

*John Hancock*

MUTUAL FUNDS

John Hancock  
Bank and Thrift Opportunity Fund



**Semiannual Report**  
4.30.11

Ticker | **BTO**

## CEO corner



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### To Our Shareholders,

Stocks produced solid gains for the six months ended April 30, 2011, shrugging off a series of unsettling events that occurred in the world during the period and reflecting a growing sense of a strengthening economy.

The period began November 1, 2010 as the market took off on a sustained rally after the U.S. Federal Reserve Board embarked on another mission to stimulate the economy. The rally stalled briefly several times as the market responded to a range of global issues, including political turmoil in the Middle East and North Africa and the devastating events in Japan, both of which sparked a spike in crude oil prices.

Amazingly, the markets recovered in short order from these major shocks, supported by stronger-than-expected corporate earnings reports and rising consumer demand. Coupled with the Fed's message that interest rates would remain low, investors grew comfortable taking on more risk, boosting stock and commodities prices. For the six-month period, the S&P 500 Index returned 16.36%.

The bond market had mixed results and remained flat in the same six-month period. As confidence grew that the economy had turned a corner, bond prices fell and their yields rose. The improving economic environment lifted corporate bonds, especially high-yielding corporate securities, based on stronger balance sheets and a demand for higher yields. Over the full six-month period, Treasury bonds declined slightly, reflecting rising inflation expectations, and the broad bond market returned 0.02%, as measured by the Barclays Capital U.S. Aggregate Bond Index.

Preferred securities, which often act like bonds given their mostly fixed dividend payouts, fell somewhere in between the return of stocks and bonds. They benefited from consistently good demand from investors seeking higher-yielding securities. In addition, the extension of Bush-era tax policies — including the continuation of the 15% tax rate on qualified dividends on many tax-advantaged preferred securities — bolstered support for the group.

Bank stocks, which are the focus of this fund, produced solid returns in the period thanks to greater regulatory clarity in late 2010 and early 2011. New regulatory reform legislation took effect regarding capital standards, among other items. In addition, in early 2011 the Fed reviewed the largest banks' capital plans and approved the majority of them, allowing many of these banks to increase dividends and institute share buyback programs. Even though this legislation has been enacted, there are still many rules to be written. The uncertainty around what the actual requirements will be has put pressure more recently on bank stocks. As the Fund's managers discuss inside, they have taken higher capital requirements into account in their earnings estimates.

Sincerely,

*Keith F. Hartstein*

Keith F. Hartstein,  
President and Chief Executive Officer

This commentary reflects the CEO's views as of April 30, 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](http://www.jhfunds.com).

**Not part of the semiannual report**

## Your fund at a glance

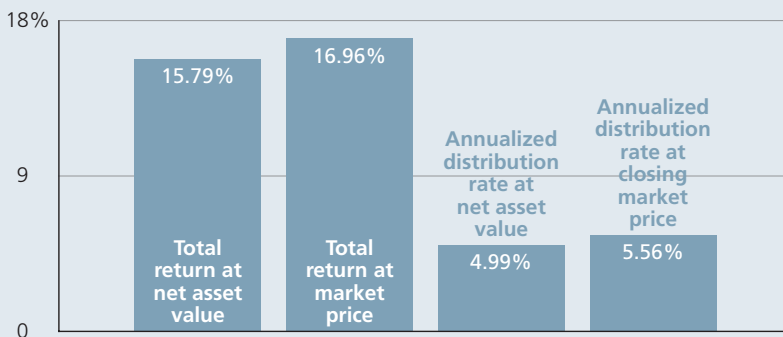
On December 7, 2010, the Fund's Trustees approved the following new investment objective for the Fund: The Fund's investment objective is to provide a high level of total return consisting of long-term capital appreciation and current income. The revision to the Fund's investment objective will provide additional flexibility to the portfolio management team to invest in income-generating securities. (See pages 21 and 22 for further information.) The prior investment objective was long-term capital appreciation. 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 six months

- Stocks produced solid returns, although volatility remained high.
- Bank stocks produced double-digit returns, but lagged the broader market.
- The Fund outperformed its benchmark index and peer group average.

#### John Hancock Bank and Thrift Opportunity Fund

Fund performance and distribution rate for the six months ended April 30, 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/market price on 4-30-11. 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

**Stocks produced solid returns in the six months ended April 30, 2011, though market volatility remained high.** Worry about housing, jobs and the sluggish pace of the recovery led the Federal Reserve to initiate a second round of quantitative easing (QE2). The economy and markets received a further boost from the federal government's decision to extend both Bush-era tax cuts and unemployment benefits. However, turmoil in the Middle East and North Africa, the ongoing European sovereign debt crisis and the tragedy in Japan contributed to volatility in stock market performance.

