

ABOUT US: UEM is a closed end investment company, traded on the London Stock Exchange, registered in Bermuda. Registered No 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 invest 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.

SEPTEMBER 2017

ORDINARY SHARES

Ticker: UEM.L

NAV at launch	98.36p
NAV (diluted cum income)	250.53p
NAV (undiluted cum income)	261.13p
Share Price	217.50p
(Discount) / Premium to diluted NAV	(13.2%)
NAV Total Return since launch *	302.5%
Annual average compound return *	12.1%
Historic Dividend paid per share (last 12 months)	6.73p
Historic Dividend Yield (last 12 months)	3.1%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	215,226,276

SUBSCRIPTION SHARES

Ticker: UEMS.L

Share Price	28.50p
Shares in issue	33,758,557
Exercise Price	183.00p
Exercise Date	28 February 2018

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£582.0m
Bank Debt	£20.0m
Shareholders' Funds	£562.0m
Gearing (based on AIC definition)	3.0%

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

MANAGEMENT & ADMINISTRATIVE FEES

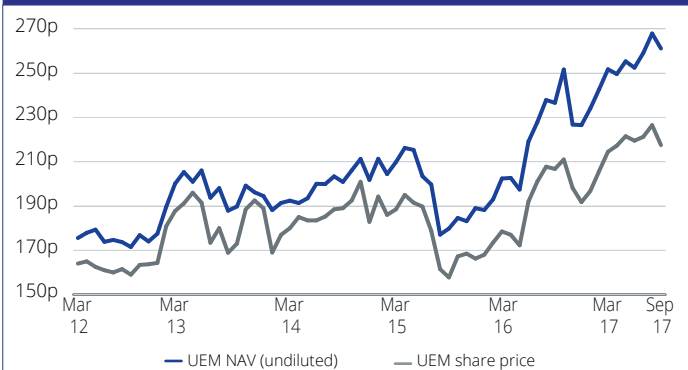
Investment Management Fee	0.65% of net assets plus Company Secretarial Fee
Administration Fee	£220k per annum
Performance Fee	15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to high watermark, with a cap on the performance fee of 1.85% of average net assets for that financial year

INVESTMENT MANAGERS

Utilico Emerging Markets Limited is managed by ICM Limited and ICM Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority.

www.icm.limited and www.icmim.limited

ORDINARY SHARES PERFORMANCE



PERFORMANCE (Total return*)

	1 month	3 months	1 year	3 years	Inception
Share Price	(2.7%)	0.4%	9.4%	28.8%	240.3%
Net Asset Value	(1.3%)	4.7%	15.5%	44.0%	302.5%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Sep 17	Sep 16	Sep 15	Sep 14	Sep 13
Share Price	9.4%	36.4%	(13.7%)	12.9%	12.5%
Net Asset Value	15.5%	34.8%	(7.5%)	9.3%	13.7%

KEY DATES

Launch Date	20 July 2005
Year End	31 March
AGM	September
Ex-Dividend Dates	September, December, March & June
Dividend Paid Dates	September, December, March & June
Continuation Vote	To be proposed at the AGM in 2021

BOARD

John Rennocks	Susan Hansen	Garry Madeiros
Garth Milne	Anthony Muh	

TEAM

Charles Jillings	Jacqueline Broers	Mark Lebbell
Duncan Saville	Jonathan Grocock	

* Total return is calculated based on undiluted NAV plus dividends reinvested and adjusted for the exercise of warrants and subscription shares



PERFORMANCE

UEM's cum income NAV (undiluted) total return decreased by 1.3% during September, ending the month at 261.13p. This was an outperformance against the MSCI Emerging Markets Total Return Index which fell by 4.3% in Sterling terms over the same period. The NAV on a diluted basis decreased by 1.8% to 250.53p. For the six months to 30 September 2017, UEM's NAV total return per ordinary share was 5.7% compared to a 6.9% increase in the MSCI Emerging Markets Total Return Index over the same period.

UEM faced a headwind of a significant strengthening in Sterling in September, following indications from the Bank of England that an interest rate rise "in the relatively near term" was possible. Sterling gained by 4.1% against the US Dollar and 4.7% against the Euro.

Emerging markets' indices had mixed performances in September. Brazil's Bovespa continued to perform well, with a further 4.9% gain. Chile's IPSA Index gained by 3.7% and the Thai SET Index gained by 3.5%. In contrast, there was some weakness in China, with the Hang Seng Index down by 1.5% and the Shanghai Composite down by 0.4%, partly on concerns over North Korea. India's SENSEX Index fell by 1.4%, as the OECD cut 2017 GDP growth expectations and Mexico's IPC Index fell by 1.7% following the earthquakes that hit the country during the month.

The WTO revised its world trade expectations for 2017 and now expects trade in volume terms to increase by 3.6% this year, compared with earlier expectations of 2.4%. Asia, particularly China, and North America are driving the higher growth. The OECD notes a broad based economic recovery, with GDP growth expected in 2017 in each of the 45 major industrialised economies it follows for the first time since 2007.

