

UTILICO EMERGING MARKETS LIMITED

31 July 2010



OBJECTIVE: To provide long-term capital appreciation by investing predominantly in infrastructure, utility and related companies in emerging markets.

KEY DATES

Launch Date	20 July 2005
Year End	31 March
AGM Date	30 August 2010
Ex-Dividend Dates	June & December
Dividend Paid Dates	June & December
Warrant Exercise Dates	31 January & 31 July
Warrant Expiry	July 2010
Winding up provision	To be proposed at the AGM in 2012

GROSS ASSETS BREAKDOWN

Investments and options	£ 337.6m
Cash less current liabilities	£ 2.7m
Gross Assets less Current Liabilities	£ 340.3m
Investments as a percentage of gross assets less current liabilities	99.2%

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£ 340.3m
Bank Debt	(£ 9.7m)
Contract For Differences net Debt	£ 0.0m
Shareholders' Funds	£ 330.6m
Effective gearing on Ordinary Shares	1.03x

ORDINARY SHARES

NAV at launch	98.37p
NAV (undiluted, cum income)	163.82p
NAV (diluted, cum income)	157.19p
Share Price	137.75p
(Discount) / Premium to diluted NAV	(12.4%)
Annual average compound return (including dividends)	13.7%
Historic Dividend Yield	3.8%
Shares in issue	201,811,934
Ticker	UEM.L

WARRANTS AND S SHARES

	S Shares	Warrants
Price	36.00p	35.50p
Warrants/S shares in issue	4,885,202	18,496,620
Ticker	UEMS.L	UEMW.L
Exercise Terms	1 ordinary share at a subscription price of 100p	

MANAGEMENT & ADMINISTRATIVE FEES

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

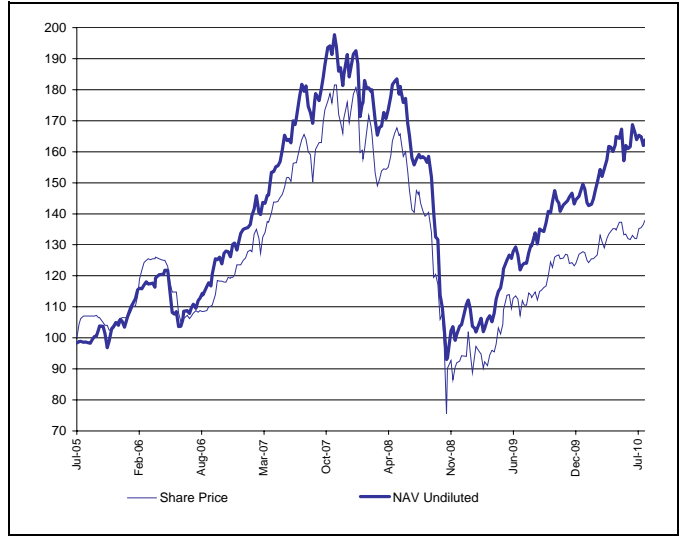
TOP 10 HOLDINGS

1	Malaysia Airport	10.9%
2	Ocean Wilsons Holdings Limited	8.3%
3	Intl Container Terminals	6.9%
4	Eastern Water Resources PCL	5.0%
5	Puncak Niaga Holdings	4.6%
6	AES Tiete SA	4.5%
7	Cia Saneamento Minas Gerais (COPASA)	4.0%
8	Companhia de Concessoes Rodoviaras (CCR)	3.6%
9	Sichuan Expressway	2.6%
10	My Eg Services	2.4%
Total Top 10		52.7%

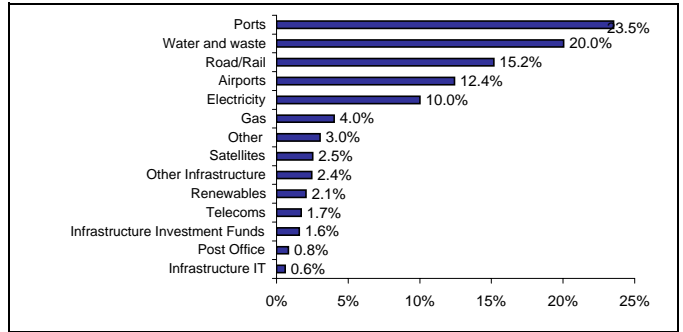
FURTHER INFORMATION

Further information regarding Utilico Emerging Markets Limited (including copies of the company's admission document and weekly NAV releases) is available on the company's website at www.uem.bm

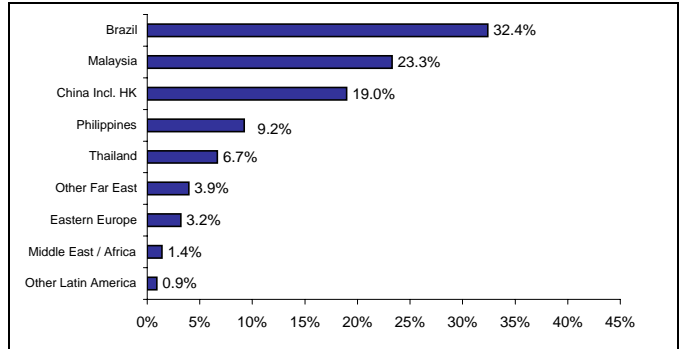
PERFORMANCE



SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHIC SPLIT OF INVESTMENTS



MONTHLY COMMENT**INVESTMENT TEAM****PERFORMANCE**

Following the strong outperformance in June, when the cum-income undiluted NAV was up 3.1% in contrast to weakness in the wider markets, UEM's NAV (cum-income undiluted) fell a disappointing 1.3% during July. This compared with a 3.2% gain in the MSCI Emerging Markets Index (GBP adjusted). The buyback of S shares and warrants during the month at a discount to NAV did enhance the NAV (cum income diluted) which recorded a rise of 0.6%.

