



Statistical Information Package

Q1 2016



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FINANCIAL REPORTING STRUCTURE



MFC

ASIA DIVISION	CANADIAN DIVISION	U.S. DIVISION	CORPORATE & OTHER
INSURANCE	INSURANCE	INSURANCE	CORPORATE
<i>Individual Insurance</i> <i>Group Life</i> <i>Group Health</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>
			REINSURANCE
			<i>Property and Casualty</i> <i>JH Accident and Health (discontinued)</i>
WEALTH AND ASSET MANAGEMENT	WEALTH AND ASSET MANAGEMENT	WEALTH AND ASSET MANAGEMENT	WEALTH AND ASSET MANAGEMENT
<i>Group Pensions</i> <i>Mutual Funds</i>	<i>Mutual Funds</i> <i>Group Retirement Solutions</i> <i>Manulife Private Wealth</i>	<i>Defined Contribution</i> <i>Mutual Funds</i> <i>College Savings</i>	<i>Institutional Advisory Accounts</i> <i>Privately Managed Accounts</i>
OTHER WEALTH	OTHER WEALTH	OTHER WEALTH	
<i>Single Premium Products</i> <i>Variable Annuities</i> <i>Fixed Annuities</i>	<i>Fixed Products</i> <i>Annuities</i> <i>GICs</i> <i>Retail Segregated Fund Products</i> <i>Manulife Bank</i>	<i>Variable Annuities</i> <i>Fixed Deferred Annuities</i> <i>Payout Annuities</i> <i>Spread-based Products</i> <i>Fee-based Products</i>	

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

Notes to Readers



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 2015 Annual Report and should be read in conjunction with those documents.

Performance and Non-GAAP Measures

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

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

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

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

Sales are measured according to product type.

(i) For individual insurance, sales include 100 per cent of new annualized premiums and 10 per cent of both excess and single premiums. For individual insurance, new annualized premiums reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. Single premium is the lump sum premium from the sale of a single premium product, e.g. travel insurance. Sales are reported gross before the impact of reinsurance.

(ii) For group insurance, sales include new annualized premiums and administrative services only (ASO) premium equivalents on new cases, as well as the addition of new coverages and amendments to contracts, excluding rate increases.

(iii) For other wealth, all new deposits are reported as sales. This includes certain single premium wealth accumulation products in Asia and individual annuities, both fixed and variable. As we have discontinued sales of new VA contracts in the U.S., beginning in the first quarter of 2013, subsequent deposits into existing U.S VA contracts are not reported as sales.

Gross Flows is a new business measure for Manulife's wealth and asset management ("WAM") businesses and includes all deposits into the Company's mutual funds, college savings 529 plans, group pension/retirement savings products, private wealth and institutional asset management products. Gross flows are a common industry metric for WAM businesses as it provides a measure of how successful the businesses are at attracting assets.

Net flows is presented for our WAM businesses and includes gross flows less redemptions for our mutual funds, college savings 529 plans, group pension/retirement savings products, private wealth and institutional asset management products. Net flows are a common industry metric for WAM businesses as it provides a measure of how successful the businesses are at attracting and retaining assets.

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

Core earnings before income tax, depreciation and amortization ("Core EBITDA") is a non-GAAP profitability measure for our global wealth and asset management business. It shows core earnings adjusted to remove the impacts of amortization and impairment of intangible assets acquired in business combinations, amortization of deferred acquisition costs, interest income and expenses, and income tax.

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

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

Constant currency basis

Quarterly amounts stated on a constant currency basis are calculated using Q1 2016 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)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Shareholders' Net Income (loss) by Division¹

Asia	121	409	111	303	282	-57%	1,105
Canadian	600	(104)	276	190	118	408%	480
U.S.	241	323	507	166	464	-48%	1,460
Corporate and other	83	(382)	(272)	(59)	(141)	-	(854)
Net income attributed to shareholders	1,045	246	622	600	723	45%	2,191
Preferred share dividends	(29)	(29)	(29)	(29)	(29)	0%	(116)
Common shareholders' net income	1,016	217	593	571	694	46%	2,075
Common shareholders' net income on a constant currency basis	1,016	245	619	628	746	36%	2,238

Earnings Analysis¹

Core earnings							
Asia	371	334	338	283	279	33%	1,234
Canadian	338	352	336	303	261	30%	1,252
U.S.	389	332	375	385	374	4%	1,466
Corporate and other (excl. expected cost of macro hedges and core investment gains)	(107)	(85)	(66)	(74)	(73)	-	(298)
Expected cost of macro hedges	(86)	(74)	(62)	(46)	(44)	-	(226)
Investment-related experience in core earnings	-	-	(51)	51	-	-	-
Total core earnings	905	859	870	902	797	14%	3,428
Investment-related experience outside of core earnings	(340)	(361)	(169)	77	(77)	-	(530)
Total core earnings and investment-related experience in excess of amounts included in core earnings	565	498	701	979	720	-22%	2,898
Items excluded from core earnings							
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	474	(29)	232	(309)	13	nm	(93)
Change in actuarial methods and assumptions	12	(97)	(285)	(47)	(22)	-	(451)
Integration and acquisition costs	(14)	(39)	(26)	(54)	(30)	-	(149)
Tax related items	1	2	-	31	30	-97%	63
Other items	7	(89)	-	-	12	-42%	(77)
Net income attributed to shareholders	1,045	246	622	600	723	45%	2,191

¹ The Corporate and Other segment includes earnings on assets backing capital net of amounts allocated to operating divisions. The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

Selected Performance Measures

Basic earnings per common share	\$0.51	\$0.11	\$0.30	\$0.29	\$0.36	42%	\$ 1.06
Basic earnings per common share on a constant currency basis	\$0.51	\$0.12	\$0.31	\$0.32	\$0.39	31%	
Diluted core earnings per common share	\$0.44	\$0.42	\$0.43	\$0.44	\$0.39	13%	\$ 1.68
Diluted earnings per common share	\$0.51	\$0.11	\$0.30	\$0.29	\$0.36	42%	\$ 1.05
Return on common shareholders' equity (annualized) (%)	10.8%	2.3%	6.5%	6.4%	8.4%	240 bps	5.8%
Core ROE (annualized) (%)	9.3%	8.7%	9.2%	9.8%	9.3%	-	9.2%

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Earnings Analysis (Pre-tax)¹

Core earnings							
Asia	444	388	397	317	311	43%	1,413
Canadian	424	440	413	374	316	34%	1,543
U.S.	515	439	454	517	501	3%	1,911
Corporate and other (excl. expected cost of macro hedges and core investment gains)	(204)	(114)	(144)	(141)	(149)	-	(548)
Expected cost of macro hedges	(126)	(108)	(90)	(68)	(64)	-	(330)
Investment-related experience in core earnings	-	-	(61)	74	-	-	13
Total core earnings	1,053	1,045	969	1,073	915	15%	4,002
Investment-related experience outside of core earnings	(470)	(496)	(202)	112	(92)	-	(678)
Total core earnings and investment-related experience in excess of amounts included in core earnings	583	549	767	1,185	823	-29%	3,324
Items excluded from core earnings							
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	750	(71)	578	(491)	103	628%	119
Change in actuarial methods and assumptions	35	(119)	(361)	(70)	(41)	-	(591)
Integration and acquisition costs	(18)	(52)	(38)	(78)	(39)	-	(207)
Other items	(7)	(137)	(8)	26	(7)	-	(126)
Net income attributed to shareholders	1,343	170	938	572	839	60%	2,519

Earnings Analysis (Tax Rate)¹

Core earnings							
Asia	16%	14%	15%	11%	10%		13%
Canadian	20%	20%	19%	19%	17%		19%
U.S.	24%	24%	17%	26%	25%		23%
Corporate and other (excl. expected cost of macro hedges and core investment gains)	48%	25%	54%	48%	51%		46%
Expected cost of macro hedges	32%	31%	31%	32%	31%		32%
Investment-related experience in core earnings	0%	0%	16%	31%	0%		100%
Total core earnings	14%	18%	10%	16%	13%		14%
Investment-related experience outside of core earnings	28%	27%	16%	31%	16%		22%
Total core earnings and investment-related experience in excess of amounts included in core earnings	3%	9%	9%	17%	13%		13%
Items excluded from core earnings							
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	37%	59%	60%	37%	87%		178%
Change in actuarial methods and assumptions	66%	18%	21%	33%	46%		24%
Integration and acquisition costs	22%	25%	32%	31%	23%		28%
Other items	200%	35%	100%	100%	271%		39%
Net income attributed to shareholders	22%	-45%	34%	-5%	14%		13%

Core earnings by line of business¹

Insurance²							
Asia	249	222	227	178	184	35%	811
Canada	172	202	165	141	113	52%	621
U.S.	183	134	167	186	178	3%	665
Total Insurance	604	558	559	505	475	27%	2,097
Wealth and asset management³							
Asia	38	36	38	43	42	-10%	159
Canada	39	35	40	36	30	30%	141
U.S.	64	78	90	74	68	-6%	310
Corporate and other ^{5,6}	(1)	6	(1)	7	8	-	20
Total wealth and asset management	140	155	167	160	148	-5%	630
Other wealth⁴							
Asia	84	76	73	62	53	58%	264
Canada Manulife Bank	30	27	26	36	34	-12%	123
Canada excluding Manulife Bank	97	88	105	90	84	15%	367
Canada	127	115	131	126	118	8%	490
U.S.	142	120	118	125	128	11%	491
Total other wealth	353	311	322	313	299	18%	1,245
Corporate and other^{5,6}	(192)	(165)	(178)	(76)	(125)	54%	(544)
Total core earnings	905	859	870	902	797	14%	3,428

¹ The Corporate and Other segment includes earnings on assets backing capital net of amounts allocated to operating divisions. The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

² Insurance and other wealth businesses are included in embedded value and new business value calculations (see page 31).

³ Wealth and asset management is comprised of our fee based business with little or no insurance risk, including mutual funds, pensions products and institutional asset management.

⁴ Other wealth includes single premium wealth accumulation products in Asia, annuities, GIC's and Manulife Bank.

⁵ Corporate and other results are net of internal allocations to other divisions.

⁶ Core earnings from Manulife Asset Management has been included in Wealth & Asset Management core earnings.

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Premiums and Deposits - Insurance

Life and health insurance premiums ¹	5,706	5,306	5,066	4,687	4,570	25%	19,629
Segregated fund deposits	578	569	594	547	549	5%	2,259
ASO premium equivalents	868	833	804	851	837	4%	3,325
Group Benefits ceded	1,034	1,051	1,012	1,031	1,202	-14%	4,296
Premiums and deposits - Insurance	8,186	7,759	7,476	7,116	7,158	14%	29,509
Premiums and deposits - Insurance on a constant currency basis	8,186	7,943	7,752	7,626	7,614	8%	30,935

¹ Excludes the impact of the net ceded premium related to the Closed Block reinsurance transaction in 3Q15 and full year 2015.

Premiums and Deposits - Wealth and Asset Management ²

Pension premiums and investment contract deposits	14	10	11	12	11	27%	44
Segregated fund deposits	7,045	6,606	6,802	5,989	6,483	9%	25,880
Mutual fund deposits	17,812	18,361	16,768	17,787	13,188	35%	66,104
Institutional advisory accounts	3,213	5,972	2,165	10,987	3,024	6%	22,148
Other fund deposits ³	144	140	116	117	137	5%	510
Premiums and deposits - Wealth and Asset Management	28,228	31,089	25,862	34,892	22,843	24%	114,686
Premiums and deposits - Wealth and Asset Management on a constant currency basis	28,228	31,760	26,854	37,267	24,580	15%	120,461

² Wealth & asset management is comprised of our fee based business with little or no insurance risk, including mutual funds, pensions products and institutional asset management.

³ Other funds include College Savings (529 plan) and Privately Managed Accounts.

Premiums and Deposits - Other Wealth

Annuity and investment contract deposits	1,026	1,398	1,137	950	877	17%	4,362
Segregated fund deposits	415	565	458	744	589	-30%	2,356
Premiums and deposits - Other Wealth	1,441	1,963	1,595	1,694	1,466	-2%	6,718
Premiums and deposits - Other Wealth on a constant currency basis	1,441	2,015	1,663	1,823	1,557	-7%	7,058
Premiums and Deposits - Corporate & Other	22	26	24	21	19	16%	90

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Insurance Sales ¹

Asia - US \$	460	416	379	374	338	36%	1,507
Canada - C \$	155	303	142	166	214	-28%	825
U.S. - US \$	122	127	126	118	117	4%	488
Insurance sales - C \$	954	1,027	803	771	779	22%	3,380
Insurance sales on a constant currency basis - C \$	954	1,059	845	846	840	14%	3,590

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

Wealth and Asset Management ² Gross Flows by Division

Asia - US \$	2,482	2,509	1,871	5,155	2,705	-8%	12,240
Canada - C \$	4,165	3,932	4,213	3,923	4,406	-5%	16,474
U.S. - US \$	12,710	13,344	13,016	11,094	9,726	31%	47,180
Corporate and Other - C \$	3,213	5,974	2,165	10,987	3,024	6%	22,150
Wealth & asset management gross flows - C \$	28,228	31,089	25,862	34,892	22,843	24%	114,686
Wealth & asset management gross flows on a constant currency basis - C \$	28,228	31,759	26,854	37,115	24,582	15%	120,310

² Wealth and asset management is comprised of our fee based business with little or no insurance risk, including mutual funds, pensions products and institutional asset management.

