



Manulife

Statistical Information Package

Q2 2019



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Use of this document:

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

Performance and Non-GAAP Measures

We use a number of non-GAAP financial measures to measure overall performance and to assess each of our businesses. Non-GAAP measures include premiums and deposits, assets under management and administration, constant exchange rate basis ("CER"), new business value ("NBV"), NBV margin, core earnings (loss), 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.

Reporting Segments are Asia, Canada, U.S., Global Wealth and Asset Management, and Corporate and Other.

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

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

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

Annualized Premium Equivalent ("APE") Sales are comprised of 100% of regular premiums/deposits sales and 10% of single premiums/deposits sales.

(i) For individual insurance, APE and Insurance Sales reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. Single premium is the lump sum premium from the sale of a single premium product, e.g. travel insurance. Sales are reported gross before the impact of reinsurance.

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

(iii) For annuities, APE reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. This includes certain single premium wealth accumulation products and individual annuities, both fixed and variable.

Annuities Sales are comprised of 100% of all new deposits. This includes certain single premium wealth accumulation products in Asia and individual annuities, both fixed and variable. As we have discontinued sales of new VA contracts in the U.S, beginning in the first quarter of 2013, subsequent deposits into existing U.S VA contracts are not reported as sales.

Total Weighted Premium Income is comprised of 10% of single premiums/deposits and 100% of first year and renewal premiums/deposits before reinsurance. This applies to general fund and segregated funds of Insurance & Annuity business lines.

Gross Flows is a new business measure for Manulife's wealth and asset management ("WAM") businesses and includes all deposits into the Company's retirement, retail, and institutional asset management businesses. Gross flows are a common industry metric for WAM businesses as it provides a measure of how successful the businesses are at attracting assets.

Net flows is presented for our WAM businesses and includes gross flows less redemptions for our retirement, retail and institutional asset management businesses. For our retail businesses, it includes net flows for ETF products. Net flows are a common industry metric for WAM businesses as it provides a measure of how successful the businesses are at attracting and retaining assets.

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

Expense Efficiency Ratio is calculated as Pre-Tax Total Core General Expenses over Pre-Tax Total Core General Expenses plus Pre-Tax Total Core Earnings.

Items excluded from core earnings are disclosed at the Reporting Segment level as these items are managed at that level.

Core earnings before income tax, depreciation and amortization ("Core EBITDA") is a non-GAAP profitability measure for our global wealth and asset management business. It shows core earnings adjusted to remove the impacts of amortization and impairment of intangible assets acquired in business combinations, amortization of deferred acquisition costs, interest income and expenses, and income tax. Core EBITDA excludes certain acquisition expenses related to insurance contracts in our retirement businesses which are deferred and amortized over the expected life time of the customer relationship under the Canadian Asset Liability Method (CALM).

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

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

Actual exchange rate basis ("AER")

Quarterly amounts stated on an actual exchange rate basis are calculated using actual income statement and statement of financial position exchange rates for the respective periods as appropriate.

Constant exchange rate basis ("CER")

Quarterly amounts stated on a constant exchange rate basis are calculated using Q2 2019 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)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER ¹	2019 Q2 vs. 2018 Q2 CER ¹	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER ¹	YTD 2019 vs. YTD 2018 CER ¹	Fiscal 2018
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Shareholders' Net Income (loss) by Reporting Segment²

Asia	476	695	318	566	368	29%	24%	1,171	820	43%	37%	1,704
Canada	317	751	(74)	102	502	-37%	-37%	1,068	954	12%	12%	982
U.S.	502	441	513	630	620	-19%	-22%	943	1,148	-18%	-21%	2,291
Global Wealth and Asset Management	243	233	218	280	233	4%	2%	476	456	4%	1%	954
Corporate and other	(63)	56	(382)	(5)	(461)	86%	86%	(7)	(744)	99%	99%	(1,131)
Net income (loss) attributed to shareholders	1,475	2,176	593	1,573	1,262	17%	14%	3,651	2,634	39%	35%	4,800
Preferred share dividends	(43)	(43)	(43)	(42)	(44)	2%		(86)	(83)	-4%		(168)
Common shareholders' net income (loss)	1,432	2,133	550	1,531	1,218	18%	14%	3,565	2,551	40%	36%	4,632
Common shareholders' net income (loss) CER	1,432	2,145	570	1,568	1,251		14%	3,577	2,628		36%	4,766

Earnings Analysis²

Core earnings												
Asia	471	520	463	461	411	15%	12%	991	842	18%	15%	1,766
Canada	312	283	305	344	395	-21%	-21%	595	678	-12%	-12%	1,327
U.S.	441	475	454	467	446	-1%	-5%	916	868	6%	1%	1,789
Global Wealth and Asset Management	242	233	231	288	239	1%	-1%	475	466	2%	-1%	985
Corporate and other (excl. core investment gains)	(114)	(63)	(216)	(121)	(164)	30%	30%	(177)	(320)	45%	45%	(657)
Core investment gains	100	100	100	100	104	-4%	-4%	200	200	0%	0%	400
Total core earnings	1,452	1,548	1,337	1,539	1,431	1%	-1%	3,000	2,734	10%	7%	5,610
Total core earnings CER	1,452	1,555	1,359	1,570	1,462		-1%	3,007	2,817		7%	5,746
Items excluded from core earnings												
Investment-related experience outside of core earnings	146	327	(130)	312	18			473	18			200
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(144)	249	(675)	(277)	45			105	95			(857)
Change in actuarial methods and assumptions	-	-	-	(51)	-			-	-			(51)
Reinsurance transactions	63	52	142	(65)	12			115	98			175
Restructuring charge	-	-	(63)	-	(200)			-	(200)			(263)
Tax-related items and other	(42)	-	(18)	115	(44)			(42)	(111)			(14)
Net income (loss) attributed to shareholders	1,475	2,176	593	1,573	1,262	17%	14%	3,651	2,634	39%	35%	4,800

¹ AER percentage changes are calculated using actual exchange rates. CER percentage changes are calculated on a constant exchange rate basis.

² 2018 earnings by segment reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

Components of Direct Impact of Equity Markets and Interest Rates and Variable Annuity Guarantee Liabilities

Direct impact of equity markets and variable annuity guarantee liabilities	2	367	(723)	8	(26)			369	(213)			(928)
Fixed income reinvestment rates assumed in the valuation of policy liabilities	(174)	(160)	112	(246)	175			(334)	488			354
Sale of AFS bonds and derivative positions in the Corporate and Other segment	28	42	(64)	(39)	(104)			70	(180)			(283)
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(144)	249	(675)	(277)	45			105	95			(857)

Selected Performance Measures

Basic earnings (loss) per common share	\$0.73	\$1.09	\$0.28	\$0.77	\$0.61	20%		\$ 1.81	\$1.29	40%		\$ 2.34
Diluted core earnings per common share	\$0.72	\$0.76	\$0.65	\$0.75	\$0.70	3%		\$ 1.48	\$1.33	11%		\$ 2.74
Diluted earnings (loss) per common share	\$0.73	\$1.08	\$0.28	\$0.77	\$0.61	20%		\$ 1.81	\$1.28	41%		\$ 2.33
Return on common shareholders' equity (annualized) (%)	12.9%	20.1%	5.3%	15.1%	12.3%	0.6 pps		16.4%	13.2%	3.2 pps		11.6%
Core ROE (annualized) (%)	12.7%	14.2%	12.5%	14.8%	14.0%	-1.3 pps		13.4%	13.7%	-0.3 pps		13.7%

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER	2019 Q2 vs. 2018 Q2 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Earnings Analysis (Pre-tax) ¹

Core earnings												
Asia	535	608	532	564	516	4%	2%	1,143	1,038	10%	8%	2,134
Canada	417	378	396	452	467	-11%	-11%	795	843	-6%	-6%	1,691
U.S.	534	583	557	572	542	-1%	-5%	1,117	1,074	4%	0%	2,203
Global Wealth and Asset Management	276	267	263	306	271	2%	0%	543	529	3%	0%	1,098
Corporate and other (excl. core investment gains)	(150)	(130)	(345)	(155)	(201)	25%	25%	(280)	(401)	30%	30%	(901)
Core investment gains	105	105	174	127	114	-8%	-8%	210	244	-14%	-14%	545
Total core earnings	1,717	1,811	1,577	1,866	1,709	0%	-2%	3,528	3,327	6%	3%	6,770
Items excluded from core earnings												
Investment-related experience outside of core earnings	152	344	(183)	395	19			496	19			231
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(186)	273	(780)	(384)	72			87	137			(1,027)
Change in actuarial methods and assumptions	-	-	-	(65)	-			-	-			(65)
Reinsurance transactions	81	66	180	(82)	17			147	134			232
Restructuring charges	-	-	(96)	-	(250)			-	(250)			(346)
Tax-related items and other	(23)	-	(22)	(208)	(51)			(23)	(136)			(366)
Net income attributed to shareholders	1,741	2,494	676	1,522	1,516	15%	12%	4,235	3,231	31%	27%	5,429

Earnings Analysis (Tax Rate) ¹

Core earnings												
Asia	12%	14%	13%	18%	20%			13%	19%			17%
Canada	25%	25%	23%	24%	15%			25%	20%			22%
U.S.	17%	19%	18%	18%	18%			18%	19%			19%
Global Wealth and Asset Management	12%	13%	12%	6%	12%			13%	12%			10%
Corporate and other (excl. core investment gains)	(24)%	(52)%	(37)%	(22)%	(18)%			(37)%	(20)%			(27)%
Core investment gains	5%	5%	43%	21%	9%			5%	18%			27%
Total core earnings ¹	15%	15%	15%	18%	16%			15%	18%			17%
Items excluded from core earnings												
Investment-related experience outside of core earnings	4%	5%	(29)%	21%	5%			5%	5%			13%
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(23)%	9%	(13)%	(28)%	38%			(21)%	31%			(17)%
Change in actuarial methods and assumptions	-	-	-	(22)%	-			-	-			(22)%
Reinsurance transactions	22%	21%	21%	(21)%	29%			22%	27%			25%
Restructuring charge	-	-	(34)%	-	(20)%			-	(20)%			(24)%
Tax-related items and other	83%	-	(18)%	(155)%	(14)%			83%	(18)%			(96)%
Net income attributed to shareholders	15%	13%	12%	(3)%	17%			14%	18%			12%

Core General Expenses

Asia	540	524	575	546	521	4%	2%	1,064	1,002	6%	4%	2,123
Canada	354	330	354	329	324	9%	9%	684	658	4%	4%	1,341
U.S.	285	278	270	284	275	4%	0%	563	543	4%	-1%	1,097
Global Wealth and Asset Management	556	534	570	539	552	1%	-2%	1,090	1,091	0%	-3%	2,200
Corporate and Other	159	135	174	132	124	28%	28%	294	257	14%	14%	563
Total core general expenses	1,894	1,801	1,943	1,830	1,796	5%	3%	3,695	3,551	4%	1%	7,324
Non-core general expenses												
Restructuring charge	-	-	96	-	250	-100%		-	250	-100%		346
Integration and acquisition costs	-	-	19	9	9	-100%		-	17	-100%		45
Other	-	-	119	14	37	-100%		-	109	-100%		242
Total general expenses	1,894	1,801	2,177	1,853	2,092	-9%	-11%	3,695	3,927	-6%	-8%	7,957

Expense Efficiency ¹

Asia	50.3%	46.3%	52.0%	49.1%	50.2%			48.2%	49.1%			49.9%
Canada	45.9%	46.6%	47.1%	42.2%	41.0%			46.2%	43.8%			44.2%
U.S.	34.7%	32.3%	32.7%	33.2%	33.6%			33.5%	33.6%			33.3%
Global Wealth and Asset Management	66.9%	66.6%	68.5%	63.7%	67.1%			66.7%	67.4%			66.7%
Total company	52.5%	49.9%	55.2%	49.5%	51.2%			51.2%	51.6%			52.0%

¹ 2018 earnings and expense efficiency by segment reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

FINANCIAL HIGHLIGHTS - SOURCE OF EARNINGS

(Canadian \$ in millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER	2019 Q2 vs. 2018 Q2 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Source of Earnings^{1,2}

Expected profit from in-force business	1,004	991	939	1,016	967	4%	1%	1,995	1,902	5%	2%	3,857
Impact of new business	202	276	276	275	195	4%	2%	478	366	31%	29%	917
Core investment gains	105	105	174	127	114	-8%	-9%	210	244	-14%	-14%	545
Experience gains (losses) (excl. core investment gains)	(231)	401	(832)	7	241	-	-	170	455	-63%	-59%	(370)
Management actions and changes in assumptions	119	119	(10)	(400)	(366)	-	-	238	(348)	-	-	(758)
Earnings on surplus funds	279	327	(39)	201	140	99%	91%	606	237	156%	141%	399
Other ³	59	51	9	50	17	247%	275%	110	(36)	-	-	23
Insurance	1,537	2,270	517	1,276	1,308	18%	14%	3,807	2,820	35%	32%	4,613
Global Wealth and Asset Management	276	267	247	299	263	5%	3%	543	516	5%	2%	1,062
Manulife Bank	47	54	41	45	38	24%	26%	101	87	16%	17%	173
Unallocated overhead ⁴	(119)	(97)	(129)	(98)	(93)	-28%	-28%	(216)	(192)	-13%	-13%	(419)
Income (loss) before income taxes	1,741	2,494	676	1,522	1,516	15%	12%	4,235	3,231	31%	27%	5,429
Income tax (expense) recovery	(266)	(318)	(83)	51	(254)	-5%	-2%	(584)	(597)	2%	5%	(629)
Net income attributed to shareholders	1,475	2,176	593	1,573	1,262	17%	14%	3,651	2,634	39%	35%	4,800
Preferred share dividends	(43)	(43)	(43)	(42)	(44)	2%	-	(86)	(83)	-4%	-	(168)
Common shareholders' net income	1,432	2,133	550	1,531	1,218	18%	14%	3,565	2,551	40%	36%	4,632
Expected profit from in-force business CER	1,004	976	967	1,029	991	-	1%	1,980	1,969	-	2%	3,965

