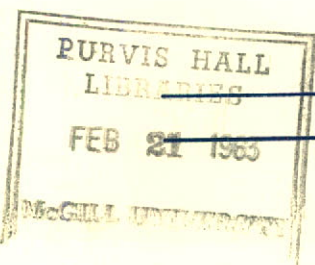


C. S. Tach
1962

UNITED CORPORATIONS LIMITED

Thirtieth
Annual Report

FOR THE YEAR ENDED
DECEMBER 31, 1962



UNITED CORPORATIONS LIMITED

(Incorporated under The Companies Act, Canada)

ANNUAL REPORT

for the year ended December 31, 1962

DIRECTORS

EDGAR G. BURTON, C.B.E.

WILBERT H. HOWARD, C.B.E., Q.C.

MICHAEL H. CRICHTON, O.B.E.

MAXWELL C. G. MEIGHEN, O.B.E.

JAMES V. EMORY

ALAN E. TARR

JOHN E. FARMER

OSMOND B. THORNTON, O.B.E.

CHARLES L. GUNDY

ALEXANDER FITZJAMES GRAHAM-WATSON

OFFICERS

JAMES V. EMORY, *President*

CHARLES L. GUNDY, *Vice-President*

GEORGE B. SEELY, *General Manager*

ISABEL WATERHOUSE, *Secretary and Treasurer*

EVELYN CLAYTON, *Asst.-Secretary and Asst.-Treasurer*

HEAD OFFICE, The Royal Bank of Canada Building, Place Ville Marie, Montreal 2, Que., Canada

UNITED CORPORATIONS LIMITED

REPORT OF THE DIRECTORS

To be submitted at the THIRTIETH ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS OF UNITED CORPORATIONS LIMITED:

Your Board of Directors present with pleasure the 30th Annual Report of your company for the year ended December 31, 1962.

Balance Sheet (see page 4)

The aggregate market value of your company's assets as at December 31, 1962, was \$42,254,104. Calculated in the conventional manner and allowing \$30 each in respect of the outstanding Class "A" and Preferred Shares (their redemption price), the indicated net equity behind each of the three classes of shares as at that date was as follows:—

Class "A" — \$41,868,337 or \$801.50 per share (covered 26.7 times)
Preferred — \$40,301,227 or \$501.94 per share (covered 16.7 times)
Class "B" — \$37,892,527 or \$ 33.04 per share

The figure of \$33.04 per Class "B" Share was 6.4% lower than the corresponding figure of \$35.31 as at the end of 1961 but was still, by a considerable margin, the second highest year-end equity per Class "B" Share in the history of the company.

Revenue Account (see page 5)

Net revenue for the year, after all charges, was \$1,340,004. After allowing for the declaration of four quarterly dividends on the Class "A" and Preferred Shares, a balance of \$1,141,214 remained available for the payment of dividends on the Class "B" Shares, an increase of \$24,349 over the balance for 1961 and an all-time high. This marks the nineteenth consecutive year in which the net revenue available for dividends to Class "B" shareholders has increased.

On the basis of 1,146,791 Class "B" Shares outstanding at the end of 1962, earnings per share amounted to 99 5¢, also an all-time high.

Dividends

Class "A" dividends totalling \$78,355, which were earned 17.1 times, were declared in 1962. Dividends declared on the Preferred Shares amounted to \$120,435 and were earned 10.5 times.

Commencing with the dividend declared on July 17, 1962, the regular quarterly dividend rate on the Class "B" Shares was raised from 20¢ to 22½¢, bringing the regular annual dividend rate to 90¢ per share. Therefore, regular dividends declared on the Class "B" Shares during 1962 consisted of two quarterly dividends of 20¢ per share each and two quarterly dividends of 22½¢ per share each, a total of 85¢. All of these dividends were paid in 1962 and the extra dividend of 15¢ per share, declared in December, 1961, was also paid in February, 1962. This resulted in the Class "B" shareholders receiving dividends aggregating \$1.00 per share in 1962.

In addition to the regular dividends totalling 85¢ per share declared in 1962, an extra dividend of 10¢ per share was declared in December, payable on February 15, 1963. This brought total Class "B" dividends declared in 1962 to 95¢ per share.

Payment of four regular quarterly dividends of 22½¢ per share in 1963, together with the 10¢ extra referred to above, would result in the Class "B" shareholders receiving dividends aggregating \$1.00 per share in 1963.

