February 6, 2014

CUC Announces Fourth Quarter and Twelve Month Results for the Period Ended December 31, 2013.

Caribbean Utilities Company, Ltd. is listed for trading in United States dollars on the Toronto Stock Exchange.

Grand Cayman, Cayman Islands- Caribbean Utilities Company, Ltd. (TSX:CUP.U) ("CUC" or "the Company") announced today its unaudited results for the Fourth Quarter ended December 31, 2013 (all figures in United States dollars).

Net earnings for the three months ended December 31, 2013 ("Fourth Quarter 2013") were $5.8 million, a $1.7 million increase when compared to $4.1 million for the three months ended December 31, 2012 ("Fourth Quarter 2012"). A 6% increase in kilowatt ("kWh") sales, lower operating expenditure and higher other income contributed to the Fourth Quarter increase in net earnings. These items were partially offset by higher finance charges for the Fourth Quarter 2013 when compared to the Fourth Quarter 2012.

After the adjustment for dividends on the preference shares of the Company, earnings on Class A Ordinary Shares for the Fourth Quarter 2013 were $5.2 million, or $0.18 per Class A Ordinary Share, as compared to $3.5 million, or $0.12 per Class A Ordinary Share for the Fourth Quarter 2012.

Net earnings for the twelve months ended December 31, 2013 were $20.4 million. This represents a $2.7 million increase from net earnings of $17.7 million for the twelve months ended December 31, 2012. This increase is attributable to a 1% increase in kWh sales, base rate increases effective June 1, 2012 and June 1, 2013 respectively, lower general and administration and maintenance costs and increased other income. These items were partially offset by higher

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depreciation costs for the twelve months ended December 31, 2013 when compared to the twelve months ended December 31, 2012.

After the adjustment for dividends on the preference shares of the Company, earnings on Class A Ordinary Shares for the twelve months ended December 31, 2013 were $19.5 million, or $0.68 per Class A Ordinary Share, as compared to $16.8 million, or $0.58 per Class A Ordinary Share for the twelve months ended December 31, 2012.

For the Fourth Quarter 2013, kWh sales were 140.3 million compared to 132.4 million for the Fourth Quarter 2012. Sales were driven by warmer weather conditions which impacted customer air conditioning usage. The average monthly temperature for the Fourth Quarter 2013 was 2.7 degrees Fahrenheit higher than the average monthly temperature experienced during the Fourth Quarter 2012.

Electricity sales revenue increased $1.3 million in the Fourth Quarter 2013 to $18.1 million when compared to electricity sales revenues of $16.8 million for the Fourth Quarter 2012. This increase is due to a 6% increase in kWh sales and the 1.8% base rate increase which took effect June 1st, 2013.

For the twelve months ended December 31, 2013 kWh sales were 555.7 million kWh, an increase of 7.9 million kWh when compared to 547.8 million for the year ended December 31, 2012. Sales were positively impacted by a 1% growth in customer numbers and warmer weather conditions that affected customer air conditioning use. The average monthly temperature for 2013 was 82.2 degrees Fahrenheit compared to 81.9 degrees for 2012.

Electricity sales revenue increased $2.0 million in the year ended December 31, 2013 to $71.1 million when compared to electricity sales revenues of $69.1 million for the year ended December 31, 2012. The increase in electricity sales revenues for the year ended December 31, 2013 was due to a 1% increase in total customers, a 1% increase in kWh sales and the 0.7% and 1.8% base rate increases effective June 1st 2012 and June 1st 2013 respectively.

Total customers as at December 31, 2013 were 27,364, an increase of 1% compared to 27,035 customers as at December 31, 2012. The Company connected 188 customers for the three-month period ended December 31, 2013. These connections comprised of 159 residential customers and 29 commercial customers.

In December 2013, the Electricity Regulatory Authority ("ERA") approved the Company's 2014-2018 Capital Investment Plan (CIP) in the amount of $143 million for non-generation expansion costs. During this period of continued low growth, CIP initiatives focus on improving reliability of service and operational efficiencies. Generation expansion projects are subject to competitive bid.

In October 2013 the Company issued a Certificate of Need ("CON") for new generating capacity. This action was driven primarily by the upcoming retirements of some of the Company's generating units which will begin in 2014. The CON listed a requirement of 36 megawatts (MW) of generating capacity, with 18 MW to be operational no later than April 2016 and the remaining 18 MW to be operational no later than May 2016.

In November 2013, the ERA issued a solicitation for Statements of Qualifications from prospective bidders. The deadline for submissions was December 20, 2013 and the ERA has since announced the listing of qualified bidders and issued a request for proposals.

During the period under review the Company resumed the roll out of new meters as part of the Advanced Metering Infrastructure project. Following the installation of the first 7,000 meters, further installation was delayed to allow for manufacturer software and hardware upgrades. This project will bring efficiencies in the meter reading and services such as performing disconnects and reconnects directly from CUC's offices, providing real-time electricity consumption information and a 'pay as you go' payment option to assist consumers with the monitoring and controlling of their electricity consumption. The project should be substantially completed by the end of 2014.

Richard Hew, President and Chief Executive Officer of the Company, stated, "The Fourth Quarter 2013 yielded overall positive results in sales, earnings and other developments with the announcement of the companies which were selected to develop large scale renewables, and the start of the competitive solicitation process for firm generation. Large scale renewables, combined with the replacement of older diesel generators by more efficient and firm generation, will bring price, reliability and environmental benefits to consumers."

During the Fourth Quarter 2013, two Renewable Energy developers were chosen to provide large scale renewable energy to the CUC grid. This process is subject to approval by the ERA of the negotiated final Power Purchase Agreements. New Generation Power ("NGP") has proposed to provide 3 MW of wind generation and 5 MW of solar generation and International Electric Power LLC (IEP) has proposed to provide an additional 5 MW of solar power. It is estimated that the projects will be completed in 2015, barring regulatory or other delays.

CUC's Fourth Quarter Report for the period ended December 31, 2013 is attached to this release. This report contains a detailed discussion of CUC's unaudited fourth quarter financial results, the Cayman Islands economy, liquidity and capital resources, capital expenditures and the business risks facing the Company. The release and Fourth 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.

