

JOHN HANCOCK PREFERRED INCOME FUND II
Form N-Q
June 29, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811- 21202

John Hancock Preferred Income Fund II
(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: July 31

Date of reporting period: April 30, 2012

ITEM 1. SCHEDULE OF INVESTMENTS

John Hancock Preferred Income Fund II

As of 4-30-12 (Unaudited)

	Shares	Value
Preferred Securities 142.8% (a) (95.2% of Total Investments)		\$644,318,979
<hr/>		
(Cost \$639,475,918)		
Consumer Discretionary 0.6%		2,728,775
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Media 0.6%		
Comcast Corp., 6.625% (Z)	108,500	2,728,775
Consumer Staples 3.2%		14,330,000
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Food & Staples Retailing 3.2%		
Ocean Spray Cranberries, Inc., Series A, 6.250% (S)	160,000	14,330,000
Energy 8.1%		36,347,954
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Oil, Gas & Consumable Fuels 8.1%		
Apache Corp., Series D, 6.000%	159,000	8,446,080
Nexen, Inc., 7.350% (Z)	1,101,100	27,901,874
Financials 82.9%		374,303,630
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Capital Markets 10.6%		
Credit Suisse Guernsey, 7.900% (L)(Z)	322,000	8,452,500
Lehman Brothers Holdings Capital Trust III, Series K, 6.375% (I)	177,000	17,700
Lehman Brothers Holdings Capital Trust V, Series M, 6.000% (I)	46,600	75
Lehman Brothers Holdings, Inc., Depositary Shares, Series C, 5.940% (I)	145,200	1,452
Morgan Stanley Capital Trust III, 6.250% (Z)	294,000	7,188,300
Morgan Stanley Capital Trust IV, 6.250% (Z)	170,000	4,156,500
Morgan Stanley Capital Trust V, 5.750% (Z)	355,000	8,527,100
Morgan Stanley Capital Trust VI, 6.600%	9,600	234,624

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Morgan Stanley Capital Trust VII, 6.600%	52,400	1,283,800
The Goldman Sachs Group, Inc., 6.125% (L)(Z)	655,200	16,386,552
The Goldman Sachs Group, Inc., Series B, 6.200%	68,500	1,717,295
Commercial Banks 18.1%		
Barclays Bank PLC, Series 3, 7.100% (L)(Z)	375,000	9,277,500
Barclays Bank PLC, Series 5, 8.125% (Z)	330,000	8,428,200
HSBC USA, Inc., 6.500%	50,000	1,250,500
PNC Financial Services Group, Inc. (6.125% to 05/01/2022, then 3 month LIBOR + 4.067%) (Q)	145,000	3,668,500
Royal Bank of Scotland Group PLC, Series L, 5.750% (Z)	480,000	9,072,000
Santander Finance Preferred SA Unipersonal, Series 10, 10.500% (Z)	329,000	8,606,640
Santander Holdings USA, Inc., Series C, 7.300%	166,800	4,170,000
U.S. Bancorp (6.000% to 04/15/2017, then 3 month LIBOR + 4.861%)	200,000	5,160,000
U.S. Bancorp (6.500% to 01/15/2022, then 3 month LIBOR + 4.468%) (L)(Z)	570,000	15,424,200
Wells Fargo & Company, 8.000% (L)(Z)	560,000	16,542,400
Consumer Finance 4.3%		
HSBC Finance Corp., Depository Shares, Series B, 6.360% (Z)	488,000	12,058,480
SLM Corp., 6.000% (Z)	198,000	4,282,740
SLM Corp., Series A, 6.970% (Z)	64,000	2,878,720
Diversified Financial Services 24.8%		
Citigroup Capital VIII, 6.950% (L)(Z)	660,000	16,414,200

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John Hancock Preferred Income Fund II

As of 4-30-12 (Unaudited)

	Shares	Value
Financials (continued)		
Citigroup Capital XIII (7.875% to 10/30/2015, then 3 month LIBOR + 6.370%)	19,000	\$505,970

