

News Release

FOR IMMEDIATE RELEASE

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Crescent Resources and Manulife Financial team up to build Phipps Tower in Atlanta

-- construction begins on 20-story, LEED-designed office building on prime Buckhead site --

ATLANTA – Crescent Resources, LLC, in a financial joint venture with Manulife Financial, has begun construction of Phipps Tower, a LEED-designed 20-story office building on a prime Buckhead site. Bordered by Peachtree Road, Lenox Road, and Phipps Boulevard and across from the Ritz-Carlton Buckhead Hotel, the 486,000 square-foot, \$175 million office tower will be linked to the prestigious Phipps Plaza mixed-use development.

"Manulife has been looking to invest in the Buckhead market for several years and the combination of Phipps Tower and Crescent Resources presented us with an outstanding opportunity," said Stephani Kingsmill, Senior Vice President and General Manager of Manulife's Real Estate Division.

Projecting a January, 2010 opening, John S. Bell, Crescent's Vice President, said Crescent has been talking with several prospective tenants and that the location and design of Phipps Tower have earned favorable reviews.

"The market is very active right now," said Mr. Bell, who is directing leasing of Phipps Tower. "We've identified more than 500,000 square feet of qualified prospects presently in the market and another two million square feet in lease expirations within the project's leasing period."

The Buckhead Advantage

Mr. Bell cited three major characteristics of the site and development plan that provide a competitive advantage for Phipps Tower:

- **Address:** a Peachtree Road address adjacent to Phipps Plaza and the Ritz-Carlton at Buckhead's most prestigious intersection – Peachtree and Lenox;
- **Access:** the Phipps Tower site is only one block and one stoplight from Georgia 400 and can be entered from Lenox Road, Peachtree Road, and Phipps Boulevard, offering Buckhead's best access; and
- **Amenities:** Phipps Tower will be connected to more than 100 upscale shops and restaurants at Phipps Plaza and will provide pedestrian access to the Ritz-Carlton Hotel.

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“The Phipps Tower location is a tremendous advantage,” added Mr. Bell. “The vacancy rate for buildings on the Buckhead Loop is an incredibly low 6%.”

Building Design and Green Features

Commenting on the building’s distinct architectural elements, Rugel Chiriboga, Director of Design for Little Diversified Architectural Consulting, said, “With its light colored, floor-to-ceiling glass curtain-wall, Phipps Tower's design maximizes the soft natural light falling into offices and presents tenants with Buckhead's most scenic vistas and most dramatic skyline views. The first impression of the building from every approach is memorable, and its contemporary exterior and distinct top tie neatly into the existing context at the most noteworthy corner in Buckhead.”

With a terraced garden plaza and convenient front-door drop-off, Phipps Tower will offer parking for more than 1,100 cars and covered pedestrian access to Phipps Plaza. Its five-level deck provides direct access to tower elevators from each level. Lobby-level amenities will include a white tablecloth restaurant, cafe, and convenience shop.

Phipps Tower has been registered with the U.S. Green Building Council for LEED certification and will incorporate many energy conservation and sustainable design strategies. The building will feature energy efficient air and lighting systems, water and plumbing conservation systems, and enhanced air quality measures, each providing for a higher level of tenant comfort and significantly reducing the consumption of non-renewable natural resources during the construction and operation of the property.

The Joint Venture

“Phipps Tower is representative of the high quality, customer focused and sustainable design for which Crescent Resources projects are best known”, said Patrick Henry, Senior Vice President and Chief Development Officer for Crescent's commercial division. “We are very pleased to be making this investment in what will be a truly outstanding addition to the Atlanta skyline.”

Crescent, which has been active in Atlanta commercial real estate since 1995, also has developed Class A office buildings and business parks in Gwinnett, north Fulton, Cobb, Douglas, and Forsyth counties. Crescent also is developing two upscale country club communities in Gwinnett County, The River Club and Sugarloaf Country Club, home of the PGA's AT&T Classic.

Manulife is equally excited by the joint venture opportunity. "Manulife is actively looking for core / core plus office and industrial investment opportunities in or around our key U.S. investment markets of Atlanta, Los Angeles, Washington D.C., Boston and Chicago," said Ms. Kingsmill. “Manulife is eager to lend its financial strength, investment, operations and technical capabilities to this project.”

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Manulife, which entered the Atlanta equity real estate market in 1998, now has an Atlanta portfolio totaling more than three million square feet with the addition of Phipps Tower. “Phipps Tower is an exceptional complement to our portfolio and expands Manulife's presence to Buckhead, giving us high-quality assets in each of Atlanta's major Intown submarkets,” said Terry Gilliam, Assistant Vice President and Regional Director for Manulife’s Atlanta real estate office.

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About Crescent Resources

Crescent Resources, LLC is a land management and real estate development company with interests in 10 states in the southeastern and southwestern United States. Based in Charlotte, N.C., Crescent is a joint venture between Duke Energy and Morgan Stanley Real Estate. Established in 1969, Crescent creates mixed-use developments, award-winning country club communities, single-family neighborhoods, apartment and condominium communities, Class A office space, business and industrial parks and shopping centers. More information on Crescent Resources can be found at www.crescent-resources.com.

About Manulife Financial's Real Estate Division

Through its Real Estate Division, Manulife Financial is actively involved in the ownership, development and management of commercial real estate. The portfolio includes a diversified mix of prime office and industrial properties in key metropolitan centers throughout Canada, the United States and Japan. In addition to equity real estate, the Real Estate Division manages Manulife Financial’s space requirements and own use facilities to accommodate the Company’s 21,000 employees worldwide. As at December 31, 2007, Manulife Financial’s real estate portfolio totals 26.4 million square feet and represents a carrying value of Cdn\$4.9 billion (US\$4.9 billion).

About Manulife Financial

Manulife Financial is a leading Canadian-based financial services group serving millions of customers in 19 countries and territories worldwide. Operating as Manulife Financial in Canada and Asia, and primarily through John Hancock in the United States, the Company offers clients a diverse range of financial protection products and wealth management services through its extensive network of employees, agents and distribution partners. Funds under management by Manulife Financial and its subsidiaries were Cdn\$396 billion (US\$401 billion) as at December 31, 2007.

Manulife Financial is one of two publicly traded life insurance companies in the world whose rated life insurance subsidiaries hold Standard & Poor’s Rating Services’ highest “AAA” rating.

Manulife Financial Corporation trades as ‘MFC’ on the TSX, NYSE and PSE, and under ‘0945’ on the SEHK. Manulife Financial can be found on the Internet at www.manulife.com.

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