



MUTUAL FUNDS

# Fund Commentary

Q1 | 2008

## John Hancock Global Shareholder Yield Fund

FROM THE EPOCH INVESTMENT PARTNERS PORTFOLIO MANAGEMENT TEAM

The performance data contained within this material represents past performance, which does not guarantee future results. The return and principal value of an investment will fluctuate, so that shares, when redeemed, may be worth more or less than the original cost. The Fund's current performance may be higher or lower and is subject to substantial changes. For performance data current to the most recent month end, contact your financial professional or call John Hancock Funds at 1-800-225-5291.

### FUND RESULTS

The Fund returned -9.38% for the quarter ended March 31, 2008, versus -9.82% for the Morningstar, Inc. peer group of world stock funds. \* While not managed against any index, global equities as measured by the S&P/Citigroup BMI World Index returned -8.95% for the same period.

### MARKET ENVIRONMENT

The first quarter of 2008 was the worst quarter for equities in over a decade as the U.S. economy showed signs of significant weakening. The dollar also fell while commodity prices rallied and a leading U.S. investment bank became subject to a takeover mandated by the Federal Reserve. Results for the last quarter and fiscal year 2007 for the Fund's holdings were as expected. Notably, 73% of the companies increased their 2007-based cash dividends more than 3%, a testament to their strong free cash flows. While generally reporting in-line results, holdings in the consumer discretionary sector were down significantly due to worsening U.S. economic conditions. This resulted in less downside protection than the Fund has previously experienced.

### PORTFOLIO PERFORMANCE

Significant positive performance came from investments in multi-national companies, including Nestle SA and E.I. du

Pont de Nemours & Company. Both of these companies benefited from continued growth in global demand for high quality food and agricultural products. Detracting from performance were media companies Idearc and Yellow Pages Income Fund, which both suffered from weakening advertising markets.

### OUTLOOK

Looking ahead, we remain extremely cautious on prospects for the U.S. economy and the likely consequences for the global economy. We believe a U.S. recession is inevitable and that repairing the financial system remains a long-term one. All of this suggests risk aversion and that market volatility will remain high for some time.

Despite this, the actions taken by the Federal Reserve will probably stave off a systemic financial collapse, and we anticipate similar policies being pursued in a number of other countries. Equally, with the sharp decline in stock markets combined with considerable negative sentiment, there are clear opportunities being presented. In particular, our free-cash-flow methodology has never seemed so apt as in the current environment. We believe our focus on companies that generate free cash flow and intelligently allocate it between new investments and shareholder yield should produce superior relative, if not absolute, results and position the Fund for the next stage of global growth.

### SCORECARD

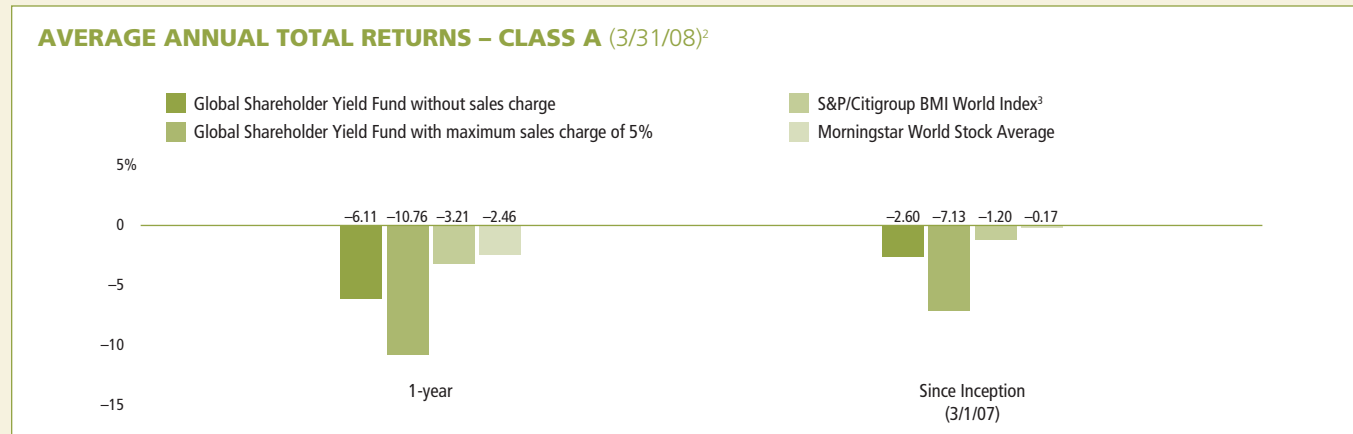
Investment	Period's performance ... and what's behind the numbers
Nestle	▲ Strong results and an optimistic outlook from management
DuPont	▲ Excellent prospects for the Firm's bio-agricultural business
Idearc	▼ Stock suffered from weakening advertising market

\*Performance for Class A shares only at net asset value. Please visit our Web site at www.jhfunds.com for performance of other share classes.

