



Europe Market Report 2017

Overview

Europe-Overview and Key Countries

In thousands

Market	2016	2017	2017
Grand Total	<u>6,775</u>	<u>6,941</u>	<u>2.5%</u>
Germany	2,018	2,189	8.5%
United Kingdom & Ireland	1,950	1,959	0.5%
Italy	751	769	2.5%
Spain	479	510	6.4%
France	554	503	-9.2%
Switzerland	146	151	3.1%
Austria	125	129	3.5%
Netherlands	104	110	5.9%
Norway	111	104	-6.9%
Belgium	69	72	4.3%
Russian Federation	48	68	41.6%
Sweden	66	64	-3.2%
Portugal	44	48	11.2%
Denmark	46	45	-1.5%
Turkey	65	36	-44.3%
Cyprus	21	23	8.0%
Poland	18	21	16.2%
Greece	21	18	-17.5%

Volume in Europe up by 2.5% mostly due to the strong performance in Germany where local brands have launched two new vessels

UK/Ireland is very close to the 2M passenger volume- Next year, it could be the fourth market in the world to go over this threshold

Spain is now the fourth biggest market in Europe as it took over France (CDF pull back impact.)

European Passengers-Key Destinations

In thousands

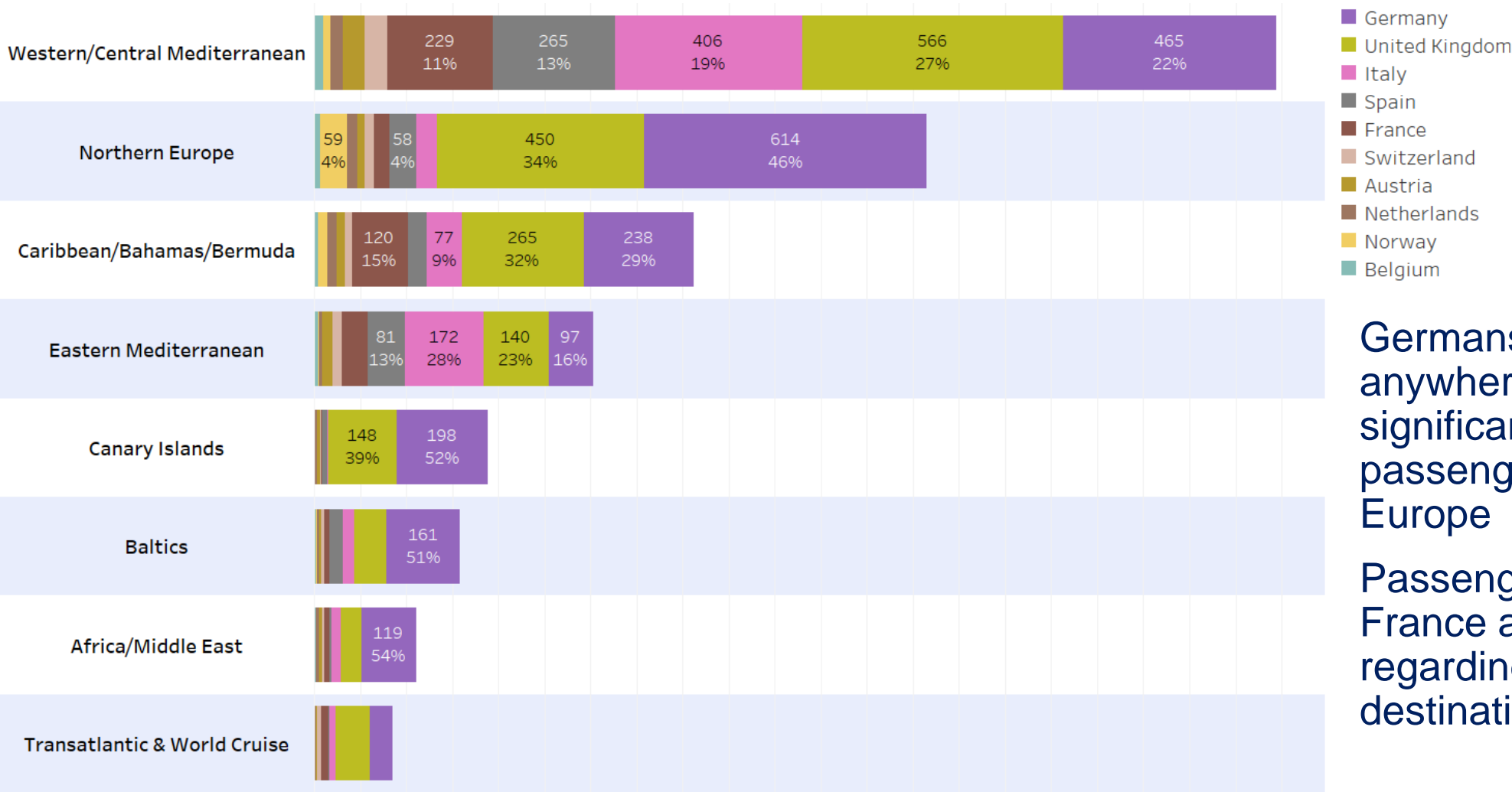
Key Destinations	2016	2017	2017
Western/Central Mediterranean	2,264	2,241	-1%
Northern Europe	1,276	1,383	8%
Caribbean/Bahamas/Bermuda	855	933	9%
Eastern Mediterranean	774	687	-11%
Canary Islands	354	381	8%
Baltics	318	334	5%
Africa/Middle East	250	239	-4%
Transatlantic & World Cruise	164	178	9%
Asia & China	115	127	10%
Exploration (Antarctic/Arctic/Galapagos/ Greenland/Iceland/North Cape)	49	71	43%
Panama Canal/South America & South America	51	58	15%
Australia/New Zealand/Pacific	43	46	7%
Alaska	32	36	12%
Hawaii & NA West Coast/Mexico/California/Pacific Coast	30	28	-6%

Volume in the Mediterranean, mostly Eastern Mediterranean, is down while other destinations in Europe such as Northern Europe, The Baltics are up

