

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.

AUGUST 2017

ORDINARY SHARES

Ticker: UEM.L

NAV at launch	98.36p
NAV (diluted cum income)	255.02p
NAV (undiluted cum income)	267.90p
Share Price	226.50p
(Discount) / Premium to diluted NAV	(11.2%)
NAV Total Return since launch *	307.8%
Annual average compound return *	12.3%
Historic Dividend paid per share (last 12 months)	6.73p
Historic Dividend Yield (last 12 months)	3.0%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	211,406,551

SUBSCRIPTION SHARES

Ticker: UEMS.L

Share Price	37.00p
Shares in issue	37,828,282
Exercise Price	183.00p
Exercise Dates (last business day of each)	Feb 18

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£608.2m
Bank Debt	£41.8m
Shareholders' Funds	£566.4m
Gearing (based on AIC definition)	4.2%

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

MANAGEMENT & ADMINISTRATIVE FEES

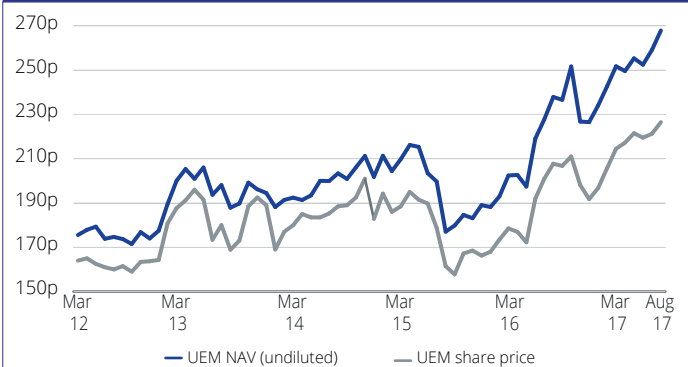
Investment Management Fee	0.65% of net assets plus Company Secretarial Fee
Administration Fee	£220k per annum
Performance Fee	15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to high watermark, with a cap on the performance fee of 1.85% of average net assets for that 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	3.1%	3.0%	13.1%	33.7%	249.6%
Net Asset Value	4.0%	5.6%	16.3%	45.0%	307.8%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Aug 17	Aug 16	Aug 15	Aug 14	Aug 13
Share Price	13.1%	33.6%	(11.5%)	15.4%	8.1%
Net Asset Value	16.3%	39.0%	(10.3%)	11.7%	11.5%

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 Renocks	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) increased by 3.4% during August, ending the month at 267.90p. Factoring in shares going ex-dividend during the month this was slightly behind the MSCI Emerging Markets Total Return Index which rose by 4.6% in Sterling terms over the month. The NAV on a diluted basis increased by 3.0% to 255.02p.

Emerging markets and currencies continued to strengthen, with several indices approaching or breaching all-time highs during the month. This includes the Brazilian Bovespa, which was a notable outperformer, up by 7.5% in August as the economy continues to benefit from interest rate cuts and a significant reform agenda which remains on track notwithstanding ongoing corruption investigations.

Other emerging markets are similarly reporting buoyant economic data. The manufacturing PMI in China rose to 51.7 in August from 51.4 in July, ahead of analyst forecasts for a slight decline. In Romania the economy posted another quarter of impressive growth, with GDP up by 5.9% in Q2. The Philippines and India similarly delivered strong GDP growth for Q2, up by 6.5% and 5.7% respectively.

Against this backdrop the Hang Seng Index in Hong Kong, Shanghai Composite Index and Thai SET Index performed well in August, up by 2.4%, 2.7% and 2.5% respectively. Weaker performances were experienced at the Indian SENSEX Index and Romanian BET Index, falling by 2.4% and 2.7% respectively.

Sterling weakened against most developed and emerging markets currencies in August. Particular strength was evident in the Chilean Peso, up by 6.0%, the Chinese Renminbi, was up by 4.2%, and the Euro, was up by 3.2%, against Sterling. At the same time the US Dollar strengthened by 2.3% against Sterling over the month, with similar movements in the Brazilian Real which was up by 1.6%, the Malaysian Ringgit was up by 2.6%, Romanian Leu up by 2.4% and Thai Baht up by 2.5%.

PORTFOLIO

There was one change to the top 20 holdings in the portfolio during August. Mexican airports operator OMA was replaced by Brazilian electricity utility Energisa due to relative performance and additional investment into the latter company. Energisa is the sixth-largest distribution company in Brazil with 6.6m connected customers. UEM initiated its investment in Energisa a little over a year ago, since which point shares have increased by a third.

