

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.

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ORDINARY SHARES

NAV at launch	98.37p
NAV Total Return since launch (including dividends)	108.0%
Annual average compound return (including dividends)	12.4%
NAV (cum income)	177.88p
Share Price	165.00p
(Discount) / Premium to diluted NAV	(7.2%)
Historic Dividend Yield	3.2%
Shares in issue	215,528,793
Ticker	UEML

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£393.6m
Bank Debt	(£10.2m)
Shareholders' Funds	£383.4m
Effective gearing on Ordinary Shares	1.03x

BOARD

Alexander Zagoreos	Garry Madeiros
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. www.icm.bm

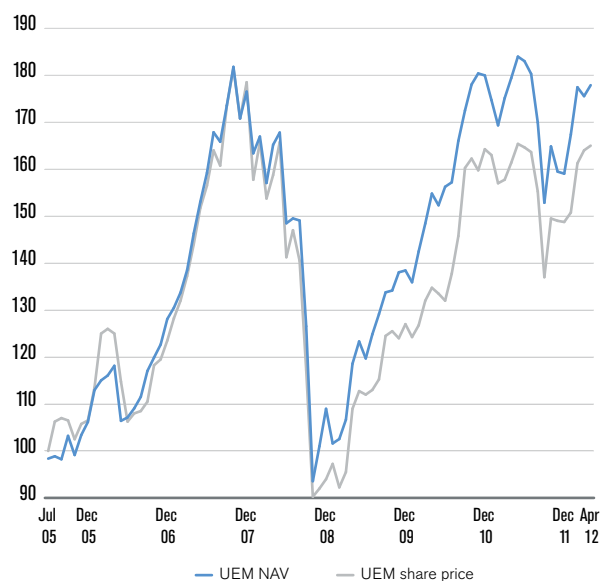
TEAM

Duncan Saville	Jonathan Grocock
Charles Jillings	Mark Lebbell
Jacqueline Broers	James Smith

MANAGEMENT & ADMINISTRATIVE FEES

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

PERFORMANCE



CUMULATIVE PERFORMANCE (total return including dividends)

	1 month	3 months	1 year	5 years	Inception
Share Price	0.6%	9.4%	5.7%	37.1%	104.4%
Net Asset Value	1.2%	5.4%	1.8%	29.3%	108.8%

ROLLING 12 MONTH PERFORMANCE (total return including dividends)

12 months to	Apr 12	Apr 11	Apr 10	Apr 09	Apr 08
Share Price	5.7%	23.5%	28.3%	(27.7%)	13.1%
Net Asset Value	1.8%	10.5%	35.0%	(27.2%)	16.8%

KEY DATES

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

PERFORMANCE

UEM's cum income NAV was up 1.3% in April to end the month at 177.88p per share. This positive performance was in contrast to wider equity markets, which were weaker during the month. The MSCI Emerging Markets TR Index (Sterling adjusted) fell 2.7%.

The Eurozone crisis continued to weigh on markets. Several European countries, including the UK, reported a second quarter of economic contraction, pushing them technically back into recession. The US Federal Reserve, in contrast, raised its growth forecasts for 2012, from 2.4% to 2.9% from 2.2% to 2.7% previously. It also expects a fall in US unemployment this year.

China reported lower than expected GDP growth in Q1 2012, as export demand fell and construction was constrained by the recent government imposed restrictions on real estate ownership and lending. However, a growth rate of 8.1%, albeit down from 8.9% in Q4 2011, is still very healthy in a global context.

The Central Bank of Brazil cut the overnight SELIC interest rate by 75bps to 9.0%. This followed a similar cut in March and a further 50bps cut is widely expected. The rate was at 12.5% in August last year.

The reducing interest rate environment in Brazil should, in time, be a positive for our stocks, not only in terms of their financial performance, but also due to their relative attractiveness as high yield investments, given that most of our holdings pay generous dividends. In the short term however, the currency has weakened. During April, the Brazilian Real lost 5.2% of its value against Sterling and this trend has continued in the first part of May.

Oil prices were relatively stable during the month, as was the price of gold.

PORTFOLIO

Five of the ten largest holdings showed gains during the month in Sterling terms.

The largest gainers were Eastern Water, which was up 16.8% on the month (adding back the annual dividend paid during April), International Container Terminals, which was up 4.7% and Asia Satellite, which rose 15.8% after an offer from the controlling shareholders (General Electric Company and CITIC Group Corporation) for the minorities at \$22.00 per share.

Despite the premium to the recent market prices, we believe this fundamentally undervalues Asiasat. At HK\$22.00, the historic 2011 EV/EBITDA is only 4.7x and PER 10.5x. These ratios would not suggest the company grew its EPS by an average of 19.3% over the past three years.

Ocean Wilsons gained 3.8% on the month and Infrastructure India's value rose marginally.

The share prices of Santos Port and COPASA in Brazil were also up (3.2% and 0.5% respectively), although these gains were not enough to offset the currency declines, so their values were weaker in Sterling terms.

CCR and Tractebel Energia saw their share prices fall 4.0% and 0.5% respectively. Malaysia Airports shares fell 0.7% (adjusting for the final dividend paid during the month)

Total investments equalled £9.6m and sales proceeds were £4.6m.

DEBT & CASH

£10.2m of bank debt was drawn in April on the £50m ScotiaBank Facility. All borrowings were undertaken in USD.

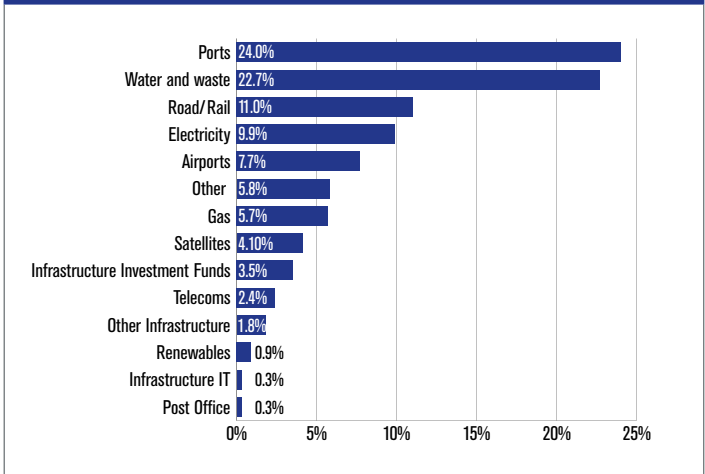
OTHER

The ordinary share price rose 0.6% to end the month at 165.00p, with the NAV discount slightly widening to 7.2% compared with 6.6% at the end of March.

TOP TEN HOLDINGS

	% of gross assets
1 Intl Container Terminals	8.8%
2 Ocean Wilsons Holdings Limited	7.3%
3 Eastern Water Resources PCL	7.2%
4 Malaysia Airport	7.0%
5 Cia Saneamento Minas Gerais (COPASA)	5.5%
6 Santos Brasil Part	3.6%
7 Asia Satellite Tele	3.3%
8 Companhia de Concessoes Rodoviaras (CCR)	2.7%
9 Tractebel Energia	2.6%
10 Infrastructure India	2.6%
Total Top 10	50.5%

SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHICAL SPLIT OF INVESTMENTS

