

John Hancock

MUTUAL FUNDS

John Hancock
Bank and Thrift Opportunity Fund



Annual Report
10.31.11

Ticker | **BTO**

CEO corner



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To Our Shareholders,

The 12-month period ended October 31, 2011 was tumultuous for financial markets. Buffeted by the questionable state of the U.S. economy, natural disasters in Japan, concerns about a growing debt crisis in Europe and the downgrade of U.S. debt for the first time ever, global markets grew increasingly volatile as the period progressed.

In the first six months of the period, stocks, as measured by the S&P 500 Index, had double-digit returns on improving economic and corporate earnings growth news. That changed dramatically in the second half of the period, as volatility rose amid signs that economic growth was stalling and the European debt crisis was ballooning.

Fears of a double-dip recession grew. Financial markets went into a tailspin in May and continued spiraling down through a bad August and worse September. The S&P 500 Index tumbled by more than 19% in those five months — just to the edge of bear market territory. October saw a strong rebound after the markets were buoyed by a good corporate earnings season and by the efforts of European officials to address Greece's debt woes and attempt to prevent those problems from spreading to other vulnerable eurozone countries.

On the strength of the first six months of the period and the returns in October, the S&P 500 Index returned 8.09% for the 12-month period ended October 31, 2011. Overseas markets had a tougher road, with the broad MSCI EAFE Index returning -3.64% and the MSCI Emerging Markets Index returning -7.44%. Bonds produced positive results for the 12-month period, as investors sought their relative safe haven status, especially in the second half, when Treasuries became the securities of choice, even with their downgrade. The broad bond market, as measured by the Barclays Capital U.S. Aggregate Bond Index, returned 5.00% in this time.

In these volatile times, we are reminded of the Chinese word for "crisis," which, by most accounts, is made up of two characters — one means "danger," the other "opportunity." Often, in the midst of financial uncertainty, the media tend to focus only on the danger and not on the opportunities and investors react by selling their shares and going into cash. But that strategy requires two correct decisions to be successful: when to get out, and, more importantly, when to get back in. In the market crash of 2008, many investors felt good about their first decision, but waited far too long to make that second decision. The result was that they missed the rally in 2009.

Instead of exiting the market, we encourage you to look past the dangers in today's unsettled climate and work with your financial adviser to position your portfolio for the long term and the opportunities to come.

Sincerely,

Keith F. Hartstein

Keith F Hartstein,
President and Chief Executive Officer

This commentary reflects the CEO's views as of October 31, 2011. They are subject to change at any time. For more up-to-date information, you can visit our Web site at www.jhfunds.com.

Not part of the annual report

Your fund at a glance

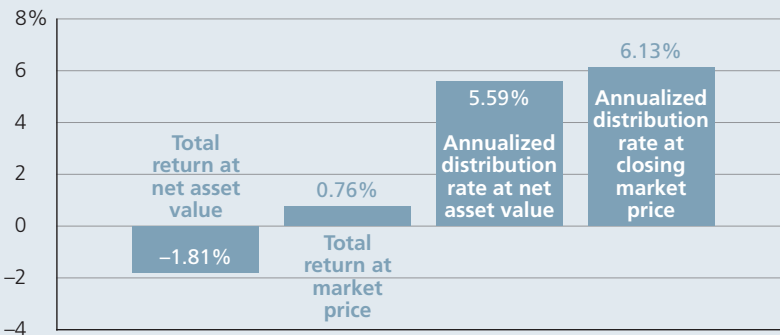
The Fund's investment objective is to provide a high level of total return consisting of long-term capital appreciation and current income. Under normal circumstances, the Fund will invest at least 80% of its net assets in equity securities of U.S. regional banks and thrifts and holding companies that primarily own or receive a substantial portion of their income from regional banks or thrifts.

Over the last twelve months

- The broad stock market gained ground in an increasingly volatile environment.
- Bank stocks lagged the broad market and produced modestly negative returns.
- The Fund's return was in line with that of its benchmark index, and ahead of its peer group average.

John Hancock Bank and Thrift Opportunity Fund

Fund performance and distribution rate for the year ended October 31, 2011.



Total returns for the Fund include the reinvestment of all distributions. Past performance is no guarantee of future results.

Current annualized distribution rate is the latest quarterly dividend rate as an annualized percentage of net asset value/closing market price on 10-31-11. The Fund's quarterly distributions may be from net investment income, capital gains or return of capital.

Managers' report

John Hancock

Bank and Thrift Opportunity Fund

In the broad market, stocks managed positive returns during a volatile 12-month period ended October 31, 2011, which saw larger, macroeconomic concerns dominate trading and lead to a series of “risk-on/risk-off” market moves. Equities initially benefited from stimulative monetary and fiscal policies, including a second round of quantitative easing and the extension of Bush-era tax cuts. But an escalating series of crises — including the European sovereign debt debacle, the U.S. Treasury debt downgrade and worries about the pace of the economic recovery — meant stocks endured some very difficult months. Equity markets finished the fiscal year with a sharp rebound in October after the economic data turned out not to be as bad as feared.

In that environment, bank stocks had negative returns and lagged the broader market. For the 12 months, the S&P Composite 1500 Banks Index returned -1.86% . By comparison, the S&P 500 Stock Index gained 8.09% . Banks, too, saw sharp volatility, initially doing well late in 2010 thanks to greater regulatory clarity. However, bank stocks ultimately suffered from worries about exposure to Europe; the effect of slower economic growth on earnings and credit quality; continued weakness in the housing and mortgage markets; and a hit to their spread-lending business from a prolonged level of low interest rates. Nevertheless, there were some positive trends at work in the sector, as banks made progress reclaiming business and fees that had gone to non-bank financial intermediaries and institutions during the year preceding the credit bubble. Further, credit costs continued to decline, leading to large year-over-year earnings gains for the sector.

TOP 10 HOLDINGS^{1,2}

PNC Financial Services Group, Inc.	5.1%
Wells Fargo & Company....	4.9%
Cullen/Frost Bankers, Inc.	4.1%
JPMorgan Chase & Company	3.6%
Zions Bancorporation	3.4%
SVB Financial Group	3.3%
U.S. Bancorp	3.1%
FNB Corp.	3.0%
Bank of America Corp.	3.0%
BB&T Corp.	2.5%



Portfolio Managers Lisa A. Welch and Susan A. Curry

John Hancock Asset Management a division of Manulife Asset Management (US) LLC

Fund performance

For the 12-month period ended October 31, 2011, John Hancock Bank and Thrift Opportunity Fund posted total returns of -1.81% at net asset value and 0.76% at market value. The difference in the Fund's net asset value (NAV) performance and its market performance stems from the fact that the market share price is subject to the dynamics of secondary market trading, which could cause it to trade at a discount or premium to the Fund's NAV share price at any time. By comparison, the Fund's benchmark, the S&P Composite 1500 Banks Index, and the average open-end specialty-financial fund tracked by Morningstar, Inc. returned -1.86% and -6.80% , respectively.

The Fund's current annualized distribution rate was 5.59% at closing NAV and 6.13% at closing market price on October 31, 2011.

“Stocks managed positive returns during a volatile 12-month period...”

Big, money-center banks detracted most

The leading detractors from performance were the large, diversified financial services firms in the Fund's portfolio: Bank of America Corp. and JPMorgan Chase & Company. These two companies were big enough to have exposure to several different challenges buffeting the sector simultaneously. First, their size meant they had exposure to Europe in a way that smaller regional banks did not. Second, they faced increased concern over the potential for forced repurchases of mortgages and foreclosure liabilities. Third, challenging financial market conditions meant capital market revenues were under pressure. And fourth, they were hit by general concern over exposure to the challenging economic and regulatory environments. Nevertheless, we believe that these issues are more than priced into the banks' stock prices, and valuations are compelling.

Other detractors

It also hurt performance to hold stakes in several mid- to smaller-sized banks that underperformed, including Comerica, Inc., Zions Bancorporation, SunTrust

Banks, Inc. and TCF Financial Corp. In addition to the broader challenges facing the industry, each of these lenders faced specific challenges that further weighed on performance. For example, Comerica was hit by concerns that it had overpaid for an acquisition. Zion's share price was hit by worries about the bank's pace of credit improvement and its potential need to raise capital to pay back the Troubled Asset Relief Program (TARP). SunTrust lagged due to concerns about mortgage put-back liabilities. In the case of TCF, the stock suffered from worries about a potential hit to revenue from regulatory changes around debit card fees.

Small regional banks generally helped

Many of the leading contributors to performance were positions in smaller, high-quality regional lenders in healthier local economies. Good examples were stakes in FNB Corp. in Pennsylvania, Prosperity Bancshares, Inc. in Texas and Independent Bank Corp. in Massachusetts, among others. These companies all managed to gain share or otherwise grow their business despite challenging conditions in recent years and have generally had fewer problem loans than lenders in other markets.

Other contributors

A number of our mid- and larger-cap bank stocks held up well and made positive contributions to absolute returns for the fiscal year, including stakes in PNC Financial Services Group, Inc., Wells Fargo & Company and U.S. Bancorp. U.S. Bancorp is in sharp contrast to the money center banks because it has essentially no direct exposure to Europe and limited exposure to troubled home loans. Further, it operates in healthy markets with a desirable business mix.

Managed distribution

Pursuant to a managed distribution plan adopted in March 2010, the Fund makes quarterly distributions equal to 1.25% of the Fund's net asset value, based upon an annual rate of 5% as of the measuring date. In accordance with this plan, the Fund announced quarterly distributions of \$0.2113, \$0.2380, \$0.2384, and \$0.2191 to shareholders of record as of December 13, 2010; March 11, 2011; June 13, 2011; and September 12, 2011, respectively.

Outlook

We see a number of positive long-term themes for banking stocks, though our outlook comes with some important

INDUSTRY COMPOSITION¹

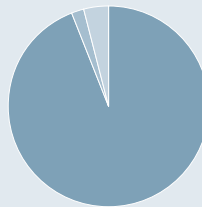
Commercial Banks	78%
Thrifts & Mortgage Finance.....	10%
Diversified Financial Services	8%
Short-Term Investments & Other	4%

caveats. Valuations for banking stocks are approaching levels last seen during the depths of the financial crisis in 2008; however, we believe the U.S. banking industry's condition is significantly better now than it was then. Capital levels, loan loss reserves and balance sheets all look healthier to us now than in 2008. In addition, the banking system has tremendous liquidity at present and broad credit conditions are improving, rather than deteriorating, as they were in 2008. As a result, we believe banking stocks look very attractive based on the fundamentals for investors with an intermediate- to longer-term investment horizon.

