



Mulvihill

Hybrid Income Funds



Semi-Annual Report 2005

Mulvihill Premium *Split Share Fund*

MCM Split Share Corp.

Mulvihill Premium *Split Share Fund*

Message to Shareholders

As of July 31, 2005, the net assets of the Fund were \$118.3 million, or \$23.31 per unit, compared to net assets of \$120.6 million, or \$23.76 per unit, on January 31, 2005. Class A shares, listed on the Toronto Stock Exchange as MUH.A, closed on July 31 at \$7.67, while Preferred shares, listed as MUH.PR.A, closed at \$15.66. Class A shareholders received regular distributions totalling \$0.60 per share during the six-month period, while Preferred shareholders received \$0.4311 per share. On November 30, 2004, the Fund issued 1,785,000 Preferred shares and 1,785,000 Class A shares for gross proceeds of \$45,339,000.

The S&P/TSX 60 Index rose over 16 percent during the first two fiscal quarters of 2005, led by strong performances in the energy, financial and utilities sectors. The weakest performers were in information technology, health care, consumer staples and materials. Economic growth globally has been slowing somewhat, but remains positive. China in particular is expanding rapidly, boosting demand for energy, as well as steel and other metals, chemicals and fertilizers. Rising consumption continues to push oil prices higher, and higher gasoline prices may now dampen consumer spending on other goods. Corporate profits are down from last year's peaks, but remain at healthy levels.

Volatility was low throughout the period, but remained sufficient to maintain option writing programs. However, due to this low volatility, the Fund increased its investment position thereby providing greater income generating capabilities. To offset the risk of added equity exposure the Fund purchased protective puts to mitigate the potential impact of a severe market decline as well as to take advantage of the low cost of this protection.

The U.S. Federal Reserve has continued to raise interest rates in measured steps, but this may end soon, as inflation appears to be well contained. With slower growth in Canada, a rate increase here is not likely until the last quarter of this year. Only the huge U.S. trade and federal budget deficits cloud an otherwise positive outlook.

The Fund continues to be invested in a widely diversified portfolio of Canadian and U.S. equities. A portion of the U.S. equity exposure continues to be hedged against fluctuations in the exchange rate for Canadian dollars.

We would like to take this opportunity to thank each of the Fund's shareholders for their continuing support.

September 2005

Management's Responsibility for Financial Reporting

The accompanying financial statements of MCM Split Share Corp. (operating as Mulvihill Premium Split Share 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.

September 2005

Mulvihill Premium Split Share Fund

Financial Statements

Interim Statements of Financial Position

	July 31, 2005 (Unaudited)	January 31, 2005 (Audited)
ASSETS		
Investments at market value (cost - \$98,981,886; January 31, 2005 - \$83,563,672)	\$ 99,863,800	\$ 84,806,895
Short-term investments (cost - \$17,873,854; January 31, 2005 - \$34,198,386)	17,893,176	34,230,996
Cash	242,193	82,222
Interest, dividends and other receivables	207,378	384,674
Due from brokers	4,499,600	2,494,439
TOTAL ASSETS	\$ 122,706,147	\$ 121,999,226
LIABILITIES		
Due to brokers	\$ 4,178,010	\$ 1,221,575
Accrued liabilities	197,009	201,601
	4,375,019	1,423,176
Redeemable preferred shares	76,133,475	76,133,475
Unamortized premium on issue of preferred shares	61,731	74,077
	80,570,225	77,630,728
EQUITY		
Class A and Class B shares	59,837,186	59,837,186
Deficit	(17,701,264)	(15,468,688)
	42,135,922	44,368,498
TOTAL LIABILITIES AND EQUITY	\$ 122,706,147	\$ 121,999,226
Number of Units Outstanding	5,075,565	5,075,565
Net Asset Value per Unit		
Preferred share	\$ 15.0000	\$ 15.0000
Class A share	8.3139	8.7562
	\$ 23.3139	\$ 23.7562

Mulvihill Premium Split Share Fund

Financial Statements

Interim Statements of Operations and Deficit

For the six months ended July 31 (Unaudited)

