CARIBBEAN UTILITIES COMPANY, LTD.

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED APRIL 30, 2001

DATED: JULY 12, 2001

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NAME AND INCORPORATION

Caribbean Utilities Company, Ltd. (''CUC'' or the ''Company'') was incorporated under the laws of the Cayman Islands and commenced operations April 30, 1966. The Articles of Association of the Company have been amended since incorporation to accommodate subsequent infusions of capital, share consolidations and share splits, which have resulted in the existing capitalization. CUC's registered office is located on North Sound Road, Grand Cayman, Cayman Islands. The mailing address of the Company is P.O. Box 38 GT, Grand Cayman, Cayman Islands (website: www.cuc-cayman.com).

GENERAL DEVELOPMENT OF CARIBBEAN UTILITIES COMPANY, LTD.

The Company operates the only public electric utility on Grand Cayman, Cayman Islands. It operates pursuant to an exclusive 25-year licence from the Government of the Cayman Islands (the ''Government'') dated January 17, 1986, as amended by a supplementary licence dated October 16, 1989 and a further supplementary licence dated November 15, 1994 (the ''Licence''). Pursuant to the Licence, the Company has the exclusive right to generate, distribute, transmit and supply electricity on Grand Cayman and is entitled to earn a return on the allowable assets that comprise its rate base of 15% per annum (see ''Regulation''). The Licence is a binding contract requiring the mutual consent of CUC and the Government for any amendments. The Company has the right after January 17, 2006 to enter into negotiations with the Government for the renewal of the Licence upon the expiry of the 25-year period. The Government has further agreed that, upon the expiry of the 25-year period, it will not grant an exclusive licence to any other entity for the commercial generation, distribution and supply of electricity on Grand Cayman without first having offered such a licence (or a renewal of the current Licence) to the Company on terms no less favourable than the terms offered to such other entity.

The Company has experienced compound growth in kiloWatt-hour sales of electricity of 7.57% per annum over the last five years, primarily due to population and economic growth in Grand Cayman. The population of Grand Cayman has grown at approximately 4% per year over the past 21 years, increasing from 17,660 people in 1980 to more than 41,000 people at present. The two most important sectors of its economy are tourism and offshore financial services.

CANADIAN DOLLAR EXCHANGE RATES

In this Annual Information Form, all dollar amounts are in United States dollars and references to ''$'', ''US$'' or ''US dollars'' are to United States dollars unless otherwise indicated. References to ''Cdn.$'' are to Canadian dollars and references to ''CI$'' are to Cayman Islands dollars. The closing rate of exchange on April 30, 2001, as reported by the Bank of Canada, for conversion of US dollars into Canadian dollars was Cdn. $1.5366 per US$1.00. The official fixed exchange rate for conversion of CI$ into US$, as determined by the Cayman Islands Monetary Authority, has been fixed since April 1974 at US$1.20 per CI$1.00. Thus, the rate of exchange on April 30, 2001 for conversion of Cayman Islands dollars into Canadian dollars was Cdn. $1.8439 per CI$1.00.

THE BUSINESS OF THE COMPANY

The Company's system is comprised of 18 generating units having a combined capacity of 115 megaWatts, five major transformer substations, approximately 274 miles of overhead high-voltage transmission and distribution lines and 14 miles of high-voltage submarine cable. The Company primarily uses diesel generation to produce electricity for Grand Cayman. The net book value of total assets was $204,161,088 as of April 30, 2001.

Market

CUC's principal market for supply of electricity is comprised of 3,072 (2000:2,930) commercial and 16,126 (2000: 15,533) residential customers in 2001. KiloWatt-hour sales have grown from 287.29 million kiloWatt-hours in 1997 to 393.28 million kiloWatt-hours in 2001. Operating revenue increased from US$61.0 million in 1997 to US$90.1 million in 2001. Electricity sales in 2000 were 369.42 million kiloWatt hours and operating revenue for 2000 was US$76.5 million.

