

ABOUT US: UEM is a Bermuda registered closed end investment company, listed on the London Stock Exchange. Registration N° 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 minimise risk by investing 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.

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ORDINARY SHARES

| | |
|--|-------------|
| NAV at launch | 98.37p |
| NAV Total Return since launch (including dividends) | 113.0% |
| Annual average compound return (including dividends) | 11.6% |
| NAV (cum income) | 177.48p |
| Share Price | 164.30p |
| (Discount) / Premium to diluted NAV | (7.4%) |
| Historic Dividend Yield | 2.7% |
| Shares in issue | 215,528,793 |
| Ticker | UEML |

CAPITAL STRUCTURE

| | |
|---------------------------------------|---------|
| Gross Assets less Current Liabilities | £391.6m |
| Bank Debt | £(9.1)m |
| Shareholders' Funds | £382.5m |
| Effective gearing on Ordinary Shares | 1.02x |

BOARD

| | |
|--------------------|----------------|
| Alexander Zagoreos | Garry Madeiros |
| Kevin O'Connor | Anthony Muh |

INVESTMENT MANAGER

Utilico Emerging Markets Limited is managed by ICM Limited. ICM is a Bermuda company and has assets under management of over £1.5bn. www.icm.bm

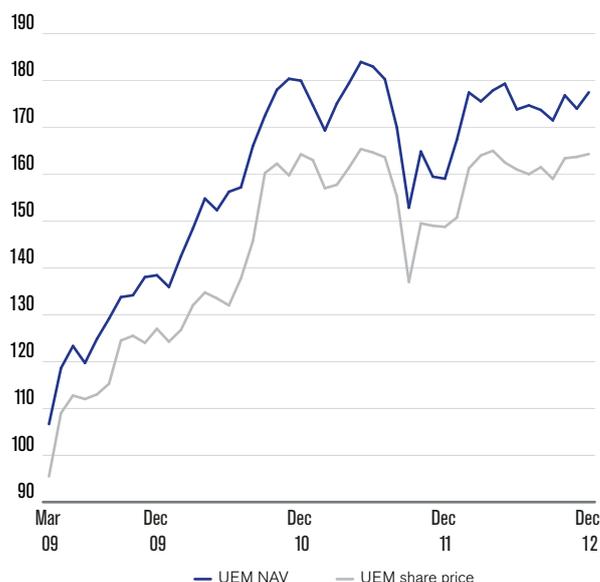
TEAM

| | |
|-------------------|-------------------|
| Duncan Saville | Jonathan Groocock |
| Charles Jillings | Mark Lebbell |
| Jacqueline Broers | |

MANAGEMENT & ADMINISTRATIVE FEES

| | |
|------------------------|---|
| Investment Adviser Fee | 0.5% |
| Administration Fee | £210k |
| Performance Fee | 15% of the outperformance over benchmark subject to "high water" mark |

PERFORMANCE



PERFORMANCE (total return including dividends)

| | 1 month | 3 months | 1 year | 5 years | Inception |
|-----------------|---------|----------|--------|---------|-----------|
| Share Price | 0.4% | 4.2% | 13.5% | 5.7% | 96.4% |
| Net Asset Value | 2.0% | 4.3% | 14.4% | 14.4% | 113.0% |

ROLLING 12 MONTH PERFORMANCE (total return including dividends)

| 12 months to | Dec 12 | Dec 11 | Dec 10 | Dec 09 | Dec 08 |
|-----------------|--------|--------|--------|--------|---------|
| Share Price | 13.5% | (6.3%) | 33.1% | 44.2% | (46.6%) |
| Net Asset Value | 14.4% | (8.7%) | 33.5% | 34.9% | (37.5%) |

KEY DATES

| | |
|----------------------|-----------------------------------|
| Launch Date | 20 July 2005 |
| Year End | 31 March |
| AGM | September |
| Ex-Dividend Dates | Aug, Nov, Feb & May |
| Dividend Paid Dates | Sep, Dec, Mar & Jun |
| Winding up provision | To be proposed at the AGM in 2016 |



PERFORMANCE

UEM's cum income NAV rose 2.0% in December to 177.48p. This compares to a 3.4% gain in the MSCI Emerging Markets Index (Sterling Adjusted).

For the nine months from 31st March 2012, UEM's total return, including the 4.5p of dividends paid, was 3.6%. The MSCI Emerging Markets (total return) index rose 2.2% (in Sterling terms) over the same period.

