



# Looking Forward: Manulife's Growth in Canada

*Scotia Capital Financials Summit 2008*

**Paul L. Rooney**  
President and CEO, Manulife Canada



# Legal Disclaimer

## Caution Regarding Forward-Looking Statements

This document contains forward-looking statements within the meaning of the “safe harbour” provisions of Canadian provincial securities laws and the U.S. *Private Securities Litigation Reform Act of 1995*. These forward-looking statements 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”, “suspect”, “outlook”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “forecast”, “objective” and “continue” (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. 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 but are not limited to: level of competition and consolidation, changes in laws and regulations, the ability to complete acquisitions and execute strategic plans, general business and economic conditions including market price volatility, interest rate changes and currency rates, Company liquidity, accuracy of information received from counterparties and the ability of counterparties to meet their obligations, accuracy of accounting policies and actuarial methods used by the Company, the ability to adapt products and services to the changing market, the ability to maintain the Company’s reputation, legal and regulatory proceedings, the disruption of or changes to key elements of the Company’s or to public infrastructure systems, the ability to attract and retain key executives and environmental concerns. Additional information about material factors that could cause actual result to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the body of this document as well as under “Risk Factors” in our most recent Annual Information Form, under “Risk Management” and “Critical Accounting and Actuarial Policies” in the Management’s Discussion and Analysis in our most recent Annual Report, and elsewhere in our filings with Canadian and U.S. securities regulators. We do not undertake to update any forward-looking statements.

