

First Quarter 2015 Financial & Operating Results

May 7, 2015



Manulife Financial Corporation operates as John Hancock in the United States, and Manulife in other parts of the world.

Caution regarding forward-looking statements

From time to time, Manulife makes written and/or oral forward-looking statements, including in this presentation. In addition, our representatives may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the "safe harbour" provisions of Canadian provincial securities laws and the U.S. Private Securities Litigation Reform Act of 1995.

The forward-looking statements in this presentation include, but are not limited to, statements with respect to the anticipated effect of the regional distribution agreement with DBS Bank Ltd in Asia on Manulife's strategy, operations and financial performance, including its core earnings per share (Core EPS) and the Minimum Continuing Capital and Surplus Requirements (MCCSR) ratio of The Manufacturers Life Insurance Company.

These forward-looking statements also relate to, among other things, Manulife's objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "suspect", "outlook", "expect", "intend", "estimate", "anticipate", "believe", "plan", "forecast", "objective", "seek", "aim", "continue", "goal", "restore", "embark" and "endeavour" (or the negative thereof) and words and expressions of similar import, and include statements concerning possible or assumed future results. Although Manulife believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements and they should not be interpreted as confirming market or analysts' expectations in any way.

Certain material factors or assumptions are applied in making forward-looking statements, including estimates for Core EPS and MCCSR ratio and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: general business and economic conditions (including but not limited to the performance, volatility and correlation of equity markets, interest rates, credit and swap spreads, currency rates, investment losses and defaults, market liquidity and creditworthiness of guarantors, reinsurers and counterparties); changes in laws and regulations; changes in accounting standards; our ability to execute strategic plans and changes to strategic plans; our ability to maintain our reputation; impairments of goodwill or intangible assets or the establishment of provisions against future tax assets; the accuracy of estimates relating to morbidity, mortality and policyholder behaviour; the accuracy of other estimates used in applying accounting policies and actuarial methods; level of competition and consolidation; our ability to market and distribute products through current and future distribution channels, including our bancassurance partnership with DBS Bank Ltd; accuracy of information received from counterparties and the ability of counterparties to meet their obligations; legal and regulatory proceedings, including tax audits, tax litigation or similar proceedings; our ability to adapt products and services to the changing market; our ability to attract and retain key executives, employees and agents; the appropriate use and interpretation of complex models or deficiencies in models used; political, legal, operational and other risks associated with our non-North American operations; the failure to realize some or all of the expected benefits of the agreement, including expected sales volumes and profitability of the sales generated; the disruption of or changes to key elements of Manulife's or public infrastructure systems; and our ability to protect our intellectual property and exposure to claims of infringement.

Additional information about material risk factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found under "Risk Factors" in our most recent AIF, under "Risk Management", "Risk Management and Risk Factors" and "Critical Accounting and Actuarial Policies" in the Management's Discussion and Analysis in our most recent annual report, under "Risk Management and Risk Factors Update" and "Critical Accounting and Actuarial Policies" in the Management's Discussion and Analysis in our most recent interim report, in the "Risk Management" note to the consolidated financial statements in our most recent annual and interim reports, and elsewhere in our filings with Canadian and U.S. securities regulators.

Conference Call Participants

Donald Guloien

President & Chief Executive Officer

Steve Roder

SEVP & Chief Financial Officer

Paul Rooney

SEVP & Chief Operating Officer

Roy Gori

SEVP & General Manager, Asia

Marianne Harrison

SEVP & General Manager, Canada

Craig Bromley

SEVP & General Manager, U.S. Division

Warren Thomson

SEVP & Chief Investment Officer

Scott Hartz

EVP, General Account Investments

Kai Sotorp

EVP, Global Head of Wealth and Asset Management

Cindy Forbes

EVP & Chief Actuary

Steven Moore

SVP & Treasurer



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CEO's remarks



Donald Guloien

President & Chief Executive Officer



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Performance and strategic highlights

Asia Division

- Delivered another quarter of very strong growth in insurance sales
- Achieved wealth management sales almost double prior year levels
- Announced distribution agreement with DBS

Canadian Division

- Achieved good early progress on the integration of Standard Life plc's Canadian-based operations
- Delivered record gross and net mutual fund deposits
- Reported solid Group Retirement Solution sales
- Generated strong Group Benefits sales

U.S. Division

- Generated solid life insurance sales
- Delivered solid mutual fund sales outpacing the industry
- Reported lower Retirement Plan Services sales
- Launched an exclusive U.S. life insurance partnership with Vitality

Global Wealth and Asset Management

- Achieved \$821 billion in assets under management, our 26th consecutive quarterly record
- Secured several significant new institutional mandates
- Generated \$6.7 billion of net flows into our asset management and group retirement businesses
- Achieved strong investment performance at Manulife Asset Management

Please refer to the 1Q15 press release for more information.



