



November 4, 2009

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 Third Quarter Results for the Period Ended September 30, 2009

Grand Cayman, Cayman Islands- Caribbean Utilities Company, Ltd. ("CUC" or the "Company") announced today its unaudited results for the third quarter ended September 30, 2009 (all figures in United States dollars). Following the change in financial year end from April 30 to December 31, as announced in August 2008, results in this report are compared with the nearest, previously reported period in 2008.

Electricity sales for the third quarter of 2009 totaled 153.3 million kiloWatt hours ("kWh") in comparison to 145.8 million kWh for the three months ended October 31, 2008; an increase of 5%. For the nine months ended September 30, 2009, electricity sales declined by 2% to 415.6 kWh, compared to 423.6 kWh for the nine months ended October 31, 2008. Electricity sales were adversely affected by cooler and wetter than average weather throughout the first half of 2009 but positively affected by higher temperatures during July and August 2009 when a new peak load of 97.5 MegaWatts ("MW") was recorded. Also affecting the sales variance is the comparison of two differing periods. The decline in nine month sales is also partly a result of slower economic growth on the island.

Net earnings for the third quarter of 2009 were \$6.6 million. This represents a 22% or \$1.2 million increase from net earnings of \$5.4 million for the three months ended October 31, 2008. Net earnings for the nine months ended September 30, 2009 were down \$1.0 million, or 7%, at \$14.1 million compared to net earnings of \$15.1 million for the nine months ended October 31, 2008. Three month earnings were positively affected by higher sales compared to 2008 and the 2.4% rate increase in June 2009. During the nine month period ended September 30, 2009, earnings were adversely affected by a contraction in sales due to cooler and wetter than usual weather during the first six months of 2009 as well as slowed economic growth on the island. Comparing to the nine months ended October 31, 2008, there was a favourable fuel cost recovery of \$2.5 million due to timing in 2008 partially offset by lower maintenance and finance costs. The introduction of a fuel tracker mechanism in the Company's 2008 Transmission and

Distribution Licence has eliminated favourable or adverse timing differences in fuel cost recovery for the financial reporting quarters subsequent to April 2008.

President and CEO of CUC Mr. Richard Hew said, “We expect to see weak or no growth in sales through 2009 and into 2010. The Company has reduced capital and other expenditures to mitigate the impact of flat sales on future financial results.”

After the adjustment for dividends on the Class B Preference Shares of the Company, earnings on Class A Ordinary Shares for the third quarter of 2009 were \$6.1 million, or \$0.21 per Class A Ordinary Share, as compared to \$5.3 million, or \$0.18 per Class A Ordinary Share for the three months ended October 31, 2008. After adjustment for dividends on Class B Preference Shares, earnings on Class A Ordinary Shares for the nine months ended September 30, 2009 were \$13.3 million, or \$0.47 per Class A Ordinary Share, as compared to \$14.3 million, or \$0.54 per Class A Ordinary Share for the nine months ended October 31, 2008.

In response to the anticipated slower than historical growth on the island, in September of 2009 the Company advised the Cayman Islands Electricity Regulatory Authority (the “ERA”) that, based on revised lower growth forecasts, there was no longer a need to proceed with the previously announced bid for a 32 MW generation capacity expansion; 16 MW in 2012 and an additional 16 MW in 2013. The ERA has since cancelled the solicitation and will commence a new solicitation when growth rebounds and CUC’s demand forecast confirms the need for additional capacity.

During the third quarter of 2009, the Company closed the second tranche, in the amount of \$10 million, of a private placement of 7.50% Senior Unsecured Notes in the total amount of \$40 million. Mr. Hew stated that, “With the availability of this capital and the delay of additional generation capacity, the Company is positioned to weather the current economic circumstances.” He added, “The addition of 16 MW of MAN Diesel generation in September 2009, on schedule and below budget, also enhances our operating efficiency.”

While the company continues to examine ways to reduce expenditures, it remains focused on reliability, which is the characteristic that has made the Company a central contributor to strong economic growth on the island. Reliability, measured by the Average System Availability Index, was 99.95% which exceeds Company targets. The Company will strive to maintain this performance through projects such as the Rum Point to Frank Sound transmission line completion and other operational improvements.

“While the slowed economy on the island presents challenges to our business, we remain confident that we will be able to meet those challenges and preserve shareholder value”, Mr. Hew said.

CUC’s Third Quarter Report for the period ended September 30, 2009 is attached to this release, is incorporated by reference and can be accessed by clicking the link below:

<http://files.newswire.ca/520/Q32009MDANotesfinal.pdf>

The Management's Discussion and Analysis section of this report contains a detailed discussion of CUC's unaudited third quarter financial results, the Cayman Islands economy, liquidity and capital resources, capital expenditures and the business risks facing the Company. The release and Third Quarter Report can be accessed at www.cuc-cayman.com (Investor Relations/Press Releases) and at 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.

CUC includes forward-looking statements in this material. 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 and management's beliefs, estimates and opinions, and are subject to inherent risks and uncertainties surrounding future expectations generally that may cause actual results to vary from plans, targets and estimates. Some of the important risks and uncertainties that could affect forward looking statements are described in the [MD&A](#) in the section labeled "Business Risks" and include but are not limited to general economic, market and business conditions, regulatory developments and weather. CUC cautions readers that actual results may vary significantly from those expected should certain risks or uncertainties materialize, or should underlying assumptions prove incorrect. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. 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 except as required by law.

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