Certain statements in the MD&A, other than statements of historical fact, are forward-looking statements concerning anticipated future events, results, circumstances, performance or expectations with respect to the Company and its operations, including its strategy and financial performance and condition. 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 operational, 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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Financial and Operational Highlights

The following Fourth Quarter 2013 press release should be read in conjunction with the Caribbean Utilities Company Ltd. ("CUC" or the "Company") Management's Discussion and Analysis ("MD&A") and audited consolidated financial statements and notes thereto for the year ended December 31, 2012 in the Company's 2012 Annual Report, with 2011 comparatives, prepared in accordance with accounting principles generally accepted in the United States ("US GAAP"). Financial information in this Fourth Quarter 2013 press release has been prepared in accordance with US GAAP and following the same accounting policies and methods as those used in preparing the most recent interim unaudited consolidated financial statements. The financial statements and analysis in this press release were approved by the Audit Committee.

($ thousands, except basic earnings per ordinary share, dividends paid per ordinary share and where otherwise indicated)	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012	Change	% Change
Electricity Sales	**18,109**	16,806	**71,131**	69,111	**2,020**	3%
Fuel Factor Revenues	**40,692**	42,281	**155,089**	154,438	**651**	0%
Operating Revenues	**58,801**	59,087	**226,220**	223,549	**2,671**	1%
Fuel and Lube Costs	**40,692**	42,281	**155,089**	154,438	**651**	0%
Other Operating Expenses	**11,432**	11,744	**45,991**	46,494	**(503)**	-1%
Total Operating Expenses	**52,124**	54,025	**201,080**	200,932	**148**	0%
Earnings for the Period	**5,760**	4,061	**20,422**	17,691	**2,731**	15%
Basic Earnings per Class A Ordinary Share	**0.18**	0.12	**0.68**	0.58	**0.10**	17%
Dividends paid per Class A Ordinary Share	**0.165**	0.165	**0.660**	0.660	**-**	0%
Cash Flow from Operating Activities	**11,403**	5,836	**50,257**	33,833	**16,424**	49%
Peak Load Gross (MW)	**93.4**	91.5	**97.4**	95.9	**1.5**	2%
Net Generation (millions of kWh)	**150.3**	142.0	**595.6**	587.1	**8.5**	1%
Kilowatt-Hour Sales (millions of kWh)	**140.3**	132.4	**555.7**	547.8	**7.9**	1%
Total Customers	**27,364**	27,035	**27,364**	27,035	**329**	1%
System Availability (%)	**99.96**	99.95	**99.96**	99.96	**-**	0%
Customers per Employee (#)	**144**	142	**144**	142	**2**	1%
Sales per employee (millions of kWh)	**0.74**	0.70	**2.92**	2.88	**0.04**	1%

Earnings

Net earnings for the three months ended December 31, 2013 ("Fourth Quarter 2013") were $5.8 million, a $1.7 million increase when compared to $4.1 million for the three months ended December 31, 2012 ("Fourth Quarter 2012"). This increase is attributable to a 6% increase in kiloWatt-hour ("kWh") sales, higher other income and lower operating expenditure. These items were partially offset by higher finance charges for the Fourth Quarter 2013 when compared to the Fourth Quarter 2012.

Net earnings for the twelve months ended December 31, 2013 were $20.4 million, a $2.7 million increase from net earnings of $17.7 million for the twelve months ended December 31, 2012. This increase is attributable to a 1% increase in kWh sales, 0.7% and 1.8% base rate increases effective June 1, 2012 and June 1, 2013 respectively, lower general and administration charges, lower maintenance costs, general and administration, transmission and distribution expenses and increased other income. These items were partially offset by higher depreciation costs.

Earnings per share

After the adjustment for dividends on the preference shares of the Company, earnings on Class A Ordinary Shares for the Fourth Quarter 2013 were $5.2 million, or $0.18 per Class A Ordinary Share, as compared to $3.5 million, or $0.12 per Class A Ordinary Share for the Fourth Quarter 2012.

After the adjustment for dividends on the preference shares of the Company, earnings on Class A Ordinary Shares for the twelve months ended December 31, 2013 were $19.5 million, or $0.68 per Class A Ordinary Share as compared to $16.8 million, or $0.58 per Class A Ordinary Share for the twelve months ended December 31, 2012. The Company calculates earnings per share on the weighted average number of Class A Ordinary Shares outstanding. The weighted average Class A Ordinary Shares outstanding were 28,891,552 and 28,698,657 for the years ended December 31, 2013 and December 31, 2012, respectively.

Sales

For the Fourth Quarter 2013 kWh sales were 140.3 million an increase of 7.9 million kWh when compared to 132.4 million for the Fourth Quarter 2012. Sales were positively impacted by warmer weather conditions that affected customer air conditioning usage. The average monthly temperature for the Fourth Quarter 2013 was 2.7 degrees Fahrenheit higher than the average monthly temperature experienced during the Fourth Quarter 2012.

For the twelve months ended December 31, 2013 kWh sales were 555.7 million kWh, an increase of 7.9 million kWh when compared to 547.8 million for the year ended December 31, 2012. Sales were positively impacted by a 1% growth in customer numbers and warmer weather conditions that affected customer air conditioning usage. The average monthly temperature for 2013 was 82.2 degrees Fahrenheit compared to 81.9 degrees for 2012.

Sales for 2012 were positively impacted by an additional leap year sales day in February. The Company's kWh sales were 555.7 million kWh for 2013 and 546.3 million kWh for 2012 when the impact of this additional day is excluded.

Total customers as at December 31, 2013 were 27,364, an increase of 1% compared to 27,035 customers as at December 31, 2012. The Company connected 188 customers for the three month period ended December 31, 2013 comprising 159 residential customers and 29 commercial customers.

The following tables present sales and customer highlights:

Customers (#)	December 31, 2013	December 31, 2012	Change %
Residential	23,358	23,075	1%
Commercial	4,006	3,960	1%
Total Customers	**27,364**	**27,035**	1%

Sales (thousands kWh)	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012	% Change
Residential	**66,792**	60,941	**261,002**	254,397	3%
Commercial	**71,789**	69,912	**288,114**	287,080	0%
Other (street lighting, etc.)	**1,682**	1,592	**6,596**	6,332	4%
Total Sales	**140,263**	132,445	**555,712**	547,809	1%

Operating Revenues

Operating revenues decreased by $0.3 million, to $58.8 million for the Fourth Quarter 2013 from $59.1 million for the Fourth Quarter 2012 as a result of lower fuel factor revenues, partially offset by higher electricity sales revenues.

Operating revenues increased 1%, or $2.7 million, to $226.2 million for the twelve months ended December 31, 2013 from $223.5 million for the twelve months ended December 31, 2012. This increase was the result of higher electricity sales revenues and higher fuel factor revenues.

