

NORWEGIAN CRUISE LINE HOLDINGS LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Revenue				
Passenger ticket	\$ 538,059	\$ 457,619	\$ 996,549	\$ 816,547
Onboard and other	227,868	186,814	433,406	355,517
Total revenue	<u>765,927</u>	<u>644,433</u>	<u>1,429,955</u>	<u>1,172,064</u>
Cruise operating expense				
Commissions, transportation and other	114,712	112,985	231,522	207,564
Onboard and other	55,467	49,316	103,391	91,687
Payroll and related	106,352	82,809	205,418	156,848
Fuel	77,832	75,582	156,872	148,080
Food	42,734	33,674	80,417	63,636
Other	73,699	66,713	139,086	115,953
Total cruise operating expense	<u>470,796</u>	<u>421,079</u>	<u>916,706</u>	<u>783,768</u>
Other operating expense				
Marketing, general and administrative	83,084	74,111	166,473	159,317
Depreciation and amortization	63,459	53,854	125,099	102,602
Total other operating expense	<u>146,543</u>	<u>127,965</u>	<u>291,572</u>	<u>261,919</u>
Operating income	<u>148,588</u>	<u>95,389</u>	<u>221,677</u>	<u>126,377</u>
Non-operating income (expense)				
Interest expense, net	(31,860)	(103,686)	(63,032)	(231,342)
Other income (expense)	(325)	429	63	1,794
Total non-operating income (expense)	<u>(32,185)</u>	<u>(103,257)</u>	<u>(62,969)</u>	<u>(229,548)</u>
Net income (loss) before income taxes	116,403	(7,868)	158,708	(103,171)
Income tax benefit (expense)	<u>(3,124)</u>	<u>(1,047)</u>	<u>6,263</u>	<u>(3,244)</u>
Net income (loss)	113,279	(8,915)	164,971	(106,415)
Net income (loss) attributable to non-controlling interest	1,663	(74)	2,088	(1,179)
Net income (loss) attributable to Norwegian Cruise Line Holdings Ltd.	<u>\$ 111,616</u>	<u>\$ (8,841)</u>	<u>\$ 162,883</u>	<u>\$ (105,236)</u>
Weighted-average shares outstanding				
Basic	<u>204,965,718</u>	<u>203,997,492</u>	<u>205,063,870</u>	<u>201,189,562</u>
Diluted	<u>210,472,991</u>	<u>203,997,492</u>	<u>210,742,655</u>	<u>201,189,562</u>
Earnings (loss) per share				
Basic	<u>\$ 0.54</u>	<u>\$ (0.04)</u>	<u>\$ 0.79</u>	<u>\$ (0.52)</u>
Diluted	<u>\$ 0.54</u>	<u>\$ (0.04)</u>	<u>\$ 0.78</u>	<u>\$ (0.52)</u>

NORWEGIAN CRUISE LINE HOLDINGS LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Net income (loss)	\$ 113,279	\$ (8,915)	\$164,971	\$ (106,415)
Other comprehensive income (loss):				
Shipboard Retirement Plan	95	117	189	234
Cash flow hedges:				
Net unrealized income (loss) (1)	8,797	(9,064)	(6,559)	(28,620)
Amount realized and reclassified into earnings (2)	(147)	(236)	6	(2,011)
Total other comprehensive income (loss)	8,745	(9,183)	(6,364)	(30,397)
Total comprehensive income (loss)	122,024	(18,098)	158,607	(136,812)
Comprehensive income (loss) attributable to non-controlling interest	1,757	(193)	2,045	(1,788)
Total comprehensive income (loss) attributable to Norwegian Cruise Line Holdings Ltd.	\$ 120,267	\$ (17,905)	\$156,562	\$ (135,024)

(1) Net of a deferred tax benefit of \$657 and \$797 for the three and six months ended June 30, 2013, respectively.

(2) Net of a deferred tax expense of \$12 and \$73 for the three and six months ended June 30, 2013, respectively.

