

***ACPA ANNUAL MEETING***

***“Increasing Canada’s Market  
Share in Cruise”***

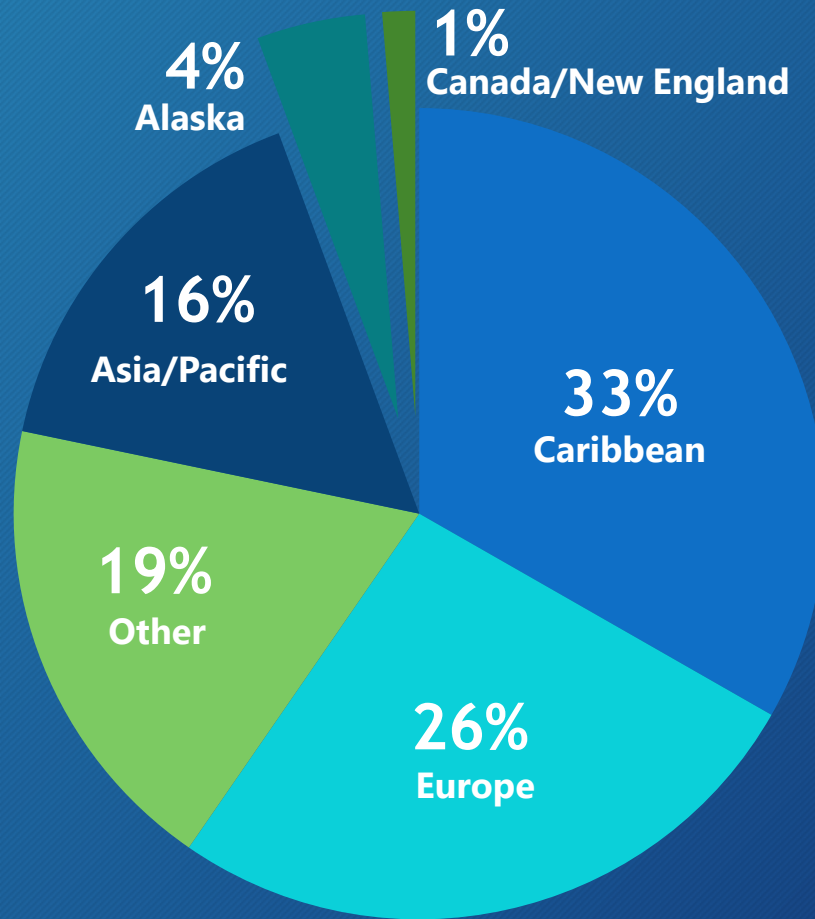
September 2018



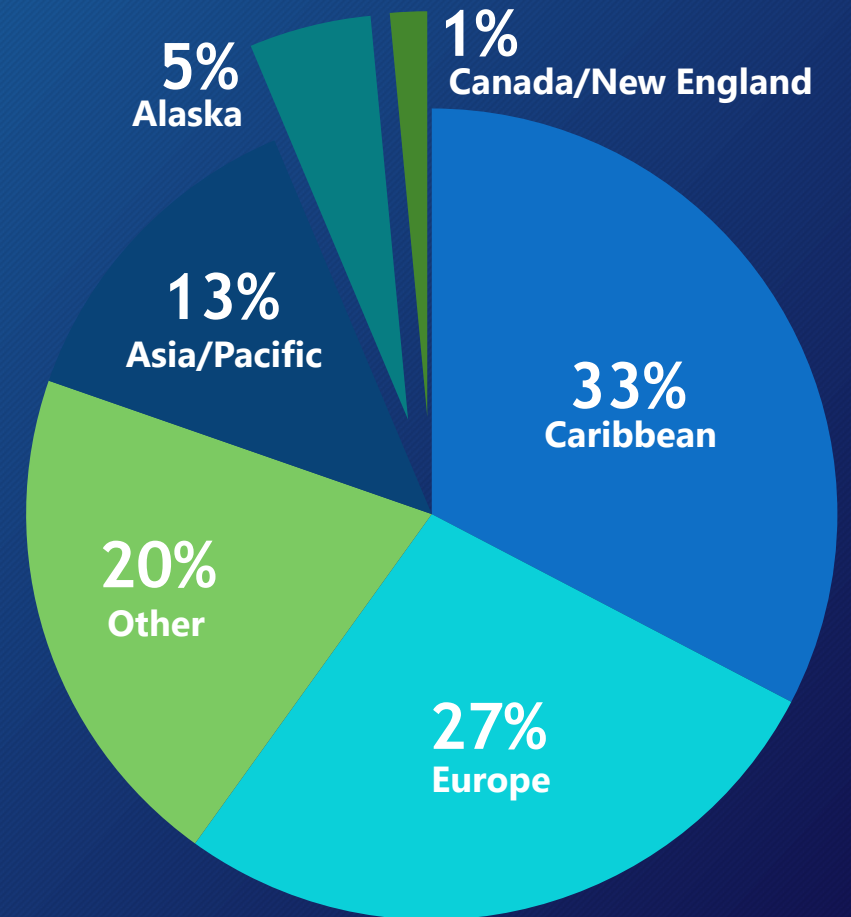
ROYAL CARIBBEAN CRUISES LTD.

