

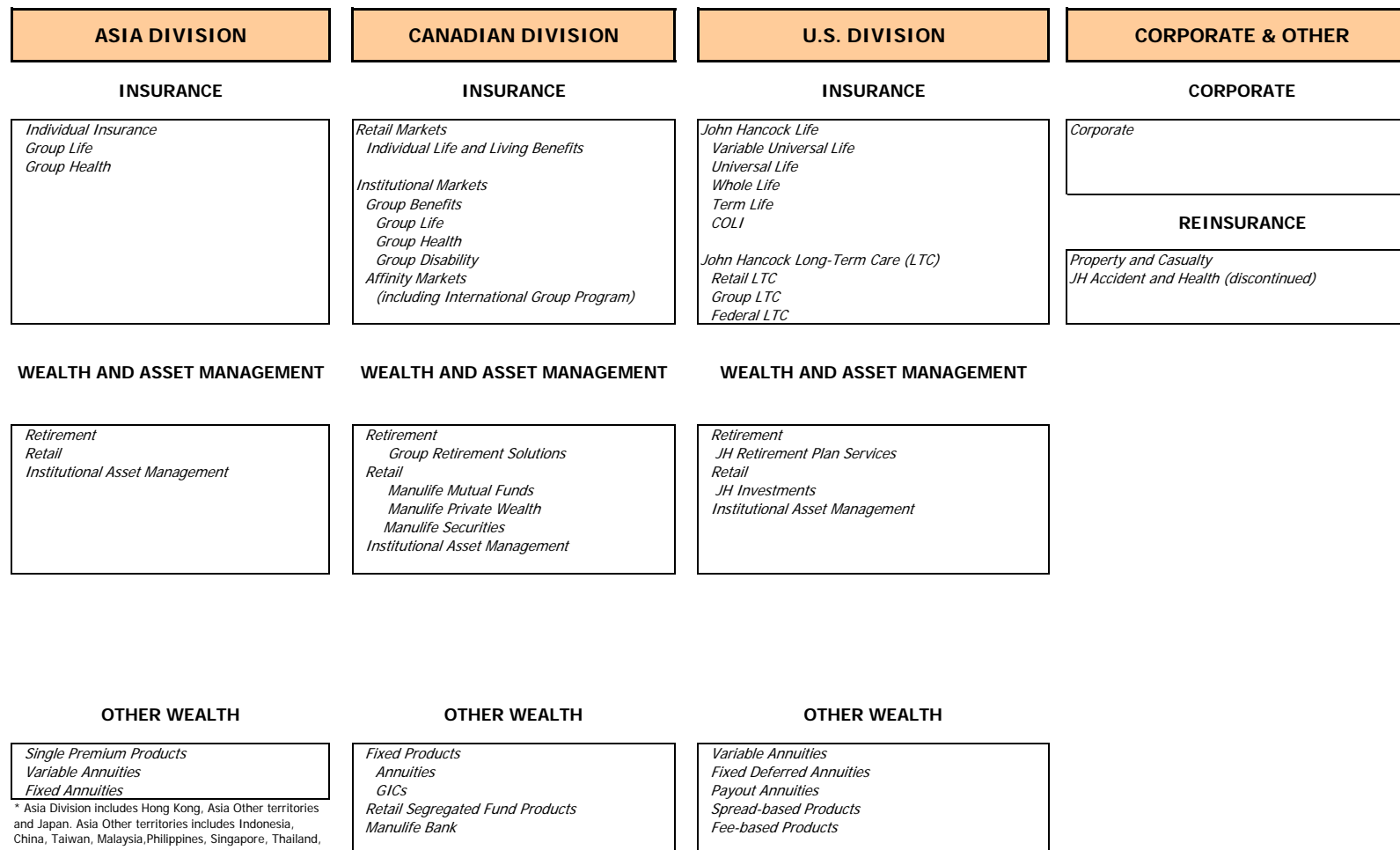


Statistical Information Package

Q4 2017

	<u>Page</u>		<u>Page</u>
Financial Reporting Structure	1	Asset Information	
Notes to Readers	2	Asset Composition and Quality	
Financial Highlights	3	Portfolio Composition	25
		Fixed Income Securities by Credit Quality and Geographic Location	26
		Fixed Income Securities by Sector	27
		Provisions, Impairments & Unrealized Losses	28
Consolidated Financial Statements		Investment Income	29
Consolidated Statements of Income	8		
Consolidated Statements of Financial Position	9	Actuarial Liabilities Information	
Consolidated Statements of Changes in Equity	10	Variable Annuity and Segregated Fund Guarantees	30
Consolidated Statements of Cash Flows	11		
Consolidated Source of Earnings	12	Capital Information	
		Regulatory Capital	31
Segmented Information		Supplementary Disclosure	
Asia Division	13	Wealth and Asset Management	32
Canadian Division	18	Glossary of Terms and Definitions	35
U.S. Division	21	General Information	36
Corporate & Other	24		

MFC



* Asia Division includes Hong Kong, Asia Other territories and Japan. Asia Other territories includes Indonesia, China, Taiwan, Malaysia, Philippines, Singapore, Thailand, Vietnam, Cambodia and Regional office.

Use of this document:

Information in the document is supplementary to the Company's fourth quarter Press Release, MD&A and audited financial statements in the Company's most recent Annual Report and should be read in conjunction with those documents.

Performance and Non-GAAP Measures

We use a number of non-GAAP financial measures to measure overall performance and to assess each of our businesses. Non-GAAP measures include premiums and deposits, assets under management and administration, constant currency basis, new business value ("NBV"), NBV margin, core earnings (loss), core ROE, Diluted core earning per common share, core EBITDA, total annualized premium equivalents, total weighted premium income, capital, gross flows, net flows and sales. Non-GAAP financial measures are not defined terms under GAAP and, therefore, are unlikely to be comparable to similar terms used by other issuers. Therefore, they should not be considered in isolation or as a substitute for any other financial information prepared in accordance with GAAP.

Premiums and deposits is a measure of top line growth. The Company calculates premiums and deposits as the aggregate of (i) general fund premiums net of reinsurance, reported as premiums on the Consolidated Statement of Income and investment contract deposits, (ii) premium equivalents for administration only group benefit contracts, (iii) premiums in the Canadian Group Benefit's reinsurance ceded agreement, (iv) segregated fund deposits, excluding seed money, (v) mutual fund deposits, (vi) deposits into institutional advisory accounts, and (vii) other deposits in other managed funds.

Assets under management and administration is a measure of the size of the Company. Assets Under Management include both assets of general account and external client assets for which we provide investment management services. Assets Under Administration include assets for which we provide administrative services only.

The definition we use for **capital** serves as a foundation of our capital management activities at the MFC level. For regulatory reporting purposes, the numbers are further adjusted for various additions or deductions to capital as mandated by the guidelines used by OSFI. Capital is calculated as the sum of (i) total equity excluding Accumulated Other Comprehensive Income (Loss) on cash flow hedges and (ii) liabilities for preferred shares and capital instruments.

Sales are measured according to product type.

- (i) For individual insurance, sales include 100 per cent of new annualized premiums and 10 per cent of both excess and single premiums. For individual insurance, new annualized premiums reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. Single premium is the lump sum premium from the sale of a single premium product, e.g. travel insurance. Sales are reported gross before the impact of reinsurance.
- (ii) For group insurance, sales include new annualized premiums and administrative services only (ASO) premium equivalents on new cases, as well as the addition of new coverages and amendments to contracts, excluding rate increases.
- (iii) For other wealth, all new deposits are reported as sales. This includes certain single premium wealth accumulation products in Asia and individual annuities, both fixed and variable. As we have discontinued sales of new VA contracts in the U.S., beginning in the first quarter of 2013, subsequent deposits into existing U.S VA contracts are not reported as sales.
- (iv) Retirement: Sales include both new regular premiums and deposits and single premiums sales. New regular premiums and deposits reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider.

Gross Flows is a new business measure for Manulife's wealth and asset management ("WAM") businesses and includes all deposits into the Company's retirement, retail, and institutional asset management businesses. Gross flows are a common industry metric for WAM businesses as it provides a measure of how successful the businesses are at attracting assets.

Net flows is presented for our WAM businesses and includes gross flows less redemptions for our retirement, retail and institutional asset management businesses. For our retail businesses, it includes net flows for ETF products. Net flows are a common industry metric for WAM businesses as it provides a measure of how successful the businesses are at attracting and retaining assets.

Core earnings is a non-GAAP profitability measure. It shows what the net income (loss) attributed to shareholders would have been assuming that interest and equity markets performed as assumed in our policy valuation and certain other items had not occurred. It excludes the direct impact of equity markets and interest rates as well as a number of other items that are considered material and exceptional in nature.

Core earnings before income tax, depreciation and amortization ("Core EBITDA") is a non-GAAP profitability measure for our global wealth and asset management business. It shows core earnings adjusted to remove the impacts of amortization and impairment of intangible assets acquired in business combinations, amortization of deferred acquisition costs, interest income and expenses, and income tax. Core EBITDA excludes certain acquisition expenses related to insurance contracts in our retirement businesses which are deferred and amortized over the expected life time of the customer relationship under the Canadian Asset Liability Method (CALM).

New business value ("NBV") is the change in embedded value as a result of sales in the reporting period. NBV is calculated as the present value of shareholders' interests in expected future distributable earnings, after the cost of capital, on actual new business sold in the period using assumptions that are consistent with the assumptions used in the calculation of embedded value. NBV excludes businesses with immaterial insurance risks, such as Manulife's wealth and asset management businesses and Manulife Bank. NBV is a useful metric to evaluate the value created by the Company's new business franchise.

NBV margin is calculated as NBV divided by annualized premium equivalents ("APE") excluding non-controlling interests. APE is calculated as 100% of annualized first year premiums for recurring premium products, and as 10% of single premiums for single premium products. Both NBV and APE used in the NBV margin calculation are after non-controlling interests and exclude wealth and asset management businesses and Manulife Bank. The NBV margin is a useful metric to help understand the profitability of our new business.

Constant currency basis

Quarterly amounts stated on a constant currency basis are calculated using Q4 2017 income statement and statement of financial position exchange rates as appropriate.

Core earnings per share is core earnings less preferred share dividends divided by weighted average outstanding common shares.

FINANCIAL HIGHLIGHTS

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

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Shareholders' Net Income (loss) by Division¹

Asia	298	409	555	587	431	-31%	1,849	1,141	62%
Canadian	37	448	84	188	92	-60%	757	1,486	-49%
U.S.	(2,473)	635	774	768	(73)	-	(296)	1,134	-
Corporate and other	532	(387)	(158)	(193)	(387)	-	(206)	(832)	-
Net income (loss) attributed to shareholders	(1,606)	1,105	1,255	1,350	63	-	2,104	2,929	-28%
Preferred share dividends	(40)	(39)	(39)	(41)	(33)	21%	(159)	(133)	20%
Common shareholders' net income (loss)	(1,646)	1,066	1,216	1,309	30	-	1,945	2,796	-30%
Common shareholders' net income (loss) on a constant currency basis	(1,646)	1,074	1,140	1,253	8	-	1,821	2,734	-33%

Earnings Analysis¹

Core earnings									
Asia	422	428	405	408	388	9%	1,663	1,495	11%
Canadian	335	466	345	319	359	-7%	1,465	1,384	6%
U.S.	550	445	452	515	471	17%	1,962	1,615	21%
Corporate and other (excl. expected cost of macro hedges and core investment gains)	(192)	(342)	(168)	(166)	(75)	-	(868)	(409)	-
Expected cost of macro hedges	(10)	(12)	(14)	(21)	(36)	-	(57)	(261)	-
Investment-related experience in core earnings	100	100	154	46	180	-44%	400	197	103%
Total core earnings	1,205	1,085	1,174	1,101	1,287	-6%	4,565	4,021	14%
Investment-related experience outside of core earnings	18	11	138	-	-	-	167	-	-
Total core earnings and investment-related experience in excess of amounts included in core earnings	1,223	1,096	1,312	1,101	1,287	-5%	4,732	4,021	18%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(68)	47	(37)	267	(1,202)	-	209	(484)	-
Change in actuarial methods and assumptions	(33)	(2)	-	-	(10)	-	(35)	(453)	-
Charge related to decision to change portfolio asset mix supporting our legacy businesses	(1,032)	-	-	-	-	-	(1,032)	-	-
Charge related to U.S. Tax Reform	(1,777)	-	-	-	-	-	(1,777)	-	-
Integration and acquisition costs	(18)	(14)	(20)	(18)	(25)	-	(70)	(81)	-
Other	99	(22)	-	-	13	662%	77	(74)	-
Net income (loss) attributed to shareholders	(1,606)	1,105	1,255	1,350	63	-	2,104	2,929	-28%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment.

Selected Performance Measures

Basic earnings (loss) per common share	(\$0.83)	\$0.54	\$0.62	\$0.66	\$0.01	-	\$ 0.98	\$1.42	-31%
Basic earnings (loss) per common share on a constant currency basis	(\$0.83)	\$0.54	\$0.58	\$0.63	\$0.00	-			
Diluted core earnings per common share	\$0.59	\$0.53	\$0.57	\$0.53	\$0.63	-6%	\$ 2.22	\$1.96	13%
Diluted earnings (loss) per common share	(\$0.83)	\$0.54	\$0.61	\$0.66	\$0.01	-	\$ 0.98	\$1.41	-30%
Return on common shareholders' equity (annualized) (%)	(17.1)%	10.8%	12.4%	13.7%	0.3%	1740 bps	5.0%	7.3%	-230 bps
Core ROE (annualized) (%)	12.1%	10.6%	11.5%	11.1%	12.9%	-80 bps	11.3%	10.1%	120 bps

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Earnings Analysis (Pre-tax)

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Core earnings									
Asia	507	518	495	497	451	12%	2,017	1,757	15%
Canadian	439	491	435	420	447	-2%	1,785	1,688	6%
U.S.	756	581	608	713	535	41%	2,658	2,036	31%
Corporate and other (excl. expected cost of macro hedges and core investment gains)	(268)	(443)	(244)	(261)	(181)	-	(1,216)	(757)	61%
Expected cost of macro hedges	(13)	(16)	(19)	(28)	(52)	-	(76)	(380)	-80%
Investment-related experience in core earnings	96	167	206	53	260	-63%	522	284	84%
Total core earnings	1,517	1,298	1,481	1,394	1,460	4%	5,690	4,628	23%
Investment-related experience outside of core earnings	17	19	184	-	-	-	220	68	224%
Total core earnings and investment-related experience in excess of amounts included in core earnings	1,534	1,317	1,665	1,394	1,460	5%	5,910	4,696	26%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(98)	65	(82)	324	(1,827)	-	209	(722)	-
Change in actuarial methods and assumptions	(31)	(141)	-	-	(8)	-	(172)	(610)	-72%
Charge related to decision to change portfolio asset mix supporting our legacy businesses	(1,341)	-	-	-	-	-	(1,341)	-	-
Charge related to U.S. Tax Reform	(2,245)	-	-	-	-	-	(2,245)	-	-
Integration and acquisition costs	(22)	(16)	(24)	(22)	(50)	-	(84)	(121)	-31%
Other	173	(107)	-	-	38	355%	66	(118)	-
Net income (loss) attributed to shareholders	(2,030)	1,118	1,559	1,696	(387)	-	2,343	3,125	-25%

Earnings Analysis (Tax Rate)

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Core earnings									
Asia	17%	17%	18%	18%	14%	-	18%	15%	-
Canadian	24%	5%	21%	24%	20%	-	18%	18%	-
U.S.	27%	23%	26%	28%	12%	-	26%	21%	-
Corporate and other (excl. expected cost of macro hedges and core investment gains)	28%	23%	31%	36%	59%	-	29%	46%	-
Expected cost of macro hedges	23%	25%	26%	25%	31%	-	25%	31%	-
Investment-related experience in core earnings	-4%	40%	25%	13%	31%	-	23%	31%	-
Total core earnings	21%	16%	21%	21%	12%	-	20%	13%	-
Investment-related experience outside of core earnings	-6%	42%	25%	-	-	-	24%	100%	-
Total core earnings and investment-related experience in excess of amounts included in core earnings	20%	17%	21%	21%	12%	-	20%	14%	-
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	31%	28%	55%	18%	34%	-	-	33%	-
Change in actuarial methods and assumptions	-6%	99%	-	-	-25%	-	80%	26%	-
Charge related to decision to change portfolio asset mix supporting our legacy businesses	23%	-	-	-	-	-	23%	-	-
Charge related to U.S. Tax Reform	21%	-	-	-	-	-	21%	-	-
Integration and acquisition costs	18%	13%	17%	18%	50%	-	17%	33%	-
Other	43%	32%	-	-	61%	-	61%	36%	-
Net income (loss) attributed to shareholders	21%	1%	19%	20%	116%	-	10%	6%	-

Core earnings by line of business

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Insurance¹									
Asia	295	280	260	262	273	8%	1,097	994	10%
Canadian	165	246	162	134	210	-21%	707	763	-7%
U.S.	368	195	225	295	210	75%	1,083	735	47%
Total insurance	828	721	647	691	693	19%	2,887	2,492	16%
Wealth and asset management^{2,4}									
Asia	50	55	55	51	48	4%	211	175	21%
Canadian	56	52	59	57	43	30%	224	161	39%
U.S.	87	99	93	74	84	4%	353	298	18%
Corporate and other	-	-	-	-	3	-100%	-	(5)	-
Total wealth and asset management	193	206	207	182	178	8%	788	629	25%
Other wealth^{1,3}									
Asia	77	93	90	95	69	12%	355	327	9%
Canadian Manulife Bank	35	37	32	36	29	21%	140	114	23%
Canadian excluding Manulife Bank	79	131	92	92	76	4%	394	345	14%
Canadian	114	168	124	128	105	9%	534	459	16%
U.S.	95	151	134	146	176	-46%	526	582	-10%
Total other wealth	286	412	348	369	350	-18%	1,415	1,368	3%
Corporate and other⁴	(102)	(254)	(28)	(141)	66	-	(525)	(468)	12%
Total core earnings	1,205	1,085	1,174	1,101	1,287	-6%	4,565	4,021	14%

¹ Insurance and other wealth businesses are included in new business value calculations (see page 6).

