



Statistical Information Package

Q1 2014

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MFC

ASIA DIVISION	CANADIAN DIVISION	U.S. DIVISION	CORPORATE & OTHER
HONG KONG	INSURANCE	JH INSURANCE	CORPORATE
<i>Individual Insurance</i> <i>Group Life and Health</i> <i>Group Pensions</i> <i>Mutual Funds</i>	<i>Retail Markets</i> <i>Individual Life and Living Benefits</i> <i>Institutional Markets</i> <i>Group Benefits</i> <i>Group Life</i> <i>Group Health</i> <i>Group Disability</i> <i>Affinity Markets</i> <i>(including International Group Program)</i>	<i>John Hancock Life</i> <i>Variable Universal Life</i> <i>Universal Life</i> <i>Whole Life</i> <i>Term Life</i> <i>COLI</i> <i>John Hancock Long-Term Care (LTC)</i> <i>Retail LTC</i> <i>Group LTC</i> <i>Federal LTC</i>	<i>Corporate</i>
JAPAN	WEALTH MANAGEMENT	JH WEALTH ASSET MANAGEMENT	REINSURANCE
<i>Individual Insurance</i> <i>Variable Annuities</i> <i>Mutual Funds</i> <i>Fixed Annuities</i>	<i>Asset Management Businesses</i> <i>Mutual Funds</i> <i>Group Retirement Solutions</i> <i>Manulife Private Wealth</i> <i>Other Wealth Management Businesses</i> <i>Fixed Products</i> <i>Annuities</i> <i>GICs</i> <i>Retail Segregated Fund Products</i> <i>Manulife Bank</i>	<i>John Hancock Wealth Asset Management</i> <i>Defined Contribution</i> <i>Mutual Funds</i> <i>College Savings</i> <i>John Hancock Annuities</i> <i>Variable Annuities</i> <i>Fixed Deferred Annuities</i> <i>Payout Annuities</i> <i>Spread-based Products</i> <i>Fee-based Products</i>	<i>Property and Casualty</i> <i>JH Accident and Health (discontinued)</i>
INDONESIA			INVESTMENTS
<i>Individual Insurance</i> <i>Group Life and Health</i> <i>Group Pensions</i> <i>Mutual Funds</i>			<i>Institutional Advisory Accounts</i> <i>Privately Managed Accounts</i>
OTHER ASIA TERRITORIES*			
<i>Individual Insurance</i> <i>Group Life and Health</i> <i>Group Pensions</i> <i>Mutual Funds</i>			

* Other Asia territories includes China, Taiwan, Malaysia, Philippines, Singapore, Thailand, Vietnam, Cambodia and Regional office.

Use of this document:

Information in the document is supplementary to the Company's first quarter Press Release, MD&A and unaudited financial statements and the Company's 2013 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, funds under management, constant currency basis, new business embedded value, core earnings, total annualized premium equivalents, total weighted premium income, capital and sales. Non-GAAP financial measures are not defined terms under GAAP and, therefore, are unlikely to be comparable to similar terms used by other issuers. Therefore, they should not be considered in isolation or as a substitute for any other financial information prepared in accordance with GAAP.

Premiums and deposits is a measure of top line growth. The Company calculates premiums and deposits as the aggregate of (i) general fund premiums net of reinsurance, reported as premiums on the Statement of Income, (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.

Funds under management is a measure of the size of the Company. It represents the total of the invested asset base that the Company and its customers invest in.

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

Sales are measured according to product type.

- (i) For total 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. Sales are reported gross before the impact of reinsurance. Single premium is the lump sum premium from the sale of a single premium product, e.g. travel insurance.
- (ii) For group insurance, sales include new annualized premiums and administrative services only (ASO) premium equivalents on new cases, as well as the addition of new coverages and amendments to contracts, excluding rate increases.
- (iii) For individual wealth management contracts, all new deposits are reported as sales. This includes individual annuities, both fixed and variable; mutual funds; college savings 529 plans; and authorized bank loans and mortgages. As we have discontinued sales of new VA contracts in the U.S, beginning in Q1 2013, subsequent deposits into existing U.S VA contracts will not be considered sales.
- (iv) For group pensions/retirement savings, sales of 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. Total sales include both new regular and single premiums and deposits.

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.

New Business Embedded Value ("NBEV"): Is the change in shareholders' economic value as a result of sales in the period. NBEV is calculated as the present value of expected future earnings after the cost of capital on new business using future mortality, morbidity, policyholder behavior assumptions, and expense assumptions used in the pricing of the products sold. Investment assumptions are consistent with product pricing, updated to reflect current market conditions. Best estimate fixed income yields are updated quarterly, and long term expected yields for alternative long- duration assets are typically updated during the annual planning cycle.

Constant currency basis

Quarterly amounts stated on a constant currency basis are calculated using Q1 2014 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)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Shareholders' Net Income (loss) by Division

Asia	242	725	480	386	928	-74%	2,519
Canadian	377	373	414	103	(62)	-	828
U.S.	403	825	928	429	726	-44%	2,908
Corporate and other	(204)	(626)	(788)	(659)	(1,052)	-	(3,125)
Net income attributed to shareholders	818	1,297	1,034	259	540	51%	3,130
Preferred share dividends	(34)	(34)	(33)	(32)	(32)	6%	(131)
Common shareholders' net income	784	1,263	1,001	227	508	54%	2,999
Common shareholders' net income on a constant currency basis	784	1,320	1,047	225	517	52%	

Earnings Analysis

Core earnings							
Asia	244	227	242	226	226	8%	921
Canadian	228	233	268	225	179	27%	905
U.S.	374	366	361	343	440	-15%	1,510
Corporate and other (excl. macro hedge expected)	(135)	(138)	(135)	(105)	(128)	-	(506)
Macro hedge expected	(42)	(53)	(84)	(128)	(148)	-	(413)
Investment-related experience in core earnings	50	50	52	48	50	0%	200
Total core earnings	719	685	704	609	619	16%	2,617
Investment-related experience including fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes and credit experience (excl. investment-related experience in core earnings)	225	215	491	(97)	97	132%	706
Total core earnings plus investment-related experience in excess of amounts included in core earnings	944	900	1,195	512	716	32%	3,323
Items excluded from core earnings							
Material and exceptional tax related items	4	-	(3)	50	-	-	47
Change in actuarial methods and assumptions (excl. URR changes)	(40)	(133)	(252)	(35)	(69)	-	(489)
Restructuring charge related to organization design	-	-	-	(26)	-	-	(26)
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities that are dynamically hedged	(90)	(81)	94	(242)	(107)	-	(336)
Impact of major reinsurance transactions, in-force product changes	-	261	-	-	-	-	261
Impact of dispositions	-	350	-	-	-	-	350
Total shareholders' net income	818	1,297	1,034	259	540	51%	3,130

Selected Performance Measures

Basic earnings per common share	\$0.42	\$0.69	\$0.54	\$0.12	\$0.28	50%	\$1.63
Basic earnings per common share on a constant currency basis	\$0.42	\$0.72	\$0.57	\$0.12	\$0.28	50%	
Diluted core earnings per common share	\$0.37	\$0.35	\$0.36	\$0.31	\$0.32	16%	\$1.34
Diluted earnings per common share	\$0.42	\$0.68	\$0.54	\$0.12	\$0.28	50%	\$1.62
Return on common shareholders' equity (annualized) (%)	11.9%	20.2%	16.8%	3.9%	9.1%	31%	12.8%
Core ROE (annualized) (%)	10.4%	10.4%	11.3%	10.0%	10.6%	-2%	10.6%

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Premiums and Deposits - Insurance

Life and health insurance premiums	3,696	3,956	3,879	3,681	3,837	-4%	15,353
Segregated fund deposits	460	467	474	457	459	0%	1,857
ASO premium equivalents	764	746	723	756	710	8%	2,935
Group Benefits ceded	984	1,000	981	1,427	996	-1%	4,404
Premiums and deposits - Insurance	5,904	6,169	6,057	6,321	6,002	-2%	24,549
Premiums and deposits - Insurance on a constant currency basis	5,904	6,336	6,256	6,548	6,251	-5%	

Premiums and Deposits - Wealth Management

Annuity and pension premiums	465	592	490	495	580	-20%	2,157
Investment contract deposits	16	15	9	16	19	-16%	59
Segregated fund deposits	6,316	5,289	4,847	5,059	6,007	5%	21,202
Mutual fund deposits	10,440	8,400	8,111	10,545	8,834	18%	35,890
Institutional advisory account deposits	2,167	957	1,089	1,146	782	177%	3,974
Other fund deposits ¹	128	114	99	97	109	17%	419
Premiums and deposits - Wealth Management	19,532	15,367	14,645	17,358	16,331	20%	63,701
Premiums and deposits - Wealth Management on a constant currency basis	19,532	15,988	15,366	18,367	17,422	12%	

¹ Other funds include College Savings (529 plan) and Privately Managed Accounts.

Insurance Sales ²

Asia - US \$ ³	258	295	247	251	226	14%	1,019
Canada - C \$	134	162	186	534	243	-45%	1,125
U.S. - US \$	108	137	154	130	142	-24%	563
Insurance sales - C \$	537	617	601	926	613	-12%	2,757
Insurance sales on a constant currency basis - C \$	537	634	621	943	630	-15%	

² Insurance sales consist of recurring premiums and 10% of both excess and single premiums.

³ Prior period sales have been restated to exclude sales from the Taiwan insurance business sold December 31, 2013

Wealth Management Sales

Asia - US \$	1,469	1,567	1,265	3,030	2,457	-40%	8,319
Canada - C \$	3,401	3,104	3,058	3,085	2,886	18%	12,133
U.S. - US \$	7,938	7,140	6,670	7,364	7,000	13%	28,174
Wealth management sales - C \$	13,778	12,241	11,299	13,718	12,423	11%	49,681
Wealth management sales on a constant currency basis - C \$	13,778	12,685	11,780	14,414	13,168	5%	

New Business Embedded Value

Insurance products	189	177	164	177	164	15%	682
Wealth management products	135	139	114	130	137	-1%	520
Total new business embedded value	324	316	278	307	301	8%	1,202

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Common Share Statistics

Share Price - Toronto (in Canadian \$)							
high	22.22	21.14	18.74	17.03	15.75	41%	21.14
low	19.54	16.86	16.79	13.79	13.56	44%	13.56
close	21.32	20.96	17.04	16.83	14.96	43%	20.96
Share Price - New York (in U.S \$)							
high	20.36	19.89	18.16	16.46	15.70	30%	19.89
low	17.61	16.20	15.89	13.43	13.75	28%	13.43
close	19.31	19.73	16.56	16.02	14.72	31%	19.73
Common shares outstanding (millions)							
- end of period	1,853	1,848	1,843	1,838	1,833	1%	1,848
- weighted average	1,849	1,844	1,839	1,834	1,828	1%	1,836
- diluted weighted average	1,874	1,869	1,864	1,860	1,856	1%	1,862
Dividend per common share paid in the quarter ¹	0.13	0.13	0.13	0.13	0.13	0%	0.52
Common share dividend payout ratio	26.5%	19.1%	24.1%	105.7%	47.0%	-44%	32.0%

¹ On May 1, 2014, the Board of Directors approved a quarterly shareholders' dividend of \$0.13 per share on the common shares of the Company, payable on or after June 19, 2014 to shareholders of record at the close of business on May 13, 2014.

