

Press Release:



TSX SYMBOLS: LFE, LFE.PR.A
SUBJECT: OFR

CANADIAN LIFE COMPANIES SPLIT CORP Announces New Issue

TORONTO, ONTARIO – February 3, 2006 / CCN Matthews - Canadian Life Companies Split Corp. ("CLC Split") has filed a prospectus in each of the provinces of Canada with respect to an additional offering of Preferred Shares and Class A Shares.

The net proceeds of the new offering will be used by the Company to invest in an actively managed portfolio of common shares which will include the four Canadian Life Insurance companies listed below. These are currently among the highest dividend-yielding stocks in the S&P/TSX 60 Index:

**Great-West
Lifeco Inc.**

**Industrial
Alliance**

**Manulife
Financial
Corporation**

**Sun Life
Financial Inc.**

The Class A Shares closed at \$16.70 on February 2, 2006 and have received a total of \$0.90 in distributions per share (including Jan 31/06 distribution) since the Company commenced operations April 18, 2005. The Preferred Shares (Pfd-2 rating from DBRS) closed at \$10.95 on February 2, 2006 and have received fixed cumulative cash dividends totaling \$0.4133 per share since April 18, 2005 (including Jan 31/06 distribution). The total distributions paid during this time period amounted to \$1.31 per Unit (a Unit consisting of one Preferred Share and one Class A Share). The net asset value per Unit of the Company was \$25.58 as at January 31, 2006 which was \$1.87 higher than the beginning net asset value on April 18, 2005.

The Federal government's November 23rd proposal to reduce federal taxes on ordinary dividend income received from Canadian corporations will be very beneficial to taxable shareholders of Canadian Life Companies Split Corp. CLC Split pays ordinary dividends and capital gains dividends (which already enjoy very favourable tax treatment). If the proposal is enacted, both Preferred shareholders and Class A shareholders will benefit through enhanced after-tax returns they'll receive on dividend payments beginning in 2006. The top marginal personal tax rate on dividends is expected to decrease by approximately 35% from 31.3% to 20.3% (in Ontario), if fully implemented at both the federal and provincial level. Preferred shareholders will continue to receive their distributions in the form of ordinary dividend income and the Class A shareholders will continue to receive a mix of ordinary dividend income and capital gains dividends. The proposal will also make the dividends received from the four Life Insurance companies much more attractive on an after-tax basis and as a result could further encourage management of these companies to raise their dividend payments to shareholders.

A copy of the prospectus will be available from CIBC World Markets Inc. or RBC Dominion Securities Inc. or one of the other Agents. Commissions, trailing commissions management fees and expenses all may be associated with mutual fund investments. Investors should read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

For further information please visit www.lifesplit.com.

For further information, please contact:

Canadian Life Companies Split Corp. Investor Relations
Royal Trust Tower, 77 King Street West, PO Box 341, Toronto, Ontario, M5K 1K7

info@lifesplit.com • www.lifesplit.com • 416.304.4443 • 1.877.478.2372