Total operating revenues were as follows:

Revenues (thousands $)	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012	Change	% Change
Residential	**8,905**	8,013	**34,592**	33,240	**1,352**	4%
Commercial	**9,074**	8,682	**36,067**	35,420	**647**	2%
Other (street lighting, etc.)	**130**	111	**472**	451	**21**	5%
Electricity Sales Revenues	**18,109**	16,806	**71,131**	69,111	**2,020**	3%
Fuel Factor Revenues	**40,692**	42,281	**155,089**	154,438	651	0%
Total Operating Revenues	**58,801**	59,087	**226,220**	223,549	**2,671**	1%

Electricity sales revenue increased $1.3 million, or 8%, in the Fourth Quarter 2013 to $18.1 million when compared to electricity sales revenues of $16.8 million for the Fourth Quarter 2012. This increase is attributable to a 6% increase in kWh sales and the 1.8% base rate increase effective June 1, 2013.

Electricity sales revenue increased $2.0 million, in the year ended December 31, 2013 to $71.1 million when compared to electricity sales revenues of $69.1 million for the year ended December 31, 2012. This increase is attributable to a 1% increase in kWh sales and the 0.7% and 1.8% base rate increases effective June 1, 2012 and June 1, 2013 respectively.

Fuel factor revenues for the Fourth Quarter 2013 totaled $40.7 million, a 4% or $1.6 million decrease from the $42.3 million in fuel factor revenues for the Fourth Quarter 2012. Fuel factor revenues

decreased due to a decrease in the cost of fuel which reduced the fuel cost charge rate to consumers. The average Fuel Cost Charge rate per kWh charged to consumers for the three months ended December 31, 2013 was $0.29, a 3% decrease when compared to $0.30 per kWh for the three months ended December 31, 2012. CUC passes through 100% of fuel costs to consumers on a two-month lag basis without markup.

Fuel factor revenues for the twelve months ended December 31, 2013 totaled $155.1 million, a $0.7 million increase from the $154.4 million in fuel factor revenues for the twelve months ended December 31, 2012. Fuel factor revenues increased due to an increase in kWh sales (see "Power Generation" section for further details). The average Fuel Cost Charge rate per kWh charged to consumers for the twelve months ended December 31, 2013 was $0.27 comparable to the Fuel Cost Charge rate per kWh for the twelve months ended December 31, 2012.

Operating Expenses

Total operating expenses for the Fourth Quarter 2013 decreased 4% or $1.9 million to $52.1 million from $54.0 million for the Fourth Quarter 2012. The main contributing factors to the decrease in operating expenses were lower depreciation, maintenance and power generation expenses, which were comprised predominantly of fuel costs.

Total operating expenses for the twelve months ended December 31, 2013 increased $0.1 million to $201.1 million from $200.9 million for the twelve months ended December 31, 2012. The main contributing factors to the increase in operating expenses were higher depreciation, consumer service and power generation expenses, partially offset by lower maintenance, general and administrative and transmission and distribution expenses.

Operating expenses were as follows:

Operating Expenses ($ thousands)	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012	Change	% Change
Power Generation Expenses	**41,427**	43,005	**158,090**	157,677	**413**	0%
General and Administration	**2,349**	2,353	**8,851**	9,635	**(784)**	-8%
Consumer Service	**431**	386	**1,672**	1,549	**123**	8%
Transmission and Distribution	**571**	570	**2,200**	2,406	**(206)**	-9%
Depreciation	**5,960**	6,096	**24,351**	22,690	**1,661**	7%
Maintenance	**1,309**	1,532	**5,610**	6,602	**(992)**	-15%
Amortization of Intangible Assets	**77**	83	**306**	373	**(67)**	-18%
Total Operating Expenses	**52,124**	54,025	**201,080**	200,932	**148**	0%

Power Generation

Power generation costs for the Fourth Quarter 2013 decreased $1.6 million, or 4%, to $41.4 million when compared to $43.0 million for the Fourth Quarter 2012. Power generation costs for the twelve months ended December 31, 2013 increased $0.4 million to $158.1 million when compared to $157.7 million for the twelve months ended December 31, 2012. The increase is due to a 6% increase in net generation.

Power generation expenses were as follows:

Power Generation ($ thousands)	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012	Change	% Change
Fuel costs (net of deferred fuel charges)	**40,101**	41,560	**152,648**	151,525	**1,123**	1%
Lubricating Oil costs (net of deferred lubricating oil charges)	**591**	721	**2,441**	2,913	**(472)**	-16%
Other generation expenses	**735**	724	**3,001**	3,239	**(238)**	-7%
Total power generation expenses	**41,427**	43,005	**158,090**	157,677	**413**	0%

The Company's average price per imperial gallon ("IG") of fuel for the Fourth Quarter 2013 decreased to $4.70 from $4.88 for the Fourth Quarter 2012. The Company's average price per IG of fuel for the year ended December 31, 2013 decreased to $4.74 from $4.79 for the year ended December 31, 2012.

The Company's average price per IG of lubricating oil for the Fourth Quarter 2013 decreased to $12.57 from $13.68 for the Fourth Quarter 2012. The Company's average price per IG of lubricating oil for the year ended December 31, 2013 decreased to $12.65 from $14.10 for the year ended December 31, 2012.

Diesel fuel and lubricating oil costs are recovered from consumers within the fuel factor revenues line item. The Fuel Tracker Account is comprised of total diesel fuel and lubricating oil costs to be recovered from consumers.

In March 2011 the Electricity Regulatory Authority ("ERA") approved the Fuel Price Volatility Management Program. The objective of the program is to reduce the impact of volatility in the Fuel Cost Charge paid by the Company's customers for the fuel that the Company must purchase in order to provide electric service. Contracts initiated in May 2012 and November 2012 utilize call spreads to promote transparency in pricing. These contracts concluded in May 2013. In December 2013 new contracts were initiated and are effective in January 2014. The monthly hedging costs and returns are also included within the Fuel Tracker Account.

Other generation expenses for the Fourth Quarter 2013 totaled $0.7 million, comparable to Fourth Quarter 2012. Other generation expenses for the year ended December 31, 2013 totaled $3.0 million a decrease of $0.2 million when compared to $3.2 million for the year ended December 31, 2012. This decrease primarily relates to lower lubricating oil disposal costs in the year ended December 31, 2013 when compared to the year ended December 31, 2012.

General and Administration ("G&A")

G&A expenses for the Fourth Quarter 2013 totaled $2.3 million comparable to G&A expenses for the Fourth Quarter 2012.

