

**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.

March 2014

| ORDINARY SHARES                     |             |
|-------------------------------------|-------------|
| NAV at launch                       | 98.37p      |
| NAV (cum income)                    | 192.42p     |
| Share Price                         | 180.00p     |
| (Discount) / Premium to diluted NAV | (6.5%)      |
| NAV Total Return since launch *     | 147.6%      |
| Annual average compound return *    | 12.4%       |
| Historic Dividend Yield             | 3.4%        |
| Shares in issue                     | 213,243,793 |
| Ticker                              | UEML        |

\* Including dividends and return on warrants converted in August 2010

| CAPITAL STRUCTURE                     |          |
|---------------------------------------|----------|
| Gross Assets less Current Liabilities | £433.4m  |
| Bank Debt                             | £(23.1)m |
| Shareholders' Funds                   | £410.3m  |
| Gearing* (based on AIC definition)    | 6.0%     |

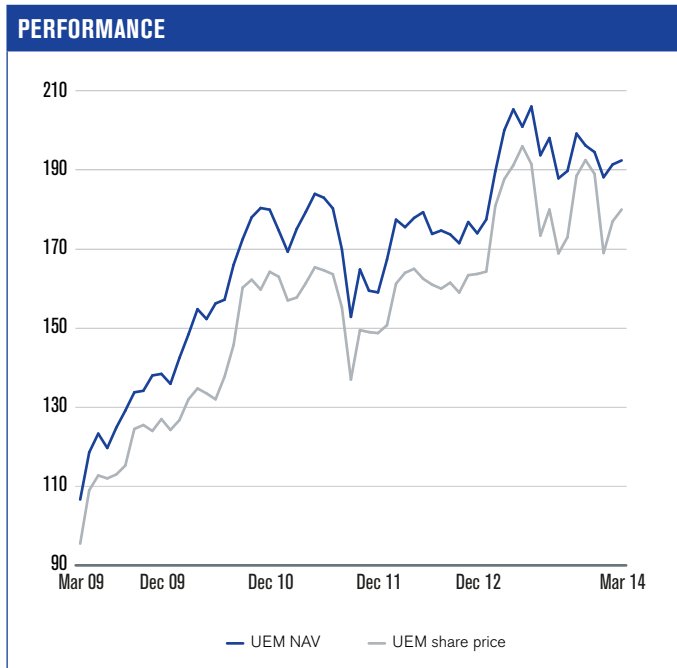
\*GEARING AIC – standardised gearing calculation as recommended by the AIC is now based on net assets

| BOARD              |                |              |
|--------------------|----------------|--------------|
| Alexander Zagoreos | Garry Madeiros | Susan Hansen |
| 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. <a href="http://www.icm.bm">www.icm.bm</a> |

| TEAM             |                   |              |
|------------------|-------------------|--------------|
| Charles Jillings | Jacqueline Broers | Mark Lebbell |
| Duncan Saville   | Jonathan Grocock  |              |

| MANAGEMENT & ADMINISTRATIVE FEES |  |
|----------------------------------|--|
| Investment Management Fee        | 0.5% of gross assets – (0.65% of net assets plus Company Secretarial Fee – with effect 1 April 2014)   |
| Administration Fee               | £210k  |
| Performance Fee                  | 15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to "high water" mark, with a cap on the performance fee of 1.85% of average net assets for that financial year |



| PERFORMANCE (total return including dividends) |         |          |        |         |           |
|--|---------|----------|--------|---------|-----------|
|  | 1 month | 3 months | 1 year | 3 years | Inception |
| Share Price                                    | 1.7%    | (4.0%)   | (2.7%) | 25.1%   | 119.7%    |
| Net Asset Value                                | 0.5%    | (0.3%)   | (3.3%) | 19.8%   | 135.9%    |

| ROLLING 12 MONTH PERFORMANCE (total return including dividends) |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|
| 12 months to  | Mar 14 | Mar 13 | Mar 12 | Mar 11 | Mar 10 |
| Share Price   | (2.7%) | 20.3%  | 7.3%   | 23.1%  | 43.0%  |
| Net Asset Value   | (3.3%) | 20.4%  | 3.2%   | 21.2%  | 43.4%  |

| 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 |



**FURTHER INFORMATION** regarding Utilico Emerging Markets Limited is available on the Company's website at [www.uem.bm](http://www.uem.bm)

**PERFORMANCE**

UEM's cum income NAV was up 0.5% during March, to end the month at 192.42p. This was behind the gain of 3.6% in the MSCI Emerging Markets Total Return Index in Sterling terms.

For UEM's full financial year to 31 March, the total NAV return (including 6.10p of dividends paid during the year) was a disappointing decline of 3.4% although this compares favourably with a 9.9% decline in the MSCI Emerging Markets Total Return Index in Sterling terms over the same period.

