



Manulife

Statistical Information Package

Q3 2019



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Use of this document:

Information in the document is supplementary to the Company's current quarter Press Release, MD&A and unaudited financial statements in the 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 exchange rate basis ("CER"), 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.

Reporting Segments are Asia, Canada, U.S., Global Wealth and Asset Management, and Corporate and Other.

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.

Annualized Premium Equivalent ("APE") Sales are comprised of 100% of regular premiums/deposits sales and 10% of single premiums/deposits sales.

(i) For individual insurance, APE and Insurance Sales 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, APE and Insurance Sales includes 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 annuities, APE reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. This includes certain single premium wealth accumulation products and individual annuities, both fixed and variable.

Annuities Sales are comprised of 100% of all new deposits. 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.

Total Weighted Premium Income is comprised of 10% of single premiums/deposits and 100% of first year and renewal premiums/deposits before reinsurance. This applies to general fund and segregated funds of Insurance & Annuity business lines.

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.

Expense Efficiency Ratio is calculated as Pre-Tax Total Core General Expenses over Pre-Tax Total Core General Expenses plus Pre-Tax Total Core Earnings.

Items excluded from core earnings are disclosed at the Reporting Segment level as these items are managed at that level.

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.

Actual exchange rate basis ("AER")

Quarterly amounts stated on an actual exchange rate basis are calculated using actual income statement and statement of financial position exchange rates for the respective periods as appropriate.

Constant exchange rate basis ("CER")

Quarterly amounts stated on a constant exchange rate basis are calculated using Q2 2019 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)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER ¹	2019 Q3 vs. 2018 Q3 CER ¹	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER ¹	YTD 2019 vs. YTD 2018 CER ¹	Fiscal 2018
Shareholders' Net Income (loss) by Reporting Segment²												
Asia	128	476	695	318	566	-77%	-78%	1,299	1,386	-6%	-9%	1,704
Canada	(172)	317	751	(74)	102	-	-	896	1,056	-15%	-15%	982
U.S.	342	502	441	513	630	-46%	-46%	1,285	1,778	-28%	-30%	2,291
Global Wealth and Asset Management	281	243	233	218	280	0%	-1%	757	736	3%	1%	954
Corporate and other	144	(63)	56	(382)	(5)	-	-	137	(749)	-	-	(1,131)
Net income (loss) attributed to shareholders	723	1,475	2,176	593	1,573	-54%	-55%	4,374	4,207	4%	2%	4,800
Preferred share dividends	(43)	(43)	(43)	(43)	(42)	-2%	-	(129)	(125)	-3%	-	(168)
Common shareholders' net income (loss)	680	1,432	2,133	550	1,531	-56%	-56%	4,245	4,082	4%	2%	4,632
Common shareholders' net income (loss) CER	680	1,424	2,142	569	1,549	-	-56%	4,246	4,168	-	2%	4,737

Earnings Analysis²

Core earnings												
Asia	520	471	520	463	461	13%	10%	1,511	1,303	16%	13%	1,766
Canada	318	312	283	305	344	-8%	-8%	913	1,022	-11%	-11%	1,327
U.S.	471	441	475	454	467	1%	0%	1,387	1,335	4%	1%	1,789
Global Wealth and Asset Management	281	242	233	231	288	-2%	-3%	756	754	0%	-2%	985
Corporate and other (excl. core investment gains)	(163)	(114)	(63)	(216)	(121)	-35%	-35%	(340)	(441)	23%	23%	(657)
Core investment gains	100	100	100	100	100	0%	0%	300	300	0%	0%	400
Total core earnings	1,527	1,452	1,548	1,337	1,539	-1%	-2%	4,527	4,273	6%	4%	5,610
Total core earnings CER	1,527	1,438	1,543	1,347	1,558	-	-2%	4,508	4,351	-	4%	5,698
Items excluded from core earnings												
Investment-related experience outside of core earnings	(289)	146	327	(130)	312	-	-	184	330	-	-	200
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(494)	(144)	249	(675)	(277)	-	-	(389)	(182)	-	-	(857)
Change in actuarial methods and assumptions	(21)	-	-	-	(51)	-	-	(21)	(51)	-	-	(51)
Reinsurance transactions	-	63	52	142	(65)	-	-	115	33	-	-	175
Restructuring charge	-	-	-	(63)	-	-	-	-	(200)	-	-	(263)
Tax-related items and other	-	(42)	-	(18)	115	-	-	(42)	4	-	-	(14)
Net income (loss) attributed to shareholders	723	1,475	2,176	593	1,573	-54%	-55%	4,374	4,207	4%	2%	4,800

¹ AER percentage changes are calculated using actual exchange rates. CER percentage changes are calculated on a constant exchange rate basis.

² 2018 earnings by segment reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

Components of Direct Impact of Equity Markets and Interest Rates and Variable Annuity Guarantee Liabilities

Direct impact of equity markets and variable annuity guarantee liabilities	(38)	2	367	(723)	8	-	-	331	(205)	-	-	(928)
Fixed income reinvestment rates assumed in the valuation of policy liabilities	(213)	(174)	(160)	112	(246)	-	-	(547)	242	-	-	354
Sale of AFS bonds and derivative positions in the Corporate and Other segment	257	28	42	(64)	(39)	-	-	327	(219)	-	-	(283)
Change to the ultimate reinvestment rate	(500)	-	-	-	-	-	-	(500)	-	-	-	-
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(494)	(144)	249	(675)	(277)	-	-	(389)	(182)	-	-	(857)

Selected Performance Measures

Basic earnings (loss) per common share	\$0.35	\$0.73	\$1.09	\$0.28	\$0.77	-55%	-	\$ 2.16	\$2.06	5%	-	\$ 2.34
Diluted core earnings per common share	\$0.76	\$0.72	\$0.76	\$0.65	\$0.75	1%	-	\$ 2.24	\$2.09	7%	-	\$ 2.74
Diluted earnings (loss) per common share	\$0.35	\$0.73	\$1.08	\$0.28	\$0.77	-55%	-	\$ 2.16	\$2.05	5%	-	\$ 2.33
Return on common shareholders' equity (annualized) (%)	5.9%	12.9%	20.1%	5.3%	15.1%	-9.2 pps	-	12.8%	13.9%	-1.1 pps	-	11.6%
Core ROE (annualized) (%)	13.0%	12.7%	14.2%	12.5%	14.8%	-1.8 pps	-	13.3%	14.1%	-0.8 pps	-	13.7%

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER	2019 Q3 vs. 2018 Q3 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Earnings Analysis (Pre-tax) ¹

Core earnings												
Asia	610	535	608	532	564	8%	6%	1,753	1,602	9%	7%	2,134
Canada	423	417	378	396	452	-6%	-6%	1,218	1,295	-6%	-6%	1,691
U.S.	539	534	583	557	572	-6%	-6%	1,656	1,646	1%	-2%	2,203
Global Wealth and Asset Management	307	276	267	263	306	0%	-1%	850	835	2%	0%	1,098
Corporate and other (excl. core investment gains)	(184)	(150)	(193)	(345)	(155)	-19%	-19%	(464)	(556)	17%	17%	(901)
Core investment gains	125	105	105	174	127	-2%	-2%	335	371	-10%	-10%	545
Total core earnings	1,820	1,717	1,811	1,577	1,866	-2%	-4%	5,348	5,193	3%	1%	6,770
Items excluded from core earnings												
Investment-related experience outside of core earnings	(363)	152	344	(183)	395			133	414			231
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(550)	(186)	273	(780)	(384)			(463)	(247)			(1,027)
Change in actuarial methods and assumptions	(61)	-	-	-	(65)			(61)	(65)			(65)
Reinsurance transactions	-	81	66	180	(82)			147	52			232
Restructuring charges	-	-	-	(96)	-			-	(250)			(346)
Tax-related items and other	-	(23)	-	(22)	(208)			(23)	(344)			(366)
Net income attributed to shareholders	846	1,741	2,494	676	1,522	-44%	-45%	5,081	4,753	7%	4%	5,429

Earnings Analysis (Tax Rate) ¹

Core earnings												
Asia	15%	12%	14%	13%	18%			14%	19%			17%
Canada	25%	25%	25%	23%	24%			25%	21%			22%
U.S.	13%	17%	19%	18%	18%			16%	19%			19%
Global Wealth and Asset Management	8%	12%	13%	12%	6%			11%	10%			10%
Corporate and other (excl. core investment gains)	(11)%	(24)%	(52)%	(37)%	(22)%			(27)%	(21)%			(27)%
Core investment gains	20%	5%	5%	43%	21%			10%	19%			27%
Total core earnings ¹	16%	15%	15%	15%	18%			15%	18%			17%
Items excluded from core earnings												
Investment-related experience outside of core earnings	(20)%	4%	5%	(29)%	21%			(38)%	20%			13%
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(10)%	(23)%	9%	(13)%	(28)%			(16)%	(26)%			(17)%
Change in actuarial methods and assumptions	(66)%	-	-	-	(22)%			(66)%	(22)%			(22)%
Reinsurance transactions	-	22%	21%	21%	(21)%			22%	37%			25%
Restructuring charge	-	-	-	(34)%	-			-	(20)%			(24)%
Tax-related items and other	-	83%	-	(18)%	(155)%			83%	(101)%			(96)%
Net income attributed to shareholders	15%	15%	13%	12%	(3)%			14%	11%			12%

Core General Expenses

Asia	585	540	524	575	546	7%	5%	1,649	1,548	7%	4%	2,123
Canada	345	354	330	354	329	5%	5%	1,029	987	4%	4%	1,341
U.S.	272	285	278	270	284	-4%	-5%	835	827	1%	-2%	1,097
Global Wealth and Asset Management	545	556	534	570	539	1%	0%	1,635	1,630	0%	-2%	2,200
Corporate and Other	178	159	135	174	132	35%	35%	472	389	21%	21%	563
Total core general expenses	1,925	1,894	1,801	1,943	1,830	5%	4%	5,620	5,381	4%	2%	7,324
Non-core general expenses												
Restructuring charge	-	-	-	96	-			-	250			346
Integration and acquisition costs	-	-	-	19	9	-100%		-	26	-100%		45
Other	-	-	-	119	14	-100%		-	123	-100%		242
Total general expenses	1,925	1,894	1,801	2,177	1,853	4%	3%	5,620	5,780	-3%	-5%	7,957

Expense Efficiency ¹

Asia	48.9%	50.3%	46.3%	52.0%	49.1%			48.5%	49.1%			49.9%
Canada	44.9%	45.9%	46.6%	47.1%	42.2%			45.8%	43.3%			44.2%
U.S.	33.5%	34.7%	32.3%	32.7%	33.2%			33.5%	33.4%			33.3%
Global Wealth and Asset Management	64.1%	66.9%	66.6%	68.5%	63.7%			65.8%	66.1%			66.7%
Total company	51.4%	52.5%	49.9%	55.2%	49.5%			51.2%	50.9%			52.0%

¹ 2018 earnings and expense efficiency by segment reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

FINANCIAL HIGHLIGHTS - SOURCE OF EARNINGS

(Canadian \$ in millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER	2019 Q3 vs. 2018 Q3 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
Source of Earnings ^{1,2}												
Expected profit from in-force business	1,021	1,004	991	939	1,016	0%	0%	3,016	2,918	3%	1%	3,857
Impact of new business	232	202	276	276	275	-16%	-17%	710	641	11%	9%	917
Core investment gains	125	105	105	174	127	-2%	-1%	335	371	-10%	-10%	545
Experience gains (losses) (excl. core investment gains)	(1,338)	(231)	401	(832)	7	-	-	(1,168)	462	-	-	(370)
Management actions and changes in assumptions	302	119	119	(10)	(400)	-	-	540	(748)	-	-	(758)
Earnings on surplus funds	226	279	327	(39)	201	12%	12%	832	438	90%	84%	399
Other ³	55	59	51	9	50	10%	11%	165	14	nm	nm	23
Insurance	623	1,537	2,270	517	1,276	-51%	-52%	4,430	4,096	8%	6%	4,613
Global Wealth and Asset Management	307	276	267	247	299	3%	2%	850	815	4%	2%	1,062
Manulife Bank	50	47	54	41	45	11%	10%	151	132	14%	14%	173
Unallocated overhead ⁴	(134)	(119)	(97)	(129)	(98)	-37%	-37%	(350)	(290)	-21%	-21%	(419)
Income (loss) before income taxes	846	1,741	2,494	676	1,522	-44%	-45%	5,081	4,753	7%	4%	5,429
Income tax (expense) recovery	(123)	(266)	(318)	(83)	51	-	-	(707)	(546)	-29%	-26%	(629)
Net income attributed to shareholders	723	1,475	2,176	593	1,573	-54%	-55%	4,374	4,207	4%	2%	4,800
Preferred share dividends	(43)	(43)	(43)	(43)	(42)	-2%	-	(129)	(125)	-3%	-	(168)
Common shareholders' net income	680	1,432	2,133	550	1,531	-56%	-56%	4,245	4,082	4%	2%	4,632
Expected profit from in-force business CER	1,021	996	968	959	1,021		0%	2,985	2,974		1%	3,933

Source of Earnings - Core

Expected profit from in-force business	1,021	1,004	991	939	1,016	0%	0%	3,016	2,918	3%	1%	3,857
Impact of new business	232	202	276	276	275	-16%	-17%	710	641	11%	9%	917
Core investment gains	125	105	105	174	127	-2%	-1%	335	371	-10%	-10%	545
Experience gains (losses) (excl. core investment gains)	(31)	(73)	(35)	10	(30)	-3%	-24%	(139)	15	-	-	25
Management actions and changes in assumptions	18	21	(4)	(4)	(2)	-	-	35	(9)	-	-	(13)
Earnings on surplus funds	182	210	210	5	182	0%	-1%	602	455	32%	28%	460
Other ³	50	44	44	4	44	14%	12%	138	124	11%	12%	128
Insurance	1,597	1,513	1,587	1,404	1,612	-1%	-2%	4,697	4,515	4%	2%	5,919
Global Wealth and Asset Management	307	276	267	263	306	0%	-1%	850	835	2%	0%	1,098
Manulife Bank	50	47	54	41	45	11%	11%	151	132	14%	14%	173
Unallocated overhead ⁴	(134)	(119)	(97)	(131)	(97)	-38%	-37%	(350)	(289)	-21%	-21%	(420)
Core Earnings before income taxes	1,820	1,717	1,811	1,577	1,866	-2%	-4%	5,348	5,193	3%	1%	6,770
Income tax (expense) recovery	(293)	(265)	(263)	(240)	(327)	10%	11%	(821)	(920)	11%	12%	(1,160)
Total Core Earnings	1,527	1,452	1,548	1,337	1,539	-1%	-2%	4,527	4,273	6%	4%	5,610

¹ The expected profit from in-force business denominated in foreign currencies is translated at the current quarter's statement of income rate.

