

John Hancock Hedged Equity & Income Fund  
Form N-CSRS  
July 05, 2012

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 811-22441

John Hancock Hedged Equity & Income 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: October 31

Date of reporting period: April 30, 2012

**ITEM 1. SCHEDULE OF INVESTMENTS**

## Managed distribution plan

The Fund has adopted a managed distribution plan (Plan). Under the Plan, the Fund makes quarterly distributions of an amount equal to 1.8125% of the Fund's net asset value (NAV) as of each measuring date, based upon an annual rate of 7.25%. The amount of each quarterly distribution declared under the Plan will be based on the NAV of the Fund at the close of the New York Stock Exchange on the last business day of the month ending two months prior to each quarterly declaration date. The Fund may also make additional distributions (i) for purposes of avoiding federal income tax on the Fund of investment company taxable income and net capital gain, if any, not included in such regular distributions and (ii) for purposes of avoiding federal excise tax of ordinary income and capital gain net income, if any, not included in such regular distributions.

Although the Fund has adopted the Plan, it may discontinue the Plan. The Board of Trustees of the Fund may amend the terms of the Plan or terminate the Plan at any time without prior notice to the Fund's shareholders. The Plan will be subject to periodic review by the Fund's Board of Trustees.

You should not draw any conclusions about the Fund's investment performance from the amount of the Fund's distributions or from the terms of the Fund's Plan. The Fund's total return at NAV is presented in the Financial highlights.

With each distribution that does not consist solely of net income, the Fund will issue a notice to shareholders and an accompanying press release that will provide detailed information regarding the amount and composition of the distribution and other related information. The amounts and sources of distributions reported in the notice to shareholders are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The Fund will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes. The Fund may at times distribute more than its net investment income and net realized capital gains; therefore, a portion of your distribution may result in a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in the Fund is paid back to you. A return of capital does not necessarily reflect the Fund's investment performance and should not be confused with "yield" or "income."

**Semiannual report** | Hedged Equity & Income Fund

## Portfolio summary

### Top 10 Holdings (16.7% of Net Assets on 4-30-12)<sup>1,2</sup>

Apple, Inc.	2.7%	Oracle Corp.	1.6%
Lowe's Companies, Inc.	2.0%	Microsoft Corp.	1.6%
Wells Fargo & Company	1.8%	PepsiCo, Inc.	1.5%
Cisco Systems, Inc.	1.8%	PNC Financial Services Group, Inc.	1.1%

## Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Occidental Petroleum Corp.	1.6%	The Western Union Company	1.0%
----------------------------	------	---------------------------	------

### Sector Composition<sup>1,3</sup>

Information Technology	21.5%	Options Purchased	6.2%
Consumer Discretionary	16.8%	Materials	2.7%
Industrials	14.1%	Utilities	1.5%
Financials	11.9%	Telecommunication Services	0.7%
Health Care	10.0%	Short-Term Investments & Other	
Energy	8.3%	Assets and Liabilities, Net	(0.9%)
Consumer Staples	7.2%		

### Portfolio Composition<sup>1</sup>

Common Stocks	94.7%	Short-Term Investments & Other	
Options Purchased	6.2%	Assets and Liabilities, Net	(0.9%)

<sup>1</sup> As a percentage of net assets on 4-30-12.

<sup>2</sup> Excludes cash and cash equivalents.

<sup>3</sup> Sector investing is subject to greater risks than the market as a whole. Because the Fund may focus on particular sectors of the economy, its performance may depend on the performance of those sectors.

# Fund's investments

As of 4-30-12 (unaudited)

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

	Shares	Value
<b>Common Stocks 94.7%</b>		<b>\$250,232,720</b>
<hr/>		
(Cost \$236,944,480)		
<b>Consumer Discretionary 16.8%</b>		<b>44,508,379</b>
<b>Auto Components 0.3%</b>		
<hr/>		
Allison Transmission Holdings, Inc. (I)	35,210	735,879
<b>Automobiles 0.4%</b>		
<hr/>		
Great Wall Motor Company, Ltd., H Shares (I)	41,000	88,174
<hr/>		
Harley-Davidson, Inc.	16,585	867,893
<hr/>		
Tesla Motors, Inc. (I)	3,230	107,010
<b>Distributors 0.1%</b>		
<hr/>		
LKQ Corp. (I)	9,800	327,810
<b>Diversified Consumer Services 0.3%</b>		
<hr/>		
Allstar Co-Invest Block Feeder LLC (I)(R)	236,300	228,880
<hr/>		
Apollo Group, Inc., Class A (I)	4,119	145,071
<hr/>		
Matthews International Corp., Class A	12,380	371,400
<b>Hotels, Restaurants &amp; Leisure 1.0%</b>		
<hr/>		
Buffalo Wild Wings, Inc. (I)	2,220	186,147
<hr/>		
CEC Entertainment, Inc.	9,080	347,038
<hr/>		
Choice Hotels International, Inc.	8,380	315,256
<hr/>		
Dunkin' Brands Group, Inc.	2,900	93,873
<hr/>		

