MANULIFE FINANCIAL CORP
Form SUPPL
September 15, 2010

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Prospectus Supplement
(To Prospectus Dated September 3, 2010)

US$1,100,000,000

Manulife Financial Corporation
US$600,000,000 3.40% Senior Notes Due 2015
US$500,000,000 4.90% Senior Notes Due 2020

Manulife Financial Corporation, which we refer to as MFC, is offering US$600,000,000 aggregate principal amount of its 3.40% senior notes due 2015, which we refer to as the 2015 notes, and US$500,000,000 aggregate principal amount of its 4.90% senior notes due 2020, which we refer to as the 2020 notes and, together with the 2015 notes, as the notes. MFC will pay interest on the 2015 notes at the rate of 3.40% per year and on the 2020 notes at a rate of 4.90% per year. Interest on the notes will be payable semi-annually in arrears on March 17 and September 17 of each year, beginning March 17, 2011. The 2015 notes will mature on September 17, 2015 and the 2020 notes will mature on September 17, 2020. MFC may redeem some or all of the notes, at any time, at a redemption price equal to the greater of 100% of the principal amount to be redeemed plus accrued and unpaid interest to but excluding the date of redemption and the Make-Whole Redemption Amount calculated as described in this prospectus supplement. MFC may also redeem all (but not less than all) of each of the 2015 notes and the 2020 notes if certain changes affecting Canadian withholding taxes occur. The notes do not have the benefit of any sinking fund.

The notes will be unsecured obligations of MFC and will rank equally in right of payment with all of MFC s existing and future unsecured and unsubordinated indebtedness. The 2015 notes and the 2020 notes will each constitute a separate series of senior Debt Securities as described in the accompanying prospectus.

Investing in the notes involves risks that are described in the Caution Regarding Forward-Looking Statements section and the Risk Factors section beginning on pages S-ii and S-3, respectively, of this prospectus supplement and the Risk Factors section beginning on page 18 of the accompanying prospectus.

The earnings coverage ratios of MFC for the 12 months ended December 31, 2009 and for the 12 months ended June 30, 2010 are less than one-to-one. See Earnings Coverage Information.

MFC is permitted to prepare this prospectus supplement and the accompanying prospectus in accordance with Canadian disclosure requirements, which are different from those of the United States. MFC prepares its financial statements in accordance with Canadian generally accepted accounting principles and is subject to Canadian auditing and auditor independence standards. MFC s financial statements may not be comparable to financial statements of U.S. companies.

Owning the notes may subject you to tax consequences both in the United States and Canada. This prospectus supplement and the accompanying prospectus may not describe these tax consequences fully. You should read the tax discussion in this prospectus supplement and consult with your own tax advisor with respect to your own particular circumstances.

Your ability to enforce civil liabilities under U.S. federal securities laws may be affected adversely because MFC is incorporated in Canada, most of MFC s officers and directors and certain of the experts named in this prospectus supplement and the accompanying prospectus are Canadian residents, and a significant portion of MFC s assets are located outside the United States.

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

There is no market through which the notes may be sold and purchasers may not be able to resell notes purchased under this prospectus supplement. This may affect the pricing of the notes in the secondary market, the transparency and availability of trading prices, the liquidity of the notes and the extent of issuer regulation.

	Per 2015 Note	Total	Per 2020 Note	Total
Public Offering Price[(1)]	99.854%	US$ 599,124,000	99.844%	US$ 499,220,000
Underwriting Discount	0.350%	US$ 2,100,000	0.450%	US$ 2,250,000
Proceeds to MFC (before expenses)	99.504%	US$ 597,024,000	99.394%	US$ 496,970,000

(1) Plus accrued interest from September 17, 2010, if settlement occurs after that date.

The underwriters may offer the 2015 notes or the 2020 notes at prices lower than stated above. See Underwriting .

The underwriters are offering the notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the notes, and other conditions contained in the underwriting agreement, referred to under Underwriting . In connection with this offering, the underwriters may engage in transactions that stabilize the market price of the notes at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See Underwriting .

The underwriters expect to deliver the notes, in book-entry form only, through the facilities of the Depository Trust Company for the accounts of its participants, including Clearstream Banking, société anonyme, Luxembourg and/or Euroclear Bank N.V./S.A., on or about September 17, 2010.

