

UNITED CORPORATIONS LIMITED

FIRST QUARTER REPORT
June 30, 2005

**NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS**

Section 4.3(3)(a) of National Instrument 51-102, *Continuous Disclosure Obligations*, provides that if an auditor has not performed a review of the interim financial statements, the interim financial statements must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company's external auditors, PricewaterhouseCoopers LLP, have not performed a review of these interim financial statements of United Corporations Limited.

signed "Duncan N.R. Jackman"

Duncan N.R. Jackman
Chairman and President

signed "Travis R. Epp"

Travis R. Epp
Treasurer

August 4, 2005

UNITED CORPORATIONS LIMITED

Incorporated under the Laws of Canada



THE PERIOD AT A GLANCE (Unaudited)

	As at June 30 2005 ⁽¹⁾	As at March 31 2005 ⁽¹⁾
Net assets	\$ 843,497	\$ 826,344
Net equity value per common share	\$ 68.54	\$ 67.13
Number of common shares outstanding at period end	12,194,193	12,194,193

	Three months ended June 30	
	2005 ⁽¹⁾	2004 ⁽¹⁾
Investment income	\$ 7,602	\$ 6,567
Net investment income	\$ 5,030	\$ 4,239
Net investment income per common share	\$ 0.40	\$ 0.34
Regular dividends per common share	\$ 0.20	\$ 0.20

⁽¹⁾ In thousands of dollars, except number of common shares outstanding and per share amounts.

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) of the unaudited consolidated operating results and financial condition of United Corporations Limited ("United" or the "Company") for the first quarter of fiscal 2006 should be read in conjunction with the MD&A for the year ended March 31, 2005, the Company's annual audited consolidated financial statements, the notes relating thereto, supplementary financial information included in the Company's Annual Report, the quarterly unaudited financial statements and notes contained in this report, as well as the Corporation's MD&A and unaudited interim financial statements for the quarters of fiscal 2005. The unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The reporting currency for the Company is the Canadian dollar, and all amounts in the following discussions are in Canadian dollars.

MD&A contains certain forward-looking statements that are subject to risks and uncertainties that may cause the results or events mentioned in this discussion to differ materially from actual results or events. No assurance can be given that results, performance or achievement expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

Market Review

Global stock markets posted mixed results in the quarter ended June 30, 2005. The Canadian dollar decreased against the U.S. dollar in the first quarter of fiscal 2006. In Canadian dollar terms, in the first quarter of fiscal 2006 the S&P/TSX Composite Index increased 3.6%, the MSCI World Index increased 1.7% and the S&P 500 Index increased 2.7%.

The net equity value of the Company's common shares is determined by deducting the outstanding preferred shares at their cost of redemption from the net assets of the Company. The net equity value per common share is the net equity value divided by the number of common shares outstanding. For the quarter ended June 30, 2005, the Company's net asset value per share increased to \$68.54 from \$67.13 at March 31, 2005, an increase of 2.4% (based on the reinvestment of dividends at month-end net equity values).

Operating Results

Net investment income

The Company's net investment income in the first quarter of fiscal 2006 was \$5,030,000 compared to \$4,239,000 in the first quarter of fiscal 2005. On a per common share basis, net investment income for the quarter increased to \$0.40 in 2005 from \$0.34 in 2005.

Foreign dividend income in the quarter amounted to \$5,283,000 compared to \$4,734,000 in fiscal 2005. Canadian dividend income amounted to \$2,054,000 in the current quarter compared to \$1,597,000 in the prior year. The increase in Canadian dividends income was mainly due to a special dividend paid by Rothmans Inc. in June. Interest income amounted to \$265,000 compared to \$236,000 in fiscal 2005.

Operating expenses in the quarter amounted to \$889,000 (2005 - \$834,000). The rise in expenses from the prior year was mainly due to an increase in management and administration fees.

Net gain on investments

The Company realized a net gain on investments sold of \$3,412,000 in the first quarter of fiscal 2006 (2005 - \$5,986,000). The majority of the realized gains were from dispositions of InterContinental Hotels Group PLC, Bank of Nova Scotia and Nissan Motor Co., Ltd. During the quarter the Company realized a loss on the maturity of the U.S. dollar forward currency contracts. Further, losses were realized on the sale of Vestas Wind Systems A/S and Svenska Cellulosa AB-B (SCA).