# Worldwide Capacity

2017



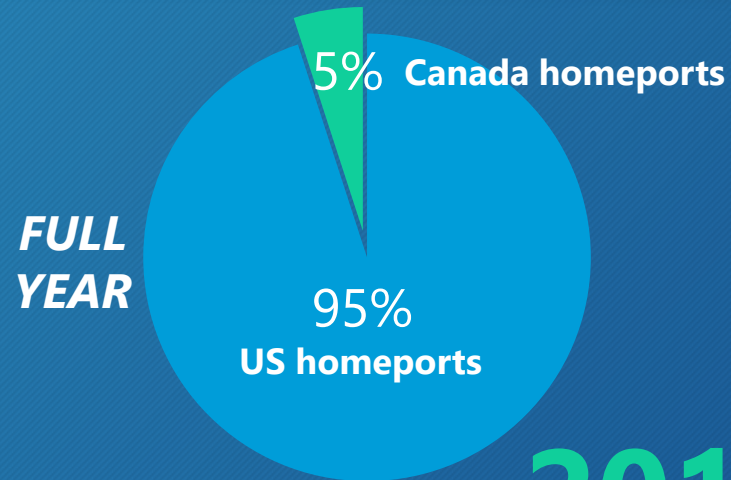
2019



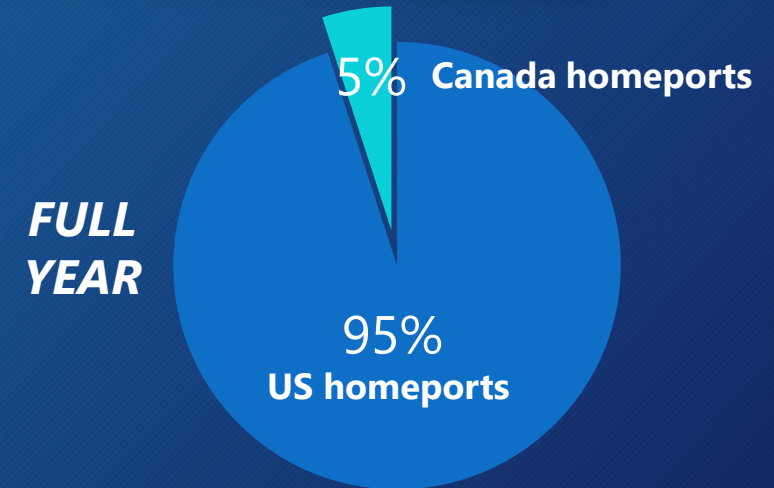
Industry capacity includes: AIDA, Azamara, Carnival, Celebrity, Costa, Crystal, Cunard, Disney, HAL, MSC, NCL, Oceania, P&O Australia, P&O UK, Princess, Pullmantur, RCI, Regent, Seabourn, Silversea, TUI, Dream, SkySea, Star (China only), Viking

\*\*Capacity in APCDs

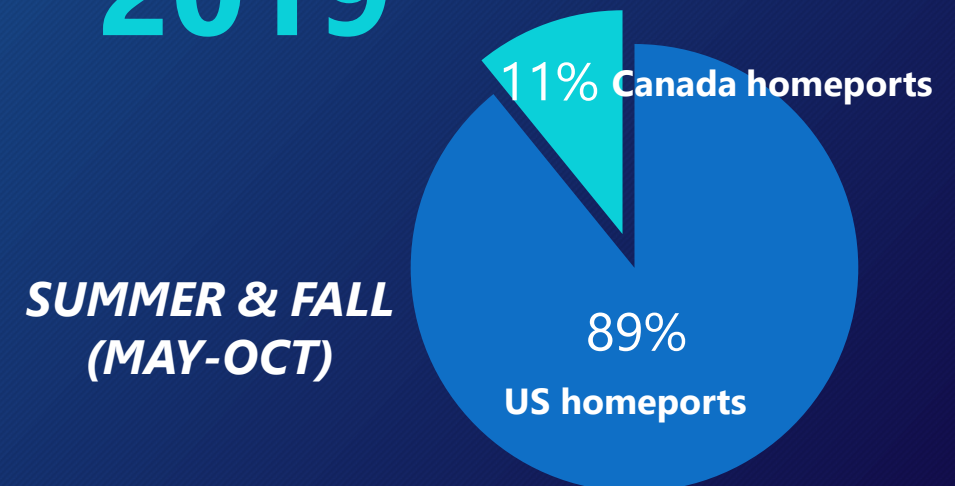
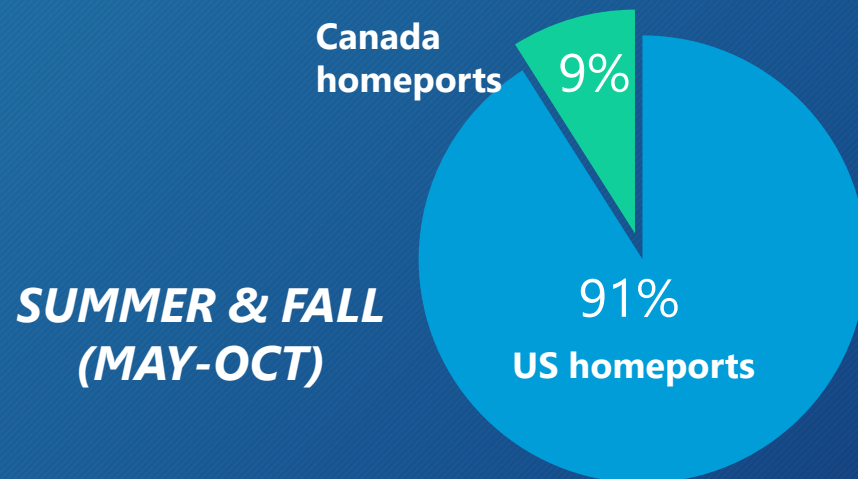
# North American Homeport Capacity