² Wealth and asset management is comprised of our fee based business with little or no insurance risk, including retail, retirement, and institutional asset management.

³ Other wealth includes single premium wealth accumulation products in Asia, annuities, GIC's and Manulife Bank.

⁴ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment.

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Premiums and Deposits - Insurance

Life and health insurance premiums	5,980	6,274	6,018	5,973	6,070	-1%	24,245	23,180	5%
Segregated fund deposits	652	643	639	619	641	2%	2,553	2,403	6%
ASO premium equivalents	892	879	884	841	833	7%	3,496	3,318	5%
Group Benefits ceded	1,095	1,096	1,054	1,038	1,095	0%	4,283	4,693	-9%
Premiums and deposits - Insurance	8,619	8,892	8,595	8,471	8,639	0%	34,577	33,594	3%
Premiums and deposits - Insurance on a constant currency basis	8,619	8,963	8,282	8,278	8,347	3%	34,142	32,427	5%

Premiums and Deposits - Wealth and Asset Management ¹

Pension premiums and investment contract deposits	12	11	12	12	11	9%	47	52	-10%
Segregated fund deposits	6,270	6,187	6,605	7,747	6,489	-3%	26,809	26,542	1%
Mutual fund deposits	20,938	18,237	19,749	21,048	20,349	3%	79,972	72,587	10%
Institutional asset management	5,564	2,958	4,447	4,011	11,168	-50%	16,980	20,733	-18%
Other fund deposits ²	135	101	126	136	143	-6%	498	536	-7%
Premiums and deposits - Wealth and Asset Management	32,919	27,494	30,939	32,954	38,160	-14%	124,306	120,450	3%
Premiums and deposits - Wealth and Asset Management on a constant currency basis	32,919	27,851	29,656	32,040	36,859	-11%	122,466	116,516	5%

¹ Wealth & asset management is comprised of our fee based business with little or no insurance risk, including retail, retirement and institutional asset management.

² Other funds include College Savings (529 plan).

Premiums and Deposits - Other Wealth

Annuity and investment contract deposits	954	944	962	1,066	915	4%	3,926	4,475	-12%
Segregated fund deposits	795	798	643	607	490	62%	2,843	1,559	82%
Premiums and deposits - Other Wealth	1,749	1,742	1,605	1,673	1,405	24%	6,769	6,034	12%
Premiums and deposits - Other Wealth on a constant currency basis	1,749	1,760	1,529	1,627	1,349	30%	6,665	5,856	14%
Premiums and Deposits - Corporate & Other	20	47	22	21	23	-13%	110	88	25%

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Insurance Sales ¹

Asia - US \$	541	583	551	632	507	7%	2,307	2,002	15%
Canadian - C \$	163	186	458	299	237	-31%	1,106	693	60%
U.S. - US \$	121	107	123	113	120	1%	464	459	1%
Insurance sales - C \$	1,003	1,052	1,364	1,285	1,074	-7%	4,704	3,952	19%
Insurance sales on a constant currency basis - C \$	1,003	1,063	1,316	1,257	1,031	-3%	4,639	3,785	23%

¹ Insurance sales consist of recurring premiums and 10% of both excess and single premiums.

Wealth and Asset Management ² Gross Flows by Division

Asia - US \$	6,839	5,525	4,959	4,167	8,475	-19%	21,490	19,610	10%
Canadian - C \$	6,261	4,876	5,473	6,558	9,639	-35%	23,168	24,657	-6%
U.S. - US \$	14,131	12,529	13,974	15,774	12,899	10%	56,408	52,651	7%
Wealth & asset management gross flows - C \$	32,919	27,494	30,939	32,954	38,160	-14%	124,306	120,450	3%
Wealth & asset management gross flows on a constant currency basis - C \$	32,919	27,851	29,656	32,040	36,859	-11%	122,466	116,516	5%

² Wealth and asset management is comprised of our fee based business with little or no insurance risk, including retail, retirement and institutional asset management.

Wealth and Asset Management Net Flows by Division ³

Asia - US \$	1,827	1,424	1,061	785	3,475	-47%	5,097	6,365	-20%
Canadian - C \$	767	782	500	1,046	4,723	-84%	3,095	8,358	-63%
U.S. - US \$	493	1,153	2,722	1,665	(2,461)	-	6,033	(1,093)	-
Total net flows - C \$	3,718	4,009	5,588	4,290	6,073	-39%	17,605	15,265	15%
Net flows on a constant currency basis - C \$	3,718	4,063	5,310	4,167	6,055	-39%	17,258	15,091	14%

³ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment.

Other Wealth Sales excluding Manulife Bank

Asia - US \$	1,122	1,022	911	920	747	50%	3,975	3,726	7%
Canadian - C \$	656	658	730	864	740	-11%	2,908	3,219	-10%
Other wealth sales - C \$	2,082	1,939	1,956	2,081	1,737	20%	8,058	8,159	-1%
Other wealth sales on a constant currency basis - C \$	2,082	1,947	1,882	2,044	1,670	25%	7,955	7,808	2%

New Business Value ⁴

Asia	319	288	268	326	294	9%	1,201	998	20%
Canadian	54	40	60	66	48	13%	220	169	30%
U.S.	16	15	18	2	25	-36%	51	59	-14%
Total new business value	389	343	345	394	367	6%	1,472	1,226	20%
Total new business value on a constant currency basis - C \$	389	346	331	384	350	11%	1,450	1,169	24%

⁴ New Business Value is not calculated for Wealth & Asset Management business, Manulife Bank and Property and Casualty Reinsurance and GRS business.

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Common Share Statistics

Share Price - Toronto (in Canadian \$)									
high	27.54	26.11	24.87	25.57	25.42	8%	27.54	25.42	8%
low	25.15	23.41	22.61	22.39	18.35	37%	22.39	15.32	46%
close	26.22	25.31	24.31	23.59	23.91	10%	26.22	23.91	10%
Share Price - New York (in U.S \$)									
high	21.70	20.84	18.95	19.52	19.04	14%	21.70	19.04	14%
low	20.05	18.64	16.62	16.72	13.97	44%	16.62	10.99	51%
close	20.86	20.29	18.76	17.74	17.82	17%	20.86	17.82	17%
Common shares outstanding (millions)									
- end of period	1,978	1,979	1,977	1,977	1,975	0%	1,978	1,975	0%
- weighted average	1,980	1,978	1,977	1,976	1,974	0%	1,978	1,973	0%
- diluted weighted average	1,988	1,986	1,984	1,984	1,980	0%	1,986	1,977	0%
Dividend per common share paid in the quarter ¹	0.205	0.205	0.205	0.205	0.185	11%	0.820	0.740	11%
Common share dividend payout ratio	nm	38.1%	33.4%	30.8%	nm	-	83.3%	nm	nm

¹ On February 7, 2018, the Board of Directors approved an increase of 7% or 1.5 cents to the quarterly shareholders' dividend resulting in a dividend of 22.0 cents per share on the common shares of the Company, payable on or after March 19, 2018 to shareholders of record at the close of business on February 21, 2018.

Valuation Data

Book value per common share	18.93	19.68	20.01	19.89	19.37	-2%	18.93	19.37	-2%
Market value to book value ratio	1.39	1.29	1.22	1.19	1.23	12%	1.39	1.23	12%
Book value excluding goodwill per common share	16.04	16.80	17.07	16.92	16.39	-2%	16.04	16.39	-2%
Market value to book value excluding goodwill ratio	1.63	1.51	1.42	1.39	1.46	12%	1.63	1.46	12%
Market capitalization (\$ billions)	51.9	50.1	48.1	46.6	47.2	10%	51.9	47.2	10%

Assets Under Management and Administration

Assets Under Management									
General fund	334,222	325,106	329,296	328,237	321,869	4%	334,222	321,869	4%
Segregated funds excluding institutional advisory accounts ²	322,333	315,057	319,254	321,025	313,078	3%	322,333	313,078	3%
Mutual funds ²	195,506	184,952	182,160	177,286	169,919	15%	195,506	169,919	15%
Institutional asset management	93,089	88,965	88,929	86,591	83,403	12%	93,089	83,403	12%
Other funds ³	7,412	6,976	7,094	6,929	6,353	17%	7,412	6,353	17%
Total assets under management	952,562	921,056	926,733	920,068	894,622	6%	952,562	894,622	6%
Assets under administration	87,929	85,015	85,127	84,676	82,433	7%	87,929	82,433	7%
Total assets under management and administration	1,040,491	1,006,071	1,011,860	1,004,744	977,055	6%	1,040,491	977,055	6%
Total assets under management and administration on a constant currency basis	1,040,491	1,010,003	990,747	967,312	937,949	11%	1,040,491	937,949	11%

² Includes ETF assets

³ Other funds includes College Savings (529 plan).

Assets Under Management and Administration

Insurance	276,392	266,770	271,202	269,471	262,794	5%	276,392	262,794	5%
Wealth and asset management ^{4,5}	598,627	574,164	572,455	564,535	544,313	10%	598,627	544,313	10%
Other wealth	168,394	167,871	172,335	174,856	174,353	-3%	168,394	174,353	-3%
Corporate and other	(2,922)	(2,734)	(4,132)	(4,118)	(4,405)	-	(2,922)	(4,405)	-
Total assets under management and administration	1,040,491	1,006,071	1,011,860	1,004,744	977,055	6%	1,040,491	977,055	6%

⁴ Wealth and asset management is comprised of our fee based business with little or no insurance risk, including retail, retirement and institutional asset management.

⁵ The 2016 results have been restated to reflect the operations of Manulife Asset Management in the respective divisional results of WAM, previously included in Corporate and Other segment.

Assets Under Management and Administration

Assets Managed by Manulife Asset Management including General Account ⁶	491,467	477,442	480,169	477,307	460,718	7%	491,467	460,718	7%
Assets Managed for General Account	251,709	244,203	247,778	247,319	245,126	3%	251,709	245,126	3%
Other Managed Assets	209,386	199,411	198,786	195,442	188,778	11%	209,386	188,778	11%
Assets under Administration	87,929	85,015	85,127	84,676	82,433	7%	87,929	82,433	7%
Total assets under management and administration	1,040,491	1,006,071	1,011,860	1,004,744	977,055	6%	1,040,491	977,055	6%

⁶ Includes \$82.5 billion of assets managed by Manulife Asset Management for the General Account.

Capital Information

Total capital ⁷	50,659	51,780	52,003	52,287	50,235	1%	50,659	50,235	1%
MCCSR - The Manufacturers Life Insurance Company ⁸	224%	234%	230%	233%	230%	-6 pts	224%	230%	-6 pts

⁷ Total capital includes total equity less AOCI on cash flow hedges and liabilities for preferred shares and capital instruments. Total equity includes unrealized gains and losses on AFS bonds and AFS equities, net of taxes.

The net unrealized gain on AFS bonds, net of taxes, is no longer part of OSFI regulatory capital.

⁸ 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).

Foreign Exchange Information⁸

- Statements of Financial Position	(CDN to \$ 1 US)	1.2545	1.2480	1.2977	1.3323	1.3426	-7%
	(CDN to 1 YEN)	0.0111	0.0111	0.0116	0.0120	0.0115	-3%
- Statements of Income	(CDN to \$ 1 US)	1.2712	1.2528	1.3450	1.3238	1.3343	-5%
	(CDN to 1 YEN)	0.0113	0.0113	0.0121	0.0117	0.0122	-8%

⁸ Unless otherwise indicated, information contained in this supplement is in Canadian dollars. The exchange rates above are used for currency conversion from U.S. dollars and Japanese yen to Canadian dollars for financial statement purposes.

CONSOLIDATED STATEMENTS OF INCOME

(Canadian \$ in millions, unaudited)

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Revenue									
Premium income									
Gross premiums	9,035	9,211	9,030	9,085	9,179	-2%	36,361	36,659	-1%
Premiums ceded to reinsurers	(2,092)	(1,968)	(2,056)	(2,035)	(2,178)	-4%	(8,151)	(9,027)	-10%
Net premium income	6,943	7,243	6,974	7,050	7,001	-1%	28,210	27,632	2%
Investment income									
Investment income ¹	3,579	3,309	3,444	3,317	3,309	8%	13,649	13,390	2%
Realized/ unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro hedge program ¹	2,988	(1,163)	3,303	590	(16,421)	-	5,718	1,134	404%
Net investment income (loss)	6,567	2,146	6,747	3,907	(13,112)	-	19,367	14,524	33%
Other revenue	2,737	2,544	2,872	2,593	2,637	4%	10,746	11,181	-4%
Total revenue	16,247	11,933	16,593	13,550	(3,474)	-	58,323	53,337	9%
Contract benefits and expenses									
To contract holders and beneficiaries									
Gross claims and benefits	5,807	6,059	6,525	6,603	6,331	-8%	24,994	25,059	0%
Change in insurance contract liabilities ²	9,919	2,540	6,113	1,451	(11,644)	-	20,023	18,014	11%
Change in investment contract liabilities	31	47	41	54	12	158%	173	-	-
Benefits and expenses ceded to reinsurers	(1,887)	(1,901)	(2,218)	(2,152)	(2,025)	-7%	(8,158)	(8,097)	1%
Change in reinsurance assets	149	(137)	467	1,790	(96)	-	2,269	(842)	-
Net benefits and claims	14,019	6,608	10,928	7,746	(7,422)	-	39,301	34,134	15%
General expenses	1,947	1,794	1,785	1,707	1,834	6%	7,233	6,995	3%
Investment expenses	495	389	398	391	461	7%	1,673	1,646	2%
Commissions	1,526	1,475	1,491	1,624	1,556	-2%	6,116	5,818	5%
Interest expense	295	306	279	259	266	11%	1,139	1,013	12%
Net premium taxes	88	92	94	86	116	-24%	360	402	-10%
Total contract benefits and expenses	18,370	10,664	14,975	11,813	(3,189)	-	55,822	50,008	12%
Income (loss) before income taxes	(2,123)	1,269	1,618	1,737	(285)	645%	2,501	3,329	-25%
Income tax (expense) recovery	424	(13)	(304)	(346)	450	-6%	(239)	(196)	22%
Net income (loss)	(1,699)	1,256	1,314	1,391	165	-	2,262	3,133	-28%
Less: net income (loss) attributed to non-controlling interests	46	33	61	54	23	100%	194	143	36%
Less: net income (loss) attributed to participating policyholders	(139)	118	(2)	(13)	79	-	(36)	61	-
Net income (loss) attributed to shareholders	(1,606)	1,105	1,255	1,350	63	-	2,104	2,929	-28%
Preferred share dividends	(40)	(39)	(39)	(41)	(33)	21%	(159)	(133)	20%
Common shareholders' net income (loss)	(1,646)	1,066	1,216	1,309	30	-	1,945	2,796	-30%

¹ The volatility in realized/unrealized gains (losses) on assets supporting insurance and investment contract liabilities relates primarily to the impact of interest rate changes on bond and fixed income derivative positions as well as interest rate swaps supporting the dynamic hedge program and gains and losses on macro equity hedges used as part of our equity risk management program. These items are mostly offset by changes in the measurement of our policy obligations. For fixed income assets supporting insurance and investment contracts, equities supporting pass through products and derivatives related to variable annuity hedging programs, the impact of realized/ unrealized gains (losses) on the assets is largely offset in the change in insurance and investment contract liabilities.

² The volatility in investment income largely related to gains and losses on AFS bonds related to the management of interest rate exposures. These activities in the surplus segment are mostly offset in the measurement of our policy liabilities (see change in insurance contract liabilities).