Valuation Data

Book value per common share	14.96	13.98	12.90	12.72	12.48	20%	13.98
Market value to book value ratio	1.43	1.50	1.32	1.32	1.20	19%	1.50
Book value excluding goodwill per common share	13.23	12.29	11.22	11.02	10.79	23%	12.29
Market value to book value excluding goodwill ratio	1.61	1.71	1.52	1.53	1.39	16%	1.71
Market capitalization (\$ billions)	39.5	38.7	31.4	30.9	27.4	44%	38.7

Funds Under Management

General fund	244,970	232,709	229,221	230,503	229,868	7%	232,709
Segregated funds excluding institutional advisory accounts	247,426	237,669	224,948	221,262	218,731	13%	237,669
Mutual funds	101,093	91,118	81,049	76,634	68,996	47%	91,118
Institutional advisory accounts	35,803	32,486	30,713	30,559	29,859	20%	32,486
Other funds ²	5,666	4,951	8,721	8,025	7,774	-27%	4,951
Total funds under management	634,958	598,933	574,652	566,983	555,228	14%	598,933
Total funds under management on a constant currency basis	634,958	617,075	605,133	587,035	588,080	8%	617,075

² Other funds includes College Savings (529 plan), Privately Managed Accounts and funds managed for institutional clients in Asia.

Capital Information

Total capital ³	36,228	33,502	31,115	30,805	30,081	20%	33,502
MCCSR - The Manufacturers Life Insurance Company ⁴	255%	248%	229%	222%	217%	18%	248%

³ Total capital includes total equity less AOCI on cash flow hedges and liabilities for preferred shares and capital instruments. Total equity includes unrealized gains and losses on AFS bonds and AFS equities, net of taxes.

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

⁴ For The Manufacturers Life Insurance Company, the capital ratio has been determined in accordance with the Minimum Continuing Capital & Surplus Requirements (MCCSR) of the Office of the Superintendent of Financial Institutions (Canada).

Foreign Exchange Information⁵

- Statements of Financial Position	(CDN to \$ 1 US)	1.105339	1.063603	1.028489	1.051193	1.015641	9%
	(CDN to 1 YEN)	0.010730	0.010110	0.010460	0.010600	0.010800	-1%
- Statements of Income	(CDN to \$ 1 US)	1.103109	1.049386	1.038568	1.023002	1.008295	9%
	(CDN to 1 YEN)	0.010733	0.010461	0.010501	0.010376	0.010943	-2%

⁵ 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 (LOSS)

(Canadian \$ in millions, unaudited)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
Revenue							
Premium income							
Gross premiums	5,949	6,348	6,130	6,314	6,100	-2%	24,892
Premiums ceded to reinsurers	(1,788)	(1,800)	(1,761)	(2,138)	(1,683)	6%	(7,382)
Net premium income	4,161	4,548	4,369	4,176	4,417	-6%	17,510
Investment income							
Investment income ¹	2,684	2,637	2,483	2,345	2,405	12%	9,870
Realized/ unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro hedge program ²	5,256	(2,788)	(2,513)	(9,355)	(2,961)	-	(17,617)
Net investment income (loss)	7,940	(151)	(30)	(7,010)	(556)	-	(7,747)
Other revenue	2,135	2,645	1,966	2,324	1,974	8%	8,909
Total revenue	14,236	7,042	6,305	(510)	5,835	144%	18,672
Contract benefits and expenses							
To contractholders and beneficiaries							
Death, disability and other claims	2,708	2,381	2,525	2,553	2,546	6%	10,005
Maturity and surrender benefits	1,445	1,234	1,089	1,203	1,157	25%	4,683
Annuity payments	862	948	850	844	862	0%	3,504
Policyholder dividends and experience rating refunds	214	261	321	285	236	-9%	1,103
Net transfers (from) to segregated funds	(79)	(182)	(181)	(176)	(85)	-7%	(624)
Change in insurance contract liabilities ²	6,827	(1,363)	(898)	(7,104)	(765)	-	(10,130)
Change in investment contract liabilities	(11)	41	52	50	19	-	162
Ceded benefits and expenses	(1,664)	(1,568)	(1,660)	(1,610)	(1,538)	8%	(6,376)
Change in reinsurance assets	131	525	383	493	125	5%	1,526
Net benefits and claims	10,433	2,277	2,481	(3,462)	2,557	308%	3,853
General expenses	1,149	1,283	1,097	1,123	1,121	2%	4,624
Investment expenses	330	332	288	283	269	23%	1,172
Commissions	1,021	1,045	983	941	951	7%	3,920
Interest expense	294	177	265	308	295	0%	1,045
Net premium taxes	72	74	73	92	72	0%	311
Total contract benefits and expenses	13,299	5,188	5,187	(715)	5,265	153%	14,925
Income before income taxes	937	1,854	1,118	205	570	64%	3,747
Income tax (expense) recovery	(133)	(497)	(172)	103	(15)	787%	(581)
Net income	804	1,357	946	308	555	45%	3,166
Less: net income (loss) attributed to non-controlling interests	12	12	20	9	7	71%	48
Less: net income (loss) attributed to participating policyholders	(26)	48	(108)	40	8	-	(12)
Net income attributed to shareholders	818	1,297	1,034	259	540	51%	3,130
Preferred share dividends	(34)	(34)	(33)	(32)	(32)	6%	(131)
Common shareholders' net income	784	1,263	1,001	227	508	54%	2,999

¹ 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 by gains reflected in the measurement of our policy liabilities (see change in insurance contract liabilities).

² The volatility in realized/unrealized gains (losses) on assets supporting insurance and investment contract liabilities relates primarily to the impact of interest rate changes on bond and fixed income derivative positions as well as interest rate swaps supporting the dynamic hedge program and gains and losses on macro equity hedges used as part of our equity risk management program. These items are mostly offset by changes in the measurement of our policy obligations. For fixed income assets supporting insurance and investment contracts, equities supporting pass through products and derivatives related to variable annuity hedging programs, the impact of realized/ unrealized gains (losses) on the assets is largely offset in the change in insurance and investment contract liabilities.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Canadian \$ in millions, unaudited)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1
ASSETS						
Invested assets						
Cash and short-term securities	14,035	13,630	14,578	13,498	12,032	17%
Securities						
Bonds	123,435	114,957	115,136	117,443	120,512	2%
Equities	13,521	13,075	12,177	11,828	11,742	15%
Loans						
Mortgages	38,337	37,558	36,547	36,244	35,452	8%
Private placements	21,788	21,015	20,095	20,890	20,416	7%
Policy loans	7,599	7,370	7,094	7,218	6,948	9%
Bank loans	1,861	1,901	1,972	2,028	2,100	-11%
Real estate	9,645	9,708	8,811	8,686	8,661	11%
Other invested assets	14,749	13,495	12,811	12,668	12,005	23%
Total invested assets	244,970	232,709	229,221	230,503	229,868	7%
Other assets						
Accrued investment income	1,924	1,813	1,814	1,834	1,837	5%
Outstanding premiums	828	734	699	888	807	3%
Derivatives	10,812	9,673	9,783	10,349	13,118	-18%
Goodwill and intangible assets	5,446	5,298	5,199	5,265	5,196	5%
Reinsurance assets	17,882	17,443	17,475	18,802	18,842	-5%
Deferred tax asset	2,763	2,763	3,428	3,639	3,413	-19%
Miscellaneous	4,524	3,324	3,422	3,558	3,655	24%
Total other assets	44,179	41,048	41,820	44,335	46,868	-6%
Segregated funds net assets	249,724	239,871	226,975	223,405	220,854	13%
Total assets	538,873	513,628	498,016	498,243	497,590	8%
LIABILITIES AND EQUITY						
Policy liabilities						
Insurance contract liabilities	205,775	193,242	192,145	197,008	199,778	3%
Investment contract liabilities	2,527	2,524	2,437	2,531	2,446	3%
Bank deposits	20,092	19,869	19,315	18,838	19,241	4%
Deferred tax liability	944	617	630	626	638	48%
Derivatives	8,150	8,929	7,869	7,512	7,141	14%
Other liabilities	10,747	10,383	12,909	12,889	12,867	-16%
	248,235	235,564	235,305	239,404	242,111	3%
Long-term debt	4,825	4,775	4,736	4,760	4,721	2%
Liabilities for preferred shares and capital instruments	4,902	4,385	4,119	4,130	4,113	19%
Segregated funds net liabilities	249,724	239,871	226,975	223,405	220,854	13%
Total liabilities	507,686	484,595	471,135	471,699	471,799	8%
Equity						
Issued share capital						
Preferred shares	2,888	2,693	2,693	2,693	2,497	16%
Common shares	20,339	20,234	20,138	20,046	19,964	2%
Contributed surplus	260	256	269	267	264	-2%
Shareholders' retained earnings	5,870	5,294	4,272	3,512	3,525	67%
Shareholders' accumulated other comprehensive income (loss)						
on defined employee benefit plans	(459)	(452)	(665)	(676)	(662)	-31%
on available-for-sale securities	478	324	224	196	410	17%
on cash flow hedges	(139)	(84)	(115)	(131)	(177)	-21%
on translation of foreign operations	1,380	258	(347)	163	(458)	-401%
Total shareholders' equity	30,617	28,523	26,469	26,070	25,363	-21%
Participating policyholders' equity	109	134	86	194	154	-29%
Non-controlling interests	461	376	326	280	274	68%
Total equity	31,187	29,033	26,881	26,544	25,791	21%
Total liabilities and equity	538,873	513,628	498,016	498,243	497,590	8%

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Canadian \$ in millions, unaudited)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	Fiscal 2013
Preferred shares						
Balance, beginning of period	2,693	2,693	2,693	2,497	2,497	2,497
Issued during the period	200	-	-	200	-	200
Issuance costs, net of tax	(5)	-	-	(4)	-	(4)
Balance, end of period	2,888	2,693	2,693	2,693	2,497	2,693
Common shares						
Balance, beginning of period	20,234	20,138	20,046	19,964	19,886	19,886
Issued on exercise of stock options and deferred share units	18	12	3	2	-	17
Issued under Dividend Reinvestment and Share Purchase Plans	87	84	89	80	78	331
Balance, end of period	20,339	20,234	20,138	20,046	19,964	20,234
Contributed surplus						
Balance, beginning of period	256	269	267	264	257	257
Acquisition of non-controlling interest	-	(13)	-	-	-	(13)
Exercise of stock options and deferred share units	(3)	(2)	(1)	-	-	(3)
Stock option expense	7	2	3	3	7	15
Balance, end of period	260	256	269	267	264	256
Shareholders' retained earnings						
Balance, beginning of period	5,294	4,272	3,512	3,525	3,256	3,256
Net income (loss) attributed to shareholders	818	1,297	1,034	259	540	3,130
Preferred share dividends	(34)	(34)	(33)	(32)	(32)	(131)
Common share dividends	(208)	(241)	(241)	(240)	(239)	(961)
Balance, end of period	5,870	5,294	4,272	3,512	3,525	5,294
Shareholders' accumulated other comprehensive income (loss)						
Balance, beginning of period	46	(903)	(448)	(887)	(1,184)	(1,184)
Other comprehensive income (loss)						
Remeasurement of pension and other post-employment plans, net of tax recovery of \$4	(7)	213	11	(14)	(9)	201
Available-for-sale ("AFS") securities unrealized gains (losses), net of tax expense of \$50	218	75	(13)	(305)	72	(171)
AFS securities realized losses (gains) & impairments (recoveries), net of tax recovery of \$23	(67)	25	41	91	(25)	132
Cash flow hedges unrealized gains (losses), net of tax recovery of \$27	(57)	29	14	44	6	93
Cash flow hedges realized (gains) losses, net of tax expense of \$1	2	2	2	2	2	8
Unrealized foreign exchange gains (losses), net of \$35 hedges and tax recovery of \$9	1,122	605	(510)	621	251	967
Share of other comprehensive income (loss) of associates, net of tax expense of \$2	3	-	-	-	-	-
Balance, end of period	1,260	46	(903)	(448)	(887)	46
Total shareholders' equity, end of period	30,617	28,523	26,469	26,070	25,363	28,523
Participating policyholders' equity						
Balance, beginning of period	134	86	194	154	146	146
Net income (loss)	(26)	48	(108)	40	8	(12)
Other comprehensive gain attributed to participating policyholders	1	-	-	-	-	-
Balance, end of period	109	134	86	194	154	134
Non-controlling interests						
Balance, beginning of period	376	326	280	274	301	301
Net income attributed to non-controlling interest	12	12	20	9	7	48
Other comprehensive income (loss) attributed to non-controlling interests	-	(1)	-	-	-	(1)
Contributions (distributions), net	73	39	26	(3)	(34)	28
Balance, end of period	461	376	326	280	274	376
Total equity, end of period	31,187	29,033	26,881	26,544	25,791	29,033

