

# UNITED CORPORATIONS LIMITED

ANNUAL REPORT 1984



# UNITED CORPORATIONS LIMITED

Incorporated under the Laws of Canada



## DIRECTORS

G. DRUMMOND BIRKS  
Montreal

A. GEORGE DRAGONE  
Toronto

JAMES V. EMORY  
Toronto

JOCK K. FINLAYSON  
Toronto

KENNETH S. HOWARD, Q.C.  
Montreal

HENRY N. R. JACKMAN  
Toronto

ROBERT M. MACINTOSH  
Toronto

CLIFFORD S. MALONE  
Toronto

DONALD J. MIANO  
Toronto

MARTIN H. SIEGERMAN  
Toronto

IAN S. STEERS  
London, England

ALAN E. TARR  
Winnipeg

WILLIAM P. WILDER  
Toronto

## OFFICERS

HENRY N. R. JACKMAN  
Chairman and President

CLIFFORD S. MALONE  
Vice-Chairman

R. A. M. SMITH, C.A.  
Secretary and Treasurer

P. A. SMALLMAN  
Assistant Secretary and Assistant Treasurer

## Auditors

Price Waterhouse

## Transfer Agent

Montreal Trust Company.  
Shares transferable at Montreal, Toronto, Halifax,  
Winnipeg, Regina, Calgary and Vancouver.

## Registrar

The Royal Trust Company.

## Head Office

Suite 2990, South Tower  
Royal Bank Plaza  
Toronto, Ontario. M5J 2J2

## Shares Listed

First Preferred, Second Preferred (1959 and 1963 Series) and Common shares are listed on the Montreal and Toronto Stock Exchanges.

## TO THE SHAREHOLDERS:

As of March 31, 1984, the end of the company's fiscal year, net equity per common share was \$42.38, a decline of 4.1% from the corresponding figure of \$44.18 at the end of December, 1983, and an increase of 1.2% from \$41.88 at the end of June, 1983. By way of comparison, the Toronto Stock Exchange Index showed declines of 6.7% and 2.7% over the same periods.

Per share comparisons prior to June of last year are not valid because of the substantial capital gains dividend paid in May. However, an indication of our investment results for the year can be obtained from the fact that net assets available for the common shares rose from \$166,479,917 to \$185,425,690, an increase of 11.4%, after payment of common share dividends totalling \$9,190,516 of which \$5,566,344 was the cash portion of the capital gains dividend. If that cash portion is added back to the net assets at the end of the period, an admittedly rough adjustment, the increase for the year becomes 14.8% compared to an increase of 10.5% for the Toronto Stock Exchange Index.

Net income for the year amounted to \$4,311,901 compared to \$4,846,031 with the reduction largely accounted for by the fact that last year's figure included a sizeable non-recurring dividend of \$467,040 received late in the year. After provision for preferred dividends net income for the common shares was \$3,933,545, equal to 86.8¢ per share, compared to the previous year's \$4,467,676 or 98.6¢ per share with both per share figures based on the larger number of shares presently outstanding. If the non-recurring dividend were to be eliminated from last year's income, the adjusted figures would be \$4,000,636 or 88.3¢ per share. The minor decline from last year's adjusted figure is encouraging in view of the considerably higher commitment to common stocks during the 1983-84 fiscal year.

Regular dividends declared on the common shares aggregated \$3,624,172, consisting of one dividend of 22¢ per share before the capital gains dividend and three dividends of 20¢ per share on the larger number of shares outstanding thereafter. The capital gains dividend resulted in a 10% increase in outstanding shares so that, in effect, the regular dividend payout remained unchanged. However, the non-recurring dividend previously referred to resulted in a year-end extra dividend of 10¢ per share in the 1982-83 fiscal year which was not repeated in 1983-84.

At their March meeting your directors declared a regular quarterly dividend of 20¢ per common share payable May 15th to shareholders of record May 4th. In addition, at a meeting held on April 16th your directors declared a capital gains dividend of \$5.46 per common share, payable 75% in the form of common shares (equal to one new common share for every ten common shares held) at an issue price of \$40.93 per share, together with \$1.365 per share in cash. Full details with respect to the capital gains dividend were set out in a special notice to shareholders dated April 16th.

