

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

JANUARY 2016

ORDINARY SHARES

Ticker: UEM.L

NAV at launch	98.37p
NAV (cum income)	188.20p
Share Price	168.00p
(Discount)/Premium to diluted NAV	(10.7%)
NAV Total Return since launch*	154.2%
Annual average compound return*	10.8%
Historic Dividend paid per share (last 12 months)	6.20p
Historic Dividend Yield (last 12 months)	3.7%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	211,719,882

*Including dividends and return on warrants converted in August 2010

SUBSCRIPTION SHARES

Ticker: UEMS.L

Share Price	11.75p
Shares in issue	42,648,610
Exercise Price	183.00p
Exercise Dates (last business day of each)	Feb 16, Aug 16, Feb 17 Aug 17 and Feb 18

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£419.4m
Bank Debt	£18.7m
Shareholders' Funds	£400.7m
Gearing* (based on AIC definition)	2.2%

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

MANAGEMENT & ADMINISTRATIVE FEES

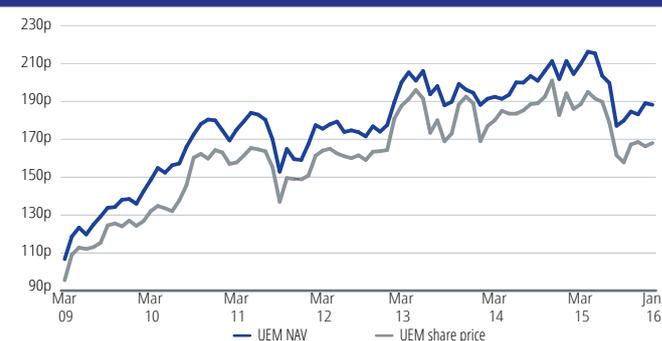
Investment Management Fee	0.65% of net assets plus Company Secretarial Fee
Administration Fee	£220k per annum
Performance Fee	15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to high watermark, with a cap on the performance fee of 1.85% of average net assets for that 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 and www.icmim.limited

PERFORMANCE



PERFORMANCE (Total return including dividends)

	1 month	3 months	1 year	3 years	Inception
Share Price	1.1%	1.4%	(10.3%)	3.0%	118.5%
Net Asset Value	(0.4%)	2.8%	(8.0%)	9.0%	142.6%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Jan 16	Jan 15	Jan 14	Jan 13	Jan 12
Share Price	(10.3%)	18.6%	(3.2%)	23.0%	(4.3%)
Net Asset Value	(8.0%)	15.5%	2.5%	16.0%	(1.2%)

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

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 declined by 0.4% during January to end the month at 188.20p. This was an outperformance against the MSCI Emerging Markets Total Return Index, which declined by 2.8% in Sterling terms over the month.

Markets started the year poorly, with sharp sell-offs across the globe, led by markets in China, although there was a partial recovery in the second half of the month. Sterling weakened against most currencies, which offset some of the market based losses.

China's economy and its demand for commodities continued to dominate investors' concerns. Oil plunged, leading to fears that oil rich states would be forced to liquidate some of their overseas assets. December's US interest rates rise and the Japanese moving to negative interest rates, both unsettled the markets in January.

In China, share prices fell sharply, with the Shanghai Composite Index falling by 22.6% and the Hang Seng Index in Hong Kong posting a 10.2% decline in January. Other Asian markets fared better, with the Bursa Malaysia index down by 1.5% and the Thai SET index up by 1.0%, albeit after a steep fall in December. The Bovespa in Brazil was 6.8% weaker in the month, although in contrast, Chile's ISPA index ended the month up by 0.7%.

Sterling was weaker against most currencies in the month, with the US Dollar gaining by 3.9% and the Euro gaining by 3.5% against Sterling. The Malaysian Ringgit was particularly strong, up by 7.4%. The Thai Baht increased by 4.6% and Indonesian Rupiah was up by 4.0%. The Brazilian Real, whilst weaker against the US Dollar, was 2.3% stronger against Sterling for January.