The following chart compares 2001 and 2000 revenues and net kiloWatt-hour sales to CUC's customers:

	Revenues US$000s/%		KiloWatt-hour Sales 000s/%	
	2001	2000	2001	2000
Commercial	46,665/50.6	39,639/50.1	206,806/52.6	195,125/52.8
Residential	42,488/46.1	35,927/45.4	182,321/46.4	170,363/46.1
Street Lighting	936/1.0	903/1.1	4,149/1.0	3,935/1.1
Sales	90,089/97.7	76,469/96.6	393,275/100.0	369,423/100.0
Other(1)	2,133/2.3	2,705/3.4	—	—
Total	92,222/100.0	79,174/100.0	393,275/100.0	369,423/100.0

(1) Other includes revenue realized from sources other than the sale of electricity.

The demand for electricity on Grand Cayman is generally higher in the summer months when the air conditioning load is the greatest. Peaks in demand occasionally occur at other times during the year when new major customers are connected. The record peak demand for the 2001 fiscal year of 70.1 megaWatts was reached in October 2000.

Power Supply

CUC relies upon diesel generation to produce electricity for Grand Cayman. The island has neither hydroelectric potential nor inherent thermal resources, and CUC must rely upon diesel fuel imported to Grand Cayman primarily from refineries in the Caribbean and the Gulf of Mexico. The fuel is shipped by pipeline from suppliers' tanker terminals to CUC's centralized generating plant located on the outskirts of George Town.

Generating Plant

The Company's system is comprised of 18 generating units (16 diesel, one gas turbine and one steam turbine) with a combined capacity of 115 megaWatts. Generation expansion planning by the Company is based mainly on historical growth trends and planned major commercial developments. In addition, limits prescribed by the Licence dictate the minimum and maximum reserve generating capacity that the Company must maintain to ensure a reliable supply of electricity after allowance for breakdown and scheduled maintenance.

The growth in net generation for the fiscal year ended April 30, 2001 over the 2000 fiscal year was 6.7%. For the purposes of preparing its budgets, the Company has assumed an annual net generation growth rate of 6.3% for the next year.

If growth continues at assumed rates, CUC will require the installation of additional generating capacity and new transformer substations. To this end, a 10-year generation strategic alliance agreement was entered December 11, 1998 with MAN B&W Diesel AG of Germany, and a seven-year substation strategic alliance agreement was entered September 11, 1998 with ABB Power T&D, Inc. of the United States. These contracts complement each other and provide CUC with ''most preferred customer'' pricing as well as other advantages associated with improved design and construction, shorter delivery lead times and standardization of equipment, parts and training.

Total budgeted capital expenditure for the 2002 fiscal year will amount to approximately US$26.3 million, which will be financed through a combination of internally generated funds and external financing as appropriate.

Regulation

The Company's Licence from the Government provides the Company with the exclusive right to generate, transmit and distribute electricity on Grand Cayman until January 2011. The Licence incorporates a schedule of customer tariffs to which the Company must adhere until such time as an amendment to such rates is effected in accordance with the terms of the Licence. There is provision in the Licence for customer tariffs to be adjusted upward or downward each year to provide CUC with a rate of return of 15% on the allowable assets that comprise its rate base (the ''15% Rate of Return''). The 15% Rate of Return is fixed for the term of the Licence.

Within 21 days from the end of each financial year, the Company is obliged to furnish the Government with an interim return (the ''Interim Return'') setting out the results of the operations for the financial year. Not later than three months after the end of such financial year, the Company is under an obligation to submit to the Government audited accounts together with a certificate from its auditors certifying that the particulars in the Interim Return accord with the audited accounts or, alternatively, the Company must submit a final return (the ''Final Return'') that does accord with the audited accounts. Also submitted to the Government at this stage is a recommendation by the auditors as to what adjustments, if any, are necessary to the tariff rates for the following year by way of increases or decreases to give effect to the provision for the 15% Rate of Return. Tariff rates have increased by 2%, 0% and 1% in August 1997, 1998 and 1999, respectively, and by 1.5% in August 2000.

In accordance with the terms of the Licence, the Company has submitted a Final Return to the Government of the Cayman Islands for its fiscal year ended April 30, 2001 confirming that CUC is entitled to a 2% rate increase effective August 1, 2001 in order to earn the 15% Rate of Return. The Company agreed with Government in May 2001 to suspend any rate increase pending completion of an electric rate review. This review was submitted with the Final Return and is now before Government for consideration. It is anticipated that an agreement on a new electricity rate structure will be reached with Government by October 31, 2001.

