



Manulife

Statistical Information Package

Q3 2018



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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 and 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 Q3 2018 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)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER ¹	2018 Q3 vs. 2017 Q3 CER ¹	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER ¹	YTD 2018 vs. YTD 2017 CER ¹	Fiscal 2017
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Shareholders' Net Income (loss) by Reporting Segment³

Asia	562	363	448	260	521	8%	5%	1,373	1,574	-13%	-12%	1,834
Canada	109	510	459	(29)	432	-75%	-75%	1,078	583	85%	85%	554
U.S.	640	630	538	(2,898)	322	99%	91%	1,808	1,697	7%	9%	(1,201)
Global Wealth and Asset Management	281	233	223	496	206	36%	33%	737	582	27%	28%	1,078
Corporate and other	(19)	(474)	(296)	565	(376)	95%	95%	(789)	(726)	-9%	-9%	(161)
Net income (loss) attributed to shareholders	1,573	1,262	1,372	(1,606)	1,105	42%	40%	4,207	3,710	13%	15%	2,104
Preferred share dividends	(42)	(44)	(39)	(40)	(39)	8%		(125)	(119)	5%		(159)
Common shareholders' net income (loss)	1,531	1,218	1,333	(1,646)	1,066	44%	41%	4,082	3,591	14%	16%	1,945
Common shareholders' net income (loss) CER	1,531	1,211	1,352	(1,679)	1,084		41%	4,094	3,538		16%	1,859

Earnings Analysis

Core earnings												
Asia	457	406	427	372	374	22%	19%	1,290	1,081	19%	20%	1,453
Canada	351	403	290	273	403	-13%	-13%	1,044	936	12%	12%	1,209
U.S.	477	456	432	463	346	38%	32%	1,365	1,146	19%	21%	1,609
Global Wealth and Asset Management	289	239	227	198	216	34%	30%	755	618	22%	24%	816
Corporate and other (excl. core investment gains)	(135)	(177)	(169)	(201)	(354)	62%	62%	(481)	(721)	33%	33%	(922)
Core investment gains	100	104	96	100	100	0%	0%	300	300	0%	0%	400
Total core earnings	1,539	1,431	1,303	1,205	1,085	42%	39%	4,273	3,360	27%	29%	4,565
Total core earnings CER	1,539	1,435	1,327	1,232	1,108		39%	4,301	3,345		29%	4,577
Items excluded from core earnings												
Investment-related experience outside of core earnings	312	18	-	18	11			330	149			167
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(277)	45	50	(68)	47			(182)	277			209
Change in actuarial methods and assumptions	(51)	-	-	(33)	(2)			(51)	(2)			(35)
Charge related to decision to change portfolio asset mix supporting our legacy businesses	-	-	-	(1,032)	-			-	-			(1,032)
Impact related to U.S. Tax Reform	124	-	-	(1,777)	-			124	-			(1,777)
Restructuring charge	-	(200)	-	-	-			(200)	-			-
Reinsurance transactions and other	(74)	(32)	19	81	(36)			(87)	(74)			7
Net income (loss) attributed to shareholders	1,573	1,262	1,372	(1,606)	1,105	42%	40%	4,207	3,710	13%	15%	2,104

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

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	8	(26)	(187)	130	126			(205)	403			533
Fixed income reinvestment rates assumed in the valuation of policy liabilities	(246)	175	313	(155)	(22)			242	(45)			(200)
Sale of AFS bonds and derivative positions in the Corporate and Other segment	(39)	(104)	(76)	40	(57)			(219)	(81)			(41)
Risk reduction related items	-	-	-	(83)	-			-	-			(83)
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(277)	45	50	(68)	47			(182)	277			209

Selected Performance Measures

Basic earnings (loss) per common share	\$0.77	\$0.61	\$0.67	(\$0.83)	\$0.54	43%		\$ 2.06	\$1.82	13%		\$ 0.98
Basic earnings (loss) per common share CER	\$0.77	\$0.61	\$0.68	(\$0.85)	\$0.55	40%						
Diluted core earnings per common share	\$0.75	\$0.70	\$0.64	\$0.59	\$0.53	42%		\$ 2.09	\$1.63	28%		\$ 2.22
Diluted earnings (loss) per common share	\$0.77	\$0.61	\$0.67	(\$0.83)	\$0.54	43%		\$ 2.05	\$1.81	13%		\$ 0.98
Return on common shareholders' equity (annualized) (%)	15.1%	12.3%	14.1%	(17.1)%	10.8%	430 bps		13.9%	12.3%	160 bps		5.0%
Core ROE (annualized) (%)	14.8%	14.0%	13.4%	12.1%	10.6%	420 bps		14.1%	11.1%	300 bps		11.3%

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER	2018 Q3 vs. 2017 Q3 CER	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER	YTD 2018 vs. YTD 2017 CER	Fiscal 2017
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Earnings Analysis (Pre-tax)

Core earnings												
Asia	560	508	517	457	463	21%	18%	1,585	1,348	18%	18%	1,805
Canada	460	478	385	361	411	12%	12%	1,323	1,097	21%	21%	1,458
U.S.	584	556	545	645	471	24%	19%	1,685	1,579	7%	8%	2,224
Global Wealth and Asset Management	307	271	258	243	245	25%	22%	836	740	13%	0%	983
Corporate and other (excl. core investment gains)	(172)	(218)	(217)	(280)	(459)	-	-	(607)	(1,010)	-40%	-40%	(1,290)
Core investment gains	127	114	130	96	167	-24%	-24%	371	426	-13%	-13%	522
Total core earnings	1,866	1,709	1,618	1,522	1,298	44%	41%	5,193	4,180	24%	26%	5,702
Items excluded from core earnings												
Investment-related experience outside of core earnings	395	19	-	17	19			414	203			220
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(384)	72	65	(98)	65			(247)	307			209
Change in actuarial methods and assumptions	(65)	-	-	(31)	(141)			(65)	(141)			(172)
Charge related to decision to change portfolio asset mix supporting our legacy businesses	-	-	-	(1,341)	-			-	-			(1,341)
Charge related to U.S. Tax Reform	(196)	-	-	(2,245)	-			(196)	-			(2,245)
Restructuring charges	-	(250)	-	-	-			(250)	-			-
Reinsurance transactions and Other	(94)	(34)	32	151	(123)			(96)	(169)			(18)
Net income attributed to shareholders	1,522	1,516	1,715	(2,025)	1,118	36%	31%	4,753	4,380	9%	10%	2,355

Earnings Analysis (Tax Rate)

Core earnings												
Asia	18%	20%	17%	19%	19%			19%	20%			20%
Canada	24%	16%	25%	24%	2%			21%	15%			17%
U.S.	18%	18%	21%	28%	27%			19%	27%			28%
Global Wealth and Asset Management	6%	12%	12%	19%	12%			10%	16%			17%
Corporate and other (excl. core investment gains)	22%	19%	22%	28%	23%			21%	29%			29%
Core investment gains	21%	9%	26%	(4)%	40%			19%	30%			23%
Total core earnings ¹	18%	16%	19%	21%	16%			18%	20%			20%
Items excluded from core earnings												
Investment-related experience outside of core earnings	21%	5%	-	(6)%	42%			20%	27%			24%
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	28%	38%	23%	31%	28%			26%	10%			0%
Change in actuarial methods and assumptions	22%	-	-	(6)%	99%			22%	99%			80%
Charge related to decision to change portfolio asset mix supporting our legacy businesses	-	-	-	23%	-			-	-			23%
Charge related to U.S. Tax Reform	163%	-	-	21%	-			163%	-			21%
Restructuring charge	-	20%	-	-	-			20%	-			-
Reinsurance transactions and other	21%	6%	41%	46%	71%			9%	56%			139%
Net income attributed to shareholders	(3)%	17%	20%	21%	1%			11%	15%			11%

Core General Expenses

Asia	546	521	481	530	487	12%	9%	1,548	1,451	7%	7%	1,981
Canada	329	324	334	336	324	2%	2%	987	987	0%	0%	1,323
U.S.	284	275	268	270	266	7%	2%	827	825	0%	2%	1,095
Global Wealth and Asset Management	539	552	539	568	509	6%	3%	1,630	1,522	7%	8%	2,090
Corporate and Other	132	124	133	214	135	-2%	-2%	389	388	0%	0%	602
Total core general expenses	1,830	1,796	1,755	1,918	1,721	6%	4%	5,381	5,173	4%	5%	7,091
Non-core general expenses												
Restructuring charge	-	250	-	-	-			250	-			-
Integration and acquisition costs	9	9	8	24	17	-47%		26	57	-54%		81
Other	14	37	72	5	56	-75%		123	56	120%		61
Total general expenses	1,853	2,092	1,835	1,947	1,794	3%	1%	5,780	5,286	9%	10%	7,233

Expense Efficiency

Asia	49.4%	50.5%	48.3%	53.7%	51.4%			49.4%	51.9%			52.4%
Canada	41.7%	40.5%	46.4%	48.2%	44.2%			42.7%	47.4%			47.6%
U.S.	32.7%	33.1%	33.0%	29.4%	36.1%			32.9%	34.3%			33.0%
Global Wealth and Asset Management	63.7%	67.1%	67.6%	70.1%	67.5%			66.1%	67.3%			68.0%
Total company	49.5%	51.2%	52.0%	55.7%	57.1%			50.9%	55.3%			55.4%

FINANCIAL HIGHLIGHTS - SOURCE OF EARNINGS

(Canadian \$ in millions, unaudited)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER	2018 Q3 vs. 2017 Q3 CER	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER	YTD 2018 vs. YTD 2017 CER	Fiscal 2017
Source of Earnings ^{1,2}												
Expected profit from in-force business	1,016	967	935	932	967	5%	4%	2,918	2,863	2%	4%	3,795
Impact of new business	275	195	171	204	184	49%	45%	641	570	12%	12%	774
Core investment gains	127	114	130	96	167	-24%	-24%	371	426	-13%	-13%	522
Experience gains (losses) (excl. core investment gains)	7	241	214	(175)	(254)	-	-	462	(129)	-	-	(304)
Management actions and changes in assumptions	(400)	(366)	18	(3,388)	(283)	41%	41%	(748)	(399)	87%	87%	(3,787)
Earnings on surplus funds	200	140	97	160	189	6%	1%	437	489	-11%	-9%	649
Other	50	17	(53)	53	(35)	-	-	14	17	-18%	-29%	70
Insurance	1,275	1,308	1,512	(2,118)	935	36%	31%	4,095	3,837	7%	8%	1,719
Global Wealth and Asset Management	300	263	253	232	234	28%	25%	816	700	17%	18%	932
Manulife Bank	45	38	49	47	51	-12%	-10%	132	142	-7%	-7%	189
Unallocated overhead ³	(98)	(93)	(99)	(186)	(102)	-4%	-5%	(290)	(299)	-3%	-3%	(485)
Income (loss) before income taxes	1,522	1,516	1,715	(2,025)	1,118	36%	31%	4,753	4,380	9%	10%	2,355
Income tax (expense) recovery	51	(254)	(343)	419	(13)	-	-	(546)	(670)	-19%	-17%	(251)
Net income attributed to shareholders	1,573	1,262	1,372	(1,606)	1,105	42%	40%	4,207	3,710	13%	15%	2,104
Preferred share dividends	(42)	(44)	(39)	(40)	(39)	8%	-	(125)	(119)	5%	-	(159)
Common shareholders' net income	1,531	1,218	1,333	(1,646)	1,066	44%	41%	4,082	3,591	14%	16%	1,945
Expected profit from in-force business CER	1,016	972	959	963	969	-	4%	2,947	2,832	-	4%	3,795

Source of Earnings - Core

Expected profit from in-force business	1,016	967	935	932	967	5%	4%	2,918	2,863	2%	4%	3,795
Impact of new business	275	195	171	204	184	49%	45%	641	570	12%	12%	774
Core investment gains	127	114	130	96	167	-24%	-24%	371	426	-13%	-13%	522
Experience gains (losses) (excl. core investment gains)	(30)	27	18	(69)	(359)	-92%	-93%	15	(649)	-	-	(718)
Management actions and changes in assumptions	(2)	(5)	(2)	(2)	(16)	-88%	-89%	(9)	(84)	-89%	-90%	(86)
Earnings on surplus funds	181	133	140	169	155	17%	11%	454	372	22%	24%	541
Other	44	62	18	87	6	633%	nm	124	97	28%	29%	184
Insurance	1,611	1,493	1,410	1,417	1,104	46%	43%	4,514	3,595	26%	27%	5,012
Global Wealth and Asset Management	307	271	258	243	245	25%	22%	836	740	13%	14%	983
Manulife Bank	45	38	49	47	51	-12%	-10%	132	142	-7%	-7%	189
Unallocated overhead ³	(97)	(93)	(99)	(186)	(101)	-4%	-4%	(289)	(297)	-3%	-3%	(483)
Core Earnings before income taxes	1,866	1,709	1,618	1,521	1,299	44%	41%	5,193	4,180	24%	26%	5,701
Income tax (expense) recovery	(327)	(278)	(315)	(316)	(214)	53%	50%	(920)	(820)	12%	13%	(1,136)
Total Core Earnings	1,539	1,431	1,303	1,205	1,085	42%	39%	4,273	3,360	27%	29%	4,565

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

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

³ Includes overhead expenses from the Corporate and Other reporting segment.