However, we expect continued volatility in the shares in the short run because of "headline risk" from events in Europe and around the globe. Similarly, regulatory uncertainties in the U.S., the ongoing low interest-rate environment and worries about the pace of economic growth all are likely to weigh on bank stock performance. The important point to remember is that while these are legitimate earnings headwinds, we do not believe they are real, long-term threats to the banking system, which is how the market seems to react to each new headline or event.

"The leading detractors from performance were the large, diversified financial services firms in the Fund's portfolio..."

PORTFOLIO COMPOSITION¹



94% Common Stocks
2% Preferred Securities
4% Short-Term Investments & Other

This commentary reflects the views of the portfolio managers through the end of the Fund's period discussed in this report. The managers' statements reflect their own opinions. As such, they are in no way guarantees of future events, and are not intended to be used as investment advice or a recommendation regarding any specific security. They are also subject to change at any time as market and other conditions warrant.

Past performance is no guarantee of future results.

Investments focused on one industry may fluctuate more widely than investments across multiple industries.

¹ As a percentage of net assets on 10-31-11.

² Cash and cash equivalents not included.

Management's discussion of Fund performance

By John Hancock Asset Management a division of
Manulife Asset Management (US) LLC

In the broad market, stocks managed positive returns during a volatile 12-month period ended October 31, 2011. Equities initially benefited from stimulative monetary and fiscal policies. But an escalating series of crises — including the European sovereign debt crisis, the U.S. Treasury debt downgrade and worries about the pace of the economic recovery — meant stocks endured some very difficult months. Equity markets finished the fiscal year with a sharp rebound in October. In that environment, bank stocks had negative returns and lagged the market. For the 12 months, the S&P Composite 1500 Banks Index returned -1.86% . By comparison, the S&P 500 Stock Index gained 8.09% . For the year ended October 31, 2011, John Hancock Bank and Thrift Opportunity Fund posted total returns of -1.81% at net asset value and 0.76% at market value. The difference in the Fund's net asset value (NAV) performance and its market performance stems from the fact that the market share price is subject to the dynamics of secondary market trading, which could cause it to trade at a discount or premium to the Fund's NAV share price at any time. The average open-end specialty-financial fund tracked by Morningstar, Inc. returned -6.80% .

The leading detractors from performance were the large, diversified financial services firms in the Fund's portfolio: Bank of America Corp. and JPMorgan Chase & Company. These two businesses were big enough to have exposure to several different challenges or currents buffeting the sector simultaneously. It also hurt performance to hold stakes in several mid- to smaller-sized banks that underperformed, including Comerica, Inc., Zions Bancorporation, SunTrust Banks, Inc. and TCF Financial Corp. Many of the leading contributors to performance were positions in smaller, high-quality regional lenders in healthier local economies. Pursuant to a managed distribution plan adopted in March 2010, the Fund makes quarterly distributions equal to 1.25% of the Fund's net asset value, based upon an annual rate of 5.00% as of the measuring date. In accordance with this plan, the Fund announced quarterly distributions of $\$0.2113$, $\$0.2380$, $\$0.2384$, and $\$0.2191$ to shareholders of record as of December 13, 2010, March 11, 2011, June 13, 2011 and September 12, 2011, respectively.

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Portfolio summary

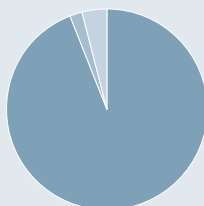
Top 10 Holdings (36.0% of Net Assets on 10-31-11)^{1,2}

PNC Financial Services Group, Inc.	5.1%	SVB Financial Group	3.3%
Wells Fargo & Company	4.9%	U.S. Bancorp	3.1%
Cullen/Frost Bankers, Inc.	4.1%	FNB Corp.	3.0%
JPMorgan Chase & Company	3.6%	Bank of America Corp.	3.0%
Zions Bancorporation	3.4%	BB&T Corp.	2.5%

Industry Composition^{1,3}

Commercial Banks	78%	Diversified Financial Services	8%
Thrifts & Mortgage Finance	10%	Short-Term Investments & Other	4%

PORTFOLIO COMPOSITION¹



94%	Common Stocks
2%	Preferred Securities
4%	Short-Term Investments & Other

¹ As a percentage of net assets on 10-31-11.

² Cash and cash equivalents not included.

³ Investments focused on one industry may fluctuate more widely than investments across multiple industries.

Fund's investments

As of 10-31-11

	Shares	Value
Common Stocks 93.99%		\$279,722,609
(Cost \$317,301,809)		
Financials 93.99%		279,722,609
Commercial Banks 77.64%		
1st United Bancorp, Inc. (I)	346,472	1,794,725
Ameris Bancorp (I)	236,991	2,381,760
Anchor Bancorp (I)	88,416	530,496
Avenue Bank (I)(R)	300,000	1,036,680
Bank of Marin Bancorp	12,596	446,402
Bar Harbor Bankshares	34,552	985,078
BB&T Corp.	322,283	7,522,085
Bond Street Holdings LLC, Class A (I)(S)	291,804	5,252,472
Bridge Capital Holdings (I)	150,564	1,660,721
Bryn Mawr Bank Corp.	80,000	1,468,800
California United Bank (I)	83,002	842,470
Camden National Corp.	36,776	1,091,512
Centerstate Banks, Inc.	395,460	2,246,213
Citizens Republic Bancorp, Inc. (I)	495,481	4,464,284
City Holding Company	39,363	1,293,468
Comerica, Inc.	287,393	7,342,891
Cullen/Frost Bankers, Inc.	251,048	12,311,394
DNB Financial Corp.	78,515	787,505
Eastern Virginia Bankshares, Inc. (I)	69,998	132,996
ECB Bancorp, Inc.	27,208	303,641
Evans Bancorp, Inc.	44,524	537,405
Fifth Third Bancorp	452,067	5,429,325
First Bancorp, Inc.	146,499	2,108,121
First California Financial Group, Inc. (I)	198,849	650,236
First Commonwealth Financial Corp.	275,890	1,271,853
First Horizon National Corp.	180,033	1,258,431
First Merchants Corp.	96,811	780,297
First Midwest Bancorp, Inc.	101,635	915,731
First Southern Bancorp, Inc., Class B (I)	78,390	768,222
FirstMerit Corp.	116,586	1,633,370
FNB Corp.	878,508	8,864,146
Glacier Bancorp, Inc.	223,556	2,537,361
Hancock Holding Company	232,176	7,034,933
Hanmi Financial Corp. (I)	724,743	724,743
Heritage Commerce Corp. (I)	387,733	1,872,750

	Shares	Value
Commercial Banks (continued)		
Heritage Financial Corp.	134,466	\$1,695,616
Heritage Oaks Bancorp (I)	650,719	2,166,894
Horizon Bancorp	23,903	606,419
Huntington Bancshares, Inc.	610,005	3,159,826
Independent Bank Corp. — MA	195,961	5,079,309
KeyCorp	216,866	1,531,074
M&T Bank Corp.	92,407	7,033,097
MB Financial, Inc.	296,947	4,920,412
NewBridge Bancorp. (I)	98,576	394,304
Northrim BanCorp, Inc.	77,232	1,463,546
Pacific Continental Corp.	183,645	1,592,202
Park National Corp.	39,113	2,335,437
Park Sterling Corp. (I)	293,418	1,129,659
Peoples Bancorp, Inc.	64,573	854,301
PNC Financial Services Group, Inc.	281,033	15,094,282
Prosperity Bancshares, Inc.	127,654	4,913,402
Regions Financial Corp.	369,319	1,451,424
Reasant Corp.	37,311	538,025
Sandy Spring Bancorp, Inc.	54,695	930,362
Sierra Bancorp	140,000	1,531,600
Signature Bank (I)	8,972	500,189
Southcoast Financial Corp. (I)	70,854	117,618
Sun Bancorp, Inc. (I)	283,290	841,371
SunTrust Banks, Inc.	377,673	7,451,488
SVB Financial Group (I)	212,782	9,775,205
Synovus Financial Corp.	2,079,408	3,119,112
Talmer Bank & Trust Company (I)(R)	462,595	3,247,995
TCF Financial Corp.	589,099	6,268,013
TriCo Bancshares	202,536	3,003,609
Trustmark Corp.	94,100	2,083,374
U.S. Bancorp	359,665	9,203,827
Union First Market Bankshares Corp.	161,746	2,073,584
United Bancorp, Inc. (I)	315,013	787,533
Univest Corp. of Pennsylvania	19,000	288,990
Washington Banking Company	67,556	798,512
Washington Trust Bancorp, Inc.	123,905	2,909,289
Wells Fargo & Company	558,583	14,472,886
WesBanco, Inc.	99,295	1,971,999
Westamerica Bancorp.	30,499	1,366,965
Wilshire Bancorp, Inc. (I)	618,257	2,114,439
Zions Bancorporation	574,359	9,970,872
Diversified Financial Services 6.53%		
Bank of America Corp.	1,278,555	8,732,531
JPMorgan Chase & Company	307,556	10,690,647
Thriffs & Mortgage Finance 9.82%		
Berkshire Hill Bancorp, Inc.	358,903	7,185,238
Citizens South Banking Corp.	343,181	1,407,042
First Defiance Financial Corp. (I)	125,381	1,781,664

	Shares	Value
Thriffs & Mortgage Finance (continued)		
First Financial Holdings, Inc.	197,178	\$1,468,976
Flushing Financial Corp.	187,981	2,304,647
Heritage Financial Group, Inc.	95,762	1,012,204
Hingham Institution for Savings	80,000	3,720,800
Home Federal Bancorp, Inc.	125,986	1,266,159
Kaiser Federal Financial Group, Inc.	109,586	1,288,731
New York Community Bancorp, Inc.	365,166	4,860,359
WSFS Financial Corp.	73,787	2,933,033

	Shares	Value
Preferred Securities 2.02%		\$6,019,609

(Cost \$5,177,425)

Financials 2.02%	6,019,609
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Commercial Banks 0.74%		
First Southern Bancorp, Inc. (Florida) (I)	134	497,681
Monarch Financial Holdings, Inc., Series B, 7.800%	38,925	992,588
Zions Bancorporation, Series C, 9.500%	27,646	715,478

Diversified Financial Services 1.28%		
Bank of America Corp., Series MER, 8.625%	102,544	2,533,862
Citigroup Capital XII (8.500% to 3-30-15, then 3 month LIBOR + 5.870%)	50,000	1,280,000