The Canadian stock market is currently in the process of digesting its explosive rise from the lows of June, 1982. In the course of that rise the market moved well ahead of underlying earnings and dividends. These are now rising strongly and should provide increasing support in coming months. However, the Canadian economic recovery to date has been spotty and this is likely to be reflected in more selective market conditions.

May 4, 1984

H. N. R. Jackman  
Chairman



CONSOLIDATED STATEMENT  
OF NET ASSETS

			March 31	
			1984	1983
<b>Assets:</b>				
Portfolio investments, at market value (average cost — 1984 — \$128,434,106; 1983 — \$114,204,508) .....			\$188,578,150	\$167,181,852
Other investment (Note 2) .....			1,285,007	1,474,144
			189,863,157	168,655,996
Cash and short-term investments .....			9,895,001	6,851,748
Accrued income on investments .....			794,965	610,690
Due from brokers .....			—	3,155,055
Income taxes recoverable .....			1,052,337	3,336,842
			201,605,460	182,610,331
<b>Liabilities:</b>				
Accrued interest payable .....			90,466	91,452
Due to brokers .....			33,030	15,215
Other accounts payable .....			66,676	50,097
			190,172	156,764
Income debenture (Note 3) .....			8,000,000	8,000,000
Deferred income taxes .....			242,925	226,975
			8,433,097	8,383,739
Net assets .....			\$193,172,363	\$174,226,592
<b>Represented by:</b>				
Stated capital (Note 4) —				
First Preferred	Second Preferred	Common		
52,237	—	2,877,480	\$ 119,384	\$ 119,384
—	200,000	—	6,000,000	6,000,000
—	—	1,652,670	44,975,286	28,342,651
52,237	200,000	4,530,150	51,094,670	34,462,035
Surplus—				
Retained income .....			2,794,334	2,484,960
Accumulated net realized gains on investments .....			79,132,720	84,279,153
			81,927,054	86,764,113
Unrealized appreciation in value of investments .....			60,150,639	53,000,444
			\$193,172,363	\$174,226,592

APPROVED BY THE BOARD:

H. N. R. Jackman, Director

C. S. Malone, Director

See notes to financial statements.

**CONSOLIDATED STATEMENT  
OF NET INCOME**

	Year ended March 31	
	1984	1983
Income:		
Dividends .....	\$ 4,970,676	\$ 5,217,086
Interest .....	878,985	1,541,400
	<u>5,849,661</u>	<u>6,758,486</u>
Expenses:		
Management fees .....	245,120	168,542
Directors' and officers' remuneration .....	104,936	103,430
Fees and expenses of trustee, registrar and transfer agents .....	68,461	56,331
Legal and audit fees .....	35,010	33,426
Capital tax .....	97,591	11,371
Office and miscellaneous expenses .....	71,905	44,735
Interest .....	4,307	152,200
	<u>627,330</u>	<u>570,035</u>
Income before the following item .....	5,222,331	6,188,451
Interest on income debentures .....	544,164	691,534
Income before income taxes .....	<u>4,678,167</u>	<u>5,496,917</u>
Foreign taxes withheld .....	153,069	92,238
Provision for income taxes:		
Current .....	197,247	331,673
Deferred .....	15,950	226,975
	<u>366,266</u>	<u>650,886</u>
NET INCOME .....	<u>\$ 4,311,901</u>	<u>\$ 4,846,031</u>
Net income per common share (Notes 5 and 8) .....	<u>\$0.87</u>	<u>\$0.99</u>

See notes to financial statements.

# UNITED CORPORATIONS LIMITED

## CONSOLIDATED STATEMENT OF SURPLUS

	Year ended March 31	
	1984	1983
RETAINED INCOME:		
Balance at beginning of year	\$ 2,484,960	\$ 2,053,466
Net income	4,311,901	4,846,031
	<u>6,796,861</u>	<u>6,899,497</u>
Dividends:		
First preferred shares	78,355	78,355
Second preferred shares	300,000	300,000
Common shares		
(per share 1984 — \$0.82; 1983 — \$0.98) (Note 5)	3,624,172	4,036,182
	<u>4,002,527</u>	<u>4,414,537</u>
Balance at end of year	<u>\$ 2,794,334</u>	<u>\$ 2,484,960</u>
ACCUMULATED NET REALIZED GAINS ON INVESTMENTS:		
Balance at beginning of year	\$ 84,279,153	\$ 87,582,305
Net gain on investments sold during the year —		
Proceeds from sale of investments	56,885,754	78,245,725
Investments at cost at beginning of year	114,204,508	113,668,879
Investments purchased during year	55,716,745	83,388,265
Investments at cost at end of year	(128,434,106)	(114,204,508)
Cost of investments sold	41,487,147	82,852,636
	<u>15,398,607</u>	<u>(4,606,911)</u>
Less: Income taxes on net taxable gains on sale of investments (Note 7)	3,895,806	(1,303,759)
Net gain (loss) on investments sold	<u>11,502,801</u>	<u>(3,303,152)</u>
	<u>95,781,954</u>	<u>84,279,153</u>
Dividend (Note 4)	(22,198,979)	—
Income tax recovery resulting from dividend paid out of realized gains on investments	5,549,745	—
	<u>(16,649,234)</u>	<u>—</u>
Balance at end of year	<u>\$ 79,132,720</u>	<u>\$ 84,279,153</u>

## CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

	Year ended March 31	
	1984	1983
Net assets at beginning of year	\$174,226,592	\$119,642,800
Add (deduct) changes during year —		
Net income	4,311,901	4,846,031
Proceeds from issue of common shares	16,632,635	—
Net gain (loss) on investments sold	11,502,801	(3,303,152)
Increase in unrealized appreciation in value of investments	7,150,195	57,455,450
Dividends —		
Retained income	(4,002,527)	(4,414,537)
Accumulated net realized gains on investments	(22,198,979)	—
Income tax recovery resulting from dividend paid out of realized gains on investments	5,549,745	—
Net assets at end of year	<u>\$193,172,363</u>	<u>\$174,226,592</u>

See notes to financial statements.



# CONSOLIDATED STATEMENT OF INVESTMENTS AS AT MARCH 31, 1984

No. of Shares or Par Value		Average Cost	Market Value	% of Net Assets
<b>Banks</b>				
104,500	Bank of Montreal .....	\$ 2,532,197	\$ 2,612,500	
260,400	The Bank of Nova Scotia .....	2,601,697	3,092,250	
52,430	The Royal Bank of Canada .....	971,016	1,559,793	
694,494	The Toronto-Dominion Bank .....	6,345,034	10,330,598	
		<u>12,449,944</u>	<u>17,595,141</u>	9.11
<b>Trust, Savings &amp; Loan</b>				
90,000	First City Financial Corporation Ltd. ....	2,030,400	2,452,500	
450,000	National Trust Company, Limited .....	10,777,190	17,775,000	
		<u>12,807,590</u>	<u>20,227,500</u>	10.47
<b>Publishing &amp; Printing</b>				
23,000	Southam Inc. ....	852,997	1,104,000	
226,100	Thomson Newspapers Limited Class A .....	4,852,824	8,987,475	
54,734	The Toronto Sun Publishing Corporation .....	519,227	1,094,680	
		<u>6,225,048</u>	<u>11,186,155</u>	5.79
<b>TV &amp; Radio</b>				
105,000	CHUM Limited Class B .....	1,831,376	2,835,000	
309,400	Maclean Hunter Limited Class Y .....	1,574,798	5,453,175	
		<u>3,406,174</u>	<u>8,288,175</u>	4.29
<b>Breweries</b>				
90,000	John Labatt Limited .....	1,227,367	1,788,750	.93
<b>Food Processing</b>				
89,600	Canada Packers Inc. ....	1,621,339	2,464,000	1.28
<b>Manufacturing</b>				
221,800	CAE Industries Ltd. ....	438,972	4,131,025	
200,000	Canadian Marconi Company .....	1,584,612	5,000,000	
102,000	G & B Automated Equipment Limited .....	1,479,000	918,000	
78,100	Hayes-Dana Inc. ....	953,010	1,327,700	
203,000	Magna International Inc. Class A .....	2,994,250	3,095,750	
		<u>7,449,844</u>	<u>14,472,475</u>	7.49
<b>Food Retailers</b>				
105,500	Loblaw Companies Limited .....	1,014,645	1,556,125	
220,700	The Oshawa Group Limited Class A .....	5,695,238	8,165,900	
76,200	Provigo Inc. ....	1,410,254	1,409,700	
		<u>8,120,137</u>	<u>11,131,725</u>	5.76
<b>Specialty Retailers</b>				
153,600	Canadian Tire Corporation, Limited Class A .....	1,754,550	1,824,000	
53,185	Consumers Distributing Company Limited Class A .....	249,788	385,591	
106,370	Consumers Distributing Company Limited Class B .....	499,576	771,183	
\$1,000,000	Consumers Distributing Company Limited 11.875% Conv. Sub. Deb. December 14, 1997 .....	1,000,000	1,430,000	
280,000	Dylex Limited Class A Pfd. ....	4,270,000	5,845,000	
		<u>7,773,914</u>	<u>10,255,774</u>	5.31
<b>Wholesale Distributors</b>				
123,000	Acklands Limited .....	1,968,000	2,229,375	
216,300	CORE-MARK International Inc. ....	2,896,542	2,865,975	
		<u>4,864,542</u>	<u>5,095,350</u>	2.64