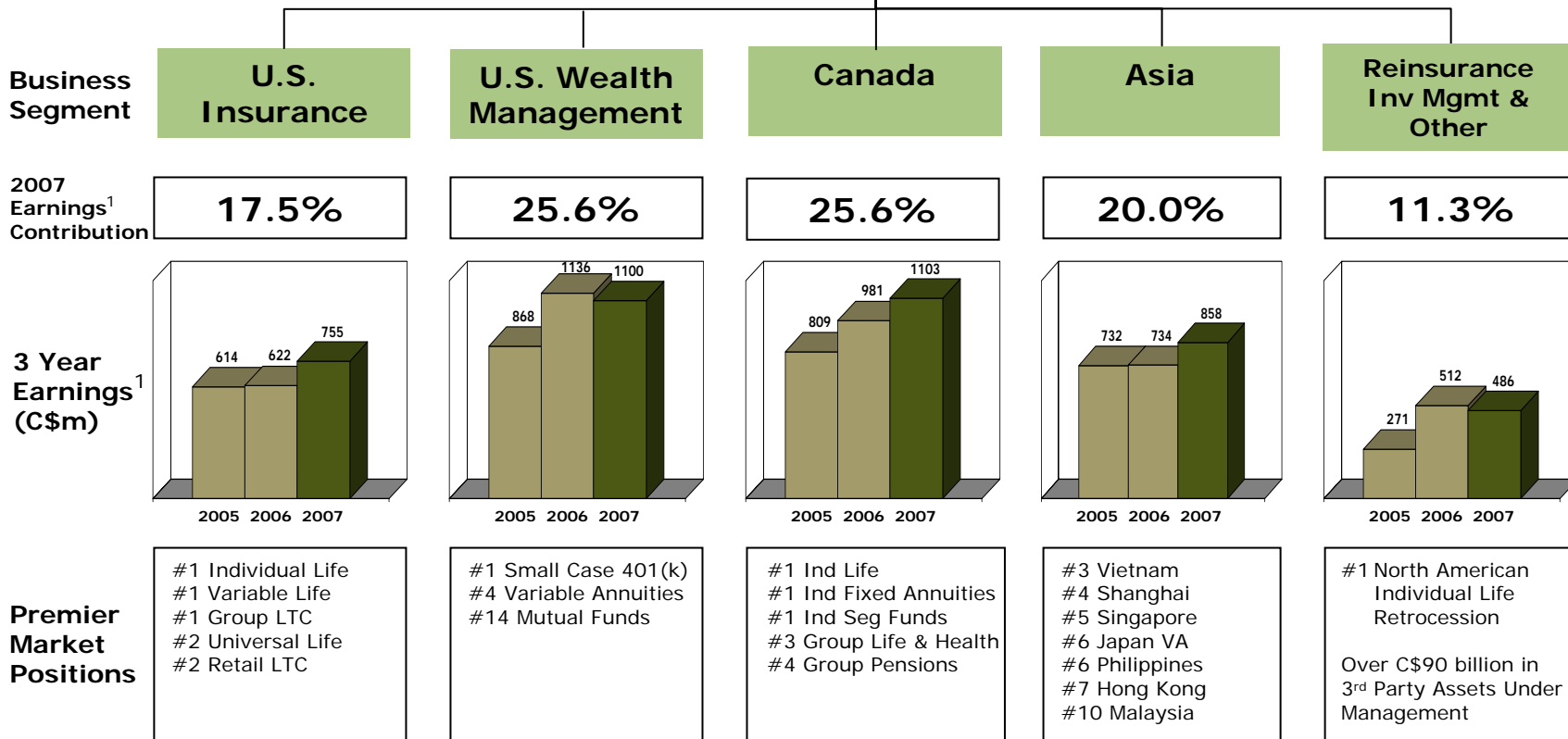


# Our Global Operations



# MFC at a glance ...

## Manulife Financial



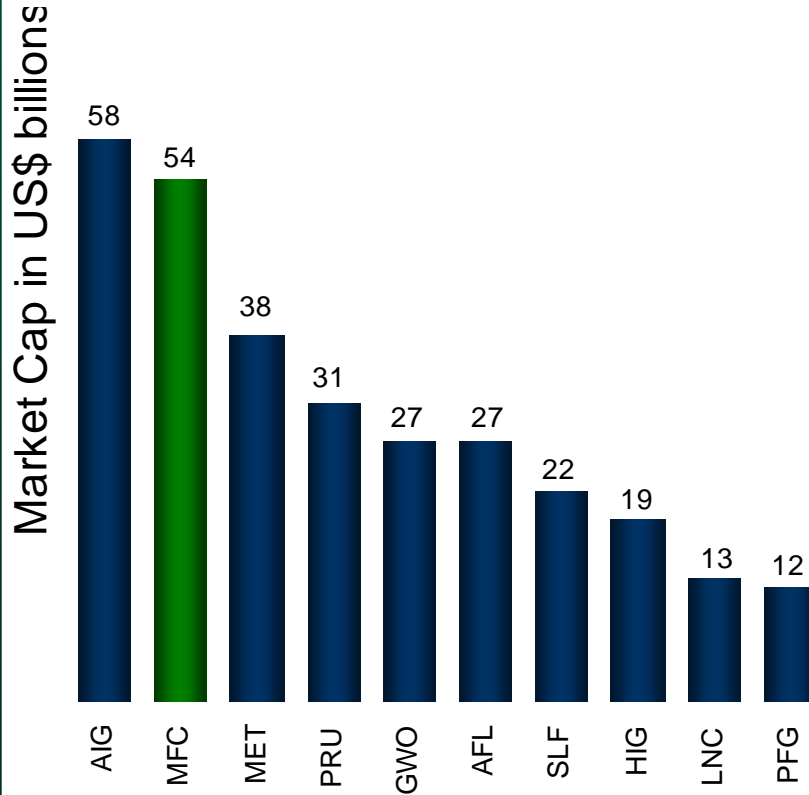
<sup>1</sup> Earnings data is on a pre-investment pooling basis

CANADA THAILAND UNITED STATES UNITED KINGDOM HONG KONG INDONESIA GERMANY SINGAPORE BELGIUM JAPAN MACAU TAIWAN MALAYSIA PHILIPPINES VIETNAM BERMUDA BARBADOS AUSTRALIA