² The 'Source of Earnings' lines excludes the portion related to non-controlling interest.

³ Includes tax items related to minority interest and release of premium income tax allowables. These balances are offset in the Income tax (expense) recovery line.

⁴ Unallocated overhead represents Corporate and Other segment general expenses net of recoveries.

Glossary

Expected profit from in-force business	Formula-driven release of PfADs (Provisions for Adverse Deviations).
Impact of new business	The capitalized value of future profits less PfADs in respect of new business.
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.
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.
Earnings (loss) on surplus funds	Actual investment returns on the Company's surplus (shareholders' equity).
Other	Earnings items not included in any other line of the SOE.
Income taxes	Tax charges to income.

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER	2019 Q3 vs. 2018 Q3 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Annualized Premium Equivalents Sales

Asia	1,052	915	1,336	1,040	1,070	-2%	-4%	3,303	2,972	11%	9%	4,012
Canada	235	290	261	277	210	12%	12%	786	698	13%	13%	975
U.S.	156	154	143	152	159	-2%	-3%	453	401	13%	10%	553
Total Annualized premium equivalents sales	1,443	1,359	1,740	1,469	1,439	0%	-2%	4,542	4,071	12%	9%	5,540
Total Annualized premium equivalents sales CER	1,443	1,347	1,734	1,491	1,466		-2%	4,524	4,137		9%	5,628

Insurance Sales ¹

Asia	897	761	1,177	861	871	3%	1%	2,835	2,348	21%	18%	3,209
Canada	186	240	205	227	156	19%	19%	631	518	22%	22%	745
U.S.	156	154	143	152	159	-2%	-3%	453	401	13%	10%	553
Total Insurance sales	1,239	1,155	1,525	1,240	1,186	4%	3%	3,919	3,267	20%	18%	4,507
Total Insurance sales CER	1,239	1,142	1,518	1,255	1,207		3%	3,899	3,310		18%	4,565

¹ Insurance sales consist of 100% of recurring premiums and 10% of both excess and single premiums.

Annuities Sales ²

Asia	1,060	1,036	1,007	1,227	1,428	-26%	-28%	3,103	4,519	-31%	-33%	5,746
Canada	494	500	556	500	537	-8%	-8%	1,550	1,798	-14%	-14%	2,298
Total Annuities sales	1,554	1,536	1,563	1,727	1,965	-21%	-23%	4,653	6,317	-26%	-28%	8,044
Total Annuities sales CER	1,554	1,539	1,572	1,768	2,011		-23%	4,665	6,471		-28%	8,239

² Annuities sales, including single premium accumulation products, in Asia is comprised of 100% regular premiums/deposits sales and 100% single premium/deposits sales.

New Business Value ("NBV") ³

Asia	430	364	411	402	382	13%	10%	1,205	1,041	16%	13%	1,443
Canada	51	65	62	51	42	21%	21%	178	156	14%	14%	207
U.S.	45	50	46	48	28	61%	62%	141	50	182%	172%	98
Total New business value	526	479	519	501	452	16%	14%	1,524	1,247	22%	20%	1,748
Total New business value CER	526	472	519	508	460		14%	1,517	1,269		20%	1,777

³ New Business Value is not calculated for Global Wealth and Asset Management businesses, Manulife Bank, Property and Casualty Reinsurance and GRS business.

Global Wealth and Asset Management Gross Flows

Asia	5,740	4,761	4,611	5,255	5,155	11%	11%	15,112	18,398	-18%	-18%	23,653
Canada	5,994	5,292	6,349	4,918	4,712	27%	27%	17,635	18,208	-3%	-3%	23,126
U.S. ⁴	16,234	15,424	16,913	16,133	17,261	-6%	-7%	48,571	56,090	-13%	-16%	72,223
Total Global Wealth and Asset Management Gross flows	27,968	25,477	27,873	26,306	27,128	3%	2%	81,318	92,696	-12%	-14%	119,002
Total Global Wealth and Asset Management Gross flows CER	27,968	25,192	27,658	26,305	27,326		2%	80,818	94,138		-14%	120,443

Global Wealth and Asset Management Net Flows

Asia	2,325	1,678	614	1,078	1,008	131%	129%	4,617	4,628	0%	-4%	5,706
Canada	(6,854)	129	2,052	(666)	(1,491)	-360%	-360%	(4,673)	2,664	-	-	1,998
U.S. ⁴	119	(1,841)	(3,989)	(9,366)	931	-87%	-87%	(5,711)	3,225	-	-	(6,141)
Total Global Wealth and Asset Management Net flows	(4,410)	(34)	(1,323)	(8,954)	448	-	-	(5,767)	10,517	-	-	1,563
Total Global Wealth and Asset Management Net flows CER	(4,410)	(7)	(1,316)	(8,927)	474		-	(5,733)	10,852		-	1,925

⁴ U.S. business line includes Europe.

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER	2019 Q3 vs. 2018 Q3 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Premiums and Deposits - Insurance

Net premiums and investment contract deposits ^{1,2}	9,447	8,796	8,427	1,928	5,209	81%		26,670	22,505	19%		24,433
Segregated fund deposits	1,804	1,758	1,792	2,003	2,078	-13%		5,354	6,434	-17%		8,437
ASO premium equivalents	884	897	821	836	790	12%		2,602	2,459	6%		3,295
Total Premiums and deposits - Insurance	12,135	11,451	11,040	4,767	8,077	50%	49%	34,626	31,398	10%	9%	36,165
Total Premiums and deposits - Insurance CER	12,135	11,571	11,083	4,820	8,155		49%	34,789	31,805		9%	36,625

¹ Net premiums include life, health and annuity premiums, and premiums in the Canada Group Benefits reinsurance ceded agreement.

² Includes the \$7.0 billion impact of the Group Pay-out Annuity transaction in Q4 2018, \$3.7 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the \$0.7 billion John Hancock Life Insurance Company of New York ("JHNY") portion of both transactions in Q1 2019.

Premiums and Deposits - Corporate & Other	25	27	24	27	24	4%	4%	76	71	7%	7%	98
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Assets Under Management and Administration ³

Asia	118,752	114,082	110,999	108,109	99,679	19%	15%	118,752	99,679	19%	15%	108,109
Canada	152,246	150,441	146,586	141,913	144,250	6%	6%	152,246	144,250	6%	6%	141,913
U.S. ²	233,825	225,775	224,290	223,646	225,787	4%	1%	233,825	225,787	4%	1%	223,646
Global Wealth and Asset Management ⁴	659,228	653,127	648,143	608,759	643,956	2%	1%	659,228	643,956	2%	1%	608,759
Corporate and Other	2,499	4,466	4,494	1,095	3,788	-34%	-34%	2,499	3,788	-34%	-34%	1,095
Total Assets under management and administration	1,166,550	1,147,891	1,134,512	1,083,522	1,117,460	4%	3%	1,166,550	1,117,460	4%	3%	1,083,522
Total Assets under management and administration CER	1,166,550	1,156,213	1,127,152	1,060,716	1,137,498		3%	1,166,550	1,137,498		3%	1,060,716

³ 2018 AUMA by segment reflects a restatement of 2018 assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

⁴ Global Wealth and Asset Management AUMA at September 30, 2019 is \$854 billion and includes \$195 billion of asset managed on behalf of other segments. (see page 23).

Assets Under Management and Administration ³

Assets Under Management												
General fund ²	380,115	367,285	359,458	353,664	344,568	10%		380,115	344,568	10%		353,664
Segregated funds excluding institutional advisory accounts	334,622	333,088	332,687	311,373	330,511	1%		334,622	330,511	1%		311,373
Mutual funds ⁵	201,279	196,920	194,227	182,219	203,340	-1%		201,279	203,340	-1%		182,219
Institutional asset management	101,193	105,695	105,451	104,159	101,100	0%		101,193	101,100	0%		104,159
Other funds ⁶	8,916	8,767	8,488	7,658	7,850	14%		8,916	7,850	14%		7,658
Total assets under management	1,026,125	1,011,755	1,000,311	959,073	987,369	4%	2%	1,026,125	987,369	4%	2%	959,073
Assets under administration	140,425	136,136	134,201	124,449	130,091	8%	6%	140,425	130,091	8%	6%	124,449
Total assets under management and administration	1,166,550	1,147,891	1,134,512	1,083,522	1,117,460	4%	3%	1,166,550	1,117,460	4%	3%	1,083,522

⁵ Includes ETF assets.

⁶ Other funds includes College Savings (529 plan).

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Common Share Statistics

Share Price - Toronto (in Canadian \$) ¹										
high	24.89	25.18	23.85	23.30	24.76	1%	25.18	27.77	-9%	27.77
low	21.37	22.52	18.94	17.80	22.68	-6%	18.94	22.68	-16%	17.80
close	24.30	23.80	22.60	19.37	23.09	5%	24.30	23.09	5%	19.37
Share Price - New York (in U.S \$) ²										
high	18.87	18.71	17.96	18.18	18.95	0%	18.87	22.16	-15%	22.16
low	16.06	16.71	13.90	13.33	17.44	-8%	13.90	17.44	-20%	13.33
close	18.36	18.18	16.91	14.19	17.88	3%	18.36	17.88	3%	14.19
Common shares outstanding (millions)										
- end of period	1,952	1,962	1,970	1,971	1,985	-2%	1,952	1,985	-2%	1,971
- weighted average	1,961	1,965	1,965	1,980	1,984	-1%	1,965	1,983	-1%	1,983
- diluted weighted average	1,965	1,969	1,969	1,983	1,989	-1%	1,969	1,989	-1%	1,988
Dividend per common share paid in the quarter ³	0.250	0.250	0.250	0.250	0.220	14%	0.750	0.660	14%	0.910
Common share dividend payout ratio	73%	34%	23%	91%	29%	44 pps	35%	32%	3 pps	39%
Common share core dividend payout ratio	33%	35%	33%	38%	29%	4 pps	33%	31.6%	2 pps	33%

¹ The share prices are based on all Canadian trading venues, including the Toronto Stock Exchange.

² The share prices are based on all U.S. trading venues, including the New York Stock Exchange.

³ On November 6, 2019, the Board of Directors approved quarterly shareholders' dividend of 25.0 cents per share on the common shares of the Company, payable on or after December 19, 2019 to shareholders of record at the close of business on November 19, 2019.

Change in Common Shares Outstanding

Beginning Balance	1,962	1,970	1,971	1,985	1,984		1,971	1,982		1,982
Repurchased for cancellation	(19)	(18)	(10)	(23)	-		(47)	-		(23)
Issued under dividend reinvestment plans	7	9	8	9	-		24	-		9
Issued on exercise of stock options and deferred share units	2	1	1	-	1		4	3		3
Ending Balance	1,952	1,962	1,970	1,971	1,985		1,952	1,985		1,971

Valuation Data

Book value per common share	23.51	22.89	22.34	21.38	20.24	16%	23.51	20.24	16%	21.38
Market value to book value ratio	1.03	1.04	1.01	0.91	1.14	-9%	1.03	1.14	-9%	0.91
Book value excluding goodwill per common share	20.54	19.94	19.40	18.41	17.32	19%	20.54	17.32	19%	18.41
Book value excluding AOCI per common share	19.60	19.52	19.06	18.23	18.23	8%	19.60	18.23	8%	18.23
Market value to book value excluding goodwill ratio	1.18	1.19	1.17	1.05	1.33	-11%	1.18	1.33	-11%	1.05
Market capitalization (\$ billions)	47.4	46.7	44.5	38.2	45.8	4%	47.4	45.8	4%	38.2

Capital Information

Consolidated capital ⁴	59,130	58,217	57,325	56,010	54,444	9%	59,130	54,444	9%	56,010
Financial leverage ratio ⁵	26.1%	26.4%	27.0%	28.6%	29.2%	-3.1 pps	26.1%	29.2%	-3.1 pps	28.6%
LICAT Total Ratio - The Manufacturers Life Insurance Company	146%	144%	144%	143%	134%	12 pps	146%	134%	12 pps	143%

⁴ Consolidated capital includes total equity less AOCI on cash flow hedges 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.