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Canadian \$ in millions, unaudited)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
Operating activities							
Net income (loss)	804	1,357	946	308	555	45%	3,166
Adjustments for non-cash items in net income:							
Increase (decrease) in insurance contract liabilities	6,827	(1,362)	(899)	(7,104)	(765)	-	(10,130)
Increase in investment contract liabilities	(11)	41	52	50	19	-	162
Decrease (increase) in reinsurance assets	131	525	383	493	125	5%	1,526
Amortization of premium/discount on invested assets	(3)	(18)	1	6	8	-	(3)
Other amortization	113	114	107	101	104	9%	426
Net realized (gains) losses, including impairments on assets	(5,396)	2,894	2,407	9,479	3,006	-	17,786
Gain on sale of Taiwan insurance business	-	(479)	-	-	-	-	(479)
Deferred income tax expense (recovery)	291	637	160	(168)	(154)	-	475
Stock option expense	7	2	3	3	7	0%	15
Net income adjusted for non-cash items	2,763	3,711	3,160	3,168	2,905	-5%	12,944
Changes in policy related and operating receivables and payables	(1,119)	(1,876)	(970)	(32)	(358)	213%	(3,236)
Cash provided by operating activities	1,644	1,835	2,190	3,136	2,547	-35%	9,708
Investing activities							
Purchases and mortgage advances	(16,472)	(17,354)	(19,507)	(18,002)	(12,938)	27%	(67,801)
Disposals and repayments	14,599	14,362	17,389	16,600	9,370	56%	57,721
Changes in investment broker net receivables and payables	109	59	(51)	53	(169)	-164%	(108)
Net cash decrease from sale and purchase of subsidiaries and businesses	(199)	(286)	-	-	(73)	173%	(359)
Cash used in investing activities	(1,963)	(3,219)	(2,169)	(1,349)	(3,810)	-48%	(10,547)
Financing activities							
Increase (decrease) in repurchase agreements and securities sold but not yet purchased	(201)	(665)	336	(72)	(70)	187%	(471)
Repayment of long-term debt, net	-	-	-	-	(350)	-	(350)
Issue (repayment) of capital instruments, net	497	249	-	-	199	150%	448
Net issue (redemption) of investment contract liabilities	(73)	(27)	(98)	(42)	(38)	92%	(205)
Changes in bank deposits, net	203	526	490	(408)	373	-46%	981
Shareholder dividends paid in cash	(189)	(191)	(185)	(192)	(193)	-2%	(761)
Funds borrowed (repaid), net	-	(1)	(8)	(39)	(79)	-	(127)
Secured borrowings from securitization transactions	-	500	250	-	-	-	750
Contributions from (distributions to) non-controlling interest	-	26	26	(3)	(34)	-	15
Common shares issued, net	18	12	3	2	-	-	17
Preferred shares issued, net	195	-	-	196	-	-	196
Cash provided by (used in) financing activities	450	429	814	(558)	(192)	-	493
Cash and short-term securities							
Increase (decrease) during the period	131	(955)	835	1,229	(1,455)	-	(346)
Effect of foreign exchange rate changes on cash and short-term securities	349	300	(206)	231	154	127%	479
Balance, beginning of period	12,886	13,541	12,912	11,452	12,753	1%	12,753
Balance, end of period	13,366	12,886	13,541	12,912	11,452	17%	12,886
Cash and short-term securities							
Beginning of period							
Gross cash and short-term securities	13,630	14,578	13,498	12,032	13,386	2%	13,386
Net payments in transit, included in other liabilities	(744)	(1,037)	(586)	(580)	(633)	18%	(633)
Net cash and short-term securities, beginning of period	12,886	13,541	12,912	11,452	12,753	1%	12,753
End of period							
Gross cash and short-term securities	14,035	13,630	14,578	13,498	12,032	17%	13,630
Net payments in transit, included in other liabilities	(669)	(744)	(1,037)	(586)	(580)	15%	(744)
Net cash and short-term securities, end of period	13,366	12,886	13,541	12,912	11,452	17%	12,886

CONSOLIDATED SOURCE OF EARNINGS

(Canadian \$ in millions, unaudited)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Source of Earnings ¹

Expected profit from in-force business	917	894	925	947	925	-1%	3,691
Impact of new business	(79)	(61)	(55)	(71)	(76)	4%	(263)
Experience gains (losses)	15	266	861	(300)	(118)	-	709
Management actions and changes in assumptions	(88)	515	(593)	(424)	(297)	-70%	(799)
Earnings on surplus funds	165	178	66	16	135	22%	395
Other	21	2	2	(12)	(14)	-	(22)
Income (loss) before income taxes	951	1,794	1,206	156	555	71%	3,711
Income tax (expense) recovery	(133)	(497)	(172)	103	(15)	787%	(581)
Net income (loss) attributed to shareholders	818	1,297	1,034	259	540	51%	3,130
Preferred share dividends	(34)	(34)	(33)	(32)	(32)	6%	(131)
Common shareholders' net income (loss)	784	1,263	1,001	227	508	54%	2,999
Constant currency, expected profit from in-force business	917	914	930	975	962	-5%	

¹ Per OSFI instructions, the expected profit from in-force business denominated in foreign currencies is translated at the prior quarter's statement of financial position rate. 'Experience gains' includes the adjustment to get to the income statement rate. For mutual fund and asset management businesses, all pretax income is reported in 'Expected profit from in-force business' except the non-capitalized acquisition expenses which are reported in 'Impact of new business'.

Glossary

Expected profit from in-force business	Formula-driven release of PfADS (Provisions for Adverse Deviations) on the non-fee businesses and expected profit on fee businesses. For mutual fund and asset management businesses, all pretax income is reported in 'Expected profit from in-force business' except the non-capitalized acquisition expenses.
Impact of new business	For non-fee income businesses, the capitalized value of future profits less PfADS in respect of new business. For fee income businesses, the non-capitalized acquisition expenses.
Experience gains (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, consistent with the amount on the statement of income.

ASIA DIVISION

(Unaudited)



2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Statements of Income - U.S. \$ in millions

Revenue						
Premium income						
Gross premiums	1,662	1,713	1,688	1,619	1,757	-5%
Premiums ceded to reinsurers	(116)	(144)	(184)	(123)	(178)	-35%
Investment income	261	296	313	337	241	8%
Other revenue	321	835	376	337	364	-12%
Subtotal revenue	2,128	2,700	2,193	2,170	2,184	-3%
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ¹	277	(144)	112	(1,280)	719	-61%
Total revenue	2,405	2,556	2,305	890	2,903	-17%
Contract benefits and expenses						
To contract holders and beneficiaries						
Gross benefits and claims paid and change in insurance contract liabilities ¹	1,716	1,214	1,352	55	1,501	14%
Ceded benefits and expenses and change in reinsurance assets	(50)	(181)	(90)	(94)	(105)	-52%
Change in investment contract liabilities	(15)	11	26	14	10	-
General expenses	250	293	265	260	262	-5%
Investment expenses	24	30	25	24	24	0%
Commissions	205	232	206	214	206	0%
Other	24	24	23	22	22	9%
Total contract benefits and expenses	2,154	1,623	1,807	495	1,920	12%
Income (loss) before income taxes	251	933	498	395	983	-74%
Income tax (expense) recovery	(21)	(171)	(26)	(11)	(48)	-56%
Net income (loss)	230	762	472	384	935	-75%
Less net income (loss) attributed to non-controlling interest in subsidiaries	10	15	5	9	9	11%
Less net income (loss) attributed to participating policyholders	1	57	4	(3)	6	-83%
Net income (loss) attributed to shareholders ²	219	690	463	378	920	-76%

¹ 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.

² See the Q1 press release for a description of Q1 2014 results compared to Q1 2013.

Earnings Analysis - U.S. \$ in millions

Total core earnings	221	216	233	220	224	-1%	893
Total core earnings - U.S.\$ on constant currency basis in millions	221	213	228	214	212	4%	867
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	17	(4)	(4)	(17)	43	-60%	18
Total core earnings plus investment related gains	238	212	229	203	267	-11%	911
Items excluded from core earnings							
Direct impact of equity markets and interest rates and income (charges) on variable annuity guarantee liabilities that are dynamically hedged	(22)	80	234	175	653	-	1,142
Gain on sale of Taiwan Insurance	-	334	-	-	-	-	334
Reinsurance recapture and tax items	3	64	-	-	-	-	64
Total shareholders' net income (loss)	219	690	463	378	920	-76%	2,451

ASIA DIVISION

(Unaudited)



2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Source of Earnings - U.S. \$ in millions

Expected profit from in-force business	210	232	228	254	247	-15%	961
Impact of new business	(12)	(16)	(18)	(23)	(21)	-43%	(78)
Experience gains (losses)	(19)	131	223	117	701	-	1,172
Management actions and changes in assumptions	-	481	(1)	-	-	-	480
Earnings on surplus funds	45	36	38	48	47	-4%	169
Other	16	(3)	19	(7)	(6)	-	3
Income (loss) before income taxes	240	861	489	389	968	-75%	2,707
Income tax (expense) recovery	(21)	(171)	(26)	(11)	(48)	-56%	(256)
Net income (loss) attributed to shareholders	219	690	463	378	920	-76%	2,451

Insurance Sales - U.S. \$ in millions

Hong Kong	54	88	59	59	50	8%	256
Japan ¹	125	110	95	97	98	28%	400
Indonesia ²	26	37	27	33	23	13%	120
Other Asia ^{3,4}	53	61	66	62	55	-4%	244
Total Insurance Sales	258	295	247	251	226	14%	1,019
Total Insurance Sales - U.S.\$ on constant currency basis in millions	258	291	241	240	210	23%	982

¹ Japan Q1'14 insurance sales are up 43% compared to the prior year on a constant currency basis.

² Indonesia Q1'14 insurance sales are up 34% compared to the prior year on a constant currency basis.

³ Other Asia Q1'14 insurance sales are down 1% compared to the prior year on a constant currency basis.

⁴ Other Asia Life Insurance sales have been adjusted to remove Taiwan Life insurance sales in all quarters.

Wealth Sales - U.S. \$ in millions

Hong Kong							
- Group Pensions	179	213	198	198	263	-32%	872
- Individual Wealth Management	56	69	45	55	103	-46%	272
Japan ⁵							
- Mutual funds	136	136	96	538	567	-76%	1,337
- Fixed Annuities and unit linked	133	110	99	114	127	5%	450
- Variable Annuities	27	26	31	31	27	0%	115
Indonesia ⁶	92	82	137	457	298	-69%	974
Other Asia ^{7,8}	846	931	659	1,637	1,072	-21%	4,299
Total Wealth Sales	1,469	1,567	1,265	3,030	2,457	-40%	8,319
Total Wealth Sales - U.S.\$ on constant currency basis in millions	1,469	1,545	1,236	2,905	2,319	-37%	8,005

⁵ Japan Q1'14 wealth sales are down 54% compared to the prior year on a constant currency basis.

⁶ Indonesia Q1'14 wealth sales are down 62% compared to the prior year on a constant currency basis.

