



## **Statistical Information Package**

**Q2 2006**

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Certain comparative amounts have been restated to conform to the current quarter's presentation

FINANCIAL REPORTING STRUCTURE



MFC

U.S. INSURANCE		U.S. WEALTH MANAGEMENT *		CANADA		ASIA and JAPAN		REINSURANCE	CORPORATE & OTHER
Segment Component	Product Lines	Segment Component	Product Lines	Segment Component	Product Lines	Segment Component	Product Lines	Product Lines	Product Lines
JOHN HANCOCK LIFE	Variable Universal Life Universal Life Whole Life Term Life COLI	JOHN HANCOCK VARIABLE ANNUITIES	Variable Annuities	INDIVIDUAL INSURANCE	Universal Life Whole Life Term Life Critical Illness Affinity Markets	HONG KONG	Individual Insurance Group Life and Health Group Pensions Mutual Funds	Life Property and Casualty  International Group Program: Group Life & Health Group Pensions	Investments Corporate & Other JHF Accident and Health Institutional Advisory Accounts
JOHN HANCOCK LONG TERM CARE (LTC)	Retail LTC Group LTC Federal LTC	JOHN HANCOCK RETIREMENT PLAN SERVICES	401 (k)	INDIVIDUAL WEALTH MANAGEMENT (IWM)	Annuities Fixed Rate Products Segregated Funds Manulife Bank Mutual Funds	OTHER ASIA TERRITORIES	Individual Insurance Group Life and Health Group Pensions Mutual Funds		
		JOHN HANCOCK MUTUAL FUNDS	Mutual Funds Private Managed Accounts College Savings	GROUP BUSINESSES	Group Life & Health Group Savings and Retirement Solutions	JAPAN	Individual Insurance Variable Annuities		
		JOHN HANCOCK RETAIL FIXED	Fixed Annuities Payout Annuities						
		JOHN HANCOCK INSTITUTIONAL FIXED	Guaranteed Investment Contracts (GICs) Payout Annuities (closed) SignatureNotes Fee-based products Funding Agreements (GFAs)						

\* The U.S. Wealth Management and the previously called G&SFP businesses have been combined into one segment effective January 1, 2006. Business units have been reorganized as follows: (a) The Annuities business unit has been split into Variable Annuities and Retail Fixed. (b) G&SFP has been renamed Institutional Fixed. Signature Notes, a retail product, remains in this line. Further, all new sales of Payout annuities are in Retail Fixed. (c) Mutual Funds includes College Savings, previously under Annuities.

**FINANCIAL HIGHLIGHTS**

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



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Shareholders' Net Income (Loss) by Division</b>										
U.S. Insurance	127	158	178	144	157	-19%	285	292	-2%	614
U.S. Wealth Management	301	255	216	199	249	21%	556	453	23%	868
Canada	267	238	199	235	191	40%	505	375	35%	809
Asia and Japan	199	162	228	213	132	51%	361	291	24%	732
Reinsurance	48	92	(29)	(151)	30	60%	140	72	94%	(108)
Corporate and other	18	51	116	106	80	-78%	69	157	-56%	379
<b>Net income attributed to shareholders</b>	<b>960</b>	<b>956</b>	<b>908</b>	<b>746</b>	<b>839</b>	<b>14%</b>	<b>1,916</b>	<b>1,640</b>	<b>17%</b>	<b>3,294</b>
Preferred share dividends	(8)	(7)	(5)	(4)	(4)	100%	(15)	(5)	-	(14)
<b>Net income available to common shareholders</b>	<b>952</b>	<b>949</b>	<b>903</b>	<b>742</b>	<b>835</b>	<b>14%</b>	<b>1,901</b>	<b>1,635</b>	<b>16%</b>	<b>3,280</b>
<b>Selected Performance Measures</b>										
Basic earnings per common share	\$0.61	\$0.60	\$0.57	\$0.47	\$0.52	17%	\$ 1.21	\$ 1.02	19%	\$ 2.05
Diluted earnings per common share	\$0.60	\$0.59	\$0.56	\$0.46	\$0.52	15%	\$ 1.19	\$ 1.01	18%	\$ 2.03
Return on common shareholders' equity (annualized)	16.3%	16.3%	15.5%	12.7%	14.3%	200 bps	16.3%	14.2%	210 bps	14.1%
<b>Premiums and Deposits</b>										
Life and health insurance premiums	3,593	3,552	3,748	3,803	3,670	-2%	7,145	7,136	0%	14,687
Annuity and pension premiums	1,078	1,123	1,065	1,117	913	18%	2,201	1,718	28%	3,900
Segregated fund deposits	7,997	9,706	8,844	8,224	7,285	10%	17,703	14,718	20%	31,786
Mutual fund deposits	2,409	2,621	1,603	1,856	1,661	45%	5,030	3,949	27%	7,408
ASO premium equivalents	570	575	562	512	549	4%	1,145	1,076	6%	2,150
Other fund deposits	230	365	362	258	355	-35%	595	755	-21%	1,375
<b>Total premiums and deposits</b>	<b>15,877</b>	<b>17,942</b>	<b>16,184</b>	<b>15,770</b>	<b>14,433</b>	<b>10%</b>	<b>33,819</b>	<b>29,352</b>	<b>15%</b>	<b>61,306</b>
<b>Funds Under Management</b>										
General fund	162,459	167,268	166,927	164,187	170,432	-5%	162,459	170,432	-5%	166,927
Segregated funds	146,200	151,204	139,695	131,848	128,472	14%	146,200	128,472	14%	139,695
Mutual funds	35,043	36,736	34,564	33,829	35,137	0%	35,043	35,137	0%	34,564
Other funds	26,186	30,438	30,782	29,754	29,704	-12%	26,186	29,704	-12%	30,782
<b>Total funds under management</b>	<b>369,888</b>	<b>385,646</b>	<b>371,968</b>	<b>359,618</b>	<b>363,745</b>	<b>2%</b>	<b>369,888</b>	<b>363,745</b>	<b>2%</b>	<b>371,968</b>
<b>Insurance Sales</b>										
U.S. Insurance	253	257	309	205	210	20%	510	372	37%	886
Canada	111	141	138	136	146	-24%	252	282	-11%	556
Asia and Japan	93	92	127	117	112	-17%	185	215	-14%	459
<b>Total new annualized premium sales</b>	<b>457</b>	<b>490</b>	<b>574</b>	<b>458</b>	<b>468</b>	<b>-2%</b>	<b>947</b>	<b>869</b>	<b>9%</b>	<b>1,901</b>
<b>Wealth Management Sales</b>										
U.S. Wealth Management	6,633	7,532	6,672	6,552	5,280	26%	14,165	10,546	34%	23,770
Canada	1,744	2,264	1,830	1,980	1,829	-5%	4,008	3,914	2%	7,724
Asia and Japan	1,319	1,702	1,436	1,110	1,174	12%	3,021	2,885	5%	5,431
<b>Total Wealth Management sales</b>	<b>9,696</b>	<b>11,498</b>	<b>9,938</b>	<b>9,642</b>	<b>8,283</b>	<b>17%</b>	<b>21,194</b>	<b>17,345</b>	<b>22%</b>	<b>36,925</b>

**FINANCIAL HIGHLIGHTS (CONT'D)**


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

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Common Share Statistics**

Share Price - Toronto (in Canadian \$)										
high	37.32	37.56	35.00	31.88	30.35	23%	37.56	30.35	24%	35.00
low	33.83	33.96	29.58	29.18	27.88	21%	33.83	26.65	27%	26.65
close	35.37	36.63	34.14	31.00	29.26	21%	35.37	29.26	21%	34.14
Share Price - New York (in U.S \$)										
high	33.63	32.71	29.99	26.86	24.63	37%	33.63	24.63	37%	29.99
low	30.05	29.04	24.95	23.46	22.42	34%	29.04	21.69	34%	21.69
close	31.77	31.39	29.40	26.66	23.91	33%	31.77	23.91	33%	29.40
Common shares outstanding (millions)										
- end of period	1,556	1,580	1,584	1,586	1,595	-2%	1,556	1,595	-2%	1,584
- weighted average	1,570	1,584	1,584	1,593	1,598	-2%	1,577	1,606	-2%	1,597
- diluted weighted average	1,586	1,601	1,600	1,608	1,613	-2%	1,594	1,620	-2%	1,612
Dividend per common share paid in the quarter <sup>1</sup>	0.17	0.18	0.15	0.15	0.15	17%	0.35	0.28	25%	0.58
Common share dividend payout ratio	28.6%	29.1%	26.3%	32.1%	28.6%	0%	28.6%	27.3%	5%	28.0%

<sup>1</sup> On August 3, 2006, the Board of Directors approved a quarterly shareholders' cash dividend of \$0.175 per share on the common shares of the Company, payable on or after September 19, 2006 to shareholders of record at the close of business on August 16, 2006.

**Valuation Data**

Book value per common share	\$ 14.74	\$ 15.08	\$ 14.70	\$ 14.41	\$ 14.82	-1%	\$ 14.74	\$ 14.82	-1%	\$ 14.70
Market value to book value ratio	2.40	2.43	2.32	2.15	1.97	22%	2.40	1.97	22%	2.32
Market capitalization (\$ billions)	55.0	57.9	54.1	49.2	46.7	18%	55.0	46.7	18%	54.1

**Capital Information**

Total capital <sup>2</sup>	28,300	29,281	28,353	27,942	28,849	-2%	28,300	28,849	-2%	28,353
Capital ratios <sup>3</sup>										
MCCSR - The Manufacturers Life Insurance Company	211%	224%	213%	231%	224%	-6%	211%	224%	-6%	213%
RBC - John Hancock Life Insurance Company	359%	359%	359%	351%	351%	2%	359%	351%	2%	359%

<sup>2</sup> Total capital includes total equity, long-term debt, liabilities for preferred shares and capital instruments, and non-controlling interest in subsidiaries.

<sup>3</sup> For The Manufacturers Life Insurance Company, the capital ratio has been determined in accordance with the Minimum Continuing Capital & Surplus Requirements (MCCSR) of the Office of the Superintendent of Financial Institutions (Canada). The MCCSR ratio is calculated and reported quarterly. For John Hancock Life Insurance Company, the capital ratio has been determined in accordance with the Risk-Based Capital (RBC) requirements of the National Association of Insurance Commissioners. The RBC ratio is calculated and reported on an annual basis.

**Foreign Exchange Information <sup>4</sup>**

- Balance Sheets	(CDN to \$ 1 US)	1.1150	1.1671	1.1659	1.1611	1.2256	-9%
	(CDN to 1 YEN)	0.009737	0.009933	0.009886	0.010249	0.011049	-12%
- Statements of Operations	(CDN to \$ 1 US)	1.121341	1.154705	1.173347	1.201156	1.243856	-10%
	(CDN to 1 YEN)	0.009808	0.009882	0.010005	0.010800	0.011568	-15%

<sup>4</sup> Unless otherwise indicated, information contained in this supplement is 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.

**CONSOLIDATED STATEMENTS OF OPERATIONS**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Premium income	4,671	4,675	4,813	4,920	4,583	2%	9,346	8,854	6%	18,587
Net investment income	2,284	2,529	2,419	2,461	2,425	-6%	4,813	4,738	2%	9,618
Other revenue	1,045	1,021	968	950	936	12%	2,066	1,924	7%	3,842
<b>Total revenue</b>	<b>8,000</b>	<b>8,225</b>	<b>8,200</b>	<b>8,331</b>	<b>7,944</b>	<b>1%</b>	<b>16,225</b>	<b>15,516</b>	<b>5%</b>	<b>32,047</b>
<b>Policy benefits and expenses</b>										
To policyholders and beneficiaries										
Death and disability benefits	1,573	1,503	1,537	1,822	1,579	0%	3,076	3,081	0%	6,440
Maturity and surrender benefits	2,235	2,704	2,191	3,230	2,056	9%	4,939	4,977	-1%	10,398
Annuity payments	810	828	802	845	863	-6%	1,638	1,719	-5%	3,366
Policyholder dividends and experience rating refunds	380	348	422	377	418	-9%	728	770	-5%	1,569
Net transfers to segregated funds	117	116	150	92	63	86%	233	223	4%	465
Change in actuarial liabilities <sup>1</sup>	(398)	(615)	(257)	(891)	(62)	542%	(1,013)	(1,228)	-18%	(2,376)
General expenses	832	837	942	818	819	2%	1,669	1,731	-4%	3,491
Commissions	874	918	971	837	788	11%	1,792	1,530	17%	3,338
Interest expense	229	215	200	194	200	15%	444	394	13%	788
Premium taxes	70	65	53	60	63	11%	135	131	3%	244
Non-controlling interest in subsidiaries	6	6	(13)	6	4	50%	12	9	33%	2
<b>Total policy benefits and expenses</b>	<b>6,728</b>	<b>6,925</b>	<b>6,998</b>	<b>7,390</b>	<b>6,791</b>	<b>-1%</b>	<b>13,653</b>	<b>13,337</b>	<b>2%</b>	<b>27,725</b>
<b>Income before income taxes</b>	<b>1,272</b>	<b>1,300</b>	<b>1,202</b>	<b>941</b>	<b>1,153</b>	<b>10%</b>	<b>2,572</b>	<b>2,179</b>	<b>18%</b>	<b>4,322</b>
Income taxes	(323)	(350)	(302)	(194)	(309)	5%	(673)	(535)	26%	(1,031)
<b>Net income</b>	<b>949</b>	<b>950</b>	<b>900</b>	<b>747</b>	<b>844</b>	<b>12%</b>	<b>1,899</b>	<b>1,644</b>	<b>16%</b>	<b>3,291</b>
Net income (loss) attributed to participating policyholders	(11)	(6)	(8)	1	5	-	(17)	4	-	(3)
<b>Net income attributed to shareholders</b>	<b>960</b>	<b>956</b>	<b>908</b>	<b>746</b>	<b>839</b>	<b>14%</b>	<b>1,916</b>	<b>1,640</b>	<b>17%</b>	<b>3,294</b>
Preferred share dividends	(8)	(7)	(5)	(4)	(4)	100%	(15)	(5)	200%	(14)
<b>Net income available to common shareholders</b>	<b>952</b>	<b>949</b>	<b>903</b>	<b>742</b>	<b>835</b>	<b>14%</b>	<b>1,901</b>	<b>1,635</b>	<b>16%</b>	<b>3,280</b>

**U.S. \$ in millions - Summary Statements of Operations**

Revenue	7,134	7,123	6,988	6,936	6,388	12%	14,257	12,560	14%	26,484
Total policy benefits and expenses	6,000	5,997	5,964	6,153	5,460	10%	11,997	10,796	11%	22,913
Net income available to common shareholders	850	822	770	617	672	26%	1,672	1,324	26%	2,711

<sup>1</sup> Includes impact of benefits and withdrawals from John Hancock Institutional Fixed of \$1.5 billion in Q2 2006, \$1.8 billion in Q1 2006, \$1.4 billion in Q4 2005, \$1.6 billion in Q3 2005 and \$1.3 billion in Q2 2005 and \$6.3 billion in fiscal year 2005.

**CONSOLIDATED BALANCE SHEETS**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2
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**ASSETS**

<b>Invested assets</b>						
Bonds	100,584	104,452	103,315	103,033	106,744	-6%
Mortgages	27,239	27,845	28,008	28,113	29,067	-6%
Stocks	10,107	9,945	8,896	9,061	9,033	12%
Real estate	5,239	5,341	5,279	4,602	4,747	10%
Policy loans	6,015	6,191	6,120	6,025	7,015	-14%
Cash and short-term investments	7,776	7,924	9,055	6,748	7,191	8%
Bank loans	1,983	1,909	1,806	1,729	1,607	23%
Other investments	3,516	3,661	4,448	4,876	5,028	-30%
<b>Total invested assets</b>	<b>162,459</b>	<b>167,268</b>	<b>166,927</b>	<b>164,187</b>	<b>170,432</b>	<b>-5%</b>
<b>Other assets</b>						
Accrued investment income	1,556	1,660	1,639	1,883	1,895	-18%
Outstanding premiums	619	585	735	751	651	-5%
Goodwill	7,255	7,509	7,501	7,488	7,786	-7%
Intangible assets	1,651	1,736	1,742	1,746	1,831	-10%
Miscellaneous	3,140	3,195	3,266	3,260	3,240	-3%
<b>Total other assets</b>	<b>14,221</b>	<b>14,685</b>	<b>14,883</b>	<b>15,128</b>	<b>15,403</b>	<b>-8%</b>
<b>Total assets</b>	<b>176,680</b>	<b>181,953</b>	<b>181,810</b>	<b>179,315</b>	<b>185,835</b>	<b>-5%</b>
<b>Segregated funds net assets</b>	<b>146,904</b>	<b>151,858</b>	<b>140,361</b>	<b>132,124</b>	<b>128,730</b>	<b>14%</b>

**LIABILITIES AND EQUITY**

<b>Policy liabilities</b>	<b>126,753</b>	<b>131,564</b>	<b>132,049</b>	<b>131,962</b>	<b>137,486</b>	<b>-8%</b>
Deferred realized net gains	4,426	4,574	4,476	4,327	3,947	12%
Banking deposits	6,886	5,890	5,911	5,374	5,084	35%
Consumer notes	2,772	2,912	2,900	2,912	3,130	-11%
Future income tax liability	1,925	1,563	1,337	1,088	1,079	78%
Other liabilities	5,618	6,169	6,784	5,710	6,260	-10%
	<b>148,380</b>	<b>152,672</b>	<b>153,457</b>	<b>151,373</b>	<b>156,986</b>	<b>-5%</b>
<b>Long-term debt</b>	<b>2,487</b>	<b>2,553</b>	<b>2,457</b>	<b>2,460</b>	<b>2,597</b>	<b>-4%</b>
<b>Liabilities for preferred shares and capital instruments</b>	<b>1,897</b>	<b>1,911</b>	<b>1,922</b>	<b>1,916</b>	<b>1,961</b>	<b>-3%</b>
<b>Non-controlling interest in subsidiaries</b>	<b>204</b>	<b>203</b>	<b>187</b>	<b>200</b>	<b>148</b>	<b>38%</b>
<b>Equity</b>						
Participating policyholders' equity	140	151	157	165	164	-15%
Shareholders' equity						
Preferred shares	638	638	344	344	344	85%
Common shares	14,294	14,503	14,490	14,485	14,528	-2%
Contributed surplus	83	82	93	92	97	-14%
Retained earnings and currency translation account	8,557	9,240	8,703	8,280	9,010	-5%
<b>Total equity</b>	<b>23,712</b>	<b>24,614</b>	<b>23,787</b>	<b>23,366</b>	<b>24,143</b>	<b>-2%</b>
<b>Total liabilities and equity</b>	<b>176,680</b>	<b>181,953</b>	<b>181,810</b>	<b>179,315</b>	<b>185,835</b>	<b>-5%</b>
<b>Segregated funds net liabilities</b>	<b>146,904</b>	<b>151,858</b>	<b>140,361</b>	<b>132,124</b>	<b>128,730</b>	<b>14%</b>

## CONSOLIDATED STATEMENTS OF EQUITY

(Canadian \$ in millions, unaudited)



	Participating Policyholders	Shareholders	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	YTD 2006	YTD 2005	Fiscal 2005
<b>Preferred shares</b>										
Balance, beginning of period	-	638	638	344	344	344	344	344	-	-
Preferred shares issued	-	-	-	300	-	-	-	300	350	350
Issuance costs, net of tax	-	-	-	(6)	-	-	-	(6)	(6)	(6)
<b>Balance, end of period</b>	-	638	638	638	344	344	344	638	344	344
<b>Common shares</b>										
Balance, beginning of period	-	14,503	14,503	14,490	14,485	14,528	14,593	14,490	14,646	14,646
Issued on exercise of options	-	27	27	77	43	61	55	104	124	228
Purchase and cancellation	-	(236)	(236)	(64)	(38)	(104)	(120)	(300)	(242)	(384)
<b>Balance, end of period</b>	-	14,294	14,294	14,503	14,490	14,485	14,528	14,294	14,528	14,490
<b>Contributed surplus</b>										
Balance, beginning of period	-	82	82	93	92	97	98	93	102	102
Exercise of stock options	-	(5)	(5)	(17)	(8)	(13)	(9)	(22)	(21)	(42)
Stock option expense	-	6	6	6	9	8	8	12	16	33
<b>Balance, end of period</b>	-	83	83	82	93	92	97	83	97	93
<b>Retained earnings</b>										
Balance, beginning of period	151	12,399	12,550	12,075	11,511	11,248	10,897	12,075	10,568	10,568
Net income (loss)	(11)	960	949	950	900	747	844	1,899	1,644	3,291
Preferred share dividends	-	(8)	(8)	(7)	(5)	(4)	(4)	(15)	(5)	(14)
Common share dividends	-	(276)	(276)	(277)	(237)	(239)	(240)	(553)	(450)	(926)
Purchase and cancellation of common shares	-	(697)	(697)	(191)	(94)	(241)	(259)	(888)	(519)	(854)
Transfer of participating policyholders' retained earnings from JHF acquisition	-	-	-	-	-	-	10	-	10	10
<b>Balance, end of period</b>	140	12,378	12,518	12,550	12,075	11,511	11,248	12,518	11,248	12,075
<b>Currency translation account</b>										
Balance, beginning of period	-	(3,159)	(3,159)	(3,215)	(3,066)	(2,074)	(2,289)	(3,215)	(2,215)	(2,215)
Change during the period	-	(662)	(662)	56	(149)	(992)	215	(606)	141	(1,000)
<b>Balance, end of period</b>	-	(3,821)	(3,821)	(3,159)	(3,215)	(3,066)	(2,074)	(3,821)	(2,074)	(3,215)
<b>Total retained earnings and currency translation account</b>	140	8,557	8,697	9,391	8,860	8,445	9,174	8,697	9,174	8,860
<b>Total equity</b>	140	23,572	23,712	24,614	23,787	23,366	24,143	23,712	24,143	23,787

