



Statistical Information Package

Q4 2016

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MFC

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

* 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.

Use of this document:

Information in the document is supplementary to the Company's fourth quarter Press Release, MD&A and audited financial statements in the Company's most recent Annual Report and should be read in conjunction with those documents.

Performance and Non-GAAP Measures

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

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

Asia	431	561	28	121	409	5%	1,141	1,105	3%
Canadian	92	435	359	600	(104)	-	1,486	480	210%
U.S.	(73)	559	407	241	323	-	1,134	1,460	-22%
Corporate and other	(387)	(438)	(90)	83	(382)	-	(832)	(854)	-
Net income attributed to shareholders	63	1,117	704	1,045	246	-74%	2,929	2,191	34%
Preferred share dividends	(33)	(34)	(37)	(29)	(29)	14%	(133)	(116)	15%
Common shareholders' net income	30	1,083	667	1,016	217	-86%	2,796	2,075	35%
Common shareholders' net income on a constant currency basis	30	1,109	674	1,015	251	-88%	2,828	2,195	29%

Earnings Analysis¹

Core earnings									
Asia	388	394	342	371	334	16%	1,495	1,234	21%
Canadian	359	354	333	338	352	2%	1,384	1,252	11%
U.S.	471	394	361	389	332	42%	1,615	1,466	10%
Corporate and other (excl. expected cost of macro hedges and core investment gains)	(75)	(102)	(125)	(107)	(85)	-	(409)	(298)	-
Expected cost of macro hedges	(36)	(61)	(78)	(86)	(74)	-	(261)	(226)	-
Investment-related experience in core earnings	180	17	-	-	-	-	197	-	-
Total core earnings	1,287	996	833	905	859	50%	4,021	3,428	17%
Investment-related experience outside of core earnings	-	280	60	(340)	(361)	-	-	(530)	-
Total core earnings and investment-related experience in excess of amounts included in core earnings	1,287	1,276	893	565	498	158%	4,021	2,898	39%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(1,202)	414	(170)	474	(29)	-	(484)	(93)	-
Change in actuarial methods and assumptions	(10)	(455)	-	12	(97)	-	(453)	(451)	-
Integration and acquisition costs	(25)	(23)	(19)	(14)	(39)	-	(81)	(149)	-
Tax related items	(2)	2	-	1	2	-	1	63	-98%
Other items	15	(97)	-	7	(89)	-	(75)	(77)	-
Net income attributed to shareholders	63	1,117	704	1,045	246	-74%	2,929	2,191	34%

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	\$0.01	\$0.55	\$0.34	\$0.51	\$0.11	-91%	\$ 1.42	\$1.06	34%
Basic earnings per common share on a constant currency basis	\$0.01	\$0.57	\$0.37	\$0.51	\$0.14	-93%			
Diluted core earnings per common share	\$0.63	\$0.49	\$0.40	\$0.44	\$0.42	50%	\$ 1.96	\$1.68	17%
Diluted earnings per common share	\$0.01	\$0.55	\$0.34	\$0.51	\$0.11	-91%	\$ 1.41	\$1.05	34%
Return on common shareholders' equity (annualized) (%)	0.3%	11.1%	7.1%	10.8%	2.3%	-200 bps	7.3%	5.8%	150 bps
Core ROE (annualized) (%)	12.9%	9.8%	8.4%	9.3%	8.7%	420 bps	10.1%	9.2%	90 bps

FINANCIAL HIGHLIGHTS (CONT'D)

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



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

Core earnings									
Asia	451	466	396	444	388	16%	1,757	1,413	24%
Canadian	447	416	401	424	440	2%	1,688	1,543	9%
U.S.	535	511	475	515	439	22%	2,036	1,911	7%
Corporate and other (excl. expected cost of macro hedges and core investment gains)	(181)	(167)	(205)	(204)	(114)	-	(757)	(548)	38%
Expected cost of macro hedges	(52)	(88)	(114)	(126)	(108)	-	(380)	(330)	15%
Investment-related experience in core earnings	260	24	-	-	-	-	284	13	nm
Total core earnings	1,460	1,162	953	1,053	1,045	40%	4,628	4,002	16%
Investment-related experience outside of core earnings	-	396	142	(470)	(496)	-	68	(678)	-
Total core earnings and investment-related experience in excess of amounts included in core earnings	1,460	1,558	1,095	583	549	166%	4,696	3,324	41%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(1,827)	493	(138)	750	(71)	-	(722)	119	-
Change in actuarial methods and assumptions	(8)	(637)	-	35	(119)	-	(610)	(591)	3%
Integration and acquisition costs	(50)	(31)	(22)	(18)	(52)	-	(121)	(207)	-42%
Other items	38	(149)	-	(7)	(137)	-	(118)	(126)	-6%
Net income attributed to shareholders	(387)	1,234	935	1,343	170		3,125	2,519	24%

Earnings Analysis (Tax Rate)¹

Core earnings									
Asia	14%	15%	14%	16%	14%		15%	13%	
Canadian	20%	15%	17%	20%	20%		18%	19%	
U.S.	12%	23%	24%	24%	24%		21%	23%	
Corporate and other (excl. expected cost of macro hedges and core investment gains)	59%	39%	39%	48%	25%		46%	46%	
Expected cost of macro hedges	31%	31%	32%	32%	31%		31%	32%	
Investment-related experience in core earnings	31%	29%	0%	0%	0%		31%	100%	
Total core earnings	12%	14%	13%	14%	18%		13%	14%	
Investment-related experience outside of core earnings	0%	29%	58%	28%	27%		100%	22%	
Total core earnings and investment-related experience in excess of amounts included in core earnings	12%	18%	18%	3%	9%		14%	13%	
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	34%	16%	-23%	37%	59%		33%	178%	
Change in actuarial methods and assumptions	-25%	29%	0%	66%	18%		26%	24%	
Integration and acquisition costs	50%	26%	14%	22%	25%		33%	28%	
Other items	61%	35%	0%	200%	35%		36%	39%	
Net income attributed to shareholders	116%	9%	25%	22%	-45%		6%	13%	

Core earnings by line of business¹

Insurance²									
Asia	273	240	232	249	222	23%	994	811	23%
Canadian	210	207	174	172	202	4%	763	621	23%
U.S.	210	191	151	183	134	57%	735	665	11%
Total insurance	693	638	557	604	558	24%	2,492	2,097	19%
Wealth and asset management³									
Asia	48	52	37	38	36	33%	175	159	10%
Canadian	43	33	46	39	35	23%	161	141	14%
U.S.	84	82	68	64	78	8%	298	310	-4%
Corporate and other ^{5,6}	3	(8)	1	(1)	6	-50%	(5)	20	-
Total wealth and asset management	178	159	152	140	155	15%	629	630	0%
Other wealth^{2,4}									
Asia	69	101	73	84	76	-9%	327	264	24%
Canadian Manulife Bank	29	30	25	30	27	7%	114	123	-7%
Canadian excluding Manulife Bank	76	84	88	97	88	-14%	345	367	-6%
Canadian	105	114	113	127	115	-9%	459	490	-6%
U.S.	176	122	142	142	120	47%	582	491	19%
Total other wealth	350	337	328	353	311	13%	1,368	1,245	10%
Corporate and other^{5,6}	66	(138)	(204)	(192)	(165)	-	(468)	(544)	-14%
Total core earnings	1,287	996	833	905	859	50%	4,021	3,428	17%

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

Life and health insurance premiums ¹	6,070	5,928	5,476	5,706	5,306	14%	23,180	19,629	18%
Segregated fund deposits	641	613	571	578	569	13%	2,403	2,259	6%
ASO premium equivalents	833	748	869	868	833	0%	3,318	3,325	0%
Group Benefits ceded	1,095	1,058	1,506	1,034	1,051	4%	4,693	4,296	9%
Premiums and deposits - Insurance	8,639	8,347	8,422	8,186	7,759	11%	33,594	29,509	14%
Premiums and deposits - Insurance on a constant currency basis	8,639	8,379	8,563	8,093	7,832	10%	33,674	30,539	10%

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

Premiums and Deposits - Wealth and Asset Management ²

Pension premiums and investment contract deposits	11	15	12	14	10	10%	52	44	18%
Segregated fund deposits	6,489	6,651	6,357	7,045	6,606	-2%	26,542	25,880	3%
Mutual fund deposits	20,806	19,152	17,270	17,812	18,361	13%	75,040	66,104	14%
Institutional advisory accounts	10,711	1,477	2,879	3,213	5,972	79%	18,280	22,148	-17%
Other fund deposits ³	143	123	126	144	140	2%	536	510	5%
Premiums and deposits - Wealth and Asset Management	38,160	27,418	26,644	28,228	31,089	23%	120,450	114,686	5%
Premiums and deposits - Wealth and Asset Management on a constant currency basis	38,160	27,832	27,287	27,513	30,958	23%	120,792	117,488	3%

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	915	1,270	1,264	1,026	1,398	-35%	4,475	4,362	3%
Segregated fund deposits	490	206	448	415	565	-13%	1,559	2,356	-34%
Premiums and deposits - Other Wealth	1,405	1,476	1,712	1,441	1,963	-28%	6,034	6,718	-10%
Premiums and deposits - Other Wealth on a constant currency basis	1,405	1,496	1,755	1,429	1,986	-29%	6,085	6,959	-13%
Premiums and Deposits - Corporate & Other	23	22	21	22	26	-12%	88	90	-2%

FINANCIAL HIGHLIGHTS (CONT'D)

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

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

Asia - US \$	507	525	510	460	416	22%	2,002	1,507	33%	1,507
Canadian - C \$	237	181	120	155	303	-22%	693	825	-16%	825
U.S. - US \$	120	110	107	122	127	-6%	459	488	-6%	488
Insurance sales - C \$	1,074	1,010	914	954	1,027	5%	3,952	3,380	17%	3,380
Insurance sales on a constant currency basis - C \$	1,074	1,007	929	940	1,047	3%	3,950	3,552	11%	3,552

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 \$	5,368	3,519	3,506	2,482	2,509	114%	14,875	12,240	22%	12,240
Canadian - C \$	4,058	4,599	4,201	4,165	3,932	3%	17,023	16,474	3%	16,474
U.S. - US \$	12,162	12,820	11,672	12,710	13,344	-9%	49,364	47,180	5%	47,180
Corporate and Other - C \$	10,711	1,497	2,879	3,213	5,974	79%	18,300	22,150	-17%	22,150
Wealth & asset management gross flows - C \$	38,160	27,418	26,644	28,228	31,089	23%	120,450	114,686	5%	114,686
Wealth & asset management gross flows on a constant currency basis - C \$	38,160	27,832	27,287	27,513	30,958	23%	120,792	117,488	3%	117,488

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 \$	1,435	1,033	1,280	196	848	69%	3,944	1,879	110%	1,879
Canadian - C \$	383	1,330	1,298	771	765	-50%	3,782	5,483	-31%	5,483
U.S. - US \$	(2,365)	652	82	20	2,815	-	(1,611)	9,481	-	9,481
Corporate and Other - C \$	6,929	(832)	1,769	607	3,087	124%	8,473	14,426	-41%	14,426
Total net flows - C \$	6,073	2,694	4,822	1,676	8,748	-31%	15,265	34,387	-56%	34,387
Net flows on a constant currency basis - C \$	6,073	2,707	4,893	1,653	8,686	-30%	15,326	35,130	-56%	35,130

Other Wealth Sales excluding Manulife Bank

Asia - US \$	747	1,011	919	1,049	929	-20%	3,726	3,022	23%	3,022
Canadian - C \$	740	719	816	944	868	-15%	3,219	3,609	-11%	3,609
Other wealth sales - C \$	1,737	2,038	2,000	2,384	2,109	-18%	8,159	7,494	9%	7,494
Other wealth sales on a constant currency basis - C \$	1,737	1,994	2,021	2,401	2,221	-22%	8,153	7,951	3%	7,951

New Business Value ³

Asia	294	256	227	221	229	28%	998	691	44%	691
Canadian	48	39	35	47	50	-4%	169	188	-10%	188
U.S.	25	5	10	19	17	47%	59	76	-22%	76
Total new business value	367	300	272	287	296	24%	1,226	955	28%	955
Total new business value on a constant currency basis - C \$	367	297	277	284	305	20%	1,225	1,006	22%	1,219

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

Share Price - Toronto (in Canadian \$)									
high	25.42	18.84	19.68	20.53	22.65	12%	25.42	24.20	5%
low	18.35	16.53	16.43	15.32	20.12	-9%	15.32	19.80	-23%
close	23.91	18.51	17.67	18.38	20.74	15%	23.91	20.74	15%
Share Price - New York (in U.S \$)									
high	19.04	14.49	15.22	14.73	16.95	12%	19.04	19.61	-3%
low	13.97	12.69	12.55	10.99	14.52	-4%	10.99	14.52	-24%
close	17.82	14.11	13.67	14.13	14.98	19%	17.82	14.98	19%
Common shares outstanding (millions)									
- end of period	1,975	1,973	1,973	1,972	1,972	0%	1,975	1,972	0%
- weighted average	1,974	1,973	1,972	1,972	1,972	0%	1,973	1,962	1%
- diluted weighted average	1,980	1,976	1,976	1,976	1,977	0%	1,977	1,977	0%
Dividend per common share paid in the quarter ¹	0.185	0.185	0.185	0.185	0.17	9%	0.740	0.665	11%
Common share dividend payout ratio	nm	33.6%	54.6%	33.5%	154.8%	nm	nm	62.7%	nm

¹ On February 8, 2017, the Board of Directors approved an increase of 11% or 2.0 cents to the quarterly shareholders' dividend resulting in a dividend of 20.5 cents per share on the common shares of the Company, payable on or after March 20, 2017 to shareholders of record at the close of business on February 22, 2017.

