

UNITED CORPORATIONS LIMITED

SECOND QUARTER REPORT
September 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

November 3, 2005

UNITED CORPORATIONS LIMITED

Incorporated under the Laws of Canada



THE PERIOD AT A GLANCE (Unaudited)

	As at Sept. 30 2005 ⁽¹⁾	As at March 31 2005 ⁽¹⁾
Net assets	\$ 882,077	\$ 826,344
Net equity value per common share	\$ 71.70	\$ 67.13
Number of common shares outstanding at period end	12,194,193	12,194,193

	Six months ended Sept. 30	
	2005 ⁽¹⁾	2004 ⁽¹⁾
Investment income	\$ 11,904	\$ 10,606
Net investment income	\$ 7,786	\$ 6,890
Net investment income per common share	\$ 0.62	\$ 0.55
Regular dividends per common share	\$ 0.40	\$ 0.40

⁽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 second 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 Company's MD&A and unaudited interim financial statements for the previous quarter of fiscal 2006. 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 discussion will occur, or if they do, that any benefits may be derived from them.

Market Review

As at September 30, 2005, the investment portfolio composition was 39.4% in Canadian equities and 60.6% in foreign equities. Global stock markets posted generally positive results in local currencies in the quarter ended September 30, 2005. The Canadian dollar strengthened against most currencies in both the first and second quarters of fiscal 2006 offsetting some of the gains achieved on the appreciation of the foreign equities. In Canadian dollar terms, in the second quarter of fiscal 2006, the S&P/TSX Composite Index increased 11.6%, the MSCI World Index increased 1.4% and the S&P 500 Index decreased 1.9%. On a fiscal year to date basis, the S&P/TSX Composite Index increased 15.6%, the MSCI World Index increased 3.1% and the S&P 500 Index increased 0.8%.

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 September 30, 2005, the Company's net equity value per share increased to \$71.70 from \$68.54 at June 30, 2005, an increase of 4.9% (based on the reinvestment of dividends at month-end net equity values). On a year to date basis the net equity value per share increased to \$71.70 from \$67.13 at March 31, 2005, an increase of 7.4% (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 second quarter of fiscal 2006 was \$2,756,000 compared to fiscal 2005 net investment income of \$2,651,000. On a year to date basis, the net investment income increased to \$7,786,000 in fiscal 2006 from \$6,890,000 in fiscal 2005. On a per common share basis, net investment income for the quarter increased to \$0.22 in fiscal 2006 from \$0.21 in fiscal 2005 and on a year to date basis to \$0.62 in fiscal 2006 from \$0.55 in fiscal 2005.

Foreign dividend income in the second quarter increased to \$2,504,000 in fiscal 2006 from \$2,286,000 in fiscal 2005 and to \$7,787,000 in fiscal 2006 from \$7,020,000 in fiscal 2005 on a year to date basis. Canadian dividend income in the second quarter increased to \$1,592,000 in fiscal 2006 from \$1,581,000 in fiscal 2005 and to \$3,646,000 in fiscal 2006 from \$3,178,000 in fiscal 2005 on a year to date basis. Interest income in the second quarter amounted to \$206,000 in fiscal 2006, compared to \$172,000 in fiscal 2005 and increased to \$471,000 in fiscal 2006 from \$408,000 in fiscal 2005 on a year to date basis.

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Operating expenses in the quarter amounted to \$888,000 (fiscal 2005 - \$782,000) and \$1,777,000 (fiscal 2005 - \$1,616,000) on a year to date basis. The rise in expenses from the prior periods is mainly due to an increase in management and administration fees.

Net gain (loss) on investments

The Company realized a net gain on investments sold of \$14,501,000 in the second quarter of fiscal 2006 (fiscal 2005 net gain - \$1,347,000). On a fiscal year to date basis, the net gain on investments was \$17,913,000 (2005 net gain - \$7,333,000). The largest contributors to the realized gain in the quarter were from the energy sector as the Company trimmed its holdings in Nexen Inc., ConocoPhillips and Talisman Energy Inc. A significant gain was also realized in the US dollar forward currency contract that matured in the quarter.