⁷ Other Asia Q1'14 wealth sales are down 20% compared to the prior year on a constant currency basis.

Annualized premium equivalents (excluding variable annuities) (APE) ⁹ - U.S. \$ in millions

Hong Kong	90	126	96	103	104	-13%	429
Japan ¹⁰	152	134	114	162	167	-9%	578
Indonesia ¹¹	42	61	62	87	57	-26%	267
Other Asia ^{8,12,13}	137	155	133	228	162	-15%	678
Total APE	421	476	405	580	490	-14%	1,952
Total APE - U.S.\$ on constant currency basis in millions	421	469	394	555	461	-9%	1,879

⁸ This line includes the 49% interest in Manulife TEDA

⁹ Total annualized premium equivalents (APE) is comprised of 100 per cent of regular premiums/deposits sales and 10 per cent of single premiums/deposits sales, for both insurance and wealth management products.

¹⁰ Japan Q1'14 APE are up 1% compared to the prior year on a constant currency basis.

¹¹ Indonesia Q1'14 APE are down 10% compared to the prior year on a constant currency basis.

¹² Other Asia Q1'14 APE are down 14% compared to the prior year on a constant currency basis.

¹³ Other Asia Total APE has been adjusted to remove Taiwan Life APE in all quarters.

ASIA DIVISION

(Unaudited)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Premiums and Deposits - U.S. \$ in millions

Premiums	1,546	1,569	1,504	1,496	1,579	-2%	6,148
Investment contract deposits	14	13	9	12	(5)	-	29
Segregated fund and other deposits	447	528	536	789	678	-34%	2,531
Mutual fund and other deposits ¹	1,437	1,399	1,050	2,727	2,178	-34%	7,354
Total premiums and deposits	3,444	3,509	3,099	5,024	4,430	-22%	16,062
Total premiums and deposits - U.S.\$ on constant currency basis in millions	3,444	3,463	3,034	4,845	4,194	-18%	15,536

Premiums and Deposits by Business Units - U.S. \$ in millions

Hong Kong	1,002	1,045	982	983	1,058	-5%	4,068
Japan	958	810	775	1,220	1,385	-31%	4,190
Indonesia	205	207	247	602	419	-51%	1,475
Other Asia ¹	1,279	1,447	1,095	2,219	1,568	-18%	6,329
Total premiums and deposits	3,444	3,509	3,099	5,024	4,430	-22%	16,062

Total weighted premium income (excluding variable annuities) (TWPI) - U.S. \$ in millions

Hong Kong	776	780	757	752	722	7%	3,011
Japan ²	691	565	571	604	734	-6%	2,473
Indonesia ³	127	146	141	188	147	-14%	622
Other Asia ^{1,4}	389	517	436	536	479	-19%	1,968
TWPI	1,983	2,008	1,905	2,080	2,082	-5%	8,075
TWPI - U.S.\$ on constant currency basis in millions	1,983	1,984	1,866	2,014	1,971	1%	7,835

¹ This line includes the 49% interest in Manulife TEDA

² Japan Q1'14 TWPI is up 5% compared to the prior year on a constant currency basis.

³ Indonesia Q1'14 TWPI is up 6% compared to the prior year on a constant currency basis.

⁴ Other Asia Q1'14 TWPI is down 17% compared to the prior year on a constant currency basis.

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

General fund	34,562	32,680	34,719	33,619	35,047	-1%	32,680
Segregated funds	22,237	22,160	23,368	23,279	24,605	-10%	22,160
Mutual funds ⁵	16,604	16,441	14,992	14,421	13,724	21%	16,441
Other funds ⁶	1,099	723	4,832	4,120	4,176	-74%	723
Total funds under management	74,502	72,004	77,911	75,439	77,552	-4%	72,004
Total funds under management - U.S.\$ on constant currency basis in millions	74,502	72,648	76,532	73,655	74,104	1%	72,648

⁵ This line includes the 49% interest in Manulife TEDA

⁶ Other funds mainly include funds managed by the Company for institutional clients in Hong Kong, Indonesia and Other Asia Territories.

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

Beginning balance	72,004	77,911	75,439	77,552	78,143	-8%	78,143
Premiums and deposits	3,444	3,509	3,099	5,024	4,430	-22%	16,062
Investment income (loss) ⁷	573	1,675	2,192	(1,338)	2,881	-80%	5,410
Benefits and withdrawals	(2,965)	(2,783)	(2,317)	(3,414)	(2,764)	7%	(11,278)
Other ⁸	1,446	(8,308)	(502)	(2,385)	(5,138)	-	(16,333)
Ending balance	74,502	72,004	77,911	75,439	77,552	-4%	72,004

⁷ Investment income (loss) consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds, mutual funds and other funds.

⁸ Other is comprised of all changes to the statement of income and the statement of financial position that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other business units and changes in allocated capital. This also includes deposits and withdrawals on externally managed funds which have not been included in premiums and deposits, and benefits and withdrawals.

Number of Agents

Hong Kong	6,017	6,262	5,476	5,310	5,323	13%	6,262
Japan	2,949	3,083	3,106	3,062	3,013	-2%	3,083
Indonesia	8,539	9,831	10,171	10,838	10,215	-16%	9,831
Other Asia	34,275	38,353	35,806	35,628	33,957	1%	38,353
Total	51,780	57,529	54,559	54,838	52,508	-1%	57,529

Canadian \$ in millions - Key Metrics

Sales - Insurance ⁹	284	311	256	258	227	25%	1,052
Sales - Wealth management	1,620	1,644	1,314	3,100	2,478	-35%	8,536
Net income (loss) attributed to shareholders	242	725	480	386	928	-74%	2,519
Total premiums and deposits	3,800	3,680	3,218	5,138	4,468	-15%	16,504
Total funds under management	82,343	76,578	80,113	79,292	78,780	5%	76,578

⁹ Prior period sales have been restated to exclude sales from the Taiwan insurance business sold December 31, 2013

CANADIAN DIVISION

(Canadian \$ millions, Unaudited)



2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Statements of Income

Revenue						
Premium income						
Gross premiums	2,243	2,305	2,221	2,668	2,232	0%
Premiums ceded to reinsurers	(1,302)	(1,339)	(1,273)	(1,734)	(1,306)	0%
Investment income	856	899	840	809	807	6%
Other revenue	573	625	498	914	607	-6%
Subtotal revenue	2,370	2,490	2,286	2,657	2,340	1%
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ¹	1,420	(386)	(690)	(2,189)	(448)	-
Total revenue	3,790	2,104	1,596	468	1,892	100%
Contract benefits and expenses						
To contract holders and beneficiaries						
Gross benefits and claims paid and change in insurance contract liabilities ¹	3,471	1,796	1,508	532	2,167	60%
Ceded benefits and expenses and change in reinsurance assets	(1,074)	(1,078)	(1,099)	(1,133)	(1,022)	5%
Change in investment contract liabilities	(9)	12	11	21	(5)	80%
General expenses	332	351	316	327	329	1%
Investment expenses	104	101	97	95	95	9%
Commissions	349	343	315	305	315	11%
Other	170	170	124	176	150	13%
Total contract benefits and expenses	3,343	1,695	1,272	323	2,029	65%
Income (loss) before income taxes	447	409	324	145	(137)	-
Income tax (expense) recovery	(97)	(47)	(23)	1	77	-
Net income (loss)	350	362	301	146	(60)	-
Less net income (loss) attributed to participating policyholders	(27)	(11)	(113)	43	2	-
Net income (loss) attributed to shareholders ²	377	373	414	103	(62)	-

¹ 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.

² See the Q1 press release for a description of Q1 2014 results compared to Q1 2013.

Earnings Analysis

Total core earnings	228	233	268	225	179	27%
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	135	106	135	(88)	(187)	-
Total core earnings plus investment related gains	363	339	403	137	(8)	-
Items excluded from core earnings						-
Direct impact of equity markets and interest rates and income (charges) on segregated fund guarantee liabilities that are dynamically hedged ³	14	34	14	(34)	(54)	-
Tax items	-	-	(3)	-	-	-
Total shareholders' net income (loss)	377	373	414	103	(62)	-

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

CANADIAN DIVISION

(Canadian \$ millions, Unaudited)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Source of Earnings

Expected profit from in-force business	272	271	255	265	254	7%	1,045
Impact of new business	(28)	(28)	(32)	(32)	(40)	-30%	(132)
Experience gains (losses)	156	123	160	(199)	(400)	-	(316)
Management actions and changes in assumptions	28	1	-	-	(1)	-	-
Earnings on surplus funds	66	66	67	66	67	-1%	266
Other	(20)	(13)	(13)	2	(19)	5%	(43)
Income (loss) before income taxes	474	420	437	102	(139)	-	820
Income tax (expense) recovery	(97)	(47)	(23)	1	77	-	8
Net income (loss) attributed to shareholders	377	373	414	103	(62)	-	828

Insurance Sales

Retail Markets	38	47	37	42	35	9%	161
Institutional Markets	96	115	149	492	208	-54%	964
Total Insurance Sales	134	162	186	534	243	-45%	1,125

Wealth Sales

Mutual funds and other fund gross deposits ¹	1,902	1,649	1,476	1,783	1,723	10%	6,632
Less: Deposits to mutual funds from proprietary segregated fund products	(349)	(466)	(380)	(429)	(578)	-40%	(1,854)
Group Retirement Solutions	669	399	273	230	473	41%	1,375
Retail segregated fund products ²	453	388	313	321	433	5%	1,455
Fixed products	89	92	108	83	96	-7%	379
Manulife Bank lending volumes	637	1,042	1,268	1,097	739	-14%	4,146
Total Wealth Sales	3,401	3,104	3,058	3,085	2,886	18%	12,133

Premiums and Deposits

Premiums	941	966	948	934	926	2%	3,774
Mutual funds and other fund gross deposits ¹	1,902	1,649	1,476	1,783	1,723	10%	6,632
Less: Deposits to mutual funds from proprietary segregated fund products	(349)	(466)	(380)	(429)	(578)	-40%	(1,854)
Segregated fund deposits	1,808	1,380	1,153	1,190	1,558	16%	5,281
ASO premium equivalents	764	746	723	756	710	8%	2,935
Group Benefits ceded premiums	984	1,000	981	1,427	996	-1%	4,404
Total premiums and deposits	6,050	5,275	4,901	5,661	5,335	13%	21,172

¹ Mutual funds and other funds include Manulife Private Wealth² Segregated fund products include guarantees. These products are also referred to as variable annuities.

CANADIAN DIVISION

(Canadian \$ millions, Unaudited)



2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Premiums and Deposits by Business

Insurance							
Retail Markets	481	505	483	498	480	0%	1,966
Institutional Markets	2,066	2,069	2,022	2,493	2,002	3%	8,586
Wealth							
Mutual funds and other fund gross deposits ¹	1,902	1,649	1,476	1,783	1,723	10%	6,632
Less: Deposits to mutual funds from proprietary segregated fund products	(349)	(466)	(380)	(429)	(578)	-40%	(1,854)
Group Retirement Solutions	1,408	1,038	879	912	1,179	19%	4,008
Retail segregated fund products ²	453	388	313	321	433	5%	1,455
Fixed products	89	92	108	83	96	-7%	379
Total premiums and deposits	6,050	5,275	4,901	5,661	5,335	13%	21,172

Funds Under Management

General fund	82,168	80,611	78,603	78,205	79,876	3%	80,611
Segregated funds	53,694	51,681	48,605	46,868	46,838	15%	51,681
Mutual funds and other funds, including assets held by segregated funds ¹	29,575	27,560	25,315	23,848	22,783	30%	27,560
Less: Mutual funds held by segregated funds	(15,157)	(14,641)	(13,681)	(13,162)	(13,033)	16%	(14,641)
Total funds under management	150,280	145,211	138,842	135,759	136,464	10%	145,211

¹ Mutual funds and other funds include Manulife Private Wealth

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

Changes in Funds Under Management

Beginning balance	145,211	138,842	135,759	136,464	133,199	9%	133,199
Premiums and deposits	4,526	4,083	3,673	3,076	4,013	13%	14,845
Investment income (loss) ³	5,040	4,226	2,236	(1,266)	2,942	71%	8,138
Mutual fund withdrawals	(569)	(525)	(419)	(390)	(400)	42%	(1,734)
Other benefits and withdrawals	(2,481)	(1,851)	(1,712)	(1,885)	(2,024)	23%	(7,472)
Other ⁴	(1,447)	436	(695)	(240)	(1,266)	14%	(1,765)
Ending balance	150,280	145,211	138,842	135,759	136,464	10%	145,211

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

⁴ Other is comprised of all changes to the statement of income and the statement of financial position that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other business units and changes in allocated capital.

