



Mulvihill

Hybrid Income Funds



Semi-Annual Report 2004

Mulvihill Premium Global Telecom Fund

Global Telecom Split Share Corp.

Mulvihill Premium *Global Telecom Fund*

Message to Shareholders

As of December 31, 2004, the Fund's net asset value , excluding the Preferred share liability, was \$36.2 million, or \$12.39 per unit, up from its value of \$12.28 per unit, on June 29, 2004. Preferred shares, listed on the Toronto Stock Exchange as GT.PR.A, closed on December 31, 2004 at \$11.50. Class A shares, listed as GT.A, closed on December 31, 2004 at \$0.41.

Distributions totalling \$0.4125 per unit were made to preferred shareholders during the six-month period, maintaining a 5.5 percent annual yield on the initial price of these shares. Distributions to Class A shareholders will remain suspended until portfolio value improves, and arrears of \$0.21 per unit have been paid to Preferred shareholders.

During the six months ended December 31, 2004, the S&P 500 Telecom Service Index rose 15.5 percent in U.S. dollar terms, but the rising value of the Canadian dollar reduced this to a 3.1 percent gain for Canadian investors. The MSCI World Telecom Index rose 19.4 percent in U.S. terms, but only 6.6 percent in Canadian. The S&P 500 Communications Equipment Index's decline of 5.5 percent in U.S. terms was a 15.6 percent drop in Canadian terms. The Fund's overall return during the period was 4.2 percent.

The focus in the telecom sector is now on bundling wireless, video and data services with expanded wireline services to retain customers. This convergence of service packages will intensify price pressures, but increased efficiencies in the wireless segment should provide some offset. Among equipment suppliers, revenues are increasing, but strong price competition is squeezing profit margins.

The Fund is continuing to hedge some of its U.S. dollar exposure in foreign exchange markets, and is keeping its portfolio widely diversified across telecom service providers and equipment suppliers. A prudent level of cash is also being maintained for defensive purposes.

We would like to take this opportunity to thank all shareholders for their continuing support.



John P. Mulvihill
Chairman & President
Mulvihill Capital Management Inc.

February 2005

Management's Responsibility for Financial Reporting

This report has been prepared in accordance with the Accounting Standards Board guidelines.

The accompanying financial statements of Global Telecom Split Corp. (operating as Mulvihill Premium Global Telecom Fund) (the "Fund") and all the information in this semi-annual report are the responsibility of the management of Mulvihill Fund Services Inc., (the "Manager"), and have been approved by the Board of Directors (the "Board").

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and include certain amounts that are based on estimates and judgments. Management has ensured that the other financial information presented in this semi-annual report is consistent with the financial statements. The significant accounting policies which management believes are appropriate for the Fund are described in Note 2 of the annual financial statements.

The Manager is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The Audit Committee meets periodically with management and external auditors to discuss internal controls, the financial reporting process, various auditing and financial reporting issues, and to review the annual report, the financial statements and the external auditors' report. Deloitte & Touche LLP has full and unrestricted access to the Audit Committee and the Board.



John P. Mulvihill
Director
Mulvihill Fund Services Inc.



Sheila S. Szela
Director
Mulvihill Fund Services Inc.

February 2005

Mulvihill Premium *Global Telecom Fund*

Financial Statements

Interim Statements of Financial Position

December 31, 2004 (Unaudited) and June 29, 2004

	December 2004	June 2004
ASSETS		
Investments at market value (average cost - \$30,327,053; June 2004 - \$30,907,739)	\$ 25,859,563	\$ 24,325,058
Short-term investments (average cost - \$11,803,871; June 2004 - \$12,626,255)	11,781,992	12,622,767
Cash	81,529	261,011
Due from brokers	22,067	31,653
Interest, dividends and other receivables	106,736	116,393
TOTAL ASSETS	\$ 37,851,887	\$ 37,356,882
LIABILITIES		
Due to brokers	\$ 842,370	\$ 56,630
Accrued Preferred share distributions	605,314	1,210,628
Redemptions payable	111,365	—
Accounts payable and accrued liabilities	51,068	51,321
Redeemable Preferred shares	36,241,770	36,038,303
TOTAL LIABILITIES	37,851,887	37,356,882
EQUITY		
Class A and Class B shares	41,390,619	41,390,619
Deficit	(41,390,619)	(41,390,619)
	—	—
TOTAL LIABILITIES AND EQUITY	\$ 37,851,887	\$ 37,356,882
Number of Units Outstanding	2,925,858	2,934,858
Net Asset Value per Unit		
Preferred share	\$ 12.3867	\$ 12.2794
Class A share	—	—
	\$ 12.3867	\$ 12.2794