The Company's unrealized appreciation of investments increased by \$11,118,000 in the quarter compared to an increase of \$7,524,000 in the same period last year. The majority of the increase in fiscal 2006 was due to Canadian investments. In particular, Nexen Inc., Algoma Central Corporation and Talisman Energy Inc. performed well.

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Quarterly results

The following table summarizes various financial results on a quarterly basis for the eight most recent quarters (in thousands of dollars, except per share amounts):

	June 30 2005	March 31 2005	Dec. 31 2004	Sept. 30 2004	June 30 2004	March 31 2004	Dec. 31 2003	Sept. 30 2003
Investment income	\$ 7,602	\$ 4,631	\$ 4,549	\$ 4,039	\$ 6,567	\$ 4,260	\$ 3,581	\$ 3,809
Increase (decrease) in net assets from operations	\$ 19,560	\$ 28,303	\$ 43,332	\$ (8,272)	\$ 17,749	\$ 23,695	\$ 58,652	\$ 21,444
Increase (decrease) in net assets from operations per share ¹	\$ 1.60	\$ 2.31	\$ 3.55	\$ (0.69)	\$ 1.45	\$ 1.93	\$ 4.80	\$ 1.75

¹ Net of dividends on preferred shares

Dividends

Regular quarterly dividends were paid on our preferred and common shares. Dividends paid out of net investment income on the preferred shares were \$0.37 per share and \$0.20 per share on the common shares. These dividend payments are consistent with the prior year.

Investment Strategy

United Corporations Limited is a closed-end investment corporation that trades on the Toronto Stock Exchange. United has always been an investment vehicle for long-term growth through investments in common equities, as management believes that over long periods of time, common equities, as an asset class, will outperform fixed income instruments or balanced funds. From time to time, however, assets of the Company may be invested in interest bearing short-term securities pending the selection of suitable equity investments.

The objective of the Company is to earn an above average rate of return through long-term capital appreciation and dividend income from the Company's portfolio of equity investments. Commencing with the fiscal 2003 year, the investment strategy of the Company changed to allow for increased investment in non-Canadian capital markets. The equity investments in the portfolio currently reflect investment opportunities all over the world.

The investment portfolio of the Company is comprised of a mix of high yielding and low yielding foreign and Canadian equities. Net investment income, net realized gains (losses) on investments, net change in unrealized appreciation of investments and net equity value per share will vary significantly from period to period depending on the selection of the global equities which moves with the constantly changing economic environment and market conditions.

The external investment portfolio of the Company is managed by Jarislowsky Fraser Limited and Sanford C. Bernstein & Co. Inc., LLC. Each of the managers has a global equity mandate and is allowed to hedge the foreign currency exposure of any non-Canadian investment.

The Company also manages a portion of the investments in the portfolio. The two investments managed by the Company are Algoma Central Corporation and the Emerging Markets Investors Fund.

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Risks

The Company faces a broad range of risks and uncertainties in managing a global equity portfolio. Risks of investing in United include, amongst others, business risk, market risk, foreign currency risk, sovereign risk, liquidity risk and securities lending risk. These risks are described in the Risk section of the Company's Annual Information Form.

Share Data

At June 30, 2005, the following shares were issued and outstanding: 52,237 First Preferred Shares, 80,290 Second Preferred shares, 1959 Series, 119,710 Second Preferred shares, 1963 Series and 12,194,193 common shares.

Liquidity and Capital Resources

Liquidity refers to the Company's ability to maintain a cash flow adequate to fund operations and capital investments on a timely and cost efficient basis. The Company's income from operations is used to fund operating costs as well as provide resources for additional investments after the payment of taxable dividends.

Additional Information

Additional information relating to United, including the Company's Annual Information Form, may be found on SEDAR at www.sedar.com.

August 4, 2005

Duncan N.R. Jackman
Chairman of the Board

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF NET ASSETS (Unaudited)