Valuation Data

Book value per common share	19.37	19.92	19.49	18.98	19.51	-1%	19.37	19.51	-1%
Market value to book value ratio	1.23	0.93	0.91	0.97	1.06	16%	1.23	1.06	16%
Book value excluding goodwill per common share	16.39	17.03	16.62	16.16	16.62	-1%	16.39	16.62	-1%
Market value to book value excluding goodwill ratio	1.46	1.09	1.06	1.14	1.25	17%	1.46	1.25	17%
Market capitalization (\$ billions)	47.2	36.5	34.9	36.2	40.9	15%	47.2	40.9	15%

Assets Under Management and Administration³

Assets Under Management									
General fund	321,869	328,756	321,664	306,827	307,506	5%	321,869	307,506	5%
Segregated funds excluding institutional advisory accounts	313,078	311,804	300,966	296,537	310,952	1%	313,078	310,952	1%
Mutual funds	170,930	162,994	154,804	151,087	160,020	7%	170,930	160,020	7%
Institutional advisory accounts	79,760	74,035	73,625	69,674	71,237	12%	79,760	71,237	12%
Other funds ²	8,985	8,649	8,293	7,674	7,552	19%	8,985	7,552	19%
Total assets under management	894,622	886,238	859,352	831,799	857,267	4%	894,622	857,267	4%
Assets under administration	82,433	79,719	74,868	72,052	77,909	6%	82,433	77,909	6%
Total assets under management and administration	977,055	965,957	934,220	903,851	935,176	4%	977,055	935,176	4%
Total assets under management and administration on a constant currency basis	977,055	973,776	947,161	920,307	917,717	6%	977,055	917,717	6%

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	262,794	266,966	257,529	245,551	246,102	7%	262,794	246,102	7%
Wealth and asset management ⁴	543,926	525,043	502,590	487,536	510,455	7%	543,926	510,455	7%
Other wealth	174,353	182,165	180,785	175,184	178,307	-2%	174,353	178,307	-2%
Corporate and other	(4,018)	(8,217)	(6,684)	(4,420)	312	-	(4,018)	312	-
Total assets under management and administration	977,055	965,957	934,220	903,851	935,176	4%	977,055	935,176	4%

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	50,235	51,840	50,930	49,384	49,897	1%	50,235	49,897	1%
MCCSR - The Manufacturers Life Insurance Company ⁶	230%	234%	236%	233%	223%	7 pts	230%	223%	7 pts

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)	1.3426	1.3116	1.3009	1.2970	1.3841	-3%
	(CDN to 1 YEN)	0.0115	0.0130	0.0127	0.0115	0.0115	0%
- Statements of Income	(CDN to \$ 1 US)	1.3343	1.3050	1.2889	1.3724	1.3360	0%
	(CDN to 1 YEN)	0.0122	0.0128	0.0119	0.0119	0.0110	11%

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 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Revenue									
Premium income									
Gross premiums	9,179	9,207	9,155	9,118	8,984	2%	36,659	32,020	14%
Premiums ceded to reinsurers	(2,178)	(2,010)	(2,449)	(2,390)	(2,272)	-4%	(9,027)	(8,095)	12%
Net premium income prior to New York Life reinsurance	7,001	7,197	6,706	6,728	6,712	4%	27,632	23,925	15%
Premiums ceded, net of ceded commissions and additional consideration relating to Closed Block reinsurance transaction ¹	-	-	-	-	-	-	-	(7,996)	-
Net premium income (ceded)	7,001	7,197	6,706	6,728	6,712	4%	27,632	15,929	73%
Investment income									
Investment income ²	3,309	3,568	3,213	3,300	2,899	14%	13,390	11,465	17%
Realized/ unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro hedge program ³	(16,421)	771	7,922	8,862	(1,916)	757%	1,134	(3,062)	-
Net investment income (loss)	(13,112)	4,339	11,135	12,162	983	-	14,524	8,403	73%
Other revenue	2,637	2,921	2,794	2,829	2,694	-2%	11,181	10,098	11%
Total revenue	(3,474)	14,457	20,635	21,719	10,389	-	53,337	34,430	55%
Contract benefits and expenses									
To contract holders and beneficiaries									
Gross claims and benefits	6,331	6,118	6,112	6,498	6,225	2%	25,059	23,761	5%
Change in insurance contract liabilities ²	(11,644)	5,393	12,107	12,158	2,063	-	18,014	7,452	142%
Change in investment contract liabilities	12	47	(2)	(57)	26	-54%	-	203	-100%
Benefits and expenses ceded to reinsurers	(2,025)	(1,947)	(2,069)	(2,056)	(1,965)	3%	(8,097)	(7,265)	11%
Change in reinsurance assets ¹	(96)	(562)	(313)	129	(48)	100%	(842)	(6,810)	-88%
Net benefits and claims	(7,422)	9,049	15,835	16,672	6,301	-	34,134	17,341	97%
General expenses	1,834	1,834	1,690	1,637	1,752	5%	6,995	6,221	12%
Investment expenses	461	391	409	385	453	2%	1,646	1,615	2%
Commissions	1,556	1,487	1,394	1,381	1,401	11%	5,818	5,176	12%
Interest expense	266	288	258	201	252	6%	1,013	1,101	-8%
Net premium taxes	116	94	102	90	94	23%	402	358	12%
Total contract benefits and expenses	(3,189)	13,143	19,688	20,366	10,253	-	50,008	31,812	57%
Income before income taxes	(285)	1,314	947	1,353	136	-	3,329	2,618	27%
Income tax (expense) recovery	450	(117)	(231)	(298)	76	492%	(196)	(328)	-40%
Net income	165	1,197	716	1,055	212	-22%	3,133	2,290	37%
Less: net income (loss) attributed to non-controlling interests	23	67	27	26	(7)	-	143	69	107%
Less: net income (loss) attributed to participating policyholders	79	13	(15)	(16)	(27)	-	61	30	103%
Net income attributed to shareholders	63	1,117	704	1,045	246	-74%	2,929	2,191	34%
Preferred share dividends	(33)	(34)	(37)	(29)	(29)	14%	(133)	(116)	15%
Common shareholders' net income	30	1,083	667	1,016	217	-86%	2,796	2,075	35%

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 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4
ASSETS					
Invested assets					
Cash and short-term securities	15,151	18,179	20,902	17,864	17,885
Securities					
Debt securities	168,622	176,634	171,912	161,425	157,827
Public equities	19,496	18,142	17,082	16,641	16,983
Loans					
Mortgages	44,193	43,853	43,506	42,987	43,818
Private placements	29,729	28,492	26,869	26,224	27,578
Policy loans	6,041	5,952	5,691	5,675	5,912
Loans to bank clients	1,745	1,770	1,801	1,822	1,778
Real estate	14,132	13,907	13,385	14,870	15,347
Other invested assets	22,760	21,827	20,516	19,319	20,378
Total invested assets	321,869	328,756	321,664	306,827	307,506
Other assets					
Accrued investment income	2,260	2,117	2,130	2,126	2,264
Outstanding premiums	845	849	767	813	878
Derivatives	23,672	41,621	42,929	34,432	24,272
Goodwill and intangible assets	10,107	9,669	9,773	9,624	9,384
Reinsurance assets	34,952	34,164	33,395	33,017	35,426
Deferred tax asset	4,439	4,195	3,855	3,724	4,067
Miscellaneous	7,360	7,024	6,919	6,469	5,825
Total other assets	83,635	99,639	99,768	90,205	82,116
Segregated funds net assets	315,177	313,904	303,154	298,684	313,249
Total assets	720,681	742,299	724,586	695,716	702,871

LIABILITIES AND EQUITY

Policy liabilities					
Insurance contract liabilities	297,505	307,493	299,849	284,885	285,288
Investment contract liabilities	3,275	3,268	3,249	3,253	3,497
Deposits from bank clients	17,919	18,269	18,570	18,135	18,114
Deferred tax liability	1,359	1,984	1,899	1,507	1,235
Derivatives	14,151	23,631	25,419	20,618	15,050
Other liabilities	15,596	16,916	16,582	15,582	14,952
	349,805	371,561	365,568	343,980	338,136
Long-term debt	5,696	5,385	5,349	4,048	1,853
Liabilities for preferred shares and capital instruments	7,180	8,134	8,132	7,653	7,695
Segregated funds net liabilities	315,177	313,904	303,154	298,684	313,249
Total liabilities	677,858	698,984	682,203	654,365	660,933
Equity					
Issued share capital					
Preferred shares	3,577	3,110	3,110	3,110	2,693
Common shares	22,865	22,819	22,815	22,804	22,799
Contributed surplus	284	289	287	286	277
Shareholders' retained earnings	9,759	10,096	9,377	9,074	8,398
Shareholders' accumulated other comprehensive income (loss)					
Pension and other post-employment plans	(417)	(507)	(504)	(503)	(521)
Available-for-sale securities	(394)	672	856	452	345
Cash flow hedges	(232)	(391)	(415)	(380)	(264)
Translation of foreign operations and real estate revaluation surplus	6,390	6,331	6,040	5,706	7,432
Total shareholders' equity	41,832	42,419	41,566	40,549	41,159
Participating policyholders' equity	248	169	156	171	187
Non-controlling interests	743	727	661	631	592
Total equity	42,823	43,315	42,383	41,351	41,938
Total liabilities and equity	720,681	742,299	724,586	695,716	702,871

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Canadian \$ in millions, unaudited)



	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	YTD 2016	YTD 2015
Preferred shares							
Balance, beginning of period	3,110	3,110	3,110	2,693	2,693	2,693	2,693
Issued	475	-	-	425	-	900	-
Issuance costs, net of tax	(8)	-	-	(8)	-	(16)	-
Balance, end of period	3,577	3,110	3,110	3,110	2,693	3,577	2,693
Common shares							
Balance, beginning of period	22,819	22,815	22,804	22,799	22,790	22,799	20,556
Issued on exercise of stock options and deferred share units	46	4	11	5	9	66	37
Issued in exchange of subscription receipts	-	-	-	-	-	-	2,206
Balance, end of period	22,865	22,819	22,815	22,804	22,799	22,865	22,799
Contributed surplus							
Balance, beginning of period	289	287	286	277	276	277	267
Exercise of stock options and deferred share units	(9)	(1)	(2)	(1)	(1)	(13)	(6)
Stock option expense	3	3	3	10	2	19	16
Tax benefit (loss) of stock options exercised	1	-	-	-	-	1	-
Balance, end of period	284	289	287	286	277	284	277
Shareholders' retained earnings							
Balance, beginning of period	10,096	9,377	9,074	8,398	8,517	8,398	7,624
Net income attributed to shareholders	63	1,117	704	1,045	246	2,929	2,191
Preferred share dividends	(33)	(34)	(37)	(29)	(29)	(133)	(116)
Common share dividends	(367)	(364)	(364)	(340)	(336)	(1,435)	(1,301)
Balance, end of period	9,759	10,096	9,377	9,074	8,398	9,759	8,398
Shareholders' accumulated other comprehensive income (loss)							
Balance, beginning of period	6,105	5,977	5,275	6,992	5,823	6,992	2,166
Other comprehensive income (loss)							
Remeasurement of pension and other post-employment plans, net of tax expense of \$49	90	(3)	(1)	18	40	104	8
Real estate revaluation reserve, net of tax expense of nil	-	-	-	-	-	-	1
Available-for-sale ("AFS") securities unrealized gains (losses), net of tax recovery of \$352	(1,060)	46	443	355	(33)	(216)	(163)
AFS securities realized losses (gains) & impairments (recoveries), net of tax expense of \$1	(6)	(230)	(40)	(247)	(44)	(523)	(283)
Cash flow hedges unrealized gains (losses), net of tax expense of \$72	156	21	(37)	(119)	42	21	(64)
Cash flow hedges realized (gains) losses, net of tax expense of \$1	3	3	2	3	3	11	11
Unrealized foreign exchange gains (losses), net of \$140 hedges and tax recovery of \$29	59	291	334	(1,726)	1,161	(1,042)	5,319
Share of other comprehensive income (loss) of associates, net of tax expense of nil	-	-	1	(1)	-	-	(3)
Balance, end of period	5,347	6,105	5,977	5,275	6,992	5,347	6,992
Total shareholders' equity, end of period	41,832	42,419	41,566	40,549	41,159	41,832	41,159
Participating policyholders' equity							
Balance, beginning of period	169	156	171	187	214	187	156
Net income (loss) attributed to participating policyholders	79	13	(15)	(16)	(27)	61	30
Other comprehensive income attributed to participating policyholders	-	-	-	-	-	-	1
Balance, end of period	248	169	156	171	187	248	187
Non-controlling interests							
Balance, beginning of period	727	661	631	592	577	592	464
Net income (loss) attributed to non-controlling interests	23	67	27	26	(7)	143	69
Other comprehensive income (loss) attributed to non-controlling interests	(3)	-	1	-	(1)	(2)	(2)
Contributions (distributions), net	(4)	(1)	2	13	23	10	61
Balance, end of period	743	727	661	631	592	743	592
Total equity, end of period	42,823	43,315	42,383	41,351	41,938	42,823	41,938

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Canadian \$ in millions, unaudited)



