

JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND
Form N-CSRS
August 18, 2016
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811- 8568

John Hancock Financial Opportunities Fund
(Exact name of registrant as specified in charter)

601 Congress Street, Boston, Massachusetts 02210
(Address of principal executive offices) (Zip code)

Salvatore Schiavone

Treasurer

601 Congress Street

Boston, Massachusetts 02210
(Name and address of agent for service)

Registrant's telephone number, including area code: 617-663-4497

Date of fiscal year end: December 31

Date of reporting period: June 30, 2016

ITEM 1. REPORT TO SHAREHOLDERS

John Hancock

Financial Opportunities Fund

Ticker: BTO

Semiannual report 6/30/16

A message to shareholders

Dear shareholder,

The past six months marked a volatile stretch for equity investors. In January, major U.S. equity indexes experienced corrections declines of 10% or more before going on to rebound in the spring. Turbulence soon returned, however, as Brexit, the U.K.'s vote in late June to leave the European Union (EU), created a challenging backdrop for financial markets. Investors embraced traditional safe-haven assets, including U.S. Treasuries and gold, but equities and currency markets worldwide experienced sharp short-term drops. The move creates a number of unknowns in the near term, the most important of which is whether other EU countries will follow suit, and may ultimately have a negative effect on Europe's economic recovery. Our network of asset managers and researchers expects that the European Central Bank and the Bank of England will likely expand their efforts to stimulate economic activity and that the U.K.'s decision may even delay the U.S. Federal Reserve's next interest-rate increase until December at the earliest, all of which should help support markets. In fact, the S&P 500 Index and Dow Jones Industrial Average both went on to hit all-time highs in mid-July as investors bought stocks on the Brexit dip.

While it's impossible to predict how markets will respond to global macroeconomic developments in the coming weeks and months, it is prudent to expect continued volatility. At John Hancock Investments, portfolio risk management is a critical part of our role as an asset manager and our dedicated risk team is focused on these issues every day. We continually strive for new ways to analyze potential risks and have liquidity tools in place to meet the needs of our fund shareholders. Whether the markets are up or down, your financial advisor can help ensure your portfolio is sufficiently diversified to meet your long-term objectives and to withstand the inevitable bumps along the way.

On behalf of everyone at John Hancock Investments, I'd like to take this opportunity to thank you for the continued trust you've placed in us.

Sincerely,

Andrew G. Arnott
President and Chief Executive Officer
John Hancock Investments

This commentary reflects the CEO's views as of June 30, 2016. They are subject to change at any time. All investments entail risks, including the possible loss of principal. Diversification does not guarantee a profit or eliminate the risk of a loss. For more up-to-date information, you can visit our website at jhinvestments.com.

John Hancock
Financial Opportunities Fund

Table of contents

2 Your fund at a glance
4 Discussion of fund performance
8 Fund's investments
14 Financial statements
18 Financial highlights
19 Notes to financial statements
27 Additional information
28 Continuation of investment advisory and subadvisory agreements
33 Shareholder meeting
34 More information

SEMIANNUAL REPORT | JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND 1

Your fund at a glance

INVESTMENT OBJECTIVE

The fund seeks to provide a high level of total return consisting of long-term capital appreciation and current income.

AVERAGE ANNUAL TOTAL RETURNS AS OF 6/30/16 (%)

The S&P Composite 1500 Banks Index is an unmanaged index of banking sector stocks in the S&P 1500 Index.

It is not possible to invest directly in an index. Index figures do not reflect expenses and sales charges, which would result in lower returns.

The fund's most recent performance and current annualized distribution rate can be found at jhinvestments.com.

The fund's performance at net asset value (NAV) is different from the fund's performance at closing market price because the closing market price is subject to the dynamics of secondary market trading, which could cause the fund to trade at a discount or premium to its NAV at any time.

The performance data contained within this material represents past performance, which does not guarantee future results.

SEMIANNUAL REPORT | JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND 2

PERFORMANCE HIGHLIGHTS OVER THE LAST SIX MONTHS

Volatility and low rates hurt financials

Financial stocks suffered losses worse than the overall market due to heightened volatility and the prospects for a prolonged period of low interest rates.

A small-cap stock focus drove relative results

The fund had a negative return but outperformed its comparative index, the S&P Composite 1500 Banks Index, owing primarily to an underweight in large-cap banks and stock selection in the regional bank segment.

Economic strength lifted regional banks

The strength of local economies supported solid loan growth and ongoing consolidation among smaller-cap regional banks.

