2009 Cruise Industry

Terry L. Dale
President & CEO, CLIA
23 Cruise Line Members
16,000 Travel Agencies

- World’s largest travel agency association
- Agents produce 90% of all cruise sales
- Over 15,000 agents CLIA certified
A Look at 2008
Passenger Growth Continues

13.2 million passengers in 2008 (est.)

<table>
<thead>
<tr>
<th>Year</th>
<th>North America</th>
<th>Total</th>
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<tr>
<td>'03</td>
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<tr>
<td>'04</td>
<td>9.53</td>
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<td>'05</td>
<td>9.76</td>
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<td>'06</td>
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<td>'07</td>
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<td>12.56</td>
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<td>'08 est.</td>
<td>10.15</td>
<td>13.20</td>
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Despite Obstacles... History of Growth

Average Passenger Growth Rate
1980 – 2007: +7.4%
9 New Ships in 2008
Steady Capacity Growth
~105% Occupancy
Cruises generated a total of $38.0 billion in economic output and created 354,700 jobs in 2007. Direct spending by cruise lines, their employees and passengers totaled $18.6 billion. This research was conducted by BREA on behalf of the Cruise Lines International Association (CLIA).
Cruise Trends
Cruises rank the highest in consumer interest, perceived value and ease of sale.

Caribbean (including Eastern Mexico) expected to receive most bookings in 2009.

“Hot” cruise destinations: Alaska, Africa, South America, China/Japan.

Half of all agents surveyed expect 2009 to be a “very good” or “good year” (compared to ’08).

36% very optimistic looking ahead over next 3 years.

Value is the top reason consumers will be motivated to book a cruise during Wave Season 2009.
Cruise Line Trends Survey  
*Survey conducted December 2008*

- Meetings & Incentives, affinity travel and groups increasing
- **Food and wine** - #1 for theme cruises
- Top international passenger source region: **Europe**
- Agents collectively represent **85-90%** of business booked
- Pax growth areas: Families/multi-generational travel, Baby Boomers, first-time cruisers
- **Sightseeing** and historical/cultural activities - most popular shore excursions
- **Shorter booking windows**
- “Hot” destinations for 2009: The Mediterranean, Europe and South America
What’s New for 2009
2009 Industry Developments

- Value packages and promotions
- Fuel supplements dropped
- 14 new ships join the fleet
  - Continued evolution of shipboard facilities
- Diversification and global expansion
- New exotic, remote ports
- Continued growth of domestic home ports
2009 - 14 New Ships
Net Bed Day Increase of 4.8%

- AMA’s *ms Amadolce*, April, 148 pax
- AMA *ms Amalrya*, N/A, 148 pax
- American Cruise Lines *Independence*, August, 104 pax
- *Carnival Dream*, September, 3,646 pax
- *Celebrity Equinox*, Summer, 2,850 pax
- *Costa Luminosa*, June, 2,260 pax
- *Costa Pacifica*, June, 3,000 pax
- *MSC Splendida*, July, 3,300 pax
- Pearl Seas *Pearl Mist*, July, 210 pax
- RCI’s *Oasis of the Seas*, Autumn, 5,400 pax
- *Seabourn Odyssey*, June, 450 pax
- Silversea’s *Silver Spirit*, November, 540 pax
- Uniworld *River Beatrice*, March, 160 pax
- Uniworld *River Tosca*, April, 82 pax
CLIA 2009 Passenger Forecast

- 13.5 million passengers (+300,000)
  - 10.4 million passengers – North America
  - 3.1 million passengers – International
21 New Ships on Order: 2010 - 2012

Nearly $14 billion investment in new ship building
2009 Calendar of Events

- Cruise Shipping Miami: March 16-19
- cruise3sixty: April 2-6 in Fort Lauderdale
- Congressional Cruise Caucus: June 15-18 in Washington, DC
- CLIA’s Economic Impact Study: August
- World’s Largest Cruise Night: Oct 15
Partnership Opportunities

- Security Legislation
- California Environmental Legislation
- Guest Care Training