	June 30 2005	March 31 2005
	(thousands of dollars)	
ASSETS		
Investments, at indicated market value (cost - \$651,336; March 31, 2005 - \$644,571)	\$ 848,786	\$ 828,382
Cash	5,789	4,449
Short-term investments	24,678	26,291
Receivable in respect of investments sold	4,218	2,047
Accrued income on investments	1,619	1,852
Other assets	461	421
	<u>885,551</u>	<u>863,442</u>
LIABILITIES		
Accounts payable and accrued liabilities	649	743
Payable in respect of investments purchased	4,007	597
Income taxes payable	1,965	2,235
Future income taxes	35,433	33,523
	<u>42,054</u>	<u>37,098</u>
Net assets	<u>\$ 843,497</u>	<u>\$ 826,344</u>
SHAREHOLDERS' EQUITY		
Stated capital		
52,237 First Preferred Shares	\$ 119	\$ 119
200,000 Second Preferred Shares	6,000	6,000
12,194,193 Common Shares	534,881	534,881
	<u>541,000</u>	<u>541,000</u>
Retained earnings	140,480	134,445
Unrealized appreciation of investments	162,017	150,899
Total shareholders' equity	<u>\$ 843,497</u>	<u>\$ 826,344</u>

APPROVED BY THE BOARD:

DUNCAN N.R. JACKMAN Director

J. CHRISTOPHER WANSBROUGH Director

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)

	<u>Three months ended June 30</u>	
	<u>2005</u>	<u>2004</u>
	(thousands of dollars)	
INVESTMENT INCOME		
Dividends:		
Foreign	\$ 5,283	\$ 4,734
Canadian	<u>2,054</u>	<u>1,597</u>
	7,337	6,331
Interest	<u>265</u>	<u>236</u>
	7,602	6,567
Expenses:		
Operating	889	834
Income taxes	<u>1,683</u>	<u>1,494</u>
	2,572	2,328
NET INVESTMENT INCOME	5,030	4,239
REALIZED AND UNREALIZED GAIN ON INVESTMENTS		
Net realized gain on investments	3,412	5,986
Net change in unrealized appreciation of investments	<u>11,118</u>	<u>7,524</u>
NET GAIN ON INVESTMENTS	<u>14,530</u>	<u>13,510</u>
INCREASE IN NET ASSETS FROM OPERATIONS	<u>\$ 19,560</u>	<u>\$ 17,749</u>

CONSOLIDATED STATEMENT OF REALIZED GAIN (Unaudited)

	<u>Three months ended June 30</u>	
	<u>2005</u>	<u>2004</u>
	(thousands of dollars)	
Proceeds on sales of investments	\$ 36,179	\$ 29,547
Cost of investments, beginning of period	644,571	615,875
Cost of investments purchased during the period	<u>38,850</u>	<u>34,914</u>
	683,421	650,789
Cost of investments, end of period	<u>651,336</u>	<u>628,259</u>
Cost of investments sold during the period	32,085	22,530
Realized gain on investments sold before taxes	4,094	7,017
Provision for taxes on realized net realized capital gains	<u>682</u>	<u>1,031</u>
Net realized gain on investments	<u>\$ 3,412</u>	<u>\$ 5,986</u>

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF RETAINED EARNINGS (Unaudited)

	Three months ended June 30	
	2005	2004
	(thousands of dollars)	
RETAINED EARNINGS, BEGINNING OF PERIOD	\$ 134,445	\$ 107,459
Add:		
Net investment income	5,030	4,239
Net realized gain on investments	3,412	5,986
Refundable taxes recovered	810	563
	<u>143,697</u>	<u>118,247</u>
Deduct:		
Dividends from net investment income:		
First Preferred Shares	19	19
Second Preferred Shares	74	74
Common Shares	2,439	2,439
Provision for refundable taxes	685	563
	<u>3,217</u>	<u>3,095</u>
RETAINED EARNINGS, END OF PERIOD	<u>\$ 140,480</u>	<u>\$ 115,152</u>

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS (Unaudited)

	Three months ended June 30	
	2005	2004
	(thousands of dollars)	
INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$ 19,560	\$ 17,749
DISTRIBUTIONS TO SHAREHOLDERS		
Common shareholders	(2,439)	(2,439)
Preferred shareholders	(93)	(93)
	<u>(2,532)</u>	<u>(2,532)</u>
TAXATION CHANGES		
Net (increase) decrease in refundable dividend tax on hand	125	—
INCREASE IN NET ASSETS	17,153	15,217
NET ASSETS, BEGINNING OF PERIOD	826,344	755,491
NET ASSETS, END OF PERIOD	<u>\$ 843,497</u>	<u>\$ 770,708</u>

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF INVESTMENTS AS AT JUNE 30, 2005 (Unaudited)