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Corporate Backed Trust Certificates, Series HSBC, 6.250% (L)(Z)	45,400	1,141,810
Deutsche Bank Capital Funding Trust X, 7.350%	155,722	3,917,966
Deutsche Bank Contingent Capital Trust II, 6.550% (Z)	167,500	4,076,950
Deutsche Bank Contingent Capital Trust III, 7.600% (L)(Z)	392,500	10,091,175
Fleet Capital Trust VIII, 7.200%	320,000	7,984,000
General Electric Capital Corp., 6.000%	35,000	883,050
General Electric Capital Corp., 6.050%	32,000	817,280
General Electric Capital Corp., 6.100%	18,000	463,320
ING Groep NV, 7.050% (L)(Z)	775,700	18,058,296
JPMorgan Chase Capital XXIX, 6.700% (L)(Z)	757,500	19,664,700
Merrill Lynch Preferred Capital Trust III, 7.000%	358,000	8,856,920
Merrill Lynch Preferred Capital Trust IV, 7.120%	190,000	4,729,100
Merrill Lynch Preferred Capital Trust V, 7.280%	270,000	6,687,900
RBS Capital Funding Trust V, 5.900%	398,000	5,655,580
RBS Capital Funding Trust VII, 6.080%	145,000	2,066,250
Insurance 12.6%		
Aegon NV, 6.375% (L)(Z)	402,000	9,487,200
Aegon NV, 6.500%	75,000	1,758,750
American Financial Group, Inc., 7.000% (Z)	274,000	7,124,000
MetLife, Inc., Series B, 6.500% (L)(Z)	792,000	20,037,600
Phoenix Companies, Inc., 7.450%	229,050	5,167,368
PLC Capital Trust IV, 7.250% (Z)	390,500	9,887,460
Prudential PLC, 6.500% (Z)	103,000	2,613,110
RenaissanceRe Holdings Ltd., Series C, 6.080% (Z)	32,500	815,425
Real Estate Investment Trusts 12.5%		
Duke Realty Corp., Depositary Shares, Series J, 6.625% (Z)	449,400	11,279,940
Duke Realty Corp., Depositary Shares, Series K, 6.500% (Z)	110,000	2,752,200
Duke Realty Corp., Depositary Shares, Series L, 6.600% (Z)	109,840	2,762,476
Kimco Realty Corp., 6.000%	680,000	17,020,400
Public Storage, Inc., 5.750%	300,000	7,608,000
Public Storage, Inc., 6.350%	163,000	4,456,420
Public Storage, Inc., Depositary Shares, Series Q, 6.500%	135,800	3,737,216
Public Storage, Inc., Depositary Shares, Series X, 6.450% (Z)	35,000	883,750
Public Storage, Inc., Series P, 6.500%	56,000	1,513,120
Wachovia Preferred Funding Corp., Series A, 7.250% (Z)	170,000	4,506,700
Thriffs & Mortgage Finance 0.0%		
Federal National Mortgage Association, Series S, 8.250% (I)	75,000	92,250

Telecommunication Services 11.9%	53,667,459
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Diversified Telecommunication Services 4.3%

Qwest Corp., 7.000%	42,500	1,083,325
Qwest Corp., 7.375% (Z)	530,000	13,822,400
Qwest Corp., 7.500%	167,200	4,382,312

Wireless Telecommunication Services 7.6%

Telephone & Data Systems, Inc., 6.625% (Z)	161,300	4,079,277
Telephone & Data Systems, Inc., 6.875%	85,000	2,292,450
Telephone & Data Systems, Inc., 7.000% (Z)	283,000	7,652,320
United States Cellular Corp., 6.950% (L)(Z)	772,500	20,355,375

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John Hancock Preferred Income Fund II

As of 4-30-12 (Unaudited)

	Shares	Value
Utilities 36.1%		\$162,941,161

Electric Utilities 20.7%

Duquesne Light Company, 6.500% (Z)	98,450	4,885,581
Entergy Arkansas, Inc., 5.750%	66,400	1,782,840
Entergy Louisiana LLC, 5.875%	186,750	5,081,468
Entergy Louisiana LLC, 6.000%	185,000	5,124,500
Entergy Mississippi, Inc., 6.000%	182,025	5,009,328
Entergy Mississippi, Inc., 6.200%	97,500	2,712,450
Entergy Texas, Inc., 7.875%	37,400	1,060,290
FPC Capital I, Series A, 7.100% (Z)	368,000	9,435,520
FPL Group Capital Trust I, 5.875% (L)(Z)	267,800	6,911,917
Gulf Power Co., 5.750%	138,800	3,950,248
HECO Capital Trust III, 6.500% (Z)	187,750	4,795,135
NextEra Energy Capital Holdings, Inc., 5.700%	626,000	16,150,737
NSTAR Electric Company, 4.780% (Z)	15,143	1,522,818
PPL Corp., 9.500% (Z)	305,600	16,315,984

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PPL Electric Utilities Corp., Depository Shares, 6.250%	54,000	1,348,380
Southern California Edison Company, Series C, 6.000% (Z)	75,000	7,497,660