Financial Statements

Interim Statements of Operations and Deficit

For the six months ended December 31 (Unaudited)

	2004	2003 (Restated-Note3)
REVENUE		
Interest, net of foreign exchange	\$ 151,332	\$ (207,296)
Dividends	315,987	235,737
Withholding taxes	(22,269)	(16,596)
	445,050	11,845
Net Realized Gains (Losses) on Investments, Options and Foreign Currency	(681,313)	1,270,172
TOTAL REVENUE	(236,263)	1,282,017
EXPENSES		
Management fees	223,386	231,628
Administrative and other expenses	72,359	59,033
Custodian fees	16,084	20,182
GST and capital taxes	21,162	59,061
TOTAL EXPENSES	332,991	369,904
Realized Income (Loss) before Distributions	(569,254)	912,113
Preferred share distributions	(1,210,629)	(1,210,629)
Net Realized Loss	(1,779,883)	(298,516)
Change in unrealized appreciation/ depreciation of investments, options and foreign currency during the period	2,094,833	1,131,102
Net Income before Recovery in Value of Preferred Shares	314,950	832,586
Recovery in value of Preferred shares	(314,950)	(832,586)
NET INCOME FOR THE PERIOD	\$ –	\$ –
NET INCOME PER CLASS A SHARE (based on average number of units outstanding during the period of 2,934,809; 2003 - 2,935,101)		
	\$ –	\$ –
DEFICIT		
Balance, beginning of year	\$ (41,390,619)	\$ (41,390,619)
Net income for the year	–	–
Distributions on Class A shares	–	–
BALANCE, END OF PERIOD	\$ (41,390,619)	\$ (41,390,619)

Mulvihill Premium *Global Telecom Fund*

Financial Statements

Interim Statements of Changes in Net Assets

For the six months ended December 31 (Unaudited)

	2004	2003 (Restated-Note3)
NET ASSETS, BEGINNING OF PERIOD	\$ —	\$ —
Net Realized Income (Loss) before Distributions	(569,254)	912,113
Distributions		
Preferred shares	(1,210,629)	(1,210,629)
Class A shares	—	—
	(1,210,629)	(1,210,629)
Recovery in Value of Preferred Shares	(314,950)	(832,586)
Change in Unrealized Appreciation/Depreciation of Investments and Foreign Currency during the Period	2,094,833	1,131,102
Changes in Net Assets during the Period	—	—
NET ASSETS END OF PERIOD	\$ —	\$ —

The statement of changes in net assets excludes cash flows pertaining to the Preferred shares as they are reflected as liabilities. During the year amounts paid for Preferred shares redeemed were \$111,365 (2003 - \$nil).

Interim Statements of Changes in Investments and Options

For the six months ended December 31 (Unaudited)

	2004	2003
INVESTMENTS AND OPTIONS AT MARKET VALUE, BEGINNING OF PERIOD	\$ 24,325,058	\$ 29,292,842
Unrealized Depreciation of Investments and Options, Beginning of Period	6,582,681	6,679,241
Investments and Options at Cost, Beginning of Period	30,907,739	35,972,083
Cost of Investments and Options Purchased During the Period	6,325,603	5,211,109
Cost of Investments and Options Sold During the Period		
Proceeds from sales	6,224,976	13,591,891
Net realized gains (losses) on sales	(681,313)	1,270,172
	6,906,289	12,321,719
Investments and Options at Cost, End of Period	30,327,053	28,861,473
Unrealized Depreciation of Investments, End of Period	(4,467,490)	(5,446,292)
INVESTMENTS AND OPTIONS AT MARKET VALUE, END OF PERIOD	\$ 25,859,563	\$ 23,415,181