The electric rate review was conducted by R.W. Beck and updated its 1994 review. Its objectives were to ensure that the costs of electrical service associated with CUC's rapid growth were fair, properly allocated and developed to eliminate subsidized consumption. The review is interim in nature and recommends that CUC make moderate adjustments to its residential and commercial rate structure until sufficient supporting data can be collected to conduct a full and proper allocated cost of service study, including the development of a demand rate for large customers. Such studies are traditionally used in North America and form the basis of ensuring fair, cost-based electricity pricing. It is projected that this comprehensive allocated cost of service study would be completed no later than May 2003.

CUC has recommended that Government accept the interim adjustments contained in the interim electric rate review, as they will begin to align electric rates for various customers with the costs to serve those customers. The Company has proposed a compromise to Government regarding rate increases until the completion of the comprehensive allocation cost of service study.

CUC's Licence agreement with Government specifies that renegotiations may commence five years prior to its 2011 expiration. CUC has notified Government that it has no plans to enter Licence negotiations before 2006.

The Government has announced that it will conduct an independent audit of CUC's 2001 financial affairs. The Company's Licence includes a provision for an independent audit of the Company's financial affairs to be conducted at Government's expense. CUC's financial affairs were last audited by Government in 1993, following which it was concluded that the audited results were correct in all material respects. The Company does not expect the 2001 audit to result in any material changes to its operations.

The Licence provides for adjustments to be made to the rates billed to customers to reflect variations in the cost to the Company of diesel fuel used in the generation of electricity. Such adjustments are made on a monthly basis. Thus, variations in the cost of diesel fuel are passed directly to customers.

In addition, the Licence provides that the Company shall at all times use its best efforts to ensure that the reserve generating capacity is not less than the rated capacity of the largest generator installed plus 10% of the most recent annual peak power demand to ensure continuous uninterrupted service in the event of required maintenance or equipment failure. This reserve generating capacity shall not exceed the rated capacity of the largest generator installed plus 40% of the most recent annual peak power demand unless approved by the Government.

The Company is exempt for the full term of the Licence from all Cayman Islands taxes other than import duties as specified in the Licence and is able to transfer funds free from any exchange controls under the terms of the Licence. There is no income or withholding tax applicable to holders of the Company's shares under the existing laws of the Cayman Islands.

An annual Licence fee is payable by the Company to the Government at the rate of ⅝ of 1% of the total revenue from billings for electricity consumed each year. This Licence fee is payable quarterly in arrears. All imported assets (except diesel fuel) attract import duty at a rate of not more than 10% until January 2006. This rate may increase to not more than 15% during the last five years of the Licence. The rate of import duty on diesel fuel is set by the Government from time to time. Diesel fuel oil currently attracts import duty at a rate equivalent to US$0.50 per U.S. gallon. Licence fees and import duties are allowable expenses in calculating the 15% Rate of Return.

The 15% Rate of Return

Pursuant to the Licence, the rate base figure for a fiscal year is calculated as the average historical values of fixed assets less average depreciation, plus average inventories, average construction work in progress, average prepayments and an allowance for cash working capital. Allowable income is calculated as 15% of this rate base figure.

Actual operating income for a particular year is determined by taking the revenues for the year less allowable operating expenses for the year and depreciation. Allowable operating expenses do not include interest on borrowings (other than interest in excess of 15% on borrowed funds) or amortisation of goodwill.

The difference between allowable income and actual operating income for a given year is recovered from or paid to customers through adjustment of the tariff rates for the subsequent year.

The Cayman Islands

The Cayman Islands are a United Kingdom Overseas Territory. Great Britain retains authority for the Cayman Islands' defense, external affairs and internal security. The Government is constituted by a 15-member Legislative Assembly headed by a Crown-appointed Governor. Five Ministers are elected from the Legislative Assembly to serve with three ex-officio civil servants as members of the Executive Council. Stable government has prevailed on the Cayman Islands since the decision to remain a direct British dependency following Jamaica's move to independence in 1962.

Grand Cayman enjoys the highest standard of living in the Caribbean. Per capita income in 1999, the most recent year for which this information is available, was estimated at US$30,000.