This commentary reflects the views of the portfolio managers through March 31, 2008. The managers' views are subject to change as market and other conditions warrant. No forecasts are guaranteed. This commentary is provided for informational purposes only and is not an endorsement of any security, mutual fund, sector or index. Epoch Investment Partners, Inc., John Hancock Advisers, LLC, and their affiliates, employees and clients may hold or trade the securities mentioned in this commentary.

**TEN LARGEST EQUITY HOLDINGS (3/31/08)<sup>1</sup>**

Nestle SA .....	2.46%	TERNA.....	2.18%
France Telecom.....	2.25%	Duke Energy.....	2.17%
UST .....	2.21%	AT&T .....	2.12%
Du Pont El De Nemours.....	2.21%	Enel.....	2.09%
Reynolds American.....	2.19%	Windstream .....	1.98%



Performance reflects a net annual fund operating expense ratio of 1.55%. The gross annual fund operating expense ratio of 1.65% is reduced due to a contractual expense reimbursement. This reimbursement is in effect until at least 6/30/2009 and may be terminated after such date. Expenses for other share classes will vary, which will affect returns. Performance figures assume that all distributions are reinvested. Performance quoted without sales charges would be reduced if the sales charges were applied.

For performance data current to the most recent month end, contact your financial professional or call John Hancock Funds at 1-800-225-5291. The performance data contained within this material represents past performance, which does not guarantee future results. The return and principal value of an investment will fluctuate, so that shares, when redeemed, may be worth more or less than the original cost. The Fund's current performance may be higher or lower and is subject to substantial changes.

A fund's investment objectives, risks, charges and expenses should be considered carefully before investing. The prospectus contains this and other important information about the Fund. To obtain a prospectus, call your financial professional, John Hancock Funds at 1-800-225-5291 or visit our Web site at [www.jhfunds.com](http://www.jhfunds.com). Please read the prospectus carefully before investing or sending money.

Investments in foreign securities are affected by currency fluctuations, differences in accounting standards and political instability. These risks are more significant in emerging markets. The Fund may not be appropriate for all investors. Small- and medium-capitalization stocks are more volatile than stocks of larger companies and as a group could fall out of favor with the market, causing the Fund to underperform investments that focus solely on large-capitalization stocks. Diversification does not insure against market loss.

**For more information, call your financial professional or John Hancock Funds at 1-800-225-5291.**



**John Hancock Funds, LLC**  
 MEMBER FINRA  
 601 Congress Street  
 Boston, MA 02210-2805  
 1-800-225-5291  
 1-800-554-6713 TDD  
[www.jhfunds.com](http://www.jhfunds.com)

This commentary reflects the views of the portfolio managers through March 31, 2008. The managers' views are subject to change as market and other conditions warrant. No forecasts are guaranteed. This commentary is provided for informational purposes only and is not an endorsement of any security, mutual fund, sector or index. Epoch Investment Partners, Inc., John Hancock Advisers, LLC, and their affiliates, employees and clients may hold or trade the securities mentioned in this commentary.

- 1 Listed holdings do not represent all of the holdings in the Fund. Holdings are subject to change at any time and are not recommendations to buy or sell any security. Holdings are expressed as a percentage of net assets.
- 2 Source: Morningstar, Inc. Performance for other share classes may vary, and returns assume all dividends and capital gains are reinvested. These results reflect any expense reductions, which can be terminated in the future. Without these reductions, expenses increase and results would have been less favorable. For some periods, the Fund's performance may have been influenced by investments in unusually hot industries, IPOs or other factors. Similar opportunities may or may not be available in the future.
- 3 The S&P/Citigroup BMI World Index is a subset of the S&P BMI Global Index, which is an unmanaged index that reflects the stock markets of over 30 countries and over 9,000 securities with values expressed in U.S. dollars. The S&P BMI World Index represents the developed market portion of the broader index. It is not possible to invest directly in an index.

NOT FDIC INSURED    MAY LOSE VALUE    NO BANK GUARANTEE  
 NOT INSURED BY ANY GOVERNMENT AGENCY