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, consistent with the amount on the statement of income.

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER	2018 Q3 vs. 2017 Q3 CER	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER	YTD 2018 vs. YTD 2017 CER	Fiscal 2017
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Annualized Premium Equivalents Sales

Asia	1,070	918	984	884	920	16%	13%	2,972	2,863	4%	4%	3,747
Canada	210	198	290	222	245	-14%	-14%	698	1,144	-39%	-39%	1,366
U.S.	159	129	113	153	135	18%	14%	401	450	-11%	-9%	603
Total Annualized premium equivalents sales	1,439	1,245	1,387	1,259	1,300	11%	8%	4,071	4,457	-9%	-9%	5,716
Total Annualized premium equivalents sales CER	1,439	1,235	1,391	1,281	1,334		8%	4,065	4,450		-9%	5,731

Insurance Sales ¹

Asia	871	713	764	687	731	19%	16%	2,348	2,308	2%	2%	2,995
Canada	156	145	217	163	186	-16%	-16%	518	943	-45%	-45%	1,106
U.S.	159	129	113	153	135	18%	14%	401	450	-11%	-9%	603
Total Insurance sales	1,186	987	1,094	1,003	1,052	13%	10%	3,267	3,701	-12%	-12%	4,704
Total Insurance sales CER	1,186	978	1,096	1,019	1,080		10%	3,260	3,694		-12%	4,713

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

Annuities Sales ²

Asia	1,428	1,499	1,592	1,426	1,281	11%	8%	4,519	3,724	21%	22%	5,150
Canada	537	528	733	586	591	-9%	-9%	1,798	2,012	-11%	-12%	2,598
Total Annuities sales	1,965	2,027	2,325	2,012	1,872	5%	3%	6,317	5,736	10%	10%	7,748
Total Annuities sales CER	1,965	2,019	2,338	2,048	1,913		3%	6,322	5,733		10%	7,781

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	382	334	325	319	288	33%	29%	1,041	882	18%	18%	1,201
Canada	42	65	49	48	33	27%	27%	156	143	9%	9%	191
U.S.	28	12	10	16	15	82%	72%	50	35	43%	44%	51
Total New business value	452	411	384	383	336	34%	31%	1,247	1,060	18%	18%	1,443
Total New business value CER	452	409	387	391	346		31%	1,248	1,059		18%	1,450

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	5,155	5,809	7,434	8,635	6,914	-25%	-27%	18,398	19,019	-3%	-4%	27,654
Canada	4,712	5,472	8,024	5,643	4,412	7%	7%	18,208	15,330	19%	19%	20,973
U.S.	17,261	17,821	21,008	17,965	15,698	10%	5%	56,090	55,377	1%	3%	73,342
Total Global Wealth and Asset Management Gross flows	27,128	29,102	36,466	32,243	27,024	0%	-3%	92,696	89,726	3%	4%	121,969
Total Global Wealth and Asset Management Gross flows CER	27,128	29,168	37,098	32,762	27,861		-3%	93,394	89,514		4%	122,276

Global Wealth and Asset Management Net Flows

Asia	1,008	1,612	2,008	2,298	1,828	-45%	-47%	4,628	4,338	7%	7%	6,636
Canada	(1,491)	694	3,461	723	905	-	-	2,664	3,002	-11%	-11%	3,725
U.S.	931	(2,214)	4,508	625	1,444	-36%	-38%	3,225	7,294	-56%	-54%	7,919
Total Global Wealth and Asset Management Net flows	448	92	9,977	3,646	4,177	-89%	-90%	10,517	14,634	-28%	-27%	18,280
Total Global Wealth and Asset Management Net flows CER	448	58	10,156	3,678	4,304		-90%	10,662	14,566		-27%	18,244

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER	2018 Q3 vs. 2017 Q3 CER	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER	YTD 2018 vs. YTD 2017 CER	Fiscal 2017
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Premiums and Deposits - Insurance

Net premiums and investment contract deposits ^{1,2}	5,209	8,859	8,437	8,029	8,315	-37%		22,505	24,426	-8%		32,455
Segregated fund deposits	2,078	2,011	2,345	2,151	1,987	5%		6,434	5,811	11%		7,962
ASO premium equivalents	790	848	821	823	812	-3%		2,459	2,366	4%		3,189
Total Premiums and deposits - Insurance	8,077	11,718	11,603	11,003	11,114	-27%	-29%	31,398	32,603	-4%	-3%	43,606
Total Premiums and deposits - Insurance CER	8,077	11,717	11,719	11,163	11,385		-29%	31,513	32,562		-3%	43,725

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

² Includes the CAD\$3.6 billion impact of the Individual Pay-out Annuity transaction in Q3 2018.

Premiums and Deposits - Global Wealth and Asset Management

Pension premiums and investment contract deposits	1	8	12	12	11	-91%		21	35	-40%		47
Segregated fund deposits	7,346	7,861	7,383	6,270	6,187	19%		22,590	20,539	10%		26,809
Mutual fund deposits	16,063	16,450	21,610	20,999	18,164	-12%		54,123	58,378	-7%		79,377
Institutional advisory accounts	3,528	4,592	7,222	4,758	2,494	41%		15,342	10,173	51%		14,931
Other fund deposits ³	190	191	239	204	168	13%		620	601	3%		805
Total Premiums and deposits - Global Wealth and Asset Management	27,128	29,102	36,466	32,243	27,024	0%	-3%	92,696	89,726	3%	4%	121,969
Total Premiums and deposits - Global Wealth and Asset Management CER	27,128	29,168	37,098	32,762	27,861		-3%	93,394	89,514		4%	122,276

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

Premiums and Deposits - Corporate & Other	24	24	23	20	47	-49%	-49%	71	90	-21%	-21%	110
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Assets Under Management and Administration ⁴

Asia	98,321	98,574	96,087	91,694	87,095	13%	10%	98,321	87,095	13%	10%	91,694
Canada	145,250	146,003	144,421	144,620	142,598	2%	2%	145,250	142,598	2%	2%	144,620
U.S. ²	227,320	233,546	229,777	228,835	224,407	1%	-2%	227,320	224,407	1%	-2%	228,835
Global Wealth and Asset Management ⁵	643,995	639,926	626,877	609,002	584,434	10%	7%	643,995	584,434	10%	7%	609,002
Corporate and Other	2,574	305	885	(2,875)	(2,724)	-194%	-194%	2,574	(2,724)	-194%	-194%	(2,875)
Total Assets under management and administration	1,117,460	1,118,354	1,098,047	1,071,276	1,035,810	8%	5%	1,117,460	1,035,810	8%	5%	1,071,276
Total Assets under management and administration CER	1,117,460	1,102,699	1,095,277	1,092,996	1,061,328		5%	1,117,460	1,061,328		5%	1,092,996

⁴ Assets under management and administration has been restated to include certain non-affiliated assets for which administrative services are provided.

⁵ Global Wealth and Asset Management AUMA at September 30, 2018 is \$826 billion and includes \$182 billion of asset managed on behalf of other segments. (see page 23).

Assets Under Management and Administration ³

Assets Under Management												
General fund ²	344,568	348,974	342,389	334,222	325,106	6%		344,568	325,106	6%		334,222
Segregated funds excluding institutional advisory accounts ⁴	330,511	329,886	323,998	322,333	315,057	5%		330,511	315,057	5%		322,333
Mutual funds ⁶	203,340	201,839	197,854	191,507	182,123	12%		203,340	182,123	12%		191,507
Institutional asset management	101,100	102,886	100,288	93,089	88,965	14%		101,100	88,965	14%		93,089
Other funds ⁷	7,850	7,711	7,247	6,937	6,528	20%		7,850	6,528	20%		6,937
Total assets under management	987,369	991,296	971,776	948,088	917,779	8%	6%	987,369	917,779	8%	6%	948,088
Assets under administration	130,091	127,058	126,271	123,188	118,031	10%	7%	130,091	118,031	10%	7%	123,188
Total assets under management and administration	1,117,460	1,118,354	1,098,047	1,071,276	1,035,810	8%	5%	1,117,460	1,035,810	8%	5%	1,071,276

⁶ Includes ETF assets.

⁷ Other funds includes College Savings (529 plan).

FINANCIAL HIGHLIGHTS (CONT'D)

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
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Common Share Statistics

Share Price - Toronto (in Canadian \$)										
high	24.76	25.20	27.77	27.54	26.11	-5%	27.77	26.11	6%	27.54
low	22.68	23.11	23.55	25.15	23.41	-3%	22.68	22.39	1%	22.39
close	23.09	23.62	23.92	26.22	25.31	-9%	23.09	25.31	-9%	26.22
Share Price - New York (in U.S \$)										
high	18.95	19.63	22.16	21.70	20.84	-9%	22.16	20.84	6%	21.70
low	17.44	17.75	18.22	20.05	18.64	-6%	17.44	18.64	-6%	16.62
close	17.88	17.97	18.58	20.86	20.29	-12%	17.88	20.29	-12%	20.86
Common shares outstanding (millions)										
- end of period	1,985	1,984	1,983	1,978	1,979	0%	1,985	1,979	0%	1,978
- weighted average	1,984	1,984	1,983	1,980	1,978	0%	1,984	1,978	0%	1,973
- diluted weighted average	1,989	1,989	1,989	1,988	1,986	0%	1,989	1,986	0%	1,977
Dividend per common share paid in the quarter ¹	0.220	0.220	0.220	0.205	0.205	7%	0.660	0.615	7%	0.820
Common share dividend payout ratio	28.5%	35.9%	32.2%	nm	38.1%	-25%	31.9%	33.8%	-6%	83.3%

¹ On November 1, 2018, the Board of Directors approved an increase of 14% or 3.0 cents to the quarterly shareholders' dividend, resulting in a dividend of 25.0 cents per share on the common shares of the Company, payable on or after December 19, 2018 to shareholders of record at the close of business on November 20, 2018.

Valuation Data

Book value per common share	20.24	20.32	19.72	18.93	19.68	3%	20.24	19.68	3%	18.93
Market value to book value ratio	1.14	1.16	1.21	1.39	1.29	-11%	1.14	1.29	-11%	1.39
Book value excluding goodwill per common share	17.32	17.38	16.80	16.04	16.80	3%	17.32	16.80	3%	16.04
Market value to book value excluding goodwill ratio	1.33	1.36	1.42	1.63	1.51	-12%	1.33	1.51	-12%	1.63
Market capitalization (\$ billions)	45.8	46.9	47.4	51.9	50.1	-8%	45.8	50.1	-8%	51.9

Capital Information

Total capital ²	54,444	54,345	52,510	50,659	51,780	5%	54,444	51,780	5%	50,659
LICAT - The Manufacturers Life Insurance Company ³	134%	132%	129%	n/a	n/a	-	134%	n/a	-	n/a
MCCSR - The Manufacturers Life Insurance Company ³	n/a	n/a	n/a	224%	234%	-	n/a	234%	-	224%

² Total 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 The Office of the Superintendent of Financial Institutions' new Life Insurance Capital Adequacy Test ("LICAT") regulatory capital regime came into effect in Canada on January 1, 2018, replacing the Minimum Continuing Capital and Surplus Requirements ("MCCSR") framework. As we started reporting under LICAT starting Q1 2018, there are no prior period comparatives before Q1 2018.

