



November 27, 2008

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 Second Quarter Results for the Period Ended October 31, 2008**

**Grand Cayman, Cayman Islands-** Caribbean Utilities Company, Ltd. ("CUC" or "the Company") announced today its unaudited results for the second quarter ended October 31, 2008 (all figures in United States dollars).

"We continued to experience growth in demand for electricity in the second quarter of fiscal 2009 as ongoing commercial and residential construction projects came online. Electricity sales were up 4 per cent over the second quarter of fiscal 2008 despite above average rainfall and below average temperatures during the month of October. A new peak load high of 93.7 MW was achieved in August," remarked Richard Hew, CUC President and Chief Executive Officer. He added that the Company continues to monitor the weakening global economic indicators and to assess the potential impact on the growth of electricity sales in Grand Cayman.

Second quarter earnings on Class A Ordinary Shares were \$5.3 million or \$0.18 per share, compared to \$6.1 million or \$0.24 per share for the second quarter of fiscal 2008. Earnings on Class A Ordinary Shares for the six month period were \$10.0 million or \$0.37 per Class A Ordinary Share, compared to \$13.3 million or \$0.53 per Class A Ordinary Share, for the six months ended October 31, 2007. The 30 per cent decline in earnings per share for the six month period was due principally to the removal of the Hurricane Ivan Cost Recovery Surcharge and a 3.25 per cent rate reduction, both in January of 2008, partially offset by 4 per cent kiloWatt-hour ("kWh") sales growth.

Operating revenues for the second quarter were \$63.2 million, a 32% increase over \$44.6 million for the same period last year. This \$17.6 million increase was driven principally by a 54 per cent increase in fuel factor revenues, which were offset by higher fuel expenses. Total electricity sales for the quarter increased 4 per cent to 145.8 million kWh from 139.7 million kWh for the same period last year. Total customers as at October 31, 2008 were 24,430, an increase of 4 per cent over last year. Total operating expenses increased 52 per cent to \$57 million and were primarily driven by higher power generation expenses, including fuel costs.

Demand peaked in August at 93.7 MW and was reliably met by the Company's 136.6 MW of installed generating capacity. Customers experienced an Average System Availability Index for the quarter of 99.91 per cent. "CUC's focus on proactive maintenance practices reflects its commitment to overall system reliability as an essential element of effectively managed growth," stated Mr. Hew.

The Company worked throughout the quarter on fulfilling new obligations under the licences signed in April, 2008. Discussion continued with the Electricity Regulatory Authority regarding the Company's recommendations for consumer owned renewable energy purchase rates.

CUC's experienced staff complement, over 90 per cent of whom are Caymanian, responded effectively with preparation and restoration services when both Hurricane Gustav and Hurricane Paloma passed near Grand Cayman. Many staff have also been providing ongoing response in Cayman Brac and Little Cayman which sustained heavy damage from those storms as well as Turks and Caicos where Hurricane Ike struck in September. The demand for this support is a tribute to the capabilities and training provided by CUC to its employees.

CUC's Second Quarter Report for the period ended October 31, 2008 is attached to this release and incorporated by reference and can be accessed by clicking the link below:

[http://files.newswire.ca/520/Q2\\_2009\\_FINAL.pdf](http://files.newswire.ca/520/Q2_2009_FINAL.pdf)

The Management's Discussion and Analysis section of this report contains a detailed discussion of CUC's unaudited second quarter financial results, the Cayman Islands economy, liquidity and capital resources, capital expenditures and the business risks facing the Company. The release and Second Quarter Report 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).

*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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