



**Manulife**

**Statistical Information Package**

**Q2 2021**



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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), Net Fee income yield, 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. See "Performance and non-GAAP measures" in our MD&A for additional information.

**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. This includes the election by U.S. Retirement plan-holders to transfer investments from externally-managed funds that are administered by the Retirement business to Manulife-managed Retail funds. 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).

**Net annualized fee income yield on average AUMA ("Net Fee income yield")** is a measure that represents the net annualized fee income from Global WAM channels over average AUMA. This measure provides information on Global WAM's adjusted return generated from managing AUMA.

**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 2021 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)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
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**Shareholders' Net Income (loss) by Reporting Segment**

Asia	633	957	639	651	377	68%	85%	1,590	472	237%	272%	1,762
Canada	783	(19)	628	291	142	451%	451%	764	(724)	-	-	195
U.S.	793	96	106	891	(1,580)	-	-	889	272	227%	205%	1,269
Global Wealth and Asset Management	356	312	304	308	238	50%	63%	668	488	37%	46%	1,100
Corporate and other	81	(563)	103	(73)	1,550	-95%	-95%	(482)	1,515	-	-	1,545
<b>Net income (loss) attributed to shareholders</b>	2,646	783	1,780	2,068	727	264%	307%	3,429	2,023	70%	84%	5,871
Preferred share dividends and other equity distributions	(64)	(43)	(43)	(42)	(43)	-49%		(107)	(86)	-24%		(171)
<b>Common shareholders' net income (loss)</b>	2,582	740	1,737	2,026	684	277%	325%	3,322	1,937	72%	87%	5,700
<b>Common shareholders' net income (loss) CER</b>	2,582	710	1,654	1,905	607		325%	3,292	1,758		87%	5,317

**Earnings Analysis**

<b>Core earnings</b>												
Asia	526	570	571	559	489	8%	20%	1,096	980	12%	20%	2,110
Canada	318	264	316	279	342	-7%	-7%	582	579	1%	1%	1,174
U.S.	478	501	479	498	602	-21%	-10%	979	1,018	-4%	6%	1,995
Global Wealth and Asset Management	356	312	304	308	238	50%	62%	668	488	37%	45%	1,100
Corporate and other (excl. core investment gains)	(96)	(118)	(196)	(191)	(110)	13%	13%	(214)	(476)	55%	55%	(863)
Core investment gains	100	100	-	-	-	-	-	200	-	-	-	-
<b>Total core earnings</b>	1,682	1,629	1,474	1,453	1,561	8%	18%	3,311	2,589	28%	39%	5,516
<b>Total core earnings CER</b>	1,682	1,586	1,398	1,351	1,420		18%	3,268	2,358		39%	5,107
<b>Items excluded from core earnings</b>												
Investment-related experience outside of core earnings	739	77	585	147	(916)			816	(1,524)			(792)
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	217	(835)	(323)	390	73			(618)	865			932
Change in actuarial methods and assumptions	-	-	-	(198)	-			-	-			(198)
Reinsurance transactions	8	8	44	276	9			16	21			341
Restructuring charge	-	(115)	-	-	-			(115)	-			-
Tax-related items and other	-	19	-	-	-			19	72			72
<b>Net income (loss) attributed to shareholders</b>	2,646	783	1,780	2,068	727	264%	307%	3,429	2,023	70%	84%	5,871

**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	177	3	351	162	568			180	(741)			(228)
Fixed income reinvestment rates assumed in the valuation of policy liabilities	76	(832)	(846)	142	(1,995)			(756)	(311)			(1,015)
Sale of AFS bonds and derivative positions in the Corporate and Other segment	(36)	(6)	172	86	1,500			(42)	1,917			2,175
<b>Direct impact of equity markets and interest rates and variable annuity guarantee liabilities</b>	217	(835)	(323)	390	73			(618)	865			932

**Selected Performance Measures**

Basic earnings (loss) per common share	\$1.33	\$0.38	\$0.90	\$1.04	\$0.35	280%	329%	\$ 1.71	\$1.00	71%	87%	\$ 2.94
Diluted core earnings per common share	\$0.83	\$0.82	\$0.74	\$0.73	\$0.78	6%	17%	\$ 1.65	\$1.29	28%	39%	\$ 2.75
Diluted earnings (loss) per common share	\$1.33	\$0.38	\$0.89	\$1.04	\$0.35	280%	329%	\$ 1.71	\$1.00	71%	88%	\$ 2.93
Return on common shareholders' equity (annualized) (%)	22.2%	6.4%	14.1%	16.4%	5.5%	16.7 pps		14.3%	7.9%	6.4 pps		11.6%
Core ROE (annualized) (%)	13.9%	13.7%	11.6%	11.4%	12.2%	1.7 pps		13.8%	10.2%	3.6 pps		10.9%

**FINANCIAL HIGHLIGHTS (CONT'D)**

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



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
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**Earnings Analysis (Pre-tax)**

<b>Core earnings</b>												
Asia	604	694	660	654	570	6%	18%	1,298	1,132	15%	23%	2,446
Canada	430	355	402	373	463	-7%	-7%	785	777	1%	1%	1,552
U.S.	584	617	589	618	755	-23%	-13%	1,201	1,269	-5%	4%	2,476
Global Wealth and Asset Management	420	364	361	345	278	51%	63%	784	566	39%	46%	1,272
Corporate and other (excl. core investment gains)	(126)	(167)	(245)	(230)	(138)	9%	9%	(293)	(587)	50%	50%	(1,062)
Core investment gains	124	132	-	-	-	-	-	256	-	-	-	-
<b>Total core earnings</b>	2,036	1,995	1,767	1,760	1,928	6%	16%	4,031	3,157	28%	38%	6,684
<b>Items excluded from core earnings</b>												
Investment-related experience outside of core earnings	918	92	718	149	(1,177)			1,010	(1,850)			(983)
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	297	(1,204)	(534)	459	(26)			(907)	1,306			1,231
Change in actuarial methods and assumptions	-	-	-	(273)	-			-	-			(273)
Reinsurance transactions	-	-	18	338	-			-	2			358
Tax-related items and other	-	19	-	-	-			19	-			-
<b>Net income attributed to shareholders</b>	3,251	752	1,969	2,433	725	348%	373%	4,003	2,615	53%	63%	7,017

**Earnings Analysis (Tax Rate)**

<b>Core earnings</b>												
Asia	13%	18%	13%	15%	14%			16%	13%			14%
Canada	26%	26%	21%	25%	26%			26%	25%			24%
U.S.	18%	19%	19%	19%	20%			18%	20%			19%
Global Wealth and Asset Management	15%	14%	16%	11%	14%			15%	14%			14%
Corporate and other (excl. core investment gains)	(24)%	(29)%	(20)%	(17)%	(20)%			(27)%	(19)%			(19)%
Core investment gains	19%	24%	-	-	-			22%	-			-
<b>Total core earnings<sup>1</sup></b>	17%	18%	17%	17%	19%			18%	18%			17%
<b>Items excluded from core earnings</b>												
Investment-related experience outside of core earnings	19%	16%	19%	1%	(22)%			19%	(18)%			(19)%
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	27%	(31)%	(40)%	15%	nm			(32)%	34%			24%
Change in actuarial methods and assumptions	-	-	-	(27)%	-			-	-			(27)%
Reinsurance transactions	-	-	nm	18%	-			-	nm			5%
Tax-related items and other	-	0%	-	-	-			0%	-			-
<b>Net income attributed to shareholders</b>	19%	(4)%	10%	15%	(0)%			14%	23%			16%

**Core General Expenses**

Asia	542	564	587	565	547	-1%	9%	1,106	1,085	2%	9%	2,237
Canada	352	355	351	335	333	6%	6%	707	682	4%	4%	1,368
U.S.	219	239	246	235	264	-17%	-6%	458	526	-13%	-5%	1,007
Global Wealth and Asset Management	553	572	573	546	548	1%	10%	1,125	1,099	2%	10%	2,218
Corporate and Other	128	152	211	163	152	-16%	-16%	280	297	-6%	-6%	671
<b>Total core general expenses</b>	1,794	1,882	1,968	1,844	1,844	-3%	5%	3,676	3,689	0%	5%	7,501
<b>Non-core general expenses</b>												
Restructuring charge	-	150	-	-	-			150	-			-
Integration and acquisition costs	-	-	-	-	-			-	-			-
Other	98	-	-	9	-			98	-			9
<b>Total general expenses</b>	1,892	2,032	1,968	1,853	1,844	3%	11%	3,924	3,689	6%	12%	7,510

**Expense Efficiency Ratio**

Asia	47.3%	44.9%	47.1%	46.3%	49.0%			46.0%	49.0%			47.8%
Canada	45.0%	50.0%	46.6%	47.4%	41.8%			47.4%	46.7%			46.8%
U.S.	27.4%	27.9%	29.5%	27.5%	25.9%			27.6%	29.3%			28.9%
Global Wealth and Asset Management	56.8%	61.1%	61.4%	61.2%	66.5%			58.9%	66.0%			63.5%
<b>Total company</b>	46.8%	48.5%	52.7%	51.2%	48.9%			47.7%	53.9%			52.9%

**FINANCIAL HIGHLIGHTS - SOURCE OF EARNINGS**

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
<b>Source of Earnings</b> <sup>1,4</sup>												
Expected profit from in-force business	1,055	1,079	1,080	1,120	1,071	-1%	8%	2,134	2,081	3%	10%	4,281
Impact of new business	328	319	285	269	186	76%	96%	647	355	82%	96%	909
Core investment gains	124	132	-	-	-	-	-	256	-	-	-	-
Experience gains (losses) (excl. core investment gains)	932	(692)	(248)	504	(3,067)	-	-	240	(2,957)	-	-	(2,701)
Management actions and changes in assumptions	(44)	(119)	234	171	1,909	-	-	(163)	2,496	-	-	2,901
Earnings on surplus funds	388	(331)	317	47	385	1%	6%	57	136	-58%	-47%	500
Other <sup>3</sup>	90	68	52	43	24	275%	328%	158	71	123%	142%	166
Insurance	2,873	456	1,720	2,154	508	466%	488%	3,329	2,182	53%	62%	6,056
Global Wealth and Asset Management	419	366	361	345	278	51%	63%	785	566	39%	46%	1,272
Manulife Bank	60	63	65	52	52	15%	15%	123	96	28%	27%	213
Unallocated overhead <sup>4</sup>	(101)	(133)	(177)	(118)	(113)	11%	10%	(234)	(229)	-2%	-2%	(524)
<b>Income (loss) before income taxes</b>	<b>3,251</b>	<b>752</b>	<b>1,969</b>	<b>2,433</b>	<b>725</b>	<b>348%</b>	<b>373%</b>	<b>4,003</b>	<b>2,615</b>	<b>53%</b>	<b>63%</b>	<b>7,017</b>
Income tax (expense) recovery	(605)	31	(189)	(365)	2	-	-	(574)	(592)	3%	4%	(1,146)
<b>Net income attributed to shareholders</b>	<b>2,646</b>	<b>783</b>	<b>1,780</b>	<b>2,068</b>	<b>727</b>	<b>264%</b>	<b>307%</b>	<b>3,429</b>	<b>2,023</b>	<b>70%</b>	<b>84%</b>	<b>5,871</b>
Preferred share dividends and other equity distributions	(64)	(43)	(43)	(42)	(43)	-49%	-	(107)	(86)	-24%	-	(171)
<b>Common shareholders' net income</b>	<b>2,582</b>	<b>740</b>	<b>1,737</b>	<b>2,026</b>	<b>684</b>	<b>277%</b>	<b>325%</b>	<b>3,322</b>	<b>1,937</b>	<b>72%</b>	<b>87%</b>	<b>5,700</b>
Expected profit from in-force business CER	1,055	1,051	1,029	1,053	977	-	8%	2,106	1,922	-	10%	4,004

**Source of Earnings - Core**

Expected profit from in-force business	1,055	1,079	1,080	1,120	1,071	-1%	8%	2,134	2,081	3%	10%	4,281
Impact of new business	328	319	285	269	186	76%	96%	647	355	82%	96%	909
Core investment gains	124	132	-	-	-	-	-	256	-	-	-	-
Experience gains (losses) (excl. core investment gains)	(34)	(28)	(57)	(68)	188	-	-	(62)	58	-	-	(67)
Management actions and changes in assumptions	-	25	8	(3)	7	-100%	-	25	13	92%	118%	18
Earnings on surplus funds	112	108	154	126	216	-48%	-43%	220	125	76%	141%	405
Other <sup>3</sup>	73	65	48	37	43	70%	85%	138	92	50%	60%	177
Insurance	1,658	1,700	1,518	1,481	1,711	-3%	6%	3,358	2,724	23%	33%	5,723
Global Wealth and Asset Management	420	364	361	345	278	51%	63%	784	566	39%	46%	1,272
Manulife Bank	60	63	65	52	52	15%	15%	123	96	28%	28%	213
Unallocated overhead <sup>4</sup>	(102)	(132)	(177)	(118)	(113)	10%	10%	(234)	(229)	-2%	-2%	(524)
<b>Core Earnings before income taxes</b>	<b>2,036</b>	<b>1,995</b>	<b>1,767</b>	<b>1,760</b>	<b>1,928</b>	<b>6%</b>	<b>16%</b>	<b>4,031</b>	<b>3,157</b>	<b>28%</b>	<b>38%</b>	<b>6,684</b>
Income tax (expense) recovery	(354)	(366)	(293)	(307)	(367)	4%	-4%	(720)	(568)	-27%	-35%	(1,168)
<b>Total Core Earnings</b>	<b>1,682</b>	<b>1,629</b>	<b>1,474</b>	<b>1,453</b>	<b>1,561</b>	<b>8%</b>	<b>18%</b>	<b>3,311</b>	<b>2,589</b>	<b>28%</b>	<b>39%</b>	<b>5,516</b>

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

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

<sup>3</sup> 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.

<sup>4</sup> 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)

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
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**Annualized Premium Equivalents Sales**

Asia	950	1,280	996	1,005	784	21%	34%	2,230	1,868	19%	27%	3,869
Canada	274	355	245	289	238	15%	15%	629	614	2%	2%	1,148
U.S.	191	150	178	136	154	24%	40%	341	295	16%	27%	609
<b>Total Annualized premium equivalents sales</b>	<b>1,415</b>	<b>1,785</b>	<b>1,419</b>	<b>1,430</b>	<b>1,176</b>	<b>20%</b>	<b>30%</b>	<b>3,200</b>	<b>2,777</b>	<b>15%</b>	<b>21%</b>	<b>5,626</b>
<b>Total Annualized premium equivalents sales CER</b>	<b>1,415</b>	<b>1,736</b>	<b>1,347</b>	<b>1,348</b>	<b>1,085</b>		<b>30%</b>	<b>3,151</b>	<b>2,604</b>		<b>21%</b>	<b>5,299</b>

**Insurance Sales <sup>1</sup>**

Asia	807	1,138	869	880	693	16%	28%	1,945	1,639	19%	25%	3,388
Canada	195	256	178	236	189	3%	3%	451	488	-8%	-8%	902
U.S.	191	150	178	136	154	24%	40%	341	295	16%	27%	609
<b>Total Insurance sales</b>	<b>1,193</b>	<b>1,544</b>	<b>1,225</b>	<b>1,252</b>	<b>1,036</b>	<b>15%</b>	<b>25%</b>	<b>2,737</b>	<b>2,422</b>	<b>13%</b>	<b>19%</b>	<b>4,899</b>
<b>Total Insurance sales CER</b>	<b>1,193</b>	<b>1,500</b>	<b>1,163</b>	<b>1,183</b>	<b>956</b>		<b>25%</b>	<b>2,693</b>	<b>2,271</b>		<b>19%</b>	<b>4,617</b>

<sup>1</sup> Insurance sales consist of 100% of recurring premiums and 10% of both excess and single premiums.

