



Delivering Results Preparing for the Future

America's Select Franchise Conference

Steve Roder

Senior Executive Vice President
and Chief Financial Officer

 **Manulife**

John Hancock

Caution regarding forward-looking statements

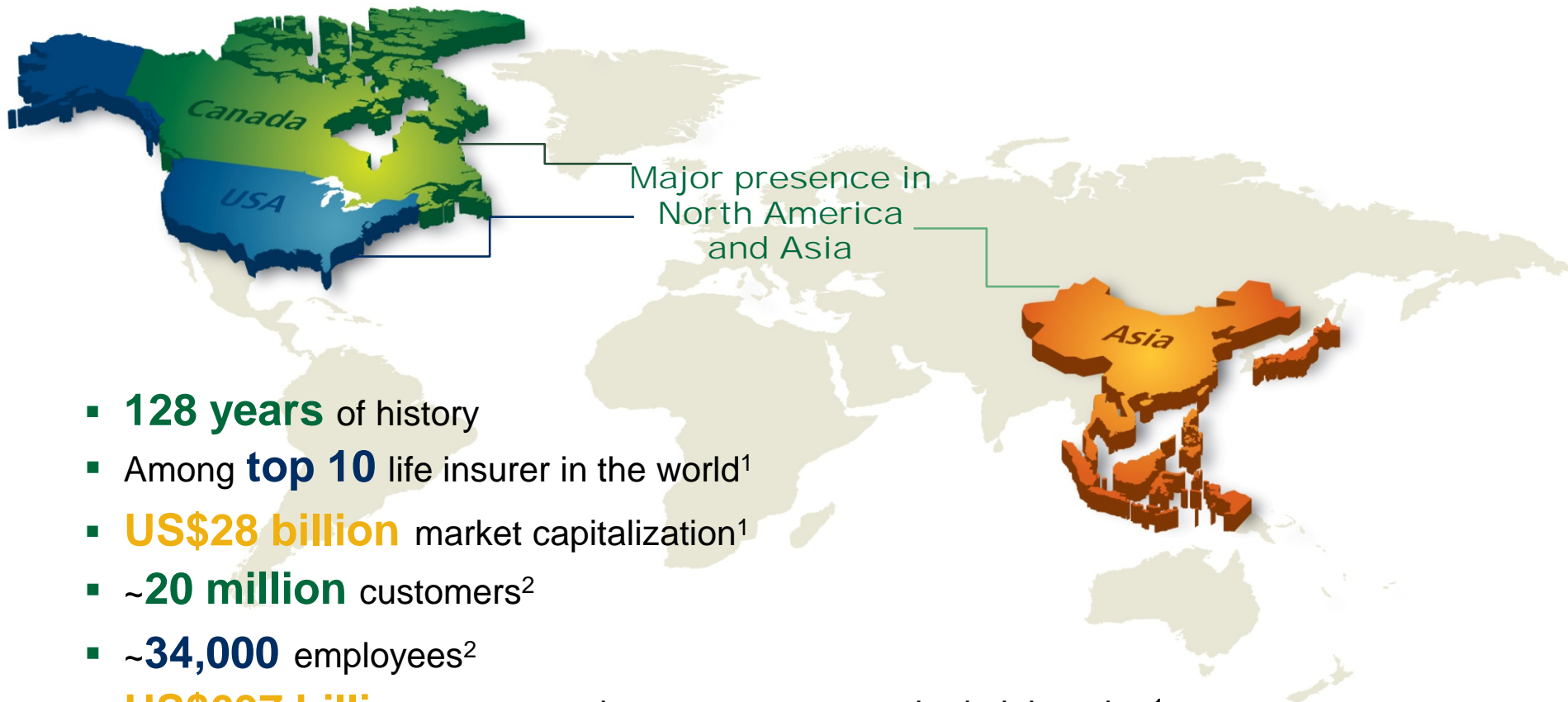
From time to time, MFC makes written and/or oral forward-looking statements, including in this presentation. In addition, our representatives may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbour” provisions of Canadian provincial securities laws and the U.S. Private Securities Litigation Reform Act of 1995.

The forward-looking statements in this presentation include, but are not limited to, statements with respect to Core ROE expansion over the medium term and the drivers of such expansion and annual core earnings per share growth over the medium term and dividend growth over time. The forward-looking statements in this presentation also relate to, among other things, our objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and can generally be identified by the use of words such as “may”, “will”, “could”, “should”, “would”, “likely”, “suspect”, “outlook”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “forecast”, “objective”, “seek”, “aim”, “continue”, “goal”, “restore”, “embark” and “endeavour” (or the negative thereof) and words and expressions of similar import, and include statements concerning possible or assumed future results. Although we believe that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements and they should not be interpreted as confirming market or analysts’ expectations in any way.

Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include the factors identified in the “Caution regarding forward-looking statements” in our in our most recent annual and interim reports. Additional information about material risk factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found under “Risk Management and Risk Factors Update” and “Critical Accounting and Actuarial Policies” in the Management’s Discussion and Analysis in our most recent interim report, under “Risk Factors” in our most recent Annual Information Form, under “Risk Management”, “Risk Factors” and “Critical Accounting and Actuarial Policies” in the Management’s Discussion and Analysis in our most recent annual report, in the “Risk Management” note to consolidated financial statements in our most recent annual and interim reports and elsewhere in our filings with Canadian and U.S. securities regulators.

The forward-looking statements in this presentation are, unless otherwise indicated, stated as of the date hereof and are presented for the purpose of assisting investors and others in understanding our financial position and results of operations, our future operations, as well as our objectives and strategic priorities, and may not be appropriate for other purposes. We do not undertake to update any forward-looking statements, except as required by law.

Manulife is a leading global financial services company



- **128 years** of history
- Among **top 10** life insurer in the world¹
- **US\$28 billion** market capitalization¹
- **~20 million** customers²
- **~34,000** employees²
- **US\$697 billion** assets under management and administration¹

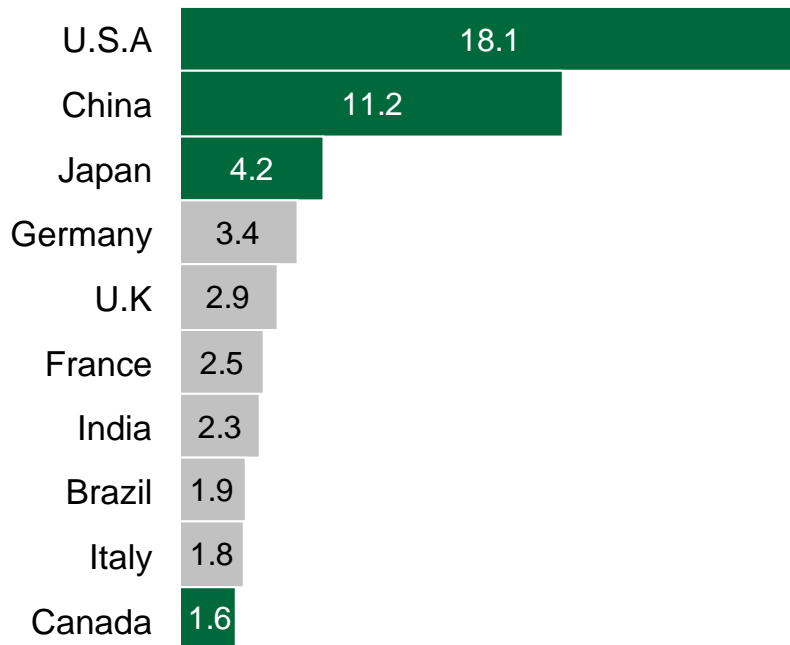
¹ As at March 31, 2016; Global life insurers ranked by market capitalization in U.S. dollar; Source Bloomberg. ² As of December 31, 2015.