	2005	2004
REVENUE		
Dividends	\$ 929,335	\$ 440,560
Interest	221,539	347,893
Withholding taxes	(32,938)	(11,291)
	1,117,936	777,162
Net realized gains on investments	3,190,234	4,919,207
TOTAL REVENUE	4,308,170	5,696,369
EXPENSES		
Management fees	744,621	508,632
Administrative and other expenses	138,673	117,967
Goods and services tax	61,371	43,399
TOTAL EXPENSES	944,665	669,998
Net Realized Income before Distributions	3,363,505	5,026,371
Preferred share distributions	(2,188,109)	(1,391,845)
Net Realized Income	1,175,396	3,634,526
Change in unrealized appreciation/ depreciation of investments	(374,979)	(5,821,631)
Amortization of Premium on Issue of Preferred Shares	12,346	-
NET INCOME (LOSS)	\$ 812,763	\$ (2,187,105)
NET INCOME (LOSS) PER CLASS A SHARE (based on average number of units outstanding during the period of 5,075,565; 2004 - 3,290,565)		
	\$ 0.1601	\$ (0.6647)
DEFICIT		
Balance, beginning of period	\$ (15,468,688)	\$ (9,145,699)
Net income (loss)	812,763	(2,187,105)
Distributions on Class A shares	(3,045,339)	(1,974,339)
BALANCE, END OF PERIOD	\$ (17,701,264)	\$ (13,307,143)

Mulvihill Premium Split Share Fund

Financial Statements

Interim Statements of Changes in Net Assets

For the six months ended July 31 (Unaudited)

	2005	2004
NET ASSETS, BEGINNING OF PERIOD	\$ 44,368,498	\$ 34,445,435
Net Realized Income before Distributions	3,363,505	5,026,371
Amortization of Premium on Issue of Preferred Shares	12,346	—
Distributions		
Preferred shares	(2,188,109)	(1,391,845)
Class A shares	(3,045,339)	(1,974,339)
	(5,233,448)	(3,366,184)
Change in Unrealized Appreciation/Depreciation of Investments	(374,979)	(5,821,631)
Changes in Net Assets during the Period	(2,232,576)	(4,161,444)
NET ASSETS, END OF PERIOD	\$ 42,135,922	\$ 30,283,991
Distribution per Preferred Share	\$ 0.4311	\$ 0.4230
Distribution per Class A Share	\$ 0.6000	\$ 0.6000

The statement of changes in net assets excludes cash flows pertaining to the Preferred shares as they are reflected as liabilities.

Interim Statements of Changes in Investments

For the six months ended July 31 (Unaudited)

	2005	2004
INVESTMENTS AT MARKET VALUE, BEGINNING OF PERIOD	\$ 84,806,895	\$ 58,889,434
Unrealized appreciation of investments, beginning of period	(1,243,223)	(5,156,619)
Investments at Cost, Beginning of Period	83,563,672	53,732,815
Cost of Investments Purchased during the Period	136,869,820	61,984,645
Cost of Investments Sold during the Period		
Proceeds from sales	124,641,840	61,514,121
Net realized gains on sales	3,190,234	4,919,207
	121,451,606	56,594,914
Investments at Cost, End of Period	98,981,886	59,122,546
Unrealized Appreciation (Depreciation) of investments, End of period	881,914	(561,734)
INVESTMENTS AT MARKET VALUE, END OF PERIOD	\$ 99,863,800	\$ 58,560,812

Mulvihill Premium *Split Share Fund*

Financial Statements

Statement of Investments

July 31, 2005 (Unaudited)