Source of Earnings - Core

Expected profit from in-force business	1,004	991	939	1,016	967	4%	1%	1,995	1,902	5%	2%	3,857
Impact of new business	202	276	276	275	195	4%	2%	478	366	31%	29%	917
Core investment gains	105	105	174	127	114	-8%	-9%	210	244	-14%	-14%	545
Experience gains (losses) (excl. core investment gains)	(73)	(35)	10	(30)	27	-	-	(108)	45	-	-	25
Management actions and changes in assumptions	21	(4)	(4)	(2)	(5)	-	-	17	(7)	-	-	(13)
Earnings on surplus funds	210	210	5	182	135	56%	51%	420	273	54%	46%	460
Other ³	44	44	4	44	60	-27%	-27%	88	80	10%	12%	128
Insurance	1,513	1,587	1,404	1,612	1,493	1%	-1%	3,100	2,903	7%	4%	5,919
Global Wealth and Asset Management	276	267	263	306	271	2%	0%	543	529	3%	0%	1,098
Manulife Bank	47	54	41	45	38	24%	24%	101	87	16%	16%	173
Unallocated overhead ⁴	(119)	(97)	(131)	(97)	(93)	-28%	-28%	(216)	(192)	-13%	-13%	(420)
Core Earnings before income taxes	1,717	1,811	1,577	1,866	1,709	0%	-2%	3,528	3,327	6%	3%	6,770
Income tax (expense) recovery	(265)	(263)	(240)	(327)	(278)	5%	6%	(528)	(593)	11%	13%	(1,160)
Total Core Earnings	1,452	1,548	1,337	1,539	1,431	1%	-1%	3,000	2,734	10%	7%	5,610

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

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

³ Includes tax items related to minority interest and release of premium income tax allowables. These balances are offset in the Income tax (expense) recovery line.

⁴ Unallocated overhead represents Corporate and Other segment general expenses net of recoveries.

Glossary

Expected profit from in-force business	Formula-driven release of PfADs (Provisions for Adverse Deviations).
Impact of new business	The capitalized value of future profits less PfADs in respect of new business.
Experience gains (losses)	Earnings impact of any differences between actual experience in the current period relative to expected experience implicit in the actuarial liabilities, and differences in current period fee income due to market performance.
Management actions and changes in assumptions	Earnings impact of: -management initiated actions in the period that generate a non-recurring current period impact. -changes in methods and assumptions that impact actuarial liabilities or other liabilities.
Earnings (loss) on surplus funds	Actual investment returns on the Company's surplus (shareholders' equity).
Other	Earnings items not included in any other line of the SOE.
Income taxes	Tax charges to income.

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER	2019 Q2 vs. 2018 Q2 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Annualized Premium Equivalents Sales

Asia	915	1,336	1,040	1,070	918	0%	-2%	2,251	1,902	18%	16%	4,012
Canada	290	261	277	210	198	46%	46%	551	488	13%	13%	975
U.S.	154	143	152	159	129	19%	16%	297	242	23%	18%	553
Total Annualized premium equivalents sales	1,359	1,740	1,469	1,439	1,245	9%	7%	3,099	2,632	18%	15%	5,540
Total Annualized premium equivalents sales CER	1,359	1,747	1,498	1,476	1,267		7%	3,106	2,691		15%	5,665

Insurance Sales ¹

Asia	761	1,177	861	871	713	7%	6%	1,938	1,477	31%	29%	3,209
Canada	240	205	227	156	145	66%	66%	445	362	23%	23%	745
U.S.	154	143	152	159	129	19%	16%	297	242	23%	18%	553
Total Insurance sales	1,155	1,525	1,240	1,186	987	17%	15%	2,680	2,081	29%	26%	4,507
Total Insurance sales CER	1,155	1,531	1,263	1,217	1,003		15%	2,686	2,124		26%	4,604

¹ Insurance sales consist of 100% of recurring premiums and 10% of both excess and single premiums.

Annuities Sales ²

Asia	1,036	1,007	1,227	1,428	1,499	-31%	-33%	2,043	3,091	-34%	-36%	5,746
Canada	500	556	500	537	528	-5%	-5%	1,056	1,261	-16%	-16%	2,298
Total Annuities sales	1,536	1,563	1,727	1,965	2,027	-24%	-26%	3,099	4,352	-29%	-30%	8,044
Total Annuities sales CER	1,536	1,571	1,766	2,013	2,070		-26%	3,107	4,464		-30%	8,243

² Annuities sales, including single premium accumulation products, in Asia is comprised of 100% regular premiums/deposits sales and 100% single premium/deposits sales.

New Business Value ("NBV") ³

Asia	364	411	402	382	334	9%	7%	775	659	18%	15%	1,443
Canada	65	62	51	42	65	0%	0%	127	114	11%	11%	207
U.S.	50	46	48	28	12	317%	270%	96	22	336%	300%	98
Total New business value	479	519	501	452	411	17%	14%	998	795	26%	23%	1,748
Total New business value CER	479	522	511	463	419		14%	1,001	816		23%	1,790

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

Global Wealth and Asset Management Gross Flows

Asia	4,761	4,611	5,255	5,155	5,809	-18%	-18%	9,372	13,243	-29%	-30%	23,653
Canada	5,292	6,349	4,918	4,712	5,472	-3%	-3%	11,641	13,496	-14%	-14%	23,126
U.S.	15,424	16,913	16,133	17,261	17,821	-13%	-17%	32,337	38,829	-17%	-20%	72,223
Total Global Wealth and Asset Management Gross flows	25,477	27,873	26,306	27,128	29,102	-12%	-14%	53,350	65,568	-19%	-21%	119,002
Total Global Wealth and Asset Management Gross flows CER	25,477	27,982	26,602	27,677	29,742		-14%	53,459	67,572		-21%	121,851

Global Wealth and Asset Management Net Flows

Asia	1,678	614	1,078	1,008	1,612	4%	2%	2,292	3,620	-37%	-39%	5,706
Canada	129	2,052	(666)	(1,491)	694	-81%	-81%	2,181	4,155	-48%	-48%	1,998
U.S.	(1,841)	(3,989)	(9,366)	931	(2,214)	17%	-20%	(5,830)	2,294	-	-	(6,141)
Total Global Wealth and Asset Management Net flows	(34)	(1,323)	(8,954)	448	92	-	-	(1,357)	10,069	-	-	1,563
Total Global Wealth and Asset Management Net flows CER	(34)	(1,352)	(9,071)	501	55		-	(1,386)	10,400		-	1,830

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER	2019 Q2 vs. 2018 Q2 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Premiums and Deposits - Insurance

Net premiums and investment contract deposits ^{1,2}	8,796	8,427	1,928	5,209	8,859	-1%		17,223	17,296	0%		24,433
Segregated fund deposits	1,758	1,792	2,003	2,078	2,011	-13%		3,550	4,356	-19%		8,437
ASO premium equivalents	897	821	836	790	848	6%		1,718	1,669	3%		3,295
Total Premiums and deposits - Insurance	11,451	11,040	4,767	8,077	11,718	-2%	-4%	22,491	23,321	-4%	-5%	36,165
Total Premiums and deposits - Insurance CER	11,451	11,162	4,823	8,201	11,907		-4%	22,613	23,832		-5%	36,856

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

² Includes the \$7.0 billion impact of the Group Pay-out Annuity transaction in Q4 2018, \$3.7 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the \$0.7 billion John Hancock Life Insurance Company of New York ("JHNY") portion of both transactions in Q1 2019.

Premiums and Deposits - Corporate & Other	27	24	27	24	24	13%	13%	51	47	9%	9%	98
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Assets Under Management and Administration ³

Asia	114,082	110,999	108,109	99,679	99,977	14%	14%	114,082	99,977	14%	14%	108,109
Canada	150,441	146,586	141,913	144,250	145,010	4%	4%	150,441	145,010	4%	4%	141,913
U.S. ²	225,775	224,290	223,646	225,787	231,997	-3%	-2%	225,775	231,997	-3%	-2%	223,646
Global Wealth and Asset Management ⁴	653,127	648,143	608,759	643,956	639,887	2%	2%	653,127	639,887	2%	2%	608,759
Corporate and Other	4,466	4,494	1,095	3,788	1,483	201%	201%	4,466	1,483	201%	201%	1,095
Total Assets under management and administration	1,147,891	1,134,512	1,083,522	1,117,460	1,118,354	3%	3%	1,147,891	1,118,354	3%	3%	1,083,522
Total Assets under management and administration CER	1,147,891	1,119,048	1,053,052	1,129,103	1,114,301		3%	1,147,891	1,114,301		3%	1,053,052

³ 2018 AUMA by segment reflects a restatement of 2018 assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

⁴ Global Wealth and Asset Management AUMA at June 30, 2019 is \$844 billion and includes \$191 billion of asset managed on behalf of other segments. (see page 23).

Assets Under Management and Administration ³

Assets Under Management												
General fund ²	367,285	359,458	353,664	344,568	348,974	5%		367,285	348,974	5%		353,664
Segregated funds excluding institutional advisory accounts	333,088	332,687	311,373	330,511	329,886	1%		333,088	329,886	1%		311,373
Mutual funds ⁵	196,920	194,227	182,219	203,340	201,839	-2%		196,920	201,839	-2%		182,219
Institutional asset management	105,695	105,451	104,159	101,100	102,886	3%		105,695	102,886	3%		104,159
Other funds ⁶	8,767	8,488	7,658	7,850	7,711	14%		8,767	7,711	14%		7,658
Total assets under management	1,011,755	1,000,311	959,073	987,369	991,296	2%	2%	1,011,755	991,296	2%	2%	959,073
Assets under administration	136,136	134,201	124,449	130,091	127,058	7%	8%	136,136	127,058	7%	8%	124,449
Total assets under management and administration	1,147,891	1,134,512	1,083,522	1,117,460	1,118,354	3%	3%	1,147,891	1,118,354	3%	3%	1,083,522

⁵ Includes ETF assets.

⁶ Other funds includes College Savings (529 plan).

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Common Share Statistics										
Share Price - Toronto (in Canadian \$)										
high	25.18	23.85	23.00	24.76	25.20	0%	25.18	27.77	-9%	27.77
low	22.52	18.94	17.80	22.68	23.11	-3%	18.94	23.11	-18%	17.80
close	23.80	22.60	19.37	23.09	23.62	-3%	23.80	23.62	-3%	19.37
Share Price - New York (in U.S \$)										
high	18.71	17.96	18.18	18.95	19.63	-5%	18.71	22.16	-16%	22.16
low	16.71	13.90	13.33	17.44	17.75	-6%	13.90	17.75	-22%	13.33
close	18.18	16.91	14.19	17.88	17.97	1%	18.18	17.97	1%	14.19
Common shares outstanding (millions)										
- end of period	1,962	1,970	1,971	1,985	1,984	-1%	1,962	1,984	-1%	1,971
- weighted average	1,965	1,965	1,980	1,984	1,984	-1%	1,965	1,983	-1%	1,983
- diluted weighted average	1,969	1,969	1,983	1,989	1,989	-1%	1,969	1,989	-1%	1,988
Dividend per common share paid in the quarter ¹	0.250	0.250	0.250	0.220	0.220	14%	0.500	0.440	14%	0.910
Common share dividend payout ratio	34%	23%	91%	29%	36%	-1 pps	28%	34%	-6 pps	39%
Common share core dividend payout ratio	35%	33%	38%	29%	31%	3 pps	34%	33%	1 pps	33%

¹ On August 7, 2019, the Board of Directors approved quarterly shareholders' dividend of 25.0 cents per share on the common shares of the Company, payable on or after September 19, 2019 to shareholders of record at the close of business on August 20, 2019.

Change in Common Shares Outstanding

Beginning Balance	1,970	1,971	1,985	1,984	1,983		1,971	1,982		1,982
Repurchased for cancellation	(18)	(10)	(23)	-	-		(28)	-		(23)
Issued under dividend reinvestment plans	9	8	9	-	-		17	-		9
Issued on exercise of stock options and deferred share units	1	1	-	1	1		2	2		3
Ending Balance	1,962	1,970	1,971	1,985	1,984		1,962	1,984		1,971

Valuation Data

Book value per common share	22.89	22.34	21.38	20.24	20.32	13%	22.89	20.32	13%	21.38
Market value to book value ratio	1.00	1.01	0.91	1.14	1.16	-14%	1.00	1.16	-14%	0.91
Book value excluding goodwill per common share	19.94	19.40	18.41	17.32	17.38	15%	19.94	17.38	15%	18.41
Book value excluding AOCI per common share	19.52	19.06	18.23	18.23	17.68	10%	19.52	17.68	10%	18.23
Market value to book value excluding goodwill ratio	1.14	1.17	1.05	1.33	1.36	-16%	1.14	1.36	-16%	1.05
Market capitalization (\$ billions)	44.7	44.5	38.2	45.8	46.9	-5%	44.7	46.9	-5%	38.2

Capital Information

Consolidated capital ²	58,217	57,325	56,010	54,444	54,345	7%	58,217	54,345	7%	56,010
Financial leverage ratio ³	26.4%	27.0%	28.6%	29.2%	29.4%	-3 pps	26.4%	29.4%	-3 pps	28.6%
LICAT Total Ratio - The Manufacturers Life Insurance Company	144%	144%	143%	134%	132%	12 pps	144%	132%	-	143%

² Consolidated capital includes total equity less AOCI on cash flow hedges and capital instruments. Total equity includes unrealized gains and losses on AFS bonds and AFS equities, net of taxes.