Statement of Surplus (see page 5)

During the year, Revenue Surplus increased by \$55,061 and Capital Surplus decreased by \$329,562. The over-all net decrease in Surplus Account of \$274,051 brought total Surplus, as at December 31, 1962, to \$24,834,030.

There were two adjustments of Revenue Surplus which deserve special comment. During 1962 your company moved to new quarters in Suite 531, The Royal Bank of Canada Building, Place Ville Marie, and, in order to avoid the distortion of 1962 revenue figures by deducting a non-recurring item, moving expenses of \$15,603 were charged to Revenue Surplus. In the 1961 Annual Report, mention was made of the charging to Revenue Surplus of a federal income tax assessment of \$42,289 in connection with the acquisition by your company of the net assets of London Canadian Investment Corporation. Representations made in 1962 resulted in \$19,425 of that sum being refunded and credited back to Revenue Surplus. This matter now appears to be closed.

The decrease in Capital Surplus is explained later in this report under the heading Portfolio and Investment Policy.

Employee Stock Option Plan

No options were granted during 1962 under the Employee Stock Option Plan. Outstanding options on 3,500 Class "B" Shares were exercised during 1962 and options on an additional 10,000 Class "B" Shares were exercised after January 22, 1963, the date of the Auditors' Report. This brought the total number of optioned shares purchased to 19,500 out of the total of 22,250 Class "B" Shares that were covered by such options.

Portfolio and Investment Policy

The investment portfolio of your company as at December 31, 1962, is set out on pages 6 and 7 of this report. A comparison with the portfolio included in the 1961 Annual Report will reveal that an unusually large number of changes have taken place.

It is perhaps unnecessary to point out that 1962 was a year of wide gyrations in security prices all over the world and hence a year of more than usual investment uncertainty. Fortunately, a difficult year had been foreseen, so your company was, by the end of January, in a conservative investment position. That position was maintained during the spring but, starting with the market break in May, a program of increased equity investment was initiated and continued through the summer and autumn. Recently, our rate of equity buying has been slowed as stock prices, both in Canada and New York, have rallied sharply.

Coincident with this buying program, the bond portfolio of your company was re-constituted to increase its liquidity and the equity portfolio was adjusted in an effort to develop larger holdings of those securities believed to have the best prospects for the longer term.

As a result of these activities, the number of individual investments in the portfolio was reduced and the bond list at year-end consisted principally of government issues.

Because many of the changes outlined above were made in a period of low market prices, it was inevitable that some losses from book cost had to be accepted. As a consequence, a net book loss of \$329,562 on sales of investments was incurred and charged to Capital Surplus.

It is particularly difficult at this time to lay down a firm long-term investment policy. Subject to changes that unforeseen circumstances may make necessary, however, the policy of your company for some time to come will be to invest a larger percentage of its assets in equities than has recently been the case. This is predicated on the opinion of your directors that there are good prospects for economic growth in the second half of this decade and that, as a consequence, a carefully planned program of equity investment will produce the best results over the longer term.

The objective of your company will remain, as it has always been, to provide its shareholders, within the limits of reasonable prudence, with the maximum return on their investment in the form of both current income and growth of capital.

Thirtieth Anniversary

On this occasion of the thirtieth Annual Report of your company, it is appropriate that reference be made to its record during the past thirty years. Your attention is, accordingly, directed to the Record of Asset Valuations and Revenue set out on page 8.

Your company commenced operations on May 29, 1933, when it acquired the undertaking and assets as a going concern, as at December 31, 1932, of its predecessor, Consolidated Investment Corporation of Canada. The first Annual Report covered the year 1933, at which time income was insufficient to permit the payment of dividends on the Class "A" Shares and the net equity available for Class "B" shareholders was a minus quantity.

The progress made during the next thirty years speaks for itself and it is particularly fitting that it be brought to the notice of shareholders at this time in that the death of Mr. N. K. Gordon, referred to below, marked the passing of the last of the original directors and officers of your company from an active role in its management.

Ney Kingsley Gordon

It is with deep regret that we report the death on September 21, 1962, of Mr. N. K. Gordon. Mr. Gordon had served as an officer of your company from its inception and was elected President in 1954, which office he held at the time of his death.

Mr. Gordon, at all times, did his utmost to advance the interests of your company and his fine qualities of heart and mind endeared him to his fellow directors and members of his staff, all of whom mourn him as a valued friend. His wise counsel will be greatly missed.

