

NEWS

FOR IMMEDIATE RELEASE

Media Contact: Jay Aronowitz
(617) 663-2702

Investor Contact: (800) 843-0090

**JOHN HANCOCK HEDGED EQUITY & INCOME FUND ANNOUNCES
AMENDMENT OF MANAGED DISTRIBUTION PLAN AND DECLARES
QUARTERLY DISTRIBUTION**

BOSTON, MA (August 13, 2012) – John Hancock Hedged Equity & Income Fund (NYSE: HEQ) (the “Fund”), a closed-end fund managed by John Hancock Advisers, LLC (the “Adviser”), and subadvised by Wellington Management Company, LLP, announced today that its Board of Trustees voted to amend its current managed distribution plan (the “Plan”). The Plan was amended to pay quarterly a fixed dollar amount per share, rather than a fixed percentage of the Fund’s net asset value (“NAV”). The Adviser believes that the amended Plan may enhance shareholder value and potentially decrease the discount between the market price and NAV of the Fund’s common shares.

Under the amended Plan, the Fund will make a quarterly distribution of an amount equal to \$0.3230 per share, based upon an annual distribution rate of 7.25% of the Fund’s net asset value (“NAV”) of \$17.82 on July 31, 2012 (representing a quarterly distribution rate of 1.8125% of the Fund’s July 31, 2012 NAV). The amount will be paid quarterly until further notice.

Pursuant to its amended Plan, the Fund declared its quarterly distribution today as follows:

Declaration Date: August 13, 2012
Ex-Dividend Date: September 12, 2012
Record Date: September 14, 2012
Payment Date: September 28, 2012
Distribution Amount Per Share: \$0.3230

The Fund may also make additional distributions (i) for purposes of avoiding federal income tax on the Fund, of investment company taxable income and net capital gain, if any, not included in such regular distributions and (ii) for purposes of avoiding federal excise tax of ordinary income and capital gain net income, if any, not included in such regular distributions. You should not draw any conclusions about the Fund’s investment performance from the amount of the Fund’s distributions or from the terms of the Plan.

Distributions under the Plan may consist of net investment income, net realized long-term capital gains, net realized short-term capital gains and, to the extent necessary, return of capital. With each distribution that does not consist solely of net income, the Fund will issue a notice to shareholders and an accompanying press release that will provide detailed information regarding the amount and composition of the distribution and other related information. The amounts and sources of distributions reported in the notice to shareholders are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund’s investment experience during the remainder of

its fiscal year and may be subject to changes based on tax regulations. The Fund will send shareholders a Form 1099-DIV for the calendar year that will tell them how to report these distributions for federal income tax purposes. The Fund may at times distribute more than its net investment income and net realized capital gains; therefore, a portion of the distribution may result in a return of capital. A return of capital may occur, for example, when some or all of the money that shareholders invested in the Fund are paid back to them. A return of capital does not necessarily reflect the Fund's investment performance and should not be confused with "yield" or "income." Although the Fund has adopted the Plan, it may discontinue the Plan. The Board of Trustees of the Fund may amend the terms of the Plan or terminate the Plan at any time without prior notice to the Fund's shareholders. The Plan will be subject to periodic review by the Fund's Board of Trustees.

Statements in this press release that are not historical facts are forward-looking statements as defined by the United States securities laws. You should exercise caution in interpreting and relying on forward-looking statements because they are subject to uncertainties and other factors which are, in some cases, beyond the Fund's control and could cause actual results to differ materially from those set forth in the forward-looking statements.

About John Hancock Funds

The Boston-based mutual fund business unit of John Hancock Financial, John Hancock Funds, manages more than \$73.8 billion in open-end funds, closed-end funds, private accounts, retirement plans and related party assets for individual and institutional investors at June 30, 2012.

About John Hancock Financial and Manulife Financial Corporation

John Hancock Financial is a unit of Manulife Financial Corporation, a leading Canadian-based financial services group serving millions of customers in 22 countries and territories worldwide. Operating as Manulife Financial in Canada and in most of Asia, and primarily as John Hancock in the United States, Manulife Financial Corporation 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\$514 billion (US\$504 billion) at June 30, 2012.

Manulife Financial Corporation trades as 'MFC' on the TSX, NYSE and PSE, and under '945' on the SEHK. Manulife Financial can be found on the Internet at www.manulife.com.

The John Hancock unit, through its insurance companies, comprises one of the largest life insurers in the United States. John Hancock offers a broad range of financial products and services, including [life insurance](#), fixed and variable [annuities](#), [fixed products](#), [mutual funds](#), [401\(k\) plans](#), [long-term care insurance](#), [college savings](#), and other forms of business insurance. Additional information about John Hancock may be found at www.johnhancock.com.