

**Donald Guloien
Incoming President and Chief Executive Officer
Manulife Financial Corporation**

**Annual Meeting
May 7, 2009**

Incoming CEO Message to Shareholders

Thank you, Dominic. You've been an extraordinary inspiration to so many of us, and I thank you for all you've done for Manulife. You have left us with a wonderful legacy - a company that is weathering the most difficult financial storm in living memory. I also thank you personally for your guidance, support and mentorship over the years, and I know the management team feels exactly the same.

As a significant shareholder in my own right, I would also like to point out that, despite the past two quarters, we have provided a compound annual return of approximately 11 percent, dividends reinvested, for our shareholders since our Initial Public Offering ten years ago. This may not be as high as shareholders had hoped for, but is far better than many alternatives they might have chosen over that period of time.

Madam Chair, ladies and gentlemen, Stars of Excellence recipients, policyholders and shareholders ... I stand here today taking the helm of a great company. A big company, yes - the largest life insurance company in North America, a company ranked as one of the strongest financial institutions in the world, and certainly one of the largest companies in Canada - but big only counts for so much. What makes me proud of Manulife are the values we represent - professionalism, real value to our customers, integrity, demonstrated financial strength and being an employer of choice

– and I like to think that we have become large, strong and successful *because* of these values.

We are in the business of making promises for future delivery, typically at a far-off date. Most of the products we sell are highly intangible. Customers trust us with their largest and most sensitive financial decisions ...and they need to know that Manulife is reliable, strong, and trustworthy ... and that we will deliver on those promises, come hell or high water.

The last year has been a pretty good example of hell AND high water, and Manulife has stood the test. Certainly, our stock price has been diminished – and as Dominic said we have not been immune to the forces ravaging markets around the world. But most significantly, our policyholders and other customers have *never had any reason to fear that Manulife would ever be unable to deliver on its promises.*

Sadly, many large global companies can no longer make the same claim, and many others can only do so as a result of direct government assistance.

In the past six months, Manulife has proven it can successfully access the capital markets through common equity and preferred share issuance, bank loans and public debt. Many other financial institutions cannot access the capital markets, or can only do so at prohibitive cost. We have earned the right to these alternatives as a result of our enviable financial condition and strong ratings.

But as we look forward, knowing that there is risk of further turmoil in capital markets, our focus is going to be on balancing our business mix, reducing risk and strengthening capital levels.

While I tend to have an optimistic view of equity markets going forward, we can't bank on that, and therefore must consider more pessimistic scenarios in our capital planning.

So what about the future?

As you well know, we have just come through what are probably the two most difficult quarters in Manulife's history. Despite this, I am very optimistic about Manulife's

future. We will not only endure, but prosper, as a result of these tough economic times. Why do I believe this?

1. We have proven in the most adverse circumstances that we are reliable, strong and trustworthy, and the flight to quality will favour us
2. There will be a whole round of consolidation in our industry. We expect to benefit from that trend
3. More sanity will prevail in the competitive environment. In order to restore profitability and provide adequate returns on capital, you've got to believe that companies will adjust their products to generate higher profit margins with lower risk
4. We anticipate that global financial regulators may require higher levels of capital, and this will favour the stronger and more conservative companies
5. Stock markets and interest rates will eventually return to more normal levels, and some of the reserves and provisions made in the current environment will be released into income
6. Last, but not least, I believe that our people – our employees and distributors – working together... will find highly innovative ways of addressing real customer needs and rekindling growth, both in absolute terms, and in market share.

I would now like to spend a moment discussing our leadership transition.

First the things that will not change:

We remain committed to Manulife's core values....Professionalism, Real Value to Our Customers, Integrity, Demonstrated Financial Strength and Employer of Choice. These values have guided Manulife through both good times and bad, and are as relevant today as they were when drafted 15 years ago.

Manulife will also continue to be hard-driven, ambitious, and aggressive. These are great attributes. They will be married with strong risk management, which is also part of our DNA, but needs to be continuously and vigorously reinforced. And we will be equally demanding of our people. Manulife is an absolute meritocracy with a strong performance culture. We expect the best, and we're proud of that.

Finally, we will continue to pursue a healthy balance of organic and strategic growth. Our first priority in these unsettled times, is to ensure our financial position continues to be strong. But we also have an unparalleled opportunity over the next five years to be the consolidator, taking advantage of the current disorder amongst financial institutions worldwide. Unchanged will be the high degree of discipline and precision in execution that we have brought to every merger in our history.

So what are the differences?

First let me clarify ... these have less to do with differences in style or vision between Dominic and me, and more to do with today's different circumstances.

As Gail said, when Dominic joined the company 15 years ago, we were a high quality company, but smaller and not particularly well known. Dominic drove us to a far greater standing. Since then we have grown our capabilities and our reach... we now have different challenges and different ambitions.

I would like to see the company diversify its product offerings in areas where we have shown great capability. The goal is to balance our business mix, as we have balanced our investment portfolio. Whether from a risk management, or marketing management perspective, I believe *balance* is highly important.

We do a great job of designing and managing insurance products, but we are also great providers of bank services in Canada, 401k products in the United States, Mandatory Provident Funds in Hong Kong, and fixed interest products, mutual fund and institutional investment services in many countries around the world. We offer reinsurance solutions, and manage real estate, timber, oil and gas, private equity and other assets as capably as anyone. I would like to see these offerings increased in both breadth and depth.

I also expect sometime over the next five years to have the opportunity to broaden our geographic reach, whether that is through acquisitions, or an aggressive new market entry strategy that gives us access to Europe, entry into India or Korea, or other parts of the world.

Right now, we have more organic and strategic opportunities in North America and Asia than we ever thought possible. So for the near and mid-term future those will remain our focus. But our mindset, and preparation, must deal with the inevitability that Manulife might indeed have the opportunity to outgrow its current geographies.

Finally, I would like to build our brand... to be better known everywhere we do business. When people hear the name Manulife, we want them to think... reliable, strong and trustworthy ... We want them to instinctively think Manulife and John Hancock are the best places to entrust with the biggest financial decisions of their lives. Other institutions can dominate in credit cards, stock brokerage and transactional banking... but saving for retirement, planning for estate transition, providing income for life... these are needs that we can address better than anyone else Manulife – the provider of choice for the big financial decisions.

Let me close by telling you how excited I am to be taking over as Manulife's CEO. Manulife is an incredible company that is extraordinarily well positioned to take advantage of today's market dynamics. We must look to diversify our product offerings, grow market share – through acquisitions and capturing new markets – and focus on building and extending our brand to develop even deeper connections with consumers and distributors.

The bedrock of our company is our commitment to deliver on our promises. I pledge that we shall bring honour to the Manulife and John Hancock names wherever we do business, through an unrelenting focus on being the strongest, most reliable and trustworthy financial services company, bringing innovative solutions to the needs of our customers.

Dominic, Gail, Arthur, the Board and shareholders, I thank all of you for considering me worthy of filling this very large role. I would also like to thank my family and the many colleagues who have helped me to look good these past 28 years. I could never have earned the right to lead this most remarkable business without your support.