UNITED CORPORATIONS LIMITED

ANNUAL REPORT

2019

UNITED CORPORATIONS LIMITED

THE FISCAL YEAR AT A GLANCE

Year ended March 31	2019	2018
Net equity value per Common Share [1]	$ 146.99	$ 138.40
Net investment income per Common Share [1]	$ 2.25	$ 1.98
Net income per Common Share	$ 10.57	$ 8.40
Cash dividends paid per Common Share		
Quarterly	$ 1.20	$ 1.20
Additional [2]	$ 0.78	$ 1.12
Net assets [3]	$ 1,800,185	$ 1,695,470
Net investment income [1, 3]	$ 27,840	$ 24,502
Number of Common Shares outstanding at year end	12,194,193	12,194,193

1 See Management's Discussion and Analysis for Use of Non-GAAP measures.
2 This additional dividend represents the annual distribution of the prior year's annual net investment income after payment of Preferred Share dividends and after payment of quarterly dividends.
3 In thousands of Canadian dollars.

ANNUAL MEETING OF SHAREHOLDERS

The Annual Meeting of Shareholders will be held at Vantages Venues, Caledonia Room, 150 King Street West, 27th Floor, Toronto, Ontario on Wednesday, June 19, 2019 at 11:30 a.m. All shareholders are invited to attend.

BOARD OF DIRECTORS

DUNCAN N. R. JACKMAN
Chairman and President
United Corporations Limited

CHRISTOPHER A. ALEXANDER
Corporate Director

DAVID J. DAWSON
Managing Director
Protiviti

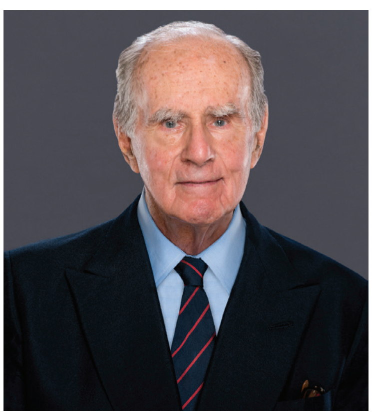
KIM SHANNON
President and Co-Chief Investment Officer
Sionna Investment Managers Inc.

MARK M. TAYLOR
Treasurer
Canadian Northern Prairie Lands Company Inc.

MICHAEL J. WHITE
Chairman of the Board
Addenda Capital Inc.

DAVID R. WINGFIELD
Partner
Strosberg Sasso Sutts LLP

HONORARY DIRECTOR



THE HONOURABLE HENRY N. R. JACKMAN
Honorary Chairman of the Board
The Empire Life Insurance Company

OFFICERS

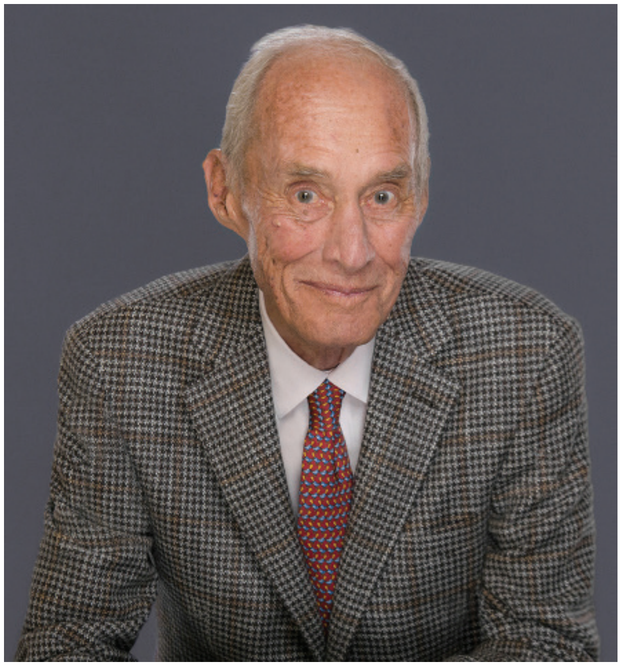
DUNCAN N. R. JACKMAN
Chairman and President

RICHARD B. CARTY
Corporate Secretary

SCOTT F. EWERT
Vice-President

FRANK J. GLOSNEK
Treasurer

IN MEMORIAM



We are deeply saddened by the recent passing of J. Christopher (Chris) Barron. Chris served as a Director of United Corporations Limited from 2002 to 2006 and an Honorary Director from 2007 to 2019.

Chris gave himself fully to each of the many companies and organizations he was involved with over his storied and highly respected career. His wisdom and vast business experience have contributed greatly to our ongoing success; his warmth and quick wit will never be forgotten.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This document has been prepared for the purpose of providing Management's Discussion and Analysis ("MD&A") of the financial performance and financial condition for the years ended March 31, 2019 and 2018. This MD&A should be read in conjunction with the March 31, 2019 year-end financial statements of United Corporations Limited ("United" or the "Company") which form part of this Annual Report dated May 7, 2019. These financial statements have been prepared in compliance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS"). 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, any forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

The Company

United is a closed-end investment corporation that trades on the Toronto Stock Exchange. United is 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 Company has been a closed-end investment corporation since 1929 and has never bought back its Common Shares. The Common Shares have historically traded at a discount to their net asset value, ranging from approximately a 40% discount to a 15% discount over the past 10 years. Management believes that shareholders who have invested in the Common Shares of the Company recognize that the Common Shares of the Company usually trade at a discount to their net asset value.

Closed-end investment corporations have the following benefits: they often allow investors the opportunity to purchase assets at a discounted price; they have management expense ratios which are generally much lower than those for actively-managed open-ended funds; and the management of a closed-end investment corporation's portfolio is not impacted by shareholder subscription or redemption activities.

United has no plans to become an open-ended investment fund.

The majority of the Company's investment portfolio is actively managed by Macquarie Investment Management Europe S.A. ("Macquarie"), Harding Loevner LP ("Harding Loevner") and Causeway Capital Management LLC ("Causeway"). Each of these managers has a global equity mandate. As of March 31, 2019, $892,005,000 (2018 - $825,610,000), $538,322,000 (2018 - $nil) and $248,856,000 (2018 - $nil) of equity investments were managed by Macquarie, Harding Loevner, and Causeway, respectively.

Macquarie is a global investment manager whose head office is in the Grand Duchy of Luxembourg. Macquarie provides portfolio advisory services to Canadian clients through Pier 21 Asset Management Inc., a registered portfolio manager based in Montreal, Quebec. Macquarie's investment objective is to provide long-term growth primarily through capital appreciation, by investing in a portfolio of common stocks and equivalent securities of major companies around the world. The investment philosophy rests on its core conviction that long-term preservation and accumulation of wealth can best be achieved through a combination of attractive valuations and thorough assessment of the quality of the businesses. There is no target geographic mix for the portfolio. The portfolio normally consists of 30 - 80 companies.

Harding Loevner is a global investment manager and is based out of Bridgewater, New Jersey, USA. The investment philosophy emphasizes the merits of long-term investment in high-quality, growing businesses, and the investment approach relies on in-depth fundamental research including analysis of the competitive structure of global industries and the competitive position of individual companies. The portfolio will generally hold between 35 – 75 companies.

Causeway Capital is a global investment manager and is based out of Los Angeles, California, USA. The investment philosophy emphasizes the merits of value investing and combines both fundamental and quantitative research to identify investment opportunities in equity markets around the world. The portfolio will generally hold between 40 – 60 companies.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In addition, United has two emerging markets mandates with Emerging Markets Small Cap Equity Fund, LP ("LSV") and Burgundy Emerging Markets Equity Fund ("Burgundy"). The LSV mandate is managed by LSV Asset Management, a value equity manager whose head office is in Chicago, Illinois. The Burgundy mandate is managed by Burgundy Asset Management Ltd., a fundamental value-driven investment manager whose head office is in Toronto. The risks of foreign investments are generally higher in emerging markets. As of March 31, 2019, $51,094,000 (2018 - $55,266,000) and $49,899,000 (2018 - $53,109,000) of equity investments were managed by LSV and Burgundy, respectively. In addition, the mandates with Harding Loevner and Causeway also include equity investments within emerging markets totaling $118,683,000, as of March 31, 2019. As of March 31, 2019, the five largest country exposures represented 74% of emerging market investments which includes China (33%), India (21%), South Korea (8%), Brazil (7%) and South Africa (5%).

The Company also has a long-term investment in Algoma Central Corporation ("Algoma"), a public shipping company. Algoma is a related party and is a reporting issuer which trades on the Toronto Stock Exchange with a profile on SEDAR. The investment in Algoma is consistent with the Company's investment strategy and contributes to achieving the investment objective of the Company.