⁵ Financial leverage ratio is calculated as the sum of long-term debt, capital instruments, and preferred shares divided by the sum of long-term debt, capital instruments, and total equity.

Foreign Exchange Information ⁶

- Statements of Financial Position	(CDN to \$ 1 US)	1.3243	1.3087	1.3363	1.3642	1.2945	2%
	(CDN to 1 YEN)	0.0123	0.0121	0.0121	0.0124	0.0114	7%
- Statements of Income	(CDN to \$ 1 US)	1.3204	1.3377	1.3295	1.3204	1.3069	1%
	(CDN to 1 YEN)	0.0123	0.0122	0.0121	0.0117	0.0117	5%

⁶ 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)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Revenue										
Premium income										
Gross premiums	10,508	9,829	10,187	9,990	9,863	7%	30,524	29,160	5%	39,150
Premiums ceded to reinsurers ¹	(1,173)	(1,138)	(1,873)	(8,158)	(4,762)	75%	(4,184)	(6,980)	40%	(15,138)
Net premiums	9,335	8,691	8,314	1,832	5,101	83%	26,340	22,180	19%	24,012
Investment income										
Investment income ²	3,932	3,710	3,747	3,278	3,481	13%	11,389	10,282	11%	13,560
Realized/ unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro hedge program ²	6,592	7,185	8,926	1,113	(3,210)	-	22,703	(10,141)	-	(9,028)
Net investment income (loss)	10,524	10,895	12,673	4,391	271	nm	34,092	141	nm	4,532
Other revenue	2,770	2,634	2,562	2,291	2,671	4%	7,966	8,137	-2%	10,428
Total revenue	22,629	22,220	23,549	8,514	8,043	181%	68,398	30,458	125%	38,972
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross claims and benefits	6,920	7,287	7,169	7,521	6,533	6%	21,376	20,357	5%	27,878
Increase (decrease) in insurance contract liabilities ³	13,003	10,029	11,407	4,893	(808)	-	34,439	(1,986)	-	2,907
Increase (decrease) in investment contract liabilities	26	67	43	47	(91)	-	136	(12)	-	35
Benefits and expenses ceded to reinsurers	(802)	(1,505)	(1,474)	(1,437)	(1,160)	31%	(3,781)	(3,716)	-2%	(5,153)
Decrease (increase) in reinsurance assets ⁴	(1,579)	337	(298)	(7,563)	(2,624)	40%	(1,540)	(2,170)	29%	(9,733)
Net benefits and claims	17,568	16,215	16,847	3,461	1,850	850%	50,630	12,473	306%	15,934
General expenses	1,925	1,894	1,801	2,177	1,853	4%	5,620	5,780	-3%	7,957
Investment expenses	388	415	403	487	399	-3%	1,206	1,221	-1%	1,708
Commissions	1,582	1,525	1,548	1,576	1,619	-2%	4,655	4,597	1%	6,173
Interest expense	348	318	328	359	312	12%	994	916	9%	1,275
Net premium taxes	103	97	98	95	99	4%	298	311	-4%	406
Total contract benefits and expenses	21,914	20,464	21,025	8,155	6,132	257%	63,403	25,298	151%	33,453
Income before income taxes	715	1,756	2,524	359	1,911	-63%	4,995	5,160	-3%	5,519
Income tax (expense) recovery	(100)	(240)	(289)	(43)	(6)	nm	(629)	(589)	-7%	(632)
Net income	615	1,516	2,235	316	1,905	-68%	4,366	4,571	-4%	4,887
Less: net income (loss) attributed to non-controlling interests	13	78	73	10	83	-84%	164	204	-20%	214
Less: net income (loss) attributed to participating policyholders	(121)	(37)	(14)	(287)	249	-	(172)	160	-	(127)
Net income attributed to shareholders	723	1,475	2,176	593	1,573	-54%	4,374	4,207	4%	4,800
Preferred share dividends	(43)	(43)	(43)	(43)	(42)	-2%	(129)	(125)	-3%	(168)
Common shareholders' net income	680	1,432	2,133	550	1,531	-56%	4,245	4,082	4%	4,632

¹ Includes the \$7.0 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the \$3.7 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the \$0.7 billion JHNY portion of both transactions in Q1 2019.

² 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.

³ 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 Increase (decrease) in insurance contract liabilities).

⁴ Includes the \$7.5 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the \$3.6 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the \$0.8 billion JHNY portion of both transactions in Q1 2019.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Canadian \$ in millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3
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ASSETS

Invested assets						
Cash and short-term securities	18,018	16,770	16,097	16,215	15,642	15%
Securities						
Debt securities	202,405	194,328	188,486	185,594	177,385	14%
Public equities	21,694	21,529	21,146	19,179	21,407	1%
Loans						
Mortgages	50,027	48,768	48,519	48,363	47,902	4%
Private placements	37,227	36,255	36,390	35,754	35,236	6%
Policy loans	6,456	6,352	6,390	6,446	6,102	6%
Loans to bank clients	1,737	1,773	1,793	1,793	1,785	-3%
Real estate	13,028	12,805	12,801	12,777	12,779	2%
Other invested assets	29,523	28,705	27,836	27,543	26,330	12%
Total invested assets	380,115	367,285	359,458	353,664	344,568	10%
Other assets						
Accrued investment income	2,431	2,352	2,483	2,427	2,372	2%
Outstanding premiums	1,397	1,382	1,610	1,369	1,240	13%
Derivatives	25,849	20,192	15,959	13,703	11,238	130%
Reinsurance assets	42,493	41,143	42,430	43,053	33,304	28%
Deferred tax asset	4,322	4,154	4,196	4,318	4,291	1%
Goodwill and intangible assets	10,030	9,928	10,004	10,097	9,972	1%
Miscellaneous	8,568	8,413	9,349	8,431	8,597	0%
Total other assets	95,090	87,564	86,031	83,398	71,014	34%
Segregated funds net assets	336,621	334,786	334,425	313,209	332,256	1%
Total assets	811,826	789,635	779,914	750,271	747,838	9%

LIABILITIES AND EQUITY

Policy liabilities						
Insurance contract liabilities	356,114	340,904	335,269	328,654	309,842	15%
Investment contract liabilities	3,158	3,171	3,209	3,265	3,160	0%
Deposits from bank clients	21,741	21,165	19,984	19,684	19,085	14%
Derivatives	12,970	10,051	8,249	7,803	7,268	78%
Deferred tax liabilities	2,370	2,219	2,025	1,814	1,506	57%
Other liabilities	15,308	14,719	14,902	15,190	15,866	-4%
	411,661	392,229	383,638	376,410	356,727	15%
Long-term debt	4,631	4,576	4,672	4,769	4,525	2%
Capital instruments	8,143	8,132	8,185	8,732	8,843	-8%
Segregated funds net liabilities	336,621	334,786	334,425	313,209	332,256	1%
Total liabilities	761,056	739,723	730,920	703,120	702,351	8%
Equity						
Issued share capital						
Preferred shares	3,822	3,822	3,822	3,822	3,822	0%
Common shares	23,066	23,067	23,052	22,961	23,045	0%
Contributed surplus	254	260	265	265	274	-7%
Shareholders' retained earnings	14,936	14,965	14,239	12,704	12,862	16%
Shareholders' accumulated other comprehensive income (loss)						
Pension and other post-employment plans	(422)	(420)	(423)	(426)	(386)	-9%
Available-for-sale securities	2,330	1,522	687	(265)	(611)	-
Cash flow hedges	(217)	(173)	(146)	(127)	(114)	-90%
Real estate revaluation surplus	31	31	31	20	20	55%
Translation of foreign operations	5,909	5,650	6,319	7,010	5,076	16%
Total shareholders' equity	49,709	48,724	47,846	45,964	43,988	13%
Participating policyholders' equity	(83)	40	77	94	380	-
Non-controlling interests	1,144	1,148	1,071	1,093	1,119	2%
Total equity	50,770	49,912	48,994	47,151	45,487	12%
Total liabilities and equity	811,826	789,635	779,914	750,271	747,838	9%

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Canadian \$ in millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	YTD 2019	YTD 2018	Fiscal 2018
Preferred shares								
Balance, beginning of period	3,822	3,822	3,822	3,822	3,822	3,822	3,577	3,577
Issued	-	-	-	-	-	-	250	250
Issuance costs, net of tax	-	-	-	-	-	-	(5)	(5)
Balance, end of period	3,822	3,822	3,822	3,822	3,822	3,822	3,822	3,822
Common shares								
Balance, beginning of period	23,067	23,052	22,961	23,045	23,031	22,961	22,989	22,989
Repurchased	(227)	(208)	(116)	(269)	-	(551)	-	(269)
Issued on exercise of stock options and deferred share units	41	34	14	3	14	89	56	59
Issued under Dividend Reinvestment and Share Purchase Plans	185	189	193	182	-	567	-	182
Balance, end of period	23,066	23,067	23,052	22,961	23,045	23,066	23,045	22,961
Contributed surplus								
Balance, beginning of period	260	265	265	274	274	265	277	277
Exercise of stock options and deferred share units	(8)	(6)	(3)	-	(3)	(17)	(10)	(10)
Stock option expense	2	3	3	3	3	8	7	10
Impact of deferred tax asset rate change	-	(2)	-	-	-	(2)	-	-
Acquisition of non-controlling interest	-	-	-	(12)	-	-	-	(12)
Balance, end of period	254	260	265	265	274	254	274	265
Shareholders' retained earnings								
Balance, beginning of period	14,965	14,239	12,704	12,862	11,768	12,704	10,083	10,083
Opening adjustment on adoption of IFRS 16	-	-	(19)	-	-	(19)	-	-
Net income attributed to shareholders	723	1,475	2,176	593	1,573	4,374	4,207	4,800
Preferred share dividends	(43)	(43)	(43)	(43)	(42)	(129)	(125)	(168)
Common share dividends	(493)	(494)	(489)	(499)	(437)	(1,476)	(1,303)	(1,802)
Common shares repurchased	(216)	(212)	(90)	(209)	-	(518)	-	(209)
Balance, end of period	14,936	14,965	14,239	12,704	12,862	14,936	12,862	12,704
Shareholders' accumulated other comprehensive income (loss)								
Balance, beginning of period	6,610	6,468	6,212	3,985	5,249	6,212	4,087	4,087
Other comprehensive income (loss)								
Remeasurement of pension and other post-employment plans, net of tax expense of nil	(2)	3	3	(40)	2	4	(22)	(62)
Real estate revaluation reserve, net of tax expense of nil	-	-	11	-	(1)	11	(1)	(1)
Available-for-sale ("AFS") securities unrealized gains (losses), net of tax expense of \$246	1,082	865	990	340	(467)	2,937	(796)	(456)
AFS securities realized losses (gains) & impairments (recoveries), net of tax recovery of \$82	(273)	(30)	(39)	7	(29)	(342)	6	13
Cash flow hedges unrealized gains (losses), net of tax recovery of \$16	(54)	(27)	(19)	(19)	21	(100)	(15)	(34)
Cash flow hedges realized (gains) losses, net of tax expense of \$3	10	-	-	6	4	10	10	16
Unrealized foreign exchange gains (losses), net of \$(23) hedges and tax expense of \$9	259	(669)	(691)	1,933	(793)	(1,101)	717	2,650
Share of other comprehensive income (loss) of associates, net of tax expense of nil	(1)	-	1	-	(1)	-	(1)	(1)
Balance, end of period	7,631	6,610	6,468	6,212	3,985	7,631	3,985	6,212
Total shareholders' equity, end of period	49,709	48,724	47,846	45,964	43,988	49,709	43,988	45,964
Participating policyholders' equity								
Balance, beginning of period	40	77	94	380	132	94	221	221
Opening adjustment on adoption of IFRS 16	-	-	(3)	-	-	(3)	-	-
Net income (loss) attributed to participating policyholders	(121)	(37)	(14)	(287)	249	(172)	160	(127)
Other comprehensive income attributed to participating policyholders	(2)	-	-	1	(1)	(2)	(1)	-
Balance, end of period	(83)	40	77	94	380	(83)	380	94
Non-controlling interests								
Balance, beginning of period	1,148	1,071	1,093	1,119	1,042	1,093	929	929
Net income (loss) attributed to non-controlling interests	13	78	73	10	83	164	204	214
Other comprehensive income (loss) attributed to non-controlling interests	-	2	2	1	(1)	4	(3)	(2)
Contributions (distributions), net	(17)	(3)	(97)	(37)	(5)	(117)	(11)	(48)
Balance, end of period	1,144	1,148	1,071	1,093	1,119	1,144	1,119	1,093
Total equity, end of period	50,770	49,912	48,994	47,151	45,487	50,770	45,487	47,151