PORTFOLIO COMPOSITION AS OF 6/30/16 (%)

A note about risks

As is the case with all closed-end funds, shares of this fund may trade at a discount or a premium to the fund's net asset value (NAV). In addition to the impact of market movements, if a shareholder purchases shares at a time when the market price is at a premium to the NAV or sells shares at a time when the market price is at a discount to the NAV, the shareholder may sustain losses. An investment in the fund is subject to investment and market risks, including the possible loss of the entire principal invested. There is no guarantee prior distribution levels will be maintained and distributions may include a substantial return of capital. Fixed-income investments are subject to interest-rate and credit risk; their value will normally decline as interest rates rise or if a creditor, grantor, or counterparty is unable or unwilling to make principal, interest, or settlement payments. Investments in higher-yielding, lower-rated securities are subject to a higher risk of default. An issuer of securities held by the fund may default, have its credit rating downgraded, or otherwise perform poorly, which may affect fund performance. Liquidity the extent (if at all) to which a security may be sold or a derivative position closed without negatively affecting its market value may be impaired by reduced trading volume, heightened volatility, rising interest rates, and other market conditions. The fund's use of leverage creates additional risks, including greater volatility of the fund's NAV, market price, and returns. There is no assurance that the fund's leverage strategy will be successful. Focusing on a particular industry or sector may increase the fund's volatility and make it more susceptible to market, economic, and regulatory risks as well as other factors affecting those industries or sectors.

Discussion of fund performance

An interview with Portfolio Manager Lisa A. Welch, John Hancock Asset Management a division of Manulife Asset Management (US) LLC

Lisa A. Welch

Portfolio Manager

John Hancock Asset Management

What were the main factors driving market performance and financial stocks over the period?

Markets endured high levels of volatility to begin and end the first half of 2016 but still managed gains, with the S&P 500 Index adding 3.84% for the period. Global economic growth concerns, centered in China, and falling commodity prices led to sharp losses in the first six weeks of the year, with the S&P 500 Index and crude oil bottoming in February. Stocks began to recover as the U.S. Federal Reserve, expressing concern over the impact of global turmoil on the U.S. economy and markets, adopted a more accommodative monetary policy stance and scaled back its planned pace of interest-rate increases for the year. Volatility returned in the last week of June due to Brexit, the surprise passage of a referendum by the United Kingdom to leave the European Union (EU). Brexit sparked a sharp, but short-lived, sell-off in stocks; however, it could weigh on the pound sterling and the euro for an extended period. The political uncertainty surrounding the future of the relationship between United Kingdom and the EU caused the U.S. dollar to strengthen after the vote and led U.S. Treasury yields to fall by 30 basis points. The turmoil surrounding Brexit may push out the next increase in U.S. interest rates.

Financial stocks, hurt by the likelihood of prolonged low interest rates and negative earnings revisions due to sluggish capital market activities, endured significant losses and trailed the broader market, with the fund's comparative index, the S&P Composite 1500 Banks Index, finishing down sharply. Smaller-cap regional banks tied more to the U.S. economy outperformed large-cap banks and diversified financial companies.

The fund's holdings in regional banks held up relatively well. What trends supported their performance?

The impact of Brexit on U.S. regional bank stocks should be limited. We are encouraged by signs of stability in the economy, including an upward revision in the first-quarter GDP, good consumer spending, and stabilizing oil prices. The June jobs report released after quarter end showed a

"Financial stocks, hurt by the likelihood of prolonged low interest rates and negative earnings revisions due to sluggish capital market activities, endured sharp losses ..."

powerful rebound in hiring and signs of wage growth. We expect this strength will be reflected in continued loan growth and business expansion for the small-cap and regional banks that are a focus of the fund's holdings. Merger-and-acquisition activity among regional banks has also been a driver of performance. With regulatory costs rising, banks can benefit from increasing scale, so we expect this consolidation trend will continue.

How did the fund perform in a difficult period for the financials sector?

The fund had a negative absolute return but outperformed its comparative index. The fund's outperformance was due primarily to an underweight in the money center banks Bank of America Corp., JPMorgan Chase & Co., Citigroup, Inc., and Wells Fargo & Company, which account for nearly two-thirds of the index and underperformed for the reporting period. Positive stock selection among regional banks also contributed to the fund's relative outperformance.

What stocks had the greatest positive impact on relative performance?