Directors and Officers

During the year Mr. John E. Farmer was elected a Director, Mr. James V. Emory, formerly Vice-President, was elected President to succeed Mr. Gordon, Mr. Charles L. Gundy was elected Vice-President, and Mr. George B. Seely, formerly Assistant to the President, was appointed General Manager.

Mr. Michael H. Crichton, O.B.E., has been a valued Director of your company since 1960. He has asked that, because of the pressure of other business, he be not nominated for re-election at the Annual Meeting. Your Directors have agreed, with regret, to comply with his request.

United Bond & Share Limited

In 1959, your company and an associated investment company collaborated in the formation of United Bond & Share Limited. Each owns 50% of its shares. That company provides investment management services to the public on a fee basis and its staff comprises only officers and employees of your company.

United Bond & Share Limited is now making a noticeable contribution to the net income of your company. It is expected that this contribution will continue to increase as its operations expand.

On behalf of the Directors,

JAMES V. EMORY,
President.

FEBRUARY 18, 1963.

UNITED CORPORATIONS LIMITED

BALANCE SHEET — DECEMBER 31, 1962

ASSETS

INVESTMENTS AT COST.....	\$32,955,683
On the basis of market quotations, the value of the securities owned by the Corporation at December 31, 1962, was \$41,731,323 including securities quoted in U.S. funds and Sterling funds which have been translated to Canadian funds at the rate of exchange quoted on December 31, 1962.	
CASH ON DEPOSIT.....	473,736
ACCRUED INTEREST ON INVESTMENTS.....	48,048
ACCOUNTS RECEIVABLE AND PREPAID EXPENSES.....	996
OFFICE FURNITURE.....	1
	<u>\$33,478,464</u>

LIABILITIES

SUNDRY LIABILITIES:

Due to brokers on delivery of securities (net).....	\$ 194,743	
Accrued taxes on income.....	21,038	
Dividends declared payable February 15, 1963.....	165,039	
Other accounts payable.....	4,947	\$ 385,767

CAPITAL STOCK (Notes 1 and 2):

	Class "A"	Preferred	Class "B"		
Authorized.....	52,237	200,000	2,000,000		
Issued.....	52,237		959,160	for a consideration of	\$ 119,384
		80,290	" " " "		2,408,700
			187,631	" " " "	5,730,583
	<u>52,237</u>	<u>80,290</u>	<u>1,146,791</u>		<u>8,258,667</u>

SURPLUS:

Balance of Revenue, per statement attached.....	\$ 865,766	
Balance of profits realized from sale of investments and cancellation of the Corporation's Bonds, per statement attached.....	23,968,264	24,834,030
		<u>\$33,478,464</u>

SIGNED ON BEHALF OF THE BOARD:

J. V. EMORY, *Director*.
W. H. HOWARD, *Director*.

AUDITORS' REPORT TO THE SHAREHOLDERS OF UNITED CORPORATIONS LIMITED

We have examined the Balance Sheet of United Corporations Limited as at December 31, 1962 and the Statements of Surplus and Revenue Account for the year ended on that date and the notes thereto and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the Corporation, the accompanying Balance Sheet and Statements of Surplus and Revenue Account and the notes thereto are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Corporation as at December 31, 1962 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

MONTREAL, January 22, 1963.

PRICE WATERHOUSE & CO.
Chartered Accountants.

UNITED CORPORATIONS LIMITED

REVENUE ACCOUNT

for the year ended December 31

	1962	1961
Dividends received and interest received and accrued	\$ 1,546,552	\$ 1,494,193
Stock dividends received and sold	23,906	56,906
	<u>\$ 1,570,458</u>	<u>\$ 1,551,099</u>
Less: United Kingdom, United States and other withholding taxes	33,298	37,878
	<u>\$ 1,537,160</u>	<u>\$ 1,513,221</u>
Management expenses	\$ 64,717	\$ 58,414
Executive salaries	46,141	49,872
Fees and expenses of trustee, registrar and transfer agents . . .	15,155	16,096
Directors' fees	15,675	15,300
Taxes, other than income taxes	2,422	2,410
Miscellaneous expenses	3,335	2,998
Staff Pension Plan, current premium	7,711	7,476
	<u>155,156</u>	<u>152,566</u>
Net Revenue for the year before taxes on income . .	\$ 1,382,004	\$ 1,360,655
Provision for taxes on income	42,000	45,000
Net Revenue for the year	<u>\$ 1,340,004</u>	<u>\$ 1,315,655</u>