In that environment, banking stocks produced double-digit gains, but lagged the return of the broader market. For the six months, the S&P Composite 1500 Banks Index returned 12.71%. By comparison, the S&P 500 Index returned 16.36%. Banks did particularly well late in 2010, thanks to greater regulatory clarity on capital standards. In addition, in early 2011 the Fed reviewed the largest banks' capital plans and approved the majority of them, allowing many of these banks to increase dividends and institute share buyback programs. This was an important moment for the industry, as it cleared the way for many banks to initiate share buybacks and raise dividend payouts following a second round of successful "stress tests" on major U.S. banks. Even though regulatory reform legislation has been enacted, uncertainty remains about what the actual capital requirements for banks will be and this has put pressure more recently on bank stock prices. Banking stocks were also helped by the execution of several traditional (as opposed to Federal Deposit Insurance Corporation (FDIC)-supported) mergers.

### TOP 10 HOLDINGS<sup>1</sup>

JPMorgan Chase & Company .....	5.4%
PNC Financial Services Group, Inc. ....	5.2%
Wells Fargo & Company.....	4.7%
Bank of America Corp.....	4.2%
U.S. Bancorp. ....	4.2%
SVB Financial Group .....	4.0%
Cullen/Frost Bankers, Inc. ....	4.0%
TCF Financial Corp. ....	3.3%
BB&T Corp. ....	3.2%
Zions Bancorporation .....	3.2%



## Portfolio Managers Lisa A. Welch and Susan A. Curry

John Hancock Asset Management (formerly MFC Global Investment Management (U.S.), LLC)<sup>2</sup>

### Fund performance

For the six months ended April 30, 2011, John Hancock Bank and Thrift Opportunity Fund posted total returns of 15.79% at net asset value (NAV) and 16.96% at market price. The Fund's annualized distribution rate was 4.99% at NAV and 5.56% at closing market price on April 30, 2011. The difference in the Fund's 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 Fund finished ahead of its benchmark, the S&P Composite 1500 Banks Index, and the average open-end specialty-financial fund tracked by Morningstar, Inc., which returned 12.71% and 12.85%, respectively. We consider outperforming the peer group average in the last six months to be a notable achievement, because the funds in the peer group are more broadly diversified across the financial sector and were not as focused on the commercial banks that lagged the rest of the sector during the period.

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**“...banking stocks produced double-digit gains, but lagged the return of the broader market.”**

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### Mid-cap banks lead outperformance

A number of the Fund's long-held mid-cap commercial bank stocks made important contributions to performance. For example, SVB Financial Group — a California-based niche bank focused on the technology and life science industries — was a leading contributor. The company enjoyed good loan and deposit growth, a relative lack of credit problems and margin expansion, and it guided earnings expectations higher.

Pennsylvania-based FNB Corp. was another source of strength as acquisitions, better economic conditions and fewer problem loans all were good for the stock. Chicago-area bank MB Financial, Inc. benefited from acquisitions made in the wake of the financial crisis, with earnings improving as problem loans rolled off.

### Positioning among thrifts and money-center banks helps

The Fund's positioning among the thrifts and big, money-center banks contributed to performance, led by a stake in JPMorgan Chase & Company. We have long felt these shares were attractive given the company's relative valuation, strong management, declining credit costs and improving loan activity. The stock did well in the last six months as some of the regulatory uncertainty in the industry cleared, and management announced solid earnings growth, a large dividend increase and a share buyback plan. Among thrifts, stakes in Berkshire Hills Bancorp, Inc. and Hingham Institution for Savings were key contributors.

### Mergers have mixed effect

A number of the companies owned by the Fund participated in acquisitions, with a mixed effect on performance in the last six months. The combination of Comerica, Inc. and Sterling Bancshares is a good example. The Fund's stake in Sterling did well, but Comerica's shares lagged as the market worried about the acquisition price. We think the deal will prove beneficial to Comerica over time, as the company benefits from expanding its Texas footprint. In addition, Hancock Holding Company managed a positive absolute return but underperformed the benchmark in the wake of announcing its acquisition of Whitney Holding. We think the newly combined entity will prove to be a strong southeast regional franchise going forward.

### Leading detractors

The leading detractors from performance were small, regional banks with greater-than-expected credit problems. A good example is CenterState Banks, Inc., a small Florida-based bank that underperformed as profits took a hit from prolonged loan losses. Similarly, Wilshire Bancorp, Inc., which is primarily focused in the Los Angeles area, reported disappointing earnings as a result of ongoing exposure to the depressed California real estate market.

#### INDUSTRY COMPOSITION<sup>3</sup>

Commercial Banks .....	76%
Diversified Financial Services .....	11%
Thrifts & Mortgage Finance.....	7%
Capital Markets.....	2%
Short-Term Investments & Other.....	4%

### 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, on December 1, 2010, the Fund announced quarterly distributions of \$0.2113 to shareholders of record as of December 13. Similarly, on March 1, 2011, the Fund

announced a quarterly distribution of \$0.2380 to shareholders of record as of March 11.

