



## PRESIDENT'S MESSAGE

2016 marks the first business year of our new company. Our fiscal business year started on January 1st and finishes December 31st.

We are at the halftime point for 2016 and it has certainly been a very exciting year thus far. I'd like to share a quick reflection.

In January we had three of our ships operating in Antarctica. Quark Expeditions operating the M/V Ocean Diamond and M/V Sea Adventure and Poseidon with the M/V Sea Spirit. The season finished in mid-March and the M/V Ocean Diamond repositioned to Las Palmas.

The M/V Sea Adventurer continued with Zegrahm's cruising around the west coast of South America and in May it transferred to Quark Expeditions sailing from Amsterdam.

The M/V OCEAN DIAMOND repositioned for a short charter from England to Hamburg to start the season with Iceland Pro Travel. Iceland is a very popular travel destination these days due to their beautiful landscape, geysers and the Northern Lights. They have also recently garnered world-wide attention with their soccer team reaching the quarterfinals of the European 2016 Soccer Championships. Go Iceland.

The M/V SEA SPIRIT was upgraded during the season break in April and May. The new public areas are beautiful. She will be doing some interesting and historical cruises in the Arctic during the 2016 season to commemorate the 120th anniversary of Fridtjof Nansen overwintering in Franz Josef Land. The cruises will feature original dishes from the menu served at the Norwegian Palace to celebrate Nansen's return from Franz Josef Land.

We started operating three additional ships for the summer season. The M/V QUEST had a name change and became the M/V SEA ENDURANCE and is chartered by Albatros, our Danish partner, and sub chartered for a few cruises by Polar Quest, a Swedish operator, and the main charterer for the last five years.

The M/V OCEAN ENDEAVOUR had a very good start to her second season with Adventure Canada. Now that the first half of 2016 is already behind us,

I would like to take the opportunity to thank our onboard management teams and everyone in our corporate office in Miami for a job well done. We had a very good Antarctica season and our overall guest satisfaction scores have all been above target. It takes a team effort to pull it off.

Our goals for the rest of the year are to continue our high level of guest satisfaction and staying within targets on all of our Key Performance Indicators. We spent a lot of time on our logistics planning, which has been a strategic focus for us this year. We had some supplier changes in Europe and are working to strengthen our relationships with our key partners in Europe, the US and in Antarctica. The main objective with this initiative is to improve our planning and ships conveyances becoming more efficient, and delivering a consistent supply of consumables and produce.

I am looking forward to a successful and prosperous second half of 2016. It is, after all an Olympic year again and in that spirit, I would like to share with you a story about the "Olympic Creed" which is inspiring and I believe relevant for us in the hospitality business.

### THE OLYMPIC CREED

This Olympic Creed (or "Olympic Message") has appeared on the scoreboard during Opening Ceremony at every modern Olympic Games. Baron de Coubertin was inspired to adopt this creed after he heard a sermon by the Bishop of Pennsylvania, at a service for Olympic Athletes in 1908. It reminds us that in our life, just like in the Olympics, winning is not the most important thing. It is the ultimate challenge for which we all struggle as we strive to be "Swifter, Higher, Stronger."

"The most important thing in the Olympic Games is not to win but to take part, just as the most important thing in life is not the triumph, but the struggle. The essential thing is not to have conquered, but to have fought well."

Thank you again for all your fine contributions and support.

Dietmar Wertanzl, President CMIL