**Annuities Sales <sup>2</sup>**

Asia	1,197	1,149	963	869	673	78%	101%	2,346	1,609	46%	59%	3,441
Canada	793	989	678	528	480	65%	65%	1,782	1,257	42%	42%	2,463
<b>Total Annuities sales</b>	<b>1,990</b>	<b>2,138</b>	<b>1,641</b>	<b>1,397</b>	<b>1,153</b>	<b>73%</b>	<b>85%</b>	<b>4,128</b>	<b>2,866</b>	<b>44%</b>	<b>51%</b>	<b>5,904</b>
<b>Total Annuities sales CER</b>	<b>1,990</b>	<b>2,094</b>	<b>1,572</b>	<b>1,325</b>	<b>1,076</b>		<b>85%</b>	<b>4,084</b>	<b>2,709</b>		<b>51%</b>	<b>5,606</b>

<sup>2</sup> 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") <sup>3</sup>**

Asia	399	477	368	365	298	34%	48%	876	654	34%	44%	1,387
Canada	76	78	65	67	46	65%	65%	154	123	25%	25%	255
U.S.	75	44	56	28	40	88%	110%	119	76	57%	71%	160
<b>Total New business value</b>	<b>550</b>	<b>599</b>	<b>489</b>	<b>460</b>	<b>384</b>	<b>43%</b>	<b>57%</b>	<b>1,149</b>	<b>853</b>	<b>35%</b>	<b>43%</b>	<b>1,802</b>
<b>Total New business value CER</b>	<b>550</b>	<b>582</b>	<b>465</b>	<b>432</b>	<b>350</b>		<b>57%</b>	<b>1,132</b>	<b>790</b>		<b>43%</b>	<b>1,687</b>

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

**Global Wealth and Asset Management Gross Flows by Business Line <sup>4</sup>**

Retirement	11,422	14,121	11,209	11,478	10,470	9%	20%	25,543	26,966	-5%	2%	49,653
Retail	18,510	21,121	15,881	12,862	13,464	37%	50%	39,631	30,562	30%	40%	59,305
Institutional Asset Management <sup>5</sup>	3,807	4,467	4,404	3,135	9,137	-58%	-57%	8,274	13,715	-40%	-40%	21,254
<b>Total Global Wealth and Asset Management Gross flows</b>	<b>33,739</b>	<b>39,709</b>	<b>31,494</b>	<b>27,475</b>	<b>33,071</b>	<b>2%</b>	<b>10%</b>	<b>73,448</b>	<b>71,243</b>	<b>3%</b>	<b>9%</b>	<b>130,212</b>

**Global Wealth and Asset Management Gross Flows by Geographic Source <sup>6</sup>**

Asia	7,085	7,502	6,867	6,244	4,710	50%	63%	14,587	10,279	42%	50%	23,390
Canada	7,739	8,332	6,509	4,832	11,471	-33%	-33%	16,071	19,590	-18%	-18%	30,931
U.S. <sup>6</sup>	18,915	23,875	18,118	16,399	16,890	12%	27%	42,790	41,374	3%	13%	75,891
<b>Total Global Wealth and Asset Management Gross flows</b>	<b>33,739</b>	<b>39,709</b>	<b>31,494</b>	<b>27,475</b>	<b>33,071</b>	<b>2%</b>	<b>10%</b>	<b>73,448</b>	<b>71,243</b>	<b>3%</b>	<b>9%</b>	<b>130,212</b>
<b>Total Global Wealth and Asset Management Gross flows CER</b>	<b>33,739</b>	<b>38,677</b>	<b>30,013</b>	<b>25,912</b>	<b>30,791</b>		<b>10%</b>	<b>72,416</b>	<b>66,486</b>		<b>9%</b>	<b>122,411</b>

**Global Wealth and Asset Management Net Flows by Business Line**

Retirement	(562)	2,130	(1,843)	1,036	(345)	-63%	-145%	1,568	2,379	-34%	-33%	1,572
Retail	7,283	6,474	3,639	677	(968)	-	-	13,757	(808)	-	-	3,508
Institutional Asset Management <sup>5</sup>	1,907	(7,247)	1,035	(3,932)	6,462	-70%	-71%	(5,340)	6,736	-	-	3,839
<b>Total Global Wealth and Asset Management Net flows</b>	<b>8,628</b>	<b>1,357</b>	<b>2,831</b>	<b>(2,219)</b>	<b>5,149</b>	<b>68%</b>	<b>57%</b>	<b>9,985</b>	<b>8,307</b>	<b>20%</b>	<b>20%</b>	<b>8,919</b>

**Global Wealth and Asset Management Net Flows by Geographic Source**

Asia	2,399	(7,354)	2,213	1,140	38	nm	nm	(4,955)	589	-	-	3,942
Canada	3,756	4,538	2,207	1,153	8,395	-55%	-55%	8,294	11,211	-26%	-26%	14,571
U.S. <sup>6</sup>	2,473	4,173	(1,589)	(4,512)	(3,284)	-	-	6,646	(3,493)	-	-	(9,594)
<b>Total Global Wealth and Asset Management Net flows</b>	<b>8,628</b>	<b>1,357</b>	<b>2,831</b>	<b>(2,219)</b>	<b>5,149</b>	<b>68%</b>	<b>57%</b>	<b>9,985</b>	<b>8,307</b>	<b>20%</b>	<b>20%</b>	<b>8,919</b>
<b>Total Global Wealth and Asset Management Net flows CER</b>	<b>8,628</b>	<b>1,708</b>	<b>2,752</b>	<b>(1,897)</b>	<b>5,499</b>		<b>57%</b>	<b>10,336</b>	<b>8,632</b>		<b>20%</b>	<b>9,487</b>

<sup>4</sup> Gross flows includes inflows to Manulife-managed retail funds from externally-managed funds that are administered by our Retirement business as follows: \$378 million for Q2 2021, \$505 million for YTD 2021.

<sup>5</sup> 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.

<sup>6</sup> U.S. business line includes Europe.

**FINANCIAL HIGHLIGHTS (CONT'D)**

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



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
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**Premiums and Deposits - Insurance**

Net premiums and investment contract deposits <sup>1, 2</sup>	9,505	9,819	9,422	6,111	8,335	14%		19,324	17,791	9%		33,324
Segregated fund deposits	2,604	2,778	2,247	1,877	1,615	61%		5,382	3,653	47%		7,777
ASO premium equivalents	955	895	922	878	573	67%		1,850	1,447	28%		3,247
<b>Total Premiums and deposits - Insurance</b>	<b>13,064</b>	<b>13,492</b>	<b>12,591</b>	<b>8,866</b>	<b>10,523</b>	<b>24%</b>	<b>34%</b>	<b>26,556</b>	<b>22,891</b>	<b>16%</b>	<b>22%</b>	<b>44,348</b>
<b>Total Premiums and deposits - Insurance CER</b>	<b>13,064</b>	<b>13,195</b>	<b>12,088</b>	<b>8,506</b>	<b>9,785</b>		<b>34%</b>	<b>26,259</b>	<b>21,520</b>		<b>22%</b>	<b>42,114</b>

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

<sup>2</sup> Includes the \$3.3 billion impact of the legacy U.S. Bank Owned Life Insurance ("BOLI") business reinsurance transaction in Q3 2020.

<b>Premiums and Deposits - Corporate &amp; Other</b>	<b>30</b>	<b>32</b>	<b>40</b>	<b>35</b>	<b>34</b>	<b>-12%</b>	<b>-12%</b>	<b>62</b>	<b>65</b>	<b>-5%</b>	<b>-5%</b>	<b>140</b>
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**Assets Under Management and Administration**

Asia	141,925	136,971	138,378	134,497	132,105	7%	17%	141,925	132,105	7%	17%	138,378
Canada	157,500	152,387	159,307	157,534	156,397	1%	1%	157,500	156,397	1%	1%	159,307
U.S.	233,659	228,172	239,561	244,590	248,502	-6%	3%	233,659	248,502	-6%	3%	239,561
Global Wealth and Asset Management <sup>3</sup>	798,530	764,082	753,610	715,369	696,857	15%	23%	798,530	696,857	15%	23%	753,610
Corporate and Other	9,141	13,313	6,580	5,394	2,440	275%	275%	9,141	2,440	275%	275%	6,580
<b>Total Assets under management and administration</b>	<b>1,340,755</b>	<b>1,294,925</b>	<b>1,297,436</b>	<b>1,257,384</b>	<b>1,236,301</b>	<b>8%</b>	<b>16%</b>	<b>1,340,755</b>	<b>1,236,301</b>	<b>8%</b>	<b>16%</b>	<b>1,297,436</b>
<b>Total Assets under management and administration CER</b>	<b>1,340,755</b>	<b>1,281,706</b>	<b>1,268,129</b>	<b>1,192,498</b>	<b>1,156,673</b>		<b>16%</b>	<b>1,340,755</b>	<b>1,156,673</b>		<b>16%</b>	<b>1,268,129</b>

<sup>3</sup> Global Wealth and Asset Management AUMA at June 30, 2021 is \$1,034 million and includes \$235 billion of asset managed on behalf of other segments. (see page 24).

**Assets Under Management and Administration**

<b>Assets Under Management</b>												
General fund <sup>2</sup>	405,209	397,948	410,977	414,234	413,864	-2%		405,209	413,864	-2%		410,977
Segregated funds excluding institutional advisory accounts	379,616	367,525	365,550	349,434	340,038	12%		379,616	340,038	12%		365,550
Mutual funds <sup>4</sup>	265,110	249,137	238,068	221,118	213,125	24%		265,110	213,125	24%		238,068
Institutional asset management	104,212	101,146	109,273	107,473	110,041	-5%		104,212	110,041	-5%		109,273
Other funds <sup>5</sup>	12,232	11,611	10,880	9,914	9,722	26%		12,232	9,722	26%		10,880
<b>Total assets under management</b>	<b>1,166,379</b>	<b>1,127,367</b>	<b>1,134,748</b>	<b>1,102,173</b>	<b>1,086,790</b>	<b>7%</b>	<b>16%</b>	<b>1,166,379</b>	<b>1,086,790</b>	<b>7%</b>	<b>16%</b>	<b>1,134,748</b>
Assets under administration	174,376	167,558	162,688	155,211	149,511	17%	26%	174,376	149,511	17%	26%	162,688
<b>Total assets under management and administration</b>	<b>1,340,755</b>	<b>1,294,925</b>	<b>1,297,436</b>	<b>1,257,384</b>	<b>1,236,301</b>	<b>8%</b>	<b>16%</b>	<b>1,340,755</b>	<b>1,236,301</b>	<b>8%</b>	<b>16%</b>	<b>1,297,436</b>

<sup>4</sup> Includes ETF assets.

<sup>5</sup> Other funds includes College Savings (529 plan).



**FINANCIAL HIGHLIGHTS (CONT'D)**

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



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
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**Common Share Statistics**

Share Price - Toronto (in Canadian \$) <sup>1</sup>										
high	27.72	27.68	23.32	20.79	20.14	38%	27.72	27.79	0%	27.79
low	23.74	17.98	17.58	17.80	15.36	55%	17.98	12.58	43%	12.58
close	24.04	27.03	22.65	18.52	18.47	30%	24.04	18.47	30%	22.65
Share Price - New York (in U.S \$) <sup>2</sup>										
high	22.22	22.25	18.24	15.68	15.08	47%	22.25	21.23	5%	21.23
low	19.23	17.46	13.13	13.11	10.86	77%	17.46	8.62	103%	8.62
close	19.70	21.50	17.82	13.91	13.62	45%	19.70	13.62	45%	17.82
Common shares outstanding (millions)										
- end of period	1,942	1,942	1,940	1,940	1,939	0%	1,942	1,939	0%	1,940
- weighted average	1,942	1,941	1,940	1,940	1,939	0%	1,942	1,941	0%	1,941
- diluted weighted average	1,946	1,945	1,943	1,942	1,941	0%	1,946	1,944	0%	1,943
Dividend per common share paid in the quarter <sup>3</sup>	0.280	0.280	0.280	0.280	0.280	0%	0.560	0.560	0%	1.120
Common share dividend payout ratio	21%	74%	31%	27%	79%	-58 pps	33%	56%	-23 pps	38%
Common share core dividend payout ratio	34%	34%	38%	38%	36%	-2 pps	34%	43%	-9 pps	41%

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

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

<sup>3</sup> On August 4, 2021, the Board of Directors approved quarterly shareholders' dividend of 28.0 cents per share on the common shares of the Company, payable on or after September 20, 2021 to shareholders of record at the close of business on August 17, 2021.

**Change in Common Shares Outstanding**

Beginning Balance	1,942	1,940	1,940	1,939	1,939		1,940	1,949		1,949
Repurchased for cancellation	-	-	-	-	-		-	(10)		(10)
Issued under dividend reinvestment plans	-	-	-	-	-		-	-		-
Issued on exercise of stock options and deferred share units	-	2	-	1	-		2	-		1
Ending Balance	1,942	1,942	1,940	1,940	1,939		1,942	1,939		1,940

**Valuation Data**

Book value per common share	24.76	23.40	25.00	25.49	25.14	-2%	24.76	25.14	-2%	25.00
Market value to book value ratio	0.97	1.16	0.91	0.73	0.73	32%	0.97	0.73	32%	0.91
Book value excluding goodwill per common share	21.87	20.48	22.06	22.50	22.11	-1%	21.87	22.11	-1%	22.06
Book value excluding AOCI per common share	22.89	21.84	21.74	21.13	20.36	12%	22.89	20.36	12%	21.74
Market value to book value excluding goodwill ratio	1.10	1.32	1.03	0.82	0.84	32%	1.10	0.84	32%	1.03
Market capitalization (\$ billions)	46.7	52.5	43.9	35.9	35.8	30%	46.7	35.8	30%	43.9

**Capital Information**

Consolidated capital <sup>4</sup>	61,356	59,541	61,064	62,099	61,755	-1%	61,356	61,755	-1%	61,064
Financial leverage ratio <sup>5</sup>	25.9%	29.5%	26.6%	26.7%	26.0%	-0.1 pps	25.9%	26.0%	-0.1 pps	26.6%
LICAT Total Ratio - The Manufacturers Life Insurance Company	137%	137%	149%	155%	155%	-18 pps	137%	155%	-18 pps	149%

<sup>4</sup> 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.

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

**Foreign Exchange Information <sup>6</sup>**

- Statements of Financial Position	(CDN to \$ 1 US)	1.2394	1.2575	1.2732	1.3339	1.3628	-9%
	(CDN to 1 YEN)	0.0112	0.0114	0.0124	0.0126	0.0126	-12%
- Statements of Income	(CDN to \$ 1 US)	1.2282	1.2660	1.3030	1.3321	1.3854	-11%
	(CDN to 1 YEN)	0.0112	0.0119	0.0125	0.0126	0.0129	-13%

<sup>6</sup> 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)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
<b>Revenue</b>										
<b>Premium income</b>										
Gross premiums	10,614	10,992	10,769	10,376	9,538	11%	21,606	20,263	7%	41,408
Premiums ceded to reinsurers <sup>1</sup>	(1,200)	(1,384)	(1,446)	(4,370)	(1,305)	8%	(2,584)	(2,675)	3%	(8,491)
Net premiums	9,414	9,608	9,323	6,006	8,233	14%	19,022	17,588	8%	32,917
<b>Investment income</b>										
Investment income <sup>2</sup>	4,099	3,214	4,366	3,521	5,262	-22%	7,313	8,546	-14%	16,433
Realized/ unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro hedge program <sup>2</sup>	9,551	(17,056)	1,683	1,100	11,626	-18%	(7,505)	16,184	-	18,967
Net investment income (loss)	13,650	(13,842)	6,049	4,621	16,888	-19%	(192)	24,730	-	35,400
<b>Other revenue</b>	2,760	2,637	2,497	2,749	2,365	17%	5,397	5,345	1%	10,591
<b>Total revenue</b>	25,824	(1,597)	17,869	13,376	27,486	-6%	24,227	47,663	-49%	78,908
<b>Contract benefits and expenses</b>										
To contract holders and beneficiaries										
Gross claims and benefits	7,637	7,643	7,590	7,346	7,542	1%	15,280	15,197	1%	30,133
Increase (decrease) in insurance contract liabilities <sup>3</sup>	11,614	(13,025)	5,071	7,101	16,710	-30%	(1,411)	24,810	-	36,982
Increase (decrease) in investment contract liabilities	22	2	45	29	58	-62%	24	104	-77%	178
Benefits and expenses ceded to reinsurers	(1,591)	(1,788)	(1,611)	(1,550)	(1,805)	12%	(3,379)	(3,634)	7%	(6,795)
Decrease (increase) in reinsurance assets <sup>4</sup>	432	158	303	(5,858)	175	147%	590	292	102%	(5,263)
<b>Net benefits and claims</b>	18,114	(7,010)	11,398	7,068	22,680	-20%	11,104	36,769	-70%	55,235
General expenses	1,892	2,032	1,968	1,853	1,844	3%	3,924	3,689	6%	7,510
Investment expenses	541	480	486	395	396	37%	1,021	906	13%	1,787
Commissions	1,621	1,677	1,591	1,518	1,379	18%	3,298	2,934	12%	6,043
Interest expense	259	250	265	281	266	-3%	509	635	-20%	1,181
Net premium taxes	105	102	96	91	89	18%	207	194	7%	381
<b>Total contract benefits and expenses</b>	22,532	(2,469)	15,804	11,206	26,654	-15%	20,063	45,127	-56%	72,137
<b>Income before income taxes</b>	3,292	872	2,065	2,170	832	296%	4,164	2,536	64%	6,771
Income tax (expense) recovery	(610)	(7)	(224)	(381)	7	-	(617)	(590)	-5%	(1,195)
<b>Net income</b>	2,682	865	1,841	1,789	839	220%	3,547	1,946	82%	5,576
Less: net income (loss) attributed to non-controlling interests	84	91	57	117	119	-29%	175	76	130%	250
Less: net income (loss) attributed to participating policyholders	(48)	(9)	4	(396)	(7)	-586%	(57)	(153)	63%	(545)
<b>Net income attributed to shareholders</b>	2,646	783	1,780	2,068	727	264%	3,429	2,023	70%	5,871
Preferred share dividends and other equity distributions	(64)	(43)	(43)	(42)	(43)	-49%	(107)	(86)	-24%	(171)
<b>Common shareholders' net income</b>	2,582	740	1,737	2,026	684	277%	3,322	1,937	72%	5,700

<sup>1</sup> Includes the \$3.3 billion impact of the legacy U.S. Bank Owned Life Insurance ("BOLI") business reinsurance transaction in Q3 2020.

