

# UTILICO EMERGING MARKETS LIMITED



31 March 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)	175.12p
Share Price	157.75p
(Discount) / Premium to diluted NAV	(9.9%)
Annual average compound return (including dividends)	13.8%
Historic Dividend Yield	3.0%
Shares in issue	218,597,234
Ticker	UEM.L

## GROSS ASSETS BREAKDOWN

Investments and options	£ 404.3m
Cash less current liabilities	(£ 11.3m)
Gross Assets less Current Liabilities	£ 393.0m
Investments as a percentage of gross assets less current liabilities	102.9%

## CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£ 393.0m
Bank Debt	(£ 10.2m)
Contract For Differences net Debt	£ 0.0m
Shareholders' Funds	£ 382.8m
Effective gearing on Ordinary Shares	1.03x

## 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

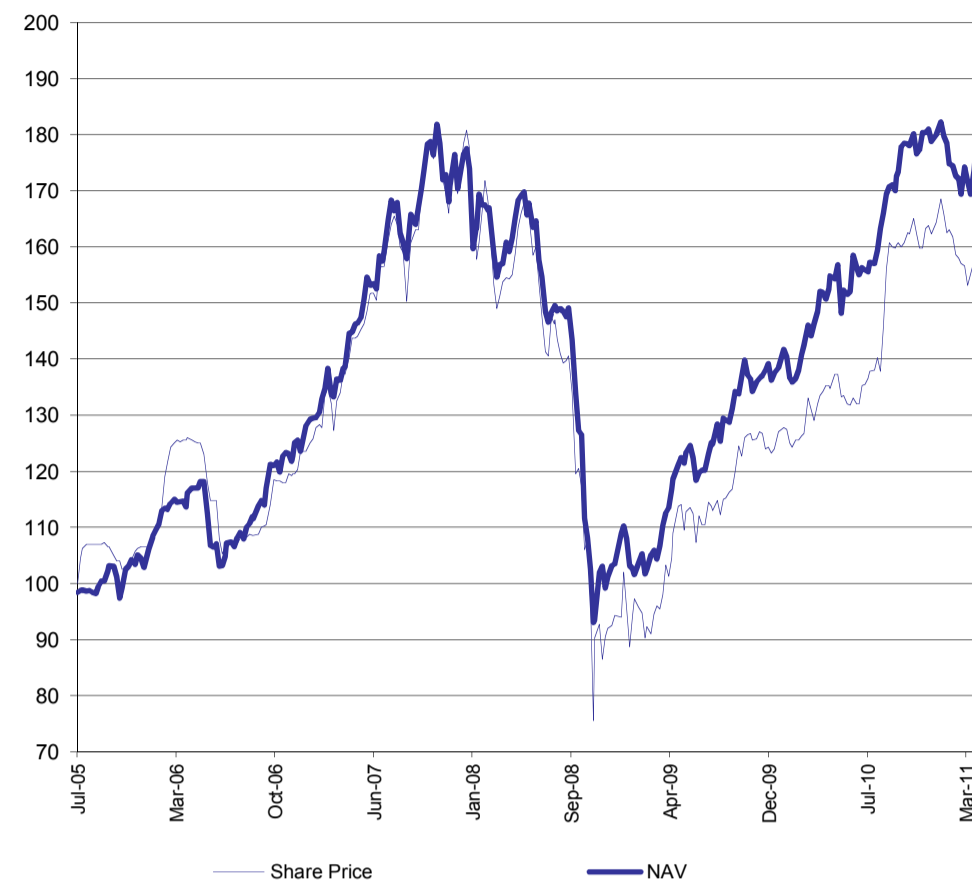
## MANAGEMENT & ADMINISTRATIVE FEES

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

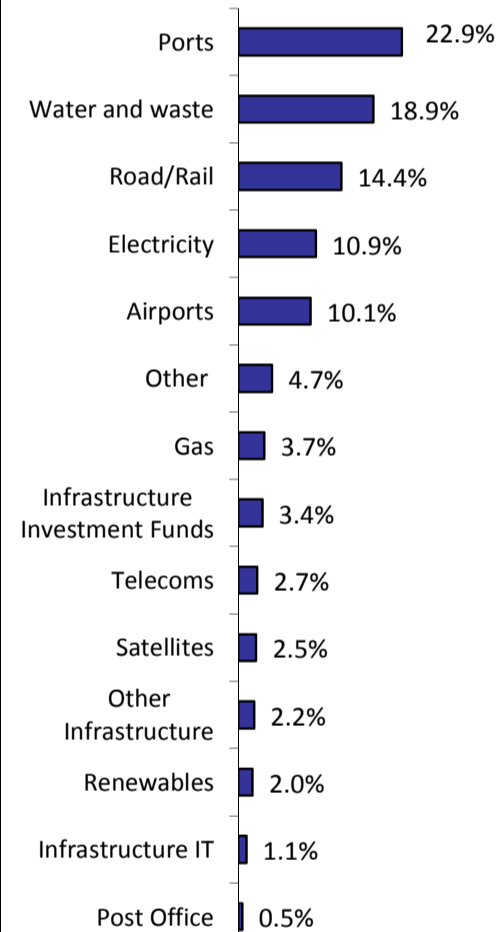
## FURTHER INFORMATION

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](http://www.uem.bm)

