

Press Release:



TSX SYMBOLS: XMF, XMF.PR.A
SUBJECT: Fin Stmts

M-Split Corp.

Financial Results to May 31, 2009

TORONTO, ONTARIO – July 29, 2009 / CCN Matthews: M-Split Corp. (“M-Split”) announces semi-annual financial results for the six months ending May 31, 2009.

The six month period ending May 31, 2009 was one of the most tumultuous periods in financial market history. Manulife Financial common stock hit a low of \$ 9.02 in early March 2009 (a decline of 78.0% since the inception date of the Company) which required the Company to further reduce and almost eliminate the Company’s holding of Manulife Financial common stock and use the proceeds to increase fixed income instruments held under the Priority Equity Protection Plan as required under the prospectus. The objective of the Priority Equity Protection Plan is to provide repayment of the original \$10 par value of the Priority Equity shares. As at May 31, 2009, the net asset value of the Company was \$8.45 per unit (a unit consisting of one Priority Equity share and one Class A share). As a result of the significant liquidation of Manulife Financial common shares to facilitate the requirements of the Priority Equity Portfolio Protection Plan, the Company had 99% in fixed income securities (plus cash) and the remaining 1.0% in Manulife Financial common stock as at May 31, 2009. On February 18, 2009, the Company announced that it was suspending its regular monthly dividends on the Priority Equity shares in order to preserve cash and to assist in rebuilding the net asset value in an attempt to achieve longer term objectives. Since the dividends on the Priority Equity shares are cumulative, the February, March, April and May suspended dividends (and all subsequent dividends not paid) will be accrued to the benefit of the Priority Equity shareholders and are recorded as a liability in the Company’s net asset value.

**Selected Financial Information from the Statement of Financial Operations:
For the six months ending May 31, 2009**

	(\$ Millions)
Income	0.666
Expenses	<u>(0.281)</u>
Net investment income	0.385
Realized option premiums and gain (loss) on sale of investments	(13.123)
Change in unrealized appreciation of investments	<u>9.084</u>
Decrease in net assets from operations before distributions	(3.654)

Comparative financial information is available in documents filed on www.sedar.com.

For further information please contact Investor Relations at 416-304-4443, toll free at 1-877-4-Quadra (1-877-478-2372), or visit www.m-split.com.