The Company's unrealized appreciation of investments increased by \$23,858,000 in the quarter compared to a decrease of \$12,270,000 in the same period last year. On a year to date basis, unrealized appreciation of investments increased by \$34,976,000 to \$185,875,000 (fiscal 2005 decrease - \$4,746,000). In addition to the strong performance of the securities previously mentioned, Encana Corporation, Imperial Oil Ltd. and Shell Canada Ltd. performed very well. Fannie Mae and HCA Inc. were the poorest performers during the quarter.

Quarterly Results

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

	Sept. 30 2005	June 30 2005	March 31 2005	Dec. 31 2004	Sept. 30 2004	June 30 2004	March 31 2004	Dec. 31 2003
Investment income	\$ 4,302	\$ 7,602	\$ 4,631	\$ 4,549	\$ 4,039	\$ 6,567	\$ 4,260	\$ 3,581
Increase (decrease) in net assets from operations	\$ 41,115	\$ 19,560	\$ 28,303	\$ 43,332	\$ (8,272)	\$ 17,749	\$ 23,695	\$ 58,652
Increase (decrease) in net assets from operations per share ¹	\$ 3.36	\$ 1.60	\$ 2.31	\$ 3.55	\$ (0.69)	\$ 1.45	\$ 1.93	\$ 4.80

¹ Net of dividends on preferred shares

Dividends

Regular quarterly dividends were paid on our preferred shares. The dividends paid out of net investment income on the common shares outstanding in the third quarter totalled \$0.20 per share in both fiscal 2006 and fiscal 2005. On a year to date basis, the dividends on the common shares totalled \$0.40 in both fiscal 2006 and fiscal 2005.

Investment Strategy

United 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.

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The objective of the Company is to earn an above average rate of return primarily through long-term capital appreciation and dividend income. 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 ("Jarislowsky") and Sanford C. Bernstein & Co. Inc., LLC ("Bernstein"), a wholly owned subsidiary of Alliance Capital Management L.P. Each manager 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 Investor Fund.

As the Company's investment philosophy is of a long-term nature, short-term volatility is expected and tolerated. We remain confident that our investment strategy will reward our shareholders over the long-term.

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, equity risk, international market risk, foreign currency risk, concentration risk, emerging markets risk, liquidity risk, regulatory risk and securities lending risk. These risks are described in the Risk section of the Company's Annual Information Form.

Share Data

At September 30th, 2005, the following shares were issued and outstanding; 52,237 First Preferred shares, 80,290 Second Preferred shares, 1959 Series, 119,710 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 after payment of taxable dividends is used to fund operating costs as well as provide resources for additional investments.

Additional information

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

November 3, 2005

Duncan N.R. Jackman
Chairman of the Board

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF NET ASSETS (Unaudited)

	September 30 2005	March 31 2005
	(thousands of dollars)	
ASSETS		
Investments, at indicated market value (cost - \$669,963; March 31, 2005 - \$644,571)	\$ 896,610	\$ 828,382
Cash	4,136	4,449
Short-term investments	18,242	26,291
Receivable in respect of investments sold	3,575	2,047
Accrued income on investments	1,562	1,852
Income taxes receivable	3,517	—
Other assets	472	421
	<u>928,114</u>	<u>863,442</u>
LIABILITIES		
Accounts payable and accrued liabilities	565	743
Payable in respect of investments purchased	4,167	597
Income taxes payable	—	2,235
Future income taxes	41,305	33,523
	<u>46,037</u>	<u>37,098</u>
Net assets	<u>\$ 882,077</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	155,202	134,445
Unrealized appreciation of investments	185,875	150,899
Total shareholders' equity	<u>\$ 882,077</u>	<u>\$ 826,344</u>

APPROVED BY THE BOARD:

DUNCANN.R. JACKMAN Director

J. CHRISTOPHER WANSBROUGH Director

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)

