Manulife Investments | MUTUAL FUNDS

AIC Value Fund

November 30, 2009

On November 28, 2008, AIC Diversified Science & Technology Fund merged into AIC Value Fund.

Portfolio Managers

Sub-advised by MFC Global Investment Management (Canada)

Key Reasons to Invest

- Suitable as an U.S. value play.
- Fund focused on uncovering undervalued assets through balance sheet analysis.
- Invests in companies with unrecognized earnings power by evaluating their investments, operating structure, barriers to entry and competitive forces.
- Throughout the credit crisis, the Fund has invested in the types of businesses that, in our view, are best able to survive and prosper in a tough economic environment.
- Tax efficient due to unused capital losses ($301 million) within the Fund (as of December 31, 2008) – help offset future capital gains.
- Fund is positioned to minimize the risk of inflation as prudently as possible.

Fund Codes

CDN $			US $			Switches & Redemptions only[2]	
FE	DSC	LL	FE	DSC	LL	SC CDN$[3]	SC US$[3]
717	118	128	817	918	998	117	917

[2]Fund codes in this column relate to units purchased prior to August 16, 2000.
[3]"Sales Charge" option available for switches and redemptions only.

Fund Details

Assets Under Management (as at November 30, 2009)	$82.8 million
Introduction Date	February 20, 1990
Management Fee	Mutual Fund Units - 2.00%
Management Expense Ratio	2.60%[1]

[1]Annualized as of June 30, 2009.

Returns Summary (as at November 30, 2009)

	3 mo*	6 mo*	1 yr	3 yrs	5 yrs	10 yrs	15 yrs	20 yrs	Since Intro	YTD
CDN $	2.2%	15.4%	11.2%	(22.0%)	(10.3%)	(7.8%)	1.0%	-	3.5%	11.0%
US $	6.1%	19.4%	30.2%	(19.9%)	(8.2%)	(4.7%)	2.8%	-	4.1%	27.9%

* - Simple Rates of Return.

Summary of Investment Portfolio Top 25 Investments[4] (as at September 30, 2009)

EQUITIES	% of net assets
Franklin Resources, Inc.	8.3%
JPMorgan Chase & Co.	7.2%
Markel Corporation	5.7%
Legg Mason, Inc.	5.5%
State Street Corporation	5.2%
Leucadia National Corporation	5.2%
Nalco Holding Company	5.1%
Pall Corporation	5.0%
Teva Pharmaceutical Industries Limited - (ADR)	4.6%
ConocoPhillips	4.5%
Northern Trust Corporation	4.3%
Marsh & McLennan Companies, Inc.	4.3%
NeuStar, Inc.	3.9%
Microsoft Corporation	3.8%
Monsanto Company	3.7%
Burlington Northern Santa Fe Corporation	3.5%
Cisco Systems, Inc.	3.4%
Intel Corporation	3.1%
VeriSign, Inc.	2.9%
Johnson & Johnson	2.6%
4Kids Entertainment, Inc.	0.8%
	92.6%
CASH & CASH EQUIVALENTS [1]	5.6%
Total	**98.2%**

[4] Where a fund holds less than 25 holdings, all investments have been disclosed. There may be other assets and liabilities which are not included, and therefore the summary does not add up to 100%. In cases where the total exceeds 100%, this means that there are liabilities in the fund not reflected in the Top 25. Typical liabilities of a fund include redemptions payable to unitholders or amounts due to brokers for investment purchases.

Total net asset value **$86,295,648**
(as at September 30, 2009)

Portfolio Composition

(as at September 30, 2009)

INVESTMENT AREA	
Financials	45.7%
Information Technology	13.2%
Materials	8.8%
Industrials	8.5%
Cash & Other Assets	7.4%
Health Care	7.2%
Energy	4.5%
Telecommunication Services	3.9%
Consumer Discretionary	0.8%

GEOGRAPHIC REGION	
United States	88.0%
Cash & Other Assets	7.4%
Israel	4.6%

[1] Cash & Cash Equivalents refers to cash on hand plus any evidence of indebtedness having a remaining term to maturity of 365 days or less that is issued or fully guaranteed by a prescribed government or Canadian financial institution. Cash & Other Assets refers to cash on hand plus all other assets and liabilities in the fund excluding portfolio investments.
The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available within 60 days of each quarter end by visiting www.aic.com or contacting Manulife AIC Client Services at 1-800-263-2144.