<sup>2</sup> 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.

<sup>3</sup> 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).

<sup>4</sup> Includes the \$3.4 billion impact of the legacy U.S. Bank Owned Life Insurance ("BOLI") business reinsurance transaction in Q3 2020.

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Canadian \$ in millions, unaudited)



	2021	2021	2020	2020	2020	2021 Q2
	Q2	Q1	Q4	Q3	Q2	vs.
						2020 Q2

**ASSETS**

<b>Invested assets</b>						
Cash and short-term securities	19,721	22,443	26,167	26,970	26,683	-26%
<b>Securities</b>						
Debt securities	213,298	206,741	218,724	222,944	224,405	-5%
Public equities	27,303	25,509	23,722	21,705	20,676	32%
<b>Loans</b>						
Mortgages	50,309	50,134	50,207	50,541	51,134	-2%
Private placements	40,988	41,351	40,756	40,785	40,458	1%
Policy loans	6,233	6,290	6,398	6,844	7,019	-11%
Loans to bank clients	2,218	2,105	1,976	1,941	1,914	16%
Real estate	12,661	12,697	12,832	13,305	13,200	-4%
Other invested assets	32,478	30,678	30,195	29,199	28,375	14%
<b>Total invested assets</b>	<b>405,209</b>	<b>397,948</b>	<b>410,977</b>	<b>414,234</b>	<b>413,864</b>	<b>-2%</b>
<b>Other assets</b>						
Accrued investment income	2,450	2,715	2,523	2,437	2,433	1%
Outstanding premiums	1,469	1,548	1,444	1,456	1,510	-3%
Derivatives	18,553	15,629	27,793	33,551	36,730	-49%
Reinsurance assets	43,875	45,122	45,836	48,208	43,409	1%
Deferred tax asset	4,917	5,160	4,842	4,753	4,688	5%
Goodwill and intangible assets	9,696	9,785	9,929	10,170	10,280	-6%
Miscellaneous	9,088	9,423	9,569	10,194	10,941	-17%
<b>Total other assets</b>	<b>90,048</b>	<b>89,382</b>	<b>101,936</b>	<b>110,769</b>	<b>109,991</b>	<b>-18%</b>
<b>Segregated funds net assets</b>	<b>383,845</b>	<b>371,682</b>	<b>367,436</b>	<b>351,408</b>	<b>342,043</b>	<b>12%</b>
<b>Total assets</b>	<b>879,102</b>	<b>859,012</b>	<b>880,349</b>	<b>876,411</b>	<b>865,898</b>	<b>2%</b>

**LIABILITIES AND EQUITY**

<b>Policy liabilities</b>						
Insurance contract liabilities	373,788	366,371	385,554	392,086	389,495	-4%
Investment contract liabilities	3,154	3,216	3,288	3,239	3,300	-4%
Deposits from bank clients	20,545	20,027	20,889	21,290	21,439	-4%
Derivatives	11,666	11,972	14,962	17,752	19,653	-41%
Deferred tax liabilities	2,494	2,058	2,614	2,749	2,682	-7%
Other liabilities	17,650	18,173	18,607	19,631	20,144	-12%
	429,297	421,817	445,914	456,747	456,713	-6%
Long-term debt	4,770	6,089	6,164	6,457	5,716	-17%
Capital instruments	6,936	7,432	7,829	7,915	7,950	-13%
<b>Segregated funds net liabilities</b>	<b>383,845</b>	<b>371,682</b>	<b>367,436</b>	<b>351,408</b>	<b>342,043</b>	<b>12%</b>
<b>Total liabilities</b>	<b>824,848</b>	<b>807,020</b>	<b>827,343</b>	<b>822,527</b>	<b>812,422</b>	<b>2%</b>
<b>Equity</b>						
<b>Issued share capital</b>						
Preferred shares and other equity	5,387	5,804	3,822	3,822	3,822	41%
Common shares	23,083	23,080	23,042	23,034	23,025	0%
Contributed surplus	260	258	261	259	257	1%
Shareholders' retained earnings	21,113	19,083	18,887	17,693	16,211	30%
<b>Shareholders' accumulated other comprehensive income (loss)</b>						
Pension and other post-employment plans	(137)	(228)	(313)	(467)	(503)	73%
Available-for-sale securities	311	(850)	1,838	2,619	2,819	-89%
Cash flow hedges	(166)	(117)	(229)	(300)	(329)	50%
Real estate revaluation reserve	23	23	34	30	31	-26%
Translation of foreign operations	3,592	4,185	4,993	6,587	7,245	-50%
<b>Total shareholders' equity and other equity</b>	<b>53,466</b>	<b>51,238</b>	<b>52,335</b>	<b>53,277</b>	<b>52,578</b>	<b>2%</b>
Participating policyholders' equity	(842)	(794)	(784)	(791)	(397)	-112%
Non-controlling interests	1,630	1,548	1,455	1,398	1,295	26%
<b>Total equity</b>	<b>54,254</b>	<b>51,992</b>	<b>53,006</b>	<b>53,884</b>	<b>53,476</b>	<b>1%</b>
<b>Total liabilities and equity</b>	<b>879,102</b>	<b>859,012</b>	<b>880,349</b>	<b>876,411</b>	<b>865,898</b>	<b>2%</b>

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	YTD 2021	YTD 2020	Fiscal 2020
<b>Preferred shares and other equity</b>								
Balance, beginning of period	5,804	3,822	3,822	3,822	3,822	3,822	3,822	3,822
Issued	-	2,000	-	-	-	2,000	-	-
Redeemed	(418)	-	-	-	-	(418)	-	-
Issuance costs, net of tax	1	(18)	-	-	-	(17)	-	-
<b>Balance, end of period</b>	<b>5,387</b>	<b>5,804</b>	<b>3,822</b>	<b>3,822</b>	<b>3,822</b>	<b>5,387</b>	<b>3,822</b>	<b>3,822</b>
<b>Common shares</b>								
Balance, beginning of period	23,080	23,042	23,034	23,025	23,025	23,042	23,127	23,127
Repurchased	-	-	-	-	-	-	(121)	(121)
Issued on exercise of stock options and deferred share units	3	38	8	9	-	41	19	36
Issued under Dividend Reinvestment and Share Purchase Plans	-	-	-	-	-	-	-	-
<b>Balance, end of period</b>	<b>23,083</b>	<b>23,080</b>	<b>23,042</b>	<b>23,034</b>	<b>23,025</b>	<b>23,083</b>	<b>23,025</b>	<b>23,042</b>
<b>Contributed surplus</b>								
Balance, beginning of period	258	261	259	257	254	261	254	254
Exercise of stock options and deferred share units	-	(7)	(2)	(1)	(1)	(7)	(4)	(7)
Stock option expense	2	4	4	3	4	6	7	14
Impact of deferred tax asset rate change	-	-	-	-	-	-	-	-
<b>Balance, end of period</b>	<b>260</b>	<b>258</b>	<b>261</b>	<b>259</b>	<b>257</b>	<b>260</b>	<b>257</b>	<b>261</b>
<b>Shareholders' retained earnings</b>								
Balance, beginning of period	19,083	18,887	17,693	16,211	16,069	18,887	15,488	15,488
Net income attributed to shareholders	2,646	783	1,780	2,068	727	3,429	2,023	5,871
Common shares repurchased	-	-	-	-	-	-	(132)	(132)
Preferred share dividends and other equity distributions	(64)	(43)	(43)	(42)	(43)	(107)	(86)	(171)
Preferred shares redeemed	(7)	-	-	-	-	(7)	-	-
Common share dividends	(545)	(544)	(543)	(544)	(542)	(1,089)	(1,082)	(2,169)
<b>Balance, end of period</b>	<b>21,113</b>	<b>19,083</b>	<b>18,887</b>	<b>17,693</b>	<b>16,211</b>	<b>21,113</b>	<b>16,211</b>	<b>18,887</b>
<b>Shareholders' accumulated other comprehensive income (loss)</b>								
Balance, beginning of period	3,013	6,323	8,469	9,263	12,107	6,323	6,447	6,447
Other comprehensive income (loss)								
Unrealized foreign exchange gains (losses), net of \$96 hedges and tax expense of \$13	(593)	(808)	(1,594)	(658)	(1,466)	(1,401)	1,847	(405)
Available-for-sale ("AFS") securities unrealized gains (losses), net of tax expense of \$188	1,147	(2,642)	(551)	(75)	209	(1,495)	3,126	2,500
AFS securities realized losses (gains) & impairments (recoveries), net of tax expense of \$4	13	(48)	(233)	(127)	(1,473)	(35)	(1,815)	(2,175)
Cash flow hedges unrealized gains (losses), net of tax recovery of \$9	(33)	98	63	28	19	65	(172)	(81)
Cash flow hedges realized (gains) losses, net of tax recovery of \$5	(16)	14	8	1	12	(2)	(14)	(5)
Remeasurement of pension and other post-employment plans, net of tax expense of \$26	91	85	154	36	(148)	176	(153)	37
Real estate revaluation reserve, net of tax expense of nil	-	(11)	4	(1)	-	(11)	-	3
Share of other comprehensive income (loss) of associates, net of tax expense of nil	1	2	3	2	3	3	(3)	2
<b>Balance, end of period</b>	<b>3,623</b>	<b>3,013</b>	<b>6,323</b>	<b>8,469</b>	<b>9,263</b>	<b>3,623</b>	<b>9,263</b>	<b>6,323</b>
<b>Total shareholders' equity, end of period</b>	<b>53,466</b>	<b>51,238</b>	<b>52,335</b>	<b>53,277</b>	<b>52,578</b>	<b>53,466</b>	<b>52,578</b>	<b>52,335</b>
<b>Participating policyholders' equity</b>								
Balance, beginning of period	(794)	(784)	(791)	(397)	(388)	(784)	(243)	(243)
Net income (loss) attributed to participating policyholders	(48)	(9)	4	(396)	(7)	(57)	(153)	(545)
Other comprehensive income attributed to participating policyholders	-	(1)	3	2	(2)	(1)	(1)	4
<b>Balance, end of period</b>	<b>(842)</b>	<b>(794)</b>	<b>(784)</b>	<b>(791)</b>	<b>(397)</b>	<b>(842)</b>	<b>(397)</b>	<b>(784)</b>
<b>Non-controlling interests</b>								
Balance, beginning of period	1,548	1,455	1,398	1,295	1,172	1,455	1,211	1,211
Net income (loss) attributed to non-controlling interests	84	91	57	117	119	175	76	250
Other comprehensive income (loss) attributed to non-controlling interests	1	(3)	1	(1)	4	(2)	4	4
Contributions (distributions), net	(3)	5	(1)	(13)	-	2	4	(10)
<b>Balance, end of period</b>	<b>1,630</b>	<b>1,548</b>	<b>1,455</b>	<b>1,398</b>	<b>1,295</b>	<b>1,630</b>	<b>1,295</b>	<b>1,455</b>
<b>Total equity, end of period</b>	<b>54,254</b>	<b>51,992</b>	<b>53,006</b>	<b>53,884</b>	<b>53,476</b>	<b>54,254</b>	<b>53,476</b>	<b>53,006</b>

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
<b>Operating activities</b>										
Net income (loss)	2,682	865	1,841	1,789	839	220%	3,547	1,946	82%	5,576
Adjustments										
Increase (decrease) in insurance contract liabilities	11,614	(13,025)	5,071	7,101	16,710	-30%	(1,411)	24,810	-	36,982
Increase (decrease) in investment contract liabilities	22	2	45	29	58	-62%	24	104	-77%	178
(Increase) decrease in reinsurance assets	432	158	303	(2,969)	175	147%	590	292	102%	(2,374)
Amortization of premium/discount on invested assets	46	34	51	36	39	18%	80	67	19%	154
Other amortization	136	132	157	164	161	-16%	268	335	-20%	656
Net realized and unrealized (gains) losses, including impairments on assets	(9,990)	18,313	(2,975)	(1,621)	(13,621)	27%	8,323	(17,925)	-	(22,521)
Deferred income tax expense (recovery)	523	(506)	(151)	(42)	22	nm	17	473	-96%	280
Stock option expense	2	4	4	3	4	-50%	6	7	-14%	14
Cash provided by operating activities before undernoted items	5,467	5,977	4,346	4,490	4,387	25%	11,444	10,109	13%	18,945
Changes in policy related and operating receivables and payables	231	(2,086)	1,856	470	(270)	-	(1,855)	(1,223)	-52%	1,103
<b>Cash provided by (used in) operating activities</b>	<b>5,698</b>	<b>3,891</b>	<b>6,202</b>	<b>4,960</b>	<b>4,117</b>	<b>38%</b>	<b>9,589</b>	<b>8,886</b>	<b>8%</b>	<b>20,048</b>
<b>Investing activities</b>										
Purchases and mortgage advances	(29,792)	(33,231)	(28,112)	(24,036)	(32,849)	9%	(63,023)	(59,833)	-5%	(111,981)
Disposals and repayments	24,046	24,098	23,637	18,290	28,298	-15%	48,144	56,923	-15%	98,850
Changes in investment broker net receivables and payables	396	238	(782)	921	(1,467)	-	634	(1,156)	-	(1,017)
Net cash decrease from sale and purchase of subsidiaries and businesses	-	(4)	-	-	-	-	(4)	-	-	-
<b>Cash provided by (used in) investing activities</b>	<b>(5,350)</b>	<b>(8,899)</b>	<b>(5,257)</b>	<b>(4,825)</b>	<b>(6,018)</b>	<b>11%</b>	<b>(14,249)</b>	<b>(4,066)</b>	<b>-250%</b>	<b>(14,148)</b>
<b>Financing activities</b>										
Change in repurchase agreements and securities sold but not yet purchased	(630)	1,150	8	72	107	-	520	(56)	-	24
Issue of long-term debt, net	-	-	-	1,495	960	-100%	-	960	-100%	2,455
Redemption of long-term debt, net	(1,250)	-	-	(652)	-	-	(1,250)	-	-	(652)
Issue of capital instruments, net	-	-	-	-	1,990	-100%	-	1,990	-100%	1,990
Redemption of capital instruments	(468)	(350)	-	-	(750)	38%	(818)	(1,250)	35%	(1,250)
Secured borrowings	(56)	73	73	311	152	-	17	992	-98%	1,376
Changes in deposits from bank clients, net	523	(846)	(367)	(134)	210	149%	(323)	(78)	-314%	(579)
Lease payments	(30)	(32)	(35)	(33)	(32)	6%	(62)	(66)	6%	(134)
Shareholder dividends and other equity distributions paid in cash	(616)	(587)	(586)	(586)	(585)	-5%	(1,203)	(1,168)	-3%	(2,340)
Contributions from (distributions to) non-controlling interest, net	(3)	5	(1)	(13)	-	-	2	4	-50%	(10)
Common shares repurchased	-	-	-	-	-	-	-	(253)	100%	(253)
Common shares issued, net	3	38	8	9	-	-	41	19	116%	36
Preferred shares and other equity issued, net	(417)	1,982	-	-	-	-	1,565	-	-	-
<b>Cash provided by (used in) financing activities</b>	<b>(2,944)</b>	<b>1,433</b>	<b>(900)</b>	<b>469</b>	<b>2,052</b>	<b>-</b>	<b>(1,511)</b>	<b>1,094</b>	<b>-</b>	<b>663</b>
<b>Cash and short-term securities</b>										
Increase (decrease) during the period	(2,596)	(3,575)	45	604	151	-	(6,171)	5,914	-	6,563
Effect of foreign exchange rate changes on cash and short-term securities	(218)	(328)	(664)	(302)	(654)	67%	(546)	438	-	(528)
Balance, beginning of period	21,680	25,583	26,202	25,900	26,403	-18%	25,583	19,548	31%	19,548
<b>Balance, end of period</b>	<b>18,866</b>	<b>21,680</b>	<b>25,583</b>	<b>26,202</b>	<b>25,900</b>	<b>-27%</b>	<b>18,866</b>	<b>25,900</b>	<b>-27%</b>	<b>25,583</b>
<b>Cash and short-term securities</b>										
<b>Beginning of period</b>										
Gross cash and short-term securities	22,443	26,167	26,970	26,683	27,087	-17%	26,167	20,300	29%	20,300
Net payments in transit, included in other liabilities	(763)	(584)	(768)	(783)	(684)	12%	(584)	(752)	22%	(752)
<b>Net cash and short-term securities, beginning of period</b>	<b>21,680</b>	<b>25,583</b>	<b>26,202</b>	<b>25,900</b>	<b>26,403</b>	<b>-18%</b>	<b>25,583</b>	<b>19,548</b>	<b>31%</b>	<b>19,548</b>
<b>End of period</b>										
Gross cash and short-term securities	19,721	22,443	26,167	26,970	26,683	-26%	19,721	26,683	-26%	26,167
Net payments in transit, included in other liabilities	(855)	(763)	(584)	(768)	(783)	9%	(855)	(783)	-9%	(584)
<b>Net cash and short-term securities, end of period</b>	<b>18,866</b>	<b>21,680</b>	<b>25,583</b>	<b>26,202</b>	<b>25,900</b>	<b>-27%</b>	<b>18,866</b>	<b>25,900</b>	<b>-27%</b>	<b>25,583</b>

