



UPDATE

Dividend 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 high-yielding Canadian companies. Two types of shares are available, a Class A and a Preferred.

Objectives

Preferred Shares (TSX: DFN.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, 2009 (termination date), to pay the holders of the Preferred Shares the original issue price of those shares.

Class A Shares (TSX: DFN):

(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, 2009 (termination date), to pay the holders of Class A Shares at least the original issue price of those shares.

Distributions (by record date)

	DFN	DFN (specials)	DFN.PR.A	Total
Total to Date	\$2.30	\$0.50	\$1.0272	\$3.8272
2006 YTD	\$0.20		\$0.0875	\$0.2875
2005	\$1.20	\$0.50	\$0.525	\$2.225
2004 (8 months)	\$0.80		\$0.35	\$1.15
Apr 30/04	\$0.10		\$0.06473*	\$0.16473

*Initial distribution for the period Mar 16/04 to Apr 30/04.

Commentary

CIBC (TSX: CM) reported solid Q1 earnings results on Mar 2, 2006 ahead of expectations. It was a solid quarter with retail contributions, including wealth management performing well. CIBC Wood Gundy has assets under management at an all time high of over \$116 billion. Royal Bank (TSX: RY) reported record Q1/06 earnings on Mar 3, 2006 with retail showing good volumes and cost controls. RY increased their dividend to \$0.72 per share, a 12.5% increase. Bank of Montreal (TSX: BMO) reported Q1/06 results with net income of \$631 million, a touch below fourth quarter net income. BMO raised their dividend by 8.2% to \$0.53 per share. Bank of Nova Scotia (TSX: BNS) reported Q1/06 results on Mar 2, 2006 with results that were in line. Net income rose to \$852 million, a \$64 million increase over the second quarter last year. TD Bank (TSX: TD) reported Q1/06 results on Feb 23, 2006 in line with expectations. TD reported net income of \$2.3 billion compared with \$630 million in the same quarter of last year. TD announced a dividend increase of 2 cents to \$0.44 per share. Manulife (TSX: MFC) reported 4th quarter results on Feb 9, 2006 with EPS of \$1.13 versus \$0.98 cents during the same period last year. Steady earnings in Canada, strong U.S. operations and a growing Asian platform were contributing factors to the positive earning results and should continue to be a driving force for MFC. MFC increased their dividend by 17% to \$1.40 per share annually. Sun Life Financial Inc. (TSX: SLF) reported 4th quarter results ending Dec 31, 2006 with a 13% increase in earnings over a year earlier. This quarter marked SLF's 5th consecutive year of increased earnings since going public 5 years ago. Results were driven by strong performance in Canada and the U.S. operations. SLF continued to repurchase shares and in the fourth quarter purchased 1.8 million shares. SLF also announced an 8% dividend increase. Thomson (TSX: TOC) reported Q1/06 results on Feb 9, 2006 with increases in revenue, operating profit and adjusted earnings. TOC increased their dividend by 10% to \$0.88 per share annually.

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

Details

Gross Proceeds:	\$243,060,000
Units Issued:	9,540,000
Inception Date:	March 16, 2004
Termination Date:	Dec 1, 2009
Net Asset Value:	\$28.42 (Feb 28/06)
Cash Weighting:	13%
Canadian Equity Weighting:	87%

DFN.PR.A Issue Price	\$10.00
Trading Price:	\$10.60 (Feb 28/06)
Current Yield:	5.0% annually

DFN Issue Price:	\$15.00
Trading Price:	\$17.19 (Feb 28/06)
Current Yield:	7.0% annually

Holdings Sorted By Weight Symbol

CI Fund Management	CIX
Canadian Imperial Bank of Commerce	CM
BCE Inc.	BCE
TransAlta	TA
AGF Management	AGF
National Bank of Canada	NA
Manulife Financial	MFC
Royal Bank	RY
The Thomson Corporation	TOC
Falconbridge Ltd.	FAL
Bank of Montreal	BMO
Sun Life Financial	SLF
Toronto-Dominion Bank	TD
Telus Corporation	T
Enbridge Inc.	ENB

Weightings subject to change at any time.