Investment Strategy

The objective of the Company is to earn an above-average rate of return, primarily through long-term capital appreciation and dividend income. Short-term volatility is expected and tolerated. Management remains confident that the Company's investment strategy will reward shareholders over the long term.

The investment portfolio of the Company comprises primarily foreign equities. Net equity value and net investment income may vary significantly from period to period depending on the economic environment and market conditions.

Use of Non-GAAP Measures

This MD&A contains references to "net equity value per Common Share" and "net investment income per Common Share". These terms do not have any standardized meanings in 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 used by investors and management as a comparison to the market price of its Common Shares to determine the discount or premium at which the Company's Common Shares are trading, relative to the net equity value per Common Share. In order to determine its net equity value per Common Share, the Company deducts the cost of redemption of its Preferred Shares from its net assets.

Net investment income per Common Share is used by investors and management to assess the approximate amount of dividends to be distributed on Common Shares. In order to determine its net investment income per Common Share, the Company deducts the dividends paid and accrued on its Preferred Shares from net investment income.

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

	March 31 2019	March 31 2018
Net assets	**$ 1,800,185**	$ 1,695,470
Deduct:		
Cost of redemption		
First Preferred Shares	**1,567**	1,567
1959 and 1963 Series Second Preferred Shares	**6,180**	6,180
	7,747	7,747
Net equity value	**$ 1,792,438**	$ 1,687,723
Common Shares outstanding	**12,194,193**	12,194,193
Net equity value per Common Share	**$ 146.99**	$ 138.40

MANAGEMENT'S DISCUSSION AND ANALYSIS

Use of Non-GAAP Measures (continued)

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

	Three months ended March 31		Year ended March 31	
	2019	2018	**2019**	2018
Net income	**$ 108,512**	$ 5,828	**$ 129,238**	$ 102,837
Add (deduct):				
Other net fair value changes in investments	**(118,077)**	(795)	**(119,304)**	(90,870)
Tax on other net fair value changes in investments	**15,791**	74	**15,721**	11,951
Net investment income of a limited partnership [1]	**235**	208	**2,185**	584
Net investment income [2]	**6,461**	5,315	**27,840**	24,502
Dividends paid on Preferred Shares	**94**	94	**378**	378
Net investment income, net of dividends paid on Preferred Shares	**$ 6,367**	$ 5,221	**$ 27,462**	$ 24,124
Common Shares outstanding	**12,194,193**	12,194,193	**12,194,193**	12,194,193
Net investment income per Common Share [1]	**$ 0.52**	$ 0.43	**$ 2.25**	$ 1.98

[1] Represents allocation of dividends net of expenses of a limited partnership.

[2] On an after-tax basis.

Net Equity Value per Common Share

The Company's net equity value per Common Share increased to $146.99 at March 31, 2019 from $138.40 at the prior year end.

With dividends reinvested at month-end net equity values, the net equity value return was 7.7% in fiscal 2019, compared to a return of 6.4% in fiscal 2018.

Investments managed by Macquarie had a pre-tax fiscal year-to-date total return of 10.8% (2018 – 5.4%). The new investment managers, Harding Loevner and Causeway, since their appointment in mid-December, had returns of 9.1% and 6.5%, respectively. Emerging markets mandates had pre-tax fiscal year-to-date total negative returns of 5.0% for Burgundy and 6.4% for LSV.

As the Company is a taxable Canadian corporation, the Company's net equity value is net of a current income tax provision on net investment income and net realized gains on investments, and net of a deferred income tax provision on its unrealized appreciation of investments.

In Canadian dollar terms, total returns (capital gains plus dividends) for stock market indices, were as follows:

	Year ended March 31, 2019	Year ended March 31, 2018
	(%)	
MSCI World Index	8.4	10.6
S&P 500 Index	13.5	10.4
S&P/TSX Composite Index	8.1	1.7
MSCI Emerging Markets	(3.7)	21.4

MANAGEMENT'S DISCUSSION AND ANALYSIS

Growth in Net Equity Value ("NAV")

Set out below is a table that shows annual growth in NAV in each of the past 10 fiscal years:

Annual growth in NAV*

	NAV per Common Share	Annual Growth %
2010	$ 67.33	24.4
2011	71.82	7.9
2012	72.32	1.9
2013	82.03	15.7
2014	99.50	23.2
2015	117.86	20.2
2016	120.66	4.0
2017	132.32	11.6
2018	138.40	6.4
2019	146.99	7.7
Compound annual growth*		
2010 - 2019 - 10 years		12.0

*This chart was drawn from the individual annual reports and any NAV amounts prior to 2014 have not been restated for any subsequent changes in accounting policies.

Operating Results - Fiscal 2019

Net Income

The Company's net income for fiscal 2019 was $129,238,000 compared to net income of $102,837,000 in the prior year. On a per Common Share basis, net income increased to $10.57 from $8.40 in the prior year.

Other net fair value changes in investments for the portfolio increased to $119,304,000 for the current fiscal year compared to other net fair value changes in investments of $90,870,000 for the prior year. During the fiscal year, most global markets advanced resulting in other net fair value gains for the investment portfolio. Investment gains for the fiscal year were also favourably impacted by positive foreign currency movements in the U.S. dollar offset by negative foreign currency movements in the euro and British pound. Other net fair value gains in North America of $129,671,000 and $15,926,000 in Europe were offset by other net fair value losses of $23,406,000 in Japan and $2,353,000 in Emerging Markets.

Significant contributors to the investment performance for the current fiscal year included Merck & Co., Hormel Foods, and Nestle SA with other net fair value investment gains of $15,447,000, $11,978,000 and $9,815,000 respectively. Significant detractors were Publicis Groupe, G4S plc, and ConAgra Brands, Inc. with other net fair value investment losses of $8,483,000, $7,711,000 and $7,596,000 respectively.

The net realized gain was $272,057,000 for the current fiscal year compared to $100,272,000 for the prior year. During the third quarter, the appointment of Harding Loevner and Causeway replacing Jarislowsky Fraser Limited as global investment manager, resulted in changes to the composition of the investment portfolio. This transition contributed to the significant increase in the sale of investments during the year and higher net realized gains and income taxes payable. The largest year-to-date contributors to the net realized gain in fiscal 2019 were from the sales of U.S. securities for a gain of $226,549,000, Europe for $26,179,000, and Japan for $14,650,000.

Net investment income

The Company's net investment income for fiscal 2018 increased to $27,840,000 compared to $24,502,000 for the prior year. On a per Common Share basis, net investment income increased to $2.25 in 2019 compared to $1.98 in 2018.

During the year, foreign dividend income increased to $43,153,000 from $39,489,000 in fiscal 2018. Foreign dividend income is impacted by changes in the composition of the investment portfolio, variability in foreign exchange rates and dividend yields.

Net investment income includes $2,185,000 (2018 - $584,000) of net investment income of a limited partnership.

Canadian dividend income increased to $1,526,000 from $1,233,000 in fiscal 2018. The increase occurred as a result of dividend increases by Algoma and dividends from new Canadian securities.

Interest and securities lending income increased to $1,223,000 compared to $822,000 in the prior year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Expenses of the Company for the year increased to $11,177,000 compared to $9,327,000 in the prior year. The majority of the increase relates to an increase in investment management and administrative costs resulting from year-to-date average growth in the investment portfolio. In addition, the changes in invesment portfolio managers also contributed to the increase in these costs. The Company's management expense ratio ("MER") increased in fiscal 2019 to 0.64% of average net assets versus 0.56% in the prior year.

The effective tax rate for United is impacted by the amount of investment gains, which are subject to a lower tax rate. The Company's effective income tax rate decreased during the year by 0.4% due primarily to the greater proportion of other net fair value changes in investments in the current year compared to the prior year.

Operating Results - Fourth Quarter, Fiscal 2019

The Company's net equity value per Common Share increased to $146.99 at March 31, 2019 from $138.40 at December 31, 2018. With dividends reinvested at month-end net equity values, the Company's net equity value return was 6.4% in the fourth quarter of fiscal 2019.

On a pre-tax basis, investments managed by Macquarie had a pre-tax total return of 5.0%, Harding Loevner 11.8% and Causeway 8.8%. Emerging markets returns were 1.9% for Burgundy and 5.2% for LSV. Positive contributors to the investment performance for the fourth quarter included General Mills, Inc., Nestle SA, and ConAgra Brands, Inc. During the fourth quarter, the largest detractors to the portfolio were Seven & I Holdings Co., Ltd., KDDI Corporation, and Publicis Groupe.

In Canadian dollar terms, in the fourth quarter of fiscal 2019 total returns for stock market indices were MSCI World Index 10.3%, S&P 500 Index 11.3%, S&P/TSX Composite Index 13.3% and MSCI Emerging Markets 7.7%.