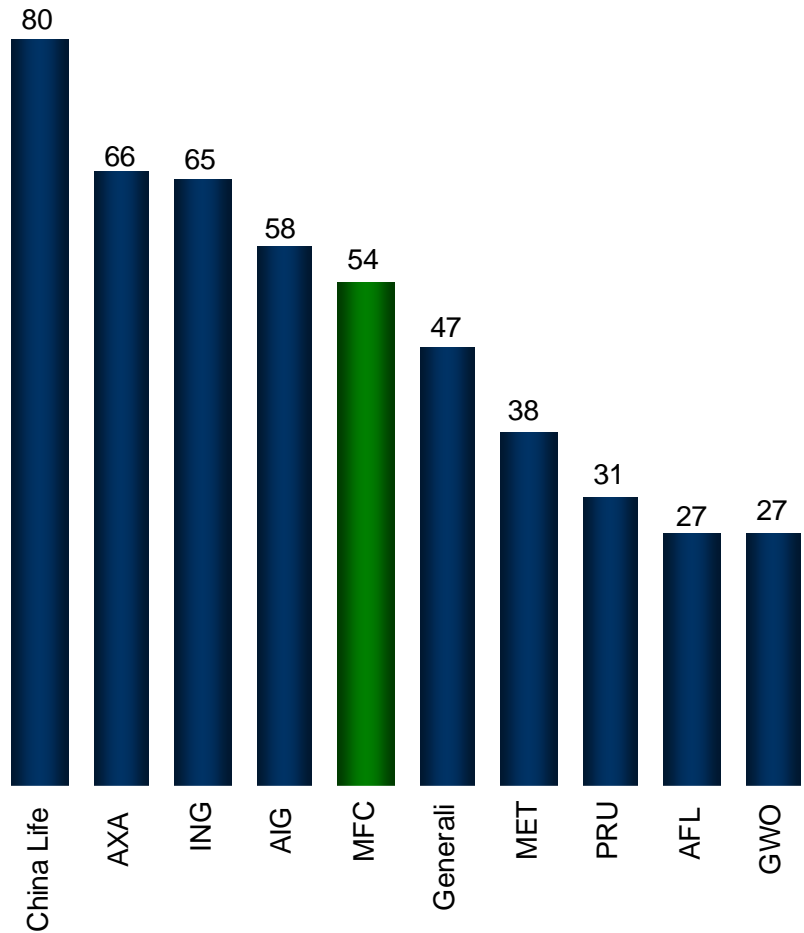


# Significant Scale

## N. American Life Insurers



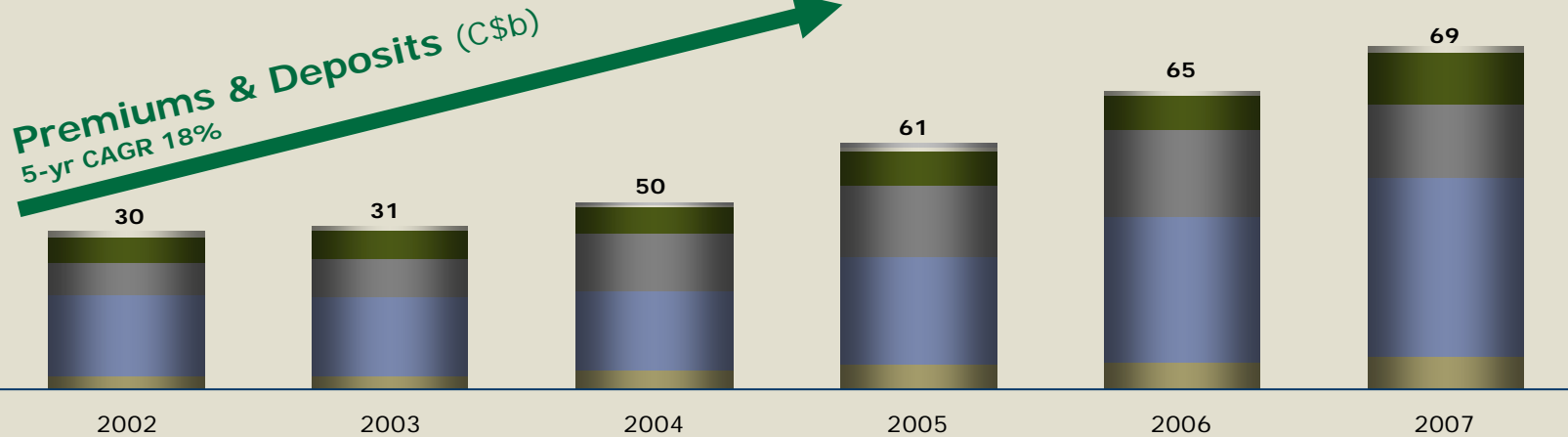
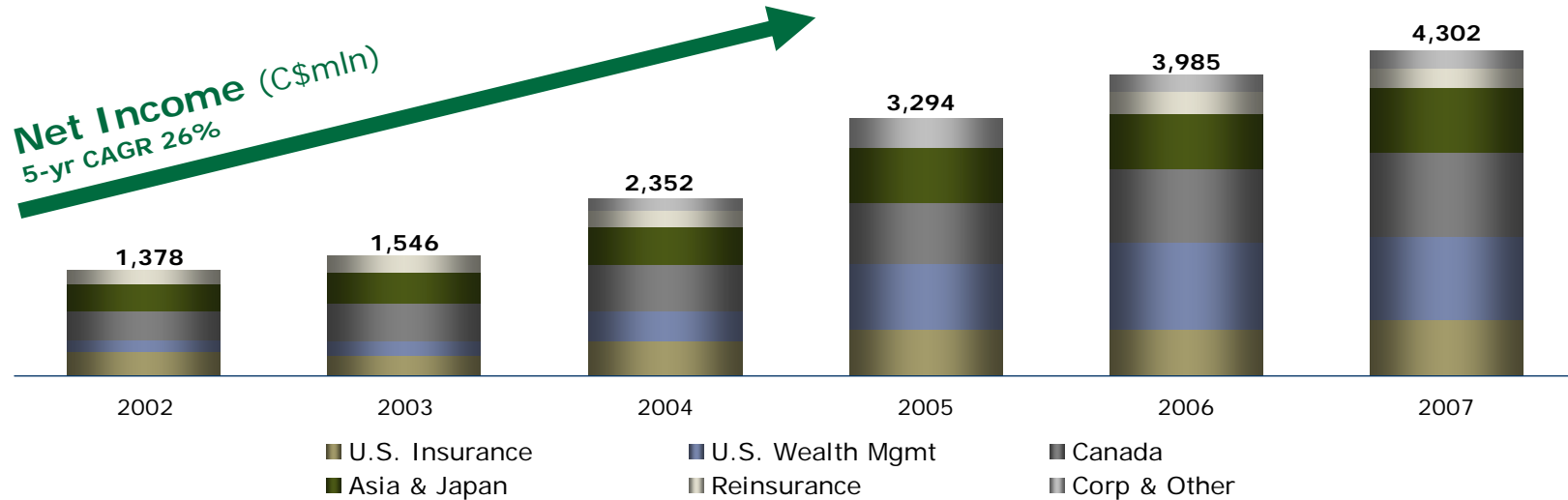
## Global Life Insurers