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1Q15 financial highlights

Solid financial results:

- Reported net income attributed to shareholders of \$723 million
- Delivered core earnings¹ of \$797 million, up \$78 million vs. 1Q14
- Generated insurance sales¹ of \$779 million, up 39%² vs. 1Q14
- Generated strong wealth sales of \$19 billion, up 15% vs. 1Q14
- The Board of Directors approved an increase to the quarterly dividend of 10% to 17 cents per common share

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

² Sales growth (decline) figures stated on a constant currency basis, a non-GAAP measure.



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CFO's remarks



Steve Roder
SEVP & Chief Financial Officer



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1Q15 financial summary

	(C\$ millions, unless noted)	1Q14	1Q15	Change ¹
Profitability	Net Income Attributed to Shareholders	818	723	▼ 12%
	Core Earnings ²	719	797	▲ 11%
	Diluted Core Earnings per Share ²	\$0.37	\$0.39	▲ 5%
	Core Return on Equity (annualized) ²	10.4%	9.3%	▼ 110 bps
	Return on Equity (annualized)	11.9%	8.4%	▼ 350 bps
Growth	Insurance Sales / (ex. Group Benefits) ²	537	779	▲ 39% / (▲ 27%)
	Wealth Sales ^{2,3} (C\$ billions)	15.3	19.0	▲ 15%
	Assets Under Management ² (C\$ billions)	635	821	▲ 18%
Financial Strength	MCCSR ratio ⁴	255%	245%	▼ 10 pp
	Financial Leverage Ratio	30.8%	26.6%	▼ 420 bps

¹ Insurance sales, wealth sales and assets under management growth (decline) figures stated on a constant currency basis, a non-GAAP measure.

² Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

³ Beginning 1Q15, wealth sales exclude Manulife Bank lending volumes and include Manulife Asset Management Institutional deposits. Prior periods have been restated.

⁴ Minimum Continuing Capital and Surplus Requirements (MCCSR) of The Manufacturers Life Insurance Company (MLI).

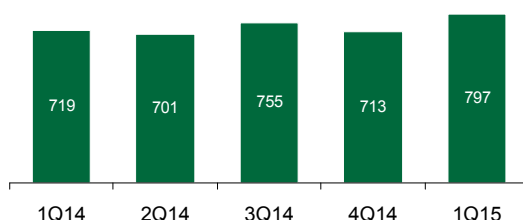


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Core earnings grew 16% excluding the impact of Standard Life and core investment gains

Core Earnings¹

(C\$ millions)

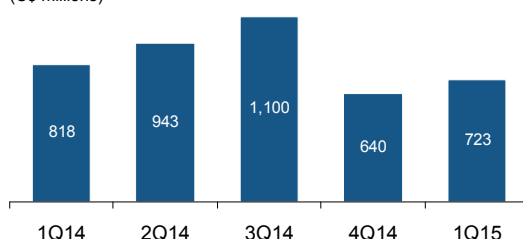


1Q15 core earnings of \$797 million, an increase of \$78 million from 1Q14 reflecting:

- + Canadian-based operations of Standard Life
- + Fee income from higher AUM
- + Improved policyholder experience
- + Impact of strong sales in Asia
- + Strengthening of U.S. dollar
- Impact of lower rates, partially offset by favourable impact of standardizing methodology
- Absence of investment-related gains

Net Income attributed to shareholders

(C\$ millions)



1Q15 net income attributed to shareholders of \$723 million, impacted by:

- Investment-related experience

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.



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Net income impacted by investment-related experience

Earnings reconciliation for the first quarter of 2015

	C\$ millions	Per Share
Core earnings^{1,2}	\$797	\$0.39
Investment-related experience outside of core earnings	(77)	(0.04)
Core earnings and investment-related experience²	\$720	\$0.35
Impact of the following items excluded from core earnings:		
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	13	0.01
Changes in actuarial methods and assumptions	(22)	(0.01)
Net impact of acquisitions and divestitures ³	(30)	(0.02)
Other items excluded from core earnings ⁴	42	0.03
Net Income attributed to shareholders²	\$723	\$0.36

Please refer to section B1 of the 1Q15 press release for more information

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

² Diluted per share amounts available to common shareholders, including the impact of preferred share dividends.

³ The 1Q15 charge of \$30 million includes closing and integration costs related to the Standard Life acquisition of \$20 million and \$9 million, respectively, and \$1 million of costs related to the New York Life transaction.

⁴ The 1Q15 gain of \$42 million is primarily due to corporate tax rate changes in Japan.



