



June 15, 2011

Dear Passenger,

We are looking forward to welcoming you onboard your Princess cruise next year. We know you still have some time before you step onto our ship and are you probably in the midst of the exciting planning stage of your vacation; however it is important that we share new information with you regarding our smoking policy as soon as possible. Effective voyages beginning after January 15, 2012, smoking will no longer be allowed in passenger staterooms or balconies onboard the Princess fleet.

We have measured passenger feedback over the years and found that smokers are a small minority of our passengers, and that the large majority of passengers value having their primary living space onboard smoke-free. As balconies are an important part of the Princess experience, we believe it should be included in these new policies as it's important to keep that peaceful space clear of smoke.

Of course, we welcome passengers who smoke and will provide special smoking areas around the ship, as per our current policies. Smoking will continue to be allowed in the Churchill's cigar lounge (where available on select ships), a section of the disco and casino, and a portion of the open decks.

We look forward to providing a more enjoyable experience for the vast majority of our passengers and regret any disappointment this may cause our smoking guests. We are excited to welcome you onboard next year and we are confident you will have an excellent cruise vacation.

Sincerely,

Jan Swartz
Executive Vice President
Princess Cruises