	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Operating activities									
Net income (loss)	165	1,197	716	1,055	212	-22%	3,133	2,290	37%
Adjustments	-	-	-	-	-	-	-	-	-
Increase (decrease) in insurance contract liabilities	(11,644)	5,393	12,107	12,158	2,063	-	18,014	7,452	142%
Increase (decrease) in investment contract liabilities	12	47	(2)	(57)	26	-54%	-	203	-100%
Decrease (increase) in reinsurance assets	(96)	(562)	(313)	129	(48)	100%	(842)	1,391	-
Amortization of premium/discount on invested assets	37	4	16	21	18	106%	78	90	-13%
Other amortization	144	282	130	137	141	2%	693	580	19%
Net realized (gains) losses, including impairments on assets	17,368	(1,450)	(8,808)	(9,914)	2,080	735%	(2,804)	3,487	-
Deferred income tax expense (recovery)	(578)	(180)	113	410	(212)	173%	(235)	(343)	-31%
Stock option expense	3	3	3	10	2	50%	19	16	19%
Cash provided by operating activities before undernoted items	5,411	4,734	3,962	3,949	4,282	26%	18,056	15,166	19%
Net cash decrease due to Closed Block reinsurance transaction	-	-	-	-	-	-	-	(2,023)	-
Changes in policy related and operating receivables and payables	(584)	481	304	(1,221)	(158)	270%	(1,020)	(2,769)	-63%
Cash provided by operating activities	4,827	5,215	4,266	2,728	4,124	17%	17,036	10,374	64%
Investing activities									
Purchases and mortgage advances	(22,936)	(30,820)	(26,727)	(23,576)	(19,353)	19%	(104,059)	(77,141)	35%
Disposals and repayments	17,045	23,331	23,457	18,168	12,945	32%	82,001	66,942	22%
Changes in investment broker net receivables and payables	(217)	(119)	(10)	160	(212)	2%	(186)	102	-
Net cash decrease from sale and purchase of subsidiaries and businesses	(392)	(14)	(78)	(11)	-	-	(495)	(3,808)	-87%
Cash provided by (used in) investing activities	(6,500)	(7,622)	(3,358)	(5,259)	(6,620)	-2%	(22,739)	(13,905)	64%
Financing activities									
Increase (decrease) in repurchase agreements and securities sold but not yet purchased	(791)	116	(168)	820	57	-	(23)	(212)	-89%
Issue of long-term debt, net	361	-	1,292	2,246	-	-	3,899	-	-
Repayment of long-term debt, net	(150)	-	-	(8)	-	-	(158)	(2,243)	-93%
Issue (redemption) of capital instruments, net	(949)	-	479	-	995	-	(470)	1,739	-
Changes in deposits from bank clients, net	(355)	(305)	428	75	(118)	201%	(157)	(351)	-55%
Shareholder dividends paid in cash	(400)	(398)	(401)	(394)	(364)	10%	(1,593)	(1,427)	12%
NCI dividends paid in cash	-	-	(2)	-	-	-	(2)	-	-
Funds borrowed (repaid), net	-	-	(17)	(2)	(39)	-	(19)	(46)	-59%
Secured borrowings from securitization transactions	125	174	399	149	161	-22%	847	436	94%
Contributions from (distributions to) non-controlling interest, net	(4)	(1)	4	13	23	-	12	61	-80%
Common shares issued, net	46	4	11	5	9	411%	66	37	78%
Preferred shares issued, net	467	-	-	417	-	-	884	-	-
Cash provided by (used in) financing activities	(1,650)	(410)	2,025	3,321	724	-	3,286	(2,006)	-
Cash and short-term securities									
Increase (decrease) during the period	(3,323)	(2,817)	2,933	790	(1,772)	88%	(2,417)	(5,537)	-56%
Effect of foreign exchange rate changes on cash and short-term securities	47	117	126	(637)	447	-89%	(347)	2,102	-
Balance, beginning of period	17,514	20,214	17,155	17,002	18,327	-4%	17,002	20,437	-17%
Balance, end of period	14,238	17,514	20,214	17,155	17,002	-16%	14,238	17,002	-16%
Cash and short-term securities									
Beginning of period									
Gross cash and short-term securities	18,179	20,902	17,864	17,885	19,005	-4%	17,885	21,079	-15%
Net payments in transit, included in other liabilities	(665)	(688)	(709)	(883)	(678)	-2%	(883)	(642)	38%
Net cash and short-term securities, beginning of period	17,514	20,214	17,155	17,002	18,327	-4%	17,002	20,437	-17%
End of period									
Gross cash and short-term securities	15,151	18,179	20,902	17,864	17,885	-15%	15,151	17,885	-15%
Net payments in transit, included in other liabilities	(913)	(665)	(688)	(709)	(883)	3%	(913)	(883)	3%
Net cash and short-term securities, end of period	14,238	17,514	20,214	17,155	17,002	-16%	14,238	17,002	-16%

CONSOLIDATED SOURCE OF EARNINGS

(Canadian \$ in millions, unaudited)

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Source of Earnings ¹									
Expected profit from in-force business	1,288	1,301	1,234	1,255	1,262	2%	5,078	4,685	8%
Impact of new business	23	31	(24)	(2)	(8)	-	28	(102)	-
Experience gains (losses)	(1,529)	318	(348)	(293)	(813)	88%	(1,852)	(1,253)	48%
Management actions and changes in assumptions	(203)	(540)	(80)	228	(421)	-52%	(595)	(1,225)	-51%
Earnings on surplus funds	4	169	138	173	153	-97%	484	416	16%
Other	30	(45)	15	(18)	(3)	-	(18)	(2)	800%
Income before income taxes	(387)	1,234	935	1,343	170	-	3,125	2,519	24%
Income tax (expense) recovery	450	(117)	(231)	(298)	76	492%	(196)	(328)	-40%
Net income attributed to shareholders	63	1,117	704	1,045	246	-74%	2,929	2,191	34%
Preferred share dividends	(33)	(34)	(37)	(29)	(29)	14%	(133)	(116)	15%
Common shareholders' net income	30	1,083	667	1,016	217	-86%	2,796	2,075	35%
Constant currency, expected profit from in-force business	1,288	1,303	1,245	1,215	1,254	3%	5,051	4,855	4%

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

Expected profit from in-force business	965	999	941	975	948	2%	3,880	3,498	11%
Impact of new business	162	157	96	121	115	41%	536	320	68%
Experience gains (losses)	(1,536)	324	(353)	(298)	(819)	88%	(1,863)	(1,273)	46%
Management actions and changes in assumptions	(196)	(533)	(77)	234	(408)	-52%	(572)	(1,138)	-50%
Earnings on surplus funds	(2)	163	131	167	152	-	459	409	12%
Other	30	(44)	15	(18)	(3)	-	(17)	(2)	750%
Income (loss) before income taxes	(577)	1,066	753	1,181	(15)	nm	2,423	1,814	34%
Income tax (expense) recovery	469	(102)	(199)	(269)	115	308%	(101)	(195)	-48%
Net income attributed to shareholders	(108)	964	554	912	100	-	2,322	1,619	43%

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

Revenue									
Premium income									
Gross premiums	2,878	3,180	3,000	3,026	2,700	7%	12,084	9,301	30%
Premiums ceded to reinsurers	(110)	(109)	(116)	8	(85)	29%	(327)	(348)	-6%
Investment income	421	329	362	288	280	50%	1,400	1,188	18%
Other revenue	394	327	287	177	276	43%	1,185	1,121	6%
Subtotal revenue	3,583	3,727	3,533	3,499	3,171	13%	14,342	11,262	27%
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	(1,502)	(155)	722	1,139	369	-	204	(365)	-
Total revenue	2,081	3,572	4,255	4,638	3,540	-41%	14,546	10,897	33%
Contract benefits and expenses									
To contract holders and beneficiaries									
Gross benefits and claims paid and change in insurance contract liabilities ²	855	2,207	3,419	3,917	2,486	-66%	10,398	7,294	43%
Ceded benefits and expenses and change in reinsurance assets	(52)	(74)	(82)	(60)	(46)	13%	(268)	(207)	29%
Change in investment contract liabilities	(9)	14	14	(93)	(1)	800%	(74)	71	-
General expenses	407	389	386	325	352	16%	1,507	1,222	23%
Investment expenses	21	29	25	24	24	-13%	99	114	-13%
Commissions	415	412	387	355	349	19%	1,569	1,194	31%
Other	35	35	33	33	31	13%	136	120	13%
Total contract benefits and expenses	1,672	3,012	4,182	4,501	3,195	-48%	13,367	9,808	36%
Income (loss) before income taxes	409	560	73	137	345	19%	1,179	1,089	8%
Income tax (expense) recovery	(65)	(65)	(23)	(30)	(40)	63%	(183)	(134)	37%
Net income (loss)	344	495	50	107	305	13%	996	955	4%
Less net income (loss) attributed to non-controlling interests	14	30	22	21	4	250%	87	61	43%
Less net income (loss) attributed to participating policyholders	7	35	6	(2)	(6)	-	46	29	59%
Net income (loss) attributed to shareholders³	323	430	22	88	307	5%	863	865	0%

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 Q4 press release for a description of Q4 2016 results compared to Q4 2015.

Earnings Analysis¹

Total core earnings (loss)	291	302	266	270	250	16%	1,129	963	17%
Total core earnings - on constant currency basis	291	293	262	275	261	11%	1,121	994	13%
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	56	48	(20)	(15)	(2)	-	69	20	245%
Total core earnings and investment related gains	347	350	246	255	248	40%	1,198	983	22%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(12)	82	(223)	(173)	57	-	(326)	(134)	143%
Net impact of acquisitions and divestitures	(3)	(2)	(1)	(2)	-	-	(8)	-	-
Reinsurance recapture, tax rate changes and others	(9)	-	-	8	2	-	(1)	16	-
Total shareholders' net income (loss)	323	430	22	88	307	5%	863	865	0%

ASIA DIVISION (CONT'D)

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



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

Expected profit from in-force business	243	241	235	219	209	16%	938	848	11%
Impact of new business	96	113	66	73	63	52%	348	188	85%
Experience gains (losses)	49	112	(275)	(213)	35	40%	(327)	(152)	115%
Management actions and changes in assumptions	(12)	1	(1)	15	-	-	3	(5)	-
Earnings on surplus funds	14	39	27	30	35	-60%	110	124	-11%
Other	(2)	(11)	(7)	(6)	5	-	(26)	(4)	550%
Income (loss) before income taxes	388	495	45	118	347	12%	1,046	999	5%
Income tax (expense) recovery	(65)	(65)	(23)	(30)	(40)	63%	(183)	(134)	37%
Net income (loss) attributed to shareholders	323	430	22	88	307	5%	863	865	0%

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	127	113	120	105	127	0%	465	378	23%
Japan ²	156	167	151	158	148	5%	632	640	-1%
Asia Other ³	224	245	239	197	141	59%	905	489	85%
Total insurance sales	507	525	510	460	416	22%	2,002	1,507	33%
Total insurance sales - on constant currency basis	507	508	500	466	430	18%	1,981	1,560	27%

² Japan Q4'16 insurance sales are down 5% compared to the prior year on a constant currency basis. Full year 2016 insurance sales are down 11% compared to the prior year on a constant currency basis.

³ Asia Other Q4'16 insurance sales are up 61% compared to the prior year on a constant currency basis. Full year 2016 insurance sales are up 89% compared to the prior year on a constant currency basis.

Wealth and Asset Management Gross Flows

Hong Kong	751	688	601	562	660	14%	2,602	2,567	1%
Japan ⁴	92	28	130	21	27	241%	271	369	-27%
Asia Other ^{5,6}	4,525	2,803	2,775	1,899	1,822	148%	12,002	9,304	29%
Total wealth and asset management gross flows	5,368	3,519	3,506	2,482	2,509	114%	14,875	12,240	22%
Total wealth and asset management gross flows - on constant currency basis	5,368	3,456	3,410	2,427	2,436	120%	14,661	11,667	26%

⁴ Japan Q4'16 wealth and asset management gross flows are up 198% compared to the prior year on a constant currency basis. Full year 2016 wealth and asset management gross flows are down 34% compared to the prior year on a constant currency basis.

⁵ Asia Other Q4'16 wealth and asset management gross flows are up 159% compared to the prior year on a constant currency basis. Full year 2016 wealth and asset management gross flows are up 36% 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	132	46	10	16	19	595%	204	123	66%
Japan ⁷									
- Fixed Annuities and unit linked products	407	730	674	791	741	-45%	2,602	2,214	18%
- Variable Annuities	15	41	35	38	28	-46%	129	114	13%
Asia Other ⁸	193	194	200	204	141	37%	791	571	39%
Total other wealth sales	747	1,011	919	1,049	929	-20%	3,726	3,022	23%
Total other wealth sales - on constant currency basis	747	956	903	1,092	1,014	-26%	3,698	3,254	14%

⁷ Japan Q4'16 other wealth sales are down 51% compared to the prior year on a constant currency basis. Full year 2016 other wealth sales are up 5% compared to the prior year on a constant currency basis.

⁸ Asia Other Q4'16 other wealth sales are up 37% compared to the prior year on a constant currency basis. Full year 2016 other wealth sales are up 42% compared to the prior year on a constant currency basis.

Pension⁹ Sales - for reference only

Asia Group Pensions	440	395	303	327	381	15%	1,465	1,396	5%
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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 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
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Annualized premium equivalents (insurance and other wealth excluding wealth and asset management) (APE) ¹

Hong Kong	143	121	123	109	129	11%	496	391	27%
Japan ²	233	277	245	264	240	-3%	1,019	898	13%
Asia Other ³	242	265	259	217	155	56%	983	547	80%
Total APE	618	663	627	590	524	18%	2,498	1,836	36%
Total APE - on constant currency basis	618	639	615	601	547	13%	2,473	1,911	29%

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 Q4'16 APE are down 13% compared to the prior year on a constant currency basis. Full year 2016 APE are up 2% compared to the prior year on a constant currency basis.