Market data as at August 31, 2008. Source: Thomson Reuters



# Solid Track Record



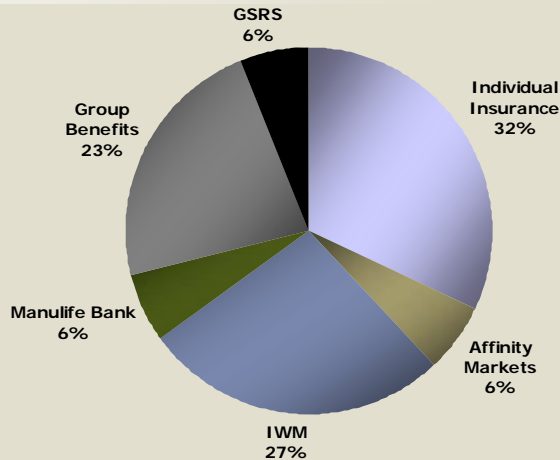
# 1H08 Financial Highlights

(C\$ millions, except per share data)	1H08	Y/Y	Y/Y Constant Currency
Shareholders' Earnings	\$1,877	-10%	-5%
Fully Diluted Earnings per Share	\$1.23	-8%	
Return on Equity <sup>1</sup>	16.0%	-10bps	
Insurance Sales	\$1,155	+12%	+20%
Wealth Management Sales	\$21,895	+0%	+8%
New Business Embedded Value	\$1,152	+25%	

<sup>1</sup> ROE based on average common shareholders' equity excluding accumulated other comprehensive income on available-for-sale securities and on cash flow hedges.

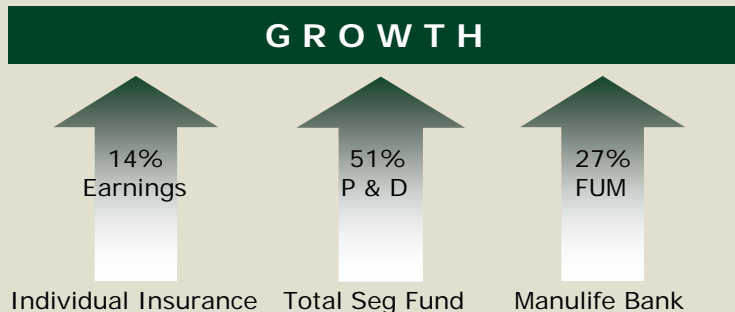
# Manulife in Canada

## MFC Canadian Division Income



Data as at 31Dec07

## Recent Canadian Successes<sup>1</sup>



<sup>1</sup> 2007 year-over-year comparison

## Individual Insurance & Affinity

- Life Insurance Products
- Living Benefits: Critical Illness, Long-term Care, Disability
- Health & Dental
- Travel & Credit Insurance