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Operating activities</b>										
Net Income	949	950	900	747	844	12%	1,899	1,644	16%	3,291
Adjustments for non-cash items in net income:										
Increase in actuarial liabilities, excluding John Hancock Fixed Institutional products	729	875	1,009	391	828	-12%	1,604	1,271	26%	2,671
Amortization of net realized and unrealized gains on investments	(265)	(299)	(269)	(250)	(229)	16%	(564)	(445)	27%	(964)
Amortization of premium/discount & mark to market adjustments	206	72	121	9	147	40%	278	267	4%	397
Other amortization	62	59	46	53	62	0%	121	116	4%	215
Future income tax expense	266	234	242	77	190	40%	500	399	25%	718
Provisions on investments	16	-	23	39	20	-20%	16	78	-79%	140
Stock-based compensation expense	6	6	9	8	8	-25%	12	16	-25%	33
Non-controlling interest in subsidiaries	5	5	(18)	9	2	150%	10	6	67%	(3)
Net income adjusted for non-cash items	1,974	1,902	2,063	1,083	1,872	5%	3,876	3,352	16%	6,498
Changes in policy related and operating receivables and payables	43	(356)	822	639	(8)	-	(313)	(184)	70%	1,277
<b>Cash provided by operating activities</b>	<b>2,017</b>	<b>1,546</b>	<b>2,885</b>	<b>1,722</b>	<b>1,864</b>	<b>8%</b>	<b>3,563</b>	<b>3,168</b>	<b>12%</b>	<b>7,775</b>
<b>Investing activities</b>										
Purchases and mortgage advances	(17,669)	(18,471)	(19,706)	(12,452)	(10,166)	74%	(36,140)	(26,910)	34%	(59,068)
Disposals and repayments	17,144	17,363	19,885	12,171	9,796	75%	34,507	25,666	34%	57,722
Net cash increase (decrease) from sale of subsidiaries	26	(113)	-	-	-	-	(87)	-	-	-
<b>Cash (used in) provided by investing activities</b>	<b>(499)</b>	<b>(1,221)</b>	<b>179</b>	<b>(281)</b>	<b>(370)</b>	<b>35%</b>	<b>(1,720)</b>	<b>(1,244)</b>	<b>38%</b>	<b>(1,346)</b>
<b>Financing activities</b>										
(Decrease) increase in repurchase agreements and securities sold but not yet purchased	(80)	(380)	299	(48)	(17)	371%	(460)	(366)	26%	(115)
Issue (repayment) of long-term debt, net	(8)	99	(4)	(11)	(272)	-97%	91	(289)	-	(304)
Net redemptions in John Hancock Institutional Fixed products	(1,127)	(1,490)	(1,266)	(1,282)	(890)	27%	(2,617)	(2,499)	5%	(5,047)
Banking deposits, net	997	418	535	297	563	77%	1,415	726	95%	1,558
Capital from joint venture partner	-	7	-	-	-	-	7	-	-	-
Consumer notes issued (redeemed), net	(10)	8	(23)	(49)	116	-	(2)	209	-	137
Preferred share dividends	(8)	(7)	(5)	(4)	(4)	100%	(15)	(5)	200%	(14)
Common share dividends	(276)	(277)	(237)	(239)	(240)	15%	(553)	(450)	23%	(926)
Funds borrowed (repaid), net	(33)	(34)	(32)	78	(32)	3%	(67)	(426)	-84%	(380)
Purchase and cancellation of common shares	(933)	(255)	(132)	(345)	(379)	146%	(1,188)	(761)	56%	(1,238)
Common shares issued on exercise of options	22	60	35	48	46	-52%	82	103	-20%	186
Repayment of Trups	-	-	(9)	-	-	-	-	-	-	(9)
Preferred shares issued, net	-	294	-	-	-	-	294	344	-15%	344
<b>Cash (used in) provided by financing activities</b>	<b>(1,456)</b>	<b>(1,557)</b>	<b>(839)</b>	<b>(1,555)</b>	<b>(1,109)</b>	<b>31%</b>	<b>(3,013)</b>	<b>(3,414)</b>	<b>-12%</b>	<b>(5,808)</b>
<b>Cash and short-term investments</b>										
Increase (decrease) during the period	62	(1,232)	2,225	(114)	385	-84%	(1,170)	(1,490)	-21%	621
Currency impact on cash and short-term investments	(208)	19	7	(276)	60	-	(189)	61	-	(208)
Balance, beginning of period	7,381	8,594	6,362	6,752	6,307	17%	8,594	8,181	5%	8,181
<b>Balance, end of period</b>	<b>7,235</b>	<b>7,381</b>	<b>8,594</b>	<b>6,362</b>	<b>6,752</b>	<b>7%</b>	<b>7,235</b>	<b>6,752</b>	<b>7%</b>	<b>8,594</b>
<b>Composition of cash and short-term investments</b>										
<b>Beginning of period</b>										
Gross cash and short-term investments	7,924	9,055	6,748	7,191	6,878	15%	9,055	8,517	6%	8,517
Net payments in transit, included in other liabilities	(543)	(461)	(386)	(439)	(571)	-5%	(461)	(336)	37%	(336)
<b>Net cash and short-term investments, beginning of period</b>	<b>7,381</b>	<b>8,594</b>	<b>6,362</b>	<b>6,752</b>	<b>6,307</b>	<b>17%</b>	<b>8,594</b>	<b>8,181</b>	<b>5%</b>	<b>8,181</b>
<b>End of period</b>										
Gross cash and short-term investments	7,776	7,924	9,055	6,748	7,191	8%	7,776	7,191	8%	9,055
Net payments in transit, included in other liabilities	(541)	(543)	(461)	(386)	(439)	23%	(541)	(439)	23%	(461)
<b>Net cash and short-term investments, end of period</b>	<b>7,235</b>	<b>7,381</b>	<b>8,594</b>	<b>6,362</b>	<b>6,752</b>	<b>7%</b>	<b>7,235</b>	<b>6,752</b>	<b>7%</b>	<b>8,594</b>

**CONSOLIDATED STATEMENTS OF SEGREGATED FUNDS**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Consolidated Statements of Segregated Funds Net Assets**
**Investments, at market values**

Cash and short-term investments	3,177	2,564	2,661	2,384	2,600	22%
Bonds	10,937	11,387	11,651	8,200	8,194	33%
Stocks	130,209	134,982	123,060	119,709	116,017	12%
Other investments	3,507	3,690	3,816	2,054	2,191	60%
Accrued investment income	71	83	96	57	68	4%
Other liabilities, net	(997)	(848)	(923)	(280)	(340)	193%
<b>Total segregated funds net assets, end of quarter</b>	<b>146,904</b>	<b>151,858</b>	<b>140,361</b>	<b>132,124</b>	<b>128,730</b>	<b>14%</b>

**Composition of segregated funds net assets:**

Held by policyholders	146,200	151,204	139,695	131,848	128,472	14%
Held by the Company	413	358	361	276	258	60%
Held by other contract holders	291	296	305	-	-	-
<b>Total segregated funds net assets, end of quarter</b>	<b>146,904</b>	<b>151,858</b>	<b>140,361</b>	<b>132,124</b>	<b>128,730</b>	<b>14%</b>

**Consolidated Statements of Changes in Segregated Funds Net Assets**
**Additions**

Deposits from policyholders	7,997	9,706	8,844	8,224	7,285	10%	17,703	14,718	20%	31,786
Net realized and unrealized investment gains (losses)	(3,933)	5,685	1,222	4,587	2,404	-	1,752	899	95%	6,708
Interest and dividends	862	825	2,014	941	745	16%	1,687	1,286	31%	4,241
Net transfers from general fund	117	116	150	92	63	86%	233	223	4%	465
Other contracts consolidated with segregated funds	-	-	305	-	-	-	-	-	-	305
Funds assumed on acquisition of a subsidiary	-	-	-	-	395	-100%	-	395	-100%	395
<b>Total additions</b>	<b>5,043</b>	<b>16,332</b>	<b>12,535</b>	<b>13,844</b>	<b>10,892</b>	<b>-54%</b>	<b>21,375</b>	<b>17,521</b>	<b>22%</b>	<b>43,900</b>

**Deductions**

Payments to policyholders	3,922	4,553	3,984	3,913	3,475	13%	8,475	6,988	21%	14,885
Management and administrative fees	577	551	524	506	518	11%	1,128	975	16%	2,005
Currency revaluation	5,498	(269)	(210)	6,031	(1,017)	-	5,229	(1,282)	-	4,539
<b>Total deductions</b>	<b>9,997</b>	<b>4,835</b>	<b>4,298</b>	<b>10,450</b>	<b>2,976</b>	<b>236%</b>	<b>14,832</b>	<b>6,681</b>	<b>122%</b>	<b>21,429</b>
Net addition (deduction) to segregated funds for the period	(4,954)	11,497	8,237	3,394	7,916	-	6,543	10,840	-40%	22,471
Segregated funds net assets, beginning of period	151,858	140,361	132,124	128,730	120,814	26%	140,361	117,890	19%	117,890
<b>Segregated funds net assets, end of period</b>	<b>146,904</b>	<b>151,858</b>	<b>140,361</b>	<b>132,124</b>	<b>128,730</b>	<b>14%</b>	<b>146,904</b>	<b>128,730</b>	<b>14%</b>	<b>140,361</b>

**CONSOLIDATED SOURCE OF EARNINGS**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Source of Earnings</b>										
Expected profit from in-force business	776	742	737	729	678	14%	1,518	1,340	13%	2,806
Impact of new business	(60)	(40)	(48)	(80)	(80)	-25%	(100)	(175)	-43%	(303)
Experience gains <sup>1</sup>	354	296	279	(25)	255	39%	650	432	50%	686
Management actions and changes in assumptions <sup>2</sup>	(19)	53	(29)	(12)	17	-	34	(44)	-	(85)
Earnings on surplus funds	248	262	271	322	285	-13%	510	540	-6%	1,133
Other	(16)	(7)	-	6	(7)	129%	(23)	82	-	88
<b>Income before income taxes</b>	<b>1,283</b>	<b>1,306</b>	<b>1,210</b>	<b>940</b>	<b>1,148</b>	<b>12%</b>	<b>2,589</b>	<b>2,175</b>	<b>19%</b>	<b>4,325</b>
Income taxes	(323)	(350)	(302)	(194)	(309)	5%	(673)	(535)	26%	(1,031)
<b>Net income attributed to shareholders</b>	<b>960</b>	<b>956</b>	<b>908</b>	<b>746</b>	<b>839</b>	<b>14%</b>	<b>1,916</b>	<b>1,640</b>	<b>17%</b>	<b>3,294</b>

<sup>1</sup> Management Basis SOE reporting used in this supplementary information package is consistent with OSFI SOE guidelines with the exception that 'experience gains' includes the full impact on reported income from changes to the segregated fund guarantee reserves due to investment market performance. Under OSFI SOE guidelines the component of this reserve change related to changes in cte level would be reported as a valuation basis change.

<sup>2</sup> Changes in assumptions for Q2 2006 primarily related to the impact of a refinement to the measurement of investment return risk in Japan that resulted in an increase to policy liabilities.

**Glossary**

Expected profit from in-force business	Formula-driven release of PfADS (Provisions for Adverse Deviations) on the non-fee businesses and expected profit on fee businesses.
Impact of new business	For non-fee income businesses, the capitalized value of future profits less PfADS in respect of new business. For fee income businesses, the non-capitalized acquisition expenses.
Experience gains	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.
Management actions and changes in assumptions	Earnings impact of: -management initiated actions in the period that generate a non-recurring current period impact -changes in methods and assumptions that impact actuarial liabilities or other liabilities -integration expenses from JHF acquisition that flow to income
Earnings on surplus funds	Actual investment returns on the Company's surplus (shareholders' equity).
Other	Earnings items not included in any other line of the SOE, including minority interests.
Income taxes	Tax charges to income, consistent with the amount on the statement of operations.

**U.S. INSURANCE**  
(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

<b>Revenue</b>										
Premium income	1,162	1,161	1,233	1,139	1,051	11%	2,323	2,078	12%	4,450
Net investment income	638	623	601	558	588	9%	1,261	1,153	9%	2,312
Other revenue	126	129	121	121	123	2%	255	244	5%	486
<b>Total revenue</b>	<b>1,926</b>	<b>1,913</b>	<b>1,955</b>	<b>1,818</b>	<b>1,762</b>	<b>9%</b>	<b>3,839</b>	<b>3,475</b>	<b>10%</b>	<b>7,248</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	1,312	1,292	1,288	1,270	1,238	6%	2,604	2,472	5%	5,030
General expenses	136	125	126	121	109	25%	261	227	15%	474
Commissions	265	257	285	216	197	35%	522	362	44%	863
Other	41	35	22	33	28	46%	76	59	29%	114
<b>Total policy benefits and expenses</b>	<b>1,754</b>	<b>1,709</b>	<b>1,721</b>	<b>1,640</b>	<b>1,572</b>	<b>12%</b>	<b>3,463</b>	<b>3,120</b>	<b>11%</b>	<b>6,481</b>
<b>Income before income taxes</b>	<b>172</b>	<b>204</b>	<b>234</b>	<b>178</b>	<b>190</b>	<b>-9%</b>	<b>376</b>	<b>355</b>	<b>6%</b>	<b>767</b>
Income taxes	(59)	(67)	(82)	(59)	(63)	-6%	(126)	(118)	7%	(259)
<b>Net income attributed to shareholders</b>	<b>113</b>	<b>137</b>	<b>152</b>	<b>119</b>	<b>127</b>	<b>-11%</b>	<b>250</b>	<b>237</b>	<b>5%</b>	<b>508</b>

**Source of Earnings - U.S. \$ in millions**

Expected profit from in-force business	123	121	127	116	109	13%	244	216	13%	459
Impact of new business	1	(3)	(16)	(20)	(23)	-	(2)	(52)	-96%	(88)
Experience gains	1	25	67	37	46	-98%	26	70	-63%	174
Management actions and changes in assumptions	-	3	8	(4)	8	-100%	3	22	-86%	26
Earnings on surplus funds	57	57	48	48	48	19%	114	96	19%	192
Other	(10)	1	-	1	2	-	(9)	3	-	4
<b>Income before income taxes</b>	<b>172</b>	<b>204</b>	<b>234</b>	<b>178</b>	<b>190</b>	<b>-9%</b>	<b>376</b>	<b>355</b>	<b>6%</b>	<b>767</b>
Income taxes	(59)	(67)	(82)	(59)	(63)	-6%	(126)	(118)	7%	(259)
<b>Net income attributed to shareholders</b>	<b>113</b>	<b>137</b>	<b>152</b>	<b>119</b>	<b>127</b>	<b>-11%</b>	<b>250</b>	<b>237</b>	<b>5%</b>	<b>508</b>

**Premiums and Deposits - U.S. \$ in millions**

Premiums	1,162	1,161	1,233	1,139	1,051	11%	2,323	2,078	12%	4,450
Segregated fund deposits	248	301	268	260	267	-7%	549	532	3%	1,060
<b>Total premiums and deposits</b>	<b>1,410</b>	<b>1,462</b>	<b>1,501</b>	<b>1,399</b>	<b>1,318</b>	<b>7%</b>	<b>2,872</b>	<b>2,610</b>	<b>10%</b>	<b>5,510</b>

**Funds Under Management - U.S. \$ in millions**

General fund	40,475	39,885	39,889	39,118	39,019	4%	40,475	39,019	4%	39,889
Segregated funds	9,982	10,156	9,755	9,531	9,235	8%	9,982	9,235	8%	9,755
<b>Total funds under management</b>	<b>50,457</b>	<b>50,041</b>	<b>49,644</b>	<b>48,649</b>	<b>48,254</b>	<b>5%</b>	<b>50,457</b>	<b>48,254</b>	<b>5%</b>	<b>49,644</b>

**Canadian \$ in millions - Summary Statements of Operations and Key Metrics**

Revenue	2,160	2,208	2,294	2,184	2,192	-1%	4,368	4,293	2%	8,771
Total policy benefits and expenses	1,967	1,972	2,020	1,969	1,956	1%	3,939	3,855	2%	7,844
Net income attributed to shareholders	127	158	178	144	157	-19%	285	292	-2%	614
Total premiums and deposits	1,579	1,689	1,762	1,680	1,640	-4%	3,268	3,224	1%	6,666
Total funds under management	56,259	58,402	57,881	56,486	59,140	-5%	56,259	59,140	-5%	57,881

**U.S. INSURANCE - JOHN HANCOCK LIFE**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

<b>Revenue</b>										
Premium income	857	868	930	851	765	12%	1,725	1,519	14%	3,300
Net investment income	521	517	499	478	495	5%	1,038	969	7%	1,946
Other revenue	124	125	119	119	121	2%	249	240	4%	478
<b>Total revenue</b>	<b>1,502</b>	<b>1,510</b>	<b>1,548</b>	<b>1,448</b>	<b>1,381</b>	<b>9%</b>	<b>3,012</b>	<b>2,728</b>	<b>10%</b>	<b>5,724</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	1,026	1,001	1,023	1,008	959	7%	2,027	1,942	4%	3,973
General expenses	98	93	96	89	76	29%	191	165	16%	350
Commissions	217	214	238	176	159	36%	431	283	52%	697
Other	31	30	19	27	24	29%	61	49	24%	95
<b>Total policy benefits and expenses</b>	<b>1,372</b>	<b>1,338</b>	<b>1,376</b>	<b>1,300</b>	<b>1,218</b>	<b>13%</b>	<b>2,710</b>	<b>2,439</b>	<b>11%</b>	<b>5,115</b>
<b>Income before income taxes</b>	<b>130</b>	<b>172</b>	<b>172</b>	<b>148</b>	<b>163</b>	<b>-20%</b>	<b>302</b>	<b>289</b>	<b>4%</b>	<b>609</b>
Income taxes	(45)	(57)	(61)	(49)	(54)	-17%	(102)	(96)	6%	(206)
<b>Net income attributed to shareholders<sup>1</sup></b>	<b>85</b>	<b>115</b>	<b>111</b>	<b>99</b>	<b>109</b>	<b>-22%</b>	<b>200</b>	<b>193</b>	<b>4%</b>	<b>403</b>

<sup>1</sup> Decline year over year primarily attributable to the strengthening of reserves as a result of the decline in equity markets compared to strong equity markets of a year ago.

