

Carnival Corporation Signs Agreement with Shell to Fuel World's First LNG-Powered Cruise Ships

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Shell to become supplier of liquefied natural gas (LNG), world's cleanest burning fossil fuel, for two next-generation, LNG-powered cruise ships from company's AIDA Cruises and Costa Cruises brands Vessels with industry-first "green-cruising" design will enter service in 2019 with dual-fuel engines utilizing LNG for power in port and at sea, with cleaner air emissions that improve air guality

MIAMI, Oct. 3, 2016 /PRNewswire/ -- <u>Carnival Corporation & plc</u> (NYSE/LSE: CCL; NYSE: CUK), the world's largest leisure travel company, today signed a framework agreement with Shell Western LNG B.V. (Shell) to be its supplier of marine liquefied natural gas (LNG) to power the world's first fully LNG-powered cruise ships. Under this framework agreement, Shell will initially supply Carnival Corporation's AIDA Cruises and Costa Cruises brands with fuel for two new LNG-powered ships expected to launch in 2019 with itineraries visiting popular northwest European and Mediterranean ports.



As part of the agreement, these two ships, built with Carnival Corporation's next-generation "green cruising" ship design, will utilize Shell's infrastructure in cruise ports to refuel with LNG throughout their itineraries. The vessels, equipped with dual-fuel engines, are the first of a new generation of cruise ships fully powered by LNG both while in port and at sea -- an industry first and an environmental breakthrough that will improve air quality with cleaner emissions and produce the most efficient ships in company history.

"We are committed to reducing our air emissions and improving air quality by evaluating new and established solutions such as LNG -- an especially promising option because of its environmental and other benefits," said Tom Strang, senior vice president of maritime affairs for Carnival Corporation. "We are proud to be on the forefront of advancing LNG as a fuel source for the cruise industry and creating an entirely new model for powering next-generation cruise ships. We look forward to a productive partnership with Shell, which has the experience and shared commitment to quality, safety and operational efficiency needed to help us bring this innovative LNG initiative to life with the first fully LNG-powered ships in the global cruise industry."

Pioneering a new era in the use of alternative fuels that reduce air emissions, these ships will be the first in the cruise industry use LNG to generate 100 percent of the ship's power both in port and on the open sea – an innovation that will significantly improve air quality to help protect the environment and support Carnival Corporation's aggressive sustainability goals.

"We have been working closely with Carnival to get to this point in our commercial partnership," said Lauran Wetemans, Shell's General Manager Downstream LNG. "Working together from an early stage is critical in helping the transition to cleaner LNG cruising. This is a unique partnership that will contribute to a robust and reliable LNG fuel supply chain, along with opportunities for future growth."

This agreement builds on the partnership established between Carnival Corporation's AIDA Cruises brand and Shell in April of this year to supply its AIDAprima ship with LNG to power the vessel while docked. The AIDAprima is the first cruise ship in the world to use LNG while in port, leading to a major reduction in emissions. Additionally, the agreement furthers the realization of Carnival Corporation's LNG efforts that began in 2015 with AIDAsol becoming the first cruise ship in the world to be supplied with power by an LNG hybrid barge, which also saw major benefits while in port.

Today's announcement was made on the heels of the company's order in September of three additional next-generation cruise ships that will be fully powered by LNG, bringing its fully LNG-powered ship orders total to seven across four of its 10 global cruise lines. Two of the new LNG-powered ships

are designated for the world's most popular cruise brand, Carnival Cruise Line, with delivery dates expected in 2020 and 2022, and one is designated for P&O Cruises UK with an expected delivery date in 2020. The remaining two vessels will also be built for the Costa Cruises and AIDA Cruises brands and are expected to enter service in 2021.

As part of the framework agreement, Carnival Corporation and Shell have the opportunity to partner together on supplying marine LNG fuel to future LNG-powered vessels or additional itineraries. The overarching agreement enables each Carnival Corporation brand to negotiate individual LNG supply contracts with Shell as new LNG-powered cruise ships begin to launch in coming years.

About Carnival Corporation & plc

Carnival Corporation & plc is the largest leisure travel company in the world, with a portfolio of 10 cruise brands in North America, Europe, Australia and Asia comprised of Carnival Cruise Line, Fathom, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK).

Together, these brands operate 101 ships visiting over 700 ports around the world and totaling 225,000 lower berths with 18 new ships scheduled to be delivered between 2016 and 2022. Carnival Corporation & plc also operates Holland America Princess Alaska Tours, the leading tour companies in Alaska and the Canadian Yukon. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the S&P500 and the FTSE 100 indices.

Additional information can be found on <u>www.carnival.com</u>, <u>www.hollandamerica.com</u>, <u>www.seabourn.com</u>, <u>www.aida.de</u>, <u>www.costacruise.com</u>, <u>www.costacruises.com</u>, <u>www.pocruises.com</u>, <u>www.pocruises.com</u>, <u>www.fathom.org</u>.

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Roger Frizzell, Carnival Corporation, rfrizzell@carnival.com, (305) 406-7862; Mike Flanagan, LDWWgroup, mike@ldwwgroup.com, (727) 452-4538