Overview Taiwan Cruise Industry

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Cruising with me?

Let’s learn about Cruising!
Outline

- Introduction of TIPC
- Global and Asia Cruise Market
- Taiwan Cruise Market
- Cruise ports in Taiwan
- Ports Upgrade & Future plans
Introduction of TIPC
Reform on Port Authorities

MOTC
Ministry of Transportation and Communications

Keelung Harbor Bureau
Taichung Harbor Bureau
Kaohsiung Harbor Bureau
Hualien Harbor Bureau

1st of March 2012

Maritime & Port-related Public Administration
Port Operations & Developments
Ports Operated by TIPC

Each Port has magnificent scenic spots nearby
Global and Asia Cruise Market
Caribbean, Mediterranean and Asia are 3 major cruising regions. Asia cruise market represents about 13.5% share in 2016.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Caribbean/Bahamas</td>
<td>38.4%</td>
<td>39.9%</td>
<td>42.2%</td>
<td>39.5%</td>
<td>39.3%</td>
</tr>
<tr>
<td>Mediterranean</td>
<td>16.1%</td>
<td>17.9%</td>
<td>17.7%</td>
<td>19.6%</td>
<td>20.9%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>13.5%</td>
<td>10.4%</td>
<td>9.1%</td>
<td>8.0%</td>
<td>6.0%</td>
</tr>
<tr>
<td>North/West Europe</td>
<td>9.2%</td>
<td>8.5%</td>
<td>9.0%</td>
<td>9.4%</td>
<td>8.2%</td>
</tr>
</tbody>
</table>

Source: Cruise Lines International Association
CLIA projects cruise passengers will reach 25.8 million in 2017.
In Asia market, growth rate of cruising increase to 30% in 2017. The figure is much higher compared to global market with 4.5% growth this year.

Source: Cruise Lines International Association
TOP3 Global Cruise Fleet

1. Carnival Corporation & PLC
   - 101 ships
   - Market share: 44.3%

2. Royal Caribbean
   - 48 ships
   - Market share: 24.5%

3. Norwegian Cruise Line
   - 24 ships
   - Market share: 9.1%

### Top 5 Asia Cruise Brands

#### Asia to Asia Cruises by Top 5 Brands

<table>
<thead>
<tr>
<th>Brand</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Star</td>
<td>420</td>
<td>365</td>
<td>352</td>
</tr>
<tr>
<td>Costa</td>
<td>116</td>
<td>169</td>
<td>211</td>
</tr>
<tr>
<td>Royal Caribbean International</td>
<td>106</td>
<td>120</td>
<td>166</td>
</tr>
<tr>
<td>Princess</td>
<td>5</td>
<td>86</td>
<td>73</td>
</tr>
<tr>
<td>NYK Asuka II</td>
<td>47</td>
<td>42</td>
<td>46</td>
</tr>
</tbody>
</table>

Unit: ship calls

Source: CLIA Asia Cruise Trends
Home Port v.s. Transit Port

1. Home port
   The port where ships embark passengers.

2. Transit Port
   The port where ships visit as part of tour itinerary.

Kaohsiung Port
Keelung Port
Okinawa
Ishigaki
Star cruises
Princess Cruises
Costa Cruises
Royal Caribbean
Hong Kong
Halong Bay
Transit Port
Transit Port
Top 10 Cruise Ports in Asia

Source: CLIA Asia Cruise Trends 2016
## Asia Source Market

### Passenger Volume by Source Market 2015

<table>
<thead>
<tr>
<th>Source Market</th>
<th>Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>47.4%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>11.0%</td>
</tr>
<tr>
<td>Singapore</td>
<td>8.8%</td>
</tr>
<tr>
<td>Japan</td>
<td>8.6%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>6.1%</td>
</tr>
<tr>
<td>India</td>
<td>6.0%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>3.0%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1.9%</td>
</tr>
<tr>
<td>Other Asia *</td>
<td>1.7%</td>
</tr>
<tr>
<td>South Korea</td>
<td>1.7%</td>
</tr>
<tr>
<td>Philippines</td>
<td>1.6%</td>
</tr>
<tr>
<td>Thailand</td>
<td>1.2%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

Taiwan is the second largest source market in Asia, followed by Singapore, Japan, and Hong Kong.