	Rate (%)	Maturity date	Par value	Value
Corporate Bonds 0.51%				\$1,532,580

(Cost \$1,490,800)

Financials 0.51%	1,532,580
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Commercial Banks 0.51%				
Regions Financial Corp.	7.375	12-10-37	\$1,869,000	1,532,580

Capital Preferred Securities 0.08%				\$224,422
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(Cost \$262,386)

Financials 0.08%	224,422
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Commercial Banks 0.08%				
Banponce Trust I, Series A	8.327	02-01-27	360,000	224,422

	Shares	Value
Warrants 0.38%		\$1,117,396

(Cost \$2,232,242)

Financials 0.38%	1,117,396
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Commercial Banks 0.19%		
Comerica, Inc. (Expiration Date: 11-14-18, Strike Price: \$29.40) (I)(J)	93,762	513,816
Valley National Bancorp (Expiration Date: 11-14-18, Strike Price: \$16.92) (I)(J)	33,222	48,504

Diversified Financial Services 0.15%		
Citigroup, Inc. (Expiration Date: 1-4-19, Strike Price: \$106.10) (I)	1,045,183	443,158

Thriffs & Mortgage Finance 0.04%		
Washington Federal, Inc. (Expiration Date: 11-14-18, Strike Price: \$17.57) (I)(J)	27,297	111,918

	Yield* (%)	Maturity date	Par value	Value
Certificates of Deposit 0.02%				\$56,634
(Cost \$56,634)				
Country Bank For Savings	1.640	08-28-12	\$1,879	1,879
First Bank Richmond	2.226	12-05-13	19,076	19,076
First Bank System, Inc.	0.992	04-01-13	4,809	4,820
Home Bank	0.867	12-04-13	18,442	18,442
Midstate Federal Savings and Loan	1.189	05-27-12	1,935	1,935
Mount Mckinley Savings Bank	0.400	12-05-11	1,682	1,682
Newburyport Bank	1.250	10-22-12	2,010	2,010
Newton Savings Bank	0.999	05-30-13	1,891	1,892
OBA Federal Savings and Loan	1.000	12-15-11	1,287	1,287
Eastern Bank	0.600	04-21-13	1,908	1,908
Salem Five Cents Savings Bank	0.600	12-19-11	1,703	1,703

	Par value	Value
Short-Term Investments 0.63%		\$1,863,000

(Cost \$1,863,000)

Repurchase Agreement 0.63%		1,863,000
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Repurchase Agreement with State Street Corp. dated 10-31-11 at 0.010% to be repurchased at \$1,863,001 on 11-1-11, collateralized by \$1,900,000 Federal Home Loan Mortgage Corp., 0.500% due 8-23-13 (valued at \$1,902,375, including interest) \$1,863,000 1,863,000

Total investments (Cost \$328,384,296)† 97.63%		\$290,536,250
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Other assets and liabilities, net 2.37%		\$7,058,760
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Total net assets 100.00%		\$297,595,010
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The percentage shown for each investment category is the total value of the category as a percentage of the net assets of the Fund.

LIBOR London Interbank Offered Rate

- (I) Non-income producing security.
- (J) These securities were issued under the U.S. Treasury Department's Capital Purchase Program.
- (R) Direct placement securities are restricted to resale and the Fund has limited rights to registration under the Securities Act of 1933.

Issuer, Description	Original acquisition date	Acquisition cost	Beginning share amount	Ending share amount	Value as a percentage of Fund's net assets	Value as of 10-31-11
Avenue Bank	1-29-07	\$3,000,000	300,000	300,000	0.35%	\$1,036,680
Talmer Bank & Trust Company (formerly First Michigan Bank)	4-30-10	\$2,775,570	462,595	462,595	1.09%	\$3,247,995

- (S) These securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be resold, normally to qualified institutional buyers, in transactions exempt from registration.

* Yield represents the annualized yield at the date of purchase.

† At 10-31-11, the aggregate cost of investment securities for federal income tax purposes was \$328,399,841. Net unrealized depreciation aggregated \$37,863,591, of which \$13,862,859 related to appreciated investment securities and \$51,726,450 related to depreciated investment securities.

Financial statements

Statement of assets and liabilities 10-31-11

This Statement of assets and liabilities is the Fund's balance sheet. It shows the value of what the Fund owns, is due and owes. You'll also find the net asset value for each common share.

Assets	
Investments, at value (Cost \$328,384,296)	\$290,536,250
Cash	4,643,401
Receivable for investments sold	2,631,171
Dividends and interest receivable	259,402
Other receivables and prepaid expenses	68,034
Total assets	298,138,258
Liabilities	
Payable for investments purchased	22,294
Payable for fund shares repurchased	330,885
Payable to affiliates	
Administrative services fees	24,049
Trustees' fees	58,341
Other liabilities and accrued expenses	107,679
Total liabilities	543,248
Net assets	
Paid-in capital	\$335,435,053
Undistributed net investment income	23,548
Accumulated net realized loss on investments	(15,545)
Net unrealized appreciation (depreciation) on investments	(37,848,046)
Net assets	\$297,595,010
Net asset value per share	
Based on 18,989,764 shares of beneficial interest outstanding — unlimited number of shares authorized with no par value	\$15.67

Statement of operations For the year ended 10-31-11

This Statement of operations summarizes the Fund's investment income earned and expenses incurred in operating the Fund. It also shows net gains (losses) for the period stated.

Investment income	
Dividends	\$6,210,364
Interest	174,011
Total investment income	6,384,375
Expenses	
Investment management fees (Note 4)	3,970,598
Administrative services fees (Note 4)	863,315
Transfer agent fees	43,839
Trustees' fees (Note 4)	52,876
Printing and postage	121,831
Professional fees	87,729
Custodian fees	56,773
Other	49,569
Total expenses	5,246,530
Less expense reductions (Note 4)	(517,989)
Net expenses	4,728,541
Net investment income	1,655,834
Realized and unrealized gain (loss)	
Net realized gain on investments	16,024,246
Change in net unrealized appreciation (depreciation) of investments	(25,425,998)
Net realized and unrealized loss	(9,401,752)
Decrease in net assets from operations	(\$7,745,918)

Statements of changes in net assets

These Statements of changes in net assets show how the value of the Fund's net assets has changed during the last two periods. The difference reflects earnings less expenses, any investment gains and losses, distributions, if any, paid to shareholders and the net of Fund share transactions.

	Year ended 10-31-11	Year ended 10-31-10
Increase (decrease) in net assets		
From operations		
Net investment income	\$1,655,834	\$1,449,957
Net realized gain	16,024,246	19,637,635
Change in net unrealized appreciation (depreciation)	(25,425,998)	5,495,106
Increase (decrease) in net assets resulting from operations	(7,745,918)	26,582,698
Distributions to shareholders		
From net investment income	(1,743,149)	(1,294,703)
From net realized gain	(16,035,169)	(13,723,010)
Total distributions	(17,778,318)	(15,017,713)
From Fund share transactions (Note 5)	(15,062,318)	(12,088,382)
Total decrease	(40,586,554)	(523,397)
Net assets		
Beginning of year	338,181,564	338,704,961
End of year	\$297,595,010	\$338,181,564
Undistributed net investment income	\$23,548	\$110,863

Financial highlights

The Financial highlights show how the Fund's net asset value for a share has changed since the end of the previous period.

COMMON SHARES Period ended	10-31-11	10-31-10	10-31-09	10-31-08	10-31-07
Per share operating performance					
Net asset value, beginning of year	\$16.90	\$16.28	\$20.81	\$35.08	\$42.28
Net investment income ¹	0.08	0.07	0.29	0.62	0.64
Net realized and unrealized gain (loss) on investments	(0.49)	1.19	(3.63)	(8.94)	(3.52)
Total from investment operations	(0.41)	1.26	(3.34)	(8.32)	(2.88)
Less distributions to common shareholders					
From net investment income	(0.09)	(0.06)	(0.29)	(0.68)	(0.60)
From net realized gain	(0.82)	(0.67)	—	(4.76)	(3.72)
From tax return of capital	—	—	(0.94)	(0.51)	—
Total distributions	(0.91)	(0.73)	(1.23)	(5.95)	(4.32)
Anti-dilutive impact of repurchase plan	0.09 ²	0.09 ²	0.04 ²	—	—
Net asset value, end of year	\$15.67	\$16.90	\$16.28	\$20.81	\$35.08
Per share market value, end of year	\$14.29	\$15.02	\$13.30	\$17.80	\$30.96
Total return at net asset value (%)^{3,4}	(1.81)	8.82	(13.78)	(24.38)	(6.93)
Total return at market value (%)⁴	0.76	18.38	(17.65)	(26.67)	(11.41)
Ratios and supplemental data					
Net assets applicable to common shares, end of year (in millions)	\$298	\$338	\$339	\$439	\$740
Ratios (as a percentage of average net assets):					
Expenses before reductions	1.52	1.51	1.55	1.49	1.44
Expenses net of fee waivers and credits	1.37	1.36	1.40	1.34	1.29
Net investment income	0.48	0.39	1.88	2.51	1.61
Portfolio turnover (%)	23	34	37	27	21

¹ Based on the average daily shares outstanding.

² The repurchase plan was completed at an average repurchase price of \$14.82, \$15.04 and \$12.99 for 1,016,051, 803,485 and 290,700 shares, and \$15,062,318, \$12,088,382 and \$3,776,593 for the years ended 10-31-11, 10-31-10 and 10-31-09, respectively.

³ Total returns would have been lower had certain expenses not been reduced during the periods shown.

⁴ Total return based on net asset value reflects changes in the Fund's net asset value during each period. Total return based on market value reflects changes in market value. Each figure assumes that dividend and capital gain distributions, if any, were reinvested. These figures will differ depending upon the level of any discount from or premium to net asset value at which the Fund's shares traded during the period.

Notes to financial statements

Note 1 — Organization

John Hancock Bank and Thrift Opportunity Fund (the Fund) is a closed-end diversified management investment company organized as a Massachusetts business trust and registered under the Investment Company Act of 1940, as amended (the 1940 Act).