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

³ Financial leverage ratio is calculated as the sum of long-term debt, capital instruments, and preferred shares divided by the sum of long-term debt, capital instruments, and total equity.

Foreign Exchange Information ⁴

- Statements of Financial Position	(CDN to \$ 1 US)	1.3087	1.3363	1.3642	1.2945	1.3168	-1%
	(CDN to 1 YEN)	0.0121	0.0121	0.0124	0.0114	0.0119	2%
- Statements of Income	(CDN to \$ 1 US)	1.3377	1.3295	1.3204	1.3069	1.2912	4%
	(CDN to 1 YEN)	0.0122	0.0121	0.0117	0.0117	0.0118	3%

⁴ 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)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Revenue										
Premium income										
Gross premiums	9,829	10,187	9,990	9,863	9,831	0%	20,016	19,297	4%	39,150
Premiums ceded to reinsurers ¹	(1,138)	(1,873)	(8,158)	(4,762)	(1,077)	-6%	(3,011)	(2,218)	-36%	(15,138)
Net premiums	8,691	8,314	1,832	5,101	8,754	-1%	17,005	17,079	0%	24,012
Investment income										
Investment income ²	3,710	3,747	3,278	3,481	3,566	4%	7,457	6,801	10%	13,560
Realized/ unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro hedge program ²	7,185	8,926	1,113	(3,210)	(1,615)	-	16,111	(6,931)	-	(9,028)
Net investment income (loss)	10,895	12,673	4,391	271	1,951	458%	23,568	(130)	-	4,532
Other revenue	2,634	2,562	2,291	2,671	2,964	-11%	5,196	5,466	-5%	10,428
Total revenue	22,220	23,549	8,514	8,043	13,669	63%	45,769	22,415	104%	38,972
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross claims and benefits	7,287	7,169	7,521	6,533	7,177	2%	14,456	13,824	5%	27,878
Increase (decrease) in insurance contract liabilities ³	10,029	11,407	4,893	(808)	1,389	622%	21,436	(1,178)	-	2,907
Increase (decrease) in investment contract liabilities	67	43	47	(91)	35	91%	110	79	39%	35
Benefits and expenses ceded to reinsurers	(1,505)	(1,474)	(1,437)	(1,160)	(1,343)	-12%	(2,979)	(2,556)	-17%	(5,153)
Decrease (increase) in reinsurance assets ⁴	337	(298)	(7,563)	(2,624)	475	-29%	39	454	-91%	(9,733)
Net benefits and claims	16,215	16,847	3,461	1,850	7,733	110%	33,062	10,623	211%	15,934
General expenses	1,894	1,801	2,177	1,853	2,092	-9%	3,695	3,927	-6%	7,957
Investment expenses	415	403	487	399	416	0%	818	822	0%	1,708
Commissions	1,525	1,548	1,576	1,619	1,457	5%	3,073	2,978	3%	6,173
Interest expense	318	328	359	312	318	0%	646	604	7%	1,275
Net premium taxes	97	98	95	99	118	-18%	195	212	-8%	406
Total contract benefits and expenses	20,464	21,025	8,155	6,132	12,134	69%	41,489	19,166	116%	33,453
Income before income taxes	1,756	2,524	359	1,911	1,535	14%	4,280	3,249	32%	5,519
Income tax (expense) recovery	(240)	(289)	(43)	(6)	(246)	2%	(529)	(583)	9%	(632)
Net income	1,516	2,235	316	1,905	1,289	18%	3,751	2,666	41%	4,887
Less: net income (loss) attributed to non-controlling interests	78	73	10	83	67	16%	151	121	25%	214
Less: net income (loss) attributed to participating policyholders	(37)	(14)	(287)	249	(40)	8%	(51)	(89)	43%	(127)
Net income attributed to shareholders	1,475	2,176	593	1,573	1,262	17%	3,651	2,634	39%	4,800
Preferred share dividends	(43)	(43)	(43)	(42)	(44)	2%	(86)	(83)	-4%	(168)
Common shareholders' net income	1,432	2,133	550	1,531	1,218	18%	3,565	2,551	40%	4,632

¹ Includes the \$7.0 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the \$3.7 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the \$0.7 billion JHNY portion of both transactions in Q1 2019.

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

³ The volatility in investment income largely related to gains and losses on AFS bonds related to the management of interest rate exposures. These activities in the surplus segment are mostly offset in the measurement of our policy liabilities (see Increase (decrease) in insurance contract liabilities).

⁴ Includes the \$7.5 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the \$3.6 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the \$0.8 billion JHNY portion of both transactions in Q1 2019.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Canadian \$ in millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2
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ASSETS

Invested assets						
Cash and short-term securities	16,770	16,097	16,215	15,642	17,230	-3%
Securities						
Debt securities	194,328	188,486	185,594	177,385	180,821	7%
Public equities	21,529	21,146	19,179	21,407	21,567	0%
Loans						
Mortgages	48,768	48,519	48,363	47,902	47,019	4%
Private placements	36,255	36,390	35,754	35,236	34,701	4%
Policy loans	6,352	6,390	6,446	6,102	6,117	4%
Loans to bank clients	1,773	1,793	1,793	1,785	1,803	-2%
Real estate	12,805	12,801	12,777	12,779	14,216	-10%
Other invested assets	28,705	27,836	27,543	26,330	25,500	13%
Total invested assets	367,285	359,458	353,664	344,568	348,974	5%
Other assets						
Accrued investment income	2,352	2,483	2,427	2,372	2,263	4%
Outstanding premiums	1,382	1,610	1,369	1,240	1,256	10%
Derivatives	20,192	15,959	13,703	11,238	13,145	54%
Reinsurance assets	41,143	42,430	43,053	33,304	31,296	31%
Deferred tax asset	4,154	4,196	4,318	4,291	4,775	-13%
Goodwill and intangible assets	9,928	10,004	10,097	9,972	10,065	-1%
Miscellaneous	8,413	9,349	8,431	8,597	8,456	-1%
Total other assets	87,564	86,031	83,398	71,014	71,256	23%
Segregated funds net assets	334,786	334,425	313,209	332,256	331,995	1%
Total assets	789,635	779,914	750,271	747,838	752,225	5%

LIABILITIES AND EQUITY

Policy liabilities						
Insurance contract liabilities	340,904	335,269	328,654	309,842	315,473	8%
Investment contract liabilities	3,171	3,209	3,265	3,160	3,201	-1%
Deposits from bank clients	21,165	19,984	19,684	19,085	19,122	11%
Derivatives	10,051	8,249	7,803	7,268	7,183	40%
Deferred tax liabilities	2,219	2,025	1,814	1,506	1,457	52%
Other liabilities	14,719	14,902	15,190	15,866	14,985	-2%
	392,229	383,638	376,410	356,727	361,421	9%
Long-term debt	4,576	4,672	4,769	4,525	4,603	-1%
Capital instruments	8,132	8,185	8,732	8,843	8,888	-9%
Segregated funds net liabilities	334,786	334,425	313,209	332,256	331,995	1%
Total liabilities	739,723	730,920	703,120	702,351	706,907	5%
Equity						
Issued share capital						
Preferred shares	3,822	3,822	3,822	3,822	3,822	0%
Common shares	23,067	23,052	22,961	23,045	23,031	0%
Contributed surplus	260	265	265	274	274	-5%
Shareholders' retained earnings	14,965	14,239	12,704	12,862	11,768	27%
Shareholders' accumulated other comprehensive income (loss)						
Pension and other post-employment plans	(420)	(423)	(426)	(386)	(388)	-8%
Available-for-sale securities	1,522	687	(265)	(611)	(115)	-
Cash flow hedges	(173)	(146)	(127)	(114)	(139)	-24%
Real estate revaluation surplus	31	31	20	20	21	48%
Translation of foreign operations	5,650	6,319	7,010	5,076	5,870	-4%
Total shareholders' equity	48,724	47,846	45,964	43,988	44,144	10%
Participating policyholders' equity	40	77	94	380	132	-70%
Non-controlling interests	1,148	1,071	1,093	1,119	1,042	10%
Total equity	49,912	48,994	47,151	45,487	45,318	10%
Total liabilities and equity	789,635	779,914	750,271	747,838	752,225	5%

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Canadian \$ in millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	YTD 2019	YTD 2018	Fiscal 2018
Preferred shares								
Balance, beginning of period	3,822	3,822	3,822	3,822	3,822	3,822	3,577	3,577
Issued	-	-	-	-	-	-	250	250
Issuance costs, net of tax	-	-	-	-	-	-	(5)	(5)
Balance, end of period	3,822	3,822	3,822	3,822	3,822	3,822	3,822	3,822
Common shares								
Balance, beginning of period	23,052	22,961	23,045	23,031	23,010	22,961	22,989	22,989
Repurchased	(208)	(116)	(269)	-	-	(324)	-	(269)
Issued on exercise of stock options and deferred share units	34	14	3	14	21	48	42	59
Issued under Dividend Reinvestment and Share Purchase Plans	189	193	182	-	-	382	-	182
Balance, end of period	23,067	23,052	22,961	23,045	23,031	23,067	23,031	22,961
Contributed surplus								
Balance, beginning of period	265	265	274	274	275	265	277	277
Exercise of stock options and deferred share units	(6)	(3)	-	(3)	(4)	(9)	(7)	(10)
Stock option expense	3	3	3	3	3	6	4	10
Impact of deferred tax asset rate change	(2)	-	-	-	-	(2)	-	-
Acquisition of non-controlling interest	-	-	(12)	-	-	-	-	(12)
Balance, end of period	260	265	265	274	274	260	274	265
Shareholders' retained earnings								
Balance, beginning of period	14,239	12,704	12,862	11,768	10,987	12,704	10,083	10,083
Opening adjustment on adoption of IFRS 16	-	(19)	-	-	-	(19)	-	-
Net income attributed to shareholders	1,475	2,176	593	1,573	1,262	3,651	2,634	4,800
Preferred share dividends	(43)	(43)	(43)	(42)	(44)	(86)	(83)	(168)
Common share dividends	(494)	(489)	(499)	(437)	(437)	(983)	(866)	(1,802)
Common shares repurchased	(212)	(90)	(209)	-	-	(302)	-	(209)
Balance, end of period	14,965	14,239	12,704	12,862	11,768	14,965	11,768	12,704
Shareholders' accumulated other comprehensive income (loss)								
Balance, beginning of period	6,468	6,212	3,985	5,249	4,840	6,212	4,087	4,087
Other comprehensive income (loss)								
Remeasurement of pension and other post-employment plans, net of tax expense of \$1	3	3	(40)	2	(3)	6	(24)	(62)
Real estate revaluation reserve, net of tax expense of nil	-	11	-	(1)	-	11	-	(1)
Available-for-sale ("AFS") securities unrealized gains (losses), net of tax expense of \$216	865	990	340	(467)	(4)	1,855	(329)	(456)
AFS securities realized losses (gains) & impairments (recoveries), net of tax recovery of \$10	(30)	(39)	7	(29)	48	(69)	35	13
Cash flow hedges unrealized gains (losses), net of tax recovery of \$7	(27)	(19)	(19)	21	4	(46)	(36)	(34)
Cash flow hedges realized (gains) losses, net of tax expense of nil	-	-	6	4	3	-	6	16
Unrealized foreign exchange gains (losses), net of \$156 hedges and tax expense of \$18	(669)	(691)	1,933	(793)	361	(1,360)	1,510	2,650
Share of other comprehensive income (loss) of associates, net of tax expense of nil	-	1	-	(1)	-	1	-	(1)
Balance, end of period	6,610	6,468	6,212	3,985	5,249	6,610	5,249	6,212
Total shareholders' equity, end of period	48,724	47,846	45,964	43,988	44,144	48,724	44,144	45,964
Participating policyholders' equity								
Balance, beginning of period	77	94	380	132	173	94	221	221
Opening adjustment on adoption of IFRS 16	-	(3)	-	-	-	(3)	-	-
Net income (loss) attributed to participating policyholders	(37)	(14)	(287)	249	(40)	(51)	(89)	(127)
Other comprehensive income attributed to participating policyholders	-	-	1	(1)	(1)	-	-	-
Balance, end of period	40	77	94	380	132	40	132	94
Non-controlling interests								
Balance, beginning of period	1,071	1,093	1,119	1,042	982	1,093	929	929
Net income (loss) attributed to non-controlling interests	78	73	10	83	67	151	121	214
Other comprehensive income (loss) attributed to non-controlling interests	2	2	1	(1)	-	4	(2)	(2)
Contributions (distributions), net	(3)	(97)	(37)	(5)	(7)	(100)	(6)	(48)
Balance, end of period	1,148	1,071	1,093	1,119	1,042	1,148	1,042	1,093
Total equity, end of period	49,912	48,994	47,151	45,487	45,318	49,912	45,318	47,151

