

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 2017

ORDINARY SHARES

Ticker: UEM.L

NAV at launch	98.36p
NAV (diluted cum income)	253.87p
NAV (undiluted cum income)	264.99p
Share Price	224.75p
(Discount) / Premium to diluted NAV	(11.5%)
NAV Total Return since launch *	308.4%
Annual average compound return *	12.1%
Historic Dividend paid per share (last 12 months)	6.73p
Historic Dividend Yield (last 12 months)	3.0%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	215,226,276

SUBSCRIPTION SHARES

Ticker: UEMS.L

Share Price	34.00p
Shares in issue	33,758,557
Exercise Price	183.00p
Exercise Date	28 February 2018

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£601.8m
Bank Debt	£31.4m
Shareholders' Funds	£570.4m
Gearing (based on AIC definition)	0.9%

GEARING AIC – standardised gearing calculation as recommended by the AIC is based on net assets

MANAGEMENT & ADMINISTRATIVE FEES

Investment Management Fee	0.65% of net assets plus Company Secretarial Fee
Administration Fee	£227k 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*)

	1 month	3 months	1 year	3 years	Inception
Share Price	3.3%	2.9%	10.7%	30.6%	251.6%
Net Asset Value	1.5%	3.5%	9.0%	42.2%	308.4%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Oct 17	Oct 16	Oct 15	Oct 14	Oct 13
Share Price	10.7%	31.3%	(10.1%)	5.6%	19.2%
Net Asset Value	9.0%	41.0%	(7.5%)	6.7%	16.2%

KEY DATES

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

BOARD

John Renocks	Susan Hansen	Garry Madeiros
Garth Milne	Anthony Muh	

TEAM

Charles Jillings	Jacqueline Broers	Mark Lebbell
Duncan Saville	Jonathan Grocock	

* Total return is calculated based on undiluted NAV plus dividends reinvested and adjusted for the exercise of warrants and subscription shares



PERFORMANCE

UEM's cum income NAV (undiluted) increased by 1.5% during October, ending the month at 264.99p. This was an underperformance against the MSCI Emerging Markets Total Return Index which gained 4.6% in Sterling terms over the same period. The NAV on a diluted basis increased by 1.3% to 253.87p.

Equity markets were generally stronger worldwide in October, including most of the emerging markets. China held its 19th National Congress, where President Xi Jinping consolidated his power and priorities for the next five years (and beyond) were outlined, with no material surprises. The Shanghai Composite gained 1.3% and the Hang Seng Index rose by 2.5%.

The SENSEX in India was up by 6.2%, on the back of the announcement of stimulus packages including bank recapitalisations and an extensive road building programme. In Chile, the ISPA Index advanced 4.6% ahead of presidential elections in November and December. In contrast, Mexico's IPC Index continued to weaken on concerns over NAFTA talks, declining by 3.4%. Brazil's Bovespa Index was flat on the month.

Emerging markets' currencies were mixed. Against Sterling, the Chilean Peso gained 1.6%, the Thai Baht was up by 1.4% and the Malaysian Ringgit gained 0.8%. Weaker currencies included the Mexican Peso, down by 4.1% and the Brazilian Real, down by 2.3%.

PORTFOLIO

There was one change to the top twenty holdings in the portfolio during October, with Thailand's Eastern Water reducing following disposals and being replaced by Bolsas y Mercados Argentinos' ("BYMA"), Argentina's Stock Exchange, as a result of strong price performance.

Performance was mixed, with twelve of the top twenty stocks advancing and eight declining. Three stocks rose more than 10% during the month, BYMA was up by 29.1%, Shanghai Airport up by 15.4% and SJVN in India gained 10.9%. Ocean Wilsons, China Resources Gas and MyEG reported share price gains of 5.0% or more.

October's most notable decliners were Comgas and Alupar in Brazil, which declined by 9.1% and 4.3% respectively and Romania's Transelectrica fell by 8.8%.

Realisations at £24.7m were significantly ahead of purchases of £11.1m.

DEBT

Borrowings at the month end increased to £31.4m, with EUR 12.8m drawn down during the month and HKD 209.9m remained outstanding at the end of October.

OTHER

UEM's share price ended October at 224.75p, an increase of 3.3% over the month. The discount narrowed to 11.5% to the diluted NAV. The price of the Subscription Shares increased by 19.3% to 34.00p.

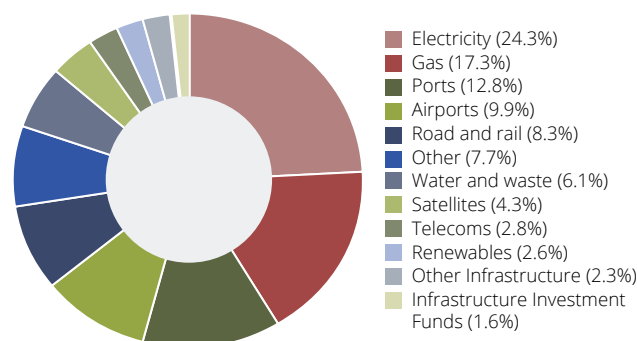
On 1 November 2017 UEM bought back 1.0m ordinary shares at a price of 227.00p.

Charles Jillings
ICM Investment Management Limited and ICM Limited

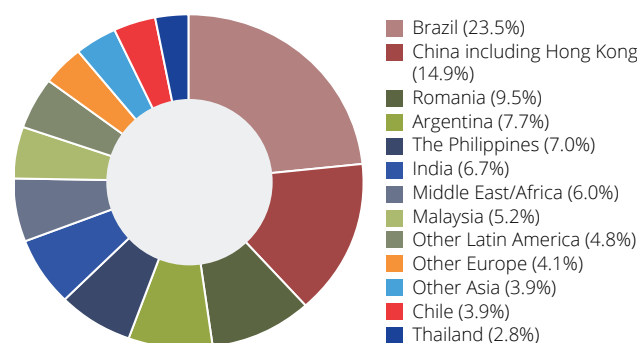
TOP 20 HOLDINGS

	% of gross assets
1. International Container Terminal Services Inc.	5.1%
2. Ocean Wilsons Holdings Limited	4.7%
3. Alupar Investimento S.A.	3.6%
4. Transgaz S.A.	3.2%
5. Shanghai International Airport Co Ltd	3.0%
6. Malaysia Airport Holdings Berhad	2.8%
7. Yuexiu Transport Infrastructure Limited	2.7%
8. Transportadora de Gas del Sur S.A.	2.7%
9. Rumo S.A.	2.6%
10. Transelectrica SA	2.5%
11. China Resources Gas Group Ltd	2.5%
12. SJVN Limited	2.4%
13. APT Satellite Holdings Limited	2.3%
14. Conpet S.A.	2.3%
15. MyEG Services Berhad	2.2%
16. Cia de Gas de Sao Paulo (Comgas)	2.2%
17. Engie Energia Chile S.A.	2.2%
18. Power Grid Corporation of India Limited	1.9%
19. Energisa S.A.	1.8%
20. Bolsas Y Mercados Argentinos	1.7%
Total Top 20	54.4%

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



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



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