

ABOUT US: UEM is a closed end investment company, traded on the London Stock Exchange, registered in Bermuda. Registered No 36941

OBJECTIVE: To provide long-term total return by investing predominantly in infrastructure, utility and related sectors mainly in emerging markets.

INVESTMENT APPROACH: To seek to invest mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

OCTOBER 2016

ORDINARY SHARES

Ticker: UEM.L

NAV at launch	98.37p
NAV (diluted cum income)	237.34p
NAV (undiluted cum income)	251.65p
Share Price	211.00p
(Discount) / Premium to diluted NAV	(11.1%)
NAV Total Return since launch *	209.1%
Annual average compound return *	12.2%
Historic Dividend paid per share (last 12 months)	6.50p
Historic Dividend Yield (last 12 months)	3.1%
Ongoing charges figure excluding performance fee	1.0%
Shares in issue	211,905,415

*Including dividends and return on warrants converted in August 2010

SUBSCRIPTION SHARES

Ticker: UEMS.L

Share Price	25.25p
Shares in issue	39,141,990
Exercise Price	183.00p
Exercise Dates (last business day of each)	Feb 17, Aug 17 and Feb 18

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£535.2m
Bank Debt	£11.0m
Shareholders' Funds	£524.2m
Gearing* (based on AIC definition)	2.0%

*GEARING AIC - standardised gearing calculation as recommended by the AIC is now based on net assets

MANAGEMENT & ADMINISTRATIVE FEES

Investment Management Fee	0.65% of net assets plus Company Secretarial Fee
Administration Fee	£220k per annum
Performance Fee	15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to high watermark, with a cap on the performance fee of 1.85% of average net assets for that financial year

INVESTMENT MANAGERS

Utilico Emerging Markets Limited is managed by ICM Limited and ICM Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority.

www.icm.limited and www.icmim.limited

ORDINARY SHARES PERFORMANCE



PERFORMANCE (Total return including dividends)

	1 month	3 months	1 year	3 years	Inception
Share Price	2.1%	5.8%	30.0%	21.9%	166.3%
Net Asset Value*	5.0%	8.5%	32.1%	28.5%	197.5%

*Diluted

ROLLING 12 MONTH PERFORMANCE

(Total return including dividends)

12 Months to	Oct 16	Oct 15	Oct 14	Oct 13	Oct 12
Share Price	30.0%	(9.9%)	5.4%	19.0%	13.9%
Net Asset Value*	32.1%	(7.5%)	6.5%	16.0%	11.4%

*Diluted

KEY DATES

Launch Date	20 July 2005
Year End	31 March
AGM	September
Ex-Dividend Dates	Sep, Dec, Mar & Jun
Dividend Paid Dates	Sep, Dec, Mar & Jun
Continuation Vote	To be proposed at the AGM in 2021

BOARD

John Rennocks	Susan Hansen	Garry Madeiros
Garth Milne	Anthony Muh	

TEAM

Charles Jillings	Jacqueline Broers	Mark Lebbell
Duncan Saville	Jonathan Grocock	



PERFORMANCE

UEM's cum income NAV (undiluted) increased by 6.4% during October, ending the month at 251.65p, slightly behind the MSCI Emerging Markets Total Return index which increased over the period by 6.7% in Sterling terms. The NAV on a diluted basis increased by 5.0% to 237.34p.

Emerging Markets were mixed in October, with continued strength in Brazil and Chile, but weaker in some other markets, including Romania and The Philippines. Sterling was notably weak following fears of what a "Hard Brexit" could mean for the UK economy whilst the Brazilian Real continued to strengthen.

In China, GDP growth for Q3 was 6.7%, in line with expectations. The Thai market sold off sharply early in October on worries about the health of King Bhumibol, who reigned the country for over 70 years. Markets recovered after his death was announced, when fears of immediate political instability proved unfounded. The US presidential election campaign also weighed on markets, especially in Mexico.

In Brazil, the Bovespa index continued its strong recovery gaining 11.2% during the month. The IPSA Index in Chile gained 6.8% in October, whilst there were more modest rises of 3.2% on the Shanghai Composite, 1.2% on the Bursa Malaysia and 0.8% on the Thai SET index. The Philippines PSEI Index fell by 2.9%, the BET index in Romania declined by 1.8% and Hong Kong's Hang Seng Index fell by 1.6% in October.

Sterling continued to remain weak against most developed and emerging currencies in October, with the US Dollar strengthening by 6.4% against Sterling. The Brazilian Real strengthened by 9.2%, the Chilean Peso strengthened by 7.3% and The Philippine Peso was up by 6.6%. The Romanian Lei underperformed most currencies but still managed to gain 2.5% against Sterling.