Volume in the Caribbean is also up

Volume Per Key Destinations Per Key Countries

In thousands

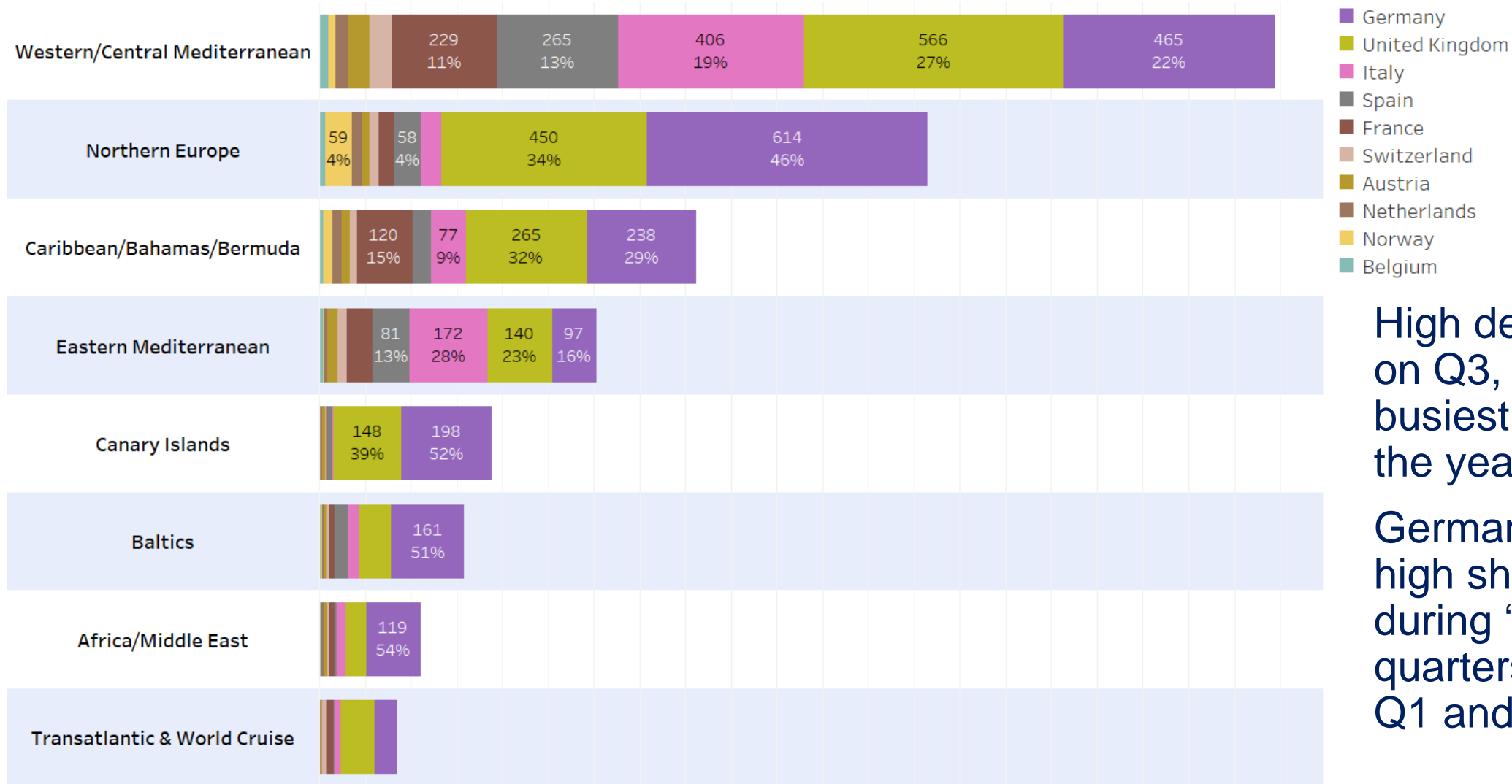


Germans are travelling anywhere and represent a significant share of passengers for Northern Europe

Passengers from Italy and France are more restrictive regarding which destinations they travel to

Volume Per Quarter per Key Countries

In thousands



High dependence on Q3, by far the busiest quarter of the year

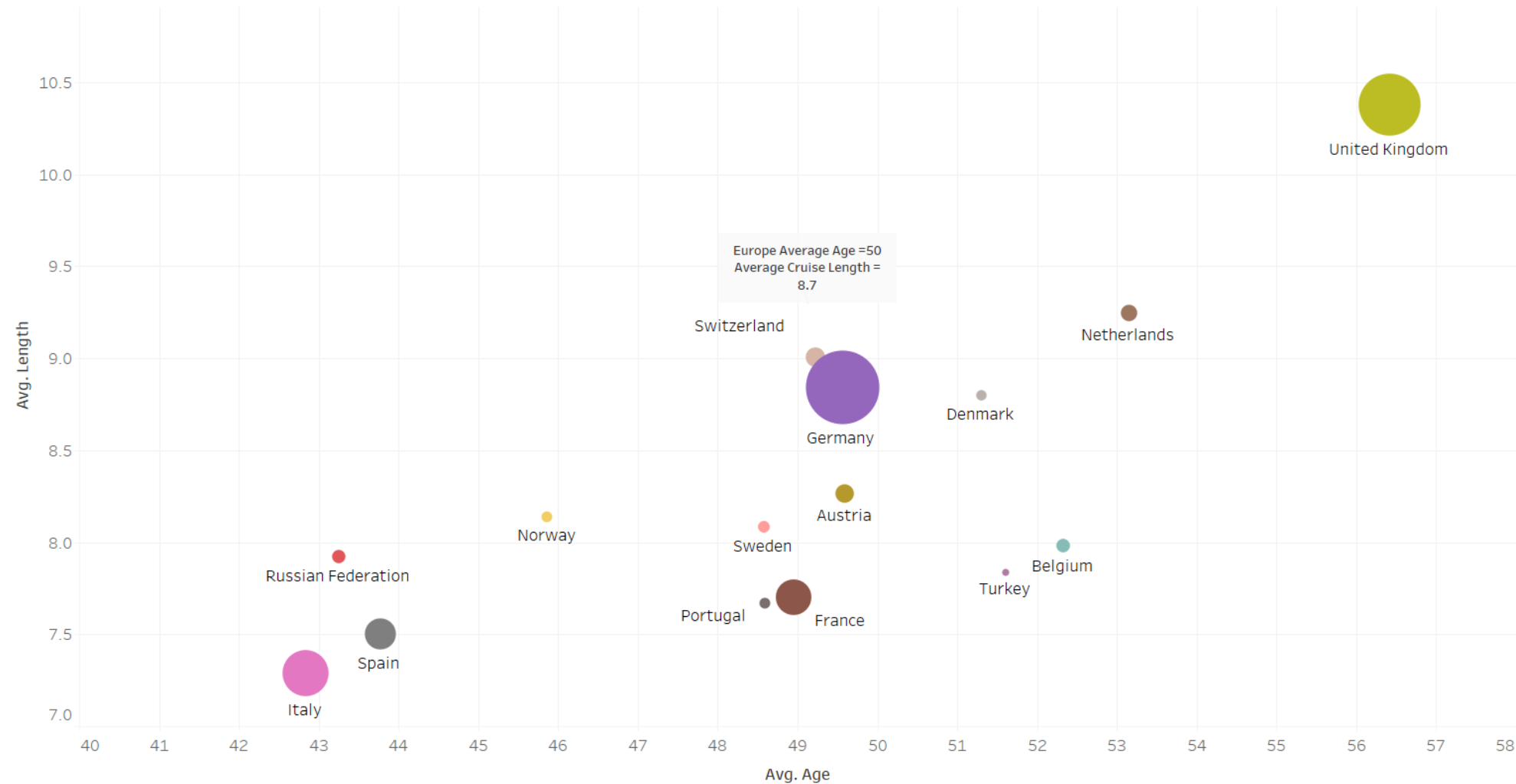
Germans have high share of travel during “slower” quarters such as Q1 and Q4

Average Age and Cruise Length Per Country

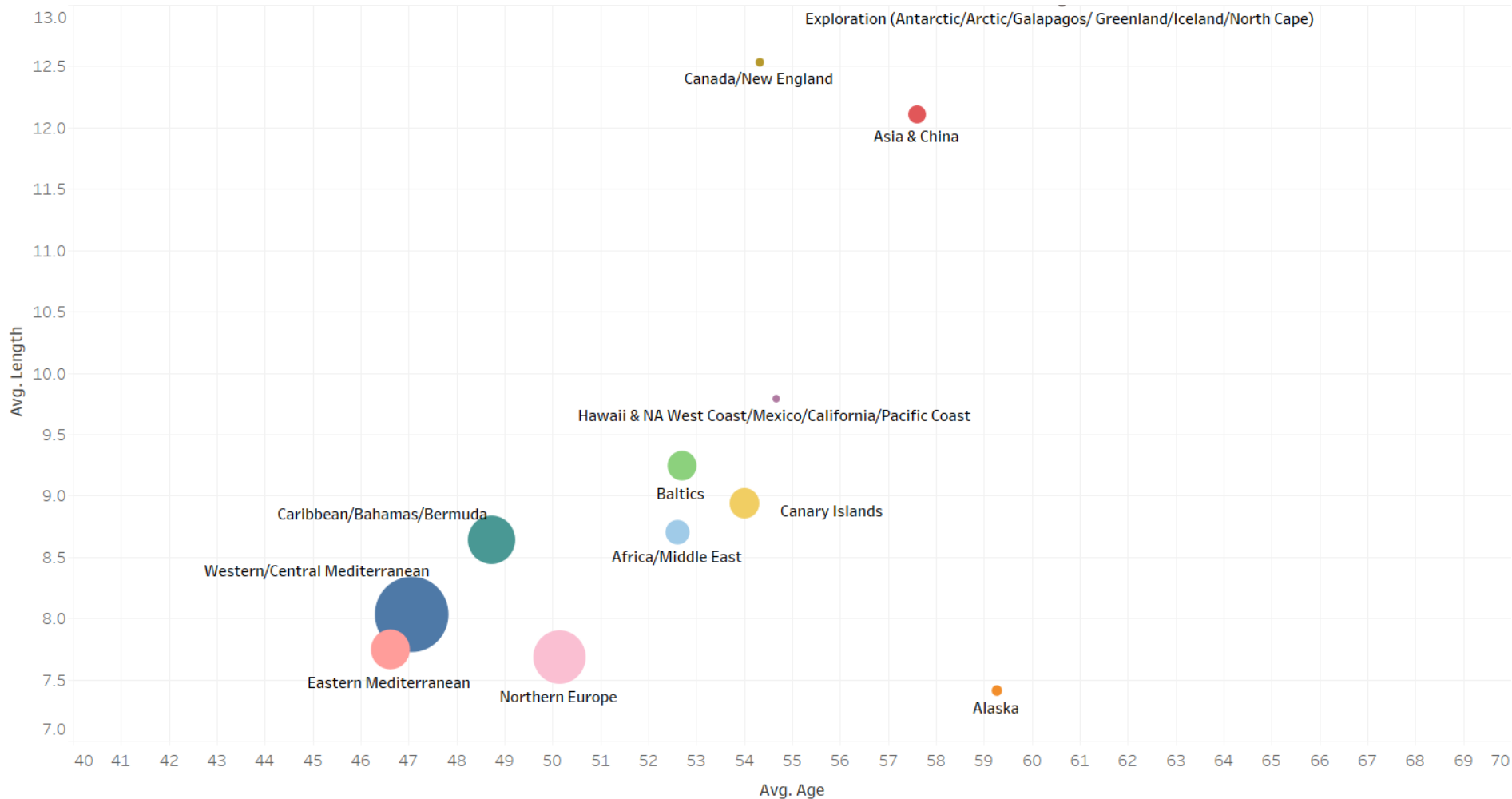
There is a clear relationship between average age and cruise length