## Individual Wealth Management & Bank

- Wealth Accumulation Products
- GMWB (IncomePlus)
- Fixed Annuities / GICs
- Manulife One / Leveraged Loans

## GSRS

- Defined Contribution Plans
- Defined Benefit Plans
- Employee Share Ownership Plans
- Group RRSPs

## Group Benefits

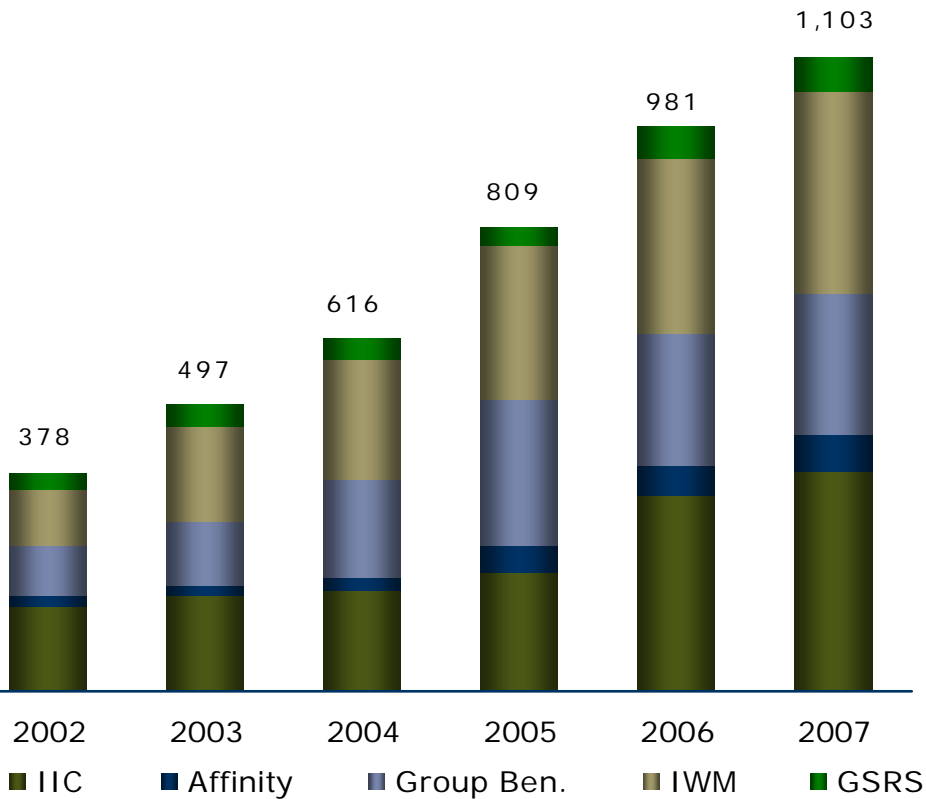
- Health & Dental
- Life Insurance
- Disability Income
- Absence Management Solutions
- Health Service Navigator



# Strong Historical Earnings Growth

## Canadian Division 5-Yr CAGR

Individual Insurance	24%
Individual Wealth Management	22%
Group Businesses	29%
Group Businesses	22%



- Well-diversified earnings
- Sensitive to equity and credit markets
- Strong growth, organic and from acquisitions
- Built a strong franchise
  - Leading market shares
  - Growing brand recognition



# Our Tradition of Success

- ✓ Strong business unit focus
- ✓ Distribution excellence
- ✓ Product innovation
- ✓ Customer service focus
- ✓ Strategic acquisitions