We have a major presence in...

... four of the world's 10 largest economies...

Gross Domestic Product

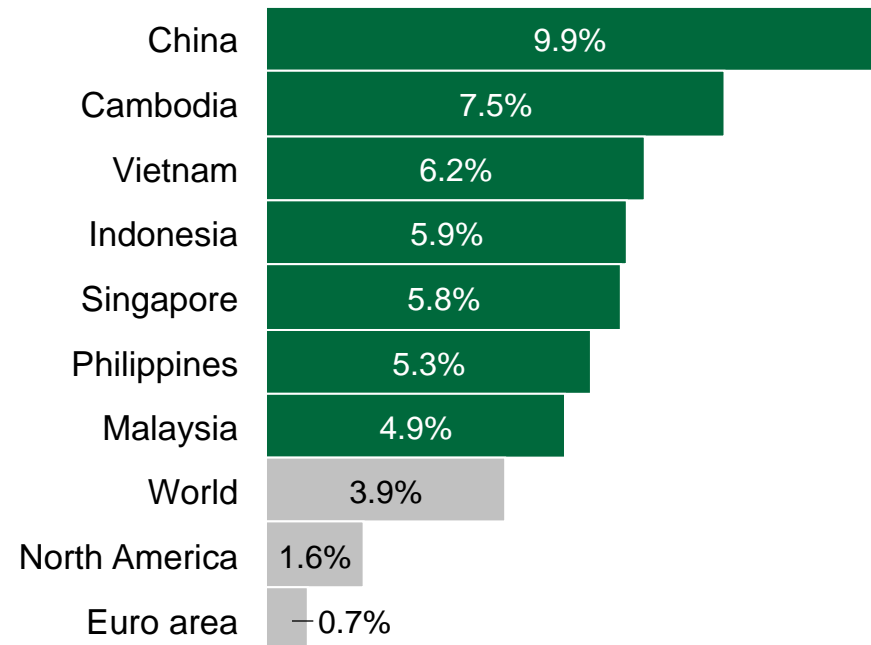
(US\$ trillion, 2015P, current prices)



... and some of the fastest growing markets on the planet

Gross Domestic Product Growth

(10-year CAGR, 2004-2014, US\$ Constant Prices)



Source: International Monetary Fund, World Economic Outlook, April 2015

■ Manulife presence

Our strategy is gaining momentum



Develop more holistic and long-lasting customer relationships

- Wellness programs
- Direct delivery
- Digital advice



Build and integrate our global wealth and asset management businesses

- Recent acquisitions
- New ETF¹ business in the U.S.
- Manulife Private Markets
- UCITS platform²



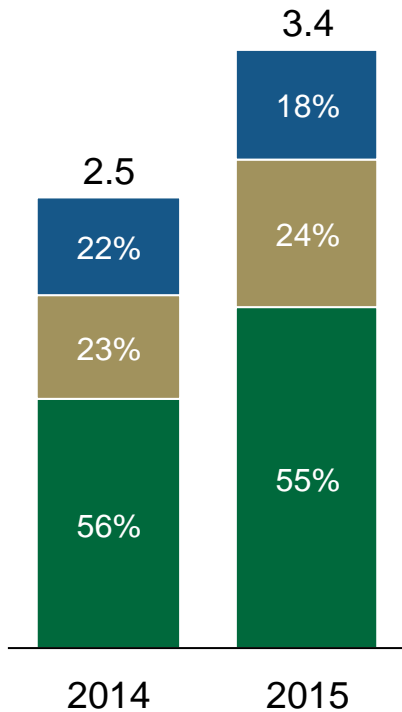
Leverage skills and experiences across our international operations

- Local initiatives rolled-out to other locations
- Centres of excellence
- Innovation labs

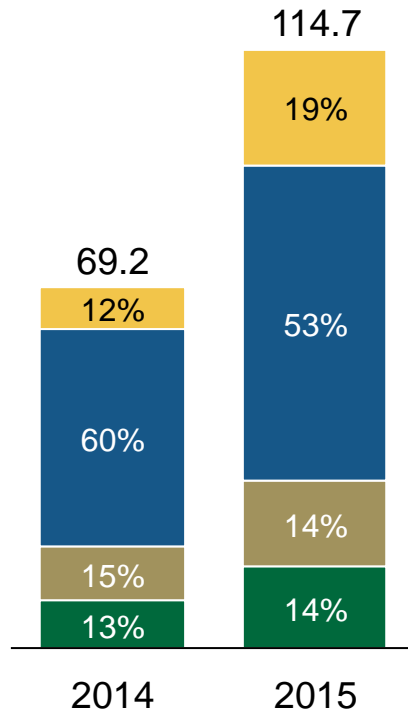
¹ Exchange traded fund ² Undertakings for Collective Investments in Transferable Securities. Directed at European and global investors.

Strong top line growth in 2015

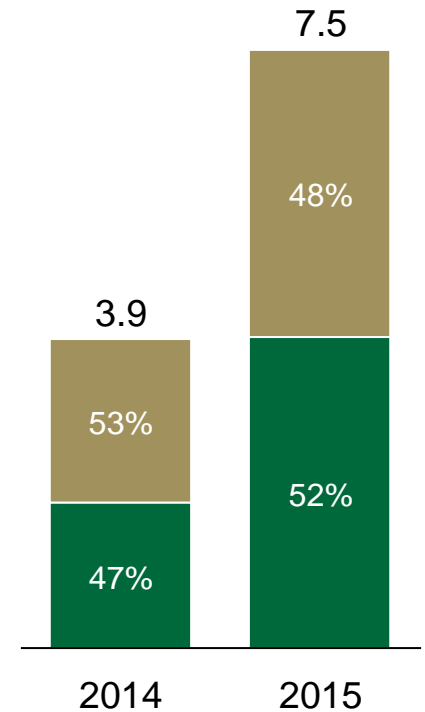
Insurance Sales¹
(C\$ billions)



Wealth & Asset Management Gross Flows¹
(C\$ billions)



Other Wealth Sales¹
(C\$ billions)



