



### JOINT VENTURE OF CARNIVAL AND IBEROJET CRUCEROS IN SPAIN

The Lloyd's List of February 2007 has reported the 320 M euro joint venture between Miami-based Carnival and Iberojet Cruceros of the Orizonia Corporacion, reputed to be the largest and oldest in the Spanish cruising industry.

Carnival Chairman and Chief Executive Micky Arison identified Iberojet as a key partner in his company's Spanish ambitions. "Iberojet operates a very successful brand with a wide range of quality affordable vacation products which have gained extremely strong brand awareness with Spanish consumers. Their marketing experience combined with a keen understanding of Spanish vacation trends makes for a solid partnership," said Mr. Arison.

The joint venture will target the Spanish mass market segment while Carnival's Costa Cruises unit, already a player in the Spanish market, caters to its upscale consumers. Even as the joint venture appears to compete with Costa Cruise, the idea is to expand Carnival's market reach. "The combined strengths of Costa and Iberojet's organizations would generate even greater brand recognition in our efforts to grow the cruising market that we believe is primed and ready for expansion," Pier Luigi Foschi, Chairman and Chief Executive of Costa Cruise, said.

Carnival intends to increase its fleet over the next several years through the acquisition of existing tonnage from Carnival's current fleet. Initially, the joint venture will start with two modern-cruise ships of Iberojet, the 1,196-passenger Grand Mistral (1999-built) and the 834-passenger Grand Voyager (2000-built).

Last year, Spain was ranked as the 4<sup>th</sup> largest in the European market, registering a year-on-year passenger volume increase of 26% over the previous year.