



Q4

2024

EARNINGS CALL

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Celebrity X Cruises
RIVER

THIS IS HOW WE RIVER



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; demand for our brands; expectations on timing and demand for river cruising offerings; future capital expenditures; and expectations regarding our credit profile. 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 or the SEC’s website at 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.





OUR MISSION

**DELIVER THE BEST VACATION
EXPERIENCES RESPONSIBLY**



Celebrity **X** Cruises RIVER

The Company has committed to an initial order for 10 transformative ships and plans to sail in 2027.

“We’re thrilled to announce our entry into the river cruise market through our Celebrity Cruises premium travel brand. Our guests and travel partners should expect us to do what we do best – innovate and elevate the river cruise experience as we meet the growing demand for intimate, culturally enriching travel experiences.”

JASON LIBERTY, PRESIDENT AND CEO, ROYAL CARIBBEAN GROUP

- **Sizeable and attractive market experiencing double-digit growth**
- **Deepening customer loyalty within our family of brands**
- **Fragmented market presents opportunity to win substantial share**
- **Complementary high-margin, high-ROIC business segment**



FULL YEAR 2024 HIGHLIGHTS



NET YIELD GROWTH

+11.6%

Net Yield Growth*

108%

Load Factor



ROBUST DEMAND



Strong demand across our leading brands

Onboard spend increasing enabled by commercial engine



IMPROVED PROFITABILITY

6.8%

NCCx Growth*

36.2%

Adjusted EBITDA Margin



STRONG INCOME GENERATION

\$11.80
+74%

Adjusted EPS**

\$6.0B
+31%

Adjusted EBITDA



GROWING CASH FLOW

\$5.3B

Operating Cash Flow



STRONG BALANCE SHEET

Achieved investment grade balance sheet metrics
Re-initiated dividend / currently \$0.55 per share

FY 2025 GUIDANCE

APCDs	53.3M
Net Yields Growth vs. 2024 <i>(in Constant Currency)</i>	2.5% to 4.5%
NCCx Growth vs. 2024 <i>(in Constant Currency)</i>	0.0% to 1.0%
Fuel	Approximately \$1,172M
D&A	\$1,715M to \$1,725M
Net Interest Expense	\$935M to \$945M
Adjusted Earnings Per Share	\$14.35 to \$14.65

Silver Nova, Sydney, Australia



Q1 2025 GUIDANCE

APCDs	12.7M
Net Yields Growth vs. 2024 <i>(in Constant Currency)</i>	4.75% to 5.25%
NCCx Growth vs. 2024 <i>(in Constant Currency)</i>	1.6% to 2.1%
Fuel	Approximately \$277M
D&A	\$410M to \$420M
Net Interest Expense	\$230M to \$240M
Adjusted Earnings Per Share	\$2.43 to \$2.53

Celebrity Beyond, Perfect Day at CocoCay



OUR PROVEN FORMULA DELIVERS LONG-TERM SHAREHOLDER VALUE



**Moderate Capacity
Growth**



**Moderate Yield
Growth**



**Strong 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 (Loss) per Share ("Adjusted EPS") is a non-GAAP measure that represents Adjusted Net Income (Loss) 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 (Loss) attributable to Royal Caribbean Cruises Ltd. is a non-GAAP measure that represents net income (loss) 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 (Loss) is a non-GAAP measure that represents operating income (loss) including income (loss) 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 (loss) 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
- Return on Invested Capital ("ROIC") represents Adjusted Operating Income (Loss) 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
- Trifecta refers to the multi-year Adjusted EBITDA per APCD, Adjusted EPS and ROIC goals we publicly announced in November 2022. We designed this program to help us better execute and achieve our business goals by clearly articulating longer-term financial objectives. Under the Trifecta Program, we are targeting Adjusted EBITDA per APCD of at least \$100, Adjusted EPS of at least \$10, and ROIC of 13% or higher by the end of 2025. On July 25, 2024, we announced the company achieved all three of its Trifecta goals ahead of schedule.

