



Q1

2025

EARNINGS CALL

RCL  
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NYSE



Royal  
Caribbean  
Group



# FORWARD LOOKING STATEMENTS AND NON-GAAP FINANCIAL INFORMATION

Certain statements in this presentation relating to, among other things, our future performance estimates, forecasts and projections constitute forward-looking statements under the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to: statements regarding revenues, costs and financial results for 2025 and beyond and demand for our brands. Words such as “anticipate,” “believe,” “could,” “driving,” “estimate,” “expect,” “goal,” “intend,” “may,” “plan,” “project,” “shaping up,” “position,” “allows,” “seek,” “should,” “will,” “would,” “considering,” and similar expressions are intended to help identify forward-looking statements. Forward-looking statements reflect management’s current expectations, are based on judgments, are inherently uncertain and are subject to risks, uncertainties and other factors, which could cause our actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in those forward-looking statements. Examples of these risks, uncertainties and other factors include, but are not limited to, the following: the impact of the economic and geopolitical environment on key aspects of our business, such as the demand for cruises, passenger spending, and operating costs; changes in operating costs; the unavailability or cost of air service; disease outbreaks and increased concern about the risk of illness on our ships or when travelling to or from our ships, which could cause a decrease in demand, guest cancellations, and ship redeployments; incidents or adverse publicity concerning our ships, port facilities, land destinations and/or passengers or the cruise vacation industry in general; the effects of weather, climate events and/or natural disasters on our business; risks related to our sustainability activities; the impact of issues at shipyards, including ship delivery delays, ship cancellations or ship construction cost increases; shipyard unavailability; unavailability of ports of call; vacation industry competition and increase in industry capacity and overcapacity; inability to manage our cost and capital allocation strategies; the uncertainties of conducting business globally and expanding into new markets and new ventures, including potential acquisitions; issues with travel advisers that sell and market our cruises; reliance on third-party service providers; potential unavailability of insurance coverage; the risks and costs related to cyber security attacks, data breaches, protecting our systems and maintaining data integrity and security; uncertainties of a foreign legal system as we are not incorporated in the United States; our ability to obtain sufficient financing or capital to fund our capital expenditures, operations, debt repayments and other financing needs; our expectation and ability to pay a cash dividend on our common stock in the future; changes to our dividend policy; growing anti-tourism sentiments and environmental concerns; changes in U.S. or other countries’ foreign travel policy; impact of new or changing legislation and regulations (including environmental regulations) or governmental orders on our business; fluctuations in foreign currency exchange rates, fuel prices and interest rates; further impairments of our goodwill, long-lived assets, equity investments and notes receivable; an inability to source our crew or our provisions and supplies from certain places; our ability to recruit, develop and retain high quality personnel; and pending or threatened litigation, investigations and enforcement actions.

More information about factors that could affect our operating results is included under the caption “Risk Factors” in our most recent annual report on Form 10-K, as well as our other filings with the SEC, copies of which may be obtained by visiting our Investor Relations website at [www.rclinvestor.com](http://www.rclinvestor.com) or the SEC’s website at [www.sec.gov](http://www.sec.gov). Undue reliance should not be placed on the forward-looking statements in this release, which are based on information available to us on the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation includes certain adjusted financial measures defined as non-GAAP financial measures under Securities and Exchange Commission rules, which we believe provide useful information to investors as a supplement to our consolidated financial statements, which are prepared and presented in accordance with generally accepted accounting principles, or U.S. GAAP. The presentation of adjusted financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP. Additional information relating to certain of our financial measures contained herein, including non-GAAP financial measures, is available in the Appendix to this presentation and our most recent earnings release, available at our website at [www.rclinvestor.com](http://www.rclinvestor.com).