**Sales - U.S. \$ in millions**

New annualized premiums	190	185	229	141	142	34%	375	246	52%	616
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**Premiums and Deposits - U.S. \$ in millions**

Premiums	857	868	930	851	765	12%	1,725	1,519	14%	3,300
Segregated fund deposits	212	265	233	225	232	-9%	477	463	3%	921
<b>Total premiums and deposits</b>	<b>1,069</b>	<b>1,133</b>	<b>1,163</b>	<b>1,076</b>	<b>997</b>	<b>7%</b>	<b>2,202</b>	<b>1,982</b>	<b>11%</b>	<b>4,221</b>

**Funds Under Management - U.S. \$ in millions**

General fund	33,301	33,038	33,281	32,813	32,890	1%	33,301	32,890	1%	33,281
Segregated funds	9,622	9,817	9,449	9,253	9,003	7%	9,622	9,003	7%	9,449
<b>Total funds under management</b>	<b>42,923</b>	<b>42,855</b>	<b>42,730</b>	<b>42,066</b>	<b>41,893</b>	<b>2%</b>	<b>42,923</b>	<b>41,893</b>	<b>2%</b>	<b>42,730</b>

**Changes in General and Segregated Funds Under Management - U.S. \$ in millions**

<b>Beginning balance</b>	<b>42,855</b>	<b>42,730</b>	<b>42,066</b>	<b>41,893</b>	<b>41,322</b>	<b>4%</b>	<b>42,730</b>	<b>41,265</b>	<b>4%</b>	<b>41,265</b>
Premiums and deposits	1,069	1,133	1,163	1,076	997	7%	2,202	1,982	11%	4,221
Net investment income <sup>2</sup>	366	917	715	769	699	-48%	1,283	1,056	21%	2,540
Benefits and withdrawals	(810)	(861)	(787)	(1,581)	(805)	1%	(1,671)	(1,578)	6%	(3,946)
Other <sup>3</sup>	(557)	(1,064)	(427)	(91)	(320)	74%	(1,621)	(832)	95%	(1,350)
<b>Ending balance</b>	<b>42,923</b>	<b>42,855</b>	<b>42,730</b>	<b>42,066</b>	<b>41,893</b>	<b>2%</b>	<b>42,923</b>	<b>41,893</b>	<b>2%</b>	<b>42,730</b>

<sup>2</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>3</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**Canadian \$ in millions - Key Metrics**

Net income attributed to shareholders	96	133	130	120	134	-28%	229	238	-4%	488
Sales	213	214	268	170	177	20%	427	304	40%	742
Total premiums and deposits	1,197	1,309	1,364	1,293	1,240	-3%	2,506	2,448	2%	5,105
Total funds under management	47,859	50,015	49,820	48,843	51,344	-7%	47,859	51,344	-7%	49,820

**U.S. INSURANCE - JOHN HANCOCK LONG TERM CARE**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Premium income	305	293	303	288	286	7%	598	559	7%	1,150
Net investment income	117	106	102	80	93	26%	223	184	21%	366
Other revenue	2	4	2	2	2	0%	6	4	50%	8
<b>Total revenue</b>	<b>424</b>	<b>403</b>	<b>407</b>	<b>370</b>	<b>381</b>	<b>11%</b>	<b>827</b>	<b>747</b>	<b>11%</b>	<b>1,524</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	286	291	265	262	279	3%	577	530	9%	1,057
General expenses	38	32	30	32	33	15%	70	62	13%	124
Commissions	48	43	47	40	38	26%	91	79	15%	166
Other	10	5	3	6	4	150%	15	10	50%	19
<b>Total policy benefits and expenses</b>	<b>382</b>	<b>371</b>	<b>345</b>	<b>340</b>	<b>354</b>	<b>8%</b>	<b>753</b>	<b>681</b>	<b>11%</b>	<b>1,366</b>
<b>Income before income taxes</b>	<b>42</b>	<b>32</b>	<b>62</b>	<b>30</b>	<b>27</b>	<b>56%</b>	<b>74</b>	<b>66</b>	<b>12%</b>	<b>158</b>
Income taxes	(14)	(10)	(21)	(10)	(9)	56%	(24)	(22)	9%	(53)
<b>Net income attributed to shareholders<sup>1</sup></b>	<b>28</b>	<b>22</b>	<b>41</b>	<b>20</b>	<b>18</b>	<b>56%</b>	<b>50</b>	<b>44</b>	<b>14%</b>	<b>105</b>

<sup>1</sup> Year over year increase primarily attributable to in-force business growth.

**Sales - U.S. \$ in millions**

New annualized premiums	36	37	35	30	25	44%	73	54	35%	119
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**Premiums and Deposits - U.S. \$ in millions**

Premiums	305	293	303	288	286	7%	598	559	7%	1,150
Segregated fund deposits	36	36	35	35	35	3%	72	69	4%	139
<b>Total premiums and deposits</b>	<b>341</b>	<b>329</b>	<b>338</b>	<b>323</b>	<b>321</b>	<b>6%</b>	<b>670</b>	<b>628</b>	<b>7%</b>	<b>1,289</b>

**Funds Under Management - U.S. \$ in millions**

General fund	7,174	6,847	6,608	6,305	6,129	17%	7,174	6,129	17%	6,608
Segregated funds	360	339	306	278	232	55%	360	232	55%	306
<b>Total funds under management</b>	<b>7,534</b>	<b>7,186</b>	<b>6,914</b>	<b>6,583</b>	<b>6,361</b>	<b>18%</b>	<b>7,534</b>	<b>6,361</b>	<b>18%</b>	<b>6,914</b>

**Changes in General and Segregated Funds Under Management - U.S. \$ in millions**

<b>Beginning balance</b>	<b>7,186</b>	<b>6,914</b>	<b>6,583</b>	<b>6,361</b>	<b>6,368</b>	<b>13%</b>	<b>6,914</b>	<b>6,177</b>	<b>12%</b>	<b>6,177</b>
Premiums and deposits	341	329	338	323	321	6%	670	628	7%	1,289
Net investment income <sup>2</sup>	117	105	102	96	85	38%	222	175	27%	373
Benefits and withdrawals	(122)	(124)	(104)	(101)	(93)	31%	(246)	(189)	30%	(394)
Other <sup>3</sup>	12	(38)	(5)	(96)	(320)	-	(26)	(430)	-94%	(531)
<b>Ending balance</b>	<b>7,534</b>	<b>7,186</b>	<b>6,914</b>	<b>6,583</b>	<b>6,361</b>	<b>18%</b>	<b>7,534</b>	<b>6,361</b>	<b>18%</b>	<b>6,914</b>

<sup>2</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>3</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**Canadian \$ in millions - Key Metrics**

Net income attributed to shareholders	31	25	48	24	23	35%	56	54	4%	126
Sales	40	43	41	35	33	21%	83	68	22%	144
Total premiums and deposits	382	380	398	387	400	-5%	762	776	-2%	1,561
Funds under management	8,400	8,387	8,061	7,643	7,796	8%	8,400	7,796	8%	8,061

**U.S. WEALTH MANAGEMENT**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

<b>Revenue</b>										
Premium income	831	840	770	831	614	35%	1,671	1,103	51%	2,704
Net investment income	589	619	618	600	606	-3%	1,208	1,206	0%	2,424
Other revenue	468	450	413	399	377	24%	918	737	25%	1,549
<b>Total revenue</b>	<b>1,888</b>	<b>1,909</b>	<b>1,801</b>	<b>1,830</b>	<b>1,597</b>	<b>18%</b>	<b>3,797</b>	<b>3,046</b>	<b>25%</b>	<b>6,677</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	1,052	1,147	1,091	1,161	921	14%	2,199	1,773	24%	4,025
General expenses	197	198	187	196	180	9%	395	361	9%	744
Commissions	224	224	229	202	174	29%	448	332	35%	763
Other	36	34	41	36	36	0%	70	69	1%	146
<b>Total policy benefits and expenses</b>	<b>1,509</b>	<b>1,603</b>	<b>1,548</b>	<b>1,595</b>	<b>1,311</b>	<b>15%</b>	<b>3,112</b>	<b>2,535</b>	<b>23%</b>	<b>5,678</b>
<b>Income before income taxes</b>										
Income taxes	379	306	253	235	286	33%	685	511	34%	999
	(111)	(85)	(69)	(69)	(87)	28%	(196)	(145)	35%	(283)
<b>Net income attributed to shareholders</b>	<b>268</b>	<b>221</b>	<b>184</b>	<b>166</b>	<b>199</b>	<b>35%</b>	<b>489</b>	<b>366</b>	<b>34%</b>	<b>716</b>

**Source of Earnings - U.S. \$ in millions**

Expected profit from in-force business	207	193	189	170	167	24%	400	338	18%	697
Impact of new business	(35)	(28)	(32)	(28)	(32)	9%	(63)	(65)	-3%	(125)
Experience gains	153	74	51	25	43	256%	227	64	255%	140
Management actions and changes in assumptions	-	-	(8)	1	44	-100%	-	44	-100%	37
Earnings on surplus funds	67	67	66	65	66	2%	134	132	2%	263
Other	(13)	-	(13)	2	(2)	550%	(13)	(2)	550%	(13)
<b>Income before income taxes</b>	<b>379</b>	<b>306</b>	<b>253</b>	<b>235</b>	<b>286</b>	<b>33%</b>	<b>685</b>	<b>511</b>	<b>34%</b>	<b>999</b>
Income taxes	(111)	(85)	(69)	(69)	(87)	28%	(196)	(145)	35%	(283)
<b>Net income attributed to shareholders</b>	<b>268</b>	<b>221</b>	<b>184</b>	<b>166</b>	<b>199</b>	<b>35%</b>	<b>489</b>	<b>366</b>	<b>34%</b>	<b>716</b>

**Premiums and Deposits - U.S. \$ in millions**

Premiums	831	840	770	831	614	35%	1,671	1,103	51%	2,704
Segregated fund deposits	4,800	5,388	4,539	4,688	3,802	26%	10,188	7,488	36%	16,715
Mutual fund deposits	1,818	1,869	1,140	1,163	982	85%	3,687	2,146	72%	4,449
Other fund deposits	205	316	309	214	287	-29%	521	612	-15%	1,135
<b>Total premiums and deposits</b>	<b>7,654</b>	<b>8,413</b>	<b>6,758</b>	<b>6,896</b>	<b>5,685</b>	<b>35%</b>	<b>16,067</b>	<b>11,349</b>	<b>42%</b>	<b>25,003</b>

**Funds Under Management - U.S. \$ in millions**

General fund	40,442	41,455	44,644	44,039	45,137	-10%	40,442	45,137	-10%	44,644
Segregated funds	84,381	83,526	77,191	73,570	68,420	23%	84,381	68,420	23%	77,191
Mutual funds	27,407	27,363	25,944	25,468	24,935	10%	27,407	24,935	10%	25,944
Other funds	3,021	3,048	2,949	2,818	2,666	13%	3,021	2,666	13%	2,949
<b>Total funds under management</b>	<b>155,251</b>	<b>155,392</b>	<b>150,728</b>	<b>145,895</b>	<b>141,158</b>	<b>10%</b>	<b>155,251</b>	<b>141,158</b>	<b>10%</b>	<b>150,728</b>

**Canadian \$ in millions - Summary Statements of Operations and Key Metrics**

Revenue	2,118	2,204	2,112	2,198	1,985	7%	4,322	3,764	15%	8,074
Total policy benefits and expenses	1,693	1,851	1,815	1,917	1,628	4%	3,544	3,131	13%	6,863
Net income attributed to shareholders	301	255	216	199	249	21%	556	453	23%	868
Total premiums and deposits	8,585	9,713	7,928	8,284	7,070	21%	18,298	14,020	31%	30,232
Total funds under management	173,107	181,358	175,733	169,399	173,003	0%	173,107	173,003	0%	175,733

**U.S. WEALTH MANAGEMENT - JOHN HANCOCK VARIABLE ANNUITIES**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Premium income	142	133	134	157	114	25%	275	204	35%	495
Net investment income	13	11	12	10	11	18%	24	19	26%	41
Other revenue	238	224	209	193	180	32%	462	346	34%	748
<b>Total revenue</b>	<b>393</b>	<b>368</b>	<b>355</b>	<b>360</b>	<b>305</b>	<b>29%</b>	<b>761</b>	<b>569</b>	<b>34%</b>	<b>1,284</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	105	83	78	104	73	44%	188	148	27%	330
General expenses	63	63	58	63	53	19%	126	103	22%	224
Commissions	129	127	131	110	100	29%	256	182	41%	423
<b>Total policy benefits and expenses</b>	<b>297</b>	<b>273</b>	<b>267</b>	<b>277</b>	<b>226</b>	<b>31%</b>	<b>570</b>	<b>433</b>	<b>32%</b>	<b>977</b>
<b>Income before income taxes</b>	<b>96</b>	<b>95</b>	<b>88</b>	<b>83</b>	<b>79</b>	<b>22%</b>	<b>191</b>	<b>136</b>	<b>40%</b>	<b>307</b>
Income taxes	(27)	(27)	(21)	(26)	(25)	8%	(54)	(35)	54%	(82)
<b>Net income attributed to shareholders<sup>1</sup></b>	<b>69</b>	<b>68</b>	<b>67</b>	<b>57</b>	<b>54</b>	<b>28%</b>	<b>137</b>	<b>101</b>	<b>36%</b>	<b>225</b>

<sup>1</sup> Increase year over year attributable to higher fee income driven by the increase in average assets.

**Sales/Premiums and Deposits - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Premiums	142	133	134	157	114	25%	275	204	35%	495
Segregated fund deposits	2,325	2,262	2,302	2,070	1,634	42%	4,587	3,035	51%	7,407
<b>Total premiums and deposits</b>	<b>2,467</b>	<b>2,395</b>	<b>2,436</b>	<b>2,227</b>	<b>1,748</b>	<b>41%</b>	<b>4,862</b>	<b>3,239</b>	<b>50%</b>	<b>7,902</b>

**Funds Under Management - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
General fund	227	237	614	669	697	-67%	227	697	-67%	614
Segregated funds	41,642	41,120	38,095	35,885	33,350	25%	41,642	33,350	25%	38,095
<b>Total funds under management</b>	<b>41,869</b>	<b>41,357</b>	<b>38,709</b>	<b>36,554</b>	<b>34,047</b>	<b>23%</b>	<b>41,869</b>	<b>34,047</b>	<b>23%</b>	<b>38,709</b>

**Changes in General and Segregated Funds Under Management - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Beginning balance</b>	<b>41,357</b>	<b>38,709</b>	<b>36,554</b>	<b>34,047</b>	<b>32,440</b>	<b>27%</b>	<b>38,709</b>	<b>32,452</b>	<b>19%</b>	<b>32,452</b>
Premiums and deposits	2,467	2,395	2,436	2,227	1,748	41%	4,862	3,239	50%	7,902
Net investment income <sup>2</sup>	(721)	1,753	803	1,355	768	-	1,032	220	369%	2,378
Withdrawals	(1,096)	(1,027)	(935)	(914)	(852)	29%	(2,123)	(1,700)	25%	(3,549)
Other <sup>3</sup>	(138)	(473)	(149)	(161)	(57)	142%	(611)	(164)	273%	(474)
<b>Ending balance</b>	<b>41,869</b>	<b>41,357</b>	<b>38,709</b>	<b>36,554</b>	<b>34,047</b>	<b>23%</b>	<b>41,869</b>	<b>34,047</b>	<b>23%</b>	<b>38,709</b>

<sup>2</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>3</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**Canadian \$ in millions - Key Metrics**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Net income attributed to shareholders	77	79	78	69	68	13%	156	125	25%	272
Total sales/premiums and deposits	2,765	2,766	2,859	2,673	2,175	27%	5,531	4,005	38%	9,537
Total funds under management	46,687	48,269	45,131	42,443	41,729	12%	46,687	41,729	12%	45,131

**U.S. WEALTH MANAGEMENT - JOHN HANCOCK RETIREMENT PLAN SERVICES**


(Unaudited)

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

<b>Revenue</b>										
Premium income	36	50	40	42	39	-8%	86	80	8%	162
Net investment income	13	11	11	7	4	225%	24	10	140%	28
Other revenue	122	117	103	105	96	27%	239	189	26%	397
<b>Total revenue</b>	<b>171</b>	<b>178</b>	<b>154</b>	<b>154</b>	<b>139</b>	<b>23%</b>	<b>349</b>	<b>279</b>	<b>25%</b>	<b>587</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	21	30	24	25	24	-13%	51	42	21%	91
General expenses	54	57	54	50	48	13%	111	99	12%	203
Commissions	45	47	41	41	36	25%	92	74	24%	156
Other	1	1	1	-	-	-	2	1	100%	2
<b>Total policy benefits and expenses</b>	<b>121</b>	<b>135</b>	<b>120</b>	<b>116</b>	<b>108</b>	<b>12%</b>	<b>256</b>	<b>216</b>	<b>19%</b>	<b>452</b>
<b>Income before income taxes</b>	<b>50</b>	<b>43</b>	<b>34</b>	<b>38</b>	<b>31</b>	<b>61%</b>	<b>93</b>	<b>63</b>	<b>48%</b>	<b>135</b>
Income taxes	(14)	(12)	(6)	(11)	(8)	75%	(26)	(17)	53%	(34)
<b>Net income attributed to shareholders<sup>1</sup></b>	<b>36</b>	<b>31</b>	<b>28</b>	<b>27</b>	<b>23</b>	<b>57%</b>	<b>67</b>	<b>46</b>	<b>46%</b>	<b>101</b>

<sup>1</sup> Year over year increase attributable to higher fee income driven by the increase in average assets.

**Sales - U.S. \$ in millions**

New annualized premium sales	191	298	321	214	155	23%	489	372	31%	907
Single premium sales	785	1,137	984	933	709	11%	1,922	1,582	21%	3,499

**Premiums and Deposits - U.S. \$ in millions**

Premiums	36	50	40	42	39	-8%	86	80	8%	162
Segregated fund deposits	2,432	3,123	2,194	2,413	2,081	17%	5,555	4,366	27%	8,973
<b>Total premiums and deposits</b>	<b>2,468</b>	<b>3,173</b>	<b>2,234</b>	<b>2,455</b>	<b>2,120</b>	<b>16%</b>	<b>5,641</b>	<b>4,446</b>	<b>27%</b>	<b>9,135</b>

**Funds Under Management - U.S. \$ in millions**

General fund	952	918	1,015	969	904	5%	952	904	5%	1,015
Segregated funds	38,419	38,037	34,721	33,254	30,706	25%	38,419	30,706	25%	34,721
<b>Total funds under management</b>	<b>39,371</b>	<b>38,955</b>	<b>35,736</b>	<b>34,223</b>	<b>31,610</b>	<b>25%</b>	<b>39,371</b>	<b>31,610</b>	<b>25%</b>	<b>35,736</b>

**Changes in General and Segregated Funds Under Management - U.S. \$ in millions**

<b>Beginning balance</b>	<b>38,955</b>	<b>35,736</b>	<b>34,223</b>	<b>31,610</b>	<b>29,964</b>	<b>30%</b>	<b>35,736</b>	<b>29,222</b>	<b>22%</b>	<b>29,222</b>
Premiums and deposits	2,468	3,173	2,234	2,455	2,120	16%	5,641	4,446	27%	9,135
Net investment income <sup>2</sup>	(729)	1,824	675	1,474	760	-	1,095	336	226%	2,485
Withdrawals	(1,303)	(1,668)	(1,425)	(1,343)	(1,139)	14%	(2,971)	(2,151)	38%	(4,919)
Other <sup>3</sup>	(20)	(110)	29	27	(95)	-79%	(130)	(243)	-47%	(187)
<b>Ending balance</b>	<b>39,371</b>	<b>38,955</b>	<b>35,736</b>	<b>34,223</b>	<b>31,610</b>	<b>25%</b>	<b>39,371</b>	<b>31,610</b>	<b>25%</b>	<b>35,736</b>

<sup>2</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>3</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**Canadian \$ in millions - Key Metrics**

Net income attributed to shareholders	40	36	34	32	29	38%	76	57	33%	123
Sales - New annualized premiums	215	344	377	257	193	11%	559	459	22%	1,093
Sales - Single premiums	881	1,312	1,154	1,120	883	0%	2,193	1,953	12%	4,227
Total premiums and deposits	2,770	3,663	2,619	2,951	2,636	5%	6,433	5,490	17%	11,060
Total funds under management	43,899	45,464	41,665	39,736	38,742	13%	43,899	38,742	13%	41,665

**U.S. WEALTH MANAGEMENT - JOHN HANCOCK MUTUAL FUNDS**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

<b>Revenue</b>										
Net investment income	2	2	1	-	1	100%	4	2	100%	3
Other revenue	97	97	96	92	91	7%	194	181	7%	369
<b>Total revenue</b>	<b>99</b>	<b>99</b>	<b>97</b>	<b>92</b>	<b>92</b>	<b>8%</b>	<b>198</b>	<b>183</b>	<b>8%</b>	<b>372</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	-	-	-	-	(1)	-	-	(1)	-	(1)
General expenses	52	50	47	41	44	18%	102	86	19%	174
Commissions	33	35	31	33	31	6%	68	63	8%	127
<b>Total policy benefits and expenses</b>	<b>85</b>	<b>85</b>	<b>78</b>	<b>74</b>	<b>74</b>	<b>15%</b>	<b>170</b>	<b>148</b>	<b>15%</b>	<b>300</b>
<b>Income before income taxes</b>	<b>14</b>	<b>14</b>	<b>19</b>	<b>18</b>	<b>18</b>	<b>-22%</b>	<b>28</b>	<b>35</b>	<b>-20%</b>	<b>72</b>
Income taxes	(5)	(5)	(8)	(6)	(7)	-29%	(10)	(13)	-23%	(27)
<b>Net income attributed to shareholders</b>	<b>9</b>	<b>9</b>	<b>11</b>	<b>12</b>	<b>11</b>	<b>-18%</b>	<b>18</b>	<b>22</b>	<b>-18%</b>	<b>45</b>

**Deposits - U.S. \$ in millions**

Mutual fund deposits	1,818	1,869	1,140	1,163	982	85%	3,687	2,146	72%	4,449
Other fund deposits <sup>1</sup>	153	216	167	179	187	-18%	369	426	-13%	772
<b>Total deposits</b>	<b>1,971</b>	<b>2,085</b>	<b>1,307</b>	<b>1,342</b>	<b>1,169</b>	<b>69%</b>	<b>4,056</b>	<b>2,572</b>	<b>58%</b>	<b>5,221</b>

<sup>1</sup> Other fund deposits include College Savings (529 plan) and Private Managed Accounts.