U.S. DIVISION

(Unaudited)



2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Statements of Income - U.S. \$ in millions

Revenue							
Premium income							
Gross premiums	1,698	2,166	2,120	1,989	2,127	-20%	8,402
Premiums ceded to reinsurers	(343)	(337)	(351)	(336)	(266)	29%	(1,290)
Investment income	1,367	1,418	1,339	1,348	1,297	5%	5,402
Other revenue	1,026	1,021	994	980	938	9%	3,933
Subtotal revenue	3,748	4,268	4,102	3,981	4,096	-8%	16,447
Realized/ unrealized gains (losses) on invested assets supporting insurance and investment contract liabilities ¹	3,288	(1,842)	(1,491)	(5,325)	(2,238)	-	(10,896)
Total revenue	7,036	2,426	2,611	(1,344)	1,858	279%	5,551
Contract benefits and expenses							
To contract holders and beneficiaries							
Gross benefits and claims paid and change in insurance contract liabilities ¹	5,992	81	64	(3,041)	245	nm	(2,651)
Ceded benefits and expenses and change in reinsurance assets	(432)	162	234	143	(362)	19%	177
Change in investment contract liabilities	13	14	15	14	14	-7%	57
General expenses	332	341	318	321	333	0%	1,313
Investment expenses	213	224	193	186	176	21%	779
Commissions	407	440	445	415	434	-6%	1,734
Other	40	41	39	51	45	-11%	176
Total contract benefits and expenses	6,565	1,303	1,308	(1,911)	885	642%	1,585
Income (loss) before income taxes	471	1,123	1,303	567	973	-52%	3,966
Income tax (expense) recovery	(105)	(336)	(409)	(148)	(253)	-58%	(1,146)
Net income (loss) attributed to shareholders ²	366	787	894	419	720	-49%	2,820

¹ 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.

² See the Q1 press release for a description of Q1 2014 results compared to Q1 2013.

Earnings Analysis - U.S. \$ in millions

Total core earnings	339	349	348	336	436	-22%	1,469
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	101	154	389	63	262	-61%	868
Total core earnings plus investment related gains	440	503	737	399	698	-37%	2,337
Items excluded from core earnings							
Direct impact of equity markets and interest rates and income (charges) on variable annuity guarantee liabilities that are dynamically hedged	(74)	100	157	20	22	-	299
Tax items and other	-	184	-	-	-	-	184
Total shareholders' net income (loss)	366	787	894	419	720	-49%	2,820

U.S. DIVISION

(Unaudited)



2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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U.S. INSURANCE
Source of Earnings - U.S. \$ in millions

Expected profit from in-force business	188	154	168	161	191	-2%	674
Impact of new business	8	29	38	27	21	-62%	115
Experience gains (losses)	(25)	136	492	(60)	123	-	691
Management actions and changes in assumptions	5	-	-	-	-	-	-
Earnings on surplus funds	81	74	74	74	74	9%	296
Other	19	11	(7)	(15)	8	138%	(3)
Income (loss) before income taxes	276	404	765	187	417	-34%	1,773
Income tax (expense) recovery	(63)	(113)	(254)	(43)	(130)	-52%	(540)
Net income (loss) attributed to shareholders	213	291	511	144	287	-26%	1,233

U.S. WEALTH MANAGEMENT
Source of Earnings - U.S. \$ in millions

Expected profit from in-force business	213	218	233	252	236	-10%	939
Impact of new business	(41)	(45)	(41)	(41)	(35)	17%	(162)
Experience gains (losses)	(9)	213	300	119	310	-	942
Management actions and changes in assumptions	(1)	283	-	-	-	-	283
Earnings on surplus funds	32	44	44	44	44	-27%	176
Other	1	6	2	6	1	0%	15
Income (loss) before income taxes	195	719	538	380	556	-65%	2,193
Income tax (expense) recovery	(42)	(223)	(155)	(105)	(123)	-66%	(606)
Net income (loss) attributed to shareholders	153	496	383	275	433	-65%	1,587

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

Expected profit from in-force business	401	372	401	413	427	-6%	1,613
Impact of new business	(33)	(16)	(3)	(14)	(14)	136%	(47)
Experience gains (losses)	(34)	349	792	59	433	-	1,633
Management actions and changes in assumptions	4	283	-	-	-	-	283
Earnings on surplus funds	113	118	118	118	118	-4%	472
Other	20	17	(5)	(9)	9	122%	12
Income (loss) before income taxes	471	1,123	1,303	567	973	-52%	3,966
Income tax (expense) recovery	(105)	(336)	(409)	(148)	(253)	-58%	(1,146)
Net income (loss) attributed to shareholders	366	787	894	419	720	-49%	2,820

Insurance Sales - U.S. \$ in millions

JH Life	85	124	139	117	130	-35%	510
JH Long-Term Care	23	13	15	13	12	92%	53
Total Insurance Sales	108	137	154	130	142	-24%	563

Wealth Sales - U.S. \$ in millions

JH Investments	6,648	5,558	5,799	6,352	5,547	20%	23,256
JH Retirement Plan Services	1,290	1,581	870	1,002	1,392	-7%	4,845
JH Annuities	-	1	1	10	61	-100%	73
Total Wealth Sales	7,938	7,140	6,670	7,364	7,000	13%	28,174

U.S. DIVISION

(Unaudited)



2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Premiums and Deposits - U.S. \$ in millions

Premiums	1,355	1,829	1,769	1,653	1,861	-27%	7,112
Investment contract deposits	-	1	-	3	23	-100%	27
Segregated fund deposits	4,056	3,642	3,477	3,441	4,190	-3%	14,750
Mutual fund deposits	6,735	5,589	5,800	6,353	5,555	21%	23,297
Total premiums and deposits	12,146	11,061	11,046	11,450	11,629	4%	45,186

Premiums and Deposits by Business Unit- U.S. \$ in millions

JH Life	944	1,263	1,323	1,191	1,371	-31%	5,148
JH Long-Term Care	538	570	559	547	535	1%	2,211
JH Investments	6,648	5,558	5,799	6,352	5,547	20%	23,256
JH Retirement Plan Services	3,693	3,180	2,934	3,044	3,795	-3%	12,953
JH Annuities	323	490	431	316	381	-15%	1,618
Total premiums and deposits	12,146	11,061	11,046	11,450	11,629	4%	45,186

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

General fund	107,142	106,177	106,633	105,702	109,670	-2%	106,177
Segregated funds	153,206	152,873	148,255	142,783	144,799	6%	152,873
Mutual funds	65,838	61,014	56,147	51,830	48,089	37%	61,014
Total funds under management	326,186	320,064	311,035	300,315	302,558	8%	320,064

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

Beginning balance	320,064	311,035	300,315	302,558	294,150	9%	294,150
Premiums and deposits	12,146	11,061	11,046	11,450	11,629	4%	45,186
Investment income (loss) ¹	8,684	10,909	9,202	(3,792)	8,815	-1%	25,134
JH Investment withdrawals	(3,258)	(3,709)	(3,088)	(2,715)	(2,386)	37%	(11,898)
Retirement Plan Services withdrawals	(3,637)	(4,599)	(3,400)	(3,004)	(3,219)	13%	(14,222)
Other benefits and withdrawals	(3,876)	(3,702)	(3,323)	(3,413)	(3,197)	21%	(13,635)
Other ²	(3,937)	(931)	283	(769)	(3,234)	22%	(4,651)
Ending balance	326,186	320,064	311,035	300,315	302,558	8%	320,064

¹ Investment income (loss) consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds.

² Other is comprised of all changes to the statement of income and the statement of financial position that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other business units and changes in allocated capital.

Canadian \$ in millions - Key Metrics

Sales - Insurance	119	144	159	134	143	-17%	580
Sales - Wealth management	8,757	7,493	6,927	7,533	7,059	24%	29,012
Net income (loss) attributed to shareholders	403	825	928	429	726	-44%	2,908
Total premiums and deposits	13,399	11,608	11,473	11,713	11,725	14%	46,519
Total funds under management	360,545	340,420	319,896	315,689	307,290	17%	340,420

CORPORATE AND OTHER

(Canadian \$ in millions, unaudited)



2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2014 Q1 vs. 2013 Q1	Fiscal 2013
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Statements of Income

Revenue							
Gross investment income before items below	238	179	205	180	249	-4%	813
Gains (losses) on AFS equities	36	44	33	36	38	-5%	151
Gains (losses) on AFS bonds and related derivative positions	(10)	(46)	(84)	(178)	(15)	-33%	(323)
Gains (losses) on macro hedges	(101)	(323)	(388)	(403)	(980)	-90%	(2,094)
Interest on surplus funds allocated to divisions	(240)	(241)	(238)	(237)	(234)	3%	(950)
Other revenue	75	65	44	61	53	42%	223
Total revenue, net	(2)	(322)	(428)	(541)	(889)	-100%	(2,180)
Contract benefits and expenses							
General expenses	173	266	173	200	189	-8%	828
Investment expenses, net	(35)	(36)	(37)	(26)	(28)	25%	(127)
Changes in actuarial methods and assumptions	54	186	390	56	97	-44%	729
Other ¹	136	46	161	196	160	-15%	563
Total contract benefits and expenses	328	462	687	426	418	-22%	1,993
Income (loss) before income taxes	(330)	(784)	(1,115)	(967)	(1,307)	-75%	(4,173)
Income tax (expense) recovery	104	95	309	273	216	-52%	893
Net income (loss)	(226)	(689)	(806)	(694)	(1,091)	-79%	(3,280)
Less net income (loss) attributed to non-controlling interest in subsidiaries	-	(4)	16	(1)	(2)	-	9
Net income (loss) attributed to shareholders - Corporate and Investments	(226)	(685)	(822)	(693)	(1,089)	-79%	(3,289)
Net income attributed to shareholders for Reinsurance business	22	59	34	34	37	-41%	164
Net income (loss) attributed to shareholders ²	(204)	(626)	(788)	(659)	(1,052)	-81%	(3,125)

¹ Q4 2012 includes the release of interest provisions related to tax contingency.

² See the Q1 press release for a description of Q1 2014 results compared to Q1 2013.

