

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	\$5.00	\$0.50	\$2.2114	\$7.7113
2008 YTD	\$0.10		\$0.0438	\$0.1438
2007	\$1.20		\$0.5250	\$1.7250
2006	\$1.20	\$0.25	\$0.5250	\$1.9750
2005	\$1.20	\$0.25	\$0.525	\$1.9750
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

Overall financial markets during the latter half of the year were adversely impacted by deteriorating credit conditions originating from the US sub-prime lending market. At January 31, 2008, the Company's portfolio remained primarily invested in the 15 core financial services stocks. The dividend income in the portfolio continues to be supplemented by a limited covered call writing program which provides some additional income to the portfolio.

AGF Management (TSX: AGF) increased its annual dividend to \$1.00 a share, a 25% increase. (Jan 08).

AGF is a holding of Financial 15 Split.

The Financial 15 Split portfolio has a current dividend yield of approximately 4.0%.

Details

Gross Proceeds:	\$272,500,000
Units Issued:	10,900,000
Inception Date:	Nov 14, 2003
Termination Date:	Dec 1, 2008
Net Asset Value:	\$23.04 (Jan 31/08)
Cash Weighting:	4%
U.S. Equity Weighting:	20%
Canadian Equity Weighting:	76%

FTN.PR.A	Issue Price	\$10.00
	Trading Price:	\$10.01 (Jan 31/08)
	Current Yield:	5.2% annually
	Asset Coverage:	230%
	Market Capitalization:	\$101,875,183
FTN	Issue Price:	\$15.00
	Trading Price:	\$12.47 (Jan 31/08)
	Current Yield:	9.6% annually
	Market Capitalization:	\$126,911,442

Top Holdings (sorted by weight)

Great-West Lifeco	GWO-T
Royal Bank	RY-T
Sun Life Financial	SLF-T
CI Fund Management	CIX-T
Canadian Imperial Bank of Commerce	CM-T
Manulife Financial	MFC-T
AGF	AGF-T
Citigroup	C-N
Toronto-Dominion Bank	TD-T
National Bank	NA-T
Bank of America	BAC-N
Bank of Montreal	BMO-T
Bank of Nova Scotia	BNS-T
JPMorgan	JPM-N
Merrill Lynch	MER-N

Weightings subject to change at any time.