**Funds Under Management - U.S. \$ in millions**

General fund	70	175	117	73	139	-50%	70	139	-50%	117
Mutual funds	27,407	27,363	25,944	25,468	24,935	10%	27,407	24,935	10%	25,944
Other funds <sup>2</sup>	3,021	3,048	2,949	2,818	2,666	13%	3,021	2,666	13%	2,949
<b>Total funds under management</b>	<b>30,498</b>	<b>30,586</b>	<b>29,010</b>	<b>28,359</b>	<b>27,740</b>	<b>10%</b>	<b>30,498</b>	<b>27,740</b>	<b>10%</b>	<b>29,010</b>

<sup>2</sup> Other funds include College Savings (529 plan) and Private Managed Accounts.

**Changes in General, Mutual and Other Funds Under Management - U.S. \$ in millions**

<b>Beginning balance</b>	<b>30,586</b>	<b>29,010</b>	<b>28,359</b>	<b>27,740</b>	<b>27,025</b>	<b>13%</b>	<b>29,010</b>	<b>27,571</b>	<b>5%</b>	<b>27,571</b>
Deposits	1,971	2,085	1,307	1,342	1,169	69%	4,056	2,572	58%	5,221
Net investment income <sup>3</sup>	(602)	839	456	461	693	-	237	(58)	-	859
Withdrawals	(1,252)	(1,306)	(1,054)	(1,035)	(1,095)	14%	(2,558)	(2,195)	17%	(4,284)
Other <sup>4</sup>	(205)	(42)	(58)	(149)	(52)	294%	(247)	(150)	65%	(357)
<b>Ending balance</b>	<b>30,498</b>	<b>30,586</b>	<b>29,010</b>	<b>28,359</b>	<b>27,740</b>	<b>10%</b>	<b>30,498</b>	<b>27,740</b>	<b>10%</b>	<b>29,010</b>

<sup>3</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>4</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**Canadian \$ in millions - Key Metrics**

Net income attributed to shareholders	11	10	13	15	13	-15%	21	27	-22%	55
Sales <sup>5</sup>	2,210	2,407	1,532	1,613	1,454	52%	4,617	3,175	45%	6,320
<b>Total funds under management</b>	<b>34,005</b>	<b>35,696</b>	<b>33,823</b>	<b>32,928</b>	<b>33,997</b>	<b>0%</b>	<b>34,005</b>	<b>33,997</b>	<b>0%</b>	<b>33,823</b>

<sup>5</sup> Sales are measured by new premiums and deposits received.

**U.S. WEALTH MANAGEMENT - JOHN HANCOCK RETAIL FIXED**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Premium income	396	478	392	440	205	93%	874	344	154%	1,176
Net investment income	216	225	226	214	213	1%	441	425	4%	865
Other revenue	5	5	1	5	5	0%	10	13	-23%	19
<b>Total revenue</b>	<b>617</b>	<b>708</b>	<b>619</b>	<b>659</b>	<b>423</b>	<b>46%</b>	<b>1,325</b>	<b>782</b>	<b>69%</b>	<b>2,060</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	553	627	552	559	372	49%	1,180	664	78%	1,775
General expenses	16	15	11	22	17	-6%	31	36	-14%	69
Commissions	17	15	26	18	6	183%	32	12	167%	56
Other	2	2	3	2	2	0%	4	2	100%	7
<b>Total policy benefits and expenses</b>	<b>588</b>	<b>659</b>	<b>592</b>	<b>601</b>	<b>397</b>	<b>48%</b>	<b>1,247</b>	<b>714</b>	<b>75%</b>	<b>1,907</b>
<b>Income before income taxes</b>	<b>29</b>	<b>49</b>	<b>27</b>	<b>58</b>	<b>26</b>	<b>12%</b>	<b>78</b>	<b>68</b>	<b>15%</b>	<b>153</b>
Income taxes	(4)	(10)	(6)	(18)	(6)	-33%	(14)	(18)	-22%	(42)
<b>Net income attributed to shareholders <sup>1</sup></b>	<b>25</b>	<b>39</b>	<b>21</b>	<b>40</b>	<b>20</b>	<b>25%</b>	<b>64</b>	<b>50</b>	<b>28%</b>	<b>111</b>

<sup>1</sup> Year over year increase attributable to favourable investment related results.

**Sales - U.S. \$ in millions**

Sales	386	491	395	442	207	86%	877	348	152%	1,185
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**Premiums - U.S. \$ in millions**

Premiums	396	478	392	440	205	93%	874	344	154%	1,176
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**Funds Under Management - U.S. \$ in millions**

General fund	15,717	15,660	15,930	15,338	15,243	3%	15,717	15,243	3%	15,930
Segregated funds	69	75	72	75	78	-12%	69	78	-12%	72
<b>Total funds under management</b>	<b>15,786</b>	<b>15,735</b>	<b>16,002</b>	<b>15,413</b>	<b>15,321</b>	<b>3%</b>	<b>15,786</b>	<b>15,321</b>	<b>3%</b>	<b>16,002</b>

**Changes in General and Segregated Funds Under Management - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Beginning balance</b>	<b>15,735</b>	<b>16,002</b>	<b>15,413</b>	<b>15,321</b>	<b>15,427</b>	<b>2%</b>	<b>16,002</b>	<b>15,482</b>	<b>3%</b>	<b>15,482</b>
Premiums and deposits	396	478	392	440	205	93%	874	344	154%	1,176
Net investment income <sup>2</sup>	213	231	228	217	216	-1%	444	425	4%	870
Withdrawals	(461)	(404)	(367)	(351)	(350)	32%	(865)	(674)	28%	(1,392)
Other <sup>3</sup>	(97)	(572)	336	(214)	(177)	-45%	(669)	(256)	161%	(134)
<b>Ending balance</b>	<b>15,786</b>	<b>15,735</b>	<b>16,002</b>	<b>15,413</b>	<b>15,321</b>	<b>3%</b>	<b>15,786</b>	<b>15,321</b>	<b>3%</b>	<b>16,002</b>

<sup>2</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>3</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**Canadian \$ in millions - Key Metrics**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Net income attributed to shareholders	30	44	25	47	25	20%	74	62	19%	134
Sales	432	567	465	530	257	68%	999	430	132%	1,425
Total premiums	444	552	461	528	255	74%	996	425	134%	1,414
Total funds under management	17,600	18,364	18,656	17,896	18,777	-6%	17,600	18,777	-6%	18,656

**U.S. WEALTH MANAGEMENT - JOHN HANCOCK INSTITUTIONAL FIXED**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

<b>Revenue</b>										
Premium income	257	179	204	192	256	0%	436	475	-8%	871
Net investment income	345	370	368	369	377	-8%	715	750	-5%	1,487
Other revenue	6	7	4	4	5	20%	13	8	63%	16
<b>Total revenue</b>	<b>608</b>	<b>556</b>	<b>576</b>	<b>565</b>	<b>638</b>	<b>-5%</b>	<b>1,164</b>	<b>1,233</b>	<b>-6%</b>	<b>2,374</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	373	407	437	473	453	-18%	780	920	-15%	1,830
General expenses	12	13	17	20	18	-33%	25	37	-32%	74
Commissions	-	-	-	-	1	-100%	-	1	-100%	1
Other	33	31	37	34	34	-3%	64	66	-3%	137
<b>Total policy benefits and expenses</b>	<b>418</b>	<b>451</b>	<b>491</b>	<b>527</b>	<b>506</b>	<b>-17%</b>	<b>869</b>	<b>1,024</b>	<b>-15%</b>	<b>2,042</b>
<b>Income before income taxes</b>	<b>190</b>	<b>105</b>	<b>85</b>	<b>38</b>	<b>132</b>	<b>44%</b>	<b>295</b>	<b>209</b>	<b>41%</b>	<b>332</b>
Income taxes	(61)	(31)	(28)	(8)	(41)	49%	(92)	(62)	48%	(98)
<b>Net income attributed to shareholders <sup>1</sup></b>	<b>129</b>	<b>74</b>	<b>57</b>	<b>30</b>	<b>91</b>	<b>42%</b>	<b>203</b>	<b>147</b>	<b>38%</b>	<b>234</b>

<sup>1</sup> Year over year increase attributable to favourable investment related results.

**Premiums and Deposits - U.S. \$ in millions**

Premiums	257	179	204	192	256	0%	436	475	-8%	871
Segregated fund deposits	43	3	43	205	87	-51%	46	87	-47%	335
Other fund deposits - SignatureNotes <sup>2</sup>	52	100	142	35	100	-48%	152	186	-18%	363
<b>Total premiums and deposits</b>	<b>352</b>	<b>282</b>	<b>389</b>	<b>432</b>	<b>443</b>	<b>-21%</b>	<b>634</b>	<b>748</b>	<b>-15%</b>	<b>1,569</b>

<sup>2</sup>SignatureNotes is measured by sales

**Funds Under Management - U.S. \$ in millions**

General fund	23,476	24,465	26,968	26,990	28,154	-17%	23,476	28,154	-17%	26,968
Segregated funds	4,251	4,294	4,303	4,356	4,286	-1%	4,251	4,286	-1%	4,303
<b>Total funds under management</b>	<b>27,727</b>	<b>28,759</b>	<b>31,271</b>	<b>31,346</b>	<b>32,440</b>	<b>-15%</b>	<b>27,727</b>	<b>32,440</b>	<b>-15%</b>	<b>31,271</b>

**Sales - U.S. \$ in millions**
**Spread-based Products**

GICs	6	13	20	24	45	-87%	19	108	-82%	152
Payout annuities (closed)	-	-	-	31	18	-100%	-	21	-100%	52
SignatureNotes	52	100	142	35	100	-48%	152	186	-18%	363
<b>Total spread-based sales</b>	<b>58</b>	<b>113</b>	<b>162</b>	<b>90</b>	<b>163</b>	<b>-64%</b>	<b>171</b>	<b>315</b>	<b>-46%</b>	<b>567</b>

**Fee-based Products**

Pension participating	57	5	38	209	11	418%	62	27	130%	274
Structured separate accounts	-	-	43	-	82	-100%	-	82	-100%	125
<b>Total fee-based sales</b>	<b>57</b>	<b>5</b>	<b>81</b>	<b>209</b>	<b>93</b>	<b>-39%</b>	<b>62</b>	<b>109</b>	<b>-43%</b>	<b>399</b>

<b>Total sales</b>	<b>115</b>	<b>118</b>	<b>243</b>	<b>299</b>	<b>256</b>	<b>-55%</b>	<b>233</b>	<b>424</b>	<b>-45%</b>	<b>966</b>
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**U.S. WEALTH MANAGEMENT - JOHN HANCOCK INSTITUTIONAL FIXED (CONT'D)**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Changes in Funds Under Management - U.S. \$ in millions**
**General Fund**

<b>Beginning balance</b>	24,465	26,968	26,990	28,154	28,147	-13%	26,968	29,330	-8%	29,330
Premiums and deposits	257	179	204	192	256	0%	436	475	-8%	871
Net investment income <sup>1</sup>	345	370	368	369	377	-8%	715	750	-5%	1,487
Benefits and withdrawals	(1,302)	(1,549)	(1,229)	(1,314)	(1,025)	27%	(2,851)	(2,683)	6%	(5,226)
Other <sup>3</sup>	(289)	(1,503)	635	(411)	399	-	(1,792)	282	-	506
<b>Ending balance</b>	<b>23,476</b>	<b>24,465</b>	<b>26,968</b>	<b>26,990</b>	<b>28,154</b>	<b>-17%</b>	<b>23,476</b>	<b>28,154</b>	<b>-17%</b>	<b>26,968</b>

**Segregated Funds**

<b>Beginning balance</b>	4,294	4,303	4,356	4,286	3,870	11%	4,303	4,125	4%	4,125
Deposits	43	3	43	205	87	-51%	46	87	-47%	335
Net investment income <sup>1</sup>	(17)	59	104	26	130	-	42	118	-64%	248
Withdrawals	(67)	(69)	(197)	(159)	(89)	-25%	(136)	(330)	-59%	(686)
Funds assumed and acquired <sup>2</sup>	-	-	-	-	288	-100%	-	288	-100%	288
Other <sup>3</sup>	(2)	(2)	(3)	(2)	-	-	(4)	(2)	100%	(7)
<b>Ending balance</b>	<b>4,251</b>	<b>4,294</b>	<b>4,303</b>	<b>4,356</b>	<b>4,286</b>	<b>-1%</b>	<b>4,251</b>	<b>4,286</b>	<b>-1%</b>	<b>4,303</b>

<sup>1</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>2</sup> Reclassified from general fund other assets as part of purchase equation adjustments.

<sup>3</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**Canadian \$ in millions - Summary Statements of Operations and Key Metrics**

Net income attributed to shareholders	143	86	66	36	114	25%	229	182	26%	284
Sales	130	136	285	359	317	-59%	266	524	-49%	1,168
Total premiums and deposits	396	325	457	519	550	-28%	721	925	-22%	1,901
Total funds under management	30,916	33,565	36,458	36,396	39,758	-22%	30,916	39,758	-22%	36,458

**CANADIAN DIVISION**  
(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations**

<b>Revenue</b>										
Premium income	1,487	1,450	1,457	1,385	1,481	0%	2,937	2,919	1%	5,761
Net investment income	618	783	678	732	653	-5%	1,401	1,276	10%	2,686
Other revenue	172	163	165	169	160	8%	335	313	7%	647
<b>Total revenue</b>	<b>2,277</b>	<b>2,396</b>	<b>2,300</b>	<b>2,286</b>	<b>2,294</b>	<b>-1%</b>	<b>4,673</b>	<b>4,508</b>	<b>4%</b>	<b>9,094</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	1,476	1,569	1,536	1,489	1,578	-6%	3,045	3,101	-2%	6,126
General expenses	236	234	244	226	221	7%	470	440	7%	910
Commissions	179	191	185	183	176	2%	370	358	3%	726
Other	100	87	78	73	70	43%	187	136	38%	287
<b>Total policy benefits and expenses</b>	<b>1,991</b>	<b>2,081</b>	<b>2,043</b>	<b>1,971</b>	<b>2,045</b>	<b>-3%</b>	<b>4,072</b>	<b>4,035</b>	<b>1%</b>	<b>8,049</b>
<b>Income before income taxes</b>										
Income taxes	286	315	257	315	249	15%	601	473	27%	1,045
	(34)	(83)	(63)	(82)	(62)	-45%	(117)	(103)	14%	(248)
<b>Net income</b>	<b>252</b>	<b>232</b>	<b>194</b>	<b>233</b>	<b>187</b>	<b>35%</b>	<b>484</b>	<b>370</b>	<b>31%</b>	<b>797</b>
Loss attributed to participating policyholders	(15)	(6)	(5)	(2)	(4)	275%	(21)	(5)	320%	(12)
<b>Net income attributed to shareholders</b>	<b>267</b>	<b>238</b>	<b>199</b>	<b>235</b>	<b>191</b>	<b>40%</b>	<b>505</b>	<b>375</b>	<b>35%</b>	<b>809</b>

**Source of Earnings**

Expected profit from in-force business	165	167	159	167	157	5%	332	307	8%	633
Impact of new business	(14)	(4)	(5)	(19)	(12)	17%	(18)	(25)	-28%	(49)
Experience gains	74	79	36	82	43	72%	153	58	164%	176
Management actions and changes in assumptions	-	1	-	8	(4)	-	1	(2)	-	6
Earnings on surplus funds	81	82	72	73	73	11%	163	145	12%	290
Other	(5)	(4)	-	6	(4)	25%	(9)	(5)	80%	1
<b>Income before income taxes</b>	<b>301</b>	<b>321</b>	<b>262</b>	<b>317</b>	<b>253</b>	<b>19%</b>	<b>622</b>	<b>478</b>	<b>30%</b>	<b>1,057</b>
Income taxes	(34)	(83)	(63)	(82)	(62)	-45%	(117)	(103)	14%	(248)
<b>Net income attributed to shareholders</b>	<b>267</b>	<b>238</b>	<b>199</b>	<b>235</b>	<b>191</b>	<b>40%</b>	<b>505</b>	<b>375</b>	<b>35%</b>	<b>809</b>

**Premiums and Deposits**

Premiums	1,487	1,450	1,457	1,385	1,481	0%	2,937	2,919	1%	5,761
Segregated fund deposits	1,017	1,427	1,126	1,153	1,053	-3%	2,444	2,235	9%	4,514
Mutual fund deposits	194	281	194	297	243	-20%	475	616	-23%	1,107
ASO premium equivalents	570	575	562	512	549	4%	1,145	1,076	6%	2,150
<b>Total premiums and deposits</b>	<b>3,268</b>	<b>3,733</b>	<b>3,339</b>	<b>3,347</b>	<b>3,326</b>	<b>-2%</b>	<b>7,001</b>	<b>6,846</b>	<b>2%</b>	<b>13,532</b>

**Funds Under Management**

General fund	43,899	42,518	42,424	40,982	40,240	9%	43,899	40,240	9%	42,424
Segregated funds	24,256	25,157	23,443	22,660	21,166	15%	24,256	21,166	15%	23,443
Mutual funds	3,234	3,411	3,152	3,055	2,773	17%	3,234	2,773	17%	3,152
<b>Total funds under management</b>	<b>71,389</b>	<b>71,086</b>	<b>69,019</b>	<b>66,697</b>	<b>64,179</b>	<b>11%</b>	<b>71,389</b>	<b>64,179</b>	<b>11%</b>	<b>69,019</b>

**CANADA - INDIVIDUAL INSURANCE**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Premium income	545	504	527	491	525	4%	1,049	1,010	4%	2,028
Net investment income <sup>1</sup>	189	368	274	337	267	-29%	557	507	10%	1,118
Other revenue	4	6	6	5	5	-20%	10	11	-9%	22
<b>Total revenue</b>	<b>738</b>	<b>878</b>	<b>807</b>	<b>833</b>	<b>797</b>	<b>-7%</b>	<b>1,616</b>	<b>1,528</b>	<b>6%</b>	<b>3,168</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits <sup>1</sup>	465	610	539	572	557	-17%	1,075	1,056	2%	2,167
General expenses	76	71	79	73	70	9%	147	141	4%	293
Commissions	80	82	90	81	84	-5%	162	170	-5%	341
Other	17	16	19	17	18	-6%	33	34	-3%	70
<b>Total policy benefits and expenses</b>	<b>638</b>	<b>779</b>	<b>727</b>	<b>743</b>	<b>729</b>	<b>-12%</b>	<b>1,417</b>	<b>1,401</b>	<b>1%</b>	<b>2,871</b>
<b>Income before income taxes</b>										
Income taxes	100	99	80	90	68	47%	199	127	57%	297
<b>Net income</b>	<b>100</b>	<b>74</b>	<b>63</b>	<b>70</b>	<b>54</b>	<b>85%</b>	<b>174</b>	<b>108</b>	<b>61%</b>	<b>241</b>
Loss attributed to participating policyholders	(15)	(6)	(5)	(2)	(4)	275%	(21)	(5)	320%	(12)
<b>Net income attributed to shareholders <sup>2</sup></b>	<b>115</b>	<b>80</b>	<b>68</b>	<b>72</b>	<b>58</b>	<b>98%</b>	<b>195</b>	<b>113</b>	<b>73%</b>	<b>253</b>

<sup>1</sup> Net investment income includes mark to market on assets backing equity linked products. Policyholder benefits are also adjusted for the asset movement.

<sup>2</sup> Year over year increase attributable to the reduction in Canadian federal tax rates, improved lapse experience and the favourable impact of asset mix changes.