Multi-Utilities 15.4%

Baltimore Gas & Electric Company, Series 1995, 6.990% (Z)	39,870	4,063,004
BGE Capital Trust II, 6.200% (L)(Z)	488,000	12,282,960
DTE Energy Company, 6.500%	220,000	6,058,800
Interstate Power & Light Company, Series B, 8.375% (L)(Z)	699,350	20,232,196
SCANA Corp., 7.700% (Z)	538,900	15,116,145
Xcel Energy, Inc., 7.600% (L)(Z)	448,000	11,603,200

	Rate (%)	Maturity date	Par value	Value
Capital Preferred Securities 3.1% (b) (2.0% of Total Investments)				\$13,863,966

(Cost \$14,688,460)

Utilities 3.1%				13,863,966
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Multi-Utilities 3.1%

Dominion Resources Capital Trust I (L)(Z)	7.830	12-1-27	\$8,450,000	8,663,996
Dominion Resources Capital Trust III (L)(Z)	8.400	1-15-31	5,000,000	5,199,970

			Shares	Value
Common Stocks 0.1% (0.1% of Total Investments)				\$655,600

(Cost \$627,382)

Utilities 0.1%				655,600
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Electric Utilities 0.1%

Entergy Corp.			10,000	655,600
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	Rate (%)	Maturity date	Par value	Value
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Corporate Bonds 3.8% (2.6% of Total Investments)	\$17,250,523
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(Cost \$18,544,326)

Energy 2.0%	8,901,563
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Oil, Gas & Consumable Fuels 2.0%

Southern Union Company (L)(P)(Z)	3.483	11-1-66	\$10,550,000	8,901,563
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John Hancock Preferred Income Fund II

As of 4-30-12 (Unaudited)

	Rate (%)	Maturity date	Par value		Value
Utilities 1.8%					\$8,348,960

Electric Utilities 1.8%

Southern California Edison Company (6.250% to 02/01/2022, then 3 month LIBOR + 4.199%) (Q)	6.250	2-1-22	\$8,000,000		8,348,960
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	Par value		Value
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Short-Term Investments 0.1% (0.1% of Total Investments)	\$513,000
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(Cost \$513,000)

Repurchase Agreement 0.1%	513,000
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Repurchase Agreement with State Street Corp. dated 4-30-12 at 0.010% to be repurchased at \$513,000 on 5-1-12, collateralized by \$520,000 Federal National Mortgage Association, 2.700% due 3-28-22 (valued at \$524,550, including interest).

	513,000	513,000
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Total investments (Cost \$673,849,086)† 149.9% **\$676,602,068**

Other assets and liabilities, net (49.9%) **(\$225,334,121)**

Total net assets 100.0% **\$451,267,947**

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

LIBOR London Interbank Offered Rate

(a) Includes preferred stocks and hybrid securities with characteristics of both equity and debt that pay dividends on a periodic basis.

(b) Includes hybrid securities with characteristics of both equity and debt that trade with, and pay, interest income.

(l) Non-income producing security.

(L) All or a portion of this security is a Lent Security as of 4-30-12, and is part of segregated collateral pursuant to the Committed Facility Agreement. Total value of Lent Securities at 4-30-12 was \$188,112,826.

(P) Variable rate obligation. The coupon rate shown represents the rate at period end.

(Q) Perpetual bonds have no stated maturity date. Date shown is next call date.

(S) This security is exempt from registration under Rule 144A of the Securities Act of 1933. Such a security may be resold, normally to qualified institutional buyers, in transactions exempt from registration.

(Z) All or a portion of this security is segregated as collateral pursuant to the Committed Facility Agreement. Total collateral value at 4-30-12 was \$375,536,385.

† At 4-30-12, the aggregate cost of investment securities for federal income tax purposes was \$674,108,368. Net unrealized appreciation aggregated \$2,493,700, of which \$32,015,060 related to appreciated investment securities and \$29,521,360 related to depreciated investment securities.

The Fund had the following country concentration as a percentage of total investments on 4-30-12:

United States	85.8%
United Kingdom	4.4%
Netherlands	4.3%
Canada	4.1%
Switzerland	1.3%
Bermuda	0.1%

John Hancock Preferred Income Fund II
Notes to Schedule of Investments (Unaudited)

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. 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. Swaps are marked-to-market daily based upon values from third party vendors or broker quotations. Foreign securities and currencies are valued in U.S. dollars, based on foreign currency exchange rates supplied by an independent pricing service. 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. Generally, trading in non-U.S. securities is substantially completed each day at various times prior to the close of trading on the NYSE. Significant market events that affect the values of non-U.S. securities may occur between the time when the valuation of the securities is generally determined and the close of the NYSE. During significant market events, these securities will be valued at fair value, as determined in good faith, following procedures established by the Board of Trustees. The Fund may use a fair valuation model to value non-U.S. securities in order to adjust for events which may occur between the close of foreign exchanges and the close of the NYSE.

