



Annual Meeting

**Stephen B.
Roder**

Senior Executive
Vice President
& Chief Financial
Officer

Annual Meeting
Thursday, May 4, 2017



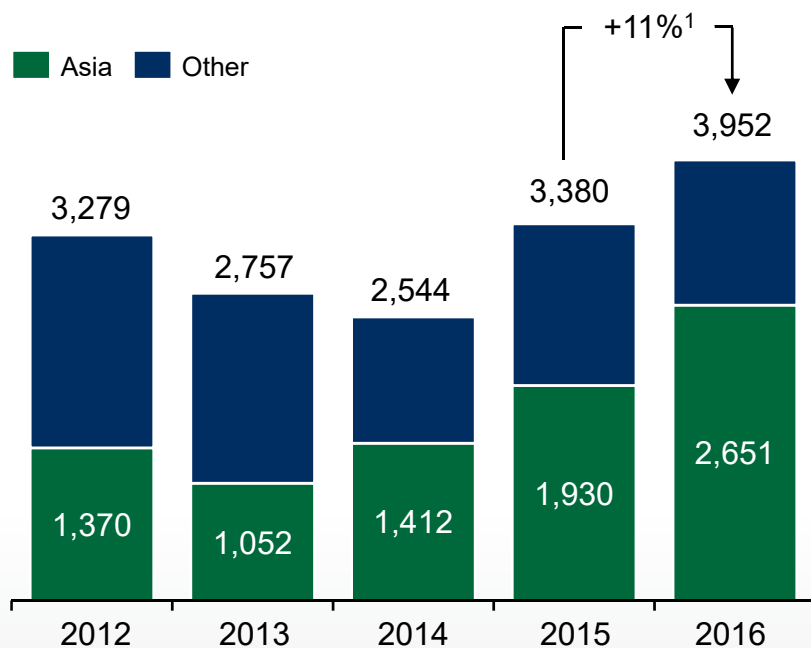
Key Messages



- Generated strong top line and new business value growth
- Continued positive net flows and AUMA growth
- Delivered strong core earnings growth
- Focused on regular and sustainable dividend increases
- Maintained financial flexibility
- Delivered an annualized total shareholder return of 19% since the end of 2012

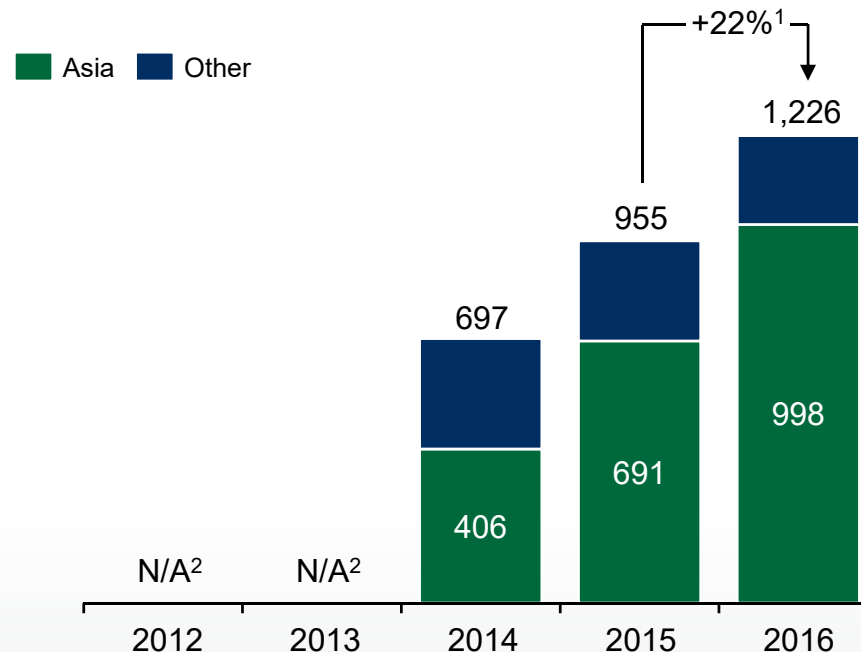
Strong performance in Asia driving insurance sales and NBV growth

Insurance sales
(C\$ millions)



Asian insurance sales have grown at a 16% CAGR¹ since 2012...