**Sales**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>New annualized premium sales</b>										
Individual life	42	42	48	40	43	-2%	84	89	-6%	177
Affinity markets	15	14	14	14	14	7%	29	27	7%	55
<b>Total new annualized premium sales</b>	<b>57</b>	<b>56</b>	<b>62</b>	<b>54</b>	<b>57</b>	<b>0%</b>	<b>113</b>	<b>116</b>	<b>-3%</b>	<b>232</b>
<b>Single premium sales</b>										
Affinity markets	24	28	30	31	21	14%	52	45	16%	106

**Premiums and Deposits**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Premiums	545	504	527	491	525	4%	1,049	1,010	4%	2,028
Segregated fund deposits	2	2	1	4	2	0%	4	4	0%	9
ASO premium equivalents	8	9	8	8	8	0%	17	15	13%	31
<b>Total premiums and deposits</b>	<b>555</b>	<b>515</b>	<b>536</b>	<b>503</b>	<b>535</b>	<b>4%</b>	<b>1,070</b>	<b>1,029</b>	<b>4%</b>	<b>2,068</b>

**Funds Under Management**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
General fund	17,314	17,017	16,553	16,134	15,692	10%	17,314	15,692	10%	16,553
Segregated funds	263	279	268	276	260	1%	263	260	1%	268
<b>Total funds under management</b>	<b>17,577</b>	<b>17,296</b>	<b>16,821</b>	<b>16,410</b>	<b>15,952</b>	<b>10%</b>	<b>17,577</b>	<b>15,952</b>	<b>10%</b>	<b>16,821</b>

**Changes in General and Segregated Funds Under Management**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Beginning balance</b>										
Premiums and deposits	547	506	528	495	527	4%	1,053	1,014	4%	2,037
Net investment income <sup>3</sup>	180	385	266	364	281	-36%	565	518	9%	1,148
Benefits and withdrawals	(260)	(241)	(221)	(237)	(236)	10%	(501)	(528)	-5%	(986)
Other <sup>4</sup>	(186)	(175)	(162)	(164)	(123)	51%	(361)	(139)	160%	(465)
<b>Ending balance</b>	<b>17,577</b>	<b>17,296</b>	<b>16,821</b>	<b>16,410</b>	<b>15,952</b>	<b>10%</b>	<b>17,577</b>	<b>15,952</b>	<b>10%</b>	<b>16,821</b>

<sup>3</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>4</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**CANADA - INDIVIDUAL WEALTH MANAGEMENT**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Premium income	85	83	91	58	93	-9%	168	217	-23%	366
Net investment income	286	272	264	256	250	14%	558	496	13%	1,016
Other revenue	122	114	112	119	108	13%	236	212	11%	443
<b>Total revenue</b>	<b>493</b>	<b>469</b>	<b>467</b>	<b>433</b>	<b>451</b>	<b>9%</b>	<b>962</b>	<b>925</b>	<b>4%</b>	<b>1,825</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	223	175	223	152	225	-1%	398	479	-17%	854
General expenses	56	58	59	52	51	10%	114	101	13%	212
Commissions	67	75	64	69	61	10%	142	127	12%	260
Other	62	52	42	36	31	100%	114	61	87%	139
<b>Total policy benefits and expenses</b>	<b>408</b>	<b>360</b>	<b>388</b>	<b>309</b>	<b>368</b>	<b>11%</b>	<b>768</b>	<b>768</b>	<b>0%</b>	<b>1,465</b>
<b>Income before income taxes</b>										
Income taxes	85	109	79	124	83	2%	194	157	24%	360
	(9)	(28)	(20)	(35)	(21)	-57%	(37)	(35)	6%	(90)
<b>Net income attributed to shareholders <sup>1</sup></b>	<b>76</b>	<b>81</b>	<b>59</b>	<b>89</b>	<b>62</b>	<b>23%</b>	<b>157</b>	<b>122</b>	<b>29%</b>	<b>270</b>

<sup>1</sup> Year over year increase attributable to business growth partially offset by the impact from the equity markets on segregated fund guarantees.

**Sales**

Sales <sup>2</sup>	1,567	1,922	1,528	1,878	1,598	-2%	3,489	3,505	0%	6,911
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<sup>2</sup> Sales for Individual Wealth Management are measured by premiums, segregated fund deposits, mutual fund deposits and authorized bank loans and mortgages.

**Premiums and Deposits**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Premiums	85	83	91	58	93	-9%	168	217	-23%	366
Segregated fund deposits	601	885	674	844	687	-13%	1,486	1,526	-3%	3,044
Mutual fund deposits	194	281	194	297	243	-20%	475	616	-23%	1,107
<b>Total premiums and deposits</b>	<b>880</b>	<b>1,249</b>	<b>959</b>	<b>1,199</b>	<b>1,023</b>	<b>-14%</b>	<b>2,129</b>	<b>2,359</b>	<b>-10%</b>	<b>4,517</b>

**Funds Under Management**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
General fund	17,615	16,624	16,814	16,039	15,789	12%	17,615	15,789	12%	16,814
Segregated funds	16,229	17,042	16,017	15,698	14,656	11%	16,229	14,656	11%	16,017
Mutual funds	3,234	3,411	3,152	3,055	2,773	17%	3,234	2,773	17%	3,152
<b>Total funds under management</b>	<b>37,078</b>	<b>37,077</b>	<b>35,983</b>	<b>34,792</b>	<b>33,218</b>	<b>12%</b>	<b>37,078</b>	<b>33,218</b>	<b>12%</b>	<b>35,983</b>

**CANADA - INDIVIDUAL WEALTH MANAGEMENT (CONT'D)**

(Canadian \$ in millions, unaudited)



	<b>2006</b>	<b>2006</b>	<b>2005</b>	<b>2005</b>	<b>2005</b>	<b>2006 Q2</b>	<b>YTD</b>	<b>YTD</b>	<b>YTD 2006</b>	<b>Fiscal</b>
	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>vs.</b>	<b>2006</b>	<b>2005</b>	<b>vs.</b>	<b>2005</b>
						<b>2005 Q2</b>			<b>YTD 2005</b>	

**Changes in Funds Under Management**
**General Fund**

<b>Beginning balance</b>	16,624	16,814	16,039	15,789	15,399	8%	16,814	15,258	10%	15,258
Premiums	85	83	91	58	93	-9%	168	217	-23%	366
Net investment income <sup>1</sup>	286	272	264	256	250	14%	558	496	13%	1,016
Benefits and withdrawals	(289)	(345)	(344)	(285)	(356)	-19%	(634)	(767)	-17%	(1,396)
Bank deposits	996	418	624	342	574	74%	1,414	768	84%	1,734
Other <sup>2</sup>	(87)	(618)	140	(121)	(171)	-49%	(705)	(183)	285%	(164)
<b>Ending balance</b>	<b>17,615</b>	<b>16,624</b>	<b>16,814</b>	<b>16,039</b>	<b>15,789</b>	<b>12%</b>	<b>17,615</b>	<b>15,789</b>	<b>12%</b>	<b>16,814</b>

**Segregated Funds**

<b>Beginning balance</b>	17,042	16,017	15,698	14,656	14,126	21%	16,017	13,610	18%	13,610
Deposits	601	885	674	844	687	-13%	1,486	1,526	-3%	3,044
Net investment income <sup>1</sup>	(724)	991	264	855	409	-	267	731	-63%	1,850
Withdrawals	(568)	(730)	(506)	(551)	(445)	28%	(1,298)	(1,000)	30%	(2,057)
Other <sup>2</sup>	(122)	(121)	(113)	(106)	(121)	1%	(243)	(211)	15%	(430)
<b>Ending balance</b>	<b>16,229</b>	<b>17,042</b>	<b>16,017</b>	<b>15,698</b>	<b>14,656</b>	<b>11%</b>	<b>16,229</b>	<b>14,656</b>	<b>11%</b>	<b>16,017</b>

**Mutual Funds**

<b>Beginning balance</b>	3,411	3,152	3,055	2,773	2,634	29%	3,152	2,348	34%	2,348
Deposits	194	281	194	297	243	-20%	475	616	-23%	1,107
Net investment income <sup>1</sup>	(191)	216	78	146	52	-	25	142	-82%	366
Withdrawals	(165)	(223)	(160)	(147)	(143)	15%	(388)	(309)	26%	(616)
Other <sup>2</sup>	(15)	(15)	(15)	(14)	(13)	15%	(30)	(24)	25%	(53)
<b>Ending balance</b>	<b>3,234</b>	<b>3,411</b>	<b>3,152</b>	<b>3,055</b>	<b>2,773</b>	<b>17%</b>	<b>3,234</b>	<b>2,773</b>	<b>17%</b>	<b>3,152</b>

<sup>1</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>2</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**CANADA - GROUP BUSINESSES**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Premium income	857	863	839	836	863	-1%	1,720	1,692	2%	3,367
Net investment income	143	143	140	139	136	5%	286	273	5%	552
Other revenue	46	43	47	45	47	-2%	89	90	-1%	182
<b>Total revenue</b>	<b>1,046</b>	<b>1,049</b>	<b>1,026</b>	<b>1,020</b>	<b>1,046</b>	<b>0%</b>	<b>2,095</b>	<b>2,055</b>	<b>2%</b>	<b>4,101</b>
<b>Policy benefits and expenses</b>										
Policyholders benefits	788	784	774	765	796	-1%	1,572	1,566	0%	3,105
General expenses	104	105	106	101	100	4%	209	198	6%	405
Commissions	32	34	31	33	31	3%	66	61	8%	125
Other	21	19	17	20	21	0%	40	41	-2%	78
<b>Total policy benefits and expenses</b>	<b>945</b>	<b>942</b>	<b>928</b>	<b>919</b>	<b>948</b>	<b>0%</b>	<b>1,887</b>	<b>1,866</b>	<b>1%</b>	<b>3,713</b>
<b>Income before income taxes</b>										
Income taxes	101	107	98	101	98	3%	208	189	10%	388
	(25)	(30)	(26)	(27)	(27)	-7%	(55)	(49)	12%	(102)
<b>Net income attributed to shareholders</b>	<b>76</b>	<b>77</b>	<b>72</b>	<b>74</b>	<b>71</b>	<b>7%</b>	<b>153</b>	<b>140</b>	<b>9%</b>	<b>286</b>

**Sales**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Group Benefits <sup>1</sup>	59	95	76	82	107	-45%	154	189	-19%	347
Group Savings and Retirement Solutions - new annualized premium sales	29	44	47	16	31	-6%	73	69	6%	132
Group Savings and Retirement Solutions - single premium sales	148	298	255	86	200	-26%	446	340	31%	681
<b>Total sales</b>	<b>236</b>	<b>437</b>	<b>378</b>	<b>184</b>	<b>338</b>	<b>-30%</b>	<b>673</b>	<b>598</b>	<b>13%</b>	<b>1,160</b>

<sup>1</sup> Sales for the Group Benefits business are measured by new annualized and single premium sales, including ASO premium equivalents.

**Premiums and Deposits**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Premiums	857	863	839	836	863	-1%	1,720	1,692	2%	3,367
Segregated fund deposits	414	540	451	305	364	14%	954	705	35%	1,461
ASO premium equivalents	562	566	554	504	541	4%	1,128	1,061	6%	2,119
<b>Total premiums and deposits</b>	<b>1,833</b>	<b>1,969</b>	<b>1,844</b>	<b>1,645</b>	<b>1,768</b>	<b>4%</b>	<b>3,802</b>	<b>3,458</b>	<b>10%</b>	<b>6,947</b>

**Funds Under Management**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
General funds	8,970	8,877	9,057	8,809	8,759	2%	8,970	8,759	2%	9,057
Segregated funds	7,764	7,836	7,158	6,686	6,250	24%	7,764	6,250	24%	7,158
<b>Total funds under management</b>	<b>16,734</b>	<b>16,713</b>	<b>16,215</b>	<b>15,495</b>	<b>15,009</b>	<b>11%</b>	<b>16,734</b>	<b>15,009</b>	<b>11%</b>	<b>16,215</b>

**Changes in General and Segregated Funds Under Management**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Beginning balance</b>	<b>16,713</b>	<b>16,215</b>	<b>15,495</b>	<b>15,009</b>	<b>14,478</b>	<b>15%</b>	<b>16,215</b>	<b>14,254</b>	<b>14%</b>	<b>14,254</b>
Premiums and deposits	1,271	1,403	1,290	1,141	1,227	4%	2,674	2,397	12%	4,828
Net investment income <sup>2</sup>	(135)	514	310	408	335	-	379	596	-36%	1,314
Benefits and withdrawals	(908)	(985)	(859)	(801)	(863)	5%	(1,893)	(1,698)	11%	(3,358)
Other <sup>3</sup>	(207)	(434)	(21)	(262)	(168)	23%	(641)	(540)	19%	(823)
<b>Ending balance</b>	<b>16,734</b>	<b>16,713</b>	<b>16,215</b>	<b>15,495</b>	<b>15,009</b>	<b>11%</b>	<b>16,734</b>	<b>15,009</b>	<b>11%</b>	<b>16,215</b>

<sup>2</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>3</sup> Other includes management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**ASIA AND JAPAN DIVISION**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

<b>Revenue</b>										
Premium income	639	597	644	639	592	8%	1,236	1,165	6%	2,448
Net investment income	182	171	154	149	139	31%	353	266	33%	569
Other revenue	109	94	88	72	67	63%	203	120	69%	280
<b>Total revenue</b>	<b>930</b>	<b>862</b>	<b>886</b>	<b>860</b>	<b>798</b>	<b>17%</b>	<b>1,792</b>	<b>1,551</b>	<b>16%</b>	<b>3,297</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	421	400	347	447	412	2%	821	773	6%	1,567
General expenses	123	113	133	114	116	6%	236	227	4%	474
Commissions	130	147	143	127	118	10%	277	247	12%	517
Other	20	19	18	18	15	33%	39	31	26%	67
<b>Total policy benefits and expenses</b>	<b>694</b>	<b>679</b>	<b>641</b>	<b>706</b>	<b>661</b>	<b>5%</b>	<b>1,373</b>	<b>1,278</b>	<b>7%</b>	<b>2,625</b>
<b>Income before income taxes</b>	<b>236</b>	<b>183</b>	<b>245</b>	<b>154</b>	<b>137</b>	<b>72%</b>	<b>419</b>	<b>273</b>	<b>53%</b>	<b>672</b>
Income taxes	(55)	(42)	(53)	26	(23)	139%	(97)	(30)	223%	(57)
<b>Net income</b>	<b>181</b>	<b>141</b>	<b>192</b>	<b>180</b>	<b>114</b>	<b>59%</b>	<b>322</b>	<b>243</b>	<b>33%</b>	<b>615</b>
Less: net income (loss) attributed to participating policyholders	3	-	(3)	3	7	-57%	3	7	-57%	7
<b>Net income attributed to shareholders</b>	<b>178</b>	<b>141</b>	<b>195</b>	<b>177</b>	<b>107</b>	<b>66%</b>	<b>319</b>	<b>236</b>	<b>35%</b>	<b>608</b>

**Source of Earnings - U.S. \$ in millions**

Expected profit from in-force business	120	109	118	107	104	14%	229	201	13%	426
Impact of new business	(3)	2	13	5	-	-	(1)	-	-	18
Experience gains	86	47	87	20	6	nm	133	24	454%	131
Management actions and changes in assumptions	(1)	1	9	-	1	-	-	-	-	9
Earnings on surplus funds	28	27	24	22	21	33%	55	43	28%	89
Other	3	(3)	(3)	(3)	(2)	-	-	(2)	-	(8)
<b>Income before income taxes</b>	<b>233</b>	<b>183</b>	<b>248</b>	<b>151</b>	<b>130</b>	<b>78%</b>	<b>416</b>	<b>266</b>	<b>56%</b>	<b>665</b>
Income taxes	(55)	(42)	(53)	26	(23)	135%	(97)	(30)	220%	(57)
<b>Net income attributed to shareholders</b>	<b>178</b>	<b>141</b>	<b>195</b>	<b>177</b>	<b>107</b>	<b>66%</b>	<b>319</b>	<b>236</b>	<b>35%</b>	<b>608</b>

**Premiums and Deposits - U.S. \$ in millions**

Premiums	639	597	644	639	592	8%	1,236	1,165	6%	2,448
Segregated fund deposits	1,177	1,480	1,300	939	939	25%	2,657	2,084	27%	4,323
Mutual fund deposits	156	158	62	134	158	-1%	314	555	-43%	751
<b>Total premiums and deposits</b>	<b>1,972</b>	<b>2,235</b>	<b>2,006</b>	<b>1,712</b>	<b>1,689</b>	<b>17%</b>	<b>4,207</b>	<b>3,804</b>	<b>11%</b>	<b>7,522</b>

**Funds Under Management - U.S. \$ in millions**

General fund	13,832	13,535	13,819	13,672	12,897	7%	13,832	12,897	7%	13,819
Segregated funds <sup>1</sup>	12,878	12,125	10,533	9,261	8,157	58%	12,878	8,157	58%	10,533
Mutual funds	1,122	1,190	999	1,037	1,472	-24%	1,122	1,472	-24%	999
Other funds	1,769	1,960	1,835	1,898	1,734	2%	1,769	1,734	2%	1,835
<b>Total funds under management <sup>1</sup></b>	<b>29,601</b>	<b>28,810</b>	<b>27,186</b>	<b>25,868</b>	<b>24,260</b>	<b>22%</b>	<b>29,601</b>	<b>24,260</b>	<b>22%</b>	<b>27,186</b>

<sup>1</sup> Segregated funds under management as at June 30, March 31, 2006 and December 31, September 30 and June 30, 2005 included nil, \$51, \$49, \$64 and \$99 of segregated fund seed capital, respectively.

**Canadian \$ in millions - Summary Statements of Operations and Key Metrics**

Revenue	1,042	996	1,039	1,034	992	5%	2,038	1,915	6%	3,988
Total policy benefits and expenses	777	786	751	849	822	-5%	1,563	1,578	-1%	3,178
Net income attributed to shareholders	199	162	228	213	132	51%	361	291	24%	732
Total premiums and deposits	2,211	2,582	2,354	2,058	2,099	5%	4,793	4,693	2%	9,105
Total funds under management	33,001	33,622	31,696	30,036	29,732	11%	33,001	29,732	11%	31,696

**ASIA AND JAPAN - HONG KONG**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

<b>Revenue</b>										
Premium income	256	241	255	250	230	11%	497	454	9%	959
Net investment income	78	71	67	68	66	18%	149	123	21%	258
Other revenue	37	28	29	23	27	37%	65	44	48%	96
<b>Total revenue</b>	<b>371</b>	<b>340</b>	<b>351</b>	<b>341</b>	<b>323</b>	<b>15%</b>	<b>711</b>	<b>621</b>	<b>14%</b>	<b>1,313</b>
<b>Policy benefits and expenses</b>										
Policyholders benefits	214	194	181	206	191	12%	408	366	11%	753
General expenses	31	29	36	28	29	7%	60	55	9%	119
Commissions	40	43	40	37	35	14%	83	72	15%	149
Other	9	9	9	7	9	0%	18	16	13%	32
<b>Total policy benefits and expenses</b>	<b>294</b>	<b>275</b>	<b>266</b>	<b>278</b>	<b>264</b>	<b>11%</b>	<b>569</b>	<b>509</b>	<b>12%</b>	<b>1,053</b>
<b>Income before income taxes</b>										
	77	65	85	63	59	31%	142	112	27%	260
Income taxes	(5)	(5)	(3)	(4)	(4)	25%	(10)	(6)	67%	(13)
<b>Net income attributed to shareholders <sup>1</sup></b>	<b>72</b>	<b>60</b>	<b>82</b>	<b>59</b>	<b>55</b>	<b>31%</b>	<b>132</b>	<b>106</b>	<b>25%</b>	<b>247</b>

<sup>1</sup> Year over year increase was a result of strong in-force business and higher performance management fees earned with respect to funds offered on Hong Kong's wealth management platform.

**Sales - U.S. \$ in millions**

<b>Insurance</b>										
New annualized premiums	28	27	42	35	30	-7%	55	57	-4%	134
Single premium sales	2	3	1	3	3	-33%	5	6	-17%	10
<b>Wealth Management</b>										
Group pensions - new annualized premium sales	18	12	14	16	12	50%	30	22	36%	52
Group pensions - single premium sales	74	47	54	52	35	111%	121	72	68%	178
Individual Wealth Management <sup>2</sup>	226	277	117	111	69	228%	503	203	148%	431

<sup>2</sup> Sales for Individual Wealth Management are measured by premiums and deposits.