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Strong growth in Expected Profit

Source of Earnings¹

(C\$ millions)

	1Q14	1Q15
Expected Profit on In-Force	917	1,038
Impact of New Business	(79)	(75)
Experience Gains (Losses)	15	(61)
Mgmt Actions & Chgs in Assumptions	(88)	(148)
Earnings on Surplus Funds	165	103
Other	21	(18)
Income Before Taxes	951	839
Income Taxes	(133)	(116)
Net Income	818	723
Preferred Dividends	(34)	(29)
Common Shareholders' Net Income	784	694
Currency Adjusted Expected Profit on In-force	962	1,038

- **Expected Profit on In-Force** increased 8%² as the growth in fee income from higher assets under management and the benefit of standardizing methodology for attributing expected interest on assets supporting provisions for adverse deviation more than offset the impact of lower interest rates
- **Impact of New Business** in-line with prior year, as higher strain in our wealth & asset management businesses were offset by the favourable impact of insurance sales volumes and business mix in Asia
- **Experience Gains/(Losses)** reflect charges from Oil & Gas investments, real estate and private equity gains, and charges for updates to cash flow projections related to future tax impacts
- **Management Actions & Changes in Assumptions** reflect expected macro hedge costs, project costs related to acquisitions, reserve strengthening for changes in actuarial methods and assumptions, and the impact of reinsurance transactions
- **Earnings on Surplus Funds** declined as higher core earnings on surplus assets were more than offset by mark-to-market charges
- **Income Taxes** reflect the favourable impact of tax exempt investment income and the tax rate change in Japan

¹ The Source of Earnings (SOE) analysis is prepared following OSFI regulatory guidelines and draft guidelines of the Canadian Institute of Actuaries. The SOE is used to identify the primary sources of gains or losses in each reporting period. Per OSFI instructions, Expected Profit on In-Force denominated in foreign currencies is translated at the prior quarter's balance sheet exchange rates, with the difference between those rates and the average rates used in the Statement of Income being included in Experience gains (losses).
² Expected Profit on In-Force growth (decline) is on a constant currency basis.

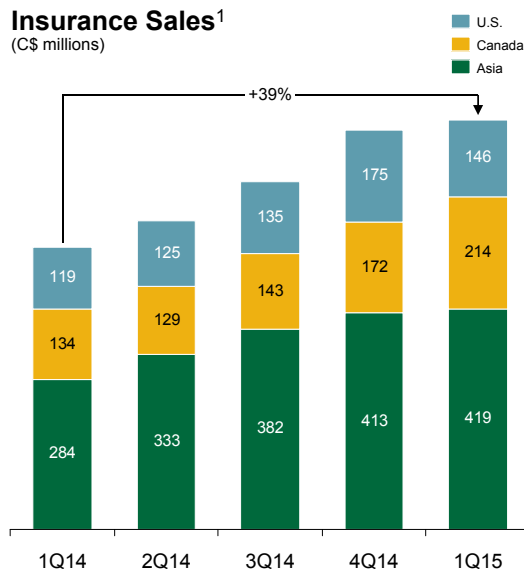


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Robust insurance sales growth driven by sales in Asia

Insurance Sales¹

(C\$ millions)



1Q15 insurance sales of \$779 million, up 39%¹ vs. 1Q14:

- + Asia sales increased 42%, driven by record volumes in Japan and mainland China, and double-digit growth in all other key markets
- + Canada sales increased due to improved competitive positioning in large case Group Benefits
- + Continued momentum in U.S. life insurance from product enhancements made last year

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below. All sales growth (decline) figures stated on a constant currency basis, a non-GAAP measure.

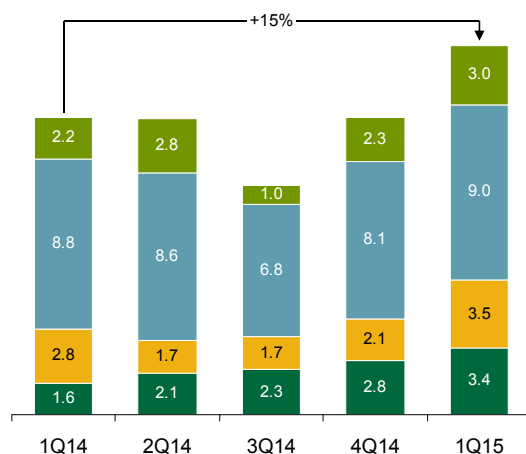


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Strong wealth sales driven by robust mutual fund sales around the world

Wealth Sales^{1,2} (C\$ billions)

Institutional Canada
U.S. Asia



1Q15 wealth sales of \$19.0 billion, up 15%¹ vs. 1Q14:

- + Record³ Asia wealth sales nearly doubled prior year, reflecting double digit growth in all key markets and record sales in mainland China
- + Strong wealth sales in Canada, driven by record mutual fund sales and contributions from Standard Life products
- ± Strong momentum in U.S. mutual fund sales offset by the soft-close of a fund in 2014 and the non-recurrence of several large institutional allocations. RPS sales declined, but with a favourable mix
- + Manulife Asset Management secured several significant institutional mandates

Net flows¹ in our asset management and group retirement businesses of \$6.7 billion in 1Q15

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below. All sales growth (decline) figures stated on a constant currency basis, a non-GAAP measure.
² Beginning in 1Q15, wealth sales exclude Manulife Bank new loan volumes and include Manulife Asset Management Institutional deposits. Prior periods have been presented on a consistent basis.
³ Record sales was on a constant currency basis, a non-GAAP measure.