Older generations can cruise for longer periods

Youngest cruisers are in Italy while “oldest” ones in Europe are in UK, aligned with the longest average cruise length



Average Age and Cruise Length Per Key Destinations



Shortest cruises for European passengers are in the Mediterranean and are aligned with the lowest average age

The Baltics and Canary Islands destinations welcome a majority of slightly older passengers, travelling for longer periods of time



Germany



**CLIA One reSource
Country Overview
Feb 2018**

Germany remains being the largest source market in Europe with an all-time record number of 2.19 Million passengers for 2017

The YoY increase of passenger numbers by 8.5% is the highest increase on the Western European as well as global level

The average cruise length shows a marginal variation and is at 8.85 nights Three out four German passengers opted for a cruise in European sailing regions

Over the last ten years (2006 → 2016) the German market grew twice as fast as the global cruise market place



Germany - Passenger Volume

Passenger in K		Variance	
2016	2017	2016	2017
2,018	2,189		8.5%

Germany - Passenger Volume By Age Range

	Passenger in K		Variance	
	2016	2017	2016	2017
<=12	101	124		21.7%
13-19	82	91		11.3%
20-29	109	123		12.6%
30-39	152	170		12.4%
40-49	285	298		4.6%
50-59	423	469		10.9%
60-69	358	393		9.8%
>=70	239	254		6.2%

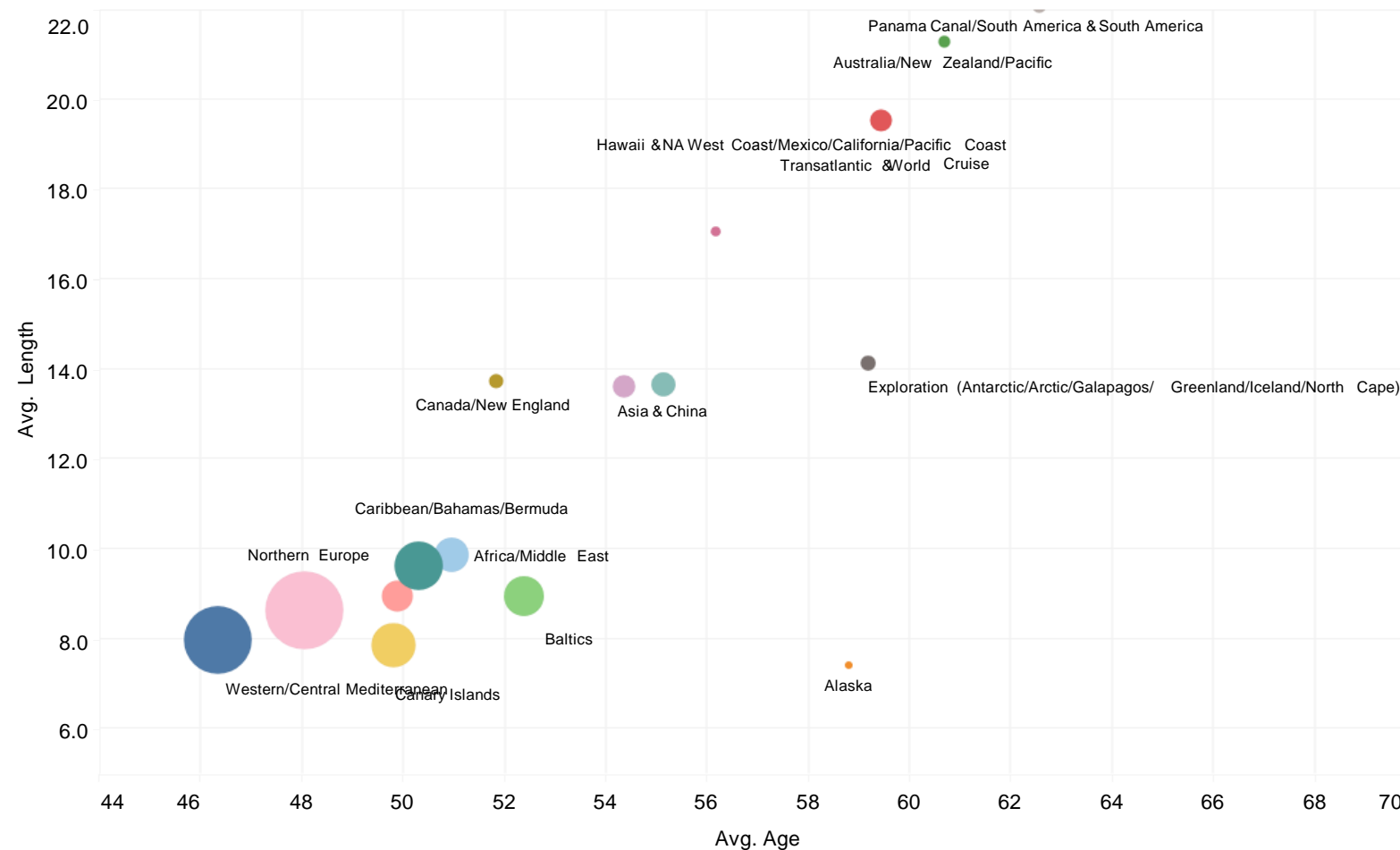
Average Age

2016	2017
50	50

Average Cruise Length

2016	2017
Germany	8.8

Germany - Average Age and Cruise Length Per Region - 2017





Germany - Passenger Volume By Trade Route

	Passenger in K		Variance	
	2016	2017	2016	2017
Northern Europe	554	614		11.0%
Western/Central Mediterranean	414	465		12.2%
Caribbean/Bahamas/Bermuda	222	238		7.1%
Canary Islands	184	198		7.2%
Baltics	146	161		9.9%
Africa/Middle East	117	119		1.9%
Eastern Mediterranean	104	97		-6.5%
Asia & China	58	59		1.8%
Transatlantic & World Cruise	45	49		9.6%
Canada/New England	19	21		7.1%
Panama Canal/South America & South America	17	19		8.1%
Exploration (Antarctic/Arctic/Galapagos/ Greenland/Iceland/North Cape)	12	23		88.5%
Australia/New Zealand/Pacific	12	15		16.6%
Hawaii & NA West Coast/Mexico/California/Pacific Coast	10	10		1.3%
Alaska	5	6		29.8%

Germany - Passenger Volume By Length of Cruise

	Passenger in K		Variance	
	2016	2017	2016	2017
Up to 3 Days	57	72		26.1%
4-6 days	168	166		-1.1%
7 Days	901	1,011		12.3%
8-13 days	508	560		10.2%
14 days	170	189		11.0%
15-20 days	96	105		8.8%
21 Days Plus	63	70		11.3%



Ireland & United Kingdom



CLIAone reSource
Country Overview
Feb 2018

Almost two million British holidaymakers chose a cruise in 2017, with a record of 1,959,000 passengers: an increase of 0.5 % vs 2016

The Mediterranean remains the most popular cruise destination for British cruise travellers, with 37% of all sailings booked last year, despite a slight year-on-year decline

Cruises in Northern Europe rose by 8% against 2016 figures: the second most popular region for British cruisers

Increase in popularity of colder-climate destinations including Canada, Alaska, and Antarctica

Northern Europe and the Caribbean had the youngest average age of cruisers, 52 years' old (average of 56 for all British cruisers)

