



**News Release
For Immediate Release**

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**Pacific Life Signs Definitive Agreement to Purchase
Manulife Financial's Life Retrocession Business**

NEWPORT BEACH, Calif. (July 18, 2011) – Pacific Life Insurance Company announced today that it has signed an agreement to purchase Manulife Financial Corporation's life retrocession business. The portfolio of approximately \$106 billion of individual life reinsurance face amount will make Pacific Life the leading individual life retrocessionaire in North America, with an approximate 41% share of the market. Terms of the purchase agreement, including the purchase price, were not disclosed and the transaction is expected to be completed during the third quarter pending customary closing conditions.

Insurance companies purchase reinsurance from a reinsurer in an effort to diversify and manage their insurance risk. Often, these reinsurers also wish to reinsure their insurance risk, which is then accomplished through retrocession agreements with another insurance company, called a retrocessionaire.

“The businesses of reinsurance and retrocession are not new to Pacific Life,” said James T. Morris, Pacific Life's Chairman, President and CEO. “Pacific Life Re, a subsidiary of Pacific Life, is focused on providing life reinsurance solutions and support to insurance clients in the U.K., Ireland, and Asia. Additionally, Pacific Life's Life Insurance Division has been in the life retrocession business since 2002.”

Virtually all employees from Manulife's Life Retrocession business unit have been offered jobs with Pacific Life. Operations centers for the business will remain in Toronto, Canada and

Boston, Massachusetts. David Howell, CEO of Pacific Life Re and based in London, will oversee the new operations.

“The acquisition of Manulife’s life retrocession business will further diversify Pacific Life’s risk profile and business platforms,” continued Morris. “We understand life insurance risk and it is this knowledge and our financial strength that will allow us to provide the stability and performance that clients require of a retrocessionaire.”

About Pacific Life

Offering insurance since 1868, Pacific Life provides a wide range of life insurance products, annuities, and mutual funds, and offers a variety of investment products and services to individuals, businesses, and pension plans. Pacific Life counts more than half of the 100 largest U.S. companies as its clients. For additional company information, including current financial strength ratings, visit Pacific Life online at www.PacificLife.com.

Pacific Life refers to Pacific Life Insurance Company and its affiliates, including Pacific Life & Annuity Company. Client count as of May 2011 is compiled by Pacific Life using the 2011 FORTUNE 500® list.

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