



Statistical Information Package

Q2 2008

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Certain comparative amounts have been restated to conform to the current quarter's presentation

FINANCIAL REPORTING STRUCTURE



MFC

| U.S. INSURANCE | | U.S. WEALTH MANAGEMENT | | CANADA | | ASIA and JAPAN | | REINSURANCE | CORPORATE & OTHER |
|--|--|--|---|---|---|-------------------------------|---|--|---|
| Segment Component | Product Lines | Segment Component | Product Lines | Segment Component | Product Lines | Segment Component | Product Lines | Product Lines | Product Lines |
| JOHN HANCOCK LIFE | Variable Universal Life Universal Life Whole Life Term Life COLI | JOHN HANCOCK VARIABLE ANNUITIES | Variable Annuities | INDIVIDUAL INSURANCE | Universal Life Whole Life Term Life Living Benefits Affinity Markets | HONG KONG | Individual Insurance Group Life and Health Group Pensions Mutual Funds | Life Property and Casualty International Group Program: Group Life & Health Group Pensions | Investments Corporate & Other JHF Accident and Health Institutional Advisory Accounts |
| JOHN HANCOCK LONG TERM CARE (LTC) | Retail LTC Group LTC Federal LTC | JOHN HANCOCK RETIREMENT PLAN SERVICES | 401 (k) | INDIVIDUAL WEALTH MANAGEMENT (IWM) | Annuities Fixed Rate Products Segregated Funds Manulife Bank Mutual Funds | OTHER ASIA TERRITORIES | Individual Insurance Group Life and Health Group Pensions Variable Annuities Mutual Funds | | |
| | | JOHN HANCOCK MUTUAL FUNDS | Mutual Funds Private Managed Accounts College Savings | GROUP BUSINESSES | Group Life & Health Group Savings and Retirement Solutions | JAPAN | Individual Insurance Variable Annuities | | |
| | | JOHN HANCOCK FIXED PRODUCTS | Fixed Deferred Annuities Payout Annuities Guaranteed Investment Contracts (GICs) Signature Notes Fee-based products | | | | | | |

Use of this document:

Information in the document is supplementary to the Company's second quarter Press Release, MD&A and unaudited financial statements and the Company's 2007 Annual Report and should be read in conjunction with those documents.

Change in Investment Gains and Losses Allocation

Effective January 1, 2008 we changed our approach for allocating investment gains and losses to be more aligned with how we manage the assets and related risk positions. Investment gains and losses are now accumulated in two pools – insurance and wealth management and then allocated pro-rata to the business units based on their respective policy liabilities. Prior to 2008, gains and losses were reported in the business units where the specific assets giving rise to the gains and losses were located, and credit gains and losses were reported in the Corporate and Other segment. Investment gains and losses related to product features, such as segregated fund guarantees and future fees assumed in variable universal life and equity-linked policy liabilities, as well as investment gains and losses on full pass through products, such as par insurance, are not included in the pools.

Prior periods have been restated to conform to this new presentation.

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 return on common shareholders' equity, premiums and deposits, funds under management and new business embedded value. Return on equity is a profitability measure that presents the net income available to common shareholders as a percentage of the capital deployed to earn the income. The implementation of CICA Handbook Sections 3855 and 1530 on January 1, 2007 resulted in unrealized gains and losses on AFS securities and cash flow hedges, which do not have an impact on reported income for the period, being reflected in a new component of shareholders' equity. Accordingly, the Company calculates return on equity using average common shareholders' equity excluding accumulated other comprehensive income on AFS securities and on cash flow hedges. Non-GAAP financial measures are not defined terms under GAAP and, therefore, are unlikely to be comparable to similar terms used by other issuers.

Constant Currency

Amounts stated on a constant currency basis are calculated using Q2 2007 income statement and balance sheet foreign exchange rates.

FINANCIAL HIGHLIGHTS

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



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Shareholders' Net Income by Division

| | | | | | | | | | | |
|---|--------------|------------|--------------|--------------|--------------|------------|--------------|--------------|-------------|--------------|
| U.S. Insurance | 223 | 209 | 194 | 209 | 196 | 14% | 432 | 378 | 14% | 781 |
| U.S. Wealth Management | 271 | 149 | 259 | 281 | 257 | 6% | 420 | 592 | -29% | 1,132 |
| Canada | 302 | 254 | 287 | 288 | 297 | 2% | 556 | 535 | 4% | 1,110 |
| Asia and Japan | 215 | 186 | 205 | 227 | 236 | -9% | 401 | 419 | -4% | 851 |
| Reinsurance | 46 | 73 | 57 | 44 | 68 | -33% | 119 | 137 | -13% | 238 |
| Corporate and other | (49) | (2) | 142 | 21 | 48 | - | (51) | 27 | - | 190 |
| Net income attributed to shareholders | 1,008 | 869 | 1,144 | 1,070 | 1,102 | -9% | 1,877 | 2,088 | -10% | 4,302 |
| Preferred share dividends | (8) | (7) | (8) | (7) | (7) | 14% | (15) | (15) | - | (30) |
| Net income available to common shareholders | 1,000 | 862 | 1,136 | 1,063 | 1,095 | -9% | 1,862 | 2,073 | -10% | 4,272 |
| Net income available to common shareholders on a constant currency basis | 1,041 | 898 | 1,256 | 1,099 | 1,095 | -5% | 1,973 | 2,073 | -5% | |

Selected Performance Measures

| | | | | | | | | | | |
|---|--------|--------|--------|--------|--------|-----------|---------|---------|-----------|---------|
| Basic earnings per common share | \$0.67 | \$0.57 | \$0.76 | \$0.70 | \$0.72 | -7% | \$ 1.24 | \$ 1.35 | -8% | \$ 2.81 |
| Basic earnings per common share on a constant currency basis | \$0.70 | \$0.60 | \$0.84 | \$0.73 | \$0.72 | -3% | | | | |
| Diluted earnings per common share | \$0.66 | \$0.57 | \$0.75 | \$0.70 | \$0.71 | -7% | \$ 1.23 | \$ 1.33 | -8% | \$ 2.78 |
| Return on common shareholders' equity (annualized) ¹ | 17.0% | 15.1% | 20.5% | 18.9% | 18.5% | (150) bps | 16.0% | 17.3% | (130) bps | 18.4% |

¹Return on common shareholders' equity is net income available to common shareholders divided by average common shareholders' equity excluding accumulated other comprehensive income on available-for-sale securities and on cash flow hedges. See page 2 for discussion on non-GAAP measures.

Premiums and Deposits

| | | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|------------|---------------|---------------|------------|---------------|
| Life and health insurance premiums | 3,865 | 3,679 | 3,795 | 3,637 | 3,692 | 5% | 7,544 | 7,366 | 2% | 14,798 |
| Annuity and pension premiums | 1,507 | 1,321 | 1,504 | 1,245 | 1,140 | 32% | 2,828 | 2,197 | 29% | 4,946 |
| Segregated fund deposits | 8,472 | 9,197 | 9,043 | 8,888 | 8,545 | -1% | 17,669 | 19,296 | -8% | 37,227 |
| Mutual fund deposits | 2,664 | 2,812 | 2,291 | 2,304 | 2,305 | 16% | 5,476 | 4,773 | 15% | 9,368 |
| ASO premium equivalents | 621 | 633 | 630 | 582 | 584 | 6% | 1,254 | 1,161 | 8% | 2,373 |
| Other | 133 | 136 | 151 | 141 | 172 | -23% | 269 | 434 | -38% | 726 |
| Total premiums and deposits | 17,262 | 17,778 | 17,414 | 16,797 | 16,438 | 5% | 35,040 | 35,227 | -1% | 69,438 |
| Total premiums and deposits on a constant currency basis | 18,182 | 18,868 | 18,885 | 17,434 | 16,438 | 11% | 38,061 | 35,227 | 8% | |

Funds Under Management

| | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|------------|----------------|----------------|------------|----------------|
| General fund | 164,445 | 165,661 | 161,300 | 159,170 | 163,675 | 0% | 164,445 | 163,675 | 0% | 161,300 |
| Segregated funds | 175,746 | 174,633 | 174,977 | 174,489 | 176,842 | -1% | 175,746 | 176,842 | -1% | 174,977 |
| Mutual funds | 32,094 | 32,146 | 32,948 | 36,185 | 38,810 | -17% | 32,094 | 38,810 | -17% | 32,948 |
| Other funds ² | 28,013 | 27,694 | 27,119 | 29,506 | 31,240 | -10% | 28,013 | 31,240 | -10% | 27,119 |
| Total funds under management | 400,298 | 400,134 | 396,344 | 399,350 | 410,567 | -3% | 400,298 | 410,567 | -3% | 396,344 |
| Total funds under management on a constant currency basis | 410,594 | 406,527 | 417,648 | 418,941 | 410,567 | 0% | 410,594 | 410,567 | 0% | 417,648 |

²Other funds includes College Savings (529 plan), Private Managed Accounts, Asia's MPF fund and Investment division's Institutional Advisory Accounts.

Insurance Sales³

| | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|--------------|--------------|------------|--------------|
| U.S. Insurance | 286 | 255 | 357 | 252 | 282 | 2% | 541 | 508 | 7% | 1,117 |
| Canada | 176 | 168 | 178 | 251 | 140 | 26% | 344 | 307 | 12% | 737 |
| Asia and Japan | 139 | 131 | 111 | 119 | 108 | 28% | 270 | 215 | 25% | 445 |
| Total insurance sales | 601 | 554 | 646 | 622 | 530 | 13% | 1,155 | 1,030 | 12% | 2,299 |
| Total insurance sales on a constant currency basis | 627 | 580 | 698 | 640 | 530 | 18% | 1,235 | 1,027 | 20% | |

³Insurance sales consists of recurring premiums and 10% of both excess and single premiums.

Wealth Management Sales

| | | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|------------|---------------|---------------|-----------|---------------|
| U.S. Wealth Management | 6,531 | 6,793 | 6,695 | 6,503 | 6,721 | -3% | 13,324 | 13,848 | -4% | 27,046 |
| Canada | 2,751 | 2,398 | 2,826 | 2,038 | 2,080 | 32% | 5,149 | 5,476 | -6% | 10,340 |
| Asia and Japan | 1,657 | 1,765 | 1,962 | 2,213 | 1,262 | 31% | 3,422 | 2,590 | 32% | 6,765 |
| Total wealth management sales | 10,939 | 10,956 | 11,483 | 10,754 | 10,063 | 9% | 21,895 | 21,914 | 0% | 44,151 |
| Total wealth management sales on a constant currency basis | 11,466 | 11,598 | 12,449 | 11,160 | 10,063 | 14% | 23,693 | 21,914 | 8% | |

New Business Embedded Value

| | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|--------------|------------|------------|--------------|
| Insurance | 217 | 239 | 240 | 192 | 221 | -2% | 456 | 385 | 18% | 817 |
| Wealth management | 345 | 351 | 381 | 322 | 267 | 29% | 696 | 540 | 29% | 1,243 |
| Total new business embedded value | 562 | 590 | 621 | 514 | 488 | 15% | 1,152 | 925 | 25% | 2,060 |

FINANCIAL HIGHLIGHTS (CONT'D)


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

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Common Share Statistics

| | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|------|-------|-------|------|-------|
| Share Price - Toronto (in Canadian \$) | | | | | | | | | | |
| high | 41.04 | 40.65 | 44.23 | 41.50 | 41.10 | 0% | 41.04 | 41.49 | -1% | 44.23 |
| low | 35.25 | 33.77 | 38.67 | 36.37 | 38.08 | -7% | 33.77 | 38.05 | -11% | 36.37 |
| close | 35.66 | 39.29 | 40.57 | 41.01 | 39.84 | -10% | 35.66 | 39.84 | -10% | 40.57 |
| Share Price - New York (in U.S \$) | | | | | | | | | | |
| high | 40.35 | 40.98 | 46.93 | 41.35 | 37.79 | 7% | 40.98 | 37.79 | 8% | 46.93 |
| low | 34.60 | 33.44 | 39.11 | 33.69 | 34.37 | 1% | 33.44 | 32.43 | 3% | 32.43 |
| close | 34.71 | 37.98 | 40.75 | 41.26 | 37.32 | -7% | 34.71 | 37.32 | -7% | 40.75 |
| Common shares outstanding (millions) | | | | | | | | | | |
| - end of period | 1,495 | 1,497 | 1,501 | 1,502 | 1,519 | -2% | 1,495 | 1,519 | -2% | 1,501 |
| - weighted average | 1,497 | 1,498 | 1,502 | 1,511 | 1,532 | -2% | 1,497 | 1,539 | -3% | 1,522 |
| - diluted weighted average | 1,508 | 1,509 | 1,515 | 1,525 | 1,546 | -2% | 1,509 | 1,554 | -3% | 1,537 |
| Dividend per common share paid in the quarter ¹ | 0.24 | 0.24 | 0.24 | 0.22 | 0.22 | 9% | 0.48 | 0.42 | 14% | 0.88 |
| Common share dividend payout ratio | 35.9% | 41.6% | 31.7% | 31.1% | 30.5% | 18% | 38.5% | 30.8% | 25% | 30.9% |

¹ On August 7, 2008, the Board of Directors approved a quarterly shareholders' cash dividend of \$0.26 per share on the common shares of the Company, payable on or after September 19, 2008 to shareholders of record at the close of business on August 19, 2008.

Valuation Data

| | | | | | | | | | | |
|-------------------------------------|----------|----------|----------|----------|----------|------|----------|----------|------|----------|
| Book value per common share | \$ 16.29 | \$ 16.33 | \$ 15.73 | \$ 15.48 | \$ 16.21 | 0% | \$ 16.29 | \$ 16.21 | 0% | \$ 15.73 |
| Market value to book value ratio | 2.19 | 2.41 | 2.58 | 2.65 | 2.46 | -11% | 2.19 | 2.46 | -11% | 2.58 |
| Market capitalization (\$ billions) | 53.3 | 58.8 | 60.9 | 61.6 | 60.5 | -12% | 53.3 | 60.5 | -12% | 60.9 |

Capital Information

| | | | | | | | | | | |
|--|--------|--------|--------|--------|--------|------|--------|--------|------|--------|
| Total capital ² | 28,290 | 28,426 | 27,527 | 27,258 | 28,620 | -1% | 28,290 | 28,620 | -1% | 27,527 |
| Capital ratios ³ | | | | | | | | | | |
| MCCSR - The Manufacturers Life Insurance Company | 200% | 198% | 221% | 214% | 226% | -12% | 200% | 226% | -12% | 221% |
| RBC - John Hancock Life Insurance Company | 439% | 439% | 439% | 370% | 370% | 19% | 439% | 370% | 19% | 439% |

² Total capital includes liabilities for preferred shares and capital instruments, non-controlling interest in subsidiaries and total equity excluding AOCI on cash flow hedges

³ For The Manufacturers Life Insurance Company, the capital ratio has been determined in accordance with the Minimum Continuing Capital & Surplus Requirements (MCCSR) of the Office of the Superintendent of Financial Institutions (Canada). The MCCSR ratio is calculated and reported quarterly. For John Hancock Life Insurance Company, the capital ratio has been determined in accordance with the Risk-Based Capital (RBC) requirements of the National Association of Insurance Commissioners. The RBC ratio is calculated and reported on an annual basis and reflects December 31, 2007.

Foreign Exchange Information ⁴

| | | | | | | | |
|----------------------------|------------------|----------|----------|----------|----------|----------|-----|
| - Balance Sheets | (CDN to \$ 1 US) | 1.0186 | 1.0279 | 0.9881 | 0.9963 | 1.0634 | -4% |
| | (CDN to 1 YEN) | 0.009593 | 0.010290 | 0.008844 | 0.008665 | 0.008618 | 11% |
| - Statements of Operations | (CDN to \$ 1 US) | 1.010058 | 1.004225 | 0.981039 | 1.045479 | 1.097481 | -8% |
| | (CDN to 1 YEN) | 0.009659 | 0.009543 | 0.008676 | 0.008882 | 0.009088 | 6% |

⁴ Unless otherwise indicated, information contained in this supplement is in Canadian dollars. These are exchange rates used for currency conversion from U.S. dollars and Japanese yen to Canadian dollars for financial statement purposes.

CONSOLIDATED STATEMENTS OF OPERATIONS

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Revenue | | | | | | | | | | |
| Premium income | 5,372 | 5,000 | 5,299 | 4,882 | 4,832 | 11% | 10,372 | 9,563 | 8% | 19,744 |
| Investment income ¹ | 2,230 | 2,328 | 2,412 | 2,283 | 2,408 | -7% | 4,558 | 4,828 | -6% | 9,523 |
| Other revenue | 1,418 | 1,343 | 1,404 | 1,371 | 1,367 | 4% | 2,761 | 2,721 | 1% | 5,496 |
| Subtotal revenue | 9,020 | 8,671 | 9,115 | 8,536 | 8,607 | 5% | 17,691 | 17,112 | 3% | 34,763 |
| Realized/ unrealized (losses) gains on assets supporting policy liabilities and consumer notes ^{2,3} | (1,462) | (703) | 1,163 | 834 | (1,308) | 12% | (2,165) | (1,179) | 84% | 818 |
| Total revenue | 7,558 | 7,968 | 10,278 | 9,370 | 7,299 | 4% | 15,526 | 15,933 | -3% | 35,581 |
| Policy benefits and expenses | | | | | | | | | | |
| To policyholders and beneficiaries | | | | | | | | | | |
| Death, disability and other claims | 1,606 | 1,520 | 1,454 | 1,430 | 1,569 | 2% | 3,126 | 3,220 | -3% | 6,104 |
| Maturity and surrender benefits | 1,903 | 1,844 | 1,992 | 2,083 | 1,857 | 2% | 3,747 | 4,036 | -7% | 8,111 |
| Annuity payments | 723 | 758 | 788 | 741 | 727 | -1% | 1,481 | 1,569 | -6% | 3,098 |
| Policyholder dividends and experience rating refunds | 353 | 342 | 393 | 408 | 391 | -10% | 695 | 755 | -8% | 1,556 |
| Net transfers to segregated funds | 443 | 358 | 417 | 227 | 158 | 180% | 801 | 308 | 160% | 952 |
| Change in actuarial liabilities ^{2,4} | (1,368) | (506) | 1,250 | 565 | (1,154) | 19% | (1,874) | (1,425) | 32% | 390 |
| General expenses | 876 | 864 | 866 | 835 | 842 | 4% | 1,740 | 1,686 | 3% | 3,387 |
| Investment expenses | 233 | 231 | 248 | 237 | 257 | -9% | 464 | 498 | -7% | 983 |
| Commissions | 1,100 | 1,031 | 1,154 | 1,021 | 955 | 15% | 2,131 | 1,881 | 13% | 4,056 |
| Interest expense ³ | 273 | 305 | 258 | 292 | 182 | 50% | 578 | 482 | 20% | 1,032 |
| Premium taxes | 66 | 68 | 65 | 58 | 66 | 0% | 134 | 125 | 7% | 248 |
| Non-controlling interest in subsidiaries | 5 | 2 | 35 | 7 | 9 | -44% | 7 | 16 | -56% | 58 |
| Total policy benefits and expenses | 6,213 | 6,817 | 8,920 | 7,904 | 5,859 | 6% | 13,030 | 13,151 | -1% | 29,975 |
| Income before income taxes | 1,345 | 1,151 | 1,358 | 1,466 | 1,440 | -7% | 2,496 | 2,782 | -10% | 5,606 |
| Income taxes | (347) | (290) | (284) | (397) | (341) | 2% | (637) | (696) | -8% | (1,377) |
| Net income | 998 | 861 | 1,074 | 1,069 | 1,099 | -9% | 1,859 | 2,086 | -11% | 4,229 |
| Income (loss) attributed to participating policyholders | (10) | (8) | (70) | (1) | (3) | 233% | (18) | (2) | 800% | (73) |
| Net income attributed to shareholders | 1,008 | 869 | 1,144 | 1,070 | 1,102 | -9% | 1,877 | 2,088 | -10% | 4,302 |
| Preferred share dividends | (8) | (7) | (8) | (7) | (7) | 14% | (15) | (15) | 0% | (30) |
| Net income available to common shareholders | 1,000 | 862 | 1,136 | 1,063 | 1,095 | -9% | 1,862 | 2,073 | -10% | 4,272 |

U.S. \$ in millions - Summary Statements of Operations

| | | | | | | | | | | |
|--|-----|-----|-------|-------|-----|-----|-------|-------|----|-------|
| Net income available to common shareholders | 990 | 858 | 1,156 | 1,017 | 996 | -1% | 1,848 | 1,832 | 1% | 4,005 |
|--|-----|-----|-------|-------|-----|-----|-------|-------|----|-------|

¹ Investment income includes dividends, interest, rental income and realized gains on assets supporting surplus.

² For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities.

³ Assets supporting consumer notes are designated as fair value option. Consumer notes are also designated as fair value option with the change in their fair value of (\$41) million for Q2 2008, \$38 million for Q1 2008, \$32 million for Q4 2007, \$34 million for Q3 2007 and (\$58) million for Q2 2007 and \$29 million for fiscal 2007, included in interest expense.

⁴ The change in actuarial liabilities includes the impact of net redemptions in John Hancock Fixed Products institutional products of \$0.5 billion in Q2 2008, \$0.4 billion in Q1 2008, \$0.6 billion in Q4 2007, \$0.7 billion in Q3 2007 and \$0.2 billion in Q2 2007 and \$2.2 billion in fiscal 2007.

