

UTILICO EMERGING MARKETS LIMITED



31 May 2011

OBJECTIVE: To provide long-term capital appreciation by investing predominantly in infrastructure, utility and related companies in emerging markets.

ORDINARY SHARES

NAV at launch	98.37p
NAV (cum income)	183.96p
Share Price	165.38p
(Discount) / Premium to diluted NAV	(10.1%)
Annual average compound return (including dividends)	14.3%
Historic Dividend Yield	2.9%
Shares in issue	215,528,793
Ticker	UEM.L

GROSS ASSETS BREAKDOWN

Investments and options	£ 412.6m
Cash less current liabilities	£ 3.9m
Gross Assets less Current Liabilities	£ 416.5m
Investments as a percentage of gross assets less current liabilities	99.1%

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£ 416.5m
Bank Debt	(£ 20.0m)
Contract For Differences net Debt	£ 0.0m
Shareholders' Funds	£ 396.5m
Effective gearing on Ordinary Shares	1.05x

KEY DATES

Launch Date	20 July 2005
Year End	31 March
AGM Date	30 August 2010
Ex-Dividend Dates	June & December
Dividend Paid Dates	June & December
Winding up provision	To be proposed at the AGM in 2012

MANAGEMENT & ADMINISTRATIVE FEES

Investment Adviser Fee	0.5%
Administration Fee	£210k
Performance Fee	15% of the outperformance over benchmark subject to "high water" mark

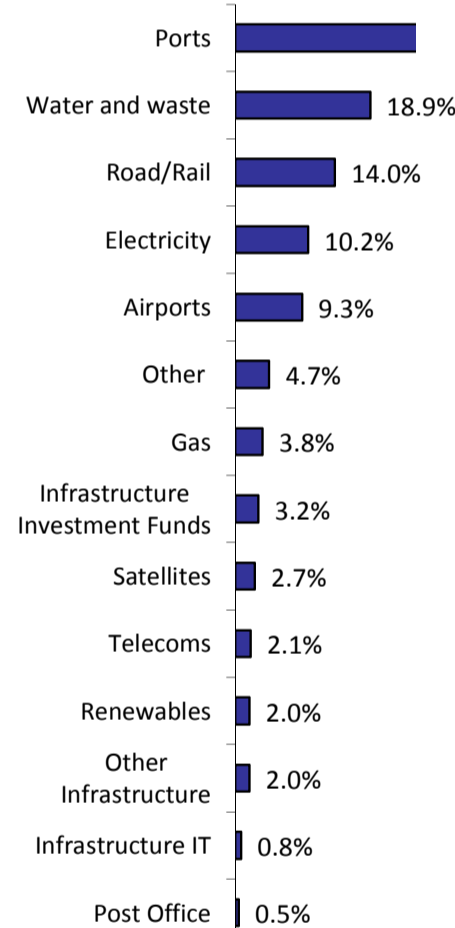
FURTHER INFORMATION

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

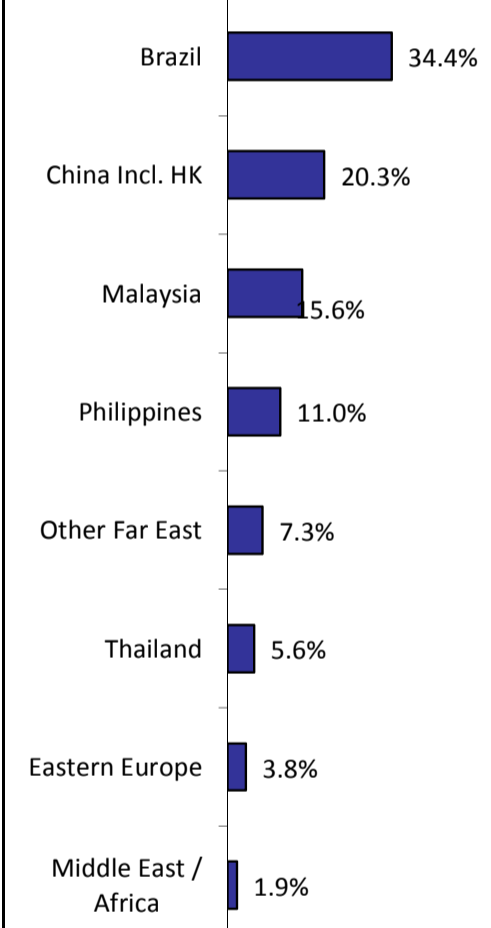
PERFORMANCE



SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHICAL SPLIT OF INVESTMENTS



TOP TEN HOLDINGS

1	Ocean Wilsons Holdings Limited	10.2%
2	Intl Container Terminals	9.1%
3	Malaysia Airport	9.0%
4	Eastern Water Resources PCL	4.9%
5	Cia Saneamento Minas Gerais (COPASA)	4.4%
6	Companhia de Concessionarias Rodoviarias (CCR)	3.7%
7	AES Tiete SA	3.1%
8	Puncak Niaga Holdings	3.0%
9	Santos Brasil Part	2.9%
10	Anhui Expressway	2.5%
Total Top 10		52.7%

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MONTHLY COMMENT

PERFORMANCE

UEM's cum income NAV rose by 2.5% in May to end the month at 183.96p per share. As in April, UEM's NAV gain was in contrast to a weak performance in the wider markets. During May, the MSCI Emerging Markets Index (GBP adjusted) fell 1.7%.