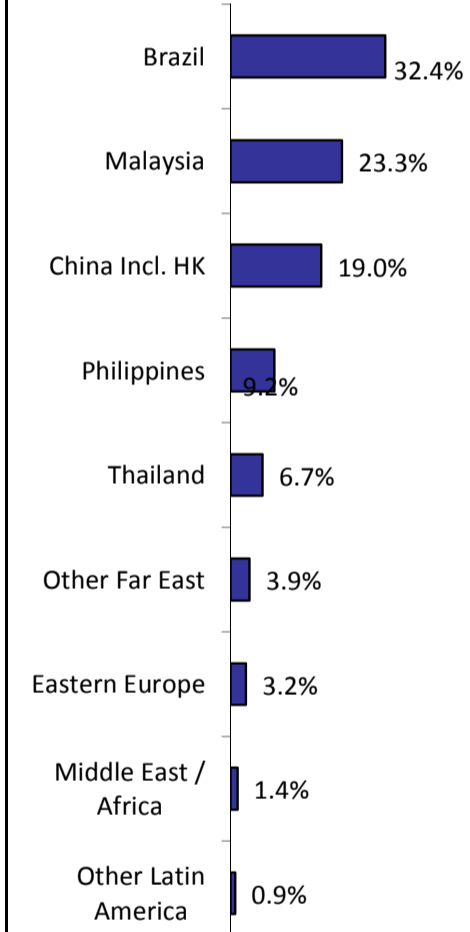
## PERFORMANCE



## SECTORAL SPLIT OF INVESTMENTS



## GEOGRAPHICAL SPLIT OF INVESTMENTS



## TOP TEN HOLDINGS

1	Malaysia Airport	9.9%
2	Ocean Wilsons Holdings Limited	8.9%
3	Intl Container Terminals	8.1%
4	Eastern Water Resources PCL	5.1%
5	Cia Saneamento Minas Gerais (COPASA)	3.9%
6	AES Tiete SA	3.8%
7	Companhia de Concessoes Rodoviaras (CCR)	3.8%
8	Puncak Niaga Holdings	3.3%
9	Santos Brasil Part	2.7%
10	Sichuan Expressway	2.4%
Total Top 10		52.0%

Utilico Emerging Markets Limited  
 Registered Office: Canon's Court, 22 Victoria St, Hamilton HM12, Bermuda  
 Contact Office: PO Box 208, Epsom, Surrey KT18 7YF Telephone: 01372 271486 Fax: 01372 271495



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**MONTHLY COMMENT**

**INVESTMENT TEAM**

**PERFORMANCE**

UEM's cum income NAV increased by 3.4% over the month to 175.12p, against a rise of 7.2% for the MSCI EMF Index (GBP adjusted). UEM has a March year end and looking on a 12 month basis, the NAV is up 18.0% (adding back dividends this rises to 19.3%) outperforming the MSCI EMF Index (GBP adjusted) up 9.6% over the same period.

This has been a good year for UEM with the net assets up 18.0% and good earnings growth. The current earnings per share (the difference between year-end cum and ex income NAV) is 1.69p, adding this back to the interim dividend of 3.75p results in an annualised EPS of 5.44p, an increase of over 15.0% on the comparable figure from March 2010.

Sterling weakened marginally against most emerging market currencies in March, down 2.2% against the Malaysian Ringgit, 1.8% against the Chinese Renminbi, 3.3% against the Brazilian Real and 2.5% against Thai Baht.

Global attention was divided between the devastating tsunami in Japan, the continuing turmoil in the Middle East and the European perpetual debt crisis. Although the tsunami appeared to have little effect on global stock market prices, the problems at the Fukushima nuclear power plant caused an almost immediate reassessment of nuclear power expansion plans worldwide. Expectations that Japan will need to rely more heavily on fossil-fuel powered electricity generation, together with the Middle East concerns, pushed up oil prices, with the per barrel price reaching a high of \$110.30 during the first week of April. Inflation continues to be a concern globally, driven by higher fuel and food prices, although agricultural commodities' futures prices generally fell from their February highs, as harvest prospects improved. A number of central banks have raised interest rates in recent weeks including China, India, Brazil and the European Central Bank.

**PORTFOLIO**

During March the movement in share prices in UEM's top ten was varied with the highest climber being International Container Services up 14.4% and the biggest faller Ocean Wilsons down 10.3%. Ocean Wilsons drop was in part due to poorer than expected year end results from Wilsons Sons mainly as a result of the changes in the Brazilian Real/US Dollar exchange rates which squeezed margins. Other companies that performed well were Santos Brasil up 10.4% and AES Tiete up 8.1%.

Investments of £7.6 million were made in the month and realisations totalled £6.7 million.

**DEBT & CASH**

Bank debt decreased marginally to £10.2 million and was drawn entirely in US Dollars.

**OTHER**

UEM's Ordinary share rose slightly by 0.5% during March to 157.75p, and at the end of the month stood at a 9.9% discount to NAV (cum income).

**INVESTMENT TEAM**

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

**ICM represented by Duncan Saville**

Duncan Saville is a Director of ICM Ltd. 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**

Charles Jillings is a Director of the Company. He is responsible for assisting in the running of the Company and the investment portfolio in conjunction with ICM Ltd. Mr Jillings qualified as a chartered accountant and previously was a corporate finance director at Hill Samuel. He is currently on the Board of East Balkan Properties Ltd and has been a director of a number of listed companies.

Assisting them are:

**Jacqueline Broers**

Jacqueline Broers has been involved in the running of Utilico Emerging Markets Limited and Utilico Investments Limited since September 2010. Prior to joining the fund, Jacqueline worked in the Corporate Finance team at Lehman Brothers / Nomura. Jacqueline is also a qualified chartered accountant.

**Jonathan Grocock**

Jonathan Grocock 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 has been involved in the running of Utilico Emerging Markets Limited and Utilico Investments Limited since their inception and before that 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 Engineers.

**James Smith**

James Smith has been involved in the running of Utilico Emerging Markets Limited and Utilico Investments Limited since their inception and before that with Utilico Investment Trust plc and The Special Utilities Investment Trust PLC

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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