SELECTED STATISTICAL INFORMATION

	Quarter Ended		Year Ended	
	December 31,		December 31,	
	2024	2023	2024	2023
Passengers Carried	2,159,429	1,939,360	8,564,272	7,646,203
Passenger Cruise Days	13,678,795	12,605,093	54,844,780	49,549,127
APCD	12,716,724	11,962,340	50,552,731	46,916,259
Occupancy	107.6 %	105.4 %	108.5 %	105.6 %

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 December 31,			Year Ended December 31,		
	2024	2024 On a Constant Currency Basis	2023	2024	2024 On a Constant Currency Basis	2023
Total revenues	\$ 3,761	\$ 3,771	\$ 3,331	\$ 16,484	\$ 16,494	\$ 13,900
Less:						
Cruise operating expenses	2,052	2,053	1,890	8,652	8,655	7,775
Depreciation and amortization expenses	411	411	368	1,600	1,600	1,455
Gross Margin	1,298	1,306	1,073	6,231	6,239	4,670
Add:						
Payroll and related	342	343	309	1,301	1,302	1,197
Food	237	237	205	934	934	819
Fuel	284	284	300	1,160	1,160	1,150
Other operating	514	514	457	2,098	2,099	1,799
Depreciation and amortization expenses	411	411	368	1,600	1,600	1,455
Adjusted Gross Margin	\$ 3,086	\$ 3,095	\$ 2,712	\$ 13,325	\$ 13,333	\$ 11,090
APCD	12,716,724	12,716,724	11,962,340	50,552,731	50,552,731	46,916,259
Passenger Cruise Days	13,678,795	13,678,795	12,605,093	54,844,780	54,844,780	49,549,127
Gross Margin Yields	\$ 102.06	\$ 102.72	\$ 89.70	\$ 123.27	\$ 123.41	\$ 99.54
Net Yields	\$ 242.66	\$ 243.37	\$ 226.71	\$ 263.59	\$ 263.75	\$ 236.38
Adjusted Gross Margin per PCD	\$ 225.60	\$ 226.25	\$ 215.16	\$ 242.96	\$ 243.11	\$ 223.81

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 December 31,			Year Ended December 31,		
	2024	2024 On a Constant Currency Basis	2023	2024	2024 On a Constant Currency Basis	2023
Total cruise operating expenses	\$ 2,052	\$ 2,053	\$ 1,890	\$ 8,652	\$ 8,655	\$ 7,775
Marketing, selling and administrative expenses	674	675	503	2,125	2,126	1,792
Gross Cruise Costs	2,726	2,728	2,393	10,778	10,782	9,567
Less:						
Commissions, transportation and other	492	493	450	2,250	2,251	2,001
Onboard and other	183	183	169	909	910	809
Net Cruise Costs including other costs	2,051	2,052	1,774	7,619	7,621	6,757
Less:						
Impairment and credit losses (1)	3	3	15	9	9	8
Restructuring charges and other initiatives expense (2)	5	5	—	10	10	5
Gain on sale of controlling interests (3)	—	—	—	—	—	(3)
Net Cruise Costs	2,043	2,044	1,759	7,600	7,602	6,747
Less:						
Fuel	284	284	300	1,160	1,160	1,150
Net Cruise Costs excluding Fuel	\$ 1,759	\$ 1,760	\$ 1,459	\$ 6,440	\$ 6,442	\$ 5,597
APCD	12,716,724	12,716,724	11,962,340	50,552,731	50,552,731	46,916,259
Gross Cruise Costs per APCD	\$ 214.33	\$ 214.52	\$ 200.04	\$ 213.20	\$ 213.27	\$ 203.92
Net Cruise Costs per APCD	\$ 160.63	\$ 160.74	\$ 147.04	\$ 150.34	\$ 150.38	\$ 143.81
Net Cruise Costs excluding Fuel per APCD	\$ 138.31	\$ 138.42	\$ 121.97	\$ 127.40	\$ 127.43	\$ 119.30

⁽¹⁾ For 2024, primarily represents property and equipment impairment charges related to certain construction in progress assets, which we determined would no longer be completed. For 2023, represents asset impairments and credit losses recoveries for notes receivables for which credit losses were previously recorded. These amounts are included in *Other operating* within our consolidated statements of comprehensive income (loss). Additionally, for 2023, includes an \$11 million impairment related to ceasing the use of certain real estate assets in our shoreside operations. This amount is included in *Marketing, selling and administrative expenses* within our consolidated statements of comprehensive income (loss).