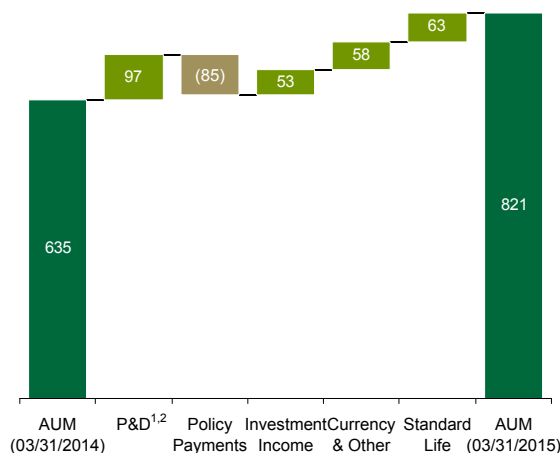
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Achieved 26th consecutive quarter of record assets under management

Assets Under Management¹ (C\$ billions)



Record assets under management (AUM) of \$821 billion³, up \$186 billion from 1Q14:

- + Canadian operations of Standard Life
- + Investment income
- + Currency
- + Net policy cash flows

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.
² Excludes Administrative Services Only premium equivalents and Group Benefits ceded premiums.
³ The Canadian operations of Standard Life contributed \$63.4 billion in AUM in 1Q15.

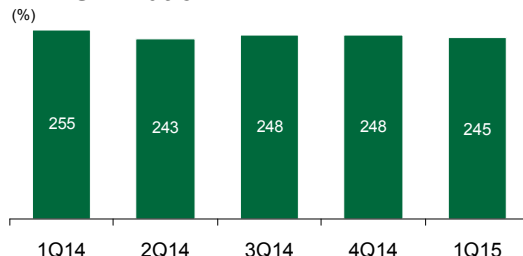
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Maintained strong capital levels in 1Q15

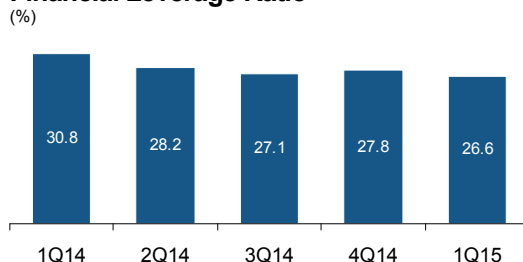
MCCSR¹ Ratio



MLI ended 1Q15 with an MCCSR ratio of 245%:

- Acquisition of the Canadian operations of Standard Life
- + Introduction of OSFI's 2015 MCCSR guidelines
- + Sub-debt issuance of \$750 million

Financial Leverage Ratio



Financial Leverage Ratio of 26.6%, down 120 bps from 4Q14, reflecting:

- + Equity issuance related to the acquisition of the Canadian operations of Standard Life
- + Higher retained earnings
- + Favourable currency impacts
- Sub-debt issuance

¹ Minimum Continuing Capital and Surplus Requirements (MCCSR) ratio of The Manufacturers Life Insurance Company (MLI).



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Manulife selected as long term exclusive bancassurance partner for DBS



Strategically compelling partnership:

- Manulife has been selected as the exclusive provider of bancassurance solutions to DBS customers in Singapore, Hong Kong, Indonesia and mainland China.
- This 15-year agreement significantly expands our existing, successful relationship with DBS
- The partnership accelerates Manulife's Asia growth strategy, deepens and diversifies our insurance business, and gives us access to a wider range of customers
- The strength and vision of our two companies are highly complementary, particularly our shared focus on providing an extraordinary experience for our customers

Deploys capital for profitable growth and attractive shareholder returns:

- Manulife intends to fund the initial payment of US\$1.2 billion¹ with internal resources
- There will be ongoing, variable payments, which are based on the success of the partnership
- Expected to be accretive to core EPS² in 2017⁴
- The initial payment for this regional distribution agreement could reduce Manulife's regulatory capital ratio³ by 10 points in January 2016⁴

¹ Initial payment of SGD 1.6 billion has been converted to USD at 0.7351 USD/SGD (Source: Bloomberg as at April 7, 2015).

² Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

³ Refers to the Minimum Continuing Capital and Surplus Requirements (MCCSR) ratio for The Manufacturers Life Insurance Company (MLI).

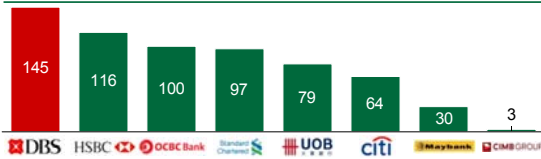
⁴ See "Caution regarding forward-looking statements" above.