The Caribbean (with the Bahamas and Bermuda), the third most popular cruise region, saw an increase over 3% against 2016 figures

Popularity of 'exploration' cruises in the Antarctic, Arctic and Galapagos up 3%, as well as long-haul destinations: Africa and the Middle East cruise bookings were up 25 % on 2016; Asia, China, were up almost 22%; South America and the Panama Canal saw an increase of nearly 25 %. The fastest growth was seen by Canada and New England itineraries which were up by one-third, 33 %



Ireland & United Kingdom Passenger Volume

Passenger in K		Variance	
2016	2017	2016	2017
1,950	1,959		0.5%

Ireland & United Kingdom - Passenger Volume By Age Range

	Passenger in K		Variance	
	2016	2017	2016	2017
<=12	56	53		-5.0%
13-19	51	47		-8.1%
20-29	65	63		-2.7%
30-39	79	77		-2.7%
40-49	158	143		-9.6%
50-59	316	298		-5.8%
60-69	413	384		-7.0%
>=70	329	342		3.9%

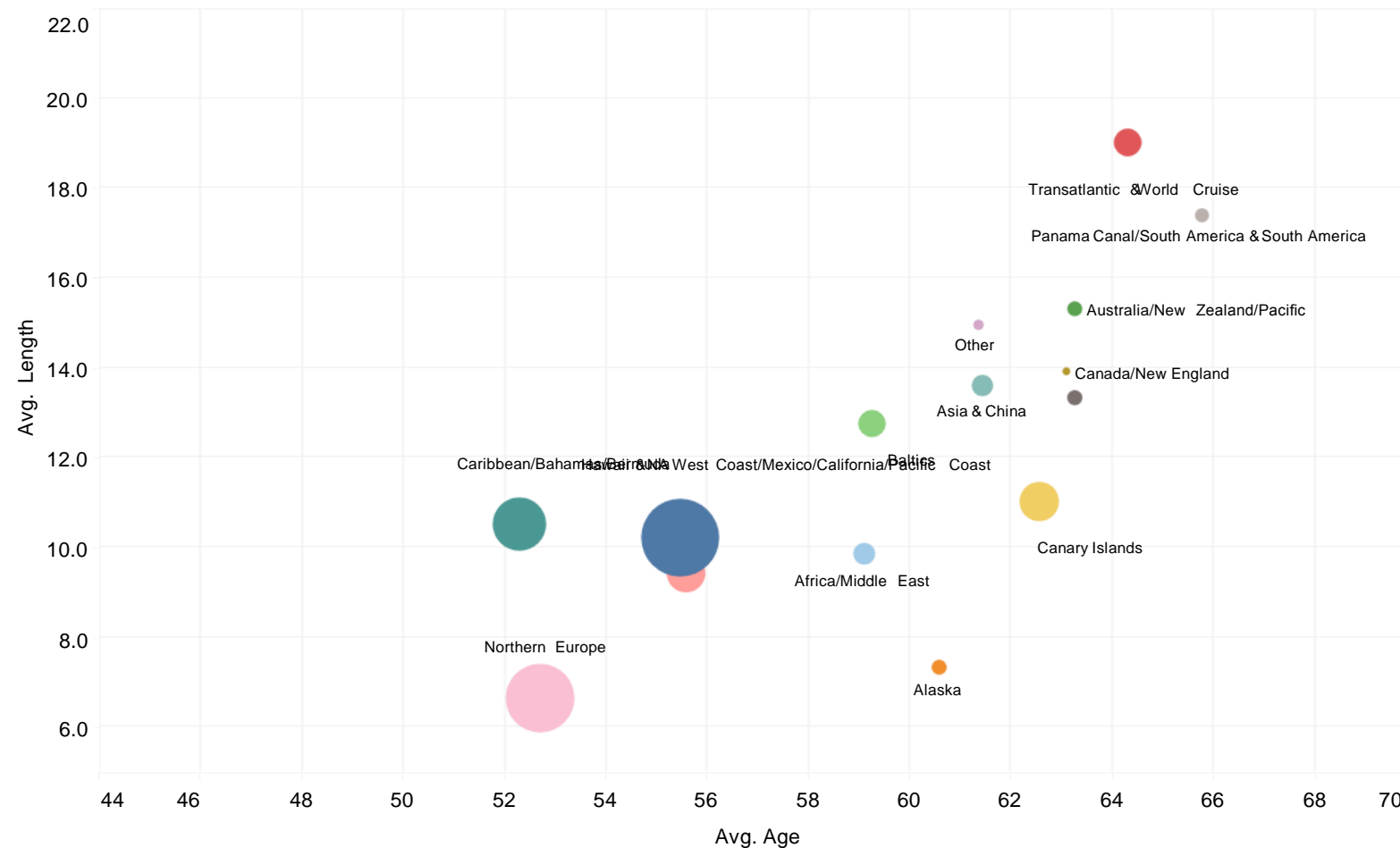
Average Age

2016	2017
56	56

Average Cruise Length

	2016	2017
Ireland	8.2	8.0
United Kingdom	10.4	10.4

Ireland & United Kingdom - Average Age and Cruise Length Per Region - 2017





Ireland & United Kingdom Passenger Volume By Trade Route

	Passenger in K		Variance	
	2016	2017	2016	2017
Western/Central Mediterranean	616	584		-5.1%
Northern Europe	420	453		8.0%
Caribbean/Bahamas/Bermuda	266	275		3.1%
Eastern Mediterranean	159	144		-9.6%
Canary Islands	150	149		-0.3%
Baltics	75	72		-4.9%
Transatlantic & World Cruise	70	74		6.8%
Africa/Middle East	37	47		24.6%
Asia & China	36	44		21.9%
Exploration (Antarctic/Arctic/Galapagos/ Greenland/Iceland/North Cape)	22	22		3.0%
Australia/New Zealand/Pacific	22	22		-2.3%
Alaska	19	22		13.1%
Panama Canal/South America & South America	15	19		24.8%
Hawaii & NA West Coast/Mexico/California/Pacific Coast	14	12		-10.7%
Canada/New England	4	6		32.8%
Null	0	0		-13.6%

Ireland & United Kingdom- Passenger Volume By Length of Cruise

	Passenger in K		Variance	
	2016	2017	2016	2017
Up to 3 Days	125	120		-4.1%
4-6 days	150	161		7.3%
7 Days	642	668		4.0%
8-13 days	462	434		-6.2%
14 days	371	378		1.9%
15-20 days	122	132		8.3%
21 Days Plus	68	60		-11.4%



Italy



**CLIA One reSource
Country Overview
Feb 2018**

Italy remains the third largest source market in Europe. Compared To 2016, Italian passengers have grown by 2,5%. A better increase than in the UK & Ireland, but lower than Germany which leads the entire European market

Many Italians chose to cruise all year long. More than 300.000 Italians were on board cruise ships between October and March

Cruise holidays attracts every age, with over 40% of the total amount of passengers being under 40 years old

In 2017 more Italian passengers are choosing a weekly or biweekly cruise comparing to 2016. However, the biggest increase (+43%) is recorded for short cruises (4 to 6 days)

The Mediterranean remains the favorite destination of Italian cruisers. Italy is the first destination among all journeys in the eastern Mediterranean Sea and the third one in the western Mediterranean