OUR MISSION

**DELIVER THE BEST VACATION  
EXPERIENCES RESPONSIBLY**



# Q1 BY THE NUMBERS

**Load Factor** **109%**

**Net Yield Growth vs. 2024** **5.6%**  
*(in Constant Currency)*

**NCCx Growth vs. 2024** **0.1%**  
*(in Constant Currency)*

**Adjusted EBITDA** **\$1.4B**  
*+20% vs. 2024*

**Adjusted EBITDA Margin** **35.1%**  
*(Adjusted EBITDA / Gross Revenue)*

**Adjusted Earnings Per Share** **\$2.71**  
*+35% vs. 2024*

**Operating Cash Flow** **\$1.6B**

Upgraded to  
investment grade by S&



# FY 2025 GUIDANCE

<b>APCDs</b>	<b>53.3M</b>
<b>Net Yield Growth vs. 2024</b> <i>(in Constant Currency)</i>	<b>2.6% to 4.6%</b>
<b>NCCx Growth vs. 2024</b> <i>(in Constant Currency)</i>	<b>(0.1)% to 0.9%</b>
<b>Fuel</b>	<b>Approximately \$1,140M</b>
<b>D&amp;A</b>	<b>\$1,710M to \$1,720M</b>
<b>Net Interest Expense</b>	<b>\$940M to \$950M</b>
<b>Adjusted Earnings Per Share</b>	<b>\$14.55 to \$15.55</b>

Perfect Day CocoCay, Hideaway Beach



# EXPECTING APPROXIMATELY 28% YEAR OVER YEAR ADJ. EPS GROWTH

<b>January 2025 Guidance</b>	<b>\$14.35 - \$14.65</b>
Q1 2025 business outperformance (excl. \$0.08 timing of costs)	\$0.13
Reduced fully diluted share count	\$0.05
Foreign exchange and fuel rates	\$0.37
<b>April 2025 Guidance</b>	<b>\$14.55 - \$15.55</b>

The Spa, Celebrity Cruises



# Q2 2025 GUIDANCE

<b>APCDs</b>	<b>12.9M</b>
<b>Net Yield Growth vs. 2024</b> <i>(in Constant Currency)</i>	<b>4.3% to 4.8%</b>
<b>NCCx Growth vs. 2024</b> <i>(in Constant Currency)</i>	<b>3.7% to 4.2%</b>
<b>Fuel</b>	<b>Approximately \$286M</b>
<b>D&amp;A</b>	<b>\$415M to \$425M</b>
<b>Net Interest Expense</b>	<b>\$220M to \$230M</b>
<b>Adjusted Earnings Per Share</b>	<b>\$4.00 to \$4.10</b>

Celebrity Apex, San Juan



# PERFECTA

20% EPS CAGR

HIGH TEENS ROIC

**WHILE**

*Delivering the Best Vacation Experiences  
Responsibly and Maintaining Solid  
Investment Grade Metrics*

**BY 2027**







# OUR PROVEN FORMULA

## DELIVERS LONG-TERM SHAREHOLDER VALUE



**Moderate Capacity Growth**

**Moderate Yield Growth**

**Disciplined Cost Control**





# APPENDIX

## Definitions and Non-GAAP Information and Reconciliation

The presentation of adjusted financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP. These measures may be different from adjusted measures used by other companies. In addition, these adjusted measures are not based on any comprehensive set of accounting rules or principles. Adjusted measures have limitations in that they do not reflect all of the amounts associated with our results of operations as do the corresponding U.S. GAAP measures.

We have not provided a quantitative reconciliation of the projected non-GAAP financial measures to the most comparable GAAP financial measures because preparation of meaningful U.S. GAAP projections would require unreasonable effort. Due to significant uncertainty, we are unable to predict, without unreasonable effort, the future movement of foreign exchange rates, fuel prices and interest rates inclusive of our related hedging programs. In addition, we are unable to determine the future impact of non-core business related gains and losses which may result from strategic initiatives. These items are uncertain and could be material to our results of operations in accordance with U.S. GAAP. Due to this uncertainty, we do not believe that reconciling information for such projected figures would be meaningful.

