

UNITED CORPORATIONS LIMITED



FIRST QUARTER REPORT

JUNE 30, 2015

UNITED CORPORATIONS LIMITED

Incorporated under the Laws of Canada



THE PERIOD AT A GLANCE (Unaudited)

	As at June 30 2015 ⁽¹⁾	As at March 31 2015 ⁽¹⁾
Net equity value per Common Share ⁽²⁾	\$ 115.28	\$ 117.86
Net assets	\$ 1,413,545	\$ 1,444,951
Number of Common Shares outstanding at period end	12,194,193	12,194,193

	Three months ended June 30	
	2015 ⁽¹⁾	2014 ⁽¹⁾
Net investment income per Common Share ⁽²⁾	\$ 0.89	\$ 0.82
Dividends per Common Share		
Quarterly	\$ 0.20	\$ 0.20
Additional ⁽³⁾	\$ 1.00	\$ 0.73
Net income (loss) per Common Share	\$ (1.38)	\$ 0.82
Net investment income	\$ 10,999	\$ 10,092

⁽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.

⁽³⁾ 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.

The financial statements have been prepared under International Financial Reporting Standards ("IFRS").

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") of the unaudited interim condensed financial performance and financial condition of United Corporations Limited ("United" or the "Company") for the first quarter of fiscal 2016 should be read in conjunction with: the March 31, 2015 Annual Report, including the MD&A, the Company's audited annual financial statements and the notes and supplementary financial information; and the unaudited quarterly condensed financial statements and notes contained in this report. These unaudited interim condensed financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), which is generally accepted accounting principles ("GAAP"), as set out in the Handbook of the Chartered Professional Accountants of Canada. 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 as high as a 45% discount to as low as a 20% discount. 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 funds 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 open-ended funds; and the management of a closed-end fund's portfolio is not impacted by shareholder subscription or redemption activities.

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

The external investment portfolio of the Company is managed by Jarislowsky Fraser Limited ("Jarislowsky") and ValueInvest Asset Management S.A. ("ValueInvest"). Each of the managers has a global equity mandate. As of June 30, 2015, \$688,440,000 and \$700,273,000 of investments were managed by Jarislowsky and ValueInvest, respectively.

The Company has a long-term investment in Algoma Central Corporation ("Algoma"). Algoma and United are related parties. In management's view, the investment in Algoma is consistent with the Company's investment strategy and contributes to achieving the investment objective of the Company. Further related party information is provided in Note 12 to the financial statements in the 2015 Annual Report and in the schedule of investment portfolio in this interim report beginning on page 13.

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 a mix of predominantly foreign equities. Net equity value and net investment income may vary significantly from period to period depending on the economic environment and market conditions.

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 meaning 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 both 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 on its Preferred Shares.

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

	June 30 2015	March 31 2015
Net assets	\$ 1,413,545	\$ 1,444,951
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	\$ 1,405,798	\$ 1,437,204
Common Shares outstanding	12,194,193	12,194,193
Net equity value per Common Share	\$ 115.28	\$ 117.86

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 June 30	
	2015	2014
Net income (loss)	\$ (16,679)	\$ 10,055
Add (deduct):		
Fair value change in investments	31,906	48
Tax on fair value change in investments	(4,228)	(7)
Net decrease in refundable dividend taxes on hand	—	(4)
Net investment income ¹	10,999	10,092
Deduct:		
Dividends paid on Preferred Shares	94	94
Net investment income, net of dividends paid on Preferred Shares ¹	\$ 10,905	\$ 9,998
Common Shares outstanding	12,194,193	12,194,193
Net investment income per Common Share ¹	\$ 0.89	\$ 0.82

¹ On an after-tax basis.

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

Net Equity Value per Common Share

The Company's net equity value per Common Share decreased to \$115.28 at June 30, 2015 from \$117.86 at March 31, 2015. With dividends reinvested at month-end net equity values, the Company's net equity value return for the quarter was negative 1.2% compared to a return of 0.8% for the same period in the prior fiscal year.

