

UNITED CORPORATIONS LIMITED

SECOND QUARTER REPORT
September 30, 2008

**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 "Frank J. Glosnek"

Frank J. Glosnek
Treasurer

November 6, 2008

UNITED CORPORATIONS LIMITED

Incorporated under the Laws of Canada



THE PERIOD AT A GLANCE (Unaudited)

	As at Sept. 30 2008 ⁽¹⁾	As at March 31 2008 ⁽¹⁾
Net equity value per Common Share ⁽²⁾	\$ 67.23	\$ 77.18
Net assets.....	\$ 827,540	\$ 948,929
Number of Common Shares outstanding at period end	12,194,193	12,194,193

	Six months ended Sept. 30	
	2008 ⁽¹⁾	2007 ⁽¹⁾
Net investment income per Common Share ⁽²⁾	\$ 0.83	\$ 0.72
Dividends per Common Share	\$ 0.40	\$ 0.40
Decrease in net assets from operations per Common Share.....	\$ (9.56)	\$ (1.46)
Investment income	\$ 15,541	\$ 14,260
Net investment income	\$ 10,304	\$ 8,980

⁽¹⁾ In thousands of Canadian dollars, except number of Common Shares outstanding and per share amounts.

⁽²⁾ See Management's Discussion and Analysis for Use of Non-GAAP Measures.

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 2009 should be read in conjunction with the MD&A for the fiscal year ended March 31, 2008, the Company's annual audited consolidated financial statements, the notes relating thereto, the supplementary financial information included in the Company's Annual Report, the quarterly unaudited consolidated financial statements and notes contained in this report, as well as the Company's MD&A and unaudited interim consolidated financial statements for the previous quarter of fiscal 2009. The unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The consolidated financial statements do not include all of the disclosures required under GAAP for annual financial statements. The reporting currency for the Company is the Canadian dollar, and all amounts in the following discussion are in Canadian dollars.

This MD&A may contain 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.

Use of Non-GAAP Measures

This MD&A contains reference to "net equity value per Common Share" and "net investment income per Common Share". These terms do not have any standardized meaning according to Canadian GAAP and therefore may not be comparable to similar measures presented by other companies. The Company believes that these measures provide information useful to our shareholders in evaluating the Company's financial results.

Net equity value per Common Share is calculated as follows (in thousands of Canadian dollars, except number of Common Shares and per Common Share amounts):

	Sept. 30 2008	March 31 2008
Net assets, at fair value	\$ 827,540	\$ 948,929
Deduct:		
Cost of redemption:		
First Preferred Shares	1,567	1,567
1959 and 1963 Series Second Preferred Shares.....	6,180	6,180
	<u>7,747</u>	<u>7,747</u>
Net equity value	<u>\$ 819,793</u>	<u>\$ 941,182</u>
Common Shares outstanding	<u>12,194,193</u>	<u>12,194,193</u>
Net equity value per Common Share.....	<u>\$ 67.23</u>	<u>\$ 77.18</u>

Net investment income per Common Share is calculated as follows:

	Three months ended September 30		Six months ended September 30	
	2008	2007	2008	2007
Decrease in net assets from operations per Common Share.....	\$ (9.88)	\$ (2.81)	\$ (9.56)	\$ (1.46)
Add: Net loss on investments per Common Share.....	10.13	3.06	10.39	2.18
Net investment income per Common Share .	<u>\$ 0.25</u>	<u>\$ 0.25</u>	<u>\$ 0.83</u>	<u>\$ 0.72</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Market Review

Global stock markets were extremely volatile during the quarter. In particular a significant deterioration in banking and financial services sectors and concerns of much slower global economic growth negatively impacted many sectors. In Canadian dollar terms, in the second quarter of fiscal 2009, the S&P/TSX Composite Index decreased 18.2%, the MSCI World Index declined 11.8% and the S&P 500 Index decreased 4.7%. On a fiscal year-to-date basis, the S&P/TSX Composite Index declined 10.8%, the MSCI World Index decreased 14.1% and the S&P 500 Index declined 8.1%.