CONSOLIDATED BALANCE SHEETS

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 |
|--|------------|------------|------------|------------|------------|---------------------------|
|--|------------|------------|------------|------------|------------|---------------------------|

ASSETS

| | | | | | | |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|-----------|
| Invested assets | | | | | | |
| Cash and short-term securities | 12,196 | 11,512 | 12,354 | 9,917 | 10,511 | 16% |
| Securities | | | | | | |
| Bonds ¹ | 72,195 | 75,213 | 72,831 | 73,008 | 74,453 | -3% |
| Stocks ² | 11,303 | 11,379 | 11,134 | 11,812 | 11,930 | -5% |
| Loans | | | | | | |
| Mortgages | 27,637 | 27,165 | 26,061 | 25,589 | 26,350 | 5% |
| Private placements | 22,670 | 22,123 | 21,591 | 21,877 | 22,937 | -1% |
| Policy loans | 6,133 | 6,129 | 5,823 | 5,770 | 6,052 | 1% |
| Bank loans | 2,257 | 2,238 | 2,182 | 2,160 | 2,106 | 7% |
| Real estate | 6,029 | 6,000 | 5,727 | 5,660 | 5,826 | 3% |
| Other investments | 4,025 | 3,902 | 3,597 | 3,377 | 3,510 | 15% |
| Total invested assets | 164,445 | 165,661 | 161,300 | 159,170 | 163,675 | 0% |
| Other assets | | | | | | |
| Accrued investment income | 1,420 | 1,509 | 1,414 | 1,567 | 1,488 | -5% |
| Outstanding premiums | 691 | 686 | 672 | 608 | 670 | 3% |
| Goodwill | 6,882 | 6,946 | 6,721 | 6,769 | 6,977 | -1% |
| Intangible assets | 1,602 | 1,620 | 1,573 | 1,602 | 1,561 | 3% |
| Derivatives | 2,227 | 2,809 | 2,129 | 2,038 | 1,923 | 16% |
| Miscellaneous | 2,804 | 2,922 | 2,649 | 3,478 | 3,013 | -7% |
| Total other assets | 15,626 | 16,492 | 15,158 | 16,062 | 15,632 | 0% |
| Total assets | 180,071 | 182,153 | 176,458 | 175,232 | 179,307 | 0% |

| | | | | | | |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|------------|
| Segregated funds net assets | 176,395 | 175,248 | 175,544 | 175,094 | 177,509 | -1% |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|------------|

LIABILITIES AND EQUITY

| | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|-------------|
| Policy liabilities | 125,388 | 127,910 | 124,422 | 123,856 | 128,368 | -2% |
| Deferred realized net gains | 106 | 112 | 107 | 110 | 115 | -8% |
| Bank deposits | 10,704 | 10,578 | 10,008 | 8,901 | 8,107 | 32% |
| Consumer notes | 1,894 | 2,038 | 2,085 | 2,209 | 2,382 | -20% |
| Long-term debt | 2,775 | 1,836 | 1,820 | 1,829 | 1,867 | 49% |
| Future income tax liability, net | 3,068 | 2,966 | 2,839 | 2,806 | 2,611 | 18% |
| Derivatives | 2,053 | 2,671 | 1,866 | 1,728 | 1,802 | 14% |
| Other liabilities | 5,844 | 5,702 | 5,820 | 6,525 | 5,396 | 8% |
| | 151,832 | 153,813 | 148,967 | 147,964 | 150,648 | 1% |
| Liabilities for preferred shares and capital instruments | 3,024 | 3,029 | 3,010 | 3,014 | 3,046 | -1% |
| Non-controlling interest in subsidiaries | 167 | 162 | 146 | 202 | 202 | -17% |
| Equity | | | | | | |
| Participating policyholders' equity | 64 | 74 | 82 | 152 | 153 | -58% |
| Shareholders' equity | | | | | | |
| Preferred shares | 638 | 638 | 638 | 638 | 638 | 0% |
| Common shares | 13,958 | 13,972 | 14,000 | 14,004 | 14,043 | -1% |
| Contributed surplus | 152 | 148 | 140 | 133 | 130 | 17% |
| Retained earnings | 15,312 | 14,756 | 14,388 | 13,710 | 13,632 | 12% |
| Accumulated other comprehensive income (loss) | | | | | | |
| on available-for-sale securities | 519 | 893 | 1,327 | 1,540 | 1,674 | -69% |
| on cash flow hedges | (51) | (86) | (36) | 10 | 39 | - |
| on translation of net foreign operations | (5,544) | (5,246) | (6,204) | (6,135) | (4,898) | -13% |
| Total equity | 25,048 | 25,149 | 24,335 | 24,052 | 25,411 | -1% |
| Total liabilities and equity | 180,071 | 182,153 | 176,458 | 175,232 | 179,307 | 0% |

| | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|------------|
| Segregated funds net liabilities | 176,395 | 175,248 | 175,544 | 175,094 | 177,509 | -1% |
|---|----------------|----------------|----------------|----------------|----------------|------------|

¹ This item consists of Bonds classified as AFS of \$10.0 billion at Q2 2008 (Q1 2008 - \$9.7 billion) and as fair value option of \$62.2 billion at Q2 2008 (Q1 2008 - \$65.5 billion).

² This item consists of Stocks classified as AFS of \$4.3 billion at Q2 2008 (Q1 2008 - \$4.5 billion) and as fair value option of \$7.0 billion at Q2 2008 (Q1 2008 - \$6.9 billion).

CONSOLIDATED STATEMENTS OF EQUITY

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | YTD 2008 | YTD 2007 | Fiscal 2007 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Participating policyholders' equity | | | | | | | | |
| Balance, beginning of period | 74 | 82 | 152 | 153 | 156 | 82 | 142 | 142 |
| Cumulative effect of adopting new accounting policy for financial instruments | - | - | - | - | - | 0 | 13 | 13 |
| Loss for the period | (10) | (8) | (70) | (1) | (3) | (18) | (2) | (73) |
| Balance, end of period | 64 | 74 | 82 | 152 | 153 | 64 | 153 | 82 |
| Preferred shares | | | | | | | | |
| Balance, beginning and end of period | 638 | 638 | 638 | 638 | 638 | 638 | 638 | 638 |
| Common shares | | | | | | | | |
| Balance, beginning of period | 13,972 | 14,000 | 14,004 | 14,043 | 14,207 | 14,000 | 14,248 | 14,248 |
| Issued on exercise of stock options and deferred share units and acquisition of a subsidiary | 14 | 17 | 26 | 158 | 38 | 31 | 91 | 275 |
| Purchase and cancellation | (28) | (45) | (30) | (197) | (202) | (73) | (296) | (523) |
| Balance, end of period | 13,958 | 13,972 | 14,000 | 14,004 | 14,043 | 13,958 | 14,043 | 14,000 |
| Contributed surplus | | | | | | | | |
| Balance, beginning of period | 148 | 140 | 133 | 130 | 125 | 140 | 125 | 125 |
| Redemption of preferred shares issued by a subsidiary | - | - | 3 | - | - | - | - | 3 |
| Exercise of stock options | (1) | (3) | (5) | (4) | (7) | (4) | (15) | (24) |
| Stock option expense | 4 | 10 | 4 | 4 | 5 | 14 | 12 | 20 |
| Tax benefit of stock options exercised | 1 | 1 | 5 | 3 | 7 | 2 | 8 | 16 |
| Balance, end of period | 152 | 148 | 140 | 133 | 130 | 152 | 130 | 140 |
| Retained earnings | | | | | | | | |
| Balance, beginning of period | 14,756 | 14,388 | 13,710 | 13,632 | 13,539 | 14,388 | 13,512 | 13,512 |
| Cumulative effect of adopting new accounting policies - at Jan. 1, 2007 | - | - | - | - | - | - | (176) | (176) |
| Financial instruments | - | - | - | - | - | - | (157) | (157) |
| Leveraged leases | - | - | - | - | - | - | (157) | (157) |
| Net income attributed to shareholders | 1,008 | 869 | 1,144 | 1,070 | 1,102 | 1,877 | 2,088 | 4,302 |
| Preferred share dividends | (8) | (7) | (8) | (7) | (7) | (15) | (15) | (30) |
| Common share dividends | (359) | (359) | (361) | (333) | (337) | (718) | (647) | (1,341) |
| Purchase and cancellation of common shares | (85) | (135) | (97) | (652) | (665) | (220) | (973) | (1,722) |
| Balance, end of period | 15,312 | 14,756 | 14,388 | 13,710 | 13,632 | 15,312 | 13,632 | 14,388 |
| Accumulated other comprehensive (loss) income | | | | | | | | |
| Balance, beginning of period | (4,439) | (4,913) | (4,585) | (3,185) | (1,475) | (4,913) | (3,009) | (3,009) |
| Cumulative effect of adopting new accounting policies at January 1, 2007 | - | - | - | - | - | - | 1,741 | 1,741 |
| Other comprehensive income (loss) | | | | | | | | |
| Available-for-sale securities unrealized (losses) gains, net of taxes of \$121 | (322) | (361) | (131) | (69) | (74) | (683) | 81 | (119) |
| Available-for-sale securities realized (gains) and impairments (recoveries), net of taxes of \$7 | (52) | (73) | (82) | (65) | (100) | (125) | (168) | (315) |
| Cash flow hedges unrealized gains (losses), net of taxes of \$19 | 35 | (50) | (45) | (28) | 43 | (15) | 62 | (11) |
| Cash flow hedges realized (gains) losses, net of taxes of nil | - | - | (1) | (1) | (2) | - | (3) | (5) |
| Unrealized currency translation (losses) gains, net of \$14 hedges and taxes of \$8 | (298) | 958 | (69) | (1,237) | (1,577) | 660 | (1,889) | (3,195) |
| Balance, end of period | (5,076) | (4,439) | (4,913) | (4,585) | (3,185) | (5,076) | (3,185) | (4,913) |
| Total shareholders' equity, end of period | 24,984 | 25,075 | 24,253 | 23,900 | 25,258 | 24,984 | 25,258 | 24,253 |
| Total equity, end of period | 25,048 | 25,149 | 24,335 | 24,052 | 25,411 | 25,048 | 25,411 | 24,335 |

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|----------------|----------------|---------------|----------------|----------------|---------------------------|----------------|----------------|-----------------------------|----------------|
| Operating activities | | | | | | | | | | |
| Net income | 998 | 861 | 1,074 | 1,069 | 1,099 | -9% | 1,859 | 2,086 | -11% | 4,229 |
| Adjustments for non-cash items in net income: | | | | | | | | | | |
| (Decrease) increase in actuarial liabilities, excluding John Hancock | | | | | | | | | | |
| Fixed Products institutional products | (853) | (59) | 1,844 | 1,217 | (907) | -6% | (912) | (517) | 76% | 2,544 |
| Amortization of net realized gains and move to market adjustments in investments | (63) | (61) | (61) | (55) | (47) | 34% | (124) | (92) | 35% | (208) |
| Accretion of discount | (82) | (79) | (83) | (81) | (75) | 9% | (161) | (138) | 17% | (302) |
| Other amortization | 66 | 65 | 68 | 65 | 68 | -3% | 131 | 148 | -11% | 281 |
| Net realized and unrealized losses (gains), including impairments | 1,502 | 675 | (1,250) | (901) | 1,238 | 21% | 2,177 | 1,073 | 103% | (1,078) |
| Change in fair value of consumer notes | (41) | 38 | 32 | 34 | (58) | -29% | (3) | (37) | -92% | 29 |
| Future income tax expense | 177 | 149 | 209 | 289 | 176 | 1% | 326 | 430 | -24% | 928 |
| Stock option expense | 4 | 10 | 4 | 4 | 5 | -20% | 14 | 12 | 17% | 20 |
| Non-controlling interest in subsidiaries | 4 | 2 | 33 | 6 | 8 | -50% | 6 | 13 | -54% | 52 |
| Net income adjusted for non-cash items | 1,712 | 1,601 | 1,870 | 1,647 | 1,507 | 14% | 3,313 | 2,978 | 11% | 6,495 |
| Changes in policy related and operating receivables and payables | (145) | (941) | 482 | 779 | 91 | - | (1,086) | (285) | 281% | 976 |
| Cash provided by operating activities | 1,567 | 660 | 2,352 | 2,426 | 1,598 | -2% | 2,227 | 2,693 | -17% | 7,471 |
| Investing activities | | | | | | | | | | |
| Purchases and mortgage advances | (14,624) | (11,168) | (12,609) | (15,092) | (13,081) | 12% | (25,792) | (25,608) | 1% | (53,309) |
| Disposals and repayments | 13,178 | 9,499 | 13,272 | 13,411 | 13,205 | 0% | 22,677 | 25,751 | -12% | 52,434 |
| Amortization of premium | 114 | 130 | 139 | 139 | 152 | -25% | 244 | 296 | -18% | 574 |
| Changes in investment broker net receivables and payables | 261 | 116 | (142) | (54) | 54 | 383% | 377 | 131 | 188% | (65) |
| Net cash increase from acquisition of subsidiaries | - | - | - | 125 | - | - | - | - | - | 125 |
| Cash (used in) provided by investing activities | (1,071) | (1,423) | 660 | (1,471) | 330 | - | (2,494) | 570 | - | (241) |
| Financing activities | | | | | | | | | | |
| Increase (decrease) in securities sold but not yet purchased | 24 | (50) | 40 | (240) | 20 | 20% | (26) | 199 | - | (1) |
| Issue (repayment) of long-term debt, net | 945 | (3) | - | (1) | (1) | - | 942 | (2) | - | (3) |
| Repayment of capital instruments | - | - | - | - | - | - | - | (570) | - | (570) |
| Net redemptions in John Hancock Fixed Products institutional products | (515) | (447) | (594) | (652) | (247) | 109% | (962) | (908) | 6% | (2,154) |
| Bank deposits, net | 134 | 555 | 1,108 | 792 | 190 | -29% | 689 | 264 | 161% | 2,164 |
| Consumer notes matured, net | (111) | (198) | (165) | (88) | (96) | 16% | (309) | (181) | 71% | (434) |
| Redemption of preferred shares issued by a subsidiary | - | - | (89) | - | - | - | - | - | - | (89) |
| Shareholder dividends | (367) | (366) | (369) | (340) | (344) | 7% | (733) | (662) | 11% | (1,371) |
| Funds repaid, net | (11) | (15) | (1) | (1) | (6) | 83% | (26) | (8) | 225% | (10) |
| Purchase and cancellation of common shares | (113) | (180) | (127) | (849) | (867) | -87% | (293) | (1,269) | -77% | (2,245) |
| Common shares issued on exercise of options and related tax benefits | 14 | 15 | 26 | 20 | 38 | -63% | 29 | 84 | -65% | 130 |
| Cash used in financing activities | - | (689) | (171) | (1,359) | (1,313) | - | (689) | (3,053) | -77% | (4,583) |
| Cash and short-term securities | | | | | | | | | | |
| Increase (decrease) during the period | 496 | (1,452) | 2,841 | (404) | 615 | -19% | (956) | 210 | - | 2,647 |
| Currency impact on cash and short-term securities | (103) | 407 | (51) | (458) | (535) | -81% | 304 | (600) | - | (1,109) |
| Balance, beginning of period | 10,821 | 11,866 | 9,076 | 9,938 | 9,858 | 10% | 11,866 | 10,328 | 15% | 10,328 |
| Balance, end of period | 11,214 | 10,821 | 11,866 | 9,076 | 9,938 | 13% | 11,214 | 9,938 | 13% | 11,866 |
| Cash and short-term securities | | | | | | | | | | |
| Beginning of period | | | | | | | | | | |
| Gross cash and short-term securities | 11,512 | 12,354 | 9,917 | 10,511 | 10,561 | 9% | 12,354 | 10,901 | 13% | 10,901 |
| Fair value adjustment, January 1, 2007 | - | - | - | - | - | - | - | (3) | - | (3) |
| Net payments in transit, included in other liabilities | (691) | (488) | (841) | (573) | (703) | -2% | (488) | (570) | -14% | (570) |
| Net cash and short-term securities, beginning of period | 10,821 | 11,866 | 9,076 | 9,938 | 9,858 | 10% | 11,866 | 10,328 | 15% | 10,328 |
| End of period | | | | | | | | | | |
| Gross cash and short-term securities | 12,196 | 11,512 | 12,354 | 9,917 | 10,511 | 16% | 12,196 | 10,511 | 16% | 12,354 |
| Net payments in transit, included in other liabilities | (982) | (691) | (488) | (841) | (573) | 71% | (982) | (573) | 71% | (488) |
| Net cash and short-term securities, end of period | 11,214 | 10,821 | 11,866 | 9,076 | 9,938 | 13% | 11,214 | 9,938 | 13% | 11,866 |

CONSOLIDATED STATEMENTS OF SEGREGATED FUNDS

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Consolidated Statements of Segregated Funds Net Assets

| Investments, at market value | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|------------|----------------|----------------|------------|--|
| Cash and short-term securities | 3,263 | 3,548 | 4,025 | 2,883 | 2,810 | 16% | 3,263 | 2,810 | 16% | |
| Bonds | 9,510 | 9,698 | 9,591 | 9,647 | 10,009 | -5% | 9,510 | 10,009 | -5% | |
| Stocks and mutual funds | 160,710 | 159,182 | 159,628 | 160,515 | 163,108 | -1% | 160,710 | 163,108 | -1% | |
| Other investments | 4,199 | 4,148 | 3,961 | 3,743 | 3,995 | 5% | 4,199 | 3,995 | 5% | |
| Accrued investment income | 76 | 117 | 75 | 62 | 68 | 12% | 76 | 68 | 12% | |
| Other liabilities, net | (1,363) | (1,445) | (1,736) | (1,756) | (2,481) | -45% | (1,363) | (2,481) | -45% | |
| Total segregated funds net assets | 176,395 | 175,248 | 175,544 | 175,094 | 177,509 | -1% | 176,395 | 177,509 | -1% | |

Composition of segregated funds net assets:

| | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|------------|----------------|----------------|------------|--|
| Held by policyholders | 175,746 | 174,633 | 174,977 | 174,489 | 176,842 | -1% | 175,746 | 176,842 | -1% | |
| Held by the Company | 304 | 271 | 249 | 296 | 332 | -8% | 304 | 332 | -8% | |
| Held by other contract holders | 345 | 344 | 318 | 309 | 335 | 3% | 345 | 335 | 3% | |
| Total segregated funds net assets | 176,395 | 175,248 | 175,544 | 175,094 | 177,509 | -1% | 176,395 | 177,509 | -1% | |

Consolidated Statements of Changes in Segregated Funds Net Assets

| Additions | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|-------------|----------------|----------------|------------|----------------|
| Deposits from policyholders | 8,472 | 9,197 | 9,043 | 8,888 | 8,545 | -1% | 17,669 | 19,296 | -8% | 37,227 |
| Interest and dividends | 834 | 863 | 4,213 | 942 | 1,335 | -38% | 1,697 | 2,328 | -27% | 7,483 |
| Net transfers from general fund | 443 | 358 | 417 | 227 | 158 | 180% | 801 | 308 | 160% | 952 |
| Total additions | 9,749 | 10,418 | 13,673 | 10,057 | 10,038 | -3% | 20,167 | 21,932 | -8% | 45,662 |
| Deductions | | | | | | | | | | |
| Payments to policyholders | 4,941 | 4,842 | 5,208 | 4,935 | 5,058 | -2% | 9,783 | 10,595 | -8% | 20,738 |
| Net realized and unrealized investment losses (gains) | 987 | 12,290 | 6,461 | (2,028) | (6,055) | - | 13,277 | (8,430) | - | (3,997) |
| Management and administrative fees | 662 | 633 | 679 | 679 | 662 | 0% | 1,295 | 1,316 | -2% | 2,674 |
| Currency revaluation | 2,012 | (7,051) | 875 | 8,886 | 12,305 | -84% | (5,039) | 13,879 | - | 23,640 |
| Total deductions | 8,602 | 10,714 | 13,223 | 12,472 | 11,970 | -28% | 19,316 | 17,360 | 11% | 43,055 |
| Net addition (deduction) to segregated funds for the period | 1,147 | (296) | 450 | (2,415) | (1,932) | - | 851 | 4,572 | -81% | 2,607 |
| Segregated funds net assets, beginning of period | 175,248 | 175,544 | 175,094 | 177,509 | 179,441 | -2% | 175,544 | 172,937 | 2% | 172,937 |
| Segregated funds net assets, end of period | 176,395 | 175,248 | 175,544 | 175,094 | 177,509 | -1% | 176,395 | 177,509 | -1% | 175,544 |

CONSOLIDATED SOURCE OF EARNINGS

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Source of Earnings¹

| | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|-------------|--------------|
| Expected profit from in-force business | 805 | 785 | 808 | 820 | 818 | -2% | 1,590 | 1,621 | -2% | 3,249 |
| Impact of new business | (129) | (90) | (92) | (68) | (60) | 115% | (219) | (126) | 74% | (286) |
| Experience gains ² | 480 | 133 | 313 | 488 | 339 | 42% | 613 | 684 | -10% | 1,485 |
| Management actions and changes in assumptions | 12 | 36 | 116 | (31) | (36) | - | 48 | (92) | - | (7) |
| Earnings on surplus funds | 248 | 304 | 296 | 283 | 367 | -32% | 552 | 704 | -22% | 1,283 |
| Other | (61) | (9) | (13) | (25) | 15 | - | (70) | (7) | 900% | (45) |
| Income before income taxes | 1,355 | 1,159 | 1,428 | 1,467 | 1,443 | -6% | 2,514 | 2,784 | -10% | 5,679 |
| Income taxes | (347) | (290) | (284) | (397) | (341) | 2% | (637) | (696) | -8% | (1,377) |
| Net income attributed to shareholders | 1,008 | 869 | 1,144 | 1,070 | 1,102 | -9% | 1,877 | 2,088 | -10% | 4,302 |

¹ Per OSFI instructions, the Source of Earnings amounts denominated in foreign currencies are translated at the prior quarter's balance sheet rate. 'Experience gains' includes the adjustment to get to the income statement rate.

² Management Basis SOE reporting used in this supplementary information package is consistent with OSFI SOE guidelines with the exception that 'experience gains' includes the full impact on reported income from changes to the segregated fund guarantee reserves due to investment market performance. Under OSFI SOE guidelines the component of this reserve change related to changes in CTE level would be reported as a valuation basis change.