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Canadian \$ in millions, unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4
ASSETS					
Invested assets					
Cash and short-term securities	15,965	15,251	15,866	16,011	15,151
Securities					
Debt securities	174,000	168,476	172,103	171,360	168,622
Public equities	21,545	20,430	20,741	20,767	19,496
Loans					
Mortgages	44,742	44,639	44,700	44,245	44,193
Private placements	32,132	31,033	31,125	30,555	29,729
Policy loans	5,808	5,739	5,907	5,999	6,041
Loans to bank clients	1,737	1,735	1,727	1,737	1,745
Real estate	13,810	13,971	14,102	14,226	14,132
Other invested assets	24,483	23,832	23,025	23,337	22,760
Total invested assets	334,222	325,106	329,296	328,237	321,869
Other assets					
Accrued investment income	2,182	2,128	2,147	2,236	2,260
Outstanding premiums	1,148	1,055	843	888	845
Derivatives	15,569	16,214	18,088	18,320	23,672
Goodwill and intangible assets	9,840	9,788	9,998	10,085	10,107
Reinsurance assets	30,359	30,385	31,446	32,784	34,952
Deferred tax asset	4,569	4,655	4,555	4,442	4,439
Miscellaneous	7,337	7,068	8,106	8,237	7,360
Total other assets	71,004	71,293	75,183	76,992	83,635
Segregated funds net assets	324,307	316,977	321,267	323,118	315,177
Total assets	729,533	713,376	725,746	728,347	720,681

LIABILITIES AND EQUITY

Policy liabilities					
Insurance contract liabilities	304,605	293,228	298,839	298,816	297,505
Investment contract liabilities	3,126	3,128	3,195	3,249	3,275
Deposits from bank clients	18,131	18,050	18,238	18,283	17,919
Deferred tax liability	1,281	1,882	1,991	1,792	1,359
Derivatives	7,822	8,920	10,009	10,833	14,151
Other liabilities	14,926	14,171	14,811	14,485	15,596
	349,891	339,379	347,083	347,458	349,805
Long-term debt	4,785	5,362	5,541	5,661	5,696
Liabilities for preferred shares and capital instruments	8,387	7,903	7,630	8,179	7,180
Segregated funds net liabilities	324,307	316,977	321,267	323,118	315,177
Total liabilities	687,370	669,621	681,521	684,416	677,858
Equity					
Issued share capital					
Preferred shares	3,577	3,577	3,577	3,577	3,577
Common shares	22,989	22,930	22,904	22,891	22,865
Contributed surplus	277	286	287	287	284
Shareholders' retained earnings	10,083	12,135	11,475	10,665	9,759
Shareholders' accumulated other comprehensive income (loss)					
Pension and other post-employment plans	(364)	(403)	(411)	(416)	(417)
Available-for-sale securities	179	14	49	(188)	(394)
Cash flow hedges	(109)	(122)	(148)	(177)	(232)
Translation of foreign operations and real estate revaluation surplus	4,381	4,104	5,406	6,262	6,390
Total shareholders' equity	41,013	42,521	43,139	42,901	41,832
Participating policyholders' equity	221	351	233	235	248
Non-controlling interests	929	883	853	795	743
Total equity	42,163	43,755	44,225	43,931	42,823
Total liabilities and equity	729,533	713,376	725,746	728,347	720,681

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Canadian \$ in millions, unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	YTD 2017	YTD 2016
Preferred shares							
Balance, beginning of period	3,577	3,577	3,577	3,577	3,110	3,577	2,693
Issued	-	-	-	-	475	-	900
Issuance costs, net of tax	-	-	-	-	(8)	-	(16)
Balance, end of period	3,577	3,577	3,577	3,577	3,577	3,577	3,577
Common shares							
Balance, beginning of period	22,930	22,904	22,891	22,865	22,819	22,865	22,799
Issued on exercise of stock options and deferred share units	59	26	13	26	46	124	66
Balance, end of period	22,989	22,930	22,904	22,891	22,865	22,989	22,865
Contributed surplus							
Balance, beginning of period	286	287	287	284	289	284	277
Exercise of stock options and deferred share units	(11)	(4)	(2)	(5)	(8)	(22)	(12)
Stock option expense	2	3	2	8	3	15	19
Balance, end of period	277	286	287	287	284	277	284
Shareholders' retained earnings							
Balance, beginning of period	12,135	11,475	10,665	9,759	10,096	9,759	8,398
Net income (loss) attributed to shareholders	(1,606)	1,105	1,255	1,350	63	2,104	2,929
Preferred share dividends	(40)	(39)	(39)	(41)	(33)	(159)	(133)
Common share dividends	(406)	(406)	(406)	(403)	(367)	(1,621)	(1,435)
Balance, end of period	10,083	12,135	11,475	10,665	9,759	10,083	9,759
Shareholders' accumulated other comprehensive income (loss)							
Balance, beginning of period	3,593	4,896	5,481	5,347	6,105	5,347	6,992
Other comprehensive income (loss)							
Remeasurement of pension and other post-employment plans, net of tax expense of \$30	39	8	5	1	90	53	104
Real estate revaluation reserve, net of tax expense of \$9	20	-	-	-	-	20	-
Available-for-sale ("AFS") securities unrealized gains (losses), net of tax expense of \$161	197	(23)	233	197	(1,060)	604	(216)
AFS securities realized losses (gains) & impairments (recoveries), net of tax recovery of \$15	(32)	(12)	4	8	(6)	(32)	(523)
Cash flow hedges unrealized gains (losses), net of tax expense of \$7	8	23	26	53	156	110	21
Cash flow hedges realized (gains) losses, net of tax recovery of \$1	5	3	3	2	3	13	11
Unrealized foreign exchange gains (losses), net of \$22 hedges and tax recovery of \$6	257	(1,302)	(856)	(128)	59	(2,029)	(1,042)
Share of other comprehensive income (loss) of associates, net of tax expense of nil	-	-	-	1	-	1	-
Balance, end of period	4,087	3,593	4,896	5,481	5,347	4,087	5,347
Total shareholders' equity, end of period	41,013	42,521	43,139	42,901	41,832	41,013	41,832
Participating policyholders' equity							
Balance, beginning of period	351	233	235	248	169	248	187
Net income (loss) attributed to participating policyholders	(139)	118	(2)	(13)	79	(36)	61
Other comprehensive income attributed to participating policyholders	9	-	-	-	-	9	-
Balance, end of period	221	351	233	235	248	221	248
Non-controlling interests							
Balance, beginning of period	883	853	795	743	727	743	592
Net income (loss) attributed to non-controlling interests	46	33	61	54	23	194	143
Other comprehensive income (loss) attributed to non-controlling interests	(2)	-	-	-	(3)	(2)	(2)
Contributions (distributions), net	2	(3)	(3)	(2)	(4)	(6)	10
Balance, end of period	929	883	853	795	743	929	743
Total equity, end of period	42,163	43,755	44,225	43,931	42,823	42,163	42,823

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Canadian \$ in millions, unaudited)

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Operating activities									
Net income (loss)	(1,699)	1,256	1,314	1,391	165	-	2,262	3,133	-28%
Adjustments									
Increase (decrease) in insurance contract liabilities	9,919	2,540	6,113	1,451	(11,644)	-	20,023	18,014	11%
Increase (decrease) in investment contract liabilities	31	47	41	54	12	158%	173	-	-
Decrease (increase) in reinsurance assets	149	(137)	467	1,790	(96)	-	2,269	(842)	-
Amortization of premium/discount on invested assets	52	102	41	35	37	41%	230	78	195%
Other amortization	155	140	134	131	144	8%	560	693	-19%
Net realized (gains) losses, including impairments on assets	(3,226)	782	(3,516)	(1,228)	17,368	-	(7,188)	(2,804)	156%
Deferred income tax expense (recovery)	(676)	(220)	(24)	589	(578)	17%	(331)	(235)	41%
Stock option expense	2	3	2	8	3	-33%	15	19	-21%
Cash provided by operating activities before undernoted items	4,707	4,513	4,572	4,221	5,411	-13%	18,013	18,056	0%
Changes in policy related and operating receivables and payables	429	86	299	(1,036)	(584)	-	(222)	(1,039)	-79%
Cash provided by operating activities	5,136	4,599	4,871	3,185	4,827	6%	17,791	17,017	5%
Investing activities									
Purchases and mortgage advances	(19,669)	(23,689)	(22,500)	(21,366)	(22,936)	-14%	(87,224)	(104,059)	-16%
Disposals and repayments	15,642	18,616	18,716	17,746	17,045	-8%	70,720	82,001	-14%
Changes in investment broker net receivables and payables	33	28	32	134	(217)	-115%	227	(186)	-
Net cash decrease from sale and purchase of subsidiaries and businesses	-	-	(10)	-	(392)	-	(10)	(495)	-98%
Cash provided by (used in) investing activities	(3,994)	(5,045)	(3,762)	(3,486)	(6,500)	-39%	(16,287)	(22,739)	-28%
Financing activities									
Increase (decrease) in repurchase agreements and securities sold but not yet purchased	(281)	251	(152)	153	(791)	-64%	(29)	(23)	26%
Issue of long-term debt, net	-	-	-	-	361	-100%	-	3,899	-100%
Repayment of long-term debt, net	(600)	(7)	-	-	(150)	300%	(607)	(158)	284%
Issue (redemption) of capital instruments, net	469	346	(499)	994	(949)	-	1,310	(470)	-
Changes in deposits from bank clients, net	85	(166)	(36)	378	(355)	-	261	(157)	-
Shareholder dividends paid in cash	(446)	(445)	(445)	(444)	(400)	12%	(1,780)	(1,593)	12%
NCI dividends paid in cash	1	-	(1)	-	-	-	-	(2)	-
Secured borrowings from securitization transactions	98	202	250	191	125	-22%	741	847	-13%
Contributions from (distributions to) non-controlling interest, net	1	(3)	(2)	(2)	(4)	-	(6)	12	-
Common shares issued, net	59	26	13	26	46	28%	124	66	88%
Preferred shares issued, net	-	-	-	-	467	-100%	-	884	-100%
Cash provided by (used in) financing activities	(614)	204	(872)	1,296	(1,650)	-63%	14	3,305	-100%
Cash and short-term securities									
Increase (decrease) during the period	528	(242)	237	995	(3,323)	-	1,518	(2,417)	-
Effect of foreign exchange rate changes on cash and short-term securities	60	(408)	(285)	(25)	47	28%	(658)	(347)	90%
Balance, beginning of period	14,510	15,160	15,208	14,238	17,514	-17%	14,238	17,002	-16%
Balance, end of period	15,098	14,510	15,160	15,208	14,238	6%	15,098	14,238	6%
Cash and short-term securities									
Beginning of period									
Gross cash and short-term securities	15,251	15,866	16,011	15,151	18,179	-16%	15,151	17,885	-15%
Net payments in transit, included in other liabilities	(741)	(706)	(803)	(913)	(665)	11%	(913)	(883)	3%
Net cash and short-term securities, beginning of period	14,510	15,160	15,208	14,238	17,514	-17%	14,238	17,002	-16%
End of period									
Gross cash and short-term securities	15,965	15,251	15,866	16,011	15,151	5%	15,965	15,151	5%
Net payments in transit, included in other liabilities	(867)	(741)	(706)	(803)	(913)	-5%	(867)	(913)	-5%
Net cash and short-term securities, end of period	15,098	14,510	15,160	15,208	14,238	6%	15,098	14,238	6%

CONSOLIDATED SOURCE OF EARNINGS

(Canadian \$ in millions, unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Source of Earnings ^{1,4}									
Expected profit from in-force business	1,371	1,411	1,410	1,356	1,288	6%	5,548	5,078	9%
Impact of new business ²	59	75	78	116	23	157%	328	28	nm
Experience gains (losses)	(213)	(183)	29	205	(1,529)	-86%	(162)	(1,852)	-91%
Management actions and changes in assumptions	(3,400)	(295)	(89)	(58)	(203)	nm	(3,842)	(595)	546%
Earnings on surplus funds	165	198	195	116	4	nm	674	484	39%
Other ³	(12)	(88)	(64)	(39)	30	-	(203)	(18)	nm
Income (loss) before income taxes	(2,030)	1,118	1,559	1,696	(387)	425%	2,343	3,125	-25%
Income tax (expense) recovery	424	(13)	(304)	(346)	450	-6%	(239)	(196)	22%
Net income (loss) attributed to shareholders	(1,606)	1,105	1,255	1,350	63	-	2,104	2,929	-28%
Preferred share dividends	(40)	(39)	(39)	(41)	(33)	21%	(159)	(133)	20%
Common shareholders' net income (loss)	(1,646)	1,066	1,216	1,309	30	-	1,945	2,796	-30%
Constant currency, expected profit from in-force business	1,371	1,383	1,350	1,294	1,243	10%	5,398	4,879	11%

Source of Earnings¹ excluding Wealth and Asset Management

Expected profit from in-force business	976	1,033	1,012	1,001	965	1%	4,022	3,880	4%
Impact of new business ²	225	217	225	255	162	39%	922	536	72%
Experience gains (losses)	(213)	(178)	29	207	(1,536)	-86%	(155)	(1,863)	-92%
Management actions and changes in assumptions	(3,394)	(289)	(79)	(48)	(196)	nm	(3,810)	(572)	566%
Earnings on surplus funds	158	192	188	109	(2)	-	647	459	41%
Other ³	(13)	(88)	(63)	(40)	30	-	(204)	(17)	nm
Income (loss) before income taxes	(2,261)	887	1,312	1,484	(577)	292%	1,422	2,423	-41%
Income tax (expense) recovery	160	18	(254)	(306)	469	-66%	(382)	(101)	278%
Net income (loss) attributed to shareholders	(2,101)	905	1,058	1,178	(108)	nm	1,040	2,322	-55%

¹ Per OSFI instructions, the expected profit from in-force business denominated in foreign currencies is translated at the prior quarter's statement of financial position rate. 'Experience gains' includes the adjustment to get to the income statement rate.

² The 'Impact of new business' line includes non-controlling interest amounts as follows (in millions): \$28 (Q4 2017), \$34 (Q3 2017), \$43 (Q2 2017), \$56 (Q1 2017), and \$25 (Q4 2016).

³ Includes the offsetting impact, net of tax, of the non-controlling interest primarily in mainland China in the amounts included above.

⁴ For Wealth and Asset Management businesses and Manulife Bank, all pre-tax income is reported in 'Expected profit from in-force business' except the non-capitalized acquisition expenses

which are reported in 'Impact of new business'.

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. For Wealth and Asset Management businesses and Manulife Bank, all pretax income is reported in 'Expected profit from in-force business' except the non-capitalized acquisition expenses. Includes the non-controlling interests primarily in China and Malaysia.
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. Includes the non-controlling interests primarily in China and Malaysia.
Experience gains (losses)	Earnings impact of any differences between actual experience in the current period relative to expected experience implicit in the actuarial liabilities, and differences in current period fee income due to market performance. Includes the non-controlling interests primarily in China and Malaysia.
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. Includes the non-controlling interests primarily in China and Malaysia.
Earnings (loss) on surplus funds	Actual investment returns on the Company's surplus (shareholders' equity). Includes the non-controlling interests primarily in China and Malaysia.
Other	Earnings items not included in any other line of the SOE. Includes the offsetting impact, net of tax, of the non-controlling interest primarily in China and Malaysia in the amounts included above.
Income taxes	Tax charges to income, consistent with the amount on the statement of income.

ASIA DIVISION ¹

(U.S. \$ in millions, unless otherwise stated, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Statements of Income

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Revenue									
Premium income									
Gross premiums	3,118	3,246	2,989	3,147	2,878	8%	12,500	12,084	3%
Premiums ceded to reinsurers	(115)	(21)	(114)	(133)	(110)	5%	(383)	(327)	17%
Investment income	411	405	396	352	421	-2%	1,564	1,400	12%
Other revenue	412	271	356	300	394	5%	1,339	1,185	13%
Subtotal revenue	3,826	3,901	3,627	3,666	3,583	7%	15,020	14,342	5%
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	364	269	573	363	(1,502)	-	1,569	204	669%
Total revenue	4,190	4,170	4,200	4,029	2,081	101%	16,589	14,546	14%
Contract benefits and expenses									
To contract holders and beneficiaries									
Gross benefits and claims paid and change in insurance contract liabilities ²	2,934	2,760	2,783	2,554	855	243%	11,031	10,398	6%
Ceded benefits and expenses and change in reinsurance assets	(50)	(86)	(100)	(53)	(52)	-4%	(289)	(268)	8%
Change in investment contract liabilities	7	19	14	19	(9)	-	59	(74)	-
General expenses	480	442	426	396	407	18%	1,744	1,507	16%
Investment expenses	63	56	51	49	21	200%	219	99	121%
Commissions	462	467	441	450	415	11%	1,820	1,569	16%
Other	39	37	38	36	35	11%	150	136	10%
Total contract benefits and expenses	3,935	3,695	3,653	3,451	1,672	135%	14,734	13,367	10%
Income (loss) before income taxes	255	475	547	578	409	-38%	1,855	1,179	57%
Income tax (expense) recovery	(66)	(81)	(84)	(80)	(65)	2%	(311)	(183)	70%
Net income (loss)	189	394	463	498	344	-45%	1,544	996	55%
Less net income (loss) attributed to non-controlling interests	34	32	45	40	14	143%	151	87	74%
Less net income (loss) attributed to participating policyholders	(79)	35	5	15	7	-	(24)	46	-
Net income (loss) attributed to shareholders ³	234	327	413	443	323	-28%	1,417	863	64%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment.

² For fixed income assets supporting insurance and investment contract liabilities, equities supporting pass through products and derivatives related to variable annuity hedging programs, the impact of realized/unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in contract benefits.

³ See the Q4 press release for a description of Q4 2017 results compared to Q4 2016.