Foreign Exchange Information ⁴

- Statements of Financial Position	(CDN to \$ 1 US)	1.2945	1.3168	1.2894	1.2545	1.2480	4%
	(CDN to 1 YEN)	0.0114	0.0119	0.0121	0.0111	0.0111	3%
- Statements of Income	(CDN to \$ 1 US)	1.3069	1.2912	1.2647	1.2712	1.2528	4%
	(CDN to 1 YEN)	0.0117	0.0118	0.0117	0.0113	0.0113	4%

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)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
Revenue										
Premium income										
Gross premiums	9,863	9,831	9,466	9,035	9,211	7%	29,160	27,326	7%	36,361
Premiums ceded to reinsurers ¹	(4,762)	(1,077)	(1,141)	(2,092)	(1,968)	142%	(6,980)	(6,059)	15%	(8,151)
Net premiums	5,101	8,754	8,325	6,943	7,243	-30%	22,180	21,267	4%	28,210
Investment income										
Investment income ²	3,481	3,566	3,235	3,579	3,309	5%	10,282	10,070	2%	13,649
Realized/ unrealized gains (losses) on assets supporting insurance and investment contract liabilities and on macro hedge program ²	(3,210)	(1,615)	(5,316)	2,988	(1,163)	176%	(10,141)	2,730	-	5,718
Net investment income (loss)	271	1,951	(2,081)	6,567	2,146	-87%	141	12,800	-99%	19,367
Other revenue	2,671	2,964	2,502	2,737	2,544	5%	8,137	8,009	2%	10,746
Total revenue	8,043	13,669	8,746	16,247	11,933	-33%	30,458	42,076	-28%	58,323
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross claims and benefits	6,533	7,177	6,647	5,807	6,059	8%	20,357	19,187	6%	24,994
Increase (decrease) in insurance contract liabilities ³	(808)	1,389	(2,567)	9,919	2,540	-	(1,986)	10,104	-	20,023
Increase (decrease) in investment contract liabilities	(91)	35	44	31	47	-	(12)	142	-	173
Benefits and expenses ceded to reinsurers	(1,160)	(1,343)	(1,213)	(1,887)	(1,901)	-39%	(3,716)	(6,271)	-41%	(8,158)
Decrease (increase) in reinsurance assets ¹	(2,624)	475	(21)	149	(137)	nm	(2,170)	2,120	-	2,269
Net benefits and claims	1,850	7,733	2,890	14,019	6,608	-72%	12,473	25,282	-51%	39,301
General expenses	1,853	2,092	1,835	1,947	1,794	3%	5,780	5,286	9%	7,233
Investment expenses	399	416	406	495	389	3%	1,221	1,178	4%	1,673
Commissions	1,619	1,457	1,521	1,526	1,475	10%	4,597	4,590	0%	6,116
Interest expense	312	318	286	295	306	2%	916	844	9%	1,139
Net premium taxes	99	118	94	88	92	8%	311	272	14%	360
Total contract benefits and expenses	6,132	12,134	7,032	18,370	10,664	-42%	25,298	37,452	-32%	55,822
Income before income taxes	1,911	1,535	1,714	(2,123)	1,269	51%	5,160	4,624	12%	2,501
Income tax (expense) recovery	(6)	(246)	(337)	424	(13)	-54%	(589)	(663)	-11%	(239)
Net income	1,905	1,289	1,377	(1,699)	1,256	52%	4,571	3,961	15%	2,262
Less: net income (loss) attributed to non-controlling interests	83	67	54	46	33	152%	204	148	38%	194
Less: net income (loss) attributed to participating policyholders	249	(40)	(49)	(139)	118	111%	160	103	55%	(36)
Net income attributed to shareholders	1,573	1,262	1,372	(1,606)	1,105	42%	4,207	3,710	13%	2,104
Preferred share dividends	(42)	(44)	(39)	(40)	(39)	8%	(125)	(119)	5%	(159)
Common shareholders' net income	1,531	1,218	1,333	(1,646)	1,066	44%	4,082	3,591	14%	1,945

¹ On September 26, 2018, the Company entered into 100% quota share coinsurance agreements with Reinsurance Group of America ("RGA") to reinsure a block of legacy individual payout annuities business from John Hancock Life Insurance Company (U.S.A.) ("JHUSA") and John Hancock Life Insurance Company of New York ("JHNY"). Under the terms of the agreements, the Company will maintain responsibility for servicing the policies.

The \$3,647 million premiums ceded as a result of this agreement is shown under the Premium ceded to reinsurers and Change in reinsurance assets line.

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 change in insurance contract liabilities).

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Canadian \$ in millions, unaudited)



2018 2018 2018 2017 2017 2018 Q3
Q3 Q2 Q1 Q4 Q3 vs.
2017 Q3

ASSETS

Invested assets						
Cash and short-term securities	15,642	17,230	17,020	15,965	15,251	3%
Securities						
Debt securities	177,385	180,821	178,198	174,000	168,476	5%
Public equities	21,407	21,567	21,211	21,545	20,430	5%
Loans						
Mortgages	47,902	47,019	45,527	44,742	44,639	7%
Private placements	35,236	34,701	33,373	32,132	31,033	14%
Policy loans	6,102	6,117	5,987	5,808	5,739	6%
Loans to bank clients	1,785	1,803	1,772	1,737	1,735	3%
Real estate	12,779	14,216	14,456	13,810	13,971	-9%
Other invested assets	26,330	25,500	24,845	24,483	23,832	10%
Total invested assets	344,568	348,974	342,389	334,222	325,106	6%
Other assets						
Accrued investment income	2,372	2,263	2,313	2,182	2,128	11%
Outstanding premiums	1,240	1,256	1,172	1,148	1,055	18%
Derivatives	11,238	13,145	13,821	15,569	16,214	-31%
Goodwill and intangible assets	9,972	10,065	9,980	9,840	9,788	2%
Reinsurance assets	33,304	31,296	31,165	30,359	30,385	10%
Deferred tax asset	4,291	4,775	4,797	4,569	4,655	-8%
Miscellaneous	8,597	8,456	8,175	7,337	7,068	22%
Total other assets	71,014	71,256	71,423	71,004	71,293	0%
Segregated funds net assets	332,256	331,995	326,011	324,307	316,977	5%
Total assets	747,838	752,225	739,823	729,533	713,376	5%

LIABILITIES AND EQUITY

Policy liabilities						
Insurance contract liabilities	309,842	315,473	310,481	304,605	293,228	6%
Investment contract liabilities	3,160	3,201	3,161	3,126	3,128	1%
Deposits from bank clients	19,085	19,122	18,976	18,131	18,050	6%
Deferred tax liabilities	1,506	1,457	1,448	1,281	1,882	-20%
Derivatives	7,268	7,183	7,433	7,822	8,920	-19%
Other liabilities	15,866	14,985	15,043	14,927	14,171	12%
	356,727	361,421	356,542	349,892	339,379	5%
Long-term debt	4,525	4,603	4,906	4,784	5,362	-16%
Capital instruments	8,843	8,888	8,275	8,387	7,903	12%
Segregated funds net liabilities	332,256	331,995	326,011	324,307	316,977	5%
Total liabilities	702,351	706,907	695,734	687,370	669,621	5%
Equity						
Issued share capital						
Preferred shares	3,822	3,822	3,822	3,577	3,577	7%
Common shares	23,045	23,031	23,010	22,989	22,930	1%
Contributed surplus	274	274	275	277	286	-4%
Shareholders' retained earnings	12,862	11,768	10,987	10,083	12,135	6%
Shareholders' accumulated other comprehensive income (loss)						
Pension and other post-employment plans	(386)	(388)	(385)	(364)	(403)	-4%
Available-for-sale securities	(611)	(115)	(159)	179	14	-
Cash flow hedges	(114)	(139)	(146)	(109)	(122)	-7%
Translation of foreign operations and real estate revaluation surplus	5,096	5,891	5,530	4,381	4,104	24%
Total shareholders' equity	43,988	44,144	42,934	41,013	42,521	3%
Participating policyholders' equity	380	132	173	221	351	8%
Non-controlling interests	1,119	1,042	982	929	883	27%
Total equity	45,487	45,318	44,089	42,163	43,755	4%
Total liabilities and equity	747,838	752,225	739,823	729,533	713,376	5%

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Canadian \$ in millions, unaudited)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	YTD 2018	YTD 2017	Fiscal 2017
Preferred shares								
Balance, beginning of period	3,822	3,822	3,577	3,577	3,577	3,577	3,577	3,577
Issued	-	-	250	-	-	250	-	-
Issuance costs, net of tax	-	-	(5)	-	-	(5)	-	-
Balance, end of period	3,822	3,822	3,822	3,577	3,577	3,822	3,577	3,577
Common shares								
Balance, beginning of period	23,031	23,010	22,989	22,930	22,904	22,989	22,865	22,865
Issued on exercise of stock options and deferred share units	14	21	21	59	26	56	65	124
Balance, end of period	23,045	23,031	23,010	22,989	22,930	23,045	22,930	22,989
Contributed surplus								
Balance, beginning of period	274	275	277	286	287	277	284	284
Exercise of stock options and deferred share units	(3)	(4)	(3)	(11)	(4)	(10)	(11)	(22)
Stock option expense	3	3	1	2	3	7	13	15
Balance, end of period	274	274	275	277	286	274	286	277
Shareholders' retained earnings								
Balance, beginning of period	11,768	10,987	10,083	12,135	11,475	10,083	9,759	9,759
Net income attributed to shareholders	1,573	1,262	1,372	(1,606)	1,105	4,207	3,710	2,104
Preferred share dividends	(42)	(44)	(39)	(40)	(39)	(125)	(119)	(159)
Common share dividends	(437)	(437)	(429)	(406)	(406)	(1,303)	(1,215)	(1,621)
Balance, end of period	12,862	11,768	10,987	10,083	12,135	12,862	12,135	10,083
Shareholders' accumulated other comprehensive income (loss)								
Balance, beginning of period	5,249	4,840	4,087	3,593	4,896	4,087	5,347	5,347
Other comprehensive income (loss)								
Remeasurement of pension and other post-employment plans, net of tax expense of nil	2	(3)	(21)	39	8	(22)	14	53
Real estate revaluation reserve, net of tax expense of \$1	(1)	-	-	20	-	(1)	-	20
Available-for-sale ("AFS") securities unrealized gains (losses), net of tax recovery of \$115	(467)	(4)	(325)	197	(23)	(796)	407	604
AFS securities realized losses (gains) & impairments (recoveries), net of tax recovery of \$11	(29)	48	(13)	(32)	(12)	6	-	(32)
Cash flow hedges unrealized gains (losses), net of tax expense of \$15	21	4	(40)	8	23	(15)	102	110
Cash flow hedges realized (gains) losses, net of tax expense of \$1	4	3	3	5	3	10	8	13
Unrealized foreign exchange gains (losses), net of \$128 hedges and tax expense of \$28	(793)	361	1,149	257	(1,302)	717	(2,286)	(2,029)
Share of other comprehensive income (loss) of associates, net of tax expense of nil	(1)	-	-	-	-	(1)	1	1
Balance, end of period	3,985	5,249	4,840	4,087	3,593	3,985	3,593	4,087
Total shareholders' equity, end of period	43,988	44,144	42,934	41,013	42,521	43,988	42,521	41,013
Participating policyholders' equity								
Balance, beginning of period	132	173	221	351	233	221	248	248
Net income (loss) attributed to participating policyholders	249	(40)	(49)	(139)	118	160	103	(36)
Other comprehensive income attributed to participating policyholders	(1)	(1)	1	9	-	(1)	-	9
Balance, end of period	380	132	173	221	351	380	351	221
Non-controlling interests								
Balance, beginning of period	1,042	982	929	883	853	929	743	743
Net income (loss) attributed to non-controlling interests	83	67	54	46	33	204	148	194
Other comprehensive income (loss) attributed to non-controlling interests	(1)	-	(2)	(2)	-	(3)	-	(2)
Contributions (distributions), net	(5)	(7)	1	2	(3)	(11)	(8)	(6)
Balance, end of period	1,119	1,042	982	929	883	1,119	883	929
Total equity, end of period	45,487	45,318	44,089	42,163	43,755	45,487	43,755	42,163