Glossary

| | |
|---|---|
| Expected profit from in-force business | Formula-driven release of PfADS (Provisions for Adverse Deviations) on the non-fee businesses and expected profit on fee businesses. |
| Impact of new business | For non-fee income businesses, the capitalized value of future profits less PfADS in respect of new business. For fee income businesses, the non-capitalized acquisition expenses. |
| Experience gains | 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 -integration expenses from acquisitions that flow to income |
| Earnings 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, including minority interests. |
| Income taxes | Tax charges to income, consistent with the amount on the statement of operations. |

New Business Embedded Value Adjusted to Current (2008) Basis

| Quarter | Insurance | Wealth Management | Total |
|--------------------|------------------|--------------------------|--------------|
| Q1 2008 | 239 | 351 | 590 |
| Q2 2008 | 217 | 345 | 562 |
| 2008 Q2 YTD | 456 | 696 | 1,152 |
| Q1 2007 | 164 | 273 | 437 |
| Q2 2007 | 221 | 267 | 488 |
| 2007 Q2 YTD | 385 | 540 | 925 |
| Q3 2007 | 192 | 322 | 514 |
| Q4 2007 | 240 | 381 | 621 |
| Total 2007 | 817 | 1,243 | 2,060 |
| Q1 2006 | 208 | 240 | 448 |
| Q2 2006 | 157 | 203 | 360 |
| 2006 Q2 YTD | 365 | 443 | 808 |
| Q3 2006 | 180 | 265 | 445 |
| Q4 2006 | 177 | 309 | 486 |
| Total 2006 | 722 | 1,017 | 1,739 |

Current (2008) Basis numbers all use 2008 year start exchange rates and discount rates.
The year start exchange rate was 0.9881 for the U.S., 0.1267 for Hong Kong, and 0.0088 for Japan

The year start discount rate was 8.00% for Canada, 8.25% for the U.S., 9.0% for Hong Kong and 6.50% for Japan

U.S. INSURANCE

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|--------------|--------------|--------------|--------------|--------------|---------------------------|--------------|--------------|-----------------------------|----------------|
| Revenue | | | | | | | | | | |
| Premium income | 1,326 | 1,258 | 1,403 | 1,238 | 1,184 | 12% | 2,584 | 2,301 | 12% | 4,942 |
| Investment income | 715 | 719 | 748 | 648 | 663 | 8% | 1,434 | 1,295 | 11% | 2,691 |
| Other revenue | 148 | 148 | 154 | 146 | 141 | 5% | 296 | 285 | 4% | 585 |
| Subtotal revenue | 2,189 | 2,125 | 2,305 | 2,032 | 1,988 | 10% | 4,314 | 3,881 | 11% | 8,218 |
| Realized/ unrealized gains (losses) on invested assets supporting policy liabilities ¹ | (540) | (7) | 566 | 455 | (564) | -4% | (547) | (559) | -2% | 462 |
| Total revenue | 1,649 | 2,118 | 2,871 | 2,487 | 1,424 | 16% | 3,767 | 3,322 | 13% | 8,680 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 756 | 1,280 | 1,943 | 1,698 | 680 | 11% | 2,036 | 1,924 | 6% | 5,565 |
| General expenses | 151 | 144 | 155 | 143 | 142 | 6% | 295 | 277 | 6% | 575 |
| Investment expenses | 30 | 30 | 38 | 30 | 29 | 2% | 60 | 57 | 4% | 125 |
| Commissions | 340 | 306 | 407 | 283 | 267 | 27% | 646 | 493 | 31% | 1,183 |
| Other | 36 | 38 | 36 | 30 | 36 | 0% | 74 | 65 | 14% | 131 |
| Total policy benefits and expenses | 1,313 | 1,798 | 2,579 | 2,184 | 1,154 | 14% | 3,111 | 2,816 | 10% | 7,579 |
| Income before income taxes | 336 | 320 | 292 | 303 | 270 | 24% | 656 | 506 | 30% | 1,101 |
| Income taxes | (115) | (112) | (94) | (103) | (91) | 26% | (227) | (172) | 32% | (369) |
| Net income attributed to shareholders | 221 | 208 | 198 | 200 | 179 | 23% | 429 | 334 | 28% | 732 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

Source of Earnings - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Expected profit from in-force business | 156 | 159 | 146 | 130 | 125 | 25% | 315 | 252 | 25% | 528 |
| Impact of new business | (69) | (59) | (36) | (9) | (4) | nm | (128) | (21) | 510% | (66) |
| Experience gains | 131 | 138 | 118 | 120 | 90 | 46% | 269 | 121 | 122% | 359 |
| Management actions and changes in assumptions | 37 | - | - | 12 | - | - | 37 | 22 | 68% | 34 |
| Earnings on surplus funds | 85 | 84 | 68 | 67 | 67 | 27% | 169 | 135 | 25% | 270 |
| Other | (4) | (2) | (4) | (17) | (8) | -50% | (6) | (3) | 100% | (24) |
| Income before income taxes | 336 | 320 | 292 | 303 | 270 | 24% | 656 | 506 | 30% | 1,101 |
| Income taxes | (115) | (112) | (94) | (103) | (91) | 26% | (227) | (172) | 32% | (369) |
| Net income attributed to shareholders | 221 | 208 | 198 | 200 | 179 | 23% | 429 | 334 | 28% | 732 |

Premiums and Deposits - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|---------------------------|--------------|--------------|-----------------------------|----------------|
| Premiums | 1,326 | 1,258 | 1,403 | 1,238 | 1,184 | 12% | 2,584 | 2,301 | 12% | 4,942 |
| Segregated fund deposits | 304 | 290 | 326 | 298 | 260 | 17% | 594 | 553 | 7% | 1,177 |
| Total premiums and deposits | 1,630 | 1,548 | 1,729 | 1,536 | 1,444 | 13% | 3,178 | 2,854 | 11% | 6,119 |

Funds Under Management - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------------------|---------------|---------------|-----------------------------|----------------|
| General fund | 46,741 | 46,393 | 45,605 | 44,823 | 43,508 | 7% | 46,741 | 43,508 | 7% | 45,605 |
| Segregated funds | 10,671 | 10,750 | 11,525 | 11,699 | 11,446 | -7% | 10,671 | 11,446 | -7% | 11,525 |
| Total funds under management | 57,412 | 57,143 | 57,130 | 56,522 | 54,954 | 4% | 57,412 | 54,954 | 4% | 57,130 |

Canadian \$ in millions - Summary Statements of Operations and Key Metrics

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---------------------------------------|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Revenue | 1,665 | 2,127 | 2,817 | 2,599 | 1,565 | 6% | 3,792 | 3,787 | 0% | 9,203 |
| Total policy benefits and expenses | 1,325 | 1,806 | 2,531 | 2,282 | 1,268 | 4% | 3,131 | 3,214 | -3% | 8,027 |
| Net income attributed to shareholders | 223 | 209 | 194 | 209 | 196 | 14% | 432 | 378 | 14% | 781 |
| Total premiums and deposits | 1,647 | 1,554 | 1,696 | 1,605 | 1,585 | 4% | 3,201 | 3,237 | -1% | 6,538 |
| Total funds under management | 58,480 | 58,739 | 56,451 | 56,313 | 58,437 | 0% | 58,480 | 58,437 | 0% | 56,451 |

U.S. INSURANCE - JOHN HANCOCK LIFE

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|--------------|--------------|--------------|--------------|--------------|---------------------------|--------------|--------------|-----------------------------|----------------|
| Revenue | | | | | | | | | | |
| Premium income | 961 | 901 | 1,028 | 886 | 840 | 14% | 1,862 | 1,631 | 14% | 3,545 |
| Investment income | 544 | 552 | 562 | 531 | 526 | 3% | 1,096 | 1,040 | 5% | 2,133 |
| Other revenue | 145 | 143 | 147 | 143 | 138 | 5% | 288 | 278 | 4% | 568 |
| Subtotal revenue | 1,650 | 1,596 | 1,737 | 1,560 | 1,504 | 10% | 3,246 | 2,949 | 10% | 6,246 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities ¹ | (369) | (159) | 272 | 253 | (277) | 33% | (528) | (218) | 142% | 307 |
| Total revenue | 1,281 | 1,437 | 2,009 | 1,813 | 1,227 | 4% | 2,718 | 2,731 | 0% | 6,553 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 619 | 808 | 1,260 | 1,209 | 660 | -6% | 1,427 | 1,678 | -15% | 4,147 |
| General expenses | 109 | 104 | 107 | 103 | 99 | 10% | 213 | 195 | 9% | 405 |
| Investment expenses | 24 | 24 | 27 | 25 | 24 | -2% | 48 | 47 | 1% | 99 |
| Commissions | 284 | 250 | 341 | 226 | 213 | 33% | 534 | 384 | 39% | 951 |
| Other | 28 | 30 | 30 | 23 | 28 | 0% | 58 | 51 | 14% | 104 |
| Total policy benefits and expenses | 1,064 | 1,216 | 1,765 | 1,586 | 1,024 | 4% | 2,280 | 2,355 | -3% | 5,706 |
| Income before income taxes | 217 | 221 | 244 | 227 | 203 | 7% | 438 | 376 | 16% | 847 |
| Income taxes | (75) | (78) | (78) | (78) | (68) | 10% | (153) | (127) | 20% | (283) |
| Net income attributed to shareholders ² | 142 | 143 | 166 | 149 | 135 | 5% | 285 | 249 | 14% | 564 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Year over year increase is primarily due to in-force business growth, improved claims experience and re-pricing of an in-force block, partially offset by strain from new business.

Sales - U.S. \$ in millions

| | | | | | | | | | | |
|--------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total sales ³ | 243 | 209 | 313 | 198 | 199 | 22% | 452 | 346 | 31% | 857 |
|--------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|

³ Consists of 100% of recurring premiums and 10% of both excess and single premiums.

Premiums and Deposits - U.S. \$ in millions

| | | | | | | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|------------|--------------|
| Premiums | 961 | 901 | 1,028 | 886 | 840 | 14% | 1,862 | 1,631 | 14% | 3,545 |
| Segregated fund deposits | 264 | 253 | 288 | 260 | 224 | 18% | 517 | 480 | 8% | 1,028 |
| Total premiums and deposits | 1,225 | 1,154 | 1,316 | 1,146 | 1,064 | 15% | 2,379 | 2,111 | 13% | 4,573 |

Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|-----------|---------------|
| General fund | 36,538 | 36,373 | 36,318 | 35,853 | 35,031 | 4% | 36,538 | 35,031 | 4% | 36,318 |
| Segregated funds | 10,017 | 10,122 | 10,929 | 11,163 | 10,952 | -9% | 10,017 | 10,952 | -9% | 10,929 |
| Total funds under management | 46,555 | 46,495 | 47,247 | 47,016 | 45,983 | 1% | 46,555 | 45,983 | 1% | 47,247 |

Changes in General and Segregated Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|-----------|---------------|
| Beginning balance | 46,495 | 47,247 | 47,016 | 45,983 | 45,364 | 2% | 47,247 | 44,474 | 6% | 44,474 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 217 | -100% | 217 |
| Premiums and deposits | 1,225 | 1,154 | 1,316 | 1,146 | 1,064 | 15% | 2,379 | 2,111 | 13% | 4,573 |
| Investment (loss) income ⁴ | 75 | (390) | 646 | 973 | 675 | -89% | (315) | 1,444 | - | 3,063 |
| Benefits and withdrawals | (871) | (890) | (1,061) | (849) | (828) | 5% | (1,761) | (1,669) | 6% | (3,579) |
| Other ⁵ | (369) | (626) | (670) | (237) | (292) | 26% | (995) | (594) | 68% | (1,501) |
| Ending balance | 46,555 | 46,495 | 47,247 | 47,016 | 45,983 | 1% | 46,555 | 45,983 | 1% | 47,247 |

⁴ Investment income consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds.

⁵ Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other Business Units and changes in allocated capital.

Canadian \$ in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|-----|--------|--------|-----|--------|
| Net income attributed to shareholders | 145 | 143 | 163 | 156 | 148 | -2% | 288 | 281 | 2% | 600 |
| Sales | 246 | 209 | 307 | 207 | 219 | 12% | 455 | 391 | 16% | 905 |
| Total premiums and deposits | 1,239 | 1,157 | 1,293 | 1,198 | 1,165 | 6% | 2,396 | 2,393 | 0% | 4,884 |
| Total funds under management | 47,420 | 47,793 | 46,685 | 46,844 | 48,898 | -3% | 47,420 | 48,898 | -3% | 46,685 |

U.S. INSURANCE - JOHN HANCOCK LONG TERM CARE

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Revenue | | | | | | | | | | |
| Premium income | 365 | 357 | 375 | 352 | 344 | 6% | 722 | 670 | 8% | 1,397 |
| Investment income | 171 | 167 | 186 | 117 | 137 | 25% | 338 | 255 | 33% | 558 |
| Other revenue | 3 | 5 | 7 | 3 | 3 | 0% | 8 | 7 | 14% | 17 |
| Subtotal revenue | 539 | 529 | 568 | 472 | 484 | 11% | 1,068 | 932 | 15% | 1,972 |
| Realized/ unrealized gains (losses) on invested assets supporting policy liabilities ¹ | (171) | 152 | 294 | 202 | (287) | -40% | (19) | (341) | -94% | 155 |
| Total revenue | 368 | 681 | 862 | 674 | 197 | 87% | 1,049 | 591 | 77% | 2,127 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 137 | 472 | 683 | 489 | 20 | 585% | 609 | 246 | 148% | 1,418 |
| General expenses | 42 | 40 | 48 | 40 | 43 | -2% | 82 | 82 | 0% | 170 |
| Investment expenses | 6 | 6 | 11 | 5 | 5 | 20% | 12 | 10 | 20% | 26 |
| Commissions | 56 | 56 | 66 | 57 | 54 | 4% | 112 | 109 | 3% | 232 |
| Other | 8 | 8 | 6 | 7 | 8 | 0% | 16 | 14 | 14% | 27 |
| Total policy benefits and expenses | 249 | 582 | 814 | 598 | 130 | 92% | 831 | 461 | 80% | 1,873 |
| Income before income taxes | 119 | 99 | 48 | 76 | 67 | 78% | 218 | 130 | 68% | 254 |
| Income taxes | (40) | (34) | (16) | (25) | (23) | 74% | (74) | (45) | 64% | (86) |
| Net income attributed to shareholders² | 79 | 65 | 32 | 51 | 44 | 80% | 144 | 85 | 69% | 168 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Year over year increase is primarily due to improved claims experience and in-force business growth partially offset by strain from new business.

Sales - U.S. \$ in millions

| | | | | | | | | | | |
|-------------------------|----|----|----|----|----|------|----|-----|------|-----|
| New annualized premiums | 40 | 46 | 50 | 43 | 58 | -31% | 86 | 104 | -17% | 197 |
|-------------------------|----|----|----|----|----|------|----|-----|------|-----|

Premiums and Deposits - U.S. \$ in millions

| | | | | | | | | | | |
|------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|----|-------|
| Premiums | 365 | 357 | 375 | 352 | 344 | 6% | 722 | 670 | 8% | 1,397 |
| Segregated fund deposits | 40 | 37 | 38 | 38 | 36 | 11% | 77 | 73 | 5% | 149 |
| Total premiums and deposits | 405 | 394 | 413 | 390 | 380 | 7% | 799 | 743 | 8% | 1,546 |

Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|-------------------------------------|--------|--------|-------|-------|-------|-----|--------|-------|-----|-------|
| General fund | 10,203 | 10,020 | 9,287 | 8,970 | 8,477 | 20% | 10,203 | 8,477 | 20% | 9,287 |
| Segregated funds | 654 | 628 | 596 | 536 | 494 | 32% | 654 | 494 | 32% | 596 |
| Total funds under management | 10,857 | 10,648 | 9,883 | 9,506 | 8,971 | 21% | 10,857 | 8,971 | 21% | 9,883 |

Changes in General and Segregated Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|--|--------|--------|-------|-------|-------|------|--------|-------|-------|-------|
| Beginning balance | 10,648 | 9,883 | 9,506 | 8,971 | 8,912 | 19% | 9,883 | 8,094 | 22% | 8,094 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 514 | -100% | 514 |
| Premiums and deposits | 405 | 394 | 413 | 390 | 380 | 7% | 799 | 743 | 8% | 1,546 |
| Investment income (loss) ³ | (5) | 324 | 489 | 330 | (152) | -97% | 319 | (81) | - | 738 |
| Benefits and withdrawals | (110) | (105) | (102) | (95) | (102) | 8% | (215) | (191) | 13% | (388) |
| Other ⁴ | (81) | 152 | (423) | (90) | (67) | 21% | 71 | (108) | - | (621) |
| Ending balance | 10,857 | 10,648 | 9,883 | 9,506 | 8,971 | 21% | 10,857 | 8,971 | 21% | 9,883 |

³ Investment income consists of gross investment income (loss) for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds.

⁴ Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other Business Units and changes in allocated capital.

Canadian \$ in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|--------|--------|-------|-------|-------|------|--------|-------|------|-------|
| Net income attributed to shareholders | 79 | 66 | 31 | 53 | 48 | 64% | 145 | 97 | 49% | 181 |
| Sales | 40 | 46 | 50 | 45 | 63 | -37% | 86 | 117 | -26% | 212 |
| Total premiums and deposits | 408 | 397 | 403 | 407 | 420 | -3% | 805 | 844 | -5% | 1,654 |
| Funds under management | 11,060 | 10,946 | 9,766 | 9,469 | 9,539 | 16% | 11,060 | 9,539 | 16% | 9,766 |

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|--------------|--------------|--------------|--------------|--------------|---------------------------|--------------|--------------|-----------------------------|----------------|
| Revenue | | | | | | | | | | |
| Premium income | 1,302 | 1,106 | 1,356 | 1,028 | 900 | 45% | 2,408 | 1,662 | 45% | 4,046 |
| Investment income | 473 | 545 | 642 | 513 | 554 | -15% | 1,018 | 1,103 | -8% | 2,258 |
| Other revenue | 658 | 628 | 674 | 647 | 637 | 3% | 1,286 | 1,231 | 4% | 2,552 |
| Subtotal revenue | 2,433 | 2,279 | 2,672 | 2,188 | 2,091 | 16% | 4,712 | 3,996 | 18% | 8,856 |
| Realized/ unrealized gains (losses) on invested assets supporting policy liabilities and consumer notes ^{1,2} | (140) | (250) | 115 | 63 | (176) | -20% | (390) | (107) | 264% | 71 |
| Total revenue | 2,293 | 2,029 | 2,787 | 2,251 | 1,915 | 20% | 4,322 | 3,889 | 11% | 8,927 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 1,352 | 1,208 | 1,770 | 1,223 | 1,048 | 29% | 2,560 | 2,044 | 25% | 5,037 |
| General expenses | 192 | 186 | 192 | 186 | 185 | 4% | 378 | 362 | 4% | 740 |
| Investment expenses | 112 | 111 | 131 | 117 | 113 | -1% | 223 | 223 | 0% | 471 |
| Commissions | 272 | 268 | 291 | 288 | 266 | 2% | 540 | 501 | 8% | 1,080 |
| Other ² | (8) | 69 | 63 | 63 | (21) | -62% | 61 | 31 | 97% | 157 |
| Total policy benefits and expenses | 1,920 | 1,842 | 2,447 | 1,877 | 1,591 | 21% | 3,762 | 3,161 | 19% | 7,485 |
| Income before income taxes | 373 | 187 | 340 | 374 | 324 | 15% | 560 | 728 | -23% | 1,442 |
| Income taxes | (105) | (39) | (76) | (104) | (89) | 18% | (144) | (208) | -31% | (388) |
| Net income attributed to shareholders | 268 | 148 | 264 | 270 | 235 | 14% | 416 | 520 | -20% | 1,054 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² For assets supporting consumer notes, the impact of realized/ unrealized gains (losses) on the assets is offset in interest expense, included in Other.

Source of Earnings - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Expected profit from in-force business | 211 | 231 | 255 | 249 | 236 | -11% | 442 | 465 | -5% | 969 |
| Impact of new business | (42) | (32) | (47) | (30) | (33) | 27% | (74) | (63) | 17% | (140) |
| Experience gains (losses) | 133 | (84) | 38 | 94 | 43 | 209% | 49 | 160 | -69% | 292 |
| Management actions and changes in assumptions | - | - | 27 | - | 18 | -100% | - | 27 | -100% | 54 |
| Earnings on surplus funds | 69 | 69 | 70 | 69 | 68 | 1% | 138 | 138 | 0% | 277 |
| Other | 2 | 3 | (3) | (8) | (8) | - | 5 | 1 | 400% | (10) |
| Income before income taxes | 373 | 187 | 340 | 374 | 324 | 15% | 560 | 728 | -23% | 1,442 |
| Income taxes | (105) | (39) | (76) | (104) | (89) | 18% | (144) | (208) | -31% | (388) |
| Net income attributed to shareholders | 268 | 148 | 264 | 270 | 235 | 14% | 416 | 520 | -20% | 1,054 |

Premiums and Deposits - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|---------------------------|---------------|---------------|-----------------------------|----------------|
| Premiums | 1,302 | 1,106 | 1,356 | 1,028 | 900 | 45% | 2,408 | 1,662 | 45% | 4,046 |
| Segregated fund deposits | 4,751 | 5,487 | 5,227 | 5,250 | 5,231 | -9% | 10,238 | 10,756 | -5% | 21,233 |
| Mutual fund deposits | 2,376 | 2,414 | 1,758 | 1,712 | 1,766 | 35% | 4,790 | 3,488 | 37% | 6,958 |
| Other fund deposits | 132 | 135 | 154 | 135 | 157 | -16% | 267 | 380 | -30% | 669 |
| Total premiums and deposits | 8,561 | 9,142 | 8,495 | 8,125 | 8,054 | 6% | 17,703 | 16,286 | 9% | 32,906 |

Funds Under Management - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------------|----------------|----------------|-----------------------------|----------------|
| General fund | 33,776 | 34,380 | 36,254 | 36,681 | 37,053 | -9% | 33,776 | 37,053 | -9% | 36,254 |
| Segregated funds | 105,476 | 104,722 | 110,189 | 110,529 | 106,757 | -1% | 105,476 | 106,757 | -1% | 110,189 |
| Mutual funds | 26,702 | 26,430 | 27,917 | 30,972 | 31,604 | -16% | 26,702 | 31,604 | -16% | 27,917 |
| Other funds | 3,576 | 3,540 | 3,759 | 3,750 | 3,754 | -5% | 3,576 | 3,754 | -5% | 3,759 |
| Total funds under management | 169,530 | 169,072 | 178,119 | 181,932 | 179,168 | -5% | 169,530 | 179,168 | -5% | 178,119 |

Canadian \$ in millions - Summary Statements of Operations and Key Metrics

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---------------------------------------|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Revenue | 2,316 | 2,037 | 2,734 | 2,354 | 2,101 | 10% | 4,353 | 4,414 | -1% | 9,502 |
| Total policy benefits and expenses | 1,938 | 1,849 | 2,399 | 1,963 | 1,746 | 11% | 3,787 | 3,587 | 6% | 7,948 |
| Net income attributed to shareholders | 271 | 149 | 259 | 281 | 257 | 6% | 420 | 592 | -29% | 1,132 |
| Total premiums and deposits | 8,648 | 9,180 | 8,335 | 8,494 | 8,839 | -2% | 17,828 | 18,485 | -4% | 35,314 |
| Total funds under management | 172,682 | 173,789 | 175,999 | 181,258 | 190,528 | -9% | 172,682 | 190,528 | -9% | 175,999 |

U.S. WEALTH MANAGEMENT - JOHN HANCOCK VARIABLE ANNUITIES

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Revenue | | | | | | | | | | |
| Premium income ¹ | 673 | 559 | 467 | 466 | 391 | 72% | 1,232 | 619 | 99% | 1,552 |
| Investment income | 2 | 15 | 18 | 19 | 16 | -88% | 17 | 28 | -39% | 65 |
| Other revenue | 365 | 349 | 367 | 348 | 337 | 8% | 714 | 648 | 10% | 1,363 |
| Subtotal revenue | 1,040 | 923 | 852 | 833 | 744 | 40% | 1,963 | 1,295 | 52% | 2,980 |
| Realized/ unrealized gains (losses) on invested assets supporting policy liabilities ² | (33) | 36 | (8) | - | (3) | 1000% | 3 | (1) | - | (9) |
| Total revenue | 1,007 | 959 | 844 | 833 | 741 | 36% | 1,966 | 1,294 | 52% | 2,971 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ² | 614 | 628 | 411 | 382 | 321 | 91% | 1,242 | 510 | 144% | 1,303 |
| General expenses | 69 | 66 | 67 | 69 | 69 | 0% | 135 | 130 | 4% | 266 |
| Investment expenses | 37 | 36 | 42 | 38 | 37 | 0% | 73 | 71 | 3% | 151 |
| Commissions | 165 | 165 | 178 | 180 | 163 | 1% | 330 | 290 | 14% | 648 |
| Other | 1 | 1 | 2 | - | - | - | 2 | 1 | 100% | 3 |
| Total policy benefits and expenses | 886 | 896 | 700 | 669 | 590 | 50% | 1,782 | 1,002 | 78% | 2,371 |
| Income before income taxes | 121 | 63 | 144 | 164 | 151 | -20% | 184 | 292 | -37% | 600 |
| Income taxes | (34) | (13) | (29) | (49) | (46) | -26% | (47) | (83) | -43% | (161) |
| Net income attributed to shareholders ³ | 87 | 50 | 115 | 115 | 105 | -17% | 137 | 209 | -34% | 439 |

¹ Premium increases are related to the segregated funds dollar cost averaging program.