### Outlook

We are maintaining our positive outlook for the sector. Our investment thesis stands on four legs. First, improving credit conditions mean fewer losses on problem loans, which translate directly into higher earnings for lenders. Second, deposits are flowing back into the traditional banking system and we see the beginning of the return of commercial loan growth. Third, we are seeing the successful transition from FDIC-supported takeovers to traditional mergers and acquisitions. Fourth, valuations remain compelling, with the industry trading near book value, well below its long-term average.

Despite this positive long-term outlook, some modest near-term headwinds exist. First, many investors appear to be waiting for banks to demonstrate top-line revenue growth before moving back into the sector in a meaningful way. The good news is that some data suggests early indications of loan growth — a primary driver of revenues — in the banking sector as a whole and this is supported by dialogue with the banks we follow. Second, while there still needs to be further clarification on capital rules, particularly for the largest banks, we have factored higher capital rules into our analysis and still see the banks as very attractive given their improving fundamentals and very cheap valuations.

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.

<sup>1</sup> As a percentage of net assets on 4-30-11. Cash and cash equivalents not included in Top 10 Holdings.

<sup>2</sup> Manulife Asset Management (US) LLC is doing business as John Hancock Asset Management.

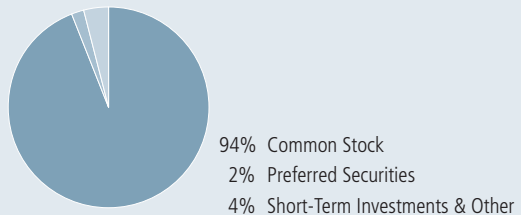
<sup>3</sup> As a percentage of net assets on 4-30-11.

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**“A number of the Fund’s long-held mid-cap commercial bank stocks made important contributions to performance.”**

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PORTFOLIO COMPOSITION<sup>3</sup>



# Portfolio summary

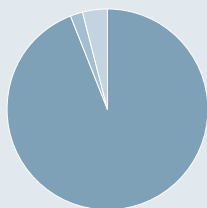
## Top 10 Holdings (41.4% of Net Assets on 4-30-11)<sup>1</sup>

JPMorgan Chase & Company	5.4%	SVB Financial Group	4.0%
PNC Financial Services Group, Inc.	5.2%	Cullen/Frost Bankers, Inc.	4.0%
Wells Fargo & Company	4.7%	TCF Financial Corp.	3.3%
Bank of America Corp.	4.2%	BB&T Corp.	3.2%
U.S. Bancorp.	4.2%	Zions Bancorporation	3.2%

## Industry Composition<sup>2,3</sup>

Commercial Banks	76%	Capital Markets	2%
Diversified Financial Services	11%	Short-Term Investments & Other	4%
Thrifts & Mortgage Finance	7%		

## PORTFOLIO COMPOSITION<sup>2</sup>



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

<sup>1</sup> Cash and cash equivalents not included in Top 10 Holdings.

<sup>2</sup> As a percentage of the Fund's net assets on 4-30-11.

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

# Fund's investments

As of 4-30-11 (unaudited)

	Shares	Value
<b>Common Stocks 93.61%</b>		<b>\$349,908,234</b>
(Cost \$318,554,104)		
<b>Financials 93.61%</b>		<b>349,908,234</b>
<b>Capital Markets 1.99%</b>		
State Street Corp.	159,460	7,422,860
<b>Commercial Banks 74.93%</b>		
1st United Bancorp, Inc. (I)	346,472	2,414,910
Ameris Bancorp	236,991	2,355,691
Anchor Bancorp (I)	88,416	898,307
Avenue Bank (I)(R)	300,000	1,249,827
Bank of Marin Bancorp	4,520	170,133
Bar Harbor Bankshares	34,222	999,967
BB&T Corp.	440,898	11,868,974
Bond Street Holdings LLC, Class A (I)(S)	291,804	5,836,080
Boston Private Financial Holdings, Inc.	206,198	1,441,324
Bridge Capital Holdings (I)	150,564	1,547,798
Bryn Mawr Bank Corp.	80,000	1,612,000
California United Bank (I)	83,002	1,025,075
Camden National Corp.	36,776	1,270,611
Centerstate Banks, Inc.	321,439	1,999,351
Citizens Republic Banking Corp., Inc. (I)	2,777,383	2,549,638
City Holding Company	47,798	1,629,912
Comerica, Inc.	287,393	10,900,816
Cullen/Frost Bankers, Inc.	251,048	14,872,084
CVB Financial Corp.	265,747	2,588,376
DNB Financial Corp.	78,515	765,521
East West Bancorp, Inc.	558,155	11,793,815
Eastern Virginia Bankshares, Inc.	69,998	247,093
ECB Bancorp, Inc.	27,504	327,298
Evans Bancorp, Inc.	44,524	630,015
Fifth Third Bancorp	414,093	5,495,014
First Bancorp, Inc.	146,499	2,175,510
First California Financial Group, Inc. (I)	208,583	803,045
First Horizon National Corp.	180,033	1,971,361
First Southern Bancorp, Inc., Class B (I)	78,390	944,600
FNB Corp.	960,203	10,514,223
Glacier Bancorp, Inc.	189,375	2,846,306
Hancock Holding Company	232,176	7,582,868

