宏利 Manulife

News Release

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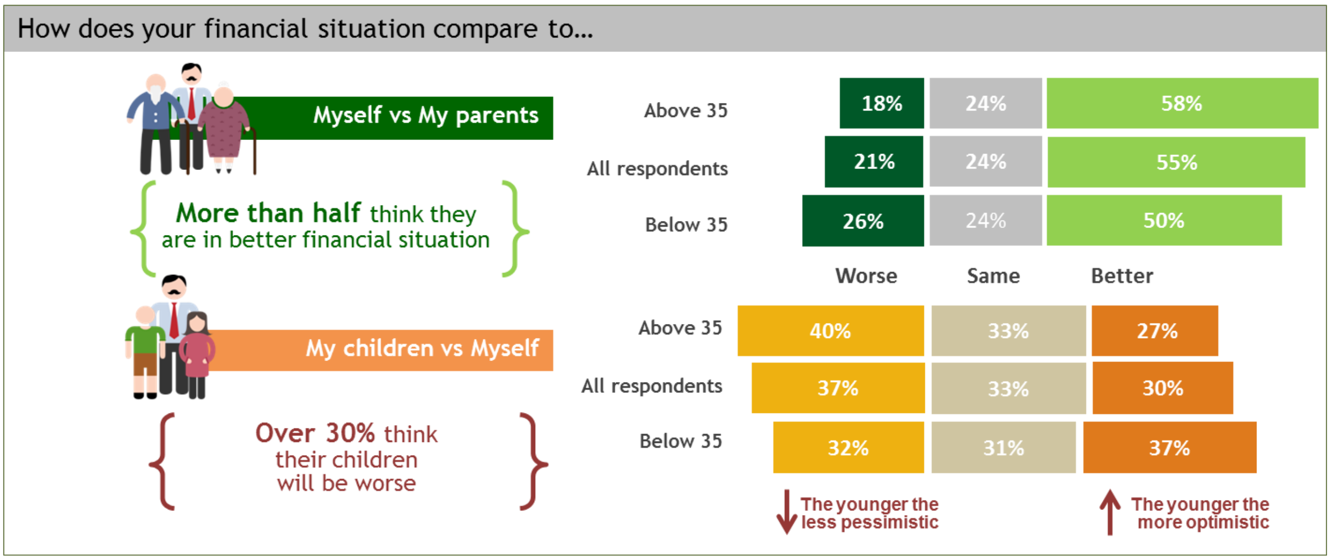
Hong Kongers feel better off than their parents
– Manulife Investor Sentiment Index survey

- **More than half of Hong Kongers feel better off than their parents, but the younger ones are more optimistic about the next generation's financial situation**
- **Rising living costs may force pragmatic Hong Kongers to delay retirement**
- **Medical costs are seen as the biggest retirement expense**

Hong Kong – More than half of Hong Kongers feel better off than their parents' generation, but young people are more optimistic than the older group about the next generation's financial future, despite rising living costs, according to the latest Manulife Investor Sentiment Index survey.

Fifty-five per cent of people think their current financial situation is better than their parents, but just 30 per cent think the improvement will continue for the next generation. Thirty-seven per cent of those aged under 35, or born after 1980, expect their children to be in a better financial position than them, compared with 27 per cent of those who were born before 1980. Forty per cent of the latter group thinks the future generation will see a deterioration in their financial situation.



Despite different expectations on financial well-being across generations, many Hong Kongers feel the pressure of rising living costs: maintaining their current lifestyle is the single biggest financial concern at the moment (28 per cent). This worry dwarfed the next most commonly cited financial concern, namely funding higher education for children (15 per cent), running out of money during retirement (11 per cent), and paying for high-quality healthcare (11 per cent).

"With a lifespan among the longest in the world, Hong Kong people have more retirement years to look forward to than their predecessors and people in other countries," commented Michael Huddart, Manulife's Executive Vice President and General Manager, Greater China. "Retirement planning is crucial to maintain the standard of living they enjoyed pre-retirement and to maximize the chance that they will not run out of money if they live for 25 years or even longer in retirement."

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Rising living costs may force people to delay retirement

Hong Kongers are pragmatic about when they will be able to retire, with 32 per cent of all respondents saying having enough money is the main factor that will dictate when they stop work. With rising living costs, this finding suggests some people may have to delay retirement until they have accumulated enough funds. Only 20 per cent of Hong Kongers say they will base their retirement date on when they want to enjoy a leisurely life.