As the Company is a taxable Canadian corporation, the Company's net equity value is net of a provision for income taxes on net investment income and net realized gains (losses) on investments, and net of a deferred income tax provision on its change in fair value of investments.

In Canadian dollar terms, total returns (capital gains plus dividends) for United's net equity value and stock market indices, were as follows:

	Three months ended June 30
	(%)
United net equity value	(1.2)
S&P/TSX Composite Index	(1.9)
MSCI World Index	(0.4)
S&P 500 Index	(0.2)

Growth in Net Equity Value ("NAV")

For the 10 years ended March 31, 2015 the Company's compound annual growth rate in NAV, including dividends, was 7.4%.

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

Annual growth in NAV*

	NAV per Common Share	Annual Growth
		(%)
2006	\$ 76.46	15.2
2007	86.03	13.7
2008	77.18	(9.4)
2009	54.81	(28.1)
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

Compound annual growth*

2006 - 2015 - 10 years	7.4
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*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

Net Income

The Company reported a net loss for the first quarter of fiscal 2016 of \$16,679,000 compared to net income of \$10,055,000 for the first quarter of fiscal 2015. On a per Common Share basis, the net loss for the quarter was \$1.38 in fiscal 2016 compared to net income of \$0.82 for the same quarter in fiscal 2015.

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

Net Income (continued)

The Company's fair value change in investments was a fair value loss of \$31,906,000 in the first quarter of fiscal 2016 compared to a fair value loss of \$48,000 for the same period in the prior year. During the first quarter of 2016, the fair values of investments in Europe (excluding United Kingdom) and North America declined by \$23,640,000 and \$5,762,000 respectively representing the majority of the fair value change in investments.

The net realized gain for the Company was \$16,245,000 for the first quarter of fiscal 2016 compared to a net realized gain of \$12,904,000 for the same period in the prior year, an increase of \$3,341,000. The largest contributors to the net realized gain during the quarter were the sales of Kraft Foods Inc., Toyota Motor Corporation and Fanuc Corporation.

Net investment income

The Company's net investment income in the first quarter of fiscal 2016 increased to \$10,999,000 compared to \$10,092,000 for the first quarter of fiscal 2015, an increase of 9.0%. On a per Common Share basis, net investment income for the quarter increased to \$0.89 in fiscal 2016 compared to \$0.82 for the same quarter in fiscal 2015.

Foreign dividend income in the first quarter increased by 11.2% to \$16,395,000 from \$14,750,000 for the same quarter in the prior year. The increase occurred primarily as a result of growth in the average global investment portfolio while the yield-to-market dividend return for the portfolio has remained consistent compared to the same period in the prior year.

Interest and securities lending income decreased by 36.7% during the quarter to \$198,000 from \$313,000 for the first quarter of fiscal 2015. Securities lending income decreased \$112,000 to \$179,000 compared to \$291,000 for the same quarter in the prior year.

Expenses during the quarter increased to \$1,973,000 in fiscal 2016 compared to \$1,678,000 for the same period in the prior year. The majority of the increase relates to an increase in investment management and administrative costs resulting from a higher average fair value of the investment portfolio compared to the prior year.

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 Common Share amounts):

	June 30 2015	March 31 2015	Dec. 31 2014	Sept. 30 2014	June 30 2014	March 31 2014	Dec. 31 2013	Sept. 30 2013
Investments	\$ 1,451,038	\$ 1,481,971	\$ 1,321,516	\$ 1,252,795	\$ 1,234,830	\$ 1,248,116	\$ 1,206,090	\$ 1,092,813
Net investment income ¹	\$ 10,999	\$ 4,616	\$ 3,966	\$ 3,675	\$ 10,092	\$ 4,188	\$ 3,425	\$ 3,250
Net income (loss)	\$ (16,679)	\$ 152,813	\$ 64,244	\$ 15,840	\$ 10,055	\$ 47,124	\$ 106,012	\$ 44,112
Per Common Share:								
Net investment income ¹	\$ 0.89	\$ 0.37	\$ 0.32	\$ 0.29	\$ 0.82	\$ 0.33	\$ 0.28	\$ 0.26
Net income (loss)	\$ (1.38)	\$ 12.52	\$ 5.26	\$ 1.29	\$ 0.82	\$ 3.86	\$ 8.68	\$ 3.61
NAV	\$ 115.28	\$ 117.86	\$ 105.54	\$ 100.48	\$ 99.38	\$ 99.50	\$ 95.84	\$ 87.35

¹ On an after-tax basis.