PORTFOLIO

There were no changes to the constituents of the top 20 holdings this month.

As with the general markets, many of the best performers were in Latin America. Alupar gained 15.1%, Rumo Logistica gained 13.0% and Engie Energia Chile gained 10.6% in local currency and more in Sterling terms. In India, SJVN's share price increased by 15.0% in October and, in Malaysia, MyEG gained 7.0%.

There were some decliners. The Chinese gas market remains under pressure over concerns that regulation may become less favourable. China Gas Holdings declined by 3.7% and China Resources Gas declined by 8.1%. Other significant declines were seen in APT Satellite, down by 4.7% and Mexican airports group, Grupo Aeroportuario del Centro Norte, down by 3.7%.

Purchases during the month for the portfolio amounted to £11.7m and realisations totalled £6.0m.

DEBT

Borrowings at the month end totalled £11.0m, drawn as HK\$104m.

OTHER

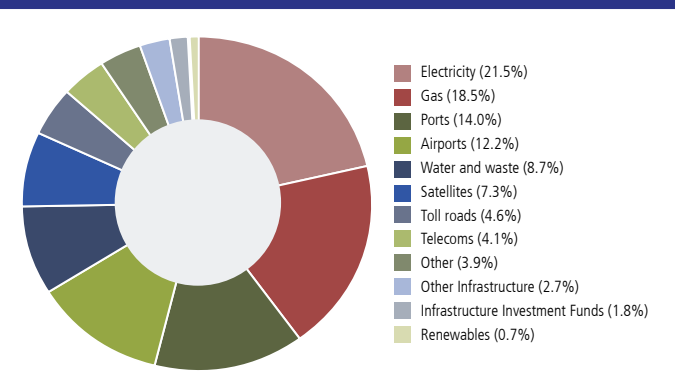
UEM's share price ended October at 211.00p, an increase of 2.1% over the month, with the discount increasing to 11.1% of the diluted NAV. The price of the subscription shares rose by 16.7% to 25.25p.

UEM bought back and cancelled 3.0m shares at an average price of 207.83p during the month.

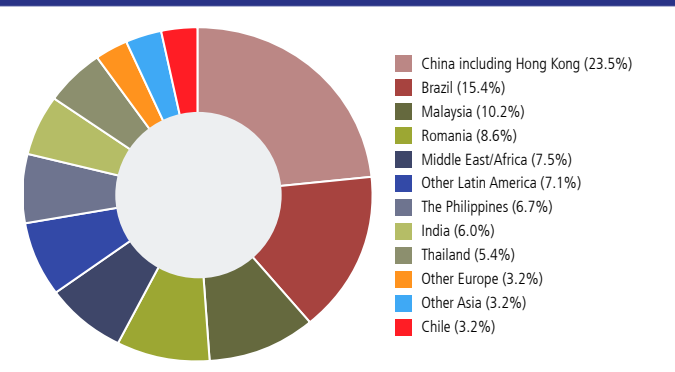
TOP 20 HOLDINGS

	% of gross assets
1. Malaysia Airport Holdings Berhad	7.3%
2. China Gas Holdings Ltd	5.9%
3. International Container Terminal Services Inc.	4.8%
4. Eastern Water Resources Development and Management PCL	4.3%
5. Ocean Wilsons Holdings Limited	4.3%
6. Alupar Investimento S.A.	3.8%
7. APT Satellite Holdings Limited	3.7%
8. Traselectrica SA	3.0%
9. MyEG Services Berhad	2.7%
10. Rumo Logistica Operadora Multimodal S.A.	2.7%
11. Transgaz S.A.	2.7%
12. China Resources Gas Group Ltd	2.5%
13. SJVN Limited	2.5%
14. Yuexiu Transport Infrastructure Limited	2.5%
15. Engie Energia Chile S.A.	2.2%
16. Shanghai International Airport Co Ltd	2.1%
17. Conpet S.A.	2.0%
18. Metro Pacific Investments Corporation	1.9%
19. Grupo Aeroportuario del Centro Norte, S.A.B. de C.V.	1.6%
20. Asia Satellite Telecommunications Holdings Limited	1.6%
Total Top 20	64.1%

SECTOR SPLIT OF INVESTMENTS (on a look-through basis)



GEOGRAPHICAL SPLIT OF INVESTMENTS (on a look-through basis)



This document is only directed at persons in the United Kingdom who are investment professionals as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, high net worth companies, unincorporated associations and other persons as defined in Article 49 of that Order or others to whom this document can lawfully be distributed or given, inside the United Kingdom, without approval of an authorised person. Any other person should not rely on it or act on it and any investment or investment activity to which it relates will not be engaged in with them.