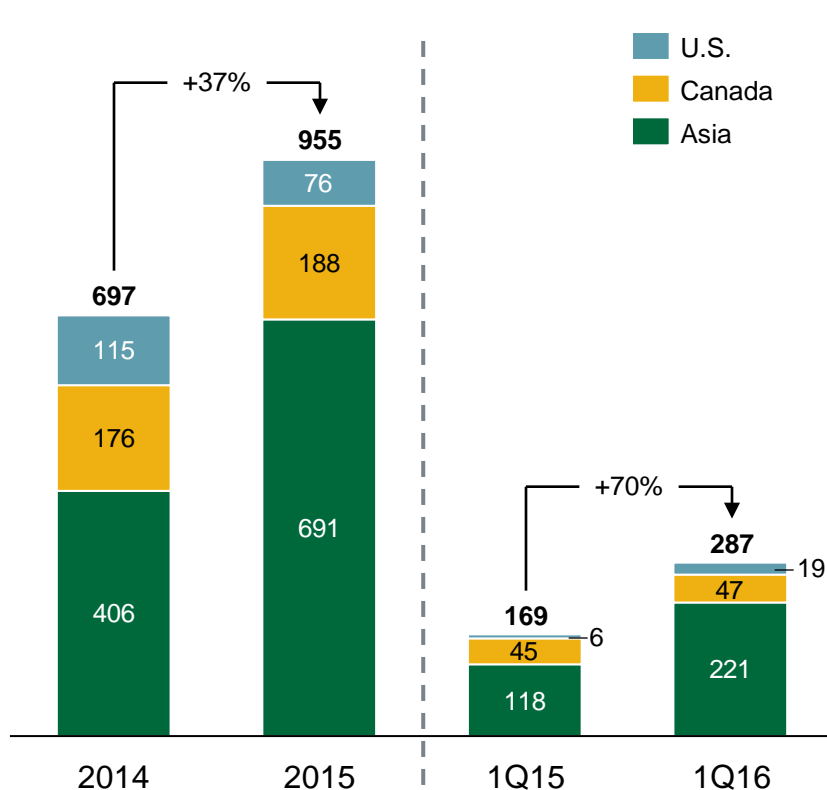
■ Institutional
 ■ U.S.
 ■ Canada
 ■ Asia

¹ Insurance sales consists of all individual and group insurance businesses. Wealth and Asset Management gross flows consist of mutual fund, group retirement and institutional advisory products. Other Wealth sales include all new deposits into variable and fixed annuity contracts in Asia and Canada, as well as certain single premium products in Asia. As we discontinued sales of new variable annuity contracts in the U.S. in 1Q13, subsequent deposits into existing U.S. variable annuity contracts are not reported as Other Wealth sales.

Strong growth in new business value driven by higher volumes and improved margins in Asia

New Business Value (NBV)¹

(C\$ millions)



2015 new business value of \$955 million, up 37% vs. 2014

1Q16 new business value of \$287 million, up 70% vs. 1Q15:

- + Volumes and product margins in Japan and Asia Other
- + Improved product margins in U.S. life insurance

2015 Asia new business value margins were 31%, up from 27% in 2014

Asia new business value margins¹ were 28.8% in 1Q16, up from 25.4% in 1Q15:

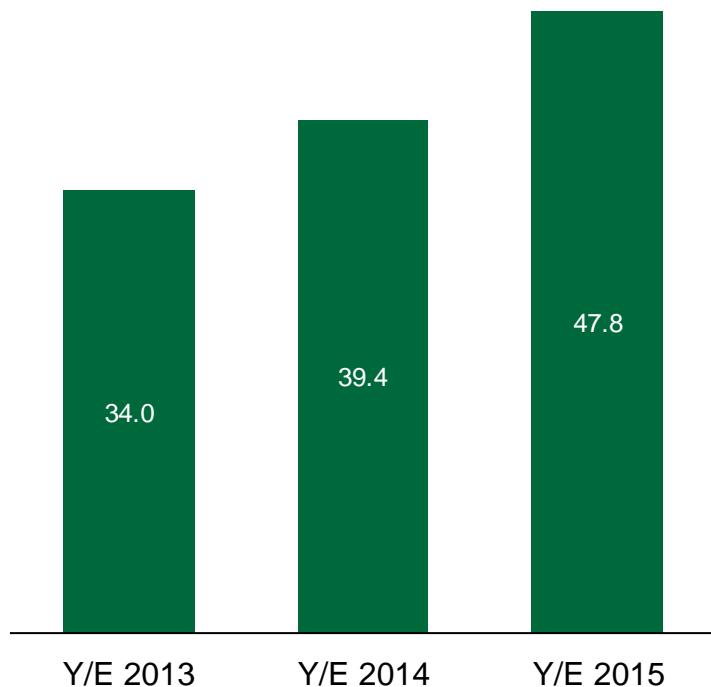
- + Higher volumes, product margins and improved business mix in Japan
- + Higher volumes in Asia Other
- Business mix in Hong Kong

¹ Excludes Wealth and Asset Management businesses, Manulife Bank and P&C retrocession business.

Embedded Value growth reflects new business written at solid margins and the benefit of currency

Embedded Value¹

(C\$ billions)



Embedded Value (“EV”) for our Insurance and Other Wealth businesses

2015 EV of \$24/share, or \$47.8 billion up 21% from 2014

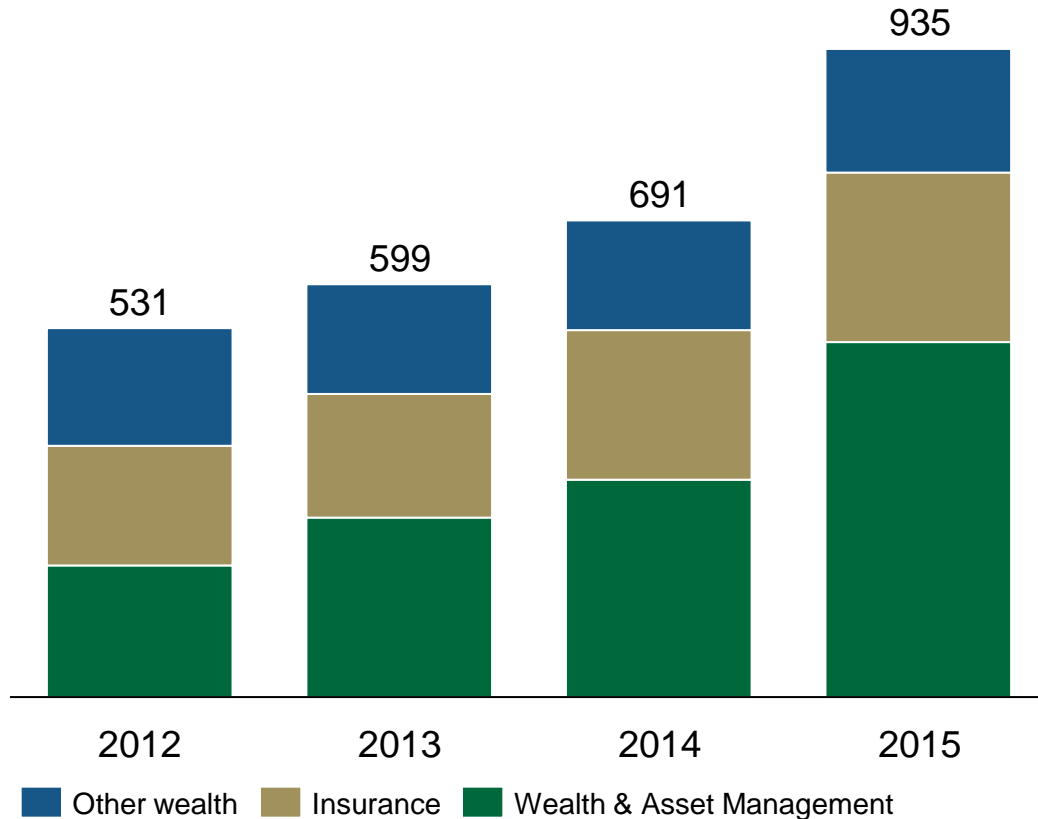
- + Just under half of the growth in EV relates to the contributions from inforce and new business
- + Currency movements accounted for the majority of the remaining increase