Note 2 — Significant accounting policies

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Events or transactions occurring after the end of the fiscal period through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Security valuation. Investments are stated at value as of the close of regular trading on the New York Stock Exchange (NYSE), normally at 4:00 P.M., Eastern Time. The Fund uses a three-tier hierarchy to prioritize the pricing assumptions, referred to as inputs, used in valuation techniques to measure fair value. Level 1 includes securities valued using quoted prices in active markets for identical securities. Level 2 includes securities valued using significant observable inputs. Observable inputs may include quoted prices for similar securities, interest rates, prepayment speeds and credit risk. Prices for securities valued using these inputs are received from independent pricing vendors and brokers and are based on an evaluation of the inputs described. Level 3 includes securities valued using significant unobservable inputs when market prices are not readily available or reliable, including the Fund's own assumptions in determining the fair value of investments. Factors used in determining value may include market or issuer specific events, changes in interest rates and credit quality. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the values by input classification of the Fund's investments as of October 31, 2011, by major security category or type:

	TOTAL MARKET VALUE AT 10-31-11	LEVEL 1 QUOTED PRICE	LEVEL 2 SIGNIFICANT OBSERVABLE INPUTS	LEVEL 3 SIGNIFICANT UNOBSERVABLE INPUTS
Common Stocks				
Commercial Banks	\$231,070,578	\$221,533,431	\$5,252,472	\$4,284,675
Diversified Financial Services	19,423,178	19,423,178	—	—
Thrifts & Mortgage Finance	29,228,853	29,228,853	—	—
Preferred Securities				
Commercial Banks	2,205,747	1,708,066	—	497,681
Diversified Financial Services	3,813,862	3,813,862	—	—
Corporate Bonds				
Commercial Banks	1,532,580	—	1,532,580	—
Capital Preferred Securities				
Commercial Banks	224,422	—	224,422	—
Warrants	1,117,396	1,117,396	—	—
Certificates of Deposit	56,634	—	56,634	—
Short-Term Investments	1,863,000	—	1,863,000	—
Total Investments in Securities	\$290,536,250	\$276,824,786	\$8,929,108	\$4,782,356

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. During the year ended October 31, 2011, there were no significant transfers into or out of Level 1 or Level 2 assets.

The following is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value. Transfers into or out of Level 3 represent the beginning value of any security or instrument where a change in the level has occurred from the beginning to the end of the period.

INVESTMENTS IN SECURITIES	COMMON STOCKS	PREFERRED STOCKS	TOTAL
Balance as of 10-31-10	\$2,918,657	\$61,919	\$2,980,576
Accrued discounts/premiums	—	—	—
Realized gain (loss)	—	—	—
Change in unrealized appreciation (depreciation)	1,366,018	435,762	1,801,780
Purchases	—	—	—
Sales	—	—	—
Transfers into Level 3	—	—	—
Transfers out of Level 3	—	—	—
Balance as of 10-31-11	\$4,284,675	\$497,681	\$4,782,356
Change in unrealized at period end*	\$1,366,018	\$435,762	\$1,801,780

*Change in unrealized appreciation (depreciation) attributable to Level 3 securities held at the period end. This balance is included in the change in unrealized appreciation (depreciation) on the Statement of operations.

In order to value the securities, the Fund uses the following valuation techniques. Equity securities held by the Fund are valued at the last sale price or official closing price on the principal securities exchange on which they trade. In the event there were no sales during the day or closing prices are not available, then securities are valued using the last quoted bid or evaluated price. Debt

obligations are valued based on the evaluated prices provided by an independent pricing service, which utilizes both dealer-supplied and electronic data processing techniques, taking into account factors such as institutional-size trading in similar groups of securities, yield, quality, coupon rate, maturity, type of issue, trading characteristics and other market data. Certain securities traded only in the over-the-counter market are valued at the last bid price quoted by brokers making markets in the securities at the close of trading. Certain short-term securities are valued at amortized cost. Other portfolio securities and assets, where market quotations are not readily available, are valued at fair value, as determined in good faith by the Fund's Pricing Committee, following procedures established by the Board of Trustees.

Repurchase agreements. The Fund may enter into repurchase agreements. When the Fund enters into a repurchase agreement, it receives collateral which is held in a segregated account by the Fund's custodian. The collateral amount is marked-to-market and monitored on a daily basis to ensure that the collateral held is in an amount not less than the principal amount of the repurchase agreement plus any accrued interest. In the event of a default by the counterparty, realization of the collateral proceeds could be delayed, during which time the collateral value may decline.

Security transactions and related investment income. Investment security transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is accrued as earned. Interest income includes coupon interest and amortization/accretion of premiums/discounts on debt securities. Debt obligations may be placed in a non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful. Dividend income is recorded on the ex-date. Gains and losses on securities sold are determined on the basis of identified cost and may include proceeds from litigation.

Overdrafts. Pursuant to the custodian agreement, the Fund's custodian may, in its discretion, advance funds to the Fund to make properly authorized payments. When such payments result in an overdraft, the Fund is obligated to repay the custodian for any overdraft, including any costs or expenses associated with the overdraft. The custodian has a lien, security interest or security entitlement in any Fund property that is not segregated, to the maximum extent permitted by law, to the extent of any overdraft.

Expenses. The majority of expenses are directly attributable to an individual fund. Expenses that are not readily attributable to a specific fund are allocated among all funds in an equitable manner, taking into consideration, among other things, the nature and type of expense and the fund's relative net assets. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Federal income taxes. The Fund intends to continue to qualify as a regulated investment company by complying with the applicable provisions of the Internal Revenue Code and will not be subject to federal income tax on taxable income that is distributed to shareholders. Therefore, no federal income tax provision is required.

As of October 31, 2011, the Fund had no uncertain tax positions that would require financial statement recognition, derecognition or disclosure. The Fund's federal tax returns are subject to examination by the Internal Revenue Service for a period of three years.

Managed distribution plan. On March 12, 2010, the Board of Trustees approved the adoption of a new managed distribution plan (the Distribution Plan). Under the Distribution Plan, the Fund will make quarterly distributions of an amount equal to 1.25% of the Fund's net asset value, based upon an annual rate of 5%, as of each measuring date. The amount of each quarterly distribution will be

determined based on the net asset value of the Fund at the close of the NYSE on the last business day of the month ending two months prior to each quarterly declaration date.

Distributions under the Distribution Plan may consist of net investment income, net realized capital gains and, to the extent necessary, return of capital. Return of capital distributions may be necessary when the Fund's net investment income and net capital gains are insufficient to meet the minimum percentage dividend. In addition, the Fund may also make additional distributions to avoid federal income and excise taxes. The final determinations of tax characteristics of the Fund's distributions will occur at the end of the year, at which time it will be reported to shareholders.

The Board of Trustees may terminate or reduce the amount distributed under the Distribution Plan at any time. The termination or reduction may have an adverse effect on the market price of the Fund's shares.

Distribution of income and gains. Distributions to shareholders from net investment income and net realized gains, if any, are recorded on the ex-date. The Fund generally declares and pays dividends quarterly through its managed distribution plan described above. The tax character of distributions for the years ended October 31, 2011 and October 31, 2010 was as follows:

	OCTOBER 31, 2011	OCTOBER 31, 2010
Ordinary Income	\$3,365,012	\$1,294,703
Long-Term Capital Gain	14,413,306	13,723,010

As of October 31, 2011, the components of distributable earnings on a tax basis included \$63,693 of undistributed ordinary income.

Such distributions and distributable earnings, on a tax basis, are determined in conformity with income tax regulations, which may differ from accounting principles generally accepted in the United States of America. Material distributions in excess of tax basis earnings and profits, if any, are reported in the Fund's financial statements as a return of capital.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Temporary book-tax differences, if any, will reverse in a subsequent period. The Fund had no material book-tax differences at October 31, 2011.

New accounting pronouncement. In May 2011, Accounting Standards Update 2011-04 (ASU 2011-04), *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*, was issued and is effective during interim and annual periods beginning after December 15, 2011. ASU 2011-04 amends Financial Accounting Standards Board (FASB) Topic 820, *Fair Value Measurement*. The amendments are the result of the work by the FASB and the International Accounting Standards Board to develop common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP. Management is currently evaluating the application of ASU 2011-04 and its impact, if any, on the Fund's financial statements.

Note 3 — Guarantees and indemnifications

Under the Fund's organizational documents, its Officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. The risk of material loss from such claims is considered remote.

Note 4 — Fees and transactions with affiliates

John Hancock Advisers, LLC (the Adviser) serves as investment adviser for the Fund. The Adviser is an indirect, wholly owned subsidiary of Manulife Financial Corporation (MFC).

Management fee. The Fund has an investment advisory agreement with the Adviser under which the Fund pays a daily management fee to the Adviser at an annual rate of 1.15% of the Fund's average daily net assets. The Adviser has a subadvisory agreement with John Hancock Asset Management a division of Manulife Asset Management (US) LLC (formerly MFC Global Investment Management (U.S.), LLC), an indirectly owned subsidiary of MFC and an affiliate of the Adviser. The Fund is not responsible for payment of the subadvisory fees.

Administrative services. The Fund has an administration agreement with the Adviser under which the Adviser provides certain administrative services to the Fund and oversees operational activities of the Fund. The compensation for the year was at an annual rate of 0.25% of the average weekly net assets of the Fund. The Adviser agreed to limit the administrative services fee to 0.10% of the Fund's average weekly net assets. Accordingly, the expense reductions related to accounting and legal services fees amounted to \$517,989 for the year ended October 31, 2011. The Adviser reserves the right to terminate this limitation in the future with the Trustees' approval. The accounting and legal services fees incurred for the year ended October 31, 2011 amounted to an annual rate of 0.10% of the Fund's average daily net assets.

Trustee expenses. The Fund compensates each Trustee who is not an employee of the Adviser or its affiliates. These Trustees may, for tax purposes, elect to defer receipt of this compensation under the John Hancock Group of Funds Deferred Compensation Plan (the Plan). Deferred amounts are invested in various John Hancock funds and remain in the funds until distributed in accordance with the Plan. The investment of deferred amounts and the offsetting liability are included within Other receivables and prepaid expenses and Payable to affiliates — Trustees' fees, respectively, in the accompanying Statement of assets and liabilities.

Note 5 — Fund share transactions

In May 2009, the Board of Trustees approved a share repurchase plan, which was subsequently reviewed and approved by the Board of Trustees each year in December. Under the share repurchase plan, the Fund may purchase in the open market up to 10% of its outstanding common shares. The plan will remain in effect between January 1, 2012 and December 31, 2012.

During the years ended October 31, 2011 and October 31, 2010, the Fund repurchased 1,016,051 and 803,485, respectively (5.08% and 3.86% of shares outstanding), of its common shares under the share repurchase plan. The corresponding dollar amounts of the shares repurchased amounted to \$15,062,318 and \$12,088,382 for the years ended October 31, 2011 and October 31, 2010, respectively. The weighted average discount per share on these repurchases amounted to 10.4% and 13.5% for the years ended October 31, 2011 and 2010, respectively.