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. 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.

UNITED CORPORATIONS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

Share Data

As at June 30, 2015, 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

Quarterly dividends were paid on the Common Shares and Preferred Shares. The quarterly per share dividend was \$0.20 on the Common Shares and \$0.375 for each Preferred Share series. Payment of the Company's dividends is funded by net investment income. The Company also paid an additional \$1.00 (2015 - \$0.73) per Common Share dividend representing a distribution of the balance of net investment income for the prior fiscal year after payment of Preferred Share and quarterly Common Share dividends.

The Company's dividend policy is to distribute annual net investment income, after payment of Preferred Share dividends. The distributions are composed of \$0.20 quarterly dividends together with an additional dividend representing the balance of net investment income for the previous fiscal year. This additional dividend is paid in the first quarter following the fiscal year end. The Company's dividend policy is established by the Board of Directors at its discretion and is subject to change.

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.



Duncan N.R. Jackman
Chairman and President

August 6, 2015

UNITED CORPORATIONS LIMITED

STATEMENTS OF NET ASSETS (Unaudited)

	June 30 2015	March 31 2015
	(000's)	
ASSETS		
Cash and cash equivalents	\$ 15,211	\$ 26,086
Investments (Note 4)	1,451,038	1,481,971
Receivable in respect of investments sold	—	11,001
Dividends and interest receivable	2,621	2,686
Income taxes receivable	1,945	—
Other assets	1,601	1,215
	1,472,416	1,522,959
LIABILITIES		
Accrued expenses	877	840
Payable in respect of investments purchased	—	11,674
Income taxes payable	—	492
Deferred tax liabilities	57,994	65,002
	58,871	78,008
NET ASSETS	\$ 1,413,545	\$ 1,444,951
SHAREHOLDERS' EQUITY		
Share capital	\$ 541,000	\$ 541,000
Retained earnings	872,545	903,951
TOTAL SHAREHOLDERS' EQUITY	\$ 1,413,545	\$ 1,444,951

(See accompanying notes)

UNITED CORPORATIONS LIMITED

STATEMENTS OF OPERATIONS (Unaudited)

	Three months ended June 30	
	2015	2014
	(000's)	
INCOME		
Dividends		
Foreign	\$ 16,395	\$ 14,750
Canadian	254	254
	16,649	15,004
Interest and securities lending income	198	313
Fair value change in investments (Note 5)	(31,906)	(48)
	(15,059)	15,269
EXPENSES		
Investment management and administrative costs	1,626	1,408
Transfer, registrar and custody fees	150	112
Directors' and officer's remuneration	99	95
Office and miscellaneous	81	39
Professional fees	17	24
	1,973	1,678
INCOME (LOSS) BEFORE INCOME TAXES	(17,032)	13,591
Provision for (recovery of) income taxes	(353)	3,536
NET INCOME (LOSS)	\$ (16,679)	\$ 10,055
EARNINGS PER COMMON SHARE		
BASIC AND DILUTED	\$ (1.38)	\$ 0.82

(See accompanying notes)

UNITED CORPORATIONS LIMITED

STATEMENTS OF CHANGES IN EQUITY (Unaudited)

	Share capital	Retained earnings	Total
		(000's)	
At April 1, 2015	\$ 541,000	\$ 903,951	\$ 1,444,951
Net income (loss) for the period	—	(16,679)	(16,679)
Dividends			
First Preferred Shares	—	(19)	(19)
Second Preferred Shares	—	(75)	(75)
Common Shares	—	(14,633)	(14,633)
At June 30, 2015	\$ 541,000	\$ 872,545	\$ 1,413,545
At April 1, 2014	\$ 541,000	\$ 680,034	\$ 1,221,034
Net income for the period	—	10,055	10,055
Dividends			
First Preferred Shares	—	(19)	(19)
Second Preferred Shares	—	(75)	(75)
Common Shares	—	(11,341)	(11,341)
At June 30, 2014	\$ 541,000	\$ 678,654	\$ 1,219,654