G&A expenses for the year ended December 31, 2013 totaled $8.9 million, a decrease of $0.7 million, or 8%, from $9.6 million for the year ended December 31, 2012. This decrease was the result of lower expense related to the Company's defined benefit pension plan.

The Company established a defined benefit pension plan for the retired Chairman during 2003 and in May 2005, CUC's Board of Directors approved the establishment of a defined benefit pension plan for the retired President and Chief Executive Officer. The pension costs of the defined benefit pension plans are actuarially determined using the projected benefits method. A defined pension expense of

$0.3 million has been recorded for the year ended December 2013, a decrease of $0.6 million when compared to $0.9 million for the year ended December 2012.
General Expenses Capitalised ("GEC") totaled $0.7 million for the Fourth Quarter 2013, $0.3 million lower than $1.0 million for the Fourth Quarter 2012. The Company capitalizes certain overhead costs not directly attributable to specific capital assets but which do relate to the overall capital expenditure program. GEC totaled $3.4 million for the year ended December 31, 2013, $0.3 million higher than $3.1 million for the year ended December 31, 2012.

Consumer Services ("CS")

CS expenses for the Fourth Quarter 2013 totaled $0.4 million comparable to CS expenses for the Fourth Quarter 2012.

CS expenses for the twelve months ended December 31, 2013 totaled $1.7 million an increase of $0.2 million or 8% when compared to $1.5 million for the twelve months ended December 31, 2012. This increase is attributable to higher payroll costs in 2013. In 2012, focus on the AMI project led to increased capitalised labour and therefore lower net payroll costs for the CS group.

Transmission and Distribution ("T&D")

T&D expenses for the Fourth Quarter 2013 totaled $0.6 million comparable to the Fourth Quarter 2012.

T&D expenses for the twelve months ended December 31, 2013 totaled $2.2 million a decrease of $0.2 million, or 9%, when compared to T&D expenses of $2.4 million for the twelve months ended December 31, 2012. This increase was partially due to an increase in capitalised labour as the T&D Division focused on capital projects during 2013.

Depreciation of Property, Plant and Equipment ("Depreciation")

Depreciation expenses for the Fourth Quarter 2013 totalled $6.0 million, a decrease of $0.1 million, or 2%, from $6.1 million for the Fourth Quarter 2012. This decrease in depreciation is related to the book retirement of a 7.59 MW generating unit during 2013.

Depreciation expenses for the twelve months ended December 31, 2013 totalled $24.4 million, an increase of $1.7 million, or 7%, from $22.7 million for the twelve months ended December 31, 2012. This increase in depreciation is related to capital projects completed in prior periods.

Maintenance

Maintenance expenses for the Fourth Quarter 2013 totaled $1.3 million, a decrease of 15% or $0.2 million when compared to maintenance expenses of $1.5 million for the Fourth Quarter 2012.

Maintenance expenses for the year ended December 31, 2013 totaled $5.6 million, a decrease of $1.0 million from $6.6 million for the year ended December 31, 2012.

Maintenance expenses for the twelve months ended December 31, 2013 were expected to be lower than those seen in 2012 due to various capital projects scheduled in 2013. Certain upgrades to generating units are considered capital in nature as the upgrades extend the life or increase the output of the unit.

Amortization

Amortization of intangible assets for the Fourth Quarter 2013 totaled $0.08 million comparable amortization expenses for the Fourth Quarter 2012. Amortization of intangible assets for the twelve months ended December 31, 2013 totalled $0.3 million, a decrease of $0.1 million or 18% when compared to $0.4 million for the twelve months ended December 31, 2012.

Amortization represents the monthly recognition of the expense associated with software purchases as well as other intangible assets such as the costs associated with the licence negotiations. The negotiations for the Company's electricity licence ceased in 2008 and the costs associated with the negotiations are being amortized over 20 years on a straight-line basis. The negotiations associated with DataLink's ICT licence ceased in 2012 and these costs are being amortized over 15 years on a straight-line basis.

Finance Charges

Finance charges for the Fourth Quarter 2013 totaled $2.2 million, an increase of $0.1 million when compared to finance charges of $2.1 million for the Fourth Quarter 2012. This increase was attributable to lower Allowance for Funds Used during Construction ("AFUDC") in the Fourth Quarter 2013 when compared to the Fourth Quarter 2012. The AFUDC amount for the Fourth Quarter 2013 totaled $0.9 a decrease of $0.2 million when compared to $1.1 million for the Fourth Quarter 2012.

Finance charges for the twelve months ended December 31, 2013 totaled $9.0 million, a decrease of $0.1 million from $9.1 million for the twelve months ended December 31, 2012. This decrease was driven by a reduction in average debt interest costs which was partially offset by lower Allowance for Funds Used during Construction ("AFUDC") in the twelve months ended December 31, 2013.

Under the T&D Licence there is a provision for an Allowance for Funds Used During Construction ("AFUDC"). This capitalisation of the Financing Cost is calculated by multiplying the Company's Cost of Capital rate by the average work in progress for each month. The cost of capital rate for 2013 was 7.50%, as agreed with the ERA in accordance with the T&D Licence, and is reviewed annually. The cost of capital rate for 2012 was 8.25%.

The AFUDC amount for the twelve months ended December 31, 2013 totaled $3.2 million, a $0.3 million decrease when compared to $3.5 million for the twelve months ended December 31, 2012. This decrease was attributable to lower capital expenditure and a lower cost of capital rate.

Foreign exchange gains and losses are the result of monetary assets and liabilities denominated in foreign currencies that are translated into United States dollars at the exchange rate prevailing on the Balance Sheet date. Revenue and expense items denominated in foreign currencies are translated into United States dollars at the exchange rate prevailing on the transaction date. Foreign exchange gains for the Fourth Quarter 2013 totaled $0.5 million comparable to foreign exchange gains for the Fourth Quarter 2012.

Foreign exchange gains totaled $1.9 million for the twelve months ended December 31, 2013 a $0.3 million or 13% decrease when compared to $2.2 million for the twelve months ended December 31, 2012.

Other Income

Other income is comprised of pole rental fees, income from pipeline operations, sales of meter sockets, the sale of recyclable metals, income from the Company's subsidiary DataLink and other miscellaneous income. Other income for the Fourth Quarter 2013 totaled $0.8 million an increase of $0.3 million when compared to $0.5 million for the Fourth Quarter 2012.

Other income totaled $2.4 million for the twelve months ended December 31, 2013, an increase of $0.4 million, from $2.0 million for the twelve months ended December 31, 2012.