**ASIA**

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



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
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**Statements of Income**

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
<b>Revenue</b>										
<b>Premium income</b>										
Gross premiums	4,631	4,858	4,289	4,147	3,402	36%	9,489	7,693	23%	16,129
Premiums ceded to reinsurers	(170)	(185)	(294)	(104)	(152)	-12%	(355)	(436)	19%	(834)
<b>Investment income</b>	587	620	537	621	497	18%	1,207	987	22%	2,145
<b>Other revenue</b>	328	408	163	106	146	125%	736	735	0%	1,004
<b>Subtotal revenue</b>	5,376	5,701	4,695	4,770	3,893	38%	11,077	8,979	23%	18,444
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities <sup>1</sup>	2,050	(1,091)	1,680	608	2,252	-9%	959	495	94%	2,783
<b>Total revenue</b>	7,426	4,610	6,375	5,378	6,145	21%	12,036	9,474	27%	21,227
<b>Contract benefits and expenses</b>										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities <sup>1</sup>	5,830	2,802	4,903	4,332	4,853	20%	8,632	7,562	14%	16,797
Ceded benefits and expenses and change in reinsurance assets	(105)	(235)	(190)	(303)	(121)	13%	(340)	(327)	-4%	(820)
Change in investment contract liabilities	-	-	1	-	-	-	-	-	-	1
General expenses	441	445	450	425	395	12%	886	795	11%	1,670
Investment expenses	63	55	54	47	46	37%	118	90	31%	191
Commissions	545	603	518	517	427	28%	1,148	902	27%	1,937
Other	54	57	59	57	55	-2%	111	112	-1%	228
<b>Total contract benefits and expenses</b>	6,828	3,727	5,795	5,075	5,655	21%	10,555	9,134	16%	20,004
<b>Income (loss) before income taxes</b>	598	883	580	303	490	22%	1,481	340	336%	1,223
Income tax (expense) recovery	(81)	(141)	(67)	(59)	(101)	20%	(222)	(47)	-372%	(173)
<b>Net income (loss)</b>	517	742	513	244	389	33%	1,259	293	330%	1,050
Less: net income (loss) attributed to non-controlling interests	67	72	44	87	86	-22%	139	54	157%	185
Less: net income (loss) attributed to participating policyholders	(65)	(85)	(21)	(332)	31	-	(150)	(104)	-44%	(457)
<b>Net income (loss) attributed to shareholders</b>	515	755	490	489	272	89%	1,270	343	270%	1,322
<b>Net income (loss) attributed to shareholders CER</b>	515	761	486	483	278	85%	1,276	343	272%	1,312

<sup>1</sup> 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)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER <sup>1</sup>	2021 Q2 vs. 2020 Q2 CER <sup>2</sup>	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
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**Earnings Analysis**

Hong Kong	214	217	229	213	185	16%	16%	431	371	16%	16%	813
Japan	78	82	78	83	74	5%	8%	160	149	7%	7%	310
Asia Other	169	193	157	157	125	35%	29%	362	258	40%	35%	572
China												139
Singapore												110
Vietnam												233
Other Emerging Markets <sup>1</sup>												90
Regional Office	(34)	(42)	(26)	(33)	(31)	-10%	-10%	(76)	(60)	-27%	-27%	(119)
<b>Total Core earnings (loss)</b>	<b>427</b>	<b>450</b>	<b>438</b>	<b>420</b>	<b>353</b>	<b>21%</b>	<b>20%</b>	<b>877</b>	<b>718</b>	<b>22%</b>	<b>20%</b>	<b>1,576</b>
<b>Total Core earnings CER</b>	<b>427</b>	<b>447</b>	<b>436</b>	<b>421</b>	<b>357</b>		<b>20%</b>	<b>874</b>	<b>726</b>		<b>20%</b>	<b>1,583</b>
<b>Items excluded from core earnings</b>												
Investment-related experience outside of core earnings	99	57	97	61	(29)			156	9			167
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(17)	227	(67)	33	(58)			210	(399)			(433)
Change in actuarial methods and assumptions	-	-	-	(32)	-			-	-			(32)
Reinsurance transactions	6	6	22	7	6			12	15			44
Tax-related items and other	-	15	-	-	-			15	-			-
<b>Net income (loss) attributed to shareholders</b>	<b>515</b>	<b>755</b>	<b>490</b>	<b>489</b>	<b>272</b>	<b>89%</b>	<b>85%</b>	<b>1,270</b>	<b>343</b>	<b>270%</b>	<b>272%</b>	<b>1,322</b>

**Source of Earnings - Core <sup>4</sup>**

Expected profit from in-force business	262	268	253	242	224	17%	16%	530	449	18%	17%	944
Impact of new business	156	206	169	170	100	56%	51%	362	196	85%	80%	535
Experience gains (losses)	(2)	(7)	9	11	17	-	-	(9)	36	-	-	56
Management actions and changes in assumptions	-	-	-	-	-	-	-	-	-	-	-	-
Earnings on surplus funds	37	38	45	44	44	-16%	-16%	75	88	-15%	-16%	177
Other <sup>3</sup>	39	42	30	25	26	50%	43%	81	60	35%	31%	115
<b>Core earnings before income taxes</b>	<b>492</b>	<b>547</b>	<b>506</b>	<b>492</b>	<b>411</b>	<b>20%</b>	<b>18%</b>	<b>1,039</b>	<b>829</b>	<b>25%</b>	<b>23%</b>	<b>1,827</b>
Income tax (expense) recovery	(65)	(97)	(68)	(72)	(58)	-12%	-6%	(162)	(111)	-46%	-41%	(251)
<b>Total Core earnings</b>	<b>427</b>	<b>450</b>	<b>438</b>	<b>420</b>	<b>353</b>	<b>21%</b>	<b>20%</b>	<b>877</b>	<b>718</b>	<b>22%</b>	<b>20%</b>	<b>1,576</b>

<sup>1</sup> Other Emerging Markets includes Indonesia, Philippines, Malaysia, Thailand, Cambodia, and Myanmar.

<sup>2</sup> The 'Source of Earnings - Core' lines excludes the portion related to non-controlling interest.

<sup>3</sup> 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.

## ASIA (CONT'D)

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



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
<b>Annualized Premium Equivalents Sales</b>												
Hong Kong	196	219	193	197	184	7%	7%	415	383	8%	8%	773
Japan	107	165	164	159	113	-5%	-4%	272	277	-2%	-3%	600
Asia Other	470	626	407	399	270	74%	66%	1,096	713	54%	47%	1,519
China												399
Singapore												506
Vietnam												350
Other Emerging Markets												264
<b>Total Annualized premium equivalents sales</b>	773	1,010	764	755	567	36%	34%	1,783	1,373	30%	27%	2,892
<b>Total Annualized premium equivalents sales CER</b>	773	1,005	760	759	578		34%	1,778	1,404		27%	2,923
<b>Insurance Sales</b>												
Hong Kong	158	185	167	176	170	-7%	-7%	343	353	-3%	-3%	696
Japan	60	119	112	103	69	-13%	-13%	179	156	15%	13%	371
Asia Other	438	594	388	382	263	67%	60%	1,032	696	48%	42%	1,466
<b>Total Insurance sales</b>	656	898	667	661	502	31%	28%	1,554	1,205	29%	25%	2,533
<b>Total Insurance sales CER</b>	656	894	665	667	513		28%	1,550	1,236		25%	2,568
<b>Annuities Sales</b>												
Hong Kong	374	339	259	205	129	190%	190%	713	299	138%	138%	763
Japan	294	241	276	283	276	7%	8%	535	713	-25%	-25%	1,272
Asia Other	307	327	205	164	81	279%	262%	634	170	273%	257%	539
<b>Total Annuities sales</b>	975	907	740	652	486	101%	101%	1,882	1,182	59%	59%	2,574
<b>Total Annuities sales CER</b>	975	899	729	648	484		101%	1,874	1,182		59%	2,559
<b>New Business Value (NBV)</b>												
Hong Kong	148	145	128	111	102	46%	46%	293	224	31%	31%	463
Japan	24	35	35	31	22	11%	13%	59	65	-8%	-9%	131
Asia Other	153	196	120	132	91	67%	59%	349	191	83%	75%	443
China												100
Singapore												145
Vietnam												144
Other Emerging Markets												54
<b>Total NBV</b>	325	376	283	274	215	51%	48%	701	480	46%	44%	1,037
<b>Total NBV CER</b>	325	375	282	276	219		48%	700	488		44%	1,046
<b>New Business Value (NBV) Margin <sup>1</sup></b>												
Hong Kong	75.8%	66.1%	66.4%	56.0%	55.6%			70.7%	58.6%			59.9%
Japan	23.0%	21.1%	21.4%	19.9%	19.4%			21.9%	23.4%			21.9%
Asia Other	35.7%	39.9%	32.4%	37.5%	40.0%			38.0%	33.1%			34.1%
China												49.1%
Singapore												28.7%
Vietnam												41.1%
Other Emerging Markets												22.5%
<b>Total NBV margin</b>	44.6%	42.9%	39.0%	38.7%	41.0%			43.7%	38.8%			38.8%
<b>Total NBV margin CER</b>	44.6%	43.1%	39.1%	38.9%	41.2%			43.8%	38.8%			38.9%

<sup>1</sup> 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)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
<b>Premiums and Deposits</b>												
Premiums and investment contract deposits	4,460	4,675	3,996	4,042	3,254	37%		9,135	7,258	26%		15,296
Segregated fund and other deposits	1,147	1,113	877	701	487	136%		2,260	1,084	108%		2,662
<b>Total Premiums and deposits</b>	<b>5,607</b>	<b>5,788</b>	<b>4,873</b>	<b>4,743</b>	<b>3,741</b>	<b>50%</b>	<b>47%</b>	<b>11,395</b>	<b>8,342</b>	<b>37%</b>	<b>34%</b>	<b>17,958</b>
<b>Total Premiums and deposits CER</b>	<b>5,607</b>	<b>5,753</b>	<b>4,863</b>	<b>4,774</b>	<b>3,814</b>		<b>47%</b>	<b>11,360</b>	<b>8,485</b>		<b>34%</b>	<b>18,122</b>
<b>Premiums and Deposits by Business Units</b>												
Hong Kong	1,850	1,599	1,582	1,437	1,205	54%	54%	3,449	2,423	42%	42%	5,442
Japan	1,040	1,553	1,209	1,344	1,137	-9%	-9%	2,593	2,892	-10%	-12%	5,445
Asia Other	2,717	2,636	2,082	1,962	1,399	94%	85%	5,353	3,027	77%	70%	7,071
<b>Total Premiums and deposits</b>	<b>5,607</b>	<b>5,788</b>	<b>4,873</b>	<b>4,743</b>	<b>3,741</b>	<b>50%</b>	<b>47%</b>	<b>11,395</b>	<b>8,342</b>	<b>37%</b>	<b>34%</b>	<b>17,958</b>
<b>Total Weighted Premium Income (TWPI)</b>												
Hong Kong	1,080	985	1,080	1,044	989	9%	9%	2,065	1,903	9%	9%	4,027
Japan	865	1,440	1,080	1,144	968	-11%	-9%	2,305	2,437	-5%	-6%	4,661
Asia Other	1,597	1,833	1,655	1,441	1,184	35%	28%	3,430	2,601	32%	26%	5,697
<b>TWPI</b>	<b>3,542</b>	<b>4,258</b>	<b>3,815</b>	<b>3,629</b>	<b>3,141</b>	<b>13%</b>	<b>11%</b>	<b>7,800</b>	<b>6,941</b>	<b>12%</b>	<b>10%</b>	<b>14,385</b>
<b>TWPI CER</b>	<b>3,542</b>	<b>4,214</b>	<b>3,786</b>	<b>3,636</b>	<b>3,190</b>		<b>11%</b>	<b>7,756</b>	<b>7,047</b>		<b>10%</b>	<b>14,469</b>
<b>Assets Under Management</b>												
General fund	95,089	90,610	90,639	84,880	81,826	16%		95,089	81,826	16%		90,639
Segregated funds	19,466	18,325	18,016	15,908	15,080	29%		19,466	15,080	29%		18,016
<b>Total Assets under management</b>	<b>114,555</b>	<b>108,935</b>	<b>108,655</b>	<b>100,788</b>	<b>96,906</b>	<b>18%</b>	<b>17%</b>	<b>114,555</b>	<b>96,906</b>	<b>18%</b>	<b>17%</b>	<b>108,655</b>
<b>Total Assets under management CER</b>	<b>114,555</b>	<b>108,910</b>	<b>106,516</b>	<b>100,381</b>	<b>97,639</b>		<b>17%</b>	<b>114,555</b>	<b>97,639</b>		<b>17%</b>	<b>106,516</b>
<b>Number of Agents</b>												
Hong Kong	10,792	10,690	10,706	10,157	10,008	8%		10,792	10,008	8%		10,706
Japan	1,953	2,062	2,223	2,190	2,171	-10%		1,953	2,171	-10%		2,223
Asia Other	104,388	101,367	102,777	103,513	102,107	2%		104,388	102,107	2%		102,777
China												18,042
Singapore												1,895
Vietnam												53,614
Other Emerging Markets												29,226
<b>Total Number of agents</b>	<b>117,133</b>	<b>114,119</b>	<b>115,706</b>	<b>115,860</b>	<b>114,286</b>	<b>2%</b>		<b>117,133</b>	<b>114,286</b>	<b>2%</b>		<b>115,706</b>
<b>Canadian \$ in millions - Key Metrics</b>												
Core earnings	526	570	571	559	489	8%	20%	1,096	980	12%	20%	2,110
Items excluded from core earnings	107	387	68	92	(112)	-		494	(508)	-		(348)
Net income (loss) attributed to shareholders	633	957	639	651	377	68%	85%	1,590	472	237%	272%	1,762
Annualized Premium Equivalents Sales	950	1,280	996	1,005	784	21%	34%	2,230	1,868	19%	27%	3,869
Insurance Sales	807	1,138	869	880	693	16%	28%	1,945	1,639	19%	25%	3,388
Annuities Sales	1,197	1,149	963	869	673	78%	101%	2,346	1,609	46%	59%	3,441
New Business Value (NBV)	399	477	368	365	298	34%	48%	876	654	34%	44%	1,387
Premiums and Deposits	6,889	7,332	6,350	6,316	5,179	33%	47%	14,221	11,367	25%	34%	24,033
Assets Under Management	141,925	136,971	138,378	134,497	132,105	7%	17%	141,925	132,105	7%	17%	138,378

**CANADA**

(Canadian \$ millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
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**Statements of Income**

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
<b>Revenue</b>										
<b>Premium income</b>										
Gross premiums	2,762	2,726	2,811	2,688	2,591	7%	5,488	5,257	4%	10,756
Premiums ceded to reinsurers	(382)	(502)	(421)	(393)	(385)	1%	(884)	(775)	-14%	(1,589)
<b>Investment income</b>	1,218	975	1,201	996	965	26%	2,193	1,514	45%	3,711
<b>Other revenue</b>	322	351	268	262	233	38%	673	483	39%	1,013
<b>Subtotal revenue</b>	3,920	3,550	3,859	3,553	3,404	15%	7,470	6,479	15%	13,891
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities <sup>1</sup>	2,012	(6,127)	147	(240)	4,530	-56%	(4,115)	4,840	-	4,747
<b>Total revenue</b>	5,932	(2,577)	4,006	3,313	7,934	-25%	3,355	11,319	-70%	18,638
<b>Contract benefits and expenses</b>										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities <sup>1</sup>	4,233	(3,237)	2,727	2,406	7,410	-43%	996	10,842	-91%	15,975
Ceded benefits and expenses and change in reinsurance assets	(232)	(287)	(299)	(334)	(272)	15%	(519)	(610)	15%	(1,243)
Change in investment contract liabilities	7	9	10	7	8	-13%	16	16	0%	33
General expenses	352	355	351	335	333	6%	707	682	4%	1,368
Investment expenses	92	87	90	89	80	15%	179	159	13%	338
Commissions	338	325	315	288	290	17%	663	619	7%	1,222
Other	111	116	105	120	107	4%	227	330	-31%	555
<b>Total contract benefits and expenses</b>	4,901	(2,632)	3,299	2,911	7,956	-38%	2,269	12,038	-81%	18,248
<b>Income (loss) before income taxes</b>	1,031	55	707	402	(22)	-	1,086	(719)	-	390
Income tax (expense) recovery	(219)	17	(46)	(65)	114	-	(202)	(20)	-910%	(131)
<b>Net income (loss)</b>	812	72	661	337	92	783%	884	(739)	-	259
Less: net income (loss) attributed to participating policyholders	29	91	33	46	(50)	-	120	(15)	-	64
<b>Net income (loss) attributed to shareholders</b>	783	(19)	628	291	142	451%	764	(724)	-	195

<sup>1</sup> 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)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
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**Earnings Analysis**

Insurance	210	165	204	188	239	-12%	375	373	1%	765
Annuities	64	52	64	53	64	0%	116	135	-14%	252
Manulife Bank	44	47	48	38	39	13%	91	71	28%	157
<b>Total core earnings (loss)</b>	<b>318</b>	<b>264</b>	<b>316</b>	<b>279</b>	<b>342</b>	<b>-7%</b>	<b>582</b>	<b>579</b>	<b>1%</b>	<b>1,174</b>
<b>Items excluded from core earnings</b>										
Investment-related experience outside of core earnings	207	(65)	332	(28)	(186)		142	(564)		(260)
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities <sup>1</sup>	258	(218)	(35)	(43)	(14)		40	(739)		(817)
Change in actuarial methods and assumptions	-	-	-	77	-		-	-		77
Reinsurance transactions	-	-	15	6	-		-	-		21
Tax-related items and other	-	-	-	-	-		-	-		-
<b>Net income (loss) attributed to shareholders</b>	<b>783</b>	<b>(19)</b>	<b>628</b>	<b>291</b>	<b>142</b>	<b>451%</b>	<b>764</b>	<b>(724)</b>	<b>-</b>	<b>195</b>

<sup>1</sup> Segregated fund products include guarantees. These products are also referred to as variable annuities.

