

UTILICO EMERGING MARKETS LIMITED

31 March 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	23 September 2009
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	£ 344.5m
Cash less current liabilities	£ 0.1m
Gross Assets less Current Liabilities	£ 344.7m
Investments as a percentage of gross assets less current liabilities	100.0%

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£ 344.7m
Bank Debt	(£ 24.7m)
Contract For Differences net Debt	£ 0.0m
Shareholders' Funds	£ 320.0m
Effective gearing on Ordinary Shares	1.08x

ORDINARY SHARES

NAV at launch	98.37p
NAV (undiluted, cum income)	157.41p
NAV (diluted, cum income)	148.43p
Share Price	132.00p
(Discount) / Premium to diluted NAV	(11.1%)
Annual average compound return (including dividends)	13.7%
Historic Dividend Yield	4.0%
Shares in issue	203,312,819
Ticker	UEM.L

WARRANTS AND S SHARES

	S Shares	Warrants
Price	30.50p	30.50p
Warrants/S shares in issue	8,606,709	29,087,134
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

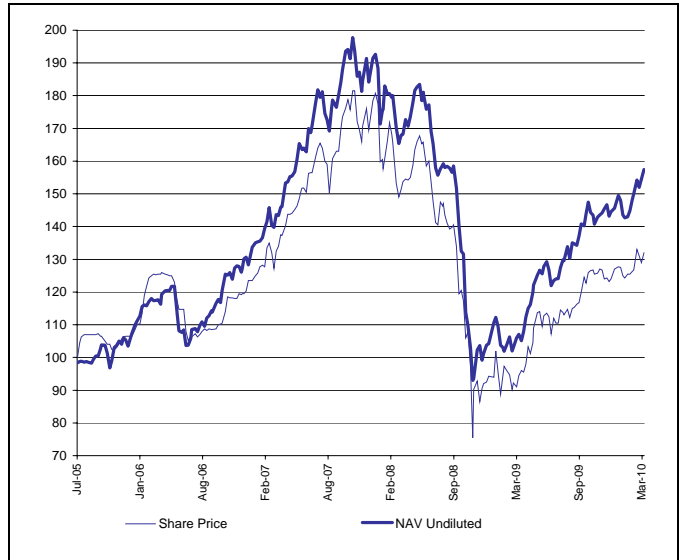
TOP 10 HOLDINGS

1	Malaysia Airport	11.5%
2	Ocean Wilsons Holdings Limited	7.8%
3	Intl Container Terminals	5.1%
4	Eastern Water Resources PCL	4.4%
5	Puncak Niaga Holdings	4.3%
6	AES Tiete SA	4.1%
7	Cia Saneamento Minas Gerais (COPASA)	4.0%
8	Companhia de Concessoes Rodoviaras (CCR)	3.7%
9	Sichuan Expressway	2.7%
10	Xiniao Gas Holdings	2.5%
Total Top 10		50.2%