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Canadian \$ in millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Operating activities										
Net income (loss)	1,516	2,235	316	1,905	1,289	18%	3,751	2,666	41%	4,887
Adjustments										
Increase (decrease) in insurance contract liabilities	10,029	11,407	4,893	(808)	1,389	622%	21,436	(1,178)	-	2,907
Increase (decrease) in investment contract liabilities	67	43	47	(91)	35	91%	110	79	39%	35
Decrease (increase) in reinsurance assets	337	414	(557)	996	475	-29%	751	454	65%	893
Amortization of premium/discount on invested assets	29	30	42	57	57	-49%	59	113	-48%	212
Other amortization	157	155	261	177	170	-8%	312	309	1%	747
Net realized and unrealized (gains), losses on assets supporting policy liabilities	-	-	-	-	-	-	-	-	-	-
Net realized (gains) losses, including impairments on assets	(8,028)	(9,311)	(1,159)	3,104	1,957	-	(17,339)	6,782	-	8,727
Deferred income tax expense (recovery)	71	132	228	633	68	4%	203	69	194%	930
Restructuring charge	-	-	(44)	-	200	-100%	-	200	-100%	156
Stock option expense	3	3	3	3	3	0%	6	4	50%	10
Goodwill impairment	-	-	-	-	-	-	-	-	-	-
Cash provided by operating activities before undernoted items	4,181	5,108	4,030	5,976	5,643	-26%	9,289	9,498	-2%	19,504
Changes in policy related and operating receivables and payables	1,231	(1,197)	706	(333)	(682)	-	34	(689)	-	(316)
Cash provided by (used in) operating activities	5,412	3,911	4,736	5,643	4,961	9%	9,323	8,809	6%	19,188
Investing activities										
Purchases and mortgage advances	(20,401)	(19,525)	(23,706)	(25,635)	(28,221)	28%	(39,926)	(51,831)	23%	(101,172)
Disposals and repayments	15,171	15,925	21,036	17,698	23,485	-35%	31,096	43,377	-28%	82,111
Changes in investment broker net receivables and payables	136	130	(1,094)	872	115	18%	266	94	183%	(128)
Net cash decrease from sale and purchase of subsidiaries and businesses	-	253	187	-	-	-	253	-	-	187
Cash provided by (used in) investing activities	(5,094)	(3,217)	(3,577)	(7,065)	(4,621)	-10%	(8,311)	(8,360)	1%	(19,002)
Financing activities										
Increase (decrease) in repurchase agreements and securities sold but not yet purchased	51	203	(714)	477	(89)	-	254	48	429%	(189)
Issue of long-term debt, net	-	-	-	-	-	-	-	-	-	-
Redemption of long-term debt, net	-	-	-	-	(400)	100%	-	(400)	100%	(400)
Issue (redemption) of capital instruments, net	-	(500)	(250)	-	597	-100%	(500)	397	-	147
Secured borrowings from securitization transactions	-	-	250	-	-	-	-	-	-	250
Changes in deposits from bank clients, net	1,180	308	560	(36)	126	837%	1,488	966	54%	1,490
Lease payments	(28)	(27)	-	-	-	-	(55)	-	-	-
Shareholder dividends paid in cash	(348)	(339)	(360)	(479)	(481)	28%	(687)	(949)	28%	(1,788)
NCI dividends paid in cash	(3)	-	-	-	(2)	-50%	(3)	(2)	-50%	(2)
Contributions from (distributions to) non-controlling interest, net	-	-	(49)	(5)	(5)	100%	-	(4)	100%	(58)
Common shares repurchased	(420)	(206)	(478)	-	-	-	(626)	-	-	(478)
Common shares issued, net	34	14	3	14	21	62%	48	42	14%	59
Preferred shares issued, net	-	-	-	-	-	-	-	245	-100%	245
Cash provided by (used in) financing activities	466	(547)	(1,038)	(29)	(233)	-	(81)	343	-	(724)
Cash and short-term securities										
Increase (decrease) during the period	784	147	121	(1,451)	107	633%	931	792	18%	(538)
Effect of foreign exchange rate changes on cash and short-term securities	(171)	(206)	572	(236)	141	-	(377)	486	-	822
Balance, beginning of period	15,323	15,382	14,689	16,376	16,128	-5%	15,382	15,098	2%	15,098
Balance, end of period	15,936	15,323	15,382	14,689	16,376	-3%	15,936	16,376	-3%	15,382
Cash and short-term securities										
Beginning of period										
Gross cash and short-term securities	16,097	16,215	15,642	17,230	17,020	-5%	16,215	15,965	2%	15,965
Net payments in transit, included in other liabilities	(774)	(833)	(953)	(854)	(892)	-13%	(833)	(867)	4%	(867)
Net cash and short-term securities, beginning of period	15,323	15,382	14,689	16,376	16,128	-5%	15,382	15,098	2%	15,098
End of period										
Gross cash and short-term securities	16,770	16,097	16,215	15,642	17,230	-3%	16,770	17,230	-3%	16,215
Net payments in transit, included in other liabilities	(834)	(774)	(833)	(953)	(854)	-2%	(834)	(854)	2%	(833)
Net cash and short-term securities, end of period	15,936	15,323	15,382	14,689	16,376	-3%	15,936	16,376	-3%	15,382

ASIA

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Statements of Income ¹

Revenue										
Premium income										
Gross premiums	3,615	4,034	3,608	3,712	3,472	4%	7,649	7,163	7%	14,483
Premiums ceded to reinsurers	(122)	(146)	(120)	(116)	(128)	5%	(268)	(271)	1%	(507)
Investment income	511	424	423	496	486	5%	935	898	4%	1,817
Other revenue	190	248	230	241	321	-41%	438	529	-17%	1,000
Subtotal revenue	4,194	4,560	4,141	4,333	4,151	1%	8,754	8,319	5%	16,793
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	813	2,024	(129)	(388)	(323)	-	2,837	(1,082)	-	(1,599)
Total revenue	5,007	6,584	4,012	3,945	3,828	31%	11,591	7,237	60%	15,194
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities ²	3,704	4,997	2,965	2,615	2,611	42%	8,701	4,782	82%	10,362
Ceded benefits and expenses and change in reinsurance assets	(107)	(114)	(76)	(221)	(69)	-55%	(221)	(158)	-40%	(455)
Change in investment contract liabilities	2	(2)	1	6	-	-	-	(6)	100%	1
General expenses	405	394	436	417	403	0%	799	784	2%	1,637
Investment expenses	38	36	29	33	26	46%	74	56	32%	118
Commissions	459	527	495	491	434	6%	986	892	11%	1,878
Other	51	49	45	44	42	21%	100	84	19%	173
Total contract benefits and expenses	4,552	5,887	3,895	3,385	3,447	32%	10,439	6,434	62%	13,714
Income (loss) before income taxes	455	697	117	560	381	19%	1,152	803	43%	1,480
Income tax (expense) recovery	(37)	(88)	(16)	(113)	(76)	51%	(125)	(149)	16%	(278)
Net income (loss)	418	609	101	447	305	37%	1,027	654	57%	1,202
Less net income (loss) attributed to non-controlling interests	58	55	4	63	50	16%	113	94	20%	161
Less net income (loss) attributed to participating policyholders	3	32	(143)	(50)	(29)	-	35	(83)	-	(276)
Net income (loss) attributed to shareholders	357	522	240	434	284	26%	879	643	37%	1,317
Net income (loss) attributed to shareholders CER	357	524	249	434	287	24%	881	644	37%	1,327

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

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. The gains (losses) primarily relate to fair value movements on bonds and derivatives.

ASIA (CONT'D)

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER ¹	2019 Q2 vs. 2018 Q2 CER ²	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER ¹	YTD 2019 vs. YTD 2018 CER ²	Fiscal 2018
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Earnings Analysis ³

Hong Kong	176	169	159	144	139	27%	27%	345	284	21%	21%	587
Japan	79	136	120	126	96	-18%	-17%	215	202	6%	8%	448
Asia Other	125	118	103	118	111	13%	17%	243	233	4%	9%	454
Regional Office	(28)	(32)	(32)	(36)	(27)	-4%	-4%	(60)	(58)	-3%	-3%	(126)
Total core earnings (loss)	352	391	350	352	319	10%	12%	743	661	12%	15%	1,363
Total Core earnings CER	352	391	355	356	314		12%	743	648		15%	1,359
Items excluded from core earnings												
Investment-related experience outside of core earnings	36	87	75	71	35			123	73			219
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(31)	44	(185)	(13)	(68)			13	(89)			(287)
Change in actuarial methods and assumptions	-	-	-	21	-			-	-			21
Reinsurance transactions	-	-	-	4	-			-	-			4
Tax-related items and other	-	-	-	(1)	(2)			-	(2)			(3)
Net income (loss) attributed to shareholders	357	522	240	434	284	26%	24%	879	643	37%	37%	1,317

Source of Earnings - Core ^{3,4}

Expected profit from in-force business	209	204	198	196	197	6%	7%	413	389	6%	8%	783
Impact of new business	103	177	177	184	140	-26%	-25%	280	290	-3%	-1%	651
Experience gains (losses)	16	15	(30)	(20)	(13)	-	-	31	(13)	-	-	(63)
Management actions and changes in assumptions	-	-	-	-	(3)	100%	100%	-	(3)	100%	100%	(3)
Earnings on surplus funds	41	41	38	37	39	5%	10%	82	77	6%	10%	152
Other ⁵	30	21	21	34	40	-25%	-21%	51	73	-30%	-27%	128
Core earnings before income taxes	399	458	404	431	400	0%	2%	857	813	5%	8%	1,648
Income tax (expense) recovery	(47)	(67)	(54)	(79)	(81)	42%	40%	(114)	(152)	25%	23%	(285)
Total Core earnings	352	391	350	352	319	10%	12%	743	661	12%	15%	1,363

¹ AER percentage changes are calculated using actual exchange rates.

² CER percentage changes are calculated on a constant exchange rate basis.

³ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

⁴ The 'Source of Earnings - Core' lines excludes the portion related to non-controlling interest.

⁵ Includes tax items related to minority interest and release of premium income tax allowables. These balances are offset in the Income tax (expense) recovery line. The 2Q19 balance includes negative US\$11 million which is the portion attributable to minority interest related to a US\$22 million tax benefit due to change in China tax regulations which is presented in the Income tax expense line. Approximately US\$6 million of this tax benefit, net of minority interest, relates to prior periods.

ASIA (CONT'D)

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER	2019 Q2 vs. 2018 Q2 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Annualized Premium Equivalents Sales

Hong Kong	199	165	186	170	142	40%	40%	364	291	25%	25%	647
Japan	136	409	295	303	232	-41%	-41%	545	489	11%	13%	1,087
Asia Other	350	431	306	345	337	4%	7%	781	709	10%	14%	1,360
Total Annualized premium equivalents sales	685	1,005	787	818	711	-4%	-2%	1,690	1,489	13%	16%	3,094
Total Annualized premium equivalents sales CER	685	1,003	799	824	700		-2%	1,688	1,458		16%	3,081

Insurance Sales

Hong Kong	182	148	161	137	111	64%	64%	330	222	49%	49%	520
Japan	48	319	195	205	127	-62%	-62%	367	277	32%	34%	677
Asia Other	341	418	295	325	314	9%	12%	759	657	16%	20%	1,277
Total Insurance sales	571	885	651	667	552	3%	6%	1,456	1,156	26%	29%	2,474
Total Insurance sales CER	571	883	661	671	541		6%	1,454	1,128		29%	2,460

Annuities Sales

Hong Kong	176	168	257	331	308	-43%	-43%	344	689	-50%	-50%	1,277
Japan	510	466	566	575	613	-17%	-16%	976	1,203	-19%	-18%	2,344
Asia Other	88	124	106	187	240	-63%	-63%	212	528	-60%	-59%	821
Total Annuities sales	774	758	929	1,093	1,161	-33%	-33%	1,532	2,420	-37%	-36%	4,442
Total Annuities sales CER	774	758	946	1,103	1,153		-33%	1,532	2,394		-36%	4,443

New Business Value (NBV)

Hong Kong	117	98	127	110	89	31%	31%	215	181	19%	19%	418
Japan	51	115	91	84	79	-36%	-35%	166	154	8%	9%	329
Asia Other	104	96	86	99	90	15%	19%	200	180	11%	15%	365
Total NBV	272	309	304	293	258	5%	7%	581	515	13%	15%	1,112
Total NBV CER	272	309	307	294	255		7%	581	507		15%	1,108

New Business Value (NBV) Margin ¹

Hong Kong	58.9%	59.5%	68.0%	64.6%	62.9%			59.2%	62.3%
Japan	37.3%	28.2%	31.0%	27.7%	34.2%			30.5%	31.5%
Asia Other	33.7%	27.6%	31.2%	32.0%	30.5%			30.5%	29.8%
Total NBV margin	42.2%	33.6%	40.2%	37.4%	38.6%			37.2%	37.2%
Total NBV margin CER	42.2%	33.6%	40.1%	37.3%	38.6%			37.2%	37.2%

¹ Margins are calculated using annualized premium equivalent (APE) excluding non-controlling interest. APE is calculated as 100% of annualized first year premiums for recurring premium products, and as 10% of single premiums for single premium products. Both NBV and APE used in the margin are calculated after non-controlling interest.