MFC s head and registered office is located at 200 Bloor Street East, Toronto, Ontario, Canada M4W 1E5.

Active Joint Book-Running Managers

Morgan Stanley **Citi**

Passive Joint Book-Running Managers

BofA Merrill Lynch **Goldman, Sachs & Co.**

The date of this prospectus supplement is September 14, 2010

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part, this prospectus supplement, describes the specific terms of the notes MFC is offering and also adds to and updates certain information contained in the accompanying short form base shelf prospectus and the documents incorporated by reference. The second part, the short form base shelf prospectus, dated September 3, 2010, gives more general information, some of which may not apply to the notes we are offering by this prospectus supplement. The accompanying short form base shelf prospectus is referred to as the prospectus in this prospectus supplement.

If the information in this prospectus supplement is inconsistent with information contained in the prospectus or any document incorporated by reference, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in this prospectus supplement, the prospectus, any free writing prospectus with respect to the offering of the notes filed by us with the U.S. Securities and Exchange Commission, which we refer to as the SEC, or information to which we have specifically referred you in any such documents. Neither we nor the underwriters have authorized anyone to provide you with additional or different information. If anyone provided you with additional or different information, you should not rely on it. Neither we nor the underwriters are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this prospectus supplement, the prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

In this prospectus supplement, all capitalized terms used and not otherwise defined herein have the meanings specified in the prospectus. In the prospectus and this prospectus supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and all financial information included and incorporated by reference in this prospectus supplement and the prospectus is determined using Canadian generally accepted accounting principles. All references herein to *Canada* mean Canada, its provinces, its territories, its possessions and all areas subject to its jurisdiction.

Unless otherwise indicated or the context otherwise requires, all references in this prospectus supplement and the prospectus to *MFC*, *we*, *us* and *our*, refer to Manulife Financial Corporation and its subsidiaries.

The notes are offered for sale in those jurisdictions in the United States, Europe, Asia and elsewhere where it is lawful to make such offers. The distribution of this prospectus supplement and the prospectus and the offering or sale of the notes in some jurisdictions may be restricted by law. Persons into whose possession this prospectus supplement and the prospectus come are required by us and the underwriters to inform themselves about and to observe any applicable restrictions. This prospectus supplement and the prospectus may not be used for or in connection with an offer or solicitation by any person in any jurisdiction in which that offer or solicitation is not authorized or to any person to whom it is unlawful to make that offer or solicitation. See Offering Restrictions in this prospectus supplement.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the prospectus and the documents incorporated by reference in the prospectus and this prospectus supplement contain 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 include, but are not limited to, statements with respect to MFC s estimated adjusted earnings from operations referred to in MFC s 2009 annual report and statements with respect to potential charges in the third quarter of 2010 arising out of MFC s annual review of actuarial methods and assumptions referred to in MFC s management s discussion and analysis for the unaudited interim consolidated financial statements for the three and six month periods ended June 30, 2010. These forward-looking statements also relate to, among other things, MFC s 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 , believe , plan , forecast , objective , seek , aim , continue , embark and endeavor (or the negative thereof) and expressions of similar import, and include statements concerning possible or assumed future results. Although MFC believes 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 taken 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.

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Important factors that could cause actual results to differ materially from expectations include but are not limited to:

- general business and economic conditions (including but not limited to performance and volatility of equity markets, interest rate fluctuations and movements in credit spreads, currency rates, investment losses and defaults, market liquidity and creditworthiness of guarantors, reinsurers and counterparties);
- changes in laws and regulations;
- changes in accounting standards;
- our ability to execute strategic plans and changes to strategic plans;
- downgrades in our financial strength or credit ratings;
- our ability to maintain our reputation;
- impairments of goodwill or intangible assets or the establishment of valuation allowances against future tax assets;
- the accuracy of estimates relating to long-term care morbidity;
- the accuracy of other estimates used in applying accounting policies and actuarial methods;
- level of competition and consolidation;
- our ability to market and distribute products through current and future distribution channels;
- unforeseen liabilities or asset impairments arising from acquisitions and dispositions of businesses;
- our ability to implement effective hedging strategies and unforeseen consequences arising from such strategies;
- our ability to source appropriate non-fixed income assets to back our long dated liabilities;
- the realization of losses arising from the sale of investments classified as available for sale;
- our liquidity, including the availability of financing to satisfy existing financial liabilities on expected maturity dates when required;
- obligations to pledge additional collateral;
- the availability of letters of credit to provide capital management flexibility;
- accuracy of information received from counterparties and the ability of counterparties to meet their obligations;
- the availability, affordability and adequacy of reinsurance;
- legal and regulatory proceedings, including tax audits, tax litigation or similar proceedings;
- our ability to adapt products and services to the changing market;

