

**ABOUT US:** UEM is a closed end investment company, listed on the London Stock Exchange, registered in Bermuda.  
 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.

May 2015

| ORDINARY SHARES                     |             |
|-------------------------------------|-------------|
| NAV at launch                       | 98.37p      |
| NAV (cum income)                    | 215.34p     |
| Share Price                         | 191.50p     |
| (Discount) / Premium to diluted NAV | (11.1%)     |
| NAV Total Return since launch *     | 178.6%      |
| Annual average compound return *    | 12.5%       |
| Historic Dividend Yield             | 3.2%        |
| Shares in issue                     | 213,243,793 |
| Ticker                              | UEM.L       |

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

| CAPITAL STRUCTURE                     |         |
|---------------------------------------|---------|
| Gross Assets less Current Liabilities | £468.2m |
| Bank Debt                             | £9.0m   |
| Shareholders' Funds                   | £459.2m |
| Gearing* (based on AIC definition)    | 3.0%    |

\*GEARING AIC – standardised gearing calculation as recommended by the AIC is now based on net assets

| BOARD              |              |                |
|--------------------|--------------|----------------|
| Alexander Zagoreos | Susan Hansen | Garry Madeiros |
| Garth Milne        | Anthony Muh  |                |

**INVESTMENT MANAGERS**

Utilico Emerging Markets Limited is managed by ICM Limited and ICM Investment Management Limited.

ICM Investment Management Limited is authorised and regulated by the Financial Conduct Authority.

[www.icm.limited](http://www.icm.limited)

| TEAM             |                   |              |
|------------------|-------------------|--------------|
| Charles Jillings | Jacqueline Broers | Mark Lebbell |
| Duncan Saville   | Jonathan Grocock  |              |

| MANAGEMENT & ADMINISTRATIVE FEES |  |
|----------------------------------|--|
| Investment Management Fee        | 0.65% of net assets plus Company Secretarial Fee   |
| Administration Fee               | £220k (wef 1 April 2015)   |
| Performance Fee                  | 15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to "high water" mark, with a cap on the performance fee of 1.85% of average net assets for that financial year |



| PERFORMANCE (total return including dividends) |         |          |        |         |           |
|--|---------|----------|--------|---------|-----------|
|  | 1 month | 3 months | 1 year | 3 years | Inception |
| Share Price                                    | (1.0%)  | 3.8%     | 7.7%   | 30.0%   | 138.8%    |
| Net Asset Value                                | 0.3%    | 6.1%     | 14.4%  | 31.1%   | 167.0%    |

| ROLLING 12 MONTH PERFORMANCE (total return including dividends) |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|
| 12 months to  | May 15 | May 14 | May 13 | May 12 | May 11 |
| Share Price   | 7.7%   | (1.0%) | 22.5%  | 1.4%   | 27.5%  |
| Net Asset Value   | 14.4%  | (3.1%) | 19.1%  | 0.3%   | 23.9%  |

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



**FURTHER INFORMATION** regarding Utilico Emerging Markets Limited is available on the Company's website at [www.uem.bm](http://www.uem.bm)  
**Registered Office:** 19 Par-La-Ville Road, Hamilton HM11, Bermuda **UK Contact:** Telephone: 01372 271 486 Fax: 01372 271 495





## PERFORMANCE

UEM's cum income NAV, when adjusted for the 1.525p quarterly dividend, increased by 0.3% during May to end the month at 215.34p. This performance was in contrast to the MSCI Emerging Markets Total Return Index, which decreased 3.3% in Sterling terms over the month.

Emerging markets indices posted mixed performances in May, the Shanghai Composite had another positive, albeit more volatile month, rising 3.8% and taking its year to date performance to 42.6%. This was despite mixed economic signals in China, particularly in terms of exports and domestic consumption. The People's Bank of China cut its one year benchmark interest rate by 25bps to 5.1% during the month.

The Hang Seng (Hong Kong) did not follow Shanghai's lead this month and fell 2.5%. Elsewhere in Asia, markets were also generally weak, with the FTSE Bursa Malaysia Index down 3.9%, the SET (Thailand) Index down 2.0% and the PSEI (Philippines) down 1.7%. India's SENSEX Index was an exception, rising 3.0%.

The Brazilian market fell 6.2%. Inflation is currently running at 8.4%, well ahead of the central bank's 4.5% target and the highest annual rate since 2003. Base rates remained high at 13.25% and were further increased to 13.75% in early June.

Oil held on to most of its 21.1% gain in April, with the price of a barrel of Brent Crude falling back just 1.8%. The gold price was up slightly to US\$1191/oz and copper reversed April's gains, to fall 5.5%.

Sterling strengthened against many developed and emerging markets currencies in May, although was slightly weaker against the US Dollar. The Brazilian Real was particularly weak, falling 5.4% against Sterling. The Malaysian Ringgit was down 2.2% and the Thai Baht was down 1.3%.