ASIA (CONT'D)

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER	2019 Q2 vs. 2018 Q2 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
Premiums and Deposits												
Premiums and investment contract deposits	3,489	3,891	3,482	3,598	3,344	4%		7,380	6,894	7%		13,974
Segregated fund and other deposits	590	579	652	785	773	-24%		1,169	1,683	-31%		3,120
Total Premiums and deposits	4,079	4,470	4,134	4,383	4,117	-1%	1%	8,549	8,577	0%	1%	17,094
Total Premiums and deposits CER	4,079	4,461	4,168	4,393	4,057		1%	8,540	8,415		1%	16,976
Premiums and Deposits by Business Units												
Hong Kong	1,236	1,110	1,305	1,242	1,160	7%	7%	2,346	2,364	-1%	-1%	4,911
Japan	1,367	1,789	1,481	1,594	1,492	-8%	-7%	3,156	3,215	-2%	0%	6,290
Asia Other	1,476	1,571	1,348	1,547	1,465	1%	3%	3,047	2,998	2%	4%	5,893
Total Premiums and deposits	4,079	4,470	4,134	4,383	4,117	-1%	1%	8,549	8,577	0%	1%	17,094
Total Weighted Premium Income (TWPI)												
Hong Kong	921	828	936	848	825	12%	12%	1,749	1,607	9%	9%	3,391
Japan	1,012	1,496	1,090	1,197	1,063	-5%	-4%	2,508	2,397	5%	6%	4,684
Asia Other	1,116	1,203	1,015	976	963	16%	20%	2,319	1,939	20%	24%	3,930
TWPI	3,049	3,527	3,041	3,021	2,851	7%	8%	6,576	5,943	11%	13%	12,005
TWPI CER	3,049	3,522	3,084	3,044	2,811		8%	6,571	5,838		13%	11,966
Assets Under Management ¹												
General fund	71,664	67,857	65,075	62,150	61,275	17%		71,664	61,275	17%		65,075
Segregated funds	15,512	15,182	14,176	14,828	14,644	6%		15,512	14,644	6%		14,176
Total Assets under management	87,176	83,039	79,251	76,978	75,919	15%	14%	87,176	75,919	15%	14%	79,251
Total Assets under management CER	87,176	83,642	79,839	78,367	76,354		14%	87,176	76,354		14%	79,839
¹ 2018 AUM and earnings on assets backing capital allocated to each segment from the Corporate and Other segment have been restated to align with the capital allocation methodology used in 2019.												
Number of Agents												
Hong Kong	8,831	8,696	8,817	7,936	7,637	16%		8,831	7,637	16%		8,817
Japan	2,125	2,107	2,107	2,150	2,196	-3%		2,125	2,196	-3%		2,107
Asia Other	73,858	70,332	68,644	67,443	62,172	19%		73,858	62,172	19%		68,644
Total Number of agents	84,814	81,135	79,568	77,529	72,005	18%		84,814	72,005	18%		79,568
Canadian \$ in millions - Key Metrics ¹												
Core earnings	471	520	463	461	411	15%	12%	991	842	18%	15%	1,766
Items excluded from core earnings	5	175	(145)	105	(43)	-		180	(22)	-		(62)
Net income (loss) attributed to shareholders	476	695	318	566	368	29%	24%	1,171	820	43%	37%	1,704
Annualized Premium Equivalents Sales	915	1,336	1,040	1,070	918	0%	-2%	2,251	1,902	18%	16%	4,012
Insurance Sales	761	1,177	861	871	713	7%	6%	1,938	1,477	31%	29%	3,209
Annuities Sales	1,036	1,007	1,227	1,428	1,499	-31%	-33%	2,043	3,091	-34%	-36%	5,746
New Business Value (NBV)	364	411	402	382	334	9%	7%	775	659	18%	15%	1,443
Premiums and Deposits	5,455	5,942	5,462	5,727	5,316	3%	1%	11,397	10,956	4%	1%	22,145
Assets Under Management	114,082	110,999	108,109	99,679	99,977	14%	14%	114,082	99,977	14%	14%	108,109

CANADA

(Canadian \$ millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Statements of Income ¹

	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Revenue										
Premium income										
Gross premiums	2,618	2,599	2,677	2,587	3,143	-17%	5,217	5,710	-9%	10,974
Premiums ceded to reinsurers	(387)	(379)	(394)	(377)	(362)	-7%	(766)	(776)	1%	(1,547)
Investment income	1,118	1,258	920	1,054	1,088	3%	2,376	2,145	11%	4,119
Other revenue	260	288	343	379	362	-28%	548	724	-24%	1,446
Subtotal revenue	3,609	3,766	3,546	3,643	4,231	-15%	7,375	7,803	-5%	14,992
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ²	2,143	3,324	284	(1,546)	256	737%	5,467	(132)	-	(1,394)
Total revenue	5,752	7,090	3,830	2,097	4,487	28%	12,842	7,671	67%	13,598
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities ²	4,676	5,681	3,189	1,131	3,269	43%	10,357	5,321	95%	9,641
Ceded benefits and expenses and change in reinsurance assets	(174)	(252)	(174)	(396)	(233)	25%	(426)	(549)	22%	(1,119)
Change in investment contract liabilities	25	10	9	10	9	178%	35	21	67%	40
General expenses	354	330	356	334	325	9%	684	662	3%	1,352
Investment expenses	82	80	87	80	86	-5%	162	175	-7%	342
Commissions	325	294	319	298	274	19%	619	541	14%	1,158
Other	175	175	188	156	174	1%	350	314	11%	658
Total contract benefits and expenses	5,463	6,318	3,974	1,613	3,904	40%	11,781	6,485	82%	12,072
Income (loss) before income taxes	289	772	(144)	484	583	-50%	1,061	1,186	-11%	1,526
Income tax (expense) recovery	(13)	(78)	(28)	(68)	(83)	84%	(91)	(215)	58%	(311)
Net income (loss)	276	694	(172)	416	500	-45%	970	971	0%	1,215
Less: net income (loss) attributed to participating policyholders	(41)	(57)	(98)	314	(2)	nm	(98)	17	-	233
Net income (loss) attributed to shareholders	317	751	(74)	102	502	-37%	1,068	954	12%	982

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

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.

CANADA (CONT'D)

(Canadian \$ millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Earnings Analysis ¹

Insurance	195	185	210	241	278	-30%	380	439	-13%	890
Annuities	82	58	65	69	90	-9%	140	175	-20%	309
Manulife Bank	35	40	30	34	27	30%	75	64	17%	128
Total core earnings (loss)	312	283	305	344	395	-21%	595	678	-12%	1,327
Items excluded from core earnings										
Investment-related experience outside of core earnings	2	453	(143)	155	83		455	228		240
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities ²	7	11	(234)	(26)	13		18	(47)		(307)
Change in actuarial methods and assumptions	-	-	-	(370)	-		-	-		(370)
Charge related to decision to change asset mix in legacy business	-	-	-	-	-		-	-		-
Reinsurance transactions	-	4	-	4	12		4	98		102
Tax-related items and other	(4)	-	(2)	(5)	(1)		(4)	(3)		(10)
Net income (loss) attributed to shareholders	317	751	(74)	102	502	-37%	1,068	954	12%	982

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

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

Source of Earnings - Core ¹

Expected profit from in-force business	241	241	249	273	242	0%	482	493	-2%	1,015
Impact of new business	18	10	14	5	10	80%	28	8	250%	27
Experience gains (losses)	2	(14)	2	35	72	-97%	(12)	49	-	86
Management actions and changes in assumptions	24	-	-	-	-	-	24	-	-	-
Earnings on surplus funds	86	86	94	94	93	-8%	172	187	-8%	375
Other	-	-	(4)	-	12	-100%	-	19	-100%	15
Insurance	371	323	355	407	429	-14%	694	756	-8%	1,518
Manulife Bank	46	55	41	45	38	21%	101	87	16%	173
Core Earnings before income taxes	417	378	396	452	467	-11%	795	843	-6%	1,691
Income tax (expense) recovery	(105)	(95)	(91)	(108)	(72)	-46%	(200)	(165)	-21%	(364)
Total Core Earnings	312	283	305	344	395	-21%	595	678	-12%	1,327

CANADA (CONT'D)
(Canadian \$ millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Annualized Premium Equivalents Sales

Individual Insurance	102	78	94	78	63	62%	180	117	54%	289
Group Insurance	138	127	133	78	82	68%	265	245	8%	456
Annuities	50	56	50	54	53	-6%	106	126	-16%	230
Total Sales	290	261	277	210	198	46%	551	488	13%	975

Annuities Sales ¹

Retail segregated fund products ²	482	531	474	506	485	-1%	1,013	1,181	-14%	2,161
Fixed Products	18	25	26	31	41	-56%	43	79	-46%	136
Total Annuities Sales	500	556	500	537	526	-5%	1,056	1,260	-16%	2,297

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

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

New Business Value (NBV)	65	62	51	42	65	0%	127	114	11%	207
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Premiums and Deposits

Net premiums ³ and investment contract deposits	2,367	2,353	2,414	2,340	2,911	-19%	4,720	5,196	-9%	9,950
Segregated fund deposits	484	531	475	507	486	0%	1,015	1,183	-14%	2,165
ASO premium equivalents	897	821	836	790	848	6%	1,718	1,669	3%	3,295
Total premiums and deposits	3,748	3,705	3,725	3,637	4,245	-12%	7,453	8,048	-7%	15,410

³ Net premiums include life, health and annuity premiums, and premiums in the Canada Group Benefits reinsurance ceded agreement.

Premiums and Deposits by Business

Individual Insurance	939	883	968	884	897	5%	1,822	1,714	6%	3,566
Group Insurance	2,311	2,266	2,257	2,214	2,820	-18%	4,577	5,072	-10%	9,543
Annuities	498	556	500	539	528	-6%	1,054	1,262	-16%	2,301
Total premiums and deposits	3,748	3,705	3,725	3,637	4,245	-12%	7,453	8,048	-7%	15,410

Assets Under Management ⁴

General funds, excluding Manulife Bank net lending assets	93,045	89,493	86,981	86,554	87,913	6%	93,045	87,913	6%	86,981
Manulife Bank net lending assets	21,957	21,791	21,626	21,407	21,197	4%	21,957	21,197	4%	21,626
Segregated funds	35,439	35,302	33,306	36,289	35,900	-1%	35,439	35,900	-1%	33,306
Total assets under management	150,441	146,586	141,913	144,250	145,010	4%	150,441	145,010	4%	141,913

⁴ 2018 AUM reflects a restatement of 2018 assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

Manulife Bank Average Net Lending Assets	21,874	21,709	21,517	21,302	20,966	4%	21,792	20,812	5%	21,027
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U.S.

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Statements of Income ^{1, 2}

	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Revenue										
Premium income										
Gross premiums	1,763	1,660	1,914	1,844	1,692	4%	3,423	3,443	-1%	7,201
Premiums ceded to reinsurers ³	(446)	(982)	(5,765)	(3,246)	(431)	-3%	(1,428)	(867)	-65%	(9,878)
Investment income	1,315	1,261	1,475	1,327	1,495	-12%	2,576	2,822	-9%	5,624
Other revenue	559	472	281	501	688	-19%	1,031	1,184	-13%	1,966
Subtotal revenue	3,191	2,411	(2,095)	426	3,444	-7%	5,602	6,582	-15%	4,913
Realized/ unrealized gains (losses) on invested assets supporting insurance and investment contract liabilities ⁴	2,922	2,189	737	(882)	(1,146)	-	5,111	(4,278)	-	(4,423)
Total revenue	6,113	4,600	(1,358)	(456)	2,298	166%	10,713	2,304	365%	490
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities ⁴	5,762	4,699	4,019	950	1,483	289%	10,461	924	nm	5,893
Ceded benefits and expenses and change in reinsurance assets ⁵	(653)	(1,028)	(6,616)	(2,390)	(417)	-57%	(1,681)	(1,055)	-59%	(10,061)
Change in investment contract liabilities	12	9	11	(95)	18	-33%	21	23	-9%	(61)
General expenses	213	209	306	229	244	-13%	422	516	-18%	1,051
Investment expenses	58	59	139	79	79	-27%	117	151	-23%	369
Commissions	220	208	250	299	259	-15%	428	555	-23%	1,104
Other	37	34	42	40	45	-18%	71	81	-12%	163
Total contract benefits and expenses	5,649	4,190	(1,849)	(888)	1,711	230%	9,839	1,195	723%	(1,542)
Income (loss) before income taxes	464	410	491	432	587	-21%	874	1,109	-21%	2,032
Income tax (expense) recovery	(89)	(78)	(102)	50	(107)	17%	(167)	(212)	21%	(264)
Net income (loss) attributed to shareholders	375	332	389	482	480	-22%	707	897	-21%	1,768

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

² 1Q19 amounts have been restated to conform to current year's presentation.

³ Includes the US\$5.3 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the US\$2.8 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the US\$0.5 billion JHNY portion of both transactions in Q1 2019.

⁴ 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.

⁵ Includes the US\$5.7 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the US\$2.8 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the US\$0.6 billion JHNY portion of both transactions in Q1 2019.