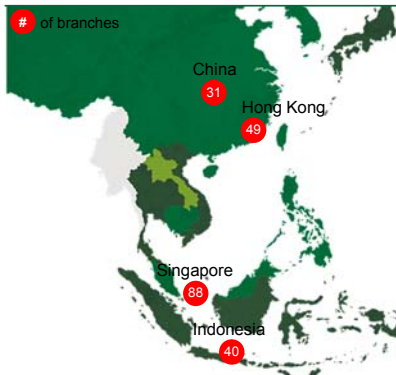
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DBS is a leading financial services group in Asia, with 6 million customers

Leading branch network in Singapore and Hong Kong¹

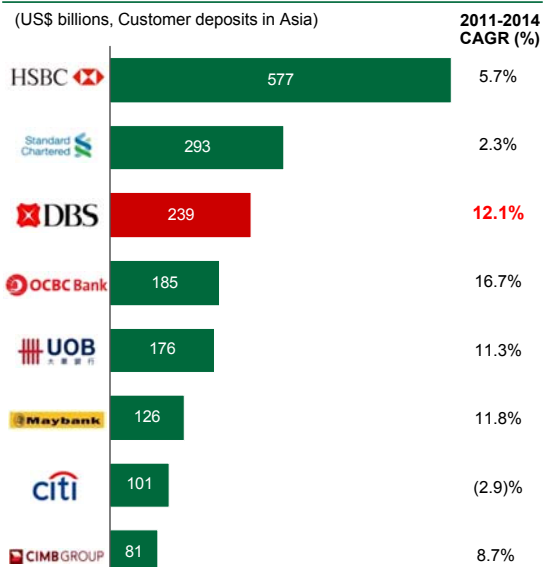


Extensive network across Asia¹



¹ Number of DBS branch data provided by DBS and includes CBG and SME branches. Number of branch data for other institutions as of latest available public information
² Source: Company filings, as of latest available or Company websites as of Apr 3, 2015

Amongst the largest banks in Asia²



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Operating performance by division



- Asia Division
- Canadian Division
- U.S. Division (John Hancock)

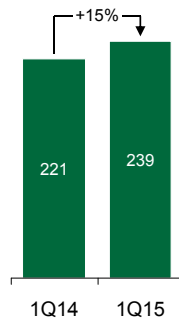
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Asia fueled by record wealth sales and very strong insurance sales in 1Q15

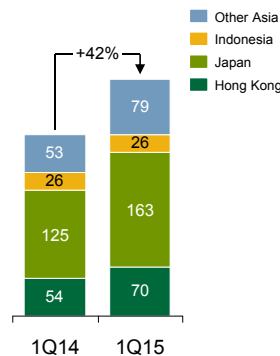
Core Earnings^{1,2} (US\$ millions)



1Q15 core earnings of US\$239 million, up 15% vs. 1Q14

- + Higher volumes and improved mix
- + More favourable policyholder experience
- + Higher fee income
- + Growth of in-force

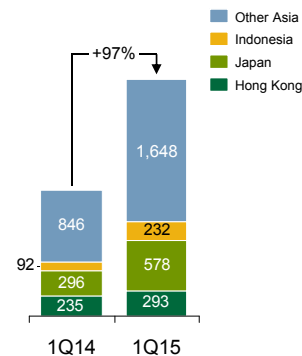
Insurance Sales^{1,2} (US\$ millions)



1Q15 insurance sales of US\$338 million, up 42% vs. 1Q14

- + Record sales in Japan and mainland China
- + Recent products launched in Hong Kong
- + Expanded agency force in Hong Kong, Philippines & Vietnam

Wealth Sales^{1,2} (US\$ millions)



Record³ 1Q15 wealth sales of US\$2.8 billion, almost double 1Q14

- + Double-digit growth in all key markets
- + Record mutual fund sales in mainland China
- + Expanded bancassurance distribution reach for single premium product in Japan

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

² All sales growth (decline) figures and core earnings growth (decline) figures stated on a constant currency basis, a non-GAAP measure.

³ Record sales are on a constant currency basis, a non-GAAP measure.

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Canada achieved strong wealth sales, driven by record mutual fund deposits and Standard Life

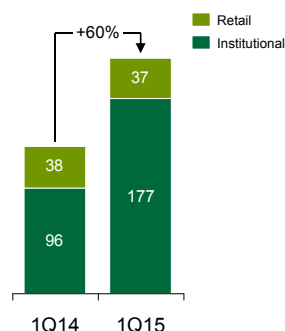
Core Earnings¹ (C\$ millions)



1Q15 core earnings of \$262 million, up 15% vs. 1Q14

- + Acquisition of Standard Life's Canadian-based operations
- + Higher fee income and business growth
- Unfavourable policyholder experience
- Impact of lower interest rates

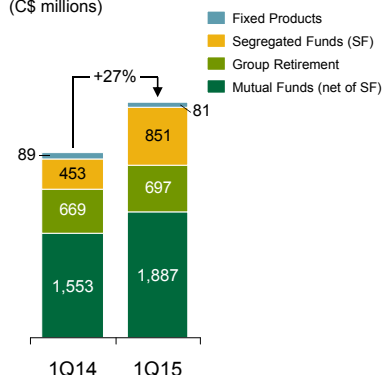
Insurance Sales¹ (C\$ millions)



1Q15 insurance sales of \$214 million, up 60% vs. 1Q14

- + Improved competitive positioning in large case group benefits market
- + Retail sales were in-line with the prior year

Wealth Sales^{1,2} (C\$ millions)



1Q15 wealth sales of \$3.5 billion, up 27% vs. 1Q14

- + Record mutual fund sales
- + Segregated fund sales benefited from the inclusion of Standard Life
- + Reported solid group retirement sales, amid normal variability in the large case market

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

² Wealth sales exclude Manulife Bank new loan volumes.

