



P R E S S R E L E A S E

**Lifeco Split Corporation Inc.
Announces Redemption and Subdivision of Preferred Shares and Completion of the
Reorganization**

Toronto, July 30, 2010

Attention: Business / Financial Editors

Lifeco Split Corporation Inc. (“Lifeco” or the “Company”) announced today that it has redeemed the 148,024 Preferred Shares called for redemption on July 16, 2010 for a cash price of \$51.19 per Preferred Share.

On August 5, 2010, the Company will subdivide the remaining 214,896 Preferred Shares on the basis of approximately 1.39-to-1, resulting in 298,602 Preferred Shares remaining outstanding. After the subdivision, the remaining Preferred Shares will be redeemable for a cash amount equal to the lesser of i) \$36.84 and (ii) Unit Value, and will be entitled to quarterly fixed distributions of \$0.3684 per Preferred Share. On an annualized basis, the fixed distribution amount represents a yield of 4.00% on a redemption price of \$36.84.

The Company has now successfully completed its reorganization which, among other things, extended the redemption date of the Capital Shares and Preferred Shares for an additional two year term, approved at a special meeting of holders of Capital Shares and Preferred Shares on June 15, 2010.

Capital Shares and Preferred Shares of Lifeco are listed for trading on The Toronto Stock Exchange under the symbols LSC and LSC.PR.C respectively.

For more information, please contact

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