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Canadian \$ in millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Operating activities										
Net income (loss)	615	1,516	2,235	316	1,905	-68%	4,366	4,571	-4%	4,887
Adjustments										
Increase (decrease) in insurance contract liabilities	13,003	10,029	11,407	4,893	(808)	-	34,439	(1,986)	-	2,907
Increase (decrease) in investment contract liabilities	26	67	43	47	(91)	-	136	(12)	-	35
Decrease (increase) in reinsurance assets	(1,579)	337	414	(557)	996	-	(828)	1,450	-	893
Amortization of premium/discount on invested assets	27	29	30	42	57	-53%	86	170	-49%	212
Other amortization	152	157	155	261	177	-14%	464	486	-5%	747
Net realized and unrealized (gains) losses, including impairments on assets	(7,057)	(8,028)	(9,311)	(1,159)	3,104	-	(24,396)	9,886	-	8,727
Deferred income tax expense (recovery)	(159)	71	132	228	633	-	44	702	-94%	930
Restructuring charge	-	-	-	(44)	-	-	-	200	-100%	156
Stock option expense	2	3	3	3	3	-33%	8	7	14%	10
Cash provided by operating activities before undernoted items	5,030	4,181	5,108	4,030	5,976	-16%	14,319	15,474	-7%	19,504
Changes in policy related and operating receivables and payables	531	1,231	(1,197)	706	(333)	-	565	(1,022)	-	(316)
Cash provided by (used in) operating activities	5,561	5,412	3,911	4,736	5,643	-1%	14,884	14,452	3%	19,188
Investing activities										
Purchases and mortgage advances	(20,236)	(20,401)	(19,525)	(23,706)	(25,635)	21%	(60,162)	(77,466)	22%	(101,172)
Disposals and repayments	16,110	15,171	15,925	21,036	17,698	-9%	47,206	61,075	-23%	82,111
Changes in investment broker net receivables and payables	26	136	130	(1,094)	872	-97%	292	966	-70%	(128)
Net cash decrease from sale and purchase of subsidiaries and businesses	16	-	253	187	-	-	269	-	-	187
Cash provided by (used in) investing activities	(4,084)	(5,094)	(3,217)	(3,577)	(7,065)	42%	(12,395)	(15,425)	20%	(19,002)
Financing activities										
Increase (decrease) in repurchase agreements and securities sold but not yet purchased	208	51	203	(714)	477	-56%	462	525	-12%	(189)
Issue of long-term debt, net	-	-	-	-	-	-	-	-	-	-
Redemption of long-term debt, net	-	-	-	-	-	-	-	(400)	100%	(400)
Issue (redemption) of capital instruments, net	-	-	(500)	(250)	-	-	(500)	397	-	147
Secured borrowings from securitization transactions	-	-	-	250	-	-	-	-	-	250
Changes in deposits from bank clients, net	576	1,180	308	560	(36)	-	2,064	930	122%	1,490
Lease payments	(30)	(28)	(27)	-	-	-	(85)	-	-	-
Shareholder dividends paid in cash	(351)	(348)	(339)	(360)	(479)	27%	(1,038)	(1,428)	27%	(1,788)
NCI dividends paid in cash	(11)	(3)	-	-	-	-	(14)	(2)	-600%	(2)
Contributions from (distributions to) non-controlling interest, net	(6)	-	-	(49)	(5)	-20%	(6)	(9)	33%	(58)
Common shares repurchased	(443)	(420)	(206)	(478)	-	-	(1,069)	-	-	(478)
Common shares issued, net	41	34	14	3	14	193%	89	56	59%	59
Preferred shares issued, net	-	-	-	-	-	-	-	245	-100%	245
Cash provided by (used in) financing activities	(16)	466	(547)	(1,038)	(29)	45%	(97)	314	-	(724)
Cash and short-term securities										
Increase (decrease) during the period	1,461	784	147	121	(1,451)	-	2,392	(659)	-	(538)
Effect of foreign exchange rate changes on cash and short-term securities	80	(171)	(206)	572	(236)	-	(297)	250	-	822
Balance, beginning of period	15,936	15,323	15,382	14,689	16,376	-3%	15,382	15,098	2%	15,098
Balance, end of period	17,477	15,936	15,323	15,382	14,689	19%	17,477	14,689	19%	15,382
Cash and short-term securities										
Beginning of period										
Gross cash and short-term securities	16,769	16,097	16,215	15,642	17,230	-3%	16,215	15,965	2%	15,965
Net payments in transit, included in other liabilities	(833)	(774)	(833)	(953)	(854)	-2%	(833)	(867)	4%	(867)
Net cash and short-term securities, beginning of period	15,936	15,323	15,382	14,689	16,376	-3%	15,382	15,098	2%	15,098
End of period										
Gross cash and short-term securities	18,018	16,770	16,097	16,215	15,642	15%	18,018	15,642	15%	16,215
Net payments in transit, included in other liabilities	(541)	(834)	(774)	(833)	(953)	-43%	(541)	(953)	43%	(833)
Net cash and short-term securities, end of period	17,477	15,936	15,323	15,382	14,689	19%	17,477	14,689	19%	15,382

ASIA

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Statements of Income ¹

	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Revenue										
Premium income										
Gross premiums	4,081	3,615	4,034	3,608	3,712	10%	11,730	10,875	8%	14,483
Premiums ceded to reinsurers	(135)	(122)	(146)	(120)	(116)	-16%	(403)	(387)	-4%	(507)
Investment income	491	511	424	423	496	-1%	1,426	1,394	2%	1,817
Other revenue	329	190	248	230	241	37%	767	770	0%	1,000
Subtotal revenue	4,766	4,194	4,560	4,141	4,333	10%	13,520	12,652	7%	16,793
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	613	813	2,024	(129)	(388)	-	3,450	(1,470)	-	(1,599)
Total revenue	5,379	5,007	6,584	4,012	3,945	36%	16,970	11,182	52%	15,194
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities ²	4,292	3,704	4,997	2,965	2,615	64%	12,993	7,397	76%	10,362
Ceded benefits and expenses and change in reinsurance assets	(11)	(107)	(114)	(76)	(221)	95%	(232)	(379)	39%	(455)
Change in investment contract liabilities	-	2	(2)	1	6	-100%	-	-	-	1
General expenses	442	405	394	436	417	6%	1,241	1,201	3%	1,637
Investment expenses	41	38	36	29	33	24%	115	89	29%	118
Commissions	512	459	527	495	491	4%	1,498	1,383	8%	1,878
Other	52	51	49	45	44	18%	152	128	19%	173
Total contract benefits and expenses	5,328	4,552	5,887	3,895	3,385	57%	15,767	9,819	61%	13,714
Income (loss) before income taxes	51	455	697	117	560	-91%	1,203	1,363	-12%	1,480
Income tax (expense) recovery	(11)	(37)	(88)	(16)	(113)	90%	(136)	(262)	48%	(278)
Net income (loss)	40	418	609	101	447	-91%	1,067	1,101	-3%	1,202
Less net income (loss) attributed to non-controlling interests	7	58	55	4	63	-89%	120	157	-24%	161
Less net income (loss) attributed to participating policyholders	(64)	3	32	(143)	(50)	-28%	(29)	(133)	78%	(276)
Net income (loss) attributed to shareholders	97	357	522	240	434	-78%	976	1,077	-9%	1,317
Net income (loss) attributed to shareholders CER	97	361	533	256	434	-78%	991	1,094	-9%	1,350

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

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.

ASIA (CONT'D)

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER ¹	2019 Q3 vs. 2018 Q3 CER ²	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER ¹	YTD 2019 vs. YTD 2018 CER ²	Fiscal 2018
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Earnings Analysis ³

Hong Kong	185	176	169	159	144	28%	28%	530	428	24%	24%	587
Japan	89	79	136	120	126	-29%	-32%	304	328	-7%	-8%	448
Asia Other	149	125	118	103	118	26%	26%	392	351	12%	15%	454
Regional Office	(29)	(28)	(32)	(32)	(36)	19%	19%	(89)	(94)	5%	5%	(126)
Total core earnings (loss)	394	352	391	350	352	12%	10%	1,137	1,013	12%	13%	1,363
Total Core earnings CER	394	352	393	358	357		10%	1,139	1,008		13%	1,366
Items excluded from core earnings												
Investment-related experience outside of core earnings	(10)	36	87	75	71			113	144			219
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(282)	(31)	44	(185)	(13)			(269)	(102)			(287)
Change in actuarial methods and assumptions	(5)	-	-	-	21			(5)	21			21
Reinsurance transactions	-	-	-	-	4			-	4			4
Tax-related items and other	-	-	-	-	(1)			-	(3)			(3)
Net income (loss) attributed to shareholders	97	357	522	240	434	-78%	-78%	976	1,077	-9%	-9%	1,317

Source of Earnings - Core ^{3,4}

Expected profit from in-force business	215	209	204	198	196	10%	8%	628	585	7%	8%	783
Impact of new business	134	103	177	177	184	-27%	-28%	414	474	-13%	-12%	651
Experience gains (losses)	20	16	15	(30)	(20)	-	-	51	(33)	-	-	(63)
Management actions and changes in assumptions	15	-	-	-	-	-	-	15	(3)	-	-	(3)
Earnings on surplus funds	42	41	41	38	37	14%	10%	124	114	9%	10%	152
Other ⁵	36	30	21	21	34	6%	3%	87	107	-19%	-17%	128
Core earnings before income taxes	462	399	458	404	431	7%	6%	1,319	1,244	6%	7%	1,648
Income tax (expense) recovery	(68)	(47)	(67)	(54)	(79)	14%	15%	(182)	(231)	21%	20%	(285)
Total Core earnings	394	352	391	350	352	12%	10%	1,137	1,013	12%	13%	1,363

¹ AER percentage changes are calculated using actual exchange rates.

² CER percentage changes are calculated on a constant exchange rate basis.

³ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

⁴ The 'Source of Earnings - Core' lines excludes the portion related to non-controlling interest.

⁵ Includes tax items related to minority interest and release of premium income tax allowables. These balances are offset in the Income tax (expense) recovery line. The 3Q 2019 balance includes negative US\$4 million (2Q 2019: negative US\$11 million), which is the portion attributable related to a US\$7 million tax benefit (2Q 2019: US\$22 million tax benefit) due to change in China tax regulations which is presented in the Income tax expense line. Approximately US\$6 million of the 2Q 2019 tax benefit, net of minority interest, relates to prior periods.

ASIA (CONT'D)

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER	2019 Q3 vs. 2018 Q3 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
Annualized Premium Equivalents Sales												
Hong Kong	268	199	165	186	170	58%	58%	632	461	37%	37%	647
Japan	145	136	409	295	303	-52%	-54%	690	792	-13%	-13%	1,087
Asia Other	383	350	431	306	345	11%	12%	1,164	1,054	10%	13%	1,360
Total Annualized premium equivalents sales	796	685	1,005	787	818	-3%	-4%	2,486	2,307	8%	9%	3,094
Total Annualized premium equivalents sales CER	796	685	1,008	804	830		-4%	2,489	2,293		9%	3,097
Insurance Sales												
Hong Kong	251	182	148	161	137	83%	83%	581	359	62%	62%	520
Japan	53	48	319	195	205	-74%	-75%	420	482	-13%	-13%	677
Asia Other	374	341	418	295	325	15%	16%	1,133	982	15%	18%	1,277
Total Insurance sales	678	571	885	651	667	2%	1%	2,134	1,823	17%	18%	2,474
Total Insurance sales CER	678	568	886	664	673		1%	2,132	1,802		18%	2,466
Annuities Sales												
Hong Kong	162	176	168	257	331	-51%	-51%	506	1,020	-50%	-50%	1,277
Japan	544	510	466	566	575	-5%	-9%	1,520	1,778	-15%	-15%	2,344
Asia Other	97	88	124	106	187	-48%	-49%	309	715	-57%	-56%	821
Total Annuities sales	803	774	758	929	1,093	-27%	-28%	2,335	3,513	-34%	-33%	4,442
Total Annuities sales CER	803	787	769	960	1,116		-28%	2,359	3,539		-33%	4,499
New Business Value (NBV)												
Hong Kong	171	117	98	127	110	55%	55%	386	291	32%	32%	418
Japan	52	51	115	91	84	-38%	-40%	218	238	-8%	-8%	329
Asia Other	103	104	96	86	99	5%	5%	303	279	9%	11%	365
Total NBV	326	272	309	304	293	11%	10%	907	808	12%	13%	1,112
Total NBV CER	326	272	311	309	295		10%	909	804		13%	1,113
New Business Value (NBV) Margin ¹												
Hong Kong	63.7%	58.9%	59.5%	68.0%	64.6%			61.1%	63.2%			
Japan	36.0%	37.3%	28.2%	31.0%	27.7%			31.6%	30.0%			
Asia Other	30.2%	33.7%	27.6%	31.2%	32.0%			30.4%	30.5%			
Total NBV margin	43.2%	42.2%	33.6%	40.2%	37.4%			39.1%	37.3%			
Total NBV margin CER	43.2%	42.2%	33.6%	40.0%	37.2%			39.1%	37.2%			

¹ 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.