Number of Shares		Cost	Market Value	% of Market
		(thousands of dollars)		
North America				
Canada				
Preferred				
140,000	Nortel Networks Limited \$1.275 Series F	\$ 3,512	\$ 2,380	0.3
Common				
16,300	Alcan Inc.	818	600	
362,568	Algoma Central Corporation	6,201	30,818	
509,970	Bank of Nova Scotia	8,792	20,674	
66,000	Cameco Corporation	460	3,607	
50,900	Canadian National Railway Company	3,004	3,598	
7,400	Canadian Natural Resources Ltd.	333	329	
161,800	Canadian Tire Corp. Ltd. Class A	4,614	9,161	
90,000	Canadian Utilities Limited Class A	4,405	6,298	
267,702	Canfor Corporation	1,998	3,935	
296,826	Enbridge Inc.	4,048	10,374	
203,400	Encana Corporation	3,536	9,830	
390,000	Great-West Lifeco Inc.	5,573	10,862	
101,480	Imperial Oil Limited	3,049	10,353	
210,676	Jean Coutu Group Inc.	1,949	3,925	
110,000	Loblaw Cos. Limited	5,470	7,954	
294,200	Manulife Financial Corporation	9,737	17,214	
324,000	Metro Inc.	3,021	8,641	
448,330	Nexen Inc.	7,118	16,678	
52,400	Nova Chemicals Corporation	1,491	1,960	
71,000	Potash Corp. of Saskatchewan	3,097	8,303	
199,000	Power Financial Corporation	1,144	6,503	
141,900	Quebecor Inc.	5,165	4,189	
112,900	Rogers Communications Inc. Class B	2,316	4,539	
190,000	Rothmans Inc.	2,045	4,465	
277,428	Royal Bank of Canada	8,065	21,057	
219,200	Shaw Communications Inc. Class B	6,987	5,590	
364,260	Shell Canada Ltd. Class A	3,994	11,981	
138,480	SNC-Lavalin Group Inc. Class A	1,751	9,500	
106,305	Sun Life Financial Services of Canada	2,423	4,387	
352,830	Talisman Energy Inc.	5,277	16,195	
224,110	Thomson Corporation (The)	10,147	9,193	
299,608	Toronto-Dominion Bank	6,136	16,371	
319,700	TransCanada Corporation	4,856	10,307	
240,000	TVA Group Inc. Class B	3,202	4,838	
120,600	West Fraser Timber Co. Ltd.	2,751	5,698	
55,000	Weston (George) Limited	5,070	5,956	
		150,043	325,883	38.4
United States				
42,000	3M Co.	4,096	3,719	
64,000	Abbott Laboratories	3,891	3,842	
116,000	Altria Group, Inc.	9,254	9,187	
71,100	American Int'l Group Inc.	5,841	5,060	
126,760	Aramark Corporation Class B	4,515	4,099	
86,600	Bank of America Corporation	4,466	4,838	
50,000	Cardinal Health Inc.	3,949	3,526	
88,000	Chevrontexaco Corporation	5,420	6,027	
30,500	The Chubb Corporation	2,784	3,198	
111,000	Citigroup Inc.	6,969	6,285	
80,500	Colgate Palmolive Company	5,752	4,921	
108,300	Comcast Corporation Special Class A	4,286	3,973	
147,800	ConocoPhillips	5,551	10,407	
220,000	CVS Corporation	5,271	7,833	
126,000	Disney (Walt) Company	4,644	3,886	
50,000	Emerson Electric Company	4,279	3,835	
59,800	Exxon Mobile Corporation	3,621	4,209	
112,700	Fannie Mae	10,840	8,061	
92,000	Fifth Third Bancorp	6,422	4,639	
66,100	Freddie Mac	5,146	5,281	

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF INVESTMENTS AS AT JUNE 30, 2005 (Continued) (Unaudited)