EV does not take into account the value of future business in our Insurance and Other Wealth segments, nor does it take into account any amount in excess of tangible book value for our wealth and asset management businesses nor our Bank in Canada

¹ Embedded value does not include any value of in-force related to our Wealth and Asset Management businesses, Manulife Bank or P&C retrocession business.

Growing scale, particularly in Wealth and Asset Management

Total assets under management and administration (AUMA)¹ (C\$ billions)

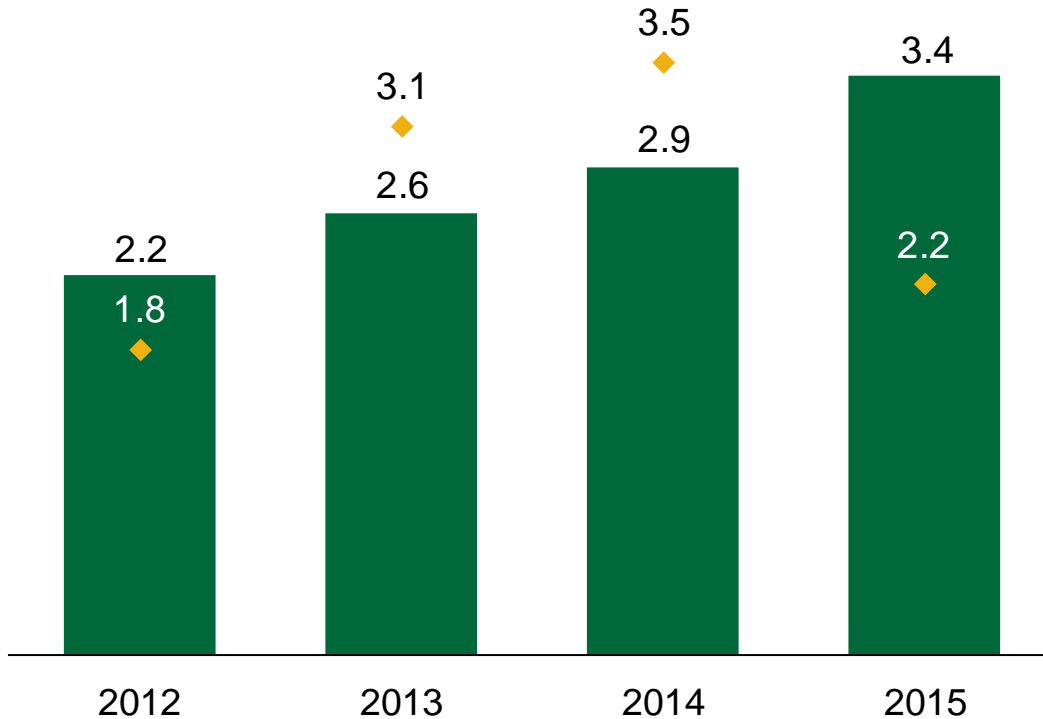


- AUMA up \$244 billion in 2015 vs. 2014
- Driven by:
 - + Acquisitions
 - + Strong business growth
 - + Currency movements

¹ Insurance consists of all individual and group insurance businesses. Wealth and Asset Management consist of mutual fund, group retirement and institutional advisory products. Other Wealth consists of variable and fixed annuities, and single premium products sold in Asia.

Delivering sustainable underlying core earnings growth

Core earnings and net income (C\$ billions)



- Positive core earnings trajectory highlights Manulife's powerful operating momentum
- In 2015, net income was negatively impacted by mark-to-market charges related to oil & gas investment

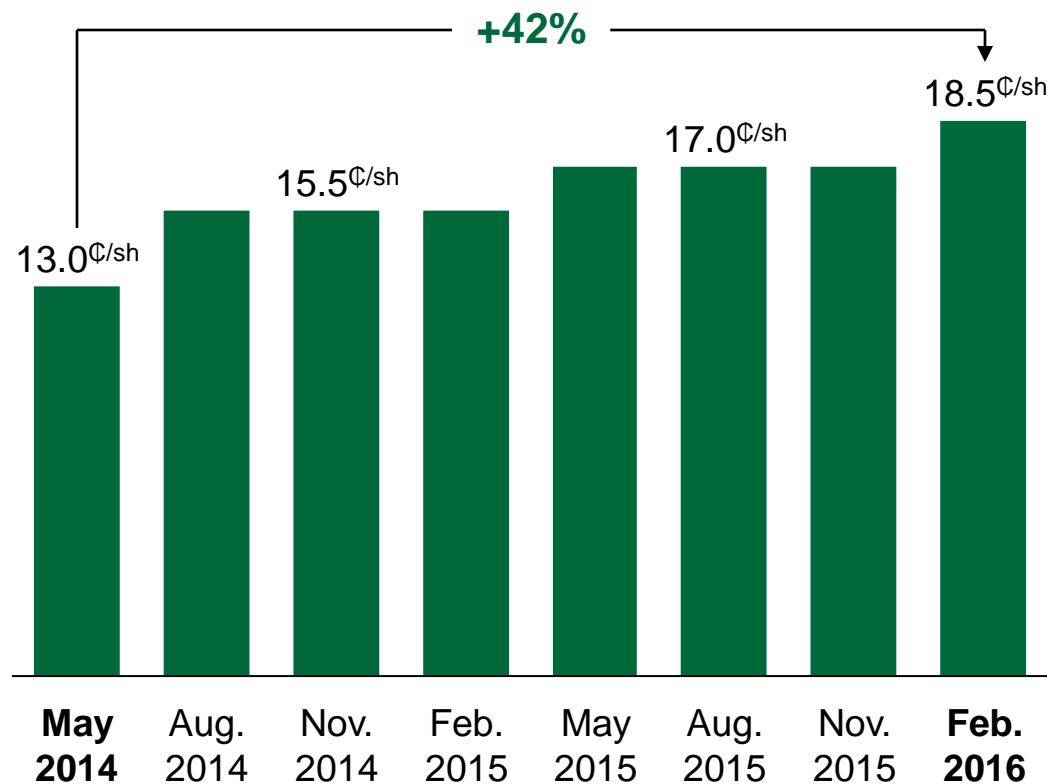
◆ Net income – impacted by mark-to-market accounting