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Las Vegas Sands Corp.	2,500	138,725
Melco Crown Entertainment, Ltd., ADR (I)	10,189	158,133
Sands China, Ltd.	44,800	175,600
Sonic Corp. (I)	66,970	483,523
Starbucks Corp.	8,207	470,918
Yum! Brands, Inc.	4,451	323,721
<b>Household Durables 0.9%</b>		
D.R. Horton, Inc.	8,360	136,686
Jarden Corp.	6,740	282,608
Lennar Corp., Class A	5,250	145,635
NVR, Inc. (I)	2,005	1,571,800
Tempur-Pedic International, Inc. (I)	6,610	388,932
<b>Internet &amp; Catalog Retail 1.4%</b>		
Amazon.com, Inc. (I)	7,707	1,787,253
Expedia, Inc.	10,400	443,352
priceline.com, Inc. (I)	1,730	1,316,219
Shutterfly, Inc. (I)	7,040	219,085
8 Hedged Equity & Income Fund   <b>Semiannual report</b>		See notes to financial statements

**Shares**

**Value**

**Leisure Equipment & Products 1.3%**

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Brunswick Corp.	7,770	\$204,273
Hasbro, Inc.	32,300	1,186,702
Mattel, Inc. (C)	54,406	1,828,042
Polaris Industries, Inc.	3,170	251,825
<b>Media 3.9%</b>		
Arbitron, Inc.	15,790	600,810
Comcast Corp., Class A	76,649	2,324,764
Discovery Communications, Inc., Series C (I)	6,700	332,923
News Corp., Class A	13,082	256,407
Omnicom Group, Inc.	53,575	2,748,933
Sirius XM Radio, Inc. (I)	263,699	595,960
The Walt Disney Company	56,923	2,453,951
Thomson Reuters Corp.	33,100	987,042
<b>Multiline Retail 1.4%</b>		
Dollar Tree, Inc. (I)	3,480	353,777
Family Dollar Stores, Inc.	2,300	155,365
Fred's, Inc., Class A	29,000	415,280
Nordstrom, Inc.	4,300	240,198
Target Corp. (C)	43,980	2,548,201
<b>Specialty Retail 4.4%</b>		

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Advance Auto Parts, Inc.	10,630	975,834
Ascena Retail Group, Inc. (I)	22,540	461,619
Bed Bath & Beyond, Inc. (I)	4,339	305,422
CarMax, Inc. (I)	4,300	132,741
DSW, Inc., Class A	4,800	270,048
Express, Inc. (I)	13,200	311,784
Fast Retailing Company, Ltd.	500	111,587
GNC Holdings, Inc., Class A	8,650	337,869
Lowe's Companies, Inc. (C)	164,189	5,167,028
Monro Muffler Brake, Inc.	1,410	58,177
O'Reilly Automotive, Inc. (I)	2,863	301,932
PetSmart, Inc.	6,286	366,222
Ross Stores, Inc.	6,597	406,309
Stage Stores, Inc.	33,310	508,644
The Buckle, Inc.	4,746	219,170
The Cato Corp., Class A	22,580	628,401
TJX Companies, Inc.	9,206	383,982
Urban Outfitters, Inc. (I)	20,110	582,386
<b>Textiles, Apparel &amp; Luxury Goods 1.4%</b>		
Burberry Group PLC	12,327	297,233

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Coach, Inc.	11,888	869,726
Deckers Outdoor Corp. (I)	4,530	231,075
Hanesbrands, Inc. (I)	9,800	276,556
Lululemon Athletica, Inc. (I)	11,169	828,070
PVH Corp.	5,590	496,392
Ralph Lauren Corp.	2,175	374,687
Under Armour, Inc., Class A (I)	2,700	264,411

See notes to financial statements

**Semiannual report** | Hedged Equity & Income Fund 9

	<b>Shares</b>	<b>Value</b>
<b>Consumer Staples 7.2%</b>		<b>\$19,014,742</b>
<b>Beverages 2.4%</b>		
Companhia de Bebidas das Americas, ADR	4,470	187,651
Molson Coors Brewing Company, Class B	25,060	1,041,995
PepsiCo, Inc. (C)	61,581	4,064,346
The Coca-Cola Company	12,856	981,170
<b>Food &amp; Staples Retailing 1.7%</b>		
Casey's General Stores, Inc.	8,240	464,324
Costco Wholesale Corp.	4,403	388,213
CVS Caremark Corp.	35,984	1,605,606
Sysco Corp. (C)	54,538	1,576,148



Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Wal-Mart Stores, Inc.	7,629	449,424
Whole Foods Market, Inc.	1,600	132,912
<b>Food Products 2.0%</b>		
General Mills, Inc.	31,310	1,217,646
Green Mountain Coffee Roasters, Inc. (I)	2,637	128,554
Kraft Foods, Inc., Class A	53,830	2,146,202
Post Holdings, Inc. (I)	5,800	172,550
Ralcorp Holdings, Inc. (I)	5,200	378,612
Unilever NV — NY Shares	32,400	1,112,940
<b>Tobacco 1.1%</b>		
Lorillard, Inc.	1,000	135,290
Philip Morris International, Inc.	30,033	2,688,254
Reynolds American, Inc.	3,500	142,905
<b>Energy 8.3%</b>		<b>22,030,956</b>
<b>Energy Equipment &amp; Services 1.2%</b>		
Bristow Group, Inc.	5,860	286,261
Core Laboratories NV	2,490	341,080
Diamond Offshore Drilling, Inc.	6,325	433,579
McDermott International, Inc. (I)	37,585	424,711
National Oilwell Varco, Inc.	4,355	329,935

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Oceaneering International, Inc.	6,546	337,970
Petrofac, Ltd.	6,067	170,737
Schlumberger, Ltd.	7,190	533,067
SEACOR Holdings, Inc. (I)	3,700	343,841
<b>Oil, Gas &amp; Consumable Fuels 7.1%</b>		
Anadarko Petroleum Corp.	23,766	1,739,909
Apache Corp.	6,160	590,990
BG Group PLC	93,241	2,195,959
Cabot Oil & Gas Corp.	9,370	329,262
Chevron Corp.	16,150	1,720,944
Cobalt International Energy, Inc. (I)	12,200	326,472
Concho Resources, Inc. (I)	2,500	267,950
Continental Resources, Inc. (I)	1,700	151,725
EOG Resources, Inc.	6,430	706,078
Exxon Mobil Corp. (C)	30,543	2,637,083
GeoResources, Inc. (I)	9,140	344,669
Newfield Exploration Company (I)	5,510	197,809

**Shares**

**Value**

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

**Oil, Gas & Consumable Fuels (continued)**

Occidental Petroleum Corp.	47,000	\$4,287,340
Peabody Energy Corp.	3,900	121,329
Penn Virginia Corp.	17,700	90,624
Pioneer Natural Resources Company	2,000	231,640
Plains Exploration & Production Company (I)	5,980	244,283
Royal Dutch Shell PLC, ADR, Class B	21,990	1,613,186
Southwestern Energy Company (I)	4,610	145,584
Valero Energy Corp.	13,839	341,823
Whiting Petroleum Corp. (I)	9,530	545,116
<b>Financials 11.9%</b>		<b>31,319,878</b>
<b>Capital Markets 2.1%</b>		
Ares Capital Corp.	27,070	434,203
BlackRock, Inc.	10,260	1,965,611
Greenhill & Company, Inc.	11,330	440,171
Invesco, Ltd.	16,035	398,309
SEI Investments Company	67,305	1,358,888
T. Rowe Price Group, Inc.	12,180	768,741
UBS AG (I)	9,670	119,618
<b>Commercial Banks 5.1%</b>		
Cullen/Frost Bankers, Inc.	15,185	895,308

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

First Midwest Bancorp, Inc.	36,090	384,359
First Niagara Financial Group, Inc.	57,120	510,653
First Republic Bank (I)	17,305	571,584
Hancock Holding Company	8,340	268,381
International Bancshares Corp.	26,800	528,764
M&T Bank Corp.	18,125	1,563,644
MB Financial, Inc.	15,400	318,318
PNC Financial Services Group, Inc.	45,440	3,013,581
Webster Financial Corp.	21,980	499,605
Wells Fargo & Company (C)	145,383	4,860,154
Westamerica Bancorp.	3,400	155,958
<b>Consumer Finance 0.2%</b>		
American Express Company	7,872	473,973
Discover Financial Services	4,800	162,720
<b>Diversified Financial Services 1.1%</b>		
JPMorgan Chase & Company (C)	60,900	2,617,482
Justice Holdings, Ltd. (I)	12,106	197,261
<b>Insurance 2.7%</b>		
ACE, Ltd.	20,640	1,568,021
Alleghany Corp. (I)	3,670	1,258,443

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Assured Guaranty, Ltd.	14,700	208,446
Marsh & McLennan Companies, Inc.	63,230	2,115,044
Platinum Underwriters Holdings, Ltd.	10,300	377,186
Primerica, Inc.	16,950	444,599
Reinsurance Group of America, Inc.	10,180	591,865
W.R. Berkley Corp.	4,000	150,640
White Mountains Insurance Group, Ltd.	810	423,630

