

ABOUT US: UIL Limited (formerly Utilico Investments Limited) is a closed end investment company, traded on the London Stock Exchange, registered in Bermuda. Registered No 39480.

OBJECTIVE: To maximise shareholder returns by identifying and making investments where the underlying value is not reflected in the market price.

INVESTMENT APPROACH: To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. The Company has the flexibility to make investments in a wide range of sectors and markets.

SEPTEMBER 2018

ORDINARY SHARES	Ticker: UTL.L
NAV at launch of UIT*	99.47p
NAV (cum income)	321.49p
Share Price	182.50p
Discount to NAV	(43.2%)
Annual average compound return (including dividends)	12.9%
Historic Dividend paid per share	7.50p
Historic Dividend Yield	4.1%
Ongoing charges figure excluding performance fees	2.1%
Shares in issue	89,493,389

* Utilico Investment Trust plc ("UIT") – UIL Limited's predecessor

ZDP SHARES	2018	2020	2022	2024	2026
Accrued Capital Entitlement	159.52p	133.81p	114.71p	104.28p	102.09p
Share Price	159.50p	146.00p	127.50p	108.00p	103.00p
Premium to NAV	0.0%	9.1%	11.1%	3.6%	0.9%
ZDP Cover*	8.31x	4.29x	2.70x	2.00x	1.75x
Yield to Redemption*	7.8%	2.9%	3.5%	4.2%	5.0%
ZDP Redemption Value	160.52p	154.90p	146.99p	138.35p	151.50p
Shares in issue	32.7m	39.0m	50.0m	50.0m	25.0m
Ticker	UTLD.L	UTLE.L	UTLF.L	UTLG.L	UTLH.L

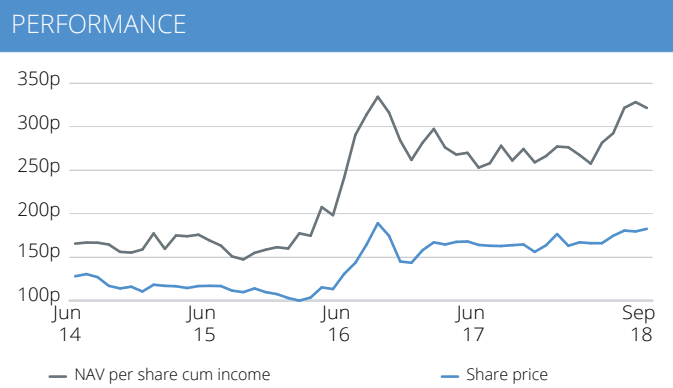
*Based on final redemption values

CAPITAL STRUCTURE	
Gross Assets less Current Liabilities	£537.1m
Bank and other Debt	£11.9m
ZDP shares 2018	£52.2m
ZDP shares 2020	£52.8m
ZDP shares 2022	£56.6m
ZDP shares 2024*	£50.7m
ZDP shares 2026+	£25.1m
Shareholders' Funds (Ordinary Shares)	£287.7m
	£537.0m
Gearing (based on AIC definition)	75.2%

*includes 20.0m ZDP shares 2024 held by UIL + includes 13.4m 2026 ZDP shares held by UIL
GEARING AIC – standardised gearing calculation as recommended by the AIC is based on net assets

KEY DATES	
Launch date*	August 2003
Year end	30 June
AGM date	November
Ex-dividend dates	September, December, March & June
Dividend paid dates	September, December, March & June
2018 ZDP shares expiry	31 October 2018
2020 ZDP shares expiry	31 October 2020
2022 ZDP shares expiry	31 October 2022
2024 ZDP shares expiry	31 October 2024
2026 ZDP Shares Expiry	31 October 2026

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PERFORMANCE (Total return including dividends)

	1 month	3 months	1 year	3 years	Inception
Share Price	2.7%	5.7%	16.5%	93.5%	313.6%
Net Asset Value	(1.4%)	10.7%	26.5%	139.0%	530.2%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Sep 18	Sep 17	Sep 16	Sep 15	Sep 14
Share Price	16.5%	(9.2%)	82.9%	0.1%	(2.6%)
Net Asset Value	26.5%	(19.7%)	135.2%	(6.2%)	9.7%

INVESTMENT MANAGERS

UIL 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

BOARD

Peter Burrows	Christopher Samuel	Warren McLeland
Alison Hill	David Shillson	Eric Stobart

TEAM

Charles Jillings	Jacqueline Broers	Mark Lebbell
Duncan Saville	Jonathan Grocock	

MANAGEMENT & PERFORMANCE FEES

Investment Management fee	0.5% plus Company Secretarial Fee
Performance fee	15% of the outperformance over benchmark subject to minimum hurdle of 5% and high watermark, capped at 2.5% of adjusted equity funds



PERFORMANCE

UIL's NAV total return, adjusting for shares going ex-dividend by 1.875p in the month, was down by 1.4%, behind the FTSE All Share Total Return Index which was up 0.7%.

The Fed raised rates another 25bps in September, the eighth hike since the tightening process started in late 2015. The decision reflects the strengthening US economy and tightening labour market, with unemployment at its lowest level since 1969 at just 3.7%. The S&P 500 hit an all-time high in the month and ended up by 0.4%. Developed markets were also generally stronger, with a notably robust performance in Japan, where the Nikkei also hit its highest level since 1991, ending the month up 5.5%. In comparison, the Australia ASX200 was weak, falling 1.8%, while the FTSE100 gained 1.0%. Sterling was broadly unchanged against the US Dollar and Australian Dollar.