For the quarter ended September 30, 2008, the Company's net equity value per Common Share, (based on the reinvestment of dividends at month-end net equity values), decreased to \$67.23 from \$77.31 at June 30, 2008, a decline of 12.8%. On a fiscal year-to-date basis, the net equity value per Common Share decreased to \$67.23 from \$77.18 at March 31, 2008, a decline of 12.4%. As the Company is a taxable Canadian corporation, a provision for future income taxes is recorded on the unrealized appreciation of investments. Future income taxes are recorded as a liability on the consolidated balance sheet.

Operating Results

Net investment income

The Company's net investment income in the second quarter of fiscal 2009 was \$3,185,000 compared to net investment income of \$3,212,000 in the prior fiscal year. On a year-to-date basis, net investment income increased 14.7% to \$10,304,000 in fiscal 2009 from \$8,980,000 in fiscal 2008. On a per Common Share basis, net investment income for the quarter was \$0.25 in both fiscal years and on a year-to-date basis increased to \$0.83 from \$0.72 in the prior fiscal year.

Foreign dividend income in the second quarter decreased to \$2,888,000 in fiscal 2009 from \$3,308,000 in fiscal 2008 and on a year-to-date basis increased to \$11,422,000 in fiscal 2009 from \$10,405,000 in fiscal 2008. Canadian dividend income in the second quarter declined slightly to \$1,643,000 in fiscal 2009 from \$1,659,000 in fiscal 2008 and increased on a year-to-date basis to \$3,573,000 from \$3,424,000 respectively. The year-to-date increases were due in part to stock selection year over year as well as some foreign and Canadian investees increasing their dividend payout compared to prior periods. Interest income, including securities lending income, in the second quarter amounted to \$296,000 in fiscal 2009 compared to \$187,000 in fiscal 2008 and increased to \$546,000 from \$431,000 on a year-to-date basis. During the quarter, the Company suspended its securities lending activities due to concerns of potential counterparty risk in the current economic environment.

Expenses in the quarter amounted to \$869,000 (fiscal 2008 - \$1,078,000) and \$1,865,000 (fiscal 2008 - \$2,192,000) on a year-to-date basis. The decline in expenses from the prior periods was due primarily to a decrease in investment management and administrative costs related to lower average net assets managed compared to prior periods.

Net gain (loss) on investments

The Company realized a net loss on the sale of investments, including the maturity of forward currency contracts, of \$14,560,000 in the second quarter of fiscal 2009 versus a net gain of \$4,114,000 in fiscal 2008. On a fiscal year-to-date basis, the net loss on investments sold was \$18,230,000 in fiscal 2009 compared to a net gain of \$21,752,000 for the prior year. The largest contributors to the net realized loss during the quarter were the sale of Freddie Mac, Fannie Mae, Fortis Group, STMicroelectronics NV and Merrill Lynch & Co., Inc. and the maturity of forward currency contracts. During the quarter these losses were offset in part by the gain realized on the sale of Rothmans Inc. to its majority owner.

The Company's unrealized appreciation of investments decreased by \$108,975,000 during the quarter compared to a decline of \$41,390,000 in the same period last year. On a year-to-date basis, unrealized appreciation of investments decreased by \$108,282,000 (fiscal 2008 - decrease of \$48,105,000). On a year-to-date basis, the portfolio has been impacted by the fallout from the deterioration in the banking and financial services sectors and from a general global economic slowdown. In particular, the global equities having the greatest negative dollar impact year to date were Algoma Central Corporation, American International Group, Inc., Nexen Inc., Potash Corporation of Saskatchewan, as well as other investments in banking and financial services, energy and materials.