Earnings Analysis²

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Total core earnings (loss)	332	342	301	308	291	14%	1,283	1,129	14%
Total core earnings - on constant currency basis	332	340	301	311	289	15%	1,284	1,110	16%
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	49	39	46	52	56	-13%	186	69	170%
Total core earnings and investment related gains	381	381	347	360	347	10%	1,469	1,198	23%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(110)	(49)	71	90	(12)	817%	2	(326)	-
Net impact of acquisitions and divestitures	(6)	(5)	(5)	(7)	(3)	100%	(23)	(8)	188%
Other	(31)	-	-	-	(9)	244%	(31)	(1)	nm
Total shareholders' net income (loss)	234	327	413	443	323	-28%	1,417	863	64%

ASIA DIVISION (CONT'D)¹

(U.S. \$ in millions, unless otherwise stated, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Source of Earnings

Expected profit from in-force business	276	270	253	242	243	14%	1,041	938	11%
Impact of new business ²	131	152	135	165	96	36%	583	348	68%
Experience gains (losses)	(87)	(27)	112	124	49	-	122	(327)	-
Management actions and changes in assumptions	(36)	(5)	(5)	(7)	(12)	200%	(53)	3	-
Earnings on surplus funds	27	30	30	25	14	93%	112	110	2%
Other ³	(11)	(12)	(28)	(26)	(2)	450%	(77)	(26)	196%
Income (loss) before income taxes	300	408	497	523	388	-23%	1,728	1,046	65%
Income tax (expense) recovery	(66)	(81)	(84)	(80)	(65)	2%	(311)	(183)	70%
Net income (loss) attributed to shareholders	234	327	413	443	323	-28%	1,417	863	64%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment. Also, the institutional asset management previously reported under Asia Other are now included retrospectively in 'Institutional Asset Management'. The 2016 premiums and deposits, gross flows and assets under management have been restated to reflect the above mentioned changes.

² The 'Impact of new business' line includes non-controlling interest amounts as follows (in millions): \$22 (Q4 2017), \$27 (Q3 2017), \$32 (Q2 2017), \$42 (Q1 2017), and \$19 (Q4 2016).

³ Includes the offsetting impact, net of tax, of the non-controlling interest primarily in mainland China in the amounts included above.

Insurance Sales

Hong Kong	135	117	97	117	127	6%	466	465	0%
Japan ⁴	125	161	206	236	156	-20%	728	632	15%
Asia Other ⁵	281	305	248	279	224	25%	1,113	905	23%
Total insurance sales	541	583	551	632	507	7%	2,307	2,002	15%
Total insurance sales - on constant currency basis	541	582	552	641	506	7%	2,316	1,976	17%

⁴ Japan Q4'17 insurance sales are down 17% compared to the prior year on a constant currency basis. Full year 2017 insurance sales are up 19% compared to the prior year on a constant currency basis.

⁵ Asia Other Q4'17 insurance sales are up 23% compared to the prior year on a constant currency basis. Full year 2017 insurance sales are up 25% compared to the prior year on a constant currency basis.

Wealth and Asset Management Gross Flows

Hong Kong	1,060	1,082	943	778	751	41%	3,863	2,602	48%
Japan ⁴	142	53	103	228	92	54%	526	271	94%
Asia Other ^{7,8}	3,214	3,568	3,185	2,668	4,205	-24%	12,635	10,332	22%
Institutional Asset Management ^{8,9}	2,438	823	834	502	3,450	-29%	4,597	6,576	-30%
Less: Investment in mutual funds from Institutional Asset Management	(15)	(1)	(106)	(9)	(23)	-35%	(131)	(171)	-23%
Total wealth and asset management gross flows	6,839	5,525	4,959	4,167	8,475	-19%	21,490	19,610	10%
Total wealth and asset management gross flows - on constant currency basis	6,839	5,542	5,052	4,275	8,518	-20%	21,708	19,624	11%

⁶ Japan Q4'17 wealth and asset management gross flows are up 60% compared to the prior year on a constant currency basis. Full year 2017 wealth and asset management gross flows are up 102% compared to the prior year on a constant currency basis.

⁷ Asia Other Q4'17 wealth and asset management gross flows are down 26% compared to the prior year on a constant currency basis. Full year 2017 wealth and asset management gross flows are up 23% compared to the prior year on a constant currency basis.

⁸ This line includes the 49% interest in Manulife TEDA

⁹ Institutional Asset Management Q4'17 gross flows are down 27% compared to the prior year on a constant currency basis. Full year 2017 gross flows are down 29% compared to the prior year on a constant currency basis.

Other Wealth Sales

Hong Kong	373	350	276	178	132	183%	1,177	204	477%
Japan ¹⁰									
- Fixed Annuities and unit linked products	506	482	430	475	407	24%	1,893	2,602	-27%
- Variable Annuities	-	-	1	19	15	-100%	20	129	-84%
Asia Other ¹¹	243	190	204	248	193	26%	885	791	12%
Total other wealth sales	1,122	1,022	911	920	747	50%	3,975	3,726	7%
Total other wealth sales - on constant currency basis	1,122	1,014	906	929	733	53%	3,971	3,612	10%

¹⁰ Japan Q4'17 other wealth sales are up 24% compared to the prior year on a constant currency basis. Full year 2017 other wealth sales are down 28% compared to the prior year on a constant currency basis.

¹¹ Asia Other Q4'17 other wealth sales are up 26% compared to the prior year on a constant currency basis. Full year 2017 other wealth sales are up 15% compared to the prior year on a constant currency basis.

Retirement¹² Sales - for reference only

Retirement - Asia Group Pensions	602	635	644	333	440	37%	2,214	1,465	51%
----------------------------------	-----	-----	-----	-----	-----	-----	-------	-------	-----

¹² Retirement sales include both new regular premiums and deposits and single premiums sales. New regular premiums and deposits reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider.

ASIA DIVISION (CONT'D)¹

(U.S. \$ in millions, unless otherwise stated, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Annualized premium equivalents (insurance and other wealth excluding wealth and asset management) (APE)²

Hong Kong	172	152	125	135	143	21%	584	496	18%
Japan ³	220	257	293	332	233	-6%	1,102	1,019	8%
Asia Other ⁴	304	325	268	304	242	26%	1,201	983	22%
Total APE	696	734	686	771	618	13%	2,887	2,498	16%
Total APE - on constant currency basis	696	731	687	781	614	13%	2,895	2,455	18%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment. Also, the institutional asset management previously reported under Asia Other are now included retrospectively in 'Institutional Asset Management'. The 2016 premiums and deposits, gross flows and assets under management have been restated to reflect the above mentioned changes.

² Total annualized premium equivalents (APE) is comprised of 100% of regular premiums/deposits sales and 10% of single premiums/deposits sales, for insurance, and other wealth products.

³ Japan Q4'17 APE are down 3% compared to the prior year on a constant currency basis. Full year 2017 APE are up 12% compared to the prior year on a constant currency basis.

⁴ Asia Other Q4'17 APE are up 24% compared to the prior year on a constant currency basis. Full year 2017 APE are up 24% compared to the prior year on a constant currency basis.

Premiums and Deposits

Premiums and investment contract deposits	3,013	3,235	2,884	3,024	2,777	8%	12,156	11,797	3%
Segregated fund and other deposits	1,116	1,001	953	745	759	47%	3,815	2,611	46%
Mutual funds gross deposits ⁵	4,130	4,432	3,896	3,438	4,785	-14%	15,896	12,251	30%
Institutional Asset Management ⁵	2,438	823	834	502	3,450	-29%	4,597	6,576	-30%
Less: Investment in mutual funds from Institutional Asset Management	(15)	(1)	(106)	(9)	(23)	-35%	(131)	(171)	-23%
Total premiums and deposits	10,682	9,490	8,461	7,700	11,748	-9%	36,333	33,064	10%
Total premiums and deposits - on constant currency basis	10,682	9,486	8,556	7,854	11,776	-9%	36,578	32,860	11%

⁵ This line includes the non-controlling interest and 49% interested in Manulife TEDA.

Premiums and Deposits by Business Units

Hong Kong	2,319	2,238	1,996	1,664	1,674	39%	8,217	5,705	44%
Japan	1,426	1,527	1,357	1,670	1,255	14%	5,980	6,202	-4%
Asia Other ⁵	4,514	4,903	4,380	3,873	5,392	-16%	17,670	14,752	20%
Institutional Asset Management ⁵	2,438	823	834	502	3,450	-29%	4,597	6,576	-30%
Less: Investment in mutual funds from Institutional Asset Management	(15)	(1)	(106)	(9)	(23)	-35%	(131)	(171)	-23%
Total premiums and deposits	10,682	9,490	8,461	7,700	11,748	-9%	36,333	33,064	10%

Premiums and Deposits

Insurance	2,743	2,933	2,581	2,618	2,528	9%	10,875	9,771	11%
Wealth and asset management ⁵	6,839	5,525	4,959	4,167	8,475	-19%	21,490	19,610	10%
Other wealth	1,100	1,032	921	915	745	48%	3,968	3,683	8%
Total premiums and deposits	10,682	9,490	8,461	7,700	11,748	-9%	36,333	33,064	10%

Total weighted premium income (insurance and other wealth excluding wealth and asset management) (TWPI)

Hong Kong	864	794	756	707	734	18%	3,121	2,684	16%
Japan ⁶	952	1,069	990	1,136	903	5%	4,147	3,818	9%
Asia Other ⁷	865	825	742	741	727	19%	3,173	2,556	24%
TWPI	2,681	2,688	2,488	2,584	2,364	13%	10,441	9,058	15%
TWPI - on constant currency basis	2,681	2,672	2,486	2,610	2,347	14%	10,449	8,905	17%

⁶ Japan Q4'17 TWPI is up 9% compared to the prior year on a constant currency basis. Full year 2017 TWPI are up 12% compared to the prior year on a constant currency basis.

⁷ Asia Other Q4'17 TWPI is up 17% compared to the prior year on a constant currency basis. Full year TWPI are up 26% compared to the prior year on a constant currency basis.

ASIA DIVISION (CONT'D)¹

(U.S. \$ in millions, unless otherwise stated, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Assets Under Management

General fund	58,869	56,116	53,859	51,059	47,188	25%	58,869	47,188	25%
Segregated funds	20,652	19,871	19,560	19,125	18,341	13%	20,652	18,341	13%
Mutual funds ²	29,307	28,036	26,160	24,311	22,557	30%	29,307	22,557	30%
Institutional Asset Management	21,597	19,689	18,908	18,155	17,577	23%	21,597	17,577	23%
Less: Investment in mutual funds from Institutional Asset Management	(564)	(533)	(614)	(537)	(515)	10%	(564)	(515)	10%
Total assets under management	129,861	123,179	117,873	112,113	105,148	24%	129,861	105,148	24%
Total assets under management - on constant currency basis	129,861	123,592	118,473	112,684	107,991	20%	129,861	107,991	20%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment. Also, the institutional asset management previously reported under Asia Other are now included retrospectively in 'Institutional Asset Management'. The 2016 premiums and deposits, gross flows and assets under management have been restated to reflect the above mentioned changes.

² This line includes the 49% interest in Manulife TEDA

Changes in Assets Under Management

Beginning balance	123,179	117,873	112,113	105,148	106,525	16%	105,148	88,746	18%
Assets acquired (Standard Chartered Bank)	-	-	-	-	1,353	-100%	-	1,353	-100%
Premiums and deposits	10,682	9,490	8,461	7,700	11,748	-9%	36,333	33,064	10%
Investment income (loss) ³	3,005	2,572	2,812	2,516	(1,695)	-	10,905	2,866	280%
Benefits and withdrawals	(6,852)	(5,813)	(5,453)	(4,892)	(6,400)	7%	(23,010)	(18,219)	26%
Other ⁴	(153)	(943)	(60)	1,641	(6,383)	-98%	485	(2,662)	-
Ending balance	129,861	123,179	117,873	112,113	105,148	24%	129,861	105,148	24%

³ Investment income (loss) consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds, mutual funds and other funds.

⁴ Other is comprised of all changes to the statement of income and the statement of financial position that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other business units and changes in allocated capital. This also includes deposits and withdrawals on externally managed funds which have not been included in premiums and deposits, and benefits and withdrawals.

Assets Under Management

Insurance	51,539	49,509	47,810	45,428	42,402	22%	51,539	42,402	22%
Wealth and asset management ²	56,901	53,496	50,534	47,732	44,982	26%	56,901	44,982	26%
Other wealth	21,421	20,174	19,529	18,953	17,764	21%	21,421	17,764	21%
Total assets under management	129,861	123,179	117,873	112,113	105,148	24%	129,861	105,148	24%

Number of Agents

Hong Kong	7,725	6,993	6,950	6,894	7,235	7%	7,725	7,235	7%
Japan	2,363	2,324	2,300	2,308	2,353	0%	2,363	2,353	0%
Asia Other	62,859	64,326	62,631	60,687	60,150	5%	62,859	60,150	5%
Total	72,947	73,643	71,881	69,889	69,738	5%	72,947	69,738	5%

Canadian \$ in millions - Key Metrics

Sales - Insurance	687	731	741	836	678	1%	2,995	2,651	13%
Gross Flows - Wealth and asset management ¹	8,693	6,923	6,671	5,514	11,308	-23%	27,801	25,970	7%
Sales - Other wealth	1,426	1,281	1,226	1,217	997	43%	5,150	4,940	4%
Net income (loss) attributed to shareholders	298	409	555	587	431	-31%	1,849	1,141	62%
Total premiums and deposits ¹	13,578	11,890	11,380	10,191	15,675	-13%	47,039	43,801	7%
Total assets under management ¹	162,936	153,688	152,942	149,378	141,207	15%	162,936	141,207	15%

ASIA DIVISION (CONT'D)

(U.S. \$ in millions, unless otherwise stated, Unaudited)

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

New Business Value (NBV)¹

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Hong Kong	119	94	64	70	98	21%	347	278	25%
Japan ²	61	60	71	107	60	2%	299	260	15%
Asia Other ³	71	75	65	69	63	13%	280	216	30%
Total	251	229	200	246	221	14%	926	754	23%
Total NBV - on a constant currency basis	251	228	200	249	219	15%	928	742	25%

¹ NBV is not calculated for Wealth and Asset Management business.

² Japan Q4'17 NBV is up 7% compared to the prior year on a constant currency basis. Full year 2017 NBV is up 19% compared to the prior year on a constant currency basis.

³ Asia Other Q4'17 NBV is up 12% compared to the prior year on a constant currency basis. Full year 2017 NBV is up 32% compared to the prior year on a constant currency basis.

NBV Margin⁴

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Hong Kong	68.8%	62.0%	51.0%	52.1%	68.8%		59.4%	56.2%	
Japan	28.1%	23.1%	24.3%	32.2%	25.6%		27.1%	25.5%	
Asia Other	25.9%	26.7%	27.7%	28.4%	29.5%		27.1%	25.1%	
Total	37.7%	33.2%	30.6%	34.7%	37.5%		34.1%	31.7%	
Total NBV Margin - on a constant currency basis	37.7%	33.2%	30.7%	34.6%	37.6%		34.1%	31.8%	

⁴ Margins are calculated using annualized premium equivalent (APE) excluding non-controlling interest. APE is calculated as 100% of annualized first year premiums for recurring premium products, and as 10% of single premiums for single premium products. Both NBV and APE used in the margin are calculated after non-controlling interest and exclude Wealth & Asset Management business.

CANADIAN DIVISION ¹

(Canadian \$ millions, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Statements of Income

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Revenue									
Premium income									
Gross premiums	2,585	2,508	2,516	2,515	2,652	-3%	10,124	10,708	-5%
Premiums ceded to reinsurers	(1,366)	(1,390)	(1,311)	(1,292)	(1,391)	-2%	(5,359)	(5,736)	-7%
Investment income	1,033	978	984	973	1,075	-4%	3,968	3,938	1%
Other revenue	900	852	949	816	799	13%	3,517	3,480	1%
Subtotal revenue	3,152	2,948	3,138	3,012	3,135	1%	12,250	12,390	-1%
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	1,550	(1,760)	481	334	(4,597)	-	605	317	91%
Total revenue	4,702	1,188	3,619	3,346	(1,462)	-	12,855	12,707	1%
Contract benefits and expenses									
To contract holders and beneficiaries									
Gross benefits and claims paid and change in insurance contract liabilities ³	4,553	532	3,414	2,929	(1,676)	-	11,428	10,645	7%
Ceded benefits and expenses and change in reinsurance assets	(1,053)	(1,021)	(968)	(964)	(1,098)	-4%	(4,006)	(4,297)	-7%
Change in investment contract liabilities	8	7	8	12	8	0%	35	38	-8%
General expenses	484	461	476	453	488	-1%	1,874	1,806	4%
Investment expenses	184	175	174	160	158	16%	693	601	15%
Commissions	427	397	376	472	459	-7%	1,672	1,673	0%
Other	156	114	115	118	137	14%	503	504	0%
Total contract benefits and expenses	4,759	665	3,595	3,180	(1,524)	-	12,199	10,970	11%
Income (loss) before income taxes	(57)	523	24	166	62	-	656	1,737	-62%
Income tax (expense) recovery	55	-	51	(11)	100	-45%	95	(250)	-
Net income (loss)	(2)	523	75	155	162	-	751	1,487	-49%
Less net income (loss) attributed to participating policyholders	(39)	75	(9)	(33)	70	-	(6)	1	-
Net income (loss) attributed to shareholders ³	37	448	84	188	92	-60%	757	1,486	-49%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment.

² For fixed income assets supporting insurance and investment contract liabilities, equities supporting pass through products and derivatives related to variable annuity hedging programs, the impact of realized/unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in contract benefits.