ASIA (CONT'D)

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER	2019 Q3 vs. 2018 Q3 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
Premiums and Deposits												
Premiums and investment contract deposits	3,947	3,489	3,891	3,482	3,598	10%		11,327	10,492	8%		13,974
Segregated fund and other deposits	616	590	579	652	785	-22%		1,785	2,468	-28%		3,120
Total Premiums and deposits	4,563	4,079	4,470	4,134	4,383	4%	4%	13,112	12,960	1%	2%	17,094
Total Premiums and deposits CER	4,563	4,085	4,473	4,175	4,403		4%	13,121	12,835		2%	17,010
Premiums and Deposits by Business Units												
Hong Kong	1,343	1,236	1,110	1,305	1,242	8%	8%	3,689	3,606	2%	2%	4,911
Japan	1,584	1,367	1,789	1,481	1,594	-1%	-2%	4,740	4,809	-1%	0%	6,290
Asia Other	1,636	1,476	1,571	1,348	1,547	6%	6%	4,683	4,545	3%	5%	5,893
Total Premiums and deposits	4,563	4,079	4,470	4,134	4,383	4%	4%	13,112	12,960	1%	2%	17,094
Total Weighted Premium Income (TWPI)												
Hong Kong	976	921	828	936	848	15%	15%	2,725	2,455	11%	11%	3,391
Japan	1,202	1,012	1,496	1,090	1,197	0%	-3%	3,710	3,594	3%	3%	4,684
Asia Other	1,219	1,116	1,203	1,015	976	25%	25%	3,538	2,915	21%	24%	3,930
TWPI	3,397	3,049	3,527	3,041	3,021	12%	11%	9,973	8,964	11%	12%	12,005
TWPI CER	3,397	3,062	3,544	3,102	3,064		11%	10,003	8,941		12%	12,043
Assets Under Management ¹												
General fund	74,371	71,664	67,857	65,075	62,150	20%		74,371	62,150	20%		65,075
Segregated funds	15,289	15,512	15,182	14,176	14,828	3%		15,289	14,828	3%		14,176
Total Assets under management	89,660	87,176	83,039	79,251	76,978	16%	15%	89,660	76,978	16%	15%	79,251
Total Assets under management CER	89,660	86,490	82,988	79,213	77,763		15%	89,660	77,763		15%	79,213
¹ 2018 AUM and earnings on assets backing capital allocated to each segment from the Corporate and Other segment have been restated to align with the capital allocation methodology used in 2019.												
Number of Agents												
Hong Kong	9,508	8,831	8,696	8,817	7,936	20%		9,508	7,936	20%		8,817
Japan	2,170	2,125	2,107	2,107	2,150	1%		2,170	2,150	1%		2,107
Asia Other	79,905	73,858	70,332	68,644	67,443	18%		79,905	67,443	18%		68,644
Total Number of agents	91,583	84,814	81,135	79,568	77,529	18%		91,583	77,529	18%		79,568
Canadian \$ in millions - Key Metrics ¹												
Core earnings	520	471	520	463	461	13%	10%	1,511	1,303	16%	13%	1,766
Items excluded from core earnings	(392)	5	175	(145)	105	-		(212)	83	-		(62)
Net income (loss) attributed to shareholders	128	476	695	318	566	-77%	-78%	1,299	1,386	-6%	-9%	1,704
Annualized Premium Equivalents Sales	1,052	915	1,336	1,040	1,070	-2%	-4%	3,303	2,972	11%	9%	4,012
Insurance Sales	897	761	1,177	861	871	3%	1%	2,835	2,348	21%	18%	3,209
Annuities Sales	1,060	1,036	1,007	1,227	1,428	-26%	-28%	3,103	4,519	-31%	-33%	5,746
New Business Value (NBV)	430	364	411	402	382	13%	10%	1,205	1,041	16%	13%	1,443
Premiums and Deposits	6,027	5,455	5,942	5,462	5,727	5%	4%	17,424	16,683	4%	2%	22,145
Assets Under Management	118,752	114,082	110,999	108,109	99,679	19%	15%	118,752	99,679	19%	15%	108,109

CANADA

(Canadian \$ millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Statements of Income ¹

	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Revenue										
Premium income										
Gross premiums	2,632	2,618	2,599	2,677	2,587	2%	7,849	8,297	-5%	10,974
Premiums ceded to reinsurers	(404)	(387)	(379)	(394)	(377)	-7%	(1,170)	(1,153)	-1%	(1,547)
Investment income	1,060	1,118	1,258	920	1,054	1%	3,436	3,199	7%	4,119
Other revenue	262	260	288	343	379	-31%	810	1,103	-27%	1,446
Subtotal revenue	3,550	3,609	3,766	3,546	3,643	-3%	10,925	11,446	-5%	14,992
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	974	2,143	3,324	284	(1,546)	-	6,441	(1,678)	-	(1,394)
Total revenue	4,524	5,752	7,090	3,830	2,097	116%	17,366	9,768	78%	13,598
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities ²	4,796	4,676	5,681	3,189	1,131	324%	15,153	6,452	135%	9,641
Ceded benefits and expenses and change in reinsurance assets	(942)	(174)	(252)	(174)	(396)	-138%	(1,368)	(945)	-45%	(1,119)
Change in investment contract liabilities	-	25	10	9	10	-100%	35	31	13%	40
General expenses	345	354	330	356	334	3%	1,029	996	3%	1,352
Investment expenses	83	82	80	87	80	4%	245	255	-4%	342
Commissions	327	325	294	319	298	10%	946	839	13%	1,158
Other	197	175	175	188	156	26%	547	470	16%	658
Total contract benefits and expenses	4,806	5,463	6,318	3,974	1,613	198%	16,587	8,098	105%	12,072
Income (loss) before income taxes	(282)	289	772	(144)	484	-	779	1,670	-53%	1,526
Income tax (expense) recovery	73	(13)	(78)	(28)	(68)	-	(18)	(283)	94%	(311)
Net income (loss)	(209)	276	694	(172)	416	-	761	1,387	-45%	1,215
Less: net income (loss) attributed to participating policyholders	(37)	(41)	(57)	(98)	314	-	(135)	331	-	233
Net income (loss) attributed to shareholders	(172)	317	751	(74)	102	-	896	1,056	-15%	982

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

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.

CANADA (CONT'D)

(Canadian \$ millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Earnings Analysis ¹

Insurance	224	195	185	210	241	-7%	604	680	-11%	890
Annuities	57	82	58	65	69	-17%	197	244	-19%	309
Manulife Bank	37	35	40	30	34	9%	112	98	14%	128
Total core earnings (loss)	318	312	283	305	344	-8%	913	1,022	-11%	1,327
Items excluded from core earnings										
Investment-related experience outside of core earnings	(47)	2	453	(143)	155		408	383		240
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities ²	(335)	7	11	(234)	(26)		(317)	(73)		(307)
Change in actuarial methods and assumptions	(108)	-	-	-	(370)		(108)	(370)		(370)
Reinsurance transactions	-	-	4	-	4		4	102		102
Tax-related items and other	-	(4)	-	(2)	(5)		(4)	(8)		(10)
Net income (loss) attributed to shareholders	(172)	317	751	(74)	102	-	896	1,056	-15%	982

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

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

Source of Earnings - Core ¹

Expected profit from in-force business	268	241	241	249	273	-2%	750	766	-2%	1,015
Impact of new business	8	18	10	14	5	60%	36	13	177%	27
Experience gains (losses)	15	2	(14)	2	35	-57%	3	84	-96%	86
Management actions and changes in assumptions	-	24	-	-	-	-	24	-	-	-
Earnings on surplus funds	84	86	86	94	94	-11%	256	281	-9%	375
Other	(2)	-	-	(4)	-	-	(2)	19	-	15
Insurance	373	371	323	355	407	-8%	1,067	1,163	-8%	1,518
Manulife Bank	50	46	55	41	45	11%	151	132	14%	173
Core Earnings before income taxes	423	417	378	396	452	-6%	1,218	1,295	-6%	1,691
Income tax (expense) recovery	(105)	(105)	(95)	(91)	(108)	3%	(305)	(273)	-12%	(364)
Total Core Earnings	318	312	283	305	344	-8%	913	1,022	-11%	1,327

CANADA (CONT'D)
(Canadian \$ millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Annualized Premium Equivalents Sales

Individual Insurance	106	102	78	94	78	36%	286	195	47%	289
Group Insurance	80	138	127	133	78	3%	345	323	7%	456
Annuities	49	50	56	50	54	-9%	155	180	-14%	230
Total Sales	235	290	261	277	210	12%	786	698	13%	975

Annuities Sales ¹

Retail segregated fund products ²	475	482	531	474	506	-6%	1,488	1,687	-12%	2,161
Fixed Products	19	18	25	26	31	-39%	62	110	-44%	136
Total Annuities Sales	494	500	556	500	537	-8%	1,550	1,797	-14%	2,297

¹ Annuities sales is comprised of 100% regular premiums/deposits sales and 100% single premium/deposit sales.

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

New Business Value (NBV)	51	65	62	51	42	21%	178	156	14%	207
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Premiums and Deposits

Net premiums ³ and investment contract deposits	2,366	2,367	2,353	2,414	2,340	1%	7,086	7,536	-6%	9,950
Segregated fund deposits	475	484	531	475	507	-6%	1,490	1,690	-12%	2,165
ASO premium equivalents	884	897	821	836	790	12%	2,602	2,459	6%	3,295
Total premiums and deposits	3,725	3,748	3,705	3,725	3,637	2%	11,178	11,685	-4%	15,410

³ Net premiums include life, health and annuity premiums, and premiums in the Canada Group Benefits reinsurance ceded agreement.

Premiums and Deposits by Business

Individual Insurance	932	939	883	968	884	5%	2,754	2,598	6%	3,566
Group Insurance	2,301	2,311	2,266	2,257	2,214	4%	6,878	7,286	-6%	9,543
Annuities	492	498	556	500	539	-9%	1,546	1,801	-14%	2,301
Total premiums and deposits	3,725	3,748	3,705	3,725	3,637	2%	11,178	11,685	-4%	15,410

Assets Under Management ⁴

General funds, excluding Manulife Bank net lending assets	94,918	93,045	89,493	86,981	86,554	10%	94,918	86,554	10%	86,981
Manulife Bank net lending assets	22,017	21,957	21,791	21,626	21,407	3%	22,017	21,407	3%	21,626
Segregated funds	35,311	35,439	35,302	33,306	36,289	-3%	35,311	36,289	-3%	33,306
Total assets under management	152,246	150,441	146,586	141,913	144,250	6%	152,246	144,250	6%	141,913

⁴ 2018 AUM reflects a restatement of 2018 assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

Manulife Bank Average Net Lending Assets	21,987	21,874	21,709	21,517	21,302	3%	21,822	20,917	4%	21,027
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U.S.

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Statements of Income ^{1, 2}

	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Revenue										
Premium income										
Gross premiums	1,871	1,763	1,660	1,914	1,844	1%	5,294	5,287	0%	7,201
Premiums ceded to reinsurers ³	(454)	(446)	(982)	(5,765)	(3,246)	86%	(1,882)	(4,113)	54%	(9,878)
Investment income	1,328	1,315	1,261	1,475	1,327	0%	3,904	4,149	-6%	5,624
Other revenue	560	559	472	281	501	12%	1,591	1,685	-6%	1,966
Subtotal revenue	3,305	3,191	2,411	(2,095)	426	676%	8,907	7,008	27%	4,913
Realized/ unrealized gains (losses) on invested assets supporting insurance and investment contract liabilities ⁴	3,622	2,922	2,189	737	(882)	-	8,733	(5,160)	-	(4,423)
Total revenue	6,927	6,113	4,600	(1,358)	(456)	-	17,640	1,848	855%	490
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities ⁴	7,193	5,762	4,699	4,019	950	657%	17,654	1,874	842%	5,893
Ceded benefits and expenses and change in reinsurance assets ⁵	(1,088)	(653)	(1,028)	(6,616)	(2,390)	54%	(2,769)	(3,445)	20%	(10,061)
Change in investment contract liabilities	9	12	9	11	(95)	-	30	(72)	-	(61)
General expenses	206	213	209	306	229	-10%	628	745	-16%	1,051
Investment expenses	58	58	59	139	79	-27%	175	230	-24%	369
Commissions	215	220	208	250	299	-28%	643	854	-25%	1,104
Other	39	37	34	42	40	-3%	110	121	-9%	163
Total contract benefits and expenses	6,632	5,649	4,190	(1,849)	(888)	-	16,471	307	nm	(1,542)
Income (loss) before income taxes	295	464	410	491	432	-32%	1,169	1,541	-24%	2,032
Income tax (expense) recovery	(37)	(89)	(78)	(102)	50	-	(204)	(162)	-26%	(264)
Net income (loss) attributed to shareholders	258	375	332	389	482	-46%	965	1,379	-30%	1,768

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

² 1Q19 amounts have been restated to conform to current year's presentation.