³ Asia Other Q4'16 APE are up 59% compared to the prior year on a constant currency basis. Full year 2016 APE are up 84% compared to the prior year on a constant currency basis.

Premiums and Deposits

Premiums and investment contract deposits	2,777	3,083	2,892	3,045	2,625	6%	11,797	8,994	31%
Segregated fund and other deposits	759	696	586	570	537	41%	2,611	2,161	21%
Mutual fund and other deposits ⁴	5,105	3,285	3,294	2,237	2,293	123%	13,921	11,457	22%
Total premiums and deposits	8,641	7,064	6,772	5,852	5,455	58%	28,329	22,612	25%
Total premiums and deposits - on constant currency basis	8,641	6,864	6,621	5,879	5,528	56%	28,005	22,453	25%

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

Premiums and Deposits by Business Units

Hong Kong	1,674	1,457	1,307	1,267	1,375	22%	5,705	5,110	12%
Japan	1,255	1,650	1,538	1,759	1,404	-11%	6,202	5,234	18%
Asia Other ⁴	5,712	3,957	3,927	2,826	2,676	113%	16,422	12,268	34%
Total premiums and deposits	8,641	7,064	6,772	5,852	5,455	58%	28,329	22,612	25%

Premiums and Deposits

Insurance	2,528	2,546	2,359	2,338	2,027	25%	9,771	7,356	33%
Wealth and asset management	5,368	3,519	3,506	2,482	2,510	114%	14,875	12,241	22%
Other wealth	745	999	907	1,032	918	-19%	3,683	3,015	22%
Total premiums and deposits	8,641	7,064	6,772	5,852	5,455	58%	28,329	22,612	25%

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

Hong Kong	1,100	1,038	1,003	950	979	12%	4,091	3,691	11%
Japan ⁵	825	965	803	1,015	702	18%	3,608	2,831	27%
Asia Other ^{4,6}	1,218	954	942	774	778	57%	3,888	3,065	27%
TWPI	3,143	2,957	2,748	2,739	2,459	28%	11,587	9,587	21%
TWPI - on constant currency basis	3,143	2,874	2,711	2,782	2,523	25%	11,510	9,755	18%

⁵ Japan Q4'16 TWPI is up 6% compared to the prior year on a constant currency basis. Full year 2016 TWPI are up 15% compared to the prior year on a constant currency basis.

⁶ Asia Other Q4'16 TWPI is up 60% compared to the prior year on a constant currency basis. Full year 2016 TWPI are up 31% compared to the prior year on a constant currency basis.

ASIA DIVISION (CONT'D)

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



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

General fund	47,159	50,321	48,037	43,914	39,162	20%	47,159	39,162	20%
Segregated funds	18,341	19,498	18,804	18,228	17,612	4%	18,341	17,612	4%
Mutual funds ²	22,795	21,079	19,151	18,447	19,132	19%	22,795	19,132	19%
Other funds ³	1,960	1,854	1,757	1,401	989	98%	1,960	989	98%
Total assets under management	90,255	92,752	87,749	81,990	76,895	17%	90,255	76,895	17%
Total assets under management - on constant currency basis	90,255	87,606	83,174	79,605	76,974	17%	90,255	76,974	17%

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	92,752	87,749	81,990	76,895	72,395	28%	76,895	75,067	2%
Assets acquired (Standard Chartered Bank)	1,353	-	-	-	-	-	1,353	-	-
Premiums and deposits	8,641	7,064	6,772	5,852	5,455	58%	28,329	22,612	25%
Investment income (loss) ⁴	(1,442)	1,946	1,038	365	2,262	-	1,907	1,090	75%
Benefits and withdrawals	(5,331)	(3,844)	(3,375)	(3,354)	(2,749)	94%	(15,904)	(16,018)	-1%
Other ⁵	(5,718)	(163)	1,324	2,232	(468)	nm	(2,325)	(5,856)	-60%
Ending balance	90,255	92,752	87,749	81,990	76,895	17%	90,255	76,895	17%

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	42,402	44,845	43,154	39,799	35,723	19%	42,402	35,723	19%
Wealth and asset management	30,089	28,455	26,106	24,906	25,134	20%	30,089	25,134	20%
Other wealth	17,764	19,452	18,489	17,285	16,038	11%	17,764	16,038	11%
Total assets under management	90,255	92,752	87,749	81,990	76,895	17%	90,255	76,895	17%

Number of Agents

Hong Kong	7,235	6,657	6,538	6,715	7,092	2%	7,235	7,092	2%
Japan	2,353	2,420	2,500	2,535	2,589	-9%	2,353	2,589	-9%
Asia Other	60,150	57,689	54,766	51,892	53,399	13%	60,150	53,399	13%
Total	69,738	66,766	63,804	61,142	63,080	11%	69,738	63,080	11%

Canadian \$ in millions - Key Metrics

Sales - Insurance	678	685	656	632	554	22%	2,651	1,930	37%
Gross Flows - Wealth and asset management	7,161	4,592	4,519	3,407	3,353	114%	19,679	15,495	27%
Sales - Other wealth	997	1,319	1,184	1,440	1,241	-20%	4,940	3,885	27%
Net income (loss) attributed to shareholders ¹	431	561	28	121	409	5%	1,141	1,105	3%
Total premiums and deposits	11,529	9,222	8,729	8,031	7,289	58%	37,511	28,800	30%
Total assets under management¹	121,212	121,657	114,161	106,314	106,438	14%	121,212	106,438	14%

ASIA DIVISION (CONT'D)

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



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

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Hong Kong	98	63	68	49	83	19%	278	260	7%
Japan ²	60	79	51	70	65	-9%	260	198	31%
Asia Other ³	63	54	57	42	23	171%	216	79	173%
Total	221	196	176	161	171	29%	754	537	40%
Total NBV - on a constant currency basis	221	190	174	164	178	24%	749	555	35%

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

² Japan Q4'16 NBV is down 18% compared to the prior year on a constant currency basis. Full year 2016 NBV is up 17% compared to the prior year on a constant currency basis.

³ Asia Other Q4'16 NBV is up 176% compared to the prior year on a constant currency basis. Full year 2016 NBV is up 180% compared to the prior year on a constant currency basis.

NBV Margin⁴

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Hong Kong	68.8%	52.1%	55.5%	44.9%	64.2%		56.2%	66.5%	
Japan	25.6%	28.7%	20.7%	26.5%	27.1%		25.5%	22.0%	
Asia Other	29.5%	22.8%	25.4%	22.6%	17.4%		25.1%	17.1%	
Total	37.5%	31.0%	29.7%	28.8%	34.0%		31.7%	30.7%	
Total NBV Margin - on a constant currency basis	37.5%	31.1%	29.7%	28.7%	33.7%		31.8%	30.3%	

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

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Revenue									
Premium income									
Gross premiums	2,652	2,517	3,021	2,518	2,583	3%	10,708	10,113	6%
Premiums ceded to reinsurers	(1,391)	(1,304)	(1,757)	(1,284)	(1,559)	-11%	(5,736)	(5,683)	1%
Investment income	1,075	982	945	936	844	27%	3,938	3,247	21%
Other revenue	799	924	937	820	825	-3%	3,480	3,124	11%
Subtotal revenue	3,135	3,119	3,146	2,990	2,693	16%	12,390	10,801	15%
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	(4,597)	910	2,208	1,796	(235)	nm	317	(736)	-
Total revenue	(1,462)	4,029	5,354	4,786	2,458	-	12,707	10,065	26%
Contract benefits and expenses									
To contract holders and beneficiaries									
Gross benefits and claims paid and change in insurance contract liabilities ²	(1,676)	3,467	4,937	3,917	2,620	-	10,645	8,681	23%
Ceded benefits and expenses and change in reinsurance assets	(1,098)	(1,070)	(1,108)	(1,021)	(1,164)	-6%	(4,297)	(3,944)	9%
Change in investment contract liabilities	8	12	(36)	54	10	-20%	38	48	-21%
General expenses	488	450	448	420	475	3%	1,806	1,715	5%
Investment expenses	158	155	149	139	149	6%	601	565	6%
Commissions	459	407	403	404	381	20%	1,673	1,590	5%
Other	137	137	138	92	154	-11%	504	658	-23%
Total contract benefits and expenses	(1,524)	3,558	4,931	4,005	2,625	-	10,970	9,313	18%
Income (loss) before income taxes	62	471	423	781	(167)	-	1,737	752	131%
Income tax (expense) recovery	100	(69)	(87)	(194)	44	127%	(250)	(279)	-10%
Net income (loss)	162	402	336	587	(123)	-	1,487	473	214%
Less net income (loss) attributed to participating policyholders	70	(33)	(23)	(13)	(19)	-	1	(7)	-
Net income (loss) attributed to shareholders³	92	435	359	600	(104)	-	1,486	480	210%

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 Q4 press release for a description of Q4 2016 results compared to Q4 2015.

Earnings Analysis¹

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Total core earnings (loss)	359	354	333	338	352	2%	1,384	1,252	11%
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	17	35	(88)	(78)	(180)	-	(114)	(391)	-71%
Total core earnings and investment related gains	376	389	245	260	172	119%	1,270	861	48%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities ⁴	(266)	60	130	346	(201)	32%	270	(283)	-
Tax items	-	-	-	-	-	-	-	1	-100%
Reinsurance recapture	-	-	-	-	(52)	-	-	(40)	-
Integration and acquisition costs	(18)	(14)	(16)	(6)	(23)	-22%	(54)	(59)	-8%
Total shareholders' net income (loss)	92	435	359	600	(104)	-	1,486	480	210%

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

CANADIAN DIVISION (CONT'D)

(Canadian \$ millions, Unaudited)



	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Source of Earnings¹									
Expected profit from in-force business	376	388	364	366	375	0%	1,494	1,473	1%
Impact of new business	(43)	(41)	(49)	(44)	(32)	34%	(177)	(168)	5%
Experience gains (losses)	(444)	80	70	397	(446)	0%	103	(741)	-
Management actions and changes in assumptions	2	4	(19)	(8)	(107)	-	(21)	(112)	-81%
Earnings on surplus funds	88	88	89	88	71	24%	353	297	19%
Other	13	(15)	(9)	(5)	(9)	-	(16)	10	-
Income (loss) before income taxes	(8)	504	446	794	(148)	-95%	1,736	759	129%
Income tax (expense) recovery	100	(69)	(87)	(194)	44	127%	(250)	(279)	-10%
Net income (loss) attributed to shareholders	92	435	359	600	(104)	-	1,486	480	210%

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	94	53	47	41	49	92%	235	181	30%
Institutional Markets	143	128	73	114	254	-44%	458	644	-29%
Total insurance sales	237	181	120	155	303	-22%	693	825	-16%

Wealth and Asset Management Gross Flows

Mutual funds and other funds gross deposits ²	2,487	2,761	2,367	2,355	2,149	16%	9,970	8,777	14%
Less: Investments in mutual funds from proprietary group segregated fund products	(41)	(52)	(40)	(40)	(36)	14%	(173)	(121)	43%
Group Retirement Solutions	1,612	1,890	1,874	1,850	1,819	-11%	7,226	7,818	-8%
Total wealth and asset management gross flows	4,058	4,599	4,201	4,165	3,932	3%	17,023	16,474	3%

Other Wealth Sales excluding Manulife Bank

Retail segregated fund products ³	589	559	604	751	712	-17%	2,503	2,957	-15%
Fixed products	151	160	212	193	156	-3%	716	652	10%
Total other wealth sales	740	719	816	944	868	-15%	3,219	3,609	-11%

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

Retail segregated fund products ³	627	821	523	655	584	7%	2,626	2,290	15%
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Pension⁴ Sales - for reference only

Group Retirement Solutions	314	679	520	340	562	-44%	1,853	2,690	-31%
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Premiums and Deposits

Premiums and investment contract deposits	1,267	1,234	1,320	1,260	1,039	22%	5,081	4,578	11%
Mutual funds and other funds gross deposits ²	2,487	2,761	2,367	2,355	2,149	16%	9,970	8,777	14%
Less: Investments in mutual funds from proprietary segregated fund products	(668)	(872)	(564)	(695)	(620)	8%	(2,799)	(2,411)	16%
Segregated fund deposits	2,202	2,450	2,479	2,602	2,531	-13%	9,733	10,779	-10%
ASO premium equivalents	833	748	869	868	833	0%	3,318	3,325	0%
Group Benefits ceded premiums	1,095	1,058	1,506	1,034	1,051	4%	4,693	4,296	9%
Total premiums and deposits	7,216	7,379	7,977	7,424	6,983	3%	29,996	29,344	2%

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

Retail Markets	697	661	655	628	428	63%	2,641	2,133	24%
Institutional Markets	2,348	2,221	2,828	2,342	2,339	0%	9,739	9,418	3%
Insurance	3,045	2,882	3,483	2,970	2,767	10%	12,380	11,551	7%
Wealth and asset management	4,058	4,599	4,201	4,165	3,932	3%	17,023	16,474	3%
Retail segregated fund products ¹	589	559	604	751	712	-17%	2,503	2,957	-15%
Fixed products	151	160	212	193	156	-3%	716	652	10%
Other wealth	740	719	816	944	868	-15%	3,219	3,609	-11%
Less: Investments in mutual funds from proprietary retail segregated fund products	(627)	(821)	(523)	(655)	(584)	7%	(2,626)	(2,290)	15%
Total premiums and deposits	7,216	7,379	7,977	7,424	6,983	3%	29,996	29,344	2%