Stock markets were mostly positive in March. The Brazilian BOVESPA index reported its first positive month since October 2013, with a monthly gain of 7.1%. The SENSEX index in India rose by 6.0% and the Thai SET Index was up 3.8%. The Hang Seng Index in Hong Kong was a notable decliner, with a 3.0% fall during March.

Emerging markets' currencies generally continued to recover in March. For the month versus Sterling, the Brazilian Real gained 4.1%, the Indian Rupee gained 3.4% and the Indonesian Rupiah rose 2.7%. The Chinese Renminbi weakened 0.7% against Sterling in the month.

**PORTFOLIO**

The constituents of the top ten were unchanged during March although there were changes in positions, with International Container Terminals becoming the largest stock. Whilst the top ten as a whole gained in value, the share price of only four companies went up during the month. The best performers were International Container Terminals, with an 11.4% increase in its share price, Gasco, which rose 8.8% and Ocean Wilsons' share price was up 5.8%. China Gas Holdings rose modestly.

APT Satellite was the largest faller, with a decline in its share price of 9.4%. The stock had a volatile month, hitting a high of HK\$12.00 in the middle of March, before declining to HK\$9.08 at the month end after 2013 results and guidance appeared to disappoint the market. China Everbright's share price was similarly volatile, with a strong start to the month, followed by a decline, to end down 7.6% for March as a whole.

Malaysia Airports' share price weakened in the days following the disappearance of Malaysian Airlines' flight MH370 on 8 March. The share price was down 6.1% for the month. Eastern Water's share price was down 3.4%, Asia Satellite was down 2.4% and MyEG's share price fell by 2.1%.

**DEBT & CASH**

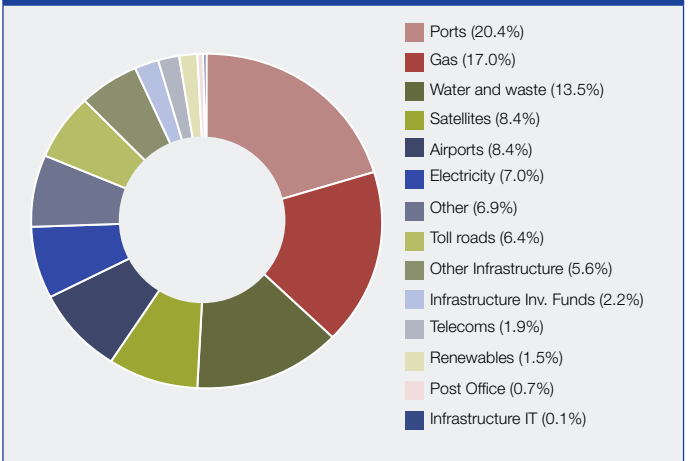
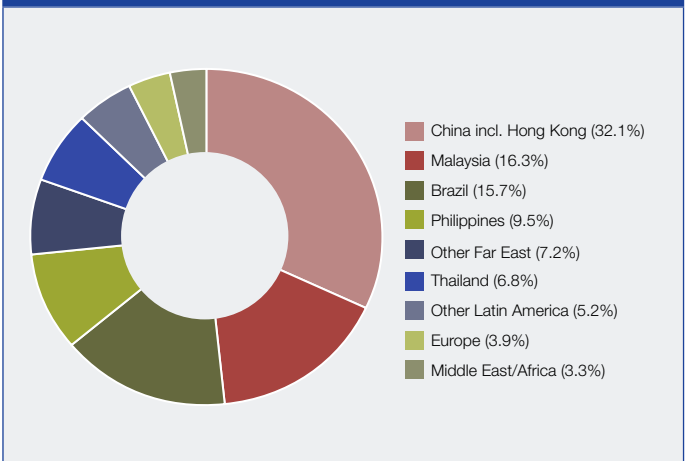
Bank debt reduced to £23.1m, which was drawn as £14.5m Sterling, €5.0m and US\$ 7.5m.

**OTHER**

UEM's share price rose by 1.7% in March to 180.00p, with the discount narrowing to 6.5%, from 7.5% at the end of February.

**TOP TEN HOLDINGS**

|  | % of gross assets |
|--|-------------------|
| 1 International Container Terminal Services Inc.         | 8.5%              |
| 2 Malaysia Airport Holdings Berhad                       | 8.4%              |
| 3 China Gas Holdings Ltd                                 | 6.6%              |
| 4 Eastern Water Resources Development and Management PCL | 6.4%              |
| 5 Ocean Wilsons Holdings Limited                         | 6.2%              |
| 6 MyEG Services Berhad                                   | 5.6%              |
| 7 Asia Satellite Telecommunications Holdings Limited     | 4.2%              |
| 8 Gasco SA   | 3.6%              |
| 9 APT Satellite Holdings Limited                         | 3.3%              |
| 10 China Everbright International Limited                | 3.3%              |
| <b>Total Top 10</b>                                      | <b>56.1%</b>      |

**SECTOR SPLIT OF INVESTMENTS****GEOGRAPHICAL SPLIT OF INVESTMENTS**

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