Wealth and Asset Management Net Flows by Division

Asia - US \$	196	848	(2,281)	2,460	852	-77%	1,879
Canada - C \$	771	765	1,566	1,331	1,821	-58%	5,483
U.S. - US \$	20	2,815	3,446	1,466	1,754	-99%	9,481
Corporate and Other - C \$	607	3,087	1,426	8,335	1,578	-62%	14,426
Total net flows - C \$	1,676	8,748	4,514	14,494	6,631	-75%	34,387
Net flows on a constant currency basis - C \$	1,676	8,642	4,713	14,891	6,931	-76%	35,177

Other Wealth Sales excluding Manulife Bank

Asia - US \$	1,049	929	813	691	589	78%	3,022
Canada - C \$	944	868	781	923	1,037	-9%	3,609
Other wealth sales - C \$	2,384	2,109	1,845	1,773	1,767	35%	7,494
Other wealth sales on a constant currency basis - C \$	2,384	2,202	1,950	1,896	1,855	29%	7,903

New Business Value ³

Asia	221	229	202	142	118	87%	691
Canada	47	50	50	43	45	5%	188
U.S.	19	17	35	18	6	220%	76
Total new business value	287	296	287	203	169	70%	955

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

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Common Share Statistics

Share Price - Toronto (in Canadian \$)							
high	20.53	22.65	21.13	24.20	22.35	-8%	24.20
low	15.32	20.12	20.05	21.23	19.80	-23%	19.80
close	18.38	20.74	20.64	23.21	21.51	-15%	20.74
Share Price - New York (in U.S \$)							
high	14.73	16.95	16.00	19.61	19.10	-23%	19.61
low	10.99	14.52	15.03	16.79	15.89	-31%	14.52
close	14.13	14.98	15.48	18.59	17.01	-17%	14.98
Common shares outstanding (millions)							
- end of period	1,972	1,972	1,971	1,971	1,970	0%	1,972
- weighted average	1,972	1,972	1,971	1,971	1,936	2%	1,962
- diluted weighted average	1,976	1,977	1,977	1,992	1,959	1%	1,977
Dividend per common share paid in the quarter ¹	0.185	0.17	0.17	0.17	0.155	19%	0.665
Common share dividend payout ratio	33.5%	154.8%	56.5%	58.7%	42.5%	-21%	62.7%

¹ On May 4, 2016, the Board of Directors approved a quarterly shareholders' dividend of 18.5 cents per share on the common shares of the Company, payable on or after June 20, 2016 to shareholders of record at the close of business on May 17, 2016.

Valuation Data

Book value per common share	18.98	19.51	18.98	17.89	18.33	4%	19.51
Market value to book value ratio	0.97	1.06	1.09	1.30	1.17	-18%	1.06
Book value excluding goodwill per common share	16.16	16.62	16.12	15.27	16.05	1%	16.62
Market value to book value excluding goodwill ratio	1.14	1.25	1.28	1.52	1.34	-15%	1.25
Market capitalization (\$ billions)	36.2	40.9	40.7	45.7	42.4	-14%	40.9

Assets Under Management and Administration³

Assets Under Management							
General fund	308,450	309,267	299,595	295,393	308,680	0%	309,267
Segregated funds excluding institutional advisory accounts	296,537	310,952	298,679	301,129	309,796	-4%	310,952
Mutual funds	151,087	160,020	147,185	144,663	139,750	8%	160,020
Institutional advisory accounts	69,674	71,237	65,528	64,315	55,218	26%	71,237
Other funds ²	7,674	7,552	6,549	8,303	7,901	-3%	7,552
Total assets under management	833,422	859,028	817,536	813,803	821,345	1%	859,028
Assets under administration	70,437	76,148	70,447	68,924	-	-	76,148
Total assets under management and administration	903,859	935,176	887,983	882,727	821,345	10%	935,176
Total assets under management and administration on a constant currency basis	903,859	901,471	873,509	905,769	835,223	8%	901,471

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

Assets Under Management and Administration³

Insurance	245,551	246,102	234,943	235,534	242,128	1%	246,102
Wealth and asset management ⁴	487,536	510,455	476,600	474,382	393,840	24%	510,455
Other wealth	175,184	178,305	176,137	170,824	181,064	-3%	178,305
Corporate and other	(4,412)	314	303	1,987	4,313	-	314
Total assets under management and administration	903,859	935,176	887,983	882,727	821,345	10%	935,176

³ The Corporate and Other segment includes earnings on assets backing capital net of amounts allocated to operating divisions. The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

⁴ Wealth and asset management is comprised of our fee based business with little or no insurance risk, including mutual funds, pensions products and institutional asset management.

Capital Information

Total capital ⁵	49,384	49,897	47,880	45,521	46,362	7%	49,897
MCCSR - The Manufacturers Life Insurance Company ⁶	233%	223%	226%	236%	245%	-12 pts	223%

⁵ 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.

⁶ 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 Information⁷

- Statements of Financial Position	(CDN to \$ 1 US)	1.2970	1.3841	1.3394	1.2473	1.2682	2%
	(CDN to 1 YEN)	0.0115	0.0115	0.0112	0.0102	0.0106	9%
- Statements of Income	(CDN to \$ 1 US)	1.3724	1.3360	1.3089	1.2297	1.2399	11%
	(CDN to 1 YEN)	0.0119	0.0110	0.0107	0.0101	0.0104	15%

⁷ Unless otherwise indicated, information contained in this supplement is in Canadian dollars. The exchange rates above are used for currency conversion from U.S. dollars and Japanese yen to Canadian dollars for financial statement purposes.

CONSOLIDATED STATEMENTS OF INCOME

(Canadian \$ in millions, unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
Revenue							
Premium income							
Gross premiums	9,118	8,984	8,198	7,449	7,389	23%	32,020
Premiums ceded to reinsurers	(2,390)	(2,272)	(1,965)	(1,872)	(1,986)	20%	(8,095)
Premiums ceded, net of ceded commissions and additional consideration relating to Closed Block reinsurance transaction ¹	-	-	(7,996)	-	-	-	(7,996)
Net premium income (ceded)	6,728	6,712	(1,763)	5,577	5,403	25%	15,929
Investment income							
Investment income ²	3,300	2,899	2,708	3,216	2,642	25%	11,465
Realized/ unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro hedge program ³	8,862	(1,916)	3,672	(10,161)	5,343	66%	(3,062)
Net investment income (loss)	12,162	983	6,380	(6,945)	7,985	52%	8,403
Other revenue	2,829	2,694	2,487	2,491	2,426	17%	10,098
Total revenue	21,719	10,389	7,104	1,123	15,814	37%	34,430
Contract benefits and expenses							
To contract holders and beneficiaries							
Gross claims and benefits	6,498	6,225	5,741	5,746	6,049	7%	23,761
Change in insurance contract liabilities ²	12,158	2,063	5,741	(7,795)	7,443	63%	7,452
Change in investment contract liabilities	(57)	26	56	75	46	-	203
Benefits and expenses ceded to reinsurers	(2,056)	(1,965)	(1,868)	(1,830)	(1,602)	28%	(7,265)
Change in reinsurance assets ¹	129	(48)	(7,160)	737	(339)	-	(6,810)
Net benefits and claims	16,672	6,301	2,510	(3,067)	11,597	44%	17,341
General expenses	1,637	1,752	1,519	1,566	1,384	18%	6,221
Investment expenses	385	453	402	379	381	1%	1,615
Commissions	1,381	1,401	1,314	1,259	1,202	15%	5,176
Interest expense	201	252	282	251	316	-36%	1,101
Net premium taxes	90	94	89	85	90	0%	358
Total contract benefits and expenses	20,366	10,253	6,116	473	14,970	36%	31,812
Income before income taxes	1,353	136	988	650	844	60%	2,618
Income tax (expense) recovery	(298)	76	(316)	28	(116)	157%	(328)
Net income	1,055	212	672	678	728	45%	2,290
Less: net income (loss) attributed to non-controlling interests	26	(7)	24	29	23	13%	69
Less: net income (loss) attributed to participating policyholders	(16)	(27)	26	49	(18)	-11%	30
Net income attributed to shareholders	1,045	246	622	600	723	45%	2,191
Preferred share dividends	(29)	(29)	(29)	(29)	(29)	0%	(116)
Common shareholders' net income	1,016	217	593	571	694	46%	2,075

¹ Effective July 1, 2015, U.S. division's RPS business included the assumption by New York Life (NYL) of the Company's in-force participating life insurance closed block ("Closed Block") through net 60% reinsurance agreements. The Closed Block transaction with NYL resulted in a net ceded premium of approximately \$8.0 billion, reported as a reduction in premiums, net of commissions received and additional consideration received relating to New York Life retirement plan services business.

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

³ 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)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1
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ASSETS

Invested assets					
Cash and short-term securities	17,864	17,885	19,005	15,647	18,589
Securities					
Debt securities	161,425	157,827	150,788	148,606	159,758
Public equities	16,641	16,983	16,068	17,315	17,484
Loans					
Mortgages	42,987	43,818	43,864	45,063	45,114
Private placements	26,224	27,578	26,043	26,652	26,352
Policy loans	7,298	7,673	7,481	8,641	8,697
Loans to bank clients	1,822	1,778	1,761	1,750	1,770
Real estate	14,870	15,347	14,848	13,193	12,391
Other invested assets	19,319	20,378	19,737	18,526	18,525
Total invested assets	308,450	309,267	299,595	295,393	308,680
Other assets					
Accrued investment income	2,138	2,275	2,068	2,182	2,248
Outstanding premiums	813	878	840	812	918
Derivatives	34,432	24,272	25,615	17,581	26,606
Goodwill and intangible assets	9,624	9,384	9,127	8,460	7,790
Reinsurance assets	33,017	35,426	34,740	19,428	20,649
Deferred tax asset	3,724	4,067	3,766	3,576	3,471
Miscellaneous	6,469	5,825	6,597	7,690	6,225
Total other assets	90,217	82,127	82,753	59,729	67,907
Segregated funds net assets	298,684	313,249	301,276	303,589	312,302
Total assets	697,351	704,643	683,624	658,711	688,889

LIABILITIES AND EQUITY

Policy liabilities					
Insurance contract liabilities	286,514	287,059	278,445	258,264	269,710
Investment contract liabilities	3,253	3,497	3,910	3,769	3,806
Deposits from bank clients	18,135	18,114	18,222	18,037	18,555
Deferred tax liability	1,507	1,235	1,274	1,277	1,497
Derivatives	20,618	15,050	16,581	11,185	16,173
Other liabilities	15,588	14,953	14,516	13,842	16,760
	345,615	339,908	332,948	306,374	326,501
Long-term debt	4,048	1,853	1,829	3,432	4,004
Liabilities for preferred shares and capital instruments	7,653	7,695	6,681	6,639	6,647
Segregated funds net liabilities	298,684	313,249	301,276	303,589	312,302
Total liabilities	656,000	662,705	642,734	620,034	649,454
Equity					
Issued share capital					
Preferred shares	3,110	2,693	2,693	2,693	2,693
Common shares	22,804	22,799	22,790	22,785	22,768
Contributed surplus	286	277	276	275	275
Shareholders' retained earnings	9,074	8,398	8,517	8,259	8,023
Shareholders' accumulated other comprehensive income (loss)					
Pension and other post-employment plans	(503)	(521)	(561)	(543)	(548)
Available-for-sale securities	452	345	422	611	1,175
Cash flow hedges	(380)	(264)	(309)	(205)	(280)
Translation of foreign operations and real estate revaluation surplus	5,706	7,432	6,271	4,077	4,694
Total shareholders' equity	40,549	41,159	40,099	37,952	38,800
Participating policyholders' equity	171	187	214	188	139
Non-controlling interests	631	592	577	537	496
Total equity	41,351	41,938	40,890	38,677	39,435
Total liabilities and equity	697,351	704,643	683,624	658,711	688,889

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Canadian \$ in millions, unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	Fiscal 2015
Preferred shares						
Balance, beginning of period	2,693	2,693	2,693	2,693	2,693	2,693
Issued	425	-	-	-	-	-
Redeemed	-	-	-	-	-	-
Issuance costs, net of tax	(8)	-	-	-	-	-
Balance, end of period	3,110	2,693	2,693	2,693	2,693	2,693
Common shares						
Balance, beginning of period	22,799	22,790	22,785	22,768	20,556	20,556
Issued on exercise of stock options and deferred share units	5	9	5	17	6	37
Issued under Dividend Reinvestment and Share Purchase Plans	-	-	-	-	-	-
Issued in exchange of subscription receipts	-	-	-	-	2,206	2,206
Balance, end of period	22,804	22,799	22,790	22,785	22,768	22,799
Contributed surplus						
Balance, beginning of period	277	276	275	275	267	267
Exercise of stock options and deferred share units	(1)	(1)	(1)	(3)	(1)	(6)
Stock option expense	10	2	2	3	9	16
Balance, end of period	286	277	276	275	275	277
Shareholders' retained earnings						
Balance, beginning of period	8,398	8,517	8,259	8,023	7,624	7,624
Net income attributed to shareholders	1,045	246	622	600	723	2,191
Preferred share dividends	(29)	(29)	(29)	(29)	(29)	(116)
Common share dividends	(340)	(336)	(335)	(335)	(295)	(1,301)
Balance, end of period	9,074	8,398	8,517	8,259	8,023	8,398
Shareholders' accumulated other comprehensive income (loss)						
Balance, beginning of period	6,992	5,823	3,940	5,041	2,166	2,166
Other comprehensive income (loss)						
Remeasurement of pension and other post-employment plans, net of tax expense of \$10	18	40	(18)	5	(19)	8
Real estate revaluation reserve, net of tax expense of nil	-	-	-	-	1	1
Available-for-sale ("AFS") securities unrealized gains (losses), net of tax expense of \$170	355	(33)	(58)	(483)	411	(163)
AFS securities realized losses (gains) & impairments (recoveries), net of tax recovery of \$89	(247)	(44)	(130)	(79)	(30)	(283)
Cash flow hedges unrealized gains (losses), net of tax recovery of \$44	(119)	42	(107)	73	(72)	(64)
Cash flow hedges realized (gains) losses, net of tax expense of \$2	3	3	3	2	3	11
Unrealized foreign exchange gains (losses), net of \$206 hedges and tax expense of \$73	(1,726)	1,161	2,194	(617)	2,581	5,319
Share of other comprehensive income (loss) of associates, net of tax expense of nil	(1)	-	(1)	(2)	-	(3)
Balance, end of period	5,275	6,992	5,823	3,940	5,041	6,992
Total shareholders' equity, end of period	40,549	41,159	40,099	37,952	38,800	41,159
Participating policyholders' equity						
Balance, beginning of period	187	214	188	139	156	156
Net income (loss) attributed to participating policyholders	(16)	(27)	26	49	(18)	30
Other comprehensive income attributed to participating policyholders	-	-	-	-	1	1
Balance, end of period	171	187	214	188	139	187
Non-controlling interests						
Balance, beginning of period	592	577	537	496	464	464
Net income (loss) attributed to non-controlling interests	26	(7)	24	29	23	69
Other comprehensive income (loss) attributed to non-controlling interests	-	(1)	(2)	(1)	2	(2)
Contributions (distributions), net	13	23	18	13	7	61
Balance, end of period	631	592	577	537	496	592
Total equity, end of period	41,351	41,938	40,890	38,677	39,435	41,938