⁽²⁾ These amounts are included in *Marketing, selling and administrative expenses* within our consolidated statements of comprehensive income (loss).

⁽³⁾ Represents gain on sale of controlling interest in cruise terminal facilities in Italy. These amounts are included in *Other operating* 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 December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net Income attributable to Royal Caribbean Cruises Ltd.	\$ 553	\$ 278	\$ 2,877	\$ 1,697
Interest income	(3)	(4)	(16)	(36)
Interest expense, net of interest capitalized	266	346	1,590	1,402
Depreciation and amortization expenses	411	368	1,600	1,455
Income tax expense (1)	—	—	46	6
EBITDA	1,227	988	6,097	4,524
Other (income) expenses (2)	(141)	(1)	(149)	2
Impairment and credit losses (3)	3	15	9	8
Equity investment impairment, recovery of losses and other	4	—	4	8
Restructuring charges and other initiatives expense	5	—	10	5
Gain on sale of controlling interest (4)	—	—	—	(3)
Adjusted EBITDA	\$ 1,098	\$ 1,002	\$ 5,971	\$ 4,544
Total revenues	\$ 3,761	\$ 3,331	\$ 16,484	\$ 13,900
APCD	12,716,724	11,962,340	50,552,731	46,916,259
Net Income per APCD	\$ 43.46	\$ 23.24	\$ 56.92	\$ 36.17
Adjusted EBITDA per APCD	\$ 86.35	\$ 83.76	\$ 118.13	\$ 96.85
Adjusted EBITDA Margin	29.2 %	30.1 %	36.2 %	32.7 %

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

⁽²⁾ Represents net non-operating (income) expense. For 2024, primarily represents the release of the loss contingency recorded in 2022 in connection with the Havana Docks litigation inclusive of related legal fees and costs. The amount excludes *income tax expense*, included in the EBITDA calculation above.

⁽³⁾ For 2024, primarily represents property and equipment impairment charges related to certain construction in progress assets, which we determined would no longer be completed. For 2023, represents asset impairments and credit losses recoveries for notes receivables for which credit losses were previously recorded. These amounts are included in *Other operating* within our consolidated statements of comprehensive income (loss). Additionally, for 2023, includes an \$11 million impairment related to ceasing the use of certain real estate assets in our shoreside operations. This amount is included in *Marketing, selling and administrative expenses* within our consolidated statements of comprehensive income (loss).

⁽⁴⁾ Represents gain on sale of controlling interest in cruise terminal facilities in Italy. These amounts are included in *Other operating* 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 December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net Income attributable to Royal Caribbean Cruises Ltd.	\$ 553	\$ 278	\$ 2,877	\$ 1,697
Loss on extinguishment of debt (1)	7	40	463	121
Litigation loss contingency (2)	(124)	—	(124)	—
Impairment and credit losses (3)	3	15	9	8
Equity investment impairment, recovery of losses and other	(1)	—	(1)	12
Restructuring charges and other initiatives expense	5	—	10	5
Amortization of Silversea Cruises intangible assets resulting from the Silversea Cruises acquisition (4)	2	1	6	6
PortMiami tax on sale of noncontrolling interest (5)	—	(3)	(3)	7
Silver Whisper deferred tax liability release (6)	—	—	—	(26)
Gain on sale of controlling interest (7)	—	—	—	(3)
Adjusted Net Income attributable to Royal Caribbean Cruises Ltd.	\$ 445	\$ 331	\$ 3,237	\$ 1,827
Earnings per Share - Diluted (8)	\$ 2.02	\$ 1.06	\$ 10.94	\$ 6.31
Adjusted Earnings per Share - Diluted (9)	\$ 1.63	\$ 1.25	\$ 11.80	\$ 6.77
Weighted-Average Shares Outstanding - Diluted	277	280	279	283

⁽¹⁾ For 2024, includes \$119 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).