■ Core earnings – better represents the underlying earnings capacity of the business

Core earnings growth trajectory facilitating sustainable dividend increases

Quarterly dividend

(Cents per common shares; As of declaration date)



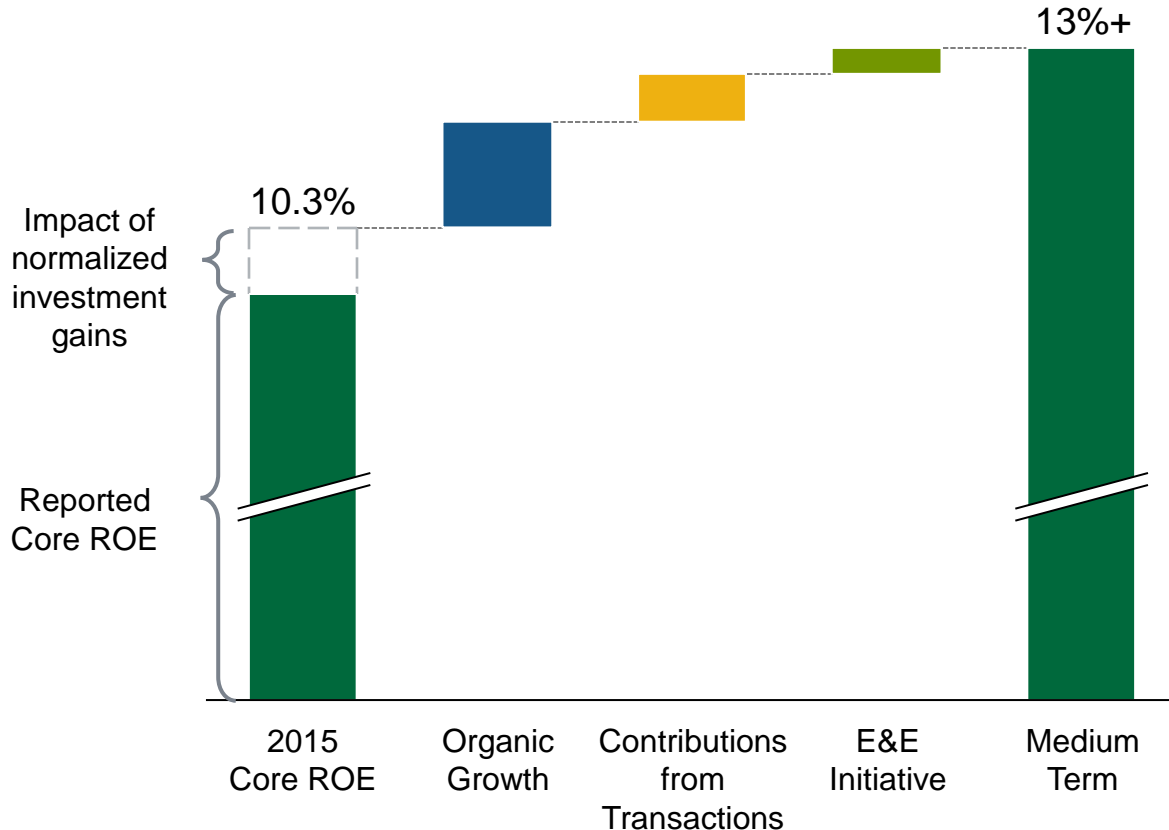
- Three dividend increases in less than two years
- Target dividend payout ratio range of 30-40%
- Dividend increases expected over time as earnings grow¹
 - Expected average annual Core EPS growth of 10-12% over the medium term

¹ Dividend levels are set by the Board of Directors.

Executing on a strategy that is expected to lead to sustainable Core ROE expansion

For illustrative purposes only. Relative proportions – Not to scale.

Core Return on Equity (ROE) expansion over the medium term¹



Other areas of continuing focus

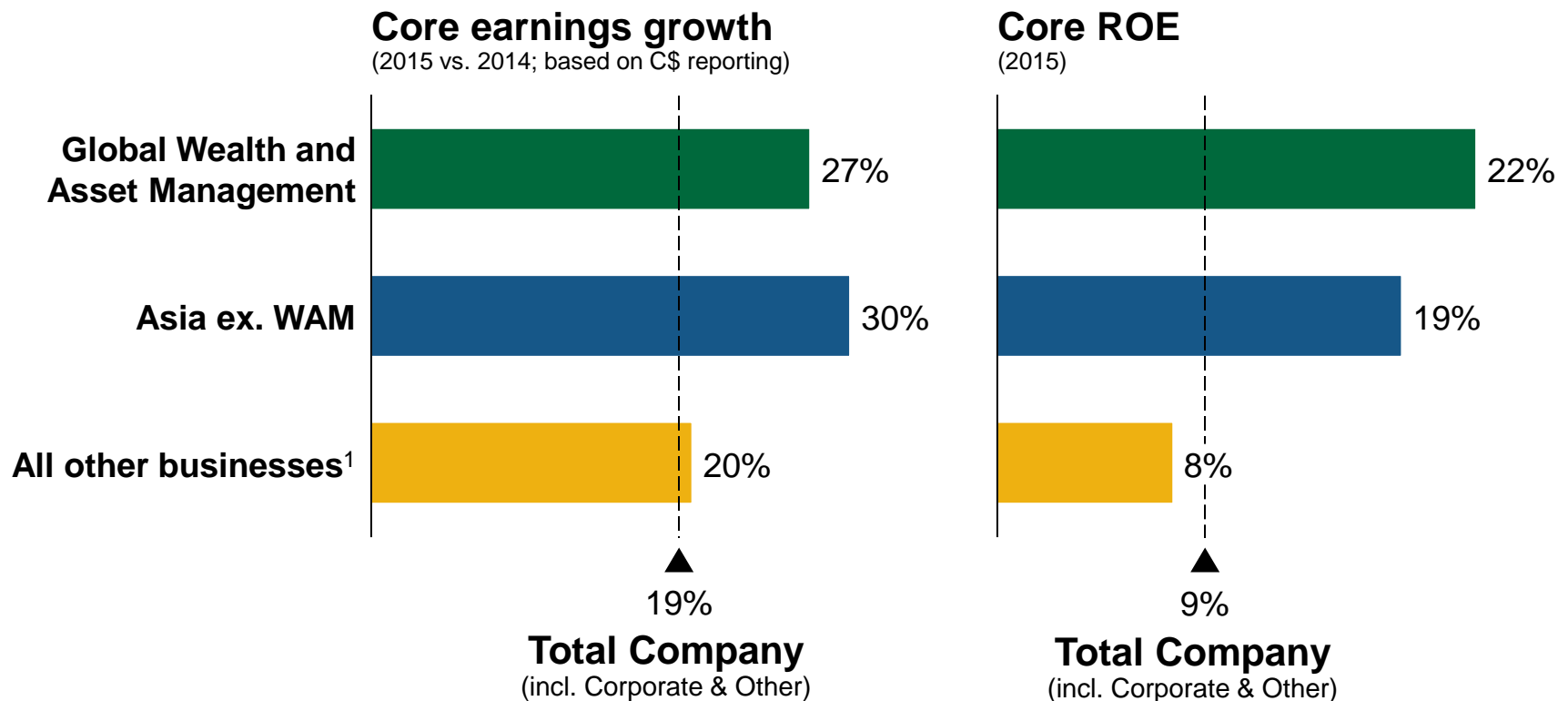
- Generation of free cash flow for profitable redeployment
- Balance sheet optimization
 - Critical appraisal of our in force blocks