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Canadian \$ in millions, unaudited)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
Operating activities										
Net income (loss)	1,905	1,289	1,377	(1,699)	1,256	52%	4,571	3,961	15%	2,262
Adjustments										
Increase (decrease) in insurance contract liabilities	(808)	1,389	(2,567)	9,919	2,540	-	(1,986)	10,104	-	20,023
Increase (decrease) in investment contract liabilities	(91)	35	44	31	47	-	(12)	142	-	173
Decrease (increase) in reinsurance assets	996	475	(21)	149	(137)	-	1,450	2,120	-32%	2,269
Amortization of premium/discount on invested assets	57	57	56	52	102	-44%	170	178	-4%	230
Other amortization	177	170	139	155	140	26%	486	405	20%	560
Net realized (gains) losses, including impairments on assets	3,104	1,957	4,825	(3,226)	782	297%	9,886	(3,962)	-	(7,188)
Deferred income tax expense (recovery)	633	68	1	(676)	(220)	-	702	345	103%	(331)
Restructuring charge	-	200	-	-	-	-	200	-	-	-
Stock option expense	3	3	1	2	3	0%	7	13	-46%	15
Cash provided by operating activities before undernoted items	5,976	5,643	3,855	4,707	4,513	32%	15,474	13,306	16%	18,013
Changes in policy related and operating receivables and payables	(333)	(682)	(7)	429	86	-	(1,022)	(651)	57%	(222)
Cash provided by (used in) operating activities	5,643	4,961	3,848	5,136	4,599	23%	14,452	12,655	14%	17,791
Investing activities										
Purchases and mortgage advances	(25,635)	(28,221)	(23,610)	(19,669)	(23,689)	8%	(77,466)	(67,555)	15%	(87,224)
Disposals and repayments	17,698	23,485	19,892	15,642	18,616	-5%	61,075	55,078	11%	70,720
Changes in investment broker net receivables and payables	872	115	(21)	33	28	nm	966	194	398%	227
Net cash decrease from sale and purchase of subsidiaries and businesses	-	-	-	-	-	-	-	(10)	-	(10)
Cash provided by (used in) investing activities	(7,065)	(4,621)	(3,739)	(3,994)	(5,045)	40%	(15,425)	(12,293)	25%	(16,287)
Financing activities										
Increase (decrease) in repurchase agreements and securities sold but not yet purchased	477	(89)	137	(281)	251	90%	525	252	108%	(29)
Issue of long-term debt, net	-	-	-	-	-	-	-	-	-	-
Redemption of long-term debt, net	-	(400)	-	(600)	(7)	-	(400)	(7)	nm	(607)
Issue (redemption) of capital instruments, net	-	597	(200)	469	346	-100%	397	841	-53%	1,310
Changes in deposits from bank clients, net	(36)	126	840	85	(166)	-78%	930	176	428%	261
Shareholder dividends paid in cash	(479)	(481)	(468)	(446)	(445)	8%	(1,428)	(1,334)	7%	(1,780)
NCI dividends paid in cash	-	(2)	-	1	-	-	(2)	(1)	100%	-
Secured borrowings from securitization transactions	-	-	-	98	202	-100%	-	643	-100%	741
Contributions from (distributions to) non-controlling interest, net	(5)	(5)	1	1	(3)	67%	(9)	(7)	29%	(6)
Common shares issued, net	14	21	21	59	26	-46%	56	65	-14%	124
Preferred shares issued, net	-	-	245	-	-	-	245	-	-	-
Cash provided by (used in) financing activities	(29)	(233)	576	(614)	204	-	314	628	-50%	14
Cash and short-term securities										
Increase (decrease) during the period	(1,451)	107	685	528	(242)	500%	(659)	990	-	1,518
Effect of foreign exchange rate changes on cash and short-term securities	(236)	141	345	60	(408)	-42%	250	(718)	-	(658)
Balance, beginning of period	16,376	16,128	15,098	14,510	15,160	8%	15,098	14,238	6%	14,238
Balance, end of period	14,689	16,376	16,128	15,098	14,510	1%	14,689	14,510	1%	15,098
Cash and short-term securities										
Beginning of period										
Gross cash and short-term securities	17,230	17,020	15,965	15,251	15,866	9%	15,965	15,151	5%	15,151
Net payments in transit, included in other liabilities	(854)	(892)	(867)	(741)	(706)	21%	(867)	(913)	-5%	(913)
Net cash and short-term securities, beginning of period	16,376	16,128	15,098	14,510	15,160	8%	15,098	14,238	6%	14,238
End of period										
Gross cash and short-term securities	15,642	17,230	17,020	15,965	15,251	3%	15,642	15,251	3%	15,965
Net payments in transit, included in other liabilities	(953)	(854)	(892)	(867)	(741)	29%	(953)	(741)	29%	(867)
Net cash and short-term securities, end of period	14,689	16,376	16,128	15,098	14,510	1%	14,689	14,510	1%	15,098

ASIA

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
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Statements of Income

	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
Revenue										
Premium income										
Gross premiums	3,712	3,472	3,691	3,120	3,245	14%	10,875	9,380	16%	12,500
Premiums ceded to reinsurers	(116)	(128)	(143)	(116)	(21)	452%	(387)	(268)	44%	(384)
Investment income	492	481	407	407	400	23%	1,380	1,136	21%	1,543
Other revenue	241	321	208	239	112	115%	770	480	60%	719
Subtotal revenue	4,329	4,146	4,163	3,650	3,736	16%	12,638	10,728	18%	14,378
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ¹	(388)	(323)	(759)	368	268	-	(1,470)	1,195	-	1,563
Total revenue	3,941	3,823	3,404	4,018	4,004	-2%	11,168	11,923	-6%	15,941
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities ¹	2,615	2,611	2,171	2,923	2,600	1%	7,397	7,934	-7%	10,857
Ceded benefits and expenses and change in reinsurance assets	(221)	(69)	(89)	(50)	(43)	414%	(379)	(196)	93%	(246)
Change in investment contract liabilities	6	-	(6)	-	-	-	-	-	-	-
General expenses	417	403	381	417	389	7%	1,201	1,112	8%	1,529
Investment expenses	33	26	30	27	23	43%	89	64	39%	91
Commissions	491	434	458	434	440	12%	1,383	1,283	8%	1,717
Other	44	42	42	39	37	19%	128	111	15%	150
Total contract benefits and expenses	3,385	3,447	2,987	3,790	3,446	-2%	9,819	10,308	-5%	14,098
Income (loss) before income taxes	556	376	417	228	558	0%	1,349	1,615	-16%	1,843
Income tax (expense) recovery	(112)	(75)	(72)	(67)	(82)	37%	(259)	(245)	6%	(312)
Net income (loss)	444	301	345	161	476	-7%	1,090	1,370	-20%	1,531
Less net income (loss) attributed to non-controlling interests	63	50	44	35	25	152%	157	110	43%	145
Less net income (loss) attributed to participating policyholders	(50)	(29)	(54)	(79)	35	-	(133)	55	-	(24)
Net income (loss) attributed to shareholders	431	280	355	205	416	4%	1,066	1,205	-12%	1,410
Net income (loss) attributed to shareholders CER	431	270	350	213	409	5%	1,051	1,200	-12%	1,413

¹ For fixed income assets supporting insurance and investment contract liabilities, equities supporting pass through products and derivatives related to variable annuity hedging programs, the impact of realized/unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in contract benefits. The gains (losses) primarily relate to fair value movements on bonds and derivatives.

ASIA (CONT'D)

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER ¹	2018 Q3 vs. 2017 Q3 CER ²	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER ¹	YTD 2018 vs. YTD 2017 CER ²	Fiscal 2017
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Earnings Analysis

Hong Kong	144	140	145	140	125	15%	15%	429	331	30%	30%	471
Japan	126	94	105	103	112	13%	13%	325	337	-4%	-5%	440
Asia Other	115	108	119	82	92	25%	30%	342	265	29%	28%	347
Regional Office	(36)	(27)	(31)	(32)	(31)	-16%	-16%	(94)	(105)	10%	10%	(137)
Total Core earnings (loss)	349	315	338	293	298	17%	19%	1,002	828	21%	20%	1,121
Total Core earnings CER	349	308	329	292	294		19%	986	824		20%	1,116
Items excluded from core earnings												
Investment-related experience outside of core earnings	71	35	38	49	39	82%		144	137	5%		186
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(13)	(68)	(21)	(110)	(49)	-73%		(102)	112	-		2
Change in actuarial methods and assumptions	21	-	-	4	128	-84%		21	128	-84%		132
Reinsurance transactions and Other	3	(2)	-	(31)	-	-		1	-	-		(31)
Net income (loss) attributed to shareholders	431	280	355	205	416	4%	5%	1,066	1,205	-12%	-12%	1,410

Source of Earnings - Core ³

Expected profit from in-force business	196	197	192	195	189	4%	5%	585	546	7%	6%	741
Impact of new business	184	140	150	142	152	21%	22%	474	422	12%	10%	564
Experience gains (losses)	(20)	(13)	-	(42)	(29)	-31%	-31%	(33)	(99)	-67%	-66%	(141)
Management actions and changes in assumptions	-	(3)	-	-	-	-	-	(3)	-	-	-	-
Earnings on surplus funds	33	34	33	27	27	22%	25%	100	81	23%	24%	108
Other	34	40	33	38	29	17%	18%	107	82	30%	28%	120
Core earnings before income taxes	427	395	408	360	368	16%	18%	1,230	1,032	19%	18%	1,392
Income tax (expense) recovery	(78)	(80)	(70)	(67)	(70)	11%	14%	(228)	(204)	12%	10%	(271)
Total Core earnings	349	315	338	293	298	17%	19%	1,002	828	21%	20%	1,121

¹ AER percentage changes are calculated using actual exchange rates.

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

³ The 'Source of Earnings - Core' lines excludes the portion related to non-controlling interest.

ASIA (CONT'D)

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER	2018 Q3 vs. 2017 Q3 CER	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER	YTD 2018 vs. YTD 2017 CER	Fiscal 2017
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Annualized Premium Equivalents Sales

Hong Kong	170	142	149	172	152	12%	12%	461	412	12%	12%	584
Japan	303	232	257	220	257	18%	19%	792	882	-10%	-12%	1,102
Asia Other	345	337	372	304	325	6%	9%	1,054	897	18%	15%	1,201
Total Annualized premium equivalents sales	818	711	778	696	734	11%	13%	2,307	2,191	5%	4%	2,887
Total Annualized premium equivalents sales CER	818	694	753	691	726		13%	2,265	2,186		4%	2,877

Insurance Sales

Hong Kong	137	111	111	135	117	17%	17%	359	331	8%	8%	466
Japan	205	127	150	125	161	27%	28%	482	603	-20%	-22%	728
Asia Other	325	314	343	281	305	7%	9%	982	832	18%	16%	1,113
Total Insurance sales	667	552	604	541	583	14%	16%	1,823	1,766	3%	2%	2,307
Total Insurance sales CER	667	538	583	535	576		16%	1,788	1,761		2%	2,296

Annuities Sales

Hong Kong	331	308	381	373	350	-5%	-5%	1,020	804	27%	27%	1,177
Japan	575	613	590	506	482	19%	20%	1,778	1,407	26%	24%	1,913
Asia Other	187	240	288	243	190	-2%	2%	715	642	11%	10%	885
Total Annuities sales	1,093	1,161	1,259	1,122	1,022	7%	8%	3,513	2,853	23%	22%	3,975
Total Annuities sales CER	1,093	1,141	1,228	1,119	1,013		8%	3,462	2,847		22%	3,966

New Business Value (NBV)

Hong Kong	110	89	92	119	94	17%	17%	291	228	28%	28%	347
Japan	84	79	75	61	60	41%	42%	238	238	0%	-2%	299
Asia Other	99	90	90	71	75	31%	34%	279	209	33%	31%	280
Total NBV	293	258	257	251	229	28%	29%	808	675	20%	18%	926
Total NBV CER	293	254	250	250	227		29%	797	674		18%	924