In March 2012 the ERA acknowledged the creation of CUC's wholly owned subsidiary; DataLink Ltd. Subsequently the ICTA granted Datalink a licence to provide fibre optic infrastructure in Grand Cayman. Revenues from DataLink for the twelve months ended December 31, 2013 are recorded in Other Income in the amount of $0.6 million (2012: $0.1 million).

CUC and DataLink have entered into three agreements;

1. The Management and Maintenance agreement
2. The Pole Attachment agreement, and
3. The Fibre Optic agreement

All three agreements have been approved by the ERA. The ICTA licence allows DataLink to assume full responsibility for the existing Pole Attachment Agreements and Optical Fiber Lease Agreement with third party information and communications technology service providers. The novation and reassignment of existing contracts was completed in 2012.

The Economy

In December 2013 Moody's Investors Service issued a credit analysis of the Cayman Islands, rating the country overall at Aa3. The Cayman Islands has retained the Aa3 rating, and its accompanying stable outlook, continuously since 2000. In this latest report, Moody's acknowledges the country's very high GDP and strong institutions as key factors of support for the rating. The report states Moody's view that a long history of policy consensus and a sensible macroeconomic approach explains the country's high economic development and still low debt burden.

The report also acknowledges that the impact of the global financial meltdown was reflected in the Cayman Islands GDP from 2008 through 2010, with the rise in GDP seen in 2011 and 2012, the report continues on to predict a moderate recovery of the economy in 2013 and 2014. The 2013 Semi-Annual Economic Report was released by the Government in late October 2013 and reported that the Cayman Islands' real GDP grew by an estimated annualised rate of 0.9% for the first half of 2013. GDP growth for 2013 is forecasted at 1.5%.

The Cayman Islands have two main industries; financial services and tourism. The Moody's credit analysis notes that in relation to the finance industry the country has a well established offshore center, one of the largest in the world. The report goes on to note that the Cayman Islands is one of the world's largest banking centers in terms of assets. The report states that international scrutiny on tax transparency is likely in the future and asserts that Cayman's authorities have proven adept at satisfying all such requirements and indicates a belief that such compliance will continue.

The table below itemises trends in some of the key financial areas.

	As at December 2013	As at December 2012	As at December 2011	As at December 2010	As at December 2009
Bank Licences	213	222	234	246	266
Mutual Funds	11,379	10,841	9,258	9,438	9,523
Mutual Fund Administrators	121	124	129	134	141
Captive Insurance Companies	921	768	739	738	780

The other major industry in Cayman is tourism. The country is expected to see a diversification in the tourism industry with the opening of the Health City facility in 2014. The facility is planned to open with a 140 bed tertiary care hospital and will be built in phases for up to fifteen years in length and when completed is expected to include a 2,000 bed hospital, a medical university and an assisted care living community. It is anticipated that when completed, the facility will span 100 acres with more than 1.5 million square feet of buildings.

The tourist demographic is largely comprised of visitors from the United States of America ("US"). For 2013 77% of air arrivals to the country were citizens of the US. As such the US economy largely

impacts that of the Cayman Islands. 2013 air arrivals were up 7% when compared to 2012 and cruise arrivals decreased by 9% when compared to 2012. Air arrivals have a direct impact on the

Company's sales growth as these visitors are stay-over visitors who occupy the hotels. Cruise arrivals have an indirect impact as they affect the opening hours of the establishments operating for that market.

The following table presents statistics for tourist arrivals in the Cayman Islands for the twelve months ending December 31:

Arrivals	2013	2012	2011	2010	2009	2008
By Air	345,387	321,650	309,091	288,272	271,958	302,879
By Sea	1,375,872	1,507,370	1,401,495	1,597,838	1,520,372	1,553,053
Total	1,721,259	1,829,020	1,710,586	1,886,110	1,792,330	1,855,932

All data is sourced from the Cayman Islands Government, Cayman Islands Economics & Statistics Office, Cayman Islands Monetary Authority, Cayman Financial Review, Cayman Islands Department of Tourism and Health City websites; www.gov.ky www.ESO.ky www.cimoney.com.ky www.caymanfinancialreview.com www.caymanislands.ky www.healthcitycaymanislands.com .

Liquidity and Capital Resources

The following table outlines the summary of cash flow:

Cash Flows ($ thousands)	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012	Change	% Change
Beginning cash	**3,445**	5,420	**694**	424	**270**	64%
Cash provided by/(used in):						
Operating activities	**11,403**	5,836	**50,257**	33,833	**16,424**	49%
Investing activities	**(7,871)**	(9,274)	**(26,484)**	(30,061)	**3,577**	-12%
Financing activities	**(5,762)**	(1,288)	**(23,252)**	(3,502)	**(19,750)**	564%
Ending cash	**1,215**	694	**1,215**	694	**521**	75%

Operating Activities:

Cash flow provided by operations, after working capital adjustments, for the Fourth Quarter 2013, was $11.4 million, an increase of $5.6 million when compared to $5.8 million for the Fourth Quarter 2012. This increase was primarily due to increased earnings and changes in non cash working capital balances.

Cash flow provided by operations, after working capital adjustments, for the twelve months ended December 31, 2013, was $50.3 million, an increase of $16.5 million from $33.8 million for the twelve months ended December 31, 2012. This increase was primarily due to increased earnings and changes in non cash working capital balances.

Investing Activities:

Cash used in investing activities totaled $7.9 million for the Fourth Quarter 2013, a decrease of $1.4 million from $9.3 million for the Fourth Quarter 2012. This decrease is due to lower capital expenditures.

Cash used in investing activities for the twelve months ended December 31, 2013 totaled $26.5 million, a decrease of $3.6 million from $30.1 for the twelve months ended December 31, 2012. This decrease is due to lower capital expenditures and additional insurance funds received during the twelve months ended December 31, 2013.

Financing Activities:

Cash used in financing activities totaled $5.8 million for the Fourth Quarter 2013, an increase of $4.5 million from $1.3 million used in financing activities for the Fourth Quarter 2012. The Company utilised $1.3 million of the overdraft facility during the Fourth Quarter 2013 compared to utilization of $6.2 million of the overdraft facility during the Fourth Quarter 2012.

Cash used in financing activities totaled $23.3 million for the twelve months ended December 31, 2013, an increase of $19.8 million from $3.5 million used in financing activities for the twelve months ended December 31, 2012. During the twelve months ended December 31, 2013, the Company received $50.0 million in debt financing, repaid $4.9 million of the overdraft facility and repaid debt of $50.5 million compared to debt receipts of $25.0 million, debt payments of $15.5 million and receipts from the overdraft facility of $5.1 million during the twelve months ended December 31, 2012.