⁽²⁾ For 2024, represents the release of the loss contingency recorded in 2022, in connection with the Havana Docks litigation inclusive of related legal fees and costs. These amounts are included in *Other income (expense)* within our consolidated statements of comprehensive income (loss).

⁽³⁾ For 2024, primarily represents property and equipment impairment charges related to certain construction in progress assets, which we determined would no longer be completed. For 2023, represents asset impairments and credit losses recoveries for notes receivables for which credit losses were previously recorded. These amounts are included in *Other operating* within our consolidated statements of comprehensive income (loss). Additionally, for 2023, includes an \$11 million impairment related to ceasing the use of certain real estate assets in our shoreside operations. This amount is included in *Marketing, selling and administrative expenses* within our consolidated statements of comprehensive income (loss).

⁽⁴⁾ Represents the amortization of the Silversea Cruises intangible assets resulting from the 2018 Silversea Cruises acquisition.

⁽⁵⁾ For 2024, represents adjustments to tax impacts on the 2023 PortMiami sale of noncontrolling interest. For 2023, represents tax on the PortMiami sale of noncontrolling interest. These amounts are included in *Other income (expense)* in our consolidated statements of comprehensive income (loss).

⁽⁶⁾ Represents the release of the deferred tax liability subsequent to the execution of the bargain purchase option for the Silver Whisper. These amounts are included in *Other income (expense)* within our consolidated statements of comprehensive income (loss).

⁽⁷⁾ Represents gain on sale of controlling interest in cruise terminal facilities in Italy. These amounts are included in *Other operating* within our consolidated statements of comprehensive income (loss).

⁽⁸⁾ Diluted EPS includes the add-back of \$175 million and \$88 million of dilutive inducement and interest expense related to our convertible notes for the year ended December 31, 2024, and 2023, respectively, and \$5 million and \$19 million for the quarters ended December 31, 2024, and 2023, respectively.

⁽⁹⁾ Adjusted Diluted EPS includes the add-back of dilutive interest expense related to our convertible notes of \$5 million and \$56 million for the quarter and year ended December 31, 2024, respectively, and \$19 million and \$88 million for the quarter and year ended December 31, 2023, respectively.

NON-GAAP RECONCILIATION INFORMATION

(Unaudited)

Adjusted Operating Income and ROIC, were calculated as follows: (in millions, except ROIC. Certain amounts may not add due to use of rounded numbers; Adjusted operating income, Invested Capital, and ROIC amounts are calculated from the underlying dollar amounts)

Adjusted Operating Income and ROIC, were calculated as follows: (in millions, except ROIC. Certain amounts may not add due to use of rounded numbers; Adjusted operating income, Invested Capital, and ROIC amounts are calculated from the underlying dollar amounts):

	For the Twelve Months Ended	
	December 31, 2024	
Operating Income	\$	4,106
Including:		
Equity investment income		260
Income tax expense		(46)
Adjustments:		
Impairment and credit losses (1)		9
Equity investment impairment, recovery of losses and other		4
Restructuring charges and other initiatives expense		10
Amortization of Silversea Cruises intangible assets related to Silversea Cruises acquisition (2)		6
PortMiami tax on sale of noncontrolling interest (3)		(3)
Adjusted Operating Income	\$	4,347
Invested Capital	\$	27,074
ROIC		16.1 %

⁽¹⁾ For 2024, primarily represents property and equipment impairment charges related to certain construction in progress assets, which we determined would no longer be completed. This amount is included in *Other operating* within our consolidated statements of comprehensive income (loss).

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

⁽³⁾ Represents adjustments to tax impacts on the 2023 PortMiami sale of noncontrolling interest.