Earnings Analysis

Total core earnings	(127)	(141)	(167)	(185)	(226)	-44%	(719)
Investment-related experience including fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes and credit experience (excl. investment-related experience in core earnings)	(40)	(47)	(44)	(56)	(22)	82%	(169)
Total core earnings plus investment related gains in excess of core investment gains	(167)	(188)	(211)	(241)	(248)	-33%	(888)
Items excluded from core earnings							
Material and exceptional tax related items	-	-	-	50	-	-	50
Direct impact of equity markets and interest rates	3	(305)	(325)	(407)	(735)	-	(1,772)
Change in actuarial methods and assumptions (excl. URR changes)	(40)	(133)	(252)	(35)	(69)	-42%	(489)
Restructuring charge related to organization design	-	-	-	(26)	-	-	(26)
Net income (loss) attributed to shareholders	(204)	(626)	(788)	(659)	(1,052)	-81%	(3,125)

Premiums and Deposits

Institutional advisory accounts deposits	2,167	957	1,089	1,146	782	177%	3,974
Premiums - Reinsurance business	20	17	21	21	23	-13%	82
Total premiums and deposits	2,187	974	1,110	1,167	805	172%	4,056

Funds Under Management

General fund - Corporate and Investments	5,403	3,202	4,094	4,679	1,862	190%	3,202
General fund - Reinsurance	772	1,211	1,156	1,172	1,139	-32%	1,211
Segregated funds - elimination of amounts held by the Company	(188)	(175)	(162)	(167)	(166)	13%	(175)
Institutional advisory accounts	35,803	32,486	30,713	30,559	29,859	20%	32,486
Total funds under management	41,790	36,724	35,801	36,243	32,694	28%	36,724

Asset Information

INVESTED ASSETS - PORTFOLIO COMPOSITION

(Canadian \$ in millions, unaudited)

	As at Q1 2014	%	As at Q4 2013	%	As at Q3 2013	%	As at Q2 2013	%	As at Q1 2013	%
Carrying value										
Cash and short-term securities	14,035	5.7 %	13,630	5.9 %	14,578	6.4 %	13,498	5.9 %	12,032	5.3 %
Debt securities										
Government										
Canadian government & agency	16,551	6.7 %	15,950	6.9 %	16,024	7.0 %	16,143	7.0 %	16,384	7.1 %
US government & agency	23,228	9.5 %	21,572	9.3 %	22,828	10.0 %	24,721	10.7 %	27,296	11.9 %
Foreign governments & agency	14,125	5.8 %	12,824	5.5 %	13,285	5.8 %	13,170	5.7 %	13,511	5.9 %
Corporate	66,104	27.0 %	61,209	26.3 %	59,623	26.0 %	60,068	26.1 %	59,639	25.9 %
Securitized										
CMBS	921	0.4 %	916	0.4 %	1,031	0.4 %	1,272	0.5 %	1,460	0.6 %
RMBS	511	0.2 %	527	0.2 %	539	0.2 %	479	0.2 %	507	0.2 %
ABS	1,995	0.8 %	1,959	0.8 %	1,806	0.8 %	1,590	0.7 %	1,715	0.8 %
Total debt securities	123,435	50.4 %	114,957	49.4 %	115,136	50.2 %	117,443	50.9 %	120,512	52.4 %
Private placement debt	21,788	8.9 %	21,015	9.0 %	20,095	8.8 %	20,890	9.1 %	20,416	8.9 %
Mortgages										
Commercial										
Multi family residential	3,660	1.5 %	3,533	1.5 %	3,413	1.5 %	3,359	1.4 %	3,302	1.4 %
Retail	5,979	2.4 %	5,901	2.6 %	5,786	2.5 %	5,913	2.6 %	5,852	2.5 %
Office	5,912	2.4 %	5,647	2.4 %	5,415	2.4 %	5,404	2.3 %	5,149	2.2 %
Industrial	2,176	0.9 %	2,103	0.9 %	2,124	0.9 %	2,254	1.0 %	2,324	1.0 %
Other commercial	2,170	0.9 %	2,143	0.9 %	2,107	0.9 %	2,086	0.9 %	1,963	0.9 %
Other mortgages										
Manulife Bank single residential	17,190	7.0 %	16,998	7.3 %	16,448	7.1 %	15,935	6.9 %	15,517	6.8 %
Agriculture	1,250	0.5 %	1,233	0.5 %	1,254	0.6 %	1,293	0.6 %	1,345	0.6 %
Total mortgages¹	38,337	15.6 %	37,558	16.1 %	36,547	15.9 %	36,244	15.7 %	35,452	15.4 %
Policy loans	7,599	3.1 %	7,370	3.2 %	7,094	3.1 %	7,218	3.1 %	6,948	3.0 %
Bank loans	1,861	0.8 %	1,901	0.8 %	1,972	0.9 %	2,028	0.9 %	2,100	0.9 %
Public equities										
Par, equity-linked and pass-through	8,992	3.7 %	8,728	3.8 %	8,145	3.6 %	7,930	3.4 %	7,878	3.4 %
Nonpar and surplus	4,529	1.8 %	4,347	1.8 %	4,032	1.7 %	3,898	1.7 %	3,864	1.7 %
Total public equities	13,521	5.5 %	13,075	5.6 %	12,177	5.3 %	11,828	5.1 %	11,742	5.1 %
Real estate & other invested assets										
Alternative long-duration assets										
Office	6,898	2.8 %	7,149	3.1 %	6,353	2.8 %	6,273	2.7 %	6,248	2.7 %
Industrial	624	0.3 %	603	0.3 %	588	0.2 %	606	0.3 %	634	0.3 %
Company use	818	0.3 %	804	0.3 %	790	0.3 %	808	0.4 %	794	0.3 %
Other	1,305	0.5 %	1,152	0.5 %	1,080	0.5 %	999	0.4 %	985	0.4 %
Total real estate	9,645	3.9 %	9,708	4.2 %	8,811	3.8 %	8,686	3.8 %	8,661	3.7 %
Private equity	2,299	0.9 %	2,181	0.9 %	2,069	0.9 %	1,993	0.9 %	1,857	0.8 %
Power & infrastructure	3,636	1.5 %	3,486	1.5 %	3,126	1.4 %	3,150	1.4 %	2,971	1.3 %
Oil & gas	1,658	0.7 %	1,643	0.7 %	1,555	0.7 %	1,515	0.6 %	1,446	0.6 %
Timberland	2,448	1.0 %	1,712	0.7 %	1,607	0.7 %	1,581	0.7 %	1,552	0.7 %
Farmland	1,133	0.5 %	1,058	0.5 %	946	0.4 %	863	0.4 %	809	0.4 %
Other	126	0.1 %	126	0.1 %	86	0.0 %	85	0.0 %		0.0 %
Total alternative long-duration assets	20,945	8.6 %	19,914	8.6 %	18,200	7.9 %	17,873	7.8 %	17,296	7.5 %
Leases	2,755	1.1 %	2,629	1.1 %	2,731	1.2 %	2,772	1.2 %	2,665	1.2 %
Affordable housing	396	0.2 %	386	0.2 %	383	0.2 %	403	0.2 %	408	0.2 %
Other	298	0.1 %	274	0.1 %	308	0.1 %	306	0.1 %	297	0.1 %
Total real estate & other invested assets	24,394	10.0 %	23,203	10.0 %	21,622	9.4 %	21,354	9.3 %	20,666	9.0 %
Total invested assets	244,970	100.0 %	232,709	100.0 %	229,221	100.0 %	230,503	100.0 %	229,868	100.0 %

¹ Includes government insured mortgages (\$10,302 or 27% as at March 31, 2014).

Fair value²

Real estate	10,323	10,380	9,473	9,335	9,291
Total alternative long-duration assets	21,835	20,782	18,973	18,625	18,023
Total real estate & other invested assets	25,284	24,071	22,395	22,107	21,394

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

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

(Canadian \$ in millions, unaudited)

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

	Credit Rating ¹	NAIC designation	As at Q1 2014	%	As at Q4 2013	%	As at Q3 2013	%	As at Q2 2013	%	As at Q1 2013	%
Debt Securities	AAA	1	37,561	31%	35,068	31%	36,347	32%	37,979	32%	40,468	34%
	AA	1	24,838	20%	22,379	20%	22,356	19%	22,610	19%	22,888	19%
	A	1	38,545	31%	36,140	31%	35,355	31%	35,315	30%	35,117	29%
	BBB	2	19,623	16%	18,781	16%	17,206	15%	17,268	15%	17,384	14%
	BB	3	2,201	2%	1,966	2%	3,209	3%	3,607	3%	3,918	3%
	B & lower, and unrated	4 & below	667	0%	623	0%	663	0%	664	1%	737	1%
	Total		123,435	100%	114,957	100%	115,136	100%	117,443	100%	120,512	100%
Private Placements	AAA	1	814	4%	791	4%	693	4%	762	4%	743	4%
	AA	1	3,222	15%	3,200	15%	3,067	15%	3,151	15%	2,731	13%
	A	1	6,215	29%	5,845	28%	5,448	27%	5,724	27%	5,905	29%
	BBB	2	9,259	42%	8,949	42%	8,892	44%	9,207	44%	8,908	44%
	BB	3	1,160	5%	1,112	5%	842	4%	793	4%	845	4%
	B & lower, and unrated	4 & below	1,118	5%	1,118	6%	1,153	6%	1,253	6%	1,284	6%
	Total		21,788	100%	21,015	100%	20,095	100%	20,890	100%	20,416	100%
Total	AAA	1	38,375	27%	35,859	26%	37,040	28%	38,741	28%	41,211	29%
	AA	1	28,060	19%	25,579	18%	25,423	19%	25,761	18%	25,619	18%
	A	1	44,760	31%	41,985	31%	40,803	30%	41,039	30%	41,022	29%
	BBB	2	28,882	20%	27,730	21%	26,098	19%	26,475	19%	26,292	19%
	BB	3	3,361	2%	3,078	2%	4,051	3%	4,400	3%	4,763	3%
	B & lower, and unrated	4 & below	1,785	1%	1,741	2%	1,816	1%	1,917	2%	2,021	2%
	Total		145,223	100%	135,972	100%	135,231	100%	138,333	100%	140,928	100%

¹ The Company replicates exposure to specific issuers by selling credit protection via credit default swaps (CDS) to complement its cash bond investments. The Company does not use CDS to leverage its credit risk exposure and any CDS protection sold is backed by government security holdings. In order to reflect the actual credit exposure held by the Company, the credit quality carrying values have been adjusted to reflect the credit quality of the underlying issuers referenced in the CDS sold by the Company. At March 31, 2014, the Company had \$348 (December 31, 2013: \$335) notional outstanding of CDS protection sold.

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

	Country	As at Q1 2014	%	As at Q4 2013	%	As at Q3 2013	%	As at Q2 2013	%	As at Q1 2013	%
Debt Securities	US	60,297	49%	55,558	48%	55,580	48%	58,161	49%	60,495	50%
	Canada	33,945	27%	32,710	29%	32,810	29%	32,762	28%	33,462	28%
	Europe	5,083	4%	4,707	4%	4,578	4%	4,631	4%	4,476	4%
	Asia & Other	24,110	20%	21,982	19%	22,168	19%	21,889	19%	22,079	18%
	Total	123,435	100%	114,957	100%	115,136	100%	117,443	100%	120,512	100%
Private Placements	US	12,958	59%	12,402	59%	11,682	58%	12,088	58%	11,632	57%
	Canada	6,423	30%	6,290	30%	6,137	31%	6,357	31%	6,363	31%
	Europe	1,311	6%	1,276	6%	1,252	6%	1,338	6%	1,294	6%
	Asia & Other	1,096	5%	1,047	5%	1,024	5%	1,107	5%	1,127	6%
	Total	21,788	100%	21,015	100%	20,095	100%	20,890	100%	20,416	100%
Total	US	73,255	51%	67,960	50%	67,262	50%	70,249	51%	72,127	51%
	Canada	40,368	28%	39,000	29%	38,947	29%	39,119	28%	39,825	28%
	Europe	6,394	4%	5,983	4%	5,830	4%	5,969	4%	5,770	4%
	Asia & Other	25,206	17%	23,029	17%	23,192	17%	22,996	17%	23,206	17%
	Total	145,223	100%	135,972	100%	135,231	100%	138,333	100%	140,928	100%

INVESTED ASSETS - FIXED INCOME SECURITIES BY SECTOR

(Canadian \$ in millions, unaudited)