# Definitions

- Adjusted Earnings per Share ("Adjusted EPS") is a non-GAAP measure that represents Adjusted Net Income attributable to Royal Caribbean Cruises Ltd. (as defined below) divided by weighted average shares outstanding or by diluted weighted average shares outstanding, as applicable. We believe that this non-GAAP measure is meaningful when assessing our performance on a comparative basis.
- Adjusted EBITDA is a non-GAAP measure that represents EBITDA (as defined below) excluding certain items that we believe adjusting for is meaningful when assessing our profitability on a comparative basis.
- Adjusted EBITDA Margin is a non-GAAP measure that represents Adjusted EBITDA (as defined above) divided by total revenues.
- Adjusted Gross Margin represent Gross Margin, adjusted for payroll and related, food, fuel, other operating, and depreciation and amortization expenses. Gross Margin is calculated pursuant to GAAP as total revenues less total cruise operating expenses, and depreciation and amortization.
- Adjusted Net Income attributable to Royal Caribbean Cruises Ltd. is a non-GAAP measure that represents net income less net income attributable to noncontrolling interest, excluding certain items that we believe adjusting for is meaningful when assessing our performance on a comparative basis.
- Adjusted Operating Income is a non-GAAP measure that represents operating income including income from equity investments and income taxes but excluding certain items that we believe adjusting for is meaningful when assessing our operating performance on a comparative basis. We use this non-GAAP measure to calculate ROIC (as defined below)
- Available Passenger Cruise Days ("APCD") is our measurement of capacity and represents double occupancy per cabin multiplied by the number of cruise days for the period, which excludes canceled cruise days and cabins not available for sale. We use this measure to perform capacity and rate analysis to identify our main non-capacity drivers that cause our cruise revenue and expenses to vary.
- Constant Currency is a significant measure for our revenues and expenses, which are denominated in currencies other than the U.S. Dollar. Because our reporting currency is the U.S. Dollar, the value of these revenues and expenses in U.S. Dollar will be affected by changes in currency exchange rates. Although such changes in local currency prices are just one of many elements impacting our revenues and expenses, it can be an important element. For this reason, we also monitor our revenues and expenses in "Constant Currency" - i.e., as if the current period's currency exchange rates had remained constant with the comparable prior period's rates. We do not make predictions about future exchange rates and use current exchange rates for calculations of future periods. It should be emphasized that the use of Constant Currency is primarily used by us for comparing short-term changes and/or projections. Over the longer term, changes in guest sourcing and shifting the amount of purchases between currencies can significantly change the impact of the purely currency-based fluctuations.
- EBITDA is a non-GAAP measure that represents net income attributable to Royal Caribbean Cruises Ltd. excluding (i) interest income; (ii) interest expense, net of interest capitalized; (iii) depreciation and amortization expenses; and (iv) income tax benefit or expense. We believe that this non-GAAP measure is meaningful when assessing our operating performance on a comparative basis.



# Definitions

- Gross Cruise Costs represent the sum of total cruise operating expenses plus marketing, selling and administrative expenses.
- Gross Margin Yield represent Gross Margin per APCD.
- Invested Capital represents the most recent five-quarter average of total debt (i.e., Current portion of long-term debt plus Long-term debt) plus the most recent five-quarter average of Total shareholders' equity. We use this measure to calculate ROIC (as defined below)
- Net Cruise Costs ("NCC") and NCC excluding Fuel are non-GAAP measures that represent Gross Cruise Costs excluding commissions, transportation and other expenses and onboard and other expenses and, in the case of Net Cruise Costs excluding Fuel, fuel expenses. In measuring our ability to control costs in a manner that positively impacts net income, we believe changes in Net Cruise Costs and Net Cruise Costs excluding Fuel to be the most relevant indicators of our performance.
- Net Yields represent Adjusted Gross Margin per APCD. We utilize Adjusted Gross Margin and Net Yields to manage our business on a day-to-day basis as we believe that they are the most relevant measures of our pricing performance because they reflect the cruise revenues earned by us net of our most significant variable costs, which are commissions, transportation and other expenses, and onboard and other expenses.
- Occupancy ("Load Factor"), in accordance with cruise vacation industry practice, is calculated by dividing Passenger Cruise Days (as defined below) by APCD. A percentage in excess of 100% indicates that three or more passengers occupied some cabins.
- Passenger Cruise Days ("PCD") represent the number of passengers carried for the period multiplied by the number of days of their respective cruises
- Perfecta Program refers to the multi-year Adjusted EPS and ROIC goals we are seeking to achieve by end of 2027. Under our Perfecta Program, we are targeting 20% compound annual growth rate in Adjusted EPS compared to 2024 and ROIC of 17% or higher by the end of 2027.
- Return on Invested Capital ("ROIC") represents Adjusted Operating Income divided by Invested Capital. We believe ROIC is a meaningful measure because it quantifies how efficiently we generated operating income relative to the capital we have invested in the business. ROIC is also used as a key metric in our long-term incentive compensation program for our executive officers