**Premiums and Deposits - U.S. \$ in millions**

Premiums	256	241	255	250	230	11%	497	454	9%	959
Segregated fund deposits	353	377	261	259	222	59%	730	479	52%	999
Mutual fund deposits	100	116	55	48	34	194%	216	90	140%	193
<b>Total premiums and deposits</b>	<b>709</b>	<b>734</b>	<b>571</b>	<b>557</b>	<b>486</b>	<b>46%</b>	<b>1,443</b>	<b>1,023</b>	<b>41%</b>	<b>2,151</b>

**Funds Under Management - U.S. \$ in millions**

General fund	5,073	4,882	4,885	4,771	4,556	11%	5,073	4,556	11%	4,885
Segregated funds	4,809	4,610	4,078	3,783	3,378	42%	4,809	3,378	42%	4,078
Mutual funds	897	942	765	759	692	30%	897	692	30%	765
Other funds	1,769	1,960	1,835	1,898	1,734	2%	1,769	1,734	2%	1,835
<b>Total funds under management</b>	<b>12,548</b>	<b>12,394</b>	<b>11,563</b>	<b>11,211</b>	<b>10,360</b>	<b>21%</b>	<b>12,548</b>	<b>10,360</b>	<b>21%</b>	<b>11,563</b>

**Number of Agents**

Number of Agents	3,287	3,215	3,270	3,109	3,019	9%	3,287	3,019	9%	3,270
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**ASIA AND JAPAN - HONG KONG (CONT'D)**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Changes in General, Segregated, Mutual and Other Funds Under Management - U.S. \$ in millions**

<b>Beginning balance</b>	12,394	11,563	11,211	10,360	9,882	25%	11,563	9,796	18%	9,796
Premiums and deposits	709	734	571	557	486	46%	1,443	1,023	41%	2,151
Net investment income <sup>1</sup>	22	575	123	527	199	-89%	597	142	320%	792
Benefits and withdrawals	(528)	(240)	(211)	(214)	(184)	187%	(768)	(397)	93%	(822)
Other <sup>2</sup>	(49)	(238)	(131)	(19)	(23)	113%	(287)	(204)	41%	(354)
<b>Ending balance</b>	12,548	12,394	11,563	11,211	10,360	21%	12,548	10,360	21%	11,563

<sup>1</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>2</sup> Other includes currency revaluation, management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**Canadian \$ in millions - Key Metrics**

Net income attributed to shareholders	80	69	96	71	69	16%	149	131	14%	298
Sales - Insurance	32	35	51	44	43	-26%	67	78	-14%	173
Sales - Wealth Management	355	389	216	215	145	145%	744	367	103%	798
Total premiums and deposits	798	846	670	670	603	32%	1,644	1,263	30%	2,603
Total funds under management	13,993	14,465	13,480	13,016	12,697	10%	13,993	12,697	10%	13,480

**ASIA AND JAPAN - OTHER ASIA TERRITORIES**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Premium income	190	168	196	187	151	26%	358	284	26%	667
Net investment income	61	53	48	38	37	65%	114	65	75%	151
Other revenue	18	17	16	24	17	6%	35	34	3%	74
<b>Total revenue</b>	<b>269</b>	<b>238</b>	<b>260</b>	<b>249</b>	<b>205</b>	<b>31%</b>	<b>507</b>	<b>383</b>	<b>32%</b>	<b>892</b>
<b>Policy benefits and expenses</b>										
Policyholder benefits	165	143	157	152	124	33%	308	227	36%	536
General expenses	39	35	36	32	29	34%	74	58	28%	126
Commissions	31	29	30	34	23	35%	60	45	33%	109
Other	8	6	6	7	4	100%	14	9	56%	22
<b>Total policy benefits and expenses</b>	<b>243</b>	<b>213</b>	<b>229</b>	<b>225</b>	<b>180</b>	<b>35%</b>	<b>456</b>	<b>339</b>	<b>35%</b>	<b>793</b>
<b>Income before income taxes</b>										
	26	25	31	24	25	4%	51	44	16%	99
Income taxes	(9)	(9)	(10)	(5)	(5)	80%	(18)	(8)	125%	(23)
<b>Net income</b>	<b>17</b>	<b>16</b>	<b>21</b>	<b>19</b>	<b>20</b>	<b>-15%</b>	<b>33</b>	<b>36</b>	<b>-8%</b>	<b>76</b>
Less: net income (loss) attributed to participating policyholders	3	-	(3)	3	7	-57%	3	7	-57%	7
<b>Net income attributed to shareholders</b>	<b>14</b>	<b>16</b>	<b>24</b>	<b>16</b>	<b>13</b>	<b>8%</b>	<b>30</b>	<b>29</b>	<b>3%</b>	<b>69</b>

**Sales - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Insurance</b>										
New annualized premiums	31	30	33	32	29	7%	61	54	13%	119
Single premiums	36	33	36	35	25	44%	69	44	57%	115
Wealth Management <sup>1</sup>	114	84	57	128	149	-23%	198	519	-62%	704

<sup>1</sup> New business sales for Wealth Management businesses are measured by mutual fund deposits and pension sales.

**Premiums and Deposits - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Premiums	190	168	196	187	151	26%	358	284	26%	667
Segregated fund deposits	86	63	67	65	38	126%	149	81	84%	213
Mutual fund deposits	56	42	7	86	124	-55%	98	465	-79%	558
<b>Total premiums and deposits</b>	<b>332</b>	<b>273</b>	<b>270</b>	<b>338</b>	<b>313</b>	<b>6%</b>	<b>605</b>	<b>830</b>	<b>-27%</b>	<b>1,438</b>

**Funds Under Management - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
General fund	3,507	3,412	3,175	2,894	2,288	53%	3,507	2,288	53%	3,175
Segregated funds	875	852	804	745	695	26%	875	695	26%	804
Mutual funds	225	248	234	278	780	-71%	225	780	-71%	234
<b>Total funds under management</b>	<b>4,607</b>	<b>4,512</b>	<b>4,213</b>	<b>3,917</b>	<b>3,763</b>	<b>22%</b>	<b>4,607</b>	<b>3,763</b>	<b>22%</b>	<b>4,213</b>

**ASIA AND JAPAN - OTHER ASIA TERRITORIES**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Changes in General, Segregated and Mutual Funds Under Management - U.S. \$ in millions**

<b>Beginning balance</b>	4,512	4,213	3,917	3,763	3,900	16%	4,213	3,798	11%	3,798
Premiums and deposits	332	273	270	338	313	6%	605	830	-27%	1,438
Net investment income <sup>1</sup>	40	123	67	41	75	-47%	163	126	29%	234
Benefits and withdrawals	(198)	(235)	(178)	(628)	(399)	-50%	(433)	(767)	-44%	(1,573)
Funds assumed and acquired <sup>2</sup>	-	-	-	500	-	-	-	-	-	500
Other <sup>3</sup>	(79)	138	137	(97)	(126)	-37%	59	(224)	-	(184)
<b>Ending balance</b>	<b>4,607</b>	<b>4,512</b>	<b>4,213</b>	<b>3,917</b>	<b>3,763</b>	<b>22%</b>	<b>4,607</b>	<b>3,763</b>	<b>22%</b>	<b>4,213</b>

<sup>1</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>2</sup> Funds assumed and acquired in Q3 05 is the consolidation of the Malaysian subsidiary previously accounted for on the equity basis.

<sup>3</sup> Other includes currency revaluation, management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

**Number of Agents**

Number of Agents	16,819	16,290	17,325	16,995	16,505	2%	16,819	16,505	2%	17,325
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**Canadian \$ in millions - Key Metrics**

Net income attributed to shareholders	15	18	28	19	16	-6%	33	36	-8%	83
Sales - Insurance	78	73	81	78	67	16%	151	124	22%	283
Sales - Wealth Management	129	97	66	156	184	-30%	226	637	-65%	859
Total premiums and deposits	371	317	315	407	389	-5%	688	1,022	-33%	1,744
Total funds under management	5,133	5,265	4,913	4,549	4,612	11%	5,133	4,612	11%	4,913

**ASIA AND JAPAN - JAPAN**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Premium income	193	188	193	202	211	-9%	381	427	-11%	822
Net investment income	43	47	39	43	36	19%	90	78	15%	160
Other revenue	54	49	43	25	23	135%	103	42	145%	110
<b>Total revenue</b>	<b>290</b>	<b>284</b>	<b>275</b>	<b>270</b>	<b>270</b>	<b>7%</b>	<b>574</b>	<b>547</b>	<b>5%</b>	<b>1,092</b>
<b>Policy benefits and expenses</b>										
Policyholders benefits	42	63	9	89	97	-57%	105	180	-42%	278
General expenses	53	49	61	54	58	-9%	102	114	-11%	229
Commissions	59	75	73	56	60	-2%	134	130	3%	259
Other	3	4	3	4	2	50%	7	6	17%	13
<b>Total policy benefits and expenses</b>	<b>157</b>	<b>191</b>	<b>146</b>	<b>203</b>	<b>217</b>	<b>-28%</b>	<b>348</b>	<b>430</b>	<b>-19%</b>	<b>779</b>
<b>Income before income taxes</b>	<b>133</b>	<b>93</b>	<b>129</b>	<b>67</b>	<b>53</b>	<b>151%</b>	<b>226</b>	<b>117</b>	<b>93%</b>	<b>313</b>
Income taxes	(41)	(28)	(40)	35	(14)	193%	(69)	(16)	331%	(21)
<b>Net income attributed to shareholders<sup>1</sup></b>	<b>92</b>	<b>65</b>	<b>89</b>	<b>102</b>	<b>39</b>	<b>136%</b>	<b>157</b>	<b>101</b>	<b>55%</b>	<b>292</b>

<sup>1</sup> Year over year increase attributable to the impact of actions taken to lengthen the portfolio duration and reduce equity exposure in Japan's Daihyaku block as well as growth in Japan's Variable Annuity business.

**Sales - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Individual Insurance - New annualized premiums	23	23	33	32	31	-26%	46	62	-26%	127
Wealth Management - Variable Annuities <sup>2</sup>	745	1,053	984	615	679	10%	1,798	1,524	18%	3,123

<sup>2</sup> New business sales for variable annuities are measured by segregated fund deposits before front end loads.

**Premiums and Deposits - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
Premiums	193	188	193	202	211	-9%	381	427	-11%	822
Segregated fund deposits	738	1,040	972	615	679	9%	1,778	1,524	17%	3,111
<b>Total premiums and deposits</b>	<b>931</b>	<b>1,228</b>	<b>1,165</b>	<b>817</b>	<b>890</b>	<b>5%</b>	<b>2,159</b>	<b>1,951</b>	<b>11%</b>	<b>3,933</b>

**Funds Under Management - U.S. \$ in millions**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
General fund	5,252	5,241	5,759	6,007	6,053	-13%	5,252	6,053	-13%	5,759
Segregated funds <sup>3</sup>	7,194	6,663	5,651	4,733	4,084	76%	7,194	4,084	76%	5,651
<b>Total funds under management<sup>3</sup></b>	<b>12,446</b>	<b>11,904</b>	<b>11,410</b>	<b>10,740</b>	<b>10,137</b>	<b>23%</b>	<b>12,446</b>	<b>10,137</b>	<b>23%</b>	<b>11,410</b>

<sup>3</sup> Segregated funds under management as at June 30, March 31, 2006 and December 31, September 30 and June 30, 2005 included nil, \$51, \$49, \$64 and \$99 of segregated fund seed capital, respectively.

**ASIA AND JAPAN - JAPAN (CONT'D)**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Changes in Funds Under Management - U.S. \$ in millions**

<b>General Fund</b>										
<b>Beginning balance</b>	5,241	5,759	6,007	6,053	6,459	-19%	5,759	6,926	-17%	6,926
Premiums and deposits	193	188	193	202	211	-9%	381	427	-11%	822
Net investment income <sup>1</sup>	43	47	39	43	36	19%	90	78	15%	160
Benefits and withdrawals	(231)	(253)	(262)	(243)	(322)	-28%	(484)	(610)	-21%	(1,115)
Other <sup>2</sup>	6	(500)	(218)	(48)	(331)	-	(494)	(768)	-36%	(1,034)
<b>Ending balance</b>	5,252	5,241	5,759	6,007	6,053	-13%	5,252	6,053	-13%	5,759

<b>Segregated Funds</b>										
<b>Beginning balance</b>	6,663	5,651	4,733	4,084	3,531	89%	5,651	2,835	99%	2,835
Premiums and deposits	738	1,040	972	615	679	9%	1,778	1,524	17%	3,111
Net investment income <sup>1</sup>	(218)	88	260	228	81	-	(130)	118	-	606
Withdrawals	(73)	(98)	(92)	(72)	(45)	62%	(171)	(76)	125%	(240)
Other <sup>2</sup>	84	(18)	(222)	(122)	(162)	-	66	(317)	-	(661)
<b>Ending balance</b>	7,194	6,663	5,651	4,733	4,084	76%	7,194	4,084	76%	5,651

<sup>1</sup> Net investment income includes interest, dividends, rental income, net realized investment gains and losses, changes in net unrealized investment gains and losses and investment expenses.

<sup>2</sup> Other includes currency revaluation, management and administrative fees, general expenses, taxes, commissions, asset allocations, and other items.

<b>Number of Agents</b>										
Number of agents	3,684	3,734	3,849	3,876	4,075	-10%	3,684	4,075	-10%	3,849

<b>Yen in millions - Key Metrics</b>										
Net income attributed to shareholders	10,534	7,627	10,481	11,348	4,125	155%	18,161	10,647	71%	32,476
Sales - Individual Insurance	2,623	2,670	3,859	3,494	3,346	-22%	5,293	6,611	-20%	13,964
Sales - Wealth Management	85,094	123,096	115,434	68,398	73,015	17%	208,190	161,275	29%	345,107
Total premiums and deposits	106,257	143,614	136,805	90,762	95,717	11%	249,871	206,556	21%	434,123
Total funds under management	1,424,968	1,398,590	1,345,676	1,216,753	1,124,368	27%	1,424,968	1,124,368	27%	1,345,676

**REINSURANCE DIVISION**

(Unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations - U.S. \$ in millions**

<b>Revenue</b>										
Premium income	208	195	212	334	238	-13%	403	459	-12%	1,005
Net investment income	46	44	40	39	37	24%	90	74	22%	153
Other revenue	4	4	5	4	7	-43%	8	13	-38%	22
<b>Total revenue</b>	<b>258</b>	<b>243</b>	<b>257</b>	<b>377</b>	<b>282</b>	<b>-9%</b>	<b>501</b>	<b>546</b>	<b>-8%</b>	<b>1,180</b>
<b>Policy benefits and expenses</b>										
Policyholders benefits	179	121	248	526	227	-21%	300	428	-30%	1,202
General expenses	12	11	11	8	9	33%	23	19	21%	38
Commissions	1	2	13	-	2	-50%	3	6	-50%	19
Other	3	1	-	(6)	2	50%	4	4	0%	(2)
<b>Total policy benefits and expenses</b>	<b>195</b>	<b>135</b>	<b>272</b>	<b>528</b>	<b>240</b>	<b>-19%</b>	<b>330</b>	<b>457</b>	<b>-28%</b>	<b>1,257</b>
<b>Income (loss) before income taxes</b>	<b>63</b>	<b>108</b>	<b>(15)</b>	<b>(151)</b>	<b>42</b>	<b>50%</b>	<b>171</b>	<b>89</b>	<b>92%</b>	<b>(77)</b>
Income taxes	(20)	(28)	(9)	24	(18)	11%	(48)	(30)	60%	(15)
<b>Net income (loss) attributed to shareholders<sup>1</sup></b>	<b>43</b>	<b>80</b>	<b>(24)</b>	<b>(127)</b>	<b>24</b>	<b>79%</b>	<b>123</b>	<b>59</b>	<b>108%</b>	<b>(92)</b>

<sup>1</sup> Year over year increase attributable to improved Life Reinsurance experience gains; however, claims results for this quarter were below Q1 2006 levels.

**Source of Earnings - U.S. \$ in millions**

Expected profit from in-force business	56	52	50	53	39	44%	108	76	42%	179
Impact of new business	(2)	(2)	(1)	(8)	(1)	100%	(4)	(6)	-33%	(15)
Experience gains	(7)	41	(78)	(218)	(11)	-36%	34	(10)	-	(306)
Management actions and changes in assumptions	-	-	-	7	-	-	-	-	-	7
Earnings on surplus funds	16	18	14	15	15	7%	34	29	17%	58
Other	-	(1)	-	-	-	-	(1)	-	-	-
<b>Income (loss) before income taxes</b>	<b>63</b>	<b>108</b>	<b>(15)</b>	<b>(151)</b>	<b>42</b>	<b>50%</b>	<b>171</b>	<b>89</b>	<b>92%</b>	<b>(77)</b>
Income taxes	(20)	(28)	(9)	24	(18)	11%	(48)	(30)	60%	(15)
<b>Net income (loss) attributed to shareholders</b>	<b>43</b>	<b>80</b>	<b>(24)</b>	<b>(127)</b>	<b>24</b>	<b>79%</b>	<b>123</b>	<b>59</b>	<b>108%</b>	<b>(92)</b>

**Premiums - U.S. \$ in millions**

Life reinsurance	95	93	93	105	89	7%	188	176	7%	374
Property and casualty reinsurance	27	20	58	134	30	-10%	47	65	-28%	257
International Group Program	86	82	61	95	119	-28%	168	218	-23%	374
<b>Total premiums</b>	<b>208</b>	<b>195</b>	<b>212</b>	<b>334</b>	<b>238</b>	<b>-13%</b>	<b>403</b>	<b>459</b>	<b>-12%</b>	<b>1,005</b>

**Funds Under Management - U.S. \$ in millions**

General fund	2,545	2,618	2,304	2,360	2,219	15%	2,545	2,219	15%	2,304
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**Canadian \$ in millions - Key Metrics**

Net income (loss) attributed to shareholders	48	92	(29)	(151)	30	60%	140	72	94%	(108)
Total premiums	234	225	249	401	296	-21%	459	567	-19%	1,217
Total funds under management	2,839	3,055	2,687	2,740	2,719	4%	2,839	2,719	4%	2,687

**CORPORATE & OTHER**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
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**Statements of Operations**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006 Q2 vs. 2005 Q2	YTD 2006	YTD 2005	YTD 2006 vs. YTD 2005	Fiscal 2005
<b>Revenue</b>										
Net investment income	34	64	83	112	68	-50%	98	127	-23%	322
Other revenue	80	76	70	64	63	27%	156	235	-34%	369
<b>Total revenue</b>	<b>114</b>	<b>140</b>	<b>153</b>	<b>176</b>	<b>131</b>	<b>-13%</b>	<b>254</b>	<b>362</b>	<b>-30%</b>	<b>691</b>
<b>Policy benefits and expenses</b>										
General expenses	71	86	164	62	83	-14%	157	262	-40%	488
Commissions	1	-	2	1	-	-	1	-	-	3
Other	10	(8)	(117)	(11)	(43)	-	2	(90)	-	(218)
<b>Total policy benefits and expenses</b>	<b>82</b>	<b>78</b>	<b>49</b>	<b>52</b>	<b>40</b>	<b>105%</b>	<b>160</b>	<b>172</b>	<b>-7%</b>	<b>273</b>
<b>Income before income taxes</b>										
Income taxes	32	62	104	124	91	-65%	94	190	-51%	418
	(14)	(11)	12	(18)	(11)	27%	(25)	(33)	-24%	(39)
<b>Net income attributed to shareholders <sup>1</sup></b>	<b>18</b>	<b>51</b>	<b>116</b>	<b>106</b>	<b>80</b>	<b>-78%</b>	<b>69</b>	<b>157</b>	<b>-56%</b>	<b>379</b>

<sup>1</sup> Year over year decline attributable to impact from changes in actuarial methods and assumptions, lower investment income and the impact of the Canadian corporate tax rate changes.

**Deposits**

Segregated fund deposits	-	-	552	-	2	-100%	-	2	-100%	554
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**Funds Under Management**

General fund	10,077	10,969	7,147	8,036	8,526	18%	10,077	8,526	18%	7,147
Segregated funds	2,371	2,560	2,600	1,946	2,134	11%	2,371	2,134	11%	2,600
Other funds	20,845	24,594	25,205	24,278	24,312	-14%	20,845	24,312	-14%	25,205
<b>Total funds under management</b>	<b>33,293</b>	<b>38,123</b>	<b>34,952</b>	<b>34,260</b>	<b>34,972</b>	<b>-5%</b>	<b>33,293</b>	<b>34,972</b>	<b>-5%</b>	<b>34,952</b>

# **Asset Information**

**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 (losses)	
	value	%	gains	%	losses	%	value	%	gains	%	net gains (losses)	%
<b>As at Q2 2006</b>												
Bonds (fixed maturity)												
Canadian government & agency	10,495	7 %	893	14 %	(172)	4 %	11,216	7 %	264	6 %	985	15 %
US government & agency	10,382	6 %	63	1 %	(397)	9 %	10,048	6 %	262	6 %	(72)	-1 %
Foreign governments & agency	6,059	4 %	67	1 %	(48)	1 %	6,078	4 %	153	3 %	172	3 %
Subtotal government bonds	26,936	17 %	1,023	16 %	(617)	14 %	27,342	17 %	679	15 %	1,085	17 %
Corporate	62,121	38 %	835	13 %	(1,501)	35 %	61,455	37 %	1,566	35 %	900	13 %
Mortgage/asset-backed securities	11,527	7 %	54	1 %	(385)	9 %	11,196	7 %	291	7 %	(40)	-1 %
Subtotal bonds	100,584	62 %	1,912	30 %	(2,503)	58 %	99,993	61 %	2,536	57 %	1,945	29 %
Mortgages	27,239	17 %	376	6 %	(575)	14 %	27,040	16 %	99	2 %	(100)	-1 %
Stocks <sup>1</sup>	10,107	6 %	1,966	30 %	(934)	22 %	11,139	7 %	1,329	30 %	2,361	36 %
Real estate	5,239	3 %	1,280	20 %	(64)	2 %	6,455	4 %	123	3 %	1,339	20 %
Policy loans	6,015	4 %	-	0.00 %	-	0 %	6,015	4 %	-	0.00 %	-	0.00 %
Cash and short-term investments	7,776	5 %	-	0 %	(3)	0 %	7,773	5 %	-	0 %	(3)	0 %
Bank loans	1,983	1 %	27	0 %	-	0.00 %	2,010	1 %	-	0.00 %	27	0 %
Other investments	3,516	2 %	921	14 %	(162)	4 %	4,275	2 %	339	8 %	1,098	16 %
<b>Total invested assets</b>	<b>162,459</b>	<b>100 %</b>	<b>6,482</b>	<b>100 %</b>	<b>(4,241)</b>	<b>100 %</b>	<b>164,700</b>	<b>100 %</b>	<b>4,426</b>	<b>100 %</b>	<b>6,667</b>	<b>100 %</b>

