Cruise Sector Review

Presentation to

International Maritime Statistics Forum

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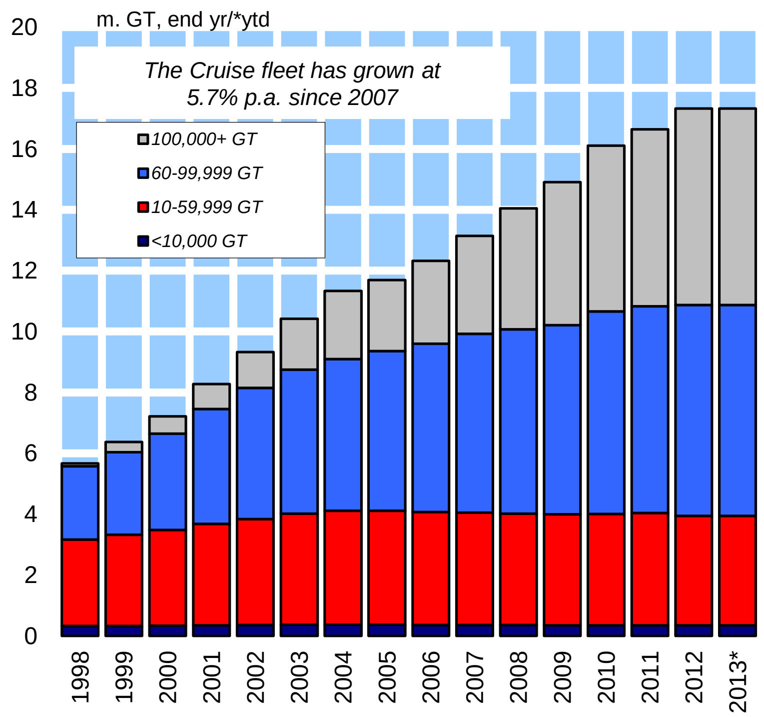
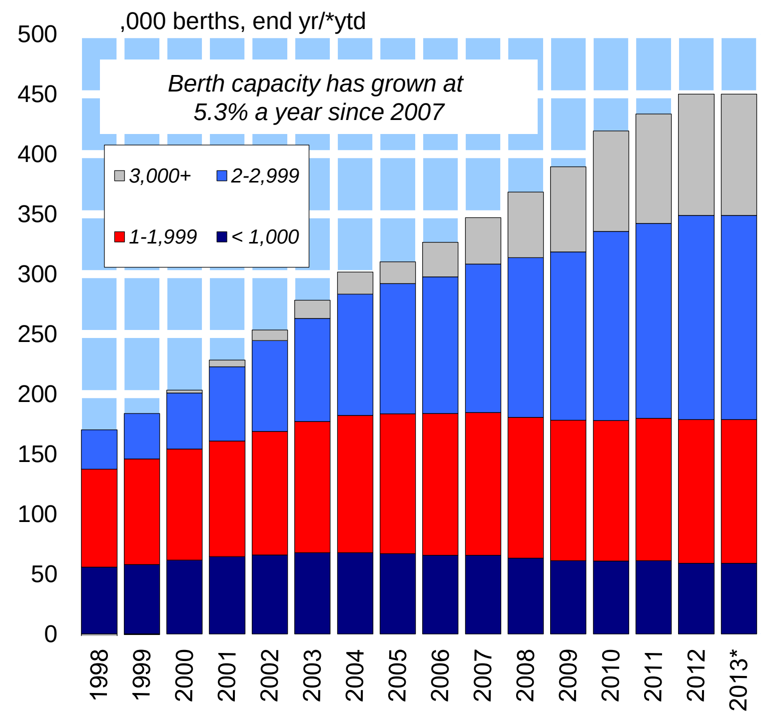
The Cruise Fleet
As of 1 March 2013

Berth Size	No.	Total Berths	Total GT
>3000	29	101 K	3.91 M
2001-3000	72	170 K	6.67 M
1001-2000	77	120 K	4.59 M
200-1000	99	51 K	1.92 M
<200	60	6 K	0.21 M
Total	**337**	**448 K**	**17.31 M**