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

	As at Q1 2014			As at Q4 2013			As at Q3 2013			As at Q2 2013			As at Q1 2013			
	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	
Debt Securities	Government & agency	53,904	44%	98%	50,346	44%	98%	52,137	45%	96%	54,034	46%	96%	57,191	47%	96%
	Financial	19,480	16%	96%	18,347	16%	96%	18,171	16%	96%	18,325	16%	95%	18,569	15%	95%
	Telecommunications	2,366	2%	100%	2,339	2%	100%	2,294	2%	100%	2,217	2%	100%	2,180	2%	100%
	Utilities	15,299	12%	98%	13,960	12%	98%	13,508	12%	98%	13,804	12%	98%	13,950	12%	98%
	Energy	8,964	7%	98%	8,265	7%	98%	7,885	7%	98%	7,905	7%	98%	7,879	7%	98%
	Industrial	6,180	5%	100%	5,720	5%	99%	5,528	5%	100%	5,430	5%	99%	5,425	5%	99%
	Securitized MBS/ABS	3,427	3%	89%	3,402	3%	89%	3,376	3%	89%	3,341	3%	87%	3,682	3%	87%
	Consumer (non-cyclical)	6,137	5%	100%	5,528	5%	100%	5,261	4%	100%	5,297	4%	100%	5,124	4%	100%
	Consumer (cyclical)	2,034	2%	98%	1,827	2%	98%	1,858	2%	98%	1,752	1%	98%	1,558	1%	98%
	Basic materials	2,779	2%	91%	2,545	2%	90%	2,514	2%	91%	2,573	2%	91%	2,416	2%	90%
	Technology	1,522	1%	100%	1,406	1%	100%	1,322	1%	100%	1,302	1%	100%	1,087	1%	100%
	Media & internet	1,000	1%	100%	953	1%	100%	971	1%	100%	1,066	1%	100%	1,117	1%	100%
	Diversified & miscellaneous	343	0%	100%	319	0%	100%	311	0%	100%	397	0%	100%	334	0%	100%
Total	123,435	100%	98%	114,957	100%	98%	115,136	100%	97%	117,443	100%	96%	120,512	100%	96%	
Private Placements	Government & agency	2,209	10%	100%	2,164	10%	100%	2,074	10%	100%	2,127	10%	99%	2,058	10%	100%
	Financial	1,794	8%	95%	1,803	9%	95%	1,779	9%	94%	2,148	10%	95%	2,210	11%	94%
	Telecommunications	69	0%	79%	72	0%	80%	93	0%	84%	87	0%	100%	99	1%	100%
	Utilities	9,321	43%	92%	8,652	41%	91%	8,252	41%	91%	8,274	40%	92%	7,783	38%	91%
	Energy	1,911	9%	91%	1,877	9%	92%	1,803	9%	100%	1,808	9%	100%	1,722	8%	100%
	Industrial	1,546	7%	91%	1,519	7%	92%	1,547	8%	88%	1,700	8%	86%	1,776	9%	83%
	Securitized MBS/ABS	47	0%	100%	39	0%	100%	40	0%	100%	45	0%	100%	47	0%	100%
	Consumer (non-cyclical)	2,167	10%	91%	2,167	10%	91%	2,130	11%	93%	2,276	11%	89%	2,321	11%	87%
	Consumer (cyclical)	1,371	6%	79%	1,354	7%	76%	1,203	6%	78%	1,230	6%	76%	1,194	6%	76%
	Basic materials	1,152	5%	57%	1,159	6%	62%	965	5%	55%	964	5%	61%	977	5%	62%
	Technology	90	1%	100%	87	0%	100%	84	0%	100%	87	0%	100%	83	0%	100%
	Media & internet	111	1%	14%	122	1%	29%	125	1%	28%	144	1%	64%	146	1%	64%
	Diversified & miscellaneous	0	0%	n/a	0	0%	n/a	0	0%	n/a	0	0%	n/a	0	0%	n/a
Total	21,788	100%	90%	21,015	100%	89%	20,095	100%	90%	20,890	100%	90%	20,416	100%	90%	
Total	Government & agency	56,113	39%	98%	52,510	39%	98%	54,211	40%	96%	56,161	41%	96%	59,249	42%	96%
	Financial	21,274	15%	96%	20,150	15%	96%	19,950	15%	95%	20,473	15%	95%	20,779	15%	95%
	Telecommunications	2,435	2%	99%	2,411	2%	99%	2,387	2%	99%	2,304	2%	100%	2,279	2%	100%
	Utilities	24,620	17%	96%	22,612	17%	95%	21,760	16%	95%	22,078	16%	95%	21,733	15%	95%
	Energy	10,875	7%	97%	10,142	7%	97%	9,688	7%	99%	9,713	7%	98%	9,601	7%	98%
	Industrial	7,726	5%	98%	7,239	5%	98%	7,075	5%	97%	7,130	5%	96%	7,201	5%	95%
	Securitized MBS/ABS	3,474	2%	89%	3,441	2%	89%	3,416	3%	89%	3,386	2%	87%	3,729	3%	87%
	Consumer (non-cyclical)	8,304	6%	98%	7,695	6%	97%	7,391	5%	98%	7,573	5%	97%	7,445	5%	96%
	Consumer (cyclical)	3,405	2%	91%	3,181	2%	89%	3,061	2%	90%	2,982	2%	89%	2,752	2%	88%
	Basic materials	3,931	3%	81%	3,704	3%	81%	3,479	3%	81%	3,537	3%	83%	3,393	2%	82%
	Technology	1,612	1%	100%	1,493	1%	100%	1,406	1%	100%	1,389	1%	100%	1,170	1%	100%
	Media & internet	1,111	1%	91%	1,075	1%	92%	1,096	1%	92%	1,210	1%	96%	1,263	1%	96%
	Diversified & miscellaneous	343	0%	100%	319	0%	100%	311	0%	100%	397	0%	100%	334	0%	100%
Total	145,223	100%	96%	135,972	100%	96%	135,231	100%	96%	138,333	100%	95%	140,928	100%	95%	

INVESTED ASSETS - PROVISIONS, IMPAIRMENTS & UNREALIZED LOSSES

(Canadian \$ in millions, unaudited)


Unrealized (losses)

	As at Q1 2014				As at Q4 2013				As at Q3 2013				As at Q2 2013				As at Q1 2013			
	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months
Debt securities																				
Government	52,110	(849)	2%	(3)	50,004	(1,495)	3%	-	51,162	(1,300)	3%	-	52,415	(1,195)	2%	-	52,701	(445)	1%	-
Corporate																				
Financials	18,461	(157)	1%	(51)	17,560	(198)	1%	(52)	17,317	(180)	1%	(53)	17,472	(211)	1%	(59)	17,235	(115)	1%	(61)
Non-financials	43,178	(415)	1%	(7)	40,796	(751)	2%	(6)	39,168	(646)	2%	(6)	38,929	(525)	1%	(9)	36,225	(87)	0%	(13)
Securitized																				
CMBS	903	(14)	2%	(8)	906	(17)	2%	(7)	1,025	(25)	2%	(16)	1,270	(36)	3%	(21)	1,451	(41)	3%	(31)
RMBS	522	(17)	3%	(2)	539	(17)	3%	(2)	553	(18)	3%	(2)	497	(21)	4%	(3)	534	(34)	6%	(18)
ABS	1,913	(12)	1%	(3)	1,898	(21)	1%	(5)	1,735	(18)	1%	(5)	1,504	(15)	1%	(9)	1,592	(11)	1%	(8)
Private placement debt	21,788	(222)	1%	-	21,015	(405)	2%	(1)	20,095	(353)	2%	-	20,890	(356)	2%	-	20,416	(130)	1%	-
Fixed income securities¹	138,875	(1,686)	1%	(74)	132,718	(2,904)	2%	(73)	131,055	(2,540)	2%	(82)	132,977	(2,359)	2%	(101)	130,154	(863)	1%	(131)

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

Provisions, impairments and recoveries²

	Q1 2014			Q4 2013			Q3 2013			Q2 2013			Q1 2013		
	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total
Credit related															
Loans	(3)	(4)	(7)	(5)	(48)	(53)	-	-	-	-	1	1	(1)	(7)	(8)
Debt securities - FVTPL	2	12	14	7	30	37	(1)	(6)	(7)	6	16	22	(3)	(5)	(8)
Debt securities - AFS	-	-	-	-	1	1	-	(4)	(4)	-	3	3	-	(4)	(4)
Other ³	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	(1)	9	8	2	(17)	(15)	(1)	(10)	(11)	6	20	26	(4)	(16)	(20)
Equity related															
Public - AFS	-	(1)	(1)	-	-	-	-	(2)	(2)	-	(2)	(2)	-	(2)	(2)
Private equities - AFS and Other ³	(1)	(1)	(2)	-	-	-	-	-	-	-	(3)	(3)	-	-	-
Sub-total	(1)	(2)	(3)	-	-	-	-	(2)	(2)	-	(5)	(5)	-	(2)	(2)
Total	(2)	7	5	2	(17)	(15)	(1)	(12)	(13)	6	15	21	(4)	(18)	(22)

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

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

Net impaired fixed income assets

	As at Q1 2014			As at Q4 2013			As at Q3 2013			As at Q2 2013			As at Q1 2013		
	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value
Loans															
Mortgages and bank loans	84	(26)	58	78	(25)	53	58	(21)	37	73	(24)	49	86	(32)	54
Private placements	198	(71)	127	196	(81)	115	105	(41)	64	113	(41)	72	111	(36)	75
Sub-total	282	(97)	185	274	(106)	168	163	(62)	101	186	(65)	121	197	(68)	129
Other fixed income⁴															
Debt securities - FVTPL	118	-	118	127	-	127	117	-	117	122	-	122	146	-	146
Debt securities - AFS	26	-	26	12	-	12	11	-	11	9	-	9	16	-	16
Other	1	-	1	-	-	-	1	-	1	2	-	2	2	-	2
Sub-total	145	-	145	139	-	139	129	-	129	133	-	133	164	-	164
Total	427	(97)	330	413	(106)	307	292	(62)	230	319	(65)	254	361	(68)	293

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

INVESTMENT INCOME

(Canadian \$ in millions, unaudited)