New Business Value
(C\$ millions)



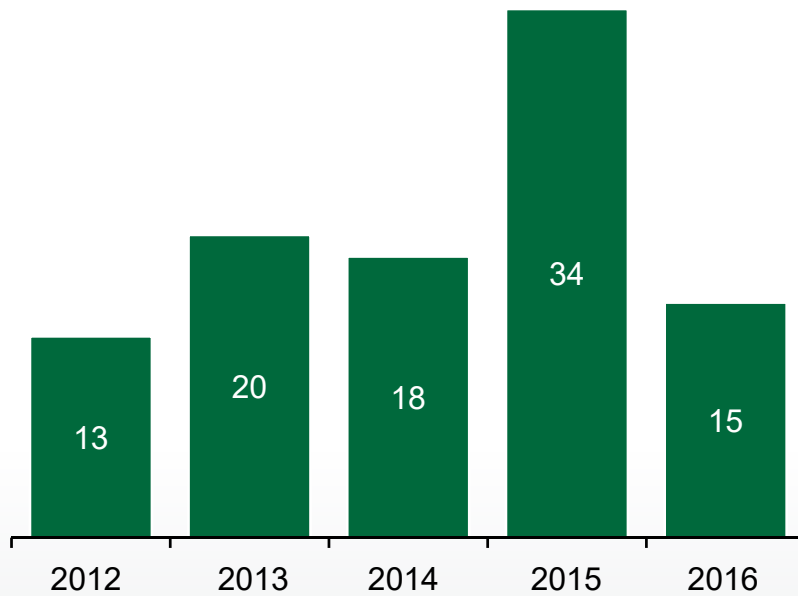
...driving strong growth in New Business Value

¹ Growth rate on a constant-currency basis.

² New Business Value was prepared under a different methodology in 2013 and prior years and is therefore not comparable to more recent years.

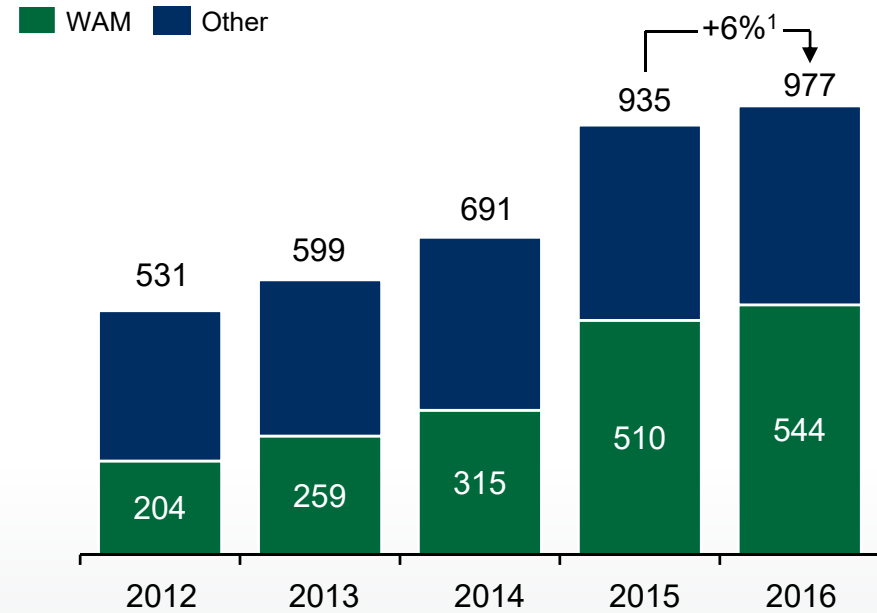
Strong net flows in WAM business contributing to strong AUMA growth

Wealth & Asset Management net flows
(C\$ billions)



Seven consecutive years of quarterly positive net flows...

Assets under Management and Administration
(C\$ billions)