**2017**

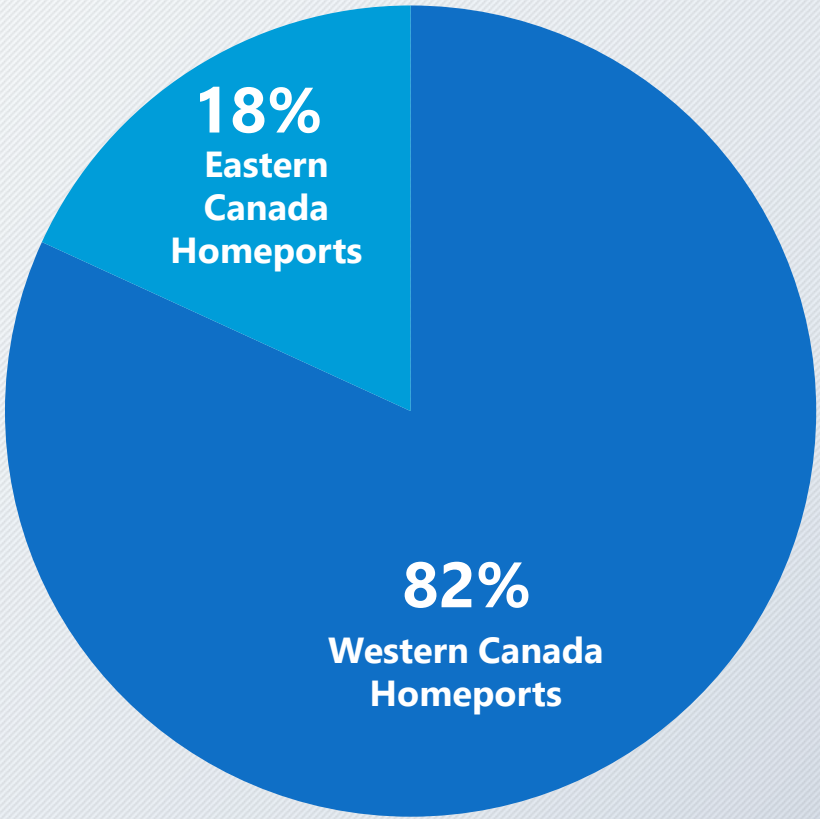


**2019**

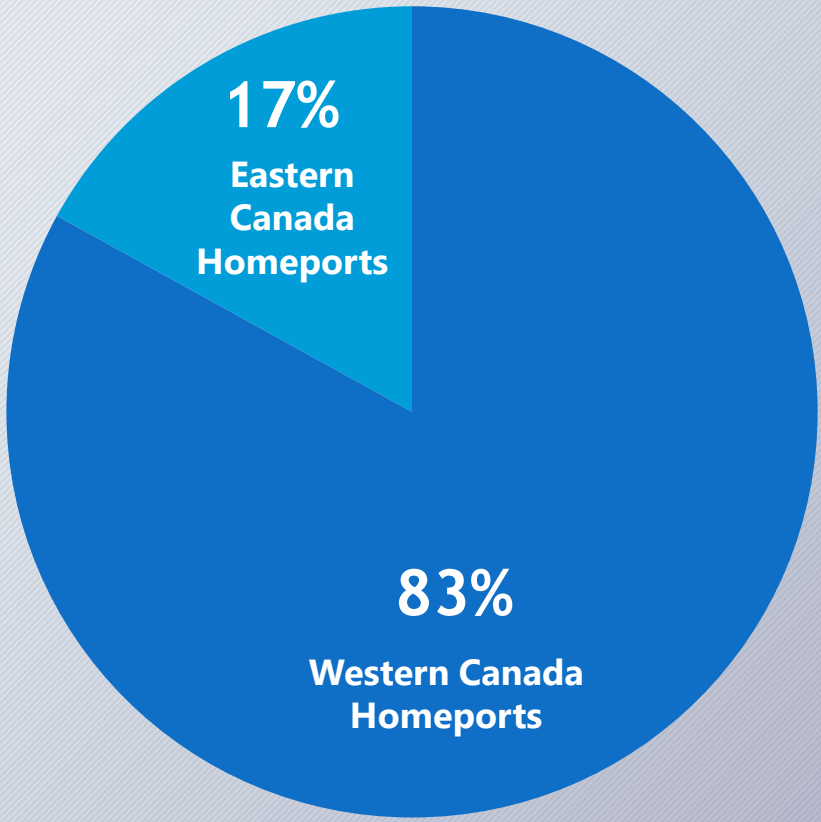


# Canadian Homeport Capacity

**2017**



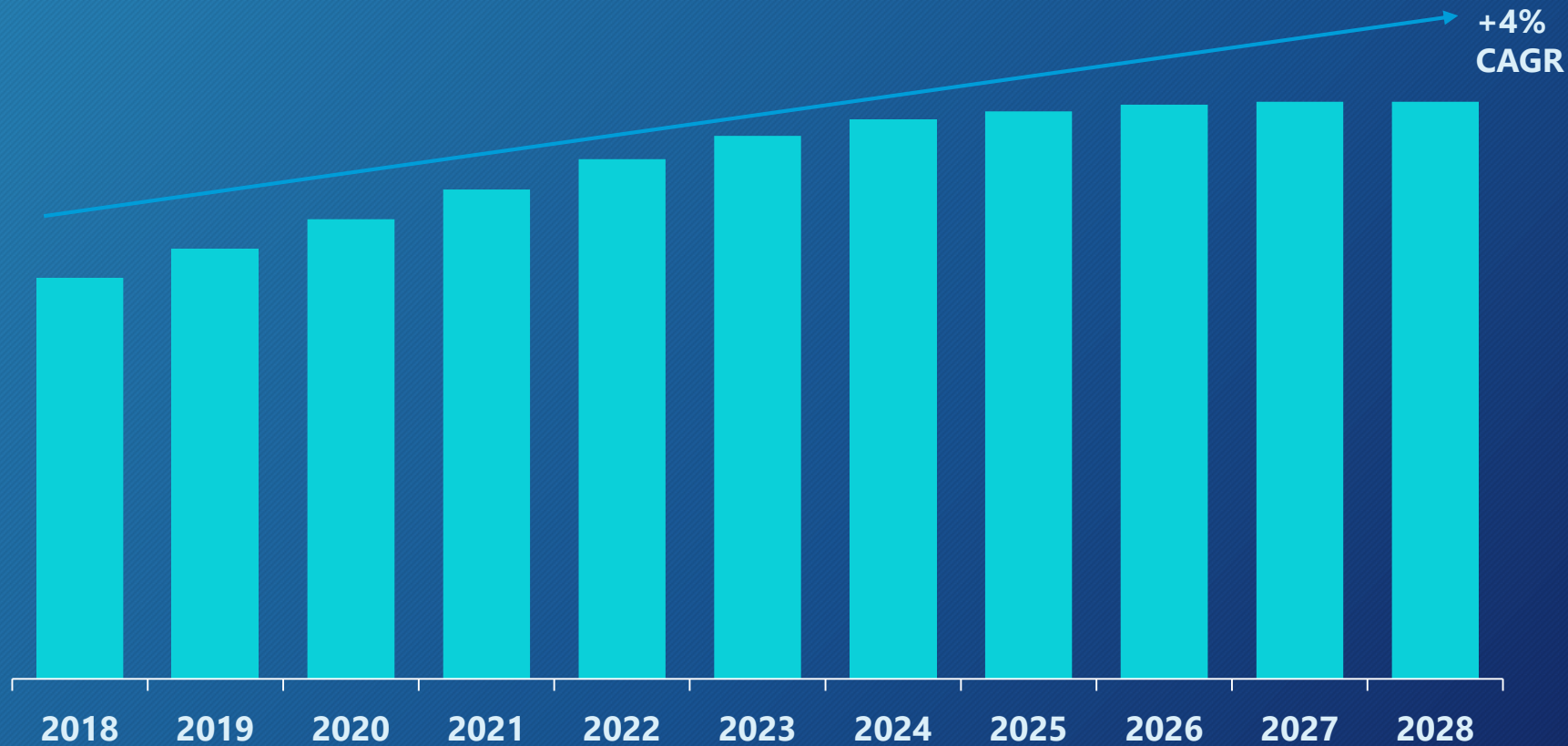
**2019**



Industry capacity includes: AIDA, Azamara, Carnival, Celebrity, Costa, Crystal, Cunard, Disney, HAL, MSC, NCL, Oceania, P&O Australia, P&O