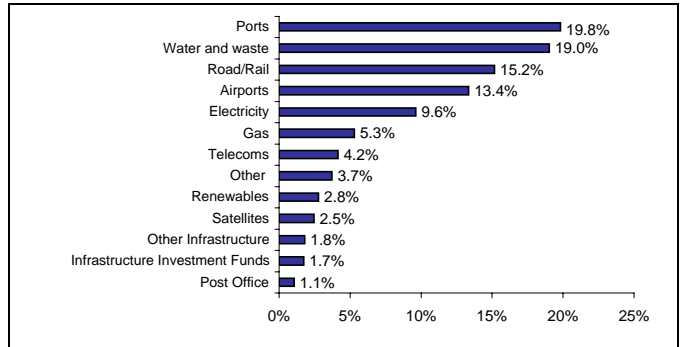
FURTHER INFORMATION

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

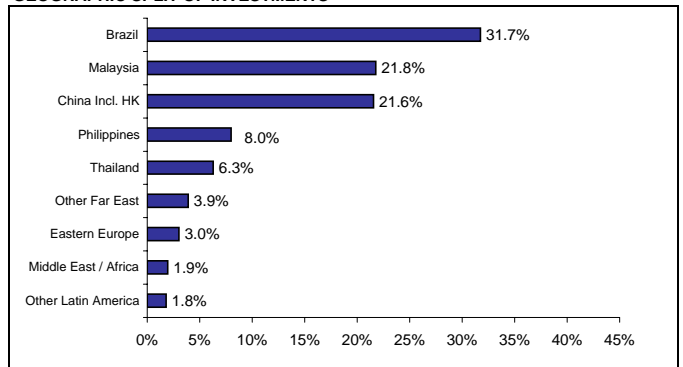
PERFORMANCE



SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHIC SPLIT OF INVESTMENTS



MONTHLY COMMENT

INVESTMENT TEAM

PERFORMANCE

March saw a positive performance in both emerging markets and also UEM, with the gains coming through investment performance rather than simply through the weakness of Sterling as was the case in February. The MSCI increased by 8.3% in Sterling terms, being slightly ahead of the increase in UEM's NAV (cum-income undiluted) of 4.9%. As anticipated in February's report, income generation was strong in the month, with the shares accruing almost 1.0p of income.

The positive performance in March has concluded UEM's financial year. This has been a year of recovery for UEM, with the undiluted NAV having increased by 46.1% over the 12 months. Although this has been below the MSCI Emerging market Index performance (GBP adjusted) of 66.9%, it should be recognised that the Utility and Infrastructure sectors have substantially lagged the wider market during the recovery. More importantly, the underlying performances of many of UEM's portfolio investments have been excellent, and we believe that the portfolio continues to be attractively valued despite the recovery in share prices. At the period end the NAV stood at 157.41p, 6.5% behind the year end high of 168.39p seen at March 2008, since which time UEM has paid out 9.85p of cumulative dividends.

PORTFOLIO

During March investments of £10.1m were made into the portfolio, being partly funded by sales of GBP 4.9m. The more economically sensitive investments in the airports and ports sectors performed best, reflecting market confidence in the economies of the emerging markets.

Year end results within the portfolio have continued to be encouraging, with AES Tiete, Copasa, Sichuan Expressway, and Xinao Gas reporting increases in normalised earnings of 17.9%, 5.2%, 40.0% and 77.9% respectively.

DEBT & CASH

During March UEM bought back for cancellation 8,500,000 ordinary shares at 128.50p, at a total cost of £10.9 m. This, together with net investment of £5.2 million, plus an increase in the cash balance of £4.1m to £5.6m, led bank debt to increase by £ 19.5m to £ 24.7m.

Following the maturity of a £25.0m debt facility in March, UEM's remaining banking facilities consist of a single multi currency term facility of £25.0m, maturing in March 2012. This was drawn £19.7m in GBP and £5.0m in USD at the end of March.

OTHER

UEM's Ordinary share price increased by 4.1% during March, and at the end of March stood at a discount of 11.1% to the diluted NAV. The S Shares and Warrants increased by 19.6% and 23.2% during the month respectively.

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 52, is a director of Utilico's investment manager, ICM. He is a chartered accountant with experience in corporate finance and corporate investment. His companies have invested in the utility sector for over twenty years. He was formerly a non-executive director of The Special Utilities Investment Trusts PLC, East Surrey Holdings plc, Dee Valley Group plc, Glasgow Prestwick International Airport Limited and Wellington International Airport and is currently a non-executive director of Infracore Ltd & Vix-ERG Ltd.

MR CHARLES JILLINGS (Executive Director)

Mr Jillings, aged 53, is the executive Director of the Company. He is responsible for the running of the Company and the investment portfolio in conjunction with the Investment Manager. Mr Jillings 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.

Assisting them are:

MR JAMES SMITH

James Smith, aged 37, has been involved in the running of Utilico Emerging Markets Limited 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 Lebell, aged 37, has been involved in the running of Utilico Emerging Markets Limited and Utilico Limited since their inception and before that with Utilico Investment Trust plc and The Special Utilities Investment Trust PLC since 2000. Mr Lebell is an associate member of the Institute of Electrical Engineers.

MR ITTAN ALI

Ittan Ali, aged 37, has been employed by The Analysis & Research Company Ltd since March 2008 and was previously employed at TRW Investment Management as a Pan European fund manager. Prior to that he was employed for six years as a fund manager with Majedie Investments plc. Mr Ali is an associate of the UK Society of Investment Professionals

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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