² For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

³ Decrease year over year primarily attributable to the impact of lower equity markets on segregated fund guarantee reserves.

Sales/Premiums and Deposits - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|------------------------------------|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Premiums ¹ | 673 | 559 | 467 | 466 | 391 | 72% | 1,232 | 619 | 99% | 1,552 |
| Segregated fund deposits | 1,847 | 1,980 | 2,350 | 2,513 | 2,414 | -23% | 3,827 | 4,343 | -12% | 9,206 |
| Total premiums and deposits | 2,520 | 2,539 | 2,817 | 2,979 | 2,805 | -10% | 5,059 | 4,962 | 2% | 10,758 |

¹ Premium increases are related to the segregated funds dollar cost averaging program.

Funds Under Management - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|-------------------------------------|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| General fund | 425 | 852 | 1,199 | 1,049 | 820 | -48% | 425 | 820 | -48% | 1,199 |
| Segregated funds | 50,966 | 50,781 | 53,777 | 53,819 | 51,661 | -1% | 50,966 | 51,661 | -1% | 53,777 |
| Total funds under management | 51,391 | 51,633 | 54,976 | 54,868 | 52,481 | -2% | 51,391 | 52,481 | -2% | 54,976 |

Changes in General and Segregated Funds Under Management - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Beginning balance | 51,633 | 54,976 | 54,868 | 52,481 | 49,170 | 5% | 54,976 | 47,716 | 15% | 47,716 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | (4) | - | (4) |
| Premiums and deposits | 2,520 | 2,539 | 2,817 | 2,979 | 2,805 | -10% | 5,059 | 4,962 | 2% | 10,758 |
| Investment (loss) income ⁴ | (487) | (3,758) | (969) | 1,043 | 2,207 | - | (4,245) | 3,095 | - | 3,169 |
| Withdrawals | (1,543) | (1,409) | (1,633) | (1,474) | (1,528) | 1% | (2,952) | (2,837) | 4% | (5,944) |
| Other ^{5,6} | (732) | (715) | (107) | (161) | (173) | 323% | (1,447) | (451) | 221% | (719) |
| Ending balance | 51,391 | 51,633 | 54,976 | 54,868 | 52,481 | -2% | 51,391 | 52,481 | -2% | 54,976 |

⁴ Investment income consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds.

⁵ Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other Business Units and changes in allocated capital.

⁶ Other includes the one-time transfer of payout annuities from JH Variable Annuities to JH Fixed Products in Q2, 2008.

Canadian \$ in millions - Key Metrics

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---------------------------------------|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Net income attributed to shareholders | 89 | 49 | 113 | 120 | 114 | -22% | 138 | 236 | -42% | 469 |
| Total sales/premiums and deposits | 2,546 | 2,549 | 2,763 | 3,115 | 3,078 | -17% | 5,095 | 5,606 | -9% | 11,484 |
| Total funds under management | 52,349 | 53,073 | 54,322 | 54,664 | 55,808 | -6% | 52,349 | 55,808 | -6% | 54,322 |

U.S. WEALTH MANAGEMENT - JOHN HANCOCK RETIREMENT PLAN SERVICES

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|-----------|------------|------------|------------|------------|
| Revenue | | | | | | | | | | |
| Premium income | 34 | 42 | 33 | 31 | 33 | 3% | 76 | 75 | 1% | 139 |
| Investment income | 19 | 20 | 23 | 21 | 19 | 0% | 39 | 38 | 3% | 82 |
| Other revenue | 183 | 173 | 185 | 179 | 176 | 4% | 356 | 340 | 5% | 704 |
| Subtotal revenue | 236 | 235 | 241 | 231 | 228 | 4% | 471 | 453 | 4% | 925 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities ¹ | 1 | (8) | - | (1) | (2) | - | (7) | - | - | (1) |
| Total revenue | 237 | 227 | 241 | 230 | 226 | 5% | 464 | 453 | 2% | 924 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 30 | 30 | 30 | 26 | 29 | 3% | 60 | 58 | 3% | 114 |
| General expenses | 58 | 60 | 57 | 55 | 53 | 9% | 118 | 108 | 9% | 220 |
| Investment expenses | 37 | 35 | 38 | 34 | 33 | 12% | 72 | 67 | 7% | 139 |
| Commissions | 54 | 54 | 57 | 55 | 54 | 0% | 108 | 109 | -1% | 221 |
| Other | 1 | 1 | 1 | 2 | 1 | 0% | 2 | 2 | 0% | 5 |
| Total policy benefits and expenses | 180 | 180 | 183 | 172 | 170 | 6% | 360 | 344 | 5% | 699 |
| Income before income taxes | 57 | 47 | 58 | 58 | 56 | 2% | 104 | 109 | -5% | 225 |
| Income taxes | (13) | (10) | (10) | (13) | (14) | -7% | (23) | (25) | -8% | (48) |
| Net income attributed to shareholders ² | 44 | 37 | 48 | 45 | 42 | 5% | 81 | 84 | -4% | 177 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Year over year increase primarily due to favourable pooled investment results partially offset by higher expenses as a result of a strengthened Canadian dollar.

Sales - U.S. \$ in millions

| | | | | | | | | | | |
|------------------------------|-----|-----|-------|-----|-----|-----|-------|-------|------|-------|
| New annualized premium sales | 202 | 280 | 379 | 195 | 190 | 6% | 482 | 487 | -1% | 1,061 |
| Single premium sales | 811 | 997 | 1,040 | 800 | 835 | -3% | 1,808 | 2,116 | -15% | 3,956 |

Premiums and Deposits - U.S. \$ in millions

| | | | | | | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|-----------|--------------|--------------|-----------|---------------|
| Premiums | 34 | 42 | 33 | 31 | 33 | 3% | 76 | 75 | 1% | 139 |
| Segregated fund deposits | 2,871 | 3,466 | 2,831 | 2,726 | 2,777 | 3% | 6,337 | 6,273 | 1% | 11,830 |
| Total premiums and deposits | 2,905 | 3,508 | 2,864 | 2,757 | 2,810 | 3% | 6,413 | 6,348 | 1% | 11,969 |

Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|-----------|---------------|
| General fund | 1,240 | 1,174 | 1,266 | 1,214 | 1,130 | 10% | 1,240 | 1,130 | 10% | 1,266 |
| Segregated funds | 50,430 | 49,764 | 52,131 | 52,400 | 50,644 | 0% | 50,430 | 50,644 | 0% | 52,131 |
| Total funds under management | 51,670 | 50,938 | 53,397 | 53,614 | 51,774 | 0% | 51,670 | 51,774 | 0% | 53,397 |

Changes in General and Segregated Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|------------|---------------|
| Beginning balance | 50,938 | 53,397 | 53,614 | 51,774 | 48,367 | 5% | 53,397 | 45,873 | 16% | 45,873 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 3 | -100% | 3 |
| Premiums and deposits | 2,905 | 3,508 | 2,864 | 2,757 | 2,810 | 3% | 6,413 | 6,348 | 1% | 11,969 |
| Investment (loss) income ³ | (161) | (3,725) | (801) | 1,007 | 2,371 | - | (3,886) | 3,352 | - | 3,558 |
| Withdrawals | (2,015) | (2,124) | (2,302) | (1,948) | (1,798) | 12% | (4,139) | (3,795) | 9% | (8,045) |
| Other ⁴ | 3 | (118) | 22 | 24 | 24 | -88% | (115) | (7) | nm | 39 |
| Ending balance | 51,670 | 50,938 | 53,397 | 53,614 | 51,774 | 0% | 51,670 | 51,774 | 0% | 53,397 |

³ Investment income consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds.

⁴ Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other Business Units and changes in allocated capital.

Canadian \$ in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|------|--------|--------|------|--------|
| Net income attributed to shareholders | 44 | 38 | 48 | 46 | 47 | -6% | 82 | 96 | -15% | 190 |
| Sales - New annualized premiums | 204 | 281 | 371 | 204 | 209 | -2% | 485 | 557 | -13% | 1,132 |
| Sales - Single premiums | 820 | 1,001 | 1,020 | 837 | 916 | -10% | 1,821 | 2,417 | -25% | 4,274 |
| Total premiums and deposits | 2,934 | 3,523 | 2,810 | 2,882 | 3,084 | -5% | 6,457 | 7,229 | -11% | 12,921 |
| Total funds under management | 52,630 | 52,360 | 52,760 | 53,417 | 55,058 | -4% | 52,630 | 55,058 | -4% | 52,760 |

U.S. WEALTH MANAGEMENT - JOHN HANCOCK MUTUAL FUNDS

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | | | | | | | | | | |
|--|------------|-----------|------------|------------|------------|-------------|------------|------------|-------------|------------|
| Revenue | | | | | | | | | | |
| Investment income | 2 | 1 | 2 | 2 | 1 | 100% | 3 | 3 | 0% | 7 |
| Other revenue | 101 | 98 | 111 | 111 | 114 | -11% | 199 | 224 | -11% | 446 |
| Total revenue | 103 | 99 | 113 | 113 | 115 | -10% | 202 | 227 | -11% | 453 |
| Policy benefits and expenses | | | | | | | | | | |
| General expenses | 41 | 38 | 42 | 39 | 38 | 8% | 79 | 76 | 4% | 157 |
| Investment expenses | 19 | 20 | 22 | 24 | 23 | -17% | 39 | 44 | -11% | 90 |
| Commissions | 40 | 37 | 40 | 40 | 40 | 0% | 77 | 80 | -4% | 160 |
| Total policy benefits and expenses | 100 | 95 | 104 | 102 | 101 | -1% | 195 | 200 | -3% | 407 |
| Income before income taxes | 3 | 4 | 9 | 11 | 14 | -79% | 7 | 27 | -74% | 46 |
| Income taxes | (2) | (1) | (3) | (4) | (5) | -60% | (3) | (10) | -70% | (17) |
| Net income attributed to shareholders¹ | 1 | 3 | 6 | 7 | 9 | -89% | 4 | 17 | -76% | 29 |

¹ Year over year decline due to lower fee income from lower average assets and higher sales related costs from increased sales.

Deposits - U.S. \$ in millions

| | | | | | | | | | | |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|------------|--------------|
| Mutual fund deposits | 2,376 | 2,414 | 1,758 | 1,712 | 1,766 | 35% | 4,790 | 3,488 | 37% | 6,958 |
| Other fund deposits ² | 132 | 135 | 154 | 135 | 149 | -11% | 267 | 362 | -26% | 651 |
| Total deposits | 2,508 | 2,549 | 1,912 | 1,847 | 1,915 | 31% | 5,057 | 3,850 | 31% | 7,609 |

² Other fund deposits include College Savings (529 plan) and Private Managed Accounts.

Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|-------------|---------------|---------------|-------------|---------------|
| General fund | 19 | 18 | 56 | 45 | 41 | -54% | 19 | 41 | -54% | 56 |
| Mutual funds | 26,702 | 26,430 | 27,917 | 30,972 | 31,604 | -16% | 26,702 | 31,604 | -16% | 27,917 |
| Other funds ³ | 3,576 | 3,540 | 3,759 | 3,750 | 3,754 | -5% | 3,576 | 3,754 | -5% | 3,759 |
| Total funds under management | 30,297 | 29,988 | 31,732 | 34,767 | 35,399 | -14% | 30,297 | 35,399 | -14% | 31,732 |

³ Other funds include College Savings (529 plan) and Private Managed Accounts.

Changes in General, Mutual and Other Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|-------------|---------------|---------------|-------------|---------------|
| Beginning balance | 29,988 | 31,732 | 34,767 | 35,399 | 34,086 | -12% | 31,732 | 33,942 | -7% | 33,942 |
| Deposits | 2,508 | 2,549 | 1,912 | 1,847 | 1,915 | 31% | 5,057 | 3,850 | 31% | 7,609 |
| Investment (loss) income ⁴ | (267) | (2,114) | (1,896) | (466) | 1,245 | - | (2,381) | 1,187 | - | (1,175) |
| Withdrawals | (1,833) | (2,184) | (2,949) | (1,906) | (1,718) | 7% | (4,017) | (3,311) | 21% | (8,166) |
| Other ⁵ | (99) | 5 | (102) | (107) | (129) | -23% | (94) | (269) | -65% | (478) |
| Ending balance | 30,297 | 29,988 | 31,732 | 34,767 | 35,399 | -14% | 30,297 | 35,399 | -14% | 31,732 |

⁴ Investment income consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the mutual and other funds.

⁵ Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other Business Units and changes in allocated capital.

Canadian \$ in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|------|--------|--------|------|--------|
| Net income attributed to shareholders | 1 | 3 | 5 | 8 | 9 | -89% | 4 | 19 | -79% | 32 |
| Sales ⁶ | 2,532 | 2,561 | 1,877 | 1,930 | 2,102 | 20% | 5,093 | 4,369 | 17% | 8,176 |
| Total funds under management | 30,860 | 30,825 | 31,354 | 34,638 | 37,644 | -18% | 30,860 | 37,644 | -18% | 31,354 |

⁶ Sales are measured by new premiums and deposits received.

U.S. WEALTH MANAGEMENT - JOHN HANCOCK FIXED PRODUCTS

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|------|-------|-------|------|-------|
| Revenue | | | | | | | | | | |
| Premium income | 595 | 505 | 856 | 531 | 476 | 25% | 1,100 | 968 | 14% | 2,355 |
| Investment income | 450 | 509 | 599 | 471 | 518 | -13% | 959 | 1,034 | -7% | 2,104 |
| Other revenue | 9 | 8 | 11 | 9 | 10 | -10% | 17 | 19 | -11% | 39 |
| Subtotal revenue | 1,054 | 1,022 | 1,466 | 1,011 | 1,004 | 5% | 2,076 | 2,021 | 3% | 4,498 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities and consumer notes ^{1,2} | (108) | (278) | 123 | 64 | (171) | -37% | (386) | (106) | 264% | 81 |
| Total revenue | 946 | 744 | 1,589 | 1,075 | 833 | 14% | 1,690 | 1,915 | -12% | 4,579 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 708 | 550 | 1,329 | 815 | 698 | 1% | 1,258 | 1,476 | -15% | 3,620 |
| General expenses | 24 | 22 | 26 | 23 | 25 | -4% | 46 | 48 | -4% | 97 |
| Investment expenses | 19 | 20 | 29 | 21 | 20 | -5% | 39 | 41 | -5% | 91 |
| Commissions | 13 | 12 | 16 | 13 | 9 | 44% | 25 | 22 | 14% | 51 |
| Other ² | (10) | 67 | 60 | 61 | (22) | -55% | 57 | 28 | 104% | 149 |
| Total policy benefits and expenses | 754 | 671 | 1,460 | 933 | 730 | 3% | 1,425 | 1,615 | -12% | 4,008 |
| Income before income taxes | 192 | 73 | 129 | 142 | 103 | 86% | 265 | 300 | -12% | 571 |
| Income taxes | (56) | (15) | (34) | (38) | (24) | 133% | (71) | (90) | -21% | (162) |
| Net income attributed to shareholders ³ | 136 | 58 | 95 | 104 | 79 | 72% | 194 | 210 | -8% | 409 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² For assets supporting consumer notes (SignatureNotes), the impact of realized/ unrealized gains (losses) on the assets is offset in interest expense, included in Other.

³ Year over year increase driven by favourable pooled investments results.

Sales - U.S. \$ in millions
Spread-based Products

| | | | | | | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|-------|-----|-----|-------|-------|
| Payout annuities | 217 | 207 | 432 | 187 | 198 | 10% | 424 | 344 | 23% | 963 |
| Fixed deferred annuities | 161 | 141 | 191 | 194 | 123 | 31% | 302 | 258 | 17% | 643 |
| SignatureNotes | - | - | - | - | 8 | -100% | - | 18 | -100% | 18 |
| Total spread-based sales | 378 | 348 | 623 | 381 | 329 | 15% | 726 | 620 | 17% | 1,624 |

Fee-based Products

| | | | | | | | | | | |
|------------------------------|----|----|----|----|----|------|----|-----|------|-----|
| Pension participating | 12 | 11 | 8 | 11 | 7 | 71% | 23 | 24 | -4% | 43 |
| Separate accounts | 33 | 41 | 46 | 6 | 43 | -23% | 74 | 147 | -50% | 199 |
| Total fee-based sales | 45 | 52 | 54 | 17 | 50 | -10% | 97 | 171 | -43% | 242 |

| | | | | | | | | | | |
|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|----|-------|
| Total sales | 423 | 400 | 677 | 398 | 379 | 12% | 823 | 791 | 4% | 1,866 |
|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|----|-------|

Premiums and Deposits - U.S. \$ in millions

| | | | | | | | | | | |
|---|-----|-----|-----|-----|-----|-------|-------|-------|-------|-------|
| Premiums | 595 | 505 | 856 | 531 | 476 | 25% | 1,100 | 968 | 14% | 2,355 |
| Segregated fund deposits | 33 | 41 | 46 | 11 | 40 | -18% | 74 | 140 | -47% | 197 |
| Other fund deposits - SignatureNotes ⁴ | - | - | - | - | 8 | -100% | - | 18 | -100% | 18 |
| Total premiums and deposits | 628 | 546 | 902 | 542 | 524 | 20% | 1,174 | 1,126 | 4% | 2,570 |

⁴SignatureNotes is measured by sales.

Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|-------------------------------------|--------|--------|--------|--------|--------|-----|--------|--------|-----|--------|
| General fund | 32,092 | 32,336 | 33,733 | 34,373 | 35,062 | -8% | 32,092 | 35,062 | -8% | 33,733 |
| Segregated funds | 4,080 | 4,177 | 4,281 | 4,310 | 4,452 | -8% | 4,080 | 4,452 | -8% | 4,281 |
| Total funds under management | 36,172 | 36,513 | 38,014 | 38,683 | 39,514 | -8% | 36,172 | 39,514 | -8% | 38,014 |

U.S. WEALTH MANAGEMENT - JOHN HANCOCK FIXED PRODUCTS (CONT'D)

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Changes in General and Segregated Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|------------|---------------|---------------|------------|---------------|
| Beginning balance | 36,513 | 38,014 | 38,683 | 39,514 | 39,988 | -9% | 38,014 | 41,243 | -8% | 41,243 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 231 | -100% | 231 |
| Premiums and segregated fund deposits | 628 | 546 | 902 | 542 | 516 | 22% | 1,174 | 1,108 | 6% | 2,552 |
| Investment income ¹ | 295 | 135 | 768 | 645 | 424 | -30% | 430 | 1,086 | -60% | 2,499 |
| Withdrawals | (1,598) | (1,605) | (1,789) | (1,951) | (1,374) | 16% | (3,203) | (3,243) | -1% | (6,983) |
| Other ^{2,3} | 334 | (577) | (550) | (67) | (40) | - | (243) | (911) | -73% | (1,528) |
| Ending balance | 36,172 | 36,513 | 38,014 | 38,683 | 39,514 | -8% | 36,172 | 39,514 | -8% | 38,014 |

¹ Investment income consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds.

² Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/ from other Business Units and changes in allocated capital.

³ Other includes the one-time transfer of payout annuities from JH Variable Annuities to JH Fixed Products in Q2, 2008.