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Canadian \$ in millions, unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
Operating activities							
Net income (loss)	1,055	212	672	678	728	45%	2,290
Adjustments							
Increase (decrease) in insurance contract liabilities	12,158	2,063	5,741	(7,795)	7,443	63%	7,452
Increase in investment contract liabilities	(57)	26	56	75	46	-	203
Decrease (increase) in reinsurance assets	129	(48)	1,041	737	(339)	-	1,391
Amortization of premium/discount on invested assets	21	18	36	23	13	62%	90
Other amortization	137	141	135	172	132	4%	580
Net realized (gains) losses, including impairments on assets	(9,914)	2,080	(3,400)	9,834	(5,027)	97%	3,487
Deferred income tax expense (recovery)	410	(212)	84	(223)	8	nm	(343)
Stock option expense	10	2	2	3	9	11%	16
Cash provided by operating activities before undernoted items	3,949	4,282	4,367	3,504	3,013	31%	15,166
Net cash decrease due to Closed Block reinsurance transaction	-	-	(2,023)	-	-	-	(2,023)
Changes in policy related and operating receivables and payables	(1,248)	(215)	(1,566)	(81)	(947)	32%	(2,809)
Cash provided by operating activities	2,701	4,067	778	3,423	2,066	31%	10,334
Investing activities							
Purchases and mortgage advances	(23,519)	(19,326)	(19,784)	(19,425)	(18,574)	27%	(77,109)
Disposals and repayments	18,138	12,975	22,039	16,249	15,687	16%	66,950
Changes in investment broker net receivables and payables	160	(212)	1,270	(764)	(192)	-183%	102
Net cash decrease from sale and purchase of subsidiaries and businesses	(11)	-	-	(374)	(3,434)	-100%	(3,808)
Cash provided by (used in) investing activities	(5,232)	(6,563)	3,525	(4,314)	(6,513)	-20%	(13,865)
Financing activities							
Increase (decrease) in repurchase agreements and securities sold but not yet purchased	820	57	31	(300)	-	-	(212)
Issue of long-term debt, net	2,246	-	-	-	-	-	-
Repayment of long-term debt, net	(8)	-	(1,693)	(550)	-	-	(2,243)
Issue (redemption) of capital instruments, net	-	995	-	(2)	746	-100%	1,739
Issue of subscription receipts	-	-	-	-	-	-	-
Changes in deposits from bank clients, net	75	(118)	148	(506)	125	-40%	(351)
Shareholder dividends paid in cash	(394)	(364)	(364)	(364)	(335)	18%	(1,427)
Funds borrowed (repaid), net	(2)	(39)	(3)	(2)	(2)	0%	(46)
Secured borrowings from securitization transactions	149	161	175	-	100	49%	436
Contributions from (distributions to) non-controlling interest, net	13	23	18	13	7	86%	61
Common shares issued, net	5	9	5	17	6	-17%	37
Preferred shares issued, net	417	-	-	-	-	-	-
Preferred shares redeemed, net	-	-	-	-	-	-	-
Cash provided by (used in) financing activities	3,321	724	(1,683)	(1,694)	647	413%	(2,006)
Cash and short-term securities							
Increase (decrease) during the period	790	(1,772)	2,620	(2,585)	(3,800)	-	(5,537)
Effect of foreign exchange rate changes on cash and short-term securities	(637)	447	735	(208)	1,128	-	2,102
Balance, beginning of period	17,002	18,327	14,972	17,765	20,437	-17%	20,437
Balance, end of period	17,155	17,002	18,327	14,972	17,765	-3%	17,002
Cash and short-term securities							
Beginning of period							
Gross cash and short-term securities	17,885	19,005	15,647	18,589	21,079	-15%	21,079
Net payments in transit, included in other liabilities	(883)	(678)	(675)	(824)	(642)	38%	(642)
Net cash and short-term securities, beginning of period	17,002	18,327	14,972	17,765	20,437	-17%	20,437
End of period							
Gross cash and short-term securities	17,864	17,885	19,005	15,647	18,589	-4%	17,885
Net payments in transit, included in other liabilities	(709)	(883)	(678)	(675)	(824)	-14%	(883)
Net cash and short-term securities, end of period	17,155	17,002	18,327	14,972	17,765	-3%	17,002

CONSOLIDATED SOURCE OF EARNINGS

(Canadian \$ in millions, unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Source of Earnings ¹

Expected profit from in-force business	1,255	1,262	1,190	1,171	1,062	18%	4,685
Impact of new business	(2)	(8)	33	(47)	(80)	-98%	(102)
Experience gains (losses)	(293)	(813)	255	(631)	(64)	358%	(1,253)
Management actions and changes in assumptions	228	(421)	(495)	(161)	(148)	-	(1,225)
Earnings on surplus funds	173	153	(17)	171	109	59%	416
Other	(18)	(3)	(28)	69	(40)	-55%	(2)
Income before income taxes	1,343	170	938	572	839	60%	2,519
Income tax (expense) recovery	(298)	76	(316)	28	(116)	157%	(328)
Net income attributed to shareholders	1,045	246	622	600	723	45%	2,191
Preferred share dividends	(29)	(29)	(29)	(29)	(29)	0%	(116)
Common shareholders' net income	1,016	217	593	571	694	46%	2,075
Constant currency, expected profit from in-force business	1,255	1,296	1,275	1,255	1,193	5%	

Source of Earnings ^{1,2} excluding Wealth and Asset Management

Expected profit from in-force business	975	948	895	868	787	24%	3,498
Impact of new business	121	115	140	53	12	908%	320
Experience gains (losses)	(298)	(819)	245	(631)	(68)	338%	(1,273)
Management actions and changes in assumptions	234	(408)	(480)	(104)	(146)	-	(1,138)
Earnings on surplus funds	167	152	(18)	168	107	56%	409
Other	(18)	(3)	(28)	69	(40)	-55%	(2)
Income (loss) before income taxes	1,181	(15)	754	423	652	81%	1,814
Income tax (expense) recovery	(269)	115	(289)	54	(75)	259%	(195)
Net income attributed to shareholders	912	100	465	477	577	58%	1,619

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

² For Wealth and Asset Management businesses and Manulife Bank, all pretax income is reported in 'Expected profit from in-force business' except the non-capitalized acquisition expenses which are reported in 'Impact of new business'.

Glossary

Expected profit from in-force business	Formula-driven release of PfADs (Provisions for Adverse Deviations) on the non-fee businesses and expected profit on fee businesses. For Wealth and Asset Management businesses and Manulife Bank, all pretax income is reported in 'Expected profit from in-force business' except the non-capitalized acquisition expenses.
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

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Statements of Income¹

Revenue							
Premium income							
Gross premiums	3,026	2,700	2,433	2,142	2,026	49%	9,301
Premiums ceded to reinsurers	8	(85)	(87)	(81)	(95)	-	(348)
Investment income	288	280	325	323	260	11%	1,188
Other revenue	177	276	282	303	260	-32%	1,121
Subtotal revenue	3,499	3,171	2,953	2,687	2,451	43%	11,262
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	1,139	369	(486)	(535)	287	297%	(365)
Total revenue	4,638	3,540	2,467	2,152	2,738	69%	10,897
Contract benefits and expenses							
To contract holders and beneficiaries							
Gross benefits and claims paid and change in insurance contract liabilities ²	3,917	2,486	1,670	1,220	1,918	104%	7,294
Ceded benefits and expenses and change in reinsurance assets	(60)	(46)	(48)	(56)	(57)	5%	(207)
Change in investment contract liabilities	(93)	(1)	33	24	15	-	71
General expenses	325	352	301	299	270	20%	1,222
Investment expenses	24	24	27	32	31	-23%	114
Commissions	355	349	299	291	255	39%	1,194
Other	33	31	30	30	29	14%	120
Total contract benefits and expenses	4,501	3,195	2,312	1,840	2,461	83%	9,808
Income (loss) before income taxes	137	345	155	312	277	-51%	1,089
Income tax (expense) recovery	(30)	(40)	(45)	(31)	(18)	67%	(134)
Net income (loss)	107	305	110	281	259	-59%	955
Less net income (loss) attributed to non-controlling interests	21	4	15	24	18	17%	61
Less net income (loss) attributed to participating policyholders	(2)	(6)	11	10	14	-	29
Net income (loss) attributed to shareholders³	88	307	84	247	227	-61%	865

¹ The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

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

³ See the Q1 press release for a description of Q1 2016 results compared to Q1 2015.

Earnings Analysis¹

Total core earnings	270	250	258	230	225	20%	963
Total core earnings - on constant currency basis	270	256	263	232	226	19%	977
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	(15)	(2)	16	6	-	-	20
Total core earnings and investment related gains	255	248	274	236	225	13%	983
Items excluded from core earnings							
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(173)	57	(190)	13	(14)	nm	(134)
Net impact of acquisitions and divestitures	(2)	-	-	-	-	-	-
Reinsurance recapture and tax rate changes	8	2	-	(2)	16	-50%	16
Total shareholders' net income (loss)	88	307	84	247	227	-61%	865

ASIA DIVISION (CONT'D)

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



2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Source of Earnings¹

Expected profit from in-force business	219	209	203	222	214	2%	848
Impact of new business	73	63	74	32	19	284%	188
Experience gains (losses)	(213)	35	(176)	3	(14)	nm	(152)
Management actions and changes in assumptions	15	-	(5)	-	-	-	(5)
Earnings on surplus funds	30	35	31	30	28	7%	124
Other	(6)	5	2	(9)	(2)	200%	(4)
Income (loss) before income taxes	118	347	129	278	245	-52%	999
Income tax (expense) recovery	(30)	(40)	(45)	(31)	(18)	67%	(134)
Net income (loss) attributed to shareholders	88	307	84	247	227	-61%	865

¹ The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

Insurance Sales

Hong Kong	105	127	97	84	70	51%	378
Japan ²	158	148	160	169	163	-3%	640
Asia Other ³	197	141	122	121	105	88%	489
Total insurance sales	460	416	379	374	338	36%	1,507
Total insurance sales - on constant currency basis	460	423	387	378	338	36%	1,526

² Japan Q1'16 insurance sales are down 7% compared to the prior year on a constant currency basis.

³ Asia Other Q1'16 insurance sales are up 99% compared to the prior year on a constant currency basis.

Wealth and Asset Management Gross Flows

Hong Kong	562	660	660	674	573	-2%	2,567
Japan ⁴	21	27	68	110	164	-87%	369
Asia Other ^{5,6}	1,899	1,822	1,143	4,371	1,968	-4%	9,304
Total wealth and asset management gross flows	2,482	2,509	1,871	5,155	2,705	-8%	12,240
Total wealth and asset management gross flows - on constant currency basis	2,482	2,478	1,843	4,927	2,614	-5%	11,862

⁴ Japan Q1'16 wealth & asset management gross flows are down 88% compared to the prior year on a constant currency basis.

⁵ Asia Other Q1'16 wealth & asset management gross flows are up 1% compared to the prior year on a constant currency basis.

⁶ This line includes the 49% interest in Manulife TEDA

Other Wealth Sales

Hong Kong	16	19	27	42	35	-54%	123
Japan ⁷							
- Fixed Annuities and unit linked products	791	741	637	451	385	105%	2,214
- Variable Annuities	38	28	29	28	29	31%	114
Asia Other ⁸	204	141	120	170	140	46%	571
Total other wealth sales	1,049	929	813	691	589	78%	3,022
Total other wealth sales - on constant currency basis	1,049	972	852	709	596	76%	3,129

⁷ Japan Q1'16 other wealth sales are up 93% compared to the prior year on a constant currency basis.

⁸ Asia Other Q1'16 other wealth sales are up 54% compared to the prior year on a constant currency basis.

Pension⁹ Sales - for reference only

Asia Group Pensions	327	381	382	365	268	22%	1,396
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⁹ Pension sales include both new regular premiums and deposits and single premiums sales. New regular premiums and deposits reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider.

ASIA DIVISION (CONT'D)

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Annualized premium equivalents (insurance and other wealth excluding wealth and asset management) (APE) ¹

Hong Kong	109	129	101	88	73	48%	391
Japan ²	264	240	237	216	205	29%	898
Asia Other ^{3,4}	217	155	134	139	119	82%	547
Total APE	590	524	472	443	397	49%	1,836
Total APE - on constant currency basis	590	537	484	449	398	48%	1,868

¹ Total annualized premium equivalents (APE) is comprised of 100% of regular premiums/deposits sales and 10% of single premiums/deposits sales, for insurance, and other wealth products.