# UNITED CORPORATIONS LIMITED

## CONSOLIDATED STATEMENT OF INVESTMENTS (continued)

No. of Shares or Par Value		Average Cost	Market Value	% of Net Assets
<b>Gold &amp; Silver</b>				
47,700	Bachelor Lake Gold Mines Inc. ....	\$ 166,950	\$ 310,050	
99,300	Giant Yellowknife Mines Limited .....	2,492,764	2,432,850	
84,600	Golden Sceptre Resources Ltd. ....	1,664,819	1,670,850	
85,500	Kiena Gold Mines Limited. ....	2,106,733	2,223,000	
46,796	Lac Minerals Ltd. ....	827,443	1,743,151	
80,775	Lake Shore Mines, Limited. ....	1,998,408	4,079,137	
215,300	Quebec Sturgeon River Mines Limited. ....	1,618,158	1,937,700	
83,000	Sigma Mines (Quebec) Limited .....	1,032,663	1,390,250	
		<u>11,907,938</u>	<u>15,786,988</u>	8.17
<b>Oil &amp; Gas Producers</b>				
137,684	International Atlantis Resources Ltd. ....	236,900	302,905	
126,600	Canada Northwest Energy Limited .....	2,826,405	4,367,700	
165,000	Omega Hydrocarbons Ltd. ....	1,432,300	1,691,250	
875,000	Warren Explorations Limited .....	410,338	166,250	
875,000	Warren Explorations Limited Warrants. ....	—	17,500	
		<u>4,905,943</u>	<u>6,545,605</u>	3.39
<b>Real Estate &amp; Construction</b>				
188,000	Cambridge Shopping Centres Limited .....	2,679,000	2,514,500	
94,000	Cambridge Shopping Centres Limited Warrants .....	282,000	267,900	
202,600	Campeau Corporation .....	3,862,723	4,001,350	
37,500	Campeau Corporation Warrants .....	112,500	196,875	
22,650	Trizec Corporation Ltd. Class A. ....	269,690	413,362	
22,650	Trizec Corporation Ltd. Class B. ....	269,690	419,025	
2,265	Trizec Corporation Ltd. Sr. Pfd. Class B Series 3. ....	13,263	22,367	
		<u>7,488,866</u>	<u>7,835,379</u>	4.06
<b>Transportation</b>				
301,640	Algoma Central Railway .....	4,981,026	6,183,636	
287,300	Laidlaw Transportation Limited Class A. ....	414,371	3,698,987	
532,700	Laidlaw Transportation Limited Class B. ....	1,827,506	6,325,813	
		<u>7,222,903</u>	<u>16,208,436</u>	8.39
<b>Telephone</b>				
242,400	Bell Canada Enterprises Inc. ....	5,347,943	7,211,400	3.73
<b>Miscellaneous</b>				
113,600	Crownx Inc. Class A .....	2,147,106	1,760,800	
195,400	MDS Health Group Limited Class B. ....	1,162,374	3,126,400	
9,076	Solartech Limited .....	246,690	45,380	
		<u>3,556,170</u>	<u>4,932,580</u>	2.55



