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News Release

CARNIVAL AGAIN INCREASES CAPACITY AT GALVESTON

Larger Vessel Adds 38% Cabin Availability

Galveston, Texas...October 22, 2004...The Port of Galveston continues its cruise growth with the addition of a larger vessel for the four- and five-day cruise itineraries now offered from the Port of Galveston. On Saturday, October 23, 2004, the 2,052-passenger *Ecstasy* replaces the smaller *Celebration* in the shorter-cruise market to Mexico, continuing to support Galveston's position as the number one cruise port in the western Gulf of Mexico.

On this route, the Superliner *Ecstasy* will offer four-day cruises departing on Thursdays for Cozumel, and five-day cruises departing on Mondays and Saturdays to Cozumel and Calica/Playa del Carmen.

The *Ecstasy* joins Carnival's 2,052-passenger *Elation*, which offers 7-day sailings to port-of-calls at Progreso/Yucatan and Cozumel, Mexico and Belize City, Belize.

The *Ecstasy* will be sailing from Terminal 1 at The Texas Cruise Ship Terminal on Galveston Island. In partnership with Carnival Corporation, the Port of Galveston invested \$9 million in 2003 to completely renovate and enhance cruise facilities for Carnival-brand cruise ships.

"Once again we mark the arrival a new, larger Carnival Cruise Line's vessel here at the Port of Galveston," stated Steven M. Cernak, Port Director. "Ecstasy will sail on a four- and five-day schedule from our newly refurbished Cruise Terminal No. 1. The facility was upgraded and enhanced through a Public Private Partnership with Carnival Corporation. This was the first time that this type of partnership had been used for a port project in Texas and the first time our Port used design-build project delivery. It worked

out to benefit both parties. Our collective efforts were recently recognized when the project team of Carnival Corporation, CH2M HILL and the Port of Galveston was recognized by the National Council for Public Private Partnerships in the award to the Port of its 2004 Industry Award.”

In mid-2002, in a visionary effort to stimulate the economy and tax base of the City of Galveston, the Port of Galveston worked with Carnival Corporation and CH2M Hill through a Public/Private Partnership to redevelop Cruise Terminal No. 1. The public and private sectors worked together to fund and provide the needed facilities on time and within cost. The private sector provided up-front investment in exchange for commercial terms regarding return on its investment.

On a larger economic scale, cruise lines and their passengers and crews spent nearly \$631 million on direct purchases in Texas in 2003, generating 9,767 jobs paying \$425 million in income, according to a study commissioned by the International Council of Cruise Lines. Texas ranked fifth in the nation in benefiting from cruise industry activity, and 96% of the Texas cruise activity is attributable to the Port of Galveston.

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