Although certain of the Cayman Islands experienced property damage during the hurricanes passing through in 1932, 1944, 1980 and 1988, no loss of life has resulted from a hurricane since 1932. Since the Company's inception in 1966, it has been affected by only one hurricane, Hurricane Gilbert, which passed Grand Cayman in September 1988. The majority of damage sustained from this hurricane was on the transmission and distribution system. Repair costs of US$454,490 were largely recovered under the Company's insurance.

Transmission and Distribution System

The Company's system is comprised of five major transformer substations, approximately 274 miles of overhead high-voltage (69 kiloVolt and 13 kiloVolt) transmission and distribution lines and 14 miles of high-voltage submarine cable in Grand Cayman. All poles supporting the distribution lines and transformer substations are designed to withstand the high wind conditions and potential flooding that might result from a hurricane. The transmission and distribution assets have an original cost of US$102.2 million and a net book value as of April 30, 2001 of US$75.5 million. See ''Generating Plant'' above for a discussion of the long-term expansion plans for the Company's transmission and distribution system.

Properties

The Company's generating plant, two of its five existing transformer substations, office building, hurricane centre, warehouse, fuel tanks and garage are all located on approximately 21.9 acres of land owned by the Company and located on North Sound Road, Grand Cayman. There is one encumbrance affecting title up to the aggregate amount of approximately US$5.2 million in favour of one of the Company's lenders. In addition, the Company owns four additional sites for transformer substations located on approximately 2.8 acres of land.

Employees

CUC has approximately 220 employees, approximately 85% of whom are Caymanian. The Company's work force is non-unionized and management believes that employee relations are good. One hundred nineteen employees are currently shareholders in the Company, and an Employee Share Purchase Plan exists to encourage employee ownership of Class A Ordinary Shares.

Environmental Matters

Management believes that the Company conforms to all Cayman Islands planning regulations. There are environmental risks associated with the Company's operations, such as risks involved in the storage and handling of diesel fuel and emissions resulting from the burning of such fuel and the disposal of waste oil. Although environmental regulations in the Cayman Islands are less onerous than those in force in North America, the Company believes it acts responsibly in environmental matters and continues to monitor its operations in this regard.

None of the transformers used in the transmission and distribution system has ever used polychlorinated biphenyls (PCBs). An underground fuel pipeline eliminates the need for an ongoing shuttle of fuel tankers along coastal roads and through George Town to the Company's generating plant. The suppliers of the diesel fuel are responsible for the transportation of the fuel until it reaches the day tank holding facilities at the Company's generating plant. The Company continues to burn diesel fuel oil that, although considerably more expensive than heavy fuel oil, results in significantly lower levels of exhaust emissions and reduces the potential damage to the Island's coral reefs and beaches from an oil spill. The use of recovered waste heat to produce steam for the steam turbine is in accordance with the Company's policy of using environmentally sound technologies in an economically viable manner.

The Company's efforts to reduce transmission, distribution and station losses also improve energy efficiencies. The Company continues to promote its Energy Smart programme with the objective of educating its customers about energy efficiency and conservation at home and in the workplace.

CUC has identified three areas of environmental priority as a result of previous and ongoing studies and investigations: exhaust emissions, oily waste and noise levels. These are being addressed as follows:

Exhaust Emissions: Computer modeling has indicated that emissions would improve by increasing exhaust stack heights from 30 to 50 meters. Present and future generation expansion plans will require these stack heights.

Oily Waste: CUC presently exports all waste oil to the United States at considerable expense. The Company completed the installation of an oily waste and oily water waste collection treatment and disposal system. Fuel containment upgrades are also undertaken.

Noise Levels: The Company is presently implementing design modifications in the power plant that will result in noise reductions. All specifications for present and future plant expansions include limitations on noise levels. Cooling systems are designed to minimize noise generation.

Recent Developments

Private Placement of US$30 Million in 6.67% Senior Unsecured Notes Due 2016

The Company completed the first drawdown of a private placement of US$30 million in 6.67% Senior Unsecured Notes due in 2016 with two institutional investors in the United States. The first drawdown of US$15 million closed in June 2001 and the second is scheduled for October 2001. The proceeds from the offering will be used to repay short-term indebtedness and partially finance additional transmission and distribution systems.