Macro factors outside management's control

- Interest rates
- Equity markets performance
- Oil and gas prices
- Foreign exchange rates

¹ Assumes common share dividend payout ratio of 35%, i.e. mid-point of the 30-40% target dividend payout ratio range communicated at Investor Day 2015. Dividend levels are set by the Board of Directors.

Our fast growing Asia and Wealth & Asset Management businesses generate our highest returns...



¹ Excludes Corporate & Other, with the exception of the Retrocession business. Manulife Asset Management is included under "Global Wealth and Asset Management" segment.

... and have been the focus of our recent major acquisitions and partnerships



Standard Life

Acquisition of Standard Life's Canadian operations

Effective: January 30, 2015



Acquisition of New York Life's Retirement Plan Services business¹

Effective: April 14, 2015



15-year exclusive bancassurance partnership with DBS in Singapore, Hong Kong, Indonesia and China

Effective: January 1, 2016



Acquisition of Standard Chartered's existing pension businesses in Hong Kong and exclusive 15-year Mandatory Provident Fund ("MPF") distribution partnership

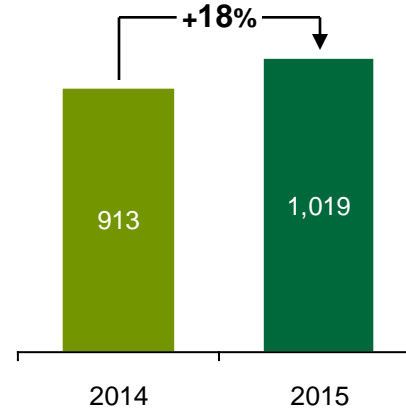
Announced: September 10, 2015²

¹ Accompanied by a related reinsurance agreement that closed on July 1, 2015. ² Expected to close in the second half of 2016, subject to regulatory approvals.

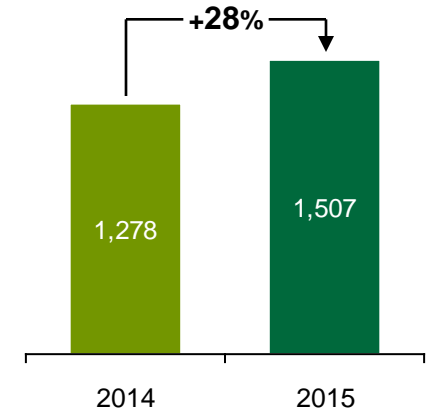
Asia – executing on a tremendous opportunity



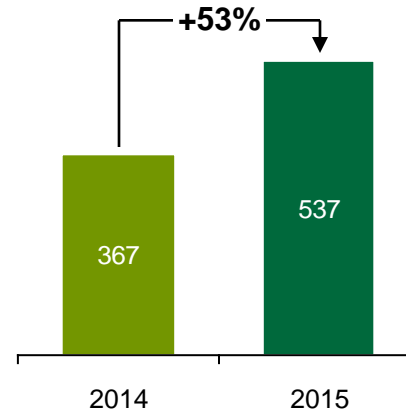
Core Earnings (US\$ millions)



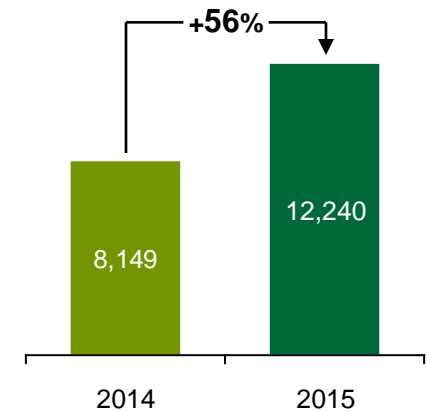
Insurance Sales (US\$ millions)



New Business Value (US\$ millions)



Gross Flows (US\$ millions)

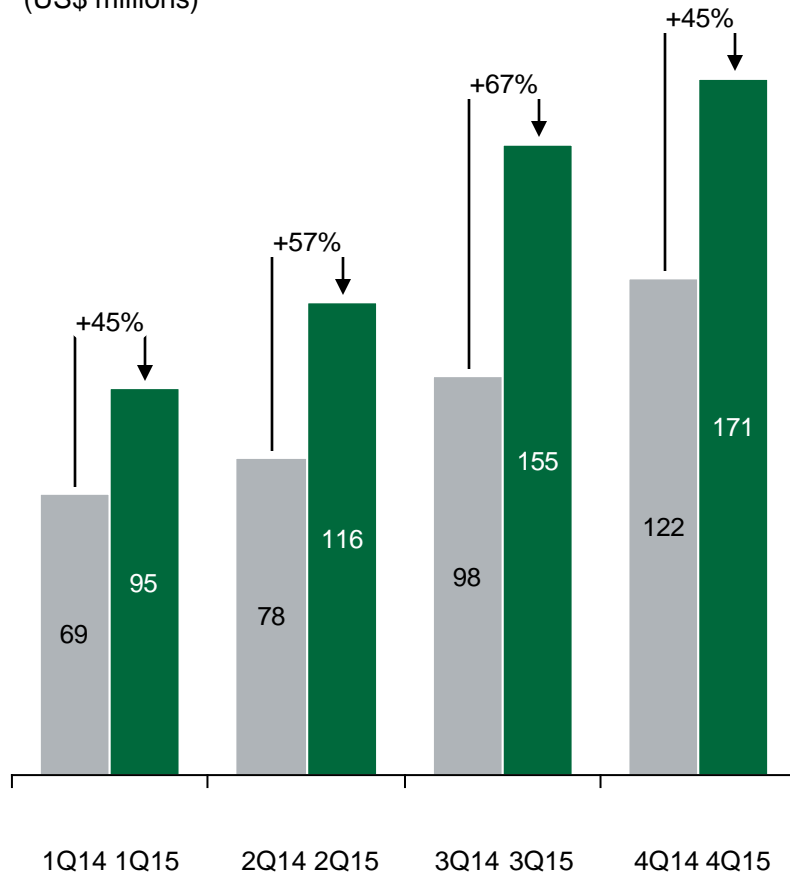


Note: Core Earnings has not been restated for a change in Interest On Surplus methodology implemented in 1Q16.