UK, Princess, Pullmantur, RCI, Regent, Seabourn, Silversea, TUI, Dream, SkySea, Star (China only), Viking

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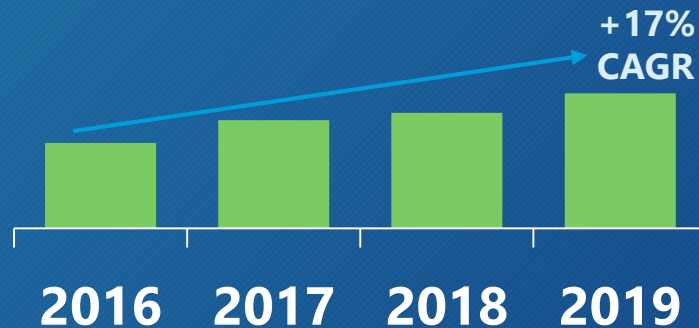
# Industry Capacity 2018 - 2028



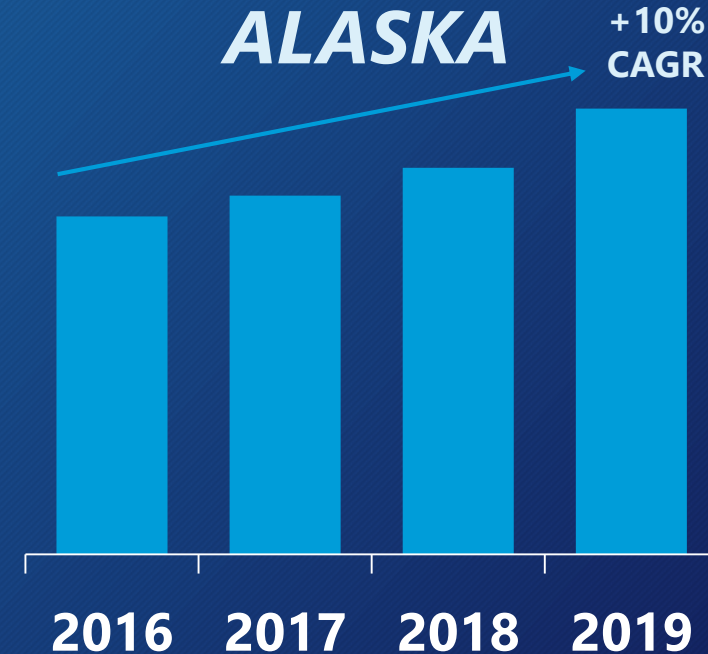
- Capacity will grow 44% next 10 years, 4% on annualized basis
- Maintaining share would provide meaningful increase in economic activity