SUMMARY OF FINANCIAL INFORMATION

Five-Year Summary
(except where noted, expressed in United States Dollars, thousands)

	For Year Ended April 30				
	2001(1)	2000(1)	1999(1)	1998(1)	1997(1)
Operating Revenue	90,089	76,469	67,058	66,478	61,047
Earnings Applicable to Ordinary Shares	18,571	17,316	13,801	12,275	9,740
Total Assets	226,628	206,380	170,546	132,783	125,481
Long-Term Debt (net of current portion)	72,958	75,707	47,601	24,954	24,841
Preference Shares (net of portion to be redeemed in following financial year)	12,015	17,015	17,015	19,015	22,015
Class A Ordinary Shareholders' Equity	101,373	94,058	85,705	68,504	62,192
Earnings Per Class A Ordinary Share (basic)	0.78	0.73	0.63	0.57	0.46
Earnings Per Class A Ordinary Share (fully diluted)	0.78	0.72	0.62	0.56	0.46
Dividend Paid and Declared Per Class A Ordinary Share	0.56	0.47	0.41	0.36	0.33

(1) The Class A Ordinary Shares were subdivided on a two-for-one basis effective December 8, 1997. The per-share information has been restated to reflect the split.

Quarterly Revenue and Earnings (Unaudited)
(except where noted, expressed in United States Dollars, thousands)

Quarter Ended	Operating Revenue	Income Applicable to Ordinary Shares	Earnings Per Share (basic)	Earnings Per Share (fully diluted)
April 30, 2001	21,224	4,367	0.18	0.18
January 31, 2001	22,311	3,495	0.15	0.14
October 31, 2000	24,164	5,524	0.23	0.22
July 31, 2000	22,390	5,185	0.22	0.22
April 30, 2000	19,250	4,961	0.19	0.19
January 31, 2000	18,734	4,151	0.18	0.18
October 31, 1999	19,668	4,358	0.19	0.18
July 31, 1999	18,817	3,846	0.17	0.17

MANAGEMENT'S DISCUSSION AND ANALYSIS

Reference is made to the Management's Discussion and Analysis on pages 12 through 17 of the 2001 Annual Report to shareholders, which pages are incorporated herein by reference.

FINANCIAL STATEMENTS

Reference is made to the Financial Statements on pages 22 through 35 of the 2001 Annual Report to Shareholders, which pages are incorporated herein by reference.

MARKET FOR SECURITIES

The Class A Ordinary Shares and 8% Cumulative Fixed Term Class C, Series 2 Preference Shares are listed in US dollars on The Toronto Stock Exchange (trading symbols: CUP.U and CUP.PR.U).

DIVIDENDS

Dividends have been paid on the Class A Ordinary Shares since 1984, and the board of directors in March 1990 adopted the policy of declaring a quarterly dividend payable during the first week of March, June, September and December. CUC paid and declared regular cash dividends on its Class A Ordinary Shares of US$0.56 in fiscal 2001 and US$0.47 in fiscal 2000.

Regular quarterly dividends at the prescribed rate have been paid on all outstanding preference shares of the Company.

DIRECTORS AND OFFICERS

Reference is made to pages 1 through 3 of the Notice of 2000 Annual General and Special Meeting of Shareholders and Information Circular dated September 2, 2000 for information regarding the directors of the Company as of the fiscal year ended April 30, 2001, which pages are incorporated herein by reference.

The following chart sets out the name and the municipality of residence of each of the officers of CUC as of the fiscal year ended April 30, 2001 and indicates the office held. Except as noted below, each of the officers has held the office indicated opposite his or her respective name or other executive office throughout the past five years:

Name and Municipality of Residence	Office
JOSEPH A. IMPARATO Grand Cayman, Cayman Islands	Chairman
PETER A. THOMSON Grand Cayman, Cayman Islands	President & Chief Executive Officer
FRANK J. CROTHERS Nassau, Bahamas	Vice-Chairman
PETER N. THOMSON Nassau, Bahamas	Vice-Chairman
BRUCE D.C. DRAKE Grand Cayman, Cayman Islands	Executive Vice-President & General Manager
J.F. RICHARD HEW Grand Cayman, Cayman Islands	Senior Vice-President & General Manager (Designate)(1)
IAN L. BOXALL Grand Cayman, Cayman Islands	General Counsel
DEBORAH E. BERGSTROM Grand Cayman, Cayman Islands	Vice-President Human Resources & Administration(2)
WILLIAM J.N. FORSYTHE Grand Cayman, Cayman Islands	Senior Vice-President & Chief Financial Officer
R. SCOTT HAWKES Grand Cayman, Cayman Islands	Company Secretary
ROBERT D. IMPARATO Grand Cayman, Cayman Islands	Assistant Corporate Secretary(3)
EDDINTON M. POWELL Grand Cayman, Cayman Islands	Vice-President Finance(4)
ROBERT L. SMITH Grand Cayman, Cayman Islands	Vice-President Production
M. JEROME WALLACE Grand Cayman, Cayman Islands	Vice-President Planning & Engineering(5)