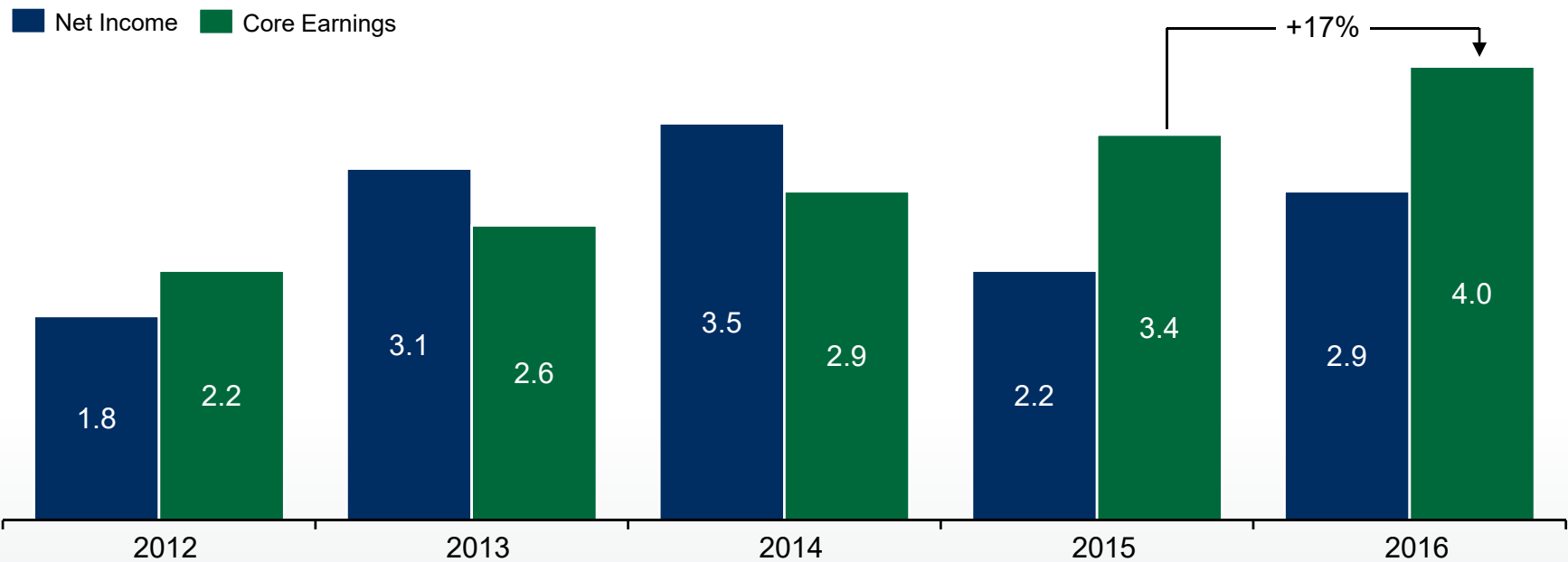


...along with recent acquisitions and investment returns, have added significantly to AUMA

¹ Growth rate on a constant-currency basis.

While Net Income has fluctuated due largely to MTM¹ accounting, Core Earnings growth has been strong

Shareholders' Net Income and Core Earnings
(C\$ billions)

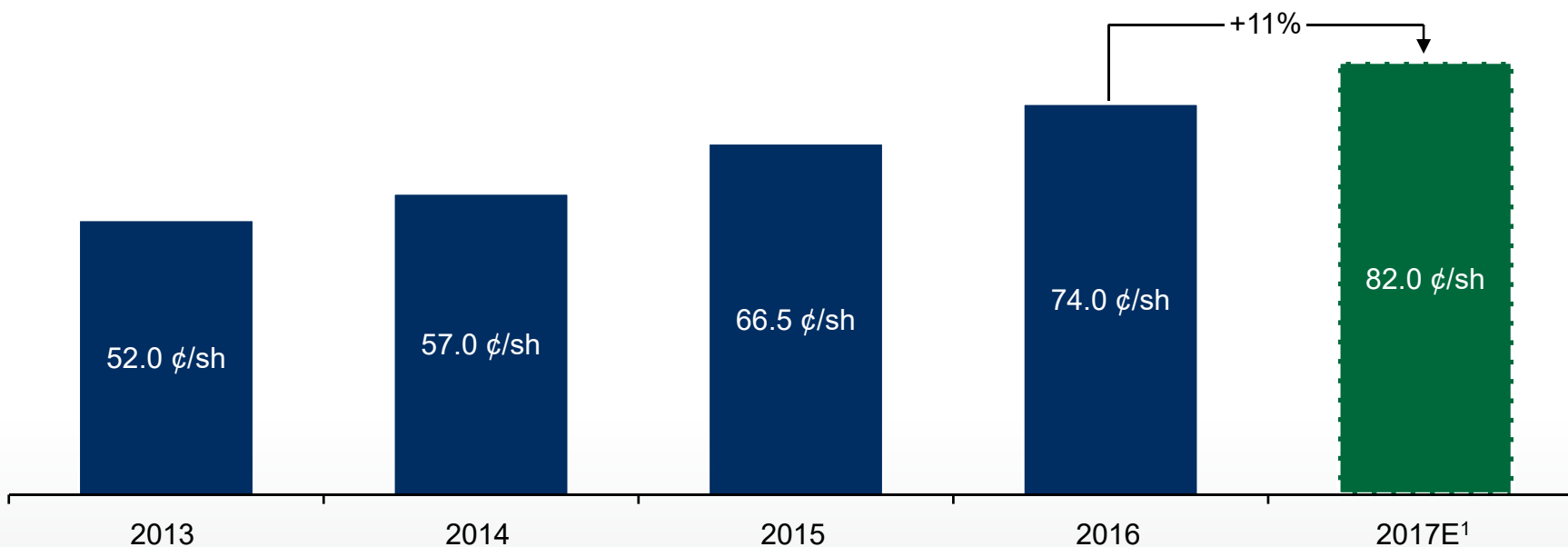


Achieved \$4 billion of Core Earnings in 2016, achieving target set in 2012

¹ Mark-to-market.

