

UTILICO EMERGING MARKETS LIMITED

28 February 2010



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

KEY DATES

Launch Date	20 July 2005
Year End	31 March
AGM Date	23 September 2009
Ex-Dividend Dates	June & December
Dividend Paid Dates	June & December
Warrant Exercise Dates	31 January & 31 July
Warrant Expiry	July 2010
Winding up provision	To be proposed at the AGM in 2012

GROSS ASSETS BREAKDOWN

Investments and options	£ 328.8m
Cash less current liabilities	(£ 2.7m)
Gross Assets less Current Liabilities	£ 326.1m
Investments as a percentage of gross assets less current liabilities	100.8%

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£ 326.1m
Bank Debt	(£ 5.2m)
Contract For Differences net Debt	£ 0.0m
Shareholders' Funds	£ 320.9m
Effective gearing on Ordinary Shares	1.02x

ORDINARY SHARES

NAV at launch	98.37p
NAV (undiluted, cum income)	150.05p
NAV (diluted, cum income)	142.48p
Share Price	126.75p
(Discount) / Premium to diluted NAV	(11.0%)
Annual average compound return (including dividends)	12.8%
Historic Dividend Yield	4.2%
Shares in issue	212,128,513
Ticker	UEM.L

WARRANTS AND S SHARES

	S Shares	Warrants
Price	25.50p	24.75p
Warrants/S shares in issue	9,111,386	30,741,763
Ticker	UEMS.L	UEMW.L
Exercise Terms	1 ordinary share at a subscription price of 100p	

MANAGEMENT & ADMINISTRATIVE FEES

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

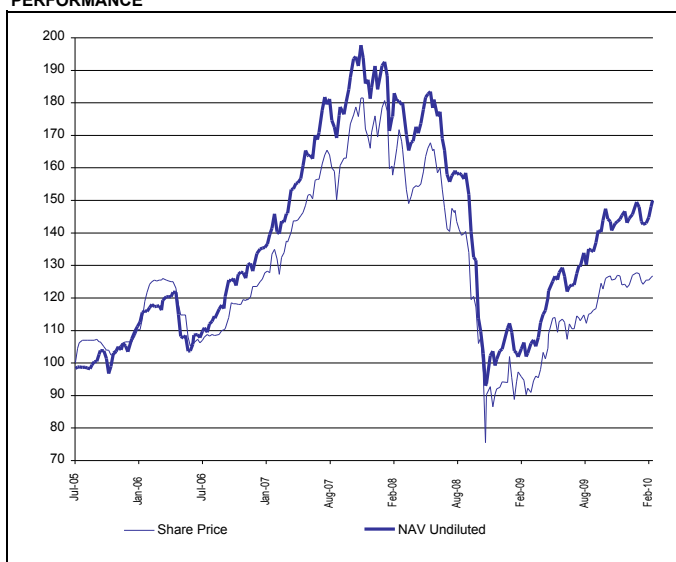
TOP 10 HOLDINGS

1	Malaysia Airport	11.9%
2	Ocean Wilsons Holdings Limited	8.3%
3	Intl Container Terminals	4.8%
4	Eastern Water Resources PCL	4.6%
5	AES Tiete SA	4.4%
6	Puncak Niaga Holdings	4.4%
7	Cia Saneamento Minas Gerais (COPASA)	4.1%
8	Companhia de Concessoes Rodoviaras (CCR)	3.7%
9	Sichuan Expressway	2.7%
10	Xiniao Gas Holdings	2.5%
Total Top 10		51.4%

