

Press Release:



TSX SYMBOLS: XMF, XMF.PR.A

M SPLIT CORP. - Portfolio Update

TORONTO, ONTARIO – June 19, 2009 / Marketwire: M Split Corp. (“the Company”) was created to provide exposure to the common shares of Manulife Financial Corporation (“Manulife”) through two classes of securities, the Priority Equity Shares and the Class A Shares (a “Unit”). Since the inception of the Company on April 18, 2007 (approx. 25 months ago) the price of Manulife has declined 43% from \$41.08 to \$23.05 as of June 18, 2009. The common shares hit a record low of \$9.20 on March 9, 2009.

This sharp decline in Manulife has resulted in the Company’s net asset value being reduced significantly and as mentioned in previous updates, has required the Company to implement the Priority Equity Portfolio Protection Plan (the “Plan”) in accordance with the prospectus. As a result of implementing the Plan, the Company has been required to sell the vast majority of the Manulife common shares held in the Portfolio and acquire fixed income securities.

The Company’s total net asset value is approximately \$8.37 per unit as at June 18, 2009, consisting of less than 1% common shares of Manulife. The reduced exposure to Manulife will materially limit the future impact of price movements of Manulife shares on the net asset value of the Company and lower the ability of the Company to generate income from dividends and its covered call option writing program.

The significant price decline of Manulife has made it extremely difficult to achieve the original stated objectives for both classes of shares. The Company established a normal course issuer’s bid which allows the Company to re-purchase units in the market when trading prices are at a discount to the net asset value.

Subsequent to the unsuccessful shareholder vote on February 5, 2009 of the reorganization proposal, the Company has continued to dialogue with certain larger shareholders to try and establish potential solutions for reorganizing the Company that would be suitable for all shareholders and result in a successful shareholder vote. Outside of certain larger shareholders, the remaining shareholders had voted overwhelmingly in support of management’s latest proposal.

The Company has received several shareholder requests to wind up the Company. In response to this request, the Company would like to remind all shareholders that all such reorganization proposals must receive a 66 2/3 favorable vote by both the Class A shareholders and the Preferred shareholders voting separately by class. This requirement is outlined in the Company’s prospectus and is part of the articles of incorporation of the Company. Under any kind of termination proposal at the current time, Class A shareholders would receive no value for their Class A shares since the net asset value per unit is below \$10. The Class A shares have traded in a range between \$0.27 and \$0.78 since February 5, 2009 and closed at \$0.40 on June 18, 2009. As such, the Company does not believe that this proposal is in the best interests of the Class A shareholders and any proposal that would provide no value to the Class A shareholders would ultimately never be approved by Class A shareholders.

The Company will continue to seek solutions that will balance and meet the interests of both Classes of shareholders and also result in a successful vote. The costs of holding a meeting are significant to the Company and, as such, the Company will only bring forward a proposal that has a high probability of being passed by the requisite majorities of each Class of shareholders.

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.