	Three months ended Sept. 30		Six months ended Sept. 30	
	2005	2004	2005	2004
	(thousands of dollars)			
INVESTMENT INCOME				
Dividends:				
Foreign	\$ 2,504	\$ 2,286	\$ 7,787	\$ 7,020
Canadian	1,592	1,581	3,646	3,178
	4,096	3,867	11,433	10,198
Interest	206	172	471	408
	4,302	4,039	11,904	10,606
Expenses:				
Operating	888	782	1,777	1,616
Income taxes	658	606	2,341	2,100
	1,546	1,388	4,118	3,716
NET INVESTMENT INCOME	2,756	2,651	7,786	6,890
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS				
Net realized gain on investments	14,501	1,347	17,913	7,333
Net change in unrealized appreciation of investments	23,858	(12,270)	34,976	(4,746)
NET GAIN (LOSS) ON INVESTMENTS	38,359	(10,923)	52,889	2,587
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	\$ 41,115	\$ (8,272)	\$ 60,675	\$ 9,477
INCREASE (DECREASE) IN NET ASSETS PER COMMON SHARE	\$ 3.36	\$ (0.69)	\$ 4.96	\$ 0.76

CONSOLIDATED STATEMENT OF RETAINED EARNINGS (Unaudited)

	Six months ended Sept. 30	
	2005	2004
	(thousands of dollars)	
RETAINED EARNINGS, BEGINNING OF PERIOD	\$ 134,445	\$ 107,459
Add:		
Net investment income	7,786	6,890
Net realized gain on investments	17,913	7,333
Refundable taxes recovered	1,340	1,059
	161,484	122,741
Deduct:		
Dividends from net investment income		
First preferred shares	39	39
Second preferred shares	150	150
Common shares	4,878	4,878
Provision for refundable taxes	1,215	1,059
	6,282	6,126
RETAINED EARNINGS, END OF PERIOD	\$ 155,202	\$ 116,615

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(Unaudited)

	Three months ended Sept. 30		Six months ended Sept. 30	
	2005	2004	2005	2004
	(thousands of dollars)			
INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ 41,115	\$ (8,272)	\$ 60,675	\$ 9,477
DISTRIBUTIONS TO SHAREHOLDERS				
Common shareholders	(2,439)	(2,439)	(4,878)	(4,878)
Preferred shareholders	(96)	(96)	(189)	(189)
	<u>(2,535)</u>	<u>(2,535)</u>	<u>(5,067)</u>	<u>(5,067)</u>
TAXATION CHANGES				
Net increase in refundable dividend tax on hand	—	—	125	—
INCREASE (DECREASE) IN NET ASSETS ..	38,580	(10,807)	55,733	4,410
NET ASSETS, BEGINNING OF PERIOD	843,497	770,708	826,344	755,491
NET ASSETS, END OF PERIOD	<u>\$ 882,077</u>	<u>\$ 759,901</u>	<u>\$ 882,077</u>	<u>\$ 759,901</u>

CONSOLIDATED STATEMENT OF NET REALIZED GAIN

(Unaudited)

	Three months ended Sept. 30		Six months ended Sept. 30	
	2005	2004	2005	2004
	(thousands of dollars)			
Proceeds on sales of investments	\$ 55,683	\$ 34,079	\$ 91,862	\$ 63,626
Cost of investments, beginning of period	651,336	628,259	644,571	615,875
Cost of investments purchased during the period	56,694	41,729	95,544	76,643
	<u>708,030</u>	<u>669,988</u>	<u>740,115</u>	<u>692,518</u>
Cost of investments, end of period	669,963	638,250	669,963	638,250
Cost of investments sold during the period	<u>38,067</u>	<u>31,738</u>	<u>70,152</u>	<u>54,268</u>
Realized gain on investments sold before taxes	17,616	2,341	21,710	9,358
Provision for taxes on realized net taxable capital gains	3,115	994	3,797	2,025
Net realized gain on investments	<u>\$ 14,501</u>	<u>\$ 1,347</u>	<u>\$ 17,913</u>	<u>\$ 7,333</u>