Emerging markets continue to be buffeted by volatility as geopolitical factors dominate investment flows. Trump intensified the trade war with China by imposing additional tariffs of USD 200bn of Chinese goods, in a month during which China posted a record trade surplus of USD 34bn with the US. Overall Chinese exports grew 9.8% from a year ago, though the impact of the trade war is starting to be evident in some sectors. For example, Ford car sales in China fell 43% year-on-year in September and are now down 30% for the first nine months of the year. Hong Kong's Hang Seng fell 0.4% during the month and the Chinese Renminbi depreciated by 1.0% against Sterling.

Rising trade tensions have fed through to higher oil prices, with Brent crude oil up 6.8% to USD 82.72 a barrel. This has impacted oil-importing countries like India, with the SENSEX falling 6.3% and the Rupee depreciating 2.9% against Sterling. Meanwhile the gold price remained near twelve-month lows, closing the month at USD 1,192.50 per ounce, down 0.7%.

PORTFOLIO

There were no changes to the constituents of the top 10 holdings in UIL during September.

Within the top ten holdings, the strongest performance was Zeta Resources, whose share price increased 21.7% after weakness in August. Zeta's Net Tangible Assets ("NTA") per share rose 2.7% in September while its discount to NTA narrowed significantly from 30.6% to 17.7% following the implementation of an ongoing buyback program. Also, in the resources space, Resolute Mining's share price fell 14.3%, though this was partly affected by the shares going ex-dividend by AUD 0.02.

After exceptional performance in recent months, Afterpay Touch's share price fell by 0.9%, while UEM's share price fell 4.4% reflecting underlying portfolio movements in a challenging emerging market environment.

In the unlisted investments there was mixed performance reflecting updated financials. B2B transactions solutions provider Optal share price increased, with its growth once again being recognised in the Sunday Times Tech Track 100 as the fourteenth fastest growing private technology company. Meanwhile BFIC and Allectus Capital's valuations fell to reflect a decline in value of its investee companies. One Communications, Vix Verify and Vix Tech share prices were unchanged.

Purchases during the month for the portfolio amounted to £2.9m and realisations totalled £3.9m.

DEBT

Bank debt totalled £11.9m at the end of September, drawn in Canadian Dollars (CAD 20.0m). This was down from £23.5m as at 31 August 2018 as the AUD 21.1m loan was fully repaid.

The foreign exchange hedge positions to Sterling were broadly unchanged at the month end with the Australian Dollar short exposure increased by AUD 6.9m and the US Dollar exposure increased by USD 6.6m. At month end the hedges stood at AUD 231.8m, USD 66.6m, NZD 14.7m and EUR 12.0m.

OTHER

UIL's share price ended September at 182.50p, a 1.7% increase over the month. This includes the impact of shares going ex-dividend by 1.875p, adjusted for which shares were up 2.7% on a total return basis. The discount to NAV narrowed to 43.2%.

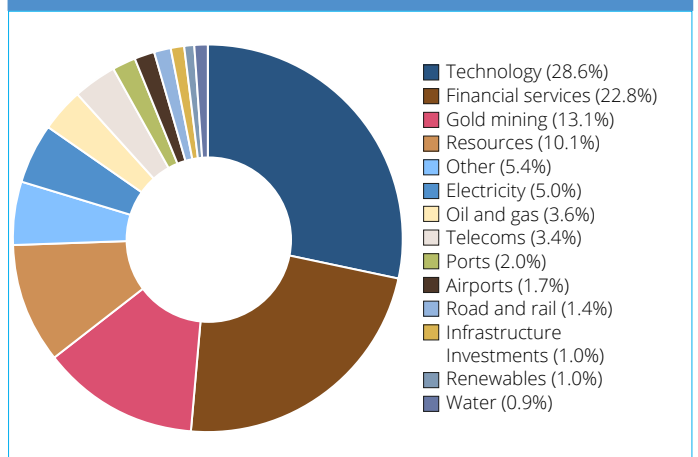
Prices of the 2018 ZDP shares were unchanged during September, while the 2020, 2022, 2024 and 2026 shares advanced by 1.4%, 2.0%, 1.6% and 0.7% respectively.

Charles Jillings
ICM Investment Management Limited and ICM Limited

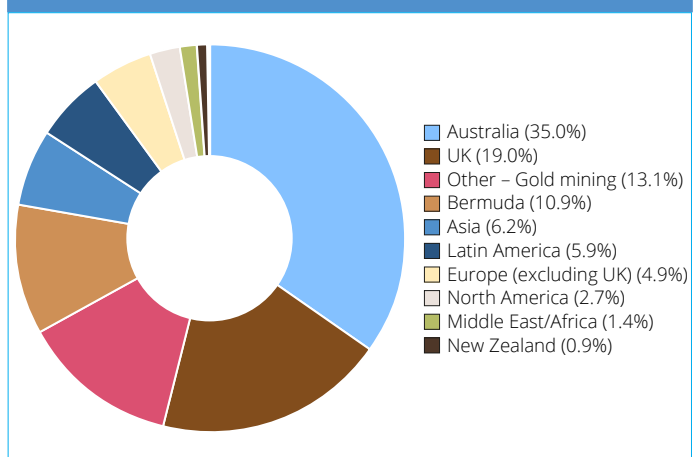
TOP TEN HOLDINGS

	% of gross assets
1. Somers Limited	22.4%
2. Utilico Emerging Markets Trust plc	15.1%
3. Zeta Resources Limited	12.9%
4. Afterpay Touch Group Limited	11.4%
5. Resolute Mining Limited	10.9%
6. Optal Limited	6.2%
7. Vix Tech Pte Ltd	3.3%
8. Bermuda First Investment Company Limited	2.7%
9. Vix Verify Group	1.8%
10. Allectus Capital Limited	1.6%
Total Top 10	88.3%

SECTOR SPLIT OF INVESTMENTS



GEOGRAPHICAL SPLIT OF INVESTMENTS



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