Core earnings growth facilitating dividend increases

Annual dividend

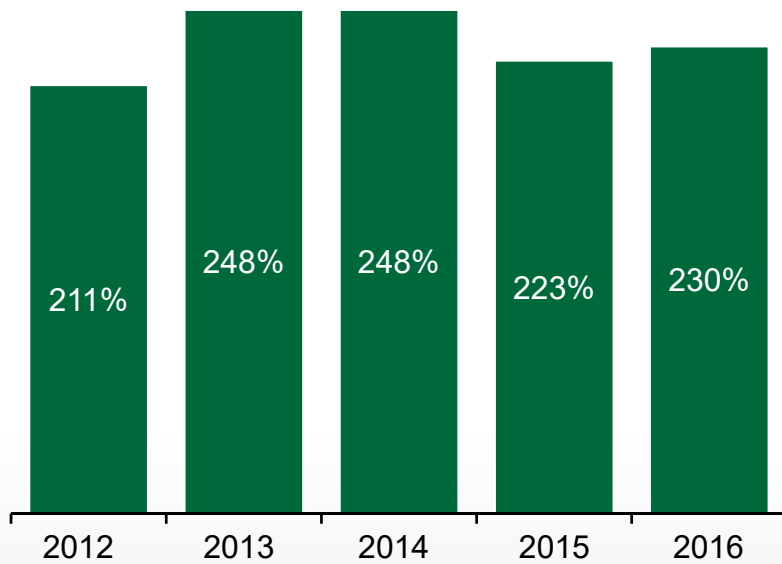


58% cumulative dividend growth since 2013, through four dividend increases over the last three years

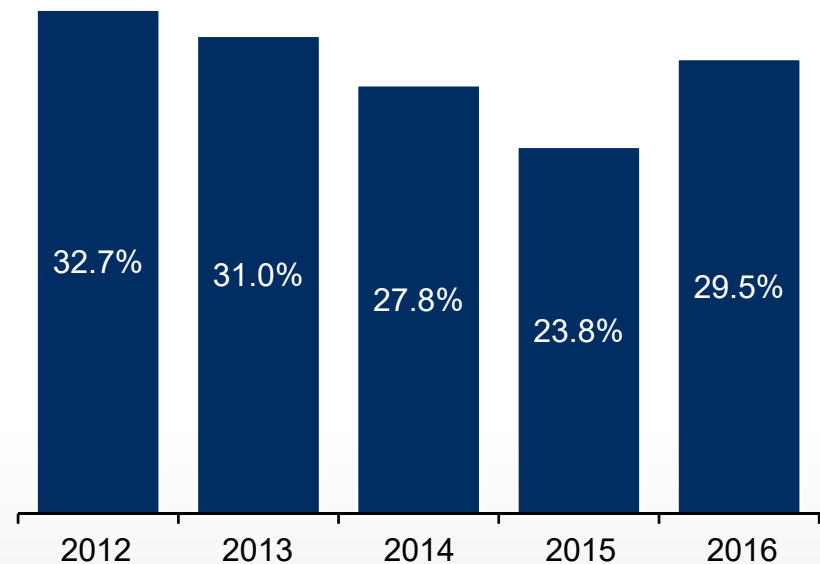
¹ Assumes no further dividend increase for 2017.

