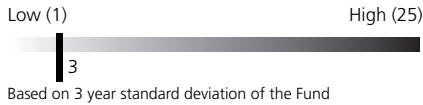


## Volatility meter

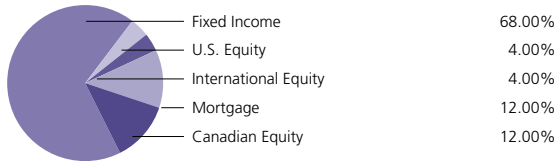


## ASSET ALLOCATION

Code 2001

# Manulife Conservative Asset Allocation Fund

## How the fund is invested



## Top Target Allocation of the Fund

MLI Cdn Bond (MAM)	17.00%
MLI Cdn Universe Bond (CIBC)	16.00%
MLI Mortgage Backed Fund (MAM)	12.00%
MLI Bond (Addenda)	11.00%
MLI Fixed Income Plus (AB)	9.00%
MAM Strategic Income Pooled	8.00%
MAM Canadian Bond Index Pooled	7.00%
MLI Cdn Large Cap Value Eq (MAM)	4.50%
MLI Canadian Equity Value (SR)	2.00%
MLI Canadian Equity (Greystone)	1.50%
MLI International Eq (Templeton)	1.50%
MLI U.S. Large Cap Val (T. Rowe)	1.50%
MLI World Investment (Mawer)	1.50%
MLI Cdn Large Cap Growth Eq (MB)	1.50%
MLI Pure Canadian Equity Grw (MAM)	1.50%
MLI U.S. Div Grwth Eq (Wellington)	1.50%
MAM EAFE Equity Index Pooled	1.00%
MAM US Equity Index Pooled	1.00%
MAM Canadian Equity Index Pooled	1.00%

## Primary investment process

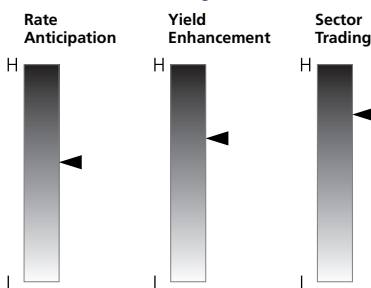
Multi-manager

## Equity style and capitalization

Value	Core/Blend	Growth	
			Large
			Medium
			Small
	●		All Cap

Source: Manulife Investment Management Services

## Fixed income style



Source: Manulife Investment Management Services

Note: All rates of return are shown before investment management fees or taxes have been deducted.

The rate of return is used only to illustrate the effects of the compound growth rate and is not intended to reflect the future values or returns in the Fund.

**Objective** The Manulife Conservative Asset Allocation Fund is managed to provide a high level of current income and capital preservation with some consideration given to growth of capital. This fund is diversified by asset class and investment styles with the objective of achieving superior risk-adjusted returns over the long term. The Fund will generally maintain 80% of its investments in fixed income funds and 20% in equity funds, though each segment may vary up to 10% from time to time.

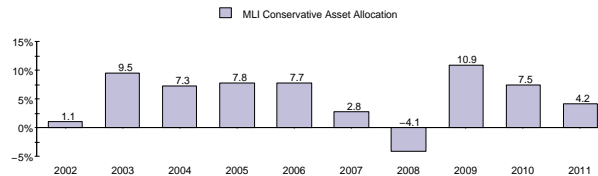
**Managed by** Manulife Financial

**Fund managers** Various (please refer to Top Target Allocation of the Fund on this page)

**Inception date** February 1999 **Total assets** \$436.5 million

## Historical gross returns

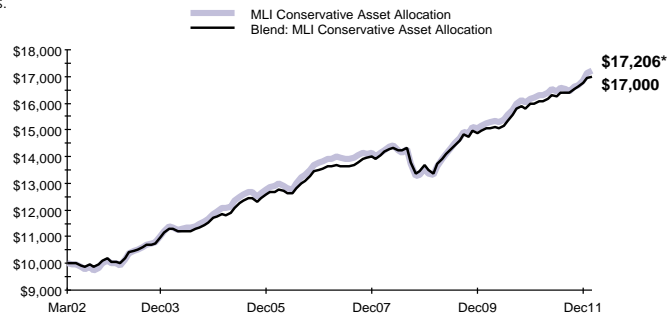
**Gross rates of return are shown before investment management fees have been deducted.** The solid area represents the gross returns of the Manulife Fund since its inception in February 1999.



\* Only full calendar year returns are shown.

## Overall past performance

This graph shows how a \$10,000 investment in this fund would have changed in value over time, based on gross returns.



\* For illustration purposes only. Includes mutual/pooled fund performance as indicated. Actual fund performance could be expected to vary.

## Annual compound returns (As at February 29, 2012)

This table shows the historical annual compound total return of the Fund compared with the composite benchmark, as outlined in the Rate of return expectation below.

	1-year	2-year	3-year	5-year	Since inception	Manulife inception date
MLI Conservative Asset Allocation	5.56%	6.20%	8.91%	4.35%	5.62%	Feb 1999
Blend: MLI Conservative Asset Allocation	5.65%	6.27%	8.37%	4.53%	-	

## Rate of return expectation

Over the long term, the Fund attempts to outperform a benchmark portfolio that is comprised of the following:

- 65% DEX Universe Bond Total Return Index
- 15% DEX 91-Day T-bill Total Return Index
- 12% S&P/TSX Total Return Index
- 4% S&P 500 Total Return Index (\$Cdn)
- 4% MSCI EAFE Total Return Index (\$Cdn)

Effective May 1, 2010, assets in this fund reflect GRS assets exclusively. Performance data for periods beginning after May 1, 2010 will reflect detail strictly for the GRS fund. Data for periods that began prior to May 1 will continue to reflect detail for the combined fund.

Source: The Globe and Mail Inc.