Ten of the top twenty stocks advanced during August, with notably strong share price appreciation seen at Comgas and TGS, up by 15.3% and 14.7% respectively. This follows strong Q2 results for both companies with reported underlying EBITDA growth of 16.6% and 66.4% respectively. Shanghai Airport shares also appreciated 6.3% following robust traffic volume growth of 6.5% and EBIT up 29.8% in H1. Partly offsetting these strong performances, the share prices of ECL and SJVN both fell by 6.7% and China Resources Gas fell by 6.4%.

Purchases during the month for the portfolio amounted to £27.6m and realisations totalled £10.8m. Purchases during the month for the portfolio amounted to £27.6m and realisations totalled £10.8m.

DEBT

Borrowings at the month end totalled £41.8m, drawn in HKD209.9m and EUR22.8m. This was 15.9% lower than that as of end-July due to the paydown of some of the Euro-denominated loans.

OTHER

UEM's share price ended August at 226.50p, an increase of 2.4% over the month. The diluted NAV discount widened to 11.2%. The price of the subscription shares rose by 4.2% to 37.00p.

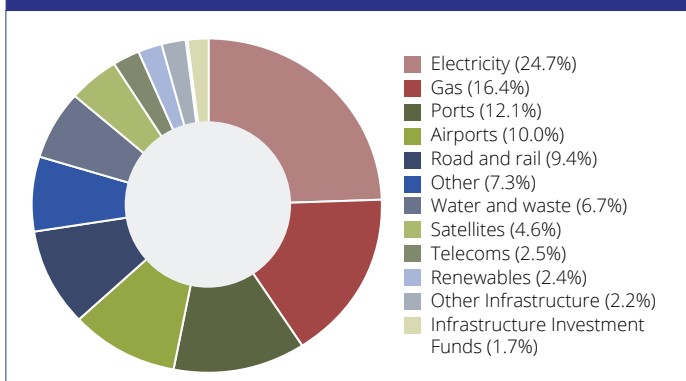
31 August 2017 marked the penultimate date for holders of the Subscription Shares to take up their rights; this resulted in UEM issuing 4,069,725 Ordinary Shares on 4 September 2017. Following this, there are 215,476,276 Ordinary Shares in issue and 33,758,557 Subscription Shares in issue with a final subscription date on 28 February 2018.

Charles Jillings
ICM Investment Management Limited and ICM Limited

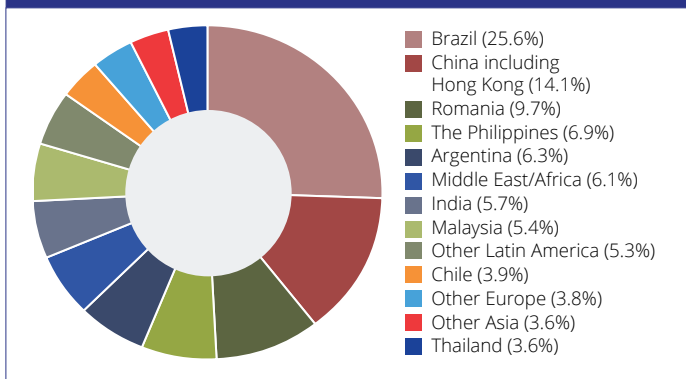
TOP 20 HOLDINGS

	% of gross assets
1. International Container Terminal Services Inc.	5.2%
2. Ocean Wilsons Holdings Limited	4.3%
3. Alupar Investimento S.A.	4.0%
4. Rumo S.A.	3.8%
5. Transgaz S.A.	3.2%
6. Malaysia Airport Holdings Berhad	3.0%
7. Transelectrica SA	2.7%
8. Shanghai International Airport Co Ltd	2.7%
9. Yuexiu Transport Infrastructure Limited	2.6%
10. Cia de Gas de Sao Paulo (Comgas)	2.5%
11. Eastern Water Resources Development and Management PCL	2.4%
12. APT Satellite Holdings Limited	2.4%
13. China Resources Gas Group Ltd	2.4%
14. Conpet S.A.	2.2%
15. Transportadora de Gas del Sur S.A.	2.2%
16. Engie Energia Chile S.A.	2.2%
17. SJVN Limited	2.2%
18. MyEG Services Berhad	2.1%
19. Power Grid Corporation of India Limited	2.0%
20. Energisa S.A.	1.9%
Total Top 20	56.0%

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



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



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