**As at Q1 2006**

Bonds (fixed maturity)												
Canadian government & agency	10,796	6 %	1,240	15 %	(48)	1 %	11,988	7 %	525	11 %	1,717	20 %
US government & agency	10,489	6 %	84	1 %	(311)	8 %	10,262	6 %	418	9 %	191	2 %
Foreign governments & agency	6,185	4 %	91	1 %	(34)	1 %	6,242	3 %	195	4 %	252	3 %
Subtotal government bonds	27,470	16 %	1,415	17 %	(393)	10 %	28,492	16 %	1,138	24 %	2,160	25 %
Corporate	64,450	39 %	1,641	21 %	(1,396)	37 %	64,695	38 %	1,456	32 %	1,701	20 %
Mortgage/asset-backed securities	12,532	7 %	49	1 %	(315)	8 %	12,266	7 %	108	3 %	(158)	-2 %
Subtotal bonds	104,452	62 %	3,105	39 %	(2,104)	55 %	105,453	61 %	2,702	59 %	3,703	43 %
Mortgages	27,845	17 %	569	7 %	(515)	13 %	27,899	16 %	101	2 %	155	2 %
Stocks <sup>1</sup>	9,945	6 %	2,447	31 %	(869)	23 %	11,523	7 %	1,294	28 %	2,872	33 %
Real estate	5,341	3 %	944	12 %	(79)	2 %	6,206	4 %	118	3 %	983	11 %
Policy loans	6,191	4 %	-	N/A	-	N/A	6,191	4 %	-	N/A	-	N/A
Cash and short-term investments	7,924	5 %	78	1 %	(3)	0 %	7,999	5 %	-	0 %	75	1 %
Bank loans	1,909	1 %	34	0 %	-	N/A	1,943	1 %	-	N/A	34	0 %
Other investments	3,661	2 %	779	10 %	(268)	7 %	4,172	2 %	359	8 %	870	10 %
<b>Total invested assets</b>	<b>167,268</b>	<b>100 %</b>	<b>7,956</b>	<b>100 %</b>	<b>(3,838)</b>	<b>100 %</b>	<b>171,386</b>	<b>100 %</b>	<b>4,574</b>	<b>100 %</b>	<b>8,692</b>	<b>100 %</b>

**As at Q2 2005**

Bonds (fixed maturity)												
Canadian government & agency	11,496	7 %	1,792	18 %	(3)	0 %	13,285	8 %	532	13 %	2,321	20 %
US government & agency	10,108	6 %	460	5 %	(18)	1 %	10,550	6 %	376	10 %	818	7 %
Foreign governments & agency	5,295	3 %	134	1 %	(5)	0 %	5,424	3 %	151	4 %	280	3 %
Subtotal government bonds	26,899	16 %	2,386	24 %	(26)	1 %	29,259	17 %	1,059	27 %	3,419	30 %
Corporate	66,922	39 %	3,292	33 %	(344)	15 %	69,870	39 %	1,371	35 %	4,319	37 %
Mortgage/asset-backed securities	12,923	8 %	252	3 %	(67)	3 %	13,108	7 %	85	2 %	270	2 %
Subtotal bonds	106,744	63 %	5,930	60 %	(437)	19 %	112,237	63 %	2,515	64 %	8,008	69 %
Mortgages	29,067	17 %	1,163	12 %	(194)	8 %	30,036	17 %	72	2 %	1,041	9 %
Stocks <sup>1</sup>	9,033	5 %	1,481	15 %	(823)	36 %	9,691	5 %	1,237	31 %	1,895	16 %
Real estate	4,747	3 %	833	8 %	(87)	4 %	5,493	3 %	108	3 %	854	8 %
Policy loans	7,015	4 %	-	0 %	-	0 %	7,015	4 %	-	0 %	-	0 %
Cash and short-term investments	7,191	4 %	5	0 %	-	0 %	7,196	4 %	-	0 %	5	0 %
Bank loans	1,607	1 %	20	0 %	-	0 %	1,627	1 %	-	0 %	20	0 %
Other investments	5,028	3 %	516	5 %	(752)	33 %	4,792	3 %	15	0 %	(221)	-2 %
<b>Total invested assets</b>	<b>170,432</b>	<b>100 %</b>	<b>9,948</b>	<b>100 %</b>	<b>(2,293)</b>	<b>100 %</b>	<b>178,087</b>	<b>100 %</b>	<b>3,947</b>	<b>100 %</b>	<b>11,602</b>	<b>100 %</b>

<sup>1</sup> Stocks include preferred share securities with a carrying value of \$737 (Q1/06 - \$805; Q2/05 - \$849).

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

(Canadian \$ in millions, unaudited)


**Bond Portfolio Credit Quality <sup>1</sup>**

NAIC designation	As at											
	2006 Q2		2006 Q1		2005 Q4		2005 Q3		2005 Q2			
	Value	%	Value	%	Value	%	Value	%	Value	%		
AAA	1		23,145	23%	24,270	23%	24,143	23%	24,585	24%	25,300	24%
AA	1		19,055	19%	18,731	18%	17,599	17%	16,892	16%	16,891	16%
A	1		28,257	28%	29,425	28%	28,588	28%	27,897	27%	27,796	26%
BBB	2		25,451	25%	26,848	26%	27,199	26%	27,495	27%	29,871	28%
BB	3		2,966	3%	3,305	3%	3,514	4%	3,894	4%	4,282	4%
B & lower, and unrated	4 & below		1,710	2%	1,873	2%	2,272	2%	2,270	2%	2,604	2%
<b>Total</b>			<b>100,584</b>	<b>100%</b>	<b>104,452</b>	<b>100%</b>	<b>103,315</b>	<b>100%</b>	<b>103,033</b>	<b>100%</b>	<b>106,744</b>	<b>100%</b>

**Bond Portfolio by Sector / Industry Holdings**

	As at Q2 2006					As at Q1 2006					As at Q2 2005				
	Carrying value	%	Fair value	Unrealized net gains (losses)	Investment grade %	Carrying value	%	Fair value	Unrealized net gains (losses)	Investment grade %	Carrying value	%	Fair value	Unrealized net gains (losses)	Investment grade %
Government and agency	26,936	28%	27,342	406	97%	27,470	26%	28,492	1,022	97%	26,899	25%	29,259	2,360	98%
Financial	20,164	20%	19,966	(198)	98%	20,623	20%	20,678	55	98%	19,591	18%	20,428	837	97%
Telecommunications	3,138	3%	3,150	12	94%	3,259	3%	3,362	103	93%	3,679	4%	3,998	319	89%
Utilities	12,962	13%	12,854	(108)	91%	13,271	13%	13,378	107	91%	14,449	14%	15,158	709	87%
Energy	6,020	6%	6,028	8	94%	6,189	6%	6,345	156	94%	6,477	6%	6,937	460	90%
Industrial	5,879	6%	5,806	(73)	92%	6,050	6%	6,054	4	91%	6,495	6%	6,751	256	91%
Securitized (ABS/MBS)	11,527	11%	11,196	(331)	99%	12,532	12%	12,266	(266)	99%	12,923	12%	13,109	186	99%
Consumer (non-cyclical)	5,397	5%	5,293	(104)	95%	5,861	6%	5,817	(44)	94%	5,721	6%	5,898	177	94%
Consumer (cyclical)	2,987	3%	2,994	7	84%	3,200	3%	3,231	31	81%	3,358	3%	3,433	75	80%
Basic materials	3,160	3%	3,018	(142)	84%	3,417	3%	3,296	(121)	85%	4,247	4%	4,258	11	79%
Technology	283	0%	280	(3)	100%	291	0%	291	-	99%	295	0%	317	22	94%
Media & Internet	1,814	2%	1,755	(59)	91%	1,959	2%	1,917	(42)	91%	2,168	2%	2,235	67	92%
Diversified & Miscellaneous	317	0%	311	(6)	99%	330	0%	326	(4)	96%	442	0%	455	13	97%
<b>Total</b>	<b>100,584</b>	<b>100%</b>	<b>99,993</b>	<b>(591)</b>	<b>95%</b>	<b>104,452</b>	<b>100%</b>	<b>105,453</b>	<b>1,001</b>	<b>95%</b>	<b>106,744</b>	<b>100%</b>	<b>112,236</b>	<b>5,492</b>	<b>94%</b>

**Mortgage Portfolio Composition**

	As at									
	2006 Q2		2006 Q1		2005 Q4		2005 Q3		2005 Q2	
	Value	%	Value	%	Value	%	Value	%	Value	%
Commercial										
Residential <sup>1</sup>	4,233	16%	4,280	15%	4,315	15%	4,405	16%	4,491	15%
Retail	6,543	24%	6,838	25%	6,888	25%	6,755	24%	7,010	24%
Office	4,886	18%	5,162	19%	5,217	19%	5,449	19%	5,819	20%
Industrial	3,536	13%	3,615	13%	3,678	13%	3,737	13%	3,857	13%
Other commercial	2,296	8%	2,239	8%	2,231	8%	2,309	8%	2,495	9%
Other mortgages	5,745	21%	5,711	20%	5,679	20%	5,458	20%	5,395	19%
<b>Total <sup>2</sup></b>	<b>27,239</b>	<b>100%</b>	<b>27,845</b>	<b>100%</b>	<b>28,008</b>	<b>100%</b>	<b>28,113</b>	<b>100%</b>	<b>29,067</b>	<b>100%</b>

<sup>1</sup> Includes multi-unit residential properties, such as condominiums.

<sup>2</sup> Includes government insured mortgages (\$4,241 or 16% as at June 30, 2006).

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

(Canadian \$ in millions, unaudited)


**Net Impaired Assets**

	As at Q2 2006			As at Q1 2006			As at Q4 2005			As at Q3 2005			As at Q2 2005		
	Gross amount	Allowance for impairment	Carrying value	Gross amount	Allowance for impairment	Carrying value	Gross amount	Allowance for impairment	Carrying value	Gross amount	Allowance for impairment	Carrying value	Gross amount	Allowance for impairment	Carrying value
Bonds	228	87	141	397	138	259	482	143	339	566	161	405	432	126	306
Mortgages	237	53	184	313	86	227	343	91	252	318	74	244	349	90	259
Other	146	73	73	81	42	39	94	42	52	100	42	58	173	54	119
<b>Total</b>	<b>611</b>	<b>213</b>	<b>398</b>	<b>791</b>	<b>266</b>	<b>525</b>	<b>919</b>	<b>276</b>	<b>643</b>	<b>984</b>	<b>277</b>	<b>707</b>	<b>954</b>	<b>270</b>	<b>684</b>

**Changes in Allowance for Impairment**

	For the three months ended					YTD		Fiscal 2005
	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2006	2005	
Balance, beginning of the period	266	276	277	270	272	276	214	214
Net provisions(recovery) during the period - par <sup>1</sup>	(5)	(2)	2	8	2	(7)	14	24
Net provisions during the period - non par <sup>1</sup>	21	2	21	31	18	23	64	116
Write-offs, disposals and currency	(69)	(10)	(24)	(32)	(22)	(79)	(22)	(78)
<b>Balance, end of period</b>	<b>213</b>	<b>266</b>	<b>276</b>	<b>277</b>	<b>270</b>	<b>213</b>	<b>270</b>	<b>276</b>

<sup>1</sup> Par refers to assets backing participating policyholder liabilities.

	As at				
	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2
<b>Provision for future credit losses included in actuarial liabilities <sup>1</sup></b>	<b>2,737</b>	<b>2,924</b>	<b>2,906</b>	<b>2,963</b>	<b>3,084</b>

<sup>1</sup> 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 \$1,227 as at June 30, 2006.

	As at				
	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2
<b>Net impaired assets as a percentage of total invested assets</b>	<b>0.24%</b>	<b>0.31%</b>	<b>0.39%</b>	<b>0.43%</b>	<b>0.40%</b>

**INVESTMENT INCOME**

(Canadian \$ in millions, unaudited)



	Bonds	Mortgages	Stocks	Real estate	Policy loans	Cash and short-term investments	Bank loans	Other investments	Investment expenses	Total
<b>Q2 2006</b>										
Investment income (loss)	1,355	394	(2)	99	96	85	34	58	(84)	2,035
Recovery of (provision for) impairment, net	4	25	-	-	-	-	-	(45)	-	(16)
Amortization of net realized and unrealized gains	92	9	124	41	-	-	-	(1)	-	265
<b>Total investment income</b>	<b>1,451</b>	<b>428</b>	<b>122</b>	<b>140</b>	<b>96</b>	<b>85</b>	<b>34</b>	<b>12</b>	<b>(84)</b>	<b>2,284</b>
<b>Yield (%)</b>	<b>5.98%</b>	<b>6.49%</b>	<b>5.93%</b>	<b>11.86%</b>	<b>6.43%</b>	<b>N/A</b>	<b>7.20%</b>	<b>N/A</b>	<b>N/A</b>	<b>5.90%</b>
<b>Q1 2006</b>										
Investment income (loss)	1,377	398	155	85	96	87	29	83	(80)	2,230
Recovery of (provision for) impairment, net	(2)	2	-	-	-	-	-	-	-	-
Amortization of net realized and unrealized gains	93	12	154	30	-	-	-	10	-	299
<b>Total investment income</b>	<b>1,468</b>	<b>412</b>	<b>309</b>	<b>115</b>	<b>96</b>	<b>87</b>	<b>29</b>	<b>93</b>	<b>(80)</b>	<b>2,529</b>
<b>Yield (%)</b>	<b>6.07%</b>	<b>6.21%</b>	<b>16.85%</b>	<b>9.63%</b>	<b>6.39%</b>	<b>N/A</b>	<b>6.60%</b>	<b>N/A</b>	<b>N/A</b>	<b>6.52%</b>
<b>Q4 2005</b>										
Investment income (loss)	1,390	409	82	102	100	65	27	91	(93)	2,173
Recovery of (provision for) impairment, net	3	(16)	-	-	-	-	-	(10)	-	(23)
Amortization of net realized and unrealized gains	92	10	131	28	-	-	-	8	-	269
<b>Total investment income</b>	<b>1,485</b>	<b>403</b>	<b>213</b>	<b>130</b>	<b>100</b>	<b>65</b>	<b>27</b>	<b>89</b>	<b>(93)</b>	<b>2,419</b>
<b>Yield (%)</b>	<b>5.91%</b>	<b>5.82%</b>	<b>11.58%</b>	<b>10.90%</b>	<b>6.44%</b>	<b>N/A</b>	<b>6.19%</b>	<b>N/A</b>	<b>N/A</b>	<b>6.08%</b>
<b>Q3 2005</b>										
Investment income (loss)	1,400	398	131	79	111	59	24	123	(75)	2,250
Provision for impairment, net	(41)	2	-	-	-	-	-	-	-	(39)
Amortization of net realized and unrealized gains	95	7	119	28	-	-	-	1	-	250
<b>Total investment income</b>	<b>1,454</b>	<b>407</b>	<b>250</b>	<b>107</b>	<b>111</b>	<b>59</b>	<b>24</b>	<b>124</b>	<b>(75)</b>	<b>2,461</b>
<b>Yield (%)</b>	<b>5.69%</b>	<b>5.79%</b>	<b>13.44%</b>	<b>9.85%</b>	<b>6.67%</b>	<b>N/A</b>	<b>5.71%</b>	<b>N/A</b>	<b>N/A</b>	<b>6.07%</b>
<b>Q2 2005</b>										
Investment income (loss)	1,413	415	109	79	124	46	21	83	(74)	2,216
Provision for impairment, net	(20)	-	-	-	-	-	-	-	-	(20)
Amortization of net realized and unrealized gains (losses)	97	6	98	27	-	-	-	1	-	229
<b>Total investment income</b>	<b>1,490</b>	<b>421</b>	<b>207</b>	<b>106</b>	<b>124</b>	<b>46</b>	<b>21</b>	<b>84</b>	<b>(74)</b>	<b>2,425</b>
<b>Yield (%)</b>	<b>5.71%</b>	<b>5.91%</b>	<b>12.32%</b>	<b>9.57%</b>	<b>7.05%</b>	<b>N/A</b>	<b>5.63%</b>	<b>N/A</b>	<b>N/A</b>	<b>5.92%</b>
<b>YTD 2006</b>										
Investment income (loss)	2,732	792	153	184	192	172	63	141	(164)	4,265
Recovery of (provision for) impairment, net	2	27	-	-	-	-	-	(45)	-	(16)
Amortization of net realized and unrealized gains (losses)	185	21	278	71	-	-	-	9	-	564
<b>Total investment income</b>	<b>2,919</b>	<b>840</b>	<b>431</b>	<b>255</b>	<b>192</b>	<b>172</b>	<b>63</b>	<b>105</b>	<b>(164)</b>	<b>4,813</b>
<b>Yield (%)</b>	<b>6.02%</b>	<b>6.35%</b>	<b>11.06%</b>	<b>10.74%</b>	<b>6.41%</b>	<b>N/A</b>	<b>6.91%</b>	<b>N/A</b>	<b>N/A</b>	<b>6.21%</b>
<b>YTD 2005</b>										
Investment income (loss)	2,864	809	190	153	249	95	41	120	(150)	4,371
Provision for impairment, net	(54)	(13)	-	-	-	-	-	(11)	-	(78)
Amortization of net realized and unrealized gains (losses)	191	11	195	48	-	(1)	-	1	-	445
<b>Total investment income</b>	<b>3,001</b>	<b>807</b>	<b>385</b>	<b>201</b>	<b>249</b>	<b>94</b>	<b>41</b>	<b>110</b>	<b>(150)</b>	<b>4,738</b>
<b>Yield (%)</b>	<b>5.81%</b>	<b>5.71%</b>	<b>11.17%</b>	<b>9.21%</b>	<b>7.18%</b>	<b>N/A</b>	<b>5.62%</b>	<b>N/A</b>	<b>N/A</b>	<b>5.81%</b>
<b>Fiscal 2005</b>										
Investment income (loss)	5,654	1,616	403	334	460	219	92	334	(318)	8,794
Provision for impairment, net	(92)	(27)	-	-	-	-	-	(21)	-	(140)
Amortization of net realized and unrealized gains (losses)	378	28	445	104	-	(1)	-	10	-	964
<b>Total investment income</b>	<b>5,940</b>	<b>1,617</b>	<b>848</b>	<b>438</b>	<b>460</b>	<b>218</b>	<b>92</b>	<b>323</b>	<b>(318)</b>	<b>9,618</b>
<b>Yield (%)</b>	<b>5.81%</b>	<b>5.76%</b>	<b>11.88%</b>	<b>9.82%</b>	<b>6.88%</b>	<b>N/A</b>	<b>5.80%</b>	<b>N/A</b>	<b>N/A</b>	<b>5.94%</b>

# **Actuarial Liabilities Information**

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

(Canadian \$, unaudited)



	\$ in billions		\$ in millions		%
	Fund value, net of amounts reinsured <sup>1</sup>	Amount at risk, net of amounts reinsured <sup>1</sup>	Present value of expected guarantee costs <sup>2</sup>	Actuarial liabilities <sup>4</sup>	CTE level <sup>5</sup>
<b>As at Q2 2006</b>					
Maturity / Income Benefits	42.4	0.9			
Death Benefits <sup>3</sup>	11.9	1.5			
<b>Balance</b>	<b>54.3</b>	<b>2.4</b>	<b>(1,504)</b>	<b>478</b>	<b>68</b>
<b>As at Q1 2006</b>					
Maturity / Income Benefits	40.6	0.5			
Death Benefits <sup>3</sup>	13.9	1.4			
<b>Balance</b>	<b>54.5</b>	<b>1.9</b>	<b>(1,536)</b>	<b>505</b>	<b>76</b>
<b>As at Q4 2005</b>					
Maturity / Income Benefits	36.6	0.6			
Death Benefits <sup>3</sup>	12.5	1.6			
<b>Balance</b>	<b>49.1</b>	<b>2.2</b>	<b>(1,252)</b>	<b>547</b>	<b>75</b>
<b>As at Q3 2005</b>					
Maturity / Income Benefits	32.3	0.6			
Death Benefits <sup>3</sup>	12.4	1.7			
<b>Balance</b>	<b>44.7</b>	<b>2.3</b>	<b>(913)</b>	<b>559</b>	<b>74</b>
<b>As at Q2 2005</b>					
Maturity / Income Benefits	28.1	0.8			
Death Benefits <sup>3</sup>	13.6	2.0			
<b>Balance</b>	<b>41.7</b>	<b>2.8</b>	<b>(754)</b>	<b>623</b>	<b>73</b>

<sup>1</sup> Amounts reinsured include amounts covered under stop loss treaties as well as first dollar treaties. Certain of the treaties include deductibles and claims limits

<sup>2</sup> The present value of expected guarantee costs is net of reinsurance and net of fee income allocated to support the guarantees. It represents the average cost projected under a variety of stochastic scenarios. A negative present value for expected guaranteed costs occurs when the present value of the fee income allocated to support the guarantee risks exceeds the value of the expected costs.

<sup>3</sup> Death benefits include stand-alone guarantees and guarantees in excess of maturity or income guarantees where both are provided on one policy

<sup>4</sup> The \$27 million reduction in actuarial liabilities in Q2 2006 is composed of \$12 million release from normal movement of reserve (\$107 million strengthening before the change in CTE level) and a \$15 million reduction from currenc

<sup>5</sup> Canadian GAAP requires that the reserve for segregated fund and variable product have a Conditional Tail Expectation ("CTE") of between 60 and 80. A reserve at the CTE (60) level covers the average cost of the top 40% of the scenarios tested with the highest net cost. A reserve at the CTE (80) level covers the average cost of the top 20% of the scenarios tested with the highest net cost. The CTE level varies across businesses and the CTE level shown is the average across all businesses.