Note 6 — Purchase and sale of securities

Purchases and sales of securities, other than short-term securities, aggregated \$76,314,403 and \$106,201,503, respectively, for the year ended October 31, 2011.

Note 7 — Sector risk

Fund performance will be closely tied to a single sector of the economy, which may underperform other sectors over any given period of time. Financial services companies can be hurt by economic declines, changes in interest rates, regulatory and market impacts. Accordingly, the concentration may make the Fund's investment performance more volatile and investment values may rise and fall more rapidly.

Auditor's report

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of John Hancock Bank and Thrift Opportunity Fund:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of John Hancock Bank and Thrift Opportunity Fund (the "Fund") at October 31, 2011, and the results of its operations, the changes in its net assets and the financial highlights for each of the periods indicated, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities as of October 31, 2011 by correspondence with the custodian, transfer agents and brokers, and the application of alternative auditing procedures where securities purchased confirmations had not been received, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Boston, Massachusetts
December 22, 2011

Tax information

Unaudited

For federal income tax purposes, the following information is furnished with respect to the distributions of the Fund, if any, paid during its taxable year ended October 31, 2011.

With respect to the ordinary dividends paid by the Fund for the fiscal year ended October 31, 2011, the Fund designates the maximum amount allowable for the corporate dividends-received deduction.

The Fund designates the maximum amount allowable of its net taxable income as qualified dividend income as provided in the Jobs and Growth Tax Relief Reconciliation Act of 2003. This amount will be reflected on Form 1099-DIV for the calendar year 2011.

The Fund designates \$14,413,306 as long-term capital gain dividends paid during the year.

Eligible shareholders will be mailed a 2011 Form 1099-DIV in early 2012. This Form will reflect the tax character of all distributions for calendar year 2011.

Additional information

Unaudited

Investment objective and policy

The Fund is a closed-end diversified management investment company, shares of which were initially offered to the public on August 23, 1994, and are publicly traded on the New York Stock Exchange. On December 7, 2010, the Fund's Trustees approved the following new investment objective for the Fund: The Fund's investment objective is to provide a high level of total return consisting of long-term capital appreciation and current income. The prior investment objective was long-term capital appreciation. On November 20, 2001, the Fund's Trustees approved the following investment policy changes effective December 15, 2001: Under normal circumstances, the Fund will invest at least 80% of its net assets in equity securities of U.S. regional banks and thrifts and holding companies that primarily own or receive a substantial portion of their income from regional banks or thrifts. "Net assets" is defined as net assets plus borrowings for investment purposes. "Primarily owned" means that the bank or financial holding company derives a substantial portion of its business from U.S. regional banks or thrifts as determined by the Adviser, based upon generally accepted measures such as revenues, asset size and number of employees. U.S. regional banks or thrifts are ones that provide full-service banking (i.e., savings accounts, checking accounts, commercial lending and real estate lending) and whose assets are primarily of domestic origin. The Fund will notify shareholders at least 60 days prior to any change in this 80% investment policy.

The Fund may invest in investment-grade debt securities as well as debt securities rated BB or below by Standard & Poor's Ratings group (Standard & Poor's) or Ba or below by Moody's Investors Service, Inc. (Moody's) or, if unrated by such rating organizations, determined by the Adviser to be of comparable quality.

On December 7, 2010, the Fund's Trustees approved certain investment policy changes, as summarized below:

- (i) investment policy stating that "Under normal market conditions, the Fund may invest up to 25% of its total assets in the equity securities of financial services companies, companies with significant lending operations, foreign banking, lending and financial services companies, "money center" banks and debt securities issued by U.S. regional banks, thrifts or their holding companies selected primarily for capital appreciation potential." was replaced with the following: "Under normal market conditions, the Fund may invest up to 20% of its net assets in the equity securities of financial services companies, companies with significant lending operations, foreign banking, lending and financial services companies, "money center" banks and debt securities issued by U.S. regional banks, thrifts or their holding companies.";
- (ii) investment policy stating that "The equity securities in which the Fund may invest are common stocks, preferred stocks, warrants, stock purchase rights, securities convertible into other equity securities. Although the Fund will purchase equity securities principally for capital appreciation, such investments may also produce dividends and other income." was replaced with the following: "The equity securities in which the Fund may invest are common stocks, preferred stocks, warrants, stock purchase rights, securities convertible into other equity securities.";
- (iii) investment policy stating that "The Fund intends to invest primarily in the equity securities of U.S. regional banks, thrifts and holding companies with assets of less than \$30 billion and to emphasize over time investments in U.S. regional banks, thrifts and their holding companies with assets of \$3 billion or less. The Adviser believes that such small to medium size banks

and thrifts offer better opportunity for longer-term capital appreciation than do larger banks, thrifts and their holding companies. Over time, the Fund may change its investment emphasis in response to, among other factors, consolidations in the banking and thrift industry and the Adviser's view as to opportunities for capital appreciation." was replaced with the following: "The Fund intends to invest in the equity securities of U.S. regional banks, thrifts and holding companies of any size."; and

- (iv) investment policy stating that "The Fund may write and purchase call and put options on securities and securities indices provided that the value of options purchased by the Fund, together with the obligations of the Fund under options written by the Fund, other than options written or purchased for hedging purposes and call options written "against-the-box," does not exceed 5% of the Fund's total assets at the time of such purchase or writing," was replaced with the following: "The Fund may write and purchase call and put options on securities and securities indices. The Fund typically will limit notional exposure of the options to 5% of the value of the Fund's portfolio securities, although this amount is expected to vary over time based upon U.S. equity market conditions and other factors."

On March 9, 2011, the Board of Trustees approved certain investment policy changes, as summarized below:

- (i) investment policy stating that "Under normal market conditions, the Fund may invest up to 20% of its net assets in the equity securities of financial services companies, companies with significant lending operations, foreign banking, lending and financial services companies, "money center" banks and debt securities issued by U.S. regional banks, thrifts or their holding companies." was replaced with the following: "Under normal market conditions, the Fund may invest up to 20% of its net assets in the common and preferred equity securities and other preferred securities of financial services companies, companies with significant lending operations, foreign banking, lending and financial services companies, "money center" banks and debt securities issued by U.S. regional banks, thrifts or their holding companies."; and
- (ii) investment policy stating that "The Fund may invest up to 20% of its total assets in equity securities of foreign banking, lending and financial services companies, including securities quoted in foreign currencies." was replaced with the following: "The Fund may invest up to 20% of its total assets in common and preferred equity securities and other preferred securities of foreign banking, lending and financial services companies, including securities quoted in foreign currencies."

Dividends and distributions

During the year ended October 31, 2011, dividends from net investment income totaling \$0.09 per share and long-term capital gains totaling \$0.82 per share were paid to shareholders. The dates of payments and the amounts per share were as follows:

PAYMENT DATE	DISTRIBUTIONS
December 31, 2010	\$0.2113
March 31, 2011	0.2380
June 30, 2011	0.2384
September 30, 2011	0.2191
Total	\$0.9068

Dividend reinvestment plan

The Board of Trustees approved certain amendments to the Fund's Dividend Reinvestment Plan. The Dividend Reinvestment Plan that is in effect as of July 1, 2011 is described below.

The Fund's Dividend Reinvestment Plan (the Plan) provides that distributions of dividends and capital gains are automatically reinvested in common shares of the Fund by The Bank of New York Mellon (the Plan Agent). Every shareholder holding at least one full share of the Fund is entitled to participate in the Plan. In addition, every shareholder who became a shareholder of the Fund after June 30, 2011 and holds at least one full share of the Fund will be automatically enrolled in the Plan. Shareholders may withdraw from the Plan at any time and shareholders who do not participate in the Plan will receive all distributions in cash.

If the Fund declares a dividend or distribution, participants will receive shares purchased by the Plan Agent on participants' behalf on the New York Stock Exchange (the NYSE) or otherwise on the open market. Whenever shares are purchased or sold on the NYSE or otherwise on the open market, each participant will pay a pro rata portion of brokerage trading fees, currently \$0.05 per share purchased or sold. Brokerage trading fees will be deducted from amounts to be invested.

The reinvestment of dividends and net capital gains distributions does not relieve participants of any income tax that may be payable on such dividends or distributions.

Shareholders participating in the Plan may buy additional shares of the Fund through the Plan at any time in amounts of at least \$50 per investment, up to a maximum of \$10,000, with a total calendar year limit of \$100,000. Shareholders will be charged a \$5 transaction fee plus \$0.05 per share brokerage trading fee for each order. Purchases of additional shares of the Fund will be made on the open market. Shareholders who elect to utilize monthly electronic fund transfers to buy additional shares of the Fund will be charged a \$2 transaction fee plus \$0.05 per share brokerage trading fee for each automatic purchase. Shareholders can also sell Fund shares held in the Plan account at any time by contacting the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.bnymellon.com/shareowner/equityaccess. The Plan Agent will mail a check to you (less applicable brokerage trading fees) on settlement date, which is three business days after your shares have been sold. If you choose to sell your shares through your stockbroker, you will need to request that the Plan Agent electronically transfer your shares to your stockbroker through the Direct Registration System.

Shareholders participating in the Plan may withdraw from the Plan at any time by contacting the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.bnymellon.com/shareowner/equityaccess. Such termination will be effective immediately if the notice is received by the Plan Agent prior to any dividend or distribution record date; otherwise, such termination will be effective on the first trading day after the payment date for such dividend or distribution, with respect to any subsequent dividend or distribution. If you withdraw, your shares will be credited to your account; or, if you wish, the Plan Agent will sell your full and fractional shares and send you the proceeds, less a transaction fee of \$5.00 and less brokerage trading fees of \$0.05 per share. If a shareholder does not maintain at least one whole share of common stock in the Plan account, the Plan Agent may terminate such shareholder's participation in the Plan after written notice. Upon termination, shareholders will be sent a check for the cash value of any fractional share in the Plan account, less any applicable broker commissions and taxes.