Canadian \$ in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|------|--------|--------|------|--------|
| Net income attributed to shareholders | 137 | 59 | 94 | 108 | 86 | 59% | 196 | 240 | -18% | 442 |
| Sales | 429 | 401 | 664 | 417 | 416 | 3% | 830 | 899 | -8% | 1,980 |
| Total premiums and deposits | 636 | 547 | 885 | 567 | 575 | 11% | 1,183 | 1,281 | -8% | 2,733 |
| Total funds under management | 36,843 | 37,531 | 37,563 | 38,539 | 42,018 | -12% | 36,843 | 42,018 | -12% | 37,563 |

CANADIAN DIVISION
(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations

| | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|------------|---------------|
| Revenue | | | | | | | | | | |
| Premium income | 1,668 | 1,611 | 1,624 | 1,522 | 1,556 | 7% | 3,279 | 3,062 | 7% | 6,208 |
| Investment income | 726 | 746 | 747 | 710 | 659 | 10% | 1,472 | 1,346 | 9% | 2,803 |
| Other revenue | 297 | 286 | 281 | 264 | 247 | 20% | 583 | 499 | 17% | 1,044 |
| Subtotal revenue | 2,691 | 2,643 | 2,652 | 2,496 | 2,462 | 9% | 5,334 | 4,907 | 9% | 10,055 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities ¹ | (199) | (117) | 364 | 17 | (554) | -64% | (316) | (591) | -47% | (210) |
| Total revenue | 2,492 | 2,526 | 3,016 | 2,513 | 1,908 | 31% | 5,018 | 4,316 | 16% | 9,845 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 1,322 | 1,447 | 1,925 | 1,433 | 852 | 55% | 2,769 | 2,287 | 21% | 5,645 |
| General expenses | 267 | 257 | 262 | 247 | 236 | 13% | 524 | 467 | 12% | 976 |
| Investment expenses | 70 | 68 | 70 | 67 | 66 | 6% | 138 | 131 | 5% | 268 |
| Commissions | 296 | 277 | 302 | 237 | 229 | 29% | 573 | 461 | 24% | 1,000 |
| Other | 127 | 142 | 141 | 131 | 121 | 5% | 269 | 241 | 12% | 513 |
| Total policy benefits and expenses | 2,082 | 2,191 | 2,700 | 2,115 | 1,504 | 38% | 4,273 | 3,587 | 19% | 8,402 |
| Income before income taxes | 410 | 335 | 316 | 398 | 404 | 1% | 745 | 729 | 2% | 1,443 |
| Income taxes | (113) | (82) | (19) | (111) | (110) | 3% | (195) | (200) | -3% | (330) |
| Net income | 297 | 253 | 297 | 287 | 294 | 1% | 550 | 529 | 4% | 1,113 |
| Income (loss) attributed to participating policyholders | (5) | (1) | 10 | (1) | (3) | 67% | (6) | (6) | 0% | 3 |
| Net income attributed to shareholders | 302 | 254 | 287 | 288 | 297 | 2% | 556 | 535 | 4% | 1,110 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

Source of Earnings

| | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|-----------|------------|------------|-----------|--------------|
| Expected profit from in-force business | 187 | 177 | 179 | 194 | 171 | 9% | 364 | 332 | 10% | 705 |
| Impact of new business | (17) | (9) | (14) | (16) | (5) | 240% | (26) | (7) | 271% | (37) |
| Experience gains | 163 | 86 | 55 | 136 | 124 | 31% | 249 | 191 | 30% | 382 |
| Management actions and changes in assumptions | - | (3) | (11) | - | - | - | (3) | 23 | - | 12 |
| Earnings on surplus funds | 93 | 93 | 88 | 88 | 88 | 6% | 186 | 176 | 6% | 352 |
| Other | (11) | (8) | 9 | (3) | 29 | - | (19) | 20 | - | 26 |
| Income before income taxes | 415 | 336 | 306 | 399 | 407 | 2% | 751 | 735 | 2% | 1,440 |
| Income taxes | (113) | (82) | (19) | (111) | (110) | 3% | (195) | (200) | -3% | (330) |
| Net income attributed to shareholders | 302 | 254 | 287 | 288 | 297 | 2% | 556 | 535 | 4% | 1,110 |

Premiums and Deposits

| | | | | | | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|------------|---------------|
| Premiums | 1,668 | 1,611 | 1,624 | 1,522 | 1,556 | 7% | 3,279 | 3,062 | 7% | 6,208 |
| Segregated fund deposits | 1,644 | 1,587 | 1,929 | 1,121 | 1,299 | 27% | 3,231 | 3,932 | -18% | 6,982 |
| Mutual fund deposits | 157 | 159 | 129 | 122 | 130 | 21% | 316 | 307 | 3% | 558 |
| ASO premium equivalents | 621 | 633 | 630 | 582 | 584 | 6% | 1,254 | 1,161 | 8% | 2,373 |
| Total premiums and deposits | 4,090 | 3,990 | 4,312 | 3,347 | 3,569 | 15% | 8,080 | 8,462 | -5% | 16,121 |

Funds Under Management

| | | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|-----------|---------------|
| General fund | 51,898 | 51,495 | 51,474 | 49,335 | 48,496 | 7% | 51,898 | 48,496 | 7% | 51,474 |
| Segregated funds | 32,524 | 31,123 | 31,391 | 30,829 | 30,692 | 6% | 32,524 | 30,692 | 6% | 31,391 |
| Mutual funds | 3,219 | 3,161 | 3,286 | 3,386 | 3,451 | -7% | 3,219 | 3,451 | -7% | 3,286 |
| Total funds under management | 87,641 | 85,779 | 86,151 | 83,550 | 82,639 | 6% | 87,641 | 82,639 | 6% | 86,151 |

CANADA - INDIVIDUAL INSURANCE

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|--------------|------------|------------|---------------------------|--------------|--------------|-----------------------------|----------------|
| Statements of Operations | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Premium income | 628 | 574 | 583 | 524 | 559 | 12% | 1,202 | 1,096 | 10% | 2,203 |
| Investment income | 296 | 294 | 295 | 273 | 232 | 28% | 590 | 498 | 18% | 1,066 |
| Other revenue | 4 | 5 | 1 | 6 | 4 | 0% | 9 | 11 | -18% | 18 |
| Subtotal revenue | 928 | 873 | 879 | 803 | 795 | 17% | 1,801 | 1,605 | 12% | 3,287 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities ¹ | 3 | (78) | 203 | 56 | (231) | - | (75) | (229) | -67% | 30 |
| Total revenue | 931 | 795 | 1,082 | 859 | 564 | 65% | 1,726 | 1,376 | 25% | 3,317 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 558 | 400 | 771 | 497 | 184 | 203% | 958 | 695 | 38% | 1,963 |
| General expenses | 80 | 77 | 81 | 78 | 76 | 5% | 157 | 149 | 5% | 308 |
| Investment expenses | 19 | 17 | 19 | 18 | 18 | 6% | 36 | 36 | 0% | 73 |
| Commissions | 120 | 108 | 117 | 101 | 99 | 21% | 228 | 184 | 24% | 402 |
| Other | 18 | 19 | 20 | 18 | 17 | 6% | 37 | 35 | 6% | 73 |
| Total policy benefits and expenses | 795 | 621 | 1,008 | 712 | 394 | 102% | 1,416 | 1,099 | 29% | 2,819 |
| Income before income taxes | 136 | 174 | 74 | 147 | 170 | -20% | 310 | 277 | 12% | 498 |
| Income taxes | (30) | (43) | 27 | (39) | (44) | -32% | (73) | (69) | 6% | (81) |
| Net income | 106 | 131 | 101 | 108 | 126 | -16% | 237 | 208 | 14% | 417 |
| Income (loss) attributed to participating policyholders | (5) | (1) | 10 | (1) | (3) | 67% | (6) | (6) | 0% | 3 |
| Net income attributed to shareholders ² | 111 | 132 | 91 | 109 | 129 | -14% | 243 | 214 | 14% | 414 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Year over year decrease driven by strain from growth in new business and the non-recurrence of a release of reserves related to investment income tax in Q2 2007.

Sales

| | | | | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|
| New annualized premium sales | | | | | | | | | | |
| Individual life | 65 | 57 | 65 | 50 | 57 | 14% | 122 | 101 | 21% | 216 |
| Affinity markets | 19 | 17 | 17 | 18 | 18 | 6% | 36 | 34 | 6% | 69 |
| Total new annualized premium sales | 84 | 74 | 82 | 68 | 75 | 12% | 158 | 135 | 17% | 285 |
| Single premium sales | | | | | | | | | | |
| Affinity markets | 32 | 40 | 44 | 44 | 28 | 14% | 72 | 61 | 18% | 149 |

Premiums and Deposits

| | | | | | | | | | | |
|------------------------------------|------------|------------|------------|------------|------------|------------|--------------|--------------|------------|--------------|
| Premiums | 628 | 574 | 583 | 524 | 559 | 12% | 1,202 | 1,096 | 10% | 2,203 |
| Segregated fund deposits | 2 | 2 | 2 | 2 | 2 | 0% | 4 | 4 | 0% | 8 |
| ASO premium equivalents | 11 | 12 | 12 | 11 | 10 | 10% | 23 | 20 | 15% | 43 |
| Total premiums and deposits | 641 | 588 | 597 | 537 | 571 | 12% | 1,229 | 1,120 | 10% | 2,254 |

Funds Under Management

| | | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|-----------|---------------|
| General fund | 21,062 | 20,760 | 20,656 | 19,997 | 19,678 | 7% | 21,062 | 19,678 | 7% | 20,656 |
| Segregated funds | 288 | 274 | 294 | 296 | 297 | -3% | 288 | 297 | -3% | 294 |
| Total funds under management | 21,350 | 21,034 | 20,950 | 20,293 | 19,975 | 7% | 21,350 | 19,975 | 7% | 20,950 |

Changes in General and Segregated Funds Under Management

| | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|------------|---------------|
| Beginning balance | 21,034 | 20,950 | 20,293 | 19,975 | 19,918 | 6% | 20,950 | 18,681 | 12% | 18,681 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 989 | -100% | 989 |
| Premiums and deposits | 630 | 576 | 585 | 526 | 561 | 12% | 1,206 | 1,100 | 10% | 2,211 |
| Investment income ³ | 320 | 203 | 499 | 336 | 19 | nm | 523 | 293 | 78% | 1,128 |
| Benefits and withdrawals | (276) | (263) | (266) | (240) | (258) | 7% | (539) | (530) | 2% | (1,036) |
| Other ⁴ | (358) | (432) | (161) | (304) | (265) | 35% | (790) | (558) | 42% | (1,023) |
| Ending balance | 21,350 | 21,034 | 20,950 | 20,293 | 19,975 | 7% | 21,350 | 19,975 | 7% | 20,950 |

³ Investment income consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds.

⁴ Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other Business Units and changes in allocated capital.

CANADA - INDIVIDUAL WEALTH MANAGEMENT

(Canadian \$ in millions, unaudited)



| | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|----------------|-------------|-------------|-----------------|---------------|
| | 2008 | 2008 | 2007 | 2007 | 2007 | 2008 Q2 | YTD | YTD | YTD 2008 | Fiscal |
| | Q2 | Q1 | Q4 | Q3 | Q2 | vs. | 2008 | 2007 | vs. | 2007 |
| | | | | | | 2007 Q2 | | | YTD 2007 | |

Statements of Operations

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------|--------------|--------------|-----------------------|--------------|
| Revenue | | | | | | | | | | |
| Premium income | 126 | 133 | 103 | 109 | 98 | 29% | 259 | 176 | 47% | 388 |
| Investment income | 288 | 307 | 311 | 298 | 287 | 0% | 595 | 570 | 4% | 1,179 |
| Other revenue | 229 | 219 | 219 | 195 | 183 | 25% | 448 | 360 | 24% | 774 |
| Subtotal revenue | 643 | 659 | 633 | 602 | 568 | 13% | 1,302 | 1,106 | 18% | 2,341 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities ¹ | (129) | (50) | 115 | (27) | (222) | -42% | (179) | (251) | -29% | (163) |
| Total revenue | 514 | 609 | 748 | 575 | 346 | 49% | 1,123 | 855 | 31% | 2,178 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 31 | 234 | 287 | 159 | (50) | - | 265 | 42 | 531% | 488 |
| General expenses | 72 | 70 | 73 | 58 | 55 | 31% | 142 | 108 | 31% | 239 |
| Investment expenses | 40 | 39 | 39 | 37 | 36 | 11% | 79 | 73 | 8% | 149 |
| Commissions | 139 | 135 | 150 | 103 | 95 | 46% | 274 | 208 | 32% | 461 |
| Other | 87 | 102 | 99 | 91 | 82 | 6% | 189 | 163 | 16% | 353 |
| Total policy benefits and expenses | 369 | 580 | 648 | 448 | 218 | 69% | 949 | 594 | 60% | 1,690 |
| Income before income taxes | 145 | 29 | 100 | 127 | 128 | 13% | 174 | 261 | -33% | 488 |
| Income taxes | (45) | (1) | (5) | (36) | (36) | 25% | (46) | (76) | -39% | (117) |
| Net income attributed to shareholders² | 100 | 28 | 95 | 91 | 92 | 9% | 128 | 185 | -31% | 371 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Year over year increase driven by favourable investment returns and growth in the Manulife Bank.

Premiums and Deposits

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|------------------------------------|--------------|--------------|--------------|------------|--------------|---------------------|--------------|--------------|-----------------------|--------------|
| Premiums | 126 | 133 | 103 | 109 | 98 | 29% | 259 | 176 | 47% | 388 |
| Segregated fund deposits | 1,116 | 1,098 | 1,306 | 746 | 830 | 34% | 2,214 | 1,884 | 18% | 3,936 |
| Mutual fund deposits | 157 | 159 | 129 | 122 | 130 | 21% | 316 | 307 | 3% | 558 |
| Total premiums and deposits | 1,399 | 1,390 | 1,538 | 977 | 1,058 | 32% | 2,789 | 2,367 | 18% | 4,882 |

Sales

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|--------------|--------------|--------------|--------------|--------------|---------------------|--------------|--------------|-----------------------|--------------|
| Total premiums and deposits | 1,399 | 1,390 | 1,538 | 977 | 1,058 | 32% | 2,789 | 2,367 | 18% | 4,882 |
| Manulife Bank lending volumes ³ | 1,189 | 910 | 928 | 959 | 892 | 33% | 2,099 | 1,644 | 28% | 3,531 |
| Total Sales | 2,589 | 2,299 | 2,466 | 1,936 | 1,950 | 33% | 4,888 | 4,011 | 22% | 8,413 |

³ Manulife Bank lending volumes represent bank loans and mortgages authorized in the period.

Funds Under Management

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------------|---------------|---------------|-----------------------|---------------|
| General fund - Manulife Bank | 10,945 | 10,805 | 10,238 | 9,126 | 8,338 | 31% | 10,945 | 8,338 | 31% | 10,238 |
| General fund - Other | 10,469 | 10,513 | 11,096 | 11,035 | 11,132 | -6% | 10,469 | 11,132 | -6% | 11,096 |
| Segregated funds | 20,905 | 19,812 | 19,946 | 19,568 | 19,486 | 7% | 20,905 | 19,486 | 7% | 19,946 |
| Mutual funds | 3,219 | 3,161 | 3,286 | 3,386 | 3,451 | -7% | 3,219 | 3,451 | -7% | 3,286 |
| Total funds under management | 45,538 | 44,291 | 44,566 | 43,115 | 42,407 | 7% | 45,538 | 42,407 | 7% | 44,566 |

CANADA - INDIVIDUAL WEALTH MANAGEMENT (CONT'D)

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Changes in Funds Under Management
General Fund

| | | | | | | | | | | |
|--|--------|--------|--------|--------|--------|------|--------|--------|-------|---------|
| Beginning balance | 21,318 | 21,334 | 20,161 | 19,470 | 19,407 | 10% | 21,334 | 18,982 | 12% | 18,982 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 893 | -100% | 893 |
| Premiums | 126 | 133 | 103 | 109 | 98 | 29% | 259 | 176 | 47% | 388 |
| Investment income | 159 | 257 | 426 | 271 | 65 | 145% | 416 | 319 | 30% | 1,016 |
| Benefits and withdrawals | (282) | (279) | (309) | (275) | (324) | -13% | (561) | (650) | -14% | (1,234) |
| Bank deposits | 126 | 570 | 1,107 | 794 | 186 | -32% | 696 | 262 | 166% | 2,163 |
| Other ¹ | (33) | (697) | (154) | (208) | 38 | - | (730) | (512) | 43% | (874) |
| Ending balance | 21,414 | 21,318 | 21,334 | 20,161 | 19,470 | 10% | 21,414 | 19,470 | 10% | 21,334 |

¹ Other for the general fund is comprised of all changes to the statements of operations and balance sheet that are not specifically identified in the roll forward. This includes general expenses, investment expenses, taxes, changes in receivables and payables and changes in allocated capital.

Segregated Funds

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|------|---------|---------|------|---------|
| Beginning balance | 19,812 | 19,946 | 19,568 | 19,486 | 18,835 | 5% | 19,946 | 18,140 | 10% | 18,140 |
| Deposits | 1,116 | 1,098 | 1,306 | 746 | 830 | 34% | 2,214 | 1,884 | 18% | 3,936 |
| Investment (loss) income ² | 566 | (555) | (305) | (66) | 564 | 0% | 11 | 984 | -99% | 613 |
| Withdrawals | (538) | (569) | (469) | (455) | (598) | -10% | (1,107) | (1,250) | -11% | (2,174) |
| Other ³ | (51) | (108) | (154) | (143) | (145) | -65% | (159) | (272) | -42% | (569) |
| Ending balance | 20,905 | 19,812 | 19,946 | 19,568 | 19,486 | 7% | 20,905 | 19,486 | 7% | 19,946 |

Mutual Funds

| | | | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|------|-------|-------|------|-------|
| Beginning balance | 3,161 | 3,286 | 3,386 | 3,451 | 3,413 | -7% | 3,286 | 3,441 | -5% | 3,441 |
| Deposits | 157 | 159 | 129 | 122 | 130 | 21% | 316 | 307 | 3% | 558 |
| Investment (loss) income ² | 76 | (62) | (51) | (4) | 120 | -37% | 14 | 176 | -92% | 121 |
| Withdrawals | (160) | (207) | (161) | (167) | (195) | -18% | (367) | (440) | -17% | (768) |
| Other ³ | (15) | (15) | (17) | (16) | (17) | -12% | (30) | (33) | -9% | (66) |
| Ending balance | 3,219 | 3,161 | 3,286 | 3,386 | 3,451 | -7% | 3,219 | 3,451 | -7% | 3,286 |

² Investment income for segregated and mutual funds includes net realized and unrealized investment gains and losses, interest and dividend revenue.

³ Other for segregated and mutual funds includes expenses and transfers to/from other Business Units.

CANADA - GROUP BUSINESSES

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations

| | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|------------|--------------|
| Revenue | | | | | | | | | | |
| Premium income | 914 | 904 | 938 | 889 | 899 | 2% | 1,818 | 1,790 | 2% | 3,617 |
| Investment income | 142 | 145 | 141 | 139 | 140 | 1% | 287 | 278 | 3% | 558 |
| Other revenue | 64 | 62 | 61 | 63 | 60 | 7% | 126 | 128 | -2% | 252 |
| Subtotal revenue | 1,120 | 1,111 | 1,140 | 1,091 | 1,099 | 2% | 2,231 | 2,196 | 2% | 4,427 |
| Realized/ unrealized gains (losses) on invested assets supporting policy liabilities ¹ | (73) | 11 | 46 | (12) | (101) | -28% | (62) | (111) | -44% | (77) |
| Total revenue | 1,047 | 1,122 | 1,186 | 1,079 | 998 | 5% | 2,169 | 2,085 | 4% | 4,350 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 733 | 813 | 867 | 777 | 718 | 2% | 1,546 | 1,550 | 0% | 3,194 |
| General expenses | 115 | 110 | 108 | 111 | 105 | 10% | 225 | 210 | 7% | 429 |
| Investment expenses | 11 | 12 | 12 | 12 | 12 | -8% | 23 | 22 | 5% | 46 |
| Commissions | 37 | 34 | 35 | 33 | 35 | 6% | 71 | 69 | 3% | 137 |
| Other | 22 | 21 | 22 | 22 | 22 | 0% | 43 | 43 | 0% | 87 |
| Total policy benefits and expenses | 918 | 990 | 1,044 | 955 | 892 | 3% | 1,908 | 1,894 | 1% | 3,893 |
| Income before income taxes | 129 | 132 | 142 | 124 | 106 | 22% | 261 | 191 | 37% | 457 |
| Income taxes | (38) | (38) | (41) | (35) | (31) | 23% | (76) | (55) | 38% | (131) |
| Net income attributed to shareholders ² | 91 | 94 | 101 | 89 | 75 | 21% | 185 | 136 | 36% | 326 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Year over year increase primarily attributable to improved claims experience, business growth and favourable investment returns.

Sales

| | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|--------------|-------------|--------------|
| Group Benefits ³ | 89 | 90 | 92 | 179 | 62 | 44% | 179 | 166 | 8% | 437 |
| Group Savings and Retirement Solutions - new annualized premium sales | 29 | 42 | 57 | 31 | 22 | 32% | 71 | 144 | -51% | 232 |
| Group Savings and Retirement Solutions - single premium sales | 133 | 57 | 303 | 71 | 108 | 23% | 190 | 1,321 | -86% | 1,695 |
| Total sales | 251 | 189 | 452 | 281 | 192 | 31% | 440 | 1,631 | -73% | 2,364 |

³ Sales for the Group Benefits business are measured by new annualized premiums (including amendments) and single premium sales, including ASO premium equivalents.

Premiums and Deposits

| | | | | | | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|-----------|--------------|--------------|-------------|--------------|
| Premiums | 914 | 904 | 938 | 889 | 899 | 2% | 1,818 | 1,790 | 2% | 3,617 |
| Segregated fund deposits | 526 | 487 | 621 | 373 | 467 | 13% | 1,013 | 2,044 | -50% | 3,038 |
| ASO premium equivalents | 610 | 621 | 618 | 571 | 574 | 6% | 1,231 | 1,141 | 8% | 2,330 |
| Total premiums and deposits | 2,050 | 2,012 | 2,177 | 1,833 | 1,940 | 6% | 4,062 | 4,975 | -18% | 8,985 |

Funds Under Management

| | | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|-----------|---------------|
| General funds | 9,422 | 9,417 | 9,484 | 9,177 | 9,348 | 1% | 9,422 | 9,348 | 1% | 9,484 |
| Segregated funds | 11,331 | 11,037 | 11,151 | 10,965 | 10,909 | 4% | 11,331 | 10,909 | 4% | 11,151 |
| Total funds under management | 20,753 | 20,454 | 20,635 | 20,142 | 20,257 | 2% | 20,753 | 20,257 | 2% | 20,635 |

Changes in General and Segregated Funds Under Management

| | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|------------|---------------|
| Beginning balance | 20,454 | 20,635 | 20,142 | 20,257 | 19,850 | 3% | 20,635 | 18,154 | 14% | 18,154 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 303 | -100% | 303 |
| Premiums and deposits | 1,440 | 1,391 | 1,559 | 1,262 | 1,366 | 5% | 2,831 | 3,834 | -26% | 6,655 |
| Investment (loss) income ⁴ | 240 | (123) | 21 | 69 | 269 | -11% | 117 | 569 | -79% | 659 |
| Benefits and withdrawals | (1,155) | (1,036) | (1,035) | (1,006) | (1,058) | 9% | (2,191) | (2,116) | 4% | (4,157) |
| Other ⁵ | (226) | (413) | (52) | (440) | (170) | 33% | (639) | (487) | 31% | (979) |
| Ending balance | 20,753 | 20,454 | 20,635 | 20,142 | 20,257 | 2% | 20,753 | 20,257 | 2% | 20,635 |

⁴ Investment income consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds.

⁵ Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These includes general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other Business Units and changes in allocated capital.