U.S. (CONT'D)

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Earnings Analysis ¹

U.S. Insurance	234	255	246	235	223	5%	489	417	17%	898
U.S. Annuities	95	102	99	122	122	-22%	197	261	-25%	482
Total core earnings (loss)	329	357	345	357	345	-5%	686	678	1%	1,380
Items excluded from core earnings										
Investment-related experience outside of core earnings	124	(107)	11	124	(45)		17	(125)		10
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(129)	45	(72)	(156)	207		(84)	419		191
Change in actuarial methods and assumptions	-	-	-	219	-		-	-		219
Reinsurance transactions	47	37	108	(57)	-		84	-		51
Tax-related items and other	4	-	(3)	(5)	(27)		4	(75)		(83)
Total net income (loss) attributed to shareholders	375	332	389	482	480	-22%	707	897	-21%	1,768

¹ 2018 earnings reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

Source of Earnings - Core ¹

Expected profit from in-force business	344	329	319	352	350	-2%	673	689	-2%	1,360
Impact of new business	34	24	22	23	3	nm	58	(11)	-	34
Experience gains (losses)	(73)	(17)	6	(28)	(22)	-232%	(90)	7	-	(15)
Management actions and changes in assumptions	-	-	-	-	-	-	-	-	-	-
Earnings on surplus funds	91	91	90	90	92	-1%	182	181	1%	361
Other	3	11	(14)	-	(3)	-	14	(26)	-	(40)
Core Earnings before income taxes	399	438	423	437	420	-5%	837	840	0%	1,700
Income tax (expense) recovery	(70)	(81)	(78)	(80)	(75)	7%	(151)	(162)	7%	(320)
Total Core Earnings	329	357	345	357	345	-5%	686	678	1%	1,380

U.S. (CONT'D)

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



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Annualized Premium Equivalents Sales										
JH Life	115	108	115	122	99	16%	223	189	18%	426
Total Sales	115	108	115	122	99	16%	223	189	18%	426
New Business Value (NBV)										
	37	35	36	21	10	270%	72	18	300%	75
Premiums and Deposits										
Premiums and investment contract deposits ¹	1,317	678	(3,851)	(1,403)	1,262	4%	1,995	2,577	-23%	(2,677)
Segregated fund deposits	362	370	504	418	408	-11%	732	802	-9%	1,724
Total premiums and deposits	1,679	1,048	(3,347)	(985)	1,670	1%	2,727	3,379	-19%	(953)
Premiums and Deposits										
JH Life	939	869	1,037	1,022	893	5%	1,808	1,830	-1%	3,889
JH Long-Term Care	550	547	576	564	555	-1%	1,097	1,107	-1%	2,247
JH Annuities ¹	190	(368)	(4,960)	(2,571)	222	-14%	(178)	442	-	(7,089)
Total premiums and deposits	1,679	1,048	(3,347)	(985)	1,670	1%	2,727	3,379	-19%	(953)
Assets Under Management ²										
General fund ¹	114,627	110,681	110,520	114,389	116,609	-2%	114,627	116,609	-2%	110,520
Segregated funds	57,890	57,164	53,420	60,031	59,571	-3%	57,890	59,571	-3%	53,420
Total assets under management	172,517	167,845	163,940	174,420	176,180	-2%	172,517	176,180	-2%	163,940
Canadian \$ in millions - Key Metrics ²										
Core earnings	441	475	454	467	446	-1%	916	868	6%	1,789
Items excluded from core earnings	61	(34)	59	163	174	-65%	27	280	-90%	502
Net income (loss) attributed to shareholders	502	441	513	630	620	-19%	943	1,148	-18%	2,291
Annualized Premium Equivalents Sales	154	143	152	159	129	19%	297	242	23%	553
Total premiums and deposits ¹	2,248	1,393	(4,420)	(1,286)	2,156	4%	3,641	4,316	-16%	(1,390)
Total assets under management ¹	225,775	224,290	223,646	225,787	231,997	-3%	225,775	231,997	-3%	223,646

¹ Includes the US\$5.3 billion impact of the Group Pay-out Annuity transaction in Q4 2018, the US\$2.8 billion impact of the Individual Pay-out Annuity transaction in Q3 2018, and the US\$0.5 billion JHNY portion of both transactions in Q1 2019.

² 2018 AUM and earnings on assets backing capital allocated to each segment from the Corporate and Other segment have been restated to align with the methodology used in 2019.

GLOBAL WEALTH AND ASSET MANAGEMENT

(Canadian \$ in millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER ¹	2019 Q2 vs. 2018 Q2 CER ²	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER ¹	YTD 2019 vs. YTD 2018 CER ²	Fiscal 2018
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Shareholders' Income Statement ³

Revenue												
Fee income	1,390	1,335	1,371	1,396	1,361	2%		2,725	2,705	1%		5,472
Investment income	5	23	-	(10)	(2)	-		28	1	nm		(9)
Total revenue	1,395	1,358	1,371	1,386	1,359	3%		2,753	2,706	2%		5,463
Expenses												
General, administrative and investment expenses	818	802	839	788	796	3%		1,620	1,579	3%		3,206
Commissions	301	289	285	299	300	0%		590	611	-3%		1,195
Total expenses	1,119	1,091	1,124	1,087	1,096	2%		2,210	2,190	1%		4,401
Income before income taxes	276	267	247	299	263	5%		543	516	5%		1,062
Income tax (expense) recovery	(33)	(34)	(29)	(19)	(30)	-10%		(67)	(60)	-12%		(108)
Net income attributed to shareholders	243	233	218	280	233	4%	2%	476	456	4%	1%	954
Net income attributed to shareholders CER	243	235	219	286	239		2%	478	471		1%	976

Earnings (loss) Analysis ³

Core earnings												
Asia	77	75	53	64	69	12%	10%	152	140	9%	5%	257
Canada	77	73	63	73	71	8%	8%	150	130	15%	15%	266
U.S.	88	85	115	151	99	-11%	-15%	173	196	-12%	-15%	462
Core earnings	242	233	231	288	239	1%	-1%	475	466	2%	-1%	985
Core earnings CER	242	235	233	294	245		-1%	477	481		-1%	1,008
Items excluded from core earnings												
Tax-related items and other	1	-	(13)	(8)	(6)	-		1	(10)	-		(31)
Net income attributed to shareholders	243	233	218	280	233	4%	2%	476	456	4%	1%	954

Core EBITDA by Geographic Source ^{3,4}

Asia	92	91	67	80	88	5%	2%	183	181	1%	-2%	328
Canada	127	123	105	119	117	9%	9%	250	223	12%	12%	447
U.S.	156	152	190	206	165	-5%	-9%	308	326	-6%	-10%	722
Core EBITDA	375	366	362	405	370	1%	-1%	741	730	2%	-1%	1,497
Core EBITDA CER	375	369	366	413	378		-1%	744	753		-1%	1,532
Amortization of deferred acquisition costs and other Depreciation	79	76	77	76	75	5%		155	148	5%		301
Amortization of deferred sales commissions	20	23	22	23	24	-17%		43	53	-19%		98
Total depreciation and amortization	99	99	99	99	99	0%		198	201	-1%		399
Core earnings before income taxes	276	267	263	306	271	2%		543	529	3%		1,098
Core income tax (expense) recovery	(34)	(34)	(32)	(18)	(32)	-6%		(68)	(63)	8%		(113)
Core Earnings	242	233	231	288	239	1%	-1%	475	466	2%	-1%	985

Core EBITDA Margin ⁵

	26.9%	27.0%	26.4%	29.2%	27.2%	-30 bps		26.9%	27.0%	-10 bps		27.4%
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Deferred Acquisition Costs and Deferred Sales Commissions by Geographic Source

Asia	422	417	415	384	380	11%		422	380	11%		415
Canada	250	250	251	249	250	0%		250	250	0%		251
U.S.	1,761	1,799	1,842	1,740	1,771	-1%		1,761	1,771	-1%		1,842
Total deferred acquisition costs and deferred sales commissions	2,433	2,466	2,508	2,373	2,401	1%		2,433	2,401	1%		2,508

¹ AER percentage changes are calculated using actual exchange rates.

² CER percentage changes are calculated on a constant exchange rate basis.

³ 1Q19 amounts have been restated to conform to current year's presentation.

⁴ Core EBITDA excludes certain acquisition expenses related to insurance contracts in our retirement businesses, which are deferred and amortized over the expected life time of the customer relationship under the Canadian Asset Liability Method (CALM).

⁵ Core EBITDA margin is Core EBITDA divided by total revenue.

GLOBAL WEALTH AND ASSET MANAGEMENT (CONT'D)

(Canadian \$ in millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER	2019 Q2 vs. 2018 Q2 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Assets Under Management and Administration by Geographic Source

Asia	160,495	157,136	150,178	141,988	145,224	11%	11%	160,495	145,224	11%	11%	150,178
Canada	220,771	216,785	200,425	212,139	212,722	4%	4%	220,771	212,722	4%	4%	200,425
U.S. and other	463,057	463,237	439,750	471,569	469,264	-1%	-1%	463,057	469,264	-1%	-1%	439,750
Total WAM-managed Assets under management and administration	844,323	837,158	790,353	825,696	827,210	2%	3%	844,323	827,210	2%	3%	790,353
Less: Assets managed on behalf of other segments ¹	(191,196)	(189,015)	(181,594)	(181,740)	(187,323)	-2%		(191,196)	(187,323)	-2%		(181,594)
Assets under management and administration	653,127	648,143	608,759	643,956	639,887	2%	2%	653,127	639,887	2%	2%	608,759
Assets under management and administration CER	653,127	638,854	591,020	650,255	637,335		2%	653,127	637,335		2%	591,020

Asia	83,169	81,880	77,877	76,567	76,031	9%	10%	83,169	76,031	9%	10%	77,877
Canada	178,274	174,964	160,613	169,610	170,649	4%	4%	178,274	170,649	4%	4%	160,613
U.S. and other	391,684	391,299	370,269	397,779	393,207	0%	0%	391,684	393,207	0%	0%	370,269
Assets under management and administration	653,127	648,143	608,759	643,956	639,887	2%	2%	653,127	639,887	2%	2%	608,759

Assets under administration ²	136,136	134,201	124,449	130,091	127,058	7%	8%	136,136	127,058	7%	8%	124,449
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Assets Under Management and Administration by Business Line

Retirement	338,248	336,522	311,706	326,783	321,733	5%	6%	338,248	321,733	5%	6%	311,706
Retail	213,761	210,869	198,194	222,341	221,781	-4%	-3%	213,761	221,781	-4%	-3%	198,194
Institutional Asset Management ³	101,118	100,752	98,859	94,832	96,373	5%	5%	101,118	96,373	5%	5%	98,859
Assets under management and administration	653,127	648,143	608,759	643,956	639,887	2%	2%	653,127	639,887	2%	2%	608,759

Changes in Assets Under Management and Administration

Beginning balance	648,143	608,759	643,956	639,887	626,839	3%		608,759	609,002	0%		609,002
Assets acquired	-	-	-	1,306	-	-		-	-	-		1,306
Gross flows	25,477	27,873	26,306	27,128	29,102	-12%		53,350	65,568	-19%		119,002
Manulife Securities non-proprietary product net flows	424	512	223	(322)	266	59%		936	581	61%		482
Exchange traded fund net flows ⁴	182	268	209	197	211	-14%		450	327	38%		733
Redemptions	(26,117)	(29,976)	(35,692)	(26,555)	(29,487)	11%		(56,093)	(56,407)	1%		(118,654)
Investment income (loss) and other	5,018	40,707	(26,243)	2,315	12,956	-61%		45,725	20,816	120%		(3,112)
Ending balance	653,127	648,143	608,759	643,956	639,887	2%	2%	653,127	639,887	2%	2%	608,759

¹ Reflects assets managed by WAM business units on behalf of other, non-WAM business lines.

² Reflects WAM-sourced assets under administration included in Assets under management and administration.

³ Includes the third party institutional business of Manulife Investment Management ("MIM"); includes derivative notional associated with the Company's liability driven investment product ("LDI"); and excludes assets managed on behalf of the Insurance businesses and the General Fund.

⁴ Excludes ETF assets that are managed on behalf of insurance businesses.