our ability to attract and retain key executives, employees and agents;

the appropriate use and interpretation of complex models or deficiencies in models used;

political, legal, operational and other risks associated with our non-North American operations;

acquisitions and our ability to complete acquisitions including the availability of equity and debt financing for this purpose;

the disruption of or changes to key elements of MFC s or public infrastructure systems;

environmental concerns; and

our ability to protect our intellectual property and exposure to claims of infringement.

Additional information about material 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 in this prospectus supplement and the prospectus under Risk Factors as well as under Risk Factors in MFC s most recent annual information form (which is contained in MFC s annual report on Form 40-F for the year ended December 31, 2009), under Risk Management and Critical Accounting and Actuarial Policies in the management s discussion and analysis in MFC s most recent annual and interim reports, in the Risk Management note to the consolidated financial statements in MFC s most recent annual and interim reports, and elsewhere in MFC s filings with Canadian and U.S. securities regulators. MFC does not undertake to update any forward-looking statement except as required by law.

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PRESENTATION OF OUR FINANCIAL INFORMATION

Our consolidated financial statements have been prepared in accordance with generally accepted accounting principles in Canada, or Canadian GAAP, which differ in certain material respects from generally accepted accounting principles in the United States, or U.S. GAAP. For a discussion of the material differences between Canadian GAAP and U.S. GAAP as they relate to our financial statements, see note 22 to our audited consolidated financial statements for the year ended December 31, 2009, and note 12 to our unaudited interim consolidated financial statements for the three and six month periods ended June 30, 2010, incorporated by reference in this prospectus supplement.

EXCHANGE RATE INFORMATION

We publish our consolidated financial statements in Canadian dollars. In this prospectus supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to dollars or $ are to Canadian dollars and references to US$ are to United States dollars.

The following table sets forth the Canada/U.S. exchange rates on the last day of the periods indicated as well as the high, low and average rates for such periods. The high, low and average exchange rates for each period were identified or calculated from spot rates in effect on each trading day during the relevant period. The exchange rates shown are expressed as the number of U.S. dollars required to purchase one Canadian dollar. These exchange rates are based on those published on the Bank of Canada s website as being in effect at approximately noon on each trading day, which we refer to as the Bank of Canada noon rate. On September 14, 2010, the Bank of Canada noon rate was US$0.9783 equals $1.00.

	January 1, 2010 September 14, 2010	**Year Ended December 31,**		
		2009	**2008**	**2007**
Period End	$ 0.9783	0.9555	0.8166	1.0120
High	1.0039	0.9716	1.0289	1.0905
Low	0.9278	0.7692	0.7711	0.8437
Average	0.9653	0.8757	0.9381	0.9304

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SUMMARY

The following is a brief summary of some of the terms of this offering. For a more complete description of the terms of the notes, see Description of the Notes in this prospectus supplement and Description of Debt Securities in the prospectus. You should read this entire prospectus supplement and the prospectus carefully, including the sections entitled Risk Factors, our financial statements and the notes thereto incorporated by reference in this prospectus supplement and the prospectus, before making an investment decision.