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):

	Sept. 30 2008	June 30 2008	March 31 2008	Dec. 31 2007	Sept. 30 2007	June 30 2007	March 31 2007	Dec. 31 2006
Investments	\$ 800,709	\$ 956,571	\$ 952,648	\$ 1,021,684	\$ 1,053,387	\$ 1,100,232	\$ 1,093,562	\$ 1,106,835
Investment income	\$ 4,827	\$ 10,714	\$ 6,443	\$ 4,828	\$ 5,154	\$ 9,106	\$ 5,844	\$ 4,818
Increase (decrease) in net assets from operations	\$ (120,426)	\$ 4,042	\$ (49,865)	\$ (25,389)	\$ (34,149)	\$ 16,556	\$ 2,588	\$ 108,754
Increase (decrease) in net assets from operations per share ¹	\$ (9.88)	\$ 0.32	\$ (4.10)	\$ (2.09)	\$ (2.81)	\$ 1.35	\$ 0.20	\$ 8.91

¹ Net of dividends on preferred shares

Investment income is derived primarily from dividend income that is earned by the Company. While North American investments usually pay regular quarterly dividends, investments outside of North America often pay less frequently. In general, dividends earned on investments outside of North America peak in the first quarter of the fiscal year.

Net gain (loss) on investments is determined by the performance of the investment managers of the portfolio. The returns of the portfolio will not necessarily correlate with the various benchmark returns and may fluctuate significantly as illustrated by the recent quarterly returns provided above.

Share Data

At September 30, 2008, 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

The payment of the Company's quarterly dividends on its Common Shares and Preferred Shares is funded by net investment income. For the quarter ended September 30, 2008, net investment income was \$3,185,000 as compared to dividend payments of \$2,535,000. On a fiscal year-to-date basis, net investment income of \$10,304,000 exceeded dividend payments of \$5,067,000.

International Financial Reporting Standards ("IFRS")

In February 2008, the Accounting Standards Board of the CICA confirmed that IFRS will replace Canadian GAAP for publicly accountable enterprises for fiscal years beginning on or after January 1, 2011. As a result, the conversion from Canadian GAAP to IFRS will be applicable to the Company's reporting for the first quarter of fiscal 2012 for which current and comparative information will be prepared on an IFRS basis. In light of these requirements, the Company has developed an IFRS transition project plan.

The Company's project plan includes four phases: analysis, design and planning, solution development and implementation. The project timeline anticipates completing the analysis phase early in calendar 2009.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

At this point in the project, the Company is not able to reasonably estimate the financial reporting impact of the transition to IFRS.

Additional Information

Additional information relating to United, including the Company's Annual Information Form, is available at www.sedar.com.

United's website, www.ucorp.ca, also provides further information on the Company, including historical information on the net equity value per Common Share.

Duncan N.R. Jackman
Chairman and President

November 6, 2008

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF NET ASSETS (Unaudited)

	September 30 2008	March 31 2008
	(000's)	
ASSETS		
Investments, at fair value (cost - \$787,293; March 31, 2008 - \$810,423).....	\$ 800,709	\$ 952,648
Cash	7,178	7,889
Short-term investments	11,763	9,782
Receivable in respect of investments sold	2,057	180
Accrued income on investments.....	1,239	2,810
Income taxes receivable.....	8,740	—
Other assets	449	438
	<u>832,135</u>	<u>973,747</u>
LIABILITIES		
Accounts payable and accrued liabilities.....	766	765
Payable in respect of investments purchased	2,519	653
Income taxes payable.....	—	772
Future income taxes	1,310	22,628
	<u>4,595</u>	<u>24,818</u>
Net assets, at fair value	<u>\$ 827,540</u>	<u>\$ 948,929</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>
Unrealized appreciation of investments.....	12,183	120,465
Retained earnings	274,357	287,464
Total shareholders' equity	<u>\$ 827,540</u>	<u>\$ 948,929</u>

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)

