SEMI-ANNUAL REPORT 2011

World Financial Split Corp.

Letter to Shareholders

We are pleased to present the 2011 semi-annual report containing the management report of fund performance and the unaudited financial statements for World Financial Split Corp.

During the six months ended June 30, 2011, the Fund paid distributions of $0.26 per Preferred share though no distributions were paid on the Class A shares in accordance with the terms of the prospectus as the net asset value per Unit was less than $15.00. After posting strong first quarter gains, most Global financial markets weakened during the second quarter due to continued debt concerns regarding European Union countries such as Greece, Portugal, Ireland, Italy and Spain. The six month total return of the Fund was negative 4.1 percent. Consequently, the net asset value decreased from $11.57 per Unit at December 31, 2010 to $10.84 per Unit ($11.48 per Unit after Class A share consolidation) at June 30, 2011. For a more detailed review of the operations of the Fund, please see the Results of Operations and the Portfolio Manager Report sections.

On May 31, 2011, holders of Class A shares and Preferred shares approved a proposal to extend the term of the Fund for seven years beyond the scheduled termination date of June 30, 2011, and for automatic successive seven-year terms after June 30, 2018. As part of the extension of the Fund, the Fund also made other changes which are outlined in the Recent Developments section. As a consequence of a greater number of Preferred shares being redeemed under the special redemption right, the Class A shares were consolidated in order to maintain an equal number of Class A shares and Preferred shares outstanding. Each Class A shareholder received 0.562426082 new Class A shares for each Class A share held. The total value of a shareholder's investment did not change; however, the number of Class A shares reflected in the shareholder's account declined and the net asset value per share increased proportionately.

We thank all shareholders for their continued support and encourage shareholders to review the more detailed information contained within the semi-annual report.

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

The Fund

The Fund is a split share corporation designed to provide Preferred shareholders with fixed cumulative preferential quarterly distributions and the Class A shareholders with attractive quarterly distributions and the return of the original issue price on the termination date of the Fund. The shares are listed on the Toronto Stock Exchange under the ticker symbols WFS.PR.A for the Preferred shares and WFS for the Class A shares. A Unit of the Fund consists of one Preferred share and one Class A share. To accomplish its objectives the Fund invests in a portfolio which includes common equity securities selected from the ten largest financial services companies by market capitalization in each of Canada, the United States and the Rest of the World. To generate additional returns above the dividend income earned on the Fund's investment portfolio, the Fund may, from time to time, write covered call options in respect of some or all of the securities in the portfolio. In addition, the Fund may write cash covered put options in respect of securities in which it is permitted to invest.

Management Report of Fund Performance

This semi-annual management report of fund performance contains the financial highlights for the six months ended June 30, 2011 of World Financial Split Corp. (the "Fund"). The June 30, 2011 unaudited semi-annual financial statements of the Fund are attached.

Copies of the Fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure may be obtained by calling 1-800-725-7172 toll-free, or by writing to the Fund at Investor Relations, 121 King Street West, Suite 2600, Toronto, Ontario, M5H 3T9, or by visiting our website at www.mulvihill.com. You can also get a copy of the annual and semi-annual financial statements at your request and at no cost by using one of these methods.

Results of Operations

Distributions

For the six months ended June 30, 2011, cash distributions of $0.26 per Preferred share were paid to Preferred shareholders which were unchanged from a year ago. Distributions to Class A shareholders remained suspended in accordance with the terms of the prospectus which states: "No distribution will be paid to the Class A shares if (i) the distributions payable on the Preferred shares are in arrears; or (ii) after the payment of the distribution by the Fund, the net asset value per unit would be less than $15.00".

Since the inception of the Fund in February 2004, the Fund has paid total cash distributions of $3.87 per Preferred share and $5.54 per Class A share.

Revenue and Expenses

The Fund's total revenue was $0.17 per Unit for the six months ended June 30, 2011, up $0.07 per Unit compared to the prior year. This increase was attributable to an increase in dividend income and a gain on foreign exchange translation of short-term investments during the current period. Total expenses were $0.15 per Unit for the first six months of fiscal 2011, up from $0.14 per Unit in 2010, mainly due to one-time costs associated with the special resolution regarding the term extension of the Fund. The Fund had a net realized and unrealized loss of $0.43 per Unit in the first half of 2011 as compared to a net realized and unrealized gain of $2.05 per Unit a year earlier.

Net Asset Value

The net asset value per Unit of the Fund decreased 6.3 percent, from $11.57 per Unit at December 31, 2010 to $10.84 per Unit

Management Report of Fund Performance

($11.48 per Unit after Class A share consolidation) at June 30, 2011, primarily due to a net loss from operations and Preferred distributions during the period. The aggregate net asset value of the Fund decreased $35.5 million, from $76.6 million at December 31, 2010 to $41.1 million at June 30, 2011, primarily as a result of the June special retraction totalling $37.0 million.

During the six months ended June 30, 2011, the total return of the Fund was negative 4.1 percent reflecting a decline in value of the securities in the portfolio. The MSCI World Financials Index (the "Financials Index") total return in Canadian dollar terms during the same period was negative 1.1 percent. As a result of the Fund being limited to a specific universe of stocks and utilizing a covered call writing strategy to generate income, comparison with a market index may not be appropriate. The Financials Index is calculated without the deduction of management fees and fund expenses, whereas the performance of the Fund is calculated after deducting such fees and expenses.

Recent Developments

On January 24, 2011, the Fund announced the closing of its warrant offering for total gross proceeds of $12.8 million. The net proceeds of the warrant offering provided the Fund with additional capital that can be used to take advantage of attractive investment opportunities in the Global Financial sector.

On May 31, 2011, holders of Class A shares and Preferred shares approved a proposal to extend the term of the Fund for seven years beyond the scheduled termination date of June 30, 2011, and for automatic successive seven-year terms after June 30, 2018. As part of the extension of the Fund, the Fund also made other changes, including: (i) change the monthly retraction prices for the Class A shares and Preferred shares such that monthly retraction prices are calculated by reference to market price in addition to net asset value and to change the notice period and payment period for the exercise of such rights and the payment of the retraction amount relating thereto; and (ii) consolidate the Class A shares or redeem the Preferred shares on a pro rata basis, as the case may be, in order to maintain the same number of Class A shares and Preferred shares outstanding.