³ See the Q4 press release for a description of Q4 2017 results compared to Q4 2016.

Earnings Analysis ²

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Total core earnings (loss)	335	466	345	319	359	-7%	1,465	1,384	6%
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	76	(125)	(11)	(38)	17	347%	(98)	(114)	-14%
Total core earnings and investment related gains	411	341	334	281	376	9%	1,367	1,270	8%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities ⁴	(21)	115	(238)	(83)	(266)	-92%	(227)	270	-
Charge related to decision to change portfolio asset mix supporting our legacy businesses	(343)	-	-	-	-	-	(343)	-	-
Integration and acquisition costs	(10)	(8)	(12)	(10)	(18)	-44%	(40)	(54)	-26%
Total shareholders' net income (loss)	37	448	84	188	92	-60%	757	1,486	-49%

⁴ Segregated fund products include guarantees. These products are also referred to as variable annuities.

CANADIAN DIVISION (CONT'D)¹

(Canadian \$ millions, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Source of Earnings

Expected profit from in-force business	424	422	422	423	376	13%	1,691	1,494	13%
Impact of new business	(34)	(38)	(45)	(27)	(43)	-21%	(144)	(177)	-19%
Experience gains (losses)	3	(41)	(407)	(255)	(444)	-	(700)	103	-
Management actions and changes in assumptions	(483)	(10)	(16)	(13)	2	-	(522)	(21)	nm
Earnings on surplus funds	93	92	92	92	88	6%	369	353	5%
Other	(21)	23	(13)	(21)	13	-	(32)	(16)	100%
Income (loss) before income taxes	(18)	448	33	199	(8)	125%	662	1,736	-62%
Income tax (expense) recovery	55	-	51	(11)	100	-45%	95	(250)	-
Net income (loss) attributed to shareholders	37	448	84	188	92	-60%	757	1,486	-49%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment. The 2016 premiums and deposits, gross flows and assets under management have been restated to reflect the above mentioned changes.

Insurance Sales

Retail Markets	37	35	37	59	94	-61%	168	235	-29%
Institutional Markets	126	151	421	240	143	-12%	938	458	105%
Total insurance sales	163	186	458	299	237	-31%	1,106	693	60%

Wealth and Asset Management Gross Flows

Retail - Mutual fund and other funds gross deposits ²	3,577	2,533	2,581	2,798	2,487	44%	11,489	9,970	15%
Less: Investments in mutual funds from proprietary group segregated fund products	(67)	(27)	(70)	(39)	(41)	63%	(203)	(173)	17%
Retirement - Group Retirement Solutions	1,814	1,686	1,547	2,015	1,612	13%	7,062	7,226	-2%
Institutional Asset Management	937	684	1,415	1,784	5,581	-83%	4,820	7,634	-37%
Total wealth and asset management gross flows	6,261	4,876	5,473	6,558	9,639	-35%	23,168	24,657	-6%

Other Wealth Sales excluding Manulife Bank

Retail segregated fund products ³	550	532	596	719	589	-7%	2,397	2,503	-4%
Fixed products	106	126	134	145	151	-30%	511	716	-29%
Total other wealth sales	656	658	730	864	740	-11%	2,908	3,219	-10%

Investments in retail funds from proprietary products included above - for reference only

Retail segregated fund products ³	704	546	657	659	627	12%	2,566	2,626	-2%
--	-----	-----	-----	-----	-----	-----	-------	-------	-----

Retirement⁴ Sales - for reference only

Retirement - Group Retirement Solutions	533	376	174	504	314	70%	1,587	1,853	-14%
---	-----	-----	-----	-----	-----	-----	-------	-------	------

Premiums and Deposits

Premiums and investment contract deposits	1,230	1,139	1,230	1,234	1,267	-3%	4,833	5,081	-5%
Retail - Mutual fund and other funds gross deposits ²	3,577	2,533	2,581	2,798	2,487	44%	11,489	9,970	15%
Less: Investments in mutual funds from proprietary segregated fund products	(771)	(573)	(727)	(698)	(668)	15%	(2,769)	(2,799)	-1%
Segregated fund deposits	2,363	2,220	2,145	2,734	2,202	7%	9,462	9,733	-3%
ASO premium equivalents	892	879	883	842	833	7%	3,496	3,318	5%
Group Benefits ceded premiums	1,095	1,096	1,054	1,038	1,095	0%	4,283	4,693	-9%
Institutional Asset Management	937	684	1,415	1,784	5,581	-83%	4,820	7,634	-37%
Total premiums and deposits	9,323	7,978	8,581	9,732	12,797	-27%	35,614	37,630	-5%

² Mutual funds and other funds gross deposits includes investments from proprietary segregated fund products.

³ Retail segregated fund products include guarantees. These products are also referred to as variable annuities.

⁴ Retirement sales represent both new regular premiums and deposits and single premiums sales. New regular premiums and deposits reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider. Pension sales also include sales of Group Retirement Solutions Other Wealth products.

CANADIAN DIVISION (CONT'D)¹

(Canadian \$ millions, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Premiums and Deposits by Business

Retail Markets	726	622	655	679	697	4%	2,682	2,641	2%
Institutional Markets	2,384	2,368	2,380	2,290	2,348	2%	9,422	9,739	-3%
Insurance	3,110	2,990	3,035	2,969	3,045	2%	12,104	12,380	-2%
Wealth and asset management	6,261	4,876	5,473	6,558	9,639	-35%	23,168	24,657	-6%
Retail segregated fund products ²	550	532	596	719	589	-7%	2,397	2,503	-4%
Fixed products	106	126	134	145	151	-30%	511	716	-29%
Other wealth	656	658	730	864	740	-11%	2,908	3,219	-10%
Less: Investments in mutual funds from proprietary retail segregated fund products	(704)	(546)	(657)	(659)	(627)	12%	(2,566)	(2,626)	-2%
Total premiums and deposits	9,323	7,978	8,581	9,732	12,797	-27%	35,614	37,630	-5%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment. The 2016 premiums and deposits, gross flows and assets under management have been restated to reflect the above mentioned changes.

² Retail segregated fund products include guarantees. These products are also referred to as variable annuities.

Assets Under Management

General fund, excluding Manulife Bank net lending assets	91,639	90,136	92,597	93,235	90,972	1%	91,639	90,972	1%
Manulife Bank net lending assets	20,427	20,090	19,839	19,618	19,455	5%	20,427	19,455	5%
Segregated funds	102,727	99,541	99,395	99,126	97,220	6%	102,727	97,220	6%
Retail - Mutual funds and other funds, including assets held by segregated funds	57,663	55,096	53,561	52,013	50,177	15%	57,663	50,177	15%
Less: Mutual funds held by proprietary segregated fund products	(25,127)	(24,180)	(23,899)	(23,598)	(22,983)	9%	(25,127)	(22,983)	9%
Institutional Asset Management	30,888	30,109	30,157	29,529	28,419	9%	30,888	28,419	9%
Total assets under management	278,217	270,792	271,650	269,923	263,260	6%	278,217	263,260	6%

Assets Under Management

Insurance	63,546	61,743	62,979	63,043	62,009	2%	63,546	62,009	2%
Wealth and asset management ³	154,048	147,716	145,813	143,471	138,888	11%	154,048	138,888	11%
Manulife Bank net lending assets	20,427	20,090	19,839	19,618	19,455	5%	20,427	19,455	5%
Other wealth, excluding Manulife Bank net lending assets	64,148	64,274	65,636	66,038	64,563	-1%	64,148	64,563	-1%
Less: Mutual funds held by proprietary retail segregated fund products	(23,952)	(23,031)	(22,617)	(22,247)	(21,655)	11%	(23,952)	(21,655)	11%
Total assets under management	278,217	270,792	271,650	269,923	263,260	6%	278,217	263,260	6%

³ Wealth & asset management includes investments from proprietary retail segregated funds.

Changes in Assets Under Management

Beginning balance	270,792	271,650	269,923	263,260	262,538	3%	263,260	242,332	9%
Premiums and deposits ⁵	7,336	6,003	6,644	7,852	10,869	-33%	27,835	29,619	-6%
Investment income (loss) ⁴	8,316	445	4,015	5,861	(3,191)	-	18,637	11,643	60%
Mutual fund withdrawals	(1,710)	(1,038)	(1,262)	(1,647)	(1,190)	44%	(5,657)	(4,190)	35%
Exchange traded fund net flows ⁵	17	20	208	-	-	-	244	-	-
Other benefits and withdrawals ⁵	(5,081)	(4,608)	(5,372)	(5,491)	(5,062)	0%	(20,552)	(17,905)	15%
Other ⁶	(1,453)	(1,680)	(2,506)	88	(704)	106%	(5,550)	1,761	-
Ending balance	278,217	270,792	271,650	269,923	263,260	6%	278,217	263,260	6%

⁴ Investment income (loss) consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the mutual, segregated funds and other funds.

⁵ Excludes ETFs that are not part of the WAM segment. The ETFs held in other wealth segments are included in 'premiums and deposits' and 'other benefits and withdrawals'.

⁶ Other is comprised of all changes to the statement of income and the statement of financial position that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other business units, changes in allocated capital, and net movement in Manulife Bank deposits.

U.S. DIVISION ¹

(U.S. \$ in millions, unless otherwise stated, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Statements of Income

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Revenue									
Premium income									
Gross premiums	1,945	2,073	1,843	1,806	1,999	-3%	7,667	7,444	3%
Premiums ceded to reinsurers	(462)	(446)	(444)	(434)	(483)	-4%	(1,786)	(2,157)	-17%
Investment income	1,501	1,427	1,377	1,374	1,428	5%	5,679	5,246	8%
Other revenue	1,173	1,207	1,187	1,183	908	29%	4,750	4,223	12%
Subtotal revenue	4,157	4,261	3,963	3,929	3,852	8%	16,310	14,756	11%
Realized/ unrealized gains (losses) on invested assets supporting insurance and investment contract liabilities ²	806	241	1,587	(135)	(7,241)	-	2,499	790	216%
Total revenue	4,963	4,502	5,550	3,794	(3,389)	-	18,809	15,546	21%
Contract benefits and expenses									
To contract holders and beneficiaries									
Gross benefits and claims paid and change in insurance contract liabilities ²	5,966	3,161	4,075	1,467	(3,757)	-	14,669	12,966	13%
Ceded benefits and expenses and change in reinsurance assets	(617)	(547)	(487)	352	(529)	17%	(1,299)	(2,741)	-53%
Change in investment contract liabilities	12	11	12	12	12	0%	47	49	-4%
General expenses	500	517	454	454	396	26%	1,925	1,589	21%
Investment expenses	295	223	222	222	266	11%	962	905	6%
Commissions	420	411	406	436	424	-1%	1,673	1,623	3%
Other	38	33	41	22	58	-34%	134	160	-16%
Total contract benefits and expenses	6,614	3,809	4,723	2,965	(3,130)	-	18,111	14,551	24%
Income (loss) before income taxes	(1,651)	693	827	829	(259)	537%	698	995	-30%
Income tax (expense) recovery	(294)	(186)	(252)	(249)	204	-	(981)	(130)	655%
Net income (loss) attributed to shareholders ³	(1,945)	507	575	580	(55)	nm	(283)	865	-

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment.

² For fixed income assets supporting insurance and investment contract liabilities, equities supporting pass through products and derivatives related to variable annuity hedging programs, the impact of realized/unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in contract benefits. The gains (losses) primarily relate to fair value movements on bonds and derivatives.

³ See the Q4 press release for a description of Q4 2017 results compared to Q4 2016.

Earnings Analysis

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Total core earnings (loss)	433	355	336	389	353	23%	1,513	1,218	24%
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	(27)	145	122	23	73	-	263	122	116%
Total core earnings and investment related gains	406	500	458	412	426	-5%	1,776	1,340	33%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	59	40	118	168	(467)	-	385	(388)	-
Charge related to decision to change portfolio asset mix supporting our legacy businesses	(542)	-	-	-	-	-	(542)	-	-
Charge related to U.S. Tax Reform	(1,977)	-	-	-	-	-	(1,977)	-	-
Integration and acquisition costs	1	-	(1)	-	(1)	-	-	(7)	-
Intangibles write-off (LTC, Annuities)	-	-	-	-	-	-	-	(74)	-
Other	108	(33)	-	-	(13)	-	75	(6)	-
Total shareholders' net income (loss)	(1,945)	507	575	580	(55)	nm	(283)	865	-

U.S. DIVISION (CONT'D)¹

(U.S. \$ in millions, unless otherwise stated, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

U.S. INSURANCE
Source of Earnings

Expected profit from in-force business	209	218	221	213	198	6%	861	767	12%
Impact of new business	19	3	24	10	20	-5%	56	49	14%
Experience gains (losses)	157	166	256	(371)	(321)	-	208	(47)	-
Management actions and changes in assumptions	(1,624)	-	(14)	-	(8)	nm	(1,638)	(88)	nm
Earnings on surplus funds	80	81	81	80	69	16%	322	276	17%
Other	21	(79)	2	8	11	91%	(48)	(12)	300%
Income (loss) before income taxes	(1,138)	389	570	(60)	(31)	nm	(239)	945	-
Income tax (expense) recovery	708	(115)	(185)	39	50	nm	447	(270)	-
Net income (loss) attributed to shareholders	(430)	274	385	(21)	19	-	208	675	-69%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment. The 2016 premiums and deposits, gross flows and assets under management and administration have been restated to reflect the above mentioned changes.

U.S. WEALTH AND ASSET MANAGEMENT AND U.S. OTHER WEALTH
Source of Earnings

Expected profit from in-force business	287	278	263	243	223	29%	1,071	913	17%
Impact of new business	(77)	(66)	(67)	(66)	(47)	64%	(276)	(192)	44%
Experience gains (losses)	(112)	57	26	677	(436)	-74%	648	(772)	-
Management actions and changes in assumptions	(644)	-	(1)	(1)	-	-	(646)	(29)	nm
Earnings on surplus funds	35	35	34	35	31	13%	139	126	10%
Other	(2)	-	2	1	1	-	1	4	-75%
Income (loss) before income taxes	(513)	304	257	889	(228)	125%	937	50	nm
Income tax (expense) recovery	(1,002)	(71)	(67)	(288)	154	-	(1,428)	140	-
Net income (loss) attributed to shareholders	(1,515)	233	190	601	(74)	nm	(491)	190	-

Source of Earnings

Expected profit from in-force business	496	496	484	456	421	18%	1,932	1,680	15%
Impact of new business	(58)	(63)	(43)	(56)	(27)	115%	(220)	(143)	54%
Experience gains (losses)	45	223	282	306	(757)	-	856	(819)	-
Management actions and changes in assumptions	(2,268)	-	(15)	(1)	(8)	nm	(2,284)	(117)	nm
Earnings on surplus funds	115	116	115	115	100	15%	461	402	15%
Other	19	(79)	4	9	12	58%	(47)	(8)	488%
Income (loss) before income taxes	(1,651)	693	827	829	(259)	537%	698	995	-30%
Income tax (expense) recovery	(294)	(186)	(252)	(249)	204	-	(981)	(130)	655%
Net income (loss) attributed to shareholders	(1,945)	507	575	580	(55)	nm	(283)	865	-

Insurance Sales

JH Life	121	107	123	113	112	8%	464	417	11%
JH Long-Term Care	-	-	-	-	8	-100%	-	42	-100%
Total Insurance Sales	121	107	123	113	120	1%	464	459	1%

Wealth and Asset Management Gross Flows (Premiums and Deposits)

Retail - JH Investments	6,540	5,990	7,095	8,034	6,580	-1%	27,659	26,168	6%
Retirement - JH Retirement Plan Services	6,387	5,548	5,458	6,560	5,582	14%	23,953	23,196	3%
Institutional Asset Management	1,204	991	1,421	1,180	737	63%	4,796	3,287	46%
Total wealth and asset management gross flows	14,131	12,529	13,974	15,774	12,899	10%	56,408	52,651	7%

Retirement Sales² - for reference only

Retirement - JH Retirement Plan Services	3,510	1,905	1,838	2,405	2,847	23%	9,658	9,512	2%
--	-------	-------	-------	-------	-------	-----	-------	-------	----

² Retirement sales include both new regular premiums and deposits and single premium sales. New regular premiums and deposits reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider.

