

NEWS

FOR IMMEDIATE RELEASE

JOHN HANCOCK PREFERRED INCOME FUND, PREFERRED INCOME FUND II AND PREFERRED INCOME FUND III ANNOUNCE INVESTMENT POLICY CHANGE

BOSTON, MA (March 12, 2015) – The John Hancock Preferred Income Fund (NYSE: HPI), John Hancock Preferred Income Fund II (NYSE: HPF), and John Hancock Preferred Income Fund III (NYSE: HPS) (collectively, the “Funds”), each advised by John Hancock Advisers, LLC (the “Adviser”) and subadvised by John Hancock Asset Management (U.S.) LLC, a division of Manulife Asset Management (the “Subadviser”), announced today that the Board of Trustees has approved a change to the Funds’ investment policies. This change provides the Funds with additional flexibility by reducing the percentage of securities that must be rated investment grade from at least 65% of its total assets to at least 50% of its total assets. The Funds’ weighted average credit rating will remain at least investment grade.

Under the new investment policies, each Fund will invest at least 50% of its total assets in preferred securities and other fixed-income securities that are rated investment grade (i.e., at least “Baa” by Moody’s Investors Service, Inc. (“Moody’s”) or “BBB” by Standard & Poor’s Ratings Services (“S&P”)) or in unrated securities determined to be of comparable credit quality. In addition, each Fund can invest up to 50% of its total assets in preferred securities and other fixed income securities rated below investment grade by either S&P or Moody’s or in comparable unrated securities. Below investment grade securities must be rated “B” or higher by S&P or Moody’s (or determined to be of comparable quality) for Preferred Income Fund and Preferred Income Fund II and “Ca” or higher by Moody’s or “CC” or higher by S&P (or determined to be of comparable quality) for John Hancock Preferred Income Fund III. John Hancock Preferred Income Fund III may not invest more than 5% of its total assets in securities rated below “B” or in comparable rated securities.

These investment policies are based on credit quality ratings at the time of acquisition.

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.

An investor should consider a Fund’s investment objectives, risks, charges and expenses carefully before investing.

About John Hancock Investments

John Hancock Investments provides asset management services to individuals and institutions through a unique manager-of-managers approach. A wealth management business of John

Hancock Financial, we managed \$126 billion in assets as of December 31, 2014, across mutual funds, college savings plans, and retirement plans.

About John Hancock Financial and Manulife Financial

John Hancock Financial is a division of Manulife Financial, a leading Canada-based financial services group with principal operations in Asia, Canada and the United States. Operating as Manulife Financial in Canada and Asia, and primarily as 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 C\$691 billion (US\$596 billion) as of December 31, 2014. 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 manulife.com.

The John Hancock unit, through its insurance companies, comprises one of the largest life insurers in the United States. John Hancock offers and administers a broad range of financial products, including [life insurance](#), [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 johnhancock.com.