STATEMENT OF SURPLUS

as at December 31, 1962

Balance of Revenue at December 31, 1961	\$ 810,705
Net Revenue for the year ended December 31, 1962, per statement attached	\$1,340,004
Less:	
Dividends on Class "A" Shares	\$ 78,355
Dividends on Preferred Shares	120,435
Dividends on Class "B" Shares	1,089,975
	<u>1,288,765</u>
	51,239
	<u>\$ 861,944</u>
Add: Recovery of expenses of merger	19,425
	<u>\$ 881,369</u>
Deduct: Expenses applicable to occupancy of new office	15,603
	<u>\$ 865,766</u>
Balance as at December 31, 1961, of profits realized from the sale of investments and cancellation of the Corporation's Bonds (less appropriated for the redemption of 12,033 Class "A" shares of the Corporation)	\$24,297,826
Deduct: Net loss on sale of investments during the year ended December 31, 1962	329,562
	<u>23,968,264</u>
Surplus at December 31, 1962	<u>\$24,834,030</u>

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1962

Note 1:

Class "A" Shares, without nominal or par value, preferred as to cumulative dividends of \$1.50 per share per annum, and as to assets on a winding-up to the extent of \$30 per share plus accrued and unpaid dividends. Redeemable on sixty days' notice at \$30 per share plus accrued and unpaid dividends.

Preferred Shares of the par value of \$30 each, issuable in series, preferred over the Class "B" Shares as to cumulative dividends and as to repayment of capital, accrued dividends and specified premium, if any, on winding-up. The rates of dividend and redemption and winding-up premiums, if any, in respect of each series are as determined by the Directors prior to the issue of any shares of that series. The Preferred Shares are subject and subordinate to the Class "A" Shares of the Corporation. The first series of these Preferred

Shares consists of 80,290 5% Cumulative Redeemable Preferred Shares, 1959 Series, redeemable (on thirty days' notice) and repayable on winding-up at par plus accrued dividends.

Class "B" Shares, without nominal or par value.

Note 2:

40,840 unissued Class "B" Shares of the Corporation have been reserved for issue under an Employee Stock Option Plan as approved by the Class "B" shareholders on April 21, 1958. At December 31, 1962, options to purchase 22,250 of such shares, at a price per share equal to 80% of the market value at the time of granting, had been granted to selected employees. Options have been exercised to purchase 9,500 shares including 3,500 during 1962.

UNITED CORPORATIONS LIMITED

DISTRIBUTION OF INVESTMENTS

DECEMBER 31, 1962

(with comparative market values and percentages for Dec. 31, 1961)

	1962		1961	
	MARKET VALUE	PERCENTAGE	MARKET VALUE	PERCENTAGE
Cash etc. & Short Term Notes.....	\$ 822,781	1.95%	\$ 1,306,719	2.89%
Canadian & U.S.A. Government & Guaranteed Bonds.....	3,620,000	8.57	4,368,913	9.68
Canadian Provincial & Provincial Guaranteed Bonds.....	348,575	0.82	1,954,738	4.33
Corporate Bonds — Ordinary.....	847,268	2.01	1,758,022	3.90
Miscellaneous Bonds.....	33,058	0.08	31,185	0.07
Preferred Stocks.....	1,869,436	4.42	1,613,146	3.58
Corporate Bonds — with Warrants.....	98,550	0.23	106,875	0.24
Corporate Bonds — Convertible.....	1,951,720	4.62	2,169,920	4.81
Preferred Stocks — Convertible.....	508,813	1.20	436,775	0.97
Common Stocks.....	32,153,903	76.10	31,371,916	69.53
Total Assets.....	<u>\$42,254,104</u>	<u>100.00%</u>	<u>\$45,118,209</u>	<u>100.00%</u>

Geographical distribution at December 31, 1962 was:

