

**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 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 unique product or market position.

## JUNE 2016

### ORDINARY SHARES

Ticker: UEM.L

NAV at launch	98.37p
NAV (diluted cum income)	209.94p
NAV (undiluted cum income)	219.12p
Share Price	192.00p
(Discount) / Premium to diluted NAV	(8.5%)
NAV Total Return since launch *	179.6%
Annual average compound return *	11.5%
Historic Dividend paid per share (last 12 months)	6.40p
Historic Dividend Yield (last 12 months)	3.3%
Ongoing charges figure excluding performance fee	1.0%
Shares in issue	211,462,599

\*Including dividends and return on warrants converted in August 2010

### SUBSCRIPTION SHARES

Ticker: UEMS.L

Share Price	17.75p
Shares in issue	42,605,893
Exercise Price	183.00p
Exercise Dates (last business day of each)	Aug 16, Feb 17 Aug 17 and Feb 18

### CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£482.7m
Bank Debt	£19.4m
Shareholders' Funds	£463.3m
Gearing* (based on AIC definition)	3.1%

\*GEARING AIC - standardised gearing calculation as recommended by the AIC is now 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](http://www.icm.limited) and [www.icmim.limited](http://www.icmim.limited)

### ORDINARY SHARES PERFORMANCE



### PERFORMANCE (Total return including dividends)

	1 month	3 months	1 year	3 years	Inception
Share Price	11.5%	8.5%	4.6%	21.5%	145.7%
Net Asset Value*	7.7%	4.5%	6.3%	18.0%	168.0%

\*Diluted

### ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Jun 16	Jun 15	Jun 14	Jun 13	Jun 12
Share Price	4.6%	6.7%	9.3%	11.3%	1.1%
Net Asset Value*	6.3%	4.8%	6.4%	14.8%	(2.0%)

\*Diluted

### KEY DATES

Launch Date	20 July 2005
Year End	31 March
AGM	September
Ex-Dividend Dates	Aug, Nov, Feb & May
Dividend Paid Dates	Sep, Dec, Mar & Jun
Continuation Vote	To be proposed at the AGM in 2016

### BOARD

Alexander Zagoreos	Susan Hansen	Garry Madeiros
Garth Milne	Anthony Muh	John Rennocks

### TEAM

Charles Jillings	Jacqueline Broers	Mark Lebbell
Duncan Saville	Jonathan Grocock	



## PERFORMANCE

UEM's cum income NAV (undiluted) (adjusted for the 1.625p dividend paid during the month) increased by 11.8% during June, ending the month at 219.12p. This was a little behind the MSCI Emerging Markets Total Return Index which rose by 13.3% in Sterling terms over the month. The NAV on a diluted basis increased by 8.5% to 209.94p.

Emerging markets and currencies generally performed positively in June, although much of UEM's strong performance for the month was due to the sharp decline in the value of Sterling following the largely unexpected result of the UK's EU membership referendum. Against the US Dollar, Sterling lost 11.3% in the week between the referendum and the end of June. Markets in continental Europe were weak, driven by concern over the health of the banking sector, particularly in Italy.

Many markets rose, with the Brazilian Bovespa Index gaining 6.3%, the PSEi Index in the Philippines rising 5.3% and the Indonesian Composite gaining 4.6%. There were more modest gains of 1.8% for the Romanian BET Index, 1.7% for the Malaysian FTSE Bursa Index and a 1.5% gain on the Thailand SET Index during June. The Shanghai Composite Index gained 0.4% and Hang Seng Index declined by 0.1% during June.

Sterling ended the month substantially weaker. The US Dollar gained 8.9% against Sterling for June as a whole and there were very strong gains in many Latin American currencies, with the Brazilian Real 22.4% stronger and the Chilean Peso up by 13.4%. The Malaysian Ringgit gained 11.5% and the Thai Baht was up by 10.7% during the month.

The price of gold increased by 8.8% to US\$1,322.20/oz.

## PORTFOLIO

Following the demerger of the LPG operations from the piped natural gas business, Gasco has dropped out of the top twenty, but has been replaced by Gas Natural Chile (the piped gas business). Following this split, parent companies Gas Natural Fenosa and the Perez Cruz family launched tender offers for both Gas Natural Chile and Gasco respectively at a small overall premium to the pre-split combined share values.