U.S. DIVISION (CONT'D)¹

(U.S. \$ in millions, unless otherwise stated, Unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Premiums and Deposits

Premiums and investment contract deposits	1,483	1,627	1,399	1,372	1,516	-2%	5,881	5,287	11%
Segregated fund deposits	3,648	3,757	3,769	4,375	3,754	-3%	15,549	14,985	4%
Retail - Mutual fund gross deposits	9,700	8,201	9,157	10,580	8,780	10%	37,638	35,766	5%
Institutional Asset Management	1,204	991	1,421	1,180	737	63%	4,796	3,287	46%
Total premiums and deposits	16,035	14,576	15,746	17,507	14,787	8%	63,864	59,325	8%

Premiums and Deposits - Insurance

JH Life	1,019	1,201	994	982	1,091	-7%	4,196	4,038	4%
JH Long-Term Care	570	577	561	556	574	-1%	2,264	2,201	3%
Total premiums and deposits - insurance	1,589	1,778	1,555	1,538	1,665	-5%	6,460	6,239	4%

Premiums and Deposits - Other Wealth

JH Annuities	315	269	217	195	223	41%	996	435	129%
Total premiums and deposits - other wealth	315	269	217	195	223	41%	996	435	129%

Assets Under Management and Administration

Assets Under Management									
General fund	120,455	118,127	116,307	113,559	113,437	6%	120,455	113,437	6%
Segregated funds ²	154,481	152,969	150,005	147,565	142,548	8%	154,481	142,548	8%
Retail - Mutual funds ² and other funds	107,071	101,518	97,436	93,169	88,993	20%	107,071	88,993	20%
Institutional Asset Management	27,983	27,474	26,383	24,675	23,375	20%	27,983	23,375	20%
Total assets under management	409,990	400,088	390,131	378,968	368,353	11%	409,990	368,353	11%
Assets under administration	70,091	68,121	65,598	63,558	61,396	14%	70,091	61,396	14%
Total assets under management and administration	480,081	468,209	455,729	442,526	429,749	12%	480,081	429,749	12%

Assets Under Management and Administration

Assets Under Management									
Insurance	118,125	114,782	112,650	109,510	107,136	10%	118,125	107,136	10%
Wealth and asset management	227,383	220,104	212,643	204,758	195,579	16%	227,383	195,579	16%
Other wealth	64,482	65,202	64,838	64,700	65,638	-2%	64,482	65,638	-2%
Total assets under management	409,990	400,088	390,131	378,968	368,353	11%	409,990	368,353	11%
Assets under administration	70,091	68,121	65,598	63,558	61,396	14%	70,091	61,396	14%
Total assets under management and administration	480,081	468,209	455,729	442,526	429,749	12%	480,081	429,749	12%

Changes in Assets Under Management and Administration

Beginning balance	468,209	455,729	442,526	429,749	436,333	7%	429,749	411,602	4%
Premiums and deposits ⁴	16,035	14,576	15,746	17,507	14,787	8%	63,864	59,325	8%
Investment income (loss) ³	13,636	12,776	12,388	14,182	(2,807)	-	52,982	26,179	102%
JH Investment withdrawals	(4,763)	(5,220)	(5,615)	(7,586)	(7,208)	-34%	(23,184)	(27,243)	-15%
JH Retirement Plan Services withdrawals	(8,159)	(5,915)	(5,501)	(5,955)	(6,503)	25%	(25,530)	(23,939)	7%
Exchange traded fund net flows ⁴	137	19	85	79	-	-	320	-	-
Other benefits and withdrawals ⁴	(4,159)	(3,381)	(3,280)	(3,769)	(3,676)	13%	(14,589)	(14,048)	4%
Other ⁵	(855)	(375)	(620)	(1,681)	(1,177)	-27%	(3,531)	(2,127)	66%
Ending balance	480,081	468,209	455,729	442,526	429,749	12%	480,081	429,749	12%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment. The 2016 premiums and deposits, gross flows and assets under management and administration have been restated to reflect the above mentioned changes.

² Includes ETF assets

³ Investment income (loss) consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds and other funds.

⁴ Excludes ETFs that are not part of the WAM segment. The ETFs held in other wealth segments are included in 'premiums and deposits' and 'other benefits and withdrawals'.

⁵ Other is comprised of all changes to the statement of income and the statement of financial position that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other business units and changes in allocated capital.

Canadian \$ in millions - Key Metrics

Sales - Insurance	153	135	165	150	159	-4%	603	608	-1%
Gross Flows - Wealth and asset management ¹	17,965	15,695	18,795	20,882	17,213	4%	73,337	69,823	5%
Net income (loss) attributed to shareholders	(2,473)	635	774	768	(73)	nm	(296)	1,134	-
Total premiums and deposits ¹	20,386	18,260	21,177	23,176	19,732	3%	82,999	78,647	6%
Total assets under management and administration ¹	602,260	584,325	591,400	589,563	576,998	4%	602,260	576,998	4%

CORPORATE AND OTHER¹

(Canadian \$ in millions, unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Statements of Income

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Revenue									
Gross investment income before items below	227	263	256	271	122	86%	1,017	966	5%
Gains (losses) on AFS equities	93	117	79	74	67	39%	363	225	61%
Gains (losses) on AFS bonds and related derivative positions	56	(76)	(28)	(6)	(180)	-	(54)	512	-
Gains (losses) on macro hedges	(41)	(40)	(32)	(46)	(143)	-71%	(159)	(553)	-71%
Interest on surplus funds allocated to divisions	(279)	(275)	(290)	(285)	(260)	7%	(1,129)	(1,033)	9%
Other revenue	(176)	(162)	(150)	(188)	103	-	(676)	542	-
Total revenue, net	(120)	(173)	(165)	(180)	(291)	-59%	(638)	659	-
Contract benefits and expenses									
General expenses	218	131	124	127	271	-20%	600	1,082	-45%
Investment expenses, net	(144)	(138)	(141)	(128)	(80)	80%	(551)	(286)	93%
Changes in actuarial methods and assumptions	31	151	-	-	14	121%	182	606	-70%
Other	98	181	130	143	99	-1%	552	660	-16%
Total contract benefits and expenses	203	325	113	142	304	-33%	783	2,062	-62%
Income (loss) before income taxes	(323)	(498)	(278)	(322)	(595)	-46%	(1,421)	(1,403)	1%
Income tax (expense) recovery	828	323	99	104	174	376%	1,354	479	183%
Net income (loss)	505	(175)	(179)	(218)	(421)	-	(67)	(924)	-93%
Less net income (loss) attributed to non-controlling interest	2	(7)	1	1	5	-60%	(3)	28	-
Net income (loss) attributed to shareholders - Corporate and Investments	503	(168)	(180)	(219)	(426)	-	(64)	(952)	-93%
Net income attributed to shareholders' for Reinsurance business	29	(219)	22	26	39	-26%	(142)	120	-
Net income (loss) attributed to shareholders²	532	(387)	(158)	(193)	(387)	-	(206)	(832)	-75%

¹ Effective January 1, 2017, the operations of Manulife Asset Management are being reflected in the respective Divisional results. Previously, they were reported in the Corporate and Other segment. The 2016 premiums and deposits and assets under management have been restated to reflect the exclusion of MAM from the Corporate and Others results.

² See the Q4 press release for a description of Q4 2017 results compared to Q4 2016.

Earnings Analysis

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Total core earnings (loss)	(102)	(254)	(28)	(141)	69	-	(525)	(473)	11%
Investment-related experience including fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes and credit experience (excl. investment-related experience in core earnings)	(87)	(93)	(77)	(62)	(188)	-54%	(319)	(126)	153%
Total core loss and investment related gains in excess of core investment gains	(189)	(347)	(105)	(203)	(119)	59%	(844)	(599)	41%
Items excluded from core loss									
Direct impact of equity markets and interest rates	18	(57)	(53)	9	(298)	-	(83)	195	-
Change in actuarial methods and assumptions (excl. URR changes)	(33)	(2)	-	-	(10)	230%	(35)	(453)	-92%
Charge related to U.S. Tax Reform	737	-	-	-	-	-	737	-	-
Integration and acquisition costs	(1)	-	-	1	(2)	-50%	-	(8)	-
Other	-	19	-	-	42	-100%	19	33	-42%
Net income (loss) attributed to shareholders	532	(387)	(158)	(193)	(387)	-	(206)	(832)	-75%

Premiums and Deposits

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Premiums - Reinsurance business	20	47	22	21	22	-9%	110	87	26%
Total premiums and deposits	20	47	22	21	22	-9%	110	87	26%

Assets Under Management

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
General fund - Corporate and Investments ¹	(3,636)	(3,382)	(4,801)	(4,777)	(5,174)	-30%	(3,636)	(5,174)	-30%
General fund - Reinsurance	826	819	846	838	941	-12%	826	941	-12%
Segregated funds - elimination of amounts held by the Company	(112)	(171)	(177)	(179)	(177)	-37%	(112)	(177)	-37%
Total assets under management	(2,922)	(2,734)	(4,132)	(4,118)	(4,410)	-34%	(2,922)	(4,410)	-34%

Asset Information



INVESTED ASSETS - PORTFOLIO COMPOSITION

(Canadian \$ in millions, unaudited)



	As at Q4 2017	%	As at Q3 2017	%	As at Q2 2017	%	As at Q1 2017	%	As at Q4 2016	%
Carrying value										
Cash and short-term securities	15,965	4.8 %	15,251	4.7 %	15,866	4.8 %	16,011	4.9 %	15,151	4.7 %
Debt securities										
Government										
Canadian government & agency	22,778	6.8 %	21,403	6.6 %	24,432	7.4 %	25,045	7.6 %	24,745	7.7 %
US government & agency	25,969	7.8 %	25,776	7.9 %	25,712	7.8 %	26,313	8.0 %	27,304	8.5 %
Foreign governments & agency	19,826	5.9 %	19,812	6.1 %	20,472	6.2 %	21,343	6.5 %	20,941	6.5 %
Corporate	102,151	30.6 %	98,324	30.2 %	98,289	29.8 %	95,522	29.1 %	92,415	28.8 %
Securitized										
CMBS	1,237	0.4 %	951	0.3 %	781	0.2 %	711	0.2 %	802	0.2 %
RMBS	45	0.0 %	50	0.0 %	62	0.0 %	70	0.0 %	74	0.0 %
ABS	1,994	0.6 %	2,160	0.7 %	2,355	0.7 %	2,356	0.7 %	2,341	0.7 %
Total debt securities	174,000	52.1 %	168,476	51.8 %	172,103	52.1 %	171,360	52.1 %	168,622	52.4 %
Private placement debt	32,132	9.6 %	31,033	9.5 %	31,125	9.5 %	30,555	9.3 %	29,729	9.3 %
Mortgages										
Commercial										
Retail	8,141	2.4 %	8,260	2.5 %	8,335	2.5 %	8,167	2.5 %	8,200	2.5 %
Office	7,709	2.3 %	7,675	2.4 %	7,587	2.3 %	7,400	2.3 %	7,324	2.3 %
Multi family residential	4,449	1.3 %	4,519	1.4 %	4,690	1.4 %	4,707	1.4 %	4,806	1.5 %
Industrial	2,583	0.8 %	2,637	0.8 %	2,675	0.8 %	2,775	0.9 %	2,834	0.9 %
Other commercial	2,692	0.8 %	2,605	0.8 %	2,557	0.8 %	2,598	0.8 %	2,564	0.8 %
Other mortgages										
Manulife Bank single family residential	18,579	5.6 %	18,260	5.6 %	18,030	5.5 %	17,809	5.4 %	17,643	5.5 %
Agriculture	589	0.2 %	683	0.2 %	826	0.3 %	789	0.2 %	822	0.2 %
Total mortgages¹	44,742	13.4 %	44,639	13.7 %	44,700	13.6 %	44,245	13.5 %	44,193	13.7 %
Policy loans	5,808	1.7 %	5,739	1.8 %	5,907	1.8 %	5,999	1.9 %	6,041	1.9 %
Loans to bank clients	1,737	0.5 %	1,735	0.6 %	1,727	0.5 %	1,737	0.6 %	1,745	0.4 %
Public equities										
Par, equity-linked and pass-through	15,328	4.6 %	14,017	4.3 %	14,296	4.3 %	14,098	4.3 %	13,448	4.2 %
Nonpar and surplus	6,217	1.8 %	6,413	2.0 %	6,445	2.0 %	6,669	2.0 %	6,048	1.9 %
Total public equities	21,545	6.4 %	20,430	6.3 %	20,741	6.3 %	20,767	6.3 %	19,496	6.1 %
Real estate & other invested assets										
Alternative long-duration assets										
Office	8,836	2.6 %	9,363	2.9 %	9,641	2.9 %	9,512	2.9 %	9,200	2.9 %
Industrial	873	0.3 %	863	0.3 %	890	0.3 %	977	0.3 %	975	0.3 %
Company use	1,281	0.4 %	1,322	0.4 %	1,354	0.4 %	1,379	0.4 %	1,376	0.4 %
Other	2,820	0.8 %	2,423	0.7 %	2,217	0.7 %	2,358	0.7 %	2,581	0.8 %
Total real estate	13,810	4.1 %	13,971	4.3 %	14,102	4.3 %	14,226	4.3 %	14,132	4.4 %
Power & infrastructure	7,355	2.2 %	7,079	2.2 %	6,513	2.0 %	6,728	2.0 %	6,679	2.1 %
Private equity	4,959	1.5 %	4,820	1.5 %	4,833	1.5 %	4,815	1.4 %	4,619	1.4 %
Timberland	3,666	1.1 %	3,679	1.1 %	3,777	1.1 %	3,848	1.2 %	3,669	1.1 %
Oil & gas	2,813	0.8 %	2,663	0.8 %	2,191	0.7 %	2,180	0.7 %	2,094	0.7 %
Farmland	1,367	0.4 %	1,358	0.4 %	1,367	0.4 %	1,315	0.4 %	1,303	0.4 %
Other	570	0.2 %	525	0.2 %	531	0.2 %	510	0.2 %	487	0.1 %
Total alternative long-duration assets	34,540	10.3 %	34,095	10.5 %	33,314	10.2 %	33,622	10.2 %	32,983	10.2 %
Leveraged leases	3,273	1.1 %	3,223	1.0 %	3,317	1.0 %	3,370	1.0 %	3,368	1.1 %
Other	480	0.1 %	485	0.1 %	496	0.2 %	571	0.2 %	541	0.2 %
Total real estate & other invested assets	38,293	11.5 %	37,803	11.6 %	37,127	11.4 %	37,563	11.4 %	36,892	11.5 %
Total invested assets	334,222	100.0 %	325,106	100.0 %	329,296	100.0 %	328,237	100.0 %	321,869	100.0 %

¹ Includes government insured mortgages (\$7,689 or 17% as at December 31, 2017).

Fair value²

Real estate	14,977		15,097		15,253		15,380		15,280	
Total alternative long-duration assets	36,029		35,448		34,783		35,140		34,474	
Total real estate & other invested assets	39,782		39,155		38,596		39,081		38,383	

² The fair values of real estate and other investments are disclosed in the table above since the changes in the fair value of those assets backing insurance and investment contract liabilities are reflected as earnings/charges through actuarial reserves.

INVESTED ASSETS - FIXED INCOME SECURITIES BY CREDIT QUALITY AND GEOGRAPHIC LOCATION

(Canadian \$ in millions, unaudited)

Debt Securities and Private Placement Portfolio by Credit Quality (at carrying value)

	Credit Rating ¹	NAIC designation	As at Q4 2017		As at Q3 2017		As at Q2 2017		As at Q1 2017		As at Q4 2016	
				%		%		%		%		%
Debt Securities	AAA	1	34,267	20%	33,021	20%	38,255	22%	40,189	24%	41,466	25%
	AA	1	28,976	17%	27,576	16%	27,597	16%	24,136	14%	23,355	14%
	A	1	76,125	44%	73,792	44%	72,629	43%	73,795	43%	71,054	42%
	BBB	2	32,150	18%	31,681	19%	31,048	18%	29,357	17%	28,968	17%
	BB	3	1,819	1%	2,003	1%	2,134	1%	3,424	2%	3,407	2%
	B & lower, and unrated	4 & below	663	0%	403	0%	440	0%	459	0%	372	0%
Total			174,000	100%	168,476	100%	172,103	100%	171,360	100%	168,622	100%
Private Placements	AAA	1	1,038	3%	1,047	3%	1,094	4%	1,120	4%	1,086	4%
	AA	1	4,246	14%	4,028	13%	4,195	13%	4,368	14%	4,466	15%
	A	1	11,978	37%	11,691	38%	11,640	37%	11,423	37%	10,671	36%
	BBB	2	13,160	41%	12,625	41%	12,407	40%	11,736	39%	11,606	39%
	BB	3	717	2%	721	2%	889	3%	1,008	3%	936	3%
	B & lower, and unrated	4 & below	993	3%	921	3%	900	3%	900	3%	964	3%
Total			32,132	100%	31,033	100%	31,125	100%	30,555	100%	29,729	100%
Total	AAA	1	35,305	17%	34,068	17%	39,349	19%	41,309	21%	42,552	21%
	AA	1	33,222	16%	31,604	16%	31,792	16%	28,504	14%	27,821	14%
	A	1	88,103	43%	85,483	43%	84,269	41%	85,218	42%	81,725	41%
	BBB	2	45,310	22%	44,306	22%	43,455	21%	41,093	20%	40,574	21%
	BB	3	2,536	1%	2,724	1%	3,023	2%	4,432	2%	4,343	2%
	B & lower, and unrated	4 & below	1,656	1%	1,324	1%	1,340	1%	1,359	1%	1,336	1%
Total			206,132	100%	199,509	100%	203,228	100%	201,915	100%	198,351	100%

¹ The Company replicates exposure to specific issuers by selling credit protection via credit default swaps (CDS) to complement its cash bond investments. The Company does not use CDS to leverage its credit risk exposure and any CDS protection sold is backed by government security holdings. In order to reflect the actual credit exposure held by the Company, the credit quality carrying values have been adjusted to reflect the credit quality of the underlying issuers referenced in the CDS sold by the Company. At December 31, 2017, the Company had \$606 (september 30, 2017 : \$647) notional outstanding of CDS protection sold.

