

ABOUT US: Utilico Investments Limited is a Bermuda registered closed end investment company, listed on the London Stock Exchange. Registered No. 39480

OBJECTIVE: To maximise shareholder returns by identifying and investing in 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, market motivation, prospective financial engineering opportunities, competition or shareholder apathy. The company has the flexibility to make investments in a wide range of sectors and markets.

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 of UIT	99.47p
NAV (undiluted, cum income)	215.72p
Share Price	147.50p
(Discount)/Premium to Diluted NAV	(31.6%)
Annual average compound return (including dividends)*	11.2%
Historic Dividend Yield	4.6%
Shares in issue	99,632,414
Ticker	UTLL

*Proforma based on existing capital structure at launch of UIT

ZDP SHARES	2012	2014	2016	2018
Accrued Capital Entitlement	172.56p	141.51p	141.51p	102.44p
Share Price	174.25p	148.88p	147.63p	105.00p
(Discount)/Premium to NAV	0.4%	4.9%	5.6%	4.0%
ZDP Cover*	6.32x	2.95x	2.83x	2.59x
Yield to Redemption*	4.5%	5.0%	6.2%	6.8%
ZDP Redemption Value	177.52p	167.60p	192.78p	160.52p
Shares in issue	39,342,809	47,500,000	47,500,000	22,250,000
Ticker	UTLAL	UTLBL	UTLCL	UTLDL

*based on final redemption values

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£441.2m
Bank and other Debt	£1.2m
ZDP shares 2012	£67.9m
ZDP shares 2014	£67.6m
ZDP shares 2016	£67.5m
ZDP shares 2018	£22.2m
Shareholders' Funds (Ordinary Shares)	£214.9m
	£441.2m
Effective Gearing on Ordinary Shares	2.05x

KEY DATES

Launch Date*	Aug 2003		
Year End	30 June	2012 ZDP Shares Expiry	31 Oct 12
AGM Date	November	2014 ZDP Shares Expiry	31 Oct 14
Ex-Dividend Dates	Mar & Sep	2016 ZDP Shares Expiry	31 Oct 16
Dividend Paid Dates	Mar & Oct	2018 ZDP Shares Expiry	31 Oct 18

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

PERFORMANCE



CUMULATIVE PERFORMANCE (total return including dividends)

	1 month	3 months	1 year	5 years	Inception
Share Price	(7.2%)	(15.7%)	(1.5%)	(45.9%)	107.5%
Net Asset Value	(4.8%)	(19.6%)	10.9%	(38.5%)	145.5%

ROLLING 12 MONTH PERFORMANCE (total return including dividends)

12 months to	May 12	May 11	May 10	May 09	May 08
Share Price	(1.5%)	25.5%	50.5%	(62.3%)	(22.7%)
Net Asset Value	10.9%	16.0%	23.9%	(46.7%)	(27.5%)

INVESTMENT MANAGER

Utilico Investments Limited is managed by ICM Limited. ICM is a Bermuda company and has assets under management of £1.5bn. Further information regarding ICM Limited is available on the company's website at www.icm.bm

TEAM

Duncan Saville
Charles Jillings
Jacqueline Broers
Jonathan Grocock
Mark Lebbell

BOARD

Roger Urwin
Peter Burrows
Michael Collier
Susan Hansen
Eric Stobart
Warren McLeland (alternate Director)

MANAGEMENT & ADMINISTRATIVE FEES

Investment Adviser Fee	0.5%
Administration Fee	£295k
Performance Fee	15% of the outperformance over benchmark subject to "high water" mark



PERFORMANCE

Utilico's cum income NAV was down 5.4% in May to end the month at 215.72p per share. Markets were generally weak during the month. The FTSE 100 fell 6.8% and the S&P 500 was down 1.3% in Sterling terms.

The Eurozone crisis continued to weigh on markets. The inability of the Greek political parties to form a government following parliamentary elections and concerns over the health of the Spanish banking sector are currently the Eurozone's most significant concerns. Economic figures from the US were generally not as buoyant as in recent months.

In the Emerging Markets, worries of a slowdown in China resulted in a weakening of commodity prices. Oil fell significantly, with Brent Crude futures down 14.5% during May to little over \$100/barrel. China unexpectedly announced an interest rate cut in early June, its first cut since 2008.