Global Cruise Fleet Growth
GT and Berths



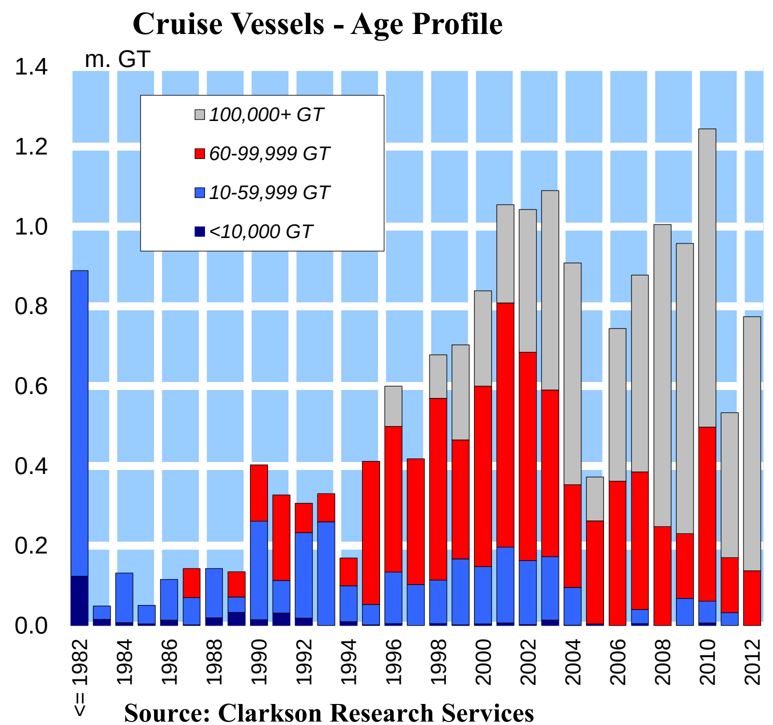
Source: Clarkson Research Services



Source: Clarkson Research Services

Cruise Fleet Age Profile

- Large vessels over 100,000 GT account for 37% of global fleet capacity
- 40 of 51 largest vessels have been built in the last 10 years; 24 in the last 5
- 48% of global fleet capacity is less than 10 years old
- Only 18% of global fleet capacity is more than 20 years old, and consists of small vessels averaging 20,600 GT and 636 passengers
- Ships built in the last 5 years average 98,200 GT and 2,481 berths



Source: Clarkson Research Services

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Cruise Fleet Age Profile
1 March 2013

Age (yrs)	Ships	GT(000)	Ave. GT	Berths	Ave. Berths	% Berth Capacity
<6	46	4,518	98,159	114,110	2,481	26%
6-10	52	3,881	74,631	97,333	1,872	22%
11-15	69	4,331	62,764	103,697	1,503	23%
16-20	41	1,936	47,217	51,113	1,247	11%
21-25	51	1,295	25,397	36,127	708	8%
>25	78	1,349	17,301	45,998	590	10%
Total	**337**	**17,307**	**51,356**	**448,378**	**1,330**	**100%**

Supply Side – Cruise Brands

- Industry is highly concentrated at brand level
- Royal Caribbean and Carnival operate 27% of total capacity
- Top 5 brands account for half of global capacity
- Top 10 brands offer nearly ¾ of global capacity
- Six of ten are U.S. based
- Four are based in Europe
- Of 46 cruise ships delivered in last 5 years, 33 were delivered to top 10 brands amounting to 89% of new berth capacity

Top Cruise Brand Operators
As of 1st March 2013

Brand Operator	No.	,000 gt	Lower berths
Royal Caribbean Int.	22	2,562	61,971
Carnival Cruise Lines	24	2,262	61,890
Princess Cruises	16	1,491	36,720
Costa Crociere	14	1,226	34,738
MSC Cruises	12	1,058	27,774
Norwegian Cruise Line	11	1,025	26,256
Celebrity Cruises	11	1,051	24,137
Holland America line	15	994	22,794
Aida Cruises	9	555	16,696
P&O Cruises	7	565	14,612
All Other	196	4,518	120,790
Total	337	17,307	448,378

