Consolidated Water Co. Ltd. Signs New Contract In Belize

Agreement With Sole Customer Extends Exclusivity Through At Least 2026

GEORGE TOWN, Cayman Islands, B.W.I. (September 18, 2003) -- Consolidated Water Co. Ltd. (Nasdaq National Market: "CWCO") ("Consolidated"), which develops and operates seawater conversion plants and water distribution systems in areas where natural supplies of drinking (i.e., potable) water are scarce, today announced that it has signed a new agreement with Belize Water Services Ltd., the Company's sole customer for water produced at its plant on the island of Ambergris Caye. The largest of approximately 200 islands located off the mainland of Belize, Ambergris Caye has in recent years benefited from its growing popularity as a resort and scuba diving destination for American and international tourists.

The Company's previous agreement was to expire June 26, 2007. The new agreement expires March 23, 2026 and includes provisions for a 25-year renewal of the agreement. Under the terms of the new contract, Consolidated's wholly-owned subsidiary, Belize Water Limited, will be the exclusive provider of water to Belize Water Services Ltd., the government designated water distribution company for the entire island of Ambergris Caye. The Government of Belize has also agreed to extend the Company's tax holiday, duty concessions, and land lease for the term of the new agreement.

"The extended term of the new agreement will allow us to justify capital expenditures to improve the reliability and operating efficiency of our seawater reverse osmosis desalination plant on Ambergris Caye," stated Rick McTaggart, President and Chief Operating Officer of Consolidated Water Co. Ltd. "Included in the plant upgrade will be the installation of an improved energy recovery system, which will increase the efficiency of the plant, in line with our other water production facilities in the Caribbean region. We will also increase water storage capacities in Belize, thus allowing us to better plan for the periodic plant shutdowns that are required for repairs and maintenance activities - particularly preventive maintenance."

"The new contract includes an improved rate adjustment mechanism that protects us from energy cost fluctuations and retains the inflation adjustment mechanism that was present in the previous agreement," continued McTaggart. "We believe the long-term return on our investment in existing and upgraded plant facilities will improve under the auspices of this new agreement, while at the same time we are able to reduce the price per gallon of water sold to Belize Water Services Ltd."

Consolidated Water Co. Ltd. is engaged in the development and operation of seawater conversion plants and water distribution systems in areas of the world where naturally occurring supplies of potable water are scarce or nonexistent. It currently operates a public water utility in certain areas of the Cayman Islands under a 20-year exclusive license from the Government of the Cayman Islands. The Company also operates reverse osmosis seawater conversion facilities on Ambergris Caye off the mainland of Belize, and in the Commonwealth of the Bahamas.

The common stock of Consolidated Water Co. Ltd. is traded on the Nasdaq National Market under the symbol "CWCO".

This press release includes statements that may constitute "forward-looking" statements, usually containing the words "believe", "estimate", "project", "intend", "expect" or similar expressions. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, continued acceptance of the Company's products and services in the marketplace, changes in its relationship with the Governments of the jurisdictions in which it operates, the ability to successfully secure contracts for water projects in other countries, the ability to develop and operate such projects profitably, and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revisions or changes after the date of this release.

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