AAPA Cruise Seminar
February 9 – 11, 2010

Challenges facing regional cruising

Tony Boemi
Vice-President, Growth & Development
Montreal Port Authority
GLOBAL CRUISE MARKET

- 16.5 millions passengers in 2006 → 18.4 millions in 2010 → 21.3 millions in 2013

- 63% North Americans, 28% Europeans, 9% rest of the world

- Annual increase rate in North America: + 7 %

- Cruise passenger = faithfulness (8 cruises on average during his / her lifetime)

Ministre de Tourisme, Qc
GLOBAL CRUISE MARKET

• More and more look for a boarding port close to home

• Increasing demand for shorter duration cruises (3 to 4 days)

• Increasing demand for thematic, multi-generational and family cruises

• 90 % of the cruises are sold through specialized cruise travel agencies
CANADIAN CRUISE MARKET

- 1 000 cruises per year
- 2 millions passengers
- British Columbia = 73 %
- Saint-Lawrence = 6 %

Ministre de Tourisme, Qc
TRENDS IN CRUISE SHIPS

- Bigger ships (Royale Caribbean and Oasis of the Seas » 5000 + passengers)

- BUT demand for smaller luxurious cruise ships (200 to 400 passengers) is increasing
1850 – 1900: several companies have opened transatlantic passengers routes between Montreal and Europe: Cunard, Allan Lines / Montreal Ocean Steamship Company, Canada Shipping Company, Beaver Line, Mississippi & Dominion Steamship Co Ltd....
1900 – 1960: The cruises Golden age
Cunard, Canadian Pacific, White Star, Anchor-Donaldson …
9 stopovers on the Saint-Lawrence
Challenges

- Port Infrastructure
- Ground Logistics
- Training
- Port Authorities
- Branding
The Saint-Lawrence experience

FJORD, ISLANDS, CLIFFS, LANDSCAPES, WHALES
The Saint-Lawrence experience
The Saint-Lawrence experience

CONTRASTS
Montreal, the ultimate cruise destination
More than 170 000 passengers in 2010

Origin of passengers (2010 vs 2009)

<table>
<thead>
<tr>
<th>Origin</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>54 %</td>
<td>61 %</td>
</tr>
<tr>
<td>EUROPE</td>
<td>20 %</td>
<td>23 %</td>
</tr>
<tr>
<td>CANADA</td>
<td>14 %</td>
<td>11 %</td>
</tr>
<tr>
<td>OTHER</td>
<td>12 %</td>
<td>5 %</td>
</tr>
</tbody>
</table>
INTERNATIONAL CRUISE LINES SERVING MONTREAL (2007 – 2011)

- Aida Cruise Line
- American Canadian Caribbean Line
- Compagnie du Ponant
- Crystal Cruise Line
- Ellevi Shipping
- Fred Olsen Cruise Line
- Hapag-Lloyd TUI
- Helios Cruise Line
- Holland America Line
- Peter Deilmann Cruise Line
- Phoenix Seereisen
- Princess Cruise Line
- Saga Shipping
- Seabourne Cruise Line
- Silver Sea Cruise Line
- Waybell Cruises Inc.
- World Cruise Agency