

Fact Sheet

Financial Strength

- Strong capital position with regulatory total capital of 17.6% versus a regulatory requirement of 10.5%.
- Highly liquid, where the current percentage of the balance sheet's cash and liquid investments is 24.7%.
- Manulife Bank is 100% owned by Manulife.*

High Quality Assets

- \$27.6 billion of conservative balance sheet assets, primarily Canadian residential mortgages.
- Residential mortgages are primarily insured through CMHC.
- No European sovereign debt exposure.
- No exposure to the sub-prime mortgage market.
- Impaired loans as a percentage of lending assets are just 0.39% (well below the average of 0.60% for Canadian domestic banks – as of March 31, 2020 – Source: OSFI).

Strong Credit Ratings

- Strong independent ratings by both Standard & Poor's and the Dominion Bond Rating Service (DBRS) (see chart to the right).

Profitability

- Net income: \$60 million as of June 30, 2020 year-to-date.
- Return on equity: 12.8% as of June 30, 2020 year-to-date.
- Most recent financial statement is available on the OSFI website at www.osfi-bsif.gc.ca.

Corporate Structure

- Manulife Bank is a Schedule I federally chartered bank and a wholly-owned subsidiary of The Manufacturers Life Insurance Company.
- The Bank is federally supervised by the Office of the Superintendent of Financial Institutions (OSFI).

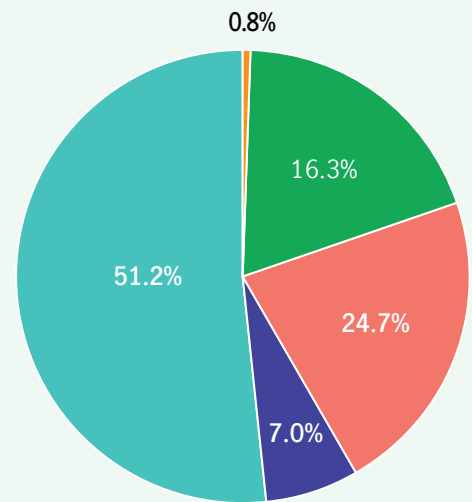
*About Manulife

- Manulife is a leading international financial services group with principal operations in Asia, Canada and the United States.
- For more information on Manulife review the current results fact sheet.

Standard & Poor's:	
Short-term rating	A-1 ¹
Long-term rating	A+ ¹

DBRS:	
Short-term rating	R-1 middle ¹
Long-term rating	A (high) ¹

Manulife Bank Asset Breakdown



- Insured Canadian residential mortgages^{2,5}
- Cash and liquid investments³
- Loans (secured)
- Uninsured Canadian residential mortgages (no sub-prime)⁴
- Other

For more information, please visit manulifebank.ca

¹ As at October 4, 2019, DBRS has confirmed Manulife Bank's long-term deposit rating of A (high) and its short-term deposit rating of R-1 (middle). Long-term debt rated A is "of satisfactory credit quality and protection of interest and principal is still substantial." A is the third-highest rating out of ten. Each rating category (except AAA and D) is denoted by the subcategories "high" and "low". The absence of either a "high" or "low" designation indicates the rating is in the "middle" of the category. Short-term debt rated R-1 (middle) is of "superior credit quality and typically exemplifies above-average strength in key areas of consideration for the timely repayment of short-term liabilities." The rating R-1 (middle) is the second-highest rating out of 10. As at March 24, 2020, Standard & Poor's reaffirmed Manulife Bank's ratings, A+ (long-term) and A-1 (short term) with a Stable Outlook. A is the third highest rating out of 10. A short-term issuer credit rating of A-1 denotes "a strong capacity to meet its financial commitments." A-1 is Standard & Poor's highest short term rating category.

² Includes Home Equity Line of Credit (HELOC) and excludes insured NHA/MBS mortgages held as liquidity.

³ Includes insured residential NHA/MBS mortgages held as liquidity.

⁴ Includes Home Equity Line of Credit (HELOC).

⁵ Total Insured Mortgages (including NHA/MBS mortgages held as liquidity) is 24% of Total Assets.

All data unless otherwise specified is at June 30, 2020.



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