	Number of Shares/ Par Value	Average Cost	Market Value
SHORT-TERM INVESTMENTS			
Treasury Bills			
Government of Canada - October 6, 2005	3,055,000	\$ 3,039,229	\$ 3,039,229
Government of Canada - November 3, 2005	325,000	322,754	322,754
Total Treasury Bills		3,361,983	3,361,983
Discount Commercial Paper			
Export Development Corporation, USD - September 30, 2005	25,000	30,282	30,460
Export Development Corporation, USD - October 27, 2005	3,025,000	3,650,861	3,673,508
Total Discount Commercial Paper		3,681,143	3,703,968
Canadian Bonds			
Canada Mortgage & Housing Corp. - December 1, 2005	10,700,000	10,830,728	10,827,225
		17,873,854	17,893,176
Accrued Interest			116,672
TOTAL SHORT-TERM INVESTMENTS		\$17,873,854	\$18,009,848
INVESTMENTS			
Canadian Common Shares			
Consumer Discretionary			
Canadian Tire Corporation Ltd.	60,000	\$ 3,346,324	\$ 3,501,600
Magna International Inc., Class A	27,000	2,451,874	2,543,130
Rogers Communications Inc., Class B	40,000	1,618,560	1,810,000
The Thomson Corporation	66,000	2,890,263	2,826,780
Total Consumer Discretionary		10,307,021	10,681,510
Consumer Staples			
Loblaw Companies Ltd.	60,000	4,283,937	4,120,800
Energy			
Enbridge Inc.	108,000	3,875,040	3,812,400
EnCana Corporation	90,000	4,661,730	4,542,300
Imperial Oil Ltd.	40,000	3,927,422	4,178,000
Petro-Canada	28,000	2,058,076	2,464,840
Suncor Energy Inc.	60,000	3,641,276	3,597,000
Total Energy		18,163,544	18,594,540
Financials			
Bank of Montreal	42,000	2,453,667	2,566,200
Canadian Imperial Bank of Commerce	33,000	2,438,525	2,640,330
Manulife Financial Corporation	78,000	4,655,965	4,793,100
National Bank of Canada	58,000	3,149,948	3,323,400
Royal Bank of Canada	49,500	3,810,907	3,831,300
Sun Life Financial Services of Canada Inc.	60,000	2,549,368	2,643,600
The Bank of Nova Scotia	110,000	4,204,566	4,592,500
The Toronto-Dominion Bank	50,000	2,783,970	2,795,000
Total Financials		26,046,916	27,185,430

Mulvihill Premium Split Share Fund

Financial Statements

Statement of Investments (continued)

July 31, 2005 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS (continued)			
Canadian Common Shares (continued)			
Industrials			
Bombardier Inc. "B"	750,000	2,504,700	2,445,000
Canadian National Railway Co.	30,000	2,144,346	2,434,500
CP Railway Limited	39,000	1,679,808	1,852,500
Total Industrials		6,328,854	6,732,000
Information Technology			
Nortel Networks Corporation	506,000	1,782,014	1,629,320
Materials			
Agrium Inc.	87,300	2,202,462	2,444,400
Barrick Gold Corp.	44,000	1,237,280	1,320,000
Placer Dome Inc.	66,000	1,266,999	1,122,000
Total Materials		4,706,741	4,886,400
Telecommunication Services			
BCE Inc.	122,000	3,631,391	3,617,300
TELUS Corporation	75,000	3,039,156	3,277,500
Total Telecommunication Services		6,670,547	6,894,800
Utilities			
TransCanada Corp.	94,000	3,047,095	3,157,460
Total Canadian Common Shares		\$81,336,669	\$83,882,260
United States Common Shares			
Consumer Staples			
PepsiCo Inc.	30,000	\$ 2,166,593	\$ 2,005,541
Financials			
Citigroup Inc.	42,000	2,487,401	2,239,822
Goldman Sachs Group Inc.	27,000	3,528,113	3,557,675
Total Financials		6,015,514	5,797,497
Health Care			
Medtronic Inc.	42,000	2,656,719	2,777,379
Information Technology			
Hewlett-Packard Company	120,000	3,554,984	3,621,964
Intel Corporation	102,000	3,394,582	3,393,789
Total Information Technology		6,949,566	7,015,753
Total United States Common Shares		\$17,788,392	\$17,596,170

Mulvihill Premium Split Share Fund

Financial Statements

Statement of Investments (continued)

July 31, 2005 (Unaudited)