One feature of the month was the strength of Sterling, which rose 4.7% against the US Dollar, 4.3% against the Thai Baht, 2.9% against both the Malaysian Ringgit and Philippines Peso and 2.2% against the Brazilian Real.

Markets were generally bullish in July, after a volatile period May and June. Despite some poor economic data, there was a renewed optimism for equities as the second quarter results began to be released and recent worries over sovereign debt defaults appeared to diminish.

PORTFOLIO

Within the top 10, all of the stocks posted gains during the month in local currency. Toll road companies Sichuan Expressway and CCR were the best performers with gains of 7.5% and 7.2% respectively. Other Brazilian holdings in the top 10 were strong with AES Tiete up 5.9%, COPASA gaining 5.1% and Ocean Wilsons up 3.4%. Malaysia Airports advanced 3.2% in the month.

Investment activity was relatively modest, with sales totalling £4.2m and purchases (excluding buyback activities) totalling £0.9m. We sold some of the holding in My EG into strength during the month.

DEBT & CASH

Bank debt remained at £9.7m whilst cash less current liabilities totalled £2.7m.

OTHER

UEM's Ordinary share price increased by 4.4% during July and at the end of the month stood at a 137.75p a discount of 12.4% to the diluted NAV. The S Shares and Warrants increased by 10.8% and 9.2% during the month respectively.

During the month, UEM bought back for cancellation 8,621,430 warrants and 3,188,050 S shares.

The remaining warrants and S shares were exercised on 2nd August 2010 and as a result 23,381,822 ordinary shares of the company were issued on 16th August 2010 in return for cash receipts of £23.38m. The outstanding bank debt has been repaid in full.

Following the issue, the Company bought back and cancelled 2,056,143 shares, leaving the company with 223,137,613 shares in issue.

UEM's Ordinary share price increased by 4.4% during July and at the end of the month stood at a 137.75p a discount of 12.4% to the diluted NAV. The S Shares and Warrants increased by 10.8% and 9.2% during the month respectively.

Following the exercise and expiry of the Warrants and S shares, the company's share capital now comprises of Ordinary shares only.

The investment manager Ingot Capital Management Pty Limited ("ICM") is primarily responsible for running the investment portfolio in conjunction with the advice received from the Executive Director.

ICM represented by Mr Duncan Saville

Mr Saville, aged 53, is a director of UEM's investment manager, ICM. He is a chartered accountant. He is a non-executive director of Infratil Limited and Vix-ERG Limited and was formerly a non-executive director of Utilico Investment Trust plc, The Special Utilities Investment Trust PLC, East Surrey Holdings plc, Dee Valley Group plc, Glasgow Prestwick International Airport Limited and Wellington International Airport Limited.

MR CHARLES JILLINGS (Executive Director)

Mr Jillings, aged 54, is a Director of the Company. He is responsible for the day-to-day running of the Company and the investment portfolio in conjunction with the Investment Manager. Mr Jillings is qualified as a chartered accountant and previously worked in corporate finance at Hill Samuel for 10 years. He set up The Analysis & Research Company Limited in 1995 and has been a director of a number of listed companies. He is a director of Equest Balkan Properties plc (former Chairman) and Global Equity Risk Protection Limited. He was also until recently a director of Newtel Limited.

Assisting them are:

MR JAMES SMITH

Mr Smith, aged 37, has been involved in the running of UEM and Utilico Limited since their inception and before that with Utilico Investment Trust plc and The Special Utilities Investment Trust PLC since 1999. Mr Smith is a barrister and a member of the Institute of Chartered Accountants in England and Wales.

MR MARK LEBBELL

Mark Lebbell, aged 38, has been involved in the running of UEM and Utilico Limited since their inception and before that with Utilico Investment Trust plc and The Special Utilities Investment Trust PLC since 2000. Mr Lebbell is an associate member of the Institute of Electrical Engineering and Technology.

The information presented on this factsheet is solely for information purposes and is not intended to be, and should not be construed as, an offer or recommendation to buy and sell investments. If you are in any doubt as to the appropriate course of action, we would recommend that you consult your own independent financial adviser, stockbroker, solicitor, accountant or other professional adviser.

Past performance is no guide to the future. The value of investments and the income from them may go down as well as up and investors may not get back the full amount they originally invested. The information presented has been obtained from sources believed to be reliable but no representation or warranty is given or may be implied that they are accurate or complete.

Further information (including copies of the company's admission document and weekly NAV releases) is available from the company's website at www.uem.bm

Utilico Emerging Markets Limited

Registered Office: Canon's Court, 22 Victoria St, Hamilton HM12, Bermuda

Contact Office: PO Box 208, Epsom, Surrey KT18 7YF Telephone: 01372 271486 Fax: 01372 271495

www.uem.bm