Source: CLIA Asia Cruise Trends 2016
Taiwan Cruise Market
Taiwan Cruise Statistics(1)

Over 1 Million pax
Analysis of Cruise Passenger

Nationality breakdown of In/outbound passenger (Jan-July 2017)

Euro/USA: 38%
SE Asia: 25%
Japan: 20%
Australia: 7%
Hk: 6%
China Others: 2%
Korea: 1%
Others: 1%

Taiwanese: 406,397
Non Taiwanese: 175,595 (30%)

(70%)
Cruise Economic contribution

Port & Service
- wharfage, towage, pilotage & port service

Shipping Industry
- ship agents supply, ship repair, crew employment

Local Economy
- Tourism related business & consumption

contribute to local economies and boost job opportunities.
Cruise Ports in Taiwan
Taiwan Cruise Ports

- Keelung Port
- Hualien Port
- Kaohsiung Port
- Anping Port
- Penghu Port

Homeport and Transitport points are illustrated on the map.
Taiwan Cruise Ports Facility

Keelung 基隆港
Depth: -9~-10m
Capacity: 1,200pax/hr (homeport)
2,000pax/hr (transit port)

Kaohsiung 高雄港
Depth: -9~-10.5m
Capacity: 1,200pax/hr (homeport)
2,000pax/hr (transit port)

Taichung 臺中港
Depth: -9~-11m
Capacity: 2,000pax/hr (transit port)

Hualien 花蓮港
Depth: -14m
Capacity: 2000pax/hr
(transit port)

All ports are well equipped and able to accommodate 160,000 tons ships to call
Port of Keelung 基隆港

Skyscraper Taipei 101 臺北101大樓

Queen’s Head in Yeliu Geopark 野柳女王頭

National Palace Museum 故宮博物館

Sky Lantern in Pingxi 平溪天燈
Port of Taichung 臺中港

Lukang Historic Street 鹿港老街

Chung Tai Monastery 中台禪寺

Sun-Moon Lake 日月潭
Port of Kaohsiung

Mainung Folk Village 美濃

The Pier 2 Art Center 駁二藝術特區

Siziwan 西子灣

Fo Guang Shan 佛光山
Port of Hualien 花蓮港

Taroko Gorge 太魯閣

Whales Watching 海上賞鯨

River Rafting 溯溪
Port of Anping 安平港

Hayashi Department Store 林百貨

Sicao Green Tunnel 四草綠色隧道

Confucius Temple 孔廟
Port of Penghu 澎湖港

Ma-Kong Old Street 中央老街

Twin Hearts Stone Weir 雙心石滬

Jibei Island 吉貝

Skin Diving 浮潛
Ports upgrade & Future Plan
Future plan - Keelung Port

- (new) Keelung Rail station
- Wharf West 2-4 Cruise terminal
- Wharf East 2-4 Cruise terminal
- Ocean Square
- Smile bay side walk area
- Yacht Area
- Long term plan (commercial area)
Upgrade port facility - East bank of Keelung Port

The new build platform will be located at East wharf 3-4 to provide passenger comfortable space during embarkation and disembarkation.
Upgrade port facility - West bank of Keelung Port

Wharf West 2-4 Cruise Terminal renovation
Kaohsiung Cruise Passenger Terminal
Kaohsiung Cruise passenger Terminal
Redevelop old port area (1)

- Co work with Kaohsiung city government to develop waterfront from wharf #1-10
Redevelop old port area(2)

- Harbor View Park
- Sail of Asia Resort
- North Pier Plaza
- Ocean Culture & Popular Music Center
- Kaohsiung Cruise Passenger Terminal
- Kaohsiung Exhibition Center

Redevelop old port area(2)
Thanks for your attention