Three-Year Results

A summary of various financial data for each of the last three fiscal years is as follows (in thousands of dollars, except per share amounts):

	2019	2018	2017
Other net fair value changes in investments [1]	**$ 101,398**	$ 78,335	$ 148,350
Other net fair value changes in investments per Common Share [1]	**8.32**	6.42	12.17
Total assets	**1,886,706**	1,771,851	1,697,170
Net investment income [1, 2]	**27,840**	24,502	23,936
Net investment income per Common Share [2]	**2.25**	1.98	1.92
Cash dividends paid per Common Share:			
Quarterly	**1.20**	1.20	0.80
Additional	**0.78**	1.12	1.33
Cash dividends paid per Preferred Share	**1.50**	1.50	1.50

[1] On an after-tax basis and after reallocation of net investment income of a limited partnership to net investment income.
[2] See Use of Non-GAAP Measures.

Three-Year Results

United's investment portfolio is affected by equity markets, stock selection and currency movements. In fiscal years 2017 through 2019, the performance of United was favourably affected by strong investment returns in global equity markets.

The fluctuations in net investment income are due primarily to changes in dividend income that is earned by the Company, net of management fees, and due to the receipt of special dividends that occur from time to time. Dividend income is determined by the dividend policies of the corporations that are held as investments in the Company's total investment portfolio.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Quarterly Review - Fiscal 2019 and 2018

The following tables summarize various financial results on a quarterly basis for the current and prior fiscal years:

	2019 Fiscal Year			
	Quarter ended			
	June 30	**Sept. 30**	**Dec. 31**	**Mar. 31**
	(in thousands of dollars, except per share amounts)			
Investments	**$ 1,785,381**	**$ 1,806,525**	**$ 1,698,683**	**$ 1,825,533**
Net investment income [1, 2]	**12,203**	**4,553**	**4,623**	**6,461**
Other net fair value changes in investments [1]	**37,154**	**20,941**	**(58,748)**	**102,051**
Per Common Share:				
Net investment income [1, 2]	**$ 0.99**	**$ 0.37**	**$ 0.37**	**$ 0.52**
Other net fair value changes in investments [1]	**3.05**	**1.71**	**(4.81)**	**8.37**
Net income (loss)	**$ 4.04**	**$ 2.08**	**$ (4.44)**	**$ 8.89**

	2018 Fiscal Year			
	Quarter ended			
	June 30	Sept. 30	Dec. 31	Mar. 31
	(in thousands of dollars, except per share amounts)			
Investments	$ 1,672,747	$ 1,642,607	$ 1,741,035	$ 1,747,067
Net investment income [1, 2]	11,615	3,941	3,631	5,315
Other net fair value changes in investments [1]	9,102	(26,593)	95,313	513
Per Common Share:				
Net investment income [1, 2]	$ 0.94	$ 0.32	$ 0.29	$ 0.43
Other net fair value changes in investments [1]	0.75	(2.18)	7.81	0.04
Net income (loss)	$ 1.69	$ (1.86)	$ 8.10	$ 0.47

[1] On an after-tax basis.
[2] See Use of Non-GAAP Measures.

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. From time to time, the Company receives additional one-time dividends arising from significant corporate transactions. There is no guarantee that the Company will receive dividend income on its investments at current dividend payout levels.

Overall returns are determined by the performance of the investment managers of the portfolio and may fluctuate significantly as illustrated by the past eight quarters. The returns generated by the investment managers may not correlate with benchmark returns.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Disclosure Controls and Procedures

The Company's disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company under Canadian securities laws is recorded, processed, summarized and reported within the specified time periods, and include controls and procedures that are designed to ensure that information is accumulated and communicated to management on a timely basis to allow appropriate decisions regarding public disclosure. Under the supervision of management, an evaluation was carried out on the effectiveness of the Company's disclosure controls and procedures as of March 31, 2019. Based on that evaluation, management concluded that the Company's disclosure controls and procedures were effective as at March 31, 2019.

Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. Under the supervision of management, an evaluation of the Company's internal control over financial reporting was carried out as at March 31, 2019. Based on that evaluation, management concluded that the Company's internal control over financial reporting was effective as at March 31, 2019. No changes were made in the Company's internal control over financial reporting during the year ended March 31, 2019, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Risks

As the Company is a closed-end investment corporation, United faces various risks arising from its investments. Under the supervision of the Board of Directors, management has developed policies to identify and monitor these risks. Note 4 to the March 31, 2019 financial statements provide disclosures surrounding risks arising from its financial instruments. These risks include market, liquidity, and credit risks.

Market risk

The most significant risk that is faced by United is market risk which represents exposures to changes in the fair value of its investment portfolio. As the Company's investment portfolio is represented primarily by global equities, the value of its investments will vary from day to day depending on a number of market factors including economic conditions, global events, market news, and the performance of the issuers of the securities in which the Company invests. Changes in foreign currency exchange rates will also affect the value of investments of non-Canadian dollar securities.

As of March 31, 2019, 42% (2018 – 48%) of the investment portfolio and cash and cash equivalents was denominated in U.S. dollars, 19% (2018 – 19%) in euros, 12% (2018 – 11%) in Japanese yen, 6% (2018 – 6%) in British pounds, and 7% (2018 – 6%) in Swiss francs.

Liquidity risk

Sufficient liquidity is maintained by regular monitoring of cash flow requirements. All liabilities, other than deferred tax liabilities, settle within three months of the year end.

Credit risk

United participates in securities lending which could expose the Company to the risk of counterparty failure. RBC Investor & Treasury Services ("RBC ITS"), the Company's custodian, acts as lending agent. RBC ITS is responsible to return the borrowed securities to the Company when required, and RBC ITS indemnifies the Company in the event of borrower default. The Company has recourse to the Royal Bank of Canada in the event of a failure by RBC ITS to discharge its obligations to the Company.

The Company's exposure to risks is also addressed in the Company's Annual Information Form.

Share Data

As at March 31, 2019, the following shares were issued and outstanding: 52,237 First Preferred Shares, 80,290 1959 Series Second Preferred Shares, 119,710 1963 Series Second Preferred Shares and 12,194,193 Common Shares.

Liquidity and Capital Resources

The Company's dividend policy is to distribute annual net investment income, after payment of Preferred Share dividends, in the form of Common Share dividends.

The Company pays quarterly dividends on its Common and Preferred Shares together with an additional Common Share dividend representing the balance of net investment income for the previous fiscal year. The quarterly dividend is $0.30 per Common Share and $0.375 per Preferred Share.

On June 29, 2018, the Company paid an additional cash dividend of $0.78 per Common Share. An additional dividend of $1.05 per Common Share payable in the first quarter of fiscal 2020 was declared by the Board of Directors on May 7, 2019.

The Company's dividend policy is established by the Board of Directors at its discretion and is subject to change.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Related Party Information

Included in the Company's Schedule of Investment Portfolio is Algoma, a related party, with a fair value at March 31, 2019 of $45,357,000 (2018 - $51,847,000). Dividend income from Algoma for the fiscal year ended March 31, 2019 amounted to $1,450,000 (2018 - $1,233,000).

E-L Financial holds a 52.2% (2018 - 52.0%) interest in the Company. Included in investment management and administrative costs are fees for administrative services paid to E-L Financial. These fees are calculated at 0.1% per annum of the fair value of the investments managed by the external investment managers and are paid monthly. The total fees for the year ended March 31, 2019 amounted to $2,036,000 (2018 - $1,835,000).

The ultimate controlling party of the Company and these related parties is The Honourable Henry N. R. Jackman together with a trust created in 1969 by his father, Henry R. Jackman.

Critical Accounting Estimates

The preparation of the financial statements require management to make estimates and assumptions that affect the reported amounts of assets, liabilities and earnings. Note 2 to the financial statements describes the significant accounting policies and note 3 contains critical accounting estimates and judgments.

Changes in Accounting Policies

The Company adopted IFRS 9 – "Financial Instruments" for the reporting period commencing April 1, 2018. IFRS 9 addresses the classification, measurement and derecognition of financial assets and liabilities. The adoption of this IFRS standard has been applied retrospectively and did not result in a change to the classification or measurement of financial instruments. The Company continues to classify its investments as fair value through profit or loss. All assets previously classified as loans and receivables under IAS 39 are now recorded at amortized cost under IFRS 9.

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 which is updated weekly.