ASIA AND JAPAN DIVISION

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|
| Revenue | | | | | | | | | | |
| Premium income | 755 | 754 | 742 | 710 | 662 | 14% | 1,509 | 1,301 | 16% | 2,753 |
| Investment income | 229 | 189 | 181 | 180 | 173 | 32% | 418 | 328 | 27% | 689 |
| Other revenue | 222 | 207 | 223 | 198 | 172 | 29% | 429 | 302 | 42% | 723 |
| Subtotal revenue | 1,206 | 1,150 | 1,146 | 1,088 | 1,007 | 20% | 2,356 | 1,931 | 22% | 4,165 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities ¹ | (544) | (327) | 107 | 241 | 81 | - | (871) | 149 | - | 497 |
| Total revenue | 662 | 823 | 1,253 | 1,329 | 1,088 | -39% | 1,485 | 2,080 | -29% | 4,662 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 24 | 223 | 672 | 721 | 528 | -96% | 247 | 1,043 | -76% | 2,436 |
| General expenses | 159 | 149 | 164 | 142 | 131 | 21% | 308 | 254 | 21% | 560 |
| Investment expenses | 13 | 11 | 10 | 9 | 27 | -52% | 24 | 35 | -31% | 54 |
| Commissions | 184 | 177 | 168 | 179 | 127 | 44% | 361 | 257 | 40% | 604 |
| Other | 22 | 22 | 20 | 23 | 25 | -12% | 44 | 44 | 0% | 87 |
| Total policy benefits and expenses | 402 | 582 | 1,034 | 1,074 | 838 | -52% | 984 | 1,633 | -40% | 3,741 |
| Income before income taxes | 260 | 241 | 219 | 255 | 250 | 4% | 501 | 447 | 12% | 921 |
| Income taxes | (53) | (62) | (45) | (39) | (35) | 51% | (115) | (75) | 53% | (159) |
| Net income | 207 | 179 | 174 | 216 | 215 | -3% | 386 | 372 | 4% | 762 |
| Less: net income attributed to participating policyholders | (5) | (7) | (35) | - | - | - | (12) | 3 | - | (32) |
| Net income attributed to shareholders | 212 | 186 | 209 | 216 | 215 | -1% | 398 | 369 | 8% | 794 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

Source of Earnings - U.S. \$ in millions

| | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Expected profit from in-force business | 164 | 158 | 158 | 143 | 133 | 23% | 322 | 261 | 23% | 562 |
| Impact of new business | 2 | 5 | 8 | (8) | (5) | - | 7 | (13) | - | (13) |
| Experience gains | 56 | 48 | 50 | 62 | 78 | -28% | 104 | 112 | -7% | 224 |
| Management actions and changes in assumptions | - | (1) | 1 | 16 | - | - | (1) | (1) | 0% | 16 |
| Earnings on surplus funds | 40 | 41 | 41 | 38 | 43 | -7% | 81 | 81 | 0% | 160 |
| Other | 3 | (3) | (4) | 4 | 1 | 200% | - | 4 | -100% | 4 |
| Income before income taxes | 265 | 248 | 254 | 255 | 250 | 6% | 513 | 444 | 16% | 953 |
| Income taxes | (53) | (62) | (45) | (39) | (35) | 51% | (115) | (75) | 53% | (159) |
| Net income attributed to shareholders | 212 | 186 | 209 | 216 | 215 | -1% | 398 | 369 | 8% | 794 |

Premiums and Deposits - U.S. \$ in millions

| | | | | | | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|------------|--------------|
| Premiums | 755 | 754 | 742 | 710 | 662 | 14% | 1,509 | 1,301 | 16% | 2,753 |
| Segregated fund deposits | 1,704 | 1,677 | 1,700 | 1,880 | 1,111 | 53% | 3,381 | 2,194 | 54% | 5,774 |
| Mutual fund deposits | 106 | 227 | 446 | 375 | 216 | -51% | 333 | 449 | -26% | 1,270 |
| Total premiums and deposits | 2,565 | 2,658 | 2,888 | 2,965 | 1,989 | 29% | 5,223 | 3,944 | 32% | 9,797 |

Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|------------|---------------|---------------|------------|---------------|
| General fund | 16,352 | 17,000 | 16,954 | 16,419 | 15,360 | 6% | 16,352 | 15,360 | 6% | 16,954 |
| Segregated funds | 21,886 | 21,506 | 20,977 | 19,569 | 16,829 | 30% | 21,886 | 16,829 | 30% | 20,977 |
| Mutual funds | 1,646 | 1,768 | 2,102 | 1,950 | 1,646 | 0% | 1,646 | 1,646 | 0% | 2,102 |
| Other funds | 3,027 | 3,119 | 3,746 | 3,805 | 3,031 | 0% | 3,027 | 3,031 | 0% | 3,746 |
| Total funds under management | 42,911 | 43,393 | 43,779 | 41,743 | 36,866 | 16% | 42,911 | 36,866 | 16% | 43,779 |

Number of Agents

| | | | | | | | | | | |
|------------------|--------|--------|--------|--------|--------|-----|--------|--------|-----|--------|
| Number of Agents | 31,420 | 29,526 | 28,485 | 27,395 | 25,871 | 21% | 31,420 | 25,871 | 21% | 28,485 |
|------------------|--------|--------|--------|--------|--------|-----|--------|--------|-----|--------|

Canadian \$ in millions - Summary Statements of Operations and Key Metrics

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|------|--------|--------|------|--------|
| Revenue | 671 | 825 | 1,230 | 1,391 | 1,191 | -44% | 1,496 | 2,355 | -36% | 4,976 |
| Total policy benefits and expenses | 408 | 584 | 1,016 | 1,125 | 916 | -55% | 992 | 1,849 | -46% | 3,990 |
| Net income attributed to shareholders | 215 | 186 | 205 | 227 | 236 | -9% | 401 | 419 | -4% | 851 |
| Total premiums and deposits | 2,590 | 2,670 | 2,831 | 3,102 | 2,182 | 19% | 5,260 | 4,473 | 18% | 10,406 |
| Total funds under management | 43,710 | 44,604 | 43,258 | 41,593 | 39,204 | 11% | 43,710 | 39,204 | 11% | 43,258 |

ASIA AND JAPAN - HONG KONG

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Revenue | | | | | | | | | | |
| Premium income | 277 | 276 | 283 | 283 | 265 | 5% | 553 | 533 | 4% | 1,099 |
| Investment income | 91 | 79 | 81 | 79 | 83 | 10% | 170 | 151 | 13% | 311 |
| Other revenue | 65 | 63 | 80 | 63 | 80 | -19% | 128 | 124 | 3% | 267 |
| Subtotal revenue | 433 | 418 | 444 | 425 | 428 | 1% | 851 | 808 | 5% | 1,677 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities ¹ | (221) | (152) | 127 | 209 | 13 | - | (373) | (12) | nm | 324 |
| Total revenue | 212 | 266 | 571 | 634 | 441 | -52% | 478 | 796 | -40% | 2,001 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 20 | 81 | 368 | 443 | 220 | -91% | 101 | 410 | -75% | 1,220 |
| General expenses | 40 | 38 | 41 | 38 | 37 | 8% | 78 | 74 | 5% | 153 |
| Investment expenses | 5 | 5 | 3 | 4 | 22 | -77% | 10 | 25 | -60% | 32 |
| Commissions | 42 | 43 | 48 | 45 | 43 | -2% | 85 | 85 | 0% | 178 |
| Other | 11 | 11 | 11 | 10 | 10 | 10% | 22 | 19 | 16% | 40 |
| Total policy benefits and expenses | 118 | 178 | 471 | 540 | 332 | -64% | 296 | 613 | -52% | 1,623 |
| Income before income taxes | 94 | 88 | 100 | 95 | 109 | -14% | 182 | 183 | -1% | 378 |
| Income taxes | (9) | (18) | (7) | 5 | (3) | 200% | (27) | (9) | 200% | (11) |
| Net income attributed to shareholders² | 85 | 70 | 93 | 100 | 106 | -20% | 155 | 174 | -11% | 367 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Year over year decrease was primarily a result of lower performance fee income in the wealth management business.

Sales - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Insurance³ | | | | | | | | | | |
| Total insurance sales | 35 | 32 | 36 | 32 | 31 | 12% | 67 | 59 | 13% | 127 |
| Wealth Management | | | | | | | | | | |
| Group pensions - new annualized premium sales | 17 | 18 | 18 | 16 | 14 | 21% | 35 | 29 | 21% | 63 |
| Group pensions - single premium sales | 113 | 133 | 168 | 135 | 100 | 13% | 246 | 198 | 24% | 501 |
| Individual Wealth Management ⁴ | 162 | 211 | 325 | 379 | 229 | -29% | 373 | 463 | -19% | 1,167 |

³ Consists of 100% of recurring premiums and 10% of both excess and single premiums.

⁴ Sales for Individual Wealth Management are measured by premiums and deposits, and include mutual fund deposits, investment linked and variable annuity sales.

Premiums and Deposits - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|------------------------------------|------------|------------|------------|------------|------------|---------------------------|--------------|--------------|-----------------------------|----------------|
| Premiums | 277 | 276 | 283 | 283 | 265 | 5% | 553 | 533 | 4% | 1,099 |
| Segregated fund deposits | 435 | 497 | 599 | 525 | 478 | -9% | 932 | 916 | 2% | 2,040 |
| Mutual fund deposits | 48 | 47 | 85 | 170 | 29 | 66% | 95 | 101 | -6% | 356 |
| Total premiums and deposits | 760 | 820 | 967 | 978 | 772 | -2% | 1,580 | 1,550 | 2% | 3,495 |

Funds Under Management - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------------------|---------------|---------------|-----------------------------|----------------|
| General fund | 6,635 | 6,649 | 6,801 | 6,541 | 6,141 | 8% | 6,635 | 6,141 | 8% | 6,801 |
| Segregated funds | 7,893 | 7,844 | 8,451 | 8,029 | 7,030 | 12% | 7,893 | 7,030 | 12% | 8,451 |
| Mutual funds | 932 | 972 | 1,247 | 1,278 | 1,028 | -9% | 932 | 1,028 | -9% | 1,247 |
| Other funds | 3,027 | 3,119 | 3,746 | 3,805 | 3,031 | 0% | 3,027 | 3,031 | 0% | 3,746 |
| Total funds under management | 18,487 | 18,584 | 20,245 | 19,653 | 17,230 | 7% | 18,487 | 17,230 | 7% | 20,245 |

Number of Agents

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|------------------|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Number of Agents | 3,583 | 3,508 | 3,545 | 3,444 | 3,364 | 7% | 3,583 | 3,364 | 7% | 3,545 |

ASIA AND JAPAN - HONG KONG (CONT'D)

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Changes in General, Segregated, Mutual and Other Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|-----------|---------------|---------------|-----------|---------------|
| Beginning balance | 18,584 | 20,245 | 19,653 | 17,230 | 15,966 | 16% | 20,245 | 14,283 | 42% | 14,283 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 316 | -100% | 316 |
| Premiums and deposits | 760 | 820 | 967 | 978 | 772 | -2% | 1,580 | 1,550 | 2% | 3,495 |
| Investment (loss) income ¹ | (458) | (1,859) | 334 | 1,886 | 955 | - | (2,317) | 1,089 | - | 3,309 |
| Benefits and withdrawals | (338) | (368) | (416) | (386) | (391) | -14% | (706) | (750) | -6% | (1,551) |
| Other ² | (62) | (254) | (294) | (56) | (72) | -15% | (316) | 742 | - | 393 |
| Ending balance | 18,487 | 18,584 | 20,245 | 19,653 | 17,230 | 7% | 18,487 | 17,230 | 7% | 20,245 |

¹ Investment income consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds, mutual funds and other managed funds.

² Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These include general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other Business Units and changes in allocated capital. This includes deposits in Q1 2007 and withdrawals in Q4 2007 on an externally managed fund which have not been included in premiums and deposits, and benefits and withdrawals.

Canadian \$ in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|------|--------|--------|------|--------|
| Net income attributed to shareholders | 86 | 71 | 91 | 104 | 117 | -27% | 156 | 197 | -21% | 392 |
| Sales - Insurance | 35 | 32 | 36 | 33 | 35 | -1% | 67 | 67 | 0% | 136 |
| Sales - Wealth Management | 293 | 364 | 502 | 554 | 376 | -22% | 657 | 783 | -16% | 1,839 |
| Total premiums and deposits | 767 | 825 | 947 | 1,023 | 847 | -9% | 1,592 | 1,759 | -9% | 3,729 |
| Total funds under management | 18,832 | 19,103 | 20,005 | 19,579 | 18,324 | 3% | 18,832 | 18,324 | 3% | 20,005 |

ASIA AND JAPAN - OTHER ASIA TERRITORIES

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Revenue | | | | | | | | | | |
| Premium income | 261 | 251 | 266 | 244 | 217 | 20% | 512 | 406 | 26% | 916 |
| Investment income | 108 | 76 | 72 | 71 | 63 | 71% | 184 | 120 | 53% | 263 |
| Other revenue | 29 | 30 | 33 | 26 | 27 | 7% | 59 | 53 | 11% | 112 |
| Subtotal revenue | 398 | 357 | 371 | 341 | 307 | 30% | 755 | 579 | 30% | 1,291 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities ¹ | (285) | (131) | (16) | 35 | 89 | - | (416) | 172 | - | 191 |
| Total revenue | 113 | 226 | 355 | 376 | 396 | -71% | 339 | 751 | -55% | 1,482 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | (49) | 80 | 224 | 221 | 247 | - | 32 | 472 | -93% | 916 |
| General expenses | 55 | 49 | 59 | 47 | 41 | 34% | 104 | 80 | 30% | 186 |
| Investment expenses | 4 | 3 | 3 | 3 | 2 | 100% | 7 | 4 | 75% | 10 |
| Commissions | 54 | 49 | 52 | 50 | 42 | 29% | 103 | 83 | 24% | 185 |
| Other | 8 | 7 | 5 | 9 | 12 | -33% | 15 | 20 | -25% | 34 |
| Total policy benefits and expenses | 73 | 188 | 343 | 330 | 344 | -79% | 261 | 659 | -60% | 1,331 |
| Income before income taxes | 40 | 38 | 13 | 47 | 52 | -23% | 78 | 92 | -15% | 152 |
| Income taxes | (12) | (13) | (11) | (12) | (13) | -7% | (25) | (22) | 14% | (46) |
| Net income | 28 | 25 | 2 | 35 | 40 | -29% | 53 | 70 | -24% | 106 |
| Less: net income attributed to participating policyholders ² | (5) | (7) | (35) | - | - | - | (12) | 3 | - | (32) |
| Net income attributed to shareholders³ | 33 | 32 | 37 | 35 | 40 | -16% | 65 | 67 | -3% | 138 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Q4 2007 net loss attributed to participating policyholders is primarily due to changes in actuarial methods and assumptions.

³ Year over year decrease was primarily a result of lower capitalized future fee income resulting from the declining equity market.

Sales - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|------------------------------------|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Total insurance sales ⁴ | 61 | 48 | 51 | 58 | 47 | 29% | 109 | 87 | 25% | 196 |
| Wealth Management ⁵ | 190 | 361 | 554 | 358 | 322 | -41% | 551 | 593 | -7% | 1,505 |

⁴ Consists of 100% of recurring premiums and 10% of both excess and single premiums.

⁵ Sales for Wealth Management businesses are measured by premiums and deposits, and include mutual fund deposits, pension sales, investment linked and variable annuity sales.

Premiums and Deposits - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|------------------------------------|------------|------------|------------|------------|------------|---------------------------|--------------|--------------|-----------------------------|----------------|
| Premiums | 261 | 251 | 266 | 244 | 217 | 20% | 512 | 406 | 26% | 916 |
| Segregated fund deposits | 157 | 190 | 207 | 176 | 158 | -1% | 347 | 298 | 16% | 681 |
| Mutual fund deposits | 58 | 180 | 361 | 205 | 187 | -69% | 238 | 348 | -32% | 914 |
| Total premiums and deposits | 476 | 621 | 834 | 625 | 562 | -15% | 1,097 | 1,052 | 4% | 2,511 |

Funds Under Management - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|---------------------------|--------------|--------------|-----------------------------|----------------|
| General fund | 5,152 | 5,340 | 5,331 | 5,059 | 4,807 | 7% | 5,152 | 4,807 | 7% | 5,331 |
| Segregated funds | 1,830 | 1,804 | 1,876 | 1,701 | 1,476 | 24% | 1,830 | 1,476 | 24% | 1,876 |
| Mutual funds | 714 | 796 | 855 | 672 | 618 | 16% | 714 | 618 | 16% | 855 |
| Total funds under management | 7,696 | 7,940 | 8,062 | 7,432 | 6,901 | 12% | 7,696 | 6,901 | 12% | 8,062 |

ASIA AND JAPAN - OTHER ASIA TERRITORIES

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Changes in General, Segregated and Mutual Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|------------|--------------|
| Beginning balance | 7,940 | 8,062 | 7,432 | 6,901 | 6,277 | 26% | 8,062 | 5,567 | 45% | 5,567 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 333 | -100% | 333 |
| Premiums and deposits | 476 | 621 | 834 | 625 | 562 | -15% | 1,097 | 1,052 | 4% | 2,511 |
| Investment (loss) income ¹ | (280) | (392) | 139 | 268 | 323 | - | (672) | 541 | - | 948 |
| Benefits and withdrawals | (250) | (333) | (416) | (364) | (341) | -27% | (583) | (551) | 6% | (1,331) |
| Other ² | (190) | (18) | 74 | 2 | 80 | - | (209) | (41) | 409% | 34 |
| Ending balance | 7,696 | 7,940 | 8,062 | 7,432 | 6,901 | 12% | 7,696 | 6,901 | 12% | 8,062 |

¹ Investment income consists of gross investment income for the general fund and interest, dividends and net realized and unrealized gains and losses for the segregated funds and mutual funds.

² Other is comprised of all changes to the statement of operations and the balance sheet that are not specifically identified in the roll forward. These includes general expenses, investment expenses, taxes, changes in receivables and payables, transfers to/from other Business Units, impact of currency changes and changes in allocated capital.

Number of Agents

| | | | | | | | | | | |
|------------------|--------|--------|--------|--------|--------|-----|--------|--------|-----|--------|
| Number of Agents | 24,050 | 22,266 | 21,201 | 20,216 | 18,815 | 28% | 24,050 | 18,815 | 28% | 21,201 |
|------------------|--------|--------|--------|--------|--------|-----|--------|--------|-----|--------|

Canadian \$ in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|------|-------|-------|------|-------|
| Net income attributed to shareholders | 35 | 31 | 37 | 36 | 44 | -20% | 66 | 76 | -13% | 149 |
| Sales - Insurance | 63 | 48 | 48 | 61 | 50 | 25% | 111 | 100 | 11% | 209 |
| Sales - Wealth management | 190 | 363 | 544 | 373 | 354 | -46% | 553 | 672 | -18% | 1,589 |
| Total premiums and deposits | 481 | 623 | 818 | 654 | 616 | -22% | 1,104 | 1,191 | -7% | 2,663 |
| Total funds under management | 7,838 | 8,162 | 7,966 | 7,408 | 7,338 | 7% | 7,838 | 7,338 | 7% | 7,966 |

ASIA AND JAPAN - JAPAN
(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|---|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
| Revenue | | | | | | | | | | |
| Premium income | 217 | 227 | 193 | 183 | 180 | 21% | 444 | 362 | 23% | 738 |
| Investment income | 30 | 34 | 28 | 30 | 27 | 11% | 64 | 57 | 12% | 115 |
| Other revenue | 128 | 114 | 110 | 109 | 65 | 97% | 242 | 125 | 94% | 344 |
| Subtotal revenue | 375 | 375 | 331 | 322 | 272 | 38% | 750 | 544 | 38% | 1,197 |
| Realized/ unrealized (losses) gains on invested assets supporting policy liabilities ¹ | (38) | (44) | (4) | (3) | (21) | 81% | (82) | (11) | 645% | (18) |
| Total revenue | 337 | 331 | 327 | 319 | 251 | 34% | 668 | 533 | 25% | 1,179 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 52 | 62 | 81 | 58 | 61 | -15% | 114 | 161 | -29% | 300 |
| General expenses | 64 | 62 | 64 | 57 | 53 | 21% | 126 | 100 | 26% | 221 |
| Investment expenses | 4 | 3 | 4 | 2 | 3 | 33% | 7 | 6 | 17% | 12 |
| Commissions | 88 | 85 | 68 | 84 | 42 | 108% | 173 | 89 | 94% | 241 |
| Other | 3 | 4 | 4 | 4 | 3 | 0% | 7 | 5 | 40% | 13 |
| Total policy benefits and expenses | 211 | 216 | 221 | 205 | 162 | 30% | 427 | 361 | 18% | 787 |
| Income before income taxes | 126 | 115 | 106 | 114 | 89 | 41% | 241 | 172 | 40% | 392 |
| Income taxes | (32) | (31) | (28) | (32) | (19) | 68% | (63) | (42) | 50% | (102) |
| Net income attributed to shareholders ² | 94 | 84 | 78 | 82 | 70 | 34% | 178 | 130 | 37% | 290 |

¹ For fixed income assets supporting policy liabilities and for equities supporting pass through products, the impact of realized/ unrealized (losses) gains on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Year over year increase primarily due to growth in the in-force variable annuity business and new sales growth.

Sales - U.S. \$ in millions

| | | | | | | | | | | |
|---|-------|-------|-----|-------|-----|------|-------|-------|------|-------|
| Individual Insurance - New annualized premiums | 40 | 51 | 26 | 25 | 20 | 100% | 91 | 42 | 117% | 93 |
| Wealth Management - Variable Annuities ³ | 1,162 | 1,034 | 933 | 1,230 | 486 | 139% | 2,196 | 1,000 | 120% | 3,163 |

³ New business sales for variable annuities are measured by segregated fund deposits before front end loads.

Premiums and Deposits - U.S. \$ in millions

| | | | | | | | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|------------|-------------|--------------|--------------|------------|--------------|
| Premiums | 217 | 227 | 193 | 183 | 180 | 21% | 444 | 362 | 23% | 738 |
| Segregated fund deposits | 1,112 | 990 | 894 | 1,179 | 475 | 134% | 2,102 | 980 | 114% | 3,053 |
| Total premiums and deposits | 1,329 | 1,217 | 1,087 | 1,362 | 655 | 103% | 2,546 | 1,342 | 90% | 3,791 |

Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|------------|---------------|---------------|------------|---------------|
| General fund | 4,565 | 5,011 | 4,822 | 4,819 | 4,412 | 3% | 4,565 | 4,412 | 3% | 4,822 |
| Segregated funds | 12,163 | 11,858 | 10,650 | 9,839 | 8,323 | 46% | 12,163 | 8,323 | 46% | 10,650 |
| Total funds under management | 16,728 | 16,869 | 15,472 | 14,658 | 12,735 | 31% | 16,728 | 12,735 | 31% | 15,472 |

ASIA AND JAPAN - JAPAN (CONT'D)

(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Changes in Funds Under Management - U.S. \$ in millions
General Fund

| | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|-----------|--------------|--------------|-----------|--------------|
| Beginning balance | 5,011 | 4,822 | 4,819 | 4,412 | 4,443 | 13% | 4,822 | 4,640 | 4% | 4,640 |
| Fair value adjustment- January 1, 2007 | - | - | - | - | - | - | - | 114 | -100% | 114 |
| Premiums and deposits | 217 | 227 | 193 | 183 | 180 | 21% | 444 | 362 | 23% | 738 |
| Investment (loss) income | (8) | (10) | 24 | 27 | 6 | - | (18) | 46 | - | 97 |
| Benefits and withdrawals | (223) | (218) | (207) | (188) | (204) | 9% | (441) | (390) | 13% | (785) |
| Other ¹ | (432) | 190 | (7) | 385 | (13) | nm | (242) | (360) | -33% | 18 |
| Ending balance | 4,565 | 5,011 | 4,822 | 4,819 | 4,412 | 3% | 4,565 | 4,412 | 3% | 4,822 |

¹ Other for the general fund is comprised of all changes to the statements of operations and balance sheet that are not specifically identified in the roll forward. This includes general expenses, investment expenses, taxes, impact of currency changes, changes in receivables and payables and changes in allocated capital.