Financial Position

The following table is a summary of significant changes to the Company's balance sheet from December 31, 2012 to December 31, 2013:

Significant changes in Balance Sheets between December 31, 2012 and December 31, 2013 *($ millions)*	**Increase (Decrease)**	**Explanation**
Cash and Cash Equivalents	0.5	Increase due to cash provided by operating activities of $50.3 million offset by cash used in financing activities of $26.5 million and by cash used in investing activities of $23.3 million.
Accounts Receivable	(1.4)	Decrease due to enhanced collection efforts in the Fourth Quarter of 2013.
Regulatory Assets	(1.4)	In accordance with regulatory treatment the fuel tracker account is classified as a regulatory asset. This amount represents fuel costs incurred by the Company that are recoverable from the customer.
Property, Plant and Equipment	2.2	Net increase is comprised of capital expenditures of (1) $29.3 million (2) depreciation expense of $24.4 million (3) insurance funds received of $2.5 million (4) contributions in aid of construction of $0.5 million and (5) $0.3 million in accrued capital expenditure
Bank Overdraft	(4.9)	Decrease in bank overdraft.
Accounts Payable and Accrued Expenses	3.1	Change mainly attributable to increase in fuel costs
Consumers' Deposits and Advances for Construction	0.4	Increase of deposits due to new customer accounts.
Share Premium	2.5	The Company issued 253,806 shares through its share purchase plans.

Capital Resources

The Company's principal activity of generation, transmission and distribution of electricity in Grand Cayman, requires CUC to have ongoing access to capital to build and maintain the electrical system for the community it serves.

To help ensure access to capital, the Company targets a long-term capital structure containing approximately 45% equity, including preference shares, and 55% debt. The Company's objective is to maintain investment-grade credit ratings. The Company sets the amount of capital in proportion to risk. The debt to equity ratio is managed through various methods such as the Class A Ordinary Share rights offering that occurred in 2008 and the Company's Share Purchase Plans.

Certain of the Company's long-term debt obligations have covenants restricting the issuance of additional debt such that consolidated debt cannot exceed 60 per cent of the Company's consolidated capital structure, as defined by short-term and long-term debt agreements. As at December 31, 2013, the Company was in compliance with all debt covenants.

The Company's capital structure is presented in the following table:

Capital structure	December 31, 2013 *($ millions)*	%	December 31, 2012 *($ millions)*	%
Total debt	219.0	55	219.5	56
Shareholder's equity	178.3	45	173.9	44
Total	**397.3**	**100**	**393.4**	**100**

During the twelve months ended December 31, 2013, the Company's capital structure increased $3.9 million to $397.3 million from $393.4 million at December 31, 2012. This increase is due to an increase in shareholder's equity, partially offset by a $0.5 million decrease in total debt.

During the twelve months ended December 31, 2013, the Company received $50.0 million in debt financing and repaid debt of $50.5 million. For the twelve months ended December 31, 2013 shareholders' equity increased by $4.4 million to $178.3 million when compared to $173.9 million for the twelve months ended December 31, 2012. This increase in shareholder's equity was primarily attributable to the issuance of 253,806 shares and an increase in retained earnings.

The Company's credit ratings under Standard & Poors ("S&P") and the Dominion Bond Rating System ("DBRS") are as follows:

S&P A-/Negative
DBRS A (low)

The S&P rating is in relation to long-term corporate credit and unsecured debt while the DBRS rating relates to senior unsecured debt.

Following Fortis Inc.'s (the Company's majority shareholder) December 2013 announcement of a proposed US$4.3 billion acquisition of UNS Energy Corp., an Arizona-based holding company that wholly owns Tucson Electric Power Co. (TEP), S&P affirmed the Company's A- rating and revised its outlook on the Company from Stable to Negative.

The negative outlook on CUC reflects the application of S&P's group rating methodology and an expectation that Fortis Inc.'s credit metrics would materially weaken due to convertible debentures used to finance the acquisition. The S&P report also indicates their belief that there are insufficient ring-fencing mechanisms between Fortis and its subsidiaries, including CUC, to allow for further rating separation.

The A- rating reflects S&P's positive view of the Company's current position as the sole provider of generation services, and the Company's licensed position as the sole provider of T&D services. The rating also reflects S&P's positive view of regulatory support and stable cash flows offset by the economic uncertainty and the limited history of the regulator.

In February 2013 DBRS affirmed the Company's 'A' credit rating while maintaining the categorisation of low with a Stable trend. Considerations for the rating were a supportive regulatory regime, solid credit metrics and a stable island economy and demand for electricity. Impacting the rating were such

factors as hurricane event risk and small size of customer base.

Credit Facilities

The Company has $46.9 million of unsecured credit facilities with the Royal Bank of Canada ("RBC") comprised of:

Credit Facilities	($ millions)
Corporate Credit Card Line	$0.4
Letters of Credit	$0.5
Operating, Revolving Line of Credit	$7.5
Catastrophe Standby Loan	$7.5
Demand Loan Facility- Interim Funding of Capital Expenditures	$31.0
Total	**$46.9**

Of the total above, $44.7 million was available at December 31, 2013.

Capital Expenditures

Capital expenditures for the Fourth Quarter 2013 were $7.5 million, a $1.7 million, or 18% decrease from $9.2 million in capital expenditures for the Fourth Quarter 2012. Capital expenditures for the twelve months ended December 31, 2013 were $29.3 million, a $1.5 million, or 5% decrease from $30.8 million in capital expenditures for the same period of the previous year. Included within the various 2013 projects is AFUDC totaling to $3.2 million.

Off Balance-Sheet Arrangements

Disclosure is required of all off-balance sheet arrangements such as transactions, agreements or contractual arrangements with unconsolidated entities, structured finance entities, special purpose entities or variable interest entities that are reasonably likely to materially affect liquidity of or the availability of, or requirements for, capital resources. The Company has no such off-balance sheet arrangements as at December 31, 2013.

Business Risks

The following is a summary of the Company's significant business risks:

Economic Conditions

The general economic condition of CUC's service area, Grand Cayman, influences electricity sales, as with most utility companies. Changes in consumer income, employment and housing are all factors in the amount of sales generated. As the Company supplies electricity to all hotels and large properties, its sales are therefore partially based on tourism and related industry fluctuations.