	Three months ended Sept. 30		Six months ended Sept. 30	
	2008	2007	2008	2007
	(000's)			
INVESTMENT INCOME				
Dividends:				
Foreign.....	\$ 2,888	\$ 3,308	\$ 11,422	\$ 10,405
Canadian.....	1,643	1,659	3,573	3,424
	<u>4,531</u>	<u>4,967</u>	<u>14,995</u>	<u>13,829</u>
Interest, including securities lending income	296	187	546	431
	<u>4,827</u>	<u>5,154</u>	<u>15,541</u>	<u>14,260</u>
Expenses:				
Investment management and administrative costs	647	831	1,405	1,696
Directors' and officers' remuneration.....	46	43	95	96
Office and miscellaneous.....	61	55	136	150
Transfer, registrar and custodial agents' fees	105	134	195	218
Professional fees	10	15	34	32
	<u>869</u>	<u>1,078</u>	<u>1,865</u>	<u>2,192</u>
Investment income before income taxes ...	3,958	4,076	13,676	12,068
Income taxes.....	773	864	3,372	3,088
NET INVESTMENT INCOME	<u>3,185</u>	<u>3,212</u>	<u>10,304</u>	<u>8,980</u>
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS				
Net realized gain (loss) on investments..	(14,560)	4,114	(18,230)	21,752
Net change in unrealized appreciation of investments.....	(108,975)	(41,390)	(108,282)	(48,105)
Transaction costs on purchase and sale of investments.....	(76)	(85)	(176)	(220)
NET LOSS ON INVESTMENTS	<u>(123,611)</u>	<u>(37,361)</u>	<u>(126,688)</u>	<u>(26,573)</u>
DECREASE IN NET ASSETS FROM OPERATIONS	<u><u>\$(120,426)</u></u>	<u><u>\$ (34,149)</u></u>	<u><u>\$ (116,384)</u></u>	<u><u>\$ (17,593)</u></u>
DECREASE IN NET ASSETS FROM OPERATIONS PER COMMON SHARE	<u><u>\$ (9.88)</u></u>	<u><u>\$ (2.81)</u></u>	<u><u>\$ (9.56)</u></u>	<u><u>\$ (1.46)</u></u>

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF RETAINED EARNINGS (Unaudited)

	Six months ended Sept. 30	
	2008	2007
	(000's)	
BEGINNING OF PERIOD	\$ 287,464	\$ 239,793
Add (deduct):		
Net investment income	10,304	8,980
Net realized gain (loss) on investments.....	(18,230)	21,752
Refundable dividend taxes recovered	1,149	1,200
	<u>280,687</u>	<u>271,725</u>
Deduct:		
Dividends:		
First Preferred Shares.....	39	39
Second Preferred Shares	150	150
Common Shares	4,878	4,878
Provision for refundable dividend taxes.....	1,087	1,060
Transaction costs on purchase and sale of investments	176	220
	<u>6,330</u>	<u>6,347</u>
END OF PERIOD	<u>\$ 274,357</u>	<u>\$ 265,378</u>

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS (Unaudited)

	Three months ended Sept. 30		Six months ended Sept. 30	
	2008	2007	2008	2007
	(000's)			
DECREASE IN NET ASSETS RESULTING FROM OPERATIONS.....	\$ (120,426)	\$ (34,149)	\$ (116,384)	\$ (17,593)
DIVIDENDS TO SHAREHOLDERS				
Preferred Shares	(96)	(96)	(189)	(189)
Common Shares.....	(2,439)	(2,439)	(4,878)	(4,878)
	<u>(2,535)</u>	<u>(2,535)</u>	<u>(5,067)</u>	<u>(5,067)</u>
TAXATION CHANGES				
Net decrease in refundable dividend tax on hand.....	55	—	62	140
DECREASE IN NET ASSETS	<u>(122,906)</u>	<u>(36,684)</u>	<u>(121,389)</u>	<u>(22,520)</u>
NET ASSETS, BEGINNING OF PERIOD	950,446	1,066,097	948,929	1,051,933
NET ASSETS, END OF PERIOD	<u>\$ 827,540</u>	<u>\$1,029,413</u>	<u>\$ 827,540</u>	<u>\$1,029,413</u>

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF NET REALIZED GAIN (LOSS) ON INVESTMENTS (Unaudited)