The markets' attention in December was firmly fixed on the US, as the "Fiscal Cliff" deadline approached. In the end, a partial deal was secured just after the year end deadline on January 1st, but before the financial markets opened for 2013.

Whilst immediate tax hikes (for most) and spending cuts were averted, there is still considerable political uncertainty in Washington as Federal budget cuts and the raising of the debt ceiling will both need to be agreed in the coming months.

Elsewhere in the World, economists seem to be turning increasingly bullish on China's prospects for 2013. Brazil relaxed capital controls after the Real hit 3-year lows against the US Dollar at the end of November. The Brazilian currency strengthened 3.8% against the US Dollar during December.

PORTFOLIO

There were no changes to the constituents of the top ten holdings in the month.

Seven of the top ten holdings rose during December, with the best performers being China Gas (up 9.5%), Santos Brasil (up 8.4%), CCR (up 5.7%) and International Container Terminals (up 4.9%). Gasco (down 4.0%) posted the only material decline in share price, partially reversing the 10.6% gain recorded in November.

During the month, UEM invested £6.3m and realised £4.2m.

DEBT & CASH

Bank debt rose by £5.0m to £9.1m and is drawn as €5m and £5m.

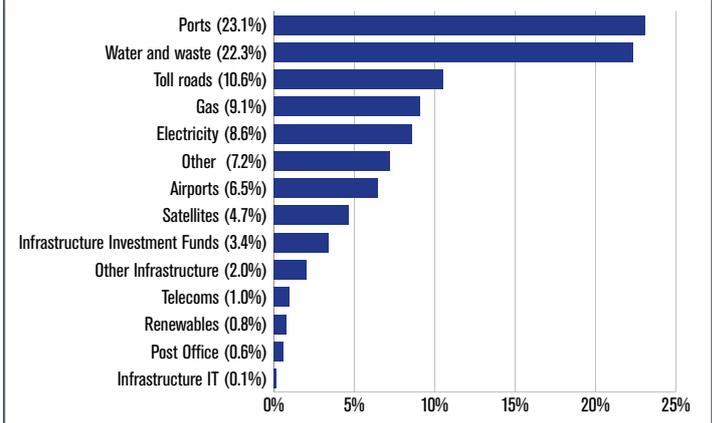
OTHER

UEM's ordinary share price rose 0.4% during December, to 164.30p. The discount widened to 7.4%.

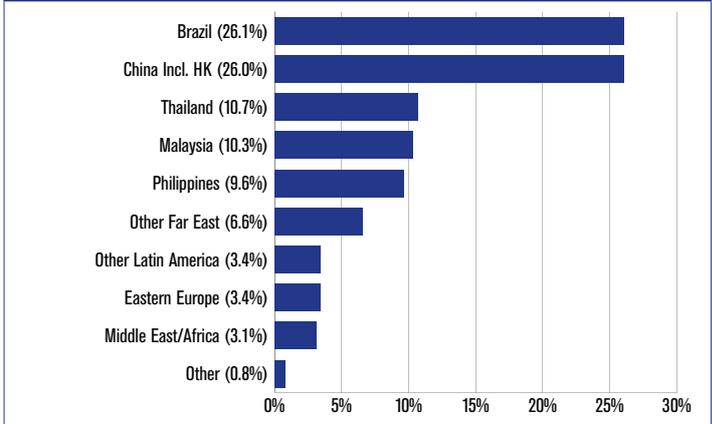
TOP TEN HOLDINGS

| | % of gross assets |
|--|-------------------|
| 1 Eastern Water Resources PCL | 10.4% |
| 2 International Container Terminal Services Inc. | 8.6% |
| 3 Malaysia Airport Holdings Berhad | 6.3% |
| 4 Ocean Wilsons Holdings Limited | 5.8% |
| 5 Companhia de Saneamento de Minas Gerais (COPASA) | 5.1% |
| 6 China Gas Holdings Ltd | 3.8% |
| 7 Asia Satellite Telecommunications (Holdings) Limited | 3.7% |
| 8 Companhia de Concessionarias Rodovias S.A.(CCR) | 3.4% |
| 9 Santos Brasil Participacoes S.A. | 3.0% |
| 10 Gasco SA | 2.3% |
| Total Top 10 | 52.4% |

SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHICAL SPLIT OF INVESTMENTS



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