On June 24, 2011, the Fund announced a Class A share consolidation ratio of 0.562426082 new Class A shares for each Class A share held effective the opening of trading on July 4, 2011. The total value of a shareholder's investment did not change; however, the number of Class A shares reflected in the shareholder's account declined and the net asset value per share increased proportionately.

Future Accounting Policy Changes

The Manager has developed a changeover plan to meet the timetable published by the Canadian Institute of Chartered Accountants for changeover to International Financial Reporting Standards ("IFRS").

The changeover plan was prepared to address the requirements and includes disclosures of the qualitative and quantitative impact, if any, of the changeover to IFRS in the 2011 financial statements and the preparation of the 2012 financial statements in accordance with IFRS with comparatives. However, the Canadian Accounting Standards Board approved a two year deferral from IFRS adoption for investment companies applying Accounting Guideline 18 - Investment Companies ("AcG-18"). As a result, the Fund will adopt IFRS for its fiscal period beginning January 1, 2013 and will issue its initial financial statements in accordance with IFRS, with comparative information, for the semi-annual period ending June 30, 2013.

As at June 30, 2011, some anticipated changes to financial reporting include:

- Compliance with the full body of IFRS without industry specific exemptions. Unlike Canadian Generally Accepted Accounting Principles ("Canadian GAAP") where investment fund accounting was based upon guidance in AcG-18;
- Changes to the presentation of shareholder equity to consider puttable instruments;
- Presentation of comparative information; and,
- Additional financial statement note disclosures on the recognition and classification of financial instruments.

Based on the Manager's current understanding and analysis of IFRS to the current accounting policies under Canadian GAAP, the Manager does not anticipate the transition to IFRS will have a material impact on the Fund's net assets per unit, systems and processes, and it is expected that it will mainly result in additional note disclosure in the financial statements.

Related Party Transactions

The manager and investment manager of the Fund is MCM ("Manager" or "Investment Manager"). MCM became the Manager of the Fund on September 1, 2010 as successor by amalgamation with Mulvihill Fund Services Inc.

MCM, as the Investment Manager of the Fund, manages the Fund's investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Fund pursuant to an

Investment Management Agreement made between the Fund and MCM dated April 26, 2007.

MCM is the Manager of the Fund pursuant to a Management Agreement made between the Fund and MCM dated April 26, 2007. As such, MCM is responsible for providing or arranging for required administrative services to the Fund.

MCM is paid the fees described under the Management Fees section of this report.

Independent Review Committee

National Instrument 81-107 - Independent Review Committee for Investment Funds (“NI 81-107”) requires all publicly offered investment funds to establish an independent review committee (“IRC”) to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the IRC in carrying out its functions. Members of the IRC are Robert W. Korthals, Michael M. Koerner and Robert G. Bertram.

On April 5, 2011, MCM presented the terms of the Special Resolution to extend the Fund beyond its scheduled termination date of June 30, 2011 to the IRC for a recommendation. As part of the extension of the term, the Fund will also make other changes, including: (i) provide a special redemption right to enable holders of Class A shares and Preferred shares to retract their shares on June 30, 2011 on the same terms that would have applied had the Fund redeemed all Class A shares and Preferred shares in accordance with the existing terms of such shares; (ii) change the monthly retraction prices for the Class A shares and the Preferred shares such that monthly retraction prices are calculated by reference to market price in addition to net asset value and to change the notice period and payment period for the exercise of such rights and the payment of the retraction amount relating thereto; and (iii) consolidate the Class A shares or redeem the Preferred shares on a pro rata basis, as the case may be, in order to maintain the same number of Class A shares and Preferred shares outstanding. The IRC reviewed the Special Resolution and recommended that the Special Resolution be put to unitholders for their consideration on the basis that the proposed extension of the Fund would achieve a fair and reasonable result for the Fund. On May 31, 2011, shareholders of the Fund approved the proposal to extend the term of the Fund for seven years beyond its scheduled termination date of June 30, 2011 and for automatic successive seven-year terms after June 30, 2018.

Management Report of Fund Performance

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

The information for the years ended December 31 is derived from the Fund's audited annual financial statements.

	Six months ended June 30, 2011
NET ASSETS PER UNIT	
Net Assets, beginning of period (based on bid prices)[(1)]	**$ 11.57**
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	**0.17**
Total expenses	**(0.15)**
Realized gain (loss) for the period	**0.13**
Unrealized gain (loss) for the period	**(0.56)**
Total Increase (Decrease) from Operations[(2)]	**(0.41)**
DISTRIBUTIONS	
Class A Share	
From capital gains	**–**
Non-taxable distributions	**–**
Total Class A Share Distributions	**–**
Preferred Share	
From net investment income	**–**
From capital gains	**–**
Non-taxable distributions	**(0.26)**
Total Preferred Share Distributions	**(0.26)**
Total Distributions[(3)]	**(0.26)**
Net Assets before Class A share consolidation, end of period (based on bid prices)[(1)]	**$ 10.83**
Net Assets after Class A share consolidation, end of period (based on bid prices)	**$ 11.47[(5)]**

(1) Net Assets 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 the Redeemable Preferred share liability of the Fund on that date and including the valuation of securities at bid prices divided by the number of Units then outstanding. For years prior to 2007, securities were valued at closing prices.
(2) Total increase (decrease) from operations consists of interest and dividend revenue, realized and unrealized gain (loss), net of withholding tax and foreign exchange gain (loss), less expenses, excluding Preferred share distributions, and is calculated based on the weighted average number of Units outstanding during the period. The schedule is not intended to total to the ending net assets as calculations are based on the weighted average number of Units outstanding during the period.