² Japan Q1'16 APE are up 24% compared to the prior year on a constant currency basis.

³ Asia Other Q1'16 APE are up 94% compared to the prior year on a constant currency basis.

⁴ This line includes the non-controlling interest and 49% interested in Manulife TEDA.

Premiums and Deposits

Premiums and investment contract deposits	3,045	2,625	2,355	2,076	1,938	57%	8,994
Segregated fund and other deposits	570	537	544	558	522	9%	2,161
Mutual fund and other deposits ⁴	2,237	2,293	1,659	4,975	2,530	-12%	11,457
Total premiums and deposits	5,852	5,455	4,558	7,609	4,990	17%	22,612
Total premiums and deposits - on constant currency basis	5,852	5,502	4,599	7,401	4,907	19%	22,409

Premiums and Deposits by Business Units

Hong Kong	1,267	1,375	1,296	1,310	1,129	12%	5,110
Japan	1,759	1,404	1,377	1,169	1,284	37%	5,234
Asia Other ⁴	2,826	2,676	1,885	5,130	2,577	10%	12,268
Total premiums and deposits	5,852	5,455	4,558	7,609	4,990	17%	22,612

Premiums and Deposits

Insurance	2,338	2,027	1,889	1,753	1,687	39%	7,356
Wealth and asset management	2,482	2,510	1,871	5,155	2,705	-8%	12,241
Other wealth	1,032	918	798	701	598	73%	3,015
Total premiums and deposits	5,852	5,455	4,558	7,609	4,990	17%	22,612

Total weighted premium income (excluding variable annuities) (TWPI)

Hong Kong	950	979	935	916	861	10%	3,691
Japan ⁵	1,015	702	726	641	762	33%	2,831
Asia Other ^{4,6}	774	778	662	958	667	16%	3,065
TWPI	2,739	2,459	2,323	2,515	2,290	20%	9,587
TWPI - on constant currency basis	2,739	2,493	2,359	2,503	2,283	20%	9,638

⁵ Japan Q1'16 TWPI is up 29% compared to the prior year on a constant currency basis.

⁶ Asia Other Q1'16 TWPI is up 22% compared to the prior year on a constant currency basis.

ASIA DIVISION (CONT'D)

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Assets Under Management¹

General fund	43,914	39,162	36,996	35,825	35,382	24%	39,162
Segregated funds	18,228	17,612	17,067	18,641	19,389	-6%	17,612
Mutual funds ²	18,447	19,132	17,800	22,364	19,269	-4%	19,132
Other funds ³	1,401	989	532	2,004	1,617	-13%	989
Total assets under management	81,990	76,895	72,395	78,834	75,657	8%	76,895
Total assets under management - on constant currency basis	81,990	79,223	74,650	80,125	76,681	7%	79,223

¹ The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

² This line includes the 49% interest in Manulife TEDA

³ Other funds mainly include funds managed by the Company for institutional clients in Other Asia Territories.

Changes in Assets Under Management¹

Beginning balance	76,895	72,395	78,834	75,657	75,067	2%	75,067
Premiums and deposits	5,852	5,455	4,558	7,609	4,990	17%	22,612
Investment income (loss) ⁴	365	2,262	(4,023)	778	2,073	-82%	1,090
Benefits and withdrawals	(3,354)	(2,749)	(5,350)	(4,308)	(3,611)	-7%	(16,018)
Other ⁵	2,232	(468)	(1,624)	(902)	(2,862)	-	(5,856)
Ending balance	81,990	76,895	72,395	78,834	75,657	8%	76,895

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

⁵ Other is comprised of all changes to the statement of income and the statement of financial position that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other business units and changes in allocated capital. This also includes deposits and withdrawals on externally managed funds which have not been included in premiums and deposits, and benefits and withdrawals.

Assets Under Management¹

Insurance	39,799	35,723	34,017	34,060	33,827	18%	35,723
Wealth and asset management	24,906	25,134	23,100	29,256	25,716	-3%	25,134
Other wealth	17,285	16,038	15,278	15,518	16,114	7%	16,038
Total assets under management	81,990	76,895	72,395	78,834	75,657	8%	76,895

Number of Agents

Hong Kong	6,715	7,092	6,508	6,298	6,272	7%	7,092
Japan	2,535	2,589	2,593	2,572	2,513	1%	2,589
Asia Other	51,892	53,399	51,520	50,361	49,162	6%	53,399
Total	61,142	63,080	60,621	59,231	57,947	6%	63,080

Canadian \$ in millions - Key Metrics

Sales - Insurance	632	554	496	461	419	51%	1,930
Gross Flows - Wealth and asset management	3,407	3,353	2,448	6,340	3,354	2%	15,495
Sales - Other wealth	1,440	1,241	1,064	850	730	97%	3,885
Net income (loss) attributed to shareholders ¹	121	409	111	303	282	-57%	1,105
Total premiums and deposits	8,031	7,289	5,965	9,358	6,188	30%	28,800
Total assets under management ¹	106,314	106,438	96,962	98,346	95,969	11%	106,438

ASIA DIVISION (CONT'D)

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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New Business Value (NBV)¹

Hong Kong	49	83	71	59	47	4%	260
Japan ²	70	65	63	37	33	112%	198
Asia Other ³	42	23	21	20	15	180%	79
Total	161	171	155	116	95	69%	537
Total NBV - on a constant currency basis	161	174	158	117	96	68%	545

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

² Japan Q1'16 NBV is up 107% compared to the prior year on a constant currency basis.

³ Asia Other Q1'16 NBV is up 189% compared to the prior year on a constant currency basis.

NBV Margin⁴

Hong Kong	44.9%	64.2%	70.7%	66.7%	64.6%	66.5%
Japan	26.5%	27.1%	26.4%	17.3%	15.9%	22.0%
Asia Other	22.6%	17.4%	18.4%	16.7%	15.8%	17.1%
Total	28.8%	34.0%	34.3%	27.4%	25.4%	30.7%

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

CANADIAN DIVISION

(Canadian \$ millions, Unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Statements of Income¹

Revenue							
Premium income							
Gross premiums	2,518	2,583	2,473	2,470	2,587	-3%	10,113
Premiums ceded to reinsurers	(1,284)	(1,559)	(1,306)	(1,343)	(1,475)	-13%	(5,683)
Investment income	936	844	730	935	738	27%	3,247
Other revenue	820	825	716	750	833	-2%	3,124
Subtotal revenue	2,990	2,693	2,613	2,812	2,683	11%	10,801
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	1,796	(235)	76	(2,584)	2,007	-11%	(736)
Total revenue	4,786	2,458	2,689	228	4,690	2%	10,065
Contract benefits and expenses							
To contract holders and beneficiaries							
Gross benefits and claims paid and change in insurance contract liabilities ²	3,917	2,620	1,926	(57)	4,192	-7%	8,681
Ceded benefits and expenses and change in reinsurance assets	(1,021)	(1,164)	(859)	(1,107)	(814)	25%	(3,944)
Change in investment contract liabilities	54	10	(1)	29	10	440%	48
General expenses	420	475	408	433	399	5%	1,715
Investment expenses	139	149	146	130	140	-1%	565
Commissions	404	381	401	404	404	0%	1,590
Other	92	154	175	128	201	-54%	658
Total contract benefits and expenses	4,005	2,625	2,196	(40)	4,532	-12%	9,313
Income (loss) before income taxes	781	(167)	493	268	158	394%	752
Income tax (expense) recovery	(194)	44	(206)	(43)	(74)	162%	(279)
Net income (loss)	587	(123)	287	225	84	599%	473
Less net income (loss) attributed to participating policyholders	(13)	(19)	11	35	(34)	-62%	(7)
Net income (loss) attributed to shareholders ³	600	(104)	276	190	118	408%	480

¹ The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

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

³ See the Q1 press release for a description of Q1 2016 results compared to Q1 2015.

Earnings Analysis¹

Total core earnings	338	352	336	303	261	30%	1,252
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	(78)	(180)	(144)	14	(81)	-4%	(391)
Total core earnings and investment related gains	260	172	192	317	180	44%	861
Items excluded from core earnings							
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities ⁴	346	(201)	97	(114)	(65)	-	(283)
Tax items	-	-	-	1	-	-	1
Reinsurance recapture	-	(52)	-	-	12	-100%	(40)
Integration and acquisition costs	(6)	(23)	(13)	(14)	(9)	-33%	(59)
Total shareholders' net income (loss)	600	(104)	276	190	118	408%	480

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

CANADIAN DIVISION (CONT'D)

(Canadian \$ millions, Unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Source of Earnings¹

Expected profit from in-force business	366	375	393	365	340	8%	1,473
Impact of new business	(44)	(32)	(39)	(51)	(46)	-4%	(168)
Experience gains (losses)	397	(446)	67	(209)	(153)	-	(741)
Management actions and changes in assumptions	(8)	(107)	(18)	3	10	-	(112)
Earnings on surplus funds	88	71	70	80	76	16%	297
Other	(5)	(9)	9	45	(35)	-86%	10
Income (loss) before income taxes	794	(148)	482	233	192	314%	759
Income tax (expense) recovery	(194)	44	(206)	(43)	(74)	162%	(279)
Net income (loss) attributed to shareholders	600	(104)	276	190	118	408%	480

¹ The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

Insurance Sales

Retail Markets	41	49	47	48	37	10%	181
Institutional Markets	114	254	95	118	177	-36%	644
Total insurance sales	155	303	142	166	214	-28%	825

Wealth and Asset Management Gross Flows

Mutual funds and other funds gross deposits ²	2,355	2,149	2,000	2,062	2,566	-8%	8,777
Less: Investments in mutual funds from proprietary group segregated fund products	(40)	(36)	(29)	(26)	(30)	33%	(121)
Group Retirement Solutions	1,850	1,819	2,242	1,887	1,870	-1%	7,818
Total wealth and asset management gross flows	4,165	3,932	4,213	3,923	4,406	-5%	16,474

Other Wealth Sales excluding Manulife Bank

Retail segregated fund products ³	751	712	629	765	851	-12%	2,957
Fixed products	193	156	152	158	186	4%	652
Total other wealth sales	944	868	781	923	1,037	-9%	3,609

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

Retail segregated fund products ³	655	584	547	510	649	1%	2,290
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Pension⁴ Sales - for reference only

Group Retirement Solutions	340	562	933	593	602	-44%	2,690
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Premiums and Deposits

Premiums and investment contract deposits	1,260	1,039	1,172	1,189	1,178	7%	4,578
Mutual funds and other funds gross deposits ¹	2,355	2,149	2,000	2,062	2,566	-8%	8,777
Less: Investments in mutual funds from proprietary segregated fund products	(695)	(620)	(576)	(536)	(679)	2%	(2,411)
Segregated fund deposits	2,602	2,531	2,873	2,653	2,722	-4%	10,779
ASO premium equivalents	868	833	804	851	837	4%	3,325
Group Benefits ceded premiums	1,034	1,051	1,012	1,031	1,202	-14%	4,296
Total premiums and deposits	7,424	6,983	7,285	7,250	7,826	-5%	29,344

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

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

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

CANADIAN DIVISION (CONT'D)

(Canadian \$ millions, Unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Premiums and Deposits by Business

Retail Markets	628	428	570	564	571	10%	2,133
Institutional Markets	2,342	2,339	2,267	2,357	2,455	-5%	9,418
Insurance	2,970	2,767	2,837	2,921	3,026	-2%	11,551
Wealth and asset management	4,165	3,932	4,213	3,923	4,406	-5%	16,474
Retail segregated fund products ¹	751	712	630	765	850	-12%	2,957
Fixed products	193	156	152	151	193	0%	652
Other wealth	944	868	782	916	1,043	-9%	3,609
Less: Investments in mutual funds from proprietary retail segregated fund products	(655)	(584)	(547)	(510)	(649)	1%	(2,290)
Total premiums and deposits	7,424	6,983	7,285	7,250	7,826	-5%	29,344

¹ Retail segregated fund products include guarantees. These products are also referred to as variable annuities.