Italy - Passenger Volume

Passenger in K		Variance	
2016	2017	2016	2017
751	769		2.5%

Average Age

2016	2017
42	43

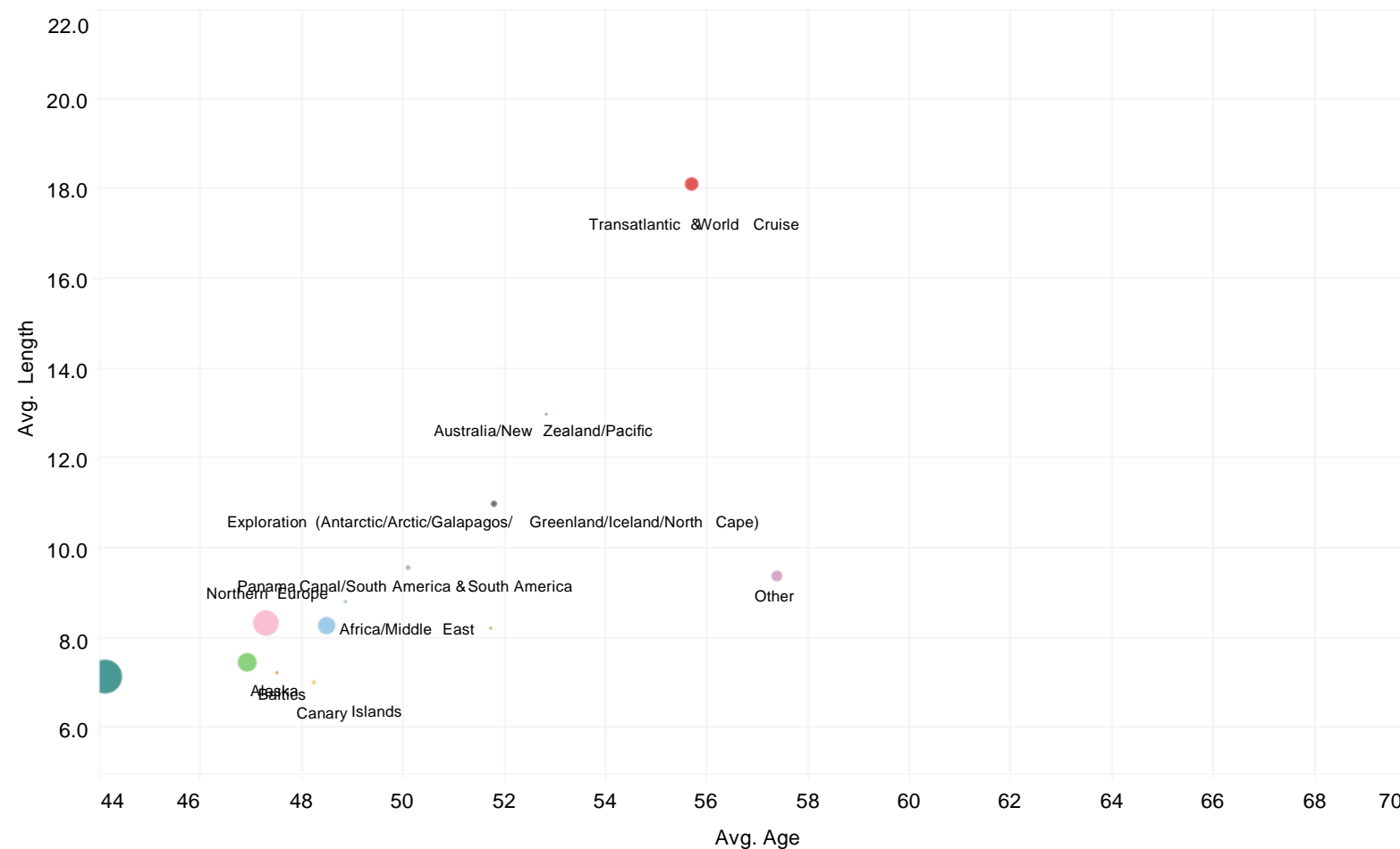
Average Cruise Length

2016	2017
7.5	7.3

Italy - Average Age and Cruise Length Per Region - 2017

Italy - Passenger Volume By Age Range

	Passenger in K		Variance	
	2016	2017	2016	2017
<=12	84	85		1.4%
13-19	54	57		4.7%
20-29	73	68		-6.8%
30-39	102	98		-3.5%
40-49	135	135		0.5%
50-59	122	132		7.5%
60-69	101	107		5.7%
>=70	66	72		9.0%





Italy - Passenger Volume By Trade Route

	Passenger in K		Variance
	2016	2017	2016 2017
Western/Central Mediterranean	408	406	-0.3%
Eastern Mediterranean	174	172	-1.5%
Caribbean/Bahamas/Bermuda	61	77	25.8%
Northern Europe	38	43	14.0%
Africa/Middle East	30	20	-32.2%
Baltics	22	24	9.7%
Transatlantic & World Cruise	11	12	9.3%
Exploration (Antarctic/Arctic/Galapagos/ Greenland/Iceland/North Cape)	0	2	545.6%
Panama Canal/South America & South America	1	2	21.0%
Canary Islands	0	1	168.0%
Alaska	1	1	-16.0%
Asia & China	1	1	5.9%
Hawaii & NA West Coast/Mexico/California/Pacific Coast	1	1	-0.4%
Australia/New Zealand/Pacific	0	0	26.0%
Canada/New England	0	0	7.0%
Null	0	0	53.8%

Italy - Passenger Volume By Length of Cruise

	Passenger in K		Variance
	2016	2017	2016 2017
Up to 3 Days	26	24	-7.6%
4-6 days	35	50	42.7%
7 Days	563	607	7.8%
8-13 days	107	71	-33.4%
14 days	6	6	2.4%
15-20 days	8	8	-3.4%
21 Days Plus	5	4	-34.3%



Spain



**CLIA One reSource
Country Overview
Feb 2018**

Spain overtakes France as 4th biggest market in Europe after 6.5% growth in 2017

Spain breaks 500,000 passenger mark and regains position as fourth largest European market after losing it in 2013

Accelerated growth of 6.5% in 2017 - after 4% in 2016 - indicates improved consumer confidence and confirms cruising as one of Spaniards preferred vacation choices now that the economic stability has improved

West Mediterranean Drive&Cruise options continue to be the most popular choice and even show moderate growth

Other areas requiring air lift such as Canaries, Northern Europe, and Caribbean show impressive growth, suggesting a trend for less seasonal and more diversified demand



Spain - Passenger Volume

Passenger in K		Variance	
2016	2017	2016	2017
479	510		6.4%

Spain - Passenger Volume By Age Range

	Passenger in K		Variance	
	2016	2017	2016	2017
<=12	35	37		5.2%
13-19	26	26		3.2%
20-29	27	25		-6.3%
30-39	48	44		-7.5%
40-49	62	62		-0.5%
50-59	62	60		-3.3%
60-69	57	54		-5.1%
>=70	34	34		-1.1%