The leading contributors included Cullen/Frost Bankers, Inc., a Texas-based lender with significant energy business that was boosted by the rebound in oil prices. Strategic acquirer Yadkin Financial Corp. of North Carolina continued to be rewarded for its consolidation efforts, in addition to being

INDUSTRY COMPOSITION AS OF 6/30/16 (%)

"Current valuations in the financials sector continue to look attractive compared with historical levels and we believe it is a good time to be investing in financial companies."

labeled as a takeover target itself by the market. Midwest regional bank MB Financial, Inc. had strong performance on better-than-expected earnings. Tennessee-based Avenue Financial Holdings, Inc. was the subject of an announced takeover by Pinnacle Financial. The market also rewarded Talmer Bancorp, Inc. for its merger with Chemical Financial Corp., which was announced in December 2015.

Which holdings had the biggest negative impact for the period?

Ameris Bancorp was a significant detractor. The Georgia-based regional bank gave back gains after a strong 2015 performance, as it missed fourth-quarter earnings estimates and the stock underperformed. Intermediate Capital Group PLC, an alternative asset manager based in London, was caught in the post-Brexit selling, but disruption in U.K. credit markets could create new business for its mezzanine credit operation. Business development company Fifth Street Finance Corp. sold off after activist investors withdrew their slate of directors. New England-based Citizens Financial Group also detracted from relative performance as the stock fell in a risk-off environment. The stock looks very attractive to us as it is trading at a discount to tangible book value.

TOP 10 HOLDINGS AS OF 6/30/16 (%)

M&T Bank Corp.	2.4
JPMorgan Chase & Co.	2.4
Cullen/Frost Bankers, Inc.	2.2
U.S. Bancorp	2.2
BB&T Corp.	2.2
SunTrust Banks, Inc.	2.0
Wells Fargo & Company	2.0
Talmer Bancorp, Inc., Class A	1.9
The PNC Financial Services Group, Inc.	1.8
Berkshire Hills Bancorp, Inc.	1.7
TOTAL	20.8

As a percentage of total investments.

Cash and cash equivalents are not included.

How was the fund positioned at the end of the period?

Current valuations in the financials sector continue to look attractive compared with historical levels and we believe it is a good time to be investing in financial companies. Trading during the period was geared toward rebalancing the portfolio and attempting to opportunistically take advantage of price dislocations. We sold the fund's positions in Prosperity Bancshares, Inc., Trustmark Corp., and Suffolk Bancorp after the stocks reached our price targets, added to an existing position in Equity Bancshares, Inc., and initiated a position in First of Long Island Corp.

With the U.S. presidential election ahead, geopolitical uncertainty should cause volatility to continue. Nevertheless, the long-term fundamentals of financial stocks remain appealing: Lenders are seeing good loan growth and the credit quality of those loans is generally good.

MANAGED BY

Susan A. Curry

On the fund since 2006

Investing since 1993

Lisa A. Welch

On the fund since 1998

Investing since 1986

Ryan P. Lentell, CFA

On the fund since 2015

Investing since 1999

The views expressed in this report are exclusively those of Lisa A. Welch, John Hancock Asset Management, and are subject to change. They are not meant as investment advice. Please note that the holdings discussed in this report may not have been held by the fund for the entire period. Portfolio composition is subject to review in accordance with the fund's investment strategy and may vary in the future. Current and future portfolio holdings are subject to risk.

SEMIANNUAL REPORT | JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND 7

Fund's investments

As of 6-30-16 (unaudited)

	Shares	Value
Common stocks		
104.1% (84.0% of		\$478,559,825
Total investments)		
(Cost \$347,884,849)		
Financials 104.1%		478,559,825
Banks 91.7 %		
1st Source	121,706	3,942,057
Corp.		
Access		
National	51,655	1,007,789
Corp.		
Ameris	309,284	9,185,735
Bancorp		
Anchor		
Bancorp,	52,992	1,252,201
Inc. (I)(Z)		
Atlantic		
Capital		
Bancshares,	186,650	2,698,959
Inc.		
(I)(L) (Z)		
Avenue		
Financial		
Holdings,	300,000	5,895,000
Inc.		
(I)(L) (Z)		
Avidbank		
Holdings,	200,000	2,842,100
Inc. (I)		
Bank of		
America	333,959	4,431,636
Corp.		
Bank of		
Marin	55,576	2,688,211
Bancorp (Z)		
Bankwell		
Financial	76,657	1,691,053
Group, Inc.		
Bar Harbor	80,020	2,808,702
Bankshares		

Edgar Filing: JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND - Form N-CSRS