	Three months ended Sept. 30		Six months ended Sept. 30	
	2008	2007	2008	2007
			(000's)	
Proceeds on sales of investments.....	\$ 38,219	\$ 72,436	\$ 85,310	\$ 131,891
Cost of investments, beginning of period	813,633	782,545	810,423	760,231
Cost of investments purchased during the period	29,621	70,233	84,317	130,522
	843,254	852,778	894,740	890,753
Cost of investments, end of period	787,293	785,939	787,293	785,939
Cost of investments sold during the period ...	55,961	66,839	107,447	104,814
Realized gain (loss) on investments sold before income taxes.....	(17,742)	5,597	(22,137)	27,077
Provision for (recovery of) income taxes on net realized taxable capital gains (losses)	(3,182)	1,483	(3,907)	5,325
Net realized gain (loss) on investments.....	\$ (14,560)	\$ 4,114	\$ (18,230)	\$ 21,752

(See accompanying note)

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF INVESTMENTS AS AT SEPTEMBER 30, 2008 (Unaudited)

Number of Shares		Cost	Fair Value	% of Fair Value
		(000's)		
North America				
Canada				
Preferred				
140,000	Nortel Networks Limited \$1.275 Series F.....	\$ 3,512	\$ 714	0.1
Common				
362,568	Algoma Central Corporation.....	6,201	37,707	
79,600	Bank of Montreal.....	5,060	3,654	
327,805	Bank of Nova Scotia.....	5,651	15,735	
249,260	CAE, Inc.....	2,864	2,119	
80,000	Cameco Corporation.....	279	1,845	
167,300	Canadian National Railway Company.....	6,713	8,494	
120,370	Canadian Natural Resources Ltd.....	7,076	8,753	
133,040	Canadian Tire Corp. Ltd. Class A.....	4,733	6,518	
134,470	Canadian Utilities Limited Class A.....	3,291	5,103	
222,702	Canfor Corporation.....	1,436	1,817	
246,826	Enbridge Inc.....	3,366	9,721	
201,155	Encana Corporation.....	6,120	13,658	
191,470	Goldcorp, Inc.....	6,213	6,404	
300,000	Great-West Lifeco Inc.....	4,287	9,375	
157,430	Imperial Oil Limited.....	1,576	7,166	
210,676	Jean Coutu Group Inc.....	1,949	1,555	
218,625	Kinross Gold Corporation.....	3,809	3,736	
108,940	Loblaw Cos. Limited.....	5,420	3,230	
470,400	Manulife Financial Corporation.....	7,784	17,998	
260,005	Metro Inc.....	2,691	8,013	
495,210	Nexen Inc.....	3,968	12,222	
52,400	Nova Chemicals Corporation.....	1,491	1,225	
88,500	Petro-Canada.....	4,049	3,131	
85,520	Potash Corporation of Saskatchewan.....	1,243	11,750	
161,000	Power Financial Corporation.....	926	5,350	
107,775	Quebecor Inc. Class B.....	3,923	2,711	
35,820	Research In Motion Limited.....	3,885	2,569	
147,775	Rogers Communications Inc. Class B.....	1,516	5,098	
355,026	Royal Bank of Canada.....	5,160	17,922	
338,400	Shaw Communications Inc. Class B.....	5,393	7,272	
304,350	SNC-Lavalin Group Inc. Class A.....	1,283	11,681	
192,990	Suncor Energy Inc.....	8,681	8,490	
704,310	Talisman Energy Inc.....	4,347	10,572	
203,130	Thomson Reuters Corporation.....	8,873	5,875	
215,708	Toronto-Dominion Bank.....	4,418	13,823	
205,210	TransCanada Corporation.....	3,614	7,833	
170,000	Transcontinental Inc Class A.....	3,402	2,236	
240,000	TVA Group Inc. Class B.....	3,202	2,885	
90,600	West Fraser Timber Co. Ltd.....	2,067	3,160	
55,000	Weston (George) Limited.....	5,071	2,826	
		<u>163,031</u>	<u>311,232</u>	39.0
United States				
66,000	3M Co.....	6,082	4,776	
235,500	Altria Group, Inc.....	4,688	4,952	
434,482	American International Group, Inc.....	22,403	1,589	
70,000	Anheuser-Busch Companies, Inc.....	3,370	4,834	
16,000	Black & Decker Corporation.....	1,513	1,029	
185,300	CBS Corporation.....	5,989	2,865	
164,300	Chevron Corporation.....	11,263	14,349	
180,000	Cisco Systems, Inc.....	5,425	4,300	
72,000	Colgate-Palmolive Company.....	5,087	5,753	
145,480	Community Health Systems Inc.....	5,464	4,519	
168,100	ConocoPhillips.....	10,947	12,969	
185,000	CVS Caremark Corporation.....	4,433	6,655	
624,600	Dairy Farm International Holdings Limited.....	2,804	3,310	
73,400	Dow Chemical Company (The).....	3,382	2,462	
90,000	Emerson Electric Company.....	3,851	3,890	
58,800	Exxon Mobil Corporation.....	3,716	4,866	
14,300	Fifth Third Bancorp.....	241	184	
75,000	Fiserv, Inc.....	3,848	3,752	