# CONSOLIDATED STATEMENT OF INVESTMENTS (continued)

No. of Shares or Par Value		Average Cost	Market Value	% of Net Assets
<b>Foreign</b>				
40,785	Abbott Laboratories Inc. ....	\$ 2,032,939	\$ 2,141,213	
38,000	Deluxe Check Printers, Incorporated .....	1,765,656	1,819,060	
58,600	Esmark, Inc. ....	2,892,447	3,197,802	
61,241	General Defense Corporation .....	661,242	1,250,541	
38,000	General Electric Company .....	1,323,772	2,655,820	
36,900	International Business Machines Corporation .....	5,287,661	5,363,784	
60,900	The Japan Technology Fund .....	1,494,221	2,559,018	
25,000	M.D.C. Corporation .....	123,218	319,250	
15,000	Novo Industri A/S ADR .....	650,430	931,050	
320,000	Refuge Assurance plc .....	2,341,775	2,614,400	
35,000	TAMPAX Incorporated .....	1,528,928	2,234,050	
145,874	Unifi, Inc. ....	1,956,155	2,466,729	
		<u>22,058,444</u>	<u>27,552,717</u>	<u>14.26</u>
<b>Total Portfolio Investments</b> .....		<b>\$128,434,106</b>	<b>\$188,578,150</b>	<b>97.62%</b>
<b>Short Term Investments</b> .....		<b>9,071,075</b>	<b>9,077,675</b>	<b>4.70</b>
<b>Net Liabilities</b> .....		<b>(4,483,462)</b>	<b>(4,483,462)</b>	<b>(2.32)</b>
<b>Net Assets</b> .....		<b><u>\$133,021,719</u></b>	<b><u>\$193,172,363</u></b>	<b><u>100.00%</u></b>

**NOTES  
TO CONSOLIDATED  
FINANCIAL STATEMENTS**  
March 31, 1984

1. Summary of accounting policies:

(a) Principles of consolidation —

The consolidated financial statements include the accounts of the Corporation and its wholly-owned subsidiary, UNC Holdings Limited. The present purpose of the subsidiary is to acquire joint venture interests in petroleum and natural gas exploration and development.

(b) Portfolio investments —

Portfolio investments are carried at market value which is determined from published last sales prices on national securities exchanges at March 31, 1984. When no quoted market is available, the market value of investments is determined by the directors of the Corporation.

No provision is made for deferred income taxes on the unrealized appreciation in value of investments as at March 31.

(c) Other investments —

The investments in joint ventures are carried at the lower of amortized cost and net realizable value.

(d) Income taxes —

The Corporation provides for income taxes on the tax allocation basis. The cumulative differences between tax calculated on such basis and that calculated under current Income Tax laws are timing differences and are reflected as Deferred income taxes.

(e) Dividend and interest income —

Dividend income is recognized on the ex-dividend date and interest income is recognized as earned.

(f) Foreign exchange —

The average cost of foreign investments is the cost thereof translated into Canadian dollars at the rate of exchange prevailing at the time of purchase. The market value of such investments at March 31, 1984 has been translated into Canadian dollars at the exchange rate prevailing at that date.

2. Other investment:

The other investment consists of the following —

	March 31	
	1984	1983
Interest in Atlantis Resources joint ventures . . . . .	<u>\$1,285,007</u>	<u>\$1,474,144</u>

3. Income debenture:

The income debenture is due August 1, 1986 and is repayable in whole or in part at the option of United Corporations Limited on 30 days' notice. This debenture bears interest at a variable rate determined in relation to the prime lending rate. At March 31, 1984 the rate was 7.0%.

4. Stated capital:

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

- (a) 52,237 First Preferred Shares without nominal or par value are redeemable at \$30.00 each;
- (b) 200,000 Second Preferred Shares without nominal or par value, issuable in series of which Second Preferred Shares (i) 80,290 shares are designated \$1.50 Cumulative Redeemable Second Preferred Shares, 1959 Series and are redeemable at \$30.00 each and (ii) 119,710 shares are designated \$1.50 Cumulative Redeemable Second Preferred Shares, 1963 Series and are redeemable at \$31.50 each;

**NOTES  
TO CONSOLIDATED  
FINANCIAL STATEMENTS**  
Continued

(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 of which the stated value does not exceed \$15,000,000; and

(d) an unlimited number of Common Shares without nominal or par value.

During the year, the Corporation declared a dividend of \$5.39 per common share out of realized gains on investments, payable May 13, 1983 to shareholders of record May 5, 1983. The dividend was payable \$4.04 in stock and \$1.35 in cash. 411,597 common shares were issued for a total consideration of \$16,632,635 in satisfaction of the stock dividend, resulting in the issue of one common share for every ten common shares outstanding at the record date.

The Corporation has an employees' stock option plan under which options for the purchase of 66,290 common shares may be granted. During the current fiscal year, no options were granted or exercised.

