

Our values

Our P.R.I.D.E. values guide everything we do – from strategic planning to day-to-day decision-making, to the manner in which we treat our customers and other stakeholders.

Professionalism

We will be recognized as having professional standards. Our employees and agents will possess superior knowledge and skill, for the benefit of our customers.

Real Value to Our Customers

We are here to satisfy our customers. By providing the highest quality products, services, advice and sustainable value, we will ensure our customers receive excellent solutions to meet their individual needs.

Integrity

All of our dealings are characterized by the highest levels of honesty and fairness. We develop trust by maintaining the highest ethical practices.

Demonstrated Financial Strength

Our customers depend on us to be here in the future to meet our financial promises. We earn this faith by maintaining uncompromised claims paying ability, a healthy earnings stream, and superior investment performance results, consistent with a prudent investment management philosophy.

Employer of Choice

Our employees will determine our future success. In order to attract and retain the best and brightest employees, we will invest in the development of our human resources and reward superior performance.

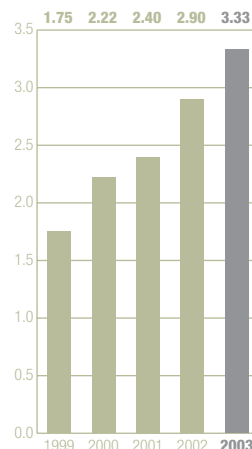
Contents

2	Message to Shareholders
6	Financial Performance
35	Management's and Auditors' Reports
37	Consolidated Financial Statements
42	Notes to the Consolidated Financial Statements
70	Supplementary Tables
74	Source of Earnings
75	Embedded Value
76	Subsidiary Listing
77	Board of Directors
78	Officer Listing
79	Office Listing
80	Shareholder Information

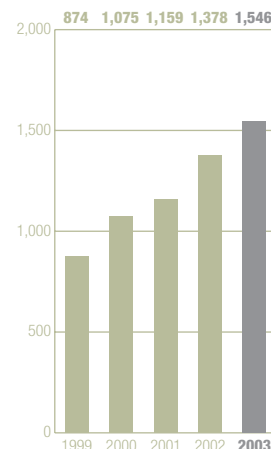
The information contained in the Notice of Annual Meeting and Proxy Circular of Manulife Financial Corporation for the Annual Meeting to be held April 29, 2004 is hereby incorporated into this Annual Report by reference.

Key Performance Measures

Basic Earnings per Common Share⁽¹⁾
(Canadian \$)



Shareholders' Net Income⁽¹⁾
(Canadian \$ in millions)

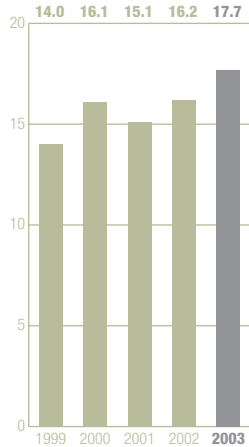


- Basic earnings per common share of \$3.33, an increase of 15 per cent from 2002, achieving the Company's medium-term target
- 12 per cent growth in shareholders' net income to \$1,546 million
- Tenth consecutive year of record earnings
- Five year annual compound growth rate for earnings per share of 19 per cent

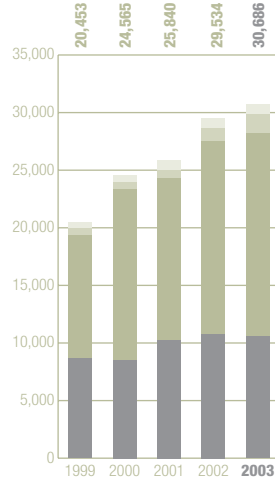
Forward-Looking Statements

This report includes forward-looking statements within the meaning of National Policy Statement 48, which include, among others, statements with respect to the business operations and strategy as well as the financial performance and condition of the Company. These statements are predictive in nature and generally can be identified by the use of forward-looking words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," or "continue" or the negative thereof or similar variations. These statements involve inherent risks and uncertainties that may cause actual results to differ materially from those expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from the Company's expectations include, but are not limited to, general economic conditions worldwide, market factors, including global capital market activity, interest rate and currency value fluctuations, business competition, changes in government regulations or in tax laws, including estate taxes and changes in treatment of dividends, technological changes, changes in consumer demand for our products and services, realizing increased revenue from the expansion and development of distribution channel capacity, our ability to complete strategic acquisitions and to integrate acquisitions, catastrophic events, political conditions and developments and international conflicts including the war on terrorism. Readers are cautioned to consider these and other factors carefully and not to place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statements except as required by law.