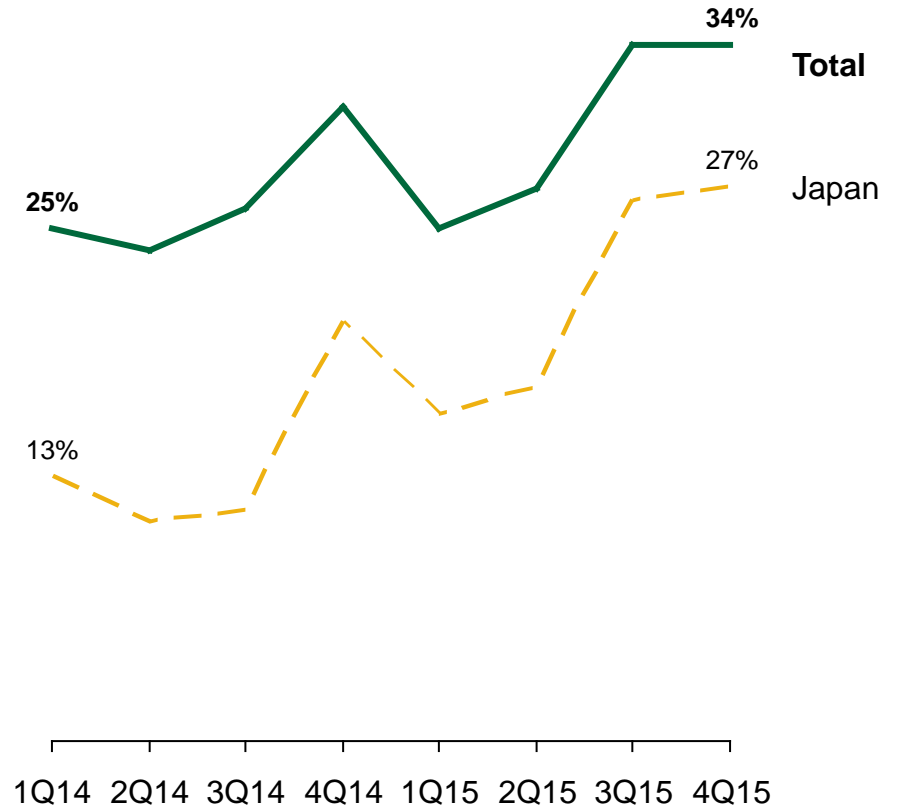
Note: Percentage increases are on a constant currency basis.

Strong growth in Asia New Business Value and Asia NBV margin is improving driven in part by Japan

Manulife Asia New Business Value (NBV)¹
(US\$ millions)



Manulife Asia NBV Margin (%)

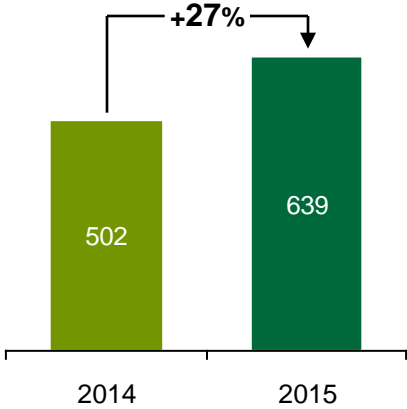


¹ Growth in new business value stated on a constant currency basis, a Non-GAAP measure.

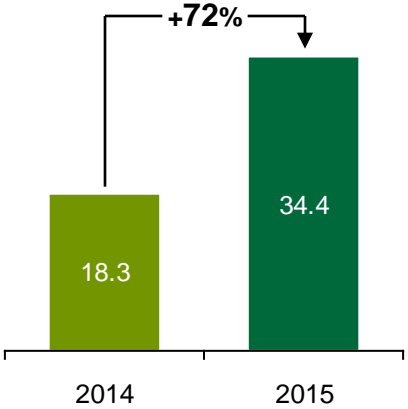
Wealth and Asset Management – organic growth and acquisitions driving scale



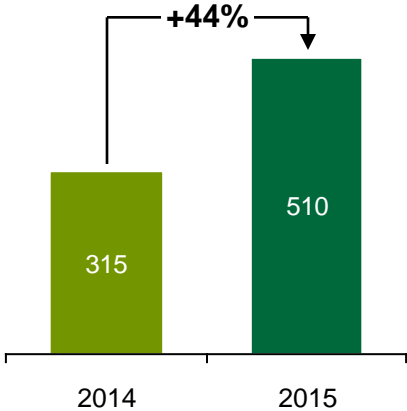
Core Earnings
(C\$ millions)



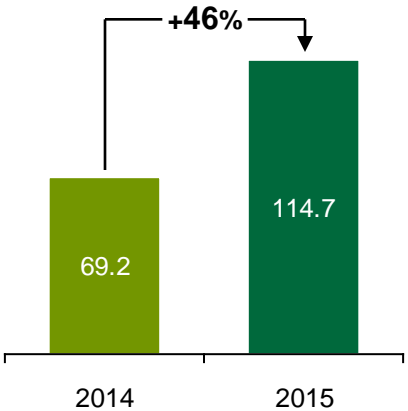
Net Flows¹
(C\$ billions)



AUMA^{1,2}
(C\$ billions)



Gross Flows¹
(C\$ billions)



Note: Core Earnings has not been restated for a change in Interest On Surplus methodology implemented in 1Q16.
¹ All growth (decline) in assets, net flows and gross flows stated on a constant currency basis, a Non-GAAP measure. ² Assets Under Management and Administration.

Recently made strategic investments to bolster our scale and market positions in the pension business