Issuer	Manulife Financial Corporation
Securities Offered	US$600,000,000 aggregate principal amount of 3.40% senior notes due 2015. US$500,000,000 aggregate principal amount of 4.90% senior notes due 2020.
Interest Payment Dates	March 17 and September 17 of each year. March 17, 2011 will be the first interest payment date on which interest is paid.
Maturity Date	The 2015 notes will mature on September 17, 2015 and the 2020 notes will mature on September 17, 2020.
Ranking	The notes will be direct unsecured obligations of MFC and rank equally in right of payment with all of its existing and future unsecured and unsubordinated indebtedness. The notes will be structurally subordinated to all existing and future liabilities of any of MFC s subsidiaries.
Optional Redemption	Each of the 2015 notes and the 2020 notes will be redeemable at MFC s option in whole or in part, at any time, and from time to time, at a redemption price equal to the greater of 100% of the principal amount to be redeemed plus accrued and unpaid interest to, but excluding, such date of redemption and the Make-Whole Redemption Amount calculated as described under Description of the Notes Optional Redemption.
Tax Redemption	Subject to certain limitations, MFC will have the right to redeem each of the 2015 notes and the 2020 notes in whole, but not in part, at any time, on not less than 30 nor more than 60 days prior notice in the event that it has become or would become obligated to pay additional amounts on the notes. See Description of the Notes Tax Redemption. If MFC redeems the 2015 notes or the 2020 notes in these circumstances, the redemption price of each note redeemed will be equal to 100% of the principal amount of such note plus accrued and unpaid interest on such note to, but excluding, the date of redemption.
Form and Denomination	The notes will be represented by fully registered global securities registered in the name of the nominee of The Depository Trust Company. Beneficial interests in any registered global security will be in denominations of

	US$2,000 and integral multiples of US$1,000 in excess thereof. Except as described under Description of the Notes in this prospectus supplement, notes in definitive form will not be issued.
Additional Issues	MFC may, from time to time, without notice to or the consent of holders of the notes, create and issue additional 2015 notes or 2020 notes having the same terms and conditions as the 2015 notes or 2020 notes offered hereby in all respects except for the issue date, issue price and, if applicable, the initial interest accrual date and the first payment of interest following the issue date of the new notes. These additional notes may be consolidated and form a single series with the previously issued 2015 notes or 2020 notes and have the same terms as to status, redemption or otherwise as the previously issued 2015 notes or 2020 notes, unless such additional notes will not be treated as fungible with the 2015 notes or 2020 notes being offered hereby, as the case

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may be, for U.S. federal income tax purposes. The notes offered hereby and any additional notes would rank equally and ratably.

Restrictive Covenants	The indenture pursuant to which the notes will be issued contains certain covenants that, among other things: limit MFC s ability to create liens on the capital stock of certain subsidiaries; and restrict MFC s ability to consolidate or merge with a third party or transfer all or substantially all of its assets. These covenants are subject to important exceptions and qualifications which are described under the captions Description of the Notes Limitations on Liens and Description of the Notes Consolidation, Merger and Sale of Assets.
Additional Amounts	MFC will make payments under or with respect to the notes without withholding or deduction for or on account of Canadian taxes unless such withholding or deduction is required by law or the interpretation or administration thereof, in which case, subject to certain exemptions, MFC will pay such additional amounts as may be necessary so that the net amount received by holders of the notes after such withholding or deduction will equal the amount that such holders would have received in the absence of such withholding or deduction. See Description of the Notes Payment of Additional Amounts.
Use of Proceeds	MFC intends to use the net proceeds of the offering of notes for general corporate purposes, including investments in its subsidiaries.
Governing Law	The notes and the indenture governing the notes will be governed by the laws of the State of New York.

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RISK FACTORS

You should carefully consider the risks and the other information in this prospectus supplement, the prospectus and the documents incorporated by reference in this prospectus supplement and the prospectus before investing in our notes. The risks and uncertainties described below, in the prospectus and in the documents incorporated by reference are not the only ones we may face. Additional risks and uncertainties that we are unaware of, or that we currently deem to be immaterial, may also become important factors that affect us. If any of the following risks actually occurs, our business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the notes could decline and you could lose all or part of your investment.

Because the indenture contains no limit on the amount of additional debt that we may incur, our ability to make timely payments on the notes you hold may be affected by the amount and terms of our future debt.

Our ability to make timely payments on our outstanding debt may depend on the amount and terms of our other obligations, including any notes. The indenture does not contain any limitation on the amount of indebtedness that we or any of our subsidiaries may issue in the future. As we issue additional notes under the indenture or incur other indebtedness, unless our earnings grow in proportion to our debt and other fixed charges, our ability to service the notes on a timely basis may become impaired.