(See accompanying notes)

UNITED CORPORATIONS LIMITED

STATEMENTS OF CASH FLOW (Unaudited)

Three months ended June 30

	2015	2014
	(000's)	
Net inflow (outflow) of cash related to the following activities:		
Operating		
Net income (loss)	\$ (16,679)	\$ 10,055
Adjustments for:		
Fair value change in investments	31,906	48
Purchases of investments	(49,061)	(46,842)
Proceeds from sale of investments	48,089	60,080
Dividends and interest receivable	65	715
Deferred taxes	(7,008)	(1,916)
Net change in other assets and liabilities	(3,460)	(222)
	3,852	21,918
Financing		
Dividends paid to shareholders	(14,727)	(11,435)
Net increase (decrease) in cash and cash equivalents	(10,875)	10,483
Cash and cash equivalents at beginning of the period	26,086	13,362
Cash and cash equivalents at end of the period	\$ 15,211	\$ 23,845
Additional information for operating activities:		
Interest received	\$ 20	\$ 22
Dividends received, net of withholding taxes	14,275	13,261
Income taxes paid	7,050	10,000

(See accompanying notes)

UNITED CORPORATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS (Unaudited)

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 August 6, 2015.

2. Basis of presentation

These unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 - Interim Financial Reporting as issued by the International Accounting Standards Board and follow the same accounting policies and methods as the most recent annual financial statements. These unaudited interim condensed financial statements do not include all of the disclosures required under International Financial Reporting Standards for annual financial statements and should be read in conjunction with the notes to the Company’s audited financial statements for the year ended March 31, 2015.

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:

Classification and measurement of investments

In classifying and measuring financial instruments held by the Company, the Company is required to make significant judgments about whether or not the business of the Company is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39, Financial instruments – Recognition and Measurement (“IAS 39”). The most significant judgment made includes the determination that the Company can apply the fair value option to its investments.

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 are dependent on an assumption as to when a deferred tax liability is expected to be realized.

4. Classification of fair value measurements

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 June 30, 2015, all of the Company’s investments were Level 1 investments. There were no year-to-date transfers between Level 1 and Level 2 investments and the Company had no Level 3 investments.

UNITED CORPORATIONS LIMITED

NOTES TO FINANCIAL STATEMENTS (Unaudited)

5. Fair value change in investments

The fair value change in investments is comprised as follows:

	Three months ended June 30	
	2015	2014
	(000's)	
Net realized gain	\$ 16,245	\$ 12,904
Change in unrealized appreciation	(48,151)	(12,952)
	\$ (31,906)	\$ (48)

6. Related party transactions

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

7. Subsequent event

Common Share dividends of \$0.20 per Common Share, and \$0.375 per Preferred Share for First Preferred Shares, Second Preferred Shares, 1959 Series and Second Preferred Shares, 1963 Series, were declared by the Board of Directors at its meeting on August 6, 2015, with a record and payable date of November 5, 2015 and November 13, 2015, respectively.

UNITED CORPORATIONS LIMITED

SCHEDULE OF INVESTMENT PORTFOLIO AS AT JUNE 30, 2015 (Unaudited)