Notes:

The above officers of the Company have held the same or similar positions for the past five years with the exception of the following:

(1) Mr. Hew was appointed to his present position in October 2001 and prior to that time served as Vice-President Transmission & Distribution, Vice-President Transmission & Distribution (Designate), Manager T&D Planning and Operations and Protection Engineer.

(2) Mrs. Bergstrom was appointed to her present position in October 1997 and prior to that time served as Classifications and Training Officer and Personnel Officer.

(3) Mr. Imparato was appointed to his present position in October 2000 and prior to that time served as Management Trainee. He also attended the Jones Graduate School of Management at Rice University from 1994 to 1996 and graduated with a Master of Business Administration degree in May 1996.

(4) Mr. Powell was appointed to his present position in October 1997 and prior to that time served as Financial Controller.

(5) Mr. Wallace was appointed to his present position in October 1997 and prior to that time served as Manager of Engineering.

SHARE PLANS

The Company has the following share plans that allow participants to acquire Class A Ordinary Shares in the capital of the Company: Customer Share Purchase Plan, Employee Share Purchase Plan, Employee Long Service Bonus Plan, Dividend Reinvestment Plan and Executive Stock Option Plan.

Customer Share Purchase Plan

A Customer Share Purchase Plan (''CSPP'') was established on January 1, 1995. It provides customers of the Company resident in Grand Cayman an opportunity to acquire Class A Ordinary Shares free of brokerage fees and related transaction costs. Customers may make cash payments of not less than US$30 per purchase and up to a total of US$14,400 per calendar year for the purchase of Class A Ordinary Shares. Dividends paid on Class A Ordinary Shares acquired under the CSPP are reinvested in additional Class A Ordinary Shares. All administrative costs in connection with the CSPP are borne by the Company, including brokerage commissions.

Employee Share Purchase Plan

CUC has also established an Employee Share Purchase Plan (''ESPP'') to encourage participation and long-term investment by its employees. The Company provides interest-free advances to employees to purchase Class A Ordinary Shares, with such advances recovered through payroll deductions over the next year. Dividends on Class A Ordinary Shares purchased on behalf of employees under the ESPP are paid in proportion to the amount contributed by employees at the time the dividend is paid. The minimum semi-annual participation in the ESPP is 50 Class A Ordinary Shares and the maximum semi-annual participation is 1,000 Class A Ordinary Shares per employee.

Employee Long Service Bonus Plan

The Company has also implemented an Employee Long Service Bonus Plan (''ELSBP'') whereby long-service employees (those with more than 10 years service) are awarded 10 Class A Ordinary Shares for each year of service, with such awards presented on the 10th, 15th, 20th and 25th anniversaries of employment.

Dividend Reinvestment Plan

Effective May 1, 1990, the Company established a Dividend Reinvestment Plan (''DRIP'') whereby the holders of Class A Ordinary Shares can elect to reinvest their quarterly dividends in additional Class A Ordinary Shares. Holders of the Class B Preference Shares also have the option of investing their dividends in Class A Ordinary Shares.

The Class A Ordinary Shares required to satisfy the requirements of the CSPP, ESPP, ELSBP and DRIP may be obtained from treasury at the 20-day average market price or from purchases in the open market at the discretion of the Company. In the event that the trading price of the Class A Ordinary Shares is below the 20-day average market price, the plan requirements will be fulfilled to the extent possible through market purchases, and any remaining balance will be issued from treasury. Such purchases should in the aggregate amount to no more than 400,000 Class A Ordinary Shares per annum.