FINANCIAL HIGHLIGHTS

For each of the years in the five-year period ended March 31, 2019:

	2019	2018	2017	2016	2015
	(Per Common Share)				
NET EQUITY VALUE, beginning of year [1]	**$ 138.40**	$ 132.32	$ 120.66	$ 117.86	$ 99.50
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS					
Net investment income [1]	**2.25**	1.98	1.92	2.13	1.80
Other net fair value changes in investments [2]	**8.32**	6.42	12.17	2.47	18.09
	10.57	8.40	14.09	4.60	19.89
DIVIDENDS TO COMMON SHAREHOLDERS					
Quarterly [3]	**(1.20)**	(1.20)	(1.10)	(0.80)	(0.80)
Additional	**(0.78)**	(1.12)	(1.33)	(1.00)	(0.73)
	(1.98)	(2.32)	(2.43)	(1.80)	(1.53)
NET EQUITY VALUE, end of year [1]	**$ 146.99**	$ 138.40	$ 132.32	$ 120.66	$ 117.86

[1] See Non-GAAP measures.

[2] After reallocation of net investment income of a limited partnership to net investment income.

[3] The quarterly Common shareholder dividend for fiscal 2017 includes $0.30 of declared dividends payable in fiscal 2018.

MANAGEMENT'S REPORT

The accompanying financial statements have been prepared by management and approved by the Board of Directors of the Company. Management is responsible for the information and representations contained in these financial statements and other sections of the Annual Report.

The Company maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS") and include certain amounts that are based on estimates and judgments. The significant accounting policies which management believes are appropriate for the Company are described in Note 2 to the financial statements. Financial information disclosed elsewhere in the Annual Report is consistent with the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities. The Board of Directors carries out its responsibilities principally through its Audit Committee. The Audit Committee reviews the financial statements, the adequacy of internal controls, the audit process and financial reporting with management and the external auditor prior to recommending the audited financial statements and related disclosure for approval by the Board of Directors.

The shareholders of the Company appointed the external auditor, PricewaterhouseCoopers LLP. The external auditor audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the shareholders their opinion on the financial statements. Their report is set out on the following page.

Duncan N.R. Jackman
Chairman and President
May 7, 2019

Frank J. Glosnek
Treasurer

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of United Corporations Limited:

Our Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of United Corporations Limited (the Company) as at March 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Company's financial statements comprise:

- the statements of financial position as at March 31, 2019 and 2018;
- the statements of comprehensive income for the years then ended;
- the statements of changes in shareholders' equity for the years then ended;
- the statements of cash flows for the years then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis and the information, other than the financial statements and our auditor's report thereon, included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Robert D'Arolfi.

PricewaterhouseCoopers LLP

May 7, 2019
Toronto, Ontario

Chartered Professional Accountants, Licensed Public Accountants

STATEMENTS OF FINANCIAL POSITION

	March 31 2019	March 31 2018
	(000's)	
ASSETS		
Cash and cash equivalents (Note 6)	**$ 43,807**	$ 19,161
Investments (Notes 4 and 11)	**1,825,533**	1,747,067
Receivable in respect of investments sold	**9,360**	—
Dividends and interest receivable	**3,874**	2,149
Other assets	**4,132**	3,474
	1,886,706	1,771,851
LIABILITIES		
Accrued expenses	**2,160**	1,330
Payable in respect of investments purchased	**9,554**	—
Income taxes payable	**22,977**	3,331
Dividends payable (Note 10)	**3,753**	3,753
Deferred tax liabilities (Note 7)	**48,077**	67,967
	86,521	76,381
NET ASSETS	**$ 1,800,185**	$ 1,695,470
SHAREHOLDERS' EQUITY		
Share capital (Note 10)	**$ 541,000**	$ 541,000
Retained earnings	**1,259,185**	1,154,470
TOTAL SHAREHOLDERS' EQUITY	**$ 1,800,185**	$ 1,695,470

APPROVED BY THE BOARD

DUNCAN N.R. JACKMAN
Director

MICHAEL J. WHITE
Director

(See accompanying notes)

STATEMENTS OF COMPREHENSIVE INCOME

	Year ended March 31	
	2019	2018
	(000's)	
INCOME		
Dividends		
Foreign	**$ 43,153**	$ 39,489
Canadian (Note 11)	**1,526**	1,233
	44,679	40,722
Interest and securities lending income	**1,223**	822
Other net fair value changes in investments (Note 8)	**119,304**	90,870
	165,206	132,414
EXPENSES		
Investment management and administrative costs (Note 11)	**9,785**	8,007
Transfer, registrar and custody fees	**596**	539
Directors' and officer's remuneration	**424**	355
Office and miscellaneous	**290**	349
Professional fees	**82**	77
	11,177	9,327
INCOME BEFORE INCOME TAXES	**154,029**	123,087
Provision for income taxes (Note 7)	**24,791**	20,250
NET INCOME	**$ 129,238**	$ 102,837
EARNINGS PER COMMON SHARE - BASIC AND DILUTED (Note 12)	**$ 10.57**	$ 8.40

(See accompanying notes)

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Share Capital	Retained Earnings	Total
		(000's)	
At April 1, 2018	**$ 541,000**	**$1,154,470**	**$1,695,470**
Net income for the year	**—**	**129,238**	**129,238**
Dividends (Note 10)	**—**	**(24,523)**	**(24,523)**
At March 31, 2019	**$ 541,000**	**$1,259,185**	**$1,800,185**
At April 1, 2017	$ 541,000	$1,080,302	$1,621,302
Net income for the year	—	102,837	102,837
Dividends (Note 10)	—	(28,669)	(28,669)
At March 31, 2018	$ 541,000	$1,154,470	$1,695,470

STATEMENTS OF CASH FLOWS

	Year ended March 31	
	2019	2018
	(000's)	
Net inflow (outflow) of cash related to the following activities:		
Operating		
Net income	**$ 129,238**	$ 102,837
Adjustments for:		
Other net fair value changes in investments	**(119,304)**	(90,870)
Purchases of investments	**(956,746)**	(329,118)
Proceeds from sale of investments	**997,778**	346,723
Dividends and interest receivable	**(1,725)**	614
Deferred taxes	**(19,890)**	(1,706)
Net change in other assets and liabilities	**19,818**	1,412
	49,169	29,892
Financing		
Dividends paid to shareholders	**(24,523)**	(28,669)
Net increase in cash and cash equivalents	**24,646**	1,223
Cash and cash equivalents at beginning of the year	**19,161**	17,938
Cash and cash equivalents at end of the year (Note 6)	**$ 43,807**	$ 19,161
Additional information for operating activities:		
Interest received	**$ 391**	$ 142
Dividends received, net of withholding taxes	**37,030**	35,499
Income taxes paid, net of refunds	**19,767**	15,050

(See accompanying notes)

NOTES TO FINANCIAL STATEMENTS
March 31, 2019

1. Description of business

United Corporations Limited ("United" or the "Company") is a closed-end investment corporation. The head office, principal address and registered office of the Company is located at 165 University Avenue, Toronto, Ontario, M5H 3B8.

United trades on the Toronto Stock Exchange under the symbols UNC, UNC.PR.A, UNC. PR.B and UNC.PR.C. United is 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 financial statements are presented in Canadian dollars which is the functional and presentation currency. These financial statements were approved by the Company's Board of Directors on May 7, 2019.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in compliance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss ("FVTPL").

Accounting policy changes

The Company adopted IFRS 9 - "Financial Instruments" for the reporting period commencing April 1, 2018. IFRS 9 addresses the classification, measurement and derecognition of financial assets and liabilities. The adoption of this IFRS standard has been applied retrospectively and did not result in a change to the measurement of financial instruments. The Company continues to classify its investments as FVTPL. All assets previously classified as loans and receivables under IAS 39 are now recorded at amortized cost under IFRS 9.

Investment entity

The Company has determined that it meets the definition of investment entity and as a result, it measures its investment in associate at FVTPL. An investment entity is an entity that (i) obtains funds from one or more investors for the purposes of providing them with investment management services; (ii) commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and (iii) measures and evaluates the performance of substantially all of its investments on a fair value basis.

Financial instruments

The Company classifies its investments based on both the Company's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Company holds investments in equities in which had previously been designated at FVTPL. On adoption of IFRS 9 these securities are mandatorily classified as FVTPL.

The Company's investments are measured at FVTPL. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The cost of each investment, realized and unrealized gains and losses from investment transactions are determined on an average cost basis.

The Company has invested in units of a pooled fund trust and limited partnership which have investment objectives to gain exposure to emerging markets or developing countries. These investments are considered structured entities as defined by IFRS, given that decision making about these investments' activities is not governed by voting or similar rights held by the Company, but through contractual arrangements. The fair value of these investments is determined based on the net asset values provided by the administrators. The Company does not have any further capital funding commitments for these investments other than payment of investment management fees.

Interest income from short-term investments is recognized at the effective interest rate. Dividends are recognized as income on the ex-dividend date.

Purchases and sales of financial assets are recognized at their trade date. Receivables in respect to investments sold and payables in respect to investments purchased represent unsettled investment transactions.