See notes to financial statements

**Semiannual report** | Hedged Equity & Income Fund 11

	<b>Shares</b>	<b>Value</b>
<b>Real Estate Investment Trusts 0.4%</b>		
DiamondRock Hospitality Company	30,450	\$323,684
Digital Realty Trust, Inc.	2,700	202,743
Host Hotels & Resorts, Inc.	16,900	281,216
Mack-Cali Realty Corp.	8,820	253,310
<b>Real Estate Management &amp; Development 0.1%</b>		
BR Malls Participacoes SA	11,800	146,591
<b>Thriffs &amp; Mortgage Finance 0.2%</b>		
Northwest Bancshares, Inc.	37,920	467,174
<b>Health Care 10.0%</b>		<b>26,426,458</b>
<b>Biotechnology 2.2%</b>		

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Alexion Pharmaceuticals, Inc. (I)	1,580	142,706
Amgen, Inc.	14,220	1,011,184
Amylin Pharmaceuticals, Inc. (I)	27,300	707,343
Biogen Idec, Inc. (I)	11,874	1,591,235
Celgene Corp. (I)	16,705	1,218,129
Gilead Sciences, Inc. (I)	16,357	850,728
Vertex Pharmaceuticals, Inc. (I)	10,590	407,503
<b>Health Care Equipment &amp; Supplies 2.2%</b>		
DENTSPLY International, Inc.	7,300	299,738
Edwards Lifesciences Corp. (I)	7,237	600,454
Gen-Probe, Inc. (I)	6,400	521,920
Haemonetics Corp. (I)	2,890	206,837
Hologic, Inc. (I)	36,775	703,138
Intuitive Surgical, Inc. (I)	1,259	727,954
Medtronic, Inc. (C)	61,839	2,362,250
STERIS Corp.	8,200	257,562
The Cooper Companies, Inc.	3,100	273,327
<b>Health Care Providers &amp; Services 1.2%</b>		
Aetna, Inc.	11,207	493,556
AmerisourceBergen Corp.	5,098	189,697

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Amsurg Corp. (I)	16,820	483,743
Cardinal Health, Inc.	4,689	198,204
Omnicare, Inc.	5,600	195,104
PSS World Medical, Inc. (I)	10,500	251,265
Quest Diagnostics, Inc.	1,200	69,228
UnitedHealth Group, Inc.	21,587	1,212,110

**Health Care Technology 0.2%**

SXC Health Solutions Corp. (I)	4,700	425,726
--------------------------------	-------	---------

**Life Sciences Tools & Services 1.3%**

Agilent Technologies, Inc.	17,100	721,278
Bruker Corp. (I)	10,808	162,444
Charles River Laboratories International, Inc. (I)	19,710	700,296
ICON PLC, ADR (I)	32,030	710,425
Life Technologies Corp. (I)	12,173	564,340
Waters Corp. (I)	5,448	458,231

12 Hedged Equity & Income Fund | **Semiannual report**

See notes to financial statements

	<b>Shares</b>	<b>Value</b>
<b>Pharmaceuticals 2.9%</b>		
Abbott Laboratories	7,743	\$480,531
Auxilium Pharmaceuticals, Inc. (I)	6,800	121,856

Edgar Filing: John Hancock Hedged Equity & Income Fund - Form N-CSRS

Dr. Reddy's Laboratories, Ltd., ADR	2,100	71,043
Elan Corp. PLC, ADR (I)	18,620	256,770
Johnson & Johnson	24,850	1,617,487
Merck & Company, Inc.	44,750	1,755,990
Perrigo Company	3,200	335,680
Pfizer, Inc.	73,730	1,690,629
Roche Holdings AG	4,027	735,774
Salix Pharmaceuticals, Ltd. (I)	8,400	414,960
Valeant Pharmaceuticals International, Inc. (Toronto Exchange) (I)	4,100	228,083
<b>Industrials 14.1%</b>		<b>37,377,850</b>
<b>Aerospace &amp; Defense 3.2%</b>		
General Dynamics Corp. (C)	37,072	2,502,360
Honeywell International, Inc.	6,233	378,094
Lockheed Martin Corp.	23,843	2,158,745
Northrop Grumman Corp. (C)	37,885	2,397,363
The Boeing Company	13,287	1,020,442
<b>Air Freight &amp; Logistics 1.3%</b>		
Atlas Air Worldwide Holdings, Inc. (I)	4,100	188,805
Expeditors International of Washington, Inc.	5,740	229,600
FedEx Corp.	5,130	452,671



