

## Commentary

The share price of Manulife had performed relatively well under these extremely adverse and unprecedented market conditions until the end of September. However since then, the Manulife share price has declined sharply by 34% to October 24, 2008. This has resulted in a decline in the M-Split net asset value of 34% during this same period.

It appears the market has become concerned that Manulife may not be immune to some of the issues which have impacted other financial services firms through this difficult period. In particular, according to at least one recent research report, Manulife may choose to bolster its capital position to offset the declines in the market values of equity securities held in its segregated funds. As such, this raises concerns that a capital raise could be dilutive to the Manulife share price. In addition, because of these extremely poor markets, the segregated fund business may be less profitable going forward which could impact earnings potential.

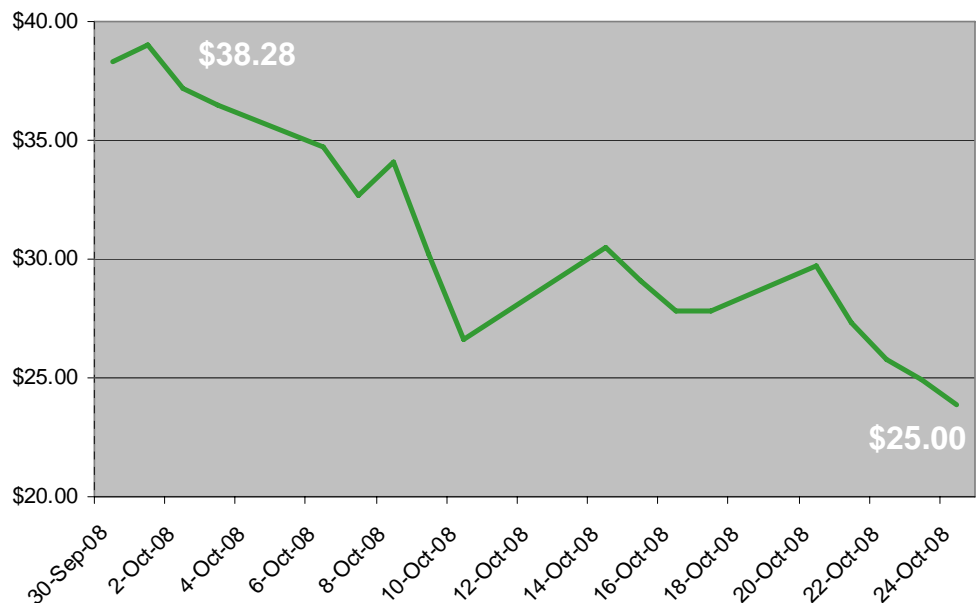
It is important to note that Manulife's current capital exceeds industry requirements and its business is well diversified. It has been among the best managed life insurance companies in the world. Manulife is an organization that serves millions of customers and has a presence in 19 countries and territories worldwide. Manulife is the largest life insurance company in Canada and one of the top five in the world and remains as Canada's only S&P AAA rated Life Insurance Company.

### TSX: MFC 2008 Month-end Trading Prices

09/30/08	\$38.28
08/29/08	\$38.11
07/31/08	\$37.72
06/30/08	\$35.66
05/30/08	\$38.37
04/30/08	\$39.37
03/31/08	\$39.29
02/29/08	\$38.16
01/31/08	\$37.82

## October 2008 Performance of Manulife Financial

Sept 30, 2008 to Oct 24, 2008



### M-Split Corp.

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