	Q1 2014		Q4 2013		Q3 2013		Q2 2013		Q1 2013	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
Cash and short-term securities										
Investment income	24	n/a	24	n/a	18	n/a	17	n/a	27	n/a
Debt securities										
Interest income	1,150	4.0%	1,126	4.1%	1,129	4.1%	1,118	4.1%	1,099	4.1%
Recoveries (impairments), net ¹	14		38		(11)		25		(12)	
Gains (losses) on assets backing surplus	75		(65)		(59)		(198)		11	
Total	1,239	4.1%	1,099	3.8%	1,059	3.7%	945	3.2%	1,098	3.7%
¹ Includes impairments on debt securities classified as AFS and FVTPL.										
Public equities										
Dividend income	81	2.4%	123	3.8%	84	2.8%	98	3.3%	59	2.1%
Impairments, net	(1)		(1)		(2)		(2)		(2)	
Gains (losses) on assets backing surplus	36		44		33		36		38	
Total	116	3.5%	166	5.1%	115	3.9%	132	4.5%	95	3.4%
Loans										
Mortgage loan interest income	422	4.5%	414	4.6%	411	4.6%	397	4.5%	405	4.7%
Private placement interest income	321	6.1%	324	6.4%	335	6.7%	309	6.1%	306	6.1%
Policy loan interest income	105	5.6%	106	5.8%	103	5.8%	99	5.6%	96	5.6%
Bank loan interest income	20	4.3%	20	4.1%	21	4.3%	22	4.3%	22	4.1%
Recoveries (impairments), net	(7)		(53)		-		1		(8)	
Total	861	5.1%	811	4.9%	870	5.4%	828	5.2%	821	5.2%
Real estate										
Rental and other income	105	4.4%	93	4.2%	117	5.5%	115	5.4%	117	5.5%
Gains on assets backing surplus	-		-		-		(1)		-	
Total	105	4.4%	93	4.2%	117	5.5%	114	5.4%	117	5.5%
Other investments										
Investment income	214	n/a	262	n/a	146	n/a	136	n/a	119	n/a
Derivatives										
Investment income	125	n/a	182	n/a	158	n/a	173	n/a	128	n/a
Investment income ²	2,684	4.6%	2,637	4.6%	2,483	4.4%	2,345	4.1%	2,405	4.3%
² Investment income includes dividends, interest, rental income and realized gains on assets supporting surplus, excluding the macro equity hedging program.										
Realized and unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro equity hedges										
Debt securities	3,029		(922)		(1,189)		(5,105)		(543)	
Public equities	147		555		415		(117)		498	
Loans	(4)		12		13		15		(2)	
Real estate	59		30		14		39		15	
Other investments	111		135		285		118		77	
Derivatives, including macro equity hedging program	1,914		(2,598)		(2,051)		(4,305)		(3,006)	
Total	5,256	n/a	(2,788)	n/a	(2,513)	n/a	(9,355)	n/a	(2,961)	n/a
Total investment income (loss)	7,940	13.9%	(151)	-0.3%	(30)	-0.1%	(7,010)	-11.4%	(556)	-1.0%
Investment expenses related to invested assets	(105)	n/a	(125)	n/a	(98)	n/a	(97)	n/a	(97)	n/a
Investment income (loss) less investment expenses	7,835	13.7%	(276)	-0.5%	(128)	-0.2%	(7,107)	-11.6%	(653)	-1.1%

Actuarial Liabilities Information

VARIABLE ANNUITY PRODUCT GUARANTEES

(Canadian \$millions, unaudited)



	Guarantee Value			Net Amount at Risk ²			Expected Gain/ (Loss) from Guarantees ³	Policy Liabilities Held ^{4,6}	Target Capital (200 % of MCCR)	Policy Liabilities Held plus Target Capital
	Gross Amount ⁵	Amount Reinsured	Net of Reinsurance ¹	Gross Amount ⁵	Amount Reinsured	Net of Reinsurance ¹				
Q1 2014	103,358	9,109	94,249	6,718	1,537	5,181	(227)	2,354	4,306	6,660
Q4 2013	101,815	9,023	92,792	6,736	1,506	5,230	665	1,197	4,269	5,466
Q3 2013	101,426	8,954	92,472	8,198	1,665	6,533	(330)	2,786	5,363	8,149
Q2 2013	104,445	9,406	95,039	10,413	1,955	8,458	(1,005)	4,502	6,234	10,736
Q1 2013	104,473	9,386	95,087	9,633	1,877	7,756	(2,164)	5,909	6,214	12,123

As at Q1 2014	Net of Reinsurance ¹		
	Total Guarantee Value ⁵	Total Fund Value ⁵	Net Amount at Risk ^{2,5}
US			
Withdrawal Benefits	45,454	43,663	2,879
Income Benefits	558	502	68
Death Benefits	5,174	5,710	507
	51,186	49,875	3,454
Canada			
Withdrawal Benefits	16,815	16,624	861
Maturity Benefits	8,434	11,667	20
Death Benefits	1,491	-	117
	26,740	28,291	998
Japan			
Withdrawal Benefits	4,679	4,405	308
Maturity Benefits	7,741	8,102	88
Income Benefits	-	-	-
Death Benefits	1,178	1,083	27
	13,598	13,590	423
Reinsurance & Other	2,725	2,679	306

Key markets, closing levels	S&P 500	TSX	TOPIX	EAFE
As at Q1 2014	1,872	14,335	1,203	1,916
As at Q4 2013	1,848	13,622	1,302	1,916
As at Q3 2013	1,682	12,787	1,194	1,818
As at Q2 2013	1,606	12,129	1,134	1,639
As at Q1 2013	1,569	12,750	1,035	1,674

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

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

³ Expected Gain/(Loss) from Guarantees is the contract fees attributed to guarantees less the guarantee costs based on average of all scenarios. Not included in this amount is the value of expected profit on the underlying contracts that contain the guarantees.

⁴ 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.

⁵ 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.

⁶ The policy liabilities are held within the insurance contract liabilities, investment contract liabilities and other liabilities, as applicable under IFRS and are shown net of reinsurance.

The net amount at risk is not currently payable. Guaranteed death benefits are contingent and only payable upon the eventual death of policyholders if fund values remain below guarantee values. Withdrawal, accumulation and income benefits are also contingent and only payable at scheduled maturity in the future, if the policyholders are still living and have not terminated their policies and fund values remain below guarantee values.

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

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

CTE Level & Description
CTE(0) is the average of all scenarios tested in the period
CTE(70) covers the average cost of the worst 30% of scenarios tested with the highest net cost
CTE(90) covers the average cost of the worst 10% of scenarios tested with the highest net cost
CTE(95) covers the average cost of the worst 5% of scenarios tested with the highest net cost

Comparable Market Scenario for North American Markets
Annual Market Growth of approximately 9.5%
Minimal (less than 1%) Market Growth for 10 years, followed by annual market growth of approximately 5%
Immediate -25% to -30% equity market decline, followed by 10 years of no growth before assuming annual market growth of approximately 4%
Immediate -40% to -45% equity market decline, followed by 10 years of no growth before assuming annual market growth of approximately 3%

ACTUARIAL LIABILITIES - WEALTH MANAGEMENT DAC BALANCES

(Canadian \$ in millions, unaudited)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1
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Change in Deferred Acquisition Costs (DAC)

Opening balance	3,792	3,776	3,946	3,958	3,995
Amount capitalized	140	154	110	117	133
Amount amortized	(218)	(222)	(219)	(220)	(218)
Currency	107	84	(61)	91	48
Ending balance	3,821	3,792	3,776	3,946	3,958

DAC Balances

Hong Kong	234	224	212	215	205
Japan	79	84	98	112	128
Canadian Individual Wealth Management	998	997	984	993	1,004
John Hancock Annuities	871	913	966	1,074	1,124
John Hancock Wealth Asset Management	1,524	1,463	1,410	1,446	1,398
Other	115	111	106	106	99
Total DAC	3,821	3,792	3,776	3,946	3,958

Funds Under Management

Hong Kong	17,297	19,945	13,935	13,156	12,863
Japan	13,609	13,566	14,191	14,525	15,353
Canadian Individual Wealth Management ¹	61,778	59,623	56,728	54,734	53,808
John Hancock Annuities ¹	56,675	57,305	55,067	55,668	56,301
John Hancock Wealth Asset Management	164,600	151,959	138,869	133,491	125,645
Other	30,874	29,294	27,601	26,948	26,377
Total Funds Under Management	344,833	331,692	306,391	298,522	290,347

DAC as a % of Funds Under Management

Hong Kong	1.4%	1.1%	1.5%	1.6%	1.6%
Japan	0.6%	0.6%	0.7%	0.8%	0.8%
Canadian Individual Wealth Management	1.6%	1.7%	1.7%	1.8%	1.9%
John Hancock Annuities	1.5%	1.6%	1.8%	1.9%	2.0%
John Hancock Wealth Asset Management	0.9%	1.0%	1.0%	1.1%	1.1%
Other	0.4%	0.4%	0.4%	0.4%	0.4%
Total DAC as a % of Funds Under Management	1.1%	1.1%	1.2%	1.3%	1.4%

DAC balances are classified as reductions in liabilities for products classified as insurance contracts and as other assets on the statement of financial position for products not classified as insurance contracts. Recoverability is tested quarterly.

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

REGULATORY CAPITAL

(Canadian \$ in millions, unaudited)



	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1
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The Manufacturers Life Insurance Company's MCCR**Capital available:**

Tier 1 capital					
Common shares	22,649	22,649	22,454	22,454	22,454
Retained earnings and CTA	9,524	7,693	7,123	6,609	5,622
Qualifying non-controlling interests	375	329	316	276	269
Innovative instruments	1,000	1,000	1,000	1,000	1,000
Other	2,808	2,886	2,725	2,797	2,876
Gross Tier 1 capital	36,356	34,557	33,618	33,136	32,221
Deductions:					
Goodwill & intangibles in excess of limit	(3,210)	(3,110)	(3,092)	(3,117)	(3,094)
Other	(5,506)	(5,359)	(5,912)	(5,534)	(4,951)
Adjustments	(1,314)	(1,378)	(1,333)	(1,265)	(1,217)
Net Tier 1 capital - A	26,326	24,710	23,281	23,220	22,959

Tier 2 Capital					
Tier 2A	398	361	238	153	610
Tier 2B allowed	3,547	3,029	2,763	2,773	2,300
Tier 2C	5,546	5,418	5,319	5,377	4,936
Adjustments	(1,314)	(1,378)	(1,333)	(1,265)	(1,217)
Total Tier 2 capital allowed	8,177	7,430	6,987	7,038	6,629
Total Tier 1 and Tier 2 capital	34,503	32,140	30,268	30,258	29,588
Less Adjustments	-	-	-	-	-
Total Capital Available - B	34,503	32,140	30,268	30,258	29,588

Capital Required:

Asset default & market risk	8,561	8,310	8,612	8,955	8,873
Insurance risks	2,595	2,461	2,428	2,501	2,517
Interest rate risks	2,356	2,184	2,195	2,199	2,231
Total Capital Required - C	13,512	12,955	13,235	13,655	13,621

MCCR Ratio: Total (B/C) x 100	255%	248%	229%	222%	217%
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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.

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.

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

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

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

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

- **Institutional Advisory Accounts:** Accounts either separate or commingled of Institutional Clients for which Manulife Asset Management provides investment management services and that do not meet the definition of Segregated Funds.

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

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 Asset Management provides investment management services. Such clients include pensions, endowments and other external investment managers and wealth management organizations.

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

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

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

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

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

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

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

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

- **Institutional Advisory Account Deposits:** Deposits received in the Institutional Advisory Accounts.

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

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

Sales: Sales are measured according to product type.

- **Individual Insurance:** New annualized premiums reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. Sales are reported gross before the impact of reinsurance. Single premium is the lump sum premium from the sale of a single premium product e.g. travel insurance. Single and excess premiums sales are included in sales at 10%.

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

- **Individual Wealth Management:** All new deposits are reported as sales. This includes individual annuities, both fixed and variable; segregated fund products; mutual funds; college savings 529 plans; and authorized bank loans and mortgages. As we have discontinued sales of new VA contracts in the U.S, beginning in Q1 2013, subsequent deposits into existing U.S VA contracts will not be considered sales.

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

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

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

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



GENERAL INFORMATION

MANULIFE FINANCIAL CORPORATION HEAD OFFICE

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Canada M4W 1E5
Web Site: www.manulife.com

TRANSFER AGENT

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

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

COMMON STOCK

Common Stock of Manulife Financial is traded on:

<u>Stock Exchange</u>	<u>Symbol</u>
Toronto	MFC
New York	MFC
Hong Kong	945
Philippines	MFC

INVESTOR INFORMATION

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INDUSTRY RATING INFORMATION

The following credit rating agencies each assign claims paying/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 May 1, 2014)

<u>Purpose</u>	<u>Rating agency</u>	<u>Rating</u>
Claims paying/ Financial strength	Standard & Poor's	AA-
	Moody's	A1
	Fitch Ratings	AA-
	DBRS	IC-1
	A.M. Best	A+

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

(as at May 1, 2014)

<u>Purpose</u>	<u>Rating agency</u>	<u>Rating</u>
Claims paying/ Financial strength	Standard & Poor's	AA-
	Moody's	A1
	Fitch Ratings	AA-
	DBRS	not rated
	A.M. Best	A+

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