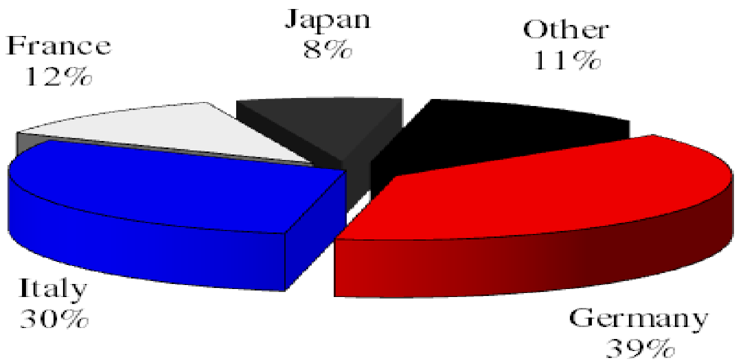
Source: Clarkson Research Services

Major Owning Groups
As of 1st March 2013

Company	Number of Ships	Thousand GT	Lower Berths	% Market Share
Carnival Corp.	101	7,926	205,796	46
Royal Caribbean	41	3,972	96,324	21
Genting Hong Kong	18	1,293	34,797	8
Mediterranean Shpg.	12	1,058	27,744	6
Disney Cruise Lines	4	426	8,508	2
All Other Cruise Lines	161	2,632	75,209	17
Total	**337**	**17,307**	**448,378**	**100**

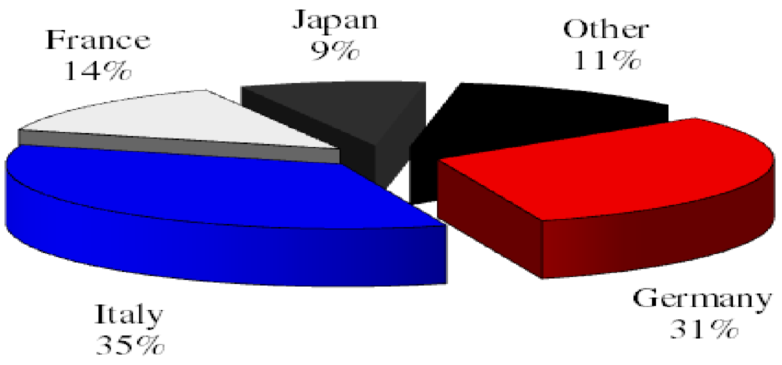
Cruise Orderbook Comparisons

Orderbook by Builder Country
% Share, 1st September 2012
Total 54,780 lower berths



Source: Clarkson Research Services

Orderbook by Builder Country
% Share, 1st March 2013
Total 72,711 lower berths



Source: Clarkson Research Services

Orderbook by Builder Country
1 March 2013

- With recent orders, Italy has retaken the leading position among cruise ship builders
- Italy and Germany account for two-thirds of the current newbuilding market
- With first order since 1999, Japan has reentered with a 9% share of current orderbook
- Finland was without work for one year until TUI order in late-2011, but lost the latest Royal Caribbean order to France

Country	Ships	GT(000)	Berths	Share
Italy	11	986	25,323	35%
Germany	6	839	22,622	31%
France	3	403	9,916	14%
Japan	2	250	6,500	9%
Finland	2	199	5,000	7%
Other	3	110	3,350	4%
Total	**27**	**2787**	**72,711**	**100%**

Orderbook by Cruise Brand
1 March 2013

- 16 brands represented in current orderbook
- Carnival brands account for 41% of orderbook (29,873 berths)
- Royal Caribbean brands account for 21% of orderbook (18,600 berths)
- Average size on order – 103,000GT, 2,673 berths
- Deliveries 2013 - 6 ships 14,598 berths
- Deliveries 2014 - 6 ships 18,908 berths
- Deliveries 2015 - 7 ships 21,319 berths