Number of Shares		Cost	Market Value	% of Market
		(thousands of dollars)		
United States (continued)				
208,600	General Electric Company	9,172	8,853	
45,000	Gillette Company	2,120	2,791	
54,140	GlobalSantaFe Corporation	2,533	2,705	
95,400	Hartford Financial Services Group, Inc.	8,066	8,738	
140,900	HCA Inc.	7,994	9,780	
242,000	Hewlett-Packard Company	6,832	6,968	
50,000	Jefferson-Pilot Corporation	3,616	3,088	
74,700	Johnson & Johnson	5,298	5,947	
186,100	JPMorgan Chase & Co.	9,699	8,051	
67,000	Kimberly Clark Corporation	5,719	5,136	
192,500	Kroger Co.	4,432	4,487	
40,000	Medtronic Inc.	2,402	2,537	
39,100	Metlife, Inc.	1,383	2,152	
186,200	Microsoft Corporation	7,079	5,665	
2,030	Neenah Paper Inc.	93	77	
7,000	Occidental Petroleum Coporation	456	660	
40,300	PartnerRe Ltd.	3,103	3,180	
80,000	Pepsico, Inc.	5,243	5,284	
120,000	Pfizer Inc.	6,330	4,054	
40,000	Proctor & Gamble Company	2,543	2,584	
171,900	Safeway Inc.	4,364	4,756	
54,700	E.W. Scripps Company Class A	3,196	3,269	
84,200	Sprint Corporation	2,532	2,587	
33,632	St. Paul Travelers Companies Inc.	1,832	1,628	
15,700	Textron Inc.	1,185	1,459	
412,050	Time Warner Inc.	10,269	8,433	
68,600	Wal-Mart Stores Inc.	5,131	4,050	
62,000	Wells Fargo & Company	4,112	4,676	
27,500	XL Capital Ltd Class A	3,053	2,507	
		<u>236,784</u>	<u>232,928</u>	<u>27.4</u>
	Total North America	390,339	561,191	66.1
Latin America				
71,200	Petroleo Brasileiro S.A. ADR	2,226	4,015	
90,000	Votorantim Celulose e Papel S.A. ADR	1,587	1,334	
		<u>3,813</u>	<u>5,349</u>	0.7
Europe, excluding United Kingdom				
30,167	L'Air Liquide SA	5,636	6,303	
200,760	Arcelor	4,005	4,828	
58,700	Assurances Générales de France	4,438	5,893	
120,000	AXA	3,961	3,678	
275,000	Banco Santander Central Hispano SA	3,614	3,911	
33,000	Celesio AG	3,335	3,181	
68,600	Continental AG	2,832	6,068	
104,800	Credit Suisse Group	5,002	5,065	
16,600	Delhaize Group	1,048	1,221	
60,960	Depfa Bank PLC	1,237	1,199	
35,000	Endesa SA	999	1,007	
96,300	ENI S.P.A.	2,211	3,043	
1,000,000	Telefonaktiebolaget LM Ericsson Class B	3,480	3,937	
61,620	Essilor International SA	3,834	5,162	
83,510	European Aeronautic Defence and Space Company	3,100	3,263	
160,000	Fresenius Medical Care AG ADR	5,172	5,575	
42,000	Groupe Danone	4,522	4,528	
32,039	Heidelbergcement AG	1,732	2,823	
127,500	Heineken NV	6,103	4,829	
110,000	ING Groep N.V. ADR	4,093	3,779	
140,600	ING Groep N.V.	5,039	4,872	
52,000	L'Oreal SA	4,990	4,576	

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF INVESTMENTS AS AT JUNE 30, 2005 (Continued) (Unaudited)