# Industry Capacity 2016-2019

## *CANADA/NEW ENGLAND*



## *ALASKA*

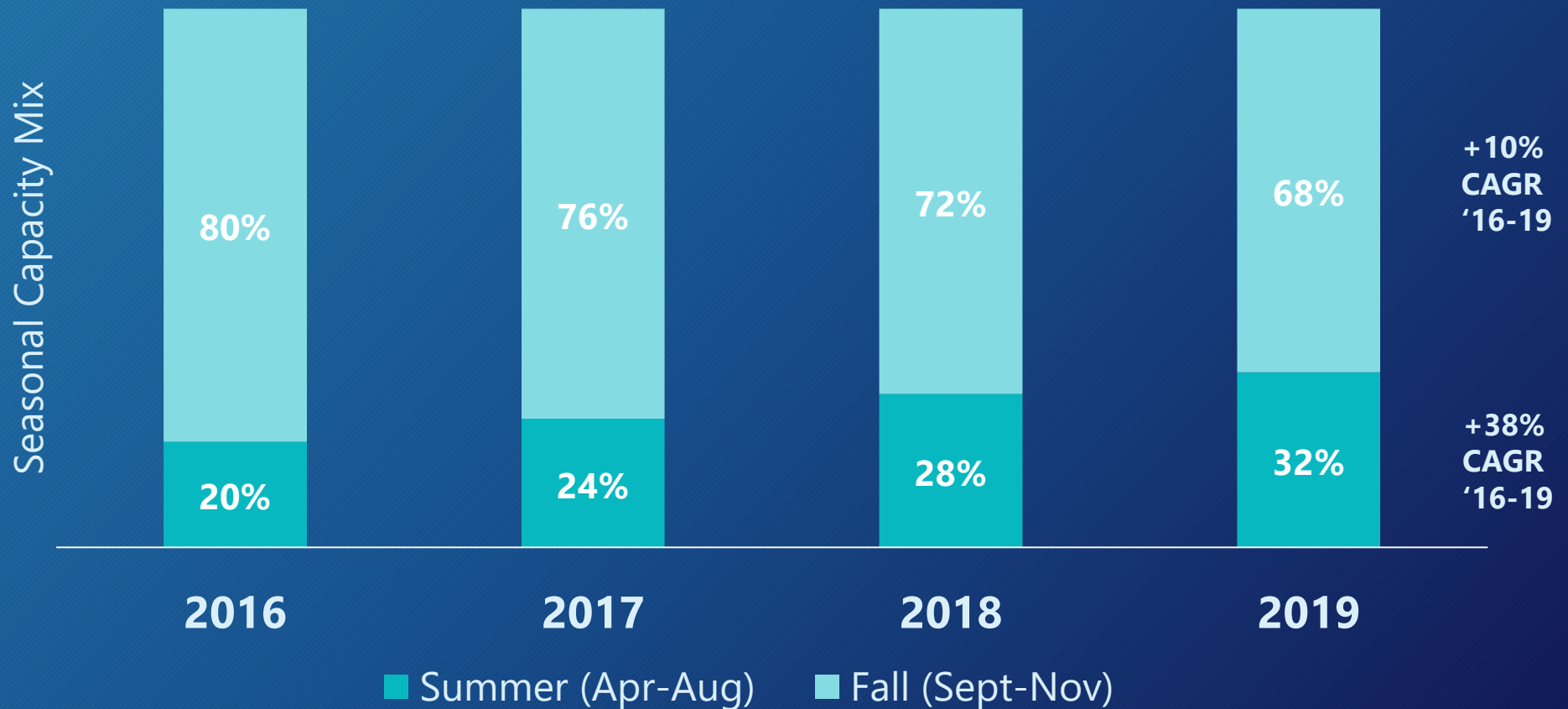


Growth in Canada/New England & Alaska outpacing industry growth

CAGR: Compound Annual Growth Rate

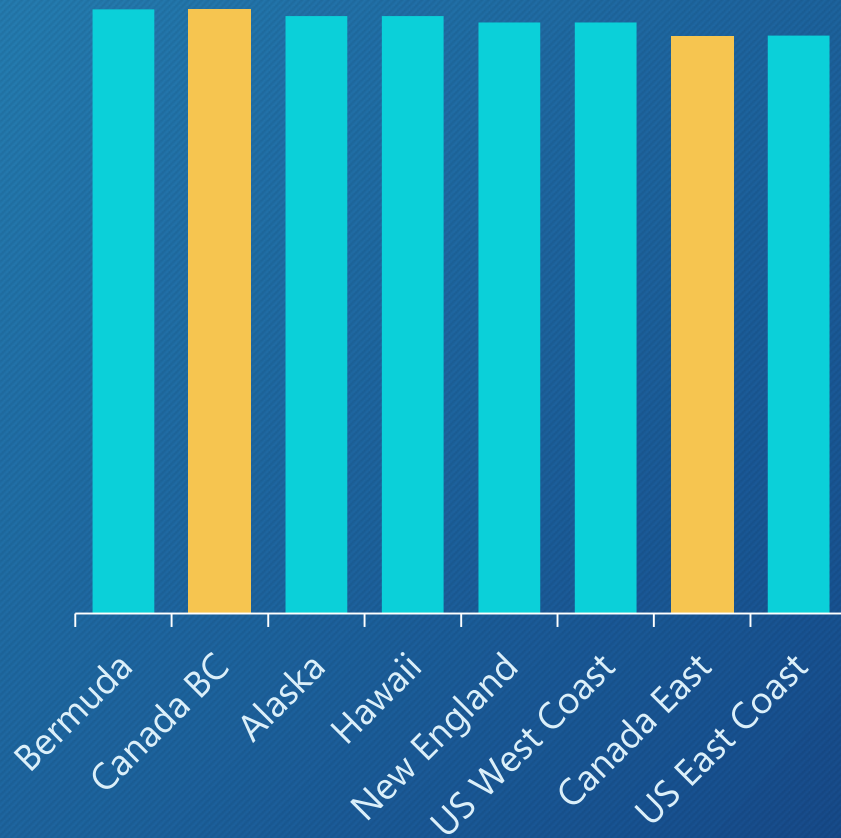
# Summer Growing in Canada New England

## INDUSTRY

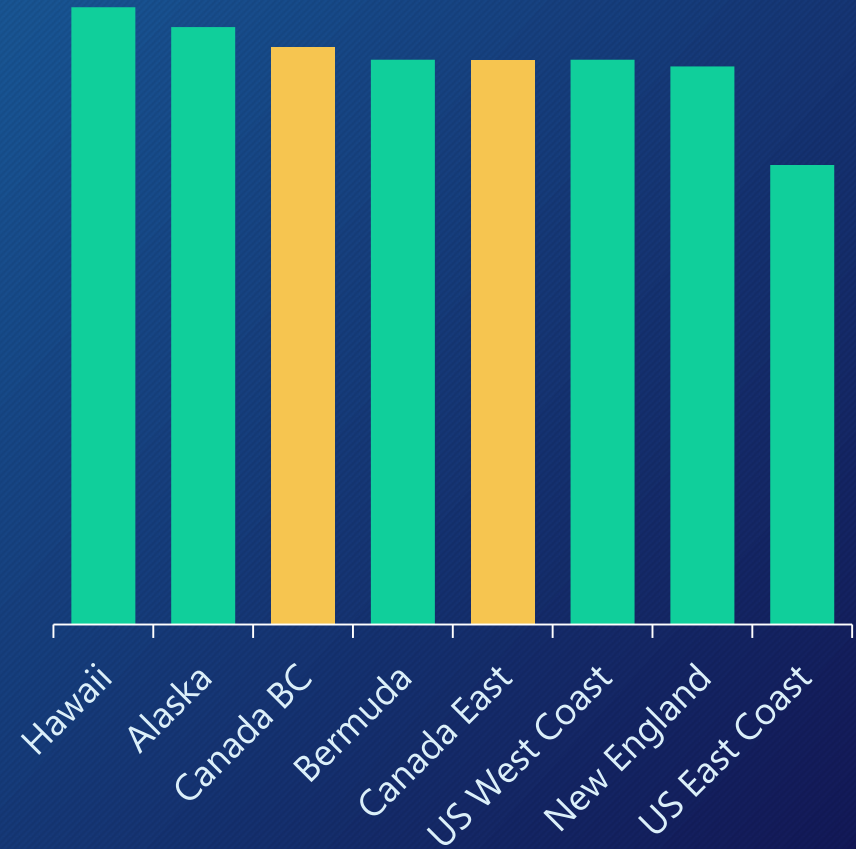