Debt Securities and Private Placement Portfolio by Geographic Location (at carrying value)

	Country	As at Q4 2017		As at Q3 2017		As at Q2 2017		As at Q1 2017		As at Q4 2016	
			%		%		%		%		%
Debt Securities	U.S.	78,011	45%	75,782	45%	75,281	44%	75,018	44%	74,747	44%
	Canada	47,805	27%	45,804	27%	49,495	29%	49,337	29%	48,459	29%
	Europe	4,416	3%	4,271	3%	4,453	2%	4,476	2%	4,490	3%
	Asia & Other	43,768	25%	42,619	25%	42,874	25%	42,529	25%	40,926	24%
	Total		174,000	100%	168,476	100%	172,103	100%	171,360	100%	168,622
Private Placements	U.S.	18,501	58%	17,958	58%	18,371	59%	17,920	58%	17,564	59%
	Canada	9,787	30%	9,469	30%	9,423	30%	9,413	31%	9,112	31%
	Europe	1,846	6%	1,819	6%	1,809	6%	1,749	6%	1,775	6%
	Asia & Other	1,998	6%	1,787	6%	1,522	5%	1,473	5%	1,278	4%
	Total		32,132	100%	31,033	100%	31,125	100%	30,555	100%	29,729
Total	U.S.	96,512	47%	93,740	47%	93,652	46%	92,938	46%	92,311	47%
	Canada	57,592	28%	55,273	28%	58,918	29%	58,750	29%	57,571	29%
	Europe	6,262	3%	6,090	3%	6,262	3%	6,225	3%	6,265	3%
	Asia & Other	45,766	22%	44,406	22%	44,396	22%	44,002	22%	42,204	21%
	Total		206,132	100%	199,509	100%	203,228	100%	201,915	100%	198,351

INVESTED ASSETS - FIXED INCOME SECURITIES BY SECTOR

(Canadian \$ in millions, unaudited)


Debt Securities and Private Placement Portfolio by Sector / Industry Holdings (at carrying value)

	As at Q4 2017			As at Q3 2017			As at Q2 2017			As at Q1 2017			As at Q4 2016		
	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %
Debt Securities															
Government & agency	68,573	39%	99%	66,991	40%	99%	70,616	41%	99%	72,701	42%	97%	72,990	43%	98%
Utilities	25,457	15%	99%	24,323	14%	99%	24,214	14%	99%	23,504	14%	99%	23,015	14%	99%
Financial	26,322	15%	98%	25,572	15%	98%	25,662	15%	98%	24,478	14%	98%	23,438	14%	98%
Energy	14,717	8%	96%	14,542	9%	96%	14,542	8%	96%	14,422	8%	96%	14,104	8%	96%
Consumer (non-cyclical)	9,959	6%	99%	9,335	5%	99%	9,604	6%	99%	9,262	5%	98%	8,882	5%	98%
Industrial	11,863	7%	99%	11,167	7%	99%	11,199	6%	99%	10,935	6%	99%	10,594	6%	99%
Basic materials	2,489	1%	98%	2,422	1%	96%	2,390	1%	92%	2,499	2%	92%	2,562	2%	89%
Consumer (cyclical)	3,734	2%	99%	3,461	2%	99%	3,275	2%	99%	3,089	2%	99%	2,767	2%	99%
Securitized MBS/ABS	3,276	2%	100%	3,161	2%	100%	3,198	2%	99%	3,137	2%	99%	3,217	2%	99%
Telecommunications	3,286	2%	100%	3,286	2%	100%	3,187	2%	99%	3,174	2%	99%	3,049	2%	99%
Technology	2,400	1%	97%	2,307	1%	97%	2,291	1%	97%	2,240	1%	97%	2,114	1%	97%
Media & internet	1,052	1%	100%	1,011	1%	100%	1,039	1%	100%	1,097	1%	100%	1,104	1%	100%
Diversified & miscellaneous	872	1%	98%	898	1%	98%	886	1%	98%	822	1%	98%	786	0%	99%
Total	174,000	100%	99%	168,476	100%	99%	172,103	100%	99%	171,360	100%	98%	168,622	100%	98%
Private Placements															
Government & agency	3,315	10%	100%	3,170	10%	100%	3,288	10%	100%	3,236	11%	100%	3,030	10%	100%
Utilities	15,111	47%	97%	14,616	47%	97%	14,595	47%	96%	14,565	48%	95%	14,546	49%	95%
Financial	1,601	5%	92%	1,611	5%	91%	1,621	5%	93%	1,688	5%	93%	1,589	5%	96%
Energy	1,711	5%	89%	1,515	5%	88%	1,573	5%	88%	1,698	5%	83%	1,671	6%	83%
Consumer (non-cyclical)	4,050	13%	91%	3,947	13%	91%	3,912	13%	91%	3,912	13%	92%	3,558	12%	91%
Industrial	2,828	9%	94%	2,705	9%	94%	2,667	9%	94%	2,629	9%	96%	2,494	9%	94%
Basic materials	759	3%	88%	791	3%	86%	824	3%	86%	799	3%	84%	825	3%	84%
Consumer (cyclical)	2,182	7%	91%	2,097	7%	92%	2,133	7%	89%	1,511	5%	87%	1,489	5%	87%
Securitized MBS/ABS	301	1%	96%	304	1%	96%	303	1%	96%	290	1%	95%	297	1%	95%
Telecommunications	38	0%	100%	38	0%	100%	38	0%	100%	39	0%	100%	42	0%	100%
Technology	75	0%	47%	111	0%	65%	114	0%	66%	117	0%	66%	117	0%	66%
Media & internet	84	0%	40%	53	0%	63%	57	0%	59%	71	0%	48%	71	0%	48%
Diversified & miscellaneous	77	0%	100%	75	0%	100%	0	0%	n/a	0	0%	n/a	0	0%	n/a
Total	32,132	100%	95%	31,033	100%	95%	31,125	100%	94%	30,555	100%	94%	29,729	100%	94%
Total															
Government & agency	71,888	35%	99%	70,161	35%	99%	73,904	36%	99%	75,937	38%	97%	76,020	38%	98%
Utilities	40,568	20%	98%	38,939	19%	98%	38,809	19%	98%	38,069	19%	98%	37,561	19%	98%
Financial	27,923	13%	98%	27,183	14%	98%	27,283	13%	98%	26,166	13%	98%	25,027	13%	98%
Energy	16,428	8%	96%	16,057	8%	95%	16,115	8%	95%	16,120	8%	94%	15,775	8%	94%
Consumer (non-cyclical)	14,009	7%	97%	13,282	7%	97%	13,516	7%	96%	13,174	6%	96%	12,440	6%	96%
Industrial	14,691	7%	98%	13,872	7%	98%	13,866	7%	98%	13,564	7%	99%	13,088	7%	98%
Basic materials	3,248	2%	95%	3,213	1%	94%	3,214	1%	90%	3,298	2%	90%	3,387	2%	88%
Consumer (cyclical)	5,916	3%	96%	5,558	3%	97%	5,408	3%	95%	4,600	2%	95%	4,256	2%	95%
Securitized MBS/ABS	3,577	2%	99%	3,465	2%	99%	3,501	2%	99%	3,427	2%	99%	3,514	2%	99%
Telecommunications	3,324	2%	100%	3,324	2%	100%	3,225	2%	99%	3,213	1%	99%	3,091	1%	99%
Technology	2,475	1%	96%	2,418	1%	96%	2,405	1%	96%	2,357	1%	96%	2,231	1%	95%
Media & internet	1,136	0%	95%	1,064	1%	98%	1,096	1%	98%	1,168	1%	97%	1,175	1%	97%
Diversified & miscellaneous	949	0%	98%	973	0%	98%	886	0%	98%	822	0%	98%	786	0%	99%
Total	206,132	100%	98%	199,509	100%	98%	203,228	100%	97%	201,915	100%	97%	198,351	100%	97%

INVESTED ASSETS - PROVISIONS, IMPAIRMENTS & UNREALIZED LOSSES

(Canadian \$ in millions, unaudited)


Unrealized (losses)

	As at Q4 2017				As at Q3 2017				As at Q2 2017				As at Q1 2017				As at Q4 2016				
	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	
Debt securities																					
Government	65,933	(1,014)	0	(28)	65,172	(1,393)	2%	(28)	67,540	(1,188)	2%	(111)	70,666	(1,876)	3%	(1)	71,254	(2,154)	3%	(1)	
Corporate																					
Financials	25,416	(147)	0	(9)	24,670	(128)	1%	(12)	24,553	(107)	0%	(14)	23,504	(131)	1%	(15)	22,593	(183)	1%	(15)	
Non-financials	70,723	(376)	0	-	68,598	(510)	1%	-	67,665	(424)	1%	(2)	67,270	(626)	1%	(5)	65,549	(831)	1%	(14)	
Securitized																					
CMBS	1,247	(10)	0	-	954	(5)	1%	-	781	(3)	0%	-	711	(3)	0%	-	804	(6)	1%	(2)	
RMBS	45	-	-	-	49	-	0%	-	60	-	0%	-	69	-	0%	-	72	-	0%	-	
ABS	1,965	(6)	-	-	2,117	(4)	0%	-	2,313	(6)	0%	-	2,321	(9)	0%	-	2,304	(13)	1%	-	
Private placement debt	32,132	(115)	-	-	31,033	(184)	1%	-	31,125	(161)	1%	-	30,555	(290)	1%	-	29,729	(322)	1%	(3)	
Fixed income securities¹	197,461	(1,668)	0	(37)	192,593	(2,224)	1%	(40)	194,037	(1,889)	1%	(127)	195,096	(2,935)	2%	(21)	192,305	(3,509)	2%	(35)	

¹ Gross unrealized losses consist of unrealized losses on AFS debt securities and private placements held at cost in the Corporate Surplus segments, as well as the difference between fair value and amortized cost on debt securities and private placements held in liability segments. Losses on AFS debt securities held in Surplus and on all private placements are realized upon sale or by credit impairment. However, for fixed income securities supporting CALM liabilities, losses are only realized upon credit impairment because unrealized gains and losses on debt securities, which impact net investment income, are largely offset by the changes in actuarial liabilities unless the security is credit impaired.

Provisions, impairments and recoveries²

	Q4 2017			Q3 2017			Q2 2017			Q1 2017			Q4 2016		
	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total
Credit related															
Loans	-	(21)	(21)	(2)	(5)	(7)	1	(1)	-	-	5	5	-	(1)	(1)
Debt securities - FVTPL	-	-	-	-	-	-	4	12	16	1	-	1	(6)	(28)	(34)
Debt securities - AFS	-	-	-	-	(1)	(1)	-	-	-	-	-	-	-	-	-
Other ³	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	-	(21)	(21)	(2)	(6)	(8)	5	11	16	1	5	6	(6)	(29)	(35)
Equity related															
Public - AFS	-	(3)	(3)	-	(2)	(2)	-	(5)	(5)	-	(4)	(4)	-	(5)	(5)
Private equities - AFS and Other ³	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	-	(3)	(3)	-	(2)	(2)	-	(5)	(5)	-	(4)	(4)	-	(5)	(5)
Total	-	(24)	(24)	(2)	(8)	(10)	5	6	11	1	1	2	(6)	(34)	(40)

² Includes net new (provisions) recoveries on loans and net (impairments) gains on debt securities and other invested assets, including those held at fair value. Although GAAP does not require us to measure the impairment portion of unrealized losses on debt securities classified as FVTPL, we believe this is a key metric for our business.

³ Other credit related and equity related provisions, impairments and recoveries are included in investment income from Other Investments; please refer to the following page.

Net impaired fixed income assets

	As at Q4 2017			As at Q3 2017			As at Q2 2017			As at Q1 2017			As at Q4 2016		
	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value
Loans															
Mortgages and loans to bank clients	132	(46)	86	75	(28)	47	55	(25)	30	57	(27)	30	59	(26)	33
Private placements	79	(39)	40	77	(39)	38	96	(49)	47	138	(74)	64	244	(92)	152
Sub-total	211	(85)	126	152	(67)	85	151	(74)	77	195	(101)	94	303	(118)	185
Other fixed income⁴															
Debt securities - FVTPL	45	-	45	49	-	49	51	-	51	40	-	40	38	-	38
Debt securities - AFS	1	-	1	2	-	2	1	-	1	-	-	-	-	-	-
Other	1	-	1	1	-	1	1	-	1	1	-	1	1	-	1
Sub-total	47	-	47	52	-	52	53	-	53	41	-	41	39	-	39
Total	258	(85)	173	204	(67)	137	204	(74)	130	236	(101)	135	342	(118)	224

⁴ Impairments of Other fixed income assets are charged directly to the carrying value of the asset. Accordingly, no allowances are shown against these assets.

INVESTMENT INCOME

(Canadian \$ in millions, unaudited)



	Q4 2017		Q3 2017		Q2 2017		Q1 2017		Q4 2016	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield

Cash and short-term securities

Investment income	43	n/a	60	n/a	43	n/a	42	n/a	23	n/a
-------------------	----	-----	----	-----	----	-----	----	-----	----	-----

Debt securities

Interest income	1,432	3.5%	1,382	3.5%	1,459	3.5%	1,406	3.5%	1,440	3.7%
Recoveries (impairments), net ¹	-		(1)		16		-		(33)	
Gains (losses) on assets backing surplus	(26)		(77)		(80)		(18)		(75)	
Total	1,406	3.2%	1,304	3.2%	1,395	3.3%	1,388	3.3%	1,332	3.7%

¹ Includes impairments on debt securities classified as AFS and FVTPL.

Public equities

Dividend income	192	2.9%	143	2.7%	144	2.6%	124	2.5%	231	3.5%
Impairments, net	(2)		(3)		(5)		(4)		(5)	
Gains (losses) on assets backing surplus	93		117		79		74		67	
Total	283	4.7%	257	4.4%	218	4.1%	194	3.9%	293	4.5%

Loans

Mortgage loan interest income	432	3.8%	421	3.9%	421	3.9%	412	3.8%	418	3.9%
Private placement interest income	411	5.1%	380	5.0%	397	5.3%	369	5.0%	377	5.6%
Policy loan interest income	88	6.1%	88	6.2%	97	6.2%	92	6.1%	96	6.1%
Loans to bank clients interest income	18	4.0%	18	3.9%	16	3.8%	16	3.7%	17	3.9%
Recoveries (impairments), net	(21)		(7)		-		5		(2)	
Total	928	4.5%	900	4.5%	931	4.5%	894	4.5%	906	4.6%

Real estate

Rental and other income	106	3.7%	132	3.9%	141	3.9%	133	3.8%	116	3.7%
Gains on assets backing surplus	-		(3)		-		(5)		(7)	
Total	106	3.6%	129	3.8%	141	3.8%	128	3.7%	109	3.9%

Other investments

Investment income	525	n/a	454	n/a	477	n/a	354	n/a	480	n/a
-------------------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

Derivatives

Investment income	288	n/a	205	n/a	239	n/a	317	n/a	166	n/a
-------------------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

Investment income ²	3,579	4.3%	3,309	4.2%	3,444	4.2%	3,317	4.2%	3,309	4.3%
---------------------------------------	--------------	-------------	--------------	-------------	--------------	-------------	--------------	-------------	--------------	-------------

² Investment income includes dividends, interest, rental income and realized gains on assets supporting surplus, excluding the macro equity hedging program.

Realized and unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro equity hedges

Debt securities	1,726		(899)		2,311		548		(7,231)	
Public equities	796		492		245		702		166	
Loans	28		55		54		(28)		132	
Real estate	71		86		131		62		12	
Other investments	158		213		100		(30)		209	
Derivatives, including macro equity hedging program	209		(1,110)		462		(664)		(9,709)	
Total	2,988	n/a	(1,163)	n/a	3,303	n/a	590	n/a	(16,421)	n/a

Total investment income (loss)	6,567	6.0%	2,146	2.7%	6,747	6.7%	3,907	4.9%	(13,112)	-15.2%
Investment expenses related to invested assets	(224)	n/a	(133)	n/a	(135)	n/a	(135)	n/a	(173)	n/a
Investment income (loss) less investment expenses	6,343	5.8%	2,013	2.5%	6,612	6.5%	3,772	4.8%	(13,285)	-15.4%

Actuarial Liabilities Information

VARIABLE ANNUITY AND SEGREGATED FUND GUARANTEES

(Canadian \$millions, unaudited)

	Guarantee Value			Net Amount at Risk ²			Policy Liabilities Held ^{3,5}	Target Capital (200 % of MCCSR)	Policy Liabilities Held plus Target Capital
	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹			
Q4 2017	95,873	7,536	88,337	8,029	1,346	6,683	4,732	6,148	10,880
Q3 2017	96,624	7,594	89,030	8,562	1,426	7,136	5,039	6,080	11,119
Q2 2017	100,846	8,011	92,835	9,582	1,579	8,003	5,129	6,083	11,212
Q1 2017	104,379	8,420	95,959	10,482	1,724	8,758	5,237	5,996	11,233
Q4 2016	106,263	8,670	97,593	12,082	1,913	10,169	6,249	5,873	12,122

As at Q4 2017	Net of Reinsurance ¹		
	Total Guarantee Value ⁴	Total Fund Value ⁴	Net Amount at Risk ^{2,4}
U.S.			
Withdrawal Benefits	41,856	37,970	4,512
Income Benefits	471	414	68
Death Benefits	3,794	4,539	415
	<u>46,121</u>	<u>42,923</u>	<u>4,995</u>
Canada			
Withdrawal Benefits	15,610	14,308	1,302
Maturity Benefits	15,355	15,346	9
Death Benefits	2,133	7,382	31
	<u>33,098</u>	<u>37,036</u>	<u>1,342</u>
Japan			
Withdrawal Benefits	3,893	3,838	103
Maturity Benefits	1,413	1,720	2
Death Benefits	895	905	14
	<u>6,201</u>	<u>6,463</u>	<u>119</u>
Reinsurance & Other	2,917	3,256	227

Key markets, closing levels	S&P 500	TSX	TOPIX	EAFE
As at Q4 2017	2,674	16,209	1,818	2,051
As at Q3 2017	2,519	15,635	1,675	1,974
As at Q2 2017	2,423	15,182	1,612	1,883
As at Q1 2017	2,363	15,548	1,513	1,793
As at Q4 2016	2,239	15,288	1,519	1,684

¹ Net of amounts ceded to 3rd party reinsurers. Amounts reinsured include amounts covered under stop loss treaties as well as first dollar treaties. Some of the treaties include deductibles and claims limits.