RATIOS/SUPPLEMENTAL DATA	
Net Asset Value, excluding the Redeemable Preferred share liability ($millions)	**$ 41.14**
Net Asset Value ($millions)	**$ 5.31**
Number of units outstanding	**3,582,306**
Management expense ratio[(1)]	**2.04%[(4)]**
Portfolio turnover rate[(2)]	**165.08%**
Trading expense ratio[(3)]	**0.58%[(4)]**
Net Asset Value per Unit[(5)]	**$ 11.48[(6)]**
Closing market price - Class A	**$ 1.62**
Closing market price - Preferred	**$ 9.55**

(1) The management expense ratio ("MER") is the sum of all fees and expenses, including federal and provincial sales taxes and capital taxes but excluding transaction fees and income taxes and Preferred share distributions, charged to the Fund divided by the average net asset value, excluding the Redeemable Preferred share liability. The MER for 2011 includes warrant exercise fees and special resolution expense. The MER for 2011 excluding warrant exercise fees and special resolution expense is 1.65%. The MER for 2010 and 2009 includes the warrant offering costs and warrant exercise fees. The MER for 2010 and 2009 excluding the warrant offering costs and warrant exercise fees is 1.51% and 1.45% respectively. The MER, including Preferred share distributions, is 6.58%, 6.14%, 5.78%, 4.64%, 3.87%, and 3.57% for 2011, 2010, 2009, 2008, 2007 and 2006 respectively.
(2) Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average value of the portfolio securities. The Fund employs an option overlay strategy which can result in higher portfolio turnover by virtue of option exercises, when

Management Report of Fund Performance

Information for the period ended June 30, 2011 is derived from the Fund's unaudited semi-annual financial statements.

Since 2007 the net assets per Unit presented in the financial statements differs from the net asset value per Unit calculated weekly, primarily as a result of investments being valued at bid prices for financial statements purposes and at closing prices for weekly net asset value purposes.

Years ended December 31				
2010	2009	2008	2007	2006
$ 13.10	**$ 12.47**	**$ 19.48**	**$ 23.29[4]**	**$ 22.60**
0.26	0.11	0.81	0.57	0.61
(0.25)	(0.21)	(0.26)	(0.36)	(0.34)
(1.65)	(3.29)	(5.97)	1.59	1.25
0.35	4.35	(0.18)	(3.88)	0.80
(1.29)	**0.96**	**(5.60)**	**(2.08)**	**2.32**
–	–	–	(0.81)	(0.39)
–	–	(0.90)	(0.39)	(0.81)
–	**–**	**(0.90)**	**(1.20)**	**(1.20)**
–	–	(0.25)	(0.25)	(0.19)
–	–	–	(0.28)	(0.34)
(0.53)	(0.53)	(0.28)	–	–
(0.53)	**(0.53)**	**(0.53)**	**(0.53)**	**(0.53)**
(0.53)	**(0.53)**	**(1.43)**	**(1.73)**	**(1.73)**
$ 11.57	**$ 13.10**	**$ 12.47**	**$ 19.48**	**$ 23.31**

(3) Distributions to shareholders are based on the number of shares outstanding on the record date for each distribution and were paid in cash.
(4) Net Assets per Unit has been adjusted for the change in accounting policy relating to the calculation of net asset value based on bid prices versus closing prices prior to 2007.
(5) Net Assets per Unit has been adjusted for the consolidation of the Class A shares effective the opening of trading on July 4, 2011. Each shareholder received 0.562426082 new Class A shares for each Class A share held. The total value of a shareholder's investment did not change, however, the number of Class A shares reflected in the shareholder's account declined and the Net Assets per Class A share increased proportionately. (See Note 3 to the Financial Statements).

$ 76.62	$ 107.26	$ 147.77	$ 269.64	$ 337.41
$ 10.41	$ 25.44	$ 29.41	$ 131.40	$ 192.66
6,621,726	8,181,810	11,835,359	13,824,263	14,474,579
1.89%	1.59%	1.43%	1.49%	1.51%
109.63%	148.58%	61.65%	116.48%	189.55%
0.39%	0.41%	0.17%	0.14%	0.23%
$ 11.57	$ 13.11	$ 12.48	$ 19.50	$ 23.31
$ 1.36	$ 3.07	$ 1.49	$ 8.16	$ 11.50
$ 9.80	$ 9.73	$ 8.99	$ 9.95	$ 10.86

compared to a conventional equity mutual fund.
(3) Trading expense ratio represents total commissions expressed as a percentage of the daily average net asset value during the period.
(4) Annualized.
(5) 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 on that date and including the valuation of securities at closing prices divided by the number of units then outstanding.
(6) Net Assets per Unit has been adjusted for the consolidation of the Class A shares effective the opening of trading on July 4, 2011. Each shareholder received 0.562426082 new Class A shares for each Class A share held. The total value of a shareholder's investment did not change, however, the number of Class A shares reflected in the shareholder's account declined and the Net Assets per Class A share increased proportionately. (See Note 3 to the Financial Statements).

Management Report of Fund Performance

Management Fees

Mulvihill Fund Services Inc. (the "Manager" or "Mulvihill") amalgamated with Mulvihill Capital Management Inc. (the "Investment Manager" or "MCM") on September 1, 2010. As successor, MCM became the Manager of the Fund. MCM is entitled to fees under the Investment Management Agreement calculated monthly as 1/12 of 1.00 percent of the net asset value of the Fund at each month end. Services received under the Investment Management Agreement include the making of all investment decisions and writing of covered call options in accordance with the investment objectives, strategy and criteria of the Fund. MCM also makes all decisions as to the purchase and sale of securities in the Fund's portfolio and as to the execution of all portfolio and other transactions.

MCM, as the Manager of the Fund, is entitled to fees under the Management Agreement calculated monthly as 1/12 of 0.10 percent of the net asset value of the Fund at each month end. Services received under the Management Agreement include providing or arranging for required administrative services to the Fund.