	Shares	Value
<b>Commercial Banks (continued)</b>		
Heritage Commerce Corp. (I)	387,733	\$2,027,844
Heritage Financial Corp.	187,598	2,765,195
Heritage Oaks Bancorp (I)	650,719	2,407,660
Horizon Bancorp	6,950	188,345
Huntington Bancshares, Inc.	236,485	1,605,733
Independent Bank Corp. — MA	195,961	5,743,617
Lakeland Financial Corp.	54,942	1,203,788
M&T Bank Corp.	94,160	8,320,919
MB Financial, Inc.	296,947	6,143,833
Northrim BanCorp, Inc.	77,232	1,545,412
Pacific Continental Corp.	195,981	1,871,619
Park National Corp.	26,127	1,804,853
Park Sterling Corp. (I)	293,418	1,401,071
PNC Financial Services Group, Inc.	309,372	19,286,250
Prosperity Bancshares, Inc.	111,554	5,114,751
Renasant Corp.	37,311	626,079
Sandy Spring Bancorp, Inc.	54,695	977,400
Sierra Bancorp	140,000	1,561,000
Southcoast Financial Corp. (I)	64,413	209,986
Sun Bancorp, Inc. (I)	502,348	1,828,547
SunTrust Banks, Inc.	318,859	8,988,635
SVB Financial Group (I)	249,420	15,074,945
Talmer Bank & Trust Company (I)(R)	462,595	2,624,349
TCF Financial Corp.	783,634	12,216,854
TriCo Bancshares	202,536	3,303,362
Trustmark Corp.	90,000	2,091,600
U.S. Bancorp	601,613	15,533,648
Union First Market Bankshares Corp.	56,313	716,864
United Bancorp, Inc. (I)	315,013	1,102,546
Univest Corp. of Pennsylvania	19,000	319,580
Washington Banking Company	67,556	945,108
Washington Trust Bancorp, Inc.	123,905	2,903,094
Wells Fargo & Company	604,108	17,585,584
WesBanco, Inc.	130,961	2,658,508
Westamerica Bancorp.	30,499	1,549,044
Wilshire Bancorp, Inc.	172,168	688,672
Zions Bancorporation	483,334	11,817,516
<b>Diversified Financial Services 9.61%</b>		
Bank of America Corp.	1,278,555	15,700,655
JPMorgan Chase & Company	443,587	20,240,875
<b>Thriffs &amp; Mortgage Finance 7.08%</b>		
Berkshire Hill Bancorp, Inc.	358,903	8,003,537
Citizens South Banking Corp.	343,181	1,630,110
Doral Financial Corp. (I)	103,266	154,899
First Defiance Financial Corp.	125,381	1,715,212
First Financial Holdings, Inc.	90,857	997,610
Flushing Financial Corp.	126,781	1,866,216
Heritage Financial Group, Inc.	95,762	1,156,805

	Shares	Value
<b>Thriffs &amp; Mortgage Finance (continued)</b>		
Hingham Institution for Savings	80,000	\$4,232,000
Home Federal Bancorp, Inc.	94,447	1,147,531
Kaiser Federal Financial Group, Inc.	109,586	1,376,400
Viewpoint Financial Group	69,957	863,969
WSFS Financial Corp.	73,787	3,318,201

	Shares	Value
<b>Preferred Securities 1.61%</b>		<b>\$6,025,448</b>

(Cost \$4,619,727)

<b>Financials 1.61%</b>	<b>6,025,448</b>
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**Commercial Banks 0.72%**

First Southern Bancorp, Inc. (I)(J)	134	553,408
Monarch Financial Holdings, Inc., Series B, 7.800%	38,925	1,049,029
Zions Bancorporation, Series C, 9.500%	40,371	1,085,576

**Diversified Financial Services 0.89%**

Bank of America Corp., Series MER, 8.625%	74,849	2,014,935
Citigroup Capital XII (8.500% to 3-30-15, then 3 month LIBOR + 5.870%)	50,000	1,322,500

	Rate (%)	Maturity date	Par value	Value
<b>Corporate Bonds 0.14%</b>				<b>\$533,721</b>

(Cost \$430,659)

<b>Financials 0.14%</b>	<b>533,721</b>
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**Commercial Banks 0.14%**

Regions Financial Corp.	7.375	12-10-37	\$544,613	533,721
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<b>Capital Preferred Securities 0.09%</b>				<b>\$315,103</b>
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(Cost \$261,285)

<b>Financials 0.09%</b>	<b>315,103</b>
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**Commercial Banks 0.09%**

Banponce Trust I, Series A	8.327	02-01-27	\$360,000	315,103
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	Shares	Value
<b>Warrants 0.40%</b>		<b>\$1,500,922</b>

(Cost \$1,713,920)

