CLIA 2006 Forecast

Terry Dale, President & CEO

San Diego - February 8, 2006
2005 – Sustained Growth

Six Vessels Joined CLIA Cruise Fleet

- 3 new ships launched
  - Carnival Liberty
  - Norwegian Jewel
  - Pride of America

- 3 ships re-introduced
  - Nautica
  - MSC Sinfonia
  - Sea Princess
2005 – The Numbers

CLIA Member-Line Ships Sailed Full

- 2005 year-end estimate 103% occupancy
- Economic impact of cruise industry $23 billion*

* Total in 2004 based on ICCL/Business Research & Economic Advisors study
Record Numbers of Guests

2005 Year-End Estimate = 11.19 Million

North America
Worldwide

2002 (8.64) 2003 (9.52) 2004 (10.46) 2005 (11.19)
A History of Success

More Than 8% Annualized Growth

Average North American Growth Rate 1980 – 2005: +8.5%
22 New Ships on Order

$13.5 Billion Investment

22 New Ships to be Introduced from 2006 – 2009
Travel Agents Are Bullish

CLIA-Member E-Mail Survey Results*

How were 2005 cruise sales vs 2004?
- 71.7 % Moderately/Substantially higher

How far in advance did clients book cruises in 2005?
- Last Minute .3 %
- 2-4 weeks 1.0 %
- 2 months 7.4 %
- 3 months 16.5 %
- 4 months 18.3 %
- 5 months 9.6 %
- 6 months 25.9 %
- > 6 months 21.3 %

* CLIA Member Agencies: 850 responses, 45 % retail locations, 55 % home-based
Travel Agents Are Bullish

CLIA-Member E-Mail Survey Results*

- What are your “Wave Season” cruise sales expectations for 2006?
  - 54.8 % Significantly/moderately more sales

- What 5 cruise destinations will be most popular in 2006?
  - Caribbean 87.6 %
  - Alaska 85.0 %
  - Hawaii 52.8 %
  - Mediterranean 40.1 %
  - Europe 37.9 %

* CLIA Member Agencies: 850 responses, 45 % retail locations, 55 % home-based
2006 – Six New Ships

4.5% Increase in Net Capacity*

**HOLLAND AMERICA LINE** (Jan.)
- Noordam
- 1,848 passengers
- 85,000 tons

**NCL AMERICA** (April)
- Pride of Hawaii
- 2,400 passengers
- 93,000 tons

**MSC CRUISES** (Spring)
- MSC Musica
- 2,568 passengers
- 90,000 tons

**PRINCESS CRUISES** (May)
- Crown Princess
- 3,100 passengers
- 116,000 tons

**ROYAL CARIBBEAN INTL** (May)
- Freedom of the Seas
- 3,600 passengers
- 160,000 tons

**COSTA CRUISES** (June)
- Costa Concordia
- 3,800 passengers
- 112,000 tons

* Based on bed days
2006 – Passenger Forecast

Continued Strong Demand

- 11.7 million passengers (+500,000)
  - 10.14 million passengers – North America
  - 1.56 million passengers – International

- Occupancies ~ 103%
  - Based on two lower berths
2006 – Full Steam Ahead

Why More Travelers Are Cruising

- Tremendous value for money
- Inclusive nature of cruises
- More close-to-home ports
  - Appeals to drive market
  - Reduce need to fly (lower cost/more convenient)
  - Attracts first timers
- Shipboard fun for the whole family
- Industry meets and exceeds vacationers’ needs
  - Innovative onboard programs and amenities
  - A world of choice in cuisine and entertainment
  - Itineraries to worldwide destinations
32 Homeports and Growing

Lower Costs, Increased Convenience

- Baltimore
- Bayonne
- Boston
- Brooklyn
- Charleston
- Corpus Christi
- Fort Lauderdale
- Galveston
- Honolulu
- Houston
- Jacksonville
- Long Beach
- Los Angeles
- Miami
- Mobile
- Montreal
- New Orleans
- New York City
- Norfolk
- Philadelphia
- Port Canaveral
- Portland
- Quebec City
- San Diego
- San Francisco
- San Juan
- Savannah
- Seattle
- Seward
- Tampa
- Vancouver
- Whittier
16,700 travel agency members
- Travel industry’s largest and most relevant association

Educates, informs and supports members
- Nearly 40,000 individual training events planned for 2006

“Gold Standard” certification programs
- ACC – Accredited Cruise Counsellor
- MCC – Master Cruise Counsellor
- ECC – Elite Cruise Counsellor
- Over 12,000 agents certified
2006: CLIA Means Business

New Travel Agent Training Options

- Classroom
  - Building a Smart Business Plan
- Video – CLIA Tech Tips
  - Making Today’s Technology Work for You
- Online
  - Cruise Destinations: A Fam Tour of Ports
- Complementing 20 existing CLIA training programs

Presented by: American Express
CLIA cruise3sixty
Fort Lauderdale, FL: April 8-11, 2006

>CLIA’s Global Cruise Event
CLIA cruise3sixty

“Where the Best in Cruising Meet”

Micky Arison
Chairman & CEO
Carnival Corporation and plc

Richard Fain
Chairman & CEO
Royal Caribbean Cruises Ltd.

Gregg Michel
President & COO
Crystal Cruises, Inc.

April 8 – 11, Ft. Lauderdale
CLIA Hall of Fame
Honoring Leadership and Dedication

- Nomination process begins today
- Nominations close February 15th
- 2006 honorees inducted at cruise3sixty
  - Cruise Retailer
  - Cruise Executive
  - At-Large Recipient
World’s Largest Cruise Night

National Cruise Vacation Month

Promotional event – U.S. and Canada
Thursday, October 19, 2006
2005 results
- 25,000* consumers participated
- 415 travel agencies hosted events
- Generated 7,273* new bookings
- Resulting in $9 million* in cruise sales
- 41.6 million¹ media impressions

* CLIA estimate
¹ Burrelle’s and other monitoring sources
Thank You
AAPA Cruise Workshop