BB&T Corp. (L) (Z)	346,799	12,349,512
Berkshire Hills Bancorp, Inc.	358,903	9,661,669
Bryn Mawr Bank Corp. Camden National Corp.	80,000	2,336,000
Carolina Financial Corp. (L)(Z)	36,776	1,544,592
Citigroup, Inc.	58,559	1,093,882
Citizens Financial Group, Inc.	28,193	1,195,101
City Holding Company (Z)	243,046	4,856,059
Comerica, Inc. (L) (Z)	39,363	1,789,836
Commerce Bancshares, Inc. (L) (Z)	167,706	6,897,748
Communities First Financial Corp. (I)	105,204	5,039,272
County Bancorp, Inc.	115,523	1,137,902
CU Bancorp (I)	56,180	1,158,432
Cullen/Frost Bankers, Inc. (L) (Z)	91,813	2,086,909
DNB Financial Corp.	197,034	12,556,977
Eagle Bancorp Montana, Inc.	78,515	1,852,954
Eastern Virginia Bankshares, Inc.	75,106	954,597
Equity Bancshares, Inc., Class A (I)	198,225	1,496,599
	94,860	2,100,200

Evans Bancorp, Inc. (Z)	69,760	1,718,886
FCB Financial Holdings, Inc., Class A (I)	221,342	7,525,628
Fifth Third Bancorp	452,067	7,951,859
First Bancorp, Inc.	266,499	5,740,388
First Bancshares, Inc.	210,000	3,626,700
First Business Financial Services, Inc.	60,700	1,424,629
First Citizens BancShares, Inc., Class A (L) (Z)	15,038	3,893,489
First Community Corp. (Z)	136,228	1,905,830
First Connecticut Bancorp, Inc.	202,450	3,352,572

SEE NOTES TO FINANCIAL STATEMENTS

SEMIANNUAL REPORT | JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND 8

Edgar Filing: JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND - Form N-CSRS

	Shares	Value
Financials (continued)		
Banks (continued)		
First Financial Bancorp	146,045	\$2,840,575
First Merchants Corp.	118,683	2,958,767
First Security Group, Inc. (I)	83,942	1,930,666
Flushing Financial Corp.	139,050	2,764,314
FNB Corp. (L) (Z)	767,513	9,624,613
German American Bancorp, Inc. (L) (Z)	40,060	1,280,718
Glacier Bancorp, Inc. (L) (Z)	223,556	5,942,118
Great Western Bancorp, Inc.	159,455	5,029,211
Hamilton State Bancshares, Inc. (I)	500,000	3,779,404
Hancock Holding Company (L) (Z)	245,752	6,416,585
HCSB Financial Corp. (I)	22,238,470	2,286,109
Heritage Commerce Corp.	387,733	4,082,828
Heritage Financial Corp.	194,590	3,420,892
Heritage Oaks Bancorp	650,719	5,166,709
Horizon Bancorp	179,816	4,520,574
	104,350	1,356,550

Edgar Filing: JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND - Form N-CSRS

Howard Bancorp, Inc. (I)		
Independent Bank Corp.	125,407	1,819,656
Independent Bank Corp. (MA)(L) (Z)	195,961	8,955,418
JPMorgan Chase & Co.	222,625	13,833,918
KeyCorp	667,659	7,377,632
M&T Bank Corp. (L) (Z)	117,579	13,901,365
Mackinac Financial Corp.	40,000	440,400
MainSource Financial Group, Inc. MB	185,504	4,090,363
Financial, Inc. (L) (Z)	183,150	6,644,682
Merchants Bancshares, Inc.	56,125	1,710,690
MutualFirst Financial, Inc.	100,539	2,749,742
National Commerce Corp. (I)	50,542	1,178,639
Northrim BanCorp, Inc.	99,739	2,622,138
Old National Bancorp (L) (Z)	464,937	5,825,661
Old Second Bancorp, Inc.	202,363	1,382,139
Pacific Continental Corp.	183,645	2,885,063
PacWest Bancorp (L) (Z)	71,112	2,828,835
Park National Corp. (L) (Z)	42,113	3,865,131
Park Sterling Corp.	585,931	4,154,251
	122,945	2,678,972

Peoples Bancorp, Inc. QCR Holdings, Inc.	48,822	1,327,470
Regions Financial Corp.	384,335	3,270,691
Renasant Corp.	159,629	5,160,806
Sandy Spring Bancorp, Inc.	68,417	1,988,198
SBT Bancorp, Inc.	37,879	733,337
Shore Bancshares, Inc.	183,579	2,157,053
Southern First Bancshares, Inc. (I)	131,586	3,171,223
Southwest Bancorp, Inc.	110,118	1,864,298