	Market Value
INVESTMENTS (continued)	
Forward Exchange Contracts	
Sold USD \$953,000, Bought CAD \$1,186,711 @ 0.803060 - August 17, 2005	\$ 18,375
Sold USD \$2,286,000, Bought CAD \$2,837,355 @ 0.805680 - August 24, 2005	34,820
Sold USD \$235,000, Bought CAD \$289,873 @ 0.810700 - September 1, 2005	1,773
Sold USD \$1,089,000, Bought CAD \$1,330,629 @ 0.818410 - September 14, 2005	(4,437)
Sold USD \$840,500, Bought CAD \$1,042,468 @ 0.806260 - September 21, 2005	12,052
Sold USD \$2,286,000, Bought CAD \$2,834,611 @ 0.806460 - September 28, 2005	32,075
Sold USD \$1,650,000, Bought CAD \$2,008,619 @ 0.821460 - October 5, 2005	(14,209)
Sold USD \$1,130,000, Bought CAD \$1,360,119 @ 0.830810 - October 12, 2005	(25,212)
Sold USD \$900,000, Bought CAD \$1,091,425 @ 0.824610 - October 19, 2005	(11,935)
Sold USD \$677,000, Bought CAD \$837,446 @ 0.808410 - October 19, 2005	7,474
Total Forward Exchange Contracts	\$ 50,776

	Number of Contracts	Average Cost	Market Value
OPTIONS			
Purchased Put Options (100 shares per contract)			
The Standard & Poor's 100 Index - August 2005 @ \$524	1,547	\$ 15,876	\$ 79
The Standard & Poor's 100 Index - September 2005 @ \$529	1,521	14,968	1,356
The Standard & Poor's 100 Index - September 2005 @ \$540	6,900	43,665	14,146
The Standard & Poor's 100 Index - October 2005 @ \$545	79	45,689	54,722
The Standard & Poor's 100 Index - December 2005 @ \$547	3,800	31,102	15,290
The S&P/TSX 60 Index - August 2005 @ \$497	81	54,027	-
The S&P/TSX 60 Index - September 2005 @ \$503	80	60,800	36
The S&P/TSX 60 Index - September 2005 @ \$513	440	228,800	846
The S&P/TSX 60 Index - October 2005 @ \$538	265	152,640	31,875
The S&P/TSX 60 Index - October 2005 @ \$540	500	310,000	99,817
The S&P/TSX 60 Index - November 2005 @ \$561	450	244,350	298,765
Total Purchased Put Options		1,201,917	516,932

Mulvihill Premium Split Share Fund

Financial Statements

Statement of Investments (continued)

July 31, 2005 (Unaudited)

	Number of Contracts	Proceeds	Market Value
INVESTMENTS (continued)			
OPTIONS (continued)			
Written Cash Covered Put Options (100 shares per contract)			
Rogers Communications Inc., Class B -			
August 2005 @ \$39	(400)	(33,800)	(663)
Sun Life Financial Services of Canada Inc. -			
August 2005 @ \$41	(300)	(11,550)	(69)
The Toronto-Dominion Bank -			
August 2005 @ \$54	(300)	(18,000)	(2,966)
Total Written Cash Covered Put Options		(63,350)	(3,698)
Written Covered Call Options (100 shares per contract)			
Bank of Montreal -			
September 2005 @ \$60	(420)	(11,970)	(80,998)
Bombardier Inc. "B" -			
September 2005 @ \$3	(3,750)	(63,750)	(77,899)
Canadian Imperial Bank of Commerce -			
August 2005 @ \$75	(330)	(25,905)	(167,813)
Canadian National Railway Co. -			
August 2005 @ \$72	(150)	(29,400)	(143,020)
Canadian Tire Corporation Ltd. -			
September 2005 @ \$59	(600)	(54,000)	(64,180)
CP Railway Limited -			
September 2005 @ \$43	(390)	(37,050)	(196,684)
Enbridge Inc. - September 2005 @ \$37			
EnCana Corporation -	(1,080)	(62,640)	(52,245)
September 2005 @ \$53	(900)	(169,650)	(146,695)
Hewlett-Packard Company -			
September 2005 @ \$24	(800)	(75,872)	(77,398)
Imperial Oil Ltd. - September 2005 @ \$107			
Intel Corporation - September 2005 @ \$27	(200)	(71,400)	(93,967)
Loblaw Companies Ltd. -	(680)	(62,709)	(75,000)
August 2005 @ \$74	(600)	(68,100)	(275)
Manulife Financial Corporation -			
September 2005 @ \$63	(390)	(24,570)	(28,478)
Medtronic Inc. - September 2005 @ \$53			
National Bank of Canada -	(420)	(65,795)	(88,884)
August 2005 @ \$58	(290)	(19,285)	(17,815)
Nortel Networks Corporation -			
September 2005 @ \$3	(3,800)	(51,300)	(29,154)
PepsiCo Inc. - August 2005 @ \$56			
Petro-Canada - August 2005 @ \$76	(300)	(25,472)	(5,742)
Rogers Communications Inc., Class B -	(280)	(85,120)	(348,368)
August 2005 @ \$41	(400)	(46,800)	(167,190)
Royal Bank of Canada -			
September 2005 @ \$80	(330)	(23,430)	(11,692)