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)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2
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**Change in Deferred Acquisition Costs (DAC)**

Opening balance	4,235	4,049	3,889	3,901	3,725
Amount capitalized	323	363	342	332	295
Amount amortized	(186)	(181)	(184)	(161)	(150)
Currency	(227)	4	2	(183)	31
<b>Ending balance</b>	<b>4,145</b>	<b>4,235</b>	<b>4,049</b>	<b>3,889</b>	<b>3,901</b>

**DAC Balances**

John Hancock Variable Annuities	1,861	1,955	1,880	1,790	1,811
John Hancock Retirement Plan Services	1,007	1,026	989	956	977
John Hancock Mutual Funds	37	42	46	50	57
Canadian Individual Wealth Management	668	660	635	620	594
Hong Kong	183	183	171	166	168
Japan	347	330	292	263	250
Other	42	39	36	44	44
<b>Total DAC</b>	<b>4,145</b>	<b>4,235</b>	<b>4,049</b>	<b>3,889</b>	<b>3,901</b>

**Funds Under Management**

John Hancock Variable Annuities	46,687	48,269	45,131	42,443	41,729
John Hancock Retirement Plan Services	43,899	45,464	41,665	39,736	38,742
John Hancock Mutual Funds	34,005	35,696	33,823	32,928	33,997
Canadian Individual Wealth Management <sup>1</sup>	24,798	25,379	23,773	23,068	21,375
Hong Kong	8,437	8,865	7,935	7,666	7,328
Japan	7,976	7,728	6,542	5,445	4,952
Other	11,748	11,863	11,203	10,730	10,945
<b>Total Funds Under Management</b>	<b>177,550</b>	<b>183,264</b>	<b>170,072</b>	<b>162,016</b>	<b>159,068</b>

**DAC as a % of Funds Under Management**

John Hancock Variable Annuities	4.0%	4.1%	4.2%	4.2%	4.3%
John Hancock Retirement Plan Services	2.3%	2.3%	2.4%	2.4%	2.5%
John Hancock Mutual Funds	0.1%	0.1%	0.1%	0.2%	0.2%
Canadian Individual Wealth Management	2.7%	2.6%	2.7%	2.7%	2.8%
Hong Kong	2.2%	2.1%	2.2%	2.2%	2.3%
Japan	4.4%	4.3%	4.5%	4.8%	5.0%
Other	0.4%	0.3%	0.3%	0.4%	0.4%
<b>Total DAC as a % of Funds Under Management</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.5%</b>

DAC balances are classified as other assets on the balance sheet for the mutual fund businesses and are classified as reductions in actuarial liabilities for annuities, pensions and other wealth product lines. Recoverability is tested quarterly.

<sup>1</sup> Funds under management has been adjusted to show only the assets with applicable DAC balances.

**ACTUARIAL LIABILITIES - NEW BUSINESS EMBEDDED VALUE**

(Canadian \$ in millions, unaudited)

**New Business Embedded Value as Reported**

Quarter	Insurance	Wealth Management	Total
Q1 2006	187	344	531
Q2 2006	190	296	486
Total 2006	377	640	1,017
Q1 2005	139	210	349
Q2 2005	140	193	333
Q3 2005	166	274	440
Q4 2005	186	298	484
Total 2005	631	975	1,606

**New Business Embedded Value Adjusted to Current (2006) Basis**

	Insurance	Wealth Management	Total
Q1 2006	187	344	531
Q2 2006	190	296	486
Total 2006	377	640	1,017
Q1 2005	132	200	332
Q2 2005	133	184	317
Q3 2005	157	263	420
Q4 2005	177	288	465
Total 2005	599	935	1,534

## Notes:

1. 2006 reported numbers all use 2006 year start exchange rates and discount rates. The year start exchange rate was 1.1659 for the U.S., 0.1504 for Hong Kong, and 0.0099 for Japan. The year start discount rate was 8.0% for Canada, 8.5% for the U.S., 9.5% for Hong Kong and 6.5% for Japan.

2. 2005 reported numbers all use 2005 year start exchange rates and discount rates. The year start exchange rate was 1.2036 for the U.S., 0.1548 for Hong Kong and 0.0117 for Japan. The year start discount rate was 8.25% for Canada and the U.S., 9.25% for Hong Kong and 6.5% for Japan.

# **U.S. GAAP Financial Information**

**CONSOLIDATED RECONCILIATION OF CANADIAN GAAP TO U.S. GAAP STATEMENT OF OPERATIONS**

For the quarter ended June 30, 2006

(Canadian \$ in millions, unaudited)



	CGAAP	Earnings Impact	Presentation Differences	U.S. GAAP Q2 2006	U.S. GAAP Q1 2006	U.S. GAAP Q4 2005	U.S. GAAP Q3 2005	U.S. GAAP Q2 2005	U.S. GAAP YTD 2006	U.S. GAAP YTD 2005	U.S. GAAP Fiscal 2005
<b>Revenue</b>											
Premium income	4,671	-	(1,745)	2,926	2,940	2,901	3,025	2,900	5,866	5,623	11,549
Net investment income	2,284	(90)	(235)	1,959	2,566	3,023	2,978	2,678	4,525	5,243	11,239
Fee income and other revenue	1,045	-	393	1,438	1,428	1,327	1,327	1,298	2,866	2,591	5,245
<b>Total revenue</b>	<b>8,000</b>	<b>(90)</b>	<b>(1,587)</b>	<b>6,323</b>	<b>6,934</b>	<b>7,251</b>	<b>7,330</b>	<b>6,876</b>	<b>13,257</b>	<b>13,457</b>	<b>28,033</b>
<b>Policy benefits and expenses</b>											
Policyholder benefits	5,115	-	(2,623)	2,492	2,955	3,310	4,231	3,066	5,447	5,978	13,517
Change in actuarial liabilities	(398)	286	1,391	1,279	1,240	1,301	451	874	2,519	1,659	3,411
Commissions and general expenses	1,706	2	(709)	999	1,011	1,064	980	971	2,010	2,016	4,061
DAC and VOBA amortization	-	-	346	346	344	328	296	282	690	548	1,169
Interest expense	229	-	-	229	215	200	195	205	444	393	788
Other	76	-	-	76	75	46	66	68	151	142	253
<b>Total policy benefits and expenses</b>	<b>6,728</b>	<b>288</b>	<b>(1,595)</b>	<b>5,421</b>	<b>5,840</b>	<b>6,249</b>	<b>6,219</b>	<b>5,466</b>	<b>11,261</b>	<b>10,736</b>	<b>23,199</b>
<b>Income before income taxes</b>	<b>1,272</b>	<b>(378)</b>	<b>8</b>	<b>902</b>	<b>1,094</b>	<b>1,002</b>	<b>1,111</b>	<b>1,410</b>	<b>1,996</b>	<b>2,721</b>	<b>4,834</b>
Income taxes	(323)	149	(8)	(182)	(307)	(354)	(265)	(433)	(489)	(771)	(1,390)
Net income(loss) attributable to participating policyholders	(11)	11	-	-	-	-	-	-	-	-	-
<b>Shareholders' Net Income -- Q2 2006</b>	<b>960</b>	<b>(240)</b>	<b>-</b>	<b>720</b>							
<b>Shareholders' Net Income -- Q1 2006</b>	<b>956</b>	<b>(169)</b>			<b>787</b>						
<b>Shareholders' Net Income -- Q4 2005</b>	<b>908</b>	<b>(260)</b>				<b>648</b>					
<b>Shareholders' Net Income -- Q3 2005</b>	<b>746</b>	<b>100</b>					<b>846</b>				
<b>Shareholders' Net Income -- Q2 2005</b>	<b>839</b>	<b>138</b>						<b>977</b>			
<b>Shareholders' Net Income -- YTD 2006</b>	<b>1,916</b>	<b>(409)</b>							<b>1,507</b>		
<b>Shareholders' Net Income -- YTD 2005</b>	<b>1,640</b>	<b>310</b>								<b>1,950</b>	
<b>Shareholders' Net Income -- Fiscal 2005</b>	<b>3,294</b>	<b>150</b>									<b>3,444</b>

**CONSOLIDATED RECONCILIATION OF CANADIAN GAAP NET INCOME TO U.S. GAAP NET INCOME**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	YTD 2006	YTD 2005	Fiscal 2005
<b>Canadian GAAP Shareholders' Net Income</b>	<b>960</b>	<b>956</b>	<b>908</b>	<b>746</b>	<b>839</b>	<b>1,916</b>	<b>1,640</b>	<b>3,294</b>
Investment income	(90)	(120)	256	230	126	(210)	294	780
DAC and VOBA offsets to realized gains	-	(14)	(23)	(37)	(25)	(14)	(39)	(99)
Segregated fund guarantees (net of DAC and VOBA offsets)	(85)	20	(67)	(61)	72	(65)	123	(5)
Other actuarial related items	(214)	(106)	(382)	30	47	(320)	85	(267)
<b>Total pre-tax earnings impact</b>	<b>(389)</b>	<b>(220)</b>	<b>(216)</b>	<b>162</b>	<b>220</b>	<b>(609)</b>	<b>463</b>	<b>409</b>
Income taxes	149	51	(44)	(62)	(82)	200	(153)	(259)
<b>U.S. GAAP higher (lower) than Canadian GAAP</b>	<b>(240)</b>	<b>(169)</b>	<b>(260)</b>	<b>100</b>	<b>138</b>	<b>(409)</b>	<b>310</b>	<b>150</b>
<b>U.S. GAAP Net Income</b>	<b>720</b>	<b>787</b>	<b>648</b>	<b>846</b>	<b>977</b>	<b>1,507</b>	<b>1,950</b>	<b>3,444</b>

**Investment Income**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	YTD 2006	YTD 2005	Fiscal 2005
<b>Differences in investment income</b>								
Amortization	(223)	(300)	(270)	(250)	(229)	(523)	(445)	(965)
Realized gains	163	209	442	446	371	372	619	1,507
Embedded product derivatives	36	45	34	60	(71)	81	9	103
Hedge accounting differences	(66)	(74)	50	(26)	55	(140)	111	135
	<b>(90)</b>	<b>(120)</b>	<b>256</b>	<b>230</b>	<b>126</b>	<b>(210)</b>	<b>294</b>	<b>780</b>

**Other Actuarial Related Items**

	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	YTD 2006	YTD 2005	Fiscal 2005
Other actuarial related:								
New business	(123)	(129)	(110)	(75)	(73)	(252)	(122)	(307)
Additional investment related movements	(113)	(13)	(78)	57	7	(126)	68	47
Other reserve/DAC/VOBA movements	(12)	103	45	56	52	91	80	181
Reserve impact of management actions and changes in methods and assumptions	34	(67)	(239)	(8)	61	(33)	59	(188)
<b>Total other actuarial related</b>	<b>(214)</b>	<b>(106)</b>	<b>(382)</b>	<b>30</b>	<b>47</b>	<b>(320)</b>	<b>85</b>	<b>(267)</b>

**CONSOLIDATED CONDENSED BALANCE SHEETS**
**As at June 30, 2006**

(Canadian \$ in millions, unaudited)



	Canadian GAAP	U.S. GAAP
<b>Assets</b>		
Total invested assets	162,459	168,954
Deferred acquisition costs	-	10,887
Reinsurance deposits and amounts recoverable	-	4,753
Goodwill	7,255	6,271
Value of business acquired	-	4,117
Intangible assets	1,651	1,651
Miscellaneous	5,315	6,625
Segregated funds net assets	-	138,423
<b>Total assets</b>	<b>176,680</b>	<b>341,681</b>
<b>Segregated funds net assets</b>	<b>146,904</b>	<b>-</b>
<b>Liabilities and equity</b>		
Policy liabilities	126,753	153,952
Deferred realized net gains	4,426	-
Consumer notes	2,772	2,772
Other liabilities	14,429	16,324
Long-term debt	148,380	173,048
Liabilities for preferred shares and capital instruments	2,487	2,465
Non-controlling interest in subsidiaries	1,897	1,897
Non-controlling interest in subsidiaries	204	228
Segregated funds net liabilities	-	138,423
<b>Equity</b>		
Participating policyholders' equity	140	-
Preferred shares	638	638
Common shareholders' equity	22,934	24,037
Accumulated effect of comprehensive income on equity	-	945
Total equity	23,712	25,620
<b>Total liabilities and equity</b>	<b>176,680</b>	<b>341,681</b>
<b>Segregated funds net liabilities</b>	<b>146,904</b>	<b>-</b>

# **Capital Information**

**REGULATORY CAPITAL**

(Canadian \$ in millions, unaudited)



	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2
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**The Manufacturers Life Insurance Company's MCCR****Capital available:**

## Tier 1 capital

Common shares	3,294	3,294	3,294	3,294	3,294
Retained earnings	9,791	9,232	8,497	9,022	8,942
Qualifying non-controlling interests	103	93	66	78	84
Innovative instruments	1,000	1,000	1,000	1,000	1,000
Other	1,156	1,200	1,215	1,205	1,180
<b>Gross Tier 1 capital</b>	<b>15,344</b>	<b>14,819</b>	<b>14,072</b>	<b>14,599</b>	<b>14,500</b>
Deductions:					
Goodwill & intangibles in excess of limit	(2,567)	(2,581)	(2,578)	(2,585)	(2,623)
Other	(1,321)	(1,285)	(1,275)	(1,137)	(1,181)
<b>Net Tier 1 capital - A</b>	<b>11,456</b>	<b>10,953</b>	<b>10,219</b>	<b>10,877</b>	<b>10,696</b>

Tier 2 Capital <sup>1</sup>

Tier 2A	541	566	565	572	604
Tier 2B allowed	1,335	1,335	1,235	1,235	1,235
Tier 2C	1,671	1,818	1,797	1,603	1,655
<b>Total Tier 2 capital allowed</b>	<b>3,547</b>	<b>3,719</b>	<b>3,597</b>	<b>3,410</b>	<b>3,494</b>

<b>Total Tier 1 and Tier 2 capital</b>	<b>15,003</b>	<b>14,672</b>	<b>13,816</b>	<b>14,287</b>	<b>14,190</b>
Less Adjustments	(1,668)	(911)	(844)	(793)	(900)
<b>Total Capital Available - B</b>	<b>13,335</b>	<b>13,761</b>	<b>12,972</b>	<b>13,494</b>	<b>13,290</b>

**Capital Required:**

Asset default & market risk	3,743	3,520	3,517	3,355	3,416
Insurance risks	1,527	1,536	1,502	1,470	1,460
Interest rate risks	1,064	1,074	1,058	1,028	1,067
<b>Total Capital Required - C</b>	<b>6,334</b>	<b>6,130</b>	<b>6,077</b>	<b>5,853</b>	<b>5,943</b>

<b>MCCR Ratio: Total (B/C) x 100</b>	<b>211%</b>	<b>224%</b>	<b>213%</b>	<b>231%</b>	<b>224%</b>
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<sup>1</sup> Tier 2 capital includes Trust Preferred Securities (2A), Canadian dollar subordinated debt (2B), and other available capital write-ins, including a portion of the unrealized unamortized gains/losses on widely traded stocks and bonds backing surplus (2C).

**John Hancock Life Insurance Company's RBC**

<b>Risk-Based Capital Ratio <sup>2</sup></b>	<b>359%</b>	<b>359%</b>	<b>359%</b>	<b>351%</b>	<b>351%</b>
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<sup>2</sup> Ratios are calculated and reported on an annual basis.

**Annuity:** A contract which allows the contract holder to either i) accumulate funds for retirement planning, or ii) receive scheduled payments, either periodically for a specified period of time or until death.

- **Fixed Annuity:** The return to the contract holder is specified in the contract i.e. the Company bears the investment risk.

- **Variable Annuity:** Funds are invested in segregated funds (also called separate accounts in the U.S.) and the return to the contract holder fluctuates according to the earnings of the underlying investments. In some instances, guarantees are provided.

**Book Value per Share:** Ratio obtained by dividing total equity by the number of common shares outstanding at the end of the period.

**Corporate Owned Life Insurance (COLI):** Life insurance purchased by organizations, predominantly to finance non-qualified executive deferred compensation plans.

**Deferred Acquisition Costs (DAC):** Costs directly attributable to the acquisition of new business, principally agents' compensation, which are capitalized on the Company's balance sheet and amortized into income over a specified period.

**Funds Under Management (FUM):** Include general fund assets, segregated fund assets, mutual fund assets and other funds.

- **General Fund Assets:** Total invested assets as presented on the Company's balance sheet.

- **Segregated Fund Assets:** Net assets held by policyholders in segregated funds related to insurance, annuity and pension products. These funds are maintained separately from the Company's general account and the policyholder / contract holder bears the investment risk of the underlying fund.

- **Mutual Fund Assets:** Net assets held in proprietary mutual funds.

- **Other Funds:** Funds managed or administered by the Company other than those associated with a contract issued by the Company.

**Impaired Assets:** Bonds and mortgages and other investment securities in default where there is no longer reasonable assurance of collection.

**Long-Term Care (LTC):** Insurance coverage available on an individual or group basis to provide reimbursement for medical and other services to the chronically ill, disabled or mentally challenged.

**Minimum Continuing Capital and Surplus Requirements (MCCSR):** The ratio of the available capital of a life insurance company to its required capital, each as calculated under the Office of the Superintendent of Financial Institutions' (OSFI) published guidelines.

**Premiums and Deposits:** Include general fund premiums, segregated fund deposits, mutual fund deposits, other fund deposits and ASO premium equivalents.

- **General Fund Premiums:** Premiums earned on insurance and fixed annuity contracts as reflected in the Company's statement of operations.

- **Segregated Fund Deposits:** Deposits related to insurance, annuity and pension products which are invested in segregated funds.

- **Mutual Fund Deposits:** Deposits received in proprietary mutual funds.

- **Other Fund Deposits:** Deposits received from customers related to non-proprietary funds for Manulife-branded products.

- **ASO Premium Equivalents:** ASO ("administrative services only") contracts are group insurance contracts administered by the Company on behalf of the client on which the Company earns a fee for its services but the client retains all risks inherent in the group insurance. ASO premium equivalents are a measure of the business volume calculated as expected claims plus administrative fees charged.

**Sales:** Sales are measured according to product type.

- **Individual Insurance:** New annualized premiums reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. Sales are reported gross before the impact of reinsurance. Single premiums – lump sum premium from the sale of a single premium product e.g. travel insurance.

- **Group Insurance:** Sales include new annualized premiums and ASO premium equivalents on new cases, as well as the addition of new coverages and amendments to contracts, excluding rate increases.

- **Individual Wealth Management:** All new deposits are reported as sales. This includes individual annuities, both fixed and variable; segregated fund products; mutual funds; and college savings 529 plans; authorized bank loans and mortgages.

- **Group Pensions:** New regular premiums reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider. Sales include the impact of the addition of a new division of or a new product to an existing client as well as increases in the contribution rate for an existing plan.

**Risk-Based Capital (RBC):** Risk-based capital is a method developed by the National Association of Insurance Commissioners in the U.S. (NAIC) to measure the minimum amount of capital that an insurance company needs to support its overall business operations.

**Total Capital:** Includes total equity, long-term debt, liabilities for preferred shares and capital instruments and non-controlling interest in subsidiaries.

**Universal Life Insurance:** A form of permanent life insurance with flexible premiums. The customer may vary the premium payment and death benefit within certain restrictions. The contract is credited with a rate of interest based on the return of a portfolio of assets held by the Company, possibly with a minimum rate guarantee, which may be reset periodically at the discretion of the Company.

**Variable Universal Life Insurance:** A form of permanent life insurance with flexible premiums in which the cash value and possibly the death benefit of the policy fluctuate according to the investment performance of segregated funds (or separate accounts).

**GENERAL INFORMATION**

**MANULIFE FINANCIAL CORPORATION HEAD OFFICE**

200 Bloor Street East  
 Toronto, Ontario  
 Canada M4W 1E5  
 Web Site: www.manulife.com

**TRANSFER AGENT**

Canada  
 CIBC Mellon Trust Company  
 1-800-783-9495  
 www.cibcmellon.com/investor

United States  
 Mellon Investor Services  
 1-800-249-7702  
 www.melloninvestor.com

**COMMON STOCK**

Common Stock of Manulife Financial is traded on:

<u>Stock Exchange</u>	<u>Symbol</u>
Toronto	MFC
New York	MFC
Hong Kong	0945
Philippines	MFC

**INVESTOR INFORMATION**

Patricia Kelly, Assistant Vice President, Investor Relations  
 1-800-795-9767  
 E-mail: investor\_relations@manulife.com

**INDUSTRY RATING INFORMATION**

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

**The Manufacturers Life Insurance Company**

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

**John Hancock Life Insurance Company**

<u>Purpose</u>	<u>Rating agency</u>	<u>Rating</u>
Claims paying/	A.M. Best	A++
Financial strength	Dominion Bond Rating Service	not rated
	FitchRatings	AA+
	Moody's	Aa2
	Standard & Poor's	AA+