Financial Statements

Statement of Investments

December 31, 2004 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Market Value
SHORT-TERM INVESTMENTS			
Treasury Bills			
Government of Canada			
- January 27, 2005	9,115,000	\$ 9,057,457	\$ 9,057,457
Government of Canada			
- February 24, 2005	475,000	471,793	471,793
Government of Canada			
- March 10, 2005	135,000	134,120	134,120
Government of Canada			
- April 7, 2005	1,320,000	1,310,435	1,310,435
Total Treasury Bills		10,973,805	10,973,805
Discount Commercial Paper			
Canadian Wheat Board, USD			
- April 18, 2005	450,000	551,987	534,692
Province of British Columbia, USD			
- April 12, 2005	230,000	278,079	273,495
Total Discount Commercial Paper		830,066	808,187
		11,803,871	11,781,992
Accrued Interest			44,470
TOTAL SHORT-TERM INVESTMENTS		\$11,803,871	\$11,826,462

INVESTMENTS

Canadian Common Shares

Telecommunication Services

Aliant Inc.	30,000	\$ 1,150,775	\$ 834,000
BCE Inc.	50,000	1,926,755	1,446,000
TELUS Corporation	25,000	674,239	905,500
Total Telecommunication Services		3,751,769	3,185,500

Cable and Wireless

Rogers Communications Inc., Class B	25,000	678,775	786,000
Total Canadian Common Shares		\$ 4,430,544	\$ 3,971,500

Mulvihill Premium *Global Telecom Fund*

Financial Statements

Statement of Investments (continued)

December 31, 2004 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS (CONTINUED)			
United States Common Shares			
Cable and Wireless			
Alltel Corp.	10,000	\$ 1,006,349	\$ 704,033
Nextel Communications, Inc., Class A	25,000	918,431	898,612
Total Cable and Wireless		1,924,780	1,602,645
Communication Technology			
Avaya Inc.	40,000	836,315	824,327
Cisco Systems Inc.	50,000	1,606,937	1,156,215
Motorola Inc.	40,000	858,066	824,327
QUALCOMM Inc.	20,000	1,014,952	1,016,031
Total Communication Technology		4,316,270	3,820,900
Telecommunication Services			
AT&T Corp.	36,000	1,243,240	822,123
BellSouth Corp.	30,000	1,541,075	998,898
CenturyTel Inc.	25,000	1,131,383	1,062,460
SBC Communications Inc.	35,000	1,744,168	1,080,671
Verizon Communications Inc.	20,000	1,291,312	970,741
Total Telecommunication Services		6,951,178	4,934,893
Total United States Common Shares		\$13,192,228	\$ 10,358,438
Non-North American Common Shares			
Cable and Wireless			
Vodafone Group ADR	22,500	\$ 773,084	\$ 738,120
China Mobile (Hong Kong) Limited ADR	30,000	690,767	616,808
Total Cable and Wireless		1,463,851	1,354,928
Communication Technology			
Alcatel ADR	40,000	829,345	749,083
Telefonaktiebolaget Lm Ericsson ADR	22,000	865,992	830,054
Total Communication Technology		1,695,337	1,579,137
Telecommunication Services			
Cable & Wireless ADR	80,000	800,322	651,794
Deutsche Telekom AG ADR	17,500	454,144	475,546

Financial Statements

Statement of Investments (continued)

December 31, 2004 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS (CONTINUED)			
Non-North American Common Shares (continued)			
Telecommunication Services (continued)			
France Telecom ADR	30,000	1,176,269	1,189,044
KT Corp. ADR	25,000	848,561	653,291
Nippon Telegraph & Telephone ADR	30,000	1,210,767	810,549
SK Telecom Co. Ltd. ADR	40,000	1,269,723	1,066,354
Tele Danmark TDC ADR	45,000	1,258,892	1,147,348
Telefonica De Espana ADR	22,000	1,433,168	1,489,301
Telefonos de Mexico ADR	25,000	1,274,078	1,147,828
Total Telecommunication Services		9,725,924	8,631,055
Total Non-North American Common Shares		\$12,885,112	\$ 11,565,120