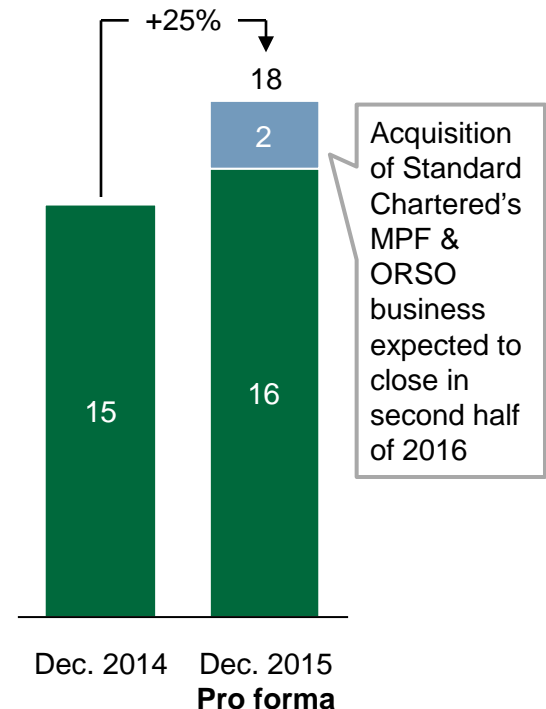
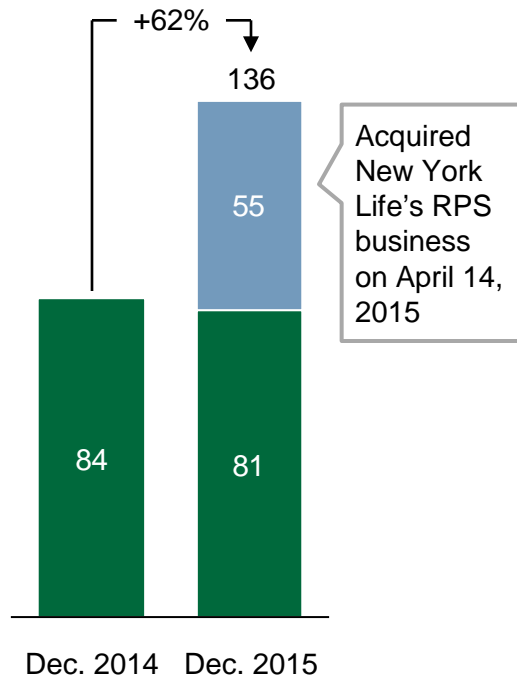
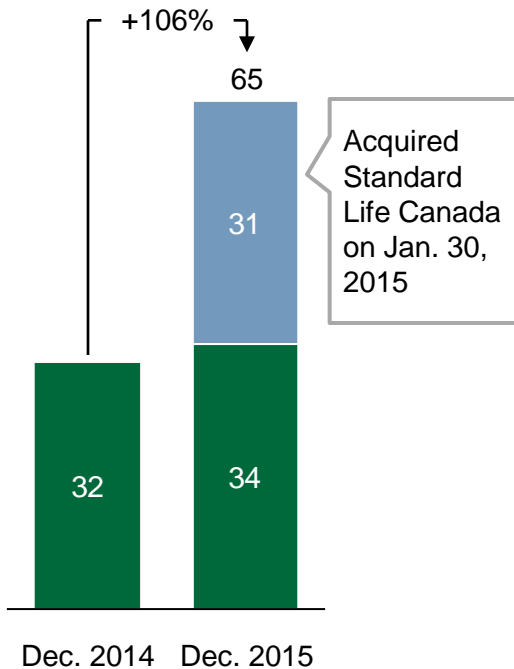
Pension AUMA in Canada (C\$ billions)



Pension AUMA in the U.S. (US\$ billions)



Pension AUMA in Hong Kong (US\$ billions)



Our mutual fund businesses in North America are displaying superior growth momentum to the market

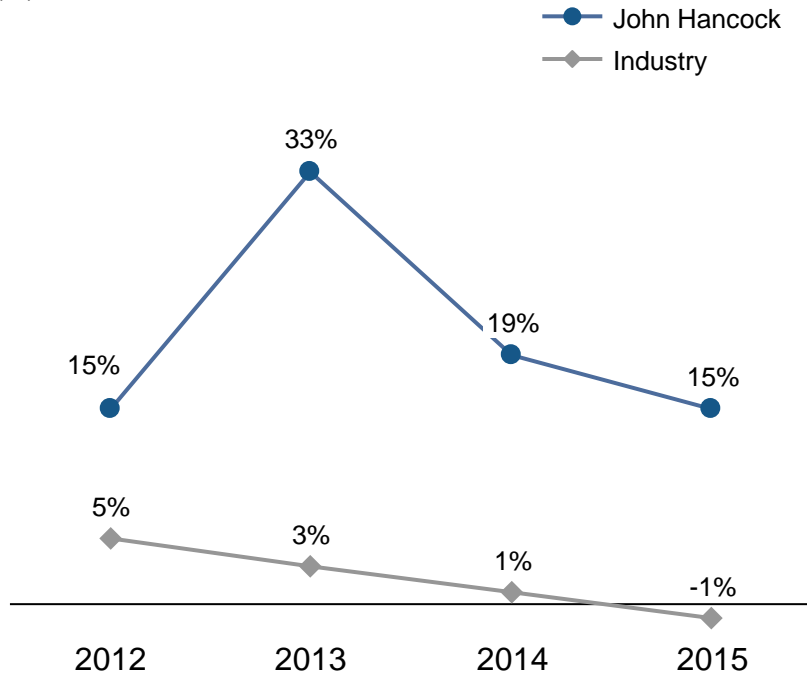


U.S.

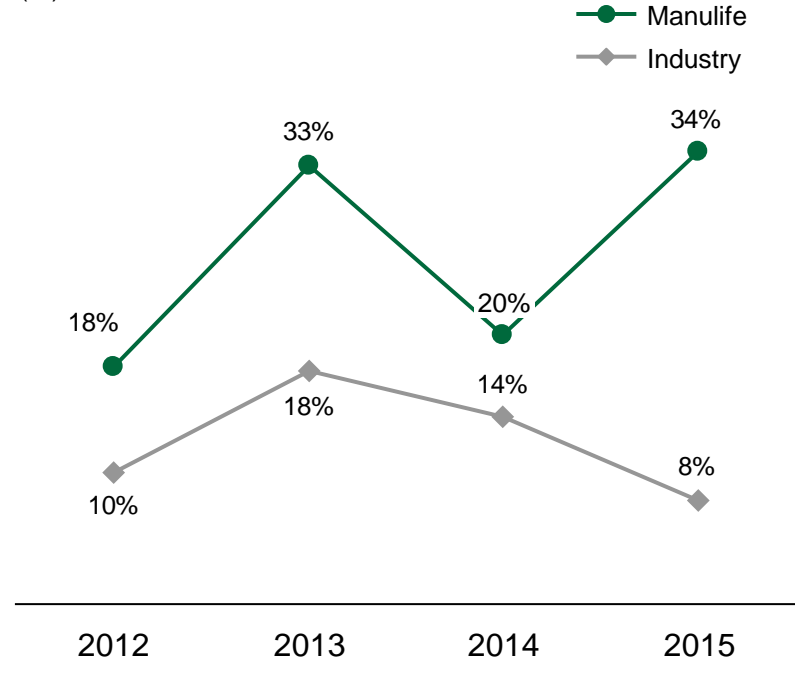


Canada

Organic Growth Rate¹
(%)



AUM Growth Rate²
(%)



¹ Source: Strategic Insight Simfund as of December 31. Intermediary-sold channel, excl. direct-sold channel, ETFs, closed end funds, 529 share classes, non JH affiliated FOFs, money market funds and JH class NAV, 1 and 5. ² Source: IFIC Industry Total (includes Investor Economics aggregates); as of December 31. IFIC includes Investor Economic aggregates for companies who do not report data to IFIC to calculate industry totals.

Summary

- ✓ Generating strong top line and new business value growth
- ✓ Growing scale
- ✓ Delivering sustainable, underlying core earnings growth
- ✓ Focusing on regular and sustainable dividend increases as earnings grow
- ✓ Executing on a strategy that is expected to expand Core ROE
 - Focusing growth on Asia and Wealth and Asset Management

Thank you



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