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Net Asset Value Per Unit (as at November 30) ($)	19.01	17.10	31.79	39.99	33.98	32.73	33.94	36.99	42.41	46.09
Calendar Year Return (as at December 31) (%)	NA	(42.0)	(28.6)	22.6	(2.0)	(1.0)	(1.1)	(20.0)	(6.8)	12.7
Annual Distributions ($)	-	-	-	-	-	-	-	-	-	-

Latest Commentary - September 30, 2009

Effective October 19, 2009, MFC Global Investment Management became Portfolio Adviser of this Fund. Prior to this date, Portland Investment Counsel Inc. (formerly AIC Investment Services Inc.) was Portfolio Adviser. As the Commentary covers the majority of the time period that Portland Investment Counsel Inc. was Portfolio Adviser, the views expressed herein are those of Portland Investment Counsel Inc.

The Fund was up 10.8% during the third quarter, compared to its benchmark, the S&P 500 Total Return Index, which was up 6.4%. On a year-to-date basis, the Fund was up 10.5%, compared to the S&P 500 Total Return Index, which was up 4.7%.

Performance Contributors

The stabilization of the global economy helped shift investor attention back to the attributes of businesses, their valuations, and prospects moving forward. The Fund benefited from this focus. Significant contributors to the Fund's performance during the third quarter came from a broad swath of companies, including Franklin Resources, Inc. ("Franklin Resources"), JP Morgan Chase & Co. ("JP Morgan Chase"), Cisco Systems, Inc., Legg Mason, Inc. ("Legg Mason"), Nalco Holding Company, Pall Corporation and VeriSign, Inc.

Three of the top contributors over the last quarter – Franklin Resources, JP Morgan Chase and Legg Mason – were financials, which isn't surprising considering the tough environment financial businesses have faced over the past 18 months. While the U.S. economy is far from stable – and, in our opinion, concerns about the economy will linger for some time – we believe well run and well-capitalized financials should be able to prosper and gain substantial market share in this environment.

In the case of Franklin Resources, the company's global asset management business, despite the tough market conditions, continues to experience strong inflows into its investment products. JP Morgan Chase has established itself as one of the highest quality diversified financials in the world. This reputation, along with its balance sheet strength, has resulted in a substantial increase in the company's deposit base, which remains the lowest cost source of funds. Legg Mason is close to turning its business back into a growing wealth management company after a period of relative underperformance.

Performance Detractors

Johnson & Johnson, Marsh & McLennan Companies, Inc., Monsanto Company, and Teva Pharmaceutical Industries Limited ("Teva") were among the companies that weighed on the Fund's performance.

Each company is an exceptional business and, despite the lower level of performance, continued to build long-term shareholder value by investing back in their businesses. Two of these companies are healthcare businesses which haven't seen the type of volatility experienced in other sectors.

Nevertheless, both Johnson & Johnson and Teva are well positioned to take advantage of the aging of the global population, and the need for various health care products.

Market Outlook

There are many positive signs that the world's economies are both stabilizing and recovering. However, there are many risks that we need to be cognizant of and incorporate into our business selection process. This is particularly true of the U.S. economy, which continues to face not only record budget deficits, but also a continuation of large balance of payments deficits:

- a double-dip recession whereby the economy and markets weaken in the face of massive government debts and prudent consumers;
- a long period of economic stagnation resulting from weak consumer demand, attributable to a prolonged period of deleveraging and high unemployment levels;
- accelerating inflation resulting from the massive monetary stimulus that has been injected into the economy and the pressure to monetize the high levels of debt; and
- fragile credit markets that pose a threat to those with a need to raise or refinance debt.

Portfolio Positioning

While we can debate the timing and extent of the economic recovery, one thing is certain – life will continue and the best businesses producing the most important products and services shouldn't only weather the current challenges, but prosper. We'll continue to invest in a handful of essential sectors in the market. These include recapitalized financials, with a bias to retail banking, property and casualty insurance and wealth management; healthcare; consumer staples; technology; infrastructure; agriculture; and commodities, particularly oil and gas.

We continue to look for and invest in companies with irreplaceable franchises, consistent cash flows, powerful balance sheets, and some flexibility when it comes to their cost structure. It's back to basics, when it comes to investing. The Fund is invested in conservative businesses, nevertheless, in our opinion, with wonderful growth prospects.

Fund Hedging $US (as at September 30, 2009)

AIC Value Fund has hedged 52.5% of its exposure to the US dollar.

ADDITIONS	DELETIONS	TOP 3 WEIGHTING CHANGES
	• Moody's Corporation	1. NeuStar, Inc. 2. Franklin Resources, Inc. 3. State Street Corporation

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