2008 Cruise Industry Outlook

Eric Ruff
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CLIA
24 Member Cruise Lines

- American Cruise Lines
- Azamara Cruises
- Carnival Cruises
- Celebrity Cruises
- Costa Cruises
- Crystal Cruises
- Cunard
- Disney Cruise Line
- Holland America Line
- Hurtigruten
- Majestic America Line
- MSC Cruises
- NCL
- Norwegian Cruise Line
- Oceania Cruises
- Orient Lines
- Pearl Seas Cruises
- Princess Cruises
- Regent Seven Seas Cruises
- Royal Caribbean International
- Seabourn
- Seadream Yacht Club
- Silversea
- Uniworld
- Windstar Cruises
Executive Partners

- 85 executive partners
- Ports, suppliers and vendors
- About 25 ports in North America and abroad
Impact of the Cruise Industry

**Total U.S. Economic Impact**

**Exceeded $35.7 Billion in 2006**

**348,000 Jobs; $14.7 Billion in Wages**

*Positive Impact Around the World*

Source: Business Research & Economic Advisors
A look at 2007
The New Ships of 2007
2007 - Record 12.6 Million Cruise Passengers

North America

Total

2002: 7.47
2003: 7.99
2004: 8.87
2005: 9.76
2006: 10.08
2007 Est.: 10.33
2007: 12.6

2002: 8.65
2003: 9.53
2004: 10.46
2005: 11.18
2006: 12.01
2007 Est.: 12.6

millions

Worldwide Sourcing of Cruise Passengers

Consistent growth from North America and International Source Markets
1995 – 4.7 million guests, 89.4% from North America
2007 – Forecasting 12.6 million guests, 82% from North America
Consistent Capacity Growth

Net Total CLIA Beds

- 2002: 192,698
- 2003: 206,477
- 2004: 220,187
- 2005: 225,364
- 2006: 244,271
- 2007: 262,690

CLIA’s Cruise Trends Survey

- Caribbean remains top destination for North American cruiser

- Fastest Growing Cruise Destinations
  - The Mediterranean
  - Alaska
  - Hawaii

- Largest Pax Growth Areas
  - Families/multi-generational cruisers
  - Baby Boomers
CLIA’s Cruise Trends Survey

- Top Predicted Shipboard Trends
  - More casual (73%)
  - More individual choice in dining, entertainment, and recreation (64%)

- Amenities Receiving the Best Passenger Reviews
  - More dining options (menus, restaurants, seating times) (83%)
  - Bedding upgrades (55%)
  - Onboard activities – bowling, rock climbing, waterslides (54%)
CLI A’s Cruise Trends Survey

- Cruise Booking Window
  - 5-6 months
  - More than half are booking their cruise seven months or more in advance

- Top Reasons Consumers Choose a Cruise Vacation
  - Value (69%)
  - Experience multiple destinations on one trip (66%)
  - Convenience of having to pack/unpack only once (55%)
What’s New for 2008?
35 *New* Ships on Order - 2008-2012
*Over $21 Billion Investment*

Total Number of Ships in Combined CLIA Fleet

- **2008**: 177, +8 New
- **2009**: 187, +10 New
- **2010**: 196, +9 New
- **2011**: 201, +6 New
- **2012**: 203, +2 New So Far
2008 Passenger Forecast

- **12.8 million passengers (+200,000)**
  - 10.5 million passengers – North America
  - 2.3 million passengers – International
Wave Season 2008 – Travel Agent Survey

- Confidence in consumer interest and growth of cruise vacations
  - 90% expect 2008 sales to be as good or better than 2007
  - 60% expect 2008 to be better than 2007
  - 20% expect 2008 to be best ever

- Predict consistent demand throughout the year
  - 35% say Wave Season will be highest volume booking period
  - 32% anticipate consistent cruise sales throughout the year