

UTILICO EMERGING MARKETS LIMITED



31 August 2010

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

ORDINARY SHARES

NAV at launch	98.37p
NAV (cum income)	166.03p
Share Price	145.75p
(Discount) / Premium to diluted NAV	(12.2%)
Annual average compound return (including dividends)	13.8%
Historic Dividend Yield	3.3%
Shares in issue	220,527,034
Ticker	UEM.L

GROSS ASSETS BREAKDOWN

Investments and options	£ 365.0m
Cash less current liabilities	£ 1.2m
Gross Assets less Current Liabilities	£ 366.1m

Investments as a percentage of gross assets less current liabilities 99.7%

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£ 366.1m
Bank Debt	£ 0.0m
Contract For Differences net Debt	£ 0.0m
Shareholders' Funds	£ 366.1m
Effective gearing on Ordinary Shares	1.00x

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
Winding up provision	To be proposed at the AGM in 2012

MANAGEMENT & ADMINISTRATIVE FEES

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

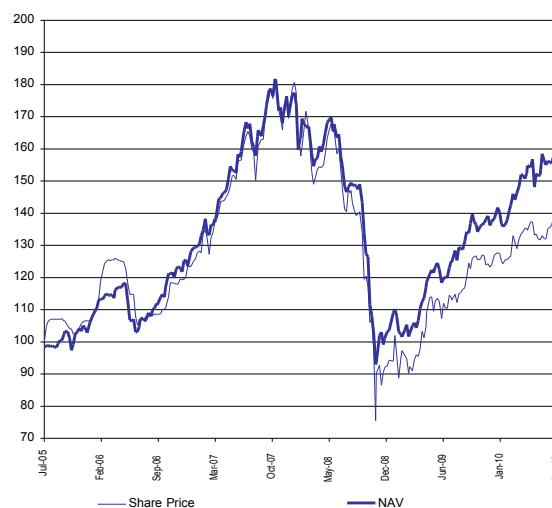
FURTHER INFORMATION

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

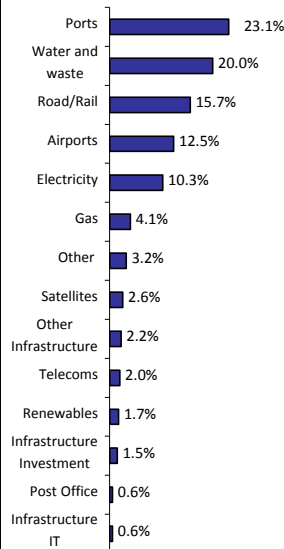
www.uem.bm

Utilico Emerging Markets Limited
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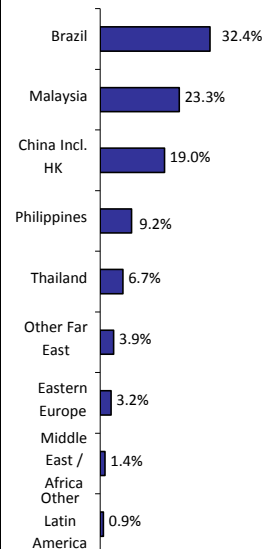
PERFORMANCE



SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHICAL SPLIT OF INVESTMENTS



TOP TEN HOLDINGS

1	Malaysia Airport	11.0%
2	Ocean Wilsons Holdings Limited	8.7%
3	Intl Container Terminals	6.7%
4	Eastern Water Resources PCL	5.1%
5	Puncak Niaga Holdings	4.5%
6	AES Tiete SA	4.1%
7	Cia Saneamento Minas Gerais (COPASA)	3.8%
8	Companhia de Concessoes Rodoviaras (CCR)	3.4%
9	Sichuan Expressway	2.8%
10	My Eg Services	2.1%
	Total Top 10	52.4%

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MONTHLY COMMENT

INVESTMENT TEAM

PERFORMANCE

UEM continued its strong performance in August with the cum-income NAV up 5.6% in contrast to weakness in the wider markets including a 2.2% loss in the MSCI Emerging Markets Index (GBP adjusted). The final exercise of S shares and warrants during the month means that UEM will report a basic NAV either cum or ex income going forward.

Sterling has weakened against most emerging market currencies down 5.1% against Thai Baht, 3.2% against Malaysian Ringgit and 2.1% against the Brazilian Real.

Emerging market economies continue to be strong while the growth in the developed economies was seen to be slowing amid worries that the global rebound from last year's recession is fading as stimulus packages end and governments look to cut back budget deficits. The OECD has stated that long term threat to growth may result in central banks needing to buy assets, maintain low interest rates and delay budget cuts. The emerging markets however, are showing robust growth and financial conditions have stabilized overall.

PORTFOLIO

Within the top 10, most of the stocks posted gains during the month in local currency. Notably Sichuan Expressway which was up 13.7% and Ocean Wilsons up 14.5%.

Investments of £8.5m were made over the month, with disposals of £1.0m mostly from sales of POS Malaysia shares.

DEBT & CASH

Cash balances as the end of the month were £6.7m and the bank debt was reduced to zero using the funds received as a result of the warrant exercise.

OTHER

UEM's Ordinary share price increased by 45.8% during August and at the end of the month stood at a 147.75p a discount of 12.2% to the diluted NAV.

The 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.

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

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.

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