Our holding company structure may adversely affect the ability of the holders of notes to receive payments on the notes.

MFC is a holding company and we rely primarily on dividends and interest payments from our insurance and other subsidiaries as the principal source of cash flow to meet our obligations for payment of principal and interest on the notes. As a result, MFC s cash flows and ability to service its obligations, including the notes offered hereby, are dependent upon the earnings of its subsidiaries, distributions of those earnings to it and other payments or distributions of funds by its subsidiaries to it. Substantially all of MFC s business is currently conducted through its subsidiaries, and MFC expects this to continue.

The ability of MFC s insurance subsidiaries to pay dividends to MFC in the future will depend on their earnings and regulatory restrictions. The payment of dividends to MFC by MLI, MFC s principal subsidiary, is subject to restrictions set out in the Insurance Companies Act (Canada), which we refer to as the ICA. The ICA prohibits the declaration or payment of any dividend on shares of an insurance company if there are reasonable grounds for believing (i) the company does not have adequate capital and adequate and appropriate forms of liquidity, or (ii) the declaration or the payment of the dividend would cause the company to be in contravention of any regulation made under the ICA respecting the maintenance of adequate capital and adequate and appropriate forms of liquidity, or any direction made to the company by the Superintendent of Financial Institutions (Canada), which we refer to as the Superintendent. As a result of the restructuring of our subsidiaries on December 31, 2009, all of our U.S. operating life companies are now subsidiaries of MLI. Accordingly, a restriction on dividends from MLI would prevent MFC from obtaining dividends from its U.S. insurance business.

Certain of MFC s U.S. insurance subsidiaries also are subject to insurance laws in Michigan, New York, Massachusetts, and Vermont, the jurisdictions in which these subsidiaries are domiciled, which impose general limitations on the payment of dividends and other upstream distributions by these subsidiaries to MLI. In addition, our Asian insurance subsidiaries are also subject to restrictions which could affect their ability to pay dividends to MFC in certain circumstances. In addition, the payment of other upstream distributions by our insurance subsidiaries is limited under the insurance company laws in the jurisdictions where those subsidiaries are domiciled and in which they conduct operations.

The notes will be structurally subordinated to all existing and future liabilities of our subsidiaries.

Our subsidiaries have no obligation to pay any amounts due on the notes. Furthermore, except to the extent MFC has a priority or equal claim against its subsidiaries as a creditor, the notes will be effectively subordinated to debt and preferred stock at the subsidiary level because, as the common shareholder of its subsidiaries, MFC will be subject to the prior claims of creditors of its subsidiaries. As a result, a holder of notes will not have any claim as a creditor against our subsidiaries. Accordingly, the notes are effectively subordinated to all liabilities of any of MFC s subsidiaries. Therefore, holders of notes should rely only on MFC s assets for payments on the notes.

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Each series of notes will constitute a separate series of notes under the indenture.

Each time we issue notes, the notes that we issue will constitute a separate series of debt securities for purposes of the indenture (unless it is specifically provided that the notes so issued will constitute a reopening of an outstanding series of notes). This may result in adverse consequences to holders of notes, if an event of default were to occur with respect to the notes of a particular series but not with respect to any other series of notes. If this were to occur, holders of notes of the series in respect of which such event of default shall have occurred may be entitled to accelerate the notes of such series while holders of notes of other series, in the absence of any event of default, will not be entitled to accelerate their notes or pursue any other remedy. As a result, holders of notes that have been accelerated may be entitled to payment in full in respect of their claims while holders of notes of other series that have not been accelerated will not be entitled to any such payment until such payment is due in accordance with the terms of the notes of such series or an event of default shall have occurred with respect to the notes of such series.

There is no existing public market for the notes, a market may not develop and you may have to hold your notes to maturity.

Each of the 2015 notes and 2020 notes is a new issue of securities and there is no existing trading market for either series of notes. We do not intend to apply for a listing of the notes on any securities exchange or automated interdealer quotation system. We have been advised by the underwriters that the underwriters intend to make a secondary market for both series of notes. However, they are not obligated to do so and may discontinue making a secondary market for either or both series of notes at any time without notice. If a trading market for either series of notes develops, no assurance can be given as to how liquid that trading market will be. If any of the notes are traded after their initial issuance, they may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar securities and other factors, including general economic conditions and our financial condition, performance and prospects.