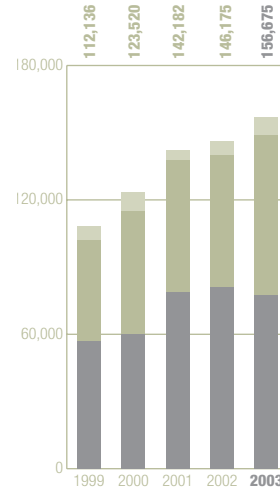
Return on Common Shareholders' Equity⁽¹⁾
(per cent)



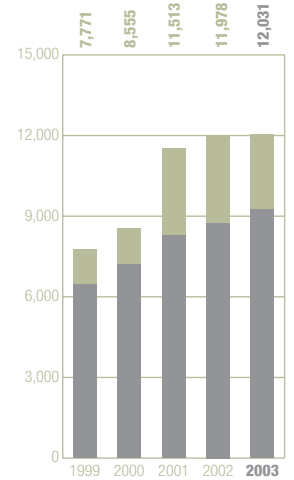
Premiums and Deposits
(Canadian \$ in millions)



Funds Under Management
(Canadian \$ in millions)



Capital
(Canadian \$ in millions)



ASO premium equivalents
Mutual funds
Segregated funds
General fund

Mutual and other managed funds
Segregated funds
General fund

Subordinated debt, non-controlling interest in Manulife Financial Capital Trust and trust preferred securities issued by subsidiaries
Total equity (reported as surplus prior to demutualization)

- Return on common shareholders' equity of 17.7 per cent, exceeding the Company's 16 per cent objective

- Premiums and deposits exceeded \$30 billion, up 4 per cent; on a constant currency basis 13 per cent higher
- 6 per cent growth in segregated fund deposits; 17 per cent higher excluding the negative impact of a stronger Canadian dollar

- \$10.5 billion increase in funds under management
- Strong growth from premiums and deposits and the impact of excellent equity markets was significantly offset by a \$18.8 billion reduction due to a strengthened Canadian dollar
- 25 per cent increase in mutual and other managed funds

- Issued \$350 million of preferred shares
- Total equity of \$9.3 billion
- Total capital of \$12.0 billion
- As at December 31, 2003, The Manufacturers Life Insurance Company's MCCR was 211 per cent

(1) For 1999 – Shareholders' net income refers to earnings from mutual operations (prior to demutualization) and net income attributable to shareholders (after demutualization).
– Basic earnings per common share have been calculated assuming that common shares issued for demutualization and the initial public offering were outstanding at the beginning of 1999.

Ratings

Rating agencies each assign The Manufacturers Life Insurance Company ratings within their highest range of categories, thereby recognizing the company as among the strongest in the life insurance industry.

Purpose	Rating agency	Rating
Claims paying/Financial strength	A.M. Best	A++ (1st of 16 categories)
	Dominion Bond Rating Service	IC-1 (1st of 5 categories)
	Fitch Ratings	AA+ (2nd of 22 categories)
	Moody's	Aa2 (3rd of 21 categories)
	Standard & Poor's	AA+ (2nd of 21 categories)

The MCCR (Minimum Continuing Capital and Surplus Requirements) is a measure of a company's capital strength. The Manufacturers Life Insurance Company's ("MLI") MCCR was 211 per cent at year-end 2003, well above the minimum prescribed by the Office of the Superintendent of Financial Institutions (Canada). The decrease in the ratio from 2002 to 2003 related to the upstreaming of \$1.9 billion of capital from MLI to Manulife Financial Corporation in preparation for the proposed business combination with John Hancock Financial Services, Inc.

MCCR Year	Ratio	Required Capital	Available Capital
2003	211%	\$ 4.4 billion	\$ 9.2 billion
2002	235%	\$ 4.5 billion	\$ 10.6 billion
2001	236%	\$ 4.4 billion	\$ 10.3 billion
2000	238%	\$ 3.4 billion	\$ 8.0 billion
1999	239%	\$ 3.3 billion	\$ 7.9 billion