SEE NOTES TO FINANCIAL STATEMENTS

SEMIANNUAL REPORT | JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND 9

Edgar Filing: JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND - Form N-CSRS

	Shares	Value
Financials (continued)		
Banks (continued)		
State Bank		
Financial	53,182	\$1,082,254
Corp.		
Stock Yards	66,324	1,872,327
Bancorp, Inc.		
Sun Bancorp,	126,066	2,604,524
Inc. (I)		
SunTrust	278,451	11,438,767
Banks, Inc.		
Talmer		
Bancorp,	551,228	10,567,041
Inc.,		
Class A (L) (Z)		
The		
Community	62,497	1,383,684
Financial		
Corp.		
The First of	38,215	1,095,624
Long Island		
Corp.		
The PNC	129,086	10,506,310
Financial		
Services		
Group, Inc.		
Towne Bank	157,857	3,417,595
TriCo	202,536	5,589,994
Bancshares		
U.S. Bancorp	310,100	12,506,333
Union		
Bankshares	206,490	5,102,368
Corp.		
United		
Bankshares,	74,856	2,807,849
Inc. (L) (Z)		
Washington	123,905	4,698,478
Trust		
Bancorp, Inc.		
Wells Fargo	238,300	11,278,739
& Company		
(L) (Z)		
Westbury	88,349	1,722,806
Bancorp,		
Inc. (I)		
Yadkin	382,462	9,595,972
Financial		
Corp.		
	265,769	6,678,775

Zions Bancorporation (L) (Z) Capital markets 4.6 %		
Ares Capital Corp. (L) (Z)	171,449	2,434,576
Fifth Street Finance Corp. (L) (Z)	976,087	4,734,022
Golub Capital BDC, Inc.	166,116	3,001,716
Intermediate Capital Group PLC	379,010	2,483,223
KKR & Company LP	233,755	2,884,537
The Blackstone Group LP	132,582	3,253,562
TriplePoint Venture Growth BDC Corp. (Z)	207,177	2,194,004
Insurance 0.6 % Gjensidige Forsikring ASA	165,452	2,756,575
Thrifts and mortgage finance 7.2 % Bank Mutual Corp. BSB Bancorp, Inc. (I)(Z)	161,841	1,242,939
First Defiance Financial Corp.	177,195	4,013,467
Georgetown Bancorp, Inc.	110,515	4,293,508
HomeStreet, Inc. (I)	65,000	1,323,400
Provident Financial Holdings, Inc.	208,636	4,156,029
Provident Financial Services, Inc. (L) (Z)	97,339	1,781,304
	65,253	1,281,569
	112,188	2,639,784

Southern Missouri Bancorp, Inc. United Community Financial Corp.	634,588	3,858,295
United Financial Bancorp, Inc. WSFS Financial Corp.	111,109	1,442,195
	221,361	7,125,611

SEE NOTES TO FINANCIAL STATEMENTS

SEMIANNUAL REPORT | JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND 10

Edgar Filing: JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND - Form N-CSRS

	Shares	Value
Preferred securities		
8.3% (6.7% of Total investments)		\$38,241,629
(Cost \$35,146,451)		
Financials 8.3%		38,241,629
Banks 1.3 %		
HomeTown Bankshares Corp., 6.000% (I)	1,050	1,594,320
OFG Bancorp, Series C, 8.750%	1,671	1,436,329
SB Financial Group, Inc., 6.500%	250,000	2,912,500
Capital markets 1.8 %		
JMP Group LLC, 7.250% (Z)	80,000	1,982,400
JMP Group LLC, 8.000% (Z)	82,428	2,073,064
TriplePoint Venture Growth BDC Corp., 6.750% (Z)	168,000	4,253,760
Real estate investment trusts 3.8 %		
American Homes 4 Rent (5.500% to 3-31-21, then 10.000% thereafter)	100,000	2,653,000
Arbor Realty Trust, Inc., 7.375% (Z)	100,000	2,545,000

Bluerock Residential Growth REIT, Inc., 8.250%	84,140	2,234,758
FelCor Lodging Trust, Inc., Series A, 1.950% (Z)	86,950	2,190,271
Invesco Mortgage Capital, Inc. (7.750% to 12-27-24, then 3 month LIBOR + 5.180%)	150,000	3,675,000