Assets Under Management²

General fund, excluding Manulife Bank net lending assets	88,672	84,146	84,527	85,079	87,543	1%	84,146
Manulife Bank net lending assets	19,474	19,350	19,352	19,320	19,410	0%	19,350
Segregated funds	91,775	92,447	90,076	91,615	92,713	-1%	92,447
Mutual funds and other funds, including assets held by segregated funds	45,402	44,884	43,201	43,296	43,097	5%	44,884
Less: Mutual funds held by proprietary segregated fund products	(21,596)	(21,587)	(20,971)	(21,280)	(21,494)	0%	(21,587)
Total assets under management	223,727	219,240	216,185	218,030	221,269	1%	219,240

² The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

Assets Under Management⁴

Insurance	60,385	57,490	56,521	57,673	58,109	4%	57,490
Wealth and asset management ³	101,218	100,850	97,356	97,961	98,120	3%	100,850
Manulife Bank net lending assets	19,473	19,350	19,352	19,320	19,410	0%	19,350
Other wealth, excluding Manulife Bank net lending assets	63,095	61,956	62,845	63,242	66,005	-4%	61,956
Less: Mutual funds held by proprietary retail segregated fund products	(20,444)	(20,406)	(19,889)	(20,166)	(20,375)	0%	(20,406)
Total assets under management	223,727	219,240	216,185	218,030	221,269	1%	219,240

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

Changes in Assets Under Management²

Beginning balance	219,240	216,185	218,030	221,269	158,904	38%	158,904
Assets acquired (Standard Life)	-	-	-	-	54,416	-100%	54,416
Premiums and deposits	5,522	5,100	5,468	5,368	5,787	-5%	21,723
Investment income (loss) ⁴	1,651	4,102	(1,602)	(3,105)	7,567	-78%	6,962
Mutual fund withdrawals	(1,103)	(889)	(755)	(773)	(828)	33%	(3,245)
Other benefits and withdrawals	(3,827)	(3,811)	(3,422)	(3,437)	(3,604)	6%	(14,274)
Other ⁵	2,244	(1,447)	(1,534)	(1,292)	(973)	-	(5,246)
Ending balance	223,727	219,240	216,185	218,030	221,269	1%	219,240

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

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

U.S. DIVISION

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



2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Statements of Income¹

Revenue						
Premium income						
Gross premiums	1,767	2,070	1,927	1,893	1,845	-4%
Premiums ceded to reinsurers	(814)	(448)	(421)	(351)	(332)	145%
Premiums ceded, net of ceded commissions and additional consideration relating to Closed Block reinsurance transaction ²	-	-	(6,109)	-	-	-
Investment income	1,186	1,283	1,172	1,417	1,273	-7%
Other revenue	1,066	1,052	1,084	1,049	997	7%
Subtotal revenue	3,205	3,957	(2,347)	4,008	3,783	-15%
Realized/ unrealized gains (losses) on invested assets supporting insurance and investment contract liabilities ³	4,074	(1,465)	3,033	(5,622)	2,433	67%
Total revenue	7,279	2,492	686	(1,614)	6,216	17%
Contract benefits and expenses						
To contract holders and beneficiaries						
Gross benefits and claims paid and change in insurance contract liabilities ³	6,721	1,889	5,388	(2,860)	5,585	20%
Ceded benefits and expenses and change in reinsurance assets ²	(662)	(803)	(6,250)	30	(898)	-26%
Change in investment contract liabilities	12	13	12	12	14	-14%
General expenses	358	361	351	398	326	10%
Investment expenses	207	260	219	216	213	-3%
Commissions	378	431	410	421	405	-7%
Other	31	39	37	40	40	-23%
Total contract benefits and expenses	7,045	2,190	167	(1,743)	5,685	24%
Income (loss) before income taxes	234	302	519	129	531	-56%
Income tax (expense) recovery	(58)	(61)	(132)	6	(156)	-63%
Net income (loss) attributed to shareholders ⁴	176	241	387	135	375	-53%

¹ The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

² Effective July 1, 2015, U.S. division's RPS business included the assumption by New York Life (NYL) of the Company's in-force participating life insurance closed block ("Closed Block") through net 60% reinsurance agreements. The Closed Block transaction with NYL resulted in a net ceded premium of approximately US\$6.1 billion, reported as a reduction in premiums, net of commissions received and additional consideration received relating to New York Life retirement plan services business.

³ 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.

⁴ See the Q1 press release for a description of Q1 2016 results compared to Q1 2015.

Earnings Analysis¹

Total core earnings	283	248	286	313	302	-6%
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	(170)	(109)	(26)	52	(8)	nm
Total core earnings and investment related gains	113	139	260	365	294	-62%
Items excluded from core earnings						
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	60	106	134	(204)	81	-26%
Integration and acquisition costs	(3)	(4)	(7)	(26)	-	-
Other	6	-	-	-	-	-
Total shareholders' net income (loss)	176	241	387	135	375	-53%

U.S. DIVISION (CONT'D)

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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U.S. INSURANCE
Source of Earnings¹

Expected profit from in-force business ²	185	179	185	142	144	28%	650
Impact of new business	15	16	35	23	3	400%	77
Experience gains (losses) ²	(99)	(304)	67	(194)	273	-	(158)
Management actions and changes in assumptions	37	-	-	-	-	-	-
Earnings on surplus funds	69	70	70	70	70	-1%	280
Other	(6)	(7)	(33)	25	(4)	50%	(19)
Income (loss) before income taxes	201	(46)	324	66	486	-59%	830
Income tax (expense) recovery	(70)	36	(105)	5	(164)	-57%	(228)
Net income (loss) attributed to shareholders	131	(10)	219	71	322	-59%	602

¹ The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

² In 3Q15 a refinement was implemented to the attribution of the change in provisions for adverse deviation for the long-term care business. This refinement resulted in a US\$27 increase in expected profit on in-force offset by a US\$27 million increase in policyholder experience loss.

U.S. WEALTH AND ASSET MANAGEMENT AND U.S. OTHER WEALTH
Source of Earnings¹

Expected profit from in-force business	227	240	238	258	231	-2%	967
Impact of new business	(49)	(49)	(46)	(45)	(43)	14%	(183)
Experience gains (losses)	(151)	133	(16)	(137)	(167)	-10%	(187)
Management actions and changes in assumptions	(26)	(6)	(9)	(41)	-	-	(56)
Earnings on surplus funds	31	26	25	27	25	24%	103
Other	1	4	3	1	(1)	-	7
Income (loss) before income taxes	33	348	195	63	45	-27%	651
Income tax (expense) recovery	12	(97)	(27)	1	8	50%	(115)
Net income (loss) attributed to shareholders	45	251	168	64	53	-15%	536

Source of Earnings¹

Expected profit from in-force business	412	419	423	400	375	10%	1,617
Impact of new business	(34)	(33)	(11)	(22)	(40)	-15%	(106)
Experience gains (losses)	(250)	(171)	51	(331)	106	-	(345)
Management actions and changes in assumptions	11	(6)	(9)	(41)	-	-	(56)
Earnings on surplus funds	100	96	95	97	95	5%	383
Other	(5)	(3)	(30)	26	(5)	0%	(12)
Income (loss) before income taxes	234	302	519	129	531	-56%	1,481
Income tax (expense) recovery	(58)	(61)	(132)	6	(156)	-63%	(343)
Net income (loss) attributed to shareholders	176	241	387	135	375	-53%	1,138

Insurance Sales

JH Life	105	119	114	108	106	0%	447
JH Long-Term Care	17	8	12	10	11	53%	41
Total Insurance Sales	122	127	126	118	117	4%	488

Wealth and Asset Management Gross Flows (Premiums and Deposits)

JH Investments	7,092	7,430	7,763	6,868	6,148	15%	28,209
JH Retirement Plan Services	5,618	5,914	5,253	4,226	3,578	57%	18,971
Total wealth and asset management gross flows	12,710	13,344	13,016	11,094	9,726	31%	47,180

Pension Sales³ - for reference only

JH Retirement Plan Services	1,626	3,139	1,801	1,109	1,122	45%	7,171
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³ Pension sales include both new regular premiums and deposits and single premiums sales. New regular premiums and deposits reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider.

U.S. DIVISION (CONT'D)

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



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Premiums and Deposits

Premiums and investment contract deposits ¹	953	1,622	1,506	1,542	1,513	-37%	6,183
Segregated fund deposits	3,860	3,710	3,641	3,620	3,951	-2%	14,922
Mutual fund deposits	9,169	10,056	9,766	7,939	6,172	49%	33,933
Total premiums and deposits	13,982	15,388	14,913	13,101	11,636	20%	55,038

Premiums and Deposits - Insurance

JH Life ¹	932	1,145	1,100	1,111	1,111	-16%	4,467
JH Long-Term Care	531	561	557	549	533	0%	2,200
Total premiums and deposits - insurance	1,463	1,706	1,657	1,660	1,644	-11%	6,667

Premiums and Deposits - Other Wealth

JH Annuities	(191)	338	240	347	266	-	1,191
Total premiums and deposits - other wealth	(191)	338	240	347	266	-	1,191

Assets Under Management and Administration²

Assets Under Management							
General fund	113,803	109,156	108,778	115,235	119,840	-5%	109,156
Segregated funds	139,785	140,377	138,802	149,490	151,945	-8%	140,377
Mutual funds and other funds	84,203	84,117	79,849	80,615	78,504	7%	84,117
Total assets under management	337,791	333,650	327,429	345,340	350,289	-4%	333,650
Assets under administration	54,307	55,017	52,596	55,256	-	-	55,017
Total assets under management and administration	392,098	388,667	380,025	400,596	350,289	12%	388,667

Assets Under Management and Administration²

Assets Under Management							
Insurance	102,972	100,549	99,195	108,532	111,217	-7%	100,549
Wealth and asset management	164,927	164,316	158,526	165,407	163,653	1%	164,316
Other wealth	69,892	68,785	69,708	71,401	75,419	-7%	68,785
Total assets under management	337,791	333,650	327,429	345,340	350,289	-4%	333,650
Assets under administration	54,307	55,017	52,596	55,256	-	-	55,017
Total assets under management and administration	392,098	388,667	380,025	400,596	350,289	12%	388,667

Changes in Assets Under Management and Administration²

Beginning balance	388,667	380,025	400,596	350,289	343,533	13%	343,533
Assets acquired (New York Life Pension)	-	-	-	56,587	-	-	56,587
Premiums and deposits ¹	13,982	15,388	14,913	13,101	11,636	20%	55,038
Investment income (loss) ³	5,660	6,996	(11,466)	(5,313)	8,627	-34%	(1,156)
JH Investment withdrawals	(6,682)	(4,802)	(4,455)	(4,319)	(4,248)	57%	(17,824)
Retirement Plan Services withdrawals	(6,233)	(5,876)	(5,120)	(5,309)	(3,724)	67%	(20,029)
Other benefits and withdrawals	(2,688)	(3,109)	(2,949)	(3,351)	(3,740)	-28%	(13,149)
Other ⁴	(608)	45	(11,494)	(1,089)	(1,795)	-66%	(14,333)
Ending balance	392,098	388,667	380,025	400,596	350,289	12%	388,667

¹ Excludes the impact of the net ceded premium related to the Closed Block reinsurance transaction in 3Q15 and full year 2015.

² The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

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

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. For 3Q15 and full year 2015, includes US\$11.3 billion related to the Closed Block reinsurance transaction.

Canadian \$ in millions - Key Metrics

Sales - Insurance	167	170	165	144	146	14%	625
Gross Flows - Wealth and asset management	17,443	17,830	17,036	13,642	12,059	45%	60,567
Net income (loss) attributed to shareholders ²	241	323	507	166	464	-48%	1,460
Total premiums and deposits ¹	19,186	20,562	19,520	16,108	14,428	33%	70,618
Total assets under management and administration ²	508,556	537,947	509,005	499,684	444,246	14%	537,947

CORPORATE AND OTHER

(Canadian \$ in millions, unaudited)



2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Statements of Income¹

Revenue								
Gross investment income before items below	261	157	198	250	183	43%	788	
Gains (losses) on AFS equities	35	60	45	69	61	-43%	235	
Gains (losses) on AFS bonds and related derivative positions	300	(17)	-	35	(25)	-	(7)	
Gains (losses) on macro hedges	(88)	(214)	262	2	(46)	91%	4	
Interest on surplus funds allocated to divisions	(263)	(244)	(237)	(222)	(222)	18%	(925)	
Other revenue	303	93	(15)	74	35	766%	187	
Total revenue, net	548	(165)	253	208	(14)	-	282	
Contract benefits and expenses								
General expenses	278	321	256	272	246	13%	1,095	
Investment expenses, net	(71)	(77)	(66)	(54)	(62)	15%	(259)	
Changes in actuarial methods and assumptions	(38)	149	346	70	41	-	606	
Other	337	41	135	121	100	237%	397	
Total contract benefits and expenses	506	434	671	409	325	56%	1,839	
Income (loss) before income taxes	42	(599)	(418)	(201)	(339)	-	(1,557)	
Income tax (expense) recovery	16	172	124	107	175	-91%	578	
Net income (loss)	58	(427)	(294)	(94)	(164)	-	(979)	
Less net income (loss) attributed to non-controlling interest	(3)	(13)	6	(1)	-	-	(8)	
Net income (loss) attributed to shareholders - Corporate and Investments	61	(414)	(300)	(93)	(164)	-	(971)	
Net income attributed to shareholders' for Reinsurance business	22	32	28	34	23	-4%	117	
Net income (loss) attributed to shareholders ²	83	(382)	(272)	(59)	(141)	-	(854)	

¹ The Corporate and Other segment includes earnings on assets backing capital net of amounts allocated to operating divisions. The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

² See the Q1 press release for a description of Q1 2016 results compared to Q1 2015.