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF INVESTMENTS AS AT SEPTEMBER 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	\$ 2,394	0.3
Common				
362,568	Algoma Central Corporation	6,201	29,731	
484,970	Bank of Nova Scotia	8,361	21,052	
52,300	Cameco Corporation	364	3,244	
50,900	Canadian National Railway Company	3,004	4,199	
55,400	Canadian Natural Resources Ltd.	2,677	2,908	
161,800	Canadian Tire Corp. Ltd. Class A	4,614	10,176	
180,000	Canadian Utilities Class A	4,405	7,112	
267,702	Canfor Corporation	1,998	3,732	
296,826	Enbridge Inc.	4,048	11,060	
193,400	Encana Corporation	3,362	13,122	
390,000	Great-West Lifeco Inc.	5,573	11,349	
101,480	Imperial Oil Limited	3,049	13,599	
210,676	Jean Coutu Group Inc. Class A	1,949	4,361	
100,000	Loblaw Cos. Limited	4,972	6,987	
294,200	Manulife Financial Corporation	9,737	18,240	
324,000	Metro Inc. Class A	3,021	10,799	
378,040	Nexen Inc.	6,002	20,962	
52,400	Nova Chemicals Corporation	1,491	2,240	
71,000	Potash Corp. of Saskatchewan	3,096	7,692	
199,000	Power Financial Corporation	1,144	6,710	
141,900	Quebecor Inc. Class B	5,165	4,222	
112,900	Rogers Communications Inc. Class B	2,316	5,166	
158,290	Rothmans Inc.	1,704	3,422	
277,428	Royal Bank of Canada	8,065	23,495	
219,200	Shaw Communications Inc. Class B	6,987	5,326	
364,260	Shell Canada Ltd.	3,994	14,807	
125,380	SNC-Lavalin Group Inc. Class A	1,586	9,417	
106,305	Sun Life Financial Services of Canada	2,423	4,640	
305,130	Talisman Energy Inc.	4,563	17,356	
224,110	Thomson Corporation (The)	10,147	9,726	
299,608	Toronto-Dominion Bank	6,136	17,174	
309,700	TransCanada Corporation	4,704	10,994	
240,000	TVA Group Inc. Class B	3,202	4,682	
120,600	West Fraser Timber Co. Ltd.	2,751	5,359	
55,000	Weston (George) Limited	5,073	5,707	
		147,884	350,768	39.1
United States				
49,600	3M Co.	4,788	4,225	
64,000	Abbott Laboratories	3,891	3,151	
116,000	Altria Group, Inc.	9,254	9,928	
71,100	American Int'l Group Inc.	5,841	5,115	
126,760	Aramark Corporation Class B	4,515	3,931	
86,600	Bank of America Corporation	4,466	4,233	
44,000	Beckman Coulter, Inc.	2,881	2,758	
50,000	Cardinal Health Inc.	3,949	3,683	
143,300	Chevron Corporation	9,535	10,770	
30,500	The Chubb Corporation	2,784	3,171	
111,000	Citigroup Inc.	6,969	5,867	
88,000	Colgate Palmolive Company	6,217	5,394	
108,300	Comcast Corporation Special Class A	4,286	3,619	
88,200	ConocoPhillips	3,312	7,159	
220,000	CVS Corporation	5,271	7,410	
126,000	Disney (Walt) Company	4,644	3,530	
50,000	Emerson Electric Company	4,279	4,168	
54,700	EW Scripps Company Class A	3,196	3,174	
79,800	Exxon Mobile Corporation	5,043	5,887	
112,700	Fannie Mae	10,840	5,865	
92,000	Fifth Third Bancorp	6,422	3,926	
10,370	Fiserv, Inc.	535	552	