New Business Value (NBV) Margin ¹

Hong Kong	64.6%	62.9%	61.8%	68.8%	62.0%			63.2%	55.4%
Japan	27.7%	34.2%	29.0%	28.1%	23.1%			30.0%	26.9%
Asia Other	32.0%	30.5%	29.1%	25.9%	26.7%			30.5%	27.6%
Total NBV margin	37.4%	38.6%	35.9%	37.7%	33.2%			37.3%	32.9%
Total NBV margin CER	37.4%	38.7%	36.0%	37.7%	33.2%			37.4%	32.9%

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)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER	2018 Q3 vs. 2017 Q3 CER	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER	YTD 2018 vs. YTD 2017 CER	Fiscal 2017
Premiums and Deposits												
Premiums and investment contract deposits	3,598	3,344	3,550	3,006	3,224	12%		10,492	9,114	15%		12,120
Segregated fund and other deposits	785	773	910	838	740	6%		2,468	1,885	31%		2,723
Total Premiums and deposits	4,383	4,117	4,460	3,844	3,964	11%	12%	12,960	10,999	18%	17%	14,843
Total Premiums and deposits CER	4,383	4,048	4,346	3,807	3,920		12%	12,777	10,941		17%	14,748
Premiums and Deposits by Business Units												
Hong Kong	1,242	1,160	1,204	1,257	1,157	7%	7%	3,606	3,096	16%	16%	4,353
Japan	1,594	1,492	1,723	1,285	1,474	8%	9%	4,809	4,169	15%	14%	5,454
Asia Other	1,547	1,465	1,533	1,302	1,333	16%	18%	4,545	3,734	22%	20%	5,036
Total Premiums and deposits	4,383	4,117	4,460	3,844	3,964	11%	12%	12,960	10,999	18%	17%	14,843
Total Weighted Premium Income (TWPI)												
Hong Kong	848	825	782	864	794	7%	7%	2,455	2,257	9%	9%	3,121
Japan	1,197	1,063	1,334	952	1,069	12%	13%	3,594	3,195	12%	10%	4,147
Asia Other	976	963	976	865	825	18%	21%	2,915	2,308	26%	24%	3,173
TWPI	3,021	2,851	3,092	2,681	2,688	12%	14%	8,964	7,760	16%	14%	10,441
TWPI CER	3,021	2,791	3,003	2,668	2,661		14%	8,815	7,740		14%	10,408
Assets Under Management												
General fund	61,102	60,210	59,485	58,009	55,266	11%		61,102	55,266	11%		58,009
Segregated funds	14,828	14,644	15,034	15,074	14,537	2%		14,828	14,537	2%		15,074
Total Assets under management	75,930	74,854	74,519	73,083	69,803	9%	10%	75,930	69,803	9%	10%	73,083
Total Assets under management CER	75,930	73,931	71,913	71,816	68,793		10%	75,930	68,793		10%	71,816
Number of Agents												
Hong Kong	7,936	7,637	7,633	7,725	6,993	13%		7,936	6,993	13%		7,725
Japan	2,150	2,196	2,272	2,363	2,324	-7%		2,150	2,324	-7%		2,363
Asia Other	67,443	62,172	58,455	60,303	62,014	9%		67,443	62,014	9%		60,303
Total Number of agents	77,529	72,005	68,360	70,391	71,331	9%		77,529	71,331	9%		70,391
Canadian \$ in millions - Key Metrics												
Core earnings	457	406	427	372	374	22%	19%	1,290	1,081	19%	20%	1,453
Items excluded from core earnings	105	(43)	21	(112)	147	-29%		83	493	-83%		381
Net income (loss) attributed to shareholders	562	363	448	260	521	8%	5%	1,373	1,574	-13%	-12%	1,834
Annualized Premium Equivalents Sales	1,070	918	984	884	920	16%	13%	2,972	2,863	4%	4%	3,747
Insurance Sales	871	713	764	687	731	19%	16%	2,348	2,308	2%	2%	2,995
Annuities Sales	1,428	1,499	1,592	1,426	1,281	11%	8%	4,519	3,724	21%	22%	5,150
New Business Value (NBV)	382	334	325	319	288	33%	29%	1,041	882	18%	18%	1,201
Premiums and Deposits	5,727	5,316	5,640	4,885	4,966	15%	12%	16,683	14,353	16%	17%	19,238
Assets Under Management	98,321	98,574	96,087	91,694	87,095	13%	10%	98,321	87,095	13%	10%	91,694

CANADA

(Canadian \$ millions, unaudited)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
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Statements of Income

	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
Revenue										
Premium income										
Gross premiums	2,587	3,143	2,567	2,585	2,508	3%	8,297	7,539	10%	10,124
Premiums ceded to reinsurers	(377)	(362)	(414)	(1,366)	(1,390)	-73%	(1,153)	(3,993)	-71%	(5,359)
Investment income	1,063	1,098	1,067	1,030	975	9%	3,228	2,928	10%	3,958
Other revenue	379	362	362	468	441	-14%	1,103	1,394	-21%	1,862
Subtotal revenue	3,652	4,241	3,582	2,717	2,534	44%	11,475	7,868	46%	10,585
Realized/ unrealized gains on invested assets supporting insurance and investment contract liabilities ¹	(1,546)	256	(388)	1,549	(1,759)	-12%	(1,678)	(947)	77%	602
Total revenue	2,106	4,497	3,194	4,266	775	172%	9,797	6,921	42%	11,187
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities ¹	1,131	3,269	2,052	4,578	(674)	-	6,452	5,678	14%	10,256
Ceded benefits and expenses and change in reinsurance assets	(396)	(233)	(316)	(1,067)	130	-	(945)	(1,802)	-48%	(2,869)
Change in investment contract liabilities	10	9	12	8	7	43%	31	27	15%	35
General expenses	334	325	337	345	331	1%	996	1,009	-1%	1,354
Investment expenses	80	86	89	92	87	-8%	255	259	-2%	351
Commissions	298	274	267	300	274	9%	839	869	-3%	1,169
Other	156	174	140	155	114	37%	470	347	35%	502
Total contract benefits and expenses	1,613	3,904	2,581	4,411	269	500%	8,098	6,387	27%	10,798
Income (loss) before income taxes	493	593	613	(145)	506	-3%	1,699	534	218%	389
Income tax (expense) recovery	(70)	(85)	(135)	77	1	-	(290)	82	-	159
Net income (loss)	423	508	478	(68)	507	-17%	1,409	616	129%	548
Less: net income (loss) attributed to participating policyholders	314	(2)	19	(39)	75	319%	331	33	903%	(6)
Net income (loss) attributed to shareholders	109	510	459	(29)	432	-75%	1,078	583	85%	554

¹ For fixed income assets supporting insurance and investment contract liabilities, equities supporting pass through products and derivatives related to variable annuity hedging programs, the impact of realized/unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in contract benefits.

CANADA (CONT'D)

(Canadian \$ millions, unaudited)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
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Earnings Analysis

Insurance	246	284	166	171	252	-2%	696	564	23%	735
Annuities	71	92	87	67	114	-38%	250	267	-6%	334
Manulife Bank	34	27	37	35	37	-8%	98	105	-7%	140
Total core earnings (loss)	351	403	290	273	403	-13%	1,044	936	12%	1,209
Items excluded from core earnings										
Investment-related experience outside of core earnings	155	83	145	76	(125)	-	383	(175)	-	(99)
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities ¹	(26)	13	(60)	(21)	115	-	(73)	(206)	-65%	(227)
Change in actuarial methods and assumptions	(370)	-	-	(7)	43	-	(370)	43	-	36
Charge related to decision to change asset mix in legacy business	-	-	-	(343)	-	-	-	-	-	(343)
Charge related to U.S. Tax Reform	(2)	-	-	-	-	-	(2)	-	-	-
Reinsurance transactions and Other	1	11	84	(7)	(4)	-	96	(15)	-	(22)
Net income (loss) attributed to shareholders	109	510	459	(29)	432	-75%	1,078	583	85%	554

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

Source of Earnings - Core

Expected profit from in-force business	273	242	251	258	262	4%	766	780	-2%	1,038
Impact of new business	4	11	(2)	(1)	(11)	-	13	(31)	-	(32)
Experience gains (losses)	36	71	(23)	(40)	15	140%	84	(77)	-	(117)
Management actions and changes in assumptions	-	-	-	-	-	-	-	-	-	-
Earnings on surplus funds	103	104	103	92	92	12%	310	275	13%	367
Other	(1)	12	7	5	2	-	18	8	125%	13
Insurance	415	440	336	314	360	15%	1,191	955	25%	1,269
Manulife Bank	45	38	49	47	51	-12%	132	142	-7%	189
Core Earnings before income taxes	460	478	385	361	411	12%	1,323	1,097	21%	1,458
Income tax (expense) recovery	(109)	(75)	(95)	(88)	(8)	nm	(279)	(161)	73%	(249)
Total Core Earnings	351	403	290	273	403	-13%	1,044	936	12%	1,209

CANADA (CONT'D)

(Canadian \$ millions, unaudited)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
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Annualized Premium Equivalents Sales

Individual Insurance	78	63	54	67	66	18%	195	224	-13%	291
Group Insurance	78	82	163	96	120	-35%	323	719	-55%	815
Annuities	54	53	73	59	59	-8%	180	201	-10%	260
Total Sales	210	198	290	222	245	-14%	698	1,144	-39%	1,366

Annuities Sales ¹

Retail segregated fund products ²	506	485	696	550	532	-5%	1,687	1,847	-9%	2,397
Fixed Products	31	41	38	36	59	-47%	110	165	-33%	201
Total Annuities Sales	537	526	734	586	591	-9%	1,797	2,012	-11%	2,598

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.

Premiums and Deposits

Net premiums ³ and investment contract deposits	2,340	2,911	2,285	2,324	2,237	5%	7,536	6,793	11%	9,117
Segregated fund deposits	507	486	697	551	532	-5%	1,690	1,849	-9%	2,400
ASO premium equivalents	790	848	821	823	812	-3%	2,459	2,366	4%	3,189
Total premiums and deposits	3,637	4,245	3,803	3,698	3,581	2%	11,685	11,008	6%	14,706

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	884	897	817	930	811	9%	2,598	2,560	1%	3,490
Group Insurance	2,214	2,820	2,252	2,181	2,179	2%	7,286	6,434	13%	8,615
Annuities	539	528	734	587	591	-9%	1,801	2,014	-11%	2,601
Total premiums and deposits	3,637	4,245	3,803	3,698	3,581	2%	11,685	11,008	6%	14,706

Assets Under Management

General funds, excluding Manulife Bank net lending assets	87,554	88,906	87,770	87,733	86,252	2%	87,554	86,252	2%	87,733
Manulife Bank net lending assets	21,407	21,197	20,735	20,427	20,090	7%	21,407	20,090	7%	20,427
Segregated funds	36,289	35,900	35,916	36,460	36,256	0%	36,289	36,256	0%	36,460
Total assets under management	145,250	146,003	144,421	144,620	142,598	2%	145,250	142,598	2%	144,620

Manulife Bank Average Net Lending Assets

	21,302	20,966	20,581	20,258	19,965	7%	20,917	19,773	6%	19,941
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U.S.