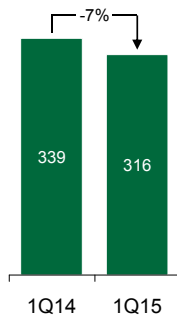
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U.S. builds momentum on the back of strong insurance sales

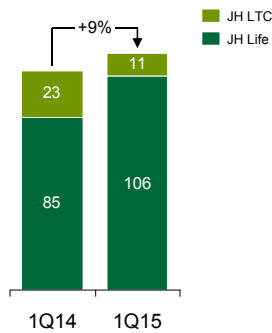
Core Earnings¹ (US\$ millions)



1Q15 **core earnings** of US\$316 million, down 7% vs. 1Q14

- Lower interest rates
- Less favourable tax related items
- + Favourable policyholder experience
- + Lower amortization of deferred acquisition costs in VA

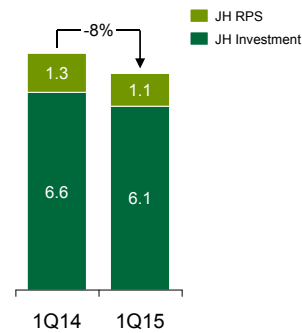
Insurance Sales¹ (US\$ millions)



1Q15 **insurance sales** of US\$117 million, up 9% vs. 1Q14

- + Solid Life insurance sales driven by momentum from product enhancements made last year
- ± Lower Long-Term Care sales as 1Q14 benefited from bi-annual inflation purchases in the Federal Program

Wealth Sales¹ (US\$ billions)



1Q15 **wealth sales** of US\$7.3 billion, down 8% vs. 1Q14

- ± Strong momentum in mutual fund sales outpaced the industry, but impacted by soft-close of fund in 2014 and non-recurrence of large institutional allocations
- RPS sales declined, but with a favourable business mix

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.



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Summary

In 1Q15, Manulife:

- Delivered strong net income
- Generated double-digit core earnings growth
- Achieved strong wealth sales and robust insurance sales growth
- Achieved record assets under management
- Announced an exclusive bancassurance partnership with DBS
- The Board of Directors approved an increase to the quarterly dividend of 10% to 17 cents per common share



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Manulife invites you to our 2015 Institutional Investor Day



Manulife is pleased to invite you to its 2015 Institutional Investor Day in Toronto.

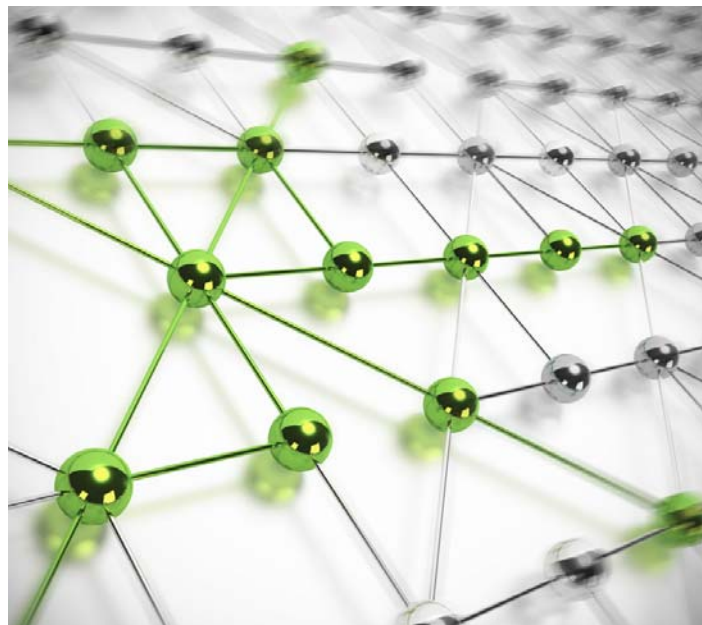
Monday, May 11, 2015
8:30 am – 12:30 pm ET

Please access the live webcast at:
www.manulife.com/presentations



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Question & Answer session



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Appendix



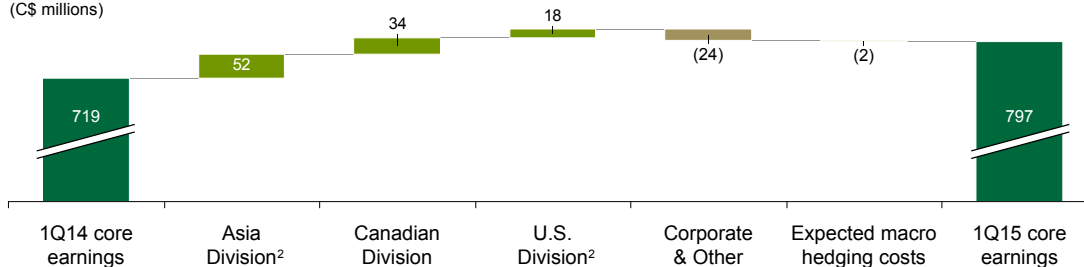
- Core Earnings Change
- Invested Asset Mix & Credit Experience
- Earnings Sensitivities & Equity Exposure by Market



