

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.

Manager & Secretary: ICM Limited Registered Office: Canon's Court, 22 Victoria Street, Hamilton, HM12 Bermuda UK Contact: Telephone: 01372 271 486 Fax: 01372 271 495

ORDINARY SHARES

NAV at launch	98.37p
NAV Total Return since launch (including dividends)	107.4%
Annual average compound return (including dividends)	11.8%
NAV (cum income)	174.69p
Share Price	160.00p
(Discount) / Premium to diluted NAV	(8.4%)
Historic Dividend Yield	3.4%
Shares in issue	215,528,793
Ticker	UEML

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£396.3m
Bank Debt	£(19.8)m
Shareholders' Funds	£376.5m
Effective gearing on Ordinary Shares	1.05x

BOARD

Alexander Zagoreos	Garry Madeiros
Kevin O'Connor	Anthony Muh

INVESTMENT MANAGER

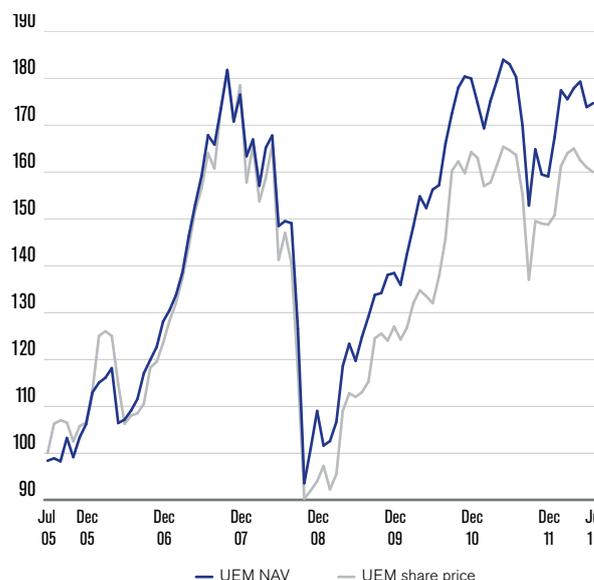
Utilico Emerging Markets Limited is managed by ICM Limited. ICM is a Bermuda company and has assets under management of over £1.5bn. www.icm.bm

TEAM

Duncan Saville	Jonathan Grocock
Charles Jillings	Mark Lebbell
Jacqueline Broers	

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%)	(2.0%)	1.3%	17.5%	100.4%
Net Asset Value	0.4%	(0.7%)	0.0%	10.0%	107.4%

ROLLING 12 MONTH PERFORMANCE (total return including dividends)

12 months to	Jul 12	Jul 11	Jul 10	Jul 09	Jul 08
Share Price	1.3%	22.6%	26.6%	(19.1%)	(7.7%)
Net Asset Value	0.0%	11.9%	27.2%	(14.7%)	(9.3%)

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
Winding up provision	To be proposed at the AGM in 2016

PERFORMANCE

UEM's cum income NAV total return was up 0.4% in July to end the month at 174.69p per share. The wider markets also posted gains. The MSCI Emerging Markets TR Index (Sterling adjusted) was up 2.0% as markets continued to recover after the declines seen in March, April and May.

For the first four months of its financial year, UEM's NAV (including dividends paid) has gained 0.5% against a 5.2% decline in the MSCI Emerging Markets TR Index (Sterling adjusted) over the same period.

The Eurozone crisis continued to dominate market sentiment globally, with Spain once again the focus of attention. The country's 10 year bond rate exceeded 7% for a time during the month although yields reduced after the Head of the ECB, Mario Draghi, said the ECB was "ready to do whatever it takes to preserve the Euro".

China reported lower than expected GDP growth of 7.6% in Q2 2012, as export demand remained weak and construction activity continued to be impacted by restrictions on real estate ownership and lending introduced to suppress a housing price bubble. Interest rate reductions, higher credit availability and further state backed investment are the initial policy responses. There are also signs that domestic consumption is showing healthy growth.

The Central Bank of Brazil cut the overnight SELIC interest rate by a further 50bps to 8.0% and economists believe that this could drop to 7.25% by the end of the year. The rate was at 12.5% in August last year. The government is looking to increase the role that the private sector has in transport infrastructure by announcing a privatisation programme for railways, roads, airports and ports, following on from the sale of controlling stakes in three airports earlier this year.