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
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Statements of Income

Revenue										
Premium income										
Gross premiums	1,844	1,692	1,751	1,945	2,073	-11%	5,287	5,722	-8%	7,667
Premiums ceded to reinsurers ¹	(3,246)	(431)	(436)	(462)	(446)	628%	(4,113)	(1,324)	211%	(1,786)
Investment income	1,337	1,505	1,337	1,501	1,430	-7%	4,179	4,188	0%	5,689
Other revenue	501	688	496	544	602	-17%	1,685	1,797	-6%	2,341
Subtotal revenue	436	3,454	3,148	3,528	3,659	-88%	7,038	10,383	-32%	13,911
Realized/ unrealized gains (losses) on invested assets supporting insurance and investment contract liabilities ²	(882)	(1,146)	(3,132)	806	239	-	(5,160)	1,689	-	2,495
Total revenue	(446)	2,308	16	4,334	3,898	-	1,878	12,072	-84%	16,406
Contract benefits and expenses										
To contract holders and beneficiaries										
Gross benefits and claims paid and change in insurance contract liabilities ²	950	1,483	(559)	5,847	4,614	-79%	1,874	10,153	-82%	16,000
Ceded benefits and expenses and change in reinsurance assets ¹	(2,390)	(417)	(638)	(473)	(1,705)	40%	(3,445)	(1,840)	87%	(2,313)
Change in investment contract liabilities	(95)	18	5	12	11	-	(72)	35	-	47
General expenses	229	244	272	222	263	-13%	745	682	9%	904
Investment expenses	79	79	72	143	80	-1%	230	241	-5%	384
Commissions	299	259	296	306	299	0%	854	904	-6%	1,210
Other	40	45	36	37	31	29%	121	95	27%	132
Total contract benefits and expenses	(888)	1,711	(516)	6,094	3,593	-	307	10,270	-97%	16,364
Income (loss) before income taxes	442	597	532	(1,760)	305	45%	1,571	1,802	-13%	42
Income tax (expense) recovery	48	(109)	(107)	(520)	(48)	-	(168)	(514)	-67%	(1,034)
Net income (loss) attributed to shareholders	490	488	425	(2,280)	257	91%	1,403	1,288	9%	(992)

¹ Includes the US\$2.8 billion impact of the Individual Pay-out Annuity transaction in Q3 2018.

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.

U.S. (CONT'D)

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
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Earnings Analysis

U.S. Insurance	241	227	199	290	156	54%	667	546	22%	836
U.S. Annuities	124	126	142	75	120	3%	392	330	19%	405
Total core earnings (loss)	365	353	341	365	276	32%	1,059	876	21%	1,241
Items excluded from core earnings										
Investment-related experience outside of core earnings	124	(45)	(80)	(27)	145	-14%	(1)	290	-	263
Direct impact of equity markets and interest rates and variable annuity guarantee liabilities	(156)	207	212	59	39	-	263	325	-19%	384
Change in actuarial methods and assumptions	219	-	-	(24)	(171)	-	219	(171)	-	(195)
Charge related to decision to change portfolio asset mix supporting our legacy businesses	-	-	-	(542)	-	-	-	-	-	(542)
Charge related to U.S. Tax Reform	(5)	-	-	(2,220)	-	-	(5)	-	-	(2,220)
Reinsurance transactions and other	(57)	(27)	(48)	109	(32)	78%	(132)	(32)	313%	77
Total net income (loss) attributed to shareholders	490	488	425	(2,280)	257	91%	1,403	1,288	9%	(992)

Source of Earnings - Core

Expected profit from in-force business	350	351	339	334	343	2%	1,040	995	5%	1,329
Impact of new business	23	3	(14)	19	3	667%	12	37	-68%	56
Experience gains (losses)	(28)	(21)	28	6	(55)	-49%	(21)	(132)	-84%	(126)
Management actions and changes in assumptions	-	-	-	9	-	-	-	(15)	-	(6)
Earnings on surplus funds	101	101	100	112	112	-10%	302	336	-10%	448
Other	-	(3)	(23)	28	(28)	-	(26)	(15)	73%	13
Core Earnings before income taxes	446	431	430	508	375	19%	1,307	1,206	8%	1,714
Income tax (expense) recovery	(81)	(78)	(89)	(143)	(99)	-18%	(248)	(330)	-25%	(473)
Total Core Earnings	365	353	341	365	276	32%	1,059	876	21%	1,241

U.S. (CONT'D)

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



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
Annualized Premium Equivalents Sales										
JH Life	122	99	90	121	107	14%	311	343	-9%	464
Total Sales	122	99	90	121	107	14%	311	343	-9%	464
Premiums and Deposits										
Premiums and investment contract deposits ¹	(1,403)	1,262	1,315	1,483	1,627	-	1,174	4,398	-73%	5,881
Segregated fund deposits	418	408	394	421	420	0%	1,220	1,154	6%	1,575
Total premiums and deposits	(985)	1,670	1,709	1,904	2,047	-	2,394	5,552	-57%	7,456
Premiums and Deposits										
JH Life	1,022	893	937	1,019	1,201	-15%	2,852	3,177	-10%	4,196
JH Long-Term Care	564	555	552	570	577	-2%	1,671	1,694	-1%	2,264
JH Annuities ¹	(2,571)	222	220	315	269	-	(2,129)	681	-	996
Total premiums and deposits	(985)	1,670	1,709	1,904	2,047	-	2,394	5,552	-57%	7,456
Assets Under Management										
General fund ¹	115,574	117,786	117,999	120,237	118,015	-2%	115,574	118,015	-2%	120,237
Segregated funds	60,031	59,571	60,205	62,174	61,798	-3%	60,031	61,798	-3%	62,174
Total assets under management	175,605	177,357	178,204	182,411	179,813	-2%	175,605	179,813	-2%	182,411
Canadian \$ in millions - Key Metrics										
Core earnings	477	456	432	463	346	38%	1,365	1,146	19%	1,609
Items excluded from core earnings	163	174	106	(3,361)	(24)	-	443	551	-20%	(2,810)
Net income (loss) attributed to shareholders	640	630	538	(2,898)	322	99%	1,808	1,697	7%	(1,201)
Annualized Premium Equivalents Sales	159	129	113	153	135	18%	401	450	-11%	603
Total premiums and deposits ¹	(1,286)	2,156	2,160	2,422	2,565	-	3,030	7,241	-58%	9,663
Total assets under management ¹	227,320	233,546	229,777	228,835	224,407	1%	227,320	224,407	1%	228,835

¹ Includes the US\$2.8 billion impact of the Individual Pay-out Annuity transaction in Q3 2018.

GLOBAL WEALTH AND ASSET MANAGEMENT

(Canadian \$ in millions, unaudited)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER ¹	2018 Q3 vs. 2017 Q3 CER ²	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER ¹	YTD 2018 vs. YTD 2017 CER ²	Fiscal 2017
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Shareholders' Income Statement

Revenue												
Fee income	1,396	1,361	1,344	1,336	1,266	10%		4,101	3,822	7%		5,158
Investment income	(9)	(2)	3	5	9	-		(8)	37	-		42
Total revenue	1,387	1,359	1,347	1,341	1,275	9%		4,093	3,859	6%		5,200
Expenses												
General, administrative and investment expenses	788	796	783	812	754	5%		2,367	2,260	5%		3,072
Commissions	299	300	311	297	287	4%		910	899	1%		1,196
Total expenses	1,087	1,096	1,094	1,109	1,041	4%		3,277	3,159	4%		4,268
Income before income taxes	300	263	253	232	234	28%		816	700	17%		932
Income tax (expense) recovery	(19)	(30)	(30)	264	(28)	-32%		(79)	(118)	-33%		146
Net income attributed to shareholders	281	233	223	496	206	36%	33%	737	582	27%	28%	1,078
Net income attributed to shareholders CER	281	235	228	508	212		33%	744	581		28%	1,089

Earnings (loss) Analysis

Core earnings												
Asia	65	68	71	49	55	18%	13%	204	161	27%	29%	210
Canada	73	72	59	62	62	18%	18%	204	191	7%	7%	253
U.S.	151	99	97	87	99	53%	46%	347	266	30%	32%	353
Core earnings	289	239	227	198	216	34%	30%	755	618	22%	24%	816
Core earnings CER	289	240	233	202	222		30%	762	617		24%	819
Items excluded from core earnings												
Impact related to U.S. Tax Reform	(2)	-	-	308	-	-		(2)	-	-		308
Other	(6)	(6)	(4)	(10)	(10)	-40%		(16)	(36)	-56%		(46)
Net income attributed to shareholders	281	233	223	496	206	36%	33%	737	582	27%	28%	1,078

Core EBITDA by Geographic Source³

Asia	80	88	93	65	69	16%	12%	261	202	29%	31%	267
Canada	119	117	106	107	102	17%	17%	342	326	5%	5%	433
U.S.	207	165	161	183	181	14%	9%	533	543	-2%	0%	726
Core EBITDA	406	370	360	355	352	15%	12%	1,136	1,071	6%	7%	1,426
Core EBITDA CER	406	372	369	362	362		12%	1,147	1,070		7%	1,432
Amortization of deferred acquisition costs and other Depreciation	76	75	73	87	84	-10%		224	257	-13%		344
Amortization of deferred sales commissions	23	24	29	25	23	0%		76	74	3%		99
Total depreciation and amortization	99	99	102	112	107	-7%		300	331	-9%		443
Core earnings before income taxes	307	271	258	243	245	25%		836	740	13%		983
Core income tax (expense) recovery	(18)	(32)	(31)	(45)	(29)	-38%		(81)	(122)	-34%		(167)
Core Earnings	289	239	227	198	216	34%	30%	755	618	22%	24%	816

Core EBITDA Margin⁴

	29.3%	27.2%	26.7%	26.5%	27.6%	170 bps		27.8%	27.8%	0 bps		27.4%
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Deferred Acquisition Costs and Deferred Sales Commissions by Geographic Source

Asia	384	380	363	345	333	15%		384	333	15%		345
Canada	249	250	249	249	248	0%		249	248	0%		249
U.S.	1,740	1,771	1,735	1,684	1,674	4%		1,740	1,674	4%		1,684
Total deferred acquisition costs and deferred sales commissions	2,373	2,401	2,347	2,278	2,255	5%		2,373	2,255	5%		2,278

¹ AER percentage changes are calculated using actual exchange rates.

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

³ 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).

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

GLOBAL WEALTH AND ASSET MANAGEMENT (CONT'D)

(Canadian \$ in millions, unaudited)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER	2018 Q3 vs. 2017 Q3 CER	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER	YTD 2018 vs. YTD 2017 CER	Fiscal 2017
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Assets Under Management and Administration by Geographic Source

Asia	141,995	145,231	143,706	135,288	128,794	10%	7%	141,995	128,794	10%	7%	135,288
Canada	212,166	212,749	208,219	205,670	197,819	7%	7%	212,166	197,819	7%	7%	205,670
U.S. and other	471,574	469,269	460,171	448,848	434,695	8%	5%	471,574	434,695	8%	5%	448,848
Total WAM-managed Assets under management and administration	825,735	827,249	812,096	789,806	761,308	8%	6%	825,735	761,308	8%	6%	789,806
Less: Assets managed on behalf of other segments ¹	(181,740)	(187,323)	(185,219)	(180,804)	(176,874)	3%		(181,740)	(176,874)	3%		(180,804)
Assets under management and administration	643,995	639,926	626,877	609,002	584,434	10%	7%	643,995	584,434	10%	7%	609,002
Assets under management and administration CER	643,995	631,077	626,183	622,151	599,632		7%	643,995	599,632		7%	622,151

Asia	76,574	76,038	75,575	71,403	66,748	15%	12%	76,574	66,748	15%	12%	71,403
Canada	169,637	170,676	166,788	164,069	157,615	8%	8%	169,637	157,615	8%	8%	164,069
U.S. and other	397,784	393,212	384,514	373,530	360,071	10%	7%	397,784	360,071	10%	7%	373,530
Assets under management and administration	643,995	639,926	626,877	609,002	584,434	10%	7%	643,995	584,434	10%	7%	609,002

Assets under administration ²	130,091	127,058	126,271	123,188	118,031	10%	7%	130,091	118,031	10%	7%	123,188
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Assets Under Management and Administration by Business Line

Retail	222,341	221,781	216,502	211,092	201,006	11%	8%	222,341	201,006	11%	8%	211,092
Retirement	326,822	321,772	316,187	310,607	299,265	9%	6%	326,822	299,265	9%	6%	310,607
Institutional Asset Management ³	94,832	96,373	94,188	87,303	84,163	13%	10%	94,832	84,163	13%	10%	87,303
Assets under management and administration	643,995	639,926	626,877	609,002	584,434	10%	7%	643,995	584,434	10%	7%	609,002