Past Performance

The following chart sets out the Fund's year-by-year past performance. It is important to note that:

(1) the information shown assumes that all distributions made by the Fund during these periods were reinvested in the Fund,

(2) the information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and

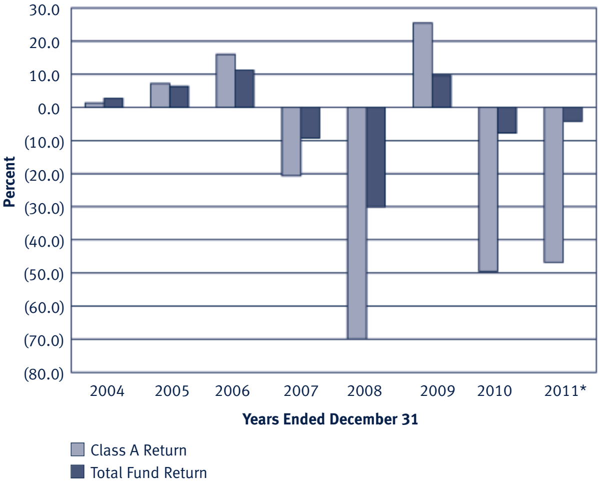
(3) the past performance of the Fund does not necessarily indicate how it will perform in the future.

Year-By-Year Returns

The following bar chart illustrates how the Fund's total return varied from year to year for each of the past seven years and for the six month period ended June 30, 2011. The chart also shows, in percentage terms, how much an investment made on January 1 in each year or the date of inception in 2004 would have increased or decreased by the end of that fiscal year or June 30, 2011 for the six months then ended.

Management Report of Fund Performance

Annual Total Return



*For the six months ended June 30, 2011.

Portfolio Manager Report

After posting strong first quarter gains, most Global financial markets weakened during the second quarter due to continued debt concerns regarding European Union countries such as Greece, Portugal, Ireland, Italy and Spain. Although a number of geopolitical concerns occurred during the period such as the horrific earthquake and tsunami in Japan, as well as increased hostilities and violence in Egypt, Libya and Syria, volatility levels as measured by the Chicago Board Options Exchange Market Volatility Index and the S&P 500 Volatility Index remained in a fairly defined range and ended the period at the lower end of the range. The Canadian economy has proved to be more robust than the economies of many of the developed world throughout the recent recession and should continue to do so, given Canada's strong fiscal position. Employment levels in Canada have returned to pre-recession levels although the rate of growth is still below normal levels. U.S. employment levels which had started to improve at the end of 2010 and the first quarter of 2011 have also weakened in the second quarter and the unemployment rate ended June 2011 near multi-year highs at 9.2 percent. After raising the benchmark overnight rate by three successive rate increases of 0.25 percent in 2010, the Bank of Canada remained on hold during the first half of 2011 due to slower than expected growth and a strong Canadian dollar which increased by 3.4 percent relative to the U.S. dollar.

Management Report of Fund Performance

The total return for the MSCI World/Finance Index in Canadian dollar terms was negative 1.1 percent as Financials continued to underperform Global equities in the first half of 2011. The equal weighted total return of the ten largest financial services companies by market capitalization in each of Canada, the United States and the Rest of World was negative 3.9 percent in Canadian dollar terms. This is the result of the U.S. economic data suggesting the economic recovery had begun to moderate significantly, concerns regarding exposure to peripheral European sovereign debt as well as the impact of increased financial regulation. The three regions of investment for the Fund produced different total returns in Canadian dollar terms during the period. In Canada, the S&P/TSX Financial Services Index total return was 6.2 percent, in the United States, the S&P 500 Financials Index total return was negative 6.0 percent, while the International MSCI EAFE Financials Index total return was relatively flat returning 0.8 percent. In general, these returns are reflective of the strength of the economic environment in each of the regions as well as the impact of increased capital requirements for Globally Systematic Important Banks outlined in the latest Basel III consultative document.

The return of the Fund, including reinvestment of distributions, for the six month period ended June 30, 2011 was negative 4.1 percent. Year over year returns varied greatly across the names in the universe. The best performing names in the Canadian Financials were IGM Financial Inc. and the National Bank of Canada, both of which were overweight in the Fund for the majority of the period and benefitted as a result. The U.S. Financials were led by MetLife, Inc. and JPMorgan Chase & Co., even though both companies were down during the period while the International Financials were led by Deutsche Bank and Banco Santander SA.

Volatility levels for Global Financial Services companies traded in a fairly narrow range over the first half of 2011 with the exception of a brief spike in early March when the horrific earthquake in Japan occurred. The covered call writing activity has been opportunistic over the period to take advantage of higher volatility levels and as well as the general decline in prices that has occurred during the second quarter. The Fund ended June 2011 with approximately 20 percent of the portfolio subject to covered calls.

During the course of the six month period, the Fund had varying exposures to the U.S. dollar due to the investments in U.S. Financial Services equities along with international Financial Services equities through the ADR market. The U.S. dollar exposure was actively hedged back into Canadian dollars throughout the year and ended the first half of 2011 being approximately 100 percent hedged.

Management Report of Fund Performance

The Fund's portfolio ended 2010 with a regional asset mix of 26 percent invested Canada, 45 percent in the United States and 29 percent in the Rest of World. Although the Fund had varying exposures to the regions over the course of the period, it ended the period with the highest allocation to Canadian Financials primarily due to concerns of European sovereign debt contagion and the risk of greater exposure on European and U.S. Financials balance sheets. The Fund's portfolio ended June 30, 2011 with a regional asset mix of 40 percent invested Canada, 29 percent in the United States and 31 percent in the Rest of World.

The Global Financial Services companies demonstrated improving fundamentals and profitability in the first half of 2011 due to declining credit losses and strong capital market related revenues. Although the Global economy is expected to improve in 2011 and returns on equity should continue to recover, volatility and uncertainty will remain as the European sovereign debt crisis represents a major overhang on the sector. In the context of record low Global interest rates, the valuations of companies in the portfolio generally remain at very reasonable levels when measured by price to earnings ratios and current dividend yields which should continue to act as a major support for share prices. As Global regulatory and capital requirements become clearer in 2011, several Global Financial Services companies are likely to start returning capital to shareholders in the form of increased dividends and share repurchases. Only those companies that can demonstrate earnings power and capital strength are likely to be allowed to return capital to shareholders by the regulators.