# Guest Ratings

## SATISFACTION



## APPEAL

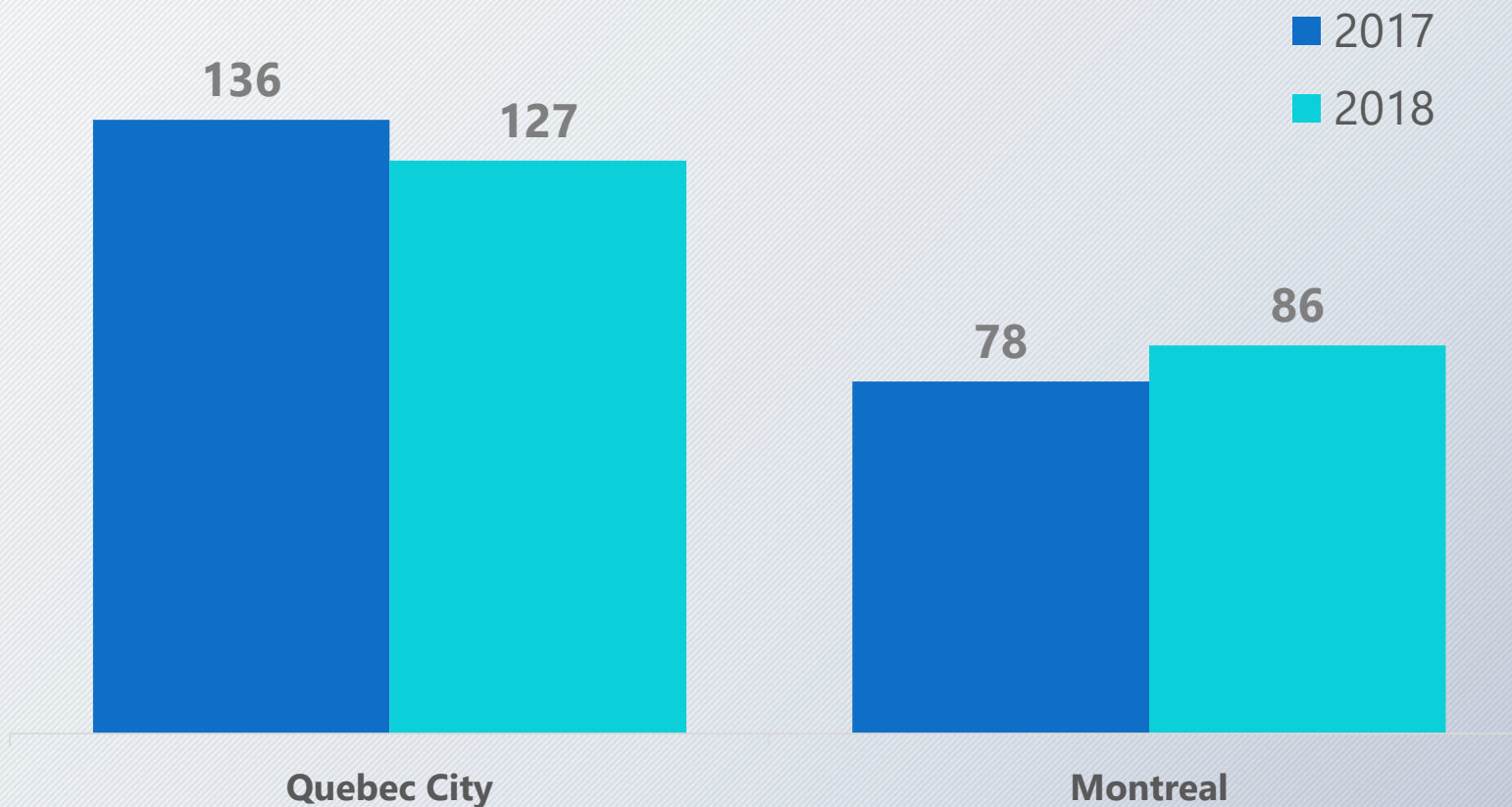


- Guest ratings strong in region with satisfaction slightly outpacing appeal



# Eastern Canada Turn Ports

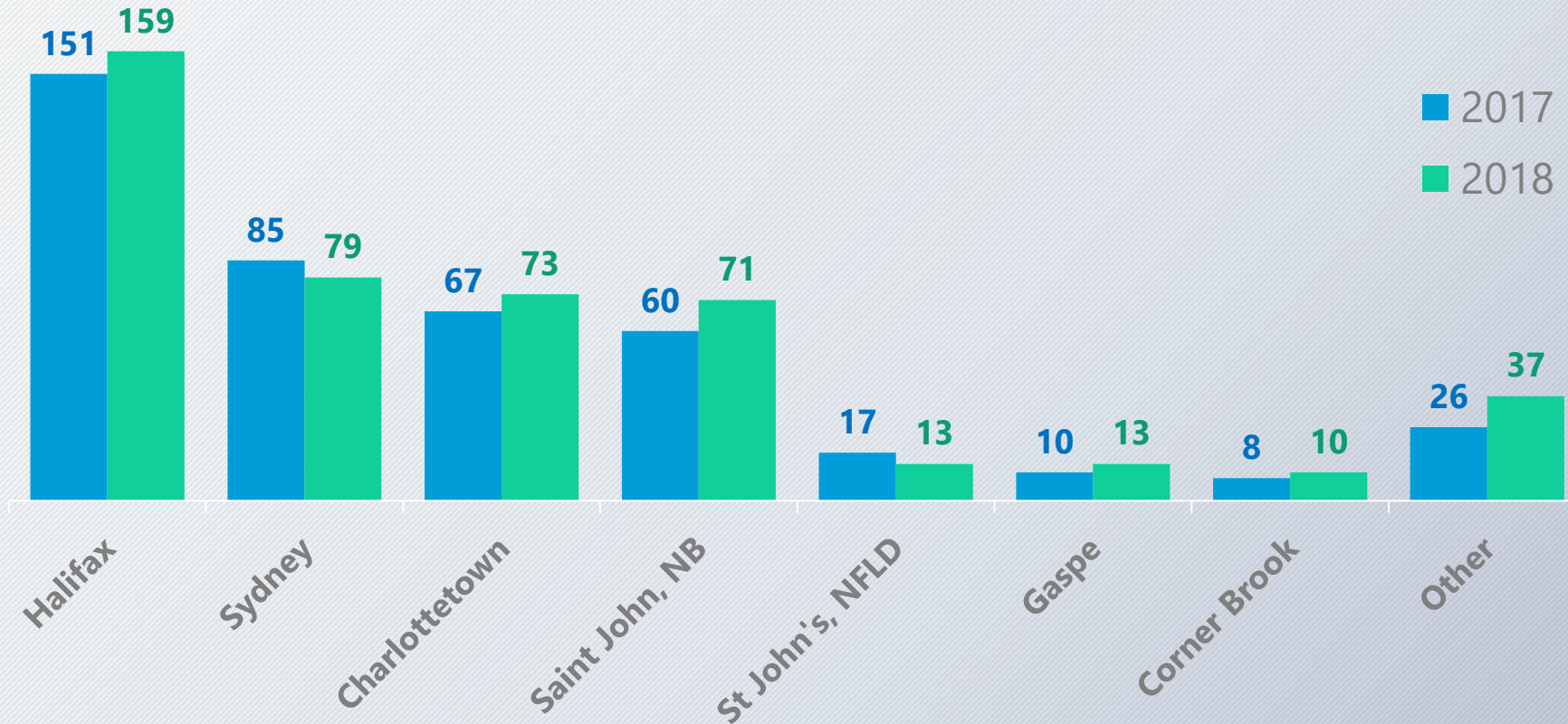
## # OF INDUSTRY CALLS



- New terminal in Montreal upgrades experience, but limited to small ships
- Quebec City is one of the highest rated ports in the region and functions both as a home port and a port of call
  - New terminal, recently announced, will also enable growth in turnarounds and a consistent experience
- Opportunity in the region to develop new itineraries roundtrip Montreal & Quebec to Atlantic Canada & Newfoundland complementing existing routes

