

CANADIAN Financials & Utilities Split Corp. Announcement

Toronto – November 20, 2008

CANADIAN Financials & Utilities Split Corp. (the “Company”) was created to provide investors with a low cost, diversified investment in a high quality, passive portfolio comprised of Canadian banks, utilities and pipeline issuers and non-bank financials. The Company issued Class A Shares and Preferred Shares rated Pfd-1 by DBRS based on the securities included in the portfolio and by introducing a protective leveraging and de-leveraging mechanism. As stated in the prospectus, the investment objectives of the Preferred Shares are to provide holders with stable quarterly distributions and to repay the original issue price of \$10.00 per Preferred Share at maturity on January 31, 2012. Holders of Class A Shares have leveraged exposure to the portfolio which amplifies the portfolio’s performance in both positive and negative return environments. Holders of Class A Shares are also entitled to all dividends and distributions received on the portfolio (net of operating expenses and the Preferred Share distributions).

The leveraging and de-leveraging mechanism offers the ability to increase leverage when the Company’s portfolio appreciates in value and reduce leverage when the portfolio declines in value. Leverage is actively managed by RBC Dominion Securities Inc. (“RBC”) in its capacity as the Company’s Leverage Agent. The value of the Company’s portfolio has declined significantly in recent months, a period characterized by extreme and unprecedented market conditions and economic weakness, and has declined by more than 34% since its inception. As a result, under the terms of the prospectus, RBC is required to sell portfolio securities and invest the proceeds in cash or cash equivalents in order to provide additional assurance that the Company’s objective to repay the \$10.00 issue price of the Preferred Shares at maturity will be met and that the Preferred Shares continue to have a high rating from DBRS. Following the sale of portfolio securities, the Class A Shares will continue to have exposure to the portfolio on a non-leveraged basis and distributions on the Class A Shares will be suspended beginning in December. Should the portfolio continue to decline in value, the removal of leverage will lessen the impact of any further decline on the performance of the Class A Shares.

The Company has the ability to re-establish leverage as the portfolio’s value increases. If the remaining portfolio subsequently appreciates in value and the net asset value per Class A Share grew to approximately \$7.37, RBC will be instructed to re-invest the cash raised in securities of the portfolio which will restore leverage on the Class A Shares and likely result in the resumption of distributions to holders of Class A Shares.

- 30 -

For more information, please visit www.cclcapitalmarkets.com or contact:

Darren Cabral
Vice-President
Connor, Clark & Lunn Capital Markets Inc.
416-214-6182
Toll Free: 1-888-276-2258
dcabral@cclgroup.com