Mulvihill Premium *Split Share Fund*

Financial Statements

Statement of Investments (continued)

July 31, 2005 (Unaudited)

	Number of Contracts	Proceeds	Market Value
INVESTMENTS (continued)			
OPTIONS (continued)			
Written Covered Call Options (100 shares per contract) (continued)			
Sun Life Financial Services of Canada Inc. -			
September 2005 @ \$45	(400)	(25,600)	(26,414)
Suncor Energy Inc. -			
September 2005 @ \$61	(300)	(69,000)	(66,690)
TELUS Corporation - August 2005 @ \$44	(375)	(36,000)	(41,339)
The Bank of Nova Scotia -			
August 2005 @ \$41	(396)	(14,454)	(52,631)
The Thomson Corporation -			
August 2005 @ \$43	(330)	(9,240)	(12,412)
The Toronto-Dominion Bank -			
August 2005 @ \$57	(500)	(31,140)	(22,019)
TransCanada Corp. -			
August 2005 @ \$33	(940)	(22,090)	(83,638)
Total Written Covered Call Options		(1,281,742)	(2,178,640)
TOTAL OPTIONS		\$ (143,175)	\$ (1,665,406)
TOTAL INVESTMENTS		\$ 98,981,886	\$ 99,863,800

Mulvihill Premium *Split Share Fund*

Notes to Financial Statements

July 31, 2005

1. 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 January 31, 2005.

These interim financial statements follow the same accounting policies and method of application as the most recent financial statements for the year ended January 31, 2005, except for new policies adopted for purchased put option transactions. These new policies are as follows:

Investment Transactions and Income

Realized gains and losses relating to purchased put options may arise from:

- (i) Expiration of purchased put options whereby realized losses are equivalent to the premium paid;
- (ii) Settlement of purchased put options whereby realized gains are equivalent to the difference between the exercise price of the option less the premium paid; and
- (iii) Sale of purchased put options whereby realized gains or losses are equivalent to the sale proceeds, net of any premium paid.

Statement of Portfolio Transactions

A copy of the Statement of Portfolio Transactions (unaudited) for the Mulvihill Premium Split Share Fund for the period ended July 31, 2004 may be obtained without charge by writing to the Fund at 121 King Street West, Suite 2600, Toronto, Ontario, M5H 3T9.

Mulvihill Premium *Split Share Fund*

Notes

Mulvihill Premium *Split Share Fund*

Notes

Mulvihill Premium Split Share 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 *Top 10 Canadian Financial Fund*

Mutual Funds Managed by Mulvihill Capital Management

Mulvihill *Canadian Money Market Fund*

Mulvihill *Canadian Bond Fund*

Mulvihill *Global Equity Fund*

Mulvihill *Premium Global Income Fund*

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