

Financial 15 Split Corp II is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in a diversified portfolio consisting of 15 financial services companies, made up of Canadian and U.S. issuers. Two types of shares are available, a Class A and a Preferred.

	One Month to Aug 31, 2009	Year to Date Aug 31, 2009
TSX	0.75%	20.92%
S&P 500	3.36%	12.99%
DJII	3.54%	8.20%
NASDAQ	1.54%	27.40%

Distributions (by record date)

	FFN	FFN (specials)	FFN.PR.A	Total
Total to Date	\$4.90	\$0.25	\$2.5599	\$7.7099
2009 YTD	\$0.10		\$0.3500	\$0.4500
2008	\$1.00		\$0.5250	\$1.5250
2007	\$1.20		\$0.5250	\$1.7250
2006	\$1.20	\$0.25	\$0.5250	\$1.9750
2005	\$1.20		\$0.525	\$1.725
2004 (two months)	\$0.20		\$0.10991*	\$0.30991

*Initial distribution for the period Oct 15/04 to Nov 30/04.

Commentary

August continued to raise hopes for a second half economic recovery as certain key economic indicators continued to improve. The volume of new home sales in both Canada and the United States increased in August helping to lower housing inventories in both countries. The price performance of housing in Canada remains very resilient. The monthly unemployment numbers in both Canada and United States showed further improvement in August. Of particular note was an increase in commodity prices which appears to be indicative of a rebound in economic growth, especially in the developing economies. Financial services companies, which have raised significant amounts of capital in recent months, continued an impressive recovery as share prices continue to rebound from their March lows. The historic low interest rate environment appears to be providing very favorable conditions for these companies to rebuild their earnings power. In particular Q3 reported earnings from the Canadian banks generally surpassed analyst's estimates and led to improved share price performance.

During the month of August, the TSX topped the 11,000 mark for the first time in over 10 months and the S&P 500 reached an impressive 50% recovery in the past 5 months since its March low making it the third strongest recovery on record.

It appears that governments around the world continue to ensure that fiscal and monetary conditions are supportive of economic growth. The popular cash for clunkers program in the United States proved to be an example of the supportive measures governments are willing to undertake to stimulate growth.

The historic high levels of low yielding cash and money market instruments "sitting on the sidelines" could prove to be a catalyst for further market gains if investors shift some of this money towards equities.

Attractive dividend yields, low historic valuations and significant option premiums available in the market place continue to bode well for the portfolio. The Manager continues to actively manage the relative weightings of the companies held within the portfolio.

Details

Gross Proceeds:	\$167,500,000
Units Issued:	6,700,000
Inception Date:	Oct 15, 2004
Termination Date:	Dec 1, 2014
Net Asset Value:	\$16.21 (Aug 31/09)
Cash Weighting:	7%
U.S. Equity Weighting:	32%
Canadian Equity Weighting:	61%
FFN.PR.A Trading Price:	\$9.19 (Aug 31/09)
Current Yield:	5.7% annually
Market Capitalization:	\$57,269,783
FFN Trading Price:	\$6.61 (Aug 31/09)
Current Yield:	18.1% annually*
Market Capitalization:	\$41,191,868

*Last distribution annualized.

Top Holdings (sorted by weight)

CI Fund Management	CIX-T
Bank of America	BAC-N
Goldman Sachs	GS-N
Royal Bank	RY-T
Bank of Montreal	BMO-T
JPMorgan	JPM-N
Wells Fargo	WFC-N
AGF Management	AGF-T
Manulife Financial	MFC-T
Canadian Imperial Bank of Commerce	CM-T
Sun Life Financial	SLF-T
Citigroup	C-N
Toronto-Dominion Bank	TD-T
National Bank	NA-T
Great-West Lifeco	GWO-T

Weightings subject to change at any time.