# Our Sources of Future Growth

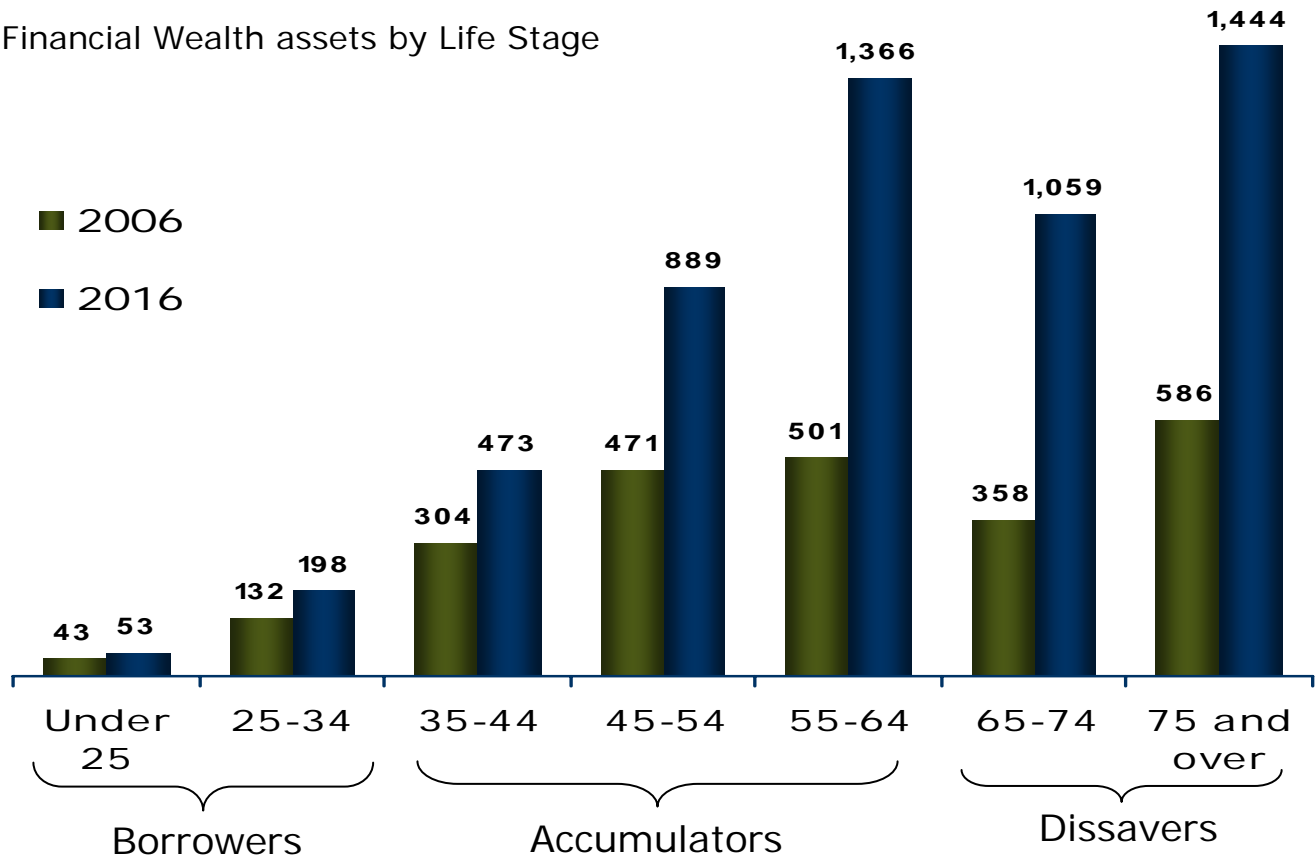
- Maintain core competencies
- Target high-growth potential markets
  - Aging, and increasingly affluent, population
  - Small business market
- Leverage cross-selling opportunities