NORWEGIAN CRUISE LINE HOLDINGS LTD.
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(in thousands, except share data)

	June 30, 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$ 63,483	\$ 56,467
Accounts receivable, net	27,145	18,260
Inventories	52,566	43,715
Prepaid expenses and other assets	67,030	64,482
Total current assets	210,224	182,924
Property and equipment, net	6,305,328	5,647,670
Goodwill and tradenames	611,330	611,330
Other long-term assets	187,921	209,054
Total assets	<u>\$ 7,314,803</u>	<u>\$ 6,650,978</u>
Liabilities and shareholders' equity		
Current liabilities:		
Current portion of long-term debt	\$ 372,911	\$ 286,575
Accounts payable	102,755	86,788
Accrued expenses and other liabilities	256,569	253,752
Due to affiliate	37,026	36,544
Advance ticket sales	610,639	411,829
Total current liabilities	1,379,900	1,075,488
Long-term debt	3,129,337	2,841,214
Due to affiliate	36,880	55,128
Other long-term liabilities	53,905	47,882
Total liabilities	4,600,022	4,019,712
Commitments and contingencies		
Shareholders' equity:		
Ordinary shares, \$.001 par value; 490,000,000 shares authorized; 205,685,491 and 205,160,340 shares issued at June 30, 2014 and December 31, 2013, respectively	205	205
Additional paid-in capital	2,817,605	2,822,864
Accumulated other comprehensive income (loss)	(23,011)	(16,690)
Retained earnings (deficit)	(34,588)	(197,471)
Treasury shares (2,397,294 ordinary shares at cost)	(79,155)	-
Total shareholders' equity controlling interest	2,681,056	2,608,908
Non-controlling interest	33,725	22,358
Total shareholders' equity	2,714,781	2,631,266
Total liabilities and shareholders' equity	<u>\$ 7,314,803</u>	<u>\$ 6,650,978</u>

NORWEGIAN CRUISE LINE HOLDINGS LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands)

	Six Months Ended	
	June 30,	
	2014	2013
Cash flows from operating activities		
Net income (loss)	\$ 164,971	\$ (106,415)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization expense	141,228	115,946
Gain on derivatives	(62)	(270)
Deferred income taxes, net	2,786	2,968
Write-off of deferred financing fees	-	36,357
Share-based compensation expense	5,079	19,356
Changes in operating assets and liabilities:		
Accounts receivable, net	(8,885)	(1,308)
Inventories	(8,851)	(5,748)
Prepaid expenses and other assets	(8,943)	961
Accounts payable	15,967	17,974
Accrued expenses and other liabilities	20,905	(14,909)
Advance ticket sales	194,913	187,868
Net cash provided by operating activities	<u>519,108</u>	<u>252,780</u>
Cash flows from investing activities		
Additions to property and equipment	<u>(787,566)</u>	<u>(759,020)</u>
Net cash used in investing activities	<u>(787,566)</u>	<u>(759,020)</u>
Cash flows from financing activities		
Repayments of long-term debt	(540,237)	(2,081,520)
Repayments to Affiliate	(18,521)	(98,171)
Proceeds from long-term debt	914,545	2,289,253
Proceeds from the issuance of ordinary shares, net	-	473,017
Proceeds from the exercise of share options	2,158	-
Purchases of treasury shares	(79,155)	-
NCLC partnership tax distributions	(3,115)	-
Other	<u>(201)</u>	<u>(38,999)</u>
Net cash provided by financing activities	<u>275,474</u>	<u>543,580</u>
Net increase in cash and cash equivalents	7,016	37,340
Cash and cash equivalents at beginning of the period	<u>56,467</u>	<u>45,500</u>
Cash and cash equivalents at end of the period	<u>\$ 63,483</u>	<u>\$ 82,840</u>

NORWEGIAN CRUISE LINE HOLDINGS LTD.
NON-GAAP RECONCILING INFORMATION
(Unaudited)

The following table sets forth selected statistical information:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Passengers carried	482,837	405,646	990,109	773,656
Passenger Cruise Days	3,394,649	2,763,358	6,470,051	5,291,550
Capacity Days	3,074,415	2,569,525	5,970,399	4,920,824
Occupancy Percentage	110.4%	107.5%	108.4%	107.5%