Summary of Investment Portfolio

The composition of the portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly update is available on our website at www.mulvihill.com.

Asset Mix

June 30, 2011	% of Net Asset Value*
Canada	43 %
International	33 %
United States	31 %
Cash and Short-Term Investments	21 %
Other Assets (Liabilities)	(28)%
	100 %

*The Net Asset Value excludes the Redeemable Preferred share liability.

Management Report of Fund Performance

Portfolio Holdings

June 30, 2011

	% of Net Asset Value*
Cash and Short-Term Investments	21 %
JPMorgan Chase & Co.	9 %
IGM Financial Inc.	7 %
UBS AG	7 %
Banco Santander Chile ADR	7 %
MetLife, Inc.	6 %
US Bancorp	6 %
The Bank of Nova Scotia	5 %
Great-West Lifeco Inc.	5 %
Bank of Montreal	5 %
National Bank of Canada	5 %
Sun Life Financial Inc.	5 %
The Toronto-Dominion Bank	5 %
Manulife Financial Corporation	5 %
ACE Limited	4 %
Mitsubishi UFJ Financial Group, Inc. ADR	4 %
Barclays PLC ADR	4 %
Prudential PLC ADR	4 %
Wells Fargo & Company	3 %
The Chubb Corporation	3 %
Public Storage, Inc.	3 %
Westpac Banking Corporation ADR	3 %
Credit Suisse Group ADR	1 %
Banco Santander SA ADR	1 %

*The Net Asset Value excludes the Redeemable Preferred share liability.

Forward-Looking Statements

This report may contain forward-looking statements about the Fund. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also forward-looking. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to any divergence between what is anticipated and what actually occurs, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technology change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and you should avoid placing undue reliance on forward-looking statements. While the Fund currently anticipates that subsequent events and developments may cause the Fund’s views to change, the Fund does not undertake to update any forward-looking statements.

Management's Responsibility for Financial Reporting

The accompanying financial statements of World Financial Split Corp. (the "Fund") and all the information in this semi-annual report are the responsibility of the management of Mulvihill Capital Management Inc. (the "Manager") and have been approved by the Fund's 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 3 of the annual financial statements for the year ended December 31, 2010.

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 the independent auditor 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 independent auditor's report. Deloitte & Touche LLP, the Fund's independent auditor, has full and unrestricted access to the Audit Committee and the Board.

John P. Mulvihill
Director
Mulvihill Capital Management Inc.

John D. Germain
Director
Mulvihill Capital Management Inc.

August 5, 2011

Notice to Shareholders

The Fund's independent auditor has not performed a review of these Semi-Annual Financial Statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

Statements of Financial Position

As at June 30, 2011 (Unaudited) and December 31, 2010 (Audited)

	2011	2010
ASSETS		
Investments at fair value (cost - $45,387,502; 2010 - $63,142,083)	**$ 43,710,693**	$ 65,525,145
Short-term investments at fair value (cost - $8,564,997 2010 - $13,316,298)	**8,564,997**	13,316,298
Cash	**165,242**	44,966
Interest receivable	**4,561**	2,127
Dividends receivable	**297,314**	240,402
Due from brokers - investments	**25,542,950**	1,296,529
TOTAL ASSETS	**$ 78,285,757**	**$ 80,425,467**
LIABILITIES		
Redemptions payable	**$ 36,956,765**	$ 1,392,395
Accrued liabilities	**156,894**	133,241
Accrued management fees	**70,681**	72,970
Due to brokers - investments	**–**	2,241,854
Redeemable Preferred shares	**35,823,060**	66,217,260
	73,007,400	70,057,720
EQUITY		
Class A and Class J shares	**70,271,194**	84,035,812
Deficit	**(64,992,837)**	(73,668,065)
	5,278,357	10,367,747
TOTAL LIABILITIES AND EQUITY	**$ 78,285,757**	**$ 80,425,467**
Number of Units Outstanding (Note 3)	**3,582,306**	**6,621,726**
Net Assets per Unit		
Preferred Share	**$ 10.0000**	$ 10.0000
Class A Share - Basic	**1.4735**	1.5657
Net Assets per Unit (Note 4)	**$ 11.4735**	**$ 11.5657**
Net Assets per Class A Share - Diluted	n/a	**$ 1.4087**

Financial Statements

Statements of Operations and Deficit

Six months ended June 30 (Unaudited)

	2011	2010
REVENUE		
Interest, net of foreign exchange	$ 41,233	$ (292,032)
Dividends	1,275,203	1,210,286
Withholding taxes	(72,155)	(140,248)
	1,244,281	778,006
Net realized gain on derivatives	3,315,772	2,107,096
Net realized loss on investments	(2,337,455)	(7,776,568)
Total Net Realized Gain (Loss)	978,317	(5,669,472)
TOTAL REVENUE	2,222,598	(4,891,466)
EXPENSES		
Management fees	461,978	545,584
Service fees	16,454	31,425
Administration and other expenses	72,222	95,800
Transaction fees (Note 6)	242,008	267,837
Custodian fees	25,812	28,093
Audit fees	16,820	17,226
Director fees	11,390	10,445
Independent review committee fees	4,796	3,173
Legal fees	–	5,883
Shareholder reporting costs	26,091	31,128
Federal and provincial sales taxes	54,566	34,319
Subtotal Expenses	932,137	1,070,913
Special resolution expense (Note 2)	132,560	–
Warrant offering costs	–	80,012
TOTAL EXPENSES	1,064,697	1,150,925
Net Realized Income (Loss) before Distributions	1,157,901	(6,042,391)
Preferred share distributions	(1,894,296)	(2,091,008)
Net Realized Loss	(736,395)	(8,133,399)
Net change in unrealized appreciation/ depreciation of short-term investments	(2,436)	101,333
Net change in unrealized appreciation/ depreciation of investments	(4,059,871)	(11,127,850)
Total Net Change in Unrealized Appreciation/Depreciation of Investments	(4,062,307)	(11,026,517)
NET LOSS FOR THE PERIOD	$ (4,798,702)	$ (19,159,916)
NET LOSS PER CLASS A SHARE (based on the weighted average number of Class A shares outstanding during the period of 7,266,403; 2010 - 8,143,409)	$ (0.6604)	$ (2.3528)
DEFICIT		
Balance, beginning of period	$ (73,668,065)	$ (88,088,191)
Net allocations on retractions	13,473,930	24,674,821
Net loss for the period	(4,798,702)	(19,159,916)
BALANCE, END OF PERIOD	$ (64,992,837)	$ (82,573,286)