Forward Currency Contracts

Sold USD \$340,000, Bought CAD \$431,220 @ 0.788460	
- January 5, 2005	\$ 23,835
Sold USD \$1,297,000, Bought CAD \$1,583,967 @ 0.818830	
- January 12, 2005	29,836
Sold USD \$745,000, Bought CAD \$930,878 @ 0.800320	
- January 19, 2005	38,138
Sold USD \$2,705,000, Bought CAD \$3,282,767 @ 0.824000	
- January 26, 2005	41,189
Sold USD \$731,000, Bought CAD \$874,444 @ 0.835960	
- February 2, 2005	(1,593)
Sold USD \$680,000, Bought CAD \$817,288 @ 0.832020	
- February 9, 2005	2,361
Sold USD \$2,333,000, Bought CAD \$2,757,944 @ 0.845920	
- February 16, 2005	(38,010)
Sold USD \$1,812,000, Bought CAD \$2,153,042 @ 0.841600	
- March 2, 2005	(18,605)
Sold USD \$629,000, Bought CAD \$773,649 @ 0.813030	
- March 9, 2005	19,805
Sold USD \$622,000, Bought CAD \$764,738 @ 0.813350	
- March 9, 2005	19,284
Total Forward Currency Contracts	\$ 116,240

Mulvihill Premium *Global Telecom Fund*

Financial Statements

Statement of Investments (continued)

December 31, 2004 (Unaudited)

	Number of Contracts	Proceeds	Market Value
INVESTMENTS (CONTINUED)			
OPTIONS			
Written Covered Call Options (100 shares per contract)			
Alcatel ADR - January 2005 @ \$15	(240)	\$ (14,452)	\$ (8,212)
AT&T Corp. - January 2005 @ \$19	(180)	(9,796)	(1,695)
Avaya Inc. - February 2005 @ \$18	(300)	(17,364)	(9,793)
BellSouth Corp. - January 2005 @ \$28	(150)	(4,703)	(4,808)
China Mobile (Hong Kong) Limited ADR			
- January 2005 @ \$17	(150)	(7,348)	(9,809)
Cisco Systems Inc.			
- January 2005 @ \$19	(250)	(15,362)	(7,140)
Motorola Inc. - January 2005 @ \$17	(200)	(13,606)	(11,741)
Nextel Communications Inc., Class A			
- January 2005 @ \$29	(125)	(9,315)	(16,271)
QUALCOMM Inc. - January 2005 @ \$44	(200)	(25,169)	(7,010)
Rogers Communications Inc., Class B			
- January 2005 @ \$29	(125)	(6,000)	(31,225)
SK Telecom Co. Ltd. ADR			
- January 2005 @ \$22	(400)	(10,651)	(5,655)
Telefonaktiebolaget Lm Ericsson ADR			
- January 2005 @ \$33	(165)	(22,548)	(4,189)
Telefonica De Espana ADR			
- January 2005 @ \$56	(165)	(10,461)	(17,699)
Telefonos de Mexico ADR			
- January 2005 @ \$37	(125)	(6,965)	(16,488)
Verizon Communications Inc.			
- January 2005 @ \$42	(100)	(7,091)	—
Total Written Covered Call Options		(180,831)	(151,735)
TOTAL OPTIONS		\$ (180,831)	\$ (151,735)
TOTAL INVESTMENTS		\$30,327,053	\$25,859,563

1. Corporate Information

Global Telecom Split Share Corp. (the “Fund”) is a mutual fund corporation incorporated under the laws of the Province of Ontario on May 7, 1998. The Fund was inactive prior to the initial public offering of Preferred shares and Class A shares on June 30, 1998. All shares outstanding on July 2, 2008 will be redeemed by the Fund on that date.

The Fund operates under the registered name Mulvihill Premium Global Telecom Fund.

The Fund invests in a diversified portfolio consisting principally of common shares and American Depositary Receipts (“ADRs”) issued by selected corporations operating in the global telecommunications industry. ADRs are issued by a depository as evidence of a beneficial interest in foreign securities of an issuer that are held on deposit by the depository.

To generate additional returns above the dividend income earned on the portfolio, the Fund will from time to time write covered-call options in respect of all or part of the securities in the portfolio. In addition, the Fund may write cash-covered put options in respect of all of the securities in which the Fund is permitted to invest. Additionally, the Fund may purchase call options with the effect of closing out existing call options written by the Fund and may also purchase put options to preserve the value of the portfolio where appropriate. The Fund may enter into trades to close out positions in such permitted derivatives.

From time to time, the portfolio may include debt securities having a remaining term to maturity of less than one year issued or guaranteed by the government of Canada or a province or the government of the United States of America or short-term commercial paper with a rating of at least R-1 (mid).

2. Basis of Presentation

The interim financial statements for the Fund have been prepared in accordance with Canadian generally accepted accounting standards (“GAAP”). However, not all disclosures required by GAAP for annual financial statements have been presented and, accordingly, these interim financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended June 29, 2004.