Oil prices moved up during the month. Corn and wheat futures prices rose sharply in response to the ongoing droughts in the USA, Russia and Ukraine.

PORTFOLIO

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

The largest gain was by COPASA, which was up 12.7% in July. Asia Satellite, rose 7.6% after the offer from the controlling shareholders (General Electric Company and CITIC Group Corporation) was rejected by 93.8% of votes cast by independent shareholders.

The shares of China Gas rose by 6.2%, CCR's shares were up 4.7% and Santos Brasil rose by 3.3%.

Eastern Water reversed some of its recent gains, falling 6.1% during July and there were more modest declines in the share prices of International Container Services, Ocean Wilsons, Malaysia Airports and Tractebel.

Total investments equalled £9.0m and sales proceeds were £8.4m.

DEBT & CASH

£19.8m of bank debt was drawn at the end of July on the £50m Scotiabank facility. The borrowings were drawn as USD 20m and EUR 9m.

OTHER

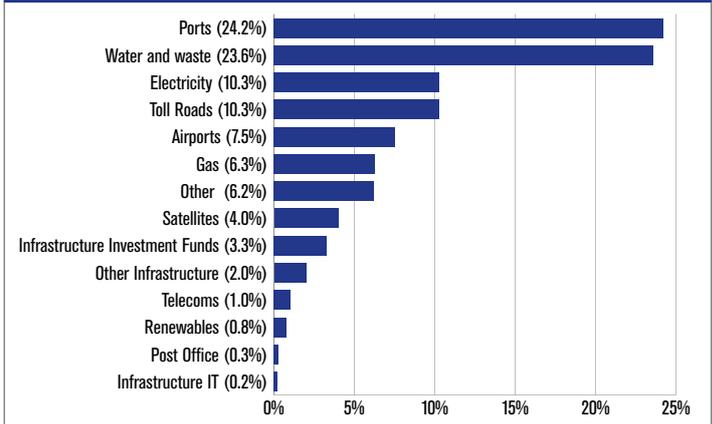
The ordinary share price fell 0.6% to end the month at 160.00p, with the NAV discount widening to 8.4% compared with 7.4% at the end of June.

The Board has declared the first quarterly dividend of 1.375p per share, to be paid on 7th September. The ex date will be 22nd August.

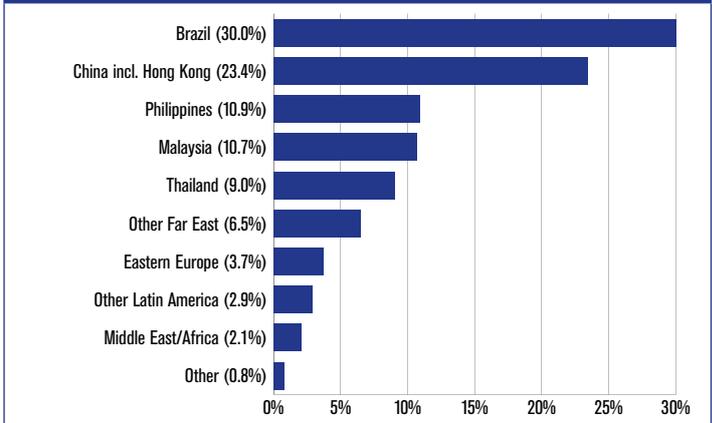
TOP TEN HOLDINGS

	% of gross assets
1 International Container Terminal Services Inc.	8.8%
2 Eastern Water Resources PCL	8.5%
3 Malaysia Airport Holdings Berhad	6.6%
4 Ocean Wilsons Holdings Limited	5.9%
5 Cia Saneamento Minas Gerais (COPASA)	5.8%
6 Santos Brasil Participacoes	3.3%
7 Asia Satellite Telecommunications	3.2%
8 Companhia de Concessionarios Rodoviaras (CCR)	3.0%
9 Tractebel Energia S.A.	3.0%
10 China Gas Holdings	2.6%
Total Top 10	50.7%

SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHICAL SPLIT OF INVESTMENTS



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