UNITED CORPORATIONS LIMITED

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

Number of Shares		Cost	Market Value	% of Market
		(thousands of dollars)		
United States (continued)				
66,100	Freddie Mac	5,146	4,333	
218,600	General Electric Company	9,582	8,546	
45,000	Gillette Company	2,120	3,041	
54,140	GlobalSantaFe Corporation	2,533	2,868	
95,400	Hartford Financial Services Group, Inc.	8,066	8,548	
150,900	HCA Inc.	8,591	8,396	
201,600	Hewlett-Packard Company	5,691	6,835	
50,000	Jefferson-Pilot Corporation	3,616	2,971	
74,700	Johnson & Johnson	5,298	5,489	
146,800	JPMorgan Chase & Co.	7,651	5,783	
67,000	Kimberly Clark Corporation	5,719	4,631	
192,500	Kroger Co.	4,432	4,602	
44,000	Medtronic Inc.	2,663	2,739	
39,100	Metlife, Inc.	1,383	2,262	
186,200	Microsoft Corporation	7,079	5,563	
2,030	Neenah Paper Inc.	93	69	
7,000	Occidental Petroleum Corporation	456	694	
40,300	PartnerRe Ltd.	3,103	2,997	
80,000	Pepsico	5,243	5,268	
132,000	Pfizer Inc.	6,725	3,827	
40,000	Proctor & Gamble Company	2,543	2,762	
122,200	Safeway Inc.	3,102	3,632	
179,200	Sprint Nextel Corporation	5,562	4,948	
15,700	Textron Inc.	1,185	1,307	
412,050	Time Warner Inc.	10,269	8,664	
76,000	Wal-Mart Stores Inc.	5,573	3,867	
62,000	Wells Fargo & Company	4,112	4,216	
27,500	XL Capital Ltd Class A	3,055	2,174	
		243,509	228,548	25.5
Mexico				
34,600	Fomento Economico Mexicano, S.A. de C.V. ADR	2,836	2,809	0.3
	Total North America		397,741	584,519
65.2				
Latin America				
52,300	Petroleo Brasileiro S.A. ADR	1,635	3,872	
90,000	Votorantim Celulose e Papel S.A. ADR	1,588	1,400	
		3,223	5,272	0.6
Europe, excluding United Kingdom				
30,167	L'Air Liquide SA	5,636	6,463	
200,760	Arcelor	4,005	5,471	
58,700	Assurances Générales de France	4,438	6,543	
120,000	AXA	3,961	3,838	
300,000	Banco Santander Central Hispano S.A.	3,978	4,592	
38,000	Celesio AG	3,830	3,867	
58,800	Continental AG	2,428	5,622	
104,800	Credit Suisse Group	5,002	5,409	
16,600	Delhaize Group	1,048	1,144	
60,960	Depfa Bank PLC	1,237	1,141	
22,600	E.ON AG	2,634	2,424	
98,560	European Aeronautic Defense and Space Company	3,690	4,071	
181,200	Endesa S.A.	4,995	5,651	
96,300	ENI S.P.A.	2,211	3,332	
1,000,000	Telefonaktiebolaget LM Ericsson	3,480	4,251	
61,620	Essilor International SA	3,834	5,945	
160,000	Fresenius Medical Care AG ADR	5,172	5,644	
42,000	Groupe Danone	4,522	5,273	
110,000	ING Groep N.V. ADR	4,093	3,805	
140,600	ING Groep N.V.	5,039	4,879	
52,000	L'Oreal SA	4,990	4,693	
210,000	Luxottica Group SPA ADR	5,201	6,074	
41,300	Man AG	1,926	2,467	
23,800	MOL Magyar Olaj - Es Gazipari Rt	1,114	3,066	
42,100	Muenchener Reuckersicherungs-Gesellschaft AG	5,836	5,600	