GLOBAL WEALTH AND ASSET MANAGEMENT (CONT'D)

(Canadian \$ in millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2 AER	2019 Q2 vs. 2018 Q2 CER	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018 AER	YTD 2019 vs. YTD 2018 CER	Fiscal 2018
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Net Flows by Geographic Source

Asia	1,678	614	1,078	1,008	1,612	4%	2%	2,292	3,620	-37%	-39%	5,706
Canada	129	2,052	(666)	(1,491)	694	-81%	-81%	2,181	4,155	-48%	-48%	1,998
U.S. and other	(1,841)	(3,989)	(9,366)	931	(2,214)	17%	-20%	(5,830)	2,294	-	-	(6,141)
Total Net flows	(34)	(1,323)	(8,954)	448	92	-	-	(1,357)	10,069	-	-	1,563
Total Net flows CER	(34)	(1,352)	(9,071)	501	55	-	-	(1,386)	10,400	-	-	1,830

Net Flows by Business Line

Retirement	(602)	1,837	(541)	1,375	(3,754)	84%	-85%	1,235	(2,301)	-	-	(1,467)
Retail	747	(2,245)	(10,108)	(1,253)	2,049	-64%	-64%	(1,498)	5,305	-	-	(6,056)
Institutional Asset Management ¹	(179)	(915)	1,695	326	1,797	-	-	(1,094)	7,065	-	-	9,086
Total Net flows	(34)	(1,323)	(8,954)	448	92	-	-	(1,357)	10,069	-	-	1,563

Gross Flows by Geographic Source

Asia	4,761	4,611	5,255	5,155	5,809	-18%	-18%	9,372	13,243	-29%	-30%	23,653
Canada	5,292	6,349	4,918	4,712	5,472	-3%	-3%	11,641	13,496	-14%	-14%	23,126
U.S. and other	15,424	16,913	16,133	17,261	17,821	-13%	-17%	32,337	38,829	-17%	-20%	72,223
Total Gross flows	25,477	27,873	26,306	27,128	29,102	-12%	-14%	53,350	65,568	-19%	-21%	119,002
Total Gross flows CER	25,477	27,982	26,602	27,677	29,742	-	-14%	53,459	67,572	-	-21%	121,851

Gross Flows by Business Line

Retirement	11,288	12,874	10,970	11,622	10,808	4%	1%	24,162	22,628	7%	3%	45,220
Retail	11,582	13,001	10,378	11,940	13,735	-16%	-17%	24,583	31,159	-21%	-23%	53,477
Institutional Asset Management ¹	2,607	1,998	4,958	3,566	4,559	-43%	-44%	4,605	11,781	-61%	-62%	20,305
Total Gross flows	25,477	27,873	26,306	27,128	29,102	-12%	-14%	53,350	65,568	-19%	-21%	119,002

¹ Includes the third party institutional business of Manulife Investment Management ("MIM"); includes derivative notional associated with the Company's liability driven investment product ("LDI"); and excludes assets managed on behalf of the Insurance businesses and the General Fund.

CORPORATE AND OTHER

(Canadian \$ in millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
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Statements of Income ¹

	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Revenue										
Gross investment income before items below	351	355	268	252	277	27%	706	520	36%	1,040
Gains (losses) on AFS equities and seed capital	61	111	(74)	108	64	-5%	172	144	19%	178
Gains (losses) on AFS bonds and related derivative positions	40	57	(83)	(50)	(130)	-	97	(223)	-	(356)
Gains (losses) on macro hedges	(5)	(42)	27	(1)	(1)	-400%	(47)	(4)	nm	22
Interest on surplus funds allocated to reporting segments	(267)	(265)	(267)	(265)	(265)	-1%	(532)	(526)	-1%	(1,058)
Other revenue	(16)	(16)	(102)	(71)	(62)	74%	(32)	(157)	80%	(330)
Total revenue, net	164	200	(231)	(27)	(117)	-	364	(246)	-	(504)
Contract benefits and expenses										
General expenses	158	133	268	132	372	-58%	291	503	-42%	903
Investment expenses, net	(30)	(33)	(52)	(59)	(30)	0%	(63)	(70)	10%	(181)
Changes in actuarial methods and assumptions	-	-	-	-	-	-	-	-	-	-
Other	99	120	135	114	130	-24%	219	272	-19%	521
Total contract benefits and expenses	227	220	351	187	472	-52%	447	705	-37%	1,243
Income (loss) before income taxes	(63)	(20)	(582)	(214)	(589)	89%	(83)	(951)	91%	(1,747)
Income tax (expense) recovery	(26)	45	168	158	103	-	19	154	-88%	480
Net income (loss)	(89)	25	(414)	(56)	(486)	82%	(64)	(797)	92%	(1,267)
Less net income (loss) attributed to non-controlling interest	-	(1)	4	2	2	-100%	(1)	-	-	6
Net income (loss) attributed to shareholders - Corporate and Investments	(89)	26	(418)	(58)	(488)	82%	(63)	(797)	92%	(1,273)
Net income attributed to shareholders' for Reinsurance business	26	30	36	53	27	-4%	56	53	6%	142
Net income (loss) attributed to shareholders	(63)	56	(382)	(5)	(461)	86%	(7)	(744)	99%	(1,131)

Earnings Analysis ¹

	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Core earnings										
Corporate and other excluding core investment gains	(114)	(63)	(216)	(121)	(164)	30%	(177)	(320)	45%	(657)
Core investment gains	100	100	100	100	104	-4%	200	200	0%	400
Total core earnings (loss)	(14)	37	(116)	(21)	(60)	77%	23	(120)	-	(257)
Items excluded from core loss										
Investment-related experience outside of core earnings	(69)	(99)	(101)	(96)	(52)	-33%	(168)	(144)	-17%	(341)
Direct impact of equity markets and interest rates	64	118	(102)	(29)	(149)	-	182	(280)	-	(411)
Change in actuarial methods and assumptions (excl. URR changes)	-	-	-	6	-	-	-	-	-	6
Restructuring charge	-	-	(63)	-	(200)	100%	-	(200)	100%	(263)
Tax-related items and other	(44)	-	-	135	-	-	(44)	-	-	135
Net income (loss) attributed to shareholders	(63)	56	(382)	(5)	(461)	86%	(7)	(744)	99%	(1,131)

Premiums and Deposits

	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
Premiums - Reinsurance business	27	24	27	24	24	13%	51	47	9%	98
Total premiums and deposits	27	24	27	24	24	13%	51	47	9%	98

Assets Under Management ^{1, 2}

	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2019 Q2 vs. 2018 Q2	YTD 2019	YTD 2018	YTD 2019 vs. YTD 2018	Fiscal 2018
General fund - Corporate and Investments	3,689	3,720	115	2,854	541	582%	3,689	541	582%	115
General fund - Reinsurance	898	895	1,098	1,046	1,055	-15%	898	1,055	-15%	1,098
Segregated funds - elimination of amounts held by the Company	(121)	(121)	(118)	(112)	(113)	-7%	(121)	(113)	-7%	(118)
Total assets under management	4,466	4,494	1,095	3,788	1,483	201%	4,466	1,483	201%	1,095

¹ 2018 earnings and AUM reflects a restatement of 2018 earnings on assets backing capital allocated to each segment from the Corporate and Other segment to align with the methodology used in 2019.

² Includes consolidation entries relating to net derivative assets reclassified from invested assets to other lines on the balance sheet.



Manulife

Asset Information

INVESTED ASSETS - PORTFOLIO COMPOSITION

(Canadian \$ in millions, unaudited)



	As at Q2 2019	%		As at Q1 2019	%		As at Q4 2018	%		As at Q3 2018	%		As at Q2 2018	%	
Carrying value															
Cash and short-term securities	16,770	4.6	%	16,097	4.5	%	16,215	4.6	%	15,642	4.5	%	17,230	4.9	%
Debt securities															
Government															
Canadian government & agency	23,991	6.5	%	23,396	6.5	%	23,787	6.7	%	23,077	6.7	%	24,246	7.0	%
US government & agency	27,177	7.4	%	25,488	7.1	%	25,924	7.3	%	23,992	7.0	%	22,767	6.5	%
Foreign governments & agency	21,424	5.8	%	20,887	5.8	%	20,260	5.7	%	18,915	5.5	%	20,386	5.8	%
Corporate	118,092	32.2	%	115,491	32.1	%	112,670	31.9	%	108,443	31.5	%	110,298	31.6	%
Securitized															
CMBS	1,414	0.4	%	1,456	0.4	%	1,472	0.5	%	1,423	0.4	%	1,288	0.4	%
RMBS	14	0.0	%	14	0.0	%	15	0.0	%	18	0.0	%	38	0.0	%
ABS	2,216	0.6	%	1,754	0.5	%	1,466	0.4	%	1,517	0.4	%	1,798	0.5	%
Total debt securities	194,328	52.9	%	188,486	52.4	%	185,594	52.5	%	177,385	51.5	%	180,821	51.8	%
Private placement debt	36,255	9.9	%	36,390	10.1	%	35,754	10.1	%	35,236	10.2	%	34,701	9.9	%
Mortgages															
Commercial															
Retail	8,727	2.4	%	8,635	2.4	%	8,377	2.4	%	8,382	2.5	%	8,289	2.4	%
Office	8,720	2.4	%	8,737	2.5	%	8,706	2.5	%	8,517	2.5	%	8,400	2.4	%
Multi family residential	5,160	1.4	%	5,210	1.5	%	5,323	1.5	%	5,319	1.5	%	4,928	1.4	%
Industrial	2,552	0.7	%	2,674	0.7	%	2,814	0.8	%	2,793	0.8	%	2,718	0.8	%
Other commercial	3,224	0.9	%	3,004	0.8	%	2,995	0.8	%	2,920	0.8	%	2,862	0.8	%
Other mortgages															
Manulife Bank single family residential	19,879	5.4	%	19,734	5.5	%	19,596	5.5	%	19,438	5.6	%	19,248	5.5	%
Agriculture	506	0.1	%	525	0.1	%	552	0.2	%	533	0.2	%	574	0.2	%
Total mortgages¹	48,768	13.3	%	48,519	13.5	%	48,363	13.7	%	47,902	13.9	%	47,019	13.5	%
Policy loans	6,352	1.7	%	6,390	1.8	%	6,446	1.8	%	6,102	1.8	%	6,117	1.8	%
Loans to bank clients	1,773	0.4	%	1,793	0.5	%	1,793	0.5	%	1,785	0.5	%	1,803	0.5	%
Public equities															
Par, equity-linked and pass-through	16,096	4.4	%	15,614	4.3	%	13,940	3.9	%	15,613	4.5	%	15,787	4.5	%
Nonpar and surplus	5,433	1.5	%	5,532	1.6	%	5,239	1.5	%	5,794	1.7	%	5,780	1.7	%
Total public equities	21,529	5.9	%	21,146	5.9	%	19,179	5.4	%	21,407	6.2	%	21,567	6.2	%
Real estate & other invested assets															
Alternative long-duration assets															
Office	7,434	2.0	%	7,068	2.0	%	7,064	2.0	%	7,291	2.1	%	8,204	2.4	%
Industrial	799	0.2	%	785	0.2	%	775	0.2	%	780	0.2	%	844	0.2	%
Company use	1,938	0.6	%	2,002	0.5	%	2,016	0.6	%	1,925	0.6	%	2,114	0.6	%
Other	2,634	0.7	%	2,946	0.8	%	2,922	0.8	%	2,783	0.8	%	3,054	0.9	%
Total real estate	12,805	3.5	%	12,801	3.5	%	12,777	3.6	%	12,779	3.7	%	14,216	4.1	%
Infrastructure	8,275	2.3	%	8,138	2.3	%	7,970	2.3	%	7,408	2.1	%	7,171	2.1	%
Private equity	7,175	2.0	%	6,793	1.9	%	6,769	1.9	%	5,994	1.7	%	5,408	1.4	%
Timberland	3,339	0.9	%	3,332	0.9	%	3,378	1.0	%	3,761	1.1	%	3,763	1.1	%
Oil & gas	3,433	0.9	%	3,528	1.0	%	3,416	1.0	%	3,385	1.0	%	3,211	0.9	%
Farmland	1,280	0.3	%	1,212	0.3	%	1,115	0.3	%	1,113	0.4	%	1,340	0.4	%
Other	1,361	0.4	%	947	0.3	%	791	0.1	%	765	0.2	%	635	0.2	%
Total alternative long-duration assets	37,668	10.3	%	36,751	10.2	%	36,216	10.2	%	35,205	10.2	%	35,744	10.2	%
Leveraged leases	3,326	0.9	%	3,361	0.9	%	3,575	1.1	%	3,390	1.0	%	3,446	1.0	%
Other	516	0.1	%	525	0.2	%	529	0.1	%	514	0.2	%	526	0.2	%
Total real estate & other invested assets	41,510	11.3	%	40,637	11.3	%	40,320	11.4	%	39,109	11.4	%	39,716	11.4	%
Total invested assets	367,285	100.0	%	359,458	100.0	%	353,664	100.0	%	344,568	100.0	%	348,974	100.0	%

¹ Includes government insured mortgages (\$7,168 or 15% as at June 30, 2019).

Fair value²

Real estate	14,087	14,045	13,940	13,870	15,439
Total alternative long-duration assets	39,582	38,658	38,151	37,087	37,684
Total real estate & other invested assets	43,424	42,544	42,255	40,991	41,656

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 Q2 2019		As at Q1 2019		As at Q4 2018		As at Q3 2018		As at Q2 2018	
				%		%		%		%		%
Debt Securities	AAA	1	36,200	19%	34,419	18%	36,108	20%	33,624	19%	32,715	18%
	AA	1	33,700	17%	33,093	18%	32,147	17%	29,973	17%	30,022	17%
	A	1	82,499	43%	80,159	43%	78,016	42%	76,280	43%	79,127	44%
	BBB	2	39,197	20%	38,226	20%	36,945	20%	35,156	20%	36,497	20%
	BB	3	1,826	1%	1,647	1%	1,621	1%	1,614	1%	1,737	1%
	B & lower, and unrated	4 & below	906	0%	942	0%	757	0%	738	0%	723	0%
Total			194,328	100%	188,486	100%	185,594	100%	177,385	100%	180,821	100%
Private Placements	AAA	1	1,122	3%	1,112	3%	1,143	3%	1,111	3%	1,132	3%
	AA	1	4,846	14%	4,901	13%	4,968	14%	4,534	13%	4,466	13%
	A	1	13,781	38%	13,643	38%	13,304	37%	13,415	38%	13,026	38%
	BBB	2	13,846	38%	14,206	39%	14,055	39%	14,016	40%	14,011	40%
	BB	3	835	2%	910	3%	733	2%	770	2%	918	3%
	B & lower, and unrated	4 & below	1,825	5%	1,618	4%	1,551	5%	1,390	4%	1,148	3%
Total			36,255	100%	36,390	100%	35,754	100%	35,236	100%	34,701	100%
Total	AAA	1	37,322	16%	35,531	16%	37,251	17%	34,735	17%	33,847	16%
	AA	1	38,546	17%	37,994	17%	37,115	17%	34,507	16%	34,488	16%
	A	1	96,280	42%	93,802	42%	91,320	41%	89,695	42%	92,153	43%
	BBB	2	53,043	23%	52,432	23%	51,000	23%	49,172	23%	50,508	23%
	BB	3	2,661	1%	2,557	1%	2,354	1%	2,384	1%	2,655	1%
	B & lower, and unrated	4 & below	2,731	1%	2,560	1%	2,308	1%	2,128	1%	1,871	1%
Total			230,583	100%	224,876	100%	221,348	100%	212,621	100%	215,522	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 June 30, 2019, the Company had \$643 (March 31, 2019 : \$633) notional outstanding of CDS protection sold.