NOTES TO FINANCIAL STATEMENTS
March 31, 2019

2. Summary of significant accounting policies (continued)

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For publicly listed investments, the Company uses the last traded market price where this price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Foreign currency translation

Foreign currency transactions are translated into Canadian dollars using the exchange rates prevailing at the dates that transactions occur. Assets and liabilities denominated in a foreign currency are translated into Canadian dollars using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses relating to financial assets and liabilities are included as a component of the "Other fair value changes in investments" in the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and short term, highly liquid instruments with maturities of three months or less from the date of acquisition.

Securities lending income

Securities lending income is recognized as earned.

Comprehensive income

The Company does not have any other comprehensive income and therefore comprehensive income equals net income which it reports in its statement of comprehensive income.

Earnings per Common share ("EPS")

Basic and diluted EPS is calculated by dividing the net income, less preferred dividends, by the weighted average number of Common Shares outstanding for the period. Refer to Note 12 for the calculation.

Income taxes

Income tax comprises both current and deferred tax. Income tax is recognized in the statement of comprehensive income.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute these amounts are those that are enacted or substantively enacted at the end of each reporting period.

Deferred income tax assets and liabilities are recorded for the expected future income tax consequences of events that have been reflected in the statements or income tax returns.

Deferred income taxes are provided for using the liability method. Under the liability method, deferred income taxes are recognized for all significant temporary differences between the tax and financial statement bases for assets and liabilities and for certain carry-forward items.

Deferred income tax assets are recognized only to the extent that, in the opinion of management, it is probable that the deferred income tax assets will be realized. Deferred income tax assets and liabilities are adjusted for the effects of changes in tax laws and rates, on the date of the enactment or substantive enactment.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity.

The Company currently incurs withholding taxes imposed by certain countries on investment income. Such income is recorded on a gross basis and the related withholding taxes are reflected within the "Provision for income taxes" in the statement of comprehensive income.

Future Accounting Changes

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after April 1, 2019, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements.

NOTES TO FINANCIAL STATEMENTS
March 31, 2019

3. Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Company has made in preparing the financial statements:

Deferred taxes

Estimates and assumptions are used primarily in the determination of the Company's deferred tax liabilities, as the income tax rates used in determining the liability is dependent on an assumption as to when a deferred tax liability is expected to be realized.

4. Risks associated with financial instruments

The Company faces various risks arising from its financial instruments. Under the supervision of the Board of Directors, management has developed policies to identify, measure and monitor these risks. These risks and their management are described below:

Credit risk

Credit risk is the risk of financial loss resulting from a counterparty's failure to discharge an obligation. The Company has a securities lending agreement with its custodian, RBC Investor & Treasury Services ("RBC ITS"), whereby RBC ITS lends securities to borrowers for a fee, which is shared with the Company. RBC ITS receives fixed income securities and equities as collateral from borrowers, of at least 105% of the value of the securities loaned. In the event that the loaned securities are not returned to the Company by the borrower, RBC ITS is responsible to restore the securities or pay to the Company the market value of the loaned securities. If the collateral is not adequate to pay the market value to the Company, RBC ITS indemnifies the Company for the difference. The Company has recourse to the Royal Bank of Canada should RBC ITS fail to discharge its obligations to the Company. At March 31, 2019 the Company had loaned securities with a fair value of approximately $616,530,000 (2018 - $690,008,000) and received approximately $647,357,000 (2018 - $724,508,000) in collateral. There was no significant exposure to credit risk to other receivable balances because of their short-term nature.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. Sufficient liquidity is maintained by regular monitoring of cash flow requirements. All liabilities, other than deferred tax liabilities, settle within three months of the year end.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices which includes interest rate risk, foreign currency risk and other price risk.

The Company is not subject to significant interest rate risk, as its only fixed-interest investments are short term in nature.

Currency risk arises from financial instruments denominated in foreign currencies. IFRS 7 - "Financial Instrument Disclosures" considers the foreign exchange exposures relating to non-monetary financial instruments to be a component of other price risk. The Company's distribution of underlying currency risk exposure of investments is as follows:

	2019	2018
	(000's)	
U.S. dollar	**$ 788,604**	$ 830,458
European Union euro	**362,569**	327,717
Japanese yen	**214,371**	189,401
Swiss franc	**130,483**	101,996
British pound sterling	**104,791**	111,625
Canadian dollar	**99,783**	104,956
Other	**124,932**	80,914
	$ 1,825,533	$ 1,747,067

The Company is exposed to other price risk through its investment in equity securities. These risks are mitigated by investing in a diversified portfolio of securities.

A 10% fluctuation in market risk, assuming all other factors are constant, would have an after-tax impact of approximately $158,365,000 (2018 - $151,558,000) on net income.

NOTES TO FINANCIAL STATEMENTS
March 31, 2019

5. Financial instruments

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted unadjusted prices in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

At March 31, 2019, the Company had $1,724,540,000 (2018 - $1,638,692,000) of Level 1 and $100,993,000 (2018 - $108,375,000) of Level 2 equity investments. There were no year-to-date transfers between Level 1, 2 or 3 equity investments.

The Company's Level 2 equity investments are represented by units in the Burgundy Emerging Markets Equity Fund ("Fund") and the LSV Emerging Markets Small Cap Fund, LP ("Partnership"). The Company has the right to redeem its units in these investments within a 30-to-90-day period depending on the investment. The fair value of these investments is based on the net asset values provided by the administrators. The Company's percentage allocation to the Fund and Partnership was approximately 4.8% (2018 - 4.7%) and 7.1% (2018 - 6.8%) respectively.

The other net fair value changes in financial instruments at FVTPL by category for the year end March 31, 2019 was $119,304,000 (2018 - $90,870,000) of net gains on financial assets at FVTPL.

Cash equivalents are Level 2 investments. The carrying values of cash and cash equivalents, receivable in respect of investments sold, dividends and interest receivable, accrued expenses, payable in respect of investments purchased, income taxes payable, and dividends payable approximate their fair values due to their short-term nature.

6. Cash and cash equivalents

Components of cash and cash equivalents for purposes of the statements of cash flows are as follows:

	2019	2018
	(000's)	
Cash	**$ 20,699**	$ 6,969
Cash equivalents	**23,108**	12,192
	$ 43,807	$ 19,161

The following table presents cash and cash equivalents classified by the fair value hierarchy:

	Level 1	Level 2	Level 3	Total fair value
		(000's)		
March 31, 2019	**$ 20,699**	**$ 23,108**	**$ —**	**$ 43,807**
March 31, 2018	$ 6,969	$ 12,192	$ —	$ 19,161

NOTES TO FINANCIAL STATEMENTS
March 31, 2019

7. Income taxes

The Company is a public corporation under the Income Tax Act and is subject to tax at normal corporate rates on its taxable net realized gains (Note 9) and on investment income other than taxable dividends received from corporations resident in Canada. Income taxes are assessed on income before income taxes. The current enacted corporate tax rates as they impact the Company in fiscal 2019 stand at 26.5%. The effective tax rate varies from the combined statutory rate as follows:

	2019	2018
	(000's)	
Income taxes at statutory rate	**$ 40,818**	$ 32,618
Variance as a result of:		
Non-taxable portion of other fair value changes in investments	**(15,808)**	(12,040)
Tax-paid dividends	**(404)**	(327)
Other	**185**	(1)
Provision for income taxes	**$ 24,791**	$ 20,250

The Company's provision for income taxes includes provisions for current and deferred income taxes as follows:

	2019	2018
	(000's)	
Current	**$ 44,681**	$ 21,956
Deferred	**(19,890)**	(1,706)
Provision for income taxes	**$ 24,791**	$ 20,250

Deferred tax liabilities arise primarily from differences between the carrying value and the tax cost of the investments as well as from the timing of the inclusion of accrued dividends for income tax purposes. Details of the deferred tax liabilities as at March 31 are as follows:

	2019	2018
	(000's)	
Unrealized appreciation of investments	**$ 47,059**	$ 67,405
Accrued dividends	**1,018**	562
Deferred tax liabilities	**$ 48,077**	$ 67,967

Deferred tax expense included in net income represents movements related to the following items:

	2019	2018
	(000's)	
Investments	**$ (20,346)**	$ (1,536)
Accrued dividends	**456**	(170)
Deferred tax liabilities	**$ (19,890)**	$ (1,706)

During the year ended March 31, 2019, the Company paid tax instalments and assessments totaling $19,945,000 (2018 - $15,068,000) and received income tax refunds totaling $178,000 (2018 - $18,000). These items are classified as cash flows from operating activities in the cash flow statement.