Earnings Analysis¹

Total core loss	(193)	(159)	(179)	(69)	(117)	65%	(524)
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)	(9)	(32)	(12)	(8)	13	-	(39)
Total core loss and investment related gains in excess of core investment gains	(202)	(191)	(191)	(77)	(104)	94%	(563)
Items excluded from core loss							
Direct impact of equity markets and interest rates	284	(46)	209	41	(4)	-	200
Change in actuarial methods and assumptions (excl. URR changes)	12	(97)	(285)	(47)	(22)	-	(451)
Integration and acquisition costs	(2)	(11)	(5)	(8)	(21)	-90%	(45)
Other items	(9)	(37)	-	32	10	-	5
Net income (loss) attributed to shareholders	83	(382)	(272)	(59)	(141)	-	(854)

Wealth and Asset Management Gross Flows

Institutional advisory accounts ³	3,213	5,974	2,165	10,987	3,024	6%	22,150
Total wealth and asset management gross flows	3,213	5,974	2,165	10,987	3,024	6%	22,150

Premiums and Deposits

Institutional advisory accounts ³	3,213	5,974	2,165	10,987	3,024	6%	22,150
Premiums - Reinsurance business	22	26	24	21	19	16%	90
Total premiums and deposits	3,235	6,000	2,189	11,008	3,043	6%	22,240

Assets Under Management

General fund - Corporate and Investments ¹	(5,106)	(574)	(553)	1,256	3,582	-	(574)
General fund - Reinsurance	863	1,059	1,023	945	954	-10%	1,059
Segregated funds - elimination of amounts held by the Company	(169)	(171)	(167)	(214)	(223)	-24%	(171)
Institutional advisory accounts ³	69,674	71,237	65,528	64,680	55,548	25%	71,237
Total assets under management	65,262	71,551	65,831	66,667	59,861	9%	71,551

¹ Includes only the third party institutional business of Manulife Asset Management and not business from affiliates and the General Fund

Asset Information

INVESTED ASSETS - PORTFOLIO COMPOSITION

(Canadian \$ in millions, unaudited)

	As at Q1 2016	%	As at Q4 2015	%	As at Q3 2015	%	As at Q2 2015	%	As at Q1 2015	%
Carrying value										
Cash and short-term securities	17,864	5.8 %	17,885	5.8 %	19,005	6.4 %	15,647	5.3 %	18,589	6.0 %
Debt securities										
Government										
Canadian government & agency	23,122	7.5 %	21,283	6.9 %	19,690	6.5 %	21,359	7.2 %	24,022	7.8 %
US government & agency	28,989	9.4 %	28,652	9.3 %	26,277	8.8 %	24,402	8.3 %	28,803	9.3 %
Foreign governments & agency	20,883	6.8 %	19,583	6.3 %	18,532	6.2 %	17,152	5.8 %	17,391	5.6 %
Corporate	85,275	27.6 %	85,194	27.5 %	82,999	27.7 %	81,967	27.8 %	85,747	27.8 %
Securitized										
CMBS	799	0.3 %	841	0.3 %	883	0.3 %	1,026	0.3 %	1,100	0.4 %
RMBS	63	0.0 %	76	0.0 %	191	0.1 %	239	0.1 %	254	0.1 %
ABS	2,294	0.7 %	2,198	0.7 %	2,216	0.7 %	2,461	0.8 %	2,441	0.8 %
Total debt securities	161,425	52.3 %	157,827	51.0 %	150,788	50.3 %	148,606	50.3 %	159,758	51.8 %
Private placement debt	26,224	8.5 %	27,578	8.9 %	26,043	8.7 %	26,652	9.0 %	26,352	8.5 %
Mortgages										
Commercial										
Retail	7,716	2.5 %	7,985	2.6 %	7,768	2.6 %	8,048	2.7 %	7,935	2.6 %
Office	6,902	2.2 %	7,137	2.3 %	7,369	2.4 %	8,779	3.0 %	8,789	2.8 %
Multi family residential	4,430	1.4 %	4,624	1.5 %	4,543	1.5 %	4,438	1.5 %	4,408	1.4 %
Industrial	2,871	0.9 %	2,831	0.9 %	2,803	0.9 %	2,802	1.0 %	2,885	0.9 %
Other commercial	2,610	0.9 %	2,780	0.9 %	2,770	0.9 %	2,382	0.8 %	2,341	0.8 %
Other mortgages										
Manulife Bank single family residential	17,597	5.7 %	17,523	5.7 %	17,547	5.9 %	17,529	5.9 %	17,608	5.7 %
Agriculture	861	0.3 %	938	0.3 %	1,064	0.4 %	1,085	0.4 %	1,148	0.4 %
Total mortgages¹	42,987	13.9 %	43,818	14.2 %	43,864	14.6 %	45,063	15.3 %	45,114	14.6 %
Policy loans	7,298	2.4 %	7,673	2.5 %	7,481	2.5 %	8,641	2.9 %	8,697	2.8 %
Loans to bank clients	1,822	0.6 %	1,778	0.6 %	1,761	0.6 %	1,750	0.6 %	1,770	0.6 %
Public equities										
Par, equity-linked and pass-through	10,309	3.3 %	10,516	3.4 %	9,933	3.3 %	10,473	3.5 %	10,473	3.4 %
Nonpar and surplus	6,332	2.1 %	6,467	2.1 %	6,135	2.1 %	6,842	2.4 %	7,011	2.3 %
Total public equities	16,641	5.4 %	16,983	5.5 %	16,068	5.4 %	17,315	5.9 %	17,484	5.7 %
Real estate & other invested assets										
Alternative long-duration assets										
Office	10,370	3.4 %	10,804	3.5 %	10,323	3.5 %	9,308	3.2 %	8,645	2.8 %
Industrial	908	0.3 %	928	0.3 %	898	0.3 %	865	0.3 %	855	0.3 %
Company use	1,310	0.4 %	1,379	0.5 %	1,495	0.5 %	946	0.3 %	956	0.3 %
Other	2,282	0.7 %	2,236	0.7 %	2,132	0.7 %	2,074	0.7 %	1,935	0.6 %
Total real estate	14,870	4.8 %	15,347	5.0 %	14,848	5.0 %	13,193	4.5 %	12,391	4.0 %
Power & infrastructure	5,127	1.7 %	5,260	1.7 %	5,051	1.7 %	4,529	1.5 %	4,338	1.4 %
Private equity	3,743	1.2 %	3,754	1.2 %	3,537	1.2 %	3,172	1.1 %	3,103	1.0 %
Timberland	3,426	1.1 %	3,553	1.1 %	3,350	1.1 %	3,191	1.1 %	3,245	1.1 %
Oil & gas	1,593	0.5 %	1,740	0.6 %	1,871	0.6 %	1,993	0.7 %	2,121	0.7 %
Farmland	1,143	0.4 %	1,539	0.5 %	1,485	0.5 %	1,363	0.4 %	1,372	0.5 %
Other	418	0.1 %	435	0.1 %	416	0.1 %	412	0.1 %	413	0.1 %
Total alternative long-duration assets	30,320	9.8 %	31,628	10.2 %	30,558	10.2 %	27,853	9.4 %	26,983	8.8 %
Leveraged leases	3,353	1.1 %	3,549	1.1 %	3,415	1.1 %	3,163	1.1 %	3,205	1.0 %
Affordable housing	185	0.1 %	194	0.1 %	267	0.1 %	376	0.1 %	401	0.1 %
Other	331	0.1 %	354	0.1 %	345	0.1 %	327	0.1 %	327	0.1 %
Total real estate & other invested assets	34,189	11.1 %	35,725	11.5 %	34,585	11.5 %	31,719	10.7 %	30,916	10.0 %
Total invested assets	308,450	100.0 %	309,267	100.0 %	299,595	100.0 %	295,393	100.0 %	308,680	100.0 %

¹ Includes government insured mortgages (\$8,734 or 20% as at March 31, 2016).

Fair value²

Real estate	15,959	16,425	15,645	13,959	13,172
Total alternative long-duration assets	31,705	32,686	31,339	28,649	27,778
Total real estate & other invested assets	35,574	36,783	35,366	32,515	31,711

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 2016	%	As at Q4 2015	%	As at Q3 2015	%	As at Q2 2015	%	As at Q1 2015	%
Debt Securities	AAA	1	43,050	27%	40,972	26%	37,330	25%	37,648	25%	44,149	28%
	AA	1	20,606	13%	21,998	14%	20,410	14%	32,180	22%	33,061	21%
	A	1	68,126	42%	65,507	41%	65,095	43%	50,511	34%	54,432	34%
	BBB	2	26,439	16%	26,144	17%	24,838	16%	24,977	17%	24,555	15%
	BB	3	2,651	2%	2,698	2%	2,528	2%	2,556	2%	2,783	2%
	B & lower, and unrated	4 & below	553	0%	508	0%	587	0%	734	0%	778	0%
	Total		161,425	100%	157,827	100%	150,788	100%	148,606	100%	159,758	100%
Private Placements	AAA	1	961	4%	1,030	4%	1,010	4%	1,013	4%	1,034	4%
	AA	1	3,579	14%	3,886	14%	3,813	15%	3,600	14%	3,515	13%
	A	1	9,309	35%	9,813	36%	8,913	34%	9,123	34%	8,950	34%
	BBB	2	10,395	40%	10,791	39%	10,312	39%	10,782	40%	10,934	42%
	BB	3	1,150	4%	1,113	4%	1,242	5%	1,294	5%	1,182	4%
	B & lower, and unrated	4 & below	830	3%	945	3%	753	3%	840	3%	737	3%
	Total		26,224	100%	27,578	100%	26,043	100%	26,652	100%	26,352	100%
Total	AAA	1	44,011	23%	42,002	23%	38,340	21%	38,661	22%	45,183	24%
	AA	1	24,185	13%	25,884	14%	24,223	14%	35,780	21%	36,576	20%
	A	1	77,435	41%	75,320	40%	74,008	42%	59,634	34%	63,382	34%
	BBB	2	36,834	20%	36,935	20%	35,150	20%	35,759	20%	35,489	19%
	BB	3	3,801	2%	3,811	2%	3,770	2%	3,850	2%	3,965	2%
	B & lower, and unrated	4 & below	1,383	1%	1,453	1%	1,340	1%	1,574	1%	1,515	1%
	Total		187,649	100%	185,405	100%	176,831	100%	175,258	100%	186,110	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, 2016, the Company had \$761 (December 31, 2015: \$747) notional outstanding of CDS protection sold.

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

	Country	As at Q1 2016	%	As at Q4 2015	%	As at Q3 2015	%	As at Q2 2015	%	As at Q1 2015	%
Debt Securities	U.S.	73,324	45%	73,333	47%	70,093	46%	69,241	47%	76,990	48%
	Canada	46,529	29%	44,708	28%	43,363	29%	43,570	29%	47,130	30%
	Europe	4,593	3%	4,830	3%	4,576	3%	5,184	3%	5,420	3%
	Asia & Other	36,979	23%	34,956	22%	32,756	22%	30,611	21%	30,218	19%
	Total	161,425	100%	157,827	100%	150,788	100%	148,606	100%	159,758	100%
Private Placements	U.S.	15,157	58%	16,254	59%	15,311	59%	15,114	57%	14,947	57%
	Canada	8,327	32%	8,375	31%	7,952	31%	8,755	33%	8,725	33%
	Europe	1,629	6%	1,745	6%	1,688	6%	1,807	7%	1,712	6%
	Asia & Other	1,111	4%	1,204	4%	1,092	4%	976	3%	968	4%
	Total	26,224	100%	27,578	100%	26,043	100%	26,652	100%	26,352	100%
Total	U.S.	88,481	47%	89,587	48%	85,404	48%	84,355	48%	91,937	49%
	Canada	54,856	29%	53,083	29%	51,315	29%	52,325	30%	55,855	30%
	Europe	6,222	4%	6,575	4%	6,264	4%	6,991	4%	7,132	4%
	Asia & Other	38,090	20%	36,160	19%	33,848	19%	31,587	18%	31,186	17%
	Total	187,649	100%	185,405	100%	176,831	100%	175,258	100%	186,110	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 2016			As at Q4 2015			As at Q3 2015			As at Q2 2015			As at Q1 2015			
	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	
Debt Securities	Government & agency	72,994	45%	98%	69,518	44%	98%	64,499	43%	98%	62,913	42%	98%	70,216	44%	98%
	Utilities	21,642	13%	99%	21,326	14%	99%	20,697	14%	99%	20,002	14%	99%	21,430	14%	99%
	Financial	22,159	14%	97%	22,669	14%	96%	22,190	15%	96%	22,724	15%	96%	23,582	15%	95%
	Energy	11,756	7%	96%	11,528	7%	96%	11,482	7%	97%	11,041	7%	96%	11,529	7%	96%
	Consumer (non-cyclical)	8,295	5%	100%	8,382	5%	100%	8,138	5%	100%	7,702	5%	100%	8,311	5%	100%
	Industrial	9,646	6%	100%	9,366	6%	100%	9,006	6%	100%	8,168	6%	100%	8,183	5%	100%
	Basic materials	2,494	2%	87%	2,506	2%	89%	2,537	2%	89%	3,065	2%	92%	3,187	2%	91%
	Consumer (cyclical)	2,655	2%	99%	2,812	2%	99%	2,557	2%	99%	2,578	2%	99%	2,784	2%	99%
	Securitized MBS/ABS	3,156	2%	98%	3,115	2%	98%	3,290	2%	95%	3,726	3%	93%	3,795	2%	93%
	Telecommunications	3,017	2%	99%	2,983	2%	99%	2,943	2%	100%	3,048	2%	100%	3,095	2%	100%
	Technology	1,801	1%	100%	1,811	1%	100%	1,721	1%	100%	1,879	1%	100%	1,863	1%	100%
	Media & internet	1,187	1%	100%	1,155	1%	100%	1,156	1%	100%	1,233	1%	100%	1,300	1%	100%
	Diversified & miscellaneous	623	0%	100%	656	0%	100%	572	0%	99%	527	0%	99%	483	0%	98%
	Total	161,425	100%	98%	157,827	100%	98%	150,788	100%	98%	148,606	100%	98%	159,758	100%	98%
Private Placements	Government & agency	2,731	10%	100%	2,914	11%	100%	2,821	11%	100%	2,599	10%	100%	2,616	10%	100%
	Utilities	12,967	50%	94%	13,564	49%	94%	12,548	48%	94%	12,472	47%	93%	12,288	47%	93%
	Financial	1,758	7%	96%	1,849	7%	96%	1,692	7%	96%	1,614	6%	96%	1,694	6%	96%
	Energy	1,718	7%	82%	1,894	7%	85%	1,889	7%	84%	2,051	8%	82%	1,959	7%	88%
	Consumer (non-cyclical)	2,343	9%	89%	2,450	9%	90%	2,359	9%	90%	2,710	10%	92%	2,803	11%	93%
	Industrial	2,025	8%	94%	2,088	8%	93%	2,065	8%	93%	2,508	9%	94%	2,253	9%	96%
	Basic materials	835	3%	84%	832	3%	83%	849	3%	80%	880	3%	73%	904	3%	73%
	Consumer (cyclical)	1,513	6%	87%	1,613	6%	86%	1,467	6%	90%	1,496	6%	89%	1,516	6%	90%
	Securitized MBS/ABS	92	0%	91%	100	0%	91%	92	0%	100%	40	0%	100%	43	0%	100%
	Telecommunications	74	0%	100%	76	0%	100%	50	0%	92%	56	0%	84%	61	0%	76%
	Technology	113	0%	67%	120	0%	67%	119	1%	68%	138	1%	74%	123	1%	85%
	Media & internet	55	0%	8%	78	0%	6%	92	0%	15%	88	0%	16%	92	0%	16%
	Diversified & miscellaneous	0	0%	n/a	0	0%	n/a	0	0%	n/a	0	0%	n/a	0	0%	n/a
	Total	26,224	100%	93%	27,578	100%	93%	26,043	100%	92%	26,652	100%	92%	26,352	100%	93%
Total	Government & agency	75,725	40%	98%	72,432	39%	98%	67,320	38%	98%	65,512	37%	98%	72,832	39%	98%
	Utilities	34,609	18%	97%	34,890	19%	97%	33,245	19%	97%	32,474	19%	97%	33,718	18%	97%
	Financial	23,917	13%	97%	24,518	13%	96%	23,882	13%	96%	24,338	14%	96%	25,276	14%	96%
	Energy	13,474	7%	95%	13,422	7%	95%	13,371	8%	95%	13,092	8%	94%	13,488	7%	95%
	Consumer (non-cyclical)	10,638	6%	98%	10,832	6%	98%	10,497	6%	98%	10,412	6%	98%	11,114	6%	98%
	Industrial	11,671	6%	99%	11,454	6%	99%	11,071	6%	99%	10,676	6%	99%	10,436	6%	99%
	Basic materials	3,329	2%	86%	3,338	2%	87%	3,386	2%	87%	3,945	2%	87%	4,091	2%	87%
	Consumer (cyclical)	4,168	2%	95%	4,425	2%	94%	4,024	2%	95%	4,074	2%	95%	4,300	2%	96%
	Securitized MBS/ABS	3,248	2%	98%	3,215	2%	98%	3,382	2%	95%	3,766	2%	93%	3,838	2%	93%
	Telecommunications	3,091	2%	99%	3,059	2%	99%	2,993	2%	100%	3,104	2%	100%	3,156	2%	99%
	Technology	1,914	1%	98%	1,931	1%	98%	1,840	1%	98%	2,017	1%	98%	1,986	1%	99%
	Media & internet	1,242	1%	96%	1,233	1%	94%	1,248	1%	94%	1,321	1%	94%	1,392	1%	94%
	Diversified & miscellaneous	623	0%	100%	656	0%	100%	572	0%	99%	527	0%	99%	483	0%	98%
	Total	187,649	100%	97%	185,405	100%	97%	176,831	100%	97%	175,258	100%	97%	186,110	100%	97%