Comerica, Inc. (Expiration Date: 11-14-18, Strike Price: \$29.40) (I)(J)	93,762	1,256,411
Valley National Bancorp (Expiration Date: 11-14-18, Strike Price: \$17.77) (I)(J)	33,222	80,729
Washington Federal, Inc. (Expiration Date: 11-14-18, Strike Price: \$17.57) (I)(J)	27,297	163,782

	Yield (%)*	Maturity date	Par value	Value
<b>Certificate of Deposit 0.02%</b>				<b>\$64,409</b>
(Cost \$64,409)				
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
Framingham Cooperative Bank	2.000	09-12-11	3,711	3,711
Home Bank	0.867	12-04-13	18,442	18,442
Machias Savings Bank	1.980	05-24-11	1,782	1,782
Midstate Federal Savings and Loan	1.590	05-27-11	1,905	1,905
Milford Bank	2.130	06-04-11	1,776	1,776
Mount McKinley Savings Bank	0.400	12-05-11	1,682	1,682
Mt. Washington Bank	1.500	10-31-11	1,778	1,778
Newburyport Bank	1.250	10-22-12	2,010	2,010
Newton Savings Bank	2.370	05-30-11	1,803	1,803
OBA Federal Savings and Loan	1.050	12-15-11	1,287	1,287
Plymouth Savings Bank	1.340	05-11-11	1,857	1,857
Randolph Savings Bank	1.000	09-23-11	1,854	1,854
Salem Five Cents Savings Bank	0.600	12-19-11	1,703	1,703
Sunshine Federal Savings and Loan Association	2.460	05-10-11	1,864	1,864
			<b>Par value</b>	<b>Value</b>
<b>Short-Term Investments 0.20%</b>				<b>\$762,000</b>
(Cost \$762,000)				
<b>Repurchase Agreement 0.20%</b>				<b>762,000</b>
Repurchase Agreement with State Street Corp. dated 4-29-11 at 0.010% to be repurchased at \$762,001 on 5-2-11, collateralized by \$750,000 Federal Home Loan Mortgage Corp., 4.500% due 1-15-14 (valued at \$779,025, including interest)				
			\$762,000	762,000
<b>Total investments (Cost \$326,406,104)† 96.07%</b>				<b>\$359,109,837</b>
<b>Other assets and liabilities, net 3.93%</b>				<b>\$14,707,209</b>
<b>Total net assets 100.00%</b>				<b>\$373,817,046</b>

The percentage shown for each investment category is the total value of the category as a percentage of the net assets of the Fund.

## Notes to Schedule of Investments

LIBOR London Interbank Offered Rate

- (I) Non-income producing security.
- (J) These securities are 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 4-30-11
Avenue Bank	1-29-07	\$3,000,000	300,000	300,000	0.33%	\$1,249,827
Talmer Bank & Trust Company	4-30-10	\$2,775,570	462,595	462,595	0.70%	\$2,624,349

- (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 4-30-11, the aggregate cost of investment securities for federal income tax purposes was \$326,410,726. Net unrealized appreciation aggregated \$32,699,111, of which \$58,383,721 related to appreciated investment securities and \$25,684,610 related to depreciated investment securities.

# Financial statements

## Statement of assets and liabilities 4-30-11 (unaudited)

**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.**

<b>Assets</b>	
Investments, at value (Cost \$326,406,104)	\$359,109,837
Cash	14,009,695
Receivable for investments sold	620,492
Dividends and interest receivable	374,328
Other receivables and prepaid expenses	108,666
<b>Total assets</b>	<b>374,223,018</b>
<b>Liabilities</b>	
Payable for investments purchased	265,220
Payable to affiliates	
Accounting and legal services fees	30,670
Trustees' fees	56,946
Other liabilities and accrued expenses	53,136
<b>Total liabilities</b>	<b>405,972</b>
<b>Net assets</b>	
Capital paid-in	\$343,916,563
Accumulated distributions in excess of net investment income	(8,160,648)
Accumulated net realized gain on investments	5,357,398
Net unrealized appreciation (depreciation) on investments	32,703,733
<b>Net assets</b>	<b>\$373,817,046</b>
<b>Net asset value per share</b>	
Based on 19,604,677 shares of beneficial interest outstanding — unlimited number of shares authorized with no par value	\$19.07

## Statement of operations For the six-month period ended 4-30-11

(unaudited)

**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.**

<b>Investment income</b>	
Dividends	\$2,983,426
Interest	107,582
<b>Total investment income</b>	<b>3,091,008</b>
<b>Expenses</b>	
Investment management fees (Note 4)	2,109,562
Accounting and legal services fees (Note 4)	458,498
Transfer agent fees	17,441
Trustees' fees (Note 4)	26,854
Printing and postage	59,941
Professional fees	65,346
Custodian fees	25,330
Other	9,213
<b>Total expenses</b>	<b>2,772,185</b>
Less expense reductions (Note 4)	(275,099)
<b>Net expenses</b>	<b>2,497,086</b>
<b>Net investment income</b>	<b>593,922</b>
<b>Realized and unrealized gain</b>	
<b>Net realized gain on investments</b>	<b>5,362,020</b>
<b>Change in net unrealized appreciation (depreciation) of investments</b>	<b>45,125,781</b>
<b>Net realized and unrealized gain</b>	<b>50,487,801</b>
<b>Increase in net assets from operations</b>	<b>\$51,081,723</b>