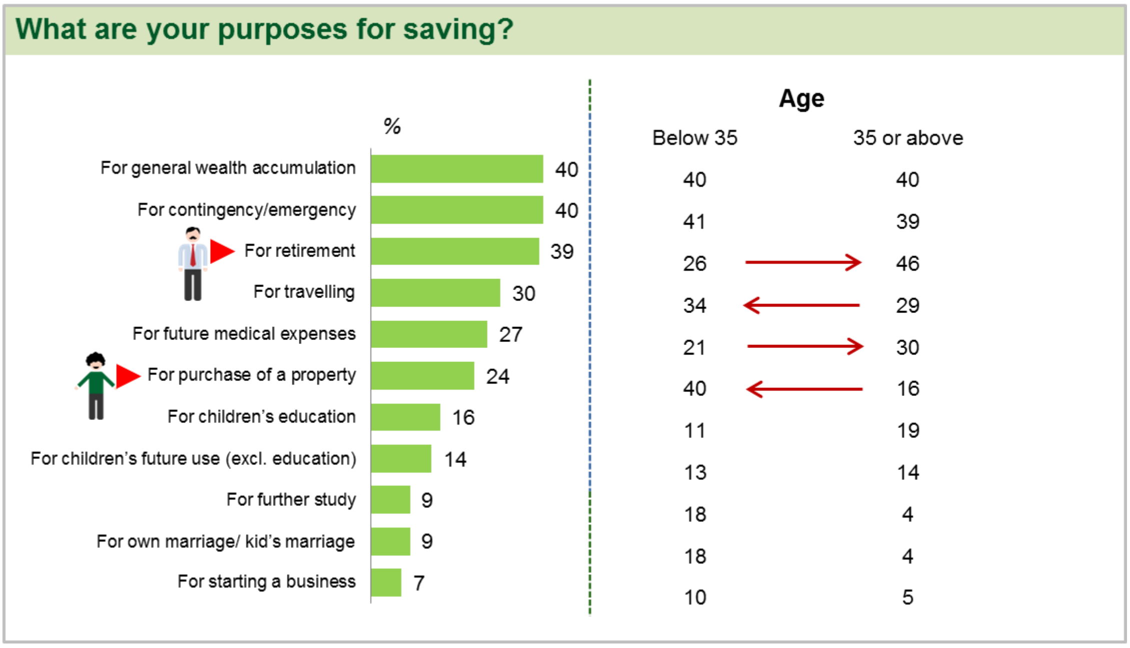
Despite this, when they retire, almost half (46 per cent) of all respondents expect to enjoy a better quality of life than previous generations, citing a combination of factors, including being in a better financial situation, improved living conditions and an improved medical system. But not everyone shares the same optimism about retirement. Almost one in five people (18 per cent) think their quality of life in retirement will deteriorate compared with their parents' generation, with three-quarters of these people (74 per cent) claiming the high cost of living will prevent them from fully enjoy their latter years.

Medical costs a significant worry but less of a reason to save for young people

Rising medical costs are clearly a concern for Hong Kongers, with 43 per cent of all respondents foreseeing them as the single biggest expense during retirement. Other expenses like household (15 per cent) or housing costs (14 per cent) are ranked much lower by comparison. Unsurprisingly, medical costs are more of a concern to those aged 35 or above than the younger ones, with 46 per cent compared to 37 per cent respectively expecting them to be their largest retirement expense. The survey showed that older respondents were more likely to be saving towards future medical expenses than younger people (30 per cent compared to 21 per cent).

Mr Huddart said, "While Hong Kong offers its residents world-class healthcare, people should also be aware of rising medical costs and the early onset of chronic illnesses. Meanwhile, the aging population has also prompted greater demand for medical care, possibly lengthening the waiting times for the public healthcare service. Private medical costs may take a big chuck out of the retirement saving of those who fail to consider this protection need in their retirement planning."

While "wealth accumulation" and building up "emergency funds" were the most commonly shared saving priorities between the two age groups, the survey revealed young people were more likely to save towards lifestyle aspirations, such as buying a home (40 per cent compared to 16 per cent of the older group) and travelling (34 per cent compared to 29 per cent of the older group). Those aged 35 or above were far more likely to make provisions for their latter life, with 46 per cent saving for retirement (compared to 26 per cent of the younger group).



For more information on the Manulife Investor Sentiment Index, please visit www.manulife.com.hk.

*About Manulife Investor Sentiment Index in Asia

Manulife's Investor Sentiment Index in Asia (Manulife ISI) is a quarterly, proprietary survey measuring and tracking investors' views across eight markets in the region on their attitudes towards key asset classes and issues related to personal financial planning. The Index is calculated as a net score (% of "Very good time" and "Good time" minus % of "Bad time" and "Very bad time") for each asset class. The overall index is calculated as an average of the index figures of asset classes. A positive number means a positive sentiment, zero means a neutral sentiment, and a negative number means negative sentiment.

The Manulife ISI is based on 500 online interviews in each market of Hong Kong, China, Taiwan, Japan, and Singapore; in Malaysia, Indonesia and the Philippines it is conducted face-to-face. Respondents are middle class to affluent investors, aged 25 years and above who are the primary decision maker of financial matters in the household and currently have investment products.

The Manulife ISI is a long-established research series in North America. The Manulife ISI has been measuring investor sentiment in Canada for the past 15 years, and extended this to its John Hancock operation in the U.S. in 2011 and Asia in 2013. Asset classes taken into Manulife ISI Asia calculations are stocks/equities, real estate (primary residence and other investment properties), mutual funds/unit trusts, fixed income investment and cash.

About Manulife (International) Limited

Manulife (International) Limited is a member of the Manulife group of companies.

Manulife is a leading Canada-based financial services group with principal operations in Asia, Canada and the United States. We operate as John Hancock in the U.S. and as Manulife in other parts of the world. We provide strong, reliable, trustworthy and forward-thinking solutions for our customers' significant financial decisions. Our international network of employees, agents and distribution partners offers financial protection and wealth management products and services to millions of clients. We also provide asset management services to institutional customers. Assets under management by Manulife and its subsidiaries were approximately C$691 billion (HK$4,618 billion) as at December 31, 2014.

Manulife Financial Corporation trades as 'MFC' on the TSX, NYSE and PSE, and under '945' on the SEHK. Manulife can be found on the Internet at manulife.com.

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