Executive Stock Option Plan

Pursuant to the Company's Executive Stock Option Plan (''ESOP''), options (''Options'') for the purchase of Class A Ordinary Shares may be granted to employees, officers and directors who are employees of the Company. Consideration is given to the individual's present and potential contribution to the success of the Company in determining the number of Class A Ordinary Shares to be subject to each Option.

The exercise price per share in respect of an Option is equal to the fair market value on the date of grant without any discount. Each Option is for a term not exceeding 10 years and becomes exercisable on a cumulative basis at the end of each year following the date of grant. The number of Class A Ordinary Shares under the option shall be fixed and approved by the shareholders of the Company.

During the fiscal year ended April 30, 2001, Options to purchase an aggregate of 230,300 Class A Ordinary Shares were exercised having an aggregate value realised of US$1,027,153.

The Company made the following purchases or treasury issuances of Class A Ordinary Shares in respect of the CSPP, ESPP, ELSBP, DRIP and ESOP during the 12 months prior to the date hereof:

Date	Number of Shares Purchased	Purchase Price ($)	Number of Shares Issued	Issue Price ($)
May 10, 2000			11,500	6.02
May 19, 2000			400	4.98
May 30, 2000	10,000	10.00		
May 30, 2000	1,900	9.95		
May 31, 2000	1,100	9.95		
May 31, 2000	17,000	10.00		
June 1, 2000			120	10.00
June 1, 2000			6,707	9.9963
June 13, 2000			2,400	4.98
June 14, 2000			1,000	4.98
August 7, 2000			82,000	6.02
August 25, 2000	6,600	10.25		
August 28, 2000	607	10.30		
August 29, 2000	600	10.35		
August 29, 2000	1,300	10.45		
August 29, 2000	2,300	10.50		
August 31, 2000	4,493	10.50		
September 1, 2000			8,798	10.50
September 8, 2000			1,000	6.02
November 9, 2000			37,000	6.02
December 1, 2000			28,112	11.2075
December 21, 2000			2,000	10.05
January 9, 2001			2,000	10.05
January 19, 2001			1,000	6.02
January 29, 2001			25,000	6.02
January 31, 2001			28,000	6.02
January 31, 2001			7,000	10.05
January 31, 2001			7,000	11.00
February 21, 2001	17,000	11.70		
March 5, 2001			3,000	6.02
March 5, 2001			6,000	11.00
March 5, 2001			6,158	11.7198
March 14, 2001			5,000	6.02
April 5, 2001			4,000	6.02
April 5, 2001			2,000	10.05
April 18, 2001			1,000	6.02
April 19, 2001			350	11.7198
April 20, 2001			2,000	10.05

ADDITIONAL INFORMATION

The Company shall provide to any person or company upon request to the Company Secretary of the Company:

(a) When the Company is in the course of a distribution of its securities pursuant to a short-form prospectus or has filed a preliminary short-form prospectus in respect of a proposed distribution of its securities:

(i) one copy of the Company's latest annual information form together with one copy of any document, or the pertinent pages of any document, incorporated therein by reference;

(ii) one copy of the comparative financial statements of the Company for the most recently completed financial year in respect of which such financial statements have been issued, together with the report thereon of the Company's auditors and one copy of any interim financial statements of the Company subsequent thereto;

(iii) one copy of the information circular of the Company in respect of the most recent annual meeting of the shareholders of the Company that involved the election of directors;

(iv) one copy of any other documents that are incorporated by reference into the preliminary short-form prospectus and are not required to be provided under (i) to (iii) above;

(b) at any time, the documents referred to in clauses (a) (i), (ii) and (iii) above, provided the Company may require the payment of a reasonable charge from such a person or company who is not a holder of securities of the Company.

Further additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, options to purchase securities and interests of insiders in material transactions, where applicable, is contained in the Company's Notice of 2000 Annual General and Special Meeting of Shareholders and Information Circular dated September 2, 2000. Additional financial information is provided in the Company's comparative financial statements for the year ended April 30, 2001.

Requests for copies of the aforementioned documents as well as this Annual Information Form should be directed to the Company Secretary, Caribbean Utilities Company, Ltd., P.O. Box 38 GT, Grand Cayman, Cayman Islands (phone: (345) 949-5200; fax: (345) 949-4621; e-mail: sparky@cuc-cayman.com).