Number of Shares		Cost	Market Value	% of Market
		(thousands of dollars)		
Europe, excluding United Kingdom (continued)				
240,000	Luxottica Group SPA ADR	5,944	6,052	
41,300	Man AG	1,926	2,107	
26,200	MOL Magyar Olaj - Es Gazipari Rt	1,227	2,695	
16,500	Muenchener Rueckversicherungs-Gesellschaft AG	2,412	2,158	
62,000	Nestlé S.A. ADR	5,126	4,848	
50,000	Novartis AG ADR	2,630	2,905	
56,800	Renault SA	6,176	6,140	
169,300	Repsol YPF, S.A.	4,717	5,312	
32,000	Roche Holdings AG	4,261	4,962	
95,000	Royal Dutch Petroleum Company	6,489	7,552	
19,285	Sanofi-Aventis	1,137	1,942	
25,000	Synthes Inc.	2,848	3,363	
18,500	Svenska Cellulosa AB-B (SCA)	969	725	
42,400	Total SA ADR	4,998	6,068	
129,000	Xstrata PLC	2,265	3,050	
		133,508	148,620	17.5
United Kingdom				
195,541	Aviva PLC	1,911	2,670	
355,700	BP PLC	4,177	4,537	
75,000	Diageo PLC ADR	5,729	5,447	
55,000	GlaxoSmithKline PLC ADR	3,836	3,268	
66,880	HSBC Holdings PLC ADR	6,182	6,525	
107,600	Reckitt Benckiser PLC	3,992	3,886	
105,000	Royal Bank of Scotand Group PLC	3,952	3,887	
290,000	Smith & Nephew PLC	3,437	3,508	
107,100	Tate & Lyle PLC	1,239	1,122	
140,000	Vodafone Group PLC ADR	4,559	4,170	
1,343,600	Vodafone Group PLC	3,704	4,012	
97,714	Whitbread PLC	1,642	2,045	
		44,360	45,077	5.3
Asia				
40,625	Aiful Corporation	3,403	3,713	
697,000	Bank Hapoalim Ltd.	2,116	2,680	
48,300	Canon Inc.	2,744	3,118	
4,634,000	China Petroleum and Chemical Corporation (Sinopec)	1,677	2,227	
562,395	Compal Electronics Inc.	3,422	3,423	
107,786	Emerging Markets Investors Fund	3,739	4,691	
54,100	Flextronics International Ltd.	1,020	875	
101,000	Fuji Photo Film Co., Ltd.	4,521	3,985	
80,000	Honda Motor Co., Ltd.	5,159	4,837	
22,000	Hoya Corporation	2,957	3,113	
35,000	Hyundai Motor Co. Ltd.	1,985	2,385	
161	Japan Tobacco Inc.	2,434	2,634	
65,800	JFE Holdings Inc.	2,257	1,993	
40,800	Kookmin Bank	1,727	2,275	
35,000	Kyocera Corporation ADR	3,302	3,288	
13,600	Orix Corporation	2,468	2,501	
25,800	Posco	3,316	5,580	
14,500	Promise Co., Ltd.	654	1,140	
4,250	Samsung Electronics Co. Ltd.	2,635	2,488	
104,910	Shinhan Financial Group Co., Ltd.	1,351	3,344	
37,200	Siam Investment Fund	527	252	
1,285,360	Singapore Telecommunications Limited	2,311	2,585	
92,820	Sony Corporation ADR	5,982	3,915	
4,000	Sony Corporation	580	169	
766	Sumitomo Mitsui Financial Group Inc.	4,815	6,350	
379,957	Taiwan Semiconductor Manufacturing Company Ltd. ADR	3,812	4,244	
530,000	Television Broadcasts Limited	3,267	3,665	
		74,181	81,470	9.6

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF INVESTMENTS AS AT JUNE 30, 2005 (Continued) (Unaudited)

<u>Number of Shares</u>		<u>Cost</u>	<u>Market Value</u>	<u>% of Market</u>
		(thousands of dollars)		
	Australia			
176,000	National Australia Bank Limited	5,135	5,054	0.6
	Total equities	651,336	846,761	99.8
	Forward Currency Contracts, net - Schedule 1	—	2,025	0.2
	Total investments	<u>\$ 651,336</u>	<u>\$ 848,786</u>	<u>100.0</u>

Schedule 1 - Forward Currency Contracts, net

Forward contracts to sell foreign currencies for Canadian dollars:

<u>Par value (in millions)</u>	<u>Currency</u>	<u>Number of Contracts</u>	<u>Contract Rates</u>	<u>Settlement Date</u>	<u>Unrealized gain</u>
64.1	USD	1	1.254	Sept. 15, 2005	\$ 2,025

All counterparties have an approved credit rating equivalent to A-1+.

UNITED CORPORATIONS LIMITED

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Summary of significant accounting policies

Basis of presentation

The accompanying unaudited interim consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and follow the same accounting policies and methods as the most recent annual financial statements and should be read in conjunction with the notes to the Company's audited financial statements for the year ended March 31, 2005.

UNITED CORPORATIONS LIMITED

CORPORATE INFORMATION

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INVESTMENT MANAGERS Jarislowsky Fraser Limited, Toronto
Sanford C. Bernstein & Co., LLC, New York

AUDITORS PricewaterhouseCoopers LLP, Toronto

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100 University Avenue, 9th Floor
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STOCK EXCHANGE LISTINGS

Common	UNC
First Preferred	UNC.PR.A
Second Preferred, 1959 Series	UNC.PR.B
Second Preferred, 1963 Series	UNC.PR.C

NET EQUITY VALUE

The Company's Net Equity Value per share is published every Saturday in the Mutual fund section of the Globe and Mail (under "Fund Asset Values") and in the National Post (under "Closed End Funds").

WEBSITE www.ucorp.ca