Statements of Changes in Net Assets

Six months ended June 30 (Unaudited)

	2011	2010
NET ASSETS, BEGINNING OF PERIOD	$ 10,367,747	$ 25,334,600
Net Realized Income (Loss) before Distributions	1,157,901	(6,042,391)
Class A Share Capital Transactions		
Proceeds from issuance of Class A shares, net of warrant exercise fees	1,415,931	2,623,958
Value for Class A shares redeemed	(1,706,619)	(3,397,348)
	(290,688)	(773,390)
Distributions		
Preferred Shares		
Non-taxable distributions	(1,894,296)	(2,091,008)
Net Change in Unrealized Appreciation/ Depreciation of Investments	(4,062,307)	(11,026,517)
Changes in Net Assets during the Period	(5,089,390)	(19,933,306)
NET ASSETS, END OF PERIOD	$ 5,278,357	$ 5,401,294

Statements of Cash Flows

Six months ended June 30 (Unaudited)

	2011	2010
CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF PERIOD	$ 13,361,264	$ 9,663,656
Cash Flows Provided by (Used In) Operating Activities		
Net Realized Income (Loss) before Distributions	1,157,901	(6,042,391)
Adjustments to Reconcile Net Cash Provided by (Used in) Operating Activities		
Purchase of investment securities	(127,523,296)	(102,694,229)
Proceeds from disposition of investment securities	146,256,194	105,975,563
Net (gain)/loss on sale of investments (including derivatives)	(978,317)	5,669,472
(Increase)/decrease in dividends receivable, interest receivable, and due from brokers - investments	(24,305,767)	(4,171,771)
Increase/(decrease) in accrued management fees, accrued liabilities and due to brokers - investments	(2,220,490)	(104,482)
Net change in unrealized appreciation/ depreciation of cash and short-term investments	(2,436)	101,333
	(8,774,112)	4,775,886
Cash Flows Provided by (Used In) Financing Activities		
Proceeds from issuance of Units, net of warrant exercise fees	12,652,131	11,610,118
Distributions to Preferred shares	(1,894,296)	(2,091,008)
Class A share redemptions	(1,173,349)	(2,583,231)
Preferred share redemptions	(6,599,300)	(9,279,000)
	2,985,186	(2,343,121)
Net Increase/(Decrease) in Cash and Short-Term Investments During the Period	(4,631,025)	(3,609,626)
CASH AND SHORT-TERM INVESTMENTS, END OF PERIOD	$ 8,730,239	$ 6,054,030
Cash and Short-Term Investments comprised of:		
Cash	$ 165,242	$ 3,256,018
Short-Term Investments	8,564,997	2,798,012
CASH AND SHORT-TERM INVESTMENTS, END OF PERIOD	$ 8,730,239	$ 6,054,030

Financial Statements

Statement of Investments

As at June 30, 2011 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Fair Value	% of Portfolio
SHORT-TERM INVESTMENTS				
Bankers' Acceptances				
The Bank of Nova Scotia, 1.15% - August 31, 2011	5,180,000	$ 5,166,119	$ 5,166,119	60.2%
Treasury Bills				
Government of Canada, 0.93% - July 7, 2011	3,400,000	3,398,878	3,398,878	39.7%
		8,564,997	8,564,997	99.9%
Accrued Interest			4,561	0.1%
TOTAL SHORT-TERM INVESTMENTS		$ 8,564,997	$ 8,569,558	100.0%
INVESTMENTS				
Canadian Common Shares				
Financials				
Bank of Montreal	34,000	$ 2,125,696	$ 2,083,520	
Great-West Lifeco Inc.	86,000	2,301,209	2,188,700	
IGM Financial Inc.	58,900	2,795,435	2,975,039	
Manulife Financial Corporation	115,000	1,963,251	1,958,450	
National Bank of Canada	26,000	1,882,630	2,031,380	
Sun Life Financial Inc.	69,800	2,146,294	2,022,106	
The Bank of Nova Scotia	38,900	2,173,949	2,256,589	
The Toronto-Dominion Bank	24,100	1,979,001	1,970,898	
Total Financials		17,367,465	17,486,682	40.0%
Total Canadian Common Shares		$ 17,367,465	$ 17,486,682	40.0%
Non-North American Common Shares				
Financials				
ACE Limited	28,000	$ 1,771,210	$ 1,778,104	
Banco Santander Chile ADR	29,000	2,506,803	2,621,912	
Banco Santander SA ADR	38,000	430,201	422,116	
Barclays PLC ADR	95,000	1,949,781	1,506,379	
Credit Suisse Group ADR	13,000	544,092	489,432	
Mitsubishi UFJ Financial Group, Inc. ADR	326,100	1,531,084	1,520,096	
Prudential PLC ADR	64,000	1,468,806	1,429,278	
UBS AG	150,000	2,672,931	2,643,414	
Westpac Banking Corporation ADR	11,200	1,363,100	1,297,205	
Total Financials		14,238,008	13,707,936	31.4%
Total Non-North American Common Shares		$ 14,238,008	$ 13,707,936	31.4%
United States Common Shares				
Financials				
JPMorgan Chase & Co.	89,500	$ 4,115,684	$ 3,533,668	
MetLife, Inc.	60,000	2,628,580	2,539,183	
Public Storage, Inc.	12,000	1,354,621	1,319,912	
The Chubb Corporation	22,000	1,387,432	1,329,351	
US Bancorp	103,000	2,522,784	2,534,840	
Wells Fargo & Company	50,000	1,614,100	1,353,555	
Total Financials		13,623,201	12,610,509	28.8%
Total United States Common Shares		$ 13,623,201	$ 12,610,509	28.8%