Gross Yield and Net Yield were calculated as follows (in thousands, except Capacity Days and Yield data):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2014			2014		
	2014	Constant Currency	2013	2014	Constant Currency	2013
Passenger ticket revenue	\$ 538,059	\$ 536,242	\$ 457,619	\$ 996,549	\$ 995,968	\$ 816,547
Onboard and other revenue	227,868	228,003	186,814	433,406	433,605	355,517
Total revenue	765,927	764,245	644,433	1,429,955	1,429,573	1,172,064
Less:						
Commissions, transportation and other expense	114,712	114,244	112,985	231,522	231,358	207,564
Onboard and other expense	55,467	55,601	49,316	103,391	103,589	91,687
Net Revenue	<u>\$ 595,748</u>	<u>\$ 594,400</u>	<u>\$ 482,132</u>	<u>\$ 1,095,042</u>	<u>\$ 1,094,626</u>	<u>\$ 872,813</u>
Capacity Days	3,074,415	3,074,415	2,569,525	5,970,399	5,970,399	4,920,824
Gross Yield	\$ 249.13	\$ 248.58	\$ 250.80	\$ 239.51	\$ 239.44	\$ 238.18
Net Yield	\$ 193.78	\$ 193.34	\$ 187.63	\$ 183.41	\$ 183.34	\$ 177.37

Gross Cruise Cost, Net Cruise Cost, Net Cruise Cost Excluding Fuel and Adjusted Net Cruise Cost Excluding Fuel were calculated as follows (in thousands, except Capacity Days and per Capacity Day data):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2014			2014		
	2014	Constant Currency	2013	2014	Constant Currency	2013
Total cruise operating expense	\$ 470,796	\$ 469,871	\$ 421,079	\$ 916,706	\$ 915,696	\$ 783,768
Marketing, general and administrative expense	83,084	82,603	74,111	166,473	165,630	159,317
Gross Cruise Cost	553,880	552,474	495,190	1,083,179	1,081,326	943,085
Less:						
Commissions, transportation and other expense	114,712	114,244	112,985	231,522	231,358	207,564
Onboard and other expense	55,467	55,601	49,316	103,391	103,589	91,687
Net Cruise Cost	383,701	382,629	332,889	748,266	746,379	643,834
Less: Fuel expense	77,832	77,832	75,582	156,872	156,872	148,080
Net Cruise Cost Excluding Fuel	305,869	304,797	257,307	591,394	589,507	495,754
Less: Non-cash compensation	5,014	5,014	-	7,688	7,688	18,527
Secondary Offering expenses	-	-	-	1,877	1,877	-
Other (1)	2,331	2,331	1,923	2,331	2,331	1,923
Adjusted Net Cruise Cost Excluding Fuel	<u>\$ 298,524</u>	<u>\$ 297,452</u>	<u>\$ 255,384</u>	<u>\$ 579,498</u>	<u>\$ 577,611</u>	<u>\$ 475,304</u>
Capacity Days	3,074,415	3,074,415	2,569,525	5,970,399	5,970,399	4,920,824
Gross Cruise Cost per Capacity Day	\$ 180.16	\$ 179.70	\$ 192.72	\$ 181.42	\$ 181.11	\$ 191.65
Net Cruise Cost per Capacity Day	\$ 124.80	\$ 124.46	\$ 129.55	\$ 125.33	\$ 125.01	\$ 130.84
Net Cruise Cost Excluding Fuel per Capacity Day	\$ 99.49	\$ 99.14	\$ 100.14	\$ 99.05	\$ 98.74	\$ 100.75
Adjusted Net Cruise Cost Excluding Fuel per Capacity Day	\$ 97.10	\$ 96.75	\$ 99.39	\$ 97.06	\$ 96.75	\$ 96.59

(1) Included in the three and six months ended June 30, 2014 and 2013 are expenses primarily associated with the tax restructuring and costs related to the settlement of a 2007 breach of contract claim.

NORWEGIAN CRUISE LINE HOLDINGS LTD.
NON-GAAP RECONCILING INFORMATION
(Unaudited)

Adjusted Net Income and Adjusted EPS were calculated as follows (in thousands, except share and per share data):