Segregated Funds

| | | | | | | | | | | |
|---------------------------------------|---------------|---------------|---------------|--------------|--------------|------------|---------------|--------------|------------|---------------|
| Beginning balance | 11,858 | 10,650 | 9,839 | 8,323 | 8,231 | 44% | 10,650 | 7,722 | 38% | 7,722 |
| Premiums and deposits | 1,112 | 990 | 894 | 1,179 | 475 | 134% | 2,102 | 980 | 114% | 3,053 |
| Investment (loss) income ² | 101 | (872) | (190) | (148) | 196 | -48% | (771) | 265 | - | (73) |
| Withdrawals | (113) | (105) | (125) | (93) | (129) | -12% | (218) | (250) | -13% | (468) |
| Other ³ | (795) | 1,195 | 232 | 578 | (450) | 77% | 400 | (394) | - | 416 |
| Ending balance | 12,163 | 11,858 | 10,650 | 9,839 | 8,323 | 46% | 12,163 | 8,323 | 46% | 10,650 |

² Investment income for segregated funds includes net realized and unrealized investment gains and losses, interest and dividend revenue.

³ Other for segregated funds includes expenses and the impact of currency changes.

Number of Agents

| | | | | | | | | | | |
|------------------|-------|-------|-------|-------|-------|----|-------|-------|----|-------|
| Number of agents | 3,787 | 3,752 | 3,739 | 3,735 | 3,692 | 3% | 3,787 | 3,692 | 3% | 3,739 |
|------------------|-------|-------|-------|-------|-------|----|-------|-------|----|-------|

Canadian \$ in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|------|--------|--------|-----|--------|
| Net income attributed to shareholders | 95 | 84 | 77 | 87 | 75 | 26% | 179 | 146 | 23% | 310 |
| Sales - Insurance | 41 | 51 | 27 | 25 | 23 | 78% | 92 | 48 | 92% | 100 |
| Sales - Wealth management | 1,174 | 1,038 | 916 | 1,286 | 532 | 121% | 2,212 | 1,135 | 95% | 3,337 |
| Total premiums and deposits | 1,342 | 1,222 | 1,066 | 1,425 | 719 | 87% | 2,564 | 1,523 | 68% | 4,014 |
| Total funds under management | 17,040 | 17,339 | 15,287 | 14,606 | 13,542 | 26% | 17,040 | 13,542 | 26% | 15,287 |

Yen in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|------|-----------|-----------|-----|-----------|
| Net income attributed to shareholders | 9,795 | 8,870 | 8,747 | 9,693 | 8,437 | 16% | 18,665 | 15,641 | 19% | 34,081 |
| Sales - Individual Insurance | 4,227 | 5,349 | 3,008 | 2,865 | 2,508 | 69% | 9,576 | 5,080 | 89% | 10,953 |
| Sales - Wealth Management | 121,533 | 108,777 | 105,502 | 144,765 | 58,604 | 107% | 230,310 | 119,999 | 92% | 370,266 |
| Total premiums and deposits | 139,045 | 128,036 | 122,882 | 160,303 | 79,113 | 76% | 267,081 | 161,070 | 66% | 444,255 |
| Total funds under management | 1,776,267 | 1,684,946 | 1,728,594 | 1,685,469 | 1,571,491 | 13% | 1,776,267 | 1,571,491 | 13% | 1,728,594 |

REINSURANCE DIVISION
(Unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations - U.S. \$ in millions

| | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|-------------|------------|------------|-------------|--------------|
| Revenue | | | | | | | | | | |
| Premium income | 284 | 258 | 245 | 238 | 238 | 19% | 542 | 473 | 15% | 956 |
| Investment income | 42 | 42 | 42 | 45 | 43 | -2% | 84 | 85 | -1% | 172 |
| Other revenue | 6 | 5 | 5 | 5 | 4 | 50% | 11 | 9 | 22% | 19 |
| Subtotal revenue | 332 | 305 | 292 | 288 | 285 | 16% | 637 | 567 | 12% | 1,147 |
| Realized/ unrealized gains (losses) on invested assets supporting policy liabilities ¹ | (26) | - | 28 | 25 | (23) | 13% | (26) | (22) | 18% | 31 |
| Total revenue | 306 | 305 | 320 | 313 | 262 | 17% | 611 | 545 | 12% | 1,178 |
| Policy benefits and expenses | | | | | | | | | | |
| Policyholder benefits ¹ | 233 | 194 | 229 | 239 | 161 | 45% | 427 | 343 | 24% | 811 |
| General expenses | 13 | 13 | 14 | 12 | 12 | 8% | 26 | 23 | 13% | 49 |
| Investment expenses | 1 | 1 | 1 | - | 1 | 0% | 2 | 2 | 0% | 3 |
| Commissions | - | - | - | 1 | 1 | -100% | - | 2 | -100% | 3 |
| Other | 2 | 3 | 2 | 1 | 2 | 0% | 5 | 4 | 25% | 7 |
| Total policy benefits and expenses | 249 | 211 | 246 | 253 | 177 | 41% | 460 | 374 | 23% | 873 |
| Income before income taxes | 57 | 94 | 74 | 60 | 85 | -33% | 151 | 171 | -12% | 305 |
| Income taxes | (12) | (21) | (16) | (18) | (23) | -48% | (33) | (50) | -34% | (84) |
| Net income attributed to shareholders² | 45 | 73 | 58 | 42 | 62 | -27% | 118 | 121 | -2% | 221 |

¹ For fixed income assets supporting policy liabilities, the impact of realized/ unrealized gains (losses) on the assets is largely offset in the change in actuarial liabilities, included in policyholder benefits.

² Year over year decrease due to unfavourable claims experience in Life and the impact of the decline in U.S equity markets on segregated fund guarantee reserves.

Source of Earnings - U.S. \$ in millions

| | | | | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-------------|------------|------------|-------------|------------|
| Expected profit from in-force business | 53 | 50 | 51 | 50 | 49 | 8% | 103 | 98 | 5% | 199 |
| Impact of new business | 1 | 4 | (4) | (2) | (5) | - | 5 | (5) | - | (11) |
| Experience gains (losses) | (9) | (16) | 11 | (6) | 25 | - | (25) | 45 | - | 50 |
| Management actions and changes in assumptions | (4) | 39 | (1) | - | - | - | 35 | - | - | (1) |
| Earnings on surplus funds | 17 | 17 | 17 | 18 | 16 | 6% | 34 | 33 | 3% | 68 |
| Other | (1) | - | - | - | - | - | (1) | - | - | - |
| Income before income taxes | 57 | 94 | 74 | 60 | 85 | -33% | 151 | 171 | -12% | 305 |
| Income taxes | (12) | (21) | (16) | (18) | (23) | -48% | (33) | (50) | -34% | (84) |
| Net income attributed to shareholders | 45 | 73 | 58 | 42 | 62 | -27% | 118 | 121 | -2% | 221 |

Premiums - U.S. \$ in millions

| | | | | | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Life reinsurance | 149 | 128 | 128 | 113 | 123 | 21% | 277 | 246 | 13% | 487 |
| Property and Casualty reinsurance | 16 | 16 | 18 | 16 | 15 | 7% | 32 | 32 | 0% | 66 |
| International Group Program | 119 | 114 | 99 | 109 | 100 | 19% | 233 | 195 | 19% | 403 |
| Total premiums | 284 | 258 | 245 | 238 | 238 | 19% | 542 | 473 | 15% | 956 |

Funds Under Management - U.S. \$ in millions

| | | | | | | | | | | |
|--------------|-------|-------|-------|-------|-------|----|-------|-------|----|-------|
| General fund | 2,486 | 2,445 | 2,610 | 2,612 | 2,447 | 2% | 2,486 | 2,447 | 2% | 2,610 |
|--------------|-------|-------|-------|-------|-------|----|-------|-------|----|-------|

Canadian \$ in millions - Key Metrics

| | | | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|------|-------|-------|------|-------|
| Net income attributed to shareholders | 46 | 73 | 57 | 44 | 68 | -33% | 119 | 137 | -13% | 238 |
| Total premiums | 287 | 259 | 240 | 249 | 262 | 10% | 546 | 537 | 2% | 1,026 |
| Total funds under management | 2,532 | 2,513 | 2,581 | 2,604 | 2,601 | -3% | 2,532 | 2,601 | -3% | 2,581 |

CORPORATE & OTHER
(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | 2008 Q2 vs. 2007 Q2 | YTD 2008 | YTD 2007 | YTD 2008 vs. YTD 2007 | Fiscal 2007 |
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|
|--|------------|------------|------------|------------|------------|---------------------------|-------------|-------------|-----------------------------|----------------|

Statements of Operations

| | | | | | | | | | | |
|--|--------------|-------------|-------------|------------|------------|-------------|--------------|-------------|-------------|------------|
| Revenue | | | | | | | | | | |
| Investment (loss) income | (39) | (41) | (44) | 12 | 37 | - | (80) | 65 | - | 33 |
| Other revenue | 77 | 65 | 87 | 66 | 72 | 7% | 142 | 152 | -7% | 305 |
| Realized gains on invested assets | 67 | 123 | 123 | 109 | 135 | -50% | 190 | 224 | -15% | 456 |
| Total revenue | 105 | 147 | 166 | 187 | 244 | -57% | 252 | 441 | -43% | 794 |
| Policy benefits and expenses | | | | | | | | | | |
| General expenses | 90 | 113 | 89 | 82 | 91 | -1% | 203 | 181 | 12% | 352 |
| Investment expenses | 6 | 9 | 2 | 7 | 4 | 50% | 15 | 8 | 88% | 17 |
| Commissions | - | - | - | 1 | - | - | - | - | - | 1 |
| Other | 112 | 54 | (104) | 65 | 135 | -17% | 166 | 302 | -45% | 263 |
| Total policy benefits and expenses | 208 | 176 | (13) | 155 | 230 | -10% | 384 | 491 | -22% | 633 |
| Income (loss) before income taxes | (103) | (29) | 179 | 32 | 14 | - | (132) | (50) | 164% | 161 |
| Income taxes | 54 | 27 | (37) | (11) | 34 | 59% | 81 | 77 | 5% | 29 |
| Net income (loss) attributed to shareholders ¹ | (49) | (2) | 142 | 21 | 48 | - | (51) | 27 | - | 190 |

¹ Year over year decrease due to lower gains on AFS securities and private equity holdings, interest charges on leveraged lease investments and less favourable tax benefits, partially offset by favourable claims experience in the run off business - John Hancock Accident and Health.

Deposits

| | | | | | | | | | | |
|--------------------------|---|-----|---|---|---|-------|-----|----|------|----|
| Segregated fund deposits | - | 125 | - | - | 1 | -100% | 125 | 33 | 279% | 33 |
|--------------------------|---|-----|---|---|---|-------|-----|----|------|----|

Funds Under Management

| | | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|------------|---------------|---------------|------------|---------------|
| General fund | 11,344 | 11,151 | 9,606 | 9,667 | 10,576 | 7% | 11,344 | 10,576 | 7% | 9,606 |
| Segregated funds | 2,621 | 2,711 | 2,594 | 2,386 | 2,559 | 2% | 2,621 | 2,559 | 2% | 2,594 |
| Other funds | 21,288 | 20,848 | 19,704 | 21,979 | 24,023 | -11% | 21,288 | 24,023 | -11% | 19,704 |
| Total funds under management | 35,253 | 34,710 | 31,904 | 34,032 | 37,158 | -5% | 35,253 | 37,158 | -5% | 31,904 |

Asset Information

ASSET COMPOSITION AND QUALITY - PORTFOLIO COMPOSITION

(Canadian \$ in millions, unaudited)

| Invested assets | As at Q2 2008 | | As at Q1 2008 | | As at Q4 2007 | | As at Q3 2007 | | As at Q2 2007 | |
|------------------------------------|--------------------------|--------------|--------------------------|--------------|--------------------------|--------------|--------------------------|--------------|--------------------------|--------------|
| | | % | | % | | % | | % | | % |
| Carrying value | | | | | | | | | | |
| Cash and short-term securities | 12,196 | 7 % | 11,512 | 7 % | 12,354 | 8 % | 9,917 | 6 % | 10,511 | 6 % |
| Bonds | | | | | | | | | | |
| Canadian government & agency | 10,150 | 6 % | 11,537 | 7 % | 11,057 | 7 % | 10,809 | 7 % | 10,959 | 7 % |
| US government & agency | 4,763 | 3 % | 5,566 | 3 % | 6,058 | 4 % | 7,053 | 4 % | 7,586 | 5 % |
| Foreign governments & agency | 4,906 | 3 % | 5,225 | 3 % | 4,678 | 3 % | 4,621 | 3 % | 4,805 | 3 % |
| Subtotal government bonds | 19,819 | 12 % | 22,328 | 13 % | 21,793 | 14 % | 22,483 | 14 % | 23,350 | 15 % |
| Corporate | 43,928 | 27 % | 44,165 | 27 % | 42,084 | 26 % | 41,306 | 26 % | 41,320 | 25 % |
| Mortgage/asset-backed securities | 8,448 | 5 % | 8,720 | 5 % | 8,954 | 5 % | 9,219 | 6 % | 9,783 | 6 % |
| Subtotal bonds | 72,195 | 44 % | 75,213 | 45 % | 72,831 | 45 % | 73,008 | 46 % | 74,453 | 46 % |
| Stocks | 11,303 | 7 % | 11,379 | 7 % | 11,134 | 7 % | 11,812 | 7 % | 11,930 | 7 % |
| Mortgages | 27,637 | 17 % | 27,165 | 17 % | 26,061 | 16 % | 25,589 | 16 % | 26,350 | 16 % |
| Private placements | 22,670 | 14 % | 22,123 | 13 % | 21,591 | 13 % | 21,877 | 14 % | 22,937 | 14 % |
| Policy loans | 6,133 | 4 % | 6,129 | 4 % | 5,823 | 4 % | 5,770 | 4 % | 6,052 | 4 % |
| Bank loans | 2,257 | 1 % | 2,238 | 1 % | 2,182 | 1 % | 2,160 | 1 % | 2,106 | 1 % |
| Real estate | 6,029 | 4 % | 6,000 | 4 % | 5,727 | 4 % | 5,660 | 4 % | 5,826 | 4 % |
| Other investments | 4,025 | 2 % | 3,902 | 2 % | 3,597 | 2 % | 3,377 | 2 % | 3,510 | 2 % |
| Total invested assets | 164,445 | 100 % | 165,661 | 100 % | 161,300 | 100 % | 159,170 | 100 % | 163,675 | 100 % |
| Fair value | | | | | | | | | | |
| Cash and short-term securities | 12,196 | 7 % | 11,512 | 7 % | 12,354 | 8 % | 9,917 | 6 % | 10,511 | 6 % |
| Bonds | 72,195 | 43 % | 75,213 | 44 % | 72,831 | 44 % | 73,008 | 45 % | 74,453 | 45 % |
| Stocks | 11,303 | 7 % | 11,379 | 7 % | 11,134 | 7 % | 11,812 | 7 % | 11,930 | 7 % |
| Mortgages | 27,366 | 17 % | 27,447 | 16 % | 26,071 | 16 % | 25,480 | 16 % | 26,196 | 16 % |
| Private placements | 22,305 | 13 % | 22,107 | 13 % | 21,573 | 13 % | 21,752 | 13 % | 22,626 | 14 % |
| Policy loans | 6,133 | 4 % | 6,129 | 4 % | 5,823 | 4 % | 5,770 | 4 % | 6,052 | 4 % |
| Bank loans | 2,261 | 1 % | 2,241 | 1 % | 2,191 | 1 % | 2,197 | 1 % | 2,167 | 1 % |
| Real estate | 7,976 | 5 % | 7,955 | 5 % | 7,608 | 5 % | 7,245 | 5 % | 7,161 | 4 % |
| Other investments | 4,846 | 3 % | 4,623 | 3 % | 4,236 | 3 % | 4,110 | 3 % | 4,126 | 2 % |
| Total invested assets | 166,581 | 100 % | 168,606 | 100 % | 163,821 | 100 % | 161,291 | 100 % | 165,222 | 100 % |
| Deferred realized net gains | | | | | | | | | | |
| Real estate | 106 | 100 % | 112 | 100 % | 107 | 100 % | 110 | 100 % | 115 | 100 % |

ASSET COMPOSITION AND QUALITY - FIXED INTEREST INVESTMENTS

(Canadian \$ in millions, unaudited)


Bond and Private Placement Portfolio Credit Quality (at carrying value)

| NAIC designation | As at | | | | | | | | | |
|------------------------|---------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|
| | 2008 Q2 | | 2008 Q1 | | 2007 Q4 | | 2007 Q3 | | 2007 Q2 | |
| | Value | % | Value | % | Value | % | Value | % | Value | % |
| AAA | 18,260 | 19% | 20,479 | 21% | 20,536 | 22% | 21,541 | 23% | 22,239 | 23% |
| AA | 21,664 | 23% | 21,749 | 22% | 20,690 | 22% | 20,352 | 21% | 20,453 | 21% |
| A | 27,716 | 29% | 27,945 | 29% | 27,128 | 29% | 26,829 | 28% | 27,399 | 28% |
| BBB | 22,644 | 24% | 22,881 | 24% | 21,882 | 23% | 22,327 | 24% | 23,388 | 24% |
| BB | 3,237 | 3% | 3,199 | 3% | 3,233 | 3% | 2,833 | 3% | 2,759 | 3% |
| B & lower, and unrated | 1,344 | 2% | 1,083 | 1% | 953 | 1% | 1,003 | 1% | 1,152 | 1% |
| Total | 94,865 | 100% | 97,336 | 100% | 94,422 | 100% | 94,885 | 100% | 97,390 | 100% |

Bond and Private Placement Portfolio by Sector / Industry Holdings (at fair value)

| | As at Q2 2008 | | | As at Q1 2008 | | | As at Q2 2007 | | |
|-----------------------------|---------------|--------------|------------|---------------|--------------|------------|---------------|--------------|------------|
| | Fair value | Investment % | grade % | Fair value | Investment % | grade % | Fair value | Investment % | grade % |
| Government and agency | 23,507 | 25% | 96% | 26,055 | 27% | 96% | 27,129 | 28% | 96% |
| Financial | 22,023 | 23% | 99% | 21,861 | 23% | 99% | 19,724 | 20% | 99% |
| Telecommunications | 2,375 | 2% | 88% | 2,526 | 3% | 91% | 2,658 | 3% | 99% |
| Utilities | 13,104 | 14% | 94% | 13,131 | 14% | 94% | 12,716 | 13% | 93% |
| Energy | 6,179 | 7% | 98% | 6,233 | 6% | 98% | 5,749 | 6% | 97% |
| Industrial | 5,397 | 6% | 93% | 5,589 | 6% | 94% | 5,282 | 6% | 96% |
| Securitized (ABS/MBS) | 8,765 | 9% | 98% | 8,973 | 9% | 99% | 10,611 | 11% | 99% |
| Consumer (non-cyclical) | 4,521 | 5% | 93% | 4,746 | 5% | 94% | 5,228 | 5% | 96% |
| Consumer (cyclical) | 3,162 | 3% | 88% | 2,914 | 3% | 87% | 2,912 | 3% | 87% |
| Basic materials | 3,321 | 4% | 81% | 3,349 | 3% | 81% | 3,005 | 3% | 82% |
| Technology | 369 | 0% | 100% | 287 | 0% | 100% | 301 | 0% | 100% |
| Media & internet | 1,499 | 2% | 96% | 1,377 | 1% | 96% | 1,470 | 2% | 96% |
| Diversified & miscellaneous | 278 | 0% | 98% | 279 | 0% | 98% | 294 | 0% | 98% |
| Total | 94,500 | 100% | 95% | 97,320 | 100% | 96% | 97,079 | 100% | 96% |

Mortgage Portfolio Composition (at carrying value)

| | As at 2008 Q2 | | As at 2008 Q1 | | As at 2007 Q4 | | As at 2007 Q3 | | As at 2007 Q2 | |
|----------------------------------|---------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|
| | Value | % | Value | % | Value | % | Value | % | Value | % |
| Commercial | | | | | | | | | | |
| Residential ¹ | 4,321 | 16% | 4,278 | 16% | 4,126 | 16% | 4,097 | 16% | 4,222 | 16% |
| Retail | 5,702 | 20% | 5,721 | 21% | 5,586 | 22% | 5,671 | 22% | 6,051 | 23% |
| Office | 4,113 | 15% | 3,996 | 15% | 3,883 | 15% | 3,806 | 15% | 4,108 | 15% |
| Industrial | 3,424 | 12% | 3,406 | 12% | 3,225 | 12% | 3,201 | 13% | 3,310 | 13% |
| Other commercial | 2,477 | 9% | 2,453 | 9% | 2,393 | 9% | 2,275 | 9% | 2,292 | 9% |
| Other mortgages | | | | | | | | | | |
| Manulife Bank single residential | 5,478 | 20% | 5,097 | 19% | 4,712 | 18% | 4,342 | 17% | 4,045 | 15% |
| Agriculture | 2,122 | 8% | 2,214 | 8% | 2,136 | 8% | 2,197 | 8% | 2,322 | 9% |
| Total ² | 27,637 | 100% | 27,165 | 100% | 26,061 | 100% | 25,589 | 100% | 26,350 | 100% |

¹ Includes multi-unit residential properties, such as condominiums.

² Includes government insured mortgages (\$7,022 or 25% as at June 30, 2008).