NOTES TO FINANCIAL STATEMENTS
March 31, 2019

8. Other net fair value changes in investments

The other net fair value changes in investments is comprised as follows:

	2019	2018
	(000's)	
Net realized gains	**$ 272,057**	$ 100,272
Net change in unrealized appreciation	**(152,753)**	(9,402)
	$ 119,304	$ 90,870

9. Net realized gain

The following are the details of the net realized gain for the years ended March 31:

	2019	2018
	(000's)	
Proceeds on sales of investments	**$ 1,007,138**	$ 346,723
Cost of investments, beginning of the year	**1,236,698**	1,154,031
Cost of investments purchased during the year	**966,300**	329,118
	2,202,998	1,483,149
Cost of investments, end of the year	**1,467,917**	1,236,698
Cost of investments sold during the year	**735,081**	246,451
Net realized gain	**$ 272,057**	$ 100,272

10. Share capital

The classes of shares and, where applicable, the maximum number of shares that the Company is authorized to issue are as follows:

(a) 52,237 First Preferred Shares without nominal or par value redeemable at the option of the Company at $30.00 each;

(b) 200,000 Second Preferred Shares without nominal or par value, issuable in series, of which: 80,290 shares are designated 1959 Series Second Preferred Shares, redeemable at the option of the Company at $30.00 each and 119,710 shares are designated 1963 Series Second Preferred Shares, redeemable at the option of the Company at $31.50 each;

(c) Third Preferred Shares without nominal or par value, issuable in series. The maximum number of Third Preferred Shares that may be outstanding at any time shall be that number for which the aggregate stated value does not exceed $15,000,000; and

(d) an unlimited number of Common Shares.

The capital stock of the Company is as follows:

	Authorized	Issued and outstanding	**2019**	2018
			(000's)	
First Preferred Shares	52,237	52,237	**$ 119**	$ 119
Second Preferred Shares	200,000	200,000	**6,000**	6,000
Common Shares	unlimited	12,194,193	**534,881**	534,881
			$ 541,000	$ 541,000

NOTES TO FINANCIAL STATEMENTS
March 31, 2019

10. Share capital (Continued)

Cash dividends paid during the year were as follows:

	2019	2018
	(000's)	
On Preferred Shares:		
52,237 First Preferred Shares - $1.50 per share	$ 78	$ 78
200,000 Second Preferred Shares - $1.50 per share	300	300
	378	378
On Common Shares:		
Quarterly - $0.30 quarterly per share	14,633	14,633
Additional - $0.78 (2018 - $1.12) per share	9,512	13,658
	24,145	28,291
	$ 24,523	$ 28,669

The Company's current dividend policy is to distribute annual net investment income, after payment of Preferred Share dividends. The fiscal 2019 distributions are composed of quarterly dividends of $0.30 (2018 - $0.30) together with an additional dividend representing the balance of net investment income for the previous fiscal year, subject to the Board of Directors approval. This additional dividend is paid in the first quarter following the fiscal year end.

Common Share dividends of $1.05 per Common Share were declared by the Board of Directors at its meeting on May 7, 2019, with a record and payable date of June 14, 2019 and June 28, 2019, respectively.

The Company's dividend policy is established by the Board of Directors at its discretion and is subject to change.

11. Related party information

Included in the Company's Schedule of Investment Portfolio is Algoma Central Corporation ("Algoma"), a related party, with a fair value at March 31, 2019 of $45,357,000 (2018 - $51,847,000). Dividend income from Algoma for the fiscal year ended March 31, 2019 amounted to $1,450,000 (2018 - $1,233,000).

E-L Financial holds a 52.2% (2018 - 52.0%) interest in the Company. Included in investment management and administrative costs are fees for administrative services paid to E-L Financial. These fees are calculated at 0.1% per annum of the fair value of the investments managed by the external investment managers and are paid monthly. The total fees for the year ended March 31, 2019 amounted to $2,036,000 (2018 - $1,835,000).

The ultimate controlling party of the Company and these related parties is The Honourable Henry N. R. Jackman together with a trust created in 1969 by his father, Henry R. Jackman.

Compensation of key management personnel

Key management personnel comprise the Chairman and President and directors of the Company and their remuneration is as follows:

	2019	2018
	(000's)	
Chairman and President's and directors' compensation	$ 424	$ 355

NOTES TO FINANCIAL STATEMENTS
March 31, 2019

12. Earnings per Common Share (“EPS”)

Basic and diluted EPS

EPS is calculated by dividing the net income, less preferred dividends, by the weighted average number of Common Shares outstanding for the period.

EPS is calculated as follows (in thousands of dollars, except for weighted average number of Common Shares outstanding and per Common Share amounts):

	2019	2018
Net income	**$ 129,238**	$ 102,837
Less: Preferred dividends	**378**	378
Net income attributed to common shareholders	**$ 128,860**	$ 102,459
Weighted average number of Common shares outstanding	**12,194,193**	12,194,193
Basic and diluted earnings per Common Share	**$ 10.57**	$ 8.40

13. Capital

The Company’s capital comprises shareholders’ equity, which is invested primarily in managed diversified portfolios of common shares of publicly-traded global companies. The Company’s strategy is to earn an above-average rate of return, primarily through long-term capital appreciation and dividend income. Short-term volatility is expected and tolerated. Management remains confident that the Company’s investment strategy will reward shareholders over the long term. The Company monitors its capital via its assessment of shareholders’ equity.

SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2019

Number of Shares/Units		Cost	Carrying value	% of Carrying value
		(000's)		
	United States			
16,900	3M Co.	$ 1,739	$ 4,692	
67,100	Abbott Laboratories	3,856	7,168	
88,290	Alaska Air Group, Inc.	7,519	6,621	
9,883	Alphabet Inc. Class A	14,763	15,543	
3,700	Amazon, Inc.	8,235	8,805	
34,600	Apple Inc.	7,997	8,783	
82,915	Bank of America Corporation	2,872	3,057	
6,160	Booking Holdings Inc	15,031	14,363	
34,000	Check Point Software T	4,992	5,747	
82,318	Citigroup Inc.	6,495	6,844	
140,800	Clorox Company (The)	16,593	30,191	
81,700	Cognex Corporation	4,732	5,553	
55,000	Cognizant Technology Solutions	5,086	5,325	
69,297	Colgate-Palmolive Company	3,872	6,347	
743,100	ConAgra Brands, Inc.	23,456	27,546	
37,200	Disney (Walt) Company	5,615	5,519	
102,600	eBay Inc.	4,017	5,092	
70,401	Exxon Mobil Corporation	7,331	7,601	
107,100	First Republic Bank	13,726	14,378	
66,596	FirstEnergy Corporation	3,441	3,703	
76,982	Flowserve Corporation	4,623	4,644	
745,900	General Mills, Inc.	37,916	51,582	
191,677	Halliburton Company	7,645	7,506	
494,700	Hormel Foods Corporation	16,290	29,589	
12,929	Illumina, Inc.	5,394	5,368	
26,100	IPG Photonics Corporation	4,580	5,294	
285,900	Kimberly-Clark Corporation	30,362	47,336	
125,366	Lamb Weston Holdings, Inc.	3,081	12,554	
46,328	Leidos Holdings, Inc.	3,699	3,968	
62,572	Marathon Petroleum Corporation	5,225	5,004	
35,600	MasterCard, Inc. Class A	4,495	11,201	
434,424	Merck & Co., Inc.	31,267	48,282	
72,500	Microsoft Corporation	3,454	11,426	
266,092	Mondelez International Inc. Class A	12,897	17,750	
85,400	Nike Inc. Class B	8,528	9,610	
32,999	Nvidia Corporation	6,842	7,918	
112,300	Oracle Corporation	4,494	8,060	
171,500	Paypal Holdings, Inc.	19,314	23,798	
549,500	Pfizer Inc.	19,314	31,186	
18,100	Regeneron Pharmaceuticals, Inc.	9,113	9,932	
42,800	Roper Technologies, Inc.	16,210	19,559	
143,342	RPC, Inc.	2,308	2,186	
249,397	Sabre Corporation	8,325	7,129	
96,543	Schlumberger Limited	5,480	5,621	
63,189	Signet Jewelers Limited	3,253	2,293	
15,700	SVB Financial Group	4,558	4,665	
29,828	Synnex Corporation	3,220	3,802	
14,325	UnitedHealth Group Inc.	5,040	4,733	
84,100	Verisk Analytics Inc. Class A	4,960	14,947	
19,535	Vertex Pharmaceuticals, Inc.	4,976	4,802	
94,258	Viacom Inc. Class B	3,791	3,536	
46,300	Wabco Holdings, Inc.	6,815	8,156	
63,700	Walgreen Boots Alliance Inc.	3,611	5,386	
109,400	Waste Management Inc.	6,057	15,191	
25,100	Waters Corporation	6,476	8,443	
40,100	Wells Fargo & Company	2,138	2,589	
21,200	Zimmer Biomet Holdings	3,151	3,618	
		490,270	661,542	36.2

SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2019

Number of Shares/Units		Cost	Carrying value	% of Carrying value
		(000's)		
	Europe, excluding United Kingdom			
274,124	ABB Limited	$ 7,055	$ 6,883	
29,060	Adidas AG	4,485	9,456	
234,515	Air Liquide S.A.	29,463	39,879	
49,119	Akso Nobel N.V.	5,374	5,821	
607,100	Banco Bilbao Vizcaya Argentaria, S.A.	4,382	4,639	
72,065	BASF SE	6,754	7,085	
37,700	Bayerische Motoren Werke AG	4,167	3,888	
57,613	Chr. Hansen Holding A/S	7,043	7,796	
777,289	Davide Campari-Milano S.p.A.	3,048	10,203	
34,114	Deutsche Post AG	1,336	1,485	
72,100	EssilorLuxottica	12,217	10,533	
153,714	Fresenius Medical Care AG	15,353	16,599	
253,800	Grifols, S.A. ADR	6,653	6,820	
462,655	Group Danone S.A.	38,974	47,676	
138,100	Intrum AB	4,766	5,313	
91,360	Kerry Group plc	7,431	13,637	
108,600	Kone Oyj	6,993	7,325	
1,283,816	Koninklijke Ahold Delhaize N.V.	21,632	45,693	
64,795	Linde Public Limited Company	13,629	15,164	
28,224	Lonza Group AG	11,894	11,697	
16,300	L'Oréal S.A.	5,110	5,864	
383,754	Nestlé S.A.	28,711	48,877	
56,904	Nestlé S.A. ADR	6,443	7,248	
32,700	Novartis AG	3,909	4,203	
418,945	Novo Nordisk A/S	23,978	29,280	
1,205,728	Orange S.A.	20,884	26,228	
515,498	Publicis Groupe	43,678	36,912	
103,057	Roche Holding AG	31,109	37,946	
972,768	Securitas AB Class B	13,102	21,061	
161,547	Sodexo S.A.	23,056	23,789	
22,028	Sonova Holding AG	4,751	5,824	
39,352	Swatch Group AG (The)	16,179	15,052	
109,887	Symrise AG	11,791	13,241	
502,275	UniCredit S.p.A.	8,483	8,611	
42,000	Volkswagen AG	9,201	8,841	
		463,034	570,569	31.3
	Emerging Markets			
582,500	AAC Technologies Holdings Inc.	5,172	4,605	
1,185,800	AIA Group Limited	9,710	15,772	
41,504	Alibaba Group Holding Limited ADR	9,289	10,119	
47,833	Baidu, Inc. ADR	11,449	10,537	
3,168,300	Bank Central Asia Tbk	7,620	8,265	
1,964,713	Burgundy Emerging Markets Equity Fund	51,481	49,899	
628,000	China Merchants Holdings Co. Ltd.	1,595	1,787	
549,000	China Mobile Ltd.	7,128	7,475	
233,928	Grupo Televisa, S.A.B.	4,245	3,457	
37,419	HDFC Bank Ltd. ADR	5,043	5,796	
591,403	ICICI Bank Limited ADR	7,835	9,057	
498,767	Itau Unibanco Holding S.A.	6,046	5,872	
204,219	LSV Emerging Markets Small Cap Equity Fund, LP	49,405	51,094	
17,267	Naspers Ltd Class N	4,390	5,322	
3,880	Samsung Electronics Co., Ltd.	4,706	5,086	
94,900	Sasol Limited	3,834	3,950	
19,032	SK Telecom Co., Ltd.	6,518	5,624	
668,000	WuXi Biologics Co. Ltd.	7,348	8,681	
158,600	Yandex NV	6,038	7,278	
		208,852	219,676	12.0

SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2019

Number of Shares/Units		Cost	Carrying value	% of Carrying value
		(000's)		
	Japan			
229,400	Asahi Group Holdings Co.	$ 9,418	$ 13,639	
29,100	East Japan Railway Company	3,518	3,748	
41,006	Fanuc Corporation	7,335	9,337	
85,600	Kao Corporation	6,167	9,000	
1,113,300	KDDI Corporation	32,882	32,022	
11,300	Keyence Corporation	1,581	9,399	
242,300	Kirin Holdings Company, Limited	3,478	7,722	
336,657	Kubota Corporation	6,684	6,494	
192,700	Lawson Inc.	16,792	14,269	
489,400	M3, Inc.	9,885	10,960	
466,673	Makita Corporation	20,502	21,696	
382,900	Mitsubishi Tanabe Pharma Corporation	6,078	6,829	
231,000	MonotaRO Co., Ltd.	6,834	6,856	
87,700	Secom Co., Ltd.	5,150	10,029	
566,100	Seven & i Holdings Co., Ltd.	30,665	28,510	
87,800	Sompo Holdings, Inc.	4,361	4,339	
74,700	Sysmex Corporation	5,068	6,027	
163,500	Takeda Pharmaceutical Company Ltd.	8,016	8,915	
182,000	ZOZO, Inc.	5,297	4,579	
		189,711	214,370	11.7
	United Kingdom			
231,800	Abcam plc	4,217	4,583	
55,000	AstraZeneca plc	5,656	5,877	
265,177	Aviva plc	1,747	1,905	
2,287,166	Barclays plc	6,062	6,162	
138,057	British American Tobacco plc	6,477	7,681	
6,202,237	G4S plc	24,770	19,824	
230,200	Micro Focus International plc	5,900	8,005	
190,957	Next plc	14,339	18,560	
260,691	Prudential plc	6,351	6,971	
366,566	Rolls-Royce Holdings plc	5,092	5,767	
66,712	Royal Dutch Shell plc	2,693	2,821	
269,300	SSE plc	5,012	5,568	
724,366	Standard Chartered plc	7,316	7,460	
1,481,673	Vodafone Group plc	5,796	3,608	
		101,428	104,792	5.8
	Canada			
3,625,680	Algoma Central Corporation [1]	6,201	45,357	
486,096	Encana Corporation	4,249	4,703	
200,308	Manulife Financial Corporation	4,172	4,524	
		14,622	54,584	3.0
	Total investments	$ 1,467,917	$ 1,825,533	100.0

[1] This company and United are related parties.

COMPANY BACKGROUND
(Unaudited)

Consolidated Investment Corporation of Canada was incorporated in February 1929 and its bonds and preferred shares were offered for sale to the public. The Company was capitalized with $15,000,000 4½% First Collateral Trust Gold Bonds due 1959, and $10,000,000 ($100 par) of 5% Cumulative Preferred Shares. 1,375,000 Common Shares (no par value) were issued of which 375,000 were deposited in trust or reserved for sale to the Company's senior security holders. The Company's securities were sold for $32,000,000 plus accrued interest and organizational expenses.

The trust deed securing the First Collateral Trust Gold Bonds covenanted that assets pledged with the trustee should at all times be equal to 125% of the principal amount of bonds outstanding. With the decline in security values beginning in late 1929, the Company attempted to satisfy this covenant by purchasing the Company's bonds for cancellation at discount prices. The continued deterioration of security markets into 1932 made the continuation of this policy impracticable. The Company therefore defaulted under its covenants and the Company was reorganized.

Under the February 13, 1933 arrangement, the Company's remaining $6,427,000 4½% Gold Bonds ($8,573,000 out of the original $15,000,000 had been purchased for cancellation) received 70% of their face value in a new issue of 5% "Income" Bonds due 1953, and 30% of their face value in Class "A" 5% "Preferred" Shares. The bondholders were also given 53.61% of the common equity (Class "B" Shares) with the old preferred shareholders and common shareholders receiving 41.70% and 4.69% of the new equity respectively.

Under the February 13, 1933 reorganization, the Company's name was changed to United Corporations Limited.

On December 23, 1959, United Corporations Limited acquired all of the assets of London Canadian Investment Corporation for $7,925,483. Consideration was satisfied by issuing $2,408,700 par value of 5% Preferred Shares (1959 Series) and Common (Class B) Shares equal to 15.7% of the total Common Shares to be outstanding after the completion of this transaction.

