

For Immediate Release  
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## Manulife Hong Kong delivers strong results for second quarter and first half of 2015

**Hong Kong** – The Manulife group of companies operating in Hong Kong (“Manulife Hong Kong”) reported strong results in the second quarter and first half of 2015, highlighted by significant growth in all key businesses.

### Highlights are:

- Significant growth in **insurance sales**<sup>1</sup>:
  - Quarterly insurance sales of HK\$647 million, up 40% from the second quarter of 2014.
  - First half insurance sales of HK\$1.2 billion, up 35% from the first half of 2014.
- Strong growth in **premiums and deposits**<sup>2</sup>:
  - Quarterly premiums and deposits of HK\$10.2 billion, up 22% from the second quarter of 2014, which was a record high.
  - First half premiums and deposits of HK\$18.9 billion, up 18% from the first half of 2014.
- Robust growth in **wealth and asset management gross flows**<sup>3</sup>:
  - Quarterly wealth and asset management gross flows of HK\$5.2 billion, up 35% from the second quarter of 2014.
  - First half wealth and asset management gross flows of HK\$9.7 billion, up 27% from the first half of 2014.
- Excellent growth in **new business value (NBV)**<sup>4</sup>:
  - Quarterly NBV of HK\$454 million, up 47% from the same quarter of 2014
  - First half NBV of HK\$822 million, up 36% from the first half of 2014
- **Manulife’s Mandatory Provident Funds (MPF) market share** increased to a new peak of 18.9%<sup>5</sup> as at the end of June 2015.



“I am very pleased to see the strong sales momentum continued into the second quarter and augmented by another quarter of excellent results for Manulife Hong Kong,” said Michael Huddart, Manulife’s Executive Vice President and General Manager for Greater China. “We have launched more innovative solutions to meet customers’ protection and retirement needs, grown our MPF market share further and increased sales from all distribution channels compared with the same quarter of 2014. Our growth strategy has been progressing well with many new initiatives launched to deliver an extraordinary experience for our customers, which is a differentiated approach to establishing a longer and deeper relationship with them.”

Manulife Hong Kong’s insurance sales in the second quarter of 2015 were HK\$647 million, a significant increase of 40% from HK\$462 million in the same quarter of 2014, primarily attributable to the strong demand for its medical insurance product and a new savings product supported by customer and marketing campaigns. These, together with higher sales from all key distribution channels, have resulted in an increase of 35% in half-year insurance sales to HK\$1.2 billion from HK\$0.9 billion in the first half of 2014.

Total premiums and deposits in the second quarter grew to a record HK\$10.2 billion, up 22% from HK\$8.3 billion in the same period of 2014; and increased by 18% to HK\$18.9 billion in the first half of 2015 from HK\$16.1 billion in the first half of 2014. These increases were mainly driven by higher insurance and pension sales and growth in renewal premiums.

Quarterly wealth and asset management gross flows grew by 35% to HK\$5.2 billion from HK\$3.9 billion in the same quarter of 2014. First half wealth and asset management gross flows increased by 27% to HK\$9.7 billion from HK\$7.6 billion in the first half of 2014, attributable to growth in pension and mutual fund sales due to increased market activity and customer promotions.

Increase in new business volumes and a more favourable product mix with higher sales of protection products helped raise Manulife Hong Kong’s NBV. Quarterly NBV was HK\$454 million, up 47% from HK\$309 million in the second quarter of 2014. First half NBV was HK\$822 million, up 36% from HK\$604 million in the first half of 2014.

Manulife Hong Kong has maintained its strong position as the second largest MPF provider in the market<sup>6</sup>. Its MPF market share increased to a new high of 18.9% based on assets under management as at the end of June 2015.

As at June 30, 2015, Manulife had a professional agency force of 6,298 agents in Hong Kong, representing a 5% increase over the prior 12 months.



## About Manulife Hong Kong

Manulife Hong Kong offers a diverse range of protection and wealth products and services to individual and corporate customers via Manulife (International) Limited, Manulife Asset Management (Hong Kong) Limited and Manulife Provident Funds Trust Company Limited, which are members of the Manulife group of companies.

## About Manulife

Manulife Financial Corporation is a leading international financial services group providing forward-thinking solutions to help people with their big financial decisions. We operate as John Hancock in the United States, and Manulife elsewhere. We provide financial advice, insurance and wealth and asset management solutions for individuals, groups and institutions. At the end of 2014, we had 28,000 employees, 58,000 agents, and thousands of distribution partners, serving 20 million customers. At the end of June 2015, we had \$883 billion (HK\$5,487 billion) in assets under management and administration, and in the previous 12 months we made more than \$22 billion in benefits, interest and other payments to our customers. Our principal operations are in Asia, Canada and the United States where we have served customers for more than 100 years. With our global headquarters in Toronto, Canada, we trade as 'MFC' on the Toronto, New York, and the Philippine stock exchanges and under '945' in Hong Kong. Follow Manulife on Twitter @ManulifeNews or visit [www.manulife.com](http://www.manulife.com) or [www.johnhancock.com](http://www.johnhancock.com).

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Notes:

<sup>1</sup> Based on 100% new annualized regular and 10% single premium sales from individual and group life and health. For individual insurance, new annualized premiums reflect the annualized premium expected in the first year of a policy that requires premium payments for more than one year. Sales are reported gross before the impact of reinsurance. Single premium is the lump sum premium from the sale of a single premium product. For group insurance, sales include new annualized premiums and administrative services only premium equivalents on new cases, as well as the addition of new coverages and amendments to contracts, excluding rate increases.

<sup>2</sup> Premiums and deposits are the aggregate of (i) general fund premiums, net of reinsurance, reported as premiums on Manulife's Consolidated Statements of Income, (ii) segregated fund deposits, excluding seed money, ("deposits from policyholders"), (iii) investment contract deposits, and (iv) mutual fund deposits.



<sup>3</sup> Wealth and asset management gross flows is comprised of fee based business with little or no insurance risk, including mutual funds and pensions products.

<sup>4</sup> New Business Value (“NBV”) is the change in embedded value as a result of sales in the reporting period. NBV is calculated as the present value of shareholders’ interests in the expected future distributable earnings on new business, less the present value of the cost of holding capital as calculated under the MCCSR framework in North America, and the local capital requirements in Asia. Investment assumptions are consistent with product pricing, updated to reflect market assumptions consistent with the market environment in the quarter the business was sold. Best estimate fixed income yields are updated quarterly, and long term expected yields for alternative long- duration assets are typically reviewed during the annual review of actuarial assumptions and methods.

<sup>5</sup> The calculation of MPF market share is based on the following information:

- i) Aggregate Net Asset Values of all MPF Schemes: HK\$620.1 billion (including assets transferred from ORSO scheme) (Source: MPFA Statistical Digest, data as of June 30, 2015.)
- ii) Aggregate Net Asset Values of Manulife MPF Schemes as of June 30, 2015: HK\$117.3 billion (Source: Manulife Asset Management (Hong Kong) Limited)

<sup>6</sup> According to the MPF Annual Report 2014 published by Towers Watson, Manulife Provident Funds Trust Company Limited was second in terms of MPF assets under management.

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