Canada

84.81%

United States

11.40%

Foreign
(excluding U.S.A.)
3.79%

PORTFOLIO OF INVESTMENTS

AS AT DECEMBER 31, 1962

NO. OF SHARES OR PAR VALUE	MARKET VALUE	PERCENT TOTAL ASSETS	NO. OF SHARES OR PAR VALUE	MARKET VALUE	PERCENT TOTAL ASSETS
\$ 300,000 Short Term Notes.....	\$ 300,000	0.71%	PREFERRED STOCKS — EXCLUDING CONVERTIBLES		
			855 Alberta Gas Trunk Line Co. Ltd..6¼%	\$ 93,195	
			1,145 Alberta Gas Trunk Line Co. Ltd..5¾%	122,515	
			2,250 Argus Corp. Ltd.....\$2.60	117,000	
			3,000 Avalon Telephone Co. Ltd.....5¼%	76,500	
			5,500 Bailey Selburn Oil & Gas Ltd....5%	126,500	
			1,000 Bowater Corp. of N.A. Ltd.....5¼%	51,500	
			500 B.C. Telephone Co.....6¼%	53,062	
			4,675 Cnd. Celanese Ltd.....\$1.75	167,131	
			2,000 Cnd. Food Products Ltd.....6%	97,000	
			3,300 Cdn. West. Nat. Gas Co. Ltd....5¼%	72,600	
			6,175 Dom. Coal Co. Ltd.....6%	30,875	
			4,300 Lower St. Lawrence Power Co....4¼%	77,400	
			1,000 Northwestern Util. Ltd.....4%	77,500	
			5,000 Quebec-Telephone.....5¼%	106,250	
			330 Reynolds Alum. Co. Can. Ltd....4¼%	29,783	
			3,000 Shawinigan W & P Co.....4%	133,500	
			4,000 Third Can. Genl. Inv. Trust Ltd.\$2.50	200,000	
			2,500 Westfair Foods Ltd.....\$1.40	70,625	
			4,500 Westfair Foods Ltd....."A"	166,500	
				<u>\$1,869,436</u>	4.42%
CANADIAN GOVERNMENT & GUARANTEED BONDS			AIRCRAFT		
\$ 1,250,000 Govt. of Canada.....5¼% 1969	\$1,287,500		7,000 Grumman Aircraft Eng. Corp.....	\$ 335,510	
250,000 Govt. of Canada.....5¼% 1976	257,500		4,000 North Amer. Aviation Inc.....	287,080	
2,000,000 Cdn. Nat. Rly.....5¼% 1964	2,075,000			<u>\$ 622,590</u>	1.47%
	<u>\$3,620,000</u>	8.57%	BANKS & FINANCE		
CANADIAN PROVINCIAL & PROVINCIAL GUARANTEED BONDS			6,000 Bank of Montreal.....	\$ 396,000	
\$ 60,000 Hydro-Elect. Comm. of Ont....5¼% 1969	\$ 61,500		12,000 Cdn. Imp. Bank of Commerce.....	775,500	
100,000 Hydro-Elect. Comm. of Ont....6% 1970	104,000		25,000 Cdn. Gen. Investments Ltd.....	937,500	
30,000 Prov. of Ontario.....6% 1969	31,200		25,000 Ind. Acceptance Corp. Ltd.....	675,000	
50,000 Prov. of Ontario.....5¼% 1969	50,875		15,000 Royal Bank of Canada.....	1,147,500	
50,000 Prov. of Quebec.....5¼% 1968	49,750		15,000 United Bond & Share Ltd.....	15,000	
50,000 Que. Hydro-Elect. Comm....6% 1969	51,250			<u>\$3,946,500</u>	9.34%
	<u>\$ 348,575</u>	0.82%			
CORPORATE BONDS — ORDINARY					
\$ 75,000 Husky Oil & Refining Ltd....5% 1969	\$ 72,000				
160,000 Ind. Acceptance Corp. Ltd....5¼% 1965	161,600				
48,000 Ind. Acceptance Corp. Ltd....5% 1965	47,520				
150,000 Ind. Acceptance Corp. Ltd....5¼% 1966	150,000				
50,000 Ind. Acceptance Corp. Ltd....5¼% 1967	50,688				
50,000 Labatt Limited, John.....5¼% 1967	50,250				
316,000 MacMillan & Bloedel Ltd....5¼% 1965	315,210				
	<u>\$ 847,268</u>	2.01%			
MISCELLANEOUS BONDS.....	<u>\$ 33,058</u>	0.08%			

UNITED CORPORATIONS LIMITED

PORTFOLIO OF INVESTMENTS (continued)