In the first two months of UEM's financial year to March 2012, the NAV cum income has increased by 5.0%, a substantial outperformance compared to a 2.9% fall in the MSCI Emerging Markets Index (GBP adjusted) over the same period.

Globally investors continued to be concerned about the strength of the US and European recovery, sovereign debt issues, most notably those of Greece, and the ongoing economic disruption in Japan following March's earthquake.

Banking stocks were weaker on the poorer economic outlook and generally there appears to be a reduced appetite for more speculative stocks, especially in the oil and mining sectors.

Oil prices fell back from the recent highs recorded at end of April but the price of gold remains near its all time highs.

PORTFOLIO

Generally most stocks in UEM's top 10 performed well during the month.

Ocean Wilsons was the top performer during the month in value terms, with a 5.5% gain in its share price. Adding back in the final dividend which was paid during the month, the total monthly return was 7.3%.

COPASA was the top performer in the top ten in percentage terms, gaining 10.1% in the month on the back of strong results.

Malaysia Airports posted a 3.1% gain in its share price and a 5.0% total return when the final dividend is factored in. The company was added to the MSCI Malaysia Index during the month.

Other gainers in the top 10 were Puncak Niaga (up 6.7%), ICT (up 2.1%), CCR (up 0.8%) and AES Tiete (up 0.2% on a total return basis).

Eastern Water (down 2.4%) and Santos Port (down 0.5%) fell. Tractebel Energia was also weaker and replaced in the top 10 by Anhui Expressway. The company operates toll roads in the eastern Chinese province of Anhui.

Investments during the month totalled £12.7m, whilst realisations totalled £12.2m. Proceeds of £3.7m were received from the sale of Malaysia Airports shares into the strong prices immediately post the inclusion into the MSCI Malaysia Index.

DEBT & CASH

Bank debt remained stable with £20m of debt drawn down. Cash balances increased despite the net investment, due to the dividend entitlements that accrued during the month.

OTHER

UEM's discount at the month end widened slightly to 10.1% at the end of May.

During the month, the company bought back 250,000 shares at 163.5p per share. The number of shares in issue following this purchase is 215,528,793.

INVESTMENT TEAM

The investment manager ICM Limited ("ICM") is primarily responsible for running the investment portfolio.

Duncan Saville

Mr Saville, aged 54, is a director of UEM's Investment Manager, ICM Limited. He is a chartered accountant. He is a non-executive director of Infratil Limited and Vix-ERG Limited and was formerly a non-executive director of Utilico Investment Trust plc, The Special Utilities Investment Trust PLC, East Surrey Holdings plc, Dee Valley Group plc, Glasgow Prestwick International Airport Limited and Wellington International Airport Limited.

Charles Jillings (Director)

Mr Jillings, aged 55, is a Director of the Company. He is responsible for the day-to-day 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 has been a director of a number of listed companies and he is a director of East Balkan Properties plc (former Chairman) and Global Equity Risk Protection Limited.

Assisting them are:

Jacqueline Broers

Jacqueline Broers, aged 31, has been involved in the running of Utilico Emerging Markets Limited and Utilico Investments Limited since September 2010. Prior to joining the investment team, Jacqueline worked in the Corporate Finance team at Lehman Brothers/Nomura.

Jonathan Chi

Jonathan Chi, aged 41, has been involved in the running of Utilico Emerging Markets Limited and Utilico Investments Limited since December 2005 and is based in Singapore. Prior to joining the investment team Mr Chi was a financial accountant for a funds management company and is a Fellow of the Institute of Chartered Accountants in Australia.

Jonathan Grocock

Jonathan Grocock, aged 33, has been involved in the running of Utilico Emerging Markets Limited and Utilico Investments Limited since February 2011. Prior to joining the investment team Mr Grocock was an equity research analyst at Investec and is a CFA charterholder.

Mark Lebbell

Mark Lebbell, aged 39, has been involved in the running of UEM and Utilico Investments Limited since their inception and before that was involved with Utilico Investment Trust plc and The Special Utilities Investment Trust PLC since 2000. Mr Lebbell is an associate member of the Institute of Electrical Engineering and Technology.

James Smith

James Smith, aged 38, has been involved in the running of UEM and Utilico Investments Limited since their inception and before that was involved 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.

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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