## 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.

	Six months ended 4-30-11 (unaudited)	Year ended 10-31-10
<b>Increase (decrease) in net assets</b>		
<b>From operations</b>		
Net investment income	\$593,922	\$1,449,957
Net realized gain	5,362,020	19,637,635
Change in net unrealized appreciation (depreciation)	45,125,781	5,495,106
<b>Increase in net assets resulting from operations</b>	<b>51,081,723</b>	<b>26,582,698</b>
<b>Distributions to shareholders</b>		
From net investment income	(8,865,433) <sup>1</sup>	(1,294,703)
From net realized gain	—	(13,723,010)
<b>Total distributions</b>	<b>(8,865,433)</b>	<b>(15,017,713)</b>
<b>From Fund share transactions (Note 5)</b>	<b>(6,580,808)</b>	<b>(12,088,382)</b>
<b>Total increase (decrease)</b>	<b>35,635,482</b>	<b>(523,397)</b>
<b>Net assets</b>		
Beginning of period	338,181,564	338,704,961
<b>End of period</b>	<b>\$373,817,046</b>	<b>\$338,181,564</b>
<b>Undistributed (accumulated distributions in excess of) net investment income</b>	<b>(\$8,160,648)</b>	<b>\$110,863</b>

<sup>1</sup> A portion of the distributions may be deemed a tax return of capital at year-end.

# 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.

<b>COMMON SHARES</b> Period ended	4-30-11 <sup>1</sup>	10-31-10	10-31-09	10-31-08	10-31-07	10-31-06
<b>Per share operating performance</b>						
<b>Net asset value, beginning of period</b>	<b>\$16.90</b>	<b>\$16.28</b>	<b>\$20.81</b>	<b>\$35.08</b>	<b>\$42.28</b>	<b>\$42.08</b>
Net investment income <sup>2</sup>	0.03	0.07	0.29	0.62	0.64	0.64
Net realized and unrealized gain (loss) on investments	2.55	1.19	(3.63)	(8.94)	(3.52)	3.84
<b>Total from investment operations</b>	<b>2.58</b>	<b>1.26</b>	<b>(3.34)</b>	<b>(8.32)</b>	<b>(2.88)</b>	<b>4.48</b>
<b>Less distributions to common shareholders</b>						
From net investment income	(0.45) <sup>3</sup>	(0.06)	(0.29)	(0.68)	(0.60)	(0.68)
From net realized gain	—	(0.67)	—	(4.76)	(3.72)	(3.60)
From tax return of capital	—	—	(0.94)	(0.51)	—	—
<b>Total distributions</b>	<b>(0.45)</b>	<b>(0.73)</b>	<b>(1.23)</b>	<b>(5.95)</b>	<b>(4.32)</b>	<b>(4.28)</b>
Anti-dilutive impact of repurchase plan	0.04 <sup>4</sup>	0.09 <sup>4</sup>	0.04 <sup>4</sup>	—	—	—
<b>Net asset value, end of period</b>	<b>\$19.07</b>	<b>\$16.90</b>	<b>\$16.28</b>	<b>\$20.81</b>	<b>\$35.08</b>	<b>\$42.28</b>
<b>Per share market value, end of period</b>	<b>\$17.12</b>	<b>\$15.02</b>	<b>\$13.30</b>	<b>\$17.80</b>	<b>\$30.96</b>	<b>\$39.20</b>
<b>Total return at net asset value (%)<sup>5,6</sup></b>	<b>15.79<sup>7</sup></b>	<b>8.82</b>	<b>(13.78)</b>	<b>(24.38)</b>	<b>(6.93)</b>	<b>12.07</b>
<b>Total return at market value (%)<sup>6</sup></b>	<b>16.96<sup>7</sup></b>	<b>18.38</b>	<b>(17.65)</b>	<b>(26.67)</b>	<b>(11.41)</b>	<b>16.41</b>
<b>Ratios and supplemental data</b>						
Net assets applicable to common shares, end of period (in millions)	\$374	\$338	\$339	\$439	\$740	\$892
Ratios (as a percentage of average net assets):						
Expenses before reductions	1.51 <sup>8</sup>	1.51	1.55	1.49	1.44	1.46
Expenses net of fee waivers and credits	1.36 <sup>8</sup>	1.36	1.40	1.34	1.29	1.29
Net investment income	0.32 <sup>8</sup>	0.39	1.88	2.51	1.61	1.49
Portfolio turnover (%)	10	34	37	27	21	9

<sup>1</sup> Semiannual period from 11-1-10 to 4-30-11. Unaudited.