Changes in Assets Under Management and Administration

Beginning balance	639,926	626,877	609,002	584,434	582,698	10%		609,002	554,106	10%		554,106
Assets acquired	1,306	-	-	-	-	-		1,306	-	-		-
Gross flows	27,128	29,102	36,466	32,243	27,024	0%		92,696	89,726	3%		121,969
Manulife Securities non-proprietary product net flows	(322)	266	315	78	353	-		259	968	-73%		1,046
Exchange traded fund net flows ⁴	197	211	116	191	43	358%		524	470	11%		661
Redemptions	(26,555)	(29,487)	(26,920)	(28,866)	(23,243)	14%		(82,962)	(76,530)	8%		(105,396)
Investment income (loss) and other	2,315	12,957	7,898	20,922	(2,441)	-		23,170	15,694	48%		36,616
Ending balance	643,995	639,926	626,877	609,002	584,434	10%	7%	643,995	584,434	10%	7%	609,002

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 Asset Management ("MAM"); 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)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3 AER	2018 Q3 vs. 2017 Q3 CER	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017 AER	YTD 2018 vs. YTD 2017 CER	Fiscal 2017
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Net Flows by Geographic Source

Asia	1,008	1,612	2,008	2,298	1,828	-45%	-47%	4,628	4,338	7%	7%	6,636
Canada	(1,491)	694	3,461	723	905	-	-	2,664	3,002	-11%	-11%	3,725
U.S. and other	931	(2,214)	4,508	625	1,444	-36%	-38%	3,225	7,294	-56%	-54%	7,919
Total Net flows	448	92	9,977	3,646	4,177	-89%	-90%	10,517	14,634	-28%	-27%	18,280
Total Net flows CER	448	58	10,156	3,678	4,304		-90%	10,662	14,566		-27%	18,244

Net Flows by Business Line

Retail	(1,253)	2,049	3,256	3,695	3,193	-	-	4,052	9,246	-56%	-55%	12,941
Retirement	1,375	(3,754)	1,453	(1,315)	196	602%	519%	(926)	1,617	-	-	302
Institutional Asset Management ¹	326	1,797	5,268	1,266	788	-59%	-59%	7,391	3,771	96%	100%	5,037
Total Net flows	448	92	9,977	3,646	4,177	-89%	-90%	10,517	14,634	-28%	-27%	18,280

Gross Flows by Geographic Source

Asia	5,155	5,809	7,434	8,635	6,914	-25%	-27%	18,398	19,019	-3%	-4%	27,654
Canada	4,712	5,472	8,024	5,643	4,412	7%	7%	18,208	15,330	19%	19%	20,973
U.S. and other	17,261	17,821	21,008	17,965	15,698	10%	5%	56,090	55,377	1%	3%	73,342
Total Gross flows	27,128	29,102	36,466	32,243	27,024	0%	-3%	92,696	89,726	3%	4%	121,969
Total Gross flows CER	27,128	29,168	37,098	32,762	27,861		-3%	93,394	89,514		4%	122,276

Gross Flows by Business Line

Retail	11,940	13,735	17,424	16,072	14,422	-17%	-19%	43,099	47,089	-8%	-8%	63,161
Retirement	11,622	10,808	11,820	11,413	10,108	15%	11%	34,250	32,464	6%	7%	43,877
Institutional Asset Management ¹	3,566	4,559	7,222	4,758	2,494	43%	40%	15,347	10,173	51%	53%	14,931
Total Gross flows	27,128	29,102	36,466	32,243	27,024	0%	-3%	92,696	89,726	3%	4%	121,969

¹ Includes the third party institutional business of Manulife Asset Management ("MAM"); 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)



	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
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Statements of Income ¹

	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
Revenue										
Gross investment income before items below	252	277	243	227	262	-4%	772	789	-2%	1,016
Gains (losses) on AFS equities	108	64	80	93	117	-8%	252	270	-7%	363
Gains (losses) on AFS bonds and related derivative positions	(50)	(130)	(93)	56	(76)	-34%	(273)	(110)	148%	(54)
Gains (losses) on macro hedges	(1)	(1)	(3)	(41)	(40)	-98%	(5)	(118)	-96%	(159)
Interest on surplus funds allocated to reporting segments	(283)	(282)	(278)	(279)	(275)	3%	(843)	(850)	-1%	(1,129)
Other revenue	(71)	(62)	(95)	(59)	(59)	20%	(228)	(187)	22%	(246)
Total revenue, net	(45)	(134)	(146)	(3)	(71)	-37%	(325)	(206)	58%	(209)
Contract benefits and expenses										
General expenses	132	372	131	216	131	1%	635	381	67%	597
Investment expenses, net	(59)	(30)	(40)	(40)	(44)	34%	(129)	(126)	2%	(166)
Changes in actuarial methods and assumptions	-	-	-	-	-	-	-	-	-	-
Other	114	130	142	113	188	-39%	386	484	-20%	597
Total contract benefits and expenses	187	472	233	289	275	-32%	892	739	21%	1,028
Income (loss) before income taxes	(232)	(606)	(379)	(292)	(346)	-33%	(1,217)	(945)	29%	(1,237)
Income tax (expense) recovery	162	107	55	831	183	-11%	324	386	-16%	1,217
Net income (loss)	(70)	(499)	(324)	539	(163)	-57%	(893)	(559)	60%	(20)
Less net income (loss) attributed to non-controlling interest	2	2	(2)	2	2	0%	2	5	-60%	7
Net income (loss) attributed to shareholders - Corporate and Investments	(72)	(501)	(322)	537	(165)	-56%	(895)	(564)	59%	(27)
Net income attributed to shareholders' for Reinsurance business	53	27	26	28	(211)	-	106	(162)	-	(134)
Net income (loss) attributed to shareholders	(19)	(474)	(296)	565	(376)	-95%	(789)	(726)	9%	(161)

Earnings Analysis

	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
Core earnings										
Corporate and other excluding core investment gains	(135)	(177)	(169)	(201)	(354)	62%	(481)	(721)	33%	(922)
Core investment gains	100	104	96	100	100	0%	300	300	0%	400
Total core earnings (loss)	(35)	(73)	(73)	(101)	(254)	86%	(181)	(421)	57%	(522)
Items excluded from core loss										
Investment-related experience outside of core earnings	(96)	(52)	(92)	(87)	(92)	4%	(240)	(232)	3%	(319)
Direct impact of equity markets and interest rates	(29)	(149)	(131)	17	(56)	-48%	(309)	(100)	209%	(83)
Change in actuarial methods and assumptions (excl. URR changes)	6	-	-	-	8	-25%	6	8	-25%	8
Impact related to U.S. Tax Reform	135	-	-	737	-	-	135	-	-	737
Restructuring charge	-	(200)	-	-	-	-	(200)	-	-	-
Other	-	-	-	(1)	18	-100%	-	19	-100%	18
Net income (loss) attributed to shareholders	(19)	(474)	(296)	565	(376)	-95%	(789)	(726)	9%	(161)

Premiums and Deposits

	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
Premiums - Reinsurance business	24	24	23	20	47	-49%	71	90	-21%	110
Total premiums and deposits	24	24	23	20	47	-49%	71	90	-21%	110

Assets Under Management ¹

	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2018 Q3 vs. 2017 Q3	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017	Fiscal 2017
General fund - Corporate and Investments	1,640	(637)	(14)	(3,597)	(3,380)	-	1,640	(3,380)	-	(3,597)
General fund - Reinsurance	1,046	1,055	1,015	834	827	26%	1,046	827	26%	834
Segregated funds - elimination of amounts held by the Company	(112)	(113)	(116)	(112)	(171)	-35%	(112)	(171)	-35%	(112)
Total assets under management	2,574	305	885	(2,875)	(2,724)	-	2,574	(2,724)	-	(2,875)

¹ 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 Q3 2018			As at Q2 2018			As at Q1 2018			As at Q4 2017			As at Q3 2017		
		%			%		%		%		%		%		
Carrying value															
Cash and short-term securities	15,642	4.5	%	17,230	4.9	%	17,020	5.0	%	15,965	4.8	%	15,251	4.7	%
Debt securities															
Government															
Canadian government & agency	23,077	6.7	%	24,246	7.0	%	23,592	6.9	%	22,778	6.8	%	21,403	6.6	%
US government & agency	23,992	7.0	%	22,767	6.5	%	23,469	6.9	%	25,969	7.8	%	25,776	7.9	%
Foreign governments & agency	18,915	5.5	%	20,386	5.8	%	20,652	6.0	%	19,826	5.9	%	19,812	6.1	%
Corporate	108,443	31.5	%	110,298	31.6	%	107,226	31.3	%	102,151	30.6	%	98,324	30.2	%
Securitized															
CMBS	1,423	0.4	%	1,288	0.4	%	1,316	0.4	%	1,237	0.4	%	951	0.3	%
RMBS	18	0.0	%	38	0.0	%	49	0.0	%	45	0.0	%	50	0.0	%
ABS	1,517	0.4	%	1,798	0.5	%	1,894	0.5	%	1,994	0.6	%	2,160	0.7	%
Total debt securities	177,385	51.5	%	180,821	51.8	%	178,198	52.0	%	174,000	52.1	%	168,476	51.8	%
Private placement debt	35,236	10.2	%	34,701	9.9	%	33,373	9.7	%	32,132	9.6	%	31,033	9.5	%
Mortgages															
Commercial															
Retail	8,382	2.5	%	8,289	2.4	%	8,100	2.4	%	8,141	2.4	%	8,260	2.5	%
Office	8,517	2.5	%	8,400	2.4	%	8,059	2.4	%	7,709	2.3	%	7,675	2.4	%
Multi family residential	5,319	1.5	%	4,928	1.4	%	4,559	1.3	%	4,449	1.3	%	4,519	1.4	%
Industrial	2,793	0.8	%	2,718	0.8	%	2,538	0.7	%	2,583	0.8	%	2,637	0.8	%
Other commercial	2,920	0.8	%	2,862	0.8	%	2,833	0.8	%	2,692	0.8	%	2,605	0.8	%
Other mortgages															
Manulife Bank single family residential	19,438	5.6	%	19,248	5.5	%	18,846	5.5	%	18,579	5.6	%	18,260	5.6	%
Agriculture	533	0.2	%	574	0.2	%	592	0.2	%	589	0.2	%	683	0.2	%
Total mortgages¹	47,902	13.9	%	47,019	13.5	%	45,527	13.3	%	44,742	13.4	%	44,639	13.7	%
Policy loans	6,102	1.8	%	6,117	1.8	%	5,987	1.8	%	5,808	1.7	%	5,739	1.8	%
Loans to bank clients	1,785	0.5	%	1,803	0.5	%	1,772	0.6	%	1,737	0.5	%	1,735	0.6	%
Public equities															
Par, equity-linked and pass-through	15,613	4.5	%	15,787	4.5	%	15,499	4.5	%	15,328	4.6	%	14,017	4.3	%
Nonpar and surplus	5,794	1.7	%	5,780	1.7	%	5,712	1.7	%	6,217	1.8	%	6,413	2.0	%
Total public equities	21,407	6.2	%	21,567	6.2	%	21,211	6.2	%	21,545	6.4	%	20,430	6.3	%
Real estate & other invested assets		0.0													
Alternative long-duration assets															
Office	7,291	2.1	%	8,204	2.4	%	9,387	2.7	%	8,836	2.6	%	9,363	2.9	%
Industrial	780	0.2	%	844	0.2	%	814	0.2	%	873	0.3	%	863	0.3	%
Company use	1,925	0.6	%	2,114	0.6	%	1,317	0.4	%	1,281	0.4	%	1,322	0.4	%
Other	2,783	0.8	%	3,054	0.9	%	2,938	0.9	%	2,820	0.8	%	2,423	0.7	%
Total real estate	12,779	3.7	%	14,216	4.1	%	14,456	4.2	%	13,810	4.1	%	13,971	4.3	%
Power & infrastructure	7,408	2.1	%	7,171	2.1	%	7,336	2.1	%	7,355	2.2	%	7,079	2.2	%
Private equity	5,994	1.7	%	5,408	1.4	%	5,188	1.5	%	4,959	1.5	%	4,820	1.5	%
Timberland	3,761	1.1	%	3,763	1.1	%	3,607	1.1	%	3,666	1.1	%	3,679	1.1	%
Oil & gas	3,385	1.0	%	3,211	0.9	%	3,014	0.9	%	2,813	0.8	%	2,663	0.8	%
Farmland	1,113	0.4	%	1,340	0.4	%	1,197	0.3	%	1,367	0.4	%	1,358	0.4	%
Other	765	0.2	%	635	0.2	%	595	0.2	%	570	0.2	%	525	0.2	%
Total alternative long-duration assets	35,205	10.2	%	35,744	10.2	%	35,393	10.3	%	34,540	10.3	%	34,095	10.5	%
Leveraged leases	3,390	1.0	%	3,446	1.0	%	3,399	1.0	%	3,273	1.1	%	3,223	1.0	%
Other	514	0.2	%	526	0.2	%	509	0.1	%	480	0.1	%	485	0.1	%
Total real estate & other invested assets	39,109	11.4	%	39,716	11.4	%	39,301	11.4	%	38,293	11.5	%	37,803	11.6	%
Total invested assets	344,568	100.0	%	348,974	100.0	%	342,389	100.0	%	334,222	100.0	%	325,106	100.0	%

¹ Includes government insured mortgages (\$7,343 or 15% as at September 30, 2018).

