

UTILICO EMERGING MARKETS LIMITED



31 October 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)	164.84p
Share Price	149.50p
(Discount) / Premium to diluted NAV	(9.3%)
Annual average compound return (including dividends)	11.7%
Historic Dividend Yield	3.2%
Shares in issue	215,528,793
Ticker	UEM.L

GROSS ASSETS BREAKDOWN

Investments	£ 357.2m
Cash less current liabilities	£ 3.6m
Gross Assets less Current Liabilities	£ 360.9m
Investments as a percentage of gross assets less current liabilities	99.0%

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£ 360.9m
Bank Debt	(£ 5.6m)
Shareholders' Funds	£ 355.3m
Effective gearing on Ordinary Shares	1.02x

KEY DATES

Launch Date	20 July 2005
Year End	31 March
AGM Date	12 September 2011
Ex-Dividend Dates	June & December
Dividend Paid Dates	June & December
Winding up provision	To be proposed at the AGM in 2016

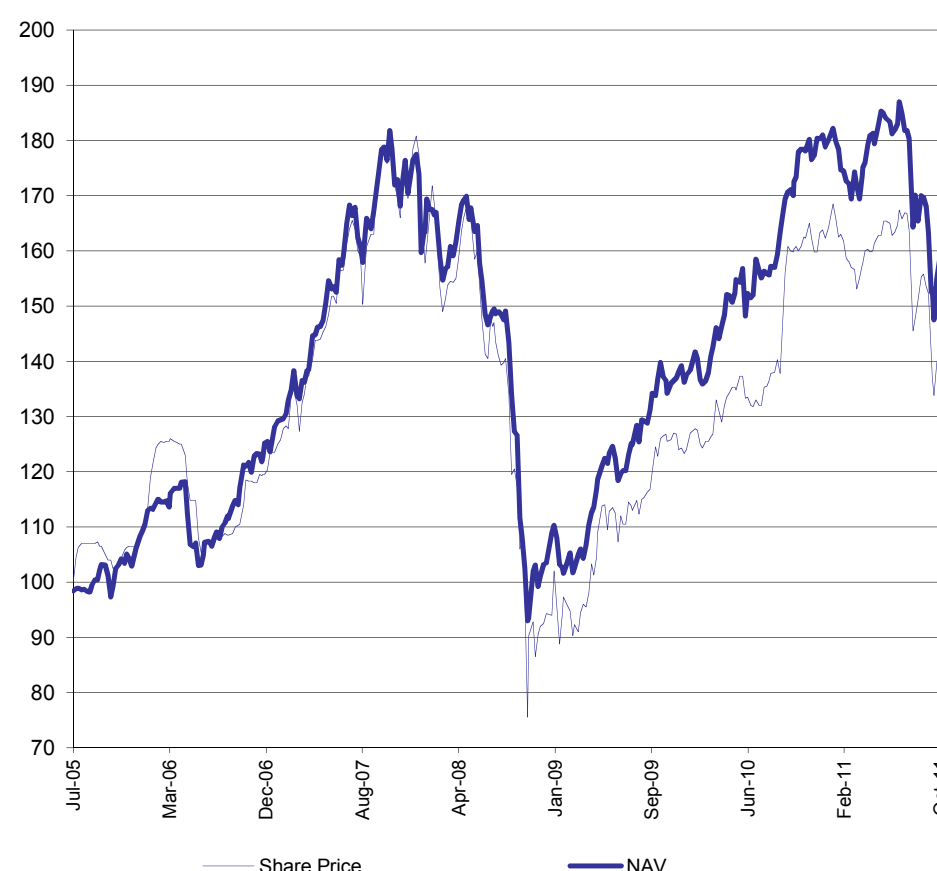
MANAGEMENT & ADMINISTRATIVE FEES

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

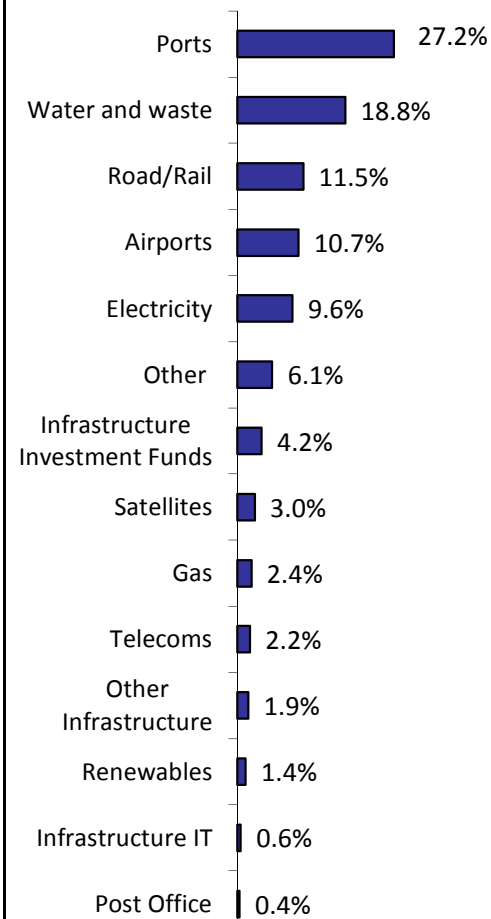
FURTHER INFORMATION

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

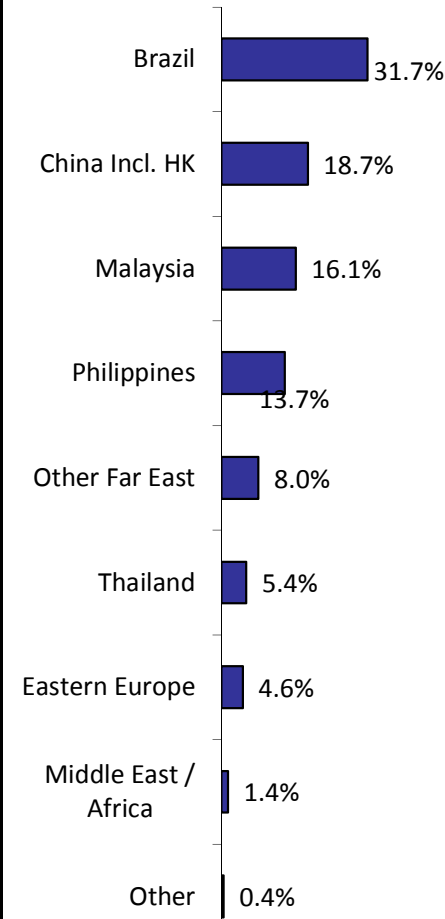
PERFORMANCE



SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHICAL SPLIT OF INVESTMENTS



TOP TEN HOLDINGS

1	Intl Container Terminals	11.6%
2	Malaysia Airport	10.2%
3	Ocean Wilsons Holdings Limited	8.5%
4	Eastern Water Resources PCL	5.2%
5	Cia Saneamento Minas Gerais (COPASA)	4.7%
6	Santos Brasil Part	3.5%
7	Companhia de Concessoes Rodoviaras (CCR)	3.1%
8	Infrastructure India	2.8%
9	Tractebel Energia	2.7%
10	Asia Satellite Tele	2.4%
Total Top 10		54.7%

31 October 2011

MONTHLY COMMENT

PERFORMANCE

UEM's cum income NAV increased by 7.8% and ended the month of October at 164.84p per share, underperforming the MSCI EM Index (GBP adjusted) that was up 9.1%.

October was another volatile month for stock markets, with a heavy sell off at the beginning of the month followed by a strong recovery. Once again, it was the crisis in the Eurozone that dominated investors' attention.

Greece's ability to cut its deficit was continually questioned, Italy's credit rating was downgraded and the Franco-Belgian bank Dexia required state backed funding guarantees. Eurozone leaders seemed perpetually locked in crisis talks.

An agreement to increase the effective capacity of the European Financial Stability Fund (EFSF) to € 1 trillion was reached towards the end of the month and private bondholders of Greek debt agreed to a 50% haircut on their holdings. A bailout package for Greece was announced, initially followed by a call for a referendum by the current Prime Minister, which in turn has led to the announcement that the PM will step down in favour of a coalition government who will accept the original bailout package. The focus has now turned to Italy amid fears that it could be the next casualty of the Eurozone debt crisis after the yield of their 10 year government bonds reached 7.4%, a level that is widely viewed as unsustainable. A great deal of uncertainty remains, not only with regards to Greece, but also to Italy, Spain, Portugal, Ireland, Belgium and even France.