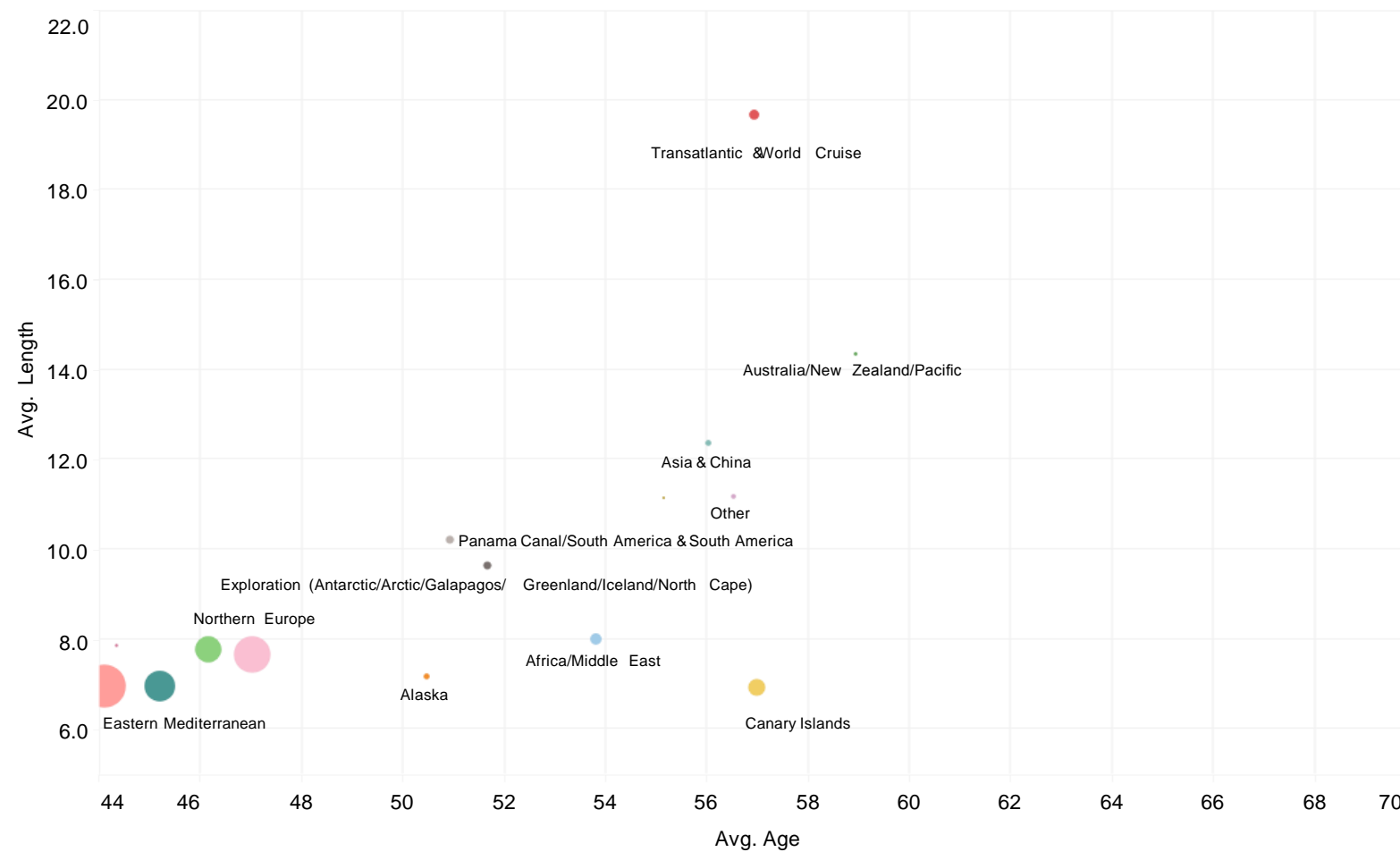
Average Age

2016	2017
44	44

Average Cruise Length

2016	2017
7.6	7.5

Spain - Average Age and Cruise Length Per Region - 2017





Spain - Passenger Volume By Trade Route

	Passenger in K		Variance	
	2016	2017	2016	2017
Western/Central Mediterranean	261	265		1.5%
Eastern Mediterranean	77	81		5.7%
Northern Europe	45	58		28.6%
Caribbean/Bahamas/Bermuda	30	41		35.1%
Baltics	32	30		-4.7%
Canary Islands	7	13		81.1%
Africa/Middle East	9	6		-35.2%
Transatlantic & World Cruise	7	4		-33.6%
Panama Canal/South America & South America	2	3		16.8%
Exploration (Antarctic/Arctic/Galapagos/ Greenland/Iceland/North Cape)	1	3		149.7%
Asia & China	2	2		-11.6%
Alaska	2	2		-1.2%
Australia/New Zealand/Pacific	0	1		30.0%
Hawaii & NA West Coast/Mexico/California/Pacific Coast	0	0		25.0%
Canada/New England	0	0		15.1%
Null	0	0		58.6%

Spain - Passenger Volume By Length of Cruise

	Passenger in K		Variance	
	2016	2017	2016	2017
Up to 3 Days	8	11		31.9%
4-6 days	20	21		2.0%
7 Days	397	431		8.6%
8-13 days	39	36		-8.0%
14 days	4	4		2.8%
15-20 days	5	3		-27.0%
21 Days Plus	4	3		-29.9%



France



**CLIA One reSource
Country Overview
Feb 2018**

France is experiencing a reduction in number of passengers in 2017, driven by a drop in capacity. Reduced French activity from some operators and the closure of 'Croisières de France', third largest provider (with a unique proposal of all-inclusive tailormade cruises in France) had a great impact on the market figures

The analysis of volumes according to ages shows that the average age of French cruisers moved up from 48 to 49 years in 2017 – unlike other European growing markets

French reduced capacity benefited companies that did not need to offer attractive rates, but with the effect of not targeting younger potential cruise travellers

On destinations: a noted decline of the Mediterranean and the North (Croisières de France offered 90% of its cruises on the two regions), but a sharp increase in the Caribbean destinations, against a decline of the Eastern Mediterranean, in light of the geopolitical problems of the area

Exploration cruises in the Arctics and Galapagos are making progress



France - Passenger Volume

Passenger in K		Variance	
2016	2017	2016	2017
554	503		-9.2%

France - Passenger Volume By Age Range

	Passenger in K		Variance	
	2016	2017	2016	2017
<=12	42	42		0.5%
13-19	30	29		-2.8%
20-29	25	24		-4.9%
30-39	38	38		0.2%
40-49	66	66		-0.9%
50-59	76	77		1.6%
60-69	91	96		5.2%
>=70	68	79		15.0%

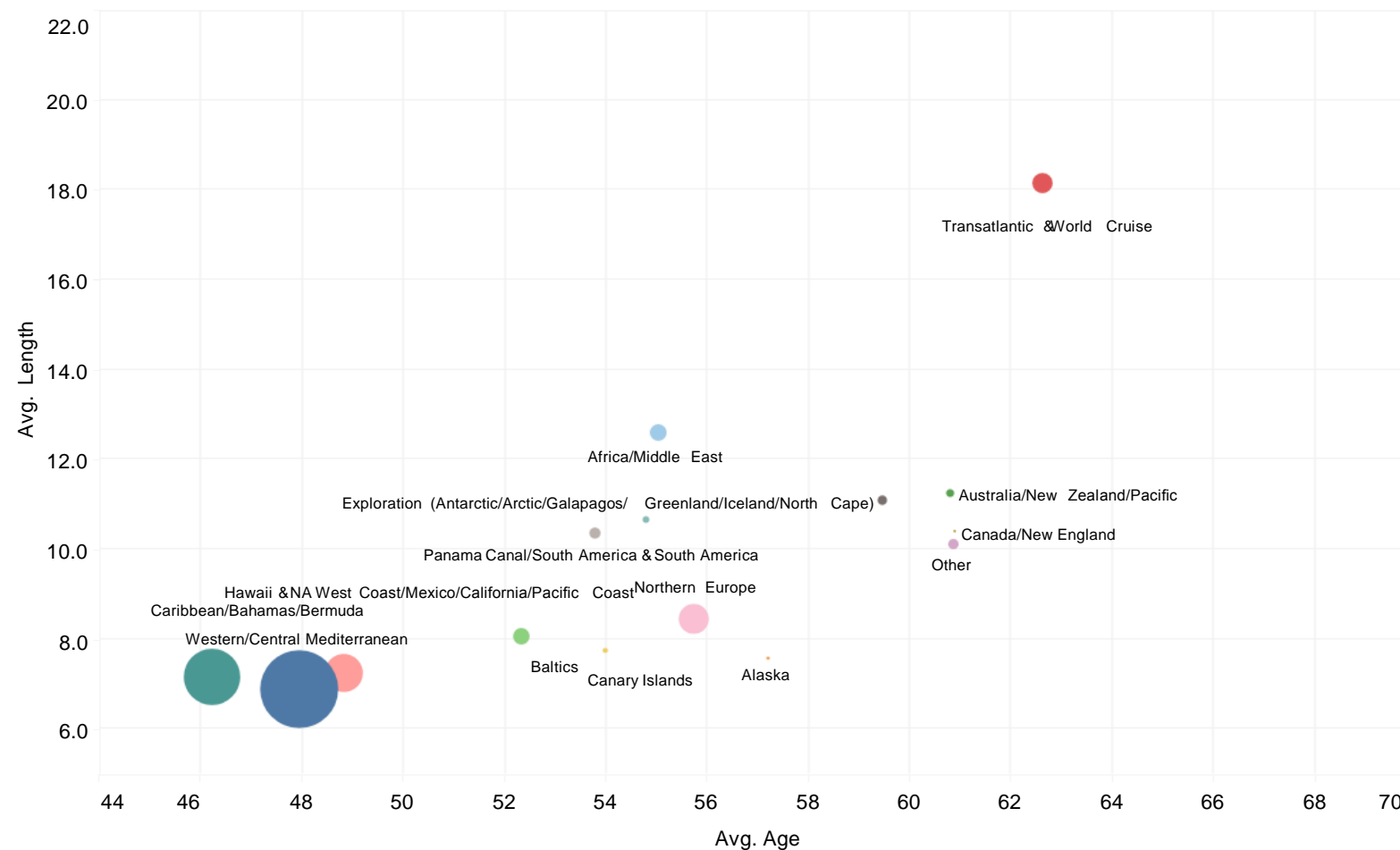
Average Age

2016	2017
48	49

Average Cruise Length

2016	2017
7.9	7.7

France - Average Age and Cruise Length Per Region - 2017





France - Passenger Volume By Trade Route

	Passenger in K		Variance	
	2016	2017	2016	2017
Western/Central Mediterranean	261	229		-12.3%
Caribbean/Bahamas/Bermuda	111	120		7.9%
Eastern Mediterranean	74	55		-25.9%
Northern Europe	46	34		-27.1%
Transatlantic & World Cruise	13	16		22.9%
Africa/Middle East	14	10		-25.0%
Null	11	12		7.7%
Baltics	10	10		-0.7%
Panama Canal/South America & South America	4	5		32.1%
Exploration (Antarctic/Arctic/Galapagos/ Greenland/Iceland/North Cape)	2	3		76.6%
Australia/New Zealand/Pacific	2	2		13.0%
Asia & China	2	2		-5.3%
Canary Islands	1	1		100.6%
Alaska	0	0		-25.2%
Hawaii & NA West Coast/Mexico/California/Pacific Coast	0	0		-23.7%
Canada/New England	0	0		-31.8%