# The Opportunity: Baby Boomers

## Wealth will concentrate in older segments

2006-2016 Financial Wealth assets by Life Stage  
C\$ billions

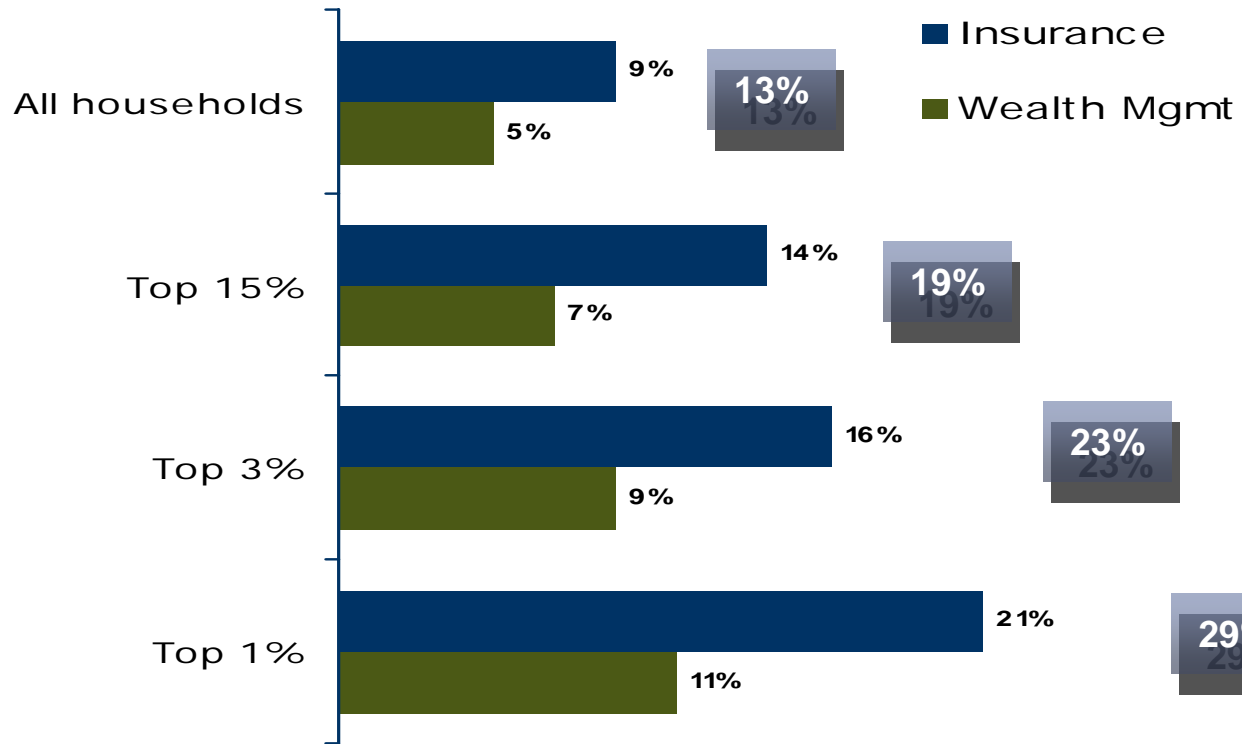


Source: Investor Economics Household Balance Sheet, 2007



# Baby Boomers: Our Experience

Manulife's market share increases by level of wealth



Source: Manulife Marketing Database, April 2007

# Baby Boomers: Our Response

## Finances \*

- Income stream
- Minimizing taxes
- Transfer of wealth
  - Estate planning
  - Business succession

## Health \*\*

- Deteriorating physical, mental health
- Loss of independence
- Burden on family
- Longevity
  - running out of money

## Opportunity

Tax and Estate Planning  
Permanent insurance  
Income Plus  
Long Term Care

\*Manulife Investments Segmentation Study, IncomePlus Research, Ipsos-Reid Affluent Canadians Report, The Taddingstone Canadian Millionaire Report

\*\*2007 survey by MarketProbe Canada among a random national sample, published in Your Guide to Caregiving, 2008



# The Opportunity: Small Business

## Small businesses in Canada

→ 2.4 million at end of June 2007

- Perfectly positioned:
  - Small business owners require range of insurance, savings and banking products – we have them all
  - Alberta small business initiative





# Leveraging the Manulife Brand

- Financial strength – only LifeCo in Canada with AAA rating from Standard & Poor's
- #1 in brand value in Canada<sup>1</sup>
- Highest media profile for a Canadian LifeCo<sup>2</sup>

1 - Brand Finance Global 500 annual report

2 - Based on data from FPinformart and Cision Canada for annual media coverage from January 1 to December 31, 2007



# In Summary

- Strong track record of earnings and growth
- Leading market shares in key categories
- Looking forward in Canada
  - Focus on core competencies
  - Seize potential of high growth markets
  - Leverage Manulife brand



# Note to Users

## Performance and Non-GAAP Measures

We use a number of non-GAAP financial measures to measure overall performance and to assess each of our businesses. 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 the new accounting standards for financial instruments 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.

## Investor Relations Contacts

Amir Gorgi, AVP, Investor Relations

416-852-8311

[amir\\_gorgi@manulife.com](mailto:amir_gorgi@manulife.com)

Jeronimo De Miguel, Director, Investor Relations

416-926-3383

[jeronimo\\_demiguel@manulife.com](mailto:jeronimo_demiguel@manulife.com)

[www.manulife.com](http://www.manulife.com)