1999	1998	1997
<b>Assets</b>						
Bonds	46,677	46,070	33,270	30,853	30,691	28,662
Mortgages	9,294	7,902	7,174	6,867	7,702	7,809
Stocks	6,898	6,964	4,621	4,832	4,042	3,529
Real estate	3,570	3,484	3,262	3,179	2,992	2,806
Policy loans	4,939	4,644	3,616	3,207	3,137	2,663
Cash and short term investments	5,143	4,995	3,783	3,047	1,329	1,842
Other investments	1,041	693	884	1,180	499	479
<b>Invested assets</b>	77,562	74,752	56,610	53,165	50,392	47,790
Other assets	3,633	3,861	3,457	3,543	2,710	2,733
<b>Total assets</b>	81,195	78,613	60,067	56,708	53,102	50,523
<b>Liabilities and equity</b>						
Actuarial liabilities	56,397	54,690	41,384	39,748	38,738	37,227
Other liabilities	12,761	12,346	9,829	8,439	6,873	6,865
Subordinated debt	1,436	1,418	588	582	627	581
Non-controlling interest in subsidiaries	1,059	1,064	299	750	76	54
Trust preferred securities issued by subsidiaries	794	802	756	735	783	728
Total equity <sup>(1)</sup>	8,748	8,293	7,211	6,454	6,005	5,068
<b>Total liabilities and equity</b>	81,195	78,613	60,067	56,708	53,102	50,523

(1) Previously reported as surplus

**Funds under management**

As at December 31	2002	2001	2000	1999	1998	1997
General fund	81,195	78,613	60,067	56,708	53,102	50,523
Segregated funds	58,831	59,206	54,908	49,055	38,200	27,018
Mutual funds	2,167	1,653	1,563	1,641	1,708	2,125
Other managed funds	3,982	2,710	6,982 (a)	4,732 (a)	3,680 (a)	2,652 (a)
<b>Total</b>	146,175	142,182	123,520	112,136	96,690	82,318

(a) Other managed funds included Seamark Asset Management Ltd. third party managed funds of \$4,288, \$3,074, \$2,314 and \$1,797 as at December 31, 2000, 1999, 1998 and 1997, respectively.

Disposition of a portion of the Company's controlling interest in Seamark Asset Management Ltd. occurred in July 2001, at which time the Company ceased consolidation of the assets and liabilities and results of operations of Seamark and commenced accounting for this investment on an equity basis.

**Premiums and deposits**

For the years ended December 31	2002	2001	2000	1999	1998	1997
General fund	10,779	10,247	8,515	8,672	5,696	5,622
Segregated funds	16,706	14,044	14,777	10,709	8,846	7,026
Mutual funds	1,189	754	630	522	601	1,348
ASO premium equivalents	860	795	643	550	524	470
<b>Total</b>	29,534	25,840	24,565	20,453	15,667	14,466

**Selected ratios:**
**5-yr compound growth rates**

Operating income	17%	18%	23%	25%	31%	49%
Funds under management	12%	15%	21%	19%	18%	17%

**MANULIFE FINANCIAL CORPORATION HEAD OFFICE**

200 Bloor Street East  
Toronto, Ontario  
Canada M4W 1E5

**TRANSFER AGENT**

CIBC Mellon Trust Company  
1-800-783-9495

**COMMON STOCK**

Common Stock of Manulife Financial is traded on:

Stock Exchange	Symbol
Toronto	MFC
New York	MFC
Philippines	MFC
Hong Kong	0945

**INVESTOR INFORMATION**

Edwina Stoate, Vice President, Investor Relations  
416-926-3490

Web Site: [www.manulife.com](http://www.manulife.com)

**INDUSTRY RATING INFORMATION**

The following rating agencies each assign The Manufacturers Life Insurance Company ratings within their highest range of categories, thereby recognizing the company as among the strongest in the life insurance industry.

Purpose	Rating agency	Rating
Claims paying/	A.M. Best	A++
Financial strength	Dominion Bond Rating Service	IC-1
	FitchRatings	AA+
	Moody's	Aa2
	Standard & Poor's	AA+

**QUARTERLY KEY MEASURES**

	Q2 03	Q1 03	Q4 02	Q3 02	Q2 02
Basic earnings per common share	\$ 0.83	\$ 0.73	\$ 0.80	\$ 0.69	\$ 0.71
Diluted earnings per common share	\$ 0.83	\$ 0.72	\$ 0.80	\$ 0.69	\$ 0.71
Return on common shareholders' equity (annualized)	18.0%	15.8%	17.2%	15.2%	16.1%
Book value per share	\$ 19.22	\$ 18.64	\$ 18.71	\$ 18.13	\$ 17.86
Market value to book value ratio	1.99	1.89	1.84	1.85	2.44
Market capitalization (\$ billions)	17.7	16.3	15.9	15.6	21.1
Common shares outstanding (millions)					
- end of period	463	463	463	467	483
- weighted average	463	463	463	474	483
- diluted weighted average	466	466	466	477	487

**CURRENT QUARTER SHARE PRICE INFORMATION**

	Toronto	New York	Hong Kong	Philippines
Share Price	(1)	(2)	(3)	(4)
High	\$ 39.63	\$ 29.49	\$ 227	P 1,550
Low	\$ 34.95	\$ 23.74	\$ 185	P 1,200
Close	\$ 38.19	\$ 28.21	\$ 215	P 1,460
Average daily trading volume				
number of shares (thousands)	1,039	175	17	2

(1) Canadian \$ (2) United States \$ (3) Hong Kong \$ (4) Philippine Pesos

	Q2 03	Q1 03	Q4 02	Q3 02	Q2 02
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**MINIMUM CONTINUING CAPITAL AND SURPLUS REQUIREMENTS**

The Manufacturers Life Insurance Company's MCCSR	250%	235%	235%	236%	239%
Available Capital (\$ billions)	10.72 (a)	10.57	10.57	10.95	10.51
Required Capital (\$ billions)	4.28	4.50	4.50	4.64	4.40

(a) Excludes \$350 million of preferred shares recently issued by Manulife Financial Corporation.

**FOREIGN EXCHANGE INFORMATION <sup>(1)</sup>**

- Balance Sheets	(CDN to \$ 1 US)	1.3553	1.4693	1.5796	1.5858	1.5187
	(CDN to 1 YEN)	0.011307	0.012445	0.013302	0.013027	0.012672
- Statements of Operations	(CDN to \$ 1 US)	1.398425	1.510214	1.569781	1.562765	1.554939
	(CDN to 1 YEN)	0.011796	0.012699	0.012811	0.013106	0.012258

(1) Unless otherwise indicated, information contained in this supplement are in Canadian dollars. These are exchange rates used for currency conversion from U.S. dollars and Japanese yen to Canadian dollars for financial statement purposes.