There was more optimism in the US with the release of Q3 GDP figures showing annualised growth of 2.5%, which compared favourably to the 1.3% reported for Q2.

Towards the end of the month, companies began releasing their third quarter results, which generally, were inline or better than market expectations. There were exceptions - the losses on European government bonds incurred by US futures brokerage MF Global, caused it to file for Chapter 11 bankruptcy on 31st October.

Thai Baht, Chinese Renminbi and the Hong Kong Dollar all strengthened during the month, up 2.5%, 3.1% and 3.4% respectively against Sterling. The Brazilian real continues to weaken down 5.5% at the end of October.

PORTFOLIO

The majority of the top ten holdings were up strongly over the month. Malaysia Airports share price was up an impressive 19.5%, mainly due to the news that the Ministry of Transport has approved its International Passenger Service Charge and aircraft landing and parking tariff increases of 27.5% and 28.0% respectively. International Container Terminals is also up at month end by 18.8% also due to the announcement of a price increase of 17.0% over the next two years.

Ocean Wilsons was up 2.8%, Eastern Water up marginally by 0.9%, Companhia de Saneamento Minas Gerais (Copasa) reversed its losses from the previous month and ended October up 14.4%. Santos Brasil recovered some of the losses seen in September, as a result of the reduction in third quarter volumes, and rose 7.1%. Tractebel Energia was up 12.3% and Asia Satellites moved back in to the top ten, replacing AES Tiete after realisations of £2.8m.

Cia de Concessoes de Rodovias dropped 3.3% and India Infrastructure fell by 1.6%

DEBT & CASH

Bank debt was reduced to £5.6m during October, drawn entirely in US Dollars. Cash balances reduced to £5.5m and the company ended the month with net debt of nil

OTHER

UEM's discount at the month end narrowed to 9.3% and UEM's ordinary share price rose 9.1%.

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 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 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 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 Utilico Emerging Markets Limited since its 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 39, has been involved in the running of Utilico Emerging Markets Limited since its 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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