No. OF SHARES OR PAR VALUE		MARKET VALUE	PERCENT TOTAL ASSETS	No. OF SHARES OR PAR VALUE		MARKET VALUE	PERCENT TOTAL ASSETS
BREWING & DISTILLING				OIL & GAS PRODUCING			
80,000	Cdn. Breweries Ltd.....	\$ 870,000		6,500	Bailey Selburn Oil & Gas Ltd. 5½% Conv. Pfd.	\$ 156,000	
20,000	Distillers Corp.-Seagrams Ltd.....	957,500		10,000	B.A. Oil Co. Ltd.....	300,000	
		<u>\$1,827,500</u>	4.33%	20,000	Cdn. Husky Oil Ltd.....	137,500	
BUILDING MATERIALS & CONSTRUCTION				30,000	Cdn. Petrofina Ltd..... 6% Part. Pfd.	311,250	
15,000	Beaver Lumber Co. Ltd.....	\$ 532,500		\$ 90,000	Great Plains Dev. Co. of Can. Ltd. 4% 1965 WW	98,550	
20,000	Canada Cement Co. Ltd.....	580,000		12,400	Great Plains Dev. Co. of Can. Ltd.....	151,900	
		<u>\$1,112,500</u>	2.63%	12,000	Hudson's Bay Oil & Gas Co. Ltd.....	195,000	
CHEMICALS & DRUGS				15,000	Imperial Oil Ltd.....	660,000	
4,000	Abbott Laboratories.....	\$ 329,600		10,000	Pacific Pete. Ltd.....	118,750	
8,000	Celanese Corp. of America.....	331,760		9,000	Royal Dutch Pete. Co.....	421,740	
8,000	Du Pont of Canada Ltd.....	296,000		7,500	Shell Investments Ltd..... 5½% Conv. Pfd.	198,750	
20,000	Charles E. Frosst & Co..... "A"	385,000		15,000	Shell Oil Co. of Can. Ltd..... "A"	210,000	
6,000	Monsanto Chemical Co.....	318,300		7,000	Std. Oil Co. (N.J.).....	448,630	
6,000	Chas. Pfizer & Co. Inc.....	305,400		17,500	"Supertest" Pete. Corp. Ltd..... Ord.	297,500	
		<u>\$1,966,060</u>	4.65%	15,000	Union Oil Co. of Can. Ltd.....	153,750	
ELECTRICAL EQUIPMENT & ELECTRONICS						<u>\$3,859,320</u>	9.13%
6,000	Genl. Precision Equipment Co.....	\$ 220,560		PAPER & FOREST PRODUCTS			
1,200	Int. Business Machines Corp.....	504,120		25,000	Abitibi Power & Paper Co. Ltd.....	\$1,025,000	
7,000	Int. Telephone & Telegraph Corp.....	318,570		10,000	Cons. Paper Corp. Ltd.....	371,250	
7,260	Philips Incandescent Lamp Co.....	300,128		75,000	Dom. Tar & Chem. Co. Ltd.....	1,312,500	
5,000	Radio Corp. of America.....	309,700		45,000	MacMillan, Bloedel & P.R. Ltd.....	855,000	
3,000	Texas Instruments Inc.....	205,200				<u>\$3,563,750</u>	8.43%
		<u>\$1,858,278</u>	4.40%	RETAIL MERCHANDISING			