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	90,888	94,474	92,918	88,672	84,146	8%	90,888	84,146	8%
Manulife Bank net lending assets	19,455	19,505	19,598	19,474	19,350	1%	19,455	19,350	1%
Segregated funds	97,220	97,191	93,767	91,775	92,447	5%	97,220	92,447	5%
Mutual funds and other funds, including assets held by segregated funds	50,177	49,781	47,280	45,402	44,884	12%	50,177	44,884	12%
Less: Mutual funds held by proprietary segregated fund products	(22,983)	(23,019)	(22,230)	(21,596)	(21,587)	6%	(22,983)	(21,587)	6%
Total assets under management	234,757	237,932	231,333	223,727	219,240	7%	234,757	219,240	7%

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 Management²

Insurance	62,009	63,632	62,045	60,385	57,490	8%	62,009	57,490	8%
Wealth and asset management ³	110,385	109,540	104,508	101,218	100,850	9%	110,385	100,850	9%
Manulife Bank net lending assets	19,455	19,504	19,598	19,473	19,350	1%	19,455	19,350	1%
Other wealth, excluding Manulife Bank net lending assets	64,563	66,955	66,148	63,095	61,956	4%	64,563	61,956	4%
Less: Mutual funds held by proprietary retail segregated fund products	(21,655)	(21,699)	(20,966)	(20,444)	(20,406)	6%	(21,655)	(20,406)	6%
Total assets under management	234,757	237,932	231,333	223,727	219,240	7%	234,757	219,240	7%

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

Changes in Assets Under Management²

Beginning balance	237,932	231,333	223,727	219,240	216,185	10%	219,240	158,904	38%
Assets acquired (Standard Life)	-	-	-	-	-	-	-	54,416	-100%
Premiums and deposits	5,288	5,573	5,602	5,522	5,100	4%	21,985	21,723	1%
Investment income (loss) ⁴	(2,653)	6,521	5,416	1,651	4,102	-	10,935	6,962	57%
Mutual fund withdrawals	(1,190)	(916)	(981)	(1,103)	(889)	34%	(4,190)	(3,245)	29%
Other benefits and withdrawals	(3,821)	(3,540)	(3,659)	(3,827)	(3,811)	0%	(14,847)	(14,274)	4%
Other ⁵	(799)	(1,039)	1,228	2,244	(1,447)	-45%	1,634	(5,246)	-
Ending balance	234,757	237,932	231,333	223,727	219,240	7%	234,757	219,240	7%

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

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Revenue									
Premium income									
Gross premiums	1,999	1,934	1,744	1,767	2,070	-3%	7,444	7,735	-4%
Premiums ceded to reinsurers	(483)	(437)	(423)	(814)	(448)	8%	(2,157)	(1,552)	39%
Premiums ceded, net of ceded commissions and additional consideration relating to Closed Block reinsurance transaction ²	-	-	-	-	-	-	-	(6,109)	-
Investment income	1,428	1,328	1,304	1,186	1,283	11%	5,246	5,145	2%
Other revenue	908	1,160	1,089	1,066	1,052	-14%	4,223	4,182	1%
Subtotal revenue	3,852	3,985	3,714	3,205	3,957	-3%	14,756	9,401	57%
Realized/ unrealized gains (losses) on invested assets supporting insurance and investment contract liabilities ³	(7,241)	231	3,726	4,074	(1,465)	394%	790	(1,621)	-
Total revenue	(3,389)	4,216	7,440	7,279	2,492	-	15,546	7,780	100%
Contract benefits and expenses									
To contract holders and beneficiaries									
Gross benefits and claims paid and change in insurance contract liabilities ³	(3,757)	3,106	6,896	6,721	1,889	-	12,966	10,002	30%
Ceded benefits and expenses and change in reinsurance assets ²	(529)	(629)	(921)	(662)	(803)	-34%	(2,741)	(7,921)	-65%
Change in investment contract liabilities	12	12	13	12	13	-8%	49	51	-4%
General expenses	396	471	364	358	361	10%	1,589	1,436	11%
Investment expenses	266	212	220	207	260	2%	905	908	0%
Commissions	424	431	390	378	431	-2%	1,623	1,667	-3%
Other	58	38	33	31	39	49%	160	156	3%
Total contract benefits and expenses	(3,130)	3,641	6,995	7,045	2,190	-	14,551	6,299	131%
Income (loss) before income taxes	(259)	575	445	234	302	-	995	1,481	-33%
Income tax (expense) recovery	204	(147)	(129)	(58)	(61)	-	(130)	(343)	-62%
Net income (loss) attributed to shareholders⁴	(55)	428	316	176	241	-	865	1,138	-24%

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 Q4 press release for a description of Q4 2016 results compared to Q4 2015.

Earnings Analysis¹

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Total core earnings (loss)	353	302	280	283	248	42%	1,218	1,149	6%
Investment gains related to fixed income trading, market value increases in excess of expected alternative assets investment returns, asset mix changes	73	147	72	(170)	(109)	-	122	(91)	-
Total core earnings and investment related gains	426	449	352	113	139	206%	1,340	1,058	27%
Items excluded from core earnings									
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(467)	55	(36)	60	106	-	(388)	117	-
Integration and acquisition costs	(1)	(3)	-	(3)	(4)	-75%	(7)	(37)	-81%
Intangibles write-off (LTC, Annuities)	-	(74)	-	-	-	-	(74)	-	-
Other	(13)	1	-	6	-	-	(6)	-	-
Total shareholders' net income (loss)	(55)	428	316	176	241	-	865	1,138	-24%

U.S. DIVISION (CONT'D)

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

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

Expected profit from in-force business ²	198	203	181	185	179	11%	767	650	18%
Impact of new business	20	3	11	15	16	25%	49	77	-36%
Experience gains (losses) ²	(321)	321	52	(99)	(304)	6%	(47)	(158)	-70%
Management actions and changes in assumptions	(8)	(117)	-	37	-	-	(88)	-	-
Earnings on surplus funds	69	69	69	69	70	-1%	276	280	-1%
Other	11	(18)	1	(6)	(7)	-	(12)	(19)	-37%
Income (loss) before income taxes	(31)	461	314	201	(46)	-33%	945	830	14%
Income tax (expense) recovery	50	(140)	(110)	(70)	36	39%	(270)	(228)	18%
Net income (loss) attributed to shareholders	19	321	204	131	(10)	-	675	602	12%

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

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

Expected profit from in-force business	223	221	242	227	240	-7%	913	967	-6%
Impact of new business	(47)	(47)	(49)	(49)	(49)	-4%	(192)	(183)	5%
Experience gains (losses)	(436)	(90)	(95)	(151)	133	-	(772)	(187)	313%
Management actions and changes in assumptions	-	(3)	-	(26)	(6)	-	(29)	(56)	-48%
Earnings on surplus funds	31	32	32	31	26	19%	126	103	12%
Other	1	1	1	1	4	-75%	4	7	4
Income (loss) before income taxes	(228)	114	131	33	348	-	50	651	-92%
Income tax (expense) recovery	154	(7)	(19)	12	(97)	-	140	(115)	-
Net income (loss) attributed to shareholders	(74)	107	112	45	251	-	190	536	-65%

Source of Earnings¹

Expected profit from in-force business	421	424	423	412	419	0%	1,680	1,617	4%
Impact of new business	(27)	(44)	(38)	(34)	(33)	-18%	(143)	(106)	35%
Experience gains (losses)	(757)	231	(43)	(250)	(171)	343%	(819)	(345)	137%
Management actions and changes in assumptions	(8)	(120)	-	11	(6)	33%	(117)	(56)	109%
Earnings on surplus funds	100	101	101	100	96	4%	402	383	5%
Other	12	(17)	2	(5)	(3)	-	(8)	(12)	-33%
Income (loss) before income taxes	(259)	575	445	234	302	-	995	1,481	-33%
Income tax (expense) recovery	204	(147)	(129)	(58)	(61)	-	(130)	(343)	-62%
Net income (loss) attributed to shareholders	(55)	428	316	176	241	-	865	1,138	-24%

Insurance Sales

JH Life	112	102	98	105	119	-6%	417	447	-7%
JH Long-Term Care	8	8	9	17	8	0%	42	41	2%
Total Insurance Sales	120	110	107	122	127	-6%	459	488	-6%

Wealth and Asset Management Gross Flows (Premiums and Deposits)

JH Investments	6,580	6,008	6,488	7,092	7,430	-11%	26,168	28,209	-7%
JH Retirement Plan Services	5,582	6,812	5,184	5,618	5,914	-6%	23,196	18,971	22%
Total wealth and asset management gross flows	12,162	12,820	11,672	12,710	13,344	-9%	49,364	47,180	5%

Pension Sales³ - for reference only

JH Retirement Plan Services	2,847	3,311	1,728	1,626	3,139	-9%	9,512	7,171	33%
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³ Pension sales include both new regular premiums and deposits and single premium 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 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
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Premiums and Deposits

Premiums and investment contract deposits ¹	1,516	1,497	1,321	953	1,622	-7%	5,287	6,183	-14%
Segregated fund deposits	3,754	3,752	3,619	3,860	3,710	1%	14,985	14,922	0%
Mutual fund deposits	8,780	9,421	8,396	9,169	10,056	-13%	35,766	33,933	5%
Total premiums and deposits	14,050	14,670	13,336	13,982	15,388	-9%	56,038	55,038	2%

Premiums and Deposits - Insurance

JH Life ¹	1,091	1,088	927	932	1,145	-5%	4,038	4,467	-10%
JH Long-Term Care	574	553	543	531	561	2%	2,201	2,200	0%
Total premiums and deposits - insurance	1,665	1,641	1,470	1,463	1,706	-2%	6,239	6,667	-6%

Premiums and Deposits - Other Wealth

JH Annuities	223	209	194	(191)	338	-34%	435	1,191	-63%
Total premiums and deposits - other wealth	223	209	194	(191)	338	-34%	435	1,191	-63%

Assets Under Management and Administration²

Assets Under Management									
General fund	113,240	119,556	117,739	112,557	107,883	5%	113,240	107,883	5%
Segregated funds	142,548	144,258	140,596	139,785	140,377	2%	142,548	140,377	2%
Mutual funds and other funds	88,993	87,525	85,209	84,203	84,117	6%	88,993	84,117	6%
Total assets under management	344,781	351,339	343,544	336,545	332,377	4%	344,781	332,377	4%
Assets under administration	61,396	60,778	57,551	55,553	56,290	9%	61,396	56,290	9%
Total assets under management and administration	406,177	412,117	401,095	392,098	388,667	5%	406,177	388,667	5%

Assets Under Management and Administration²

Assets Under Management									
Insurance	107,136	110,178	107,115	102,972	100,549	7%	107,136	100,549	7%
Wealth and asset management	172,007	171,102	165,749	163,681	163,043	5%	172,007	163,043	5%
Other wealth	65,638	70,059	70,680	69,892	68,785	-5%	65,638	68,785	-5%
Total assets under management	344,781	351,339	343,544	336,545	332,377	4%	344,781	332,377	4%
Assets under administration	61,396	60,778	57,551	55,553	56,290	9%	61,396	56,290	9%
Total assets under management and administration	406,177	412,117	401,095	392,098	388,667	5%	406,177	388,667	5%

Changes in Assets Under Management and Administration²

Beginning balance	412,117	401,095	392,098	388,667	380,025	8%	388,667	343,533	13%
Assets acquired (New York Life Pension)	-	-	-	-	-	-	-	56,587	-100%
Premiums and deposits ¹	14,050	14,670	13,336	13,982	15,388	-9%	56,038	55,038	2%
Investment income (loss) ³	(2,326)	12,045	10,854	5,660	6,996	-	26,233	(1,156)	-
JH Investment withdrawals	(7,208)	(6,549)	(6,804)	(6,682)	(4,802)	50%	(27,243)	(17,824)	53%
Retirement Plan Services withdrawals	(6,503)	(5,862)	(5,341)	(6,233)	(5,876)	11%	(23,939)	(20,029)	20%
Other benefits and withdrawals	(2,841)	(2,889)	(2,860)	(2,688)	(3,109)	-9%	(11,278)	(13,149)	-14%
Other ⁴	(1,112)	(393)	(188)	(608)	45	-	(2,301)	(14,333)	-84%
Ending balance	406,177	412,117	401,095	392,098	388,667	5%	406,177	388,667	5%

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	159	144	138	167	170	-6%	608	625	-3%
Gross Flows - Wealth and asset management	16,230	16,730	15,045	17,443	17,830	-9%	65,448	60,567	8%
Net income (loss) attributed to shareholders ²	(73)	559	407	241	323	-	1,134	1,460	-22%
Total premiums and deposits ¹	18,749	19,143	17,194	19,186	20,562	-9%	74,272	70,618	5%
Total assets under management and administration ²	545,350	540,550	521,782	508,556	537,947	1%	545,350	537,947	1%

CORPORATE AND OTHER

(Canadian \$ in millions, unaudited)



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

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Revenue									
Gross investment income before items below	122	272	311	261	157	-22%	966	788	23%
Gains (losses) on AFS equities	67	68	55	35	60	12%	225	235	-4%
Gains (losses) on AFS bonds and related derivative positions	(180)	336	56	300	(17)	959%	512	(7)	-
Gains (losses) on macro hedges	(143)	(244)	(78)	(88)	(214)	-33%	(553)	4	-
Interest on surplus funds allocated to divisions	(260)	(256)	(254)	(263)	(244)	7%	(1,033)	(921)	12%
Other revenue	103	54	82	303	93	11%	542	187	190%
Total revenue, net	(291)	230	172	548	(165)	76%	659	286	130%
Contract benefits and expenses									
General expenses	271	258	275	278	321	-16%	1,082	1,095	-1%
Investment expenses, net	(80)	(79)	(56)	(71)	(77)	4%	(286)	(259)	10%
Changes in actuarial methods and assumptions	14	614	16	(38)	149	-91%	606	606	0%
Other	99	119	105	337	41	141%	660	397	66%
Total contract benefits and expenses	304	912	340	506	434	-30%	2,062	1,839	12%
Income (loss) before income taxes	(595)	(682)	(168)	42	(599)	-1%	(1,403)	(1,553)	-10%
Income tax (expense) recovery	174	236	53	16	172	1%	479	578	-17%
Net income (loss)	(421)	(446)	(115)	58	(427)	-1%	(924)	(975)	-5%
Less net income (loss) attributed to non-controlling interest	5	27	(1)	(3)	(13)	-	28	(8)	-
Net income (loss) attributed to shareholders - Corporate and Investments	(426)	(473)	(114)	61	(414)	3%	(952)	(967)	-2%
Net income attributed to shareholders' for Reinsurance business	39	35	24	22	32	22%	120	113	6%
Net income (loss) attributed to shareholders²	(387)	(438)	(90)	83	(382)	1%	(832)	(854)	-3%

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 Q4 press release for a description of Q4 2016 results compared to Q4 2015.