There was one other change to the constituents of the top 20 this month, with Rumo Logistica, a Brazilian rail freight operator replacing Asiasat, mainly due to currency performance.

In Sterling terms, eighteen of the top 20 advanced during the month. In their respective local currencies, 11 stocks advanced and 8 declined. Gas Natural Chile was not listed at the end of May.

The best performers in the top twenty, in local share price terms, were Metro Pacific, up by 15.3%, Alupar, up by 13.8%, ICT, up by 8.8% and China Gas up by 7.3%.

The largest decliners were APT Satellite, which fell 7.5%, Shanghai Airport was down by 6.8% and MyEG down by 4.8%. Transelectrica's share price declined by 8.0%, but adjusted for its annual dividend (yielding 8.8%) the total return for the month was actually positive.

Purchases during the month for the portfolio amounted to £7.8m and realisations totalled £6.2m.

## DEBT

Borrowings at the month end remained drawn at £9.4m and HK\$104m. The debt liability in Sterling terms increased by £0.8m to £19.4m due to the movement in exchange rates.

## OTHER

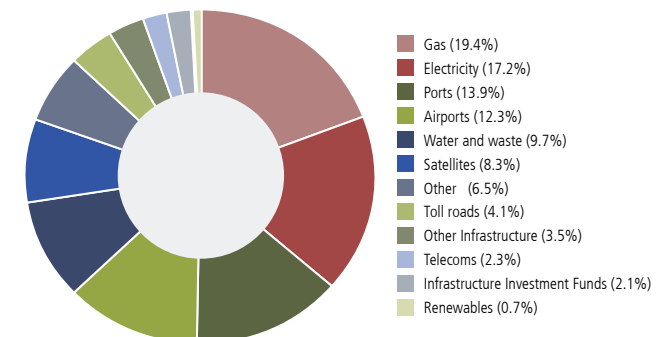
UEM's share price ended June at 192.00p, an increase of 11.5%. The discount reduced marginally to 12.4% to the undiluted NAV. The price of the Subscription Shares rose 2.25p to 17.75p.

A quarterly dividend of 1.625p was paid on 20 June 2016 to shareholders on the register on 3 June 2016.

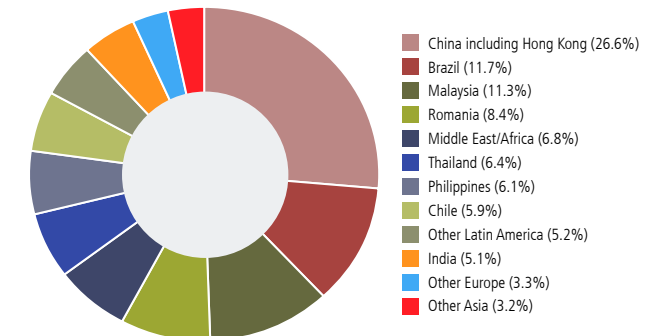
## TOP 20 HOLDINGS (on a look-through basis)

	% of gross assets
1. Malaysia Airport Holdings Berhad	7.4%
2. China Gas Holdings Ltd	6.1%
3. Eastern Water Resources Development and Management PCL	5.2%
4. APT Satellite Holdings Limited	4.1%
5. International Container Terminal Services Inc.	4.0%
6. Ocean Wilsons Holdings Limited	3.8%
7. MyEG Services Berhad	3.4%
8. Transelectrica SA	3.0%
9. Alupar Investimento S.A.	2.7%
10. China Resources Gas Group Ltd	2.5%
11. Transgaz S.A.	2.4%
12. Gas Natural Chile S.A.	2.2%
13. Shanghai International Airport Co Ltd	2.1%
14. Metro Pacific Investments Corporation	2.0%
15. Yuexiu Transport Infrastructure Limited	1.9%
16. Conpet S.A.	1.9%
17. Rumo Logistica Operadora Multimodal S.A.	1.9%
18. SJVN Limited	1.9%
19. Engie Energia Chile S.A.	1.8%
20. Grupo Aeroportuario del Centro Norte, S.A.B. de C.V.	1.7%
<b>Total Top 20</b>	<b>62.0%</b>

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



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



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