² Net Amount at Risk is based on sum of excess of guarantee value over fund value only on contracts where amount at risk is currently positive.

³ Under Phase I of IFRS 4, former Canadian GAAP valuation practices continue to apply to insurance contracts. This requires that reserves for segregated fund and variable products have a Conditional Tail Expectation ("CTE") of between 60 and 80. We hold CTE(70) level policy liabilities for both unhedged business and dynamically hedged business.

⁴ Total Guarantee Value, Total Fund Value and Net Amount at Risk includes certain HK products which are classified as investment contracts under IFRS. There is no reinsurance or hedging for these products.

⁵ The policy liabilities are held within the insurance contract liabilities, investment contract liabilities and other liabilities, as applicable under IFRS and are shown net of reinsurance.

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 guarantee values. Withdrawal, accumulation 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 guarantee values.

Guaranteed benefits in a single contract are frequently a combination of death benefit and living benefit (withdrawal / maturity / income).

Death benefit amounts shown reflect only stand alone death benefits plus any excess of death benefits over living benefits on contracts with both death and other benefit forms.

REGULATORY CAPITAL

(Canadian \$ in millions, unaudited)



2017 2017 2017 2017 2016
 Q4 Q3 Q2 Q1 Q4

The Manufacturers Life Insurance Company's MCCR**Capital available:**

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4
Tier 1 capital					
Common shares	33,597	32,187	31,437	31,437	30,451
Retained earnings and CTA	10,515	16,143	15,944	15,688	14,489
Qualifying non-controlling interests	831	789	758	699	649
Innovative instruments	1,000	1,000	1,000	1,000	1,000
Other	3,929	2,278	2,256	2,257	2,288
Gross Tier 1 capital	49,872	52,397	51,395	51,081	48,877
Deductions:					
Goodwill	(5,713)	(5,700)	(5,816)	(5,885)	(5,884)
Other	(8,284)	(9,642)	(9,341)	(8,866)	(8,187)
Adjustments	(1,098)	(1,253)	(1,234)	(1,232)	(1,214)
Net Tier 1 capital - A	34,777	35,802	35,004	35,098	33,592
Tier 2 Capital					
Tier 2A	474	355	279	359	273
Tier 2B allowed	4,773	4,778	5,203	5,722	5,728
Tier 2C	8,574	8,459	8,580	8,522	8,155
Adjustments	(1,098)	(1,253)	(1,234)	(1,232)	(1,214)
Total Tier 2 capital allowed	12,723	12,339	12,828	13,371	12,942
Total Tier 1 and Tier 2 capital	47,500	48,141	47,832	48,469	46,534
Less Adjustments	-	-	-	-	-
Total Capital Available - B	47,500	48,141	47,832	48,469	46,534
Capital Required:					
Asset default & market risk	13,309	13,466	13,523	13,550	13,064
Insurance risks	3,991	3,579	3,749	3,761	3,779
Interest rate risks	3,879	3,507	3,558	3,524	3,428
Total Capital Required - C	21,179	20,552	20,830	20,835	20,271
MCCR Ratio: Total (B/C) x 100	224%	234%	230%	233%	230%

Supplementary Disclosure

Wealth and Asset Management

WEALTH AND ASSET MANAGEMENT ^{1,2}

(Canadian \$ in millions, unaudited)



	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Shareholders' Income Statement

Revenue									
Fee income	1,318	1,250	1,284	1,240	1,253	5%	5,092	4,857	5%
Investment income	4	8	16	11	(16)	-	39	5	680%
Total	1,322	1,258	1,300	1,251	1,237	7%	5,131	4,862	6%
Expenses									
General, administrative and investment expenses	799	745	759	733	749	7%	3,036	2,980	2%
Commissions	292	282	294	306	298	-2%	1,174	1,180	-1%
Total	1,091	1,027	1,053	1,039	1,047	4%	4,210	4,160	1%
Income before income taxes	231	231	247	212	190	22%	921	702	31%
Income tax (expense) recovery	264	(31)	(50)	(40)	(19)	-	143	(95)	-
Net income attributed to shareholders	495	200	197	172	171	189%	1,064	607	75%

Earnings (loss) Analysis²

Core earnings									
Asia	50	55	55	51	48	4%	211	175	21%
Canadian	56	52	59	57	43	30%	224	161	39%
U.S.	87	99	93	74	84	4%	353	298	18%
Corporate and other	-	-	-	-	3	-100%	-	(5)	-
Core earnings	193	206	207	182	178	8%	788	629	25%
Core earnings on a constant currency basis	193	208	198	177	170	14%	776	606	28%
Material/exceptional items and tax rate changes	302	(6)	(10)	(10)	(7)	-	276	(22)	-
Direct impact of equity markets and interest rates & other investment experience	-	-	-	-	-	-	-	-	-
Net income attributed to shareholders	495	200	197	172	171	189%	1,064	607	75%

Core EBITDA by Division^{2,3}

Asia	65	69	70	63	57	14%	267	211	27%
Canadian	100	94	104	105	83	20%	403	326	24%
U.S.	183	181	196	166	156	17%	726	613	18%
Corporate and other	-	-	(0)	0	10	-100%	-	17	-100%
Core EBITDA⁴	348	344	369	335	306	14%	1,396	1,167	20%
Core EBITDA on a constant currency basis	348	348	354	325	294	18%	1,375	1,130	22%

Core EBITDA Margin^{5,6}	26.3%	27.3%	28.4%	26.8%	24.7%	160 bps	27.2%	24.0%	320 bps
---	--------------	--------------	--------------	--------------	--------------	----------------	--------------	--------------	----------------

Core Earnings before income taxes, depreciation and amortization (Core EBITDA)³

Core EBITDA⁴	348	344	369	335	306	14%	1,396	1,167	20%
Amortization of deferred acquisition costs and other depreciation	87	84	88	85	85	2%	344	336	2%
Amortization of deferred sales commissions	25	23	23	28	24	4%	99	103	-4%
Total depreciation and amortization	112	107	111	113	109	3%	443	439	1%
Core earnings before income taxes	236	237	258	222	197	20%	953	728	31%
Core income tax (expense) recovery	(43)	(31)	(51)	(40)	(19)	126%	(165)	(99)	67%
Core Earnings	193	206	207	182	178	8%	788	629	25%

Deferred Acquisition Costs and Deferred Sales Commissions by Division

Asia	345	333	332	330	328	5%	345	328	5%
Canadian	249	248	248	248	250	0%	249	250	0%
U.S.	1,684	1,674	1,747	1,796	1,813	-7%	1,684	1,813	-7%
Total deferred acquisition costs and deferred sales commissions	2,278	2,255	2,327	2,374	2,391	-5%	2,278	2,391	-5%

¹ Wealth and asset management is comprised of our fee based businesses with little or no insurance risk, including retirement, retail and institutional asset management.

² The 2017 results for Asia, Canadian and U.S. Divisions include institutional asset management (previously reported under Corporate & Other segment).

³ Core EBITDA excludes certain acquisition expenses related to insurance contracts in our retirement businesses which are deferred and amortized over the expected life time of the customer relationship under the Canadian Asset Liability Method (CALM).

⁴ Core EBITDA adjusted to expense acquisition costs incurred and capitalized during the period (in millions) is \$279 for Q4 2017 and \$1,140 for YTD 2017, compared with \$237 and \$933 for Q4 2016 and YTD 2016 respectively.

⁵ Core EBITDA margin is Core EBITDA divided by total revenue.

⁶ Core EBITDA margin adjusted to expense acquisition costs incurred and capitalized during the period is 21.1% for Q4 2017 and 22.2% for YTD 2017, compared with 19.1% and 19.2% for Q4 2016 and YTD 2016 respectively.

WEALTH AND ASSET MANAGEMENT (CONT'D) ^{1,2}

(Canadian \$ in millions, unaudited)

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
Assets Under Management and Administration by Division									
Asia	71,398	66,744	65,569	63,594	60,400	18%	71,398	60,400	18%
Canadian	154,048	147,716	145,813	143,471	138,888	11%	154,048	138,888	11%
U.S. and other	373,181	359,704	361,073	357,470	345,025	8%	373,181	345,025	8%
Assets under management and administration	598,627	574,164	572,455	564,535	544,313	10%	598,627	544,313	10%
Assets under management and administration on a constant currency basis	598,627	576,182	561,424	545,240	523,530	14%	598,627	523,530	14%
Assets Under Management and Administration by Business Line									
Retirement	306,114	294,791	294,833	293,065	282,097	9%	306,114	282,097	9%
Retail	199,022	190,054	188,391	184,547	178,461	12%	199,022	178,461	12%
Institutional Asset Management ³	93,491	89,319	89,231	86,923	83,755	12%	93,491	83,755	12%
Assets under management and administration	598,627	574,164	572,455	564,535	544,313	10%	598,627	544,313	10%
Changes in Assets Under Management and Administration									
Beginning balance	574,164	572,455	564,535	544,313	525,444	9%	543,926	510,455	7%
Assets acquired	-	-	-	-	1,817	-100%	-	1,817	-100%
Gross flows	32,919	27,494	30,939	32,954	38,160	-14%	124,306	120,450	3%
Exchange traded fund net flows	191	43	322	105	-	-	661	-	-
Redemptions	(29,240)	(23,528)	(25,673)	(28,769)	(32,087)	-9%	(107,210)	(105,185)	2%
Investment income (loss) and other	20,593	(2,300)	2,332	16,037	10,979	88%	37,605	16,776	124%
Ending balance	598,627	574,164	572,455	564,535	544,313	10%	598,627	544,313	10%

¹ Wealth and asset management is comprised of our fee based business with little or no insurance risk, including retirement, retail and institutional asset management.

² The 2017 results for Asia, Canadian and U.S. Divisions include institutional asset management (previously reported under Corporate & Other segment).

³ Includes only the third party institutional business of Manulife Asset Management and not business from affiliates and the General Fund.

WEALTH AND ASSET MANAGEMENT (CONT'D) ^{1,2}

(Canadian \$ in millions, unaudited)

	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2017 Q4 vs. 2016 Q4	YTD 2017	YTD 2016	YTD 2017 vs. YTD 2016
--	------------	------------	------------	------------	------------	---------------------------	-------------	-------------	-----------------------------

Net Flows by Division

Asia	2,323	1,783	1,428	1,039	4,636	-50%	6,573	8,372	-21%
Canadian	767	782	500	1,046	4,723	-84%	3,095	8,358	-63%
U.S. and other	628	1,444	3,660	2,205	(3,286)	-	7,937	(1,465)	-
Total net flows	3,718	4,009	5,588	4,290	6,073	-39%	17,605	15,265	15%
Net flows on a constant currency basis	3,718	4,063	5,310	4,167	6,055	-39%	17,258	15,091	14%

Net Flows by Business Line

Retirement	(1,283)	205	660	918	(1,930)	-34%	500	1,889	-74%
Retail	3,020	2,713	3,227	1,621	868	248%	10,581	3,730	184%
Institutional Asset Management ³	1,981	1,091	1,701	1,751	7,135	-72%	6,524	9,646	-32%
Total net flows	3,718	4,009	5,588	4,290	6,073	-39%	17,605	15,265	15%

Gross Flows by Division

Asia	8,693	6,923	6,671	5,514	11,308	-23%	27,801	25,970	7%
Canadian	6,261	4,876	5,473	6,558	9,639	-35%	23,168	24,657	-6%
U.S. and other	17,965	15,695	18,795	20,882	17,213	4%	73,337	69,823	5%
Total gross flows	32,919	27,494	30,939	32,954	38,160	-14%	124,306	120,450	3%
Gross flows on a constant currency basis	32,919	27,851	29,656	32,040	36,859	-11%	122,466	116,516	5%

Gross Flows by Business Line

Retirement	11,327	10,023	10,345	11,804	10,152	12%	43,499	41,806	4%
Retail	16,028	14,513	16,147	17,139	16,840	-5%	63,827	57,911	10%
Institutional Asset Management ³	5,564	2,958	4,447	4,011	11,168	-50%	16,980	20,733	-18%
Total gross flows	32,919	27,494	30,939	32,954	38,160	-14%	124,306	120,450	3%

¹ Wealth and asset management is comprised of our fee based business with little or no insurance risk, including retirement, retail and institutional asset management.

² The 2017 results for Asia, Canadian and U.S. Divisions include institutional asset management (previously reported under Corporate & Other segment).

³ Includes only the third party institutional business of Manulife Asset Management and not business from affiliates and the General Fund.

Accumulated Other Comprehensive Income (AOCI): A separate component of shareholders' equity which includes net unrealized gains and losses on available-for-sale securities, net unrealized gains and losses on derivative instruments designated within an effective cash flow hedge, unrealized foreign currency translation gains and losses and actuarial gains and losses on employee benefit plans. These items have been recognized in comprehensive income, but excluded from net income.

Return on Common Shareholders' Equity: Common shareholders' net income divided by average common shareholders' equity.

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.
- **Book Value Annuity:** An annuity which provides a declared rate of interest for a specified contract while offering a guarantee of principal amount.
- **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.

Assets Under Management and administration (AUMA): Assets under management include both assets of general account and external client assets for which we provide investment management services.

- **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.
- **Institutional Asset Management:** Accounts either separate or commingled of Institutional Clients for which Manulife provides investment management services and that do not meet the definition of Segregated Funds.
- **Other Funds:** Funds managed or administered by the Company other than those associated with a contract issued by the Company.
- **Assets Under Administration:** includes assets for which we provide administrative services only.

Available-For-Sale (AFS) Financial Assets: Non-derivative financial assets that are designated as available-for-sale or that are not classified as loans and receivables, held-to-maturity investments, or held for trading.

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

Cash Flow Hedges: A hedge of the exposure to variability in cash flows associated with a recognized asset or liability, a forecasted transaction or a foreign currency risk in an unrecognized firm commitment that is attributable to a particular risk and could affect reported net income.

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.

Fair Value: Amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

Impaired Assets: Mortgages, bonds and other investment securities in default where there is no longer reasonable assurance of collection.

Institutional Clients: Organizations that are non-Manulife-affiliated for which Manulife provides investment management services. Such clients include pensions, endowments and other external investment managers and wealth management organizations.

Investment Contracts: Products that do not contain insurance risk (as defined under IFRS) and are accounted for as financial liabilities at amortized cost or fair value.

Leveraged Leases: In these leases the financing provided by the long-term creditor is nonrecourse as to the general credit of the lessor. The amount of the financing is sufficient to provide the lessor with substantial "leverage" in the transaction. Income is recognized on a constant yield basis.

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, institutional advisory account 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.
- **Institutional Advisory Account Deposits:** Deposits received in the Institutional Advisory Accounts.
- **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.

Wealth and Asset Management: Wealth and asset management is comprised of our fee based businesses with little or no insurance risk, including Retirement, Retail and Institutional Asset Management businesses.

Total Capital: Capital funding that is both unsecured and permanent in nature. Comprises total equity (excluding AOCI on cash flow hedges) and liabilities for preferred shares and capital instruments.

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).

NM: Represents percentage variance in excess of 1000%, assessed as not meaningful 'nm'.

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	945
Philippines	MFC

INVESTOR INFORMATION

Robert Veloso, VP, Investor Relations
 (416) 852-8982
 E-mail: robert_veloso@manulife.com

INDUSTRY RATING INFORMATION

The following credit rating agencies each assigned financial strength ratings to our main operating subsidiaries, The Manufacturers Life Insurance Company and John Hancock Life Insurance Company (U.S.A.), thereby recognizing these companies as having strong credit ratings in the insurance industry.

The Manufacturers Life Insurance Company

(as at February 8, 2018)

<u>Purpose</u>	<u>Rating agency</u>	<u>Rating</u>
Financial strength	S&P Global Ratings	AA-
	Moody's Investors Service Inc.	A1
	Fitch Ratings Inc.	AA-
	DBRS Limited	AA (low)
	A.M. Best Company	A+ (Superior)

John Hancock Life Insurance Company (U.S.A)

<u>Purpose</u>	<u>Rating agency</u>	<u>Rating</u>
Financial strength	S&P Global Ratings	AA-
	Moody's Investors Service Inc.	A1
	Fitch Ratings Inc.	AA-
	DBRS Limited	not rated
	A.M. Best Company	A+ (Superior)