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FOR IMMEDIATE RELEASE

Grand Cayman, Cayman Islands

**Caribbean Utilities Company, Ltd. is listed for trading in United States dollars on the Toronto Stock Exchange under the trading symbol “CUP.U”.**

**CUC Announces Fourth Quarter and Year-End Results for the Period Ended April 30, 2008**

**Grand Cayman, Cayman Islands-** Caribbean Utilities Company, Ltd. (“CUC” or “the Company”) announced today its unaudited results for the fourth quarter and year ended April 30, 2008 (all figures in United States dollars).

Net earnings for fiscal 2008 were \$23.8 million, a \$ 5.3 million or 29% increase from \$18.5 million in fiscal 2007. Earnings per Class A Ordinary Share increased 29% from \$0.70 in 2007 to \$0.90 in 2008. Kilowatt hours (kWh) sales growth for the year, initially forecast to be 8%, came in at 6% due to the impact of cooler and wetter weather conditions experienced in the first half of the year. The system peak of 92.7 Megawatts (MW) achieved in August 2007, grew 7% over the summer 2006 peak. The Company is projecting growth of 5% for fiscal 2009.

A one-time charge of \$3.7 million in 2007 arising from a power plant restructuring initiative, contributed to the positive year over year earnings.

Net earnings for the three months ended April 30, 2008 were \$4.4 million, or \$0.169 per Class A Ordinary Share, compared to \$4.3 million, or \$0.158 per Class A Ordinary Share for the same period last year. This 7% increase in quarterly earnings and earnings per share was due to growth in kWh sales, the positive impact from the reduction in general and administrative expenses and movement in deferred fuel costs.

Fourth quarter 2008 earnings were also negatively impacted as compared to the same period last year, by consumer rate reductions. As part of the negotiations with the Cayman Islands Government for new long-term licences, CUC agreed in January 2008 to an average 3.25% in rate reductions which approximates \$2.1 million annually and has foregone an additional \$2.5 million remaining on the Hurricane Ivan Cost Recovery Surcharge.

On April 3, 2008 the negotiations with the Cayman Islands Government were concluded with CUC receiving a non-exclusive Generation Licence and an exclusive Transmission and Distribution Licence for terms of 21.5 and 20 years respectively.

“CUC has invested over \$45 million in infrastructure this year and \$175 million since 2004 to ensure continued and enhanced performance and reliability and to meet customer growth,” said Richard Hew, CUC’s President and CEO. Capital expenditures for fiscal 2008 included the 16 MW MAN Diesel SE generating unit commissioned in June 2007. In April 2008, as agreed with Government, CUC entered into a new project agreement with MAN Diesel SE for the purchase and turnkey installation of an additional 16 MW generating unit and auxiliary equipment. This project will cost approximately \$24.3 million to complete and is expected to be in place by September of 2009.

Growth related capital expenditures in fiscal 2008 such as the 16 MW generating unit resulted in a 24% increase in depreciation expenses, quarter-over-quarter. The Company also expended \$11.7 million in 2008 on T&D and generation maintenance projects which led to improvements in reliability and efficiency. Reliability of service to customers as measured by the Average Service Availability Index (ASAI) improved to 99.95% for fiscal 2008 from 99.92 % for the previous year.

“With the certainty of the new long-term licences and a stable regulatory environment CUC will continue to invest in its electricity infrastructure as necessary to ensure that Grand Cayman is provided with least-cost, reliable electricity service”, Hew stated.

CUC’s Fourth Quarter and year-end unaudited financial statements and related Management’s Discussion and Analysis (“MD&A”) for the period ended April 30, 2008 is attached to this release and incorporated by reference and can be accessed by clicking the link below:

[http://files.newswire.ca/520/CUC\\_Year\\_End\\_2008\\_MDA.pdf](http://files.newswire.ca/520/CUC_Year_End_2008_MDA.pdf)

The MD&A section of this report contains a discussion of CUC’s unaudited fourth quarter and year-end financial results, the Cayman Islands economy, liquidity and capital resources, capital expenditures and the business risks facing the Company. The release and Fourth Quarter MD&A can be accessed at [www.cuc-cayman.com](http://www.cuc-cayman.com) (Investor Relations/Press Releases) and at [www.sedar.com](http://www.sedar.com).

CUC provides electricity to Grand Cayman, Cayman Islands, under an Electricity Generation Licence expiring in 2029 and an exclusive Electricity Transmission and Distribution Licence expiring in 2028. Further information is available at [www.cuc-cayman.com](http://www.cuc-cayman.com).

Caribbean Utilities Company, Ltd. (“CUC” or “the Company”), on occasion, includes forward-looking statements in its media releases, Canadian securities regulatory authorities filings, shareholder reports and other communications. Forward-looking statements include statements that are predictive in nature, depend upon future events or conditions, or include words such as “expects”, “anticipates”, “plan”, “believes”, “estimates”, “intends”, “targets”, “projects”, “forecasts”, “schedule”, or negative versions thereof and other similar expressions, or future or conditional verbs such as “may”, “will”, “should”, “would” and “could”. Forward-looking statements are based on underlying assumptions by their very nature and are subject to certain risks and uncertainties that may cause actual results to vary from plans, targets and estimates.

Such risks and uncertainties include but are not limited to general economic, market and business conditions, regulatory developments and weather conditions. CUC cautions readers that actual results may vary significantly from those expected should certain risks or uncertainties materialize or should underlying assumptions prove incorrect. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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