FOOD & FOOD CHAINS				40,000	Hudson's Bay Co.....	\$ 455,000	
13,500	Canada & Dom. Sugar Co. Ltd.....	\$ 369,563		\$ 200,000	Simpsons Ltd..... 5% 1976 Conv.	238,000	
\$ 128,000	Loblaw Groc. Co. Ltd.. 4½% 1976 Conv.	170,240		34,800	Simpsons Ltd.....	1,039,650	
12,400	Loblaw Inc.....	102,300		\$ 98,000	Woodward Stores (1947) Ltd. 5% 1977 Conv.	123,480	
31,650	Geo. Weston Ltd..... "A"	538,050		9,200	Woodward Stores (1947) Ltd..... "A"	158,700	
10,350	Geo. Weston Ltd..... Wts.	91,080				<u>\$2,014,830</u>	4.77%
		<u>\$1,271,233</u>	3.01%	STEEL			
MACHINERY-AGRICULTURAL				10,000	Algoma Steel Corp. Ltd.....	\$ 440,000	1.04%
123,500	Massey-Ferguson Ltd.....	\$1,574,625	3.73%	UTILITIES			
METALS & MINING				25,000	B.C. Power Corp. Ltd.....	\$ 500,000	
20,000	Aluminium Ltd.....	\$ 437,500		6,200	B.C. Telephone Co.....	317,750	
2,500	Ang.-Amer. Corp. of South Africa Ltd....	63,204		5,000	Gatineau Power Co.....	168,750	
15,000	Cons. Min. & Smelt. Co. of Can. Ltd.....	343,125		21,000	Int. Utilities Corp.....	918,750	
7,000	DeBeers Cons. Mines Ltd.....	198,105		2,500	Que. Nat. Gas Corp.. 6% Conv. Pfd.	154,063	
12,500	Falconbridge Nickel Mines Ltd.....	635,937		20,000	Shawinigan W & P Co..... "A" Com.	600,000	
8,000	Hudson Bay Min. & Smelt. Co. Ltd.....	408,000		5,000	Union Gas Co. of Can. Ltd.....	92,500	
8,500	Int. Nickel Co. of Can. Ltd.....	575,875				<u>\$2,751,813</u>	6.51%
	Miscellaneous.....	103,827		SUNDRY			
		<u>\$2,765,573</u>	6.55%	5,500	Can. Steamship Lines Ltd.....	\$ 299,750	
OIL & GAS PIPELINES				15,000	Cdn. Dredge & Dock Co. Ltd.....	131,250	
15,000	Alberta Gas Trunk Line Co. Ltd..... "A"	\$ 420,000		15,000	Cdn. Pacific Rly. Co.....	376,875	
15,000	Gas Trunk Line of B.C. Ltd.....	195,000		4,000	Chrysler Corp.....	316,160	
4,000	Panhandle Eastern P.L. Co.....	291,920		10,000	Consumers Glass Co. Ltd.....	375,000	
\$1,000,000	Trans-Can. Pipe Lines Ltd. 5½% 1987 Conv.	1,420,000		5,000	Dom. Glass Co. Ltd.....	374,375	
		<u>\$2,326,920</u>	5.51%	20,000	Famous Players Cdn. Corp. Ltd.....	350,000	
				6,500	Federal Grain Ltd..... "A"	370,500	
				8,000	Leesona Corp.....	189,600	
					Miscellaneous.....	27,984	
						<u>\$2,811,494</u>	6.65%