France- Passenger Volume By Length of Cruise

	Passenger in K		Variance	
	2016	2017	2016	2017
Up to 3 Days	17	16		-2.6%
4-6 days	44	45		1.2%
7 Days	373	338		-9.3%
8-13 days	80	63		-20.5%
14 days	12	14		10.8%
15-20 days	9	10		1.8%
21 Days Plus	6	5		-21.6%



Netherlands



**CLIA One reSource
Country Overview
Feb 2018**

A record 110,000 Dutch travellers booked a cruise in 2017, an increase of almost 6 % against 2016

The Mediterranean is still the number one region for cruising for Dutch holidaymakers, despite a small decline in numbers. Northern Europe was the second most popular cruise choice which was up 13%, and in third place, the Caribbean, which saw a significant rise in passengers from the Netherlands, up by more than 27 per cent

A boom in short cruises of up to three days, of more than one-third (37%) on 2016 figures, is a great sign that more people are trying a cruise for the first time as these are excellent entry-level choices

Dutch cruise passengers are becoming more adventurous, trying adventure or 'exploration' cruises to the Galapagos, Antarctic and Arctic, generating an increase by more than 10 % in 2017, against 2016

More unusual, long-haul cruise itineraries are proving popular with Dutch travellers. Cruises in South America and through the Panama Canal grew by nearly one-third last year, up 30%



Netherlands - PassengerVolume

Passenger in K		Variance	
2016	2017	2016	2017
104	110		5.9%

AverageAge

2016	2017
53	53

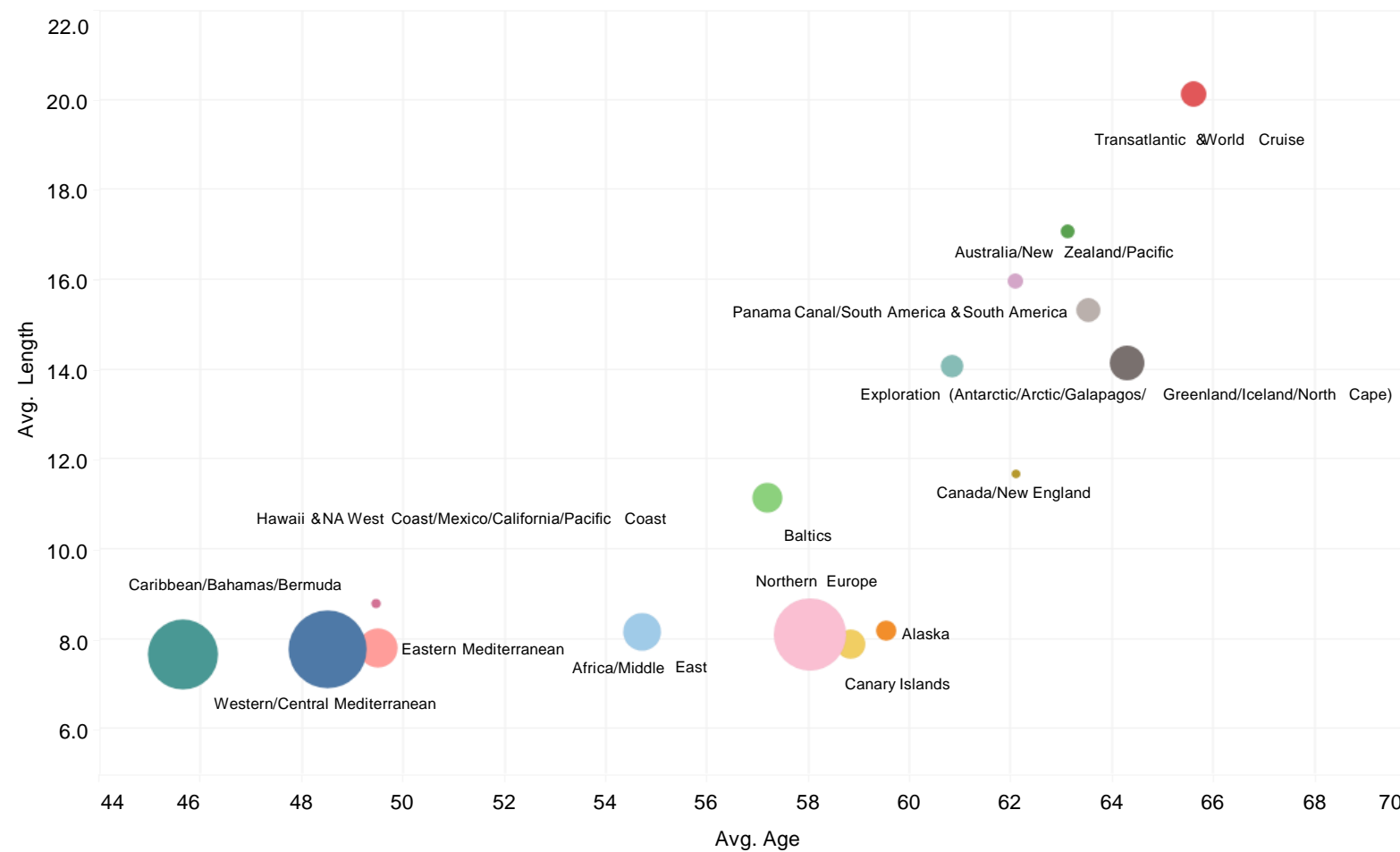
Average CruiseLength

2016	2017
9.5	9.2

Netherlands - Passenger Volume By Age Range

	Passenger in K		Variance	
	2016	2017	2016	2017
<=12	5	5	-2.0%	
13-19	5	5	5.9%	
20-29	5	5	6.8%	
30-39	6	6	5.2%	
40-49	13	12	-5.1%	
50-59	19	20	3.0%	
60-69	24	23	-3.2%	
>=70	19	20	5.8%	

Netherlands - Average Age and Cruise Length PerRegion - 2017





Netherlands - Passenger Volume By Trade Route

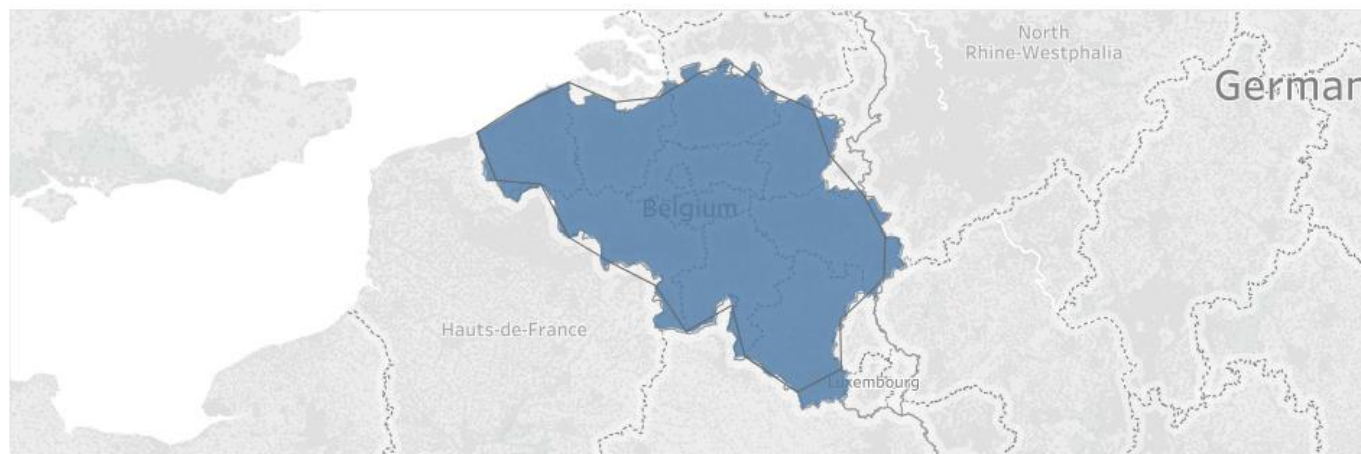
	Passenger in K		Variance	
	2016	2017	2016	2017
Western/Central Mediterranean	31	27		-12.8%
Northern Europe	20	23		13.7%
Caribbean/Bahamas/Bermuda	17	22		27.8%
Eastern Mediterranean	9	7		-21.5%
Africa/Middle East	6	6		2.0%
Exploration (Antarctic/Arctic/Galapagos/ Greenland/Iceland/North Cape)	5	5		10.1%
Baltics	3	4		39.7%
Canary Islands	3	4		31.3%
Asia & China	3	2		-10.6%
Panama Canal/South America & South America	2	3		30.2%
Transatlantic & World Cruise	2	3		84.4%
Alaska	2	2		16.7%
Australia/New Zealand/Pacific	1	1		36.7%
Hawaii & NA West Coast/Mexico/California/Pacific Coast	0	0		1.0%
Canada/New England	0	0		46.5%
Null	0	0		-30.0%