If a trading market does develop, changes in our credit ratings or the debt markets could adversely affect the market price of the notes.

The price for the notes depends on many factors, including:

- our credit ratings with major credit rating agencies;
- the prevailing interest rates being paid by other companies similar to us;
- our financial condition, financial performance and future prospects; and
- the overall condition of the financial markets.

The condition of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Such fluctuations could have an adverse effect on the price of the notes.

In August 2010, the financial strength ratings of our key operating subsidiaries were downgraded one notch by Fitch Ratings, which we refer to as Fitch, and Standard & Poor s Ratings Services, a division of The McGraw-Hill Companies, Inc, which we refer to as S&P, with S&P also assigning its rating a negative outlook. DBRS Limited, Fitch and S&P also downgraded by one notch the credit ratings of these subsidiaries. In addition, A.M. Best and Moody s Investors Service, Inc. placed our financial strength and credit ratings under review with negative implications and on review for possible downgrade, respectively. If current adverse conditions continue, we may also experience further downgrades of our financial strength and credit ratings.

The terms of the indenture and the notes provide only limited protection against significant events that could adversely impact your investment in the notes.

The indenture governing the notes does not:

- require us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flow or liquidity;
- restrict our subsidiaries ability to issue securities or otherwise incur indebtedness or other obligations that would be senior to our equity interests in our subsidiaries and therefore rank effectively senior to the notes with respect to the assets of our subsidiaries; or
- restrict our ability to make investments or to repurchase, or pay dividends or make other payments in respect of, our common shares or other securities ranking equally with or junior to the notes.

As a result of the foregoing, when evaluating the terms of the notes, you should be aware that the terms of the indenture and the notes do not restrict our ability to engage in, or to otherwise be a party to, a variety of corporate transactions, circumstances and events that could have an adverse impact on your investment in the notes.

MANULIFE FINANCIAL CORPORATION

We provide a wide range of financial products and services, including individual life and long-term care insurance, group life and health insurance, pension products, annuities and mutual funds. These services are provided to individual and group customers in the United States, Canada, Asia and Japan. Funds under management by us were $453.9 billion as at June 30, 2010. We also provide investment management services with respect to our general fund assets, segregated fund assets and mutual funds, as well as to institutional investment customers. We also offer reinsurance services, primarily life and accident and health reinsurance, specializing in retrocession. As of June 30, 2010, we operated in 22 countries and territories worldwide.

Our business is organized into four operating divisions: U.S. Division, Canadian Division, Asia and Japan Division and Reinsurance Division. In addition, asset management services are provided by our Investment Division, operating as MFC Global Investment Management. Each division has profit and loss responsibility and develops products, services, distribution and marketing strategies based on the profile of its business and the needs of its market. The U.S. Division is comprised of two reporting segments: U.S. Insurance and U.S. Wealth Management. The external asset management business of the Investment Division is reported under the Corporate and Other reporting segment.

We were incorporated under the ICA on April 26, 1999 for the purpose of becoming a holding company of The Manufacturers Life Insurance Company, or MLI. MLI was incorporated on June 23, 1887, by a Special Act of Parliament of the Dominion of Canada. Pursuant to the provisions of the *Canadian and British Insurance Companies Act* (Canada), the predecessor legislation to the ICA, MLI undertook a plan of mutualization and became a mutual life insurance company on December 19, 1968. As a mutual life insurance company, MLI had no common shareholders and its board of directors was elected by its participating policyholders in accordance with the ICA. Pursuant to Letters Patent of Conversion, effective September 23, 1999, MLI implemented a plan of demutualization under the ICA and converted to a life insurance company with common shares and became the wholly-owned subsidiary of MFC. MFC is a life insurance company governed by the ICA. MFC s head office and registered office is located at 200 Bloor Street East, Toronto, Ontario, Canada M4W 1E5 (Tel. No. 416-926-3000).

