

**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.

Manager & Secretary: ICM Limited Registered Office: Canon's Court, 22 Victoria Street, Hamilton, HM12 Bermuda UK Contact: Telephone: 01372 271 486 Fax: 01372 271 495

### ORDINARY SHARES

NAV at launch	98.37p
NAV Total Return since launch (including dividends)	110.9%
Annual average compound return (including dividends)	11.7%
NAV (cum income)	176.83p
Share Price	163.40p
(Discount)/Premium to diluted NAV	(7.6%)
Historic Dividend Yield	4.2%
Shares in issue	215,528,793
Ticker	UEML

### CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£390.1m
Bank Debt	£(9.0)m
Shareholders' Funds	£381.1m
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](http://www.icm.bm)

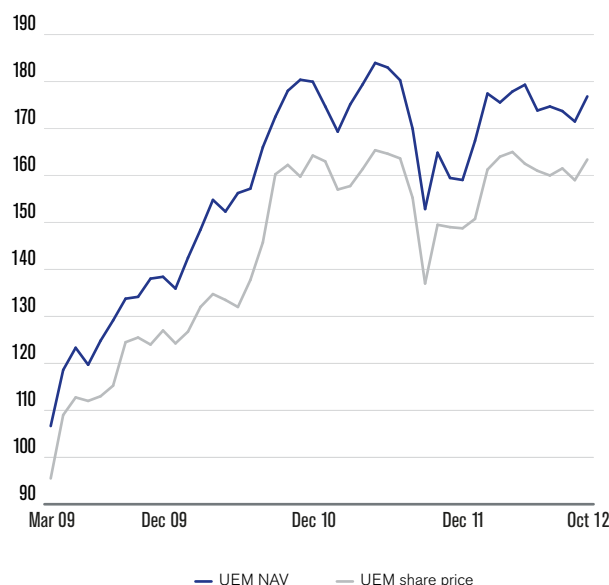
### TEAM

Duncan Saville	Jonathan Grocock
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	2.8%	3.0%	13.9%	4.6%	94.1%
Net Asset Value	3.1%	2.0%	11.4%	11.8%	110.9%

### ROLLING 12 MONTH PERFORMANCE (total return including dividends)

12 months to	Oct 12	Oct 11	Oct 10	Oct 09	Oct 08
Share Price	13.9%	(4.7%)	33.1%	45.5%	(48.2%)
Net Asset Value	11.4%	(4.5%)	36.3%	49.6%	(46.4%)

### 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 outperformed the MSCI during October, with the cum income total return NAV up 3.0% over the month against the MSCI Emerging Markets Total Return Index (GBP adjusted) which was down 0.7%.

Europe continues to face challenges with little progress on fundamental issues. The resistance to reforms and austerity remains concerning and will continue to be so until fundamental progress is made.

Positive news though came from China as the PMI index for October increased to 49.1 from 47.9 in September. The 1.2pt improvement can be seen as positive however something we should remain cautious of as volatility in the data has been high. Nevertheless, conditions look to be stabilising and even improving. The new premier is now resolved and we look forward to positive leadership.

Brazil's central bank further reduced its economic growth forecast for 2012, and reduced its base rate by 0.25% to 7.5%. These cuts should underpin the economy.

The US elections are now behind us and politicians are focused on the need in the short term to resolve the fiscal cliff. Until this is done we expect volatility to be significant as markets discount the various outcomes.

## PORTFOLIO

Malaysia Airports was up 7.2% for the month on the back of a solid set of 3Q12 results, whilst Asia Satellite recovered from its previously month's losses to end up 11.8%. Gasco, a Chilean gas distribution company and a new entrant into the top ten continued to steadily perform well, up 6.6% for the period. The remainder of the top ten holdings moved between 3.6% and -4.5%.

Total investments for the month were £6.1m and realisations totalled £14.0m including sales of £2.0m Tractebel Energia and £1.3m Manila Water.

## DEBT & CASH

Bank debt was reduced during the month to £9.0m and was drawn as EUR 5.0m and Sterling £5.0m.

## OTHER

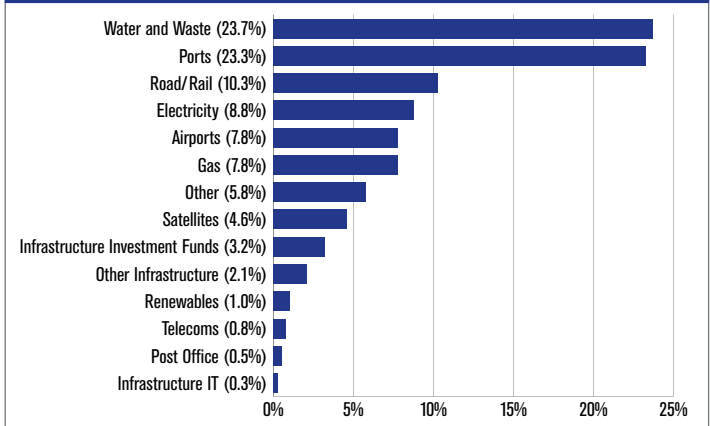
UEM's ordinary share price was up 2.8% at 163.40p, with a NAV discount of 7.6%.

UEM announced its interim results today (20 November 2012) and declared a quarterly dividend of 1.375p bringing the total for the half year to 2.75p.

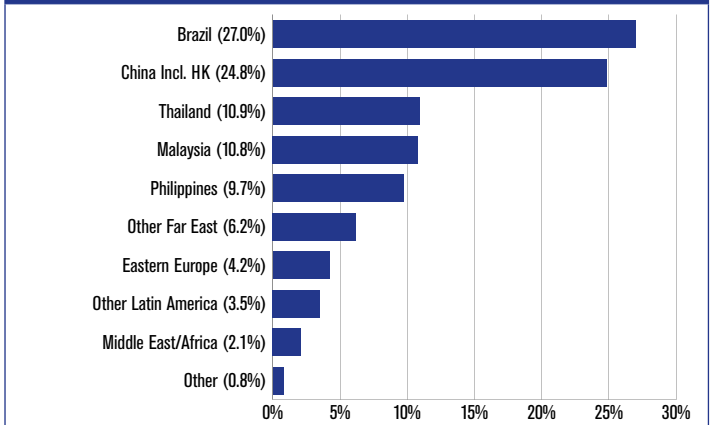
## TOP TEN HOLDINGS

	% of gross assets
1 Eastern Water Resources PCL	10.5%
2 International Container Terminals, Inc.	8.3%
3 Malaysia Airport Holdings Berhad	6.8%
4 Ocean Wilsons Holdings Limited	6.1%
5 Cia Saneamento Minas Gerais (COPASA)	5.6%
6 Asia Satellite Telecommunications	3.8%
7 Companhia de Concessoes Rodoviaras (CCR)	3.2%
8 Santos Brasil Participacoes	3.0%
9 China Gas Holdings	2.6%
10 Gasco S.A.	2.2%
<b>Total Top 10</b>	<b>52.1%</b>

## SECTORAL SPLIT OF INVESTMENTS



## GEOGRAPHICAL SPLIT OF INVESTMENTS



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