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF INVESTMENTS AS AT SEPTEMBER 30, 2008 (continued) (Unaudited)

Number of Shares		Cost	Fair Value	% of Fair Value
		(000's)		
United States (continued)				
148,000	General Electric Company	5,915	3,960	
110,000	Halliburton Company	4,030	3,765	
82,200	Hartford Financial Services Group, Inc.	7,309	3,612	
81,700	Johnson & Johnson	5,847	5,984	
85,200	JPMorgan Chase & Co.	4,144	4,240	
76,400	Kroger Co. (The)	1,759	2,222	
122,700	Macy's, Inc.	5,832	2,329	
52,400	McKesson Corporation	3,304	2,991	
65,700	Merck & Co. Inc.	2,460	2,210	
39,100	Metlife, Inc.	1,383	2,097	
46,200	Morgan Stanley	2,099	1,102	
14,400	Northrop Grumman Corporation	1,172	924	
55,120	NIKE, Inc. Class B	3,235	3,909	
80,000	Pepsico, Inc.	5,243	6,048	
503,100	Pfizer Inc.	16,544	9,785	
145,000	Philip Morris International Inc.	6,553	7,508	
91,875	Proctor & Gamble Company	5,185	6,779	
90,000	Quest Diagnostics Incorporated	4,715	4,917	
87,000	Scripps Networks Interactive	4,333	3,333	
130,000	Spectra Energy Corporation	3,276	3,281	
204,800	Sprint Nextel Corporation	5,719	1,333	
50,000	Tim Hortons Inc.	1,681	1,552	
462,350	Time Warner Inc.	11,197	6,434	
154,000	Wachovia Corporation	9,575	566	
79,500	Wells Fargo & Company	2,637	3,140	
		229,653	181,075	22.6
Mexico				
100,000	Fomento Economico Mexicano, S.A. de C.V. ADR	2,727	4,013	0.5
	Total North America	398,923	497,034	62.2
Latin America				
56,000	Companhia Vale do Rio Doce ADR	1,549	1,016	0.1
Europe, excluding United Kingdom				
37,800	Air France-KLM	1,426	899	
34,750	Allianz SE	8,562	5,014	
157,251	Anglo Irish Bank Corporation plc	2,827	906	
50,782	ArcelorMittal	2,009	2,664	
110,000	AXA	3,631	3,757	
250,000	Banco Santander Central Hispano SA	3,772	3,917	
102,400	BASF SE	6,006	5,215	
51,000	Bayer AG	3,958	3,948	
25,000	BNP Paribas SA	2,440	2,462	
120,000	Celesio AG	5,856	5,483	
86,510	Credit Agricole S.A.	2,076	1,730	
104,800	Credit Suisse Group	4,960	5,004	
38,300	Deutsche Bank AG	5,290	2,686	
138,000	Deutsche Lufthansa AG	2,777	2,858	
69,900	E.ON AG	2,763	3,744	
96,300	ENI S.p.A.	2,211	2,687	
105,240	Essilor International SA	3,274	5,498	
97,900	Fortis Group	2,982	627	
93,000	Fresenius Medical Care & Co. KGaA ADR	3,006	5,120	
50,000	Groupe Danone	2,692	3,729	
140,600	ING Groep N.V.	5,039	3,130	
145,000	ING Groep N.V. ADR	6,057	3,320	
277,000	Irish Life & Permanent PLC	7,750	1,984	
3,200	Koninklijke DSM NV	192	159	