Emerging markets' currencies were mostly weaker against the US Dollar during September, with weakness exacerbated by the strength of Sterling. Against Sterling, the Mexican Peso declined by 5.7%, the Indian Rupee was down by 5.5% and the Romanian Lei was down by 4.6%. Better performing currencies included the Malaysian Ringgit, which was down by 2.9% against Sterling and the Philippines Peso which was 3.3% weaker against Sterling.

PORTFOLIO

There were no changes to the top 20 holdings in the portfolio during September.

Performance was mixed, with eleven of the top twenty stocks advancing and nine declining. The two strong outperformers during the month were Rumo, up by 17.2% and TGS continued to climb following its strong Q2 results in August, with its share price increasing by a further 16.8% in September. Conpet's share price increased by 5.6%.

September's most notable decliners were APT Satellite, with its share price down by 6.7%, Power Grid of India, down by 5.8% and Malaysia Airports, which declined by 5.3%.

Investment activity was relatively modest, with purchases during the month for the portfolio amounting to £7.0m and realisations totalling £5.3m.

DEBT

Borrowings at the month end declined to £20.0m, with the Euro loans repaid in full during September, following the receipt of the Subscription Shares exercise. The HKD 209.9m remained outstanding at the end of September.

OTHER

UEM's share price ended September at 217.50p, a decrease of 4.0% over the month. The discount widened to 13.2% to the diluted NAV. The price of the Subscription Shares declined by 23.0% to 28.50p.

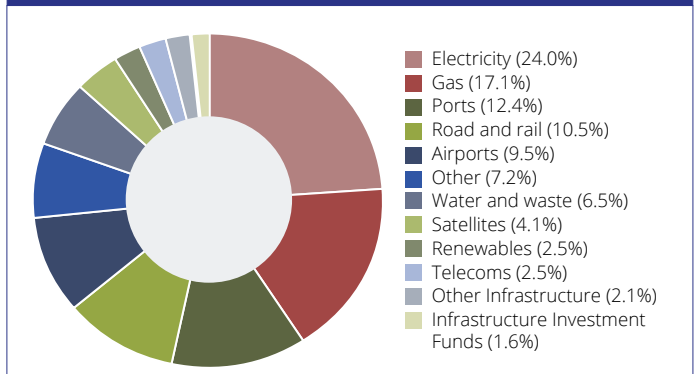
UEM issued 4,069,725 Ordinary Shares on 4 September 2017, to satisfy August's Subscription Share exercises and bought back 250,000 shares during the month at a price of 217.41p.

Charles Jillings
ICM Investment Management Limited and ICM Limited

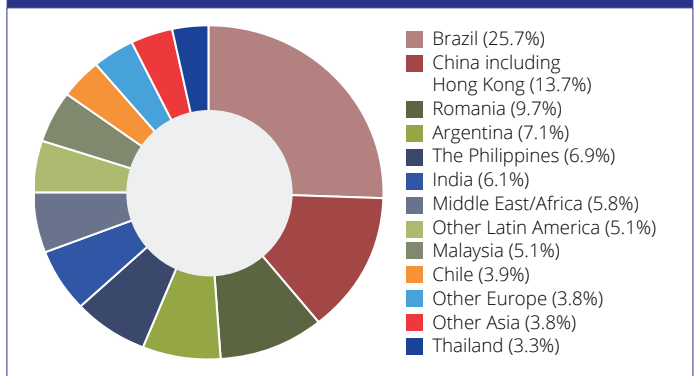
TOP 20 HOLDINGS

	% of gross assets
1. International Container Terminal Services Inc.	5.2%
2. Ocean Wilsons Holdings Limited	4.5%
3. Rumo S.A.	4.5%
4. Alupar Investimento S.A.	4.0%
5. Transgaz S.A.	3.2%
6. Malaysia Airport Holdings Berhad	2.9%
7. Transelectrica SA	2.8%
8. Yuexiu Transport Infrastructure Limited	2.8%
9. Transportadora de Gas del Sur S.A.	2.6%
10. Shanghai International Airport Co Ltd	2.6%
11. Cia de Gas de Sao Paulo (Comgas)	2.5%
12. China Resources Gas Group Ltd	2.4%
13. Conpet S.A.	2.4%
14. APT Satellite Holdings Limited	2.3%
15. Eastern Water Resources Development and Management PCL	2.3%
16. Engie Energia Chile S.A.	2.3%
17. SJVN Limited	2.2%
18. MyEG Services Berhad	2.1%
19. Energisa S.A.	2.0%
20. Power Grid Corporation of India Limited	1.9%
Total Top 20	57.5%

SECTOR SPLIT OF INVESTMENTS (on a look-through basis)



GEOGRAPHICAL SPLIT OF INVESTMENTS (on a look-through basis)



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