Number of Shares		Cost	Carrying value	% of Carrying value
		(000's)		
	North America			
	Canada			
Common				
3,625,680	Algom Central Corporation ¹	\$ 6,201	\$ 62,325	4.3
	United States			
81,390	3M Co.	7,987	15,665	
117,720	Automatic Data Processing Inc.	6,010	11,781	
91,840	Becton, Dickinson and Company	6,951	16,228	
128,170	BorgWarner Inc.	9,814	9,088	
325,150	CA Inc.	10,295	11,880	
212,600	Clorox Company (The)	21,875	27,586	
186,810	Colgate-Palmolive Company	9,759	15,242	
97,800	Computer Sciences Corporation	5,431	8,008	
690,100	ConAgra Foods, Inc.	22,250	37,636	
149,960	Dollar Tree, Inc.	5,689	14,776	
106,170	EOG Resources, Inc.	6,307	11,595	
88,290	Exxon Mobil Corporation	6,759	9,163	
143,100	Fiserv, Inc.	4,776	14,785	
557,100	General Mills, Inc.	25,713	38,721	
9,644	Google Inc. Class A	5,110	6,497	
14,399	Google Inc. Class C	8,034	9,349	
424,300	Hormel Foods Corporation	20,877	29,835	
69,770	IBM Corporation	12,603	14,156	
368,410	IMS Health Holdings, Inc.	12,635	14,085	
100,250	Johnson & Johnson	7,418	12,188	
190,200	JPMorgan Chase & Co.	7,865	16,076	
277,700	Kimberly Clark Corporation	26,344	36,708	
150,366	Kraft Foods Inc.	8,773	15,969	
138,300	Merck & Co., Inc.	6,584	9,821	
258,050	MetLife, Inc.	8,923	18,023	
674,890	Microsoft Corporation	28,577	37,168	
303,200	Mondelez International Inc. Class A	11,777	15,560	
123,930	Noble Energy, Inc.	6,653	6,598	
340,320	Oracle Corporation	12,065	17,108	
122,430	PepsiCo, Inc.	8,317	14,255	
721,287	Pfizer Inc.	20,629	30,168	
915,900	Staples Inc.	12,952	17,492	
86,670	TJX Companies, Inc.	7,208	7,154	
70,430	Time Warner Cable Inc.	6,264	15,653	
276,130	US Bancorp.	7,904	14,949	
162,870	Verisk Analytics Inc. Class A	8,043	14,782	
159,040	Walgreen Boots Alliance Inc.	5,464	16,752	
178,100	Waste Management Inc.	8,034	10,297	
262,411	Wells Fargo & Company	12,814	18,409	
		<u>431,483</u>	<u>661,206</u>	45.6
	Mexico			
74,510	Fomento Economico Mexicano, S.A. de C.V. ADR	4,984	8,280	0.6
	Total North America	<u>442,668</u>	<u>731,811</u>	50.5

UNITED CORPORATIONS LIMITED

SCHEDULE OF INVESTMENT PORTFOLIO AS AT JUNE 30, 2015 (Unaudited)