Mulvihill Premium *Global Telecom Fund*

Notes to Financial Statements
December 31, 2004

These interim financial statements follow the same accounting policies and method of application as the most recent financial statements for the year ended June 29, 2004.

3. Change in Accounting Policy

Commencing June 29, 2004 each redeemable Preferred share is valued for financial statement purposes at the lesser of: (i) \$15.00; and (ii) the net asset value of the Fund divided by the number of Preferred shares outstanding. The net asset value is equal to the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities excluding Preferred shares of the Fund on a particular date less \$1,000. The redeemable Preferred shares were previously valued at their termination value of \$15.00 per share.

4. Generally Accepted Accounting Principles

The Canadian Institute of Chartered Accountants ("CICA") issued Section 1100, "Generally Accepted Accounting Principles ("GAAP")" of the *CICA Handbook - Accounting*, which establishes standards for financial reporting. Section 1100 applies to all entities, with the exception of rate-regulated operations, for fiscal years beginning on or after October 1, 2003. As a result, certain disclosures previously considered GAAP by virtue of general use in the investment funds industry, are no longer considered GAAP. This section primarily impacts the disclosure of an investment fund's financial statements, and accordingly, has no impact on the valuation of a fund or in the calculation of the net asset value per unit of a fund. The Funds, in conjunction with other investment industry funds, continue to assess the impact of Section 1100 on their financial statements.

5. Cash Flow Statements

Cash flow statements have not been prepared as all relevant information has been included in the statement of changes in net assets.

6. Net Asset Value

Net asset value per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities of the Fund (excluding redeemable Preferred shares) on that date divided by the number of units then outstanding. The following are the net asset values of a unit, where Preferred shares are valued at the redemption value as defined in the prospectus, at June 29 for the most recent five years:

	2004	2003	2002	2001	2000
Preferred share	\$12.28	\$12.19	\$12.49	\$15.00	\$15.00
Class A share	–	–	–	5.34	15.46
	\$12.28	\$12.19	\$12.49	\$20.34	\$30.46

On December 31, 2004, Preferred shares on the TSX closed at \$11.50 (December 31, 2003 - \$11.30), while Class A shares closed at \$0.41 (December 31, 2003 - \$1.00).

7. Management Expense Ratios

The management expense ratio is the ratio of all fees and expenses charged to the Fund to average net assets. The following are the management expense ratios for the years ended June 29 for the most recent five-years:

	2004	2003	2002	2001	2000
	1.86%	1.94%	1.88%	1.58%	1.60%

8. Comparative Figures

Certain comparative figures have been reclassified to conform with the current presentation.

Mulvihill Premium *Global Telecom Fund*

Statement of Portfolio Transactions

A copy of the Statement of Portfolio Transactions (unaudited) for Mulvihill Premium Global Telecom Fund for the period ended December 31, 2003 may be obtained without charge by writing to the Fund at 121 King St. W., Suite 2600, Toronto, ON M5H 3T9.

Mulvihill Premium *Global Telecom Fund*

Hybrid Income Funds

Managed by Mulvihill Structured Products

Mulvihill Platinum

Mulvihill Pro-AMS *U.S. Fund*

Mulvihill Pro-AMS *RSP Fund*

Mulvihill Pro-AMS *100 Plus (Cdn \$) Fund*

Mulvihill Pro-AMS *100 Plus (U.S. \$) Fund*

Mulvihill Pro-AMS *RSP Split Share Fund*

Mulvihill Premium

Mulvihill Premium *Canadian Fund*

Mulvihill Premium *U.S. Fund*

Mulvihill Premium *Oil & Gas Fund*

Mulvihill Premium *60 Plus Fund*

Mulvihill Premium *Canadian Bank Fund*

Mulvihill Premium *Global Plus Fund*

Mulvihill Premium *Split Share Fund*

Mulvihill Premium *Global Telecom Fund*

Mulvihill *World Financial Split Fund*

Mulvihill Summit

Mulvihill Summit *Digital World Fund*

Mutual Funds Managed by Mulvihill Capital Management

Mulvihill Canadian *Money Market Fund*

Mulvihill Canadian *Bond Fund*

Mulvihill Global *Equity Fund*

Premium *Global Income Fund*

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