INVESTED ASSETS - PROVISIONS, IMPAIRMENTS & UNREALIZED LOSSES

(Canadian \$ in millions, unaudited)



Unrealized (losses)

	As at Q1 2016				As at Q4 2015				As at Q3 2015				As at Q2 2015				As at Q1 2015			
	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months
Debt securities																				
<i>Government</i>	67,461	(480)	1%	(13)	65,968	(966)	1%	(20)	61,036	(963)	2%	(1)	59,471	(936)	2%	(1)	63,551	(210)	0%	(1)
<i>Corporate</i>																				
Financials	20,934	(102)	0%	(26)	21,643	(145)	1%	(25)	21,038	(124)	1%	(25)	21,582	(139)	1%	(20)	21,928	(84)	0%	(19)
Non-financials	59,050	(840)	1%	(40)	60,303	(1,368)	2%	(10)	57,566	(883)	2%	(5)	55,869	(732)	1%	(5)	55,352	(142)	0%	(5)
<i>Securitized</i>																				
CMBS	792	(3)	0%	-	836	(6)	1%	-	866	(5)	1%	(3)	1,003	(8)	1%	(2)	1,068	(6)	1%	(1)
RMBS	62	(1)	2%	-	75	(1)	1%	-	195	(6)	3%	-	242	(9)	4%	-	257	(10)	4%	-
ABS	2,230	(16)	1%	-	2,141	(11)	1%	-	2,137	(7)	0%	-	2,381	(8)	0%	-	2,321	(1)	0%	-
<i>Private placement debt</i>	26,224	(252)	1%	(8)	27,578	(465)	2%	-	26,043	(279)	1%	-	26,745	(469)	2%	-	26,374	(103)	0%	-
Fixed income securities ¹	176,753	(1,694)	1%	(87)	178,544	(2,962)	2%	(55)	168,881	(2,267)	1%	(34)	167,293	(2,301)	1%	(28)	170,851	(556)	0%	(26)

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 recoveries ²

	Q1 2016			Q4 2015			Q3 2015			Q2 2015			Q1 2015		
	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total
Credit related															
Loans	-	(69)	(69)	-	(24)	(24)	-	(1)	(1)	-	(4)	(4)	-	(9)	(9)
Debt securities - FVTPL	-	(1)	(1)	(1)	(2)	(3)	2	2	(4)	(2)	(2)	(4)	(5)	(5)	(10)
Debt securities - AFS	-	-	-	-	2	2	-	3	3	-	-	-	-	-	-
Other ³	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1
Sub-total	-	(70)	(70)	(1)	(24)	(25)	2	4	6	(2)	(6)	(8)	(5)	(13)	(18)
Equity related															
Public - AFS	-	(10)	(10)	-	(10)	(10)	-	(17)	(17)	-	(2)	(2)	-	(3)	(3)
Private equities - AFS and Other ³	-	-	-	-	(3)	(3)	-	-	-	-	-	-	-	-	-
Sub-total	-	(10)	(10)	-	(13)	(13)	-	(17)	(17)	-	(2)	(2)	-	(3)	(3)
Total	-	(80)	(80)	(1)	(37)	(38)	2	(13)	(11)	(2)	(8)	(10)	(5)	(16)	(21)

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 2016			As at Q4 2015			As at Q3 2015			As at Q2 2015			As at Q1 2015		
	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value	Gross amount	Allowances	Impaired value
Loans															
Mortgages and loans to bank clients	58	(29)	29	60	(29)	31	63	(28)	35	75	(29)	46	83	(33)	50
Private placements	221	(109)	112	186	(72)	114	212	(97)	115	225	(89)	136	216	(85)	131
Sub-total	279	(138)	141	246	(101)	145	275	(125)	150	300	(118)	182	299	(118)	181
Other fixed income ⁴															
Debt securities - FVTPL	12	-	12	15	-	15	27	-	27	59	-	59	69	-	69
Debt securities - AFS	-	-	-	-	-	-	5	-	5	8	-	8	9	-	9
Other	1	-	1	1	-	1	1	-	1	1	-	1	1	-	1
Sub-total	13	-	13	16	-	16	33	-	33	68	-	68	79	-	79
Total	292	(138)	154	262	(101)	161	308	(125)	183	368	(118)	250	378	(118)	260

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 2016		Q4 2015		Q3 2015		Q2 2015		Q1 2015	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
Cash and short-term securities										
Investment income	36	n/a	22	n/a	81	n/a	28	n/a	39	n/a
Debt securities										
Interest income	1,409	3.8%	1,376	3.8%	1,347	3.8%	1,344	3.8%	1,312	3.8%
Recoveries (impairments), net ¹	(1)		(1)		6		(4)		(10)	
Gains (losses) on assets backing surplus	291		8		50		8		27	
Total	1,699	4.3%	1,383	3.6%	1,403	3.6%	1,348	3.5%	1,329	3.5%
¹ Includes impairments on debt securities classified as AFS and FVTPL.										
Public equities										
Dividend income	102	2.5%	160	3.0%	109	2.7%	133	2.6%	91	2.2%
Impairments, net	(10)		(10)		(17)		(2)		(3)	
Gains (losses) on assets backing surplus	35		44		45		69		61	
Total	127	3.2%	194	4.1%	137	3.9%	200	4.0%	149	3.6%
Loans										
Mortgage loan interest income	424	4.0%	435	4.0%	431	4.0%	448	4.0%	445	4.1%
Private placement interest income	398	6.0%	349	5.4%	321	5.0%	355	5.5%	351	5.5%
Policy loan interest income	87	4.6%	86	4.8%	90	4.9%	104	5.0%	108	5.1%
Loans to bank clients interest income	17	3.9%	17	3.9%	17	4.0%	17	4.1%	18	4.0%
Recoveries (impairments), net	(69)		(23)		(1)		(4)		(9)	
Total	857	4.3%	864	4.5%	858	4.5%	920	4.6%	913	4.6%
Real estate										
Rental and other income	144	3.8%	115	3.9%	138	4.2%	131	4.1%	125	4.3%
Gains on assets backing surplus	(8)		(16)		(18)		-		-	
Total	136	3.6%	99	3.6%	120	4.0%	131	4.1%	125	4.3%
Other investments										
Investment income	140	n/a	138	n/a	(46)	n/a	330	n/a	(20)	n/a
Derivatives										
Investment income	305	n/a	199	n/a	155	n/a	259	n/a	107	n/a
Investment income ²	3,300	4.4%	2,899	3.9%	2,708	3.9%	3,216	3.8%	2,642	3.6%
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	3,979		(905)		344		(6,079)		2,683	
Public equities	(2)		351		(1,222)		(93)		451	
Loans	2		76		359		(54)		(8)	
Real estate	32		210		185		156		429	
Other investments	(39)		(65)		206		(16)		230	
Derivatives, including macro equity hedging program	4,890		(1,583)		3,800		(4,075)		1,558	
Total	8,862	n/a	(1,916)	n/a	3,672	n/a	(10,161)	n/a	5,343	n/a
Total investment income (loss)	12,162	16.8%	983	2.8%	6,380	3.4%	(6,945)	0.7%	7,985	11.2%
Investment expenses related to invested assets	(127)	n/a	(184)	n/a	(134)	n/a	(132)	n/a	(126)	n/a
Investment income (loss) less investment expenses	12,035	16.6%	799	1.1%	6,246	8.7%	(7,077)	-8.8%	7,859	11.0%

Actuarial Liabilities Information

VARIABLE ANNUITY AND SEGREGATED FUND GUARANTEES

(Canadian \$millions, unaudited)



	Guarantee Value			Net Amount at Risk ²			Policy Liabilities Held ^{3,5}	Target Capital (200 % of MCCR)	Policy Liabilities Held plus Target Capital
	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹			
Q1 2016	107,437	8,870	98,567	12,729	2,092	10,637	9,584	5,156	14,740
Q4 2015	113,175	9,669	103,506	12,747	2,168	10,579	7,469	5,156	12,625
Q3 2015	111,468	9,557	101,911	12,797	2,257	10,540	8,199	5,061	13,260
Q2 2015	107,263	9,096	98,167	8,136	1,684	6,452	4,751	4,846	9,597
Q1 2015	110,321	9,449	100,872	7,190	1,662	5,528	6,361	4,777	11,138

As at Q1 2016	Net of Reinsurance ¹		
	Total Guarantee Value ⁴	Total Fund Value ⁴	Net Amount at Risk ^{2,4}
U.S.			
Withdrawal Benefits	47,529	40,200	7,419
Income Benefits	544	426	120
Death Benefits	4,823	5,044	656
	52,896	45,670	8,195
Canada			
Withdrawal Benefits	15,875	15,361	1,515
Maturity Benefits	15,111	18,162	73
Death Benefits	2,196	1,781	127
	33,182	35,304	1,715
Japan			
Withdrawal Benefits	4,552	4,246	320
Maturity Benefits	3,834	4,199	8
Death Benefits	1,079	1,011	33
	9,465	9,456	361
Reinsurance & Other	3,024	2,897	366

Key markets, closing levels	S&P 500	TSX	TOPIX	EAFE
As at Q1 2016	2,060	13,494	1,347	1,652
As at Q4 2015	2,044	13,010	1,547	1,716
As at Q3 2015	1,920	13,307	1,411	1,644
As at Q2 2015	2,063	14,553	1,630	1,842
As at Q1 2015	2,068	14,902	1,543	1,849

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

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

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

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

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

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

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

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

ACTUARIAL LIABILITIES - NEW BUSINESS VALUE

(Canadian \$ in millions, unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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New Business Value (NBV)¹

Asia							
Hong Kong	67	111	93	72	59	14%	335
Japan	96	87	82	46	40	138%	255
Asia Other	58	31	27	24	19	202%	101
Canada	47	50	50	43	45	6%	188
U.S.	19	17	35	18	6	211%	76
Total	287	296	287	203	169	70%	955

¹ NBV is not calculated for Wealth & Asset Management business, Manulife Bank and Property and Casualty Reinsurance business.