**Source of Earnings - Core**

Expected profit from in-force business	276	257	251	277	242	14%	533	483	10%	1,011
Impact of new business	20	-	(4)	9	(3)	-	20	2	900%	7
Experience gains (losses)	19	(21)	2	(43)	87	-78%	(2)	30	-	(11)
Management actions and changes in assumptions	-	-	-	-	-	-	-	-	-	-
Earnings on surplus funds	51	51	83	84	83	-39%	102	166	-39%	333
Other	4	5	5	(5)	1	300%	9	(1)	-	(1)
Insurance	370	292	337	322	410	-10%	662	680	-3%	1,339
Manulife Bank	60	63	65	51	53	13%	123	97	27%	213
<b>Core Earnings before income taxes</b>	<b>430</b>	<b>355</b>	<b>402</b>	<b>373</b>	<b>463</b>	<b>-7%</b>	<b>785</b>	<b>777</b>	<b>1%</b>	<b>1,552</b>
Income tax (expense) recovery	(112)	(91)	(86)	(94)	(121)	7%	(203)	(198)	-3%	(378)
<b>Total Core Earnings</b>	<b>318</b>	<b>264</b>	<b>316</b>	<b>279</b>	<b>342</b>	<b>-7%</b>	<b>582</b>	<b>579</b>	<b>1%</b>	<b>1,174</b>

**CANADA (CONT'D)**

(Canadian \$ millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
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**Annualized Premium Equivalents Sales**

Individual Insurance	101	90	97	82	102	-1%	191	230	-17%	409
Group Insurance	94	166	81	154	87	8%	260	258	1%	493
Annuities	79	99	67	53	49	61%	178	126	41%	246
<b>Total Sales</b>	274	355	245	289	238	15%	629	614	2%	1,148

**Annuities Sales <sup>1</sup>**

Retail segregated fund products <sup>2</sup>	775	964	656	516	465	67%	1,739	1,217	43%	2,389
Fixed Products	18	25	22	12	15	20%	43	40	8%	74
<b>Total Annuities Sales</b>	793	989	678	528	480	65%	1,782	1,257	42%	2,463

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

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

**New Business Value (NBV)**

	76	78	65	67	46	65%	154	123	25%	255
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**Premiums and Deposits**

Net premiums <sup>3</sup> and investment contract deposits	2,501	2,466	2,529	2,437	2,337	7%	4,967	4,749	5%	9,715
Segregated fund deposits	777	964	657	516	466	67%	1,741	1,219	43%	2,392
ASO premium equivalents	955	895	922	878	573	67%	1,850	1,447	28%	3,247
<b>Total premiums and deposits</b>	4,233	4,325	4,108	3,831	3,376	25%	8,558	7,415	15%	15,354

<sup>3</sup> 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	1,029	962	1,020	949	955	8%	1,991	1,904	5%	3,873
Group Insurance	2,412	2,375	2,411	2,355	1,943	24%	4,787	4,258	12%	9,024
Annuities	792	988	677	527	478	66%	1,780	1,253	42%	2,457
<b>Total premiums and deposits</b>	4,233	4,325	4,108	3,831	3,376	25%	8,558	7,415	15%	15,354

**Assets Under Management**

General funds, excluding Manulife Bank net lending assets	94,950	91,680	98,894	98,600	98,913	-4%	94,950	98,913	-4%	98,894
Manulife Bank net lending assets	22,884	22,770	22,763	22,827	22,625	1%	22,884	22,625	1%	22,763
Segregated funds	39,666	37,937	37,650	36,107	34,859	14%	39,666	34,859	14%	37,650
<b>Total assets under management</b>	157,500	152,387	159,307	157,534	156,397	1%	157,500	156,397	1%	159,307

**Manulife Bank Average Net Lending Assets**

	22,827	22,767	22,795	22,726	22,529	1%	22,824	22,402	2%	22,471
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**U.S.**

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



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
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**Statements of Income**

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
<b>Revenue</b>										
<b>Premium income</b>										
Gross premiums	1,743	1,649	1,793	1,617	1,584	10%	3,392	3,268	4%	6,678
Premiums ceded to reinsurers <sup>1</sup>	(503)	(517)	(499)	(2,899)	(507)	1%	(1,020)	(957)	-7%	(4,355)
<b>Investment income</b>	1,555	1,422	1,626	1,250	1,136	37%	2,977	2,378	25%	5,254
<b>Other revenue</b>	390	237	420	696	373	5%	627	909	-31%	2,025
<b>Subtotal revenue</b>	3,185	2,791	3,340	664	2,586	23%	5,976	5,598	7%	9,602
Realized/ unrealized gains (losses) on invested assets supporting insurance and investment contract liabilities <sup>2</sup>	4,047	(7,524)	(504)	386	2,902	39%	(3,477)	7,819	-	7,701
<b>Total revenue</b>	7,232	(4,733)	2,836	1,050	5,488	32%	2,499	13,417	-81%	17,303
<b>Contract benefits and expenses</b>										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities <sup>2</sup>	6,403	(4,518)	2,746	4,867	7,333	-13%	1,885	13,734	-86%	21,347
Ceded benefits and expenses and change in reinsurance assets <sup>3</sup>	(669)	(832)	(584)	(5,107)	(854)	22%	(1,501)	(1,678)	11%	(7,369)
Change in investment contract liabilities	10	10	10	9	11	-9%	20	21	-5%	40
General expenses	259	188	189	183	190	36%	447	385	16%	757
Investment expenses	142	105	116	57	65	118%	247	194	27%	367
Commissions	243	210	236	187	161	51%	453	380	19%	803
Other	41	37	40	30	31	32%	78	70	11%	140
<b>Total contract benefits and expenses</b>	6,429	(4,800)	2,753	226	6,937	-7%	1,629	13,106	-88%	16,085
<b>Income (loss) before income taxes</b>	803	67	83	824	(1,449)	-	870	311	180%	1,218
Income tax (expense) recovery	(154)	15	(2)	(155)	309	-	(139)	(74)	-88%	(231)
<b>Net income (loss)</b>	649	82	81	669	(1,140)	-	731	237	208%	987
Less net income (loss) attributed to participating policyholders	3	6	-	-	-	-	9	-	-	-
<b>Net income (loss) attributed to shareholders</b>	646	76	81	669	(1,140)	-	722	237	205%	987

<sup>1</sup> Includes the US\$2.4 billion impact of the the legacy U.S. Bank Owned Life Insurance ("BOLI") business reinsurance transaction in Q3 2020.

<sup>2</sup> 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.

<sup>3</sup> Includes the US\$2.5 billion impact of the legacy U.S. Bank Owned Life Insurance ("BOLI") business reinsurance transaction in Q3 2020.

**U.S. (CONT'D)**

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



<b>2021 Q2</b>	<b>2021 Q1</b>	<b>2020 Q4</b>	<b>2020 Q3</b>	<b>2020 Q2</b>	<b>2021 Q2 vs. 2020 Q2</b>	<b>YTD 2021</b>	<b>YTD 2020</b>	<b>YTD 2021 vs. YTD 2020</b>	<b>Fiscal 2020</b>
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**Earnings Analysis**

U.S. Insurance	298	277	247	267	319	-7%	575	531	8%	1,045
U.S. Annuities	91	119	120	107	115	-21%	210	213	-1%	440
<b>Total core earnings (loss)</b>	<b>389</b>	<b>396</b>	<b>367</b>	<b>374</b>	<b>434</b>	<b>-10%</b>	<b>785</b>	<b>744</b>	<b>6%</b>	<b>1,485</b>
<b>Items excluded from core earnings</b>										
Investment-related experience outside of core earnings	413	126	84	91	(492)		539	(690)		(515)
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(156)	(446)	(370)	233	(1,082)		(602)	183		46
Change in actuarial methods and assumptions	-	-	-	(226)	-		-	-		(226)
Reinsurance transactions	-	-	-	197	-		-	-		197
Tax-related items and other	-	-	-	-	-		-	-		-
<b>Total net income (loss) attributed to shareholders</b>	<b>646</b>	<b>76</b>	<b>81</b>	<b>669</b>	<b>(1,140)</b>	<b>-</b>	<b>722</b>	<b>237</b>	<b>205%</b>	<b>987</b>

**Source of Earnings - Core**

Expected profit from in-force business	352	361	362	370	353	0%	713	682	5%	1,414
Impact of new business	94	46	53	26	36	161%	140	62	126%	141
Experience gains (losses)	(42)	1	(65)	(31)	54	-	(41)	(18)	-128%	(114)
Management actions and changes in assumptions	-	22	8	1	7	-100%	22	13	69%	22
Earnings on surplus funds	53	53	91	90	91	-42%	106	181	-41%	362
Other	17	5	3	7	4	325%	22	8	175%	18
<b>Core Earnings before income taxes</b>	<b>474</b>	<b>488</b>	<b>452</b>	<b>463</b>	<b>545</b>	<b>-13%</b>	<b>962</b>	<b>928</b>	<b>4%</b>	<b>1,843</b>
Income tax (expense) recovery	(85)	(92)	(85)	(89)	(111)	23%	(177)	(184)	4%	(358)
<b>Total Core Earnings</b>	<b>389</b>	<b>396</b>	<b>367</b>	<b>374</b>	<b>434</b>	<b>-10%</b>	<b>785</b>	<b>744</b>	<b>6%</b>	<b>1,485</b>

**U.S. (CONT'D)**

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



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
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**Annualized Premium Equivalents Sales**

JH Life	155	119	137	102	111	40%	274	216	27%	455
<b>Total Sales</b>	155	119	137	102	111	40%	274	216	27%	455

**New Business Value (NBV)**

	61	35	43	21	29	110%	96	56	71%	120
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**Premiums and Deposits**

Premiums and investment contract deposits <sup>1</sup>	1,240	1,132	1,294	(1,282)	1,077	15%	2,372	2,311	3%	2,323
Segregated fund deposits	340	319	344	319	342	-1%	659	702	-6%	1,365
<b>Total premiums and deposits</b>	1,580	1,451	1,638	(963)	1,419	11%	3,031	3,013	1%	3,688

**Premiums and Deposits**

JH Life <sup>1</sup>	981	882	1,023	(1,558)	810	21%	1,863	1,738	7%	1,203
JH Long-Term Care	543	531	563	553	532	2%	1,074	1,060	1%	2,176
JH Annuities	56	38	52	42	77	-27%	94	215	-56%	309
<b>Total premiums and deposits</b>	1,580	1,451	1,638	(963)	1,419	11%	3,031	3,013	1%	3,688

**Assets Under Management**

General funds <sup>1</sup>	126,005	120,789	127,638	127,142	127,679	-1%	126,005	127,679	-1%	127,638
Segregated funds	62,521	60,661	60,519	56,223	54,669	14%	62,521	54,669	14%	60,519
<b>Total assets under management</b>	188,526	181,450	188,157	183,365	182,348	3%	188,526	182,348	3%	188,157

<sup>1</sup> Includes the US\$2.4 billion impact of the the legacy U.S. Bank Owned Life Insurance ("BOLI") business reinsurance transaction in Q3 2020.

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

Core earnings	478	501	479	498	602	-21%	979	1,018	-4%	1,995
Items excluded from core earnings	315	(405)	(373)	393	(2,182)	-	(90)	(746)	-88%	(726)
Net income (loss) attributed to shareholders	793	96	106	891	(1,580)	-	889	272	227%	1,269
Annualized Premium Equivalents Sales	191	150	178	136	154	24%	341	295	16%	609
Total premiums and deposits	1,941	1,837	2,135	(1,284)	1,967	-1%	3,778	4,110	-8%	4,961
Total assets under management	233,659	228,172	239,561	244,590	248,502	-6%	233,659	248,502	-6%	239,561

**GLOBAL WEALTH AND ASSET MANAGEMENT**

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
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**Shareholders' Income Statement**

<b>Revenue</b>												
Fee income	1,586	1,533	1,488	1,451	1,353	17%	27%	3,119	2,771	13%	19%	5,710
Investment income	21	(6)	9	14	8	163%	178%	15	16	-6%	1%	39
<b>Total revenue</b>	<b>1,607</b>	<b>1,527</b>	<b>1,497</b>	<b>1,465</b>	<b>1,361</b>	<b>18%</b>	<b>28%</b>	<b>3,134</b>	<b>2,787</b>	<b>12%</b>	<b>19%</b>	<b>5,749</b>
<b>Expenses</b>												
General, administrative and investment expenses	854	831	830	815	799	7%	16%	1,685	1,632	3%	10%	3,277
Commissions	334	330	306	305	284	18%	25%	664	589	13%	18%	1,200
<b>Total expenses</b>	<b>1,188</b>	<b>1,161</b>	<b>1,136</b>	<b>1,120</b>	<b>1,083</b>	<b>10%</b>	<b>19%</b>	<b>2,349</b>	<b>2,221</b>	<b>6%</b>	<b>12%</b>	<b>4,477</b>
<b>Income before income taxes</b>	<b>419</b>	<b>366</b>	<b>361</b>	<b>345</b>	<b>278</b>	<b>51%</b>	<b>63%</b>	<b>785</b>	<b>566</b>	<b>39%</b>	<b>47%</b>	<b>1,272</b>
Income tax (expense) recovery	(63)	(53)	(57)	(37)	(40)	-58%	-66%	(116)	(78)	-49%	-53%	(172)
<b>Net income (loss)</b>	<b>356</b>	<b>313</b>	<b>304</b>	<b>308</b>	<b>238</b>			<b>669</b>	<b>488</b>			<b>1,100</b>
Less net income (loss) attributed to non-controlling interests	-	1	-	-	-	-	-	1	-	-	-	-
<b>Net income attributed to shareholders</b>	<b>356</b>	<b>312</b>	<b>304</b>	<b>308</b>	<b>238</b>	<b>50%</b>	<b>63%</b>	<b>668</b>	<b>488</b>	<b>37%</b>	<b>46%</b>	<b>1,100</b>
<b>Net income attributed to shareholders CER</b>	<b>356</b>	<b>306</b>	<b>292</b>	<b>290</b>	<b>219</b>		<b>63%</b>	<b>662</b>	<b>454</b>		<b>46%</b>	<b>1,036</b>

**Earnings (loss) Analysis**

<b>Core earnings</b>	356	312	304	308	238	50%	62%	668	488	37%	45%	1,100
<b>Core earnings CER</b>	356	305	293	291	220		62%	661	457		45%	1,041
<b>Items excluded from core earnings</b>												
Tax-related items and other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net income attributed to shareholders</b>	<b>356</b>	<b>312</b>	<b>304</b>	<b>308</b>	<b>238</b>	<b>50%</b>	<b>63%</b>	<b>668</b>	<b>488</b>	<b>37%</b>	<b>46%</b>	<b>1,100</b>

<b>Core EBITDA<sup>1</sup></b>	521	469	459	446	381	37%	48%	990	771	28%	36%	1,676
<b>Core EBITDA CER</b>	521	460	443	424	353		48%	981	723		36%	1,590
Amortization of deferred acquisition costs and other depreciation	79	79	78	80	81	-2%		158	161	-2%		319
Amortization of deferred sales commissions	22	26	20	21	22	0%		48	44	9%		85
Total depreciation and amortization	101	105	98	101	103	-2%		206	205	0%		404
<b>Core earnings before income taxes</b>	<b>420</b>	<b>364</b>	<b>361</b>	<b>345</b>	<b>278</b>	<b>51%</b>		<b>784</b>	<b>566</b>	<b>39%</b>		<b>1,272</b>
Core income tax (expense) recovery	(64)	(52)	(57)	(37)	(40)	-60%		(116)	(78)	49%		(172)
<b>Core Earnings</b>	<b>356</b>	<b>312</b>	<b>304</b>	<b>308</b>	<b>238</b>	<b>50%</b>	<b>62%</b>	<b>668</b>	<b>488</b>	<b>37%</b>	<b>45%</b>	<b>1,100</b>

<b>Core EBITDA Margin<sup>2</sup></b>	32.4%	30.7%	30.7%	30.4%	28.0%	440 bps		31.6%	27.7%	390 bps		29.2%
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<b>Net Fee Income Yield (bps)</b>	44.4	43.4	44.1	43.8	43.6	0.8 bps		43.8	44.1	-0.3 bps		44.1
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<b>Total deferred acquisition costs and deferred sales commissions</b>	2,449	2,465	2,475	2,556	2,598	-6%		2,449	2,598	-6%		2,475
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<sup>1</sup> 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).