Shareholders who hold at least one full share of the Fund may join the Plan by notifying the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.bnymellon.com/shareowner/equityaccess. If received in proper form by the Plan Agent before the record date of a dividend, the election will be effective with respect to all dividends

paid after such record date. If you wish to participate in the Plan and your shares are held in the name of a brokerage firm, bank or other nominee, please contact your nominee to see if it will participate in the Plan for you. If you wish to participate in the Plan, but your brokerage firm, bank or other nominee is unable to participate on your behalf, you will need to request that your shares be re-registered in your own name, or you will not be able to participate. The Plan Agent will administer the Plan on the basis of the number of shares certified from time to time by you as representing the total amount registered in your name and held for your account by your nominee.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Fund and the Plan Agent reserve the right to amend or terminate the Plan. Participants generally will receive written notice at least 90 days before the effective date of any amendment. In the case of termination, participants will receive written notice at least 90 days before the record date for the payment of any dividend or distribution by the Fund.

All correspondence or additional information about the Plan should be directed to The Bank of New York Mellon, c/o BNY Mellon Shareowner Services, c/o Mellon Investor Services, P.O. Box 358035, Pittsburgh, PA 15252-8035 (Telephone: 1-800-852-0218 (within the U.S. and Canada), 1-201-680-6578 (International Telephone Inquiries), and 1-800-231-5469 (For the Hearing Impaired (TDD))).

Shareholder communication and assistance

If you have any questions concerning the Fund, we will be pleased to assist you. If you hold shares in your own name and not with a brokerage firm, please address all notices, correspondence, questions or other communications regarding the Fund to the transfer agent at:

Mellon Investor Services
Newport Office Center VII
480 Washington Boulevard
Jersey City, NJ 07310
Telephone: 1-800-852-0218

If your shares are held with a brokerage firm, you should contact that firm, bank or other nominee for assistance.

Board Consideration of and Continuation of Investment Advisory Agreement and Subadvisory Agreement

The Board of Trustees (the Board, the members of which are referred to as Trustees) of John Hancock Bank and Thrift Opportunity Fund (the Fund) met in-person on May 1–3 and June 5–7, 2011 to consider the approval of the Fund's investment advisory agreement (the Advisory Agreement) with John Hancock Advisers, LLC (the Adviser), the Fund's investment adviser. The Board also considered the approval of the investment subadvisory agreement (the Subadvisory Agreement) among the Adviser, Manulife Asset Management (US) LLC (the Subadviser) and the Fund. The Advisory Agreement and the Subadvisory Agreement are referred to as the Agreements.

Activities and composition of the Board

The Board consists of eleven individuals, nine of whom are Independent Trustees. Independent Trustees are generally those individuals who are not employed by or have any significant business or professional relationship with the Adviser or the Subadviser. The Trustees are responsible for the oversight of operations of the Fund and perform various duties required of directors of investment companies by the Investment Company Act of 1940, as amended (the 1940 Act). The Independent Trustees have hired independent legal counsel to assist them in connection with their duties. The Board has appointed an Independent Trustee as Chairperson. The Board has established four standing committees that are composed entirely of Independent Trustees: the Audit Committee; the Compliance Committee; the Nominating, Governance and Administration Committee; and the Contracts/Operations Committee. Additionally, Investment Performance Committee A is a standing committee of the Board that is composed of Independent Trustees and one Trustee who is affiliated with the Adviser. Investment Performance Committee A oversees and monitors matters relating to the investment performance of the Fund. The Board has also designated an Independent Trustee as Vice Chairperson to serve in the absence of the Chairperson. The Board also designates working groups or ad hoc committees as it deems appropriate.

The approval process

Under the 1940 Act, the Board is required to consider the continuation of the Agreements each year. Throughout the year, the Board, acting directly and through its committees, regularly reviews and assesses the quality of the services that the Fund receives under these Agreements. The Board reviews reports of the Adviser at least quarterly, which include Fund performance reports and compliance reports. In addition, the Board meets with portfolio managers and senior investment officers at various times throughout the year. The Board considers at each of its meetings factors that are relevant to its annual consideration of the renewal of the Agreements, including the services and support provided by the Adviser and Subadviser to the Fund and its shareholders.

Prior to the May 1–3, 2011 meeting, the Board requested and received materials specifically relating to the Agreements. The materials provided in connection with the May meeting included information compiled and prepared by Morningstar, Inc. (Morningstar) on Fund fees and expenses, and the investment performance of the Fund. This Fund information is assembled in a format that permits comparison with similar information from a Peer Group, as determined by Morningstar, and with the Fund's benchmark index. The Peer Group represents funds that invest similarly to the way the Fund invests and funds of similar size, excluding passively managed funds and funds-of-funds. The Fund's benchmark index is an unmanaged index of securities that is provided as a basis for comparison with the Fund's performance. Other material provided for the Fund review included (a) information on the profitability of the Agreements to the Adviser and a discussion of any additional benefits to the Adviser or Subadviser or their affiliates that result from being the Adviser or Subadviser to the Fund; (b) a general analysis provided by the Adviser and the Subadviser concerning investment advisory fees charged to other clients, such as institutional clients and other investment companies, having similar investment mandates, as well as the performance of those other clients and a comparison of the services provided to those other clients and the services provided to the Fund; (c) the impact of

economies of scale; (d) a summary of aggregate amounts paid by the Fund to the Adviser; and (e) sales and redemption data regarding the Fund's shares.

At an in-person meeting held on May 1–3, 2011, the Board reviewed materials relevant to its consideration of the Agreements. As a result of the discussions that occurred during the May 1–3, 2011 meeting, the Board asked the Adviser for additional information on certain matters. The Adviser provided the additional information and the Board also considered this information as part of its consideration of the Agreements.

At an in-person meeting held on June 5–7, 2011, the Board, including the Independent Trustees, formally considered the continuation of the Advisory Agreement between the Adviser and the Fund and the Subadvisory Agreement among the Fund, the Adviser and the Subadviser, each for an additional one-year term. The Board considered what it believed were key relevant factors that are described under separate headings presented below.

The Board also considered other matters important to the approval process, such as payments made to and by the Adviser or its affiliates relating to the distribution of Fund shares and other services. The Board reviewed services related to the valuation and pricing of Fund portfolio holdings. Other important matters considered by the Board were the direct and indirect benefits to the Adviser, the Subadviser and their affiliates from their relationship with the Fund and advice from independent legal counsel with respect to the review process and materials submitted for the Board's review.

Nature, extent and quality of services

The Board reviewed the nature, extent and quality of services provided by the Adviser and the Subadviser, including the investment advisory services and the resulting performance of the Fund.

The Board considered the ability of the Adviser and the Subadviser, based on their resources, reputation and other attributes, to attract and retain qualified investment professionals, including research, advisory and supervisory personnel. It considered the background and experience of senior management and investment professionals responsible for managing the Fund. The Board considered the investment philosophy, research and investment decision-making processes of the Adviser and the Subadviser responsible for the daily investment activities of the Fund, including, among other things, portfolio trading capabilities, use of technology, commitment to compliance and approach to training and retaining portfolio managers and other research, advisory and management personnel.

The Board considered the Subadviser's history and experience providing investment services to the Fund. The Board considered the Adviser's execution of its oversight responsibilities. The Board further considered the culture of compliance, resources dedicated to compliance, compliance programs, record of compliance with applicable laws and regulation, with the Fund's investment policies and restrictions and with the applicable Code of Ethics, and the responsibilities of the Adviser's and Subadviser's compliance departments.

In addition to advisory services, the Board considered the quality of the administrative and non-investment advisory services provided to the Fund by the Adviser under separate agreements. The Board noted that the Adviser and its affiliates provide the Fund with certain administrative services (in addition to any such services provided to the Fund by third parties) and officers and other personnel as are necessary for the operations of the Fund. The Board reviewed the structure and duties of the Adviser's administration, accounting, legal and compliance departments and considered the Adviser's and its affiliate's policies and procedures for assuring compliance with applicable laws and regulations.

The Board also received information about the nature, extent and quality of services provided by and fee rates charged by the Adviser and Subadviser to their other clients, including other registered investment companies, institutional investors and separate accounts. The Board reviewed a general analysis provided by the Adviser and the Subadviser concerning investment advisory fees charged

to other clients having similar investment mandates, the services provided to those other clients as compared to the services provided to the Fund, the performance of those other clients as compared to the performance by the Fund and other factors relating to those other clients. The Board considered the significant differences between the Adviser's and Subadviser's services to the Fund and the services they provide to other clients. For other clients that are not closed-end funds, the differences in services relate to the more burdensome regulatory and legal obligations of closed-end funds, the enhanced management and oversight arising from the public trading of Fund shares on an exchange and the generally higher turnover of closed-end fund portfolio holdings. When compared to all clients including mutual funds, the Adviser has greater oversight and supervisory responsibility for the Fund and undertakes greater entrepreneurial risk as the sponsor of the Fund.

Fund performance

The Board was provided with reports, independently prepared by Morningstar, which included a comprehensive analysis of the Fund's performance. The Board also examined materials provided by the Fund's portfolio management team discussing Fund performance and the Fund's investment objective, strategies and outlook. The Board also reviewed a narrative and statistical analysis of the Morningstar data that was prepared by the Adviser, which analyzed various factors that may affect the Morningstar rankings. The Board reviewed information regarding the investment performance of the Fund as compared to its Morningstar Peer Group as well as its benchmark index (see chart below). The Board was provided with a description of the methodology used by Morningstar to select the funds in the Peer Group. The Board also considered updated performance information provided by the Adviser at its May and June 2011 meetings. The Board regularly reviews the performance of the Fund throughout the year and attaches more importance to performance over relatively longer periods of time, typically three to five years.

Set forth below is the performance of the Fund (based on net asset value) over certain time periods ended December 31, 2010 and that of its Peer Group and benchmark index over the same periods:

	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Bank and Thrift Opportunity Fund	17.19%	-3.63%	-3.76%	4.05%
Financial Peer Group Median	16.51%	-5.61%	-3.76%	4.18%
S&P 1500 Bank Index TR	19.20%	-15.47%	-13.32%	—

The Board noted that the Fund's performance compared favorably to the median performance of its Peer Group over multiple periods shown. The Board noted that, although the Fund had underperformed its benchmark index's performance over the one-year period, the Fund had outperformed its benchmark index's performance over all other periods.

Expenses and fees

The Board, including the Independent Trustees, reviewed the Fund's contractual advisory fee rate payable by the Fund to the Adviser as compared with the other funds in its Peer Group. The Board also received information about the investment subadvisory fee rate payable by the Adviser to the Subadviser for investment subadvisory services. The Board considered the services provided and the fees charged by the Adviser and the Subadviser to other clients with similar investment mandates, including separately managed institutional accounts.