# SELECTED STATISTICAL INFORMATION

**ROYAL CARIBBEAN CRUISES LTD.**  
**STATISTICS**  
 (unaudited)

	Quarter Ended	
	March 31,	
	2025	2024
Passengers Carried	2,241,673	2,054,382
Passenger Cruise Days	13,768,332	13,149,708
APCD	12,657,992	12,285,830
Occupancy	108.8 %	107.0 %



# NON-GAAP RECONCILIATION INFORMATION (Unaudited)

Gross Margin Yields, Net Yields and Adjusted Gross Margin per PCD were calculated by dividing Gross Margin and Adjusted Gross Margin by APCD, and Adjusted Gross Margin by PCD as follows (in millions, except APCD, PCD, Yields, and Adjusted Gross Margin per PCD. Certain amounts may not add due to use of rounded numbers; reported Adjusted Gross Margin, Yields and per PCD amounts are calculated from the underlying dollar amounts):

	Quarter Ended March 31,		
	2025	2025 On a Constant Currency Basis	2024
Total revenue	\$ 3,999	\$ 4,031	\$ 3,728
Less:			
Cruise operating expenses	2,079	2,086	2,056
Depreciation and amortization expenses	412	412	387
<b>Gross Margin</b>	<b>1,508</b>	<b>1,533</b>	<b>1,285</b>
Add:			
Payroll and related	340	340	318
Food	239	239	221
Fuel	277	277	304
Other operating	500	503	522
Depreciation and amortization expenses	412	412	387
<b>Adjusted Gross Margin</b>	<b>\$ 3,276</b>	<b>\$ 3,305</b>	<b>\$ 3,037</b>
APCD	12,657,992	12,657,992	12,285,830
Passenger Cruise Days	13,768,332	13,768,332	13,149,708
Gross Margin Yields	\$ 119.09	\$ 121.13	\$ 104.59
Net Yields	\$ 258.83	\$ 261.07	\$ 247.20
Adjusted Gross Margin per PCD	\$ 237.96	\$ 240.01	\$ 230.96

# NON-GAAP RECONCILIATION INFORMATION (Unaudited)

Gross Cruise Costs, Net Cruise Costs and Net Cruise Costs excluding Fuel were calculated as follows (in millions, except APCD and costs per APCD. Certain amounts may not add due to use of rounded numbers; reported Gross Cruise Costs, Net Cruise Costs, Net Cruise Costs excluding Fuel, and per APCD amounts are calculated from the underlying dollar amounts):

	Quarter Ended March 31,		
	2025	2025 On a Constant Currency Basis	2024
Total cruise operating expenses	\$ 2,079	\$ 2,086	\$ 2,056
Marketing, selling and administrative expenses	562	565	535
<b>Gross Cruise Costs</b>	<b>2,641</b>	<b>2,651</b>	<b>2,591</b>
Less:			
Commissions, transportation and other	522	526	498
Onboard and other	200	201	193
Net Cruise Costs including other costs	1,919	1,925	1,900
Less:			
Restructuring charges and other initiative expenses (1)	2	2	—
<b>Net Cruise Costs</b>	<b>1,917</b>	<b>1,923</b>	<b>1,900</b>
Less:			
Fuel	277	277	304
<b>Net Cruise Costs Excluding Fuel</b>	<b>\$ 1,640</b>	<b>\$ 1,645</b>	<b>\$ 1,596</b>
<b>APCD</b>	12,657,992	12,657,992	12,285,830
<b>Gross Cruise Costs per APCD</b>	\$ 208.68	\$ 209.43	\$ 210.89
<b>Net Cruise Costs per APCD</b>	\$ 151.44	\$ 151.89	\$ 154.65
<b>Net Cruise Costs Excluding Fuel per APCD</b>	\$ 129.54	\$ 129.99	\$ 129.91

<sup>(1)</sup> These amounts are included in Marketing, selling and administrative expenses within our consolidated statements of comprehensive income (loss).