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF INVESTMENTS AS AT SEPTEMBER 30, 2008 (continued) (Unaudited)

Number of Shares		Cost	Fair Value	% of Fair Value
		(000's)		
Europe, excluding United Kingdom (continued)				
38,278	L'Air Liquide SA.....	2,907	4,422	
37,000	L'Oreal SA.....	3,550	3,824	
32,800	Lafarge SA.....	3,484	3,611	
67,850	Lukoil.....	5,317	4,200	
125,000	Luxtistica Group S.p.A. ADR.....	3,096	3,047	
193,200	Mining and Metallurgical Company Norilsk Nickel ADR.....	2,706	2,828	
8,300	Michelin CIE Class B.....	878	561	
25,800	Muenchener Rueckversicherungs-Gesellschaft AG.....	3,765	4,093	
167,500	Nestlé S.A. ADR.....	5,652	7,598	
55,000	Renault SA.....	5,983	3,656	
32,000	Roche Holding AG.....	4,261	5,329	
49,685	Sanofi-Aventis.....	3,777	3,451	
92,000	SAP AG Spons ADR.....	5,183	5,210	
41,000	Schneider Electric SA.....	5,778	3,682	
54,000	Siemens AG.....	7,040	5,320	
18,600	Solvay SA.....	2,657	2,395	
123,800	StatoilHydro ASA.....	3,633	3,091	
173,300	Stora Enso Oyj.....	3,395	1,766	
29,000	Synthes, Inc.....	3,326	4,239	
333,300	Telefonaktiebolaget LM Ericsson Class B.....	5,854	3,253	
220,000	Telenor ASA.....	4,316	2,838	
19,700	Total SA.....	1,746	1,251	
83,000	Total SA ADR.....	5,006	5,314	
59,970	Xstrata PLC.....	1,320	1,947	
		186,186	163,467	20.4
United Kingdom				
267,437	Aviva PLC.....	2,884	2,422	
154,000	Barclays plc.....	1,077	949	
115,000	BP plc ADR.....	9,285	6,115	
45,000	Diageo plc ADR.....	3,404	3,284	
89,700	GlaxoSmithKline plc.....	2,090	2,050	
621,290	HBOS plc.....	6,733	1,398	
120,600	Reckitt Benckiser plc.....	4,478	6,169	
1,886,055	Royal Bank of Scotland Group PLC (The).....	16,483	6,370	
210,900	Royal Dutch Shell PLC.....	8,669	6,475	
290,000	Smith & Nephew plc.....	3,427	3,234	
140,000	Standard Chartered plc.....	3,961	3,529	
1,431,662	Vodafone Group Plc.....	4,354	3,314	
200,000	Vodafone Group Plc ADR.....	6,732	4,694	
		73,577	50,003	6.2
Asia				
275,350	Asustek Computer Inc.....	631	563	
922,000	Au Optronics Corp.....	1,035	1,077	
490,000	Bank Hapoalim Ltd.....	1,487	1,599	
92,000	Canon Inc. ADR.....	4,065	3,682	
565,000	China Netcom Group Corporation (Hong Kong) Limited.....	1,132	1,325	
4,434,000	China Petroleum and Chemical Corporation (Sinopec).....	2,808	3,649	
607,967	Compal Electronics Inc.....	3,422	2,307	
108,900	Credit Saison Co., Ltd.....	5,144	1,840	
490,000	Daiwa Securities Group Inc.....	6,202	3,611	
107,786	Emerging Markets Investors Fund.....	6,501	5,534	
47,100	Fanuc Ltd.....	5,260	3,641	
441,000	Fujitsu Limited.....	3,013	2,567	
144,000	HOYA.....	5,082	2,966	
112,700	Hynix Semiconductor Inc.....	4,097	1,934	
34,710	Hyundai Mobis.....	3,678	2,785	
87,500	JFE Holdings, Inc.....	3,320	2,783	
17,800	Keyence Corporation.....	4,016	3,701	
40,800	Kookmin Bank.....	1,727	1,977	
262,000	Mitsubishi Chemical Holdings Corporation.....	2,441	1,449	
40,000	Mitsubishi Corporation.....	1,045	862	
71,000	Mitsui & Co., Ltd.....	1,065	907	
234,000	Mitsui O.S.K. Lines, Ltd.....	2,370	2,069	
612,100	Nissan Motor Co., Ltd.....	6,705	4,260	