The price of gold fell 5.8% during the month to end May at USD 1566.90/oz.

PORTFOLIO

The decline in the portfolio was predominantly due to the decline in the share price of Resolute Mining.

Resolute's share price dropped 10.5% to end the month at \$1.49, and this appears primarily to be a response to weaker gold pricing and the ongoing political instability in Mali, particularly in the north of the country. Resolute's mine at Syama is in the far south of the country, approximately 30kms from the Côte d'Ivoire border and 300km southeast of the capital Bamako.

In early June, the company announced that they had completed a feasibility study for the expansion of the Syama operation, which if approved by the board, would extend the open pit project life to 15 years and take Total Proved and Probable reserves to 3.68Moz. The company bought back over 9.6m shares (1.5% of shares in issue) during May.

Utilico Emerging Markets reported strong full year results to March 2012, with an NAV total return of +3.1% versus an -8.2% return on the MSCI Emerging Markets Index. The final dividend was increased by 21% and the company intends to pay dividends quarterly going forward. UEM will also be included in the FTSE 250 Index from June 18th. UEM's share price was down 1.5% despite a 0.9% increase in NAV during May.

In contrast, Infratil saw a 10.6% rise in its share price during the month (including the final dividend paid) although in Sterling terms, the gain was only 7.1% due to weakness in the New Zealand Dollar.

The movements in the other constituents of the top 10 were relatively modest, although the share price of Augean declined by 12.7% and it fell outside of the top 10.

A new entrant to the top 10 this month is New Zealand Oil & Gas. New Zealand Oil & Gas is a mid-sized international oil & gas exploration and production company with investments in producing oil and gas fields in New Zealand and exploration opportunities in New Zealand, Indonesia and Tunisia.

Total investments equalled £7.8m and sales proceeds were £0.5m.

DEBT & CASH

The company's bank facility with ScotiaBank remains undrawn. Cash balances totalled £11.1m. The company maintained currency hedges over NZD 101.0m, EUR11.9m and AUD 11.3m. All three currencies weakened against Sterling during the month.

OTHER

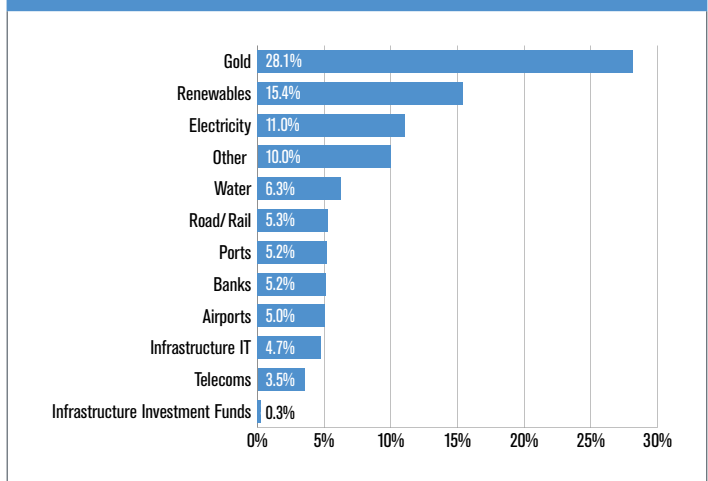
The ordinary share price fell 7.2% to end the month at 147.5p, with the NAV discount widening to 31.6%. The yields to redemption on the ZDPs were 4.5%, 5.0%, 6.2% and 6.8% on the 2012, 2014, 2016 and 2018 issues respectively.

During the month, Utilico bought back 575,000 2012 ZDP shares to be held for investment purposes until redemption on 31 October 2012.

TOP TEN HOLDINGS

	% of gross assets
1 Resolute Mining Limited	26.9%
2 Utilico Emerging Markets Ltd	21.6%
3 Infratil Limited	18.8%
4 Bermuda Commercial Bank	4.2%
5 Vix Technology (unlisted)	3.4%
6 Jersey Electricity Company Limited	3.4%
7 Renewable Energy Generation Limited	2.9%
8 New Zealand Oil & Gas	1.6%
9 Keytech Limited	1.6%
10 Ascendant Group Ltd	1.5%
Total Top 10	85.9%

SECTORAL SPLIT OF INVESTMENTS



GEOGRAPHICAL SPLIT OF INVESTMENTS