UNITED CORPORATIONS LIMITED

RECORD OF ASSET VALUATIONS AND REVENUE

(Class "B" Share figures have been adjusted to reflect the 4 for 1 subdivision in April, 1953)

Year Ended Dec. 31	Net Asset Value	Principal Amount of Bonds Outstanding	Net Equity for Class "A" & Pfd.	Class "A" & Pfd. Shares @ \$30 per share (a)	Net Equity for Class "B"	Net Equity for Class "B" per share	Net Revenue for the year	Dividends on Class "A" and Pfd. Shares (c)	Net Revenue Available to Class "B" Shares	Net Revenue per share Class "B"	Dividends Declared per share Class "B"
1933.....	\$ 6,120,481	\$ 4,498,900	\$ 1,621,581	\$ 2,000,404	\$ 378,823 (b)	\$ 0.39 (b)	\$ 72,510	\$ 72,304	\$ 206	\$ —	\$ —
1934.....	8,146,564	4,498,900	3,647,664	2,096,809	1,550,855	1.61	1,596	96,405	94,809(b)	.09 (b)	—
1935.....	9,378,287	4,498,900	4,879,387	2,161,079	2,718,308	2.83	83,252	96,405	13,153(b)	.01 (b)	—
1936.....	12,891,872	4,498,900	8,392,972	2,096,809	6,296,163	6.56	145,526	96,405	145,121	.05	—
1937.....	9,541,981	4,498,900	5,043,081	1,928,100	3,114,981	3.24	205,196	96,405	108,791	.11	—
1938.....	9,485,186	3,778,900	5,706,286	1,619,550	4,086,736	4.26	137,660	93,303	44,357	.04	—
1939.....	9,843,775	3,705,400	6,138,375	1,588,050	4,550,325	4.74	139,462	80,978	58,484	.06	—
1940.....	8,676,191	3,705,400	4,970,791	1,588,050	3,382,741	3.52	127,627	79,403	48,224	.05	—
1941.....	8,174,586	3,598,900	4,575,686	1,588,050	2,987,636	3.11	160,968	79,403	81,565	.08	.0625
1942.....	8,711,677	3,498,900	5,212,777	1,579,800	3,632,977	3.78	186,783	79,095	107,688	.11	.075
1943.....	9,746,273	3,000,000	6,746,273	1,579,800	5,166,473	5.38	156,727	78,990	77,737	.08	.075
1944.....	11,298,292	2,900,000	8,398,292	1,579,800	6,818,492	7.10	234,175	78,990	155,185	.16	.13
1945.....	14,443,864	2,800,000	11,643,864	1,579,800	10,064,064	10.49	252,049	78,990	173,059	.18	.17
1946.....	14,059,182	2,700,000	11,359,182	1,579,800	9,779,382	10.19	321,626	78,990	242,636	.25	.1875
1947.....	13,668,485	2,600,000	11,068,485	1,579,800	9,488,685	9.89	417,965	78,990	338,975	.35	.325
1948.....	13,443,096	2,500,000	10,943,096	1,567,110	9,375,986	9.77	448,846	78,867	369,979	.38	.375
1949.....	14,771,960	2,400,000	12,371,960	1,567,110	10,804,850	11.26	463,389	78,356	385,033	.40	.40
1950.....	17,409,613	2,300,000	15,109,613	1,567,110	13,542,503	14.11	642,086	78,356	563,730	.58	.575
1951.....	20,391,615	2,200,000	18,191,615	1,567,110	16,624,505	17.33	656,437	78,355	578,082	.60	.60
1952.....	19,359,943	2,000,000	17,359,943	1,567,110	15,792,833	16.46	692,112	78,356	613,756	.63	.625
1953.....	19,130,077	1,900,000	17,230,077	1,567,110	15,662,967	16.33	717,206	78,356	638,850	.66	.65
1954.....	25,100,871	1,800,000	23,300,871	1,567,110	21,733,761	22.65	777,697	78,356	699,341	.73	.70
1955.....	29,014,916	1,700,000	27,314,916	1,567,110	25,747,806	26.84	810,692	78,355	732,337	.76	.75
1956.....	28,054,394	1,316,300	26,738,094	1,567,110	25,170,984	26.24	857,145	78,355	778,790	.81	.80
1957.....	24,446,536	878,900	23,567,636	1,567,110	22,000,526	22.93	912,771	78,355	834,416	.87	.80
1958.....	30,381,268	—	30,381,268	1,567,110	28,814,158	30.04	976,297 (d)	78,356	897,941	.93 (d)	.80
1959.....	38,196,704	—	38,196,704	3,975,810	34,220,894	30.08	978,793	78,355 (f)	900,438 (f)	.93 (e)	.90
1960.....	37,599,824	—	37,599,824	3,975,810	33,624,014	29.56	1,308,461	198,790 (f)	1,109,671 (f)	.97	.90
1961.....	44,351,503	—	44,351,503	3,975,810	40,375,693	35.31	1,315,655	198,790	1,116,865	.97	.95
1962.....	41,868,337	—	41,868,337	3,975,810	37,892,527	33.04	1,340,004	198,790	1,141,214	.99	.95

(a) Including Class "A" dividend arrears of \$ 72,304 in 1933

(a)	Incumbent Class	11	dividend effects of	\$ 12,502 in 1933
	"	"	"	"
	"	"	"	\$168,709 in 1934

"
"
\$232,979 in 1935

(b) Denotes red figures.

(b) Decisions and Disputes

GENERAL INFORMATION

Shares listed — Class "A", Preferred and Class "B" shares are listed on the London England, Canadian (Montreal) and Toronto Stock Exchanges.

Transfer Agents — Montreal Trust Company
Shares transferable at Montreal, Toronto, Halifax, Winnipeg and Vancouver.

Registrars — The Royal Trust Company

Auditors — Price Waterhouse & Co.

Dividend dates — Dividends on all classes of shares are being paid quarterly on February 15, May 15, August 15, November 15.

Dividends and Taxes — Canadian resident individual shareholders are entitled to claim the 20% Canadian tax credit on their dividends.

A 15% Canadian withholding tax is exigible on all dividends paid to non-residents.

Non-resident shareholders are advised to consult their tax authorities in respect of possible relief for which credit may be claimed on dividends received from this Corporation.

Quarterly figures — Indicated net equity values per Class "B" Share, as at the end of March, June, September and December, are reported to shareholders with their quarterly dividend cheques. Similar month-end figures are released to the press for publication on or about the middle of the following month.