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 risks associated with investing in those securities. Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy.

The following is a summary of the values by input classification of the Fund's investments as of April 30, 2012, by major security category or type:

Total Market		Level 2	Level 3
Value at	Level 1 Quoted	Significant	Significant
04/30/12	Price	Observable	Unobservable
		Inputs	Inputs

Preferred Securities

Consumer Discretionary	\$2,728,775	\$2,728,775	—	—
Consumer Staples	14,330,000	—	\$14,330,000	—
Energy	36,347,954	36,347,954	—	—
Financials	374,303,630	369,124,478	5,179,152	—
Telecommunication Services	53,667,459	52,584,134	1,083,325	—
Utilities	162,941,161	122,762,561	40,178,600	—

Capital Preferred Securities

Utilities	13,863,966	—	13,863,966	—
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Common Stocks

Utilities	655,600	655,600	—	—
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Corporate Bonds

Energy	8,901,563	—	8,901,563	—
Utilities	8,348,960	—	8,348,960	—

Short-Term Investments

	513,000	—	513,000	—
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Total investments in Securities	\$676,602,068	\$584,203,502	\$92,398,566	—
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Other Financial Instruments

Interest Rate Swaps	(\$1,257,418)	—	(\$1,257,418)	—
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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.

Real estate investment trusts. The Fund may invest in real estate investment trusts (REITs) and, as a result, will estimate the components of distributions from these securities. Such estimates are revised when actual components of distributions are known. Distributions from REITs received in excess of income may be recorded as a reduction of cost of investments and/or as a realized gain.

Interest rate swaps. Interest rate swaps represent an agreement between a Fund and counterparty to exchange cash flows based on the difference between two interest rates applied to a notional amount. The payment flows are usually netted against each other, with the difference being paid by one party to the other. The Fund settles accrued net interest receivable or payable under the swap contracts at specified, future intervals. Upfront payments made/received by the Fund are amortized/accreted for financial reporting purposes. Swaps are marked-to-market daily and the change in value is recorded as unrealized appreciation/depreciation of swap contracts. A termination payment by the counterparty or the Fund is recorded as realized gain or loss, as well as the net periodic payments received or paid by the Fund.

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During the period ended April 30, 2012, the Fund used interest rate swaps to manage anticipated interest rate changes. The following table summarizes the interest rate swap contracts held as of April 30, 2012.

COUNTERPARTY	USD	PAYMENTS MADE BY FUND	PAYMENTS	MATURITY DATE	MARKET VALUE
	NOTIONAL AMOUNT		RECEIVED BY FUND		
Morgan Stanley Capital Services	\$56,000,000	Fixed 1.4625%	3 Month LIBOR (a)	Aug 2016	(\$1,257,418)

(a) At 4-30-12, the 3 Month LIBOR rate was 0.4659%.

Interest rate swap positions at April 30, 2012 were entered into on August 5, 2011. No other interest rate swap activity occurred during the period ended April 30, 2012.

Fair value of derivative instruments by risk category

The table below summarizes the fair value of derivatives held by the Fund at April 30, 2012 by risk category:

RISK	FINANCIAL	ASSET	LIABILITY
	INSTRUMENTS LOCATION	DERIVATIVE FAIR VALUE	DERIVATIVES FAIR VALUE
Interest rate contracts	Interest rate swaps	—	\$1,257,418

For additional information on the Fund's significant accounting policies, please refer to the Fund's most recent semiannual or annual shareholder report.

ITEM 2. CONTROLS AND PROCEDURES.

(a) Based upon their evaluation of the registrant's disclosure controls and procedures as conducted within 90 days of the filing date of this Form N-Q, the registrant's principal executive officer and principal accounting officer have concluded that those disclosure controls and procedures provide reasonable assurance that the material information required to be disclosed by the registrant on this report is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

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(b) There were no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Separate certifications for the registrant's principal executive officer and principal accounting officer, as required by Rule 30a-2(a) under the Investment Company Act of 1940, are attached.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

John Hancock Preferred Income Fund II

By: /s/ Keith F. Hartstein

Keith F. Hartstein
President and Chief Executive Officer

Date: June 26, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Keith F. Hartstein

Keith F. Hartstein
President and Chief Executive Officer

Date: June 26, 2012

By: /s/ Charles A. Rizzo

Charles A. Rizzo
Chief Financial Officer

Date: June 26, 2012