UNITED CORPORATIONS LIMITED

CONSOLIDATED STATEMENT OF INVESTMENTS AS AT SEPTEMBER 30, 2008 (continued) (Unaudited)

Number of Shares		Cost	Fair Value	% of Fair Value
		(000's)		
Asia (continued)				
25,840	Orix Corporation.....	4,973	3,246	
4,250	Samsung Electronics Co., Ltd.....	2,635	2,015	
178,000	Sharp Corporation.....	3,457	2,003	
37,200	Siam Investment Fund.....	527	187	
39,820	Sony Corporation ADR.....	2,566	1,304	
417	Sumitomo Mitsui Financial Group, Inc.	2,756	2,627	
489,000	Sumitomo Trust and Banking Co., Ltd. (The).....	5,718	3,276	
180,000	Suzuki Motor Corporation	5,534	3,452	
290,000	Tata Motors Limited Spon ADR	5,864	2,391	
680,000	Television Broadcasts Limited.....	4,137	3,035	
50,300	Tokyo Electric Power Co. Inc.	1,293	1,300	
1,418,749	United Microelectronics Corporation ADR.....	5,421	2,947	
		<u>121,127</u>	<u>84,871</u>	10.6
Australia				
77,000	BHP Billiton Limited ADR	5,931	4,203	0.5
	Total equities	787,293	800,594	100.0
	Forward currency contracts, net - Schedule 1	—	115	—
	Total investments	<u>\$ 787,293</u>	<u>\$ 800,709</u>	<u>100.0</u>

Schedule 1 - Forward currency contracts, net

Forward contracts to sell foreign currencies for Canadian dollars:

Par value (in millions)	Currency	Number of contracts	Contract rates	Settlement date	Unrealized gain/(loss) (000's)
35.7	U.S. Dollar	5	1.0666 - 1.0747	Dec. 15, 2008	\$ 422
2,303	Japanese Yen	3	0.0098 - 0.0103	Dec. 15, 2008	(307)
					<u>\$ 115</u>

The counterparty currently has an approved credit rating equivalent to A-1+.

UNITED CORPORATIONS LIMITED

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Summary of significant accounting policies

1. Basis of presentation

The accompanying unaudited consolidated interim 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 consolidated financial statements for the year ended March 31, 2008. The consolidated financial statements do not include all of the disclosures required under GAAP for annual financial statements.

UNITED CORPORATIONS LIMITED

CORPORATE INFORMATION

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

BANKER The Bank of Nova Scotia

AUDITOR PricewaterhouseCoopers LLP, Toronto

CUSTODIAN RBC Dexia Investor Services Trust

TRANSFER AGENT AND REGISTRAR Computershare Investor Services Inc.
100 University Avenue, 9th Floor
Toronto, Ontario
M5J 2Y1
Telephone: 416-981-9633
Toll Free: 1-800-564-6253

TORONTO 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 Common Share is published on the Globe and Mail's website (www.globefund.com) and on the Company's website.

REPORTING PROCEDURE FOR ACCOUNTING AND AUDITING MATTERS

If you have a complaint regarding accounting, internal controls or auditing matters or a concern regarding questionable accounting or auditing matters, you should submit your written complaint or concern to:

Mr. Michael J. White
Chairman of the Audit Committee
United Corporations Limited
165 University Avenue, 10th Floor
Toronto, Ontario
M5H 3B8
Email: michaeljwhite@sympatico.ca
Phone: 416-505-2677

You may submit your complaint or concern anonymously. Your submission will be kept confidential and will be treated in accordance with the Company's policy for reporting accounting or auditing matters.

WEBSITE www.ucorp.ca