Maintaining a strong capital position

Regulatory capital ratio for MLI¹



Financial leverage ratio²

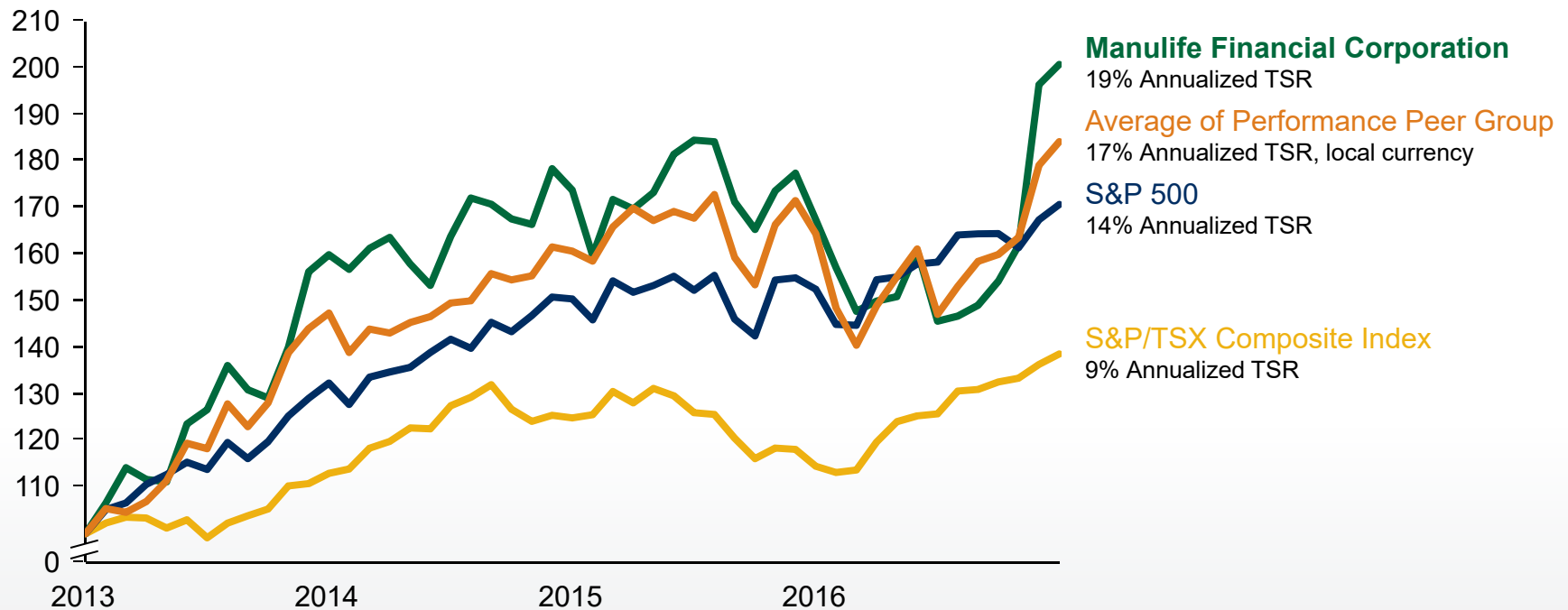


¹ Refers to the Minimum Continuing Capital and Surplus Requirements (MCCSR) ratio for The Manufacturers Life Insurance Company (MLI). The Office of the Superintendent of Financial Institutions (OSFI) currently requires life insurance companies to maintain an MCCSR ratio above the supervisory target of 150%.

² Management's long-term target for financial leverage ratio is below 25%.

Delivered an annualized TSR of 19% since the end of 2012

Total Shareholder Return Index
(December 31, 2012 = 100)



Outperformed peer group and North American equity market indexes over the last four years

1Q17 financial highlights

- Net income attributed to shareholders of \$1,350 million
- Core earnings of \$1,101 million, up 22% vs. 1Q16
- Insurance sales up 39% vs. 1Q16
- New business value up 42% vs. 1Q16
- Wealth and asset management net flows of \$4.3 billion
- Achieved \$1 trillion in assets under management and administration
- Strong regulatory capital ratio of 233% for MLI

Summary

- ✓ Generated strong top line and new business value growth
- ✓ Continued positive net flows and AUMA growth
- ✓ Delivered strong core earnings growth
- ✓ Focused on regular and sustainable dividend increases
- ✓ Maintained financial flexibility
- ✓ Delivered an annualized total shareholder return of 19% since the end of 2012





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Note to users - Performance and Non-GAAP Measures

We use a number of non-GAAP financial measures to measure overall performance and to assess each of our businesses. A financial measure is considered a non-GAAP measure for Canadian securities law purposes if it is presented other than in accordance with generally accepted accounting principles used for the Company's audited financial statements. Non-GAAP measures referenced in this presentation include: Core Earnings; Core ROE, Diluted Core Earnings Per Share; Constant Currency Basis; Premiums and Deposits (P&D); Assets under Management and Administration; Net Flows; Gross Flows; New Business Value; 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. For more information on non-GAAP financial measures, including those referred to above, see "Performance and Non-GAAP Measures" in our 2015 Management's Discussion and Analysis.