Regulation

The Company operates within a regulated environment. As such the operations of the Company are subject to the normal uncertainties faced by regulated companies. Such uncertainties include approval by the ERA of billing rates that allow a reasonable opportunity to recover on a timely basis the estimated costs of providing services, including a fair return on rate base assets. The Company's capital expenditure plan requires regulatory approval. There is no assurance that capital projects perceived as required by the management of the Company will be approved.

Insurance – Terms and Coverage

The Company renewed its insurance policy as at July 1, 2013 for one year under similar terms and coverage as in prior years. Insurance terms and coverage include $100.0 million in property and machinery breakdown insurance and business interruption insurance per annum with a 24-month indemnity period and a waiting period on Non-Named Wind, Quake and Flood of 60-days. Any named Wind, Quake and Flood deductible has a 45-day waiting period. All T&D assets outside of 1,000 feet from the boundaries of the main plant and substations are excluded, as the cost of such coverage is not considered economical. There is a single event cap of $100 million. Each "loss occurrence" is subject to a deductible of $1.0 million, except for windstorm (including hurricane) and earth movement for which the deductible is 2% of the value of each location that suffers loss, but subject to a minimum deductible of $1.0 million and maximum deductible of $4.0 million for all interests combined.

In accordance with the T&D Licence when an asset is impaired or disposed of, within the original estimated useful life, the cost of the asset is reduced and the net book value is charged to accumulated depreciation. This treatment is in accordance with rate regulated accounting and differs from the GAAP treatment of a loss being recognized on the statement of earnings. The amount charged to accumulated depreciation is net of any proceeds received in conjunction with the disposal of the asset. Insurance proceeds are included within the criteria.

In addition to the coverage discussed above, the Company has also purchased an excess layer of an additional $100.0 million limit on property and business interruption (excluding windstorm, earth movement and flood).

The Company's insurance policy includes business interruption which covers losses resulting from the necessary interruption of business caused by direct physical loss or damage to CUC's covered property and loss of revenues resulting from damage to customers' property.

Credit Risk

There is risk that CUC may not be able to collect all of its accounts receivable and other assets. This does not represent a significant concentration of risk. The requirement for security deposits for certain customers, which are advance cash collections from customers to guarantee payment of electricity billings, reduces the exposure to credit risk. CUC manages credit risk primarily by executing its credit collection policy, including the requirement for security deposits, through the resources of its customer service department.

Trade and other accounts receivables	As at December 31, 2013	As at December 31, 2012
Current	11,914	11,474
Past due 31-60 days	2,018	2,644
Past due 61-90 days	594	1,371
Past due over 90 days	4,314	4,697
	18,840	**20,186**
Less: Allowance for doubtful accounts	(195)	(184)
Less: Consumer Deposits and Advances for Construction	(4,998)	(4,585)
Net Exposure	**13,647**	**15,417**

As at December 31, 2013, the net exposure on the balance sheet is $13.6 million.

Critical Accounting Estimates

The preparation of the Company's financial statements in accordance with United States GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Estimates are based on historical experience, current conditions and various other assumptions believed to be reasonable under the circumstances. Due to changes in facts and circumstances and the inherent uncertainty involved in making estimates, actual results may differ significantly from the current estimates. Estimates are reviewed periodically and, as adjustments become necessary, are reported in earnings in the period in which they become known.

Quarterly Results

The table "Quarterly Results" summarises unaudited quarterly information for each of the eight quarters ended March 31, 2012 through December 31, 2013. This information has been obtained from CUC's unaudited interim Financial Statements, which in the opinion of Management, have been prepared in accordance with US GAAP. These operating results are not necessarily indicative of results for any future period and should not be relied upon to predict future performance.

Quarterly results *($ thousands, except basic and diluted earnings per ordinary share)*	Operating Revenue	Net earnings	Income applicable to ordinary shares	Earnings per ordinary share	Diluted earnings per ordinary share
December 31, 2013	58,801	5,760	5,169	0.18	0.18
September 30, 2013	59,547	6,048	5,935	0.21	0.21
June 30, 2013	55,346	5,716	5,603	0.19	0.19
March 31, 2013	52,525	2,898	2,785	0.10	0.10
December 31, 2012	59,087	4,061	3,467	0.12	0.12
September 30, 2012	58,870	6,582	6,469	0.22	0.22
June 30, 2012	53,940	5,146	5,033	0.18	0.18
March 31, 2012	51,653	1,907	1,794	0.06	0.06

Outlook

In October 2013 the Company issued a Certificate of Need ("CON") for generation capacity driven primarily by the upcoming retirements of some of the Company's generating units due to begin in 2014. The CON listed a requirement of 36 MW of generating capacity, with 18 MW to be operational no later than April 2016 and the remaining 18 MW to be operational no later than May 2016.

The ERA issued a solicitation for Statements of Qualifications from prospective bidders in November 2013. The deadline for submissions was December 20, 2013. In January 2014 the ERA announced the listing of qualified bidders and issued a request for proposals.

In December 2013 the ERA approved the Company's 2014-2018 Capital Investment Plan in the amount of $143.0 million for non-generation installation expenditures. During this period of continued low growth, CIP initiatives focus on improving reliability of service and operational efficiencies.

Consolidated Balance Sheets

(expressed in thousands of United States Dollars)

Unaudited	As at December 31, 2013	As at December 31, 2012
Assets		
Current Assets		
Cash and Cash Equivalents	1,215	694
Accounts Receivable	18,645	20,002
Other Receivable - Insurance	-	123
Regulatory Assets	24,373	25,795
Inventories	5,185	4,380
Prepayments	2,703	2,558
	52,121	53,552
Property, Plant and Equipment	379,329	377,106
Other Assets	1,509	1,388
Intangible Assets	2,791	2,926
Total Assets	435,750	434,972
Liabilities and Shareholders' Equity		
Current Liabilities		
Bank Overdraft	1,258	6,200
Accounts Payable and Accrued Expenses	31,633	28,497
Related Party Payables	10	53
Regulatory Liabilities	242	345
Short-Term Debt	-	31,000
Current Portion of Long-Term Debt	17,000	19,500
Consumers' Deposits and Advances for Construction	4,998	4,585
	55,141	90,180
Defined Benefit Pension Liability	283	1,926
Long-Term Debt	202,000	169,000
Other Long term Liabilities	34	-
Total Liabilities	257,458	261,106
Shareholders' Equity		
Share Capital	1,980	1,965
Share Premium	81,023	78,524
Additional Paid in Capital	479	450
Retained Earnings	95,064	94,647
Accumulated Other Comprehensive Loss	(254)	(1,720)
Total Shareholders' Equity	178,292	173,866
Total Liabilities and Shareholders' Equity	435,750	434,972

