



Dividend 15

September 2008

Monthly Update

Dividend 15 Split Corp II 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.

Distributions (by record date)

	DF	DF (specials)	DF.PR.A	Total
Total to Date	\$2.20	-	\$0.9835	\$3.1835
2008 YTD	\$0.90	-	\$0.3938	\$1.2938
2007	\$1.20	-	\$0.5250	\$1.7250
2006 (initial)	\$0.10	-	\$0.06473 ⁽¹⁾	\$0.16473

(1) Initial distribution for the period Nov 16/06 to Dec 31/06.

Commentary

The month of September 2008 will long be remembered as one of the most dramatic and volatile months ever for world financial markets. Fueled by the intensification of the ongoing credit crisis, world financial markets reached a level of "panic" at levels which arguably have never been seen by investors on such a global scale. Several of the largest financial institutions in the United States and around the world required unprecedented government intervention in order to rescue them from complete insolvency while others were required to make emergency decisions to save their businesses by being acquired by other stronger partners. Fannie Mae and Freddie Mac, the two most important mortgage organizations in the United States and AIG, the world's largest insurance company were rescued through direct intervention taken by the U.S government. Major investment banks on Wall Street were severely impacted during the month as Lehman Bros filed for bankruptcy, Merrill Lynch was hastily acquired by Bank of America and Goldman Sachs and Morgan Stanley made a dramatic decision to convert their business model into a regulated bank. Washington Mutual, the largest savings and Loan Company in the United States was acquired by JP Morgan after its share price fell more than 90% over the last year. The month concluded with a failed vote on a U.S. government sponsored rescue plan which sent markets reeling and caused dramatic stock market losses across the world. The volatility index as measured by the VIX reached record levels indicating fear was at historically high levels. It is clear the credit crisis is having a far reaching impact on the economy and will now require major intervention by governments around the world to stabilize conditions and restore confidence. Many think this type of unprecedented government involvement, although not always welcome by capitalist economies, will prove to be a turning point in rebuilding and restoring confidence in the worldwide credit markets. When pessimism and fear reach extreme levels, markets have often provided the best buying opportunities for longer term investors. Many believe current stock market levels have already discounted much of the impact of this credit crisis and that current valuations in some sectors may turn out to be very attractive on a longer term basis.

The Dividend 15 Split II portfolio has a current dividend yield of approximately 4.2%.

Details

Gross Proceeds:	\$139,750,000
Units Issued:	5,590,000
Inception Date:	Nov 16, 2006
Termination Date:	Dec 1, 2014
Net Asset Value:	\$18.09 (Sep 30/08)
Cash Weighting:	4%
Canadian Equity Weighting:	96%
DF.PR.A Trading Price:	\$9.50 (Sep 30/08)
Current Yield:	5.5% annually
Asset Coverage:	181%
Market Capitalization:	\$53,105,000
DF Trading Price:	\$9.30 (Sep 30/08)
Current Yield:	12.9% annually
Market Capitalization:	\$51,987,000

Top Holdings (sorted by weight)

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

Weightings subject to change at any time.

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