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Core earnings reconciliation

Core Earnings¹ (C\$ millions)



- **Asia Division** core earnings increased reflecting the strengthening U.S. dollar, higher sales, more favourable policyholder experience, higher fee income on higher AUM and growth in in-force
- **Canadian Division** core earnings increased due to the acquisition of the Canadian operations of Standard Life, higher fee income from higher AUM and business growth, partially offset by unfavourable policyholder experience and the impact of lower interest rates
- **U.S. Division** core earnings increased reflecting the strengthening of the U.S. dollar, favourable policyholder experience, and lower DAC amortization, partially offset by lower interest rates and less favourable tax related items
- **Corporate & Other** core earnings declined due to the absence of investment-related experience gains included in core earnings, partly offset by higher AFS equity gains
- **Expected macro hedging costs** were in-line with 1Q14

¹ Non-GAAP measure. See "Note to Users – Performance and Non-GAAP Measures" below.

² Core earnings changes for Asia Division and the U.S. Division are presented on a Canadian dollar basis.



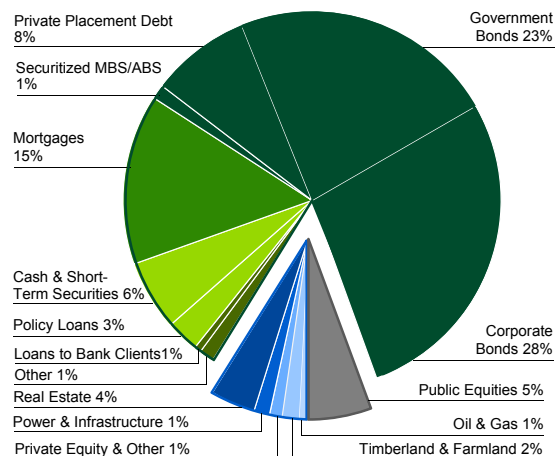
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Diversified high quality asset mix avoids risk concentrations

Total Invested Assets

(C\$309 billion, Carrying values as of March 31, 2015)

- Fixed Income & Other
- Alternative Long-Duration Assets (ALDA)
- Public Equities



Fixed Income & Other

- 86% of the total portfolio, of which 97% is Investment Grade

Alternative Long-Duration Assets

- Diversified by asset class and geography
- Historically generated enhanced yields without having to pursue riskier fixed income strategies
- Oil & Gas ALDA holdings represent less than 1% of our total invested asset portfolio

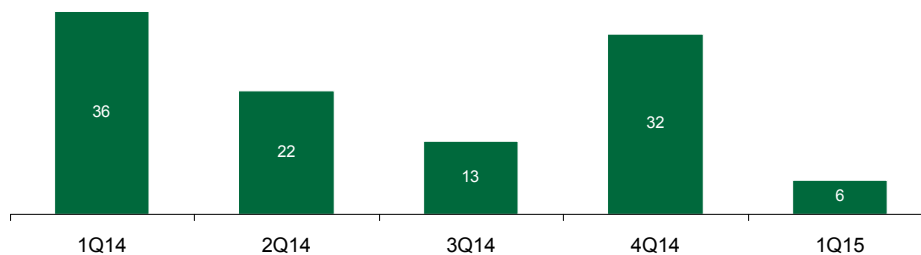
Public Equities

- Diversified by industry and geography
- Primarily backing participating or pass-through liabilities

Continued favourable credit experience reflects the strength of our underwriting

Net Credit Experience

(C\$ millions)



Impact on Earnings

(C\$ millions, post-tax)

	1Q14	2Q14	3Q14	4Q14	1Q15
Credit (impairments) / recoveries	\$6	-	\$3	\$9	\$(7)
Credit (downgrades) / upgrades	2	\$(6)	(19)	(6)	(21)
Total Credit Impacts	\$8	\$(6)	\$(16)	\$3	\$(28)
Assumed in policy liabilities	28	28	29	29	34
Net Credit Experience Gain	\$36	\$22	\$13	\$32	\$6

Interest rate related sensitivities remain well within our risk appetite limits

Potential Impact ¹ of an immediate parallel change in "all rates":		4Q14		1Q15	
(C\$ millions)		-50 bps	+50 bps	-50 bps	+50 bps
Excluding change in market value of AFS bonds held in surplus		\$(100)	\$100	\$0	\$0
From fair value changes in AFS bonds held in surplus, if realized ²		\$500	\$(400)	\$600	\$(500)

