

**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.

September 2014

ORDINARY SHARES	
NAV at launch	98.37p
NAV (cum income)	200.88p
Share Price	189.00p
(Discount) / Premium to diluted NAV	(5.9%)
NAV Total Return since launch *	159.3%
Annual average compound return *	12.4%
Historic Dividend Yield	3.2%
Shares in issue	213,243,793
Ticker	UEM.L

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

CAPITAL STRUCTURE	
Gross Assets less Current Liabilities	£442.6m
Bank Debt	£(14.2)m
Shareholders' Funds	£428.4m
Gearing* (based on AIC definition)	2.3%

\*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	0.65% of net assets plus Company Secretarial Fee
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	0.3%	3.8%	12.8%	51.8%	131.7%
Net Asset Value	(1.2%)	1.2%	9.1%	43.8%	147.6%

ROLLING 12 MONTH PERFORMANCE (total return including dividends)					
12 months to	Sep 14	Sep 13	Sep 12	Sep 11	Sep 10
Share Price	12.8%	12.5%	21.1%	(11.3%)	32.6%
Net Asset Value	9.1%	14.1%	16.7%	(8.4%)	32.5%

KEY DATES	
Launch Date	20 July 2005
Year End	31 March
AGM	September
Ex-Dividend Dates	August, November, February & May
Dividend Paid Dates	September, December, March & June
Continuation Vote	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 decreased 1.2% during September, from 203.38p at the end of August to 200.88p at the end of September. This performance was substantially ahead of the MSCI Emerging Markets Total Return Index, which fell by 5.1% in Sterling terms in the month.

In Brazil markets were whipsawed by election polls which saw incumbent president Dilma Rousseff recover her lead in the polls over more market-friendly candidates Marina Silva and Aécio Neves. Next month will be critical in determining the direction of the country for the coming four years with general elections held on 5 October, and an expected run-off vote on 26 October.

In China the HSBC/Markit PMI remained steady at 50.2 in September, indicating marginal expansion in economic activity. Notably the sub-index for manufacturing employment shrank for the eleventh consecutive month and the property market continued to cool. In Hong Kong demonstrators have carried out pro-democracy protests over claims that Beijing was reneging on a commitment that the territory's chief executive would be elected by universal suffrage.

Emerging markets performance was mixed during September. While China's Shanghai Composite index increased 6.6% during the month, the Hang Seng index was particularly weak, falling 7.3%. There were positive gains in the Philippines and Thailand with the PSEI and SET indices up 3.3% and 1.5% respectively. Meanwhile Latin American indices were weak, with the Chile IPSA down 1.3%, and Brazil exceptionally poor with the BOVESPA falling by 11.7% over the period.

Sterling's performance was mixed against emerging markets currencies, with volatility amplified by the Scotland devolution vote which was won by a 10% margin by the "No" campaign. The US Dollar strengthened 2.4% against Sterling, and there were also gains for the Chilean Peso up 1.4%, as well as the Thai Baht up 0.9%. In contrast there was particular weakness in Brazil with the Real down 6.4%, and in Indonesia with the Rupiah down 1.7% against Sterling during September.

Commodity prices continued to be very weak with gold down 6.1%, Brent Crude Oil down 8.3%, and copper down 4.1% in USD terms over the month. The price of iron ore imported to China has now fallen to a five-year low with a 10.9% plunge in September, exacerbating earlier declines.

### PORTFOLIO

There was no change to the constituents of the top ten, all of which posted a negative performance during the month with the exception of MyEG. The e-concessionaire saw shares increase by an outstanding 28.8% during September, reflecting growing optimism towards the company's custom service tax monitoring system which is now in the final stages of approval. This has also led to upgrades in the market expectations for long-term earnings growth following the planned implementation of GST scheduled for April 2015.

China Gas Holdings shares were again the worst performer, falling 6.7% in September as the hike in city-gate gas prices continued to weigh on sentiment. Weak markets in Hong Kong also saw Asiasat, China Everbright International and APT Satellite's shares decline by 5.1%, 3.6% and 3.3% respectively. ICT shares fell 2.5% during the month even though the truck ban in Manila City, which had been in place since February, was finally lifted on 13 September. Eastwater shares fell 3.6% during the month. Brazil-focused Ocean Wilsons and Alupar fell 3.9% and 5.7% respectively, a reflection of the local market turbulence.