Statement of Investments

As at June 30, 2011 (Unaudited)

	Number of Contracts	Average Cost/ Proceeds	Fair Value	% of Portfolio
Forward Exchange Contracts				
Sold USD $4,800,000, Bought CAD $4,671,840 @ 1.02743 - July 13, 2011			$ 37,772	
Sold USD $6,100,000, Bought CAD $5,816,655 @ 1.04871 - July 13, 2011			(72,384)	
Sold USD $10,900,000, Bought CAD $10,390,970 @ 1.04899 - July 27, 2011			(135,794)	
Sold USD $11,600,000, Bought CAD $11,312,320 @ 1.02543 - August 10, 2011			104,974	
Sold USD $950,000, Bought CAD $932,805 @ 1.01843 - August 24, 2011			14,598	
Sold USD $10,300,000, Bought CAD $10,014,175 @ 1.02854 - August 24, 2011			59,152	
Total Forward Exchange Contracts			$ 8,318	0.0%
Options				
Written Covered Call Options (100 shares per contract)				
Banco Santander SA ADR - July 2011 @ $90	(290)	$ (52,600)	$ (118,948)	
JPMorgan Chase & Co. - July 2011 @ $40	(600)	(80,328)	(82,171)	
Manulife Financial Corporation - July 2011 @ $16	(420)	(21,000)	(45,374)	
Mitsubishi UFJ Financial Group, Inc. ADR - July 2011 @ $5	(1,150)	(10,027)	(28,524)	
US Bancorp - July 2011 @ $24	(935)	(53,506)	(112,519)	
Total Written Covered Call Options		(217,461)	(387,536)	(0.9)%
Purchased Put Options (100 shares per contract)				
iShares S&P/TSX Capped Financials Index Fund - August 2011 @ $24	1,628	153,688	94,679	
Financial Select Sector SPDR Fund - September 2011 @ $15	4,000	260,616	190,105	
Total Purchased Put Options		414,304	284,784	0.7%
Total Options		$ 196,843	$ (102,752)	(0.2)%
Adjustment for transaction fees		(38,015)		
TOTAL INVESTMENTS		$ 45,387,502	$ 43,710,693	100.0%

Notes to Financial Statements
June 30, 2011

1. Basis of Presentation

The semi-annual financial statements for the Fund have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). However, not all disclosures required by GAAP for annual financial statements have been presented and, accordingly, these semi-annual financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended December 31, 2010.

These semi-annual financial statements follow the same accounting policies and method of application as the most recent audited financial statements for the year ended December 31, 2010.

2. Reorganization

On May 31, 2011, holders of Class A shares and Preferred shares approved a proposal to extend the term of the Fund for seven years beyond the scheduled termination date of June 30, 2011. As part of the extension of the Fund, the Fund also made other changes, including: (i) automatically extend the Fund for successive seven-year terms after June 30, 2018 and allow shareholders to retract their Class A Shares or Preferred Shares at net asset value ("NAV") prior to any such additional extension; (ii) allow the Fund to calculate a diluted NAV per Unit (a "Unit" being considered to consist of one Class A Share and one Preferred Share) and calculate and pay retraction prices in respect of the Class A Shares and Preferred Shares based on the diluted NAV per Unit if warrants of the Fund are outstanding; and (iii) change the monthly retraction prices for the Class A Shares and the Preferred Shares so that they are calculated by reference to market price in addition to NAV and change the notice period and payment period for the exercise of such rights and the payment of the retraction amount relating thereto.

3. Class A Share Consolidation

On June 24, 2011, the Fund announced a Class A share consolidation ratio of 0.562426082 new Class A shares for each Class A share held, effective the opening of trading on July 4, 2011. The total value of a shareholder's investment did not change; however, the number of Class A shares reflected in the shareholder's account declined and the net asset value per share increased proportionately.

4. Net Asset Value

The net asset value of the Fund is calculated using the fair value of investments at the close or last trade price. The net assets per Unit is calculated using the fair value of investments at the closing bid price. The net assets per Unit for financial reporting purposes and net asset value per Unit for pricing purposes will not be the same due to the use of different valuation techniques.

The difference between the net asset value per Unit for pricing purposes and the net assets per Unit reflected in the financial statements is as follows:

	June 30, 2011	Dec. 31, 2010
Net Asset Value (for pricing purposes)	**$ 11.4834**	$ 11.5703
Difference	**(0.0099)**	(0.0046)
Net Assets (for financial statement purposes)	**$ 11.4735**	$ 11.5657

5. Warrants

The Fund issued 6,994,526 warrants to Class A shareholders of record outstanding at the close of business on August 23, 2010. All Class A shareholders as of the record date received warrants on a basis of one warrant for each share held. Each warrant entitled the shareholder thereof to acquire one Unit upon payment of $11.43 on or before January 17, 2011. During the period, 1,123,620 warrants were exercised for gross proceeds of $12,842,977 and the Fund incurred $190,845 in warrant exercise fees.

6. Transaction Fees

Total transaction fees paid during the six month period ended June 30, 2011 in connection with portfolio transactions were $242,008 (June 30, 2010 - $267,837). Of this amount $59,386 (June 30, 2010 - $77,022) was directed to cover payment of research services provided to the Investment Manager.

7. Financial Instruments and Risk Management

The various types of risks associated with financial instruments and the related risk management practices employed by the Fund remain unchanged from the prior year and are described in Note 10 of the annual financial statements for the year ended December 31, 2010.