UNITED CORPORATIONS LIMITED

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

Number of Shares		Cost	Market Value	% of Market
		(thousands of dollars)		
Europe, excluding United Kingdom (continued)				
62,000	Nestlé S.A. ADR	5,126	5,290	
50,000	Novartis AG ADR	2,630	2,960	
56,800	Renault SA	6,176	6,268	
169,300	Repsol YPF, S.A.	4,717	6,391	
32,000	Roche Holdings AG	4,261	5,183	
19,285	Sanofi-Aventis	1,137	1,857	
25,000	Synthes Inc.	2,848	3,410	
42,400	Total SA ADR	4,998	6,687	
129,000	Xstrata PLC	2,264	3,893	
		128,457	153,204	17.1
United Kingdom				
262,941	Aviva PLC	2,821	3,363	
95,000	BP PLC ADR	7,771	7,815	
355,700	BP PLC	4,177	4,922	
75,000	Diageo PLC ADR	5,729	5,052	
687,630	Friends Provident PLC	2,735	2,642	
55,000	GlaxoSmithKline PLC ADR	3,836	3,275	
100,890	HBOS PLC	1,899	1,769	
66,880	HSBC Holdings PLC ADR	6,182	6,308	
120,600	Reckitt Benckiser PLC	4,478	4,279	
207,000	Royal Bank of Scotland Group PLC	7,680	6,843	
370,000	Smith & Nephew PLC	4,372	3,619	
107,100	Tate & Lyle PLC	1,239	1,000	
140,000	Vodafone Group PLC ADR	4,559	4,222	
1,343,600	Vodafone Group PLC	3,704	4,072	
97,714	Whitbread PLC	1,642	1,905	
		62,824	61,086	6.8
Asia				
697,000	Bank Hapoalim Ltd.	2,116	3,148	
10,000	Canon Inc. ADR	607	630	
48,300	Canon Inc.	2,744	3,035	
4,634,000	China Petroleum and Chemical Corporation (Sinopec)	1,677	2,462	
584,750	Compal Electronics Inc.	3,422	3,395	
59,100	Credit Saison Co. Ltd.	2,817	3,016	
107,786	Emerging Markets Investors Fund	3,739	5,275	
54,100	Flextronics International Ltd.	1,020	807	
111,000	Fuji Photo Film Co., Ltd.	4,909	4,255	
80,000	Honda Motor Co., Ltd.	5,159	5,264	
104,000	Hoya Corporation	3,553	4,018	
35,000	Hyundai Motor Co. Ltd.	1,985	3,178	
235	Japan Tobacco Inc.	3,676	4,311	
65,800	JFE Holdings Inc.	2,257	2,488	
40,800	Kookmin Bank	1,727	2,795	
35,000	Kyocera Corporation ADR	3,302	2,846	
16,800	Orix Corp	3,120	3,530	
25,800	Posco	3,316	6,725	
4,250	Samsung Electronics Co. Ltd.	2,635	2,784	
104,910	Shinhan Financial Group Co., Ltd.	1,351	4,242	
37,200	Siam Investment Fund	527	207	
92,820	Sony Corporation ADR	5,982	3,577	
4,000	Sony Corporation	580	153	
606	Sumitomo Mitsui Financial Group Inc.	3,809	6,646	
379,957	Taiwan Semiconductor Manufacturing Company Ltd. ADS	3,811	3,626	
530,000	Television Broadcasts Limited	3,266	3,766	
		73,107	86,179	9.6

UNITED CORPORATIONS LIMITED

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

<u>Number of Shares</u>		<u>Cost</u>	<u>Market Value</u>	<u>% of Market</u>
		(thousands of dollars)		
	Australia			
158,000	National Australia Bank Limited	4,611	4,633	0.5
	Total equities	669,963	894,893	99.8
	Forward Currency Contracts, net - Schedule 1	—	1,717	0.2
	Total investments	<u>\$ 669,963</u>	<u>\$ 896,610</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 Rate</u>	<u>Settlement Date</u>	<u>Unrealized gain</u>
64.9	USD	1	1.1845	Dec. 15, 2005	\$ 1,717

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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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").

REPORTING PROCEDURE FOR ACCOUNTING AND AUDITING MATTERS

Please refer to the "Contact Us" section of our website if you have complaints or concerns regarding accounting or auditing matters.

WEBSITE www.ucorp.ca