In addition, the Board considered the cost of the services provided to the Fund by the Adviser. The Board received and considered expense information regarding the Fund's various components, including advisory fees, distribution fees and fees other than advisory and distribution fees, including transfer agent fees, custodian fees, administration fees and other miscellaneous fees (e.g., fees for accounting and legal services). The Board considered comparisons of these expenses to the Peer Group median. The Board also considered expense information regarding the Fund's total operating expense ratio (Gross Expense Ratio) and total operating expense ratio after taking the fee limitation arrangement by the Adviser into account (Net Expense Ratio). The Gross Expense Ratio is based on

common assets and includes interest expense and the Net Expense Ratio is based on common assets but excludes interest expense. The Board considered information comparing the Gross Expense Ratio and Net Expense Ratio of the Fund to that of the Peer Group median. As part of its analysis, the Board reviewed the Adviser's methodology in allocating its costs to the management of the Fund and the Fund complex.

The Board noted that the Fund's advisory fee ratio was forty basis points above the Peer Group median advisory fee ratio. The Board noted the following information about the Fund's Gross and Net Expense Ratios contained in the Fund's financial statements in relation with the Fund's Peer Group median provided by Morningstar in April 2011:

	FUND	PEER GROUP MEDIAN
Advisory Fee Ratio	1.15%	0.75%
Gross Expense Ratio	1.51%	1.55%
Net Expense Ratio	1.36%	1.50%

The Board viewed favorably the Adviser's agreement to limit its fees to maintain the accounting and legal services fees to 0.10% of the Fund's average weekly assets.

The Board received and reviewed statements relating to the Adviser's financial condition and was also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by the Adviser for services under the Advisory Agreement, as well as from other relationships between the Fund and the Adviser and its affiliates. The Board reviewed the Adviser's profitability with respect to the Fund and other funds the Board currently oversees for the year ended December 31, 2010 compared to available aggregate profitability data provided for the year ended December 31, 2009. The Board reviewed the Adviser's profitability with respect to other fund complexes managed by the Adviser and/or its affiliates. The Board reviewed the Adviser's assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products.

The Board also considered a comparison of the Adviser's profitability to that of other similar investment advisers whose profitability information is publicly available. The Board recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Adviser, the types of funds managed, expense allocations and business mix, and therefore comparability of profitability is somewhat limited.

The Board considered the profitability information with respect to the Subadviser, which is affiliated with the Adviser. In addition, as noted above, the Board considered the assumptions and methodology for allocating expenses in the Subadviser's profitability analysis.

Economies of scale

The Board, including the Independent Trustees, considered the extent to which economies of scale might be realized as the assets of the Fund increase. Possible changes in the advisory fee rate or structure in order to enable the Fund to participate in these economies of scale (e.g., through the use of breakpoints in the advisory fee at higher asset levels) are periodically discussed. The Board also considered the Adviser's overall operations and its ongoing investment in its business in order to expand the scale of, and improve the quality of, its operations that benefit the Fund.

The Board recognized the inherent limitations of any analysis of economies of scale, stemming largely from the Board's understanding that most of the Adviser's costs are not specific to individual funds, but rather are incurred across a variety of products and services.

Other benefits to the Adviser and the Subadviser

The Board understands that the Adviser, the Subadviser or their affiliates may derive other ancillary benefits from their relationship with the Fund, both tangible and intangible, such as their ability to leverage investment professionals who manage other portfolios, an increase in their profile in the investment advisory community and the engagement of their affiliates and/or significant shareholders as service providers to the Fund, including for administrative and distribution services. The Board believes that certain of these benefits are difficult to quantify. The Board also was informed that the Subadviser may use third-party research obtained by soft dollars generated by certain mutual fund transactions to assist itself in managing all or a number of its other client accounts.

Board determination

The Board unanimously approved the continuation of the Advisory Agreement between the Adviser and the Fund for an additional one-year term. The Subadvisory Agreement among the Fund, the Adviser and the Subadviser was also approved for an additional one-year term. Based upon its evaluation of relevant factors in their totality, the Board was satisfied that the terms of the Agreements, including the advisory and subadvisory fee rates, were fair and reasonable and in the best interest of the Fund and its shareholders. In arriving at its decision to approve the Agreements, the Board did not identify any single factor or any group of factors as all-important or controlling, but considered all factors together. Different Trustees may have attributed different weights to the various factors considered. The Independent Trustees were also assisted by independent legal counsel in making this determination. The Trustees' conclusions may be based in part on their consideration of these arrangements in prior years and on their ongoing regular review of Fund performance and operations throughout the year.

Trustees and Officers

This chart provides information about the Trustees and Officers who oversee your John Hancock fund. Officers elected by the Trustees manage the day-to-day operations of the Fund and execute policies formulated by the Trustees.

Independent Trustees

Name, Year of Birth Position(s) held with Fund Principal occupation(s) and other directorships during past 5 years	Trustee of the Trust since¹	Number of John Hancock funds overseen by Trustee
Steven R. Pruchansky , Born: 1944	1994	46
Chairman (since January 2011); Chairman and Chief Executive Officer, Greenscapes of Southwest Florida, Inc. (since 2000); Director and President, Greenscapes of Southwest Florida, Inc. (until 2000); Member, Board of Advisors, First American Bank (until 2010); Managing Director, Jon James, LLC (real estate) (since 2000); Director, First Signature Bank & Trust Company (until 1991); Director, Mast Realty Trust (until 1994); President, Maxwell Building Corp. (until 1991).		
James F. Carlin , Born: 1940	1994	46
Chief Executive Officer, Director and Treasurer, Alpha Analytical Laboratories (environmental, chemical and pharmaceutical analysis) (since 1985); Part Owner and Treasurer, Lawrence Carlin Insurance Agency, Inc. (since 1995); Chairman and Chief Executive Officer, CIMCO, LLC (management/ investments) (since 1987).		
William H. Cunningham , Born: 1944	1995	46
Professor, University of Texas, Austin, Texas (since 1971); former Chancellor, University of Texas System and former President of the University of Texas, Austin, Texas; Director of the following: LIN Television (since 2009); Lincoln National Corporation (insurance) (Chairman since 2009 and Director since 2006); Resolute Energy Corporation (since 2009); Nanomedical Systems, Inc. (biotechnology company) (Chairman since 2008); Yorktown Technologies, LP (tropical fish) (Chairman since 2007); Greater Austin Crime Commission (since 2001); Southwest Airlines (since 2000); former Director of the following: Introgen (manufacturer of biopharmaceuticals) (until 2008); Hicks Acquisition Company I, Inc. (until 2007); Jefferson-Pilot Corporation (diversified life insurance company) (until 2006); and former Advisory Director, JP Morgan Chase Bank (formerly Texas Commerce Bank–Austin) (until 2009).		
Deborah C. Jackson , Born: 1952	2008	46
President, Cambridge College, Cambridge, Massachusetts (since May 2011); Chief Executive Officer, American Red Cross of Massachusetts Bay (2002–May 2011); Board of Directors of Eastern Bank Corporation (since 2001); Board of Directors of Eastern Bank Charitable Foundation (since 2001); Board of Directors of American Student Assistance Corp. (1996–2009); Board of Directors of Boston Stock Exchange (2002–2008); Board of Directors of Harvard Pilgrim Healthcare (health benefits company) (2007–2011).		
Charles L. Ladner , ^{2,3} Born: 1938	1994	46
Vice Chairman (since March 2011); Chairman and Trustee, Dunwoody Village, Inc. (retirement services) (since 2008); Director, Philadelphia Archdiocesan Educational Fund (since 2009); Senior Vice President and Chief Financial Officer, UGI Corporation (public utility holding company) (retired 1998); Vice President and Director for AmeriGas, Inc. (retired 1998); Director of AmeriGas Partners, L.P. (gas distribution) (until 1997); Director, EnergyNorth, Inc. (until 1995); Director, Parks and History Association (Cooperating Association, National Park Service) (until 2005).		

Independent Trustees (continued)

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Trustee of the Trust since ¹	Number of John Hancock funds overseen by Trustee
Stanley Martin,² Born: 1947	2008	46

Senior Vice President/Audit Executive, Federal Home Loan Mortgage Corporation (2004–2006); Executive Vice President/Consultant, HSBC Bank USA (2000–2003); Chief Financial Officer/Executive Vice President, Republic New York Corporation & Republic National Bank of New York (1998–2000); Partner, KPMG LLP (1971–1998).

Dr. John A. Moore,² Born: 1939	2002	46
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President and Chief Executive Officer, Institute for Evaluating Health Risks, (nonprofit institution) (until 2001); Senior Scientist, Sciences International (health research) (until 2003); Former Assistant Administrator & Deputy Administrator, Environmental Protection Agency; Principal, Hollyhouse (consulting) (since 2000); Director, CIIT Center for Health Science Research (nonprofit research) (until 2007).

Patti McGill Peterson,² Born: 1943	2002	46
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Presidential Advisor for Global Initiatives, American Council on Education (since 2011); Chairperson of the Board of the Trust (during 2009 and 2010); Principal, PMP Globalinc (consulting) (2007–2011); Senior Associate, Institute for Higher Education Policy (2007–2011); Executive Director, CIES (international education agency) (until 2007); Vice President, Institute of International Education (until 2007); Former President Wells College, St. Lawrence University and the Association of Colleges and Universities of the State of New York. Director of the following: Mutual Fund Directors Forum (since 2011); Niagara Mohawk Power Corporation (until 2003); Security Mutual Life (insurance) (until 1997); ONBANK (until 1993). Trustee of the following: Board of Visitors, The University of Wisconsin, Madison (since 2007); Ford Foundation, International Fellowships Program (until 2007); UNCF, International Development Partnerships (until 2005); Roth Endowment (since 2002); Council for International Educational Exchange (since 2003).

Gregory A. Russo, Born: 1949	2008	46
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Vice Chairman, Risk & Regulatory Matters, KPMG LLP (KPMG) (2002–2006); Vice Chairman, Industrial Markets, KPMG (1998–2002).

Non-Independent Trustees⁴

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Trustee of the Trust since ¹	Number of John Hancock funds overseen by Trustee
Hugh McHaffie, Born: 1959	2010	46

Executive Vice President, John Hancock Financial Services (since 2006, including prior positions); President of John Hancock Variable Insurance Trust and John Hancock Funds II (since 2009); Trustee, John Hancock retail funds (since 2010); Chairman and Director, John Hancock Advisers, LLC, John Hancock Investment Management Services, LLC and John Hancock Funds, LLC (since 2010); Senior Vice President, Individual Business Product Management, MetLife, Inc. (1999–2006).