<sup>2</sup> Core EBITDA margin is Core EBITDA divided by total revenue.



# GLOBAL WEALTH AND ASSET MANAGEMENT

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
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## Core earnings by Business Line

Retirement	206	189	182	184	138	49%	63%	395	275	44%	54%	641
Retail	137	118	116	116	100	37%	44%	255	203	26%	31%	435
Institutional Asset Management	13	5	6	8	-	-	-	18	10	80%	102%	24
<b>Core earnings</b>	<b>356</b>	<b>312</b>	<b>304</b>	<b>308</b>	<b>238</b>	<b>50%</b>	<b>62%</b>	<b>668</b>	<b>488</b>	<b>37%</b>	<b>45%</b>	<b>1,100</b>

## Core EBITDA by Business line <sup>†</sup>

Retirement	305	286	284	269	230	33%	45%	591	456	30%	39%	1,009
Retail	196	175	166	166	141	39%	46%	371	290	28%	32%	622
Institutional Asset Management	20	8	9	11	10	100%	134%	28	25	12%	19%	45
<b>Core EBITDA</b>	<b>521</b>	<b>469</b>	<b>459</b>	<b>446</b>	<b>381</b>	<b>37%</b>	<b>48%</b>	<b>990</b>	<b>771</b>	<b>28%</b>	<b>36%</b>	<b>1,676</b>

## Core earnings by Geographic Source

Asia	103	103	84	98	77	35%	49%	206	162	28%	38%	344
Canada	108	96	102	94	79	37%	37%	204	167	22%	22%	363
U.S.	145	113	118	116	82	77%	99%	258	159	62%	77%	393
<b>Core earnings</b>	<b>356</b>	<b>312</b>	<b>304</b>	<b>308</b>	<b>238</b>	<b>50%</b>	<b>62%</b>	<b>668</b>	<b>488</b>	<b>37%</b>	<b>45%</b>	<b>1,100</b>

## Core EBITDA by Geographic Source <sup>1</sup>

Asia	131	131	107	115	100	31%	49%	262	206	27%	39%	428
Canada	169	156	159	152	130	30%	30%	325	273	19%	19%	584
U.S.	221	182	193	179	151	46%	65%	403	292	38%	52%	664
<b>Core earnings</b>	<b>521</b>	<b>469</b>	<b>459</b>	<b>446</b>	<b>381</b>	<b>37%</b>	<b>48%</b>	<b>990</b>	<b>771</b>	<b>28%</b>	<b>36%</b>	<b>1,676</b>

<sup>†</sup> 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).

**GLOBAL WEALTH AND ASSET MANAGEMENT (CONT'D)**

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
<b>Assets Under Management and Administration</b>												
<b>Total WAM-managed Assets under management and administration</b> <sup>1</sup>	1,033,764	993,347	984,385	941,004	917,180	13%	21%	1,033,764	917,180	13%	21%	984,385
Less: Assets managed on behalf of other segments <sup>2</sup>	(235,234)	(229,265)	(230,775)	(225,635)	(220,323)	-7%		(235,234)	(220,323)	-7%		(230,775)
<b>Assets under management and administration</b>	798,530	764,082	753,610	715,369	696,857	15%	23%	798,530	696,857	15%	23%	753,610
<b>Assets under management and administration CER</b>	798,530	756,187	737,087	677,931	650,848		23%	798,530	650,848		23%	737,087
Assets under administration <sup>3</sup>	174,376	167,558	162,688	155,211	149,511	17%	26%	174,376	149,511	17%	26%	162,688
<b>Total WAM-Managed Assets Under Management and Administration by Business Line</b> <sup>1</sup>												
Retirement	418,907	403,576	397,423	378,747	365,894	14%	23%	418,907	365,894	14%	23%	397,423
Retail	359,520	340,330	327,916	307,203	297,486	21%	31%	359,520	297,486	21%	31%	327,916
Institutional Asset Management	255,337	249,441	259,046	255,054	253,800	1%	8%	255,337	253,800	1%	8%	259,046
<b>Total WAM-managed Assets under management and administration</b>	1,033,764	993,347	984,385	941,004	917,180	13%	21%	1,033,764	917,180	13%	21%	984,385
<b>Assets Under Management and Administration by Business Line</b>												
Retirement	418,907	403,576	397,423	378,747	365,894	14%	23%	418,907	365,894	14%	23%	397,423
Retail	274,661	258,560	246,140	228,292	220,025	25%	32%	274,661	220,025	25%	32%	246,140
Institutional Asset Management <sup>4</sup>	104,962	101,946	110,047	108,330	110,938	-5%	1%	104,962	110,938	-5%	1%	110,047
<b>Assets under management and administration</b>	798,530	764,082	753,610	715,369	696,857	15%	23%	798,530	696,857	15%	23%	753,610
<b>Total WAM-Managed Assets Under Management and Administration by Geographic Source</b> <sup>1</sup>												
Asia	191,704	186,657	198,716	191,630	185,327	3%	14%	191,704	185,327	3%	14%	198,716
Canada	278,309	262,960	255,374	241,996	232,412	20%	20%	278,309	232,412	20%	20%	255,374
U.S. <sup>5</sup>	563,751	543,730	530,295	507,378	499,441	13%	24%	563,751	499,441	13%	24%	530,295
<b>Total WAM-managed Assets under management and administration</b>	1,033,764	993,347	984,385	941,004	917,180	13%	21%	1,033,764	917,180	13%	21%	984,385
<b>Assets Under Management and Administration by Geographic Source</b>												
Asia	95,510	91,551	100,996	96,260	93,118	3%	13%	95,510	93,118	3%	13%	100,996
Canada	224,693	212,441	206,637	195,191	187,543	20%	20%	224,693	187,543	20%	20%	206,637
U.S. <sup>5</sup>	478,327	460,090	445,977	423,918	416,196	15%	26%	478,327	416,196	15%	26%	445,977
<b>Assets under management and administration</b>	798,530	764,082	753,610	715,369	696,857	15%	23%	798,530	696,857	15%	23%	753,610
<b>Assets Under Management and Administration by Asset Class</b> <sup>6</sup>												
Equity	268,956	256,427	240,173	221,156	215,776	25%	33%	268,956	215,776	25%	33%	240,173
Fixed Income	240,193	232,246	246,636	243,309	235,589	2%	10%	240,193	235,589	2%	10%	246,636
Money Market	18,977	17,563	20,478	19,988	23,660	-20%	-15%	18,977	23,660	-20%	-15%	20,478
Asset Allocation	211,979	205,782	202,515	191,414	186,510	14%	23%	211,979	186,510	14%	23%	202,515
Balanced	51,667	48,284	46,855	44,828	41,708	24%	26%	51,667	41,708	24%	26%	46,855
Alternatives	67,616	65,487	65,040	65,098	64,426	5%	13%	67,616	64,426	5%	13%	65,040
<b>WAM-managed Assets under management by Asset Class</b>	859,388	825,789	821,697	785,793	767,669	12%	20%	859,388	767,669	12%	20%	821,697
Assets under administration	174,376	167,558	162,688	155,211	149,511	17%	26%	174,376	149,511	17%	26%	162,688
<b>Total WAM-managed Assets under management and administration</b>	1,033,764	993,347	984,385	941,004	917,180	13%	21%	1,033,764	917,180	13%	21%	984,385

<sup>1</sup> Effective Jan 1, 2021, General Fund assets under management for private equity, private credit and infrastructure asset classes are managed by Manulife's Global Wealth and Asset Management segment resulting in a transfer of assets under management of \$18.4 billion for Q1 2021. All prior quarter results have been restated to reflect the transfer for comparability.

<sup>2</sup> Reflects assets managed by WAM business units on behalf of other MFC segments.

<sup>3</sup> Reflects WAM-sourced assets under administration included in Assets under management and administration.

<sup>4</sup> 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 other MFC segments.

<sup>5</sup> U.S. business line includes Europe.

<sup>6</sup> AUM by Asset Class includes all WAM managed assets under management, including assets managed by WAM business units on behalf of other MFC segments. Asset Allocation includes assets allocated to proprietary products. Alternatives mainly includes Private Markets managed real estate, timber, private equity, infrastructure, agriculture and other ALDA assets.

**GLOBAL WEALTH AND ASSET MANAGEMENT (CONT'D)**

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
<b>Average Assets Under Management and Administration</b>												
<b>Total Average WAM-managed Assets under management and administration</b> <sup>1</sup>	1,006,825	995,242	960,014	932,234	889,874	13%	24%	1,001,981	894,322	12%	20%	919,576
Less: Average assets managed on behalf of other segments <sup>2</sup>	(230,976)	(230,209)	(227,304)	(224,310)	(217,907)	-6%		(230,763)	(217,343)	-6%		(221,429)
<b>Average assets under management and administration</b>	775,849	765,033	732,710	707,924	671,967	15%	26%	771,218	676,979	14%	22%	698,147
<b>Average assets under management and administration CER</b>	776,219	747,377	702,532	669,079	617,003		26%	762,678	627,639		22%	656,460
Average assets under administration <sup>3</sup>	170,486	165,666	158,675	154,812	146,462	16%	28%	168,050	146,774	14%	23%	151,941
<b>Average WAM-Managed Assets Under Management and Administration by Business Line</b> <sup>1</sup>												
Retirement	407,624	403,412	387,617	374,221	352,434	16%	27%	405,598	354,651	14%	23%	367,864
Retail	349,262	334,728	316,831	305,120	290,077	20%	30%	342,214	297,188	15%	22%	303,681
Institutional Asset Management	249,939	257,102	255,566	252,893	247,363	1%	11%	254,169	242,483	5%	12%	248,031
<b>Average WAM-managed Assets under management and administration</b>	1,006,825	995,242	960,014	932,234	889,874	13%	24%	1,001,981	894,322	12%	20%	919,576
<b>Average Assets Under Management and Administration by Business Line</b>												
Retirement	407,624	403,412	387,617	374,221	352,434	16%	27%	405,598	354,651	14%	23%	367,863
Retail	266,078	253,046	236,969	225,936	214,498	24%	31%	259,712	219,677	18%	23%	225,307
Institutional Asset Management <sup>4</sup>	102,147	108,575	108,124	107,767	105,035	-3%	-5%	105,908	102,652	3%	8%	104,977
<b>Average assets under management and administration</b>	775,849	765,033	732,710	707,924	671,967	15%	26%	771,218	676,980	14%	22%	698,147
<b>Average WAM-Managed Assets Under Management and Administration by Geographic Source</b> <sup>1</sup>												
Asia	188,022	196,178	194,528	189,190	182,460	3%	16%	192,878	178,771	8%	17%	185,369
Canada	270,728	258,598	247,461	240,089	221,012	22%	22%	264,774	222,382	19%	19%	232,712
U.S. <sup>5</sup>	548,075	540,466	518,025	502,955	486,402	13%	27%	544,329	493,169	10%	21%	501,495
<b>Average WAM-managed Assets under management and administration</b>	1,006,825	995,242	960,014	932,234	889,874	13%	24%	1,001,981	894,322	12%	20%	919,576
<b>Average Assets Under Management and Administration by Geographic Source</b>												
Asia	92,777	99,174	98,184	94,920	91,215	2%	15%	96,608	90,078	7%	17%	93,391
Canada	218,484	209,130	199,950	193,320	177,089	23%	23%	213,896	177,198	21%	21%	186,696
U.S. <sup>5</sup>	464,588	456,729	434,576	419,684	403,663	15%	29%	460,714	409,704	12%	23%	418,060
<b>Average assets under management and administration</b>	775,849	765,033	732,710	707,924	671,967	15%	26%	771,218	676,980	14%	22%	698,147

<sup>1</sup> Effective Jan 1, 2021, General Fund assets under management for private equity, private credit and infrastructure asset classes are managed by Manulife's Global Wealth and Asset Management segment resulting in a transfer of assets under management of

\$18.4 billion for Q1 2021. All prior quarter results have been restated to reflect the transfer for comparability.

<sup>2</sup> Reflects assets managed by WAM business units on behalf of other MFC segments.

<sup>3</sup> Reflects WAM-sourced assets under administration included in Assets under management and administration.

<sup>4</sup> 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 other MFC segments.

<sup>5</sup> U.S. business line includes Europe.

**GLOBAL WEALTH AND ASSET MANAGEMENT (CONT'D)**

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
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**Changes in Assets Under Management and Administration**

<b>Beginning balance</b>	764,082	753,610	715,369	696,857	636,198	20%		753,610	681,366	11%		681,366
Assets acquired/(disposed)	-	(62)	-	-	401	-100%		(62)	401	-		401
Gross flows <sup>1</sup>	33,739	39,709	31,494	27,475	33,071	2%		73,448	71,243	3%		130,212
Manulife Securities non-proprietary product net flows	441	1,203	272	137	530	-17%		1,644	715	130%		1,124
Exchange traded fund net flows <sup>2</sup>	423	471	283	(5)	79	435%		894	191	368%		469
Redemptions <sup>1</sup>	(25,975)	(40,026)	(29,218)	(29,826)	(28,531)	9%		(66,001)	(63,842)	-3%		(122,886)
Net Flows	8,628	1,357	2,831	(2,219)	5,149	68%		9,985	8,307	20%		8,919
Investment income (loss) and other <sup>1</sup>	25,820	9,177	35,410	20,731	55,109	-53%		34,997	6,783	416%		62,924
<b>Ending balance</b>	798,530	764,082	753,610	715,369	696,857	15%	23%	798,530	696,857	15%	23%	753,610
<b>Total Net flows CER</b>	8,628	1,708	2,752	(1,897)	5,499		57%	10,336	8,632		20%	9,487
<b>Total Gross flows CER</b>	33,739	38,677	30,013	25,912	30,791		10%	72,416	66,486		9%	122,411

**Changes in Assets Under Management and Administration - Retirement**

<b>Beginning balance</b>	403,576	397,423	378,747	365,894	334,315	21%		397,423	356,379	12%		356,379
Assets acquired/(disposed)	-	-	-	-	-	-		-	-	-		-
Gross flows	11,422	14,121	11,209	11,478	10,470	9%		25,543	26,966	-5%		49,653
Redemptions	(11,984)	(11,991)	(13,052)	(10,442)	(10,815)	-11%		(23,975)	(24,587)	2%		(48,081)
Net Flows	(562)	2,130	(1,843)	1,036	(345)	-63%		1,568	2,379	-34%		1,572
Investment income (loss) and other	15,893	4,023	20,519	11,817	31,924	-50%		19,916	7,136	179%		39,472
<b>Ending balance</b>	418,907	403,576	397,423	378,747	365,894	14%	23%	418,907	365,894	14%	23%	397,423

**Changes in Assets Under Management and Administration - Retail**

<b>Beginning balance</b>	258,560	246,140	228,292	220,025	201,709	28%		246,140	226,875	8%		226,875
Assets acquired/(disposed)	-	(62)	-	-	401	-100%		(62)	401	-		401
Gross flows	18,510	21,121	15,881	12,862	13,464	37%		39,631	30,562	30%		59,305
Manulife Securities non-proprietary product net flows	441	1,203	272	137	530	-17%		1,644	715	130%		1,124
Exchange traded fund net flows <sup>2</sup>	423	471	283	(5)	79	435%		894	191	368%		469
Redemptions	(12,091)	(16,321)	(12,797)	(12,317)	(15,041)	20%		(28,412)	(32,276)	12%		(57,390)
Net Flows	7,283	6,474	3,639	677	(968)	-		13,757	(808)	-		3,508
Investment income (loss) and other	8,818	6,008	14,209	7,590	18,883	-53%		14,826	(6,443)	-		15,356
<b>Ending balance</b>	274,661	258,560	246,140	228,292	220,025	25%	32%	274,661	220,025	25%	32%	246,140

**Changes in Assets Under Management and Administration - Institutional Asset Management <sup>3</sup>**

<b>Beginning balance</b>	101,946	110,047	108,330	110,938	100,174	2%		110,047	98,112	12%		98,112
Assets acquired/(disposed)	-	-	-	-	-	-		-	-	-		-
Gross flows	3,807	4,467	4,404	3,135	9,137	-58%		8,274	13,715	-40%		21,254
Redemptions	(1,900)	(11,714)	(3,369)	(7,067)	(2,675)	29%		(13,614)	(6,979)	-95%		(17,415)
Net Flows	1,907	(7,247)	1,035	(3,932)	6,462	-70%		(5,340)	6,736	-		3,839
Investment income (loss) and other	1,109	(854)	682	1,324	4,302	-74%		255	6,090	-96%		8,096
<b>Ending balance</b>	104,962	101,946	110,047	108,330	110,938	-5%	1%	104,962	110,938	-5%	1%	110,047

<sup>1</sup> Gross flows includes inflows to Manulife-managed retail funds from externally-managed funds that are administered by our Retirement business as follows: \$378 million for Q2 2021, \$505 million for YTD 2021. Redemptions includes outflows to externally-managed funds included in our administered Retirement business from Manulife-managed retail funds of \$109 million for Q1 2021. The corresponding net movement is included in Investment income (loss) and other.