Earnings Analysis¹

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Total core earnings (loss)	69	(146)	(203)	(193)	(159)	-	(473)	(524)	-10%
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)	(188)	(9)	80	(9)	(32)	488%	(126)	(39)	223%
Total core loss and investment related gains in excess of core investment gains	(119)	(155)	(123)	(202)	(191)	-38%	(599)	(563)	6%
Items excluded from core loss									
Direct impact of equity markets and interest rates	(298)	175	34	284	(46)	548%	195	200	-3%
Change in actuarial methods and assumptions (excl. URR changes)	(10)	(455)	-	12	(97)	-90%	(453)	(451)	0%
Integration and acquisition costs	(2)	(3)	(1)	(2)	(11)	-82%	(8)	(45)	-82%
Other items	42	-	-	(9)	(37)	-	33	5	560%
Net income (loss) attributed to shareholders	(387)	(438)	(90)	83	(382)	1%	(832)	(854)	-3%

Wealth and Asset Management Gross Flows

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Institutional advisory accounts ³	10,711	1,497	2,879	3,213	5,974	79%	18,300	22,150	-17%
Total wealth and asset management gross flows	10,711	1,497	2,879	3,213	5,974	79%	18,300	22,150	-17%

Premiums and Deposits

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Institutional advisory accounts ³	10,711	1,497	2,879	3,213	5,974	79%	18,300	22,150	-17%
Premiums - Reinsurance business	22	22	21	22	26	-15%	87	90	-3%
Total premiums and deposits	10,733	1,519	2,900	3,235	6,000	79%	18,387	22,240	-17%

Assets Under Management

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
General fund - Corporate and Investments ¹	(4,788)	(8,965)	(7,396)	(5,106)	(574)	734%	(4,788)	(574)	734%
General fund - Reinsurance	941	923	893	863	1,059	-11%	941	1,059	-11%
Segregated funds - elimination of amounts held by the Company	(177)	(177)	(173)	(169)	(171)	4%	(177)	(171)	4%
Institutional advisory accounts ³	79,760	74,035	73,625	69,674	71,237	12%	79,760	71,237	12%
Total assets under management	75,736	65,816	66,949	65,262	71,551	6%	75,736	71,551	6%

³ 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 Q4 2016	%	As at Q3 2016	%	As at Q2 2016	%	As at Q1 2016	%	As at Q4 2015	%
Carrying value										
Cash and short-term securities	15,151	4.7 %	18,179	5.6 %	20,902	6.5 %	17,864	5.9 %	17,885	5.9 %
Debt securities										
Government										
Canadian government & agency	24,745	7.7 %	25,357	7.7 %	25,284	7.9 %	23,122	7.5 %	21,283	6.9 %
US government & agency	27,304	8.5 %	30,044	9.1 %	29,731	9.2 %	28,989	9.4 %	28,652	9.3 %
Foreign governments & agency	20,941	6.5 %	23,456	7.1 %	23,042	7.2 %	20,883	6.8 %	19,583	6.4 %
Corporate	92,415	28.8 %	94,062	28.7 %	90,802	28.1 %	85,275	27.9 %	85,194	27.7 %
Securitized										
CMBS	802	0.2 %	864	0.3 %	866	0.3 %	799	0.3 %	841	0.3 %
RMBS	74	0.0 %	79	0.0 %	30	0.0 %	63	0.0 %	76	0.0 %
ABS	2,341	0.7 %	2,772	0.8 %	2,157	0.7 %	2,294	0.7 %	2,198	0.7 %
Total debt securities	168,622	52.4 %	176,634	53.7 %	171,912	53.4 %	161,425	52.6 %	157,827	51.3 %
Private placement debt	29,729	9.3 %	28,492	8.8 %	26,869	8.4 %	26,224	8.5 %	27,578	9.0 %
Mortgages										
Commercial										
Retail	8,200	2.5 %	8,055	2.5 %	7,811	2.4 %	7,716	2.6 %	7,985	2.6 %
Office	7,324	2.3 %	7,167	2.2 %	7,204	2.2 %	6,902	2.2 %	7,137	2.3 %
Multi family residential	4,806	1.5 %	4,728	1.4 %	4,475	1.4 %	4,430	1.4 %	4,624	1.5 %
Industrial	2,834	0.9 %	2,864	0.9 %	2,846	0.9 %	2,871	0.9 %	2,831	0.9 %
Other commercial	2,564	0.8 %	2,544	0.8 %	2,595	0.8 %	2,610	0.9 %	2,780	0.9 %
Other mortgages										
Manulife Bank single family residential	17,643	5.5 %	17,672	5.2 %	17,736	5.5 %	17,597	5.7 %	17,523	5.7 %
Agriculture	822	0.2 %	823	0.3 %	839	0.3 %	861	0.3 %	938	0.3 %
Total mortgages¹	44,193	13.7 %	43,853	13.3 %	43,506	13.5 %	42,987	14.0 %	43,818	14.2 %
Policy loans	6,041	1.9 %	5,952	1.8 %	5,691	1.8 %	5,675	1.9 %	5,912	1.9 %
Loans to bank clients	1,745	0.4 %	1,770	0.4 %	1,801	0.6 %	1,822	0.6 %	1,778	0.6 %
Public equities										
Par, equity-linked and pass-through	13,448	4.2 %	11,559	3.5 %	10,995	3.4 %	10,309	3.4 %	10,516	3.4 %
Nonpar and surplus	6,048	1.9 %	6,583	2.0 %	6,087	1.9 %	6,332	2.0 %	6,467	2.1 %
Total public equities	19,496	6.1 %	18,142	5.5 %	17,082	5.3 %	16,641	5.4 %	16,983	5.5 %
Real estate & other invested assets										
Alternative long-duration assets										
Office	9,200	2.9 %	9,091	2.7 %	8,793	2.8 %	10,370	3.4 %	10,804	3.6 %
Industrial	975	0.3 %	944	0.3 %	931	0.3 %	908	0.3 %	928	0.3 %
Company use	1,376	0.4 %	1,337	0.4 %	1,319	0.4 %	1,310	0.4 %	1,379	0.4 %
Other	2,581	0.8 %	2,535	0.8 %	2,342	0.7 %	2,282	0.7 %	2,236	0.7 %
Total real estate	14,132	4.4 %	13,907	4.2 %	13,385	4.2 %	14,870	4.8 %	15,347	5.0 %
Power & infrastructure	6,679	2.1 %	6,236	2.0 %	5,695	1.8 %	5,127	1.8 %	5,260	1.7 %
Private equity	4,619	1.4 %	4,373	1.3 %	3,969	1.2 %	3,743	1.2 %	3,754	1.2 %
Timberland	3,669	1.1 %	3,593	1.1 %	3,490	1.1 %	3,426	1.1 %	3,553	1.2 %
Oil & gas	2,094	0.7 %	2,016	0.6 %	1,833	0.6 %	1,593	0.5 %	1,740	0.6 %
Farmland	1,303	0.4 %	1,293	0.4 %	1,250	0.4 %	1,143	0.4 %	1,539	0.5 %
Other	487	0.1 %	477	0.1 %	471	0.1 %	418	0.1 %	435	0.1 %
Total alternative long-duration assets	32,983	10.2 %	31,895	9.7 %	30,093	9.4 %	30,320	9.9 %	31,628	10.3 %
Leveraged leases	3,368	1.1 %	3,312	1.0 %	3,300	0.9 %	3,353	1.0 %	3,549	1.1 %
Other	541	0.2 %	527	0.2 %	508	0.2 %	516	0.2 %	548	0.2 %
Total real estate & other invested assets	36,892	11.5 %	35,734	10.9 %	33,901	10.5 %	34,189	11.1 %	35,725	11.6 %
Total invested assets	321,869	100.0 %	328,756	100.0 %	321,664	100.0 %	306,827	100.0 %	307,506	100.0 %

¹ Includes government insured mortgages (\$8,201 or 19% as at Dec 31, 2016).

Fair value²

Real estate	15,280	15,039	14,506	15,959	16,425
Total alternative long-duration assets	34,474	33,301	31,507	31,705	32,686
Total real estate & other invested assets	38,383	37,140	35,315	35,574	36,783

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 Q4 2016		As at Q3 2016		As at Q2 2016		As at Q1 2016		As at Q4 2015	
				%		%		%		%		%
Debt Securities	AAA	1	41,466	25%	43,569	24%	43,699	25%	43,050	27%	40,972	26%
	AA	1	23,355	14%	24,042	14%	23,283	14%	20,606	13%	21,998	14%
	A	1	71,054	42%	75,769	43%	73,716	43%	68,126	42%	65,507	41%
	BBB	2	28,968	17%	29,659	17%	27,854	16%	26,439	16%	26,144	17%
	BB	3	3,407	2%	3,191	2%	2,912	2%	2,651	2%	2,698	2%
	B & lower, and unrated	4 & below	372	0%	404	0%	448	0%	553	0%	508	0%
Total			168,622	100%	176,634	100%	171,912	100%	161,425	100%	157,827	100%
Private Placements	AAA	1	1,086	4%	1,037	4%	995	4%	961	4%	1,030	4%
	AA	1	4,466	15%	4,303	15%	3,573	13%	3,579	14%	3,886	14%
	A	1	10,671	36%	9,983	35%	9,557	36%	9,309	35%	9,813	36%
	BBB	2	11,606	39%	11,204	39%	10,811	40%	10,395	40%	10,791	39%
	BB	3	936	3%	999	4%	1,073	4%	1,150	4%	1,113	4%
	B & lower, and unrated	4 & below	964	3%	966	3%	860	3%	830	3%	945	3%
Total			29,729	100%	28,492	100%	26,869	100%	26,224	100%	27,578	100%
Total	AAA	1	42,552	21%	44,606	21%	44,694	22%	44,011	23%	42,002	23%
	AA	1	27,821	14%	28,345	14%	26,856	14%	24,185	13%	25,884	14%
	A	1	81,725	41%	85,752	42%	83,273	42%	77,435	41%	75,320	40%
	BBB	2	40,574	21%	40,863	20%	38,665	19%	36,834	20%	36,935	20%
	BB	3	4,343	2%	4,190	2%	3,985	2%	3,801	2%	3,811	2%
	B & lower, and unrated	4 & below	1,336	1%	1,370	1%	1,308	1%	1,383	1%	1,453	1%
Total			198,351	100%	205,126	100%	198,781	100%	187,649	100%	185,405	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 December 31, 2016, the Company had \$662 (September 30, 2016: \$821) notional outstanding of CDS protection sold.