Netherlands - Passenger Volume By Length of Cruise

	Passenger in K		Variance	
	2016	2017	2016	2017
Up to 3 Days	2	3		37.3%
4-6 days	6	7		17.8%
7 Days	53	62		17.3%
8-13 days	24	19		-22.1%
14 days	11	12		8.4%
15-20 days	5	5		6.1%
21 Days Plus	3	3		-10.1%



Belgium



CLIA One reSource Country Overview Feb 2018

71,000 Belgian travellers booked a cruise in 2017, 4% more than in 2016

The cruise customers average age dropped from 53 to 52 in one year, showing that the sector is successfully attracting new-to-cruise holidaymakers

The Mediterranean is still the number one region for cruising for Belgians, despite a small decline in numbers against 2016. Northern Europe was the second most popular choice which was up more than 8%. In third place, the Caribbean, saw a 13 % rise in passengers from Belgium

2017 cruises to colder climates soared in popularity, with cruises to Alaska with 47 % growth; and the Baltics almost doubling with growth of over 90 percent

Belgian cruise passengers are becoming keen on adventure or 'exploration' cruises to destinations including the Galapagos, Antarctic and Arctic increasing by more than 12% in 2017, against 2016

Colder-climate destinations including Canada, Alaska, and Antarctica are popular for their unique excursion options, from penguin-watching to ice fishing, from new and repeat cruise travelers.

More unusual, long-haul cruise itineraries are proving popular with Belgian travellers, including cruises in Asia and China which saw passenger numbers almost double, up by 49%



Belgium Passenger Volume

Passenger in K		Variance	
2016	2017	2016	2017
69	72		4.3%

Average Age

2016	2017
53	52

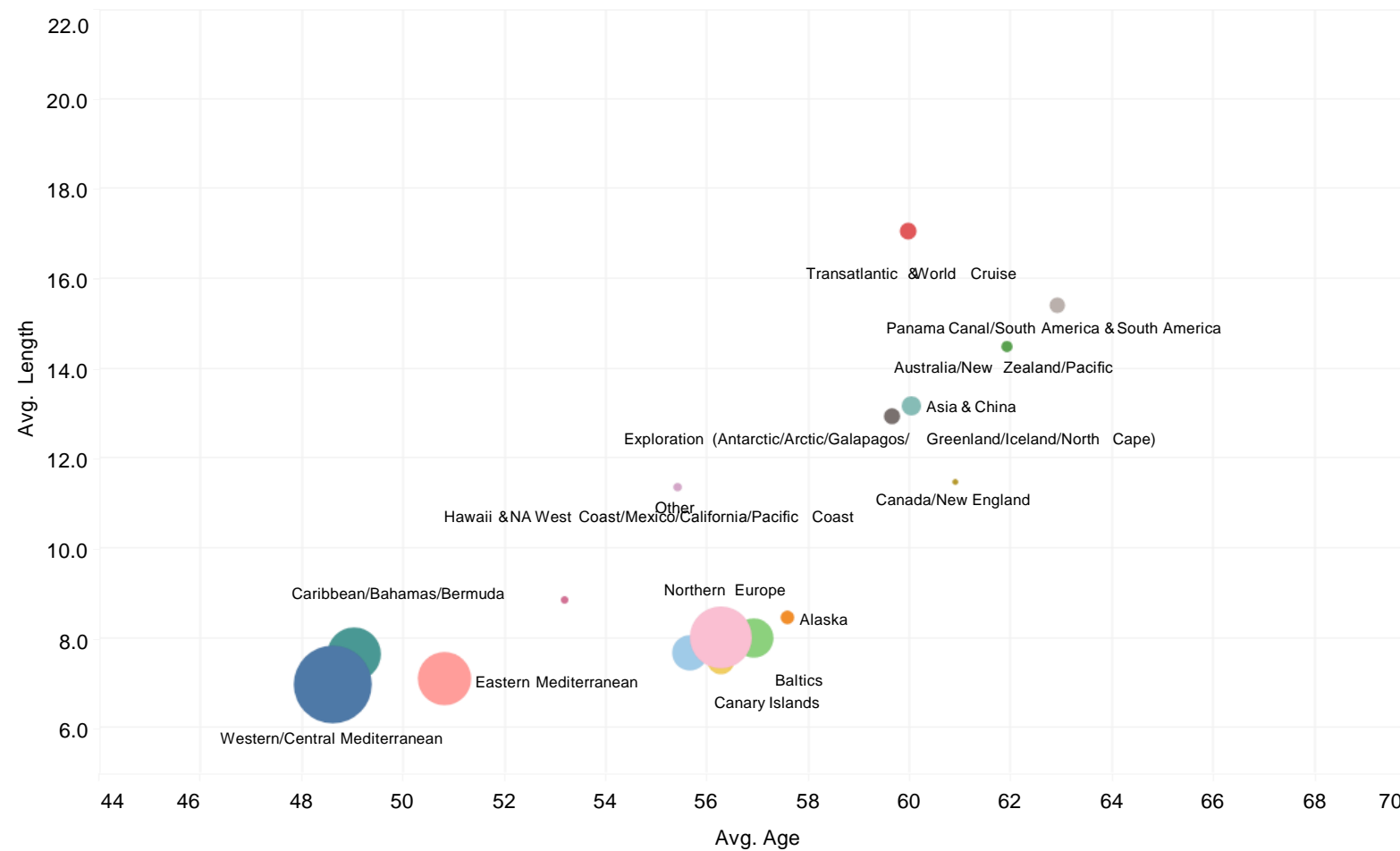
Average Cruise Length

2016	2017
8.3	8.0

Belgium - Passenger Volume By Age Range

	Passenger in K		Variance	
	2016	2017	2016	2017
<=12	3	3		10.0%
13-19	3	3		16.5%
20-29	3	4		30.5%
30-39	4	5		10.8%
40-49	9	9		7.1%
50-59	13	14		4.9%
60-69	16	16		5.3%
>=70	10	12		11.3%

Belgium - Average Age and Cruise Length Per Region - 2017





Belgium Passenger Volume By Trade Route

	Passenger in K		Variance	
	2016	2017	2016	2017
Western/Central Mediterranean	22	21		-6.2%
Northern Europe	12	13		8.3%
Eastern Mediterranean	10	10		-7.2%
Caribbean/Bahamas/Bermuda	9	10		13.3%
Africa/Middle East	5	4		-19.9%
Baltics	3	5		90.8%
Canary Islands	1	3		276.5%
Null	1	1		-13.4%
Asia & China	1	1		50.1%
Transatlantic & World Cruise	1	1		4.9%
Exploration (Antarctic/Arctic/Galapagos/ Greenland/Iceland/North Cape)	1	1		13.0%
Panama Canal/South America & South America	1	1		8.4%
Alaska	0	1		50.4%
Australia/New Zealand/Pacific	0	0		5.4%
Hawaii & NA West Coast/Mexico/California/Pacific Coast	0	0		-36.4%
Canada/New England	0	0		-11.5%

Belgium - Passenger Volume By Length of Cruise

	Passenger in K		Variance	
	2016	2017	2016	2017
Up to 3 Days	2	4		142.1%
4-6 days	3	3		12.2%
7 Days	46	47		1.3%
8-13 days	12	12		0.0%
14 days	3	3		7.6%
15-20 days	1	1		11.3%
21 Days Plus	1	1		-32.9%