## PORTFOLIO

There was one change to the top ten constituents during May, where Alupar has been replaced by Transelectrica, which owns and operates Romania's electricity transmission grid.

There were four stocks in the top ten that saw share price appreciation during May. APT Satellite, which completed a 3 for 2 stock split during the month rose by 14.4%. Gasco was up by 5.5%, Eastern Water rose by 5.4% and Transelectrica's shares rose by 2.5%.

MYEG's shares were down by 4.0% in May. At the end of the month, MYEG released excellent results for the quarter to March, with revenues up 27.2% and net profit up 38.8% compared to a year earlier. This growth was primarily driven by immigration related services. Shares in International Container Terminals declined by 2.7% despite strong results, with organic volumes up 11.0%, revenues up 19.0% and EBITDA up 23.1% in the quarter to March, compared with the same period in 2014.

China Gas, Ocean Wilsons and Malaysia Airports were down by 2.3%, 2.1% and 1.6% respectively.

Asiasat's shares were little changed. Carlyle completed their acquisition of GE's stake in Asiasat during the month and a tender offer for minorities at HK\$26.00 followed into which a small minority of free-float shares were tendered. Asiasat's board is to meet on 24 June to consider the declaration of a special dividend of up to HK\$11.89 per share.

Purchases during the month amounted to £15.4m and realisations totalled £3.0m.

## DEBT & CASH

£9.0m (drawn in Euros) of bank debt was outstanding at the end of May, unchanged on the 30 April 2015 figure. Cash balances declined due to the net investment during the month.

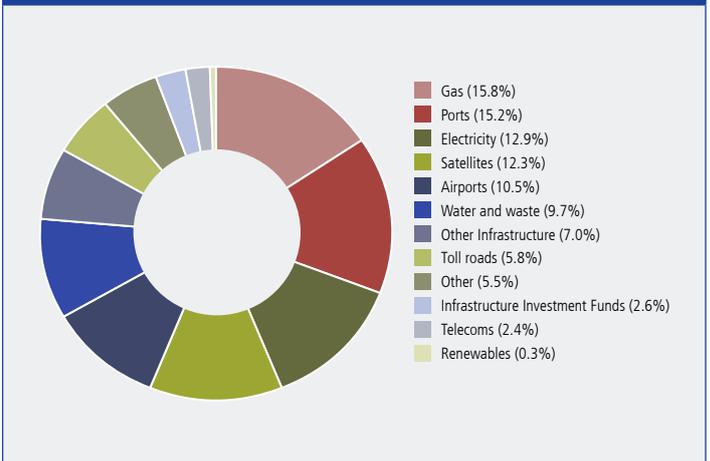
## OTHER

UEM's ordinary share price declined 1.8% to 191.50p during May. The quarterly dividend of 1.525p went ex-dividend on 14 May, with payment on 9 June. Adjusting for the dividend, the total share price decline for May was 1.0%. The discount widened to 11.1% at the end of the month.

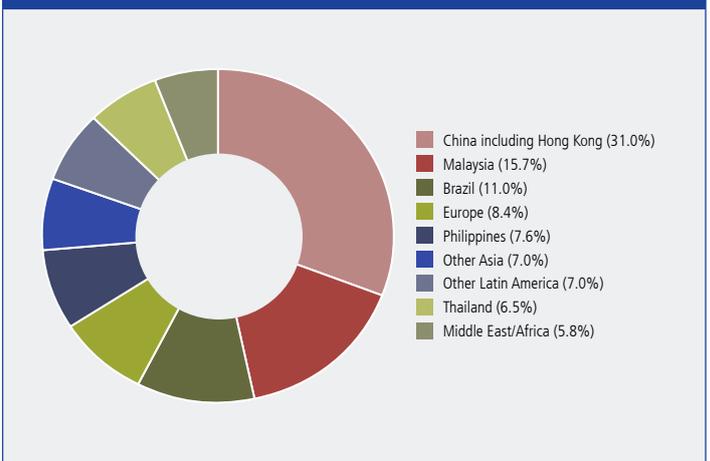
## TOP TEN HOLDINGS

|  | % of gross assets |
|--|-------------------|
| 1 Malaysia Airport Holdings Berhad                       | 7.5%              |
| 2 MyEG Services Berhad                                   | 7.0%              |
| 3 International Container Terminal Services Inc.         | 6.5%              |
| 4 China Gas Holdings Ltd                                 | 6.5%              |
| 5 APT Satellite Holdings Limited                         | 6.2%              |
| 6 Eastern Water Resources Development and Management PCL | 5.4%              |
| 7 Ocean Wilsons Holdings Limited                         | 4.8%              |
| 8 Asia Satellite Telecommunications Holdings Limited     | 3.6%              |
| 9 Gasco SA   | 3.0%              |
| 10 Transelectrica  | 2.3%              |
| <b>Total Top 10</b>                                      | <b>52.8%</b>      |

## SECTOR SPLIT OF INVESTMENTS



## GEOGRAPHICAL SPLIT OF INVESTMENTS



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