<sup>2</sup> Based on the average daily shares outstanding.

<sup>3</sup> A portion of the distributions may be deemed a tax return of capital at year-end.

<sup>4</sup> The repurchase plan was completed at an average repurchase price of \$16.41, \$15.04 and \$12.99 for 401,138; 803,485 and 290,700 shares, and \$6,580,808, \$12,088,382 and \$3,776,593 which had a \$0.04, \$0.09 and \$0.04 NAV impact for the period ended 4-30-11 and the years ended 10-31-10 and 10-31-09, respectively.

<sup>5</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>6</sup> 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 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.

<sup>7</sup> Not annualized.

<sup>8</sup> Annualized.

# Notes to financial statements

## (unaudited)

### Note 1 — Organization

John Hancock Bank and Thrift Opportunity Fund (the Fund) is a closed-end diversified management investment company 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 April 30, 2011, by major security category or type:

	TOTAL MARKET VALUE AT 4-30-11	LEVEL 1 QUOTED PRICE	LEVEL 2 SIGNIFICANT OBSERVABLE INPUTS	LEVEL 3 SIGNIFICANT UNOBSERVABLE INPUTS
<b>Common Stocks</b>				
Capital Markets	\$7,422,860	\$7,422,860	—	—
Commercial Banks	280,081,354	270,371,098	\$5,836,080	\$3,874,176
Diversified Financial Services	35,941,530	35,941,530	—	—
Thrifts & Mortgage Finance	26,462,490	26,462,490	—	—
<b>Preferred Securities</b>				
Commercial Banks	2,688,013	2,134,605	—	553,408
Diversified Financial Services	3,337,435	3,337,435	—	—
<b>Corporate Bonds</b>				
Commercial Banks	533,721	—	533,721	—
<b>Capital Preferred Securities</b>				
Commercial Banks	315,103	—	315,103	—
<b>Warrants</b>	1,500,922	1,500,922	—	—
<b>Certificate of Deposit</b>	64,409	—	64,409	—
<b>Short-Term Investments</b>	762,000	—	762,000	—
<b>Total Investments in Securities</b>	<b>\$359,109,837</b>	<b>\$347,170,940</b>	<b>\$7,511,313</b>	<b>\$4,427,584</b>

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. During the six-month period ended April 30, 2011, there were no significant transfers in 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 in 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 SECURITIES	TOTAL
Balance as of 10-31-10	\$2,918,657	\$61,919	\$2,980,576
Realized gain (loss)	—	—	—
Change in unrealized appreciation (depreciation)	955,519	491,489	1,447,008
Purchases	—	—	—
Sales	—	—	—
Transfers into Level 3	—	—	—
Transfers out of Level 3	—	—	—
<b>Balance as of 4-30-11</b>	<b>\$3,874,176</b>	<b>\$553,408</b>	<b>\$4,427,584</b>
Change in unrealized at period end*	\$955,519	\$491,489	\$1,447,008

\*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.

**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. Gains and losses on securities sold are determined on the basis of identified cost and may include proceeds from litigation. Dividend income is recorded on the ex-date. 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.

**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.

**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 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, 2010, the Fund had no uncertain tax positions that would require financial statement recognition, de-recognition or disclosure. The Fund's federal tax return is 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 the Distribution Plan at any time. The termination 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.

Such distributions, 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. The final determination of tax characteristics of the Fund's distribution will occur at the end of the year at which time it will be reported to shareholders. A portion of the distributions paid may be deemed a tax return of capital for the year ended October 31, 2011.

Capital accounts within 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.

### **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 management contract 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 indirect owned subsidiary of MFC and an affiliate of the Adviser. The Fund is not responsible for payment of the subadvisory fees.

The investment management fees incurred for the six-months ended April 30, 2011 were equivalent to an annual effective rate of 1.15% of the Fund's average daily net assets.

**Accounting and legal services.** The Fund has an agreement with the Adviser and affiliates to perform necessary tax, accounting and legal services for the Fund. The compensation for the six-month period was at an annual rate of 0.25% of the average weekly net assets of the Fund. The Adviser agreed to limit the accounting and legal 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 \$275,099 for the six-months ended April 30, 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 six-months ended April 30, 2011 amounted to an annual rate of 0.10% of the Fund's average daily net assets.

**Trustee expenses.** The Trust 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, 2011 and December 31, 2011.

During the six months ended April 30, 2011 and the year ended October 31, 2010, the Fund repurchased 401,138 and 803,485, respectively (1.96% and 3.86% of shares outstanding, respectively) of its common shares under the share repurchase program. The corresponding dollar amount of the share repurchase amounted to \$6,580,808 and \$12,088,382 during the six months ended April 30, 2011, and the year ended October 31, 2010, respectively.

#### **Note 6 — Purchase and sale of securities**

Purchases and sales of securities, other than short-term securities, aggregated \$35,249,813 and \$55,357,976, respectively, for the six months ended April 30, 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, this may make the Fund's investment performance more volatile and investment values may rise and fall more rapidly.

