



Dividend 15

May 2008

Monthly 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, 2014 (termination date), to pay the holders of the Preferred Shares the original issue price (\$10) 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, 2014 (termination date), to pay the holders of Class A Shares at least the original issue price (\$15) of those shares.

Distributions (by record date)

	DFN	DFN (specials)	DFN.PR.A	Total
Total to Date	\$5.00	\$3.50	\$2.2085	\$10.7085
2008 YTD	\$0.50		\$0.2188	\$0.7188
2007	\$1.20	\$2.25	\$0.5250	\$3.9750
2006	\$1.20	\$0.75	\$0.5250	\$2.4750
2005	\$1.20	\$0.50	\$0.525	\$2.225
2004 (8 months)	\$0.80		\$0.35	\$1.15
Jun 29/04	\$0.10		\$0.06473 ⁽¹⁾	\$0.16473

(1) Initial distribution for the period Mar 16/04 to Jun 29/04.

Commentary

In April dramatic action was taken by central banks around the world including the Bank of Canada which lowered the overnight lending rate another ½ percentage point. Lowering interest rates and providing liquidity to the market appears to have stabilized the credit crisis situation and allowed the market a confidence that has not been seen this year. This action by the BOC appears to have continued to stabilize the market throughout the month of May. The Toronto Stock Market hit an all time high (14,714) up 6.4% year to date with the crux of the return stemming from the commodity sector. The financial services sector has not performed well during this period of time with concerns about the ongoing announcements of the credit crisis / loan write downs. The nervousness is keeping large extended balances of cash in many investors' pockets until the credit concerns dissipate. It should be noted that the Canadian financial sector has little overall exposure to the U.S. sub prime loans.

TSX Group Inc. (TSX: X) and Montreal Exchange Inc. (TSX: MX) announced the completion of their business combination to create TMX Group Inc (May 08). X is a holding of Dividend 15 Split.

The Dividend 15 Split portfolio has a current dividend yield of approximately 3.8%.

Details

Total Net Assets:	\$254,282,709
Units Outstanding:	10,199,868
Inception Date:	March 16, 2004
Termination Date:	Dec 1, 2014
Net Asset Value:	\$24.93 (May 31/08)
Cash Weighting:	3%
Canadian Equity Weighting:	97%
DFN.PR.A Trading Price:	\$10.25 (May 31/08)
Current Yield:	5.1% annually
Asset Coverage:	249%
Market Capitalization:	\$104,548,647
DFN Trading Price:	\$14.25 (May 31/08)
Current Yield:	8.4% annually
Market Capitalization:	\$145,348,119

Top Holdings (sorted by weight)

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

Weightings subject to change at any time.

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