³ Includes the US\$5.3 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the US\$2.8 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the US\$0.5 billion JHNY portion of both transactions in Q1 2019.

⁴ 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.

⁵ Includes the US\$5.7 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the US\$2.8 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the US\$0.6 billion JHNY portion of both transactions in Q1 2019.

U.S. (CONT'D)

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Earnings Analysis ¹

U.S. Insurance	249	234	255	246	235	6%	738	652	13%	898
U.S. Annuities	108	95	102	99	122	-11%	305	383	-20%	482
Total core earnings (loss)	357	329	357	345	357	0%	1,043	1,035	1%	1,380
Items excluded from core earnings										
Investment-related experience outside of core earnings	(102)	124	(107)	11	124		(85)	(1)		10
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(51)	(129)	45	(72)	(156)		(135)	263		191
Change in actuarial methods and assumptions	54	-	-	-	219		54	219		219
Reinsurance transactions	-	47	37	108	(57)		84	(57)		51
Tax-related items and other	-	4	-	(3)	(5)		4	(80)		(83)
Total net income (loss) attributed to shareholders	258	375	332	389	482	-46%	965	1,379	-30%	1,768

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

Source of Earnings - Core ¹

Expected profit from in-force business	338	344	329	319	352	-4%	1,011	1,041	-3%	1,360
Impact of new business	35	34	24	22	23	52%	93	12	675%	34
Experience gains (losses)	(60)	(73)	(17)	6	(28)	-114%	(150)	(21)	-614%	(15)
Management actions and changes in assumptions	-	-	-	-	-	-	-	-	-	-
Earnings on surplus funds	91	91	91	90	90	1%	273	271	1%	361
Other	5	3	11	(14)	-	-	19	(26)	-	(40)
Core Earnings before income taxes	409	399	438	423	437	-6%	1,246	1,277	-2%	1,700
Income tax (expense) recovery	(52)	(70)	(81)	(78)	(80)	35%	(203)	(242)	16%	(320)
Total Core Earnings	357	329	357	345	357	0%	1,043	1,035	1%	1,380

U.S. (CONT'D)

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



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Annualized Premium Equivalents Sales

JH Life	118	115	108	115	122	-3%	341	311	10%	426
Total Sales	118	115	108	115	122	-3%	341	311	10%	426

New Business Value (NBV)

	34	37	35	36	21	62%	106	39	172%	75
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Premiums and Deposits

Premiums and investment contract deposits ¹	1,417	1,317	678	(3,851)	(1,403)	-	3,412	1,174	191%	(2,677)
Segregated fund deposits	389	362	370	504	418	-7%	1,121	1,220	-8%	1,724
Total premiums and deposits	1,806	1,679	1,048	(3,347)	(985)	-	4,533	2,394	89%	(953)

Premiums and Deposits

JH Life	1,045	939	869	1,037	1,022	2%	2,853	2,852	0%	3,889
JH Long-Term Care	549	550	547	576	564	-3%	1,646	1,671	-1%	2,247
JH Annuities ¹	212	190	(368)	(4,960)	(2,571)	-	34	(2,129)	-	(7,089)
Total premiums and deposits	1,806	1,679	1,048	(3,347)	(985)	-	4,533	2,394	89%	(953)

Assets Under Management ²

General fund ¹	119,293	114,627	110,681	110,520	114,389	4%	119,293	114,389	4%	110,520
Segregated funds	57,271	57,890	57,164	53,420	60,031	-5%	57,271	60,031	-5%	53,420
Total assets under management	176,564	172,517	167,845	163,940	174,420	1%	176,564	174,420	1%	163,940

Canadian \$ in millions - Key Metrics ²

Core earnings	471	441	475	454	467	1%	1,387	1,335	4%	1,789
Items excluded from core earnings	(129)	61	(34)	59	163	-	(102)	443	-	502
Net income (loss) attributed to shareholders	342	502	441	513	630	-46%	1,285	1,778	-28%	2,291
Annualized Premium Equivalents Sales	156	154	143	152	159	-2%	453	401	13%	553
Total premiums and deposits ¹	2,383	2,248	1,393	(4,420)	(1,286)	-	6,024	3,030	99%	(1,390)
Total assets under management ¹	233,825	225,775	224,290	223,646	225,787	4%	233,825	225,787	4%	223,646

¹ Includes the US\$5.3 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the US\$2.8 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the US\$0.5 billion JHNY portion of both transactions in Q1 2019.

² 2018 AUM and earnings on assets backing capital allocated to each segment from the Corporate and Other segment have been restated to align with the methodology used in 2019.

GLOBAL WEALTH AND ASSET MANAGEMENT

(Canadian \$ in millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER ¹	2019 Q3 vs. 2018 Q3 CER ²	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER ¹	YTD 2019 vs. YTD 2018 CER ²	Fiscal 2018
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Shareholders' Income Statement³

Revenue												
Fee income	1,400	1,390	1,335	1,371	1,396	0%		4,125	4,101	1%		5,472
Investment income	9	5	23	-	(10)	-		37	(9)	-		(9)
Total revenue	1,409	1,395	1,358	1,371	1,386	2%		4,162	4,092	2%		5,463
Expenses												
General, administrative and investment expenses	797	818	802	839	788	1%		2,417	2,367	2%		3,206
Commissions	305	301	289	285	299	2%		895	910	-2%		1,195
Total expenses	1,102	1,119	1,091	1,124	1,087	1%		3,312	3,277	1%		4,401
Income before income taxes	307	276	267	247	299	3%		850	815	4%		1,062
Income tax (expense) recovery	(26)	(33)	(34)	(29)	(19)	-37%		(93)	(79)	-18%		(108)
Net income attributed to shareholders	281	243	233	218	280	0%	-1%	757	736	3%	1%	954
Net income attributed to shareholders CER	281	240	233	217	283		-1%	754	750		1%	967

Earnings (loss) Analysis

Core earnings												
Asia	71	77	75	53	64	11%	10%	223	204	9%	7%	257
Canada	89	77	73	63	73	22%	22%	239	203	18%	18%	266
U.S.	121	88	85	115	151	-20%	-21%	294	347	-15%	-18%	462
Core earnings	281	242	233	231	288	-2%	-3%	756	754	0%	-2%	985
Core earnings CER	281	239	233	232	291		-3%	753	767		-2%	999
Items excluded from core earnings												
Tax-related items and other	-	1	-	(13)	(8)	100%		1	(18)	-		(31)
Net income attributed to shareholders	281	243	233	218	280	0%	-1%	757	736	3%	1%	954

Core EBITDA by Geographic Source^{3,4}

Asia	91	92	91	67	80	14%	12%	274	261	5%	2%	328
Canada	143	127	123	105	119	20%	20%	393	342	15%	15%	447
U.S. ³	170	156	152	190	206	-17%	-19%	478	532	-10%	-13%	722
Core EBITDA	404	375	366	362	405	0%	-1%	1,145	1,135	1%	-1%	1,497
Core EBITDA CER	404	372	366	363	409		-1%	1,142	1,155		-1%	1,518
Amortization of deferred acquisition costs and other Depreciation	78	79	76	77	76	3%		233	224	4%		301
Amortization of deferred sales commissions	19	20	23	22	23	-17%		62	76	-18%		98
Total depreciation and amortization	97	99	99	99	99	-2%		295	300	-2%		399
Core earnings before income taxes	307	276	267	263	306	0%		850	835	2%		1,098
Core income tax (expense) recovery	(26)	(34)	(34)	(32)	(18)	-44%		(94)	(81)	16%		(113)
Core Earnings	281	242	233	231	288	-2%	-3%	756	754	0%	-2%	985

Core EBITDA Margin⁵

	28.7%	26.9%	27.0%	26.4%	29.2%	-50 bps		27.5%	27.7%	-20 bps		27.4%
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Deferred Acquisition Costs and Deferred Sales Commissions by Geographic Source

Asia	440	422	417	415	384	15%		440	384	15%		415
Canada	253	250	250	251	249	2%		253	249	2%		251
U.S.	1,779	1,761	1,799	1,842	1,740	2%		1,779	1,740	2%		1,842
Total deferred acquisition costs and deferred sales commissions	2,472	2,433	2,466	2,508	2,373	4%		2,472	2,373	4%		2,508

¹ AER percentage changes are calculated using actual exchange rates.

² CER percentage changes are calculated on a constant exchange rate basis.

³ 1Q19 amounts have been restated to conform to current year's presentation.

⁴ 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).

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

GLOBAL WEALTH AND ASSET MANAGEMENT (CONT'D)

(Canadian \$ in millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER	2019 Q3 vs. 2018 Q3 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Assets Under Management and Administration by Geographic Source

Asia	165,171	160,495	157,136	150,178	141,988	16%	13%	165,171	141,988	16%	13%	150,178
Canada	216,177	220,771	216,785	200,425	212,139	2%	2%	216,177	212,139	2%	2%	200,425
U.S.	472,503	463,057	463,237	439,750	471,569	0%	-2%	472,503	471,569	0%	-2%	439,750
Total WAM-managed Assets under management and administration	853,851	844,323	837,158	790,353	825,696	3%	2%	853,851	825,696	3%	2%	790,353
Less: Assets managed on behalf of other segments ¹	(194,623)	(191,196)	(189,015)	(181,594)	(181,740)	-7%		(194,623)	(181,740)	-7%		(181,594)
Assets under management and administration	659,228	653,127	648,143	608,759	643,956	2%	1%	659,228	643,956	2%	1%	608,759
Assets under management and administration CER	659,228	658,307	643,902	595,707	655,503		1%	659,228	655,503		1%	595,707

Asia	85,461	83,169	81,880	77,877	76,567	12%	8%	85,461	76,567	12%	8%	77,877
Canada	173,490	178,274	174,964	160,613	169,610	2%	2%	173,490	169,610	2%	2%	160,613
U.S.	400,277	391,684	391,299	370,269	397,779	1%	-2%	400,277	397,779	1%	-2%	370,269
Assets under management and administration	659,228	653,127	648,143	608,759	643,956	2%	1%	659,228	643,956	2%	1%	608,759

Assets under administration ²	140,425	136,136	134,201	124,449	130,091	8%	6%	140,425	130,091	8%	6%	124,449
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Assets Under Management and Administration by Business Line

Retirement	344,762	338,248	336,522	311,706	326,783	6%	4%	344,762	326,783	6%	4%	311,706
Retail	218,547	213,761	210,869	198,194	222,341	-2%	-3%	218,547	222,341	-2%	-3%	198,194
Institutional Asset Management ³	95,919	101,118	100,752	98,859	94,832	1%	-1%	95,919	94,832	1%	-1%	98,859
Assets under management and administration	659,228	653,127	648,143	608,759	643,956	2%	1%	659,228	643,956	2%	1%	608,759

Changes in Assets Under Management and Administration

Beginning balance	653,127	648,143	608,759	643,956	639,887	2%		608,759	609,002	0%		609,002
Assets acquired	-	-	-	-	1,306	-100%		-	1,306	-100%		1,306
Gross flows	27,968	25,477	27,873	26,306	27,128	3%		81,318	92,696	-12%		119,002
Manulife Securities non-proprietary product net flows	(114)	424	512	223	(322)	65%		822	259	217%		482
Exchange traded fund net flows ⁴	132	182	268	209	197	-33%		582	524	11%		733
Redemptions	(32,396)	(26,117)	(29,976)	(35,692)	(26,555)	-22%		(88,489)	(82,962)	-7%		(118,654)
Investment income (loss) and other	10,511	5,018	40,707	(26,243)	2,315	354%		56,236	23,131	143%		(3,112)
Ending balance	659,228	653,127	648,143	608,759	643,956	2%	1%	659,228	643,956	2%	1%	608,759

¹ Reflects assets managed by WAM business units on behalf of other, non-WAM business lines.

² Reflects WAM-sourced assets under administration included in Assets under management and administration.

³ Includes the third party institutional business of Manulife Investment Management ("MIM"); includes derivative notional associated with the Company's liability driven investment product ("LDI"); and excludes assets managed on behalf of the Insurance businesses and the General Fund.

⁴ Excludes ETF assets that are managed on behalf of insurance businesses.