USE OF PROCEEDS

We estimate that the net proceeds from the sale of the notes will be US$1,093,294,000, after deducting underwriting commissions and the estimated expenses of the offering of approximately US$700,000. MFC intends to use the net proceeds from the sale of the notes offered by this prospectus supplement for general corporate purposes, including investments in its subsidiaries.

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CAPITALIZATION

The following table sets forth the share capital and consolidated indebtedness of MFC as of June 30, 2010 and as adjusted to give effect to the issuance of the notes offered by this prospectus supplement. The table below should be read together with the detailed information and financial statements appearing in the documents incorporated by reference in the prospectus and this prospectus supplement.

	As of June 30, 2010	
	Actual	As Adjusted
	($ in millions)	
Long term senior debt(1)	$ 3,307	$ 3,307
Notes offered hereby(2)		1,160
Liabilities for preferred shares and capital instruments	4,596	4,596
Non-controlling interest in subsidiaries	259	259
Equity		
Participating policyholders equity	91	91
Shareholders equity		
Preferred shares	1,422	1,422
Common shares	19,088	19,088
Contributed surplus	195	195
Shareholders retained earnings and Accumulated other comprehensive income	7,008	7,008
Total equity	27,804	27,804
Total capitalization	$ 35,966	$ 37,126

(1) Does not include $900,000,000 aggregate principal amount of 4.079% medium term notes due 2015 issued on August 20, 2010.

(2) U.S. dollar amount was converted into Canadian dollar amount at the Bank of Canada noon rate on June 30, 2010 of US$0.9429 equal to $1.00.

PRIOR SALES

On August 20, 2010, MFC issued $900,000,000 aggregate principal amount of 4.079% medium term notes due 2015, which we refer to as the Medium Term Notes. The Medium Term Notes are not listed on any exchange or quoted in any marketplace. MFC has not issued any other debt securities in the twelve months preceding the date of this prospectus supplement.

EARNINGS COVERAGE INFORMATION

After giving effect to the issuance of the notes offered under this prospectus supplement and the issuance of the Medium Term Notes, the interest requirements, which we refer to as the MFC Debt Interest, on the existing senior and subordinated long-term indebtedness of MFC, including the interest requirements on the subordinated debentures issued by John Hancock Holdings (Delaware), LLC, which we refer to as JHHD, to Manulife Finance (Delaware) LLC, which we refer to as MFD, and capital leases, which we refer to collectively as the MFC Debt, net of related currency and interest rate swaps for each of the 12 months ended December 31, 2009, the 12 months ended June 30, 2010 and the 6 months ended June 30, 2010 would have amounted to $411.5 million, $387.8 million and $182.6 million, respectively. After giving effect to the issuance of the notes offered under this prospectus supplement and the issuance of the Medium Term Notes, the MFC Aggregate Debt Interest, defined as the sum of (a) the MFC Debt Interest, (b) interest requirements on the liabilities for capital instruments related to the Manulife Financial Capital Securities, which we refer to as MaCS, and the Manulife Financial Capital Trust II Notes Series 1, which we refer to as MaCS II Series 1 and (c) the pre-tax equivalent of the dividends on the liabilities for preferred shares accounted for as interest expense, for each of the 12 months ended December 31, 2009, the 12 months ended June 30, 2010 and the 6 months ended June 30, 2010 would have amounted to $513.3 million, $576.0 million and $265.5 million, respectively. We refer to the MFC Debt and the liabilities for preferred shares and capital instruments related to the MaCS as MFC Aggregate Debt.

After giving effect to the issuance of the notes offered under this prospectus supplement and the issuance of the Medium Term Notes, the MFC Total Debt Interest, defined as the sum of (a) the interest requirements on existing SignatureNotes and (b) MFC Aggregate Debt Interest, for each of the 12 months ended December 31, 2009, the 12 months ended June 30, 2010 and the 6 months ended June 30, 2010 would have amounted to $567.4 million, $624.0 million and $292.3 million, respectively. SignatureNotes are consumer notes issued in the United States by MFC s indirect wholly-owned subsidiary, John Hancock Life Insurance Company (U.S.A.). From MFC s perspective, the consumer notes represent operational leverage, not financial leverage. We refer to the existing SignatureNotes and the MFC Aggregate Debt as MFC Total Debt.