# NON-GAAP RECONCILIATION INFORMATION

## (Unaudited)

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin were calculated as follows (in millions, except APCD and per APCD data. Certain amounts may not add due to use of rounded numbers; reported EBITDA, Adjusted EBITDA, and per APCD and Margin amounts are calculated from the underlying whole-dollar amounts):

	Quarter Ended March 31,	
	2025	2024
<b>Net Income attributable to Royal Caribbean Cruises Ltd.</b>	\$ 730	\$ 360
Interest income	(2)	(5)
Interest expense, net of interest capitalized	249	424
Depreciation and amortization expenses	412	387
Income tax expense (1)	16	6
<b>EBITDA</b>	<b>1,405</b>	<b>1,172</b>
Other (income) expense (2)	(5)	2
Restructuring charges and other initiative expenses (3)	2	—
<b>Adjusted EBITDA</b>	<b>\$ 1,402</b>	<b>\$ 1,174</b>
<b>Total revenues</b>	<b>\$ 3,999</b>	<b>\$ 3,728</b>
<b>APCD</b>	<b>12,657,992</b>	<b>12,285,830</b>
<b>Net Income attributable to Royal Caribbean Cruises Ltd. per APCD</b>	<b>\$ 57.66</b>	<b>\$ 29.30</b>
<b>Adjusted EBITDA per APCD</b>	<b>\$ 110.73</b>	<b>\$ 95.56</b>
<b>Adjusted EBITDA Margin</b>	<b>35.1 %</b>	<b>31.5 %</b>

<sup>(1)</sup> These amounts are included in *Other expense* within our consolidated statements of comprehensive income (loss).

<sup>(2)</sup> Represents net non-operating (income) expense. The amount excludes income tax expense, included in the EBITDA calculation above.

<sup>(3)</sup> These amounts are included in Marketing, selling and administrative expenses within our consolidated statements of comprehensive income (loss).



# NON-GAAP RECONCILIATION INFORMATION (Unaudited)

Adjusted Net Income attributable to Royal Caribbean Cruises Ltd. and Adjusted Earnings per Share were calculated as follows (in millions, except per share data. Certain amounts may not add due to use of rounded numbers; reported Adjusted Net Income attributable to Royal Caribbean Cruises Ltd., Earnings per Share, and Adjusted Earnings per Share amounts are calculated from the underlying dollar amounts):

	Quarter Ended March 31,	
	2025	2024
<b>Net Income attributable to Royal Caribbean Cruises Ltd.</b>	\$ 730	\$ 360
Loss on extinguishment of debt and inducement expense (1)	10	116
Amortization of Silversea Cruises intangible assets resulting from the Silversea Cruises acquisition (2)	2	2
Restructuring charges and other initiative expenses (3)	2	—
<b>Adjusted Net Income attributable to Royal Caribbean Cruises Ltd.</b>	<b>\$ 744</b>	<b>\$ 478</b>
<b>Earnings per Share - Diluted (4)</b>	\$ 2.70	\$ 1.35
<b>Adjusted Earnings per Share - Diluted (5)</b>	\$ 2.71	\$ 1.77
<b>Weighted-Average Shares Outstanding - Diluted</b>	276	281

<sup>(1)</sup> For 2025, includes \$10 million of inducement expense related to the partial settlement of our 6.00% convertible notes due 2025. These amounts are included in *Interest expense, net of interest capitalized* within our consolidated statements of comprehensive income (loss).

<sup>(2)</sup> Represents the amortization of the Silversea Cruises intangible assets resulting from the 2018 Silversea Cruises acquisition.

<sup>(3)</sup> These amounts are included in Marketing, selling and administrative expenses within our consolidated statements of comprehensive income (loss).

<sup>(4)</sup> Diluted EPS includes the add-back of dilutive inducement and interest expense related to our convertible notes of \$15 million and \$19 million for the three months ended March 31, 2025, and 2024, respectively.

<sup>(5)</sup> Adjusted Diluted EPS includes the add-back of dilutive interest expense related to our convertible notes of \$5 million and \$19 million for the three months ended March 31, 2025 and 2024, respectively.