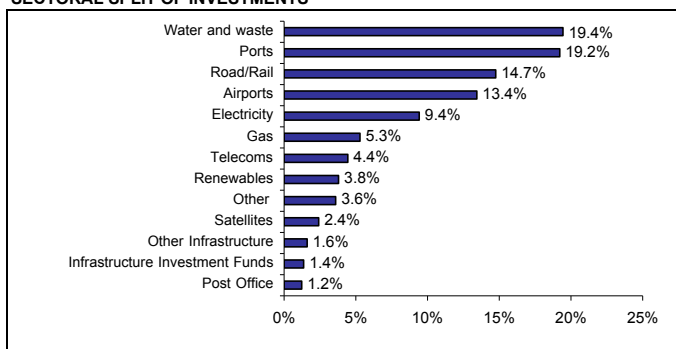
FURTHER INFORMATION

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

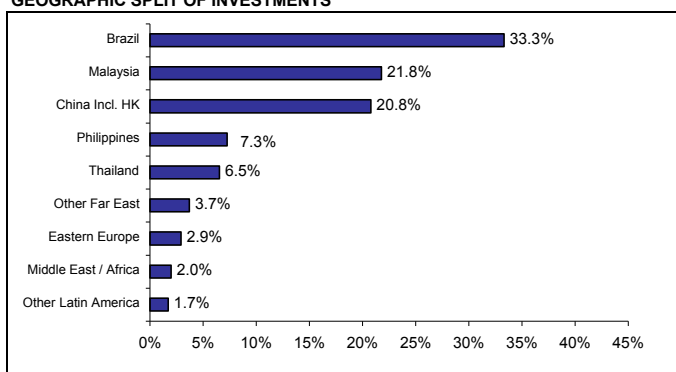
PERFORMANCE



SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHIC SPLIT OF INVESTMENTS



MONTHLY COMMENT**INVESTMENT TEAM****PERFORMANCE**

February started with a continuation of the market weakness seen in late January as investors grappled with issues such as government deficits, GDP growth prospects and global economic imbalances. Markets were more positive in the second half of the month, with many companies releasing their 2009 full year results in this period.

UEM posted a 5.2% gain in cum-income undiluted NAV per share in February. This was broadly in line with the MSCI emerging markets index, which on a sterling adjusted basis increased by 5.5%. It should be noted that much of this performance has come about through a fall in value of Sterling as measured against the emerging market currencies. For instance, during February, Sterling fell by 8.7% against the Brazilian Real, 4.7% against the Hong Kong Dollar, and 5.2% against the Malaysian Ringgit.

In normal circumstances UEM's portfolio produces a far higher level of income in the first half of the financial year (the six months to September) than the second half (the six months to March), with the result that UEM's interim dividend is larger than the final. At the end of February, the level of income implicit within UEM's cum income NAV was 0.06p, which takes into account the dividend of 3.75p paid at the interim stage. It has become apparent over the past month that dividends to be received by UEM in March should be higher than originally anticipated as a result of both Ocean Wilsons Holdings and Eastern Water Resources declaring dividends that will fall into the year to March 2010 rather than the following year to March 2011. These dividends should together amount to approximately 0.76p per UEM share.

PORTFOLIO

Movements in the portfolio during February were relatively modest, with investments of GBP 9.8m being funded by sales of GBP 8.1m. In local currency terms, most investments closed the month at a similar price to that which they opened the month.

UEM's portfolio companies have now begun to report full year 2009 results, and we have been broadly encouraged by the performances seen. For instance within the top 10, Malaysia Airport reported normalised 2009 earnings up by 21.4%, Eastern Water by 27.0%, and Puncak Niaga by 560.2%. By contrast, CCR and International Container Terminals saw earnings fall by 18.6% and 14.7% respectively as they continued to feel the effects of the global slowdown.

DEBT & CASH

Due to the marginally higher levels of investment than realisations, UEM's cash on hand fell from GBP 3.3m to GBP 1.5m.

GBP 25m of UEM's GBP 50m bank facility with Halifax Bank of Scotland matures during March, and, as it is currently undrawn, it is not proposed at this stage to renew it. The remaining GBP 25m facility matures in March 2012. GBP 5.1m remained drawn on this portion of the facility, this being unchanged from January.

OTHER

UEM's Ordinary Share Price increased by 2.0% during February, and at the end of February stood at a discount of 11.0% to their diluted NAV. The S Shares increased by 1.0% during the month with the Warrants unchanged.

The investment manager Ingot Capital Management Pty Limited ("ICM") is primarily responsible for running the investment portfolio in conjunction with the advice received from the Executive Director.

ICM represented by Mr Duncan Saville

Mr Saville aged 52, is a director of Utilico's investment manager, ICM. He is a chartered accountant with experience in corporate finance and corporate investment. His companies have invested in the utility sector for over twenty years. He was formerly a non-executive director of The Special Utilities Investment Trusts PLC, East Surrey Holdings plc, Dee Valley Group plc, Glasgow Prestwick International Airport Limited and Wellington International Airport and is currently a non-executive director of Infratil Ltd & Vix-ERG Ltd.

MR CHARLES JILLINGS (Executive Director)

Mr Jillings, aged 53, is the executive Director of the Company. He is responsible for the 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 set up The Analysis & Research Company Limited in 1995 and has been a director of a number of listed companies.

Assisting them are:

MR JAMES SMITH

James Smith, aged 37, has been involved in the running of Utilico Emerging Markets Limited and Utilico Limited since their inception and before that 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.

MR MARK LEBBELL

Mark Lebbell, aged 37, has been involved in the running of Utilico Emerging Markets Limited and Utilico 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.

MR ITTAN ALI

Ittan Ali, aged 37, has been employed by The Analysis & Research Company Ltd since March 2008 and was previously employed at TRW Investment Management as a Pan European fund manager. Prior to that he was employed for six years as a fund manager with Majedie Investments plc. Mr Ali is an associate of the UK Society of Investment Professionals

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.

Further information (including copies of the company's admission document and weekly NAV releases) is available from the company's website at www.uem.bm

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