Number of Shares		Cost	Carrying value	% of Carrying value
		(000's)		
Europe, excluding United Kingdom				
226,106	Adidas AG	\$ 19,687	\$ 21,640	
91,528	Anheuser-Busch Inbev SA ADR.....	9,277	13,777	
309,729	AXA	6,233	9,751	
1,172,297	Banco Santander Central Hispano S.A.....	10,848	10,215	
84,238	Bayer AG	7,361	14,764	
244,333	Casino Guichard-Perrachon S.A.....	27,291	23,096	
1,356,975	Davide Campari-Milano S.p.A.....	10,643	12,883	
201,058	Delhaize Group	14,209	20,714	
82,126	Fresenius Medical Care & Co. KGaA.....	5,658	8,502	
99,540	Fresenius Medical Care & Co. KGaA ADR	1,609	5,164	
300,476	Group Danone S.A.	23,031	24,239	
74,488	Kerry Group plc.....	3,935	6,890	
1,328,222	Koninklijke Ahold NV	22,372	31,041	
107,219	Lafarge S.A.	7,428	8,836	
135,433	L'Air Liquide S.A.	16,537	21,374	
60,141	LVMH Moet Hennessy Louis Vuitton SA.....	11,175	13,148	
415,382	Nestlé SA	27,353	37,411	
78,810	Nestlé SA ADR.....	2,716	7,094	
996,873	Orange S.A.	16,295	19,151	
184,151	Publicis Groupe.....	15,002	16,989	
109,265	Roche Holding AG.....	31,573	38,198	
117,669	Sanofi.....	9,955	14,444	
161,196	Schneider Electric S.A.	12,671	13,887	
1,063,952	Securitas AB Class B	11,073	17,550	
106,351	Siemens AG	11,756	13,410	
		335,688	424,168	29.2
United Kingdom				
490,418	BG Group plc	9,234	10,191	
117,918	Diageo plc	3,676	4,258	
25,480	Diageo plc ADR.....	1,927	3,688	
324,313	GlaxoSmithKline plc.....	8,223	8,413	
1,067,076	HSBC Holdings Inc.	9,997	11,932	
336,395	National Grid plc.....	4,184	5,392	
13,000	National Grid plc ADR	596	1,047	
267,990	Royal Dutch Shell plc.....	10,800	9,458	
392,308	Standard Chartered plc.....	9,717	7,841	
2,621,790	Vodafone Group plc	11,318	11,820	
		69,672	74,040	5.1
Asia				
361,600	Asahi Group Holdings Co.....	9,366	14,371	
235,100	FamilyMart Co., Ltd.....	11,461	13,514	
46,300	Fanuc Corporation	6,936	11,856	
1,010,700	Inpex Corporation.....	13,659	14,359	
110,500	Kao Corporation	4,247	6,423	
327,900	KDDI Corporation.....	5,350	9,890	
15,988	Keyence Corporation	3,802	10,783	
537,000	Kirin Holdings Company, Limited	7,708	9,244	
945,100	Konica Minolta Holdings Inc.....	9,329	13,789	
92,800	Lawson Inc.	7,069	7,940	
176,400	Makita Corporation.....	9,501	11,959	
382,900	Mitsubishi Tanabe Pharma Corporation	6,078	7,174	
940,370	Mitsubishi UFJ Financial Group	6,503	8,447	
2,412,000	Osaka Gas Co., Ltd.....	10,501	11,902	
87,500	Secom Co. Ltd.	4,822	7,098	
860,500	Television Broadcasts Limited.....	5,634	6,370	
131,700	Toyota Motor Corporation.....	5,945	11,030	
344,100	Unicharm Corporation.....	7,603	10,222	
		135,514	186,371	12.8

UNITED CORPORATIONS LIMITED

SCHEDULE OF INVESTMENT PORTFOLIO AS AT JUNE 30, 2015 (Unaudited)

<u>Number of Shares</u>		<u>Cost</u>	<u>Carrying value</u>	<u>% of Carrying value</u>
		(000's)		
	Australia			
997,152	AGL Energy Limited	\$ 15,044	\$ 14,899	
220,959	Australia and New Zealand Banking Group Limited	5,818	6,837	
112,700	BHP Billiton Ltd-Spon ADR	7,791	5,722	
		<u>28,653</u>	<u>27,458</u>	1.9
	Brazil			
629,272	Banco Bradesco S.A. ADR.....	<u>7,877</u>	<u>7,190</u>	<u>0.5</u>
	Total investments	<u>\$1,020,072</u>	<u>\$1,451,038</u>	<u>100.0</u>

¹ This company and United are related parties.

UNITED CORPORATIONS LIMITED

CORPORATE INFORMATION

HEAD OFFICE

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Toronto, Ontario, M5H 3B8
Tel: 416-947-2578
Fax: 416-362-2592

EXTERNAL INVESTMENT MANAGERS

Jarislowsky Fraser Limited, Toronto
ValueInvest Asset Management S.A., Luxembourg

AUDITOR

PricewaterhouseCoopers LLP, Toronto

CUSTODIAN

RBC Investor Services Trust

TRANSFER AGENT AND REGISTRAR

Computershare Investor Services Inc.
100 University Avenue, 8th Floor
Toronto, Ontario, M5J 2Y1
Toll Free: 1-800-564-6253
www.computershare.com

TORONTO STOCK EXCHANGE LISTINGS

	<u>Ticker Symbol</u>
Common Shares	UNC
First Preferred Shares	UNC.PR.A
Second Preferred Shares, 1959 Series	UNC.PR.B
Second Preferred Shares, 1963 Series	UNC.PR.C

NET EQUITY VALUE

The Company's net equity value per Common Share is published weekly 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

