



MUTUAL FUNDS

Fund Commentary

Q4 | 2011

John Hancock Small Cap Intrinsic Value Fund

FROM THE JOHN HANCOCK ASSET MANAGEMENT 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 13.02% for the quarter ended December 31, 2011, lagging the 15.47% gain of the Russell 2000 Index and the average 15.25% advance of the Morningstar, Inc. peer group of small blend funds.* Security selection in the information technology, financials, consumer discretionary and materials sectors detracted from performance versus the index, while investments in the energy sector had the biggest positive impact.

MARKET ENVIRONMENT

Stocks rallied sharply in the fourth quarter, buoyed by encouraging U.S. economic data, improving consumer confidence, signs of stabilization in Europe and better-than-expected holiday retail spending. Energy prices moved sharply higher, as the likelihood of another recession eased and negative headline news subsided. However, the market remained volatile. More economically sensitive sectors, including energy and industrials, posted the steepest gains in the Russell index, while small-cap stocks beat large cap.

PERFORMANCE REVIEW

The Fund stayed focused on companies with attractive valuations, solid balance sheets, strong cash flow and proven management teams. However, some stocks turned in disappointing near-term performance. Detractors included Sycamore Networks Inc. (information technology), which sells technology to telecommunications services companies to improve the performance of their networks. Its stock was flat, pressured by a delay in signing up carriers for the company's new wireless technology. Shares of MDC Partners, Inc. (consumer discretionary), an advertising agency holding company, retreated as national ad spending slowed. The stock of discount shoe retailer DSW, Inc. (also consumer discretionary) pulled

back after an analyst downgraded his rating on the stock mostly because the stock had already done so well. Lastly, an investment in paper manufacturer AbitibiBowater Inc. (materials) detracted, as slowing global newspaper growth hindered returns.

In the energy sector, we favored service companies with good earnings growth and exploration and production companies with long-lived assets, a lot of hidden value and stable balance sheets. As oil prices climbed, these stocks rallied sharply. Top contributors included Clayton Williams Energy Inc. and Energy XXI (Bermuda) Ltd., exploration and production companies with good production growth. Elsewhere, standouts included home builder Pulte Group Inc. (consumer discretionary), whose stock rebounded as housing starts improved, and trucking company Swift Transportation Co. (industrials), whose shares climbed as the company paid down debt and the economy improved. Swift and Pulte were among the Fund's top 10 positions.

OUTLOOK

Although the year ended with continued economic and political uncertainty, we remain optimistic. We believe global equities are reasonably valued and corporate fundamentals generally strong. As market conditions and investor sentiment improve, expectations are that investors will shift their focus from macro events to these favorable corporate fundamentals. We expect the Fund to benefit from this shift and from the fact that many of its stocks have valuations that are close to those last seen in the 2008-2009 downturn. At period end, the Fund had overweights in the energy and consumer discretionary sectors. Over the quarter, we added to financials, favoring small-cap banks with attractive valuations, good returns on equity and a low level of write-offs.

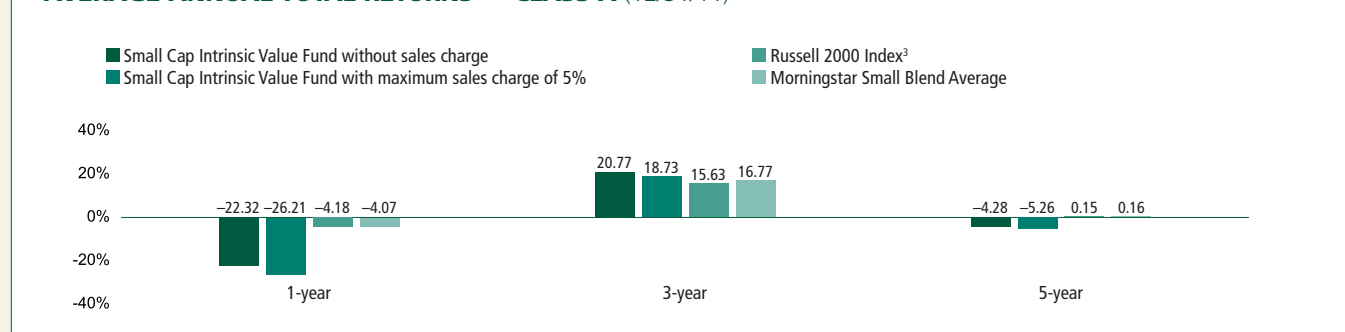
*Performance for Class A shares only at net asset value. Please visit our Web site at www.jhfunds.com for performance of other share classes.

This commentary reflects the views of the portfolio managers through December 31, 2011. 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. John Hancock Asset Management, John Hancock Advisers, LLC, and their affiliates, employees and clients may hold or trade the securities mentioned in this commentary.

TEN LARGEST EQUITY HOLDINGS (12/31/11)¹

Chemtura	5.42%	Atwood Oceanics	4.92%
Spectrum Brands	5.40%	Iconix Brand Group.....	4.10%
Pulte Homes	5.31%	Travelzoo	4.01%
Sycamore Networks	5.02%	MDC Partners	3.99%
Swift Transportation	4.92%	Bond Street Holdings LLC	3.46%

AVERAGE ANNUAL TOTAL RETURNS — CLASS A (12/31/11)²



The Fund's total annual operating expense ratio as of the current prospectus is 1.52%. 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, contact your financial professional, call John Hancock Funds at 1-800-225-5291 or visit our Web site at www.jhfunds.com. Please read the prospectus carefully before investing or sending money.

The prices of medium and small company stocks can change more frequently and dramatically than those of large company stocks. Value stocks may not increase in price as anticipated or may decline further in value. Foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability. The use of hedging and derivatives transactions could produce disproportionate gains or losses and may increase volatility and costs. For additional information on these and other risk considerations, please see the Fund's prospectus.

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



John Hancock Funds, LLC

MEMBER FINRA | SIPC
 601 Congress Street
 Boston, MA 02210-2805
 1-800-225-5291
 1-800-554-6713 TDD
www.jhfunds.com

- 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 and exclude cash and cash equivalents.
- 2 Source: Morningstar, Inc. Performance for other share classes may vary, and returns assume all dividends and capital gains are reinvested. Performance results reflect any expense reductions. Without these reductions, performance would have been less favorable.
- 3 The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 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