



UPDATE

Financial 15 Split Corp is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in a diversified, high quality 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.

Objectives

Preferred Shares (TSX: FTN.PR.A):

(i) to provide holders of the Preferred Shares with fixed, cumulative preferential monthly cash dividends in the amount of \$0.04375 per Preferred Share to yield **5.25% per annum** on the original issue price; and (ii) on or about December 1, 2008 (termination date), to pay the holders of the Preferred Shares the original issue price of those shares.

Class A Shares (TSX: FTN):

(i) to provide holders of the Class A Shares with regular monthly cash dividends initially targeted to be \$0.10 per Class A Share to yield **8.0% per annum** on the original issue price; and (ii) on or about December 1, 2008 (termination date), to pay the holders of Class A Shares at least the original issue price of those shares.

Distributions

	FTN	FTN (specials)	FTN.PR.A	Total
Total to Date	\$2.50	\$0.25	\$1.1176	\$3.8676
2005 YTD	\$1.20	\$0.25	\$0.525	\$1.975
2004	\$1.20		\$0.5250	\$1.7250
2003 (one month)	\$0.10		\$0.0676*	\$0.1676

*For the period Nov 14/03 to Dec 31/03 (initial distribution)

Commentary

Manulife (TSX: MFC) reported 3rd quarter results on November 3, 2005 with a 5% increase in net income over a year earlier. Premiums and deposits hit record levels in the quarter. In addition, MFC had strong wealth management sales. Q3 was a solid quarter for Manulife despite some Hurricane (Katrina) related charges. GWO (TSX: GWO) reported 3rd quarter results on November 2, 2005 with solid operating results in the quarter. Net income was \$421 M which was an increase over the period a year earlier. Canadian operations continue to outperform while the U.S. operations show signs of improvement. CIBC (TSX: CM) reported 4th quarter results on December 1, 2005 in line with expectations. It was a solid quarter with positive retail contributions, trading revenues and expected loan losses. The bank also strengthened its balance sheet to 8.5% Tier 1 ratio. Royal Bank (TSX: RY) reported solid 4th quarter results on November 30, 2005. Personal and business banking showed solid volume growth and good expense controls. Bank of Montreal (TSX: BMO) reported 4th quarter results on November 29, 2005 with strength in banking and wealth management. Earnings were up 20% from 4th quarter a year ago. Higher net income, return of equity, productivity ratio and lower expense ratio all contributed to year over year improved results. Bank of Nova Scotia (TSX: BNS) reported 4th quarter results on November 29, 2005 in line with expectations. Solid revenue growth was tempered slightly by the currency exposure and higher expenses. TD Bank (TSX: TD) reported 4th quarter results on November 24, 2005 in line with expectations. Personal and commercial business reported strong earnings which were up 16% in the quarter. Wealth business had a solid quarter over the same period last year posting results of 116% compared to 4th quarter last year. Assets under administration grew, increase in trades per day, and strong growth in asset management.

All of the above companies are holdings of Financial 15 Split.

Details

Gross Proceeds:	\$272,500,000
Units Issued:	10,900,000
Inception Date:	Nov 14, 2003
Termination Date:	Dec 1, 2008
Net Asset Value:	\$27.20 (Dec 30/05)

Cash Weighting:	7%
U.S. Equity Weighting:	29%
Canadian Equity Weighting:	64%

FTN.PR.A Issue Price	\$10.00
Trading Price:	\$10.76 (Dec 30/05)
Current Yield:	4.9% annually

FTN Issue Price:	\$15.00
Trading Price:	\$16.10 (Dec 30/05)
Current Yield:	7.5% annually

Holdings Sorted By Weight

Holdings Sorted By Weight	Symbol
CI Fund Management	CIX-T
Citigroup	C-N
Royal Bank	RY-T
Sun Life Financial	SLF-T
Canadian Imperial Bank of Commerce	CM-T
Merrill Lynch	MER-N
Manulife Financial	MFC-T
Great-West Lifeco	GWO-T
Bank of America	BAC-N
JP Morgan	JPM-N
National Bank	NA-T
Toronto-Dominion Bank	TD-T
Bank of Montreal	BMO-T
Bank of Nova Scotia	BNS-T
Wells Fargo	WFC-N

Weightings subject to change at any time.