5. Net income and dividends per common share:

The amounts noted in the financial statements for net income per common share and common share dividends from retained income have been calculated giving retroactive effect to the stock dividend of 411,597 common shares paid on May 13, 1983.

6. Net equity value of the Corporation's common shares:

The net equity value of the Corporation's common shares is determined by adding the total amount of refundable capital gains tax on hand (Note 7) to the net assets and deducting from the resulting total the outstanding preferred shares at their cost of redemption. Net equity value per common share is the net equity value divided by the number of common shares outstanding. The net equity value for 1983 has been restated to reflect the stock dividend of 411,597 common shares paid on May 13, 1983.

	March 31	
	1984	1983
Net assets .....	\$193,172,363	\$174,226,592
Add:		
Refundable capital gains tax on hand		
at end of year .....	6,558,585	8,212,524
	199,730,948	182,439,116
Deduct:		
Cost of redemption —		
First preferred shares .....	1,567,110	1,567,110
Second preferred shares .....	6,179,565	6,179,565
	7,746,675	7,746,675
Net equity value .....	\$191,984,273	\$174,692,441
Net equity value per common share (Note 8) .....	\$42.38	\$38.56

7. Income taxes:

The Corporation qualifies as an investment corporation under Section 130 of the Income Tax Act, Canada. As such, dividends received from taxable Canadian corporations are not taxed while other income is taxed at reduced rates.

Taxes on capital gains are refundable when the Corporation distributes such gains by way of capital gains dividends to its shareholders. The Corporation has refundable capital gains tax on hand of \$6,558,585 at March 31, 1984. This potential recovery has not been recorded in the Corporation's accounts.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS Continued

### 8. Subsequent event:

On April 16, 1984 the Corporation declared a dividend of \$5.46 per common share out of realized gains on investments, payable on May 15, 1984 to shareholders of record May 7, 1984. The dividend is payable \$4.095 in stock and \$1.365 in cash. Approximately 453,015 common shares will be issued for a total consideration of \$18,541,904 in satisfaction of the stock dividend, resulting in the issue of 1 common share for each 10 common shares outstanding at the record date.

This dividend will result in a \$6,293,774 recovery of the Corporation's refundable capital gains tax on hand of \$6,558,585 at March 31, 1984.

The amounts noted in the financial statements for net income per common share and net equity value per common share would be \$0.79 and \$37.26 respectively, after giving retroactive effect to the stock dividend and the reduction in the refundable capital gains tax on hand at March 31, 1984.

## AUDITORS' REPORT

### To the Shareholders of United Corporations Limited:

We have examined the consolidated financial statements of United Corporations Limited for the year ended March 31, 1984 which appear on pages 2 to 10 inclusive. Our examination was made in accordance with generally accepting auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position and investments of the Corporation as at March 31, 1984 and the results of its operations and the changes in its net assets for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Ontario  
April 27, 1984

Price Waterhouse  
Chartered Accountants

## SUMMARY STATEMENTS OF NET ASSETS (all investments at market)

Portfolio —	1984 March 31st	1983 March 31st	1982 March 31st	1981 March 31st	1980 March 31st	1979 March 31st
Cash, etc, Short Term Notes, Bonds & Term Preferred .....	\$ 11,742,303	\$ 13,954,335	\$ 24,916,714	\$ 10,296,242	\$ 3,735,165	\$ 2,596,475
Less: Liabilities .....	433,097	383,739	168,653	8,677,596	4,976,793	1,215,073
Net Reserves .....	11,309,206	13,570,596	24,748,061	1,618,646	(1,241,628)	1,381,402
Common Stocks .....	187,148,150	162,818,139	99,146,496	189,805,325	140,795,534	112,394,754
Convertibles .....	1,430,000	4,363,713	2,021,428	3,882,103	310,000	1,356,887
Total Portfolio Investments and Cash .....	199,887,356	180,752,448	125,915,985	195,306,074	139,863,906	115,133,043
Investment in and advances to Subsidiary and Affiliated Companies .....	1,285,007	1,474,144	1,726,815	1,836,900	1,836,420	1,659,654
Net Assets available for investment	201,172,363	182,226,592	127,642,800	197,142,974	141,700,326	116,792,697
Less: Bank loan and income Debenture .....	8,000,000	8,000,000	8,000,000	8,000,000	9,657,040	9,506,120
Total Net Assets .....	<u>\$193,172,363</u>	<u>\$174,226,592</u>	<u>\$119,642,800</u>	<u>\$189,142,974</u>	<u>\$132,043,286</u>	<u>\$107,286,577</u>
<b>Capitalization —</b>						
Senior Capital at Redemption Prices: —						
First Preferred Shares .....	\$ 1,567,110	\$ 1,567,110	\$ 1,567,110	\$ 1,567,110	\$ 1,567,110	\$ 1,567,110
Second Preferred Shares .....	6,179,565	6,179,565	6,179,565	6,179,565	6,179,565	6,179,565
Total Senior Capital .....	7,746,675	7,746,675	7,746,675	7,746,675	7,746,675	7,746,675
Net Assets for Common Shares* ..	185,425,690	166,479,917	111,896,125	181,396,299	124,296,611	99,539,902
	<u>\$193,172,363</u>	<u>\$174,226,592</u>	<u>\$119,642,800</u>	<u>\$189,142,974</u>	<u>\$132,043,286</u>	<u>\$107,286,577</u>
*Percentage of Common Stocks & Convertibles to Net Assets for Common Shares .....	101.7%	100.4%	90.4%	106.8%	113.5%	114.3%