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

	Country	As at Q2 2019		As at Q1 2019		As at Q4 2018		As at Q3 2018		As at Q2 2018	
			%		%		%		%		%
Debt Securities	U.S.	86,070	44%	82,213	44%	81,282	44%	78,206	44%	78,864	44%
	Canada	49,433	26%	48,737	26%	47,820	26%	47,207	27%	49,118	27%
	Europe	5,855	3%	5,561	3%	5,401	3%	4,964	3%	4,980	3%
	Asia & Other	52,970	27%	51,975	27%	51,091	27%	47,008	26%	47,859	26%
	Total		194,328	100%	188,486	100%	185,594	100%	177,385	100%	180,821
Private Placements	U.S.	20,450	56%	20,502	56%	20,837	58%	20,530	58%	20,188	58%
	Canada	10,882	30%	10,924	30%	10,612	30%	10,526	30%	10,234	30%
	Europe	2,168	6%	2,174	6%	1,995	6%	1,987	6%	2,027	6%
	Asia & Other	2,755	8%	2,790	8%	2,310	6%	2,193	6%	2,252	6%
	Total		36,255	100%	36,390	100%	35,754	100%	35,236	100%	34,701
Total	U.S.	106,520	46%	102,715	46%	102,119	46%	98,736	47%	99,052	46%
	Canada	60,315	26%	59,661	27%	58,432	27%	57,733	27%	59,352	28%
	Europe	8,023	4%	7,735	3%	7,396	3%	6,951	3%	7,007	3%
	Asia & Other	55,725	24%	54,765	24%	53,401	24%	49,201	23%	50,111	23%
	Total		230,583	100%	224,876	100%	221,348	100%	212,621	100%	215,522

INVESTED ASSETS - FIXED INCOME SECURITIES BY SECTOR AND UNREALIZED LOSSES

(Canadian \$ in millions, unaudited)


Portfolio by Sector / Industry Holdings (at carrying value)

	As at Q2 2019			As at Q1 2019			As at Q4 2018			As at Q3 2018			As at Q2 2018		
	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %
Government & agency	77,076	33%	99%	73,863	33%	99%	73,858	33%	99%	69,725	33%	99%	71,119	33%	99%
Utilities	42,964	19%	98%	42,758	19%	98%	41,929	19%	99%	41,966	20%	99%	42,981	20%	99%
Financial	31,637	14%	97%	31,835	14%	97%	31,340	14%	97%	29,579	14%	97%	29,608	14%	97%
Energy	18,746	8%	97%	18,367	8%	97%	17,685	8%	97%	17,688	8%	96%	17,797	8%	96%
Consumer (non-cyclical)	17,499	8%	97%	17,095	8%	97%	16,483	7%	97%	15,411	7%	96%	15,412	7%	97%
Industrial	19,130	8%	98%	18,256	8%	98%	17,508	8%	98%	16,598	8%	98%	16,426	8%	98%
Basic materials	4,207	2%	92%	3,898	2%	92%	3,539	2%	92%	3,441	2%	92%	3,686	2%	91%
Consumer (cyclical)	7,297	3%	94%	7,344	3%	94%	7,707	3%	95%	6,999	3%	95%	6,833	3%	96%
Securitized MBS/ABS	4,091	2%	100%	3,562	2%	100%	3,300	2%	100%	3,351	1%	100%	3,473	1%	100%
Telecommunications	4,019	2%	99%	3,871	2%	99%	3,716	2%	99%	3,656	2%	100%	3,523	2%	100%
Technology	2,332	1%	98%	2,292	1%	98%	2,352	1%	96%	2,272	1%	97%	2,439	1%	96%
Media & internet	1,002	0%	95%	1,049	0%	95%	1,112	1%	92%	1,156	1%	93%	1,257	1%	93%
Diversified & miscellaneous	583	0%	84%	686	0%	85%	819	0%	97%	779	0%	97%	968	0%	98%
Total	230,583	100%	98%	224,876	100%	98%	221,348	100%	98%	212,621	100%	98%	215,522	100%	98%

Unrealized (losses)

	As at Q2 2019				As at Q1 2019				As at Q4 2018				As at Q3 2018				As at Q2 2018			
	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months	Amortized cost	Gross unrealized (losses) \$	%	Amounts < 80% cost > 6 months
Debt securities																				
<i>Government</i>	66,527	(305)	0%	-	65,793	(627)	1%	-	68,534	(1,449)	2%	(248)	66,093	(2,193)	3%	(163)	65,714	(1,380)	2%	-
<i>Corporate</i>																				
Financials	28,425	(36)	0%	(9)	29,223	(104)	0%	(9)	29,433	(398)	1%	(9)	27,949	(510)	2%	(9)	27,751	(466)	2%	(9)
Non-financials	81,486	(190)	0%	(17)	81,372	(496)	1%	(18)	82,168	(1,803)	2%	(21)	79,266	(1,623)	2%	(5)	80,050	(1,330)	2%	-
<i>Securitized</i>																				
CMBS	1,395	(1)	0%	-	1,458	(11)	1%	-	1,491	(22)	1%	-	1,455	(32)	2%	-	1,317	(30)	2%	-
RMBS	13	-	0%	-	13	-	0%	-	14	-	0%	-	17	-	0%	-	37	-	0%	-
ABS	2,144	(6)	0%	-	1,733	(9)	1%	-	1,475	(25)	2%	-	1,537	(29)	2%	-	1,821	(35)	2%	-
Private placement debt	36,255	(73)	0%	(25)	36,390	(245)	1%	(26)	35,754	(838)	2%	-	35,236	(699)	2%	-	34,701	(608)	2%	-
Fixed income securities ¹	216,245	(611)	0%	(51)	215,982	(1,492)	1%	(53)	218,869	(4,535)	2%	(278)	211,553	(5,086)	2%	(177)	211,391	(3,849)	2%	(9)

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.

Actuarial Liabilities Information

VARIABLE ANNUITY AND SEGREGATED FUND GUARANTEES

(Canadian \$millions, unaudited)



	Guarantee Value			Net Amount at Risk ²			Policy Liabilities Held ^{3,5}	SFG Capital ⁶	Policy Liabilities Held plus Capital
	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹	Gross Amount ⁴	Amount Reinsured	Net of Reinsurance ¹			
Q2 2019	89,070	6,302	82,768	9,272	1,299	7,973	6,082	5,151	11,233
Q1 2019	92,004	6,592	85,412	10,414	1,405	9,009	5,461	5,062	10,523
Q4 2018	95,032	6,868	88,164	14,689	1,836	12,853	6,020	4,936	10,956
Q3 2018	93,419	6,658	86,761	8,718	1,256	7,462	3,252	4,873	8,125
Q2 2018	96,085	6,889	89,196	9,510	1,351	8,159	4,301	4,850	9,151

As at Q2 2019	Net of Reinsurance ¹		
	Total Guarantee Value ⁴	Total Fund Value ⁴	Net Amount at Risk ^{2,4}
U.S.			
Withdrawal Benefits	39,295	34,113	5,601
Income Benefits	490	406	92
Death Benefits	4,067	4,790	387
	<u>43,852</u>	<u>39,309</u>	<u>6,080</u>
Canada			
Withdrawal Benefits	12,778	11,368	1,410
Maturity Benefits	15,913	15,903	10
Death Benefits	1,874	7,877	32
	<u>30,565</u>	<u>35,148</u>	<u>1,452</u>
Japan			
Withdrawal Benefits	3,605	3,426	192
Maturity Benefits	738	850	3
Death Benefits	871	862	25
	<u>5,214</u>	<u>5,138</u>	<u>220</u>
	-	-	-
Reinsurance & Other	<u>3,137</u>	<u>3,569</u>	<u>221</u>

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.

⁶ Starting Q1 2018, the Segregated Fund Guaranteed (SFG) Capital is approximated by 100% of the LICAT capital requirement multiplied by a scalar of 1.05 and grossed up based on a 120% capital ratio

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.

REGULATORY CAPITAL

(Canadian \$ in millions, unaudited)



	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2
The Manufacturers Life Insurance Company's LICAT					

Available Capital Components:

Tier 1 capital					
Common shares	34,447	34,447	34,447	34,447	34,447
Retained earnings	12,129	10,628	8,402	10,734	8,844
Other Tier 1 capital	13,471	13,415	13,279	10,851	12,040
Gross Tier 1 capital	60,047	58,490	56,128	56,032	55,331
Deductions:					
Goodwill and Intangibles	(9,038)	(9,117)	(9,190)	(8,984)	(9,072)
Other	(12,028)	(11,204)	(10,655)	(13,423)	(14,702)
Tier 1 capital (A)	38,981	38,169	36,283	33,625	31,557
Tier 2 Capital					
Gross Tier 2 capital	11,222	11,069	11,608	12,143	13,351
Deductions	-	-	-	-	-
Tier 2 capital (B)	11,222	11,069	11,608	12,143	13,351
Total Available Capital (C) = (A+B)	50,203	49,238	47,891	45,768	44,908
Surplus Allowance and Eligible Deposits (D)	30,049	29,908	29,846	28,351	28,270

Base Solvency Buffer Components

Non-Participating Business					
Credit risk	9,655	9,602	9,501	8,999	8,785
Market risk	17,939	17,562	16,923	18,730	18,918
Insurance risk	26,874	27,184	27,518	26,521	26,900
Less: Credits for Adjustable Products	(7,299)	(7,226)	(7,000)	(6,894)	(7,012)
Participating Business					
Capital Requirements for Credit, Market and Insurance Risks for Participating Products, net of Par Credits	5,699	5,306	4,967	5,370	5,400
Less: Diversification and Other Credits	(8,704)	(8,700)	(8,666)	(8,591)	(8,696)
Capital Requirements for Non-Participating and Participating Business, net of Credits	44,164	43,728	43,243	44,135	44,295
Segregated fund risk	4,088	4,017	3,918	3,868	3,850
Operational and other risks	4,774	4,741	4,641	4,688	4,689
Subtotal of Base Solvency Buffer Components (E)	53,026	52,487	51,802	52,691	52,834
Base Solvency Buffer (F) = E x 105%	55,677	55,112	54,389	55,325	55,475
Total LICAT Ratio = (C+D)/F	144%	144%	143%	134%	132%
Excess Total Capital over Supervisory Target Ratio of 100% = (C+D) - 100% x F	24,575	24,034	23,348	18,794	17,702

GLOSSARY OF TERMS AND DEFINITIONS

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

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

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

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

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

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

Assets Under Management and administration (AUMA): A measure of the size of the Company. It is comprised of the non-GAAP measures assets under management ("AUM"), which includes both assets of general account and external client assets for which we provide investment management services, and assets under administration ("AUA"), which includes assets for which we provide administrative services only.

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

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

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

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

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

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

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

Institutional Clients: Organizations that are non-Manulife-affiliated for which Manulife provides investment management services. Such clients include pensions, endowments and other external investment managers and wealth management organizations.

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

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

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

Life Insurance Capital Adequacy Test (LICAT): The new LICAT regulatory capital regime established by the Office of the Superintendent of Financial Institutions (OSFI) came into effect in Canada on January 1, 2018, replacing the Minimum Continuing Capital and Surplus framework. The LICAT ratio compares the qualifying regulatory capital resources of a life insurance company to its required capital, each as specified under OSFI's LICAT guideline.

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

• **General Fund Premiums:** Premiums earned on insurance and fixed annuity contracts as reflected in the Company's statement of operations. Also includes premiums in the Canada Group Benefits reinsurance ceded agreement.

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

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

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

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

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

Global Wealth and Asset Management: Global Wealth and Asset Management is comprised of our fee based businesses with little or no insurance risk, including Retirement, Retail and Institutional Asset Management businesses.

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

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

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

NM: Represents percentage variance in excess of 1000%, assessed as not meaningful 'nm'.

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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 August 7, 2019)
<u>Purpose</u>	<u>Rating agency</u>	<u>Rating</u>
Financial strength	S&P Global Ratings	AA-
	Moody's Investors Service Inc.	A1
	Fitch Ratings Inc.	AA-
	DBRS Limited	AA (low)
	A.M. Best Company	A+ (Superior)

John Hancock Life Insurance Company (U.S.A)		(as at August 7, 2019)
<u>Purpose</u>	<u>Rating agency</u>	<u>Rating</u>
Financial strength	S&P Global Ratings	AA-
	Moody's Investors Service Inc.	A1
	Fitch Ratings Inc.	AA-
	DBRS Limited	not rated
	A.M. Best Company	A+ (Superior)