Consolidated Statements of Earnings

(expressed in thousands of United States Dollars, except basic and diluted earnings per ordinary share and the Weighted Average of Class A Ordinary Shares issued and fully paid)

Unaudited	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012
Operating Revenues				
Electricity Sales	18,109	16,806	71,131	69,111
Fuel Factor	40,692	42,281	155,089	154,438
Total Operating Revenues	**58,801**	**59,087**	**226,220**	**223,549**
Operating Expenses				
Power Generation	41,427	43,005	158,090	157,677
General and Administration	2,349	2,353	8,851	9,635
Consumer Services	431	386	1,672	1,549
Transmission and Distribution	571	570	2,200	2,406
Depreciation	5,960	6,096	24,351	22,690
Maintenance	1,309	1,532	5,610	6,602
Amortization of Intangible Assets	77	83	306	373
Total Operating Expenses	**52,124**	**54,025**	**201,080**	**200,932**
Operating Income	**6,677**	**5,062**	**25,140**	**22,617**
Other (Expenses)/Income:				
Finance Charges	(2,172)	(2,052)	(9,018)	(9,125)
Foreign Exchange Gain	484	526	1,927	2,165
Other Income	771	525	2,373	2,034
Total Net Other (Expenses)/Income	(917)	(1,001)	(4,718)	(4,926)
Earnings for the Period	**5,760**	**4,061**	**20,422**	**17,691**
Preference Dividends Paid- Class B	(591)	(594)	(930)	(930)
Earnings on Class A Ordinary Shares	**5,169**	**3,467**	**19,492**	**16,761**
Weighted-Average Number of Class A Ordinary Shares Issued and Fully Paid (in thousands)	28,927	28,766	28,892	28,699
Earnings per Class A Ordinary Share	0.18	0.12	0.68	0.58
Diluted Earnings per Class A Ordinary Share	0.18	0.12	0.68	0.58
Dividends Declared per Class A Ordinary Share	0.165	0.165	0.660	0.660

Consolidated Statements of Comprehensive Income

(expressed in thousands of United States Dollars)

Unaudited	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012
Earnings for the Period	**5,760**	**4,061**	**20,422**	**17,691**
Other Comprehensive Income/(Loss):				
Amounts arising during the period				
Defined Benefit Pension plans:				
Net actuarial (loss)/gain	1,084	252	1,085	252
Reclassification to net income				
Defined Benefit Pension plans:				
Amortization of prior service costs	62	62	248	248
Amortization of net actuarial loss	33	59	133	527
Total Other Comprehensive Income	1,179	373	1,466	1,027
Comprehensive Income	**6,939**	**4,434**	**21,888**	**18,718**

Consolidated Statements of Shareholders' Equity

(expressed in thousands of United States Dollars except Common Shares)

	Class A Ordinary Shares (in thousands)	Common Shares Value ($)	Preference Shares ($)	Share premium ($)	Additional paid-in capital ($)	Accumulated Other Comprehensive Loss ($)	Retained Earnings ($)	Total Equity ($)
As At January 1, 2013	**28,806**	**1,715**	**250**	**78,524**	**450**	**(1,720)**	**94,647**	**173,866**
Net Earnings	-	-	-	-	-	-	20,422	20,422
Common Share Issuance & stock options plans	254	15	-	2,499	29	-	-	2,543
Defined benefit plans	-	-	-	-	-	1,466	-	1,466
Dividends on common shares	-	-	-	-	-	-	(19,075)	(19,075)
Dividends on preference shares	-	-	-	-	-	-	(930)	(930)
As At December 31, 2013	**29,060**	**1,730**	**250**	**81,023**	**479**	**(254)**	**95,064**	**178,292**
As At January 1, 2012	**28,625**	**1,704**	**250**	**76,806**	**415**	**(2,747)**	**96,827**	**173,255**
Net Earnings	-	-	-	-	-	-	17,691	17,691
Common Share Issuance & stock options plans	181	11	-	1,718	35	-	-	1,764
Defined benefit plans	-	-	-	-	-	1,027	-	1,027
Dividends on common shares	-	-	-	-	-	-	(18,941)	(18,941)
Dividends on preference shares	-	-	-	-	-	-	(930)	(930)
As At December 31, 2012	**28,806**	**1,715**	**250**	**78,524**	**450**	**(1,720)**	**94,647**	**173,866**

Consolidated Statements of Cash Flows

(expressed in thousands of United States Dollars)

Unaudited	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012
Operating Activities				
Earnings for the period	5,760	4,061	20,422	17,691
Items not affecting cash:				
Depreciation	5,960	6,096	24,351	22,690
Other receivable - Insurance				
Amortization of Intangible Assets	77	83	306	373
Non-cash Pension Expenses	-	141	-	141
Amortization of Deferred Financing Costs	59	49	194	197
Stock-based compensation	7	7	28	35
	11,863	**10,437**	**45,301**	**41,127**
Net change in non-cash working capital balances related to operations	(3,663)	(6,345)	3,637	(7,323)
Net Change in Regulatory Deferrals	3,203	1,744	1,319	29
Cash flow related to operating activities	**11,403**	**5,836**	**50,257**	**33,833**
Investing Activities				
Purchase of property, plant and equipment	(7,461)	(9,229)	(29,323)	(30,788)
Costs related to intangible assets	(107)	(45)	(200)	(372)
Insurance funds received	-	-	2,505	1,051
Contributions in Aid of Construction	(320)	-	498	-
Proceeds on sale of property, plant and equipment	17	-	36	48
Cash flow related to investing activities	**(7,871)**	**(9,274)**	**(26,484)**	**(30,061)**
Financing Activities				
Proceeds from debt financing	-	-	50,000	25,000
Repayment of debt	(3,000)	(3,000)	(50,500)	(15,500)
Increase/(Decrease) in bank overdraft	1,258	6,200	(4,942)	5,141
Dividends paid	(4,891)	(4,859)	(20,322)	(19,872)
Net proceeds from share issues	871	371	2,512	1,729
Cash flow related to financing activities	**(5,762)**	**(1,288)**	**(23,252)**	**(3,502)**
Increase/(Decrease) in net cash and cash equivalents	(2,230)	(4,726)	521	270
Cash and cash equivalents - Beginning of period	3,445	5,420	694	424
Cash and cash equivalents - End of period	**1,215**	**694**	**1,215**	**694**
Supplemental disclosure of cash flow information:				
Interest paid during the period	6,041	5,949	11,990	12,032