The consolidated earnings of MFC before the deduction of MFC Aggregate Debt Interest and income taxes for each of the 12 months ended December 31, 2009, the 12 months ended June 30, 2010 and the 6 months ended June 30, 2010 would have amounted to $288.9 million, $(1,252.2) million and $(1,771.6) million, respectively. These amounts are approximately 0.7, (3.2) and (9.7) times, respectively, the MFC Debt Interest and approximately 0.6, (2.2) and (6.7) times, respectively, the MFC Aggregate Debt Interest for the same periods. In order to achieve an MFC Debt Interest coverage ratio and MFC Aggregate Debt Interest coverage ratio of one-to-one for the 12 months ended December 31, 2009, MFC would need to have earned an additional $122.6 million and $224.4 million, respectively. In order to achieve an MFC Debt Interest coverage ratio and MFC Aggregate Debt Interest coverage ratio of one-to-one for the 12 months ended June 30, 2010, MFC would need to have earned an additional $1,640.0 million and $1,828.2 million, respectively. In order to achieve an MFC Debt Interest coverage ratio and MFC Aggregate Debt Interest coverage ratio of one-to-one for the 6 months ended June 30, 2010, MFC would need to have earned an additional $1,954.2 million and $2,037.1 million, respectively.

The consolidated earnings of MFC before the deduction of MFC Total Debt Interest and income taxes for each of the 12 months ended December 31, 2009, the 12 months ended June 30, 2010 and the 6 months ended June 30, 2010 would have amounted to $343.0 million, $(1,204.2) million and $(1,744.8) million, respectively. These amounts are approximately 0.6, (1.9) and (6.0) times, respectively, the MFC Total Debt Interest for the same periods. In order to achieve an MFC Total Debt Interest coverage ratio of one-to-one for the 12 months ended December 31, 2009, the 12 months ended June 30, 2010 and the 6 months ended June 30, 2010, MFC would need to have earned an additional

$224.4 million, $1,828.2 million and $2,037.1 million, respectively.

DESCRIPTION OF THE NOTES

The following description is a summary of certain terms of the notes and certain provisions of the indenture. This summary supplements the description set forth in the prospectus and should be read in conjunction with Description of Debt Securities in the prospectus. The description of certain terms of the notes and the indenture does not purport to be complete and such description is qualified in its entirety by reference to the indenture under which the notes are to be issued, referred to in the prospectus and filed as an exhibit to the registration statement of which this prospectus supplement and the prospectus are a part and the first supplemental indenture relating to the notes which will be filed as an exhibit to a Report on Form 6-K. To the extent that the following description is not consistent with that contained in the prospectus under Description of Debt Securities you should rely on this description. This description is only a summary of the material terms and does not purport to be complete. We urge you to read the indenture, as supplemented by the first supplemental indenture, in its entirety because it, and not this description, will define your rights as a beneficial holder of the notes. References to MFC, we, us and our in the following description refer only to Manulife Financial Corporation on an unconsolidated basis.

General

The notes will be issued under an indenture, to be dated the date of issuance of the notes, between MFC and The Bank of New York Mellon, as trustee, as supplemented by a first supplemental indenture, to be dated the date of issuance of the notes, between MFC and the trustee, which we refer to together as the indenture.

The notes will be MFC s direct unsecured and unsubordinated obligations. Each of the 2015 notes and the 2020 notes will constitute a separate series of senior debt securities under the indenture. The 2015 notes initially will be issued in an aggregate principal amount of US$600,000,000 and will mature on September 17, 2015. The 2020 notes initially will be issued in an aggregate principal amount of US$500,000,000 and will mature on September 17, 2020. The notes will be issued in minimum denominations of US$2,000 and integral multiples of US$1,000 in excess thereof.

The 2015 notes will bear interest at the rate of 3.40% per year and the 2020 notes will bear interest at the rate of 4.90% per year. Interest will accrue on the notes from September 17, 2010, or from the most recent date to which interest has been paid or provided for, payable semi-annually in arrears on March 17 and September 17 of each year, commencing March 17, 2011, to the persons in whose names the notes are registered at the close of business on the next preceding March 2 or September 2, respectively. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of interest payable for any period less than a full interest period shall be computed on