# Eastern Canada Ports of Call

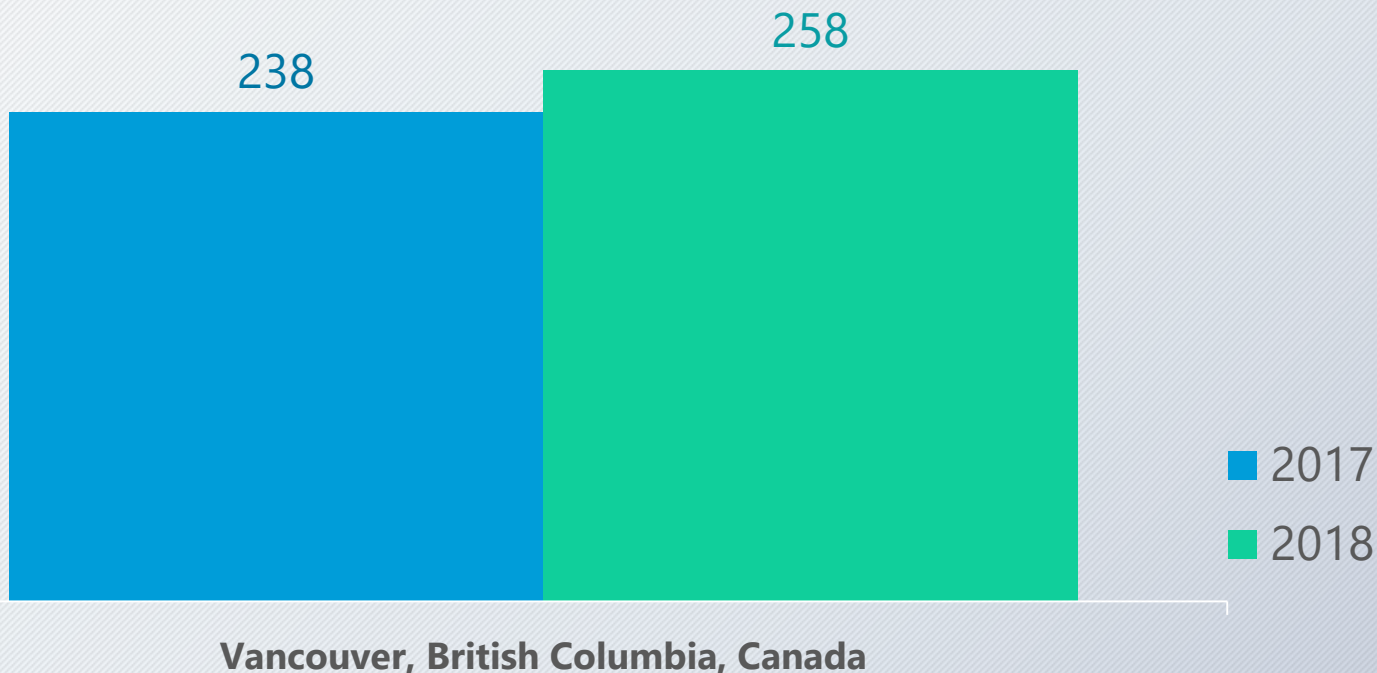
## # OF INDUSTRY CALLS



- Halifax is most visited of the Eastern Canada ports
- New infrastructure coming on line in several ports including Sydney and Charlottetown, which will help facilitate growth
- Port modernization program in Saint John will facilitate the arrival of the world's largest cruise ships

# Western Canada Turn Ports

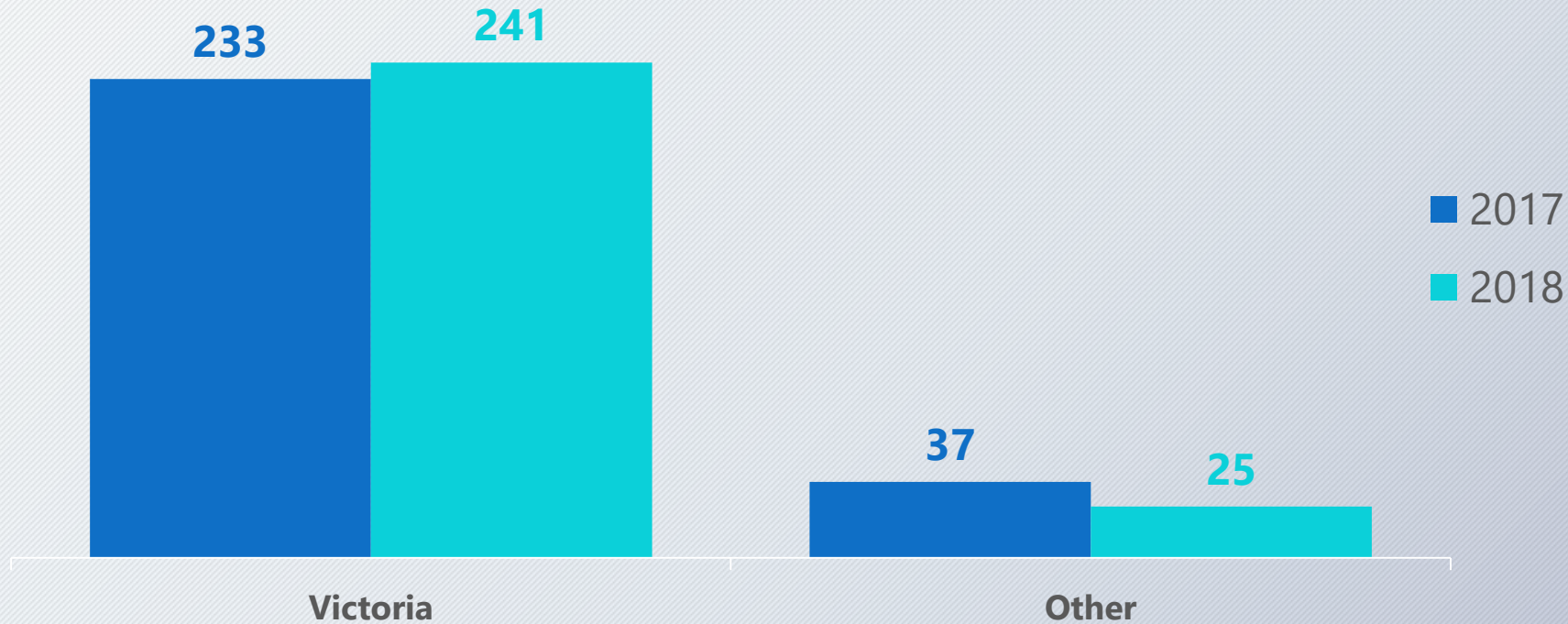
## # OF INDUSTRY CALLS



- Alaska is the primary region served by Western Canadian ports
  - Alaska industry growing and at record levels
- Port congestion and lack of terminals in the homeports and port of calls are limiting growth
  - Lines are upsizing ships due to lack of berths, putting pressure on infrastructure
  - Some of the larger ships calling in Alaska can no longer call Vancouver due to bridge heights and terminal sizes
  - Alaska ports of call also will need to expand piers as well as tour development

# Western Canada Ports of Call

## # OF INDUSTRY CALLS



- Victoria continues to capture almost all port calls in the region
  - Included on almost all Seattle based Alaska itineraries
  - Highest appeal of ports in the region
- Opportunities for other ports to grow & build product

# Global Overview



ROYAL CARIBBEAN CRUISES LTD.

- Australia
- Croatia
- Germany
- Japan
- Norway
- Singapore

# Summary



ROYAL CARIBBEAN CRUISES LTD.

- How can regional approaches to cruise tourism be transformed into a national strategy?
  - Opportunity to learn from all region...can successes targeting families in Alaska be replicated in Eastern Canada during the summer months?
  - National focus on upgrading infrastructure key to keep up with new ships
- What are the opportunities for new markets for cruise?
  - China is one of the faster growing sectors and outbound travel is an opportunity for Canada
  - New routes & itineraries can re-energize and expand existing markets
- How have other regions & countries worked with the cruise industry, tourism, local operators, to the economic benefit in a sustainable way?
  - Important to work together to carefully plan infrastructure which respects guest experience, impact to communities, and environment
  - New experiences and attractions may need to be developed