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## 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.”

## Bylaws

On November 19, 2002, the Board of Trustees adopted several amendments to the Fund’s bylaws, including provisions relating to the calling of a special meeting and requiring advance notice of shareholder proposals or nominees for Trustee. The advance notice provisions in the bylaws require shareholders to notify the Fund in writing of any proposal that they intend to present at an annual meeting of shareholders, including any nominations for Trustee, between 90 and 120 days prior to the first anniversary of the mailing date of the notice from the prior year’s annual meeting of shareholders. The notification must be in the form prescribed by the bylaws. The advance notice provisions provide the Fund and its Trustees with the opportunity to thoughtfully consider and address the matters proposed before the Fund prepares and mails its proxy statement to shareholders. Other amendments set forth the procedures that must be followed in order for a shareholder to call a special meeting of shareholders.

Effective September 9, 2008, the Fund's bylaws were amended with respect to notice requirements for Trustee nominations and other proposals by the Fund's shareholders. These provisions require the disclosure of the nominating shareholder and the nominee's investment interests as they relate to the Fund, as well as the name of any other shareholder supporting the nominee for election as a Trustee or the proposal of other business. In order for notice to be proper, such notice must disclose the economic interests of the nominating shareholder and nominee, including his or her holdings of shares in the Fund, the intent upon which those shares were acquired, and any hedging arrangements (including leveraged or short positions) made with respect to the shares of the Fund. Additionally, any material interest that the shareholder has in the business to be brought before the meeting must be disclosed.

Please contact the Secretary of the Fund for additional information about the advance notice requirements or the other amendments to the bylaws.

### Dividends and distributions

During the six-month period ended April 30, 2011, dividends from net investment income totaling \$0.4493 per share were paid to shareholders. The dates of payments and the amounts per share were as follows:

PAYMENT DATE	DISTRIBUTIONS <sup>1</sup>
December 31, 2010	\$0.2113
March 31, 2011	0.2380
<b>Total</b>	<b>\$0.4493</b>

<sup>1</sup> A portion of the distributions may be deemed a tax return of capital at year-end.

### 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.

Pursuant to the Fund's Dividend Reinvestment Plan (the Plan), 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 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](http://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](http://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](http://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.

## Shareholder meeting

The Fund held its Annual Meeting of Shareholders on January 21, 2011. The following proposal was considered by the shareholders:

**Proposal:** Election of three (3) Trustees to serve for a three-year term ending at the Annual Meeting of Shareholders in 2014. The votes cast with respect to each Trustee are set forth below.

### **THE PROPOSAL PASSED ON JANUARY 21, 2011.**

	TOTAL VOTES FOR THE NOMINEE	TOTAL VOTES WITHHELD FROM THE NOMINEE
James F. Carlin	15,987,714	1,486,089
William H. Cunningham	15,992,879	1,550,924
Gregory A. Russo	15,997,409	1,476,394

The following eight Trustees were not up for election and remain in office: Deborah C. Jackson, Charles L. Ladner, Stanley Martin, Patti McGill Peterson, Hugh McHaffie, John A. Moore, Steven R. Pruchansky and John G. Vrysen.

# More information

## Trustees

Steven R. Pruchansky,  
*Chairperson*  
James F. Carlin  
William H. Cunningham  
Deborah C. Jackson\*  
Charles L. Ladner,\*  
*Vice Chairperson*  
Stanley Martin\*  
Hugh McHaffie†  
Dr. John A. Moore  
Patti McGill Peterson\*  
Gregory A. Russo  
John G. Vrysant

\*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  
(formerly MFC Global  
Investment Management  
(U.S.), LLC)

## Custodian

State Street Bank and  
Trust Company

## Transfer agent

Mellon Investor Services

## Legal counsel

K&L Gates LLP

## Stock symbol

Listed New York Stock  
Exchange: BTO

For shareholder assistance refer to page 25

You can also contact us:

**1-800-852-0218**  
**jhfunds.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](http://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](http://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 [www.jhfunds.com](http://www.jhfunds.com) or by calling 1-800-852-0218.

*The report is certified under the Sarbanes-Oxley Act, which requires mutual 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.*

*The Fund is listed for trading on the NYSE and has filed with the NYSE its chief executive officer certification regarding compliance with the NYSE's listing standards. The Fund also files with the SEC the certification of its chief executive officer and chief financial officer required by Section 302 of the Sarbanes-Oxley Act.*





**DOMESTIC EQUITY**

Balanced Fund  
 Classic Value Fund  
 Classic Value Mega Cap 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. Core 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

**RETIREMENT INCOME**

Retirement Distribution Portfolio  
 Retirement Rising Distribution 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](http://www.jhfunds.com). Please read the prospectus carefully before investing or sending money.

Not part of the semiannual report



1-800-852-0218  
1-800-231-5469 TDD  
1-800-843-0090 EASI-Line  
[www.jhfunds.com](http://www.jhfunds.com)

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6/11