Notes to Financial Statements

June 30, 2011

The following is a summary of the inputs used as of June 30, 2011 in valuing the Fund's investments and derivatives carried at fair value:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Short-Term Investments	$ –	$ 8,569,558	$ –	**$ 8,569,558**
Canadian Common Shares	17,486,682	–	–	**$ 17,486,682**
Non-North American Common Shares	13,707,936	–	–	**$ 13,707,936**
United States Common Shares	12,610,509	–	–	**$ 12,610,509**
Forward Exchange Contracts	–	8,318	–	**$ 8,318**
Options	(137,840)	35,088	–	**$ (102,752)**
Total Investments	**$ 43,667,287**	**$ 8,612,964**	**$ –**	**$ 52,280,251**

The following is a summary of the inputs used as of December 31, 2010 in valuing the Fund's investments and derivatives carried at fair value:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Short-Term Investments	$ –	$ 13,318,425	$ –	**$ 13,318,425**
Canadian Common Shares	16,640,686	–	–	**$ 16,640,686**
Non-North American Common Shares	19,182,946	–	–	**$ 19,182,946**
United States Common Shares	29,237,902	–	–	**$ 29,237,902**
Forward Exchange Contracts	–	1,112,478	–	**$ 1,112,478**
Options	(175,802)	(473,065)	–	**$ (648,867)**
Total Investments	**$ 64,885,732**	**$ 13,957,838**	**$ –**	**$ 78,843,570**

There were no transfers between Level 1 and Level 2 during the six months ended June 30, 2011 and during the year ended December 31, 2010.

Other Price Risk

Approximately 107 percent (December 31, 2010 - 85 percent) of the Fund's net assets, excluding the Redeemable Preferred share liability, held at June 30, 2011 were publicly traded equities. If equity prices on the exchange increased or decreased by 10 percent as at June 30, 2011, the net assets, excluding the Redeemable Preferred share liability, of the Fund would have increased or decreased by $4.4M (December 31, 2010 - $6.5M) respectively or 10.7 percent (December 31, 2010 - 8.5 percent) of the net assets, excluding the Redeemable Preferred share liability, all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

Currency Risk

Approximately 107 percent (December 31, 2010 - 67 percent) of the Fund's net assets, excluding the Redeemable Preferred share liability, held at June 30, 2011 were held in securities denominated in U.S. currency. This risk is mitigated by the Fund through the use of forward currency contracts. At June 30, 2011, the Fund had minimal currency risk as a result of its investment in forward currency contracts. If the Canadian dollar strengthened or weakened by 1 percent in relation to the U.S. currency, the net assets, excluding the Redeemable Preferred share liability, of the Fund would have decreased or increased, by approximately $10,000 respectively or 0.0 percent of the net assets, excluding the Redeemable Preferred share liability, with all other factors remaining constant. At December 31, 2010, the Fund had no currency risk as a result of its investment in foreign currency contracts.

Credit Risk

The following are the credit ratings for the counterparties to derivative financial instruments that the Fund dealt with during the current period and prior year based on Standard & Poor's credit ratings as of June 30, 2011 and December 31, 2010:

Dealer	Long-Term Local Currency Rating	Short-Term Local Currency Rating
Canadian Dollar		
Bank of Montreal	A+	A-1
Canadian Imperial Bank of Commerce	A+	A-1
Citigroup Inc.	A	A-1
National Bank of Canada	A	A-1
Royal Bank of Canada	AA-	A-1+
The Toronto-Dominion Bank	AA-	A-1+
U.S. Dollar		
Bank of Montreal	A+	A-1
Canadian Imperial Bank of Commerce	A+	A-1
Citigroup Inc.	A	A-1
Royal Bank of Canada	AA-	A-1+
The Toronto-Dominion Bank	AA-	A-1+
UBS AG	A+	A-1

Notes to Financial Statements

June 30, 2011

The following are the credit ratings for short-term investments held by the Fund based on Standard & Poor's credit ratings as of June 30, 2011:

Type of Short-Term Investment	Rating	% of Short-Term Investments
Bankers' Acceptances	A-1+	60%
Government of Canada Treasury Bills	AAA	40%
Total		100%

The following are the credit ratings for short-term investments held by the Fund based on Standard & Poor's credit rating as of December 31, 2010:

Type of Short-Term Investment	Rating	% of Short-Term Investments
Term Deposits	A-1	80%
Government of Canada Treasury Bills	AAA	20%
Total		**100%**

The carrying amount of these investments represents their maximum credit risk exposure, as they will be settled in the short-term.

8. Future Accounting Policy Changes

The Fund was required to adopt International Reporting Standards ("IFRS") for the year beginning on January 1, 2011. However, the Canadian Accounting Standards Board approved a two year deferral from IFRS adoption for investment companies applying Accounting Guideline 18 - Investment Companies. As a result, the Fund will adopt IFRS for the year beginning on January 1, 2013 and will issue its initial financial statements in accordance with IFRS, with comparative information, for the semi-annual period ending June 30, 2013.

Investment Funds Managed by Mulvihill Capital Management Inc.

UNIT TRUSTS

Canadian Utilities & Telecom Income Fund
Core Canadian Dividend Trust
Gold Participation and Income Fund
Premier Canadian Income Fund
Top 10 Canadian Financial Trust

SPLIT SHARES

Premium Income Corporation
S Split Corp.
Top 10 Split Trust
World Financial Split Corp.

PRINCIPAL PROTECTED FUNDS

Government Strip Bond Trust

Head Office

Mulvihill Capital Management Inc.
121 King St. W., Suite 2600
Toronto, Ontario
M5H 3T9

Tel: 416 681-3966
1 800 725-7172
Fax: 416 681-3901
e-mail: info@mulvihill.com

Visit our website at www.mulvihill.com for additional information on all Mulvihill Investment Funds.

Mulvihill Capital Management Inc.
Investor Relations
121 King St. W., Suite 2600
Toronto, Ontario
M5H 3T9

Tel: 416 681-3966
1 800 725-7172
Fax: 416 681-3901
e-mail: info@mulvihill.com

M

www.mulvihill.com