# UNITED CORPORATIONS LIMITED

## FINANCIAL RECORD 1965-1984

Year	Total Net Assets at Market Value Before Funded Debt	Funded Debt and Preferred Shares	Common Shares						
			Shares Outstanding	Net Equity		Net Income		Dividends Per Share	
				Total	Per Share	Total	Per Share	Income	Capital
1965...	\$ 66,117,062	\$ 7,746,675	\$3,474,723	\$ 58,370,387	\$16.80	\$1,503,104	\$0.43	\$0.41	\$—
1966...	63,155,547	7,746,675	3,475,423	55,408,872	15.94	1,664,295	0.48	0.44	—
1967...	74,756,817	7,746,675	3,504,873	67,010,142	19.11	1,740,530	0.50	0.46	—
1968...	84,930,355	7,746,675	3,510,873	77,183,680	21.98	1,700,009	0.48	0.72	—
1969...	78,768,892	7,746,675	3,515,873	71,022,217	20.20	1,865,674	0.53	0.48	0.34
1970...	71,219,714	7,746,675	3,515,873	63,455,575	18.05	1,981,177	0.56	0.52	0.36
1971...	73,401,432	7,746,675	3,515,873	65,654,757	18.67	1,669,008	0.47	0.48	0.42
1972...	86,757,181	7,746,675	3,515,873	79,020,426	22.47	1,723,962	0.49	0.48	0.25
1973...	83,758,227	7,746,675	3,517,473	76,149,951	21.64	374,400 (a)	0.11 (a)	0.12 (a)	0.25 (a)
1974...	82,457,336	7,746,675	3,517,473	74,926,140	21.29	1,996,086	0.56	0.52	—
1975...	71,674,185	7,746,675	3,522,473	64,152,989	18.21	2,790,691	0.79	0.68	—
1976...	80,075,495	15,746,675	3,522,473	64,544,289	18.32	2,522,400	0.72	0.68	—
1977...	78,614,477	15,746,675	3,522,473	63,083,281	17.90	2,115,947	0.60	0.68	—
1978...	82,829,205	15,746,675	3,522,473	67,298,009	19.10	2,335,097	0.66	0.68	—
1979...	116,792,697	17,252,795	3,522,473	100,281,048	28.47	2,478,094	0.70	0.68	—
1980...	141,700,326	17,403,715	3,564,573	129,232,435	36.25	3,702,505	1.05	0.875	—
1981...	197,142,974	15,746,675	3,564,573	194,350,489	54.52	4,808,304	1.35	1.30	—
1982...	127,642,800	15,746,675	4,118,553	121,412,408	29.48	4,437,026	1.08	0.99	8.00 (b)
1983...	182,226,592	15,746,675	4,118,553	174,692,441	42.42	4,467,676	1.08	0.98	—
1984...	201,172,363	15,746,675	4,530,150	191,984,273	42.38	3,933,545	0.87	0.82	5.39 (c)

(a) For the three months ending March 31, 1973.

(b) Paid \$2 in cash, \$6 in Common Shares.

(c) Paid \$1.35 in cash, \$4.04 in Common Shares.

All prior per share amounts have not been adjusted for the shares issued as stock dividends in 1982 and 1984.