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

	Country	As at Q4 2016		As at Q3 2016		As at Q2 2016		As at Q1 2016		As at Q4 2015	
			%		%		%		%		%
Debt Securities	U.S.	74,747	44%	78,472	44%	76,663	44%	73,324	45%	73,333	47%
	Canada	48,459	29%	50,143	28%	49,442	29%	46,529	29%	44,708	28%
	Europe	4,490	3%	4,599	3%	4,566	3%	4,593	3%	4,830	3%
	Asia & Other	40,926	24%	43,420	25%	41,241	24%	36,979	23%	34,956	22%
	Total		168,622	100%	176,634	100%	171,912	100%	161,425	100%	157,827
Private Placements	U.S.	17,564	59%	16,820	59%	15,478	58%	15,157	58%	16,254	59%
	Canada	9,112	31%	8,765	31%	8,716	32%	8,327	32%	8,375	31%
	Europe	1,775	6%	1,760	6%	1,715	6%	1,629	6%	1,745	6%
	Asia & Other	1,278	4%	1,147	4%	960	4%	1,111	4%	1,204	4%
	Total		29,729	100%	28,492	100%	26,869	100%	26,224	100%	27,578
Total	U.S.	92,311	47%	95,292	46%	92,141	47%	88,481	47%	89,587	48%
	Canada	57,571	29%	58,908	29%	58,158	29%	54,856	29%	53,083	29%
	Europe	6,265	3%	6,359	3%	6,281	3%	6,222	4%	6,575	4%
	Asia & Other	42,204	21%	44,567	22%	42,201	21%	38,090	20%	36,160	19%
	Total		198,351	100%	205,126	100%	198,781	100%	187,649	100%	185,405

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 Q4 2016			As at Q3 2016			As at Q2 2016			As at Q1 2016			As at Q4 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	72,990	43%	98%	78,857	45%	98%	78,057	45%	98%	72,994	45%	98%	69,518	44%	98%
Utilities	23,015	14%	99%	23,735	13%	99%	23,517	14%	99%	21,642	13%	99%	21,326	14%	99%
Financial	23,438	14%	98%	23,689	13%	98%	23,132	13%	97%	22,159	14%	97%	22,669	14%	96%
Energy	14,104	8%	96%	13,942	8%	96%	13,170	8%	96%	11,756	7%	96%	11,528	7%	96%
Consumer (non-cyclical)	8,882	5%	98%	9,043	5%	100%	8,587	5%	100%	8,295	5%	100%	8,382	5%	100%
Industrial	10,594	6%	99%	10,794	6%	99%	10,243	6%	100%	9,646	6%	100%	9,366	6%	100%
Basic materials	2,562	2%	89%	2,786	2%	90%	2,576	1%	88%	2,494	2%	87%	2,506	2%	89%
Consumer (cyclical)	2,767	2%	99%	2,900	2%	99%	2,855	2%	99%	2,655	2%	99%	2,812	2%	99%
Securitized MBS/ABS	3,217	2%	99%	3,715	2%	99%	3,053	2%	99%	3,156	2%	98%	3,115	2%	98%
Telecommunications	3,049	2%	99%	3,102	2%	99%	2,865	2%	99%	3,017	2%	99%	2,983	2%	99%
Technology	2,114	1%	97%	2,173	1%	97%	2,037	1%	100%	1,801	1%	100%	1,811	1%	100%
Media & internet	1,104	1%	100%	1,155	1%	100%	1,110	1%	100%	1,187	1%	100%	1,155	1%	100%
Diversified & miscellaneous	786	0%	99%	743	0%	99%	710	0%	99%	623	0%	100%	656	0%	100%
Total	168,622	100%	98%	176,634	100%	98%	171,912	100%	98%	161,425	100%	98%	157,827	100%	98%
Private Placements															
Government & agency	3,030	10%	100%	2,938	10%	100%	2,817	11%	100%	2,731	10%	100%	2,914	11%	100%
Utilities	14,546	49%	95%	13,947	49%	95%	13,504	50%	94%	12,967	50%	94%	13,564	49%	94%
Financial	1,589	5%	96%	1,668	6%	96%	1,617	6%	96%	1,758	7%	96%	1,849	7%	96%
Energy	1,671	6%	83%	1,582	6%	82%	1,633	6%	82%	1,718	7%	82%	1,894	7%	85%
Consumer (non-cyclical)	3,558	12%	91%	3,257	11%	91%	2,533	9%	89%	2,343	9%	89%	2,450	9%	90%
Industrial	2,494	9%	94%	2,236	8%	94%	2,025	8%	94%	2,025	8%	94%	2,088	8%	93%
Basic materials	825	3%	84%	879	3%	85%	863	3%	84%	835	3%	84%	832	3%	83%
Consumer (cyclical)	1,489	5%	87%	1,496	5%	88%	1,488	6%	88%	1,513	6%	87%	1,613	6%	86%
Securitized MBS/ABS	297	1%	95%	251	1%	97%	150	1%	94%	92	0%	91%	100	0%	91%
Telecommunications	42	0%	100%	42	0%	100%	43	0%	100%	74	0%	100%	76	0%	100%
Technology	117	0%	66%	115	1%	66%	114	0%	67%	113	0%	67%	120	0%	67%
Media & internet	71	0%	48%	81	0%	42%	82	0%	42%	55	0%	8%	78	0%	6%
Diversified & miscellaneous	0	0%	n/a	0	0%	n/a	0	0%	n/a	0	0%	n/a	0	0%	n/a
Total	29,729	100%	94%	28,492	100%	93%	26,869	100%	93%	26,224	100%	93%	27,578	100%	93%
Total															
Government & agency	76,020	38%	98%	81,795	40%	98%	80,874	41%	98%	75,725	40%	98%	72,432	39%	98%
Utilities	37,561	19%	98%	37,682	18%	98%	37,021	19%	98%	34,609	18%	97%	34,890	19%	97%
Financial	25,027	13%	98%	25,357	12%	98%	24,749	12%	97%	23,917	13%	97%	24,518	13%	96%
Energy	15,775	8%	94%	15,524	8%	95%	14,803	7%	95%	13,474	7%	95%	13,422	7%	95%
Consumer (non-cyclical)	12,440	6%	96%	12,300	6%	97%	11,120	6%	97%	10,638	6%	98%	10,832	6%	98%
Industrial	13,088	7%	98%	13,030	6%	98%	12,268	6%	99%	11,671	6%	99%	11,454	6%	99%
Basic materials	3,387	2%	88%	3,665	2%	89%	3,439	2%	87%	3,329	2%	86%	3,338	2%	87%
Consumer (cyclical)	4,256	2%	95%	4,396	2%	95%	4,343	2%	95%	4,168	2%	95%	4,425	2%	94%
Securitized MBS/ABS	3,514	2%	99%	3,966	2%	99%	3,203	2%	98%	3,248	2%	98%	3,215	2%	98%
Telecommunications	3,091	1%	99%	3,144	2%	99%	2,908	1%	99%	3,091	2%	99%	3,059	2%	99%
Technology	2,231	1%	95%	2,288	1%	95%	2,151	1%	98%	1,914	1%	98%	1,931	1%	98%
Media & internet	1,175	1%	97%	1,236	1%	96%	1,192	1%	96%	1,242	1%	96%	1,233	1%	94%
Diversified & miscellaneous	786	0%	99%	743	0%	99%	710	0%	99%	623	0%	100%	656	0%	100%
Total	198,351	100%	97%	205,126	100%	97%	198,781	100%	97%	187,649	100%	97%	185,405	100%	97%

INVESTED ASSETS - PROVISIONS, IMPAIRMENTS & UNREALIZED LOSSES

(Canadian \$ in millions, unaudited)

Unrealized (losses)

	As at Q4 2016				As at Q3 2016				As at Q2 2016				As at Q1 2016				As at Q4 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																				
Government	71,254	(2,154)	3%	(1)	71,617	(261)	0%	(1)	69,980	(171)	0%	(1)	67,461	(480)	1%	(13)	65,968	(966)	1%	(20)
Corporate																				
Financials	22,593	(183)	1%	(15)	22,131	(62)	0%	(28)	21,588	(74)	0%	(34)	20,934	(102)	0%	(26)	21,643	(145)	1%	(25)
Non-financials	65,549	(831)	1%	(14)	63,455	(261)	0%	(46)	61,207	(331)	1%	(45)	59,050	(840)	1%	(40)	60,303	(1,368)	2%	(10)
Securitized																				
CMBS	804	(6)	1%	(2)	857	(4)	0%	(2)	855	(3)	0%	-	792	(3)	0%	-	836	(6)	1%	-
RMBS	72	-	0%	-	76	-	0%	-	28	-	0%	-	62	(1)	2%	-	75	(1)	1%	-
ABS	2,304	(13)	1%	-	2,673	(3)	0%	-	2,066	(8)	0%	-	2,230	(16)	1%	-	2,141	(11)	1%	-
Private placement debt	29,729	(322)	1%	(3)	28,492	(76)	0%	(1)	26,869	(125)	0%	(4)	26,224	(252)	1%	(8)	27,578	(465)	2%	-
Fixed income securities ¹	192,305	(3,509)	2%	(35)	189,301	(667)	0%	(78)	182,593	(712)	0%	(84)	176,753	(1,694)	1%	(87)	178,544	(2,962)	2%	(55)

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

Provisions, impairments and recoveries²

	Q4 2016			Q3 2016			Q2 2016			Q1 2016			Q4 2015		
	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total	Par	Non-par	Total
Credit related															
Loans	-	(1)	(1)	(1)	11	10	-	4	4	-	(69)	(69)	-	(24)	(24)
Debt securities - FVTPL	(6)	(28)	(34)	1	2	3	5	8	13	-	(1)	(1)	(1)	(2)	(3)
Debt securities - AFS	-	-	-	-	-	-	-	-	-	-	-	-	-	2	2
Other ³	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	(6)	(29)	(35)	-	13	13	5	12	17	-	(70)	(70)	(1)	(24)	(25)
Equity related															
Public - AFS	-	(5)	(5)	-	(14)	(14)	-	(20)	(20)	-	(10)	(10)	-	(10)	(10)
Private equities - AFS and Other ³	-	-	-	-	-	-	-	-	-	-	-	-	-	(3)	(3)
Sub-total	-	(5)	(5)	-	(14)	(14)	-	(20)	(20)	-	(10)	(10)	-	(13)	(13)
Total	(6)	(34)	(40)	-	(1)	(1)	5	(8)	(3)	-	(80)	(80)	(1)	(37)	(38)

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 Q4 2016			As at Q3 2016			As at Q2 2016			As at Q1 2016			As at Q4 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	59	(26)	33	61	(28)	33	41	(22)	19	58	(29)	29	60	(29)	31
Private placements	244	(92)	152	248	(91)	157	222	(110)	112	221	(109)	112	186	(72)	114
Sub-total	303	(118)	185	309	(119)	190	263	(132)	131	279	(138)	141	246	(101)	145
Other fixed income⁴															
Debt securities - FVTPL	38	-	38	23	-	23	21	-	21	12	-	12	15	-	15
Debt securities - AFS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1	-	1	1	-	1	1	-	1	1	-	1	1	-	1
Sub-total	39	-	39	24	-	24	22	-	22	13	-	13	16	-	16
Total	342	(118)	224	333	(119)	214	285	(132)	153	292	(138)	154	262	(101)	161

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)



	Q4 2016		Q3 2016		Q2 2016		Q1 2016		Q4 2015	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield

Cash and short-term securities

Investment income	23	n/a	32	n/a	32	n/a	36	n/a	22	n/a
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Debt securities

Interest income	1,440	3.7%	1,420	3.7%	1,369	3.7%	1,409	3.8%	1,376	3.8%
Recoveries (impairments), net ¹	(33)		3		13		(1)		(1)	
Gains (losses) on assets backing surplus	(75)		302		25		291		8	
Total	1,332	3.7%	1,725	3.9%	1,407	3.9%	1,699	4.3%	1,383	3.6%

¹ Includes impairments on debt securities classified as AFS and FVTPL.

Public equities

Dividend income	231	3.5%	110	2.9%	149	3.1%	102	2.5%	160	3.0%
Impairments, net	(5)		(14)		(19)		(10)		(10)	
Gains (losses) on assets backing surplus	67		68		55		35		44	
Total	293	4.5%	164	3.8%	185	3.8%	127	3.2%	194	4.1%

Loans

Mortgage loan interest income	418	3.9%	414	3.9%	412	3.9%	424	4.0%	435	4.0%
Private placement interest income	377	5.6%	359	5.4%	364	5.5%	398	6.0%	349	5.4%
Policy loan interest income	96	6.1%	89	6.0%	86	4.7%	87	4.6%	86	4.8%
Loans to bank clients interest income	17	3.9%	17	3.9%	17	3.9%	17	3.9%	17	3.9%
Recoveries (impairments), net	(2)		10		4		(69)		(23)	
Total	906	4.6%	889	4.6%	883	4.4%	857	4.3%	864	4.5%

Real estate

Rental and other income	116	3.7%	124	3.8%	139	3.9%	144	3.8%	115	3.9%
Gains on assets backing surplus	(7)		3		45		(8)		(16)	
Total	109	3.9%	127	4.2%	184	4.4%	136	3.6%	99	3.6%

Other investments

Investment income	480	n/a	290	n/a	267	n/a	140	n/a	138	n/a
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Derivatives

Investment income	166	n/a	341	n/a	255	n/a	305	n/a	199	n/a
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Investment income ²	3,309	4.3%	3,568	4.5%	3,213	4.4%	3,300	4.4%	2,899	3.9%
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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	(7,231)		297		4,617		3,979		(905)	
Public equities	166		616		205		(2)		351	
Loans	132		11		(53)		2		76	
Real estate	12		122		(38)		32		210	
Other investments	209		417		261		(39)		(65)	
Derivatives, including macro equity hedging program	(9,709)		(692)		2,930		4,890		(1,583)	
Total	(16,421)	n/a	771	n/a	7,922	n/a	8,862	n/a	(1,916)	n/a

Total investment income (loss)	(13,112)	4.7%	4,339	12.4%	11,135	16.1%	12,162	16.8%	983	2.8%
Investment expenses related to invested assets	(173)	n/a	(142)	n/a	(142)	n/a	(127)	n/a	(184)	n/a
Investment income (loss) less investment expenses	(13,285)	-15.4%	4,197	5.5%	10,993	15.1%	12,035	16.6%	799	1.1%

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 MCCSR)	Policy Liabilities Held plus Target Capital
	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹			
Q4 2016	106,263	8,670	97,593	12,082	1,913	10,169	6,249	5,873	12,122
Q3 2016	106,863	8,586	98,277	11,278	1,874	9,404	9,835	5,593	15,428
Q2 2016	107,451	8,672	98,779	12,511	2,027	10,484	11,281	5,377	16,658
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