GLOBAL WEALTH AND ASSET MANAGEMENT (CONT'D)

(Canadian \$ in millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3 AER	2019 Q3 vs. 2018 Q3 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Net Flows by Geographic Source

Asia	2,325	1,678	614	1,078	1,008	131%	129%	4,617	4,628	0%	-4%	5,706
Canada	(6,854)	129	2,052	(666)	(1,491)	-360%	-360%	(4,673)	2,664	-	-	1,998
U.S. ¹	119	(1,841)	(3,989)	(9,366)	931	-87%	-87%	(5,711)	3,225	-	-	(6,141)
Total Net flows	(4,410)	(34)	(1,323)	(8,954)	448	-	-	(5,767)	10,517	-	-	1,563
Total Net flows CER	(4,410)	(7)	(1,316)	(8,927)	474	-	-	(5,733)	10,852	-	-	1,925

Net Flows by Business Line

Retirement	1,648	(602)	1,837	(541)	1,375	20%	19%	2,883	(926)	-	-	(1,467)
Retail	1,341	747	(2,245)	(10,108)	(1,253)	-	-	(157)	4,052	-	-	(6,056)
Institutional Asset Management ²	(7,399)	(179)	(915)	1,695	326	-	-	(8,493)	7,391	-	-	9,086
Total Net flows	(4,410)	(34)	(1,323)	(8,954)	448	-	-	(5,767)	10,517	-	-	1,563

Gross Flows by Geographic Source

Asia	5,740	4,761	4,611	5,255	5,155	11%	11%	15,112	18,398	-18%	-18%	23,653
Canada	5,994	5,292	6,349	4,918	4,712	27%	27%	17,635	18,208	-3%	-3%	23,126
U.S. ¹	16,234	15,424	16,913	16,133	17,261	-6%	-7%	48,571	56,090	-13%	-16%	72,223
Total Gross flows	27,968	25,477	27,873	26,306	27,128	3%	2%	81,318	92,696	-12%	-14%	119,002
Total Gross flows CER	27,968	25,192	27,658	26,305	27,326	-	2%	80,818	94,138	-	-14%	120,443

Gross Flows by Business Line

Retirement	11,878	11,288	12,874	10,970	11,622	2%	1%	36,040	34,250	5%	3%	45,220
Retail	12,185	11,582	13,001	10,378	11,940	2%	1%	36,768	43,099	-15%	-16%	53,477
Institutional Asset Management ²	3,905	2,607	1,998	4,958	3,566	10%	9%	8,510	15,347	-45%	-46%	20,305
Total Gross flows	27,968	25,477	27,873	26,306	27,128	3%	2%	81,318	92,696	-12%	-14%	119,002

¹ U.S. business line includes Europe.

² Includes the third party institutional business of Manulife Investment Management ("MIM"); includes derivative notional associated with the Company's liability driven investment product ("LDI"); and excludes assets managed on behalf of the Insurance businesses and the General Fund.

CORPORATE AND OTHER

(Canadian \$ in millions, unaudited)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Statements of Income ¹

	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Revenue										
Gross investment income before items below	337	351	355	268	252	34%	1,043	772	35%	1,040
Gains (losses) on AFS equities and seed capital	62	61	111	(74)	108	-43%	234	252	-7%	178
Gains (losses) on AFS bonds and related derivative positions	345	40	57	(83)	(50)	-	442	(273)	-	(356)
Gains (losses) on macro hedges	(1)	(5)	(42)	27	(1)	0%	(48)	(5)	-860%	22
Interest on surplus funds allocated to reporting segments	(264)	(267)	(265)	(267)	(265)	0%	(796)	(791)	-1%	(1,058)
Other revenue	(67)	(16)	(16)	(102)	(71)	6%	(99)	(228)	57%	(330)
Total revenue, net	412	164	200	(231)	(27)		776	(273)		(504)
Contract benefits and expenses										
General expenses	176	158	133	268	132	33%	467	635	-26%	903
Investment expenses, net	(54)	(30)	(33)	(52)	(59)	8%	(117)	(129)	9%	(181)
Changes in actuarial methods and assumptions	(5)	-	-	-	-	-	(5)	-	-	-
Other	123	99	120	135	114	8%	342	386	-11%	521
Total contract benefits and expenses	240	227	220	351	187	28%	687	892	-23%	1,243
Income (loss) before income taxes	172	(63)	(20)	(582)	(214)		89	(1,165)		(1,747)
Income tax (expense) recovery	(76)	(26)	45	168	158	-	(57)	312	-	480
Net income (loss)	96	(89)	25	(414)	(56)		32	(853)		(1,267)
Less net income (loss) attributed to non-controlling interest	5	-	(1)	4	2	150%	4	2	100%	6
Net income (loss) attributed to shareholders - Corporate and Investments	91	(89)	26	(418)	(58)		28	(855)		(1,273)
Net income attributed to shareholders' for Reinsurance business	53	26	30	36	53	0%	109	106	3%	142
Net income (loss) attributed to shareholders	144	(63)	56	(382)	(5)		137	(749)		(1,131)

Earnings Analysis ¹

	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Core earnings										
Corporate and other excluding core investment gains	(163)	(114)	(63)	(216)	(121)	-35%	(340)	(441)	23%	(657)
Core investment gains	100	100	100	100	100	0%	300	300	0%	400
Total core earnings (loss)	(63)	(14)	37	(116)	(21)	-200%	(40)	(141)	72%	(257)
Items excluded from core loss										
Investment-related experience outside of core earnings	(95)	(69)	(99)	(101)	(96)	1%	(263)	(240)	-10%	(341)
Direct impact of equity markets and interest rates	279	64	118	(102)	(29)	-	461	(309)	-	(411)
Change in actuarial methods and assumptions (excl. URR changes)	23	-	-	-	6	283%	23	6	283%	6
Restructuring charge	-	-	-	(63)	-	-	-	(200)	100%	(263)
Tax-related items and other	-	(44)	-	-	135	-100%	(44)	135	-	135
Net income (loss) attributed to shareholders	144	(63)	56	(382)	(5)		137	(749)		(1,131)

Premiums and Deposits

	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Premiums - Reinsurance business	25	27	24	27	24	4%	76	71	7%	98
Total premiums and deposits	25	27	24	27	24	4%	76	71	7%	98

Assets Under Management ^{1, 2}

	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2019 Q3 vs. 2018 Q3	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
General fund - Corporate and Investments (before derivative reclassification)	14,599	13,860	11,458	6,044	6,863	113%	14,599	6,863	113%	6,044
Derivative reclassification ²	(12,912)	(10,171)	(7,738)	(5,929)	(4,009)	-222%	(12,912)	(4,009)	-222%	(5,929)
General fund - Corporate and Investments (after derivative reclassification)	1,687	3,689	3,720	115	2,854	-41%	1,687	2,854	-41%	115
General fund - Reinsurance	936	898	895	1,098	1,046	-11%	936	1,046	-11%	1,098
Segregated funds - elimination of amounts held by the Company	(124)	(121)	(121)	(118)	(112)	-11%	(124)	(112)	-11%	(118)
Total assets under management	2,499	4,466	4,494	1,095	3,788	-34%	2,499	3,788	-34%	1,095

¹ 2018 earnings and AUM reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

² Includes consolidation entries relating to net derivative assets reclassified from invested assets to other lines on the balance sheet.



Manulife

Asset Information

INVESTED ASSETS - PORTFOLIO COMPOSITION

(Canadian \$ in millions, unaudited)



	As at Q3 2019	%		As at Q2 2019	%		As at Q1 2019	%		As at Q4 2018	%		As at Q3 2018	%	
Carrying value															
Cash and short-term securities	18,018	4.7	%	16,770	4.6	%	16,097	4.5	%	16,215	4.6	%	15,642	4.5	%
Debt securities															
Government															
Canadian government & agency	23,785	6.3	%	23,991	6.5	%	23,396	6.5	%	23,787	6.7	%	23,077	6.7	%
US government & agency	29,846	7.9	%	27,177	7.4	%	25,488	7.1	%	25,924	7.3	%	23,992	7.0	%
Foreign governments & agency	21,877	5.8	%	21,424	5.8	%	20,887	5.8	%	20,260	5.7	%	18,915	5.5	%
Corporate	123,359	32.4	%	118,092	32.2	%	115,491	32.1	%	112,670	31.9	%	108,443	31.5	%
Securitized															
CMBS	1,370	0.3	%	1,414	0.4	%	1,456	0.4	%	1,472	0.5	%	1,423	0.4	%
RMBS	14	0.0	%	14	0.0	%	14	0.0	%	15	0.0	%	18	0.0	%
ABS	2,154	0.5	%	2,216	0.6	%	1,754	0.5	%	1,466	0.4	%	1,517	0.4	%
Total debt securities	202,405	53.2	%	194,328	52.9	%	188,486	52.4	%	185,594	52.5	%	177,385	51.5	%
Private placement debt	37,227	9.8	%	36,255	9.9	%	36,390	10.1	%	35,754	10.1	%	35,236	10.2	%
Mortgages															
Commercial															
Retail	8,888	2.3	%	8,727	2.4	%	8,635	2.4	%	8,377	2.4	%	8,382	2.5	%
Office	9,154	2.5	%	8,720	2.4	%	8,737	2.5	%	8,706	2.5	%	8,517	2.5	%
Multi family residential	5,457	1.5	%	5,160	1.4	%	5,210	1.5	%	5,323	1.5	%	5,319	1.5	%
Industrial	2,711	0.7	%	2,552	0.7	%	2,674	0.7	%	2,814	0.8	%	2,793	0.8	%
Other commercial	3,367	0.9	%	3,224	0.9	%	3,004	0.8	%	2,995	0.8	%	2,920	0.8	%
Other mortgages															
Manulife Bank single family residential	19,947	5.2	%	19,879	5.4	%	19,734	5.5	%	19,596	5.5	%	19,438	5.6	%
Agriculture	503	0.1	%	506	0.1	%	525	0.1	%	552	0.2	%	533	0.2	%
Total mortgages¹	50,027	13.2	%	48,768	13.3	%	48,519	13.5	%	48,363	13.7	%	47,902	13.9	%
Policy loans	6,456	1.7	%	6,352	1.7	%	6,390	1.8	%	6,446	1.8	%	6,102	1.8	%
Loans to bank clients	1,737	0.5	%	1,773	0.4	%	1,793	0.5	%	1,793	0.5	%	1,785	0.5	%
Public equities															
Par, equity-linked and pass-through	16,211	4.3	%	16,096	4.4	%	15,614	4.3	%	13,940	3.9	%	15,613	4.5	%
Nonpar and surplus	5,483	1.4	%	5,433	1.5	%	5,532	1.6	%	5,239	1.5	%	5,794	1.7	%
Total public equities	21,694	5.7	%	21,529	5.9	%	21,146	5.9	%	19,179	5.4	%	21,407	6.2	%
Real estate & other invested assets															
Alternative long-duration assets															
Office	7,526	2.0	%	7,434	2.0	%	7,068	2.0	%	7,064	2.0	%	7,291	2.1	%
Industrial	878	0.2	%	799	0.2	%	785	0.2	%	775	0.2	%	780	0.2	%
Company use	1,958	0.5	%	1,938	0.6	%	2,002	0.5	%	2,016	0.6	%	1,925	0.6	%
Other	2,666	0.7	%	2,634	0.7	%	2,946	0.8	%	2,922	0.8	%	2,783	0.8	%
Total real estate	13,028	3.4	%	12,805	3.5	%	12,801	3.5	%	12,777	3.6	%	12,779	3.7	%
Infrastructure	8,716	2.3	%	8,275	2.3	%	8,138	2.3	%	7,970	2.3	%	7,408	2.1	%
Private equity	7,489	2.0	%	7,175	2.0	%	6,793	1.9	%	6,769	1.9	%	5,994	1.7	%
Timberland	3,288	0.9	%	3,339	0.9	%	3,332	0.9	%	3,378	1.0	%	3,761	1.1	%
Oil & gas	3,329	0.9	%	3,433	0.9	%	3,528	1.0	%	3,416	1.0	%	3,385	1.0	%
Farmland	1,300	0.3	%	1,280	0.3	%	1,212	0.3	%	1,115	0.3	%	1,113	0.4	%
Other	1,441	0.4	%	1,361	0.4	%	947	0.3	%	791	0.1	%	765	0.2	%
Total alternative long-duration assets	38,591	10.2	%	37,668	10.3	%	36,751	10.2	%	36,216	10.2	%	35,205	10.2	%
Leveraged leases	3,401	0.9	%	3,326	0.9	%	3,361	0.9	%	3,575	1.1	%	3,390	1.0	%
Other	559	0.1	%	516	0.1	%	525	0.2	%	529	0.1	%	514	0.2	%
Total real estate & other invested assets	42,551	11.2	%	41,510	11.3	%	40,637	11.3	%	40,320	11.4	%	39,109	11.4	%
Total invested assets	380,115	100.0	%	367,285	100.0	%	359,458	100.0	%	353,664	100.0	%	344,568	100.0	%

¹ Includes government insured mortgages (\$7,038 or 14% as at September 30, 2019).