Malaysia Airport's share price fell 2.9% during the month after TAV bid for the outstanding 40% stake in Sabiha Gokcen Airport in Istanbul, on which Malaysia Airports have right of first refusal. Notwithstanding that the airport is a superb asset, the market is concerned that Malaysia Airports currently has a lack of financial capacity to exercise its rights, and may seek additional funding in the near term.

Purchases during the month amounted to £5.3m and realisations totalled £4.2m.

### DEBT & CASH

Bank debt increased to £14.2m and was drawn as £11.7m in Euros and £2.5m in Sterling.

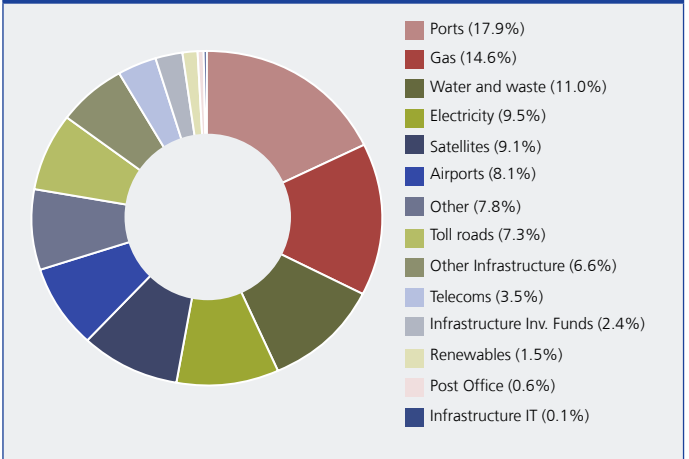
### OTHER

UEM's ordinary share price increased 0.3% during September, to 189.00p. The discount narrowed to 5.9%.

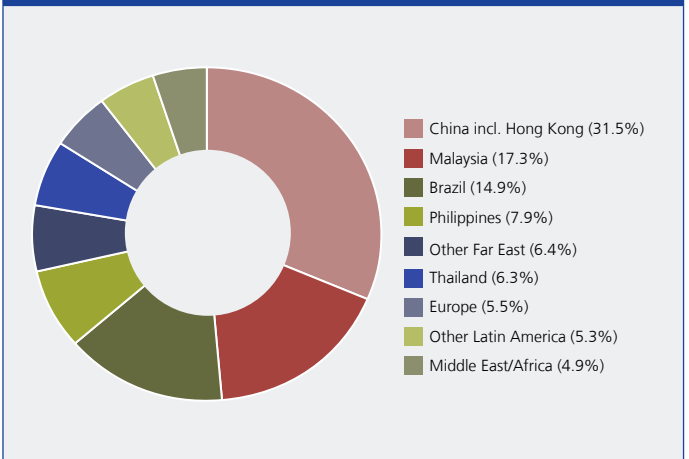
### TOP TEN HOLDINGS

	% of gross assets
1 Malaysia Airport Holdings Berhad	8.1%
2 International Container Terminal Services Inc.	6.7%
3 MyEG Services Berhad	6.5%
4 China Gas Holdings Ltd	6.2%
5 Ocean Wilsons Holdings Limited	6.1%
6 Eastern Water Resources Development and Management PCL	5.3%
7 APT Satellite Holdings Limited	4.5%
8 Asia Satellite Telecommunications Holdings Limited	3.4%
9 China Everbright International Limited	3.2%
10 Alupar Investimento SA	2.8%
<b>Total Top 10</b>	<b>52.8%</b>

### SECTOR SPLIT OF INVESTMENTS



### GEOGRAPHICAL SPLIT OF INVESTMENTS



This document is only directed at persons in the United Kingdom who are investment professionals as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, high net worth companies, unincorporated associations and other persons as defined in Article 49 of that Order or others to whom this document can lawfully be distributed or given, inside the United Kingdom, without approval of an authorised person. Any other person should not rely on it or act on it and any investment or investment activity to which it relates will not be engaged in with them.

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.