Non-Independent Trustees⁴ (continued)

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Trustee of the Trust since ¹	Number of John Hancock funds overseen by Trustee
John G. Vrysen , Born: 1955	2009	46
Senior Vice President, John Hancock Financial Services (since 2006); Director, Executive Vice President and Chief Operating Officer, John Hancock Advisers, LLC, John Hancock Investment Management Services, LLC and John Hancock Funds, LLC (since 2005); Chief Operating Officer, John Hancock Funds II and John Hancock Variable Insurance Trust (since 2007); Chief Operating Officer, John Hancock retail funds (until 2009); Trustee, John Hancock retail funds (since 2009).		

Principal officers who are not Trustees

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Officer of the Trust since
Keith F. Hartstein , Born: 1956	2005
<i>President and Chief Executive Officer</i>	
Senior Vice President, John Hancock Financial Services (since 2004); Director, President and Chief Executive Officer, John Hancock Advisers, LLC and John Hancock Funds, LLC (since 2005); Director, John Hancock Asset Management a division of Manulife Asset Management (US) LLC (since 2005); Director, John Hancock Investment Management Services, LLC (since 2006); President and Chief Executive Officer, John Hancock retail funds (since 2005); Member, Investment Company Institute Sales Force Marketing Committee (since 2003).	
Andrew G. Arnott , Born: 1971	2009
<i>Senior Vice President and Chief Operating Officer</i>	
Senior Vice President, John Hancock Financial Services (since 2009); Executive Vice President, John Hancock Advisers, LLC (since 2005); Executive Vice President, John Hancock Investment Management Services, LLC (since 2006); Executive Vice President, John Hancock Funds, LLC (since 2004); Chief Operating Officer, John Hancock retail funds (since 2009); Senior Vice President, John Hancock retail funds (since 2010); Vice President, John Hancock Funds II and John Hancock Variable Insurance Trust (since 2006); Senior Vice President, Product Management and Development, John Hancock Funds, LLC (until 2009).	
Thomas M. Kinzler , Born: 1955	2006
<i>Secretary and Chief Legal Officer</i>	
Vice President, John Hancock Financial Services (since 2006); Secretary and Chief Legal Counsel, John Hancock Advisers, LLC, John Hancock Investment Management Services, LLC and John Hancock Funds, LLC (since 2007); Secretary and Chief Legal Officer, John Hancock retail funds, John Hancock Funds II and John Hancock Variable Insurance Trust (since 2006); Vice President and Associate General Counsel, Massachusetts Mutual Life Insurance Company (1999–2006); Secretary and Chief Legal Counsel, MML Series Investment Fund (2000–2006); Secretary and Chief Legal Counsel, MassMutual Select Funds and MassMutual Premier Funds (2004–2006).	

Principal officers who are not Trustees (continued)

<p>Name, Year of Birth Position(s) held with Fund Principal occupation(s) and other directorships during past 5 years</p>	<p>Officer of the Trust since</p>
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Francis V. Knox, Jr., Born: 1947	2005
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Chief Compliance Officer
Vice President, John Hancock Financial Services (since 2005); Chief Compliance Officer, John Hancock retail funds, John Hancock Funds II, John Hancock Variable Insurance Trust, John Hancock Advisers, LLC and John Hancock Investment Management Services, LLC (since 2005); Vice President and Chief Compliance Officer, John Hancock Asset Management a division of Manulife Asset Management (US) LLC (2005–2008).

Charles A. Rizzo, Born: 1957	2007
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Chief Financial Officer
Vice President, John Hancock Financial Services (since 2008); Senior Vice President, John Hancock Advisers, LLC and John Hancock Investment Management Services, LLC (since 2008); Chief Financial Officer, John Hancock retail funds, John Hancock Funds II and John Hancock Variable Insurance Trust (since 2007); Assistant Treasurer, Goldman Sachs Mutual Fund Complex (2005–2007); Vice President, Goldman Sachs (2005–2007).

Salvatore Schiavone, Born: 1965	2009
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Treasurer
Assistant Vice President, John Hancock Financial Services (since 2007); Vice President, John Hancock Advisers, LLC and John Hancock Investment Management Services, LLC (since 2007); Treasurer, John Hancock retail funds (since 2010); Treasurer, John Hancock closed-end funds (since 2009); Assistant Treasurer, John Hancock Funds II and John Hancock Variable Insurance Trust (since October 2010) and (2007–2009); Assistant Treasurer, John Hancock retail funds (2007–2009); Assistant Treasurer, Fidelity Group of Funds (2005–2007); Vice President, Fidelity Management Research Company (2005–2007).

The business address for all Trustees and Officers is 601 Congress Street, Boston, Massachusetts 02210-2805.

¹ Mr. Carlin, Mr. Cunningham and Mr. Russo serve as Trustees for a term expiring in 2014; Ms. Jackson, Mr. McHaffie, Ms. McGill Peterson and Mr. Pruchansky serve as Trustees for a term expiring in 2013; and Mr. Martin, Mr. Moore and Mr. Vrysen serve as Trustees for a term expiring in 2012.

² Member of the Audit Committee.

³ Mr. Ladner's term of office will end when he retires as a Trustee on 12-31-11.

⁴ Because Messrs. McHaffie and Vrysen are senior executives or directors with the Adviser and/or its affiliates, each of them is considered an "interested person," as defined in the Investment Company Act of 1940, of the Fund.

More information

Trustees

Steven R. Pruchansky

Chairman

James F. Carlin

William H. Cunningham

Deborah C. Jackson

Charles L. Ladner*

Vice Chairman

Stanley Martin*

Hugh McHaffie†

Dr. John A. Moore*

Patti McGill Peterson*

Gregory A. Russo

John G. Vrysent

*Member of the
Audit Committee

†Non-Independent Trustee

Officers

Keith F. Hartstein

President and

Chief Executive Officer

Andrew G. Arnott

Senior Vice President

and Chief Operating Officer

Thomas M. Kinzler

Secretary and Chief Legal Officer

Francis V. Knox, Jr.

Chief Compliance Officer

Charles A. Rizzo

Chief Financial Officer

Salvatore Schiavone

Treasurer

Investment adviser

John Hancock Advisers, LLC

Subadviser

John Hancock Asset Management

a division of Manulife Asset

Management (US) LLC

Custodian

State Street Bank and

Trust Company

Transfer agent

Mellon Investor Services

Legal counsel

K&L Gates LLP

Independent registered

public accounting firm

PricewaterhouseCoopers LLP

Stock symbol

Listed New York Stock

Exchange: BTO

For shareholder assistance refer to page 26

You can also contact us:

1-800-852-0218

jhffunds.com

Regular mail:

Mellon Investor Services

Newport Office Center VII

480 Washington Boulevard

Jersey City, NJ 07310

The Fund's proxy voting policies and procedures, as well as the Fund's proxy voting record for the most recent twelve-month period ended June 30, are available free of charge on the Securities and Exchange Commission (SEC) Web site at www.sec.gov or on our Web site.

The Fund's complete list of portfolio holdings, for the first and third fiscal quarters, is filed with the SEC on Form N-Q. The Fund's Form N-Q is available on our Web site and the SEC's Web site, www.sec.gov, and can be reviewed and copied (for a fee) at the SEC's Public Reference Room in Washington, DC. Call 1-800-SEC-0330 to receive information on the operation of the SEC's Public Reference Room.

We make this information on your fund, as well as **monthly portfolio holdings**, and other fund details available on our Web site at www.jhffunds.com or by calling 1-800-852-0218.

The report is certified under the Sarbanes-Oxley Act, which requires closed-end funds and other public companies to affirm that, to the best of their knowledge, the information in their financial reports is fairly and accurately stated in all material respects.

DOMESTIC EQUITY

Balanced Fund
 Classic Value Fund
 Disciplined Value Fund
 Disciplined Value Mid Cap Fund
 Fundamental All Cap Core Fund
 Fundamental Large Cap Core Fund
 Fundamental Large Cap Value Fund
 Large Cap Equity Fund
 Mid Cap Equity Fund
 Rainier Growth Fund
 Small Cap Equity Fund
 Small Cap Intrinsic Value Fund
 Small Company Fund
 Sovereign Investors Fund
 U.S. Equity Fund
 U.S. Global Leaders Growth Fund

ASSET ALLOCATION**TARGET RISK**

Lifestyle Aggressive Portfolio
 Lifestyle Balanced Portfolio
 Lifestyle Conservative Portfolio
 Lifestyle Growth Portfolio
 Lifestyle Moderate Portfolio

TARGET DATE

Lifecycle 2045 Portfolio
 Lifecycle 2040 Portfolio
 Lifecycle 2035 Portfolio
 Lifecycle 2030 Portfolio
 Lifecycle 2025 Portfolio
 Lifecycle 2020 Portfolio
 Lifecycle 2015 Portfolio
 Lifecycle 2010 Portfolio

GLOBAL/INTERNATIONAL EQUITY

Emerging Markets Fund
 Global Opportunities Fund
 Global Shareholder Yield Fund
 Greater China Opportunities Fund
 International Allocation Portfolio
 International Core Fund
 International Growth Fund
 International Value Equity Fund

SPECIALTY

Alternative Asset Allocation Fund
 Currency Strategies Fund
 Financial Industries Fund
 Natural Resources Fund
 Regional Bank Fund
 Technical Opportunities Fund

INCOME

Bond Fund
 Floating Rate Income Fund
 Government Income Fund
 High Yield Fund
 Investment Grade Bond Fund
 Strategic Income Fund
 Strategic Income Opportunities Fund

TAX-FREE INCOME

California Tax-Free Income Fund
 High Yield Municipal Bond Fund
 Massachusetts Tax-Free Income Fund
 New York Tax-Free Income Fund
 Tax-Free Bond Fund

MONEY MARKET

Money Market Fund

CLOSED-END

Bank and Thrift Opportunity Fund
 Hedged Equity & Income Fund
 Income Securities Trust
 Investors Trust
 Preferred Income Fund
 Preferred Income Fund II
 Preferred Income Fund III
 Premium Dividend Fund
 Tax-Advantaged Dividend Income Fund
 Tax-Advantaged Global Shareholder Yield Fund

The Fund's investment objectives, risks, charges and expenses are included in the prospectus and should be considered carefully before investing. For a prospectus, call your financial professional, call John Hancock Funds at 1-800-225-5291 or visit the Fund's Web site at www.jhfunds.com. Please read the prospectus carefully before investing or sending money.



1-800-852-0218
1-800-231-5469 TDD
1-800-843-0090 EASI-Line
www.jhfunds.com

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12/11