As at Q4 2016	Net of Reinsurance ¹		
	Total Guarantee Value ⁴	Total Fund Value ⁴	Net Amount at Risk ^{2,4}
U.S.			
Withdrawal Benefits	47,374	40,079	7,408
Income Benefits	508	411	101
Death Benefits	4,516	4,924	558
	<u>52,398</u>	<u>45,414</u>	<u>8,067</u>
Canada			
Withdrawal Benefits	16,337	14,909	1,428
Maturity Benefits	14,936	14,920	16
Death Benefits	2,196	6,397	55
	<u>33,469</u>	<u>36,226</u>	<u>1,499</u>
Japan			
Withdrawal Benefits	4,420	4,188	246
Maturity Benefits	3,214	3,627	4
Death Benefits	1,030	976	26
	<u>8,664</u>	<u>8,791</u>	<u>276</u>
Reinsurance & Other	3,062	3,092	327

Key markets, closing levels	S&P 500	TSX	TOPIX	EAFE
As at Q4 2016	2,239	15,288	1,519	1,684
As at Q3 2016	2,168	14,724	1,323	1,702
As at Q2 2016	2,099	14,065	1,246	1,608
As at Q1 2016	2,060	13,494	1,347	1,652
As at Q4 2015	2,044	13,010	1,547	1,716

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

Asia									
Hong Kong	131	82	88	67	111	18%	368	335	10%
Japan	80	104	65	96	87	-8%	345	255	35%
Asia Other	83	70	74	58	31	168%	285	101	182%
Canadian	48	39	35	47	50	-4%	169	188	-10%
U.S.	25	5	10	19	17	47%	59	76	-22%
Total	367	300	272	287	296	24%	1,226	955	28%

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

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4
Tier 1 capital					
Common shares	30,451	29,616	29,616	27,862	25,108
Retained earnings and CTA	14,489	15,642	13,958	12,907	13,857
Qualifying non-controlling interests	649	633	572	543	511
Innovative instruments	1,000	1,000	1,000	1,000	1,000
Other	2,288	2,239	2,224	2,121	2,259
Gross Tier 1 capital	48,877	49,130	47,370	44,433	42,735
Deductions:					
Goodwill	(5,884)	(5,699)	(5,673)	(5,566)	(5,685)
Other	(8,187)	(9,128)	(7,874)	(7,539)	(7,312)
Adjustments	(1,214)	(1,213)	(1,162)	(1,121)	(1,138)
Net Tier 1 capital - A	33,592	33,090	32,661	30,207	28,600
Tier 2 Capital					
Tier 2A	273	236	146	278	263
Tier 2B allowed	5,728	6,676	6,672	6,672	6,714
Tier 2C	8,155	7,886	6,905	6,858	7,318
Adjustments	(1,214)	(1,213)	(1,162)	(1,121)	(1,138)
Total Tier 2 capital allowed	12,942	13,585	12,561	12,687	13,157
Total Tier 1 and Tier 2 capital	46,534	46,675	45,222	42,894	41,757
Less Adjustments	-	-	-	-	-
Total Capital Available - B	46,534	46,675	45,222	42,894	41,757
Capital Required:					
Asset default & market risk	13,064	12,508	11,916	11,555	11,687
Insurance risks	3,779	3,902	3,815	3,618	3,801
Interest rate risks	3,428	3,562	3,454	3,241	3,213
Total Capital Required - C	20,271	19,972	19,185	18,414	18,701
MCCR Ratio: Total (B/C) x 100	230%	234%	236%	233%	223%

Supplementary Disclosure

Wealth and Asset Management



WEALTH AND ASSET MANAGEMENT¹

(Canadian \$ in millions, unaudited)



	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
Shareholders' Income Statement²									
Revenue									
Fee income	1,253	1,222	1,185	1,197	1,248	0%	4,857	4,678	4%
Investment income	(16)	7	9	5	(2)	700%	5	(2)	-
Total	1,237	1,229	1,194	1,202	1,246	-1%	4,862	4,676	4%
Expenses									
General, administrative and investment expenses	749	767	723	741	760	-1%	2,980	2,784	7%
Commissions	298	294	289	299	301	-1%	1,180	1,187	-1%
Total	1,047	1,061	1,012	1,040	1,061	-1%	4,160	3,971	5%
Income before income taxes	190	168	182	162	185	3%	702	705	0%
Income tax (expense) recovery	(19)	(15)	(32)	(29)	(39)	-51%	(95)	(133)	-29%
Net income attributed to shareholders	171	153	150	133	146	17%	607	572	6%
Earnings (loss) Analysis²									
Core earnings									
Asia	48	52	37	38	36	33%	175	159	10%
Canadian	43	33	46	39	35	23%	161	141	14%
U.S.	84	82	68	64	78	8%	298	310	-4%
Corporate and other ³	3	(8)	1	(1)	6	-50%	(5)	20	-
Core earnings	178	159	152	140	155	15%	629	630	0%
Core earnings on a constant currency basis	178	157	156	137	156	14%	628	653	-4%
Material/exceptional items and tax rate changes	(7)	(6)	(2)	(7)	(10)	-30%	(22)	(59)	-63%
Direct impact of equity markets and interest rates & other investment experience	-	-	-	-	1	-100%	-	1	-100%
Net income attributed to shareholders	171	153	150	133	146	17%	607	572	6%
Core EBITDA by Division²									
Asia	57	54	51	49	46	24%	211	215	-2%
Canadian	83	78	83	82	70	19%	326	308	6%
U.S.	156	160	147	150	168	-7%	613	649	-6%
Corporate and other ³	10	(4)	7	4	18	-44%	17	52	-67%
Core EBITDA	306	288	288	285	302	1%	1,167	1,224	-5%
Core EBITDA on a constant currency basis	306	293	296	280	302	1%	1,175	1,268	-7%
Core EBITDA Margin⁴	24.7%	23.4%	24.1%	23.7%	24.2%	50 bps	24.0%	26.2%	-220 bps
Core Earnings before income taxes, depreciation and amortization (Core EBITDA)^{2,4}									
Core EBITDA	306	288	288	285	302	1%	1,167	1,224	-5%
Amortization of deferred acquisition costs and other depreciation	85	89	77	85	84	1%	336	327	3%
Amortization of deferred sales commissions	24	24	26	29	22	9%	103	106	-3%
Total depreciation and amortization	109	113	103	114	106	3%	439	433	1%
Core earnings before income taxes	197	175	185	171	196	1%	728	791	-8%
Core income tax (expense) recovery	(19)	(16)	(33)	(31)	(41)	-54%	(99)	(161)	-39%
Core Earnings	178	159	152	140	155	15%	629	630	0%
Deferred Acquisition Costs and Deferred Sales Commissions									
Asia	328	313	305	300	317	3%	328	317	3%
Canadian	250	247	248	247	243	3%	250	243	3%
U.S.	1,813	1,771	1,766	1,769	1,898	-4%	1,813	1,898	-4%
Total deferred acquisition costs and deferred sales commissions	2,391	2,331	2,319	2,316	2,458	-3%	2,391	2,458	-3%

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 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2016 Q4 vs. 2015 Q4	YTD 2016	YTD 2015	YTD 2016 vs. YTD 2015
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Assets Under Management and Administration²
Assets Under Management by Division

Asia	40,405	37,323	33,968	32,295	34,792	16%	40,405	34,792	16%
Canadian	110,385	109,540	104,508	101,218	100,850	9%	110,385	100,850	9%
U.S.	230,944	224,425	215,621	212,297	225,666	2%	230,944	225,666	2%
Corporate and other - Manulife Asset Management ³	460,718	449,682	434,722	420,959	433,890	6%	460,718	433,890	6%
Less: Assets managed on behalf of wealth & asset management divisions ⁴	(231,091)	(224,305)	(214,788)	(208,565)	(215,405)	7%	(231,091)	(215,405)	7%
Total assets under management	611,361	596,665	574,031	558,204	579,793	5%	611,361	579,793	5%
Less: Insurance and other wealth managed by Manulife Asset Management	(73,125)	(72,728)	(71,216)	(70,897)	(75,618)	-3%	(73,125)	(75,618)	-3%
Less: General fund assets managed by Manulife Asset Management ³	(76,743)	(78,613)	(75,093)	(71,823)	(71,630)	7%	(76,743)	(71,630)	7%
Assets under management excluding internally managed	461,493	445,324	427,722	415,484	432,545	7%	461,493	432,545	7%
Assets under administration (U.S. division)	82,433	79,719	74,868	72,052	77,910	6%	82,433	77,910	6%
Total assets under management and administration	543,926	525,043	502,590	487,536	510,455	7%	543,926	510,455	7%

Assets Under Management and Administration² by Client Segment

Pensions	282,097	274,854	260,439	253,911	267,961	5%	282,097	267,961	5%
Mutual funds	182,069	176,153	168,527	163,951	171,257	6%	182,069	171,257	6%
Institutional advisory accounts ⁵	79,760	74,036	73,624	69,674	71,237	12%	79,760	71,237	12%
Assets under management and administration	543,926	525,043	502,590	487,536	510,455	7%	543,926	510,455	7%
Assets under management and administration on a constant currency basis	543,926	530,635	510,162	495,687	502,286	8%	543,926	502,286	8%

Assets Under Management and Administration² by Client Geography

Asia region	60,361	55,360	51,724	48,140	51,194	18%	60,361	51,194	18%
Canadian region	138,804	134,062	128,822	124,324	123,942	12%	138,804	123,942	12%
U.S. region	339,901	330,896	317,644	310,698	331,980	2%	339,901	331,980	2%
Europe and other region	4,860	4,725	4,400	4,374	3,339	46%	4,860	3,339	46%
Assets under management and administration	543,926	525,043	502,590	487,536	510,455	7%	543,926	510,455	7%

Changes in Assets Under Management and Administration²

Beginning balance	525,043	502,590	487,536	510,455	476,600	10%	510,455	314,538	62%
Assets acquired	1,817	-	-	-	-	-	1,817	109,163	-98%
Gross flows	38,160	27,418	26,644	28,228	31,089	23%	120,450	114,686	5%
Redemptions	(32,087)	(24,724)	(21,822)	(26,552)	(22,341)	44%	(105,185)	(80,299)	31%
Investment income (loss) and other	10,993	19,759	10,232	(24,595)	25,107	-56%	16,389	52,367	-69%
Ending balance	543,926	525,043	502,590	487,536	510,455	7%	543,926	510,455	7%

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

Asia	1,915	1,348	1,650	269	1,134	69%	5,182	2,229	132%
Canadian	383	1,330	1,298	771	765	-50%	3,782	5,483	-31%
U.S.	(3,155)	849	105	29	3,762	-	(2,172)	12,249	-
Corporate and other - Manulife Asset Management - Institutional advisory accounts ²	6,930	(833)	1,769	607	3,087	124%	8,473	14,426	-41%
Total net flows	6,073	2,694	4,822	1,676	8,748	-31%	15,265	34,387	-56%
Net flows on a constant currency basis	6,073	2,707	4,893	1,653	8,686	-30%	15,326	35,130	-56%

Net Flows by Client Segment

Pensions	(1,930)	2,393	1,229	197	844	-	1,889	2,819	-33%
Mutual funds	1,073	1,134	1,824	872	4,817	-78%	4,903	17,142	-71%
Institutional advisory accounts ²	6,930	(833)	1,769	607	3,087	124%	8,473	14,426	-41%
Total net flows	6,073	2,694	4,822	1,676	8,748	-31%	15,265	34,387	-56%

Net Flows by Client Geography

Asia region	4,636	1,332	2,512	(108)	5,119	-9%	8,372	7,949	5%
Canadian region	4,723	1,277	1,489	869	501	843%	8,358	13,271	-37%
U.S. region	(3,369)	50	677	923	2,920	-	(1,719)	12,488	-
Europe and other region	83	35	144	(8)	208	-60%	254	679	-63%
Total net flows	6,073	2,694	4,822	1,676	8,748	-31%	15,265	34,387	-56%

Gross Flows by Division

Asia	7,162	4,592	4,520	3,406	3,353	114%	19,680	15,495	27%
Canadian	4,058	4,599	4,201	4,165	3,932	3%	17,023	16,474	3%
U.S.	16,229	16,731	15,044	17,443	17,830	-9%	65,447	60,567	8%
Corporate and other - Manulife Asset Management - Institutional advisory accounts ²	10,711	1,496	2,879	3,214	5,974	79%	18,300	22,150	-17%
Total gross flows	38,160	27,418	26,644	28,228	31,089	23%	120,450	114,686	5%
Gross flows on a constant currency basis	38,160	27,832	27,287	27,513	30,958	23%	120,792	117,488	3%

Gross Flows by Client Segment

Pensions	10,152	11,752	9,416	10,486	10,684	-5%	41,806	35,730	17%
Mutual funds	17,297	14,170	14,349	14,528	14,431	20%	60,344	56,806	6%
Institutional advisory accounts ²	10,711	1,496	2,879	3,214	5,974	79%	18,300	22,150	-17%
Total gross flows	38,160	27,418	26,644	28,228	31,089	23%	120,450	114,686	5%

Gross Flows by Client Geography

Asia region	11,308	4,981	5,606	4,075	7,939	42%	25,970	22,244	17%
Canadian region	9,639	5,215	4,731	5,072	4,812	100%	24,657	27,793	-11%
U.S. region	17,070	17,070	16,144	18,917	18,126	-6%	69,201	63,951	8%
Europe and other region	143	152	163	164	212	-33%	622	698	-11%
Total gross flows	38,160	27,418	26,644	28,228	31,089	23%	120,450	114,686	5%

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

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 Web Site: www.manulife.com

TRANSFER AGENT

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

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

COMMON STOCK

Common Stock of Manulife Financial is traded on:

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

INVESTOR INFORMATION

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INDUSTRY RATING INFORMATION

The following credit rating agencies each 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 February 9, 2017)

<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 February 9, 2017)

<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)