FINANCIAL RECORD: 1929 - 2019
(Unaudited)

Year	Total Net Assets * (000's)	Funded Debt (000's)	Preferred Shares = (000's)	Net Equity Value (000's)	Net Equity Value per Common Share**	Net Investment Income Available for Common Shares (000's)	Net Investment Income per Common Share**
Consolidated Investment Corporation of Canada							
Feb 1929	$ 32,000	$ 15,000	$ 10,000	$ 7,000	$ N/A	$ N/A	$ N/A
Dec 1931	9,616	7,161	10,000	(7,545)	N/A	N/A	N/A
1932	4,726	6,427	10,000	(11,701)	N/A	N/A	N/A
United Corporations Limited							
1933	6,120	4,499	2,000	(379)	(0.04)	—	—
1934	8,147	4,499	2,097	1,551	0.16	(95)	(0.01)
1935	9,378	4,499	2,161	2,718	0.28	(13)	—
1936	12,892	4,499	2,097	6,296	0.64	49	0.01
1937	9,542	4,499	1,928	3,115	0.32	109	0.01
1938	9,485	3,779	1,620	4,087	0.41	44	0.01
1939	9,844	3,705	1,588	4,550	0.46	58	0.01
1940	8,676	3,705	1,588	3,383	0.34	48	0.01
1941	8,175	3,599	1,588	2,988	0.30	82	0.01
1942	8,712	3,499	1,580	3,633	0.37	108	0.01
1943	9,746	3,000	1,580	5,166	0.52	78	0.01
1944	11,298	2,900	1,580	6,818	0.69	155	0.02
1945	14,444	2,800	1,580	10,064	1.02	173	0.02
1946	14,059	2,700	1,580	9,779	0.99	243	0.03
1947	13,668	2,600	1,580	9,489	0.96	339	0.03
1948	13,443	2,500	1,567	9,376	0.95	370	0.04
1949	14,772	2,400	1,567	10,805	1.10	385	0.04
1950	17,410	2,300	1,567	13,543	1.37	564	0.06
1951	20,392	2,200	1,567	16,625	1.69	578	0.06
1952	19,360	2,000	1,567	15,793	1.60	614	0.06
1953	19,130	1,900	1,567	15,663	1.59	639	0.07
1954	25,101	1,800	1,567	21,734	2.21	699	0.07
1955	29,015	1,700	1,567	25,748	2.62	732	0.07
1956	28,054	1,316	1,567	25,171	2.56	779	0.08
1957	24,447	879	1,567	22,001	2.24	834	0.09
1958	30,381	—	1,567	28,814	2.93	898	0.09
1959	38,197	—	3,976	34,221	2.93	900	0.08
1960	37,600	—	3,976	33,624	2.88	1,110	0.10
1961	44,352	—	3,976	40,376	3.44	1,117	0.10
1962	41,868	—	3,976	37,893	3.22	1,141	0.10
1963	52,321	—	7,747	44,574	3.75	1,179	0.10
1964	62,861	—	7,747	55,114	4.64	1,348	0.11
1965	66,117	—	7,747	58,370	4.91	1,503	0.13
1966	63,156	—	7,747	55,409	4.66	1,583	0.13
1967	74,757	—	7,747	67,010	5.59	1,741	0.15
1968	84,930	—	7,747	77,174	6.43	1,714	0.14
1969	78,769	—	7,747	71,022	5.90	1,866	0.16
1970	71,202	—	7,747	63,456	5.28	1,981	0.17
1971	73,401	—	7,747	65,655	5.46	1,669	0.14
1972	86,757	—	7,747	79,010	6.57	1,724	0.14
1973(a)	83,758	—	7,747	76,012	6.32	374	0.03

FINANCIAL RECORD: 1929 - 2019
(Unaudited)

Year	Total Net Assets * (000's)	Funded Debt (000's)	Preferred Shares = (000's)	Net Equity Value (000's)	Net Equity Value per Common Share**	Net Investment Income Available for Common Shares (000's)	Net Investment Income per Common Share**
1974	$ 82,457	$ —	$ 7,747	$ 74,711	$ 6.21	$ 1,996	$ 0.17
1975	71,674	—	7,747	63,928	5.31	2,791	0.23
1976	80,075	8,000	7,747	64,544	5.36	2,522	0.21
1977	78,614	8,000	7,747	63,083	5.24	2,116	0.18
1978	82,829	8,000	7,747	67,298	5.59	2,335	0.19
1979	116,793	9,506	7,747	100,285	8.32	1,478	0.12
1980	141,700	9,657	7,747	129,232	10.60	3,703	0.30
1981	197,143	8,000	7,747	194,350	15.94	4,808	0.39
1982	127,643	8,000	7,747	121,412	9.95	4,437	0.36
1983	182,227	8,000	7,747	174,692	14.31	4,468	0.37
1984	201,172	8,000	7,747	191,984	15.73	3,934	0.32
1985	247,596	8,000	7,747	234,514	19.22	4,788	0.39
1986	327,327	8,000	7,747	319,783	26.21	4,816	0.40
1987	370,718	—	7,747	371,437	30.44	4,841	0.40
1988	316,009	—	7,747	322,434	26.43	6,785	0.56
1989	329,082	—	7,747	321,668	26.37	8,778	0.72
1990	340,980	—	7,747	343,482	28.16	16,989	1.39
1991	311,586	—	7,747	304,079	24.93	9,339	0.77
1992	308,237	—	7,747	300,992	24.68	7,880	0.65
1993	314,603	—	7,747	308,617	25.30	7,617	0.63
1994	359,673	—	7,747	363,496	29.80	7,192	0.59
1995	355,050	—	7,747	352,874	28.94	7,963	0.65
1996	396,725	—	7,747	399,853	32.79	7,969	0.65
1997	478,172	—	7,747	475,416	38.99	8,960	0.74
1998	649,802	—	7,747	667,137	54.71	9,174	0.75
1999	612,872	—	7,747	620,107	50.85	9,635	0.79
2000	774,519	—	7,747	784,932	64.37	8,403	0.69
2001	723,950	—	7,747	718,712	58.94	10,640	0.87
2002	758,055	—	7,747	750,308	61.53	11,606	0.95
2003	609,269	—	7,747	601,522	49.33	11,772	0.97
2004	755,491	—	7,747	747,744	61.32	11,041	0.91
2005	826,344	—	7,747	818,597	67.13	12,462	1.02
2006	940,068	—	7,747	932,321	76.46	12,676	1.04
2007	1,056,872	—	7,747	1,049,125	86.03	15,121	1.24
2008	948,929	—	7,747	941,182	77.18	15,909	1.30
2009	676,149	—	7,747	668,402	54.81	15,420	1.26
2010	828,840	—	7,747	821,093	67.33	14,155	1.16
2011	883,576	—	7,747	875,829	71.82	14,987	1.23
2012	889,646	—	7,747	881,899	72.32	17,412	1.43
2013	1,008,012	—	7,747	1,000,265	82.03	17,414	1.43
2014	1,220,612	—	7,747	1,212,865	99.46	18,686	1.53
2015	1,444,951	—	7,747	1,437,204	117.86	21,971	1.80
2016	1,479,121	—	7,747	1,471,374	120.66	25,967	2.13
2017	1,621,302	—	7,747	1,613,555	132.32	23,463	1.92
2018	1,695,470	—	7,747	1,687,723	138.40	24,124	1.98
2019	1,800,185	—	7,747	1,792,438	146.99	27,462	2.25

This chart is drawn from the individual annual reports and has not been restated for any subsequent changes in accounting policies.

= Preferred Shares at the cost of redemption, including dividend arrears in 1933 - 1936.
* Total assets less liabilities exclusive of short-term debt.
** Includes the impact of historical stock dividends.
(a) For three months ended March 31, 1973. Figures in this table are for fiscal years ended December 31 prior to 1973 and March 31 thereafter.

FINANCIAL RECORD: 1929 - 2019
(Unaudited)

Historical Stock Dividends

Date	Stock dividend rate	Issue price	Date	Stock dividend rate	Issue price	Date	Stock dividend rate	Issue price
1953	4 for 1	Split	1988	1 for 15	$ 65.46	1998	1 for 33.1645	$ 76.61
1964	3 for 1	Split	1989	1 for 8	54.53	1999	1 for 13.5404	78.67
1982	1 for 6.4725	$ 38.81	1989	1 for 55	48.30	2000	1 for 20.9744	69.74
1984	1 for 10	40.41	1991	1 for 16	50.72	2001	1 for 20.94286	80.63
1985	1 for 10	40.93	1993	1 for 38	42.18	2001	1 for 7.9472	76.77
1986	1 for 30	46.53	1995	1 for 16.42525	49.44	2002	1 for 15.3238	64.36
1987	1 for 13	60.52	1997	1 for 14.47926	62.84			

CORPORATE INFORMATION

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EXTERNAL INVESTMENT MANAGERS

Burgundy Asset Management Ltd., Toronto
Causeway Capital Management LLC, Los Angeles
Harding Loevner LP, Bridgewater
LSV Asset Management, Chicago
Macquaire, Luxembourg

AUDITOR

PricewaterhouseCoopers LLP, Toronto

CUSTODIAN

RBC Investor & Treasury Services

TRANSFER AGENT AND REGISTRAR

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Toronto, Ontario M5J 2Y1
Toll Free: 1-800-564-6253
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TORONTO STOCK EXCHANGE LISTINGS

	Ticker Symbol
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 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