REGULATORY CAPITAL

(Canadian \$ in millions, unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1
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The Manufacturers Life Insurance Company's MCCR**Capital available:**

Tier 1 capital

Common shares	27,862	25,108	25,108	25,108	25,108
Retained earnings and CTA	12,907	13,857	16,617	13,970	13,920
Qualifying non-controlling interests	543	511	504	469	437
Innovative instruments	1,000	1,000	1,000	1,000	1,000
Other	2,121	2,259	2,635	2,628	2,627
Gross Tier 1 capital	44,433	42,735	45,864	43,175	43,092
Deductions:					
Goodwill	(5,566)	(5,685)	(5,692)	(5,169)	(4,479)
Other	(7,539)	(7,312)	(10,426)	(8,094)	(6,652)
Adjustments	(1,121)	(1,138)	(1,305)	(1,476)	(1,369)
Net Tier 1 capital - A	30,207	28,600	28,441	28,436	30,592

Tier 2 Capital

Tier 2A	278	263	207	406	496
Tier 2B allowed	6,672	6,714	5,702	5,664	5,326
Tier 2C	6,858	7,318	6,994	6,624	6,504
Adjustments	(1,121)	(1,138)	(1,305)	(1,476)	(1,369)
Total Tier 2 capital allowed	12,687	13,157	11,598	11,218	10,957

Total Tier 1 and Tier 2 capital	42,894	41,757	40,039	39,654	41,549
Less Adjustments	-	-	-	-	-
Total Capital Available - B	42,894	41,757	40,039	39,654	41,549

Capital Required:

Asset default & market risk	11,555	11,687	11,140	10,697	10,702
Insurance risks	3,618	3,801	3,511	3,250	3,279
Interest rate risks	3,241	3,213	3,044	2,878	2,987
Total Capital Required - C	18,414	18,701	17,695	16,825	16,968

MCCR Ratio: Total (B/C) x 100	233%	223%	226%	236%	245%
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Supplementary Disclosure

Wealth and Asset Management

WEALTH AND ASSET MANAGEMENT ¹

(Canadian \$ in millions, unaudited)



2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Shareholders' Income Statement²

Revenue						
Fee income	1,197	1,248	1,191	1,155	1,084	4,678
Investment income	5	(2)	(2)	(2)	4	(2)
Total	1,202	1,246	1,189	1,153	1,088	4,676
Expenses						
General, administrative and investment expenses	741	760	706	706	612	2,784
Commissions	299	301	299	298	289	1,187
Total	1,040	1,061	1,005	1,004	901	3,971
Income before income taxes	162	185	184	149	187	705
Income tax (expense) recovery	(29)	(39)	(27)	(26)	(41)	(133)
Net income attributed to shareholders	133	146	157	123	146	572

Earnings (loss) Analysis²

Core earnings						
Asia	38	36	38	43	42	159
Canada	39	35	40	36	30	141
U.S.	64	78	90	74	68	310
Corporate and other ³	(1)	6	(1)	7	8	20
Total core earnings	140	155	167	160	148	630
Total core earnings on a constant currency basis	140	153	173	171	162	659
Material/exceptional items and tax rate changes	(7)	(10)	(10)	(37)	(2)	(59)
Direct impact of equity markets and interest rates & other investment experience	-	1	-	-	-	1
Net income attributed to shareholders	133	146	157	123	146	572

Core EBITDA by Division²

Asia	49	46	54	58	57	215
Canada	82	70	85	83	70	308
U.S.	150	168	169	160	152	649
Corporate and other ³	4	18	4	13	17	52
Core EBITDA	285	302	312	314	296	1,224
Core EBITDA on a constant currency basis	285	308	323	341	320	1,292

Core EBITDA Margin ⁴	23.7%	24.2%	26.2%	27.2%	27.2%	-350 bps	26.2%
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Core Earnings before income taxes, depreciation and amortization (Core EBITDA) ^{2,4}

Core EBITDA	285	302	312	314	296	-4%	1,224
Amortization of deferred acquisition costs and other depreciation	85	84	84	82	77	10%	327
Amortization of deferred sales commissions	29	22	27	27	30	-3%	106
Total depreciation and amortization	114	106	111	109	107	7%	433
Core earnings before income taxes	171	196	201	205	189	-10%	791
Core income tax (expense) recovery	(31)	(41)	(34)	(45)	(41)	-24%	(161)
Core Earnings	140	155	167	160	148	-5%	630

Deferred Acquisition Costs and Deferred Sales Commissions

Asia	300	317	298	273	273	10%	317
Canada	247	243	268	264	258	-4%	243
U.S.	1,769	1,898	1,833	1,713	1,740	2%	1,898
Total deferred acquisition costs and deferred sales commissions	2,316	2,458	2,399	2,250	2,271	2%	2,458

¹ Wealth and asset management is comprised of our fee based business with little or no insurance risk, including mutual funds, pensions products and institutional asset management.

² The Corporate and Other segment includes earnings on assets backing capital net of amounts allocated to operating divisions. The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

³ Corporate and other results are net of allocations to other divisions.

⁴ Core EBITDA margin is Core EBITDA divided by total revenue.

WEALTH AND ASSET MANAGEMENT (CONT'D) ¹

(Canadian \$ in millions, unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Assets Under Management and Administration²

Assets Under Management by Division							
Asia	32,295	34,792	30,939	36,498	32,621	-1%	34,792
Canada	101,218	100,850	97,356	97,961	98,120	3%	100,850
U.S.	213,912	227,428	212,329	206,319	207,551	3%	227,428
Corporate and other - Manulife Asset Management ³	420,959	433,890	409,407	404,282	395,221	7%	433,890
Less: Assets managed on behalf of wealth & asset management divisions ⁴	(208,565)	(215,405)	(201,301)	(202,062)	(202,650)	3%	(215,405)
Total assets under management	559,819	581,555	548,730	542,998	530,863	5%	581,555
Less: Insurance and other wealth managed by Manulife Asset Management	(70,897)	(75,618)	(74,919)	(74,992)	(75,709)	-6%	(75,618)
Less: General fund assets managed by Manulife Asset Management ³	(71,823)	(71,630)	(67,658)	(62,548)	(61,314)	17%	(71,630)
Assets under management excluding internally managed	417,099	434,307	406,153	405,458	393,840	6%	434,307
Assets under administration (U.S. division)	70,437	76,148	70,447	68,924	-	-	76,148
Total assets under management and administration	487,536	510,455	476,600	474,382	393,840	24%	510,455

Assets Under Management and Administration² by Client Segment

Pensions	253,911	267,961	252,473	252,319	185,293	37%	267,961
Mutual funds	163,951	171,257	158,598	157,383	152,999	7%	171,257
Institutional advisory accounts ⁵	69,674	71,237	65,529	64,680	55,548	25%	71,237
Assets under management and administration	487,536	510,455	476,600	474,382	393,840	24%	510,455
Assets under management and administration on a constant currency basis	487,536	526,766	484,023	483,785	399,082	22%	526,766

Assets Under Management and Administration² by Client Geography

Asia region	48,140	51,194	42,234	46,103	41,955	15%	51,194
Canada region	124,324	123,942	121,427	124,130	115,559	8%	123,942
U.S. region	310,698	331,980	310,016	301,334	233,677	33%	331,980
Europe and other region	4,374	3,339	2,923	2,815	2,649	65%	3,339
Assets under management and administration	487,536	510,455	476,600	474,382	393,840	24%	510,455

Changes in Assets Under Management and Administration²

Beginning balance	510,455	476,600	474,382	393,840	314,538	62%	314,538
Assets acquired	-	-	-	68,574	40,589	-100%	109,163
Gross flows	28,228	31,089	25,862	34,892	22,843	24%	114,686
Redemptions	(26,552)	(22,341)	(21,348)	(20,398)	(16,212)	64%	(80,299)
Investment income (loss) and other	(24,595)	25,107	(2,296)	(2,526)	32,082	-	52,367
Ending balance	487,536	510,455	476,600	474,382	393,840	24%	510,455

¹ Wealth and asset management is comprised of our fee based business with little or no insurance risk, including mutual funds, pensions products and institutional asset management.

² The Corporate and Other segment includes earnings on assets backing capital net of amounts allocated to operating divisions. The 2015 earnings on assets backing capital allocated to each operating segment has been reclassified to align with the methodology used in 2016.

³ Certain comparative amounts have been restated to include the fair value of the real estate portfolios managed by Manulife Asset Management.

⁴ Includes Wealth and Asset Management, Insurance and Other Wealth assets which are managed by Manulife Asset Management for affiliates.

⁵ Includes only the third party institutional business of Manulife Asset Management and not business from affiliates and the General Fund

WEALTH AND ASSET MANAGEMENT (CONT'D) ¹

(Canadian \$ in millions, unaudited)



	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 Q1 vs. 2015 Q1	Fiscal 2015
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Net Flows by Division

Asia	269	1,134	(2,987)	3,025	1,057	-75%	2,229
Canada	771	765	1,566	1,331	1,821	-58%	5,483
U.S.	29	3,762	4,509	1,803	2,175	-99%	12,249
Corporate and other - Manulife Asset Management - Institutional advisory accounts ²	607	3,087	1,426	8,335	1,578	-62%	14,426
Total net flows	1,676	8,748	4,514	14,494	6,631	-75%	34,387
Net flows on a constant currency basis	1,676	8,642	4,713	14,891	6,931	-76%	35,177

Net Flows by Client Segment

Pensions	197	844	1,546	(427)	856	-77%	2,819
Mutual funds	872	4,817	1,542	6,586	4,197	-79%	17,142
Institutional advisory accounts ²	607	3,087	1,426	8,335	1,578	-62%	14,426
Total net flows	1,676	8,748	4,514	14,494	6,631	-75%	34,387

Net Flows by Client Geography

Asia region	(108)	5,119	(1,775)	3,548	1,057	-	7,949
Canada region	869	501	1,616	8,861	2,293	-62%	13,271
U.S. region	923	2,920	4,508	1,912	3,148	-71%	12,488
Europe and other region	(8)	208	165	173	133	-	679
Total net flows	1,676	8,748	4,514	14,494	6,631	-75%	34,387

Gross Flows by Division

Asia	3,406	3,353	2,448	6,340	3,354	2%	15,495
Canada	4,165	3,932	4,213	3,923	4,406	-5%	16,474
U.S.	17,443	17,830	17,036	13,642	12,059	45%	60,567
Corporate and other - Manulife Asset Management - Institutional advisory accounts ²	3,214	5,974	2,165	10,987	3,024	6%	22,150
Total gross flows	28,228	31,089	25,862	34,892	22,843	24%	114,686
Gross flows on a constant currency basis	28,228	29,350	26,854	37,267	24,580	15%	118,051

Gross Flows by Client Segment

Pensions	10,486	10,684	10,051	7,935	7,060	49%	35,730
Mutual funds	14,528	14,431	13,646	15,970	12,759	14%	56,806
Institutional advisory accounts ²	3,214	5,974	2,165	10,987	3,024	6%	22,150
Total gross flows	28,228	31,089	25,862	34,892	22,843	24%	114,686

Gross Flows by Client Geography

Asia region	4,075	7,939	3,654	7,007	3,644	12%	22,244
Canada region	5,072	4,812	4,570	13,012	5,399	-6%	27,793
U.S. region	18,917	18,126	17,467	14,696	13,662	38%	63,951
Europe and other region	164	212	171	177	138	19%	698
Total gross flows	28,228	31,089	25,862	34,892	22,843	24%	114,686

¹ Wealth and asset management is comprised of our fee based business with little or no insurance risk, including mutual funds, pensions products and institutional asset management.

² Includes only the third party institutional business of Manulife Asset Management and not business from affiliates and the General Fund.

GLOSSARY OF TERMS AND DEFINITIONS



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

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

Annuity: A contract which allows the contract holder to either (i) accumulate funds for retirement planning, or (ii) receive scheduled payments, either periodically for a specified period of time or until death.

- **Fixed Annuity:** The return to the contract holder is specified in the contract, i.e., the Company bears the investment risk.

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

- **Variable Annuity:** Funds are invested in segregated funds (also called separate accounts in the U.S.) and the return to the contract holder fluctuates according to the earnings of the underlying investments. In some instances, guarantees are provided.

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

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

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

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

- **Institutional 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.

- **Assets Under Administration:** includes assets for which we provide administrative services only.

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

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

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

Corporate Owned Life Insurance (COLI): Life insurance purchased by organizations, predominantly to finance non-qualified executive deferred compensation plans.

Deferred Acquisition Costs (DAC): Costs directly attributable to the acquisition of new business, principally agents' compensation, which are capitalized on the Company's balance sheet and amortized into income over a specified period.

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

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

Institutional Clients: Organizations that are non-Manulife-affiliated for which Manulife 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:** Sales include 100 per cent of new annualized premiums expected in the first year of a policy that requires premium payments for more than one year and 10 per cent of both excess and single premiums. Single premium is the lump sum premium from the sale of a single premium product e.g. travel insurance. Sales are reported gross before the impact of reinsurance.

- **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.

- **Other Wealth:** All new deposits are reported as sales. This includes certain single premium wealth accumulation products in Asia and individual annuities, both fixed and variable. As we have discontinued sales of new VA contracts in the U.S., beginning in the first quarter of 2013, subsequent deposits into existing U.S. VA contracts are not reported as sales.

- **Group Pensions:** Sales include both new regular premiums and deposits and single premiums sales. New regular premiums and deposits reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider.

Gross Flows: For wealth and asset management business, all new deposits are reported as gross flows. This includes mutual funds; group pensions/retirement savings; and, college 529 plans.

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

200 Bloor Street East
Toronto, Ontario
Canada M4W 1E5
Web Site: www.manulife.com

TRANSFER AGENT

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

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

COMMON STOCK

Common Stock of Manulife Financial is traded on:

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

INVESTOR INFORMATION

Robert Veloso, VP, Investor Relations
(416) 852-8982
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INDUSTRY RATING INFORMATION

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

The Manufacturers Life Insurance Company		(as at May 5, 2016)
<u>Purpose</u>	<u>Rating agency</u>	<u>Rating</u>
Financial strength	Standard & Poor's	AA-
	Moody's	A1
	Fitch Ratings	AA-
	DBRS	AA (low)
	A.M. Best	A+ (Superior)

John Hancock Life Insurance Company (U.S.A)		(as at May 5, 2016)
<u>Purpose</u>	<u>Rating agency</u>	<u>Rating</u>
Financial strength	Standard & Poor's	AA-
	Moody's	A1
	Fitch Ratings	AA-
	DBRS	not rated
	A.M. Best	A+ (Superior)