MCCSR Ratio Impact:				
- Excluding change in market value of AFS bonds held in surplus	(7) pts	5 pts	(6) pts	4 pts
- From fair value changes in AFS bonds held in surplus, if realized	3 pts	(3) pts	3 pts	(3) Pts

Potential Impact ¹ of a parallel change in corporate bond spreads:		4Q14		1Q15	
(C\$ millions)		-50 bps	+50 bps	-50 bps	+50 bps
Corporate Spreads		\$(500)	\$500	\$(500)	\$500

Potential Impact ¹ of a parallel change in swap spreads:		1Q14		1Q15	
(C\$ millions)		-20 bps	+20 bps	-20 bps	+20 bps
Swap Spreads		\$500	\$(500)	\$500	\$(500)

¹ All estimated sensitivities are approximate and based on a single parameter. No simple formula can accurately estimate ultimate future impact. Please refer to "Caution related to sensitivities" in section D3 of the first quarter 2015 press release.

² The amount of gain or loss that can be realized on AFS fixed income assets held in the surplus segment depends on the aggregate amount of unrealized gain or loss.



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Equity exposure by market

Potential impact on net income attributed to shareholders arising from a 10% decline in public equity returns^{1,2}

(C\$ millions)	4Q14	1Q15
S&P	(50)	(120)
TSX	(40)	(80)
TOPIX	(20)	(30)
EAFE (Europe, Australasia & Asia ex. Japan) ³	(110)	(130)
Net income impact assuming full hedge offset	(220)	(360)
Assumed partial hedge offset	(260)	(250)
Net income impact assuming partial hedge offset	(480)	(610)

¹ All estimated sensitivities are approximate and based on a single parameter. No simple formula can accurately estimate ultimate future impact.

² Please note the Company's disclosures which describe risk factors for hedging and reinsurance strategies.

³ EAFE ex Japan exposure is mainly to Hong Kong and Singapore markets.



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Note to users - 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. A financial measure is considered a non-GAAP measure for Canadian securities law purposes if it is presented other than in accordance with generally accepted accounting principles used for the Company's audited financial statements. Non-GAAP measures include: Core Earnings; Core return on common shareholders' equity ("Core ROE"); Diluted Core Earnings Per Share; Constant Currency Basis; Premiums and Deposits (P&D); Assets under Management; 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. Core earnings is a non-GAAP measure we use to better understand the long-term earnings capacity and valuation of the business. Core earnings 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. While this metric is relevant to how we manage our business and offers a consistent methodology, it is not insulated from macro-economic factors which can have a significant impact. Core ROE is a non-GAAP profitability measure that presents core earnings available to common shareholders as a percentage of the capital deployed to earn the core earnings. The Company calculates core ROE using average common shareholders' equity. Diluted Core earnings per share is core earnings available to common shareholders expressed per diluted weighted average common share outstanding. The Company uses financial performance measures that are prepared on a constant currency basis, which are non-GAAP measures that exclude the impact of currency fluctuations. Quarterly amounts stated on a constant currency basis in this presentation are calculated, as appropriate, using the income statement and balance sheet exchange rates effective for the first quarter of 2015. Premiums and deposits (P&D) is a non-GAAP 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, (ii) segregated fund deposits, excluding seed money, ("deposits from policyholders"), (iii) investment contract deposits, (iv) mutual fund deposits, (v) deposits into institutional advisory accounts, (vi) premium equivalents for administration services only group benefits contracts, (vii) premiums in the Canadian Group Benefits reinsurance ceded agreement, and (viii) other deposits in other managed funds. Assets under management is a non-GAAP measure of the size of the Company. It represents the total of the invested asset base that the Company and its customers invest in. Net flows is presented for Manulife's asset management and group pension businesses and includes gross flows less redemptions for mutual funds, college savings 529 plans, group pension/retirement savings products, private wealth and institutional asset management products. Net flows is a useful metric as it provides a measure of how successful the businesses are at attracting and retaining assets. Sales are measured according to product type. (i) For individual insurance, sales include 100 per cent of new annualized premiums and 10 per cent of both excess and single premiums. For individual insurance, new annualized premiums reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. Single premium is the lump sum premium from the sale of a single premium product, e.g. travel insurance. Sales are reported gross before the impact of reinsurance. (ii) For group insurance, sales include new annualized premiums and administrative services only premium equivalents on new cases, as well as the addition of new coverages and amendments to contracts, excluding rate increases. (iii) For individual wealth management contracts, all new deposits are reported as sales. This includes individual annuities, both fixed and variable; mutual funds; and college savings 529 plans. As we have discontinued sales of new VA contracts in the U.S., beginning in the first quarter of 2013, subsequent deposits into existing U.S. VA contracts are not reported as sales. (iv) For group pensions/retirement businesses, sales include both new regular and single premiums and deposits. New regular premiums and deposits reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider. Sales include the impact of the addition of a new division or of a new product to an existing client. Beginning with 1Q15, Manulife Asset Management new deposits are included in sales, while Manulife Bank new loan volumes are no longer included. For further information regarding these subjects, see our press release announcing our first quarter of 2015 results.



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Thank you



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