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
Net income (loss) attributable to Norwegian Cruise Line Holdings Ltd.	\$ 111,616	\$ (8,841)	\$ 162,883	\$ (105,236)
Net income (loss) attributable to non-controlling interest	1,663	(74)	2,088	(1,179)
Net income (loss)	113,279	(8,915)	164,971	(106,415)
Non-cash share-based compensation related to the IPO	-	-	-	18,527
Non-cash compensation	5,014	509	7,688	509
Taxes related to changes in corporate structure and debt prepayments, net (1)	511	(2,146)	(6,174)	(770)
Expenses related to Secondary Offering	-	-	1,877	-
Expenses related to debt prepayments (2)	-	70,068	-	160,573
Other (3)	2,331	700	2,331	700
Adjusted Net Income	<u>\$ 121,135</u>	<u>\$ 60,216</u>	<u>\$ 170,693</u>	<u>\$ 73,124</u>
Diluted weighted-average shares outstanding - Net income (loss)	<u>210,472,991</u>	<u>203,997,492</u> (4)	<u>210,742,655</u>	<u>201,189,562</u> (5)
Diluted weighted-average shares outstanding - Adjusted Net Income	<u>210,472,991</u>	<u>210,726,281</u>	<u>210,742,655</u>	<u>207,514,700</u>
Diluted earnings (loss) per share	<u>\$ 0.54</u>	<u>\$ (0.04)</u>	<u>\$ 0.78</u>	<u>\$ (0.52)</u>
Adjusted EPS	<u>\$ 0.58</u>	<u>\$ 0.29</u>	<u>\$ 0.81</u>	<u>\$ 0.35</u>

(1) The six months ended June 30, 2014 includes a tax benefit of \$6.2 million from a change in estimate of tax provision associated with a change in our corporate entity structure. The six months ended June 30, 2013 includes a tax benefit related to the IPO and debt prepayments.

(2) The six months ended 2013 consists of premiums, write-offs of deferred fees and other expenses related to prepayments of debt.

(3) Included in the three and six months ended June 30, 2014 are expenses primarily associated with the tax restructuring and costs related to the settlement of a 2007 breach of contract claim. Included in the three and six months ended June 30, 2013 are expenses associated with the tax restructuring.

(4) Due to a net loss, excludes 6,728,789 shares, as including these would be antidilutive.

(5) Due to a net loss, excludes 6,325,138 shares, as including these would be antidilutive.

EBITDA and Adjusted EBITDA was calculated as follows (in thousands):

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
Net income (loss) attributable to Norwegian Cruise Line Holdings Ltd.	\$ 111,616	\$ (8,841)	\$ 162,883	\$ (105,236)
Interest expense, net	31,860	103,686	63,032	231,342
Income tax (benefit) expense	3,124	1,047	(6,263)	3,244
Depreciation and amortization expense	63,459	53,854	125,099	102,602
EBITDA	210,059	149,746	344,751	231,952
Net income (loss) attributable to non-controlling interest	1,663	(74)	2,088	(1,179)
Other (income) expense	325	(429)	(63)	(1,794)
Non-cash compensation	5,014	1,444	7,688	2,726
Non-cash share-based compensation related to IPO	-	-	-	18,527
Expenses related to Secondary Offering	-	-	1,877	-
Other (1)	2,331	1,648	2,331	1,863
Adjusted EBITDA	<u>\$ 219,392</u>	<u>\$ 152,335</u>	<u>\$ 358,672</u>	<u>\$ 252,095</u>

(1) Included in the three and six months ended June 30, 2014 and 2013 are expenses primarily associated with the tax restructuring and costs related to the settlement of a 2007 breach of contract claim.

NORWEGIAN CRUISE LINE HOLDINGS LTD.
NON-GAAP RECONCILING INFORMATION
(Unaudited)

Net Debt-to-Capital was calculated as follows (in thousands):

	June 30, 2014	December 31, 2013
Long-term debt, net of current portion	\$ 3,129,337	\$ 2,841,214
Current portion of long-term	372,911	286,575
Total debt	3,502,248	3,127,789
Less: Cash and cash equivalents	63,483	56,467
Net Debt	3,438,765	3,071,322
Total shareholders' equity	2,714,781	2,631,266
Net Debt and shareholders' equity	<u>\$ 6,153,546</u>	<u>\$ 5,702,588</u>
Net Debt-to-Capital	55.9%	53.9%

Adjusted Free Cash Flow was calculated as follows (in thousands):

	Six Months Ended June 30,	
	2014	2013
Net cash provided by operating activities	\$ 519,108	\$ 252,780
Less: Capital expenditures for ship construction	(731,682)	(701,242)
Less: Capital expenditures for business enhancements and other	(55,884)	(57,778)
Free Cash Flow	(268,458)	(506,240)
Proceeds from ship construction financing facilities	660,430	625,900
Fees related to debt prepayment	-	124,215
Adjusted Free Cash Flow	<u>\$ 391,972</u>	<u>\$ 243,875</u>