Fair value²

Real estate	14,346	14,087	14,045	13,940	13,870
Total alternative long-duration assets	40,608	39,582	38,658	38,151	37,087
Total real estate & other invested assets	44,568	43,424	42,544	42,255	40,991

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 Q3 2019		As at Q2 2019		As at Q1 2019		As at Q4 2018		As at Q3 2018	
				%		%		%		%		%
Debt Securities	AAA	1	37,982	19%	36,200	19%	34,419	18%	36,108	20%	33,624	19%
	AA	1	34,892	17%	33,700	17%	33,093	18%	32,147	17%	29,973	17%
	A	1	85,514	42%	82,499	43%	80,159	43%	78,016	42%	76,280	43%
	BBB	2	41,229	21%	39,197	20%	38,226	20%	36,945	20%	35,156	20%
	BB	3	1,899	1%	1,826	1%	1,647	1%	1,621	1%	1,614	1%
	B & lower, and unrated	4 & below	889	0%	906	0%	942	0%	757	0%	738	0%
Total			202,405	100%	194,328	100%	188,486	100%	185,594	100%	177,385	100%
Private Placements	AAA	1	1,121	3%	1,122	3%	1,112	3%	1,143	3%	1,111	3%
	AA	1	5,023	14%	4,846	14%	4,901	13%	4,968	14%	4,534	13%
	A	1	14,261	38%	13,781	38%	13,643	38%	13,304	37%	13,415	38%
	BBB	2	13,951	37%	13,846	38%	14,206	39%	14,055	39%	14,016	40%
	BB	3	832	2%	835	2%	910	3%	733	2%	770	2%
	B & lower, and unrated	4 & below	2,039	6%	1,825	5%	1,618	4%	1,551	5%	1,390	4%
Total			37,227	100%	36,255	100%	36,390	100%	35,754	100%	35,236	100%
Total	AAA	1	39,103	16%	37,322	16%	35,531	16%	37,251	17%	34,735	17%
	AA	1	39,915	17%	38,546	17%	37,994	17%	37,115	17%	34,507	16%
	A	1	99,775	42%	96,280	42%	93,802	42%	91,320	41%	89,695	42%
	BBB	2	55,180	23%	53,043	23%	52,432	23%	51,000	23%	49,172	23%
	BB	3	2,731	1%	2,661	1%	2,557	1%	2,354	1%	2,384	1%
	B & lower, and unrated	4 & below	2,928	1%	2,731	1%	2,560	1%	2,308	1%	2,128	1%
Total			239,632	100%	230,583	100%	224,876	100%	221,348	100%	212,621	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 September 30, 2019, the Company had \$613 (June 30, 2019 : \$643) notional outstanding of CDS protection sold.

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

	Country	As at Q3 2019		As at Q2 2019		As at Q1 2019		As at Q4 2018		As at Q3 2018	
			%		%		%		%		%
Debt Securities	U.S.	92,164	46%	86,070	44%	82,213	44%	81,282	44%	78,206	44%
	Canada	49,355	24%	49,433	26%	48,737	26%	47,820	26%	47,207	27%
	Europe	6,280	3%	5,855	3%	5,561	3%	5,401	3%	4,964	3%
	Asia & Other	54,606	27%	52,970	27%	51,975	27%	51,091	27%	47,008	26%
	Total		202,405	100%	194,328	100%	188,486	100%	185,594	100%	177,385
Private Placements	U.S.	21,008	56%	20,450	56%	20,502	56%	20,837	58%	20,530	58%
	Canada	11,167	30%	10,882	30%	10,924	30%	10,612	30%	10,526	30%
	Europe	2,191	6%	2,168	6%	2,174	6%	1,995	6%	1,987	6%
	Asia & Other	2,861	8%	2,755	8%	2,790	8%	2,310	6%	2,193	6%
	Total		37,227	100%	36,255	100%	36,390	100%	35,754	100%	35,236
Total	U.S.	113,172	47%	106,520	46%	102,715	46%	102,119	46%	98,736	47%
	Canada	60,522	25%	60,315	26%	59,661	27%	58,432	27%	57,733	27%
	Europe	8,471	4%	8,023	4%	7,735	3%	7,396	3%	6,951	3%
	Asia & Other	57,467	24%	55,725	24%	54,765	24%	53,401	24%	49,201	23%
	Total		239,632	100%	230,583	100%	224,876	100%	221,348	100%	212,621

INVESTED ASSETS - FIXED INCOME SECURITIES BY SECTOR AND UNREALIZED LOSSES

(Canadian \$ in millions, unaudited)


Portfolio by Sector / Industry Holdings (at carrying value)

	As at Q3 2019			As at Q2 2019			As at Q1 2019			As at Q4 2018			As at Q3 2018		
	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %
Government & agency	80,047	34%	99%	77,076	33%	99%	73,863	33%	99%	73,858	33%	99%	69,725	33%	99%
Utilities	44,906	19%	99%	42,964	19%	98%	42,758	19%	98%	41,929	19%	99%	41,966	20%	99%
Financial	31,930	13%	97%	31,637	14%	97%	31,835	14%	97%	31,340	14%	97%	29,579	14%	97%
Energy	19,934	8%	97%	18,746	8%	97%	18,367	8%	97%	17,685	8%	97%	17,688	8%	96%
Consumer (non-cyclical)	18,676	8%	96%	17,499	8%	97%	17,095	8%	97%	16,483	7%	97%	15,411	7%	96%
Industrial	19,620	8%	98%	19,130	8%	98%	18,256	8%	98%	17,508	8%	98%	16,598	8%	98%
Basic materials	4,594	2%	92%	4,207	2%	92%	3,898	2%	92%	3,539	2%	92%	3,441	2%	92%
Consumer (cyclical)	7,724	3%	94%	7,297	3%	94%	7,344	3%	94%	7,707	3%	95%	6,999	3%	95%
Securitized MBS/ABS	4,001	2%	100%	4,091	2%	100%	3,562	2%	100%	3,300	2%	100%	3,351	1%	100%
Telecommunications	4,148	2%	99%	4,019	2%	99%	3,871	2%	99%	3,716	2%	99%	3,656	2%	100%
Technology	2,448	1%	98%	2,332	1%	98%	2,292	1%	98%	2,352	1%	96%	2,272	1%	97%
Media & internet	1,022	0%	93%	1,002	0%	95%	1,049	0%	95%	1,112	1%	92%	1,156	1%	93%
Diversified & miscellaneous	582	0%	84%	583	0%	84%	686	0%	85%	819	0%	97%	779	0%	97%
Total	239,632	100%	98%	230,583	100%	98%	224,876	100%	98%	221,348	100%	98%	212,621	100%	98%

Unrealized (losses)

	As at Q3 2019				As at Q2 2019				As at Q1 2019				As at Q4 2018				As at Q3 2018				
	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																					
<i>Government</i>	67,724	(145)	0%	-	66,527	(305)	0%	-	65,793	(627)	1%	-	68,534	(1,449)	2%	(248)	66,093	(2,193)	3%	(163)	
<i>Corporate</i>																					
Financials	28,310	(30)	0%	(10)	28,425	(36)	0%	(9)	29,223	(104)	0%	(9)	29,433	(398)	1%	(9)	27,949	(510)	2%	(9)	
Non-financials	84,511	(163)	0%	(27)	81,486	(190)	0%	(17)	81,372	(496)	1%	(18)	82,168	(1,803)	2%	(21)	79,266	(1,623)	2%	(5)	
<i>Securitized</i>																					
CMBS	1,347	(1)	0%	-	1,395	(1)	0%	-	1,458	(11)	1%	-	1,491	(22)	1%	-	1,455	(32)	2%	-	
RMBS	13	-	0%	-	13	-	0%	-	13	-	0%	-	14	-	0%	-	17	-	0%	-	
ABS	2,047	(1)	0%	-	2,144	(6)	0%	-	1,733	(9)	1%	-	1,475	(25)	2%	-	1,537	(29)	2%	-	
Private placement debt	37,227	(66)	0%	(26)	36,255	(73)	0%	(25)	36,390	(245)	1%	(26)	35,754	(838)	2%	-	35,236	(699)	2%	-	
Fixed income securities¹	221,179	(406)	0%	(63)	216,245	(611)	0%	(51)	215,982	(1,492)	1%	(53)	218,869	(4,535)	2%	(278)	211,553	(5,086)	2%	(177)	

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.

Actuarial Liabilities Information

VARIABLE ANNUITY AND SEGREGATED FUND GUARANTEES

(Canadian \$millions, unaudited)



	Guarantee Value			Net Amount at Risk ²			Policy Liabilities Held ^{3,5}	SFG Capital ⁶	Policy Liabilities Held plus Capital
	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹			
Q3 2019	87,620	4,853	82,767	9,018	1,318	7,700	7,254	5,213	12,467
Q2 2019	89,070	6,302	82,768	9,272	1,299	7,973	6,082	5,151	11,233
Q1 2019	92,004	6,592	85,412	10,414	1,405	9,009	5,461	5,062	10,523
Q4 2018	95,032	6,868	88,164	14,689	1,836	12,853	6,020	4,936	10,956
Q3 2018	93,419	6,658	86,761	8,718	1,256	7,462	3,252	4,873	8,125

As at Q3 2019	Net of Reinsurance ¹		
	Total Guarantee Value ⁴	Total Fund Value ⁴	Net Amount at Risk ^{2,4}
U.S.			
Withdrawal Benefits	38,998	33,578	5,767
Income Benefits	484	391	99
Death Benefits	5,378	6,277	410
	<u>44,860</u>	<u>40,246</u>	<u>6,276</u>
Canada			
Withdrawal Benefits	12,287	11,295	992
Maturity Benefits	15,664	15,656	8
Death Benefits	1,841	8,089	26
	<u>29,792</u>	<u>35,040</u>	<u>1,026</u>
Japan			
Withdrawal Benefits	3,562	3,424	157
Maturity Benefits	660	765	3
Death Benefits	868	866	19
	<u>5,090</u>	<u>5,055</u>	<u>179</u>
	-	-	-
Reinsurance & Other	<u>3,025</u>	<u>3,230</u>	<u>219</u>

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.

⁶ Starting Q1 2018, the Segregated Fund Guaranteed (SFG) Capital is approximated by 100% of the LICAT capital requirement multiplied by a scalar of 1.05 and grossed up based on a 120% capital ratio

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)



	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3
The Manufacturers Life Insurance Company's LICAT					

Available Capital Components:

Tier 1 capital					
Common shares	34,447	34,447	34,447	34,447	34,447
Retained earnings	12,812	12,129	10,628	8,402	10,734
Other Tier 1 capital	14,470	13,471	13,415	13,279	10,851
Gross Tier 1 capital	61,729	60,047	58,490	56,128	56,032
Deductions:					
Goodwill and Intangibles	(9,133)	(9,038)	(9,117)	(9,190)	(8,984)
Other	(13,397)	(12,028)	(11,204)	(10,655)	(13,423)
Tier 1 capital (A)	39,199	38,981	38,169	36,283	33,625
Tier 2 Capital					
Gross Tier 2 capital	11,446	11,222	11,069	11,608	12,143
Deductions	-	-	-	-	-
Tier 2 capital (B)	11,446	11,222	11,069	11,608	12,143
Total Available Capital (C) = (A+B)	50,645	50,203	49,238	47,891	45,768
Surplus Allowance and Eligible Deposits (D)	30,828	30,049	29,908	29,846	28,351

Base Solvency Buffer Components

Non-Participating Business					
Credit risk	9,903	9,655	9,602	9,501	8,999
Market risk	17,529	17,939	17,562	16,923	18,730
Insurance risk	25,570	26,874	27,184	27,518	26,521
Less: Credits for Adjustable Products	(6,161)	(7,299)	(7,226)	(7,000)	(6,894)
Participating Business					
Capital Requirements for Credit, Market and Insurance Risks for Participating Products, net of Par Credits	5,804	5,699	5,306	4,967	5,370
Less: Diversification and Other Credits	(8,549)	(8,704)	(8,700)	(8,666)	(8,591)
Capital Requirements for Non-Participating and Participating Business, net of Credits	44,096	44,164	43,728	43,243	44,135
Segregated fund risk	4,137	4,088	4,017	3,918	3,868
Operational and other risks	4,780	4,774	4,741	4,641	4,688
Subtotal of Base Solvency Buffer Components (E)	53,013	53,026	52,487	51,802	52,691
Base Solvency Buffer (F) = E x 105%	55,664	55,677	55,112	54,389	55,325
Total LICAT Ratio = (C+D)/F	146%	144%	144%	143%	134%
Excess Total Capital over Supervisory Target Ratio of 100% = (C+D) - 100% x F	25,809	24,575	24,034	23,348	18,794

GLOSSARY OF TERMS AND DEFINITIONS

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): A measure of the size of the Company. It is comprised of the non-GAAP measures assets under management ("AUM"), which includes both assets of general account and external client assets for which we provide investment management services, and assets under administration ("AUA"), which 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.

Life Insurance Capital Adequacy Test (LICAT): The new LICAT regulatory capital regime established by the Office of the Superintendent of Financial Institutions (OSFI) came into effect in Canada on January 1, 2018, replacing the Minimum Continuing Capital and Surplus framework. The LICAT ratio compares the qualifying regulatory capital resources of a life insurance company to its required capital, each as specified under OSFI's LICAT guideline.

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. Also includes premiums in the Canada Group Benefits reinsurance ceded agreement.

• **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 primarily a measure of the business volume calculated as expected claims plus administrative fees charged.

Global Wealth and Asset Management: Global 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.

Consolidated 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'.

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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

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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 November 6, 2019)
<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)		(as at November 6, 2019)
<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)