ASSET COMPOSITION AND QUALITY - IMPAIRED ASSETS AND PROVISIONS

(Canadian \$ in millions, unaudited)


Net Impaired Assets

| | As at Q2 2008 | | | As at Q1 2008 | | | As at Q4 2007 | | | As at Q3 2007 | | | As at Q2 2007 | | |
|---------------------------|---------------|------------|----------------|---------------|------------|----------------|---------------|------------|----------------|---------------|------------|----------------|---------------|------------|----------------|
| | Gross amount | Allowances | Carrying value | Gross amount | Allowances | Carrying value | Gross amount | Allowances | Carrying value | Gross amount | Allowances | Carrying value | Gross amount | Allowances | Carrying value |
| Loans: | | | | | | | | | | | | | | | |
| Mortgages and Bank loans | 44 | 20 | 24 | 45 | 20 | 25 | 45 | 23 | 22 | 66 | 30 | 36 | 111 | 41 | 70 |
| Private placements | 233 | 99 | 134 | 169 | 72 | 97 | 139 | 53 | 86 | 198 | 59 | 139 | 226 | 76 | 150 |
| Sub-total | 277 | 119 | 158 | 214 | 92 | 122 | 184 | 76 | 108 | 264 | 89 | 175 | 337 | 117 | 220 |
| Other¹: | | | | | | | | | | | | | | | |
| Bonds - FVO | 3 | - | 3 | 7 | - | 7 | 12 | - | 12 | 2 | - | 2 | 2 | - | 2 |
| Bonds - AFS | 5 | - | 5 | 5 | - | 5 | 3 | - | 3 | 2 | - | 2 | 2 | - | 2 |
| Other | 170 | - | 170 | 176 | - | 176 | 117 | - | 117 | 113 | - | 113 | 80 | - | 80 |
| Sub-total | 178 | - | 178 | 188 | - | 188 | 132 | - | 132 | 117 | - | 117 | 84 | - | 84 |
| Total | 455 | 119 | 336 | 402 | 92 | 310 | 316 | 76 | 240 | 381 | 89 | 292 | 421 | 117 | 304 |

¹ Impairments of Other assets are charged directly to the carrying value of the asset. Accordingly, no allowances are shown against these assets.

Provisions, impairments and recoveries²

| | For the three months ended | | | | | YTD 2008 | YTD 2007 | Fiscal 2007 |
|--|----------------------------|-----------|-----------|-------------|-------------|------------|-------------|-------------|
| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 | | | |
| Credit related | | | | | | | | |
| Par ³ | | | | | | | | |
| - Loans | 4 | 4 | 1 | (1) | (8) | 8 | (4) | (4) |
| - Bonds - FVO | - | - | - | - | - | - | - | - |
| - Other | - | - | - | - | - | - | (1) | (1) |
| Non-par ³ | | | | | | | | |
| - Loans | 23 | 10 | (11) | (12) | (13) | 33 | 4 | (19) |
| - Bonds - FVO | 2 | 27 | 8 | - | - | 29 | - | 8 |
| - Bonds - AFS | 1 | 14 | 4 | - | - | 15 | - | 4 |
| - Other | 7 | - | (1) | (5) | - | 7 | (13) | (19) |
| Sub-total | 37 | 55 | 1 | (18) | (21) | 92 | (14) | (31) |
| Equity related⁴ | | | | | | | | |
| Par ³ | 1 | 1 | - | - | - | 2 | - | - |
| Non-par ³ | 27 | 24 | 24 | 36 | 5 | 51 | 13 | 73 |
| Sub-total | 28 | 25 | 24 | 36 | 5 | 53 | 13 | 73 |
| Total net impairment (recovery) | 65 | 80 | 25 | 18 | (16) | 145 | (1) | 42 |

² Includes net new provisions (recoveries) on loans and net impairments (gains on sale) on bonds and other invested assets, including those held at fair value.

Although GAAP does not require us to measure the impairment portion of unrealized losses on bonds classified as FVO, we believe this is a key metric for our business.

³ Par refers to assets backing participating policyholder liabilities.

⁴ Includes public and private equities.

| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 |
|---|--------------|--------------|--------------|--------------|--------------|
| Net impaired assets as a percentage of total invested assets | 0.20% | 0.19% | 0.15% | 0.18% | 0.19% |

INVESTMENT INCOME

(Canadian \$ in millions, unaudited)



| | Q2 2008 | | Q1 2008 | | Q4 2007 | | Q3 2007 | | Q2 2007 | |
|---|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|
| | Amount | Yield | Amount | Yield | Amount | Yield | Amount | Yield | Amount | Yield |
| Cash and short-term securities | | | | | | | | | | |
| Investment income | 74 | n/a | 117 | n/a | 102 | n/a | 129 | n/a | 133 | n/a |
| Bonds | | | | | | | | | | |
| Interest income | 968 | 5.4% | 945 | 5.3% | 954 | 5.4% | 978 | 5.4% | 1,000 | 5.4% |
| Impairments, net ¹ | (3) | | (41) | | (12) | | - | | - | |
| Realized gains and losses on AFS securities | 4 | | 2 | | 24 | | 3 | | (1) | |
| Total | 969 | 5.4% | 906 | 5.0% | 966 | 5.5% | 981 | 5.4% | 999 | 5.4% |
| ¹ Includes impairments on bonds classified as AFS and fair value option. | | | | | | | | | | |
| Stock securities | | | | | | | | | | |
| Dividend income | 109 | 3.8% | 81 | 3.0% | 76 | 2.7% | 64 | 2.2% | 82 | 2.7% |
| Impairments, net | (25) | | (25) | | (13) | | (10) | | (3) | |
| Realized gains and losses on AFS securities | 66 | | 110 | | 94 | | 102 | | 119 | |
| Total | 150 | 5.5% | 166 | 6.3% | 157 | 5.8% | 156 | 5.5% | 198 | 6.7% |
| Loans | | | | | | | | | | |
| Mortgage loan interest income | 371 | 5.6% | 387 | 6.0% | 384 | 6.2% | 375 | 5.9% | 386 | 5.9% |
| Private placement interest income | 321 | 5.9% | 323 | 6.1% | 330 | 6.2% | 330 | 5.9% | 331 | 5.7% |
| Policy loan interest income | 102 | 6.7% | 102 | 6.9% | 100 | 7.0% | 104 | 6.9% | 104 | 6.8% |
| Bank loan interest income | 33 | 6.3% | 37 | 7.1% | 40 | 7.8% | 38 | 7.5% | 37 | 7.4% |
| Impairments, net | (27) | | (14) | | 10 | | 13 | | 21 | |
| Total | 800 | 5.7% | 835 | 6.1% | 864 | 6.4% | 860 | 6.2% | 879 | 6.1% |
| Real estate | | | | | | | | | | |
| Rental income | 88 | 6.1% | 93 | 6.9% | 99 | 7.6% | 90 | 6.4% | 99 | 6.9% |
| Amortization of realized net gains and move to market | 63 | | 61 | | 61 | | 55 | | 47 | |
| Total | 151 | 11.0% | 154 | 11.5% | 160 | 12.3% | 145 | 10.8% | 146 | 10.7% |
| Other investments | | | | | | | | | | |
| Investment income | 119 | n/a | 150 | n/a | 187 | n/a | 21 | n/a | 83 | n/a |
| Derivatives | | | | | | | | | | |
| Investment income (loss) | (33) | n/a | - | n/a | (24) | n/a | (9) | n/a | (30) | n/a |
| Investment Income ² | 2,230 | 5.6% | 2,328 | 5.9% | 2,412 | 6.3% | 2,283 | 5.7% | 2,408 | 5.7% |
| ² Investment income includes dividends, interest, rental income and realized gains on assets supporting surplus. | | | | | | | | | | |
| Realized/ unrealized gains (losses) on assets supporting policy liabilities and consumer notes | | | | | | | | | | |
| Bonds | (1,641) | | (296) | | 971 | | 438 | | (1,553) | |
| Stocks | 49 | | (557) | | (105) | | 194 | | 394 | |
| Loans | 14 | | 34 | | 59 | | 30 | | 49 | |
| Other investments | 3 | | 30 | | 6 | | 6 | | 10 | |
| Derivatives | 113 | | 86 | | 232 | | 166 | | (208) | |
| Total | (1,462) | n/a | (703) | n/a | 1,163 | n/a | 834 | n/a | (1,308) | n/a |
| Total investment income | 768 | 1.9% | 1,625 | 4.1% | 3,575 | 9.4% | 3,117 | 7.9% | 1,100 | 2.6% |
| Investment expenses related to invested assets | (90) | n/a | (90) | n/a | (99) | n/a | (91) | n/a | (90) | n/a |
| Investment income less investment expenses | 678 | 1.7% | 1,535 | 3.9% | 3,476 | 9.1% | 3,026 | 7.7% | 1,010 | 2.4% |

Actuarial Liabilities Information

ACTUARIAL LIABILITIES - SEGREGATED FUND AND VARIABLE ANNUITY PRODUCT GUARANTEES

(Canadian \$, unaudited)



| | \$ in billions | | \$ in millions | | | % | |
|-----------------------------|---|---|---|--|-----------------------------|------------------------|-------------------------------|
| | Fund value, net of amounts reinsured ¹ | Amount at risk, net of amounts reinsured ¹ | Present value of guarantee fees over expected guarantee costs (A) | Actuarial liabilities ³ (B) | Recoverability margin (A+B) | CTE level ⁴ | Confidence level ⁵ |
| As at Q2 2008 | | | | | | | |
| Maturity / Income Benefits | 65.4 | 3.4 | | | | | |
| Death Benefits ² | 10.5 | 2.1 | | | | | |
| Balance | 75.9 | 5.5 | 2,222 | 757 | 2,979 | 69 | 90 |
| As at Q1 2008 | | | | | | | |
| Maturity / Income Benefits | 63.1 | 2.9 | | | | | |
| Death Benefits ² | 10.7 | 2.2 | | | | | |
| Balance | 73.8 | 5.1 | 2,154 | 762 | 2,916 | 68 | 90 |
| As at Q4 2007 | | | | | | | |
| Maturity / Income Benefits | 60.7 | 0.9 | | | | | |
| Death Benefits ² | 11.1 | 1.2 | | | | | |
| Balance | 71.8 | 2.1 | 2,093 | 526 | 2,619 | 72 | 92 |
| As at Q3 2007 | | | | | | | |
| Maturity / Income Benefits | 58.4 | 0.5 | | | | | |
| Death Benefits ² | 11.4 | 1.0 | | | | | |
| Balance | 69.8 | 1.5 | 2,028 | 425 | 2,453 | 74 | 93 |
| As at Q2 2007 | | | | | | | |
| Maturity / Income Benefits | 56.3 | 0.4 | | | | | |
| Death Benefits ² | 12.2 | 1.0 | | | | | |
| Balance | 68.5 | 1.4 | 1,879 | 454 | 2,333 | 76 | 94 |

¹ Amounts reinsured include amounts covered under stop loss treaties as well as first dollar treaties. Certain of the treaties include deductibles and claims limits.

² Death benefits include stand-alone guarantees and guarantees in excess of maturity or income guarantees where both are provided on one policy.

³ Total segregated fund guarantee reserves decreased \$5 million in the quarter. Reserves decreased due to market movements (\$6 million) and currency (\$2 million), partially offset by increase due to new business (\$2 million) and assumption changes (\$1 million).

⁴ Canadian GAAP requires that the reserve for segregated fund and variable products have a Conditional Tail Expectation ("CTE") of between 60 and 80. A reserve at the CTE (60) level covers the average cost of the top 40% of the scenarios tested with the highest net cost. A reserve at the CTE (80) level covers the average cost of the top 20% of the scenarios tested with the highest net cost. The CTE level varies across businesses and the CTE level shown is the average across all businesses.

⁵ The confidence level represents the percentage of the scenarios tested that the booked reserve covers (e.g., a 90th percentile confidence level means that the booked reserve equals or exceeds the scenario cost for 90% of the scenarios tested). The confidence level varies across businesses and the confidence level shown is the average across all businesses.

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 guaranteed values. Maturity 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 guaranteed values.

Guaranteed benefits in a single contract are frequently a combination of death benefit and maturity or income benefits. Actuarial liabilities reflect the combined impact of the death and maturity/income benefit guarantees taking into account that, in practice, only one of the benefits will be payable.

Segregated fund guarantees are valued as U.S insurance contracts under Section 4211 with the exception of certain reinsurance ceded contracts in U.S Wealth Management and reinsurance assumed contracts in Reinsurance Division that are valued as financial instruments.

ACTUARIAL LIABILITIES - WEALTH MANAGEMENT DAC BALANCES

(Canadian \$ in millions, unaudited)



| | 2008 Q2 | 2008 Q1 | 2007 Q4 | 2007 Q3 | 2007 Q2 |
|--|------------|------------|------------|------------|------------|
|--|------------|------------|------------|------------|------------|

Change in Deferred Acquisition Costs (DAC)

| | | | | | |
|-----------------------|--------------|--------------|--------------|--------------|--------------|
| Opening balance | 4,932 | 4,588 | 4,448 | 4,498 | 4,659 |
| Amount capitalized | 363 | 366 | 386 | 375 | 366 |
| Amount amortized | (221) | (215) | (226) | (207) | (207) |
| Currency | (58) | 193 | (20) | (218) | (320) |
| Ending balance | 5,016 | 4,932 | 4,588 | 4,448 | 4,498 |

DAC Balances

| | | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| John Hancock Variable Annuities | 2,301 | 2,249 | 2,086 | 2,034 | 2,064 |
| John Hancock Retirement Plan Services | 1,130 | 1,116 | 1,045 | 1,027 | 1,072 |
| John Hancock Mutual Funds | 26 | 26 | 25 | 26 | 29 |
| Canadian Individual Wealth Management | 886 | 852 | 821 | 774 | 757 |
| Hong Kong | 241 | 238 | 218 | 206 | 207 |
| Japan | 353 | 376 | 323 | 318 | 310 |
| Other | 79 | 75 | 70 | 63 | 59 |
| Total DAC | 5,016 | 4,932 | 4,588 | 4,448 | 4,498 |

Funds Under Management

| | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| John Hancock Variable Annuities | 52,349 | 53,073 | 54,322 | 54,664 | 55,808 |
| John Hancock Retirement Plan Services | 52,630 | 52,360 | 52,760 | 53,417 | 55,058 |
| John Hancock Mutual Funds | 30,860 | 30,825 | 31,354 | 34,638 | 37,644 |
| Canadian Individual Wealth Management ¹ | 32,933 | 31,078 | 31,007 | 30,233 | 29,788 |
| Hong Kong | 12,092 | 12,294 | 13,279 | 13,041 | 11,815 |
| Japan | 12,352 | 12,147 | 10,484 | 9,763 | 8,811 |
| Other | 15,786 | 15,599 | 15,757 | 15,242 | 15,396 |
| Total Funds Under Management | 209,002 | 207,376 | 208,963 | 210,998 | 214,320 |

DAC as a % of Funds Under Management

| | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| John Hancock Variable Annuities | 4.4% | 4.2% | 3.8% | 3.7% | 3.7% |
| John Hancock Retirement Plan Services | 2.1% | 2.1% | 2.0% | 1.9% | 1.9% |
| John Hancock Mutual Funds | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% |
| Canadian Individual Wealth Management | 2.7% | 2.7% | 2.6% | 2.6% | 2.5% |
| Hong Kong | 2.0% | 1.9% | 1.6% | 1.6% | 1.8% |
| Japan | 2.9% | 3.1% | 3.1% | 3.3% | 3.5% |
| Other | 0.5% | 0.5% | 0.4% | 0.4% | 0.4% |
| Total DAC as a % of Funds Under Management | 2.4% | 2.4% | 2.2% | 2.1% | 2.1% |

DAC balances are classified as other assets on the balance sheet for the mutual fund businesses and are classified as reductions in actuarial liabilities for annuities, pensions and other wealth product lines. Recoverability is tested quarterly.

¹ Funds under management has been adjusted to show only the assets with applicable DAC balances.

Capital Information

REGULATORY CAPITAL
(Canadian \$ in millions, unaudited)



2008 2008 2007 2007 2007
Q2 Q1 Q4 Q3 Q2

The Manufacturers Life Insurance Company's MCCR

Capital available:

Tier 1 capital

| | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| Common shares | 3,433 | 3,433 | 3,433 | 3,433 | 3,294 |
| Retained earnings | 11,087 | 10,470 | 9,191 | 10,829 | 10,431 |
| Qualifying non-controlling interests | 156 | 154 | 126 | 88 | 87 |
| Innovative instruments | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Other | 531 | 527 | 519 | 591 | 586 |
| Gross Tier 1 capital | 16,207 | 15,584 | 14,269 | 15,941 | 15,398 |
| Deductions: | | | | | |
| Goodwill & intangibles in excess of limit | (2,615) | (2,641) | (2,582) | (2,594) | (2,521) |
| Other | (1,765) | (1,775) | (1,672) | (1,423) | (1,479) |
| Net Tier 1 capital - A | 11,827 | 11,168 | 10,015 | 11,924 | 11,398 |

Tier 2 Capital ¹

| | | | | | |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Tier 2A | 592 | 933 | 1,322 | 1,531 | 1,655 |
| Tier 2B allowed | 2,935 | 1,985 | 1,985 | 1,985 | 1,985 |
| Tier 2C | 2,092 | 2,092 | 1,956 | 1,641 | 1,699 |
| Total Tier 2 capital allowed | 5,619 | 5,010 | 5,263 | 5,157 | 5,339 |

| | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| Total Tier 1 and Tier 2 capital | 17,446 | 16,178 | 15,278 | 17,081 | 16,737 |
| Less Adjustments | (1,782) | (1,293) | (872) | (3,960) | (2,777) |
| Total Capital Available - B | 15,664 | 14,885 | 14,406 | 13,121 | 13,960 |

Capital Required:

| | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Asset default & market risk | 4,620 | 4,281 | 3,336 | 3,104 | 3,096 |
| Insurance risks | 1,907 | 1,917 | 1,894 | 1,804 | 1,826 |
| Interest rate risks | 1,304 | 1,327 | 1,297 | 1,233 | 1,247 |
| Total Capital Required - C | 7,831 | 7,525 | 6,527 | 6,141 | 6,169 |

| | | | | | |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|
| MCCR Ratio: Total (B/C) x 100 | 200% | 198% | 221% | 214% | 226% |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|

¹ Tier 2 capital includes after-tax unrealized gains on Available-for-Sale stocks and bonds (2A), qualifying capital instruments (2A or 2B) and other available capital components (2C).

John Hancock Life Insurance Company's RBC

| | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| Risk-Based Capital Ratio ² | 439% | 439% | 439% | 370% | 370% |
|--|-------------|-------------|-------------|-------------|-------------|

² Ratios are calculated and reported on an annual basis and reflect December 31, 2007.

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

Return on Common Shareholders' Equity: Net income available to common shareholders divided by average common equity excluding accumulated other comprehensive income (loss) on available-for-sale securities and on cash flow hedges.

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.
- **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.

Available-For-Sale 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 total 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.

Consumer Notes: Investment products sold through *Signature* Notes program via broker-dealer network to retail customers in the form of publicly traded fixed and/or floating rate securities.

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.

Funds Under Management (FUM): Include general fund assets, segregated fund assets, mutual fund assets and other funds.

- **General Fund Assets:** Total invested assets as presented on the Company's balance sheet.
- **Segregated Fund Assets:** Net assets held by policyholders in segregated funds related to insurance, annuity and pension products. These funds are maintained separately from the Company's general account and the policyholder / contract holder bears the investment risk of the underlying fund.
- **Mutual Fund Assets:** Net assets held in proprietary mutual funds.
- **Other Funds:** Funds managed or administered by the Company other than those associated with a contract issued by the Company.

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

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. Here, lessor's net investment declines during the early years once the investment has been completed and rises during the later years of the lease before its final elimination. Such decreases and increases in the net investment balance may occur more than once.

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

Minimum Continuing Capital and Surplus Requirements (MCCSR): The ratio of the available capital of a life insurance company to its required capital, each as calculated under the Office of the Superintendent of Financial Institutions' (OSFI) published guidelines.

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

- **General Fund Premiums:** Premiums earned on insurance and fixed annuity contracts as reflected in the Company's statement of operations.
- **Segregated Fund Deposits:** Deposits related to insurance, annuity and pension products which are invested in segregated funds.
- **Mutual Fund Deposits:** Deposits received in proprietary mutual funds.
- **Other Fund Deposits:** Deposits received from customers related to non-proprietary funds for Manulife-branded products.
- **ASO Premium Equivalents:** ASO ("administrative services only") contracts are group insurance contracts administered by the Company on behalf of the client on which the Company earns a fee for its services but the client retains all risks inherent in the group insurance. ASO premium equivalents are a measure of the business volume calculated as expected claims plus administrative fees charged.

Sales: Sales are measured according to product type.

- **Individual Insurance:** New annualized premiums reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. Sales are reported gross before the impact of reinsurance. Single premium is the lump sum premium from the sale of a single premium product e.g. travel insurance.
- **Group Insurance:** Sales include new annualized premiums and ASO premium equivalents on new cases, as well as the addition of new coverages and amendments to contracts, excluding rate increases.
- **Individual Wealth Management:** All new deposits are reported as sales. This includes individual annuities, both fixed and variable; segregated fund products; mutual funds; college savings 529 plans; and authorized bank loans and mortgages.
- **Group Pensions:** New regular premiums reflect an estimate of expected deposits in the first year of the plan with the Company. Single premium sales reflect the assets transferred from the previous plan provider. Sales include the impact of the addition of a new division or of a new product to an existing client as well as increases in the contribution rate for an existing plan.

Risk-Based Capital (RBC): Risk-based capital is a method developed by the National Association of Insurance Commissioners in the U.S. (NAIC) to measure the minimum amount of capital that an insurance company needs to support its overall business operations.

Total Capital: Includes liabilities for preferred shares and capital instruments, non-controlling interest in subsidiaries and total equity excluding Accumulated Other Comprehensive Income on cash flow hedges.

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

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

GENERAL INFORMATION

MANULIFE FINANCIAL CORPORATION HEAD OFFICE

200 Bloor Street East
 Toronto, Ontario
 Canada M4W 1E5
 Web Site: www.manulife.com

TRANSFER AGENT

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

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

COMMON STOCK

Common Stock of Manulife Financial is traded on:

| <u>Stock Exchange</u> | <u>Symbol</u> |
|-----------------------|---------------|
| Toronto | MFC |
| New York | MFC |
| Hong Kong | 0945 |
| Philippines | MFC |

INVESTOR INFORMATION

Amir Gorgi, Assistant Vice President, Investor Relations
 1-800-795-9767
 E-mail: investor_relations@manulife.com

INDUSTRY RATING INFORMATION

The following rating agencies each assign The Manufacturers Life Insurance Company and John Hancock Life Insurance Company ratings within their highest range of categories, thereby recognizing the companies as among the strongest in the life insurance industry.

The Manufacturers Life Insurance Company

| <u>Purpose</u> | <u>Rating agency</u> | <u>Rating</u> |
|--------------------|------------------------------|---------------|
| Claims paying/ | A.M. Best | A++ |
| Financial strength | Dominion Bond Rating Service | IC-1 |
| | FitchRatings | AA+ |
| | Moody's | Aa1 |
| | Standard & Poor's | AAA |

John Hancock Life Insurance Company

| <u>Purpose</u> | <u>Rating agency</u> | <u>Rating</u> |
|--------------------|------------------------------|---------------|
| Claims paying/ | A.M. Best | A++ |
| Financial strength | Dominion Bond Rating Service | not rated |
| | FitchRatings | AA+ |
| | Moody's | Aa1 |
| | Standard & Poor's | AAA |