<sup>2</sup> Excludes ETF assets that are managed on behalf of insurance businesses and within other WAM products and platforms. Q2 2020 ETF net flows have restated downwards by \$205 million with a corresponding offset in redemptions.

<sup>3</sup> 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 other MFC segments.

**GLOBAL WEALTH AND ASSET MANAGEMENT (CONT'D)**

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2 AER	2021 Q2 vs. 2020 Q2 CER	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020 AER	YTD 2021 vs. YTD 2020 CER	Fiscal 2020
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**Changes in Assets Under Management and Administration - Asia**

<b>Beginning balance</b>	91,551	100,996	96,260	93,118	88,110	4%		100,996	88,190	15%		88,190
Assets acquired/(disposed)	-	(62)	-	-	401	-100%		(62)	401	-		401
Gross flows	7,085	7,502	6,867	6,244	4,710	50%		14,587	10,279	42%		23,390
Redemptions	(4,686)	(14,856)	(4,654)	(5,104)	(4,672)	0%		(19,542)	(9,690)	-102%		(19,448)
Net Flows	2,399	(7,354)	2,213	1,140	38	nm		(4,955)	589	-		3,942
Investment income (loss) and other	1,560	(2,029)	2,523	2,002	4,569	-66%		(469)	3,938	-		8,463
<b>Ending balance</b>	95,510	91,551	100,996	96,260	93,118	3%	13%	95,510	93,118	3%	13%	100,996

**Changes in Assets Under Management and Administration - Canada**

<b>Beginning balance</b>	212,441	206,637	195,191	187,543	163,211	30%		206,637	177,313	17%		177,313
Assets acquired/(disposed)	-	-	-	-	-	-		-	-	-		-
Gross flows	7,739	8,332	6,509	4,832	11,471	-33%		16,071	19,590	-18%		30,931
Manulife Securities non-proprietary product net flows	441	1,203	272	137	530	-17%		1,644	715	130%		1,124
Exchange traded fund net flows <sup>1</sup>	236	196	8	(26)	(3)	-		432	(6)	-		(24)
Redemptions	(4,660)	(5,193)	(4,582)	(3,790)	(3,603)	-29%		(9,853)	(9,088)	-8%		(17,460)
Net Flows	3,756	4,538	2,207	1,153	8,395	-55%		8,294	11,211	-26%		14,571
Investment income (loss) and other	8,496	1,266	9,239	6,495	15,937	-47%		9,762	(981)	-		14,753
<b>Ending balance</b>	224,693	212,441	206,637	195,191	187,543	20%	20%	224,693	187,543	20%	20%	206,637

**Changes in Assets Under Management and Administration - U.S. <sup>2</sup>**

<b>Beginning balance</b>	460,090	445,977	423,918	416,196	384,877	20%		445,977	415,863	7%		415,863
Assets acquired/(disposed)	-	-	-	-	-	-		-	-	-		-
Gross flows	18,915	23,875	18,118	16,399	16,890	12%		42,790	41,374	3%		75,891
Exchange traded fund net flows <sup>1</sup>	188	275	283	21	81	132%		463	189	145%		493
Redemptions	(16,630)	(19,977)	(19,990)	(20,932)	(20,255)	18%		(36,607)	(45,056)	19%		(85,978)
Net Flows	2,473	4,173	(1,589)	(4,512)	(3,284)	-		6,646	(3,493)	-		(9,594)
Investment income (loss) and other	15,764	9,940	23,648	12,234	34,603	-54%		25,704	3,826	572%		39,708
<b>Ending balance</b>	478,327	460,090	445,977	423,918	416,196	15%	26%	478,327	416,196	15%	26%	445,977

<sup>1</sup> Excludes ETF assets that are managed on behalf of insurance businesses and within other WAM products and platforms.

<sup>2</sup> U.S. business line includes Europe.

**CORPORATE AND OTHER**

(Canadian \$ in millions, unaudited)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
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**Statements of Income**

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
<b>Revenue</b>										
Gross investment income before items below	287	187	313	123	231	24%	474	511	-7%	947
Gains (losses) on AFS equities and seed capital	66	57	93	66	135	-51%	123	(80)	-	79
Gains (losses) on AFS bonds and impact of derivative positions	90	(431)	207	109	1,902	-95%	(341)	2,482	-	2,798
Gains (losses) on macro hedges	(5)	(5)	(12)	(3)	(33)	85%	(10)	(5)	-100%	(20)
Interest on surplus funds allocated to reporting segments	(164)	(168)	(265)	(266)	(274)	40%	(332)	(542)	39%	(1,073)
Other revenue	(29)	(63)	(17)	(31)	62	-	(92)	(142)	35%	(190)
<b>Total revenue, net</b>	245	(423)	319	(2)	2,023	-88%	(178)	2,224	-	2,541
<b>Contract benefits and expenses</b>										
General expenses	125	301	209	162	150	-17%	426	293	45%	664
Investment expenses, net	(61)	(57)	(59)	(60)	(53)	-15%	(118)	(89)	-33%	(208)
Net benefit and claims	-	-	-	(107)	-	-	-	-	-	(107)
Other	92	133	98	129	83	11%	225	209	8%	436
<b>Total contract benefits and expenses</b>	156	377	248	124	180	-13%	533	413	29%	785
<b>Income (loss) before income taxes</b>	89	(800)	71	(126)	1,843	-95%	(711)	1,811	-	1,756
Income tax (expense) recovery	(37)	192	(28)	9	(349)	89%	155	(343)	-	(362)
<b>Net income (loss)</b>	52	(608)	43	(117)	1,494	-97%	(556)	1,468	-	1,394
Less net income (loss) attributed to non-controlling interest	-	-	-	-	-	-	-	-	-	-
<b>Net income (loss) attributed to shareholders - Corporate and Investments</b>	52	(608)	43	(117)	1,494	-97%	(556)	1,468	-	1,394
Net income attributed to shareholders' for Reinsurance business	29	45	60	44	56	-48%	74	47	57%	151
<b>Net income (loss) attributed to shareholders</b>	81	(563)	103	(73)	1,550	-95%	(482)	1,515	-	1,545

**Earnings Analysis**

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
<b>Core earnings</b>										
Corporate and other excluding core investment gains	(96)	(118)	(196)	(191)	(110)	13%	(214)	(476)	55%	(863)
Core investment gains	100	100	-	-	-	-	200	-	-	-
<b>Total core earnings (loss)</b>	4	(18)	(196)	(191)	(110)	-	(14)	(476)	97%	(863)
<b>Items excluded from core loss</b>										
Investment-related experience outside of core earnings	(95)	(90)	16	(27)	(8)	nm	(185)	(22)	-741%	(33)
Direct impact of equity markets and interest rates	172	(340)	283	78	1,668	-90%	(168)	1,941	-	2,302
Change in actuarial methods and assumptions (excl. URR changes)	-	-	-	67	-	-	-	-	-	67
Restructuring charge	-	(115)	-	-	-	-	(115)	-	-	-
Tax-related items and other	-	-	-	-	-	-	-	72	-100%	72
<b>Net income (loss) attributed to shareholders</b>	81	(563)	103	(73)	1,550	-95%	(482)	1,515	-	1,545

**Premiums and Deposits**

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
Premiums - Reinsurance business	30	32	40	35	34	-12%	62	65	-5%	140
<b>Total premiums and deposits</b>	30	32	40	35	34	-12%	62	65	-5%	140

**Assets Under Management**

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2021 Q2 vs. 2020 Q2	YTD 2021	YTD 2020	YTD 2021 vs. YTD 2020	Fiscal 2020
General fund - Corporate and Investments (before derivative reclassification)	15,356	16,321	18,616	20,345	18,672	-18%	15,356	18,672	-18%	18,616
Derivative reclassification <sup>1</sup>	(6,907)	(3,685)	(12,861)	(15,833)	(17,107)	60%	(6,907)	(17,107)	60%	(12,861)
General fund - Corporate and Investments (after derivative reclassification)	8,449	12,636	5,755	4,512	1,565	440%	8,449	1,565	440%	5,755
General fund - Reinsurance	736	720	867	938	931	-21%	736	931	-21%	867
Segregated funds - elimination of amounts held by the Company	(44)	(43)	(42)	(56)	(56)	21%	(44)	(56)	21%	(42)
<b>Total assets under management</b>	9,141	13,313	6,580	5,394	2,440	275%	9,141	2,440	275%	6,580

<sup>1</sup> Includes consolidation entries relating to net derivative assets reclassified from invested assets to other lines on the balance sheet.

# **Asset Information**

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**INVESTED ASSETS - PORTFOLIO COMPOSITION**

(Canadian \$ in millions, unaudited)



	As at Q2 2021	%	As at Q1 2021	%	As at Q4 2020	%	As at Q3 2020	%	As at Q2 2020	%
<b>Carrying value</b>										
<b>Cash and short-term securities</b>	<b>19,721</b>	<b>4.9</b>	<b>22,443</b>	<b>5.6</b>	<b>26,167</b>	<b>6.4</b>	<b>26,970</b>	<b>6.5</b>	<b>26,683</b>	<b>6.3</b>
Debt securities										
Government										
Canadian government & agency	22,611	5.6	23,379	5.9	25,215	6.1	25,029	6.0	24,316	5.9
US government & agency	29,086	7.2	27,743	7.0	31,236	7.6	32,735	7.9	33,521	8.1
Foreign governments & agency	22,291	5.5	22,415	5.6	24,345	5.9	25,750	6.2	25,430	6.1
Corporate	136,380	33.7	130,284	32.7	134,863	32.8	136,039	32.8	137,621	33.3
Securitized										
CMBS	1,141	0.2	1,212	0.3	1,265	0.3	1,429	0.4	1,468	0.4
RMBS	10	0.0	10	0.0	10	0.0	14	0.0	14	0.0
ABS	1,779	0.4	1,698	0.5	1,790	0.5	1,948	0.5	2,035	0.5
<b>Total debt securities</b>	<b>213,298</b>	<b>52.6</b>	<b>206,741</b>	<b>52.0</b>	<b>218,724</b>	<b>53.2</b>	<b>222,944</b>	<b>53.8</b>	<b>224,405</b>	<b>54.3</b>
<b>Private placement debt</b>	<b>40,988</b>	<b>10.1</b>	<b>41,351</b>	<b>10.4</b>	<b>40,756</b>	<b>9.9</b>	<b>40,785</b>	<b>9.8</b>	<b>40,458</b>	<b>9.8</b>
Mortgages										
Commercial										
Retail	8,524	2.1	8,477	2.1	8,621	2.1	8,910	2.2	9,050	2.2
Office	8,693	2.1	8,626	2.2	8,669	2.1	8,921	2.2	9,213	2.2
Multi family residential	6,225	1.5	5,981	1.5	5,799	1.4	5,762	1.4	5,913	1.5
Industrial	3,164	0.8	3,015	0.7	2,960	0.7	2,765	0.6	2,712	0.7
Other commercial	3,142	0.8	3,464	0.9	3,464	0.8	3,370	0.8	3,469	0.8
Other mortgages										
Manulife Bank single family residential	20,273	5.0	20,272	5.1	20,384	5.0	20,480	4.9	20,313	4.9
Agriculture	288	0.1	299	0.1	310	0.1	333	0.1	464	0.1
<b>Total mortgages<sup>1</sup></b>	<b>50,309</b>	<b>12.4</b>	<b>50,134</b>	<b>12.6</b>	<b>50,207</b>	<b>12.2</b>	<b>50,541</b>	<b>12.2</b>	<b>51,134</b>	<b>12.4</b>
<b>Policy loans</b>	<b>6,233</b>	<b>1.6</b>	<b>6,290</b>	<b>1.6</b>	<b>6,398</b>	<b>1.5</b>	<b>6,844</b>	<b>1.7</b>	<b>7,019</b>	<b>1.7</b>
<b>Loans to bank clients</b>	<b>2,218</b>	<b>0.6</b>	<b>2,105</b>	<b>0.5</b>	<b>1,976</b>	<b>0.5</b>	<b>1,941</b>	<b>0.5</b>	<b>1,914</b>	<b>0.5</b>
<b>Public equities<sup>4</sup></b>										
Participating Policyholders	13,431	3.3	12,576	3.2	12,325	3.0	11,189	2.7	10,507	2.5
Non-Participating Products & Pass-Through Products	9,422	2.3	8,838	2.2	8,184	2.0	7,391	1.7	7,000	1.7
Corporate and Other Segment	4,450	1.1	4,095	1.0	3,213	0.8	3,125	0.8	3,169	0.8
<b>Total public equities</b>	<b>27,303</b>	<b>6.7</b>	<b>25,509</b>	<b>6.4</b>	<b>23,722</b>	<b>5.8</b>	<b>21,705</b>	<b>5.2</b>	<b>20,676</b>	<b>5.0</b>
<b>Real estate &amp; other invested assets</b>										
Alternative long-duration assets										
Office	6,362	1.6	6,582	1.6	6,745	1.6	7,019	1.7	7,039	1.7
Industrial	1,864	0.5	1,654	0.4	1,606	0.4	1,621	0.4	1,239	0.3
Company use	1,788	0.4	1,816	0.5	1,850	0.5	1,955	0.5	2,029	0.5
Other	2,647	0.6	2,645	0.7	2,631	0.6	2,710	0.6	2,893	0.7
<b>Total real estate<sup>3</sup></b>	<b>12,661</b>	<b>3.1</b>	<b>12,697</b>	<b>3.2</b>	<b>12,832</b>	<b>3.1</b>	<b>13,305</b>	<b>3.2</b>	<b>13,200</b>	<b>3.2</b>
Infrastructure	9,622	2.4	9,538	2.4	9,127	2.2	8,689	2.1	8,469	2.0
Private equity	9,797	2.4	8,544	2.2	7,954	1.9	7,313	1.8	6,832	1.7
Timberland	3,411	0.9	3,313	0.8	3,368	0.8	3,252	0.8	3,315	0.8
Oil & gas	1,779	0.4	1,685	0.4	2,296	0.6	2,220	0.5	2,206	0.5
Farmland	1,579	0.4	1,459	0.4	1,451	0.4	1,545	0.4	1,548	0.4
Real Estate Interests	2,294	0.6	2,097	0.5	1,940	0.5	1,964	0.5	1,801	0.4
Other	32	0.0	32	0.0	36	0.0	37	0.0	38	0.0
<b>Total alternative long-duration assets</b>	<b>41,175</b>	<b>10.2</b>	<b>39,365</b>	<b>9.9</b>	<b>39,004</b>	<b>9.5</b>	<b>38,325</b>	<b>9.3</b>	<b>37,409</b>	<b>9.0</b>
Leveraged leases	3,330	0.8	3,358	0.8	3,371	0.8	3,517	0.8	3,578	0.9
Other	634	0.1	652	0.2	652	0.2	662	0.2	588	0.1
<b>Total real estate &amp; other invested assets</b>	<b>45,139</b>	<b>11.1</b>	<b>43,375</b>	<b>10.9</b>	<b>43,027</b>	<b>10.5</b>	<b>42,504</b>	<b>10.3</b>	<b>41,575</b>	<b>10.0</b>
<b>Total invested assets</b>	<b>405,209</b>	<b>100.0</b>	<b>397,948</b>	<b>100.0</b>	<b>410,977</b>	<b>100.0</b>	<b>414,234</b>	<b>100.0</b>	<b>413,864</b>	<b>100.0</b>

<sup>1</sup> Includes government insured mortgages (\$7,471 or 15% as at June 30, 2021).

**Fair value<sup>2</sup>**

Real estate	13,806	13,844	13,999	14,637	14,525
Total alternative long-duration assets	43,125	41,336	41,028	40,565	39,672
Total real estate & other invested assets	47,089	45,346	45,051	44,744	43,838

<sup>2</sup> 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.

<sup>3</sup> Directly Owned Real Estate.

<sup>4</sup> Includes public equities that are managed in conjunction with our alternative long duration asset strategy of \$7 as of June 30, 2021 (March 31, 2021 \$92).