There was considerable weakness in commodity prices, with the price of a barrel of Brent Crude oil down by almost 30% at the month's low point, although a recovery at the end of the month trimmed losses for January to 6.8%. Gold did rise, up by 5.4% to \$1,118.17/oz. Copper declined by 3.2%.

PORTFOLIO

The top ten constituents remained the same as at the end of December 2015.

Four stocks in the top ten saw share price appreciation during January and the performance of the top two stocks, Malaysia Airports and MyEG, which were both up by 5.6% in the month, was enhanced in Sterling terms by the recovery in the Ringgit's value. The MyEG position was reduced during the month, and its top position in the portfolio was taken by Malaysia Airports. We saw some strength in Eastern Water, up by 2.6% and Gasco was up by 0.1%.

Our top ten holdings in China all declined sharply, with China Resources Gas down by 17.0%, China Gas Holdings down by 11.8% and APT Satellite also down 11.8%. International Container Terminals declined by 13.2% and there were declines of 6.6% and 6.2% for Ocean Wilsons and Transelectrica respectively.

Purchases during the month for the portfolio amounted to £14.7m and realisations totalled £16.7m.

DEBT

There were no changes to the bank borrowings in January. The liability in Sterling terms increased to £18.7m due to the movement in exchange rates.

OTHER

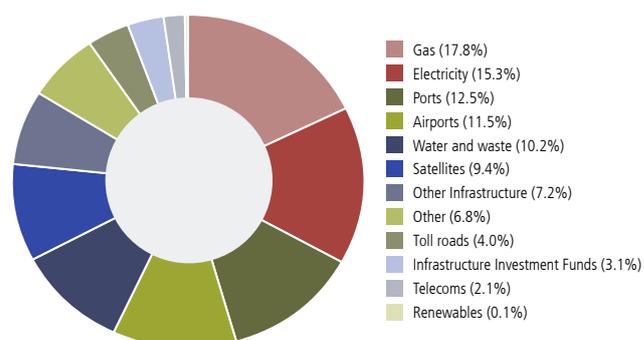
UEM's share price ended January at 168.00p, a gain of 1.1% for the month, with the discount narrowing to 10.7%. The Subscription Shares advanced 0.75p to 11.75p.

UEM bought back and cancelled 1.4m shares at an average price of 162.05p during the month. At the end of January, the number of shares outstanding was 211,719,882.

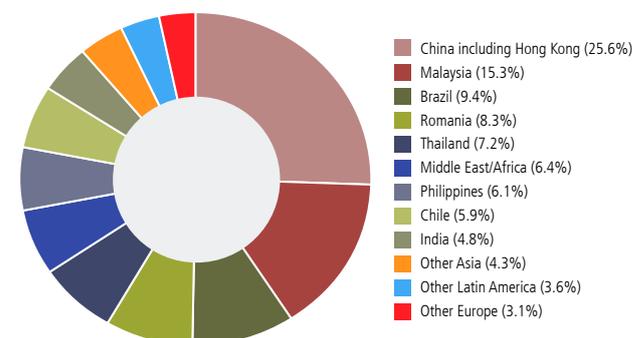
TOP TEN HOLDINGS

	% of gross assets
1. Malaysia Airport Holdings Berhad	7.4%
2. MyEG Services Berhad	6.9%
3. Eastern Water Resources Development and Management PCL	5.7%
4. China Gas Holdings Ltd	5.5%
5. APT Satellite Holdings Limited	4.5%
6. International Container Terminal Services Inc.	4.2%
7. Ocean Wilsons Holdings Limited	4.1%
8. Gasco SA	3.3%
9. Transelectrica SA	2.8%
10. China Resources Gas Group Ltd	2.2%
Total Top 10	46.6%

SECTOR SPLIT OF INVESTMENTS



GEOGRAPHICAL SPLIT OF INVESTMENTS



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