Fair value²

Real estate	13,870	15,439	15,640	14,977	15,097
Total alternative long-duration assets	37,087	37,684	37,309	36,029	35,448
Total real estate & other invested assets	40,991	41,656	41,217	39,782	39,155

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 Q3 2018		As at Q2 2018		As at Q1 2018		As at Q4 2017		As at Q3 2017	
				%		%		%		%		%
Debt Securities	AAA	1	33,624	19%	32,715	18%	32,479	18%	34,267	20%	33,021	20%
	AA	1	29,973	17%	30,022	17%	29,115	17%	28,976	17%	27,576	16%
	A	1	76,280	43%	79,127	44%	79,986	45%	76,125	44%	73,792	44%
	BBB	2	35,156	20%	36,497	20%	34,054	19%	32,150	18%	31,681	19%
	BB	3	1,614	1%	1,737	1%	1,851	1%	1,819	1%	2,003	1%
	B & lower, and unrated	4 & below	738	0%	723	0%	713	0%	663	0%	403	0%
Total			177,385	100%	180,821	100%	178,198	100%	174,000	100%	168,476	100%
Private Placements	AAA	1	1,111	3%	1,132	3%	1,123	3%	1,038	3%	1,047	3%
	AA	1	4,534	13%	4,466	13%	4,247	13%	4,246	14%	4,028	13%
	A	1	13,415	38%	13,026	38%	12,436	37%	11,978	37%	11,691	38%
	BBB	2	14,016	40%	14,011	40%	13,596	41%	13,160	41%	12,625	41%
	BB	3	770	2%	918	3%	838	3%	717	2%	721	2%
	B & lower, and unrated	4 & below	1,390	4%	1,148	3%	1,133	3%	993	3%	921	3%
Total			35,236	100%	34,701	100%	33,373	100%	32,132	100%	31,033	100%
Total	AAA	1	34,735	17%	33,847	16%	33,602	16%	35,305	17%	34,068	17%
	AA	1	34,507	16%	34,488	16%	33,362	16%	33,222	16%	31,604	16%
	A	1	89,695	42%	92,153	43%	92,422	44%	88,103	43%	85,483	43%
	BBB	2	49,172	23%	50,508	23%	47,650	22%	45,310	22%	44,306	22%
	BB	3	2,384	1%	2,655	1%	2,689	1%	2,536	1%	2,724	1%
	B & lower, and unrated	4 & below	2,128	1%	1,871	1%	1,846	1%	1,656	1%	1,324	1%
Total			212,621	100%	215,522	100%	211,571	100%	206,132	100%	199,509	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 September 30, 2018, the Company had \$611 (June 30, 2018 : \$639) notional outstanding of CDS protection sold.

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

	Country	As at Q3 2018		As at Q2 2018		As at Q1 2018		As at Q4 2017		As at Q3 2017	
			%		%		%		%		%
Debt Securities	U.S.	78,206	44%	78,864	44%	78,631	44%	78,011	45%	75,782	45%
	Canada	47,207	27%	49,118	27%	48,401	27%	47,805	27%	45,804	27%
	Europe	4,964	3%	4,980	3%	4,609	3%	4,416	3%	4,271	3%
	Asia & Other	47,008	26%	47,859	26%	46,557	26%	43,768	25%	42,619	25%
	Total		177,385	100%	180,821	100%	178,198	100%	174,000	100%	168,476
Private Placements	U.S.	20,530	58%	20,188	58%	19,388	58%	18,501	58%	17,958	58%
	Canada	10,526	30%	10,234	30%	9,832	30%	9,787	30%	9,469	30%
	Europe	1,987	6%	2,027	6%	2,032	6%	1,846	6%	1,819	6%
	Asia & Other	2,193	6%	2,252	6%	2,121	6%	1,998	6%	1,787	6%
	Total		35,236	100%	34,701	100%	33,373	100%	32,132	100%	31,033
Total	U.S.	98,736	47%	99,052	46%	98,019	46%	96,512	47%	93,740	47%
	Canada	57,733	27%	59,352	28%	58,233	28%	57,592	28%	55,273	28%
	Europe	6,951	3%	7,007	3%	6,641	3%	6,262	3%	6,090	3%
	Asia & Other	49,201	23%	50,111	23%	48,678	23%	45,766	22%	44,406	22%
	Total		212,621	100%	215,522	100%	211,571	100%	206,132	100%	199,509

INVESTED ASSETS - FIXED INCOME SECURITIES BY SECTOR AND UNREALIZED LOSSES

(Canadian \$ in millions, unaudited)


Portfolio by Sector / Industry Holdings (at carrying value)

	As at Q3 2018			As at Q2 2018			As at Q1 2018			As at Q4 2017			As at Q3 2017		
	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %	Carrying value	Investment %	grade %
Government & agency	69,725	33%	99%	71,119	33%	99%	71,375	34%	99%	71,888	35%	99%	70,161	35%	99%
Utilities	41,966	20%	99%	42,981	20%	99%	42,153	20%	98%	40,568	20%	98%	38,939	19%	98%
Financial	29,579	14%	97%	29,608	14%	97%	29,080	14%	98%	27,923	13%	98%	27,183	14%	98%
Energy	17,688	8%	96%	17,797	8%	96%	16,982	8%	96%	16,428	8%	96%	16,057	8%	95%
Consumer (non-cyclical)	15,411	7%	96%	15,412	7%	97%	14,675	7%	97%	14,009	7%	97%	13,282	7%	97%
Industrial	16,598	8%	98%	16,426	8%	98%	15,868	8%	98%	14,691	7%	98%	13,872	7%	98%
Basic materials	3,441	2%	92%	3,686	2%	91%	3,470	1%	94%	3,248	2%	95%	3,213	1%	94%
Consumer (cyclical)	6,999	3%	95%	6,833	3%	96%	6,366	3%	96%	5,916	3%	96%	5,558	3%	97%
Securitized MBS/ABS	3,351	1%	100%	3,473	1%	100%	3,583	2%	99%	3,577	2%	99%	3,465	2%	99%
Telecommunications	3,656	2%	100%	3,523	2%	100%	3,350	1%	100%	3,324	2%	100%	3,324	2%	100%
Technology	2,272	1%	97%	2,439	1%	96%	2,471	1%	96%	2,475	1%	96%	2,418	1%	96%
Media & internet	1,156	1%	93%	1,257	1%	93%	1,244	1%	96%	1,136	0%	95%	1,064	1%	98%
Diversified & miscellaneous	779	0%	97%	968	0%	98%	954	0%	98%	949	0%	98%	973	0%	98%
Total	212,621	100%	98%	215,522	100%	98%	211,571	100%	98%	206,132	100%	98%	199,509	100%	98%

Unrealized (losses)

	As at Q3 2018				As at Q2 2018				As at Q1 2018				As at Q4 2017				As at Q3 2017				
	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>	66,093	(2,193)	3%	(163)	65,714	(1,380)	2%	-	65,879	(1,405)	2%	-	65,933	(1,014)	2%	(28)	65,172	(1,393)	2%	(28)	
<i>Corporate</i>																					
Financials	27,949	(510)	2%	(9)	27,751	(466)	2%	(9)	27,084	(343)	1%	(9)	25,416	(147)	1%	(9)	24,670	(128)	1%	(12)	
Non-financials	79,266	(1,623)	2%	(5)	80,050	(1,330)	2%	-	76,301	(877)	1%	-	70,723	(376)	1%	-	68,598	(510)	1%	-	
<i>Securitized</i>																					
CMBS	1,455	(32)	2%	-	1,317	(30)	2%	-	1,340	(24)	2%	-	1,247	(10)	1%	-	954	(5)	1%	-	
RMBS	17	-	0%	-	37	-	0%	-	48	-	0%	-	45	-	0%	-	49	-	0%	-	
ABS	1,537	(29)	2%	-	1,821	(35)	2%	-	1,904	(25)	1%	-	1,965	(6)	0%	-	2,117	(4)	0%	-	
Private placement debt	35,236	(699)	2%	-	34,701	(608)	2%	-	33,373	(410)	1%	-	32,132	(115)	0%	-	31,033	(184)	1%	-	
Fixed income securities¹	211,553	(5,086)	2%	(177)	211,391	(3,849)	2%	(9)	205,929	(3,084)	1%	(9)	197,461	(1,668)	1%	(37)	192,593	(2,224)	1%	(40)	

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			
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
Q1 2018	96,563	7,581	88,982	9,459	1,413	8,046	4,640	4,800	9,440
Q4 2017	95,873	7,536	88,337	8,029	1,346	6,683	4,732	n/a	n/a
Q3 2017	96,624	7,594	89,030	8,562	1,426	7,136	5,039	n/a	n/a

As at Q3 2018	Net of Reinsurance ¹		
	Total Guarantee Value ⁴	Total Fund Value ⁴	Net Amount at Risk ^{2,4}
U.S.			
Withdrawal Benefits	41,104	36,454	5,095
Income Benefits	521	445	89
Death Benefits	4,414	5,174	438
	<u>46,039</u>	<u>42,073</u>	<u>5,622</u>
Canada			
Withdrawal Benefits	14,695	13,301	1,394
Maturity Benefits	15,467	15,452	15
Death Benefits	2,014	7,269	40
	<u>32,176</u>	<u>36,022</u>	<u>1,449</u>
Japan			
Withdrawal Benefits	3,674	3,555	140
Maturity Benefits	937	1,128	2
Death Benefits	859	854	26
	<u>5,470</u>	<u>5,537</u>	<u>168</u>
Reinsurance & Other	<u>3,076</u>	<u>3,434</u>	<u>223</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)

2018
Q32018
Q22018
Q1**The Manufacturers Life Insurance Company's LICAT****Available Capital Components:**

Tier 1 capital			
Common shares	34,447	34,447	33,847
Retained earnings	10,734	8,844	7,550
Other Tier 1 capital	10,851	12,040	11,624
Gross Tier 1 capital	56,032	55,331	53,021
Deductions:			
Goodwill and Intangibles	(8,984)	(9,072)	(8,991)
Other	(13,423)	(14,702)	(13,809)
Tier 1 capital (A)	33,625	31,557	30,221
Tier 2 Capital			
Gross Tier 2 capital	12,143	13,351	13,161
Deductions	-	-	-
Tier 2 capital (B)	12,143	13,351	13,161
Total Available Capital (C) = (A+B)	45,768	44,908	43,382
Surplus Allowance and Eligible Deposits (D)	28,351	28,270	28,132

Base Solvency Buffer Components

Non-Participating Business			
Credit risk	8,999	8,785	8,816
Market risk	18,730	18,918	19,453
Insurance risk	26,521	26,900	26,464
Less: Credits for Adjustable Products	(6,894)	(7,012)	(7,032)
Participating Business			
Capital Requirements for Credit, Market and Insurance Risks for Participating Products, net of Par Credits	5,370	5,400	5,391
Less: Diversification and Other Credits	(8,591)	(8,696)	(8,643)
Capital Requirements for Non-Participating and Participating Business, net of Credits	44,135	44,295	44,449
Segregated fund risk	3,868	3,850	3,810
Operational and other risks	4,688	4,689	4,681
Subtotal of Base Solvency Buffer Components (E)	52,691	52,834	52,940
Base Solvency Buffer (F) = E x 105%	55,325	55,475	55,587
Total LICAT Ratio = (C+D)/F	134%	132%	129%

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.

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

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

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

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 November 8, 2018)
<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 November 8, 2018)
<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)