**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 <sup>1</sup>	NAIC designation	As at Q2 2021		As at Q1 2021		As at Q4 2020		As at Q3 2020		As at Q2 2020	
				%		%		%		%		%
Debt Securities	AAA	1	37,132	16%	37,076	17%	40,706	18%	42,500	19%	42,391	19%
	AA	1	36,541	17%	34,882	17%	37,152	17%	38,676	17%	38,845	17%
	A	1	86,500	41%	83,886	41%	89,396	41%	90,409	41%	92,416	41%
	BBB	2	48,757	23%	46,652	22%	47,176	21%	47,345	21%	46,751	21%
	BB	3	3,118	1%	2,974	1%	2,971	1%	3,034	1%	3,207	1%
	B & lower, and unrated	4 & below	1,250	2%	1,271	2%	1,323	2%	980	1%	795	1%
	<b>Total</b>		<b>213,298</b>	<b>100%</b>	<b>206,741</b>	<b>100%</b>	<b>218,724</b>	<b>100%</b>	<b>222,944</b>	<b>100%</b>	<b>224,405</b>	<b>100%</b>
Private Placements	AAA	1	1,013	2%	1,044	3%	1,061	3%	1,122	3%	1,114	3%
	AA	1	4,571	11%	4,713	11%	4,829	12%	4,868	12%	4,943	12%
	A	1	15,734	38%	15,828	38%	15,585	38%	15,818	39%	15,848	39%
	BBB	2	16,130	39%	16,138	39%	15,825	39%	15,240	37%	15,001	37%
	BB	3	1,248	3%	1,274	3%	1,206	3%	1,246	3%	1,022	3%
	B & lower, and unrated	4 & below	2,292	7%	2,354	6%	2,250	5%	2,491	6%	2,530	6%
	<b>Total</b>		<b>40,988</b>	<b>100%</b>	<b>41,351</b>	<b>100%</b>	<b>40,756</b>	<b>100%</b>	<b>40,785</b>	<b>100%</b>	<b>40,458</b>	<b>100%</b>
Total	AAA	1	38,145	15%	38,120	15%	41,767	16%	43,622	17%	43,505	16%
	AA	1	41,112	16%	39,595	16%	41,981	16%	43,544	16%	43,788	17%
	A	1	102,234	40%	99,714	41%	104,981	41%	106,227	40%	108,264	41%
	BBB	2	64,887	26%	62,790	25%	63,001	24%	62,585	24%	61,752	23%
	BB	3	4,366	2%	4,248	2%	4,177	2%	4,280	2%	4,229	2%
	B & lower, and unrated	4 & below	3,542	1%	3,625	1%	3,573	1%	3,471	1%	3,325	1%
	<b>Total</b>		<b>254,286</b>	<b>100%</b>	<b>248,092</b>	<b>100%</b>	<b>259,480</b>	<b>100%</b>	<b>263,729</b>	<b>100%</b>	<b>264,863</b>	<b>100%</b>

<sup>1</sup> 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 June 30, 2021, the Company had \$212 (March 31, 2021 : \$222) notional outstanding of CDS protection sold.

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

	Country	As at Q2 2021		As at Q1 2021		As at Q4 2020		As at Q3 2020		As at Q2 2020	
			%		%		%		%		%
Debt Securities	U.S.	99,351	47%	93,652	45%	99,921	45%	102,371	46%	104,747	47%
	Canada	49,443	23%	49,229	24%	51,811	24%	51,532	23%	51,269	23%
	Europe	8,845	4%	8,343	4%	8,282	4%	8,010	4%	7,890	3%
	Asia & Other	55,659	26%	55,517	27%	58,710	27%	61,031	27%	60,499	27%
	<b>Total</b>	<b>213,298</b>	<b>100%</b>	<b>206,741</b>	<b>100%</b>	<b>218,724</b>	<b>100%</b>	<b>222,944</b>	<b>100%</b>	<b>224,405</b>	<b>100%</b>
Private Placements	U.S.	22,486	55%	22,724	55%	22,722	56%	23,230	57%	23,203	58%
	Canada	11,431	28%	11,474	28%	11,445	28%	11,430	28%	11,348	28%
	Europe	2,469	6%	2,517	6%	2,617	6%	2,498	6%	2,514	6%
	Asia & Other	4,602	11%	4,636	11%	3,972	10%	3,627	9%	3,393	8%
	<b>Total</b>	<b>40,988</b>	<b>100%</b>	<b>41,351</b>	<b>100%</b>	<b>40,756</b>	<b>100%</b>	<b>40,785</b>	<b>100%</b>	<b>40,458</b>	<b>100%</b>
Total	U.S.	121,837	48%	116,376	47%	122,643	47%	125,601	48%	127,950	48%
	Canada	60,874	24%	60,703	25%	63,256	25%	62,962	24%	62,617	24%
	Europe	11,314	4%	10,860	4%	10,899	4%	10,508	4%	10,404	4%
	Asia & Other	60,261	24%	60,153	24%	62,682	24%	64,658	24%	63,892	24%
	<b>Total</b>	<b>254,286</b>	<b>100%</b>	<b>248,092</b>	<b>100%</b>	<b>259,480</b>	<b>100%</b>	<b>263,729</b>	<b>100%</b>	<b>264,863</b>	<b>100%</b>

**INVESTED ASSETS - FIXED INCOME SECURITIES BY SECTOR AND UNREALIZED LOSSES**

(Canadian \$ in millions, unaudited)


**Portfolio by Sector / Industry Holdings (at carrying value)**

	As at Q2 2021			As at Q1 2021			As at Q4 2020			As at Q3 2020			As at Q2 2020		
	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %
<b>Government &amp; agency</b>	78,360	31%	98%	77,989	31%	98%	85,357	33%	98%	88,144	33%	98%	87,914	33%	98%
<b>Utilities</b>	46,922	18%	99%	45,974	19%	99%	47,902	18%	99%	48,503	18%	99%	48,346	18%	99%
<b>Financial</b>	36,795	15%	94%	35,964	15%	94%	35,656	14%	95%	35,706	14%	96%	36,187	14%	96%
<b>Energy</b>	20,189	8%	92%	19,876	8%	92%	20,963	8%	93%	20,765	8%	93%	21,508	8%	94%
<b>Consumer (non-cyclical)</b>	22,415	9%	97%	21,048	9%	97%	21,483	8%	97%	21,593	8%	97%	21,609	8%	96%
<b>Industrial</b>	23,316	9%	97%	21,892	9%	97%	22,070	9%	97%	21,904	8%	96%	21,811	8%	97%
<b>Basic materials</b>	5,294	2%	94%	5,138	2%	93%	5,357	2%	93%	5,544	2%	93%	5,598	2%	93%
<b>Consumer (cyclical)</b>	8,291	3%	94%	8,115	3%	93%	8,200	3%	93%	8,402	3%	92%	8,654	3%	92%
<b>Securitized MBS/ABS</b>	3,281	1%	99%	3,287	1%	99%	3,442	1%	98%	3,802	2%	98%	3,957	2%	98%
<b>Telecommunications</b>	4,498	2%	99%	4,438	2%	98%	4,538	2%	98%	4,564	2%	98%	4,548	2%	99%
<b>Technology</b>	3,182	1%	99%	2,768	1%	99%	2,792	1%	99%	3,023	1%	99%	3,001	1%	97%
<b>Media &amp; internet</b>	1,349	1%	97%	1,195	0%	97%	1,278	1%	97%	1,316	1%	97%	1,251	1%	96%
<b>Diversified &amp; miscellaneous</b>	394	0%	98%	408	0%	98%	442	0%	98%	463	0%	98%	479	0%	98%
<b>Total</b>	<b>254,286</b>	<b>100%</b>	<b>97%</b>	<b>248,092</b>	<b>100%</b>	<b>97%</b>	<b>259,480</b>	<b>100%</b>	<b>97%</b>	<b>263,729</b>	<b>100%</b>	<b>97%</b>	<b>264,863</b>	<b>100%</b>	<b>97%</b>

**Unrealized (losses)**

	As at Q2 2021				As at Q1 2021				As at Q4 2020				As at Q3 2020				As at Q2 2020				
	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	
<b>Debt securities</b>																					
<i>Government</i>	69,769	(1,503)	2%	(1)	71,614	(2,597)	4%	(1)	72,285	(419)	1%	(1)	73,903	(224)	0%	(0)	72,925	(124)	0%	(0)	
<i>Corporate</i>																					
Financials	30,901	(78)	0%	(1)	30,387	(178)	1%	(11)	29,458	(40)	0%	(13)	30,106	(56)	0%	(15)	30,822	(56)	0%	(15)	
Non-financials	93,584	(270)	0%	(2)	91,202	(678)	1%	(2)	89,355	(108)	0%	(2)	91,348	(376)	0%	(30)	92,507	(444)	0%	(0)	
<i>Securitized</i>																					
CMBS	1,111	-	0%	-	1,179	-	0%	-	1,223	-	0%	-	1,386	-	0%	-	1,428	-	0%	-	
RMBS	8	-	0%	-	8	-	0%	-	9	-	0%	-	13	-	0%	-	13	-	0%	-	
ABS	1,672	-	0%	-	1,617	(1)	0%	-	1,681	(10)	1%	-	1,879	(40)	2%	-	1,997	(55)	3%	-	
<b>Private placement debt</b>	40,988	(127)	0%	(2)	41,351	(247)	1%	-	40,756	(42)	0%	-	40,785	(94)	0%	(8)	40,458	(140)	0%	(36)	
<b>Fixed income securities<sup>1</sup></b>	<b>238,033</b>	<b>(1,978)</b>	<b>1%</b>	<b>(6)</b>	<b>237,358</b>	<b>(3,701)</b>	<b>2%</b>	<b>(14)</b>	<b>234,767</b>	<b>(619)</b>	<b>0%</b>	<b>(16)</b>	<b>239,420</b>	<b>(790)</b>	<b>0%</b>	<b>(53)</b>	<b>240,150</b>	<b>(819)</b>	<b>0%</b>	<b>(52)</b>	

<sup>1</sup> 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.



**Manulife**

# **Actuarial Liabilities Information**



**VARIABLE ANNUITY AND SEGREGATED FUND GUARANTEES**

(Canadian \$millions, unaudited)



	Guarantee Value			Net Amount at Risk <sup>2</sup>			Policy Liabilities Held <sup>3,5</sup>	SFG Capital <sup>6</sup>	Policy Liabilities Held plus Capital
	Gross Amount <sup>4</sup>	Amount Reinsured	Net of Reinsurance <sup>1</sup>	Gross Amount <sup>4</sup>	Amount Reinsured	Net of Reinsurance <sup>1</sup>			
<b>Q2 2021</b>	73,733	4,402	69,331	3,928	1,025	2,903	4,505	5,306	9,811
<b>Q1 2021</b>	75,027	4,493	70,534	4,675	1,110	3,565	4,271	5,372	9,643
<b>Q4 2020</b>	76,240	4,602	71,638	4,910	1,177	3,733	6,893	5,635	12,528
<b>Q3 2020</b>	83,999	4,595	79,404	9,747	1,225	8,522	9,031	5,504	14,535
<b>Q2 2020</b>	85,774	4,738	81,036	11,102	1,351	9,751	10,989	5,388	16,377

As at Q2 2021	Net of Reinsurance <sup>1</sup>		
	Total Guarantee Value <sup>4</sup>	Total Fund Value <sup>4</sup>	Net Amount at Risk <sup>2,4</sup>
<b>U.S.</b>			
Withdrawal Benefits	25,120	28,622	1,356
Income Benefits	464	403	85
Death Benefits	6,577	6,957	299
	<u>32,161</u>	<u>35,982</u>	<u>1,740</u>
<b>Canada</b>			
Withdrawal Benefits	11,198	10,237	961
Maturity Benefits	16,898	16,894	4
Death Benefits	2,367	12,230	10
	<u>30,463</u>	<u>39,361</u>	<u>975</u>
<b>Japan</b>			
Withdrawal Benefits	2,779	2,803	66
Maturity Benefits	269	350	2
Death Benefits	733	767	7
	<u>3,781</u>	<u>3,920</u>	<u>75</u>
<b>Reinsurance &amp; Other</b>	2,926	3,585	113

<sup>1</sup> 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.

<sup>2</sup> 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. Guaranteed Value and Net Amount at Risk in respect of guaranteed minimum withdrawal business in Canada and the US have been updated in 2021 to reflect the time value of money of these claims. Only values at December 31, 2020 have been restated to reflect this revised methodology.

<sup>3</sup> 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.

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> 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. SFG capital excludes the impact of SFG equity hedge positions that are separately reflected in the calculation of the total company LICAT equity risk charge and provide some offset to the equity risk charge on equities held in the general account (see the Regulatory Capital information on page 33). At Q2 2021, the offset resulted in a reduction of \$2.7 billion in the total company LICAT equity risk charge (assuming the same scalar and capital ratio gross-up applied to SFG capital).

The net amount at risk is the excess of guarantee values over fund values on all policies where the guarantee value exceeds the fund value. For guaranteed minimum death benefit, the amount at risk is defined as the current guaranteed minimum death benefit in excess of the current account balance and assumes that all claims are immediately payable. In practice however, guaranteed death benefits are contingent and only payable upon the eventual death of policyholders if fund values remain below guarantee values. For guaranteed minimum withdrawal benefit, the amount at risk assumes that the benefit is paid as a lifetime annuity commencing at the earliest contractual income start age. These benefits are also contingent and only payable at scheduled maturity/income start dates in the future, if the policyholders are still living and have not terminated their policies and fund values remain below guarantee values. For all guarantees, the amount at risk is floored at zero at the single contract level.

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)



	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2
<b>The Manufacturers Life Insurance Company's LICAT</b>					

**Available Capital Components:**

Tier 1 capital					
Common shares	40,430	40,430	38,430	36,447	36,447
Retained earnings	17,163	14,476	13,647	14,821	13,061
Other Tier 1 capital	9,699	9,072	12,608	14,767	15,512
<b>Gross Tier 1 capital</b>	<b>67,292</b>	<b>63,978</b>	<b>64,685</b>	<b>66,035</b>	<b>65,020</b>
Deductions:					
Goodwill and Intangibles	(8,842)	(8,914)	(9,033)	(9,260)	(9,342)
Other	(16,086)	(13,849)	(12,344)	(12,470)	(12,705)
<b>Tier 1 capital (A)</b>	<b>42,364</b>	<b>41,215</b>	<b>43,308</b>	<b>44,305</b>	<b>42,973</b>
Tier 2 Capital					
Gross Tier 2 capital	9,565	9,685	9,769	10,339	10,410
Deductions	-	-	-	-	-
<b>Tier 2 capital (B)</b>	<b>9,565</b>	<b>9,685</b>	<b>9,769</b>	<b>10,339</b>	<b>10,410</b>
<b>Total Available Capital (C) = (A+B)</b>	<b>51,929</b>	<b>50,900</b>	<b>53,077</b>	<b>54,644</b>	<b>53,383</b>
<b>Surplus Allowance and Eligible Deposits (D)</b>	<b>34,062</b>	<b>33,687</b>	<b>35,604</b>	<b>35,152</b>	<b>33,013</b>

**Base Solvency Buffer Components**

Non-Participating Business					
Credit risk	10,635	10,494	10,649	10,798	10,752
Market risk <sup>1</sup>	21,082	20,495	18,581	17,321	16,130
Insurance risk	26,898	27,127	27,383	26,844	26,735
Less: Credits for Adjustable Products	(5,713)	(5,857)	(6,296)	(6,412)	(6,745)
Participating Business					
Capital Requirements for Credit, Market and Insurance Risks for Participating Products, net of Par Credits	6,681	6,440	6,216	5,997	5,948
Less: Diversification and Other Credits	(9,390)	(9,303)	(9,252)	(8,748)	(8,765)
<b>Capital Requirements for Non-Participating and Participating Business, net of Credits</b>	<b>50,193</b>	<b>49,396</b>	<b>47,281</b>	<b>45,800</b>	<b>44,055</b>
Segregated fund risk	4,211	4,263	4,473	4,368	4,276
Operational and other risks	5,280	5,192	5,028	4,949	4,863
<b>Subtotal of Base Solvency Buffer Components (E)</b>	<b>59,684</b>	<b>58,851</b>	<b>56,782</b>	<b>55,117</b>	<b>53,194</b>
<b>Base Solvency Buffer (F) = E x 105%</b>	<b>62,668</b>	<b>61,793</b>	<b>59,620</b>	<b>57,873</b>	<b>55,854</b>

<b>Total LICAT Ratio = (C+D)/F</b>	<b>137%</b>	<b>137%</b>	<b>149%</b>	<b>155%</b>	<b>155%</b>
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<b>Excess Total Capital over Supervisory Target Ratio of 100% = (C+D) - 100% x F</b>	<b>23,323</b>	<b>22,794</b>	<b>29,061</b>	<b>31,923</b>	<b>30,542</b>
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<sup>1</sup> Market risk capital is net of the impact of SFG equity hedge positions that provide some offset to the equity risk charge on equities held in the general account.

**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'.

**MANULIFE FINANCIAL CORPORATION HEAD OFFICE**

200 Bloor Street East  
 Toronto, Ontario  
 Canada M4W 1E5  
 Web Site: [www.manulife.com](http://www.manulife.com)

**TRANSFER AGENT**

Canada  
 CIBC Mellon Trust Company  
 1-800-783-9495  
[www.cibcmellon.com/investor](http://www.cibcmellon.com/investor)

United States  
 Mellon Investor Services  
 1-800-249-7702  
[www.melloninvestor.com](http://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**

Adrienne O'Neill, Investor Relations  
 (416) 926-6997  
 E-mail: [adrienne\\_oneill@manulife.com](mailto:adrienne_oneill@manulife.com)

**INDUSTRY RATING INFORMATION**

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

**The Manufacturers Life Insurance Company**

(as at August 4, 2021)

<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 Morningstar	AA
	AM Best Company	A+ (Superior)

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

(as at August 4, 2021)

<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 Morningstar	not rated
	AM Best Company	A+ (Superior)