Brand	Ships	GT(000)	Berths	Share
Royal Caribbean	3	542	13,600	19%
Norwegian	3	451	12,228	17%
AIDA	3	321	8,694	12%
Princess Cruises	2	278	7,200	10%
TUI Cruises	2	199	5,000	7%
Viking Ocean	4	190	3,884	5%
Other	10	806	22,105	30%
Total	**27**	**2787**	**72,711**	**100%**

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Global Demand for Cruises 2007-2011 (million passengers)

Region	2007	2008	2009	2010	2011
North America	10.45	10.29	10.40	11.11	11.5
Europe	4.05	4.46	5.00	5.54	6.18
Rest of World	1.37	1.45	2.18	2.25	2.91
Total	**15.87**	**16.20**	**17.58**	**18.8**	**20.6**
% North America	65.8%	63.5%	59.2%	59.4%	55.8%

Source: European Cruise Council

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North America Cruise Traffic 2008-2011 (thousand passengers)

Cruise Line	2008	2009	2010	2011	% Change
Carnival Cruise Line	3,551	3,832	3,977	4,133	+16%
Royal Caribbean	2,619	2,222	2,507	2,369	-9%
Norwegian Cruise Line	1,039	1,096	1,174	1,295	+25%
Princess Cruises	1,009	973	1,023	928	-8%
Celebrity Cruise Line	383	406	642	595	+55%
Holland America Line	627	649	654	679	+8%
Disney Cruise Line	396	392	322	570	+44%
All Other	318	296	330	318	-
Total	9,942	9,866	10,627	10,887	+10%

Source: US Maritime Administration

North America Cruise Passengers by Port (passengers in thousands)

Departure Port	2008	2009	2010	2011
Miami	2,114	2,044	2,151	1,970
Fort Lauderdale	1,188	1,277	1,759	1,826
Port Canaveral	1,226	1,189	1,299	1,496
New York	480	406	562	612
San Juan	521	507	522	522
All other ports	4,413	4,443	4,334	4,461
Total	**9,942**	**9,866**	**10,627**	**10,887**

Source: US Maritime Administration

Western Europe Cruise Market 2008-2012 (thousand passengers)

Source Market	2007	2008	2009	2010	2011	2012	% Change 2007-2012
United Kingdom	1,335	1,477	1,533	1,622	1,700	1,701	27%
Germany	763	907	1,026	1,219	1,388	1,544	102%
Italy	640	682	799	889	923	835	30%
Spain	518	497	587	645	703	576	11%
France	280	310	347	387	441	481	72%
Other	467	550	652	805	914	1,002	115%
Total	**4,004**	**4,422**	**4,944**	**5,567**	**6,069**	**6,139**	**53%**

Source: CLIA Europe

Economic Contribution of Cruise Industry 2007-2011

	2007	2008	2009	2010	2011	% Change 2010/2011
U.S. Economy						
Direct Spending	$ 18.7bn	$ 19.1bn	$ 17.2bn	$ 18.0bn	$ 18.9bn	+5%
Total Output	$ 38.0bn	$ 40.2bn	$35.1bn	$ 37.8bn	$ 40.4bn	+7%
Total Jobs	354,690	367,710	313,998	329,943	347,787	+5%
European Economies						
Direct Spending	$ 18.7bn	$ 20.9bn	$ 19.6bn	$ 19.2bn	$ 19.5bn	+2%
Total Output	$ 42.0bn	$47.3bn	$ 47.4bn	$ 46.6bn	$ 47.8bn	+3%
Total Jobs	282,100	311,512	296,298	307,526	315,500	+3%

Source: CLIA /ECC

Outlook

- Challenges in 2013
  - Economic/ Political/ Regulatory Uncertainty
- Industry Optimism
  - Record of Resiliency
  - Product Value Proposition
  - Innovative Product Offerings
  - Low market penetration
  - High Repeat Passenger Rates
  - Global Growth Potential
- Growth in Global Demand at Lower Rates
- Steady Ship Orders at Lower Levels

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Thank You

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