NORWEGIAN CRUISE LINE HOLDINGS LTD. CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(in thousands, except share and per share data)

Three	Months	Ended
ľ	March 3	1,

	Ma	March 31,			
	2016	2015			
Revenue					
Passenger ticket	\$ 740,112	\$ 670,483			
Onboard and other	337,520	267,699			
Total revenue	1,077,632	938,182			
Cruise operating expense					
Commissions, transportation and other	175,437	171,827			
Onboard and other	63,965	58,645			
Payroll and related	177,143	157,629			
Fuel	81,672	87,374			
Food	51,003	41,851			
Other	115,261	106,374			
Total cruise operating expense	664,481	623,700			
Other operating expense					
Marketing, general and administrative	180,574	154,157			
Depreciation and amortization	101,295	99,976			
Total other operating expense	281,869	254,133			
Operating income	131,282	60,349			
Non-operating income (expense)					
Interest expense, net	(59,754)	(50,989)			
Other income (expense)	2,805	(30,139)			
Total non-operating income (expense)	(56,949)	(81,128)			
Net income (loss) before income taxes	74,333	(20,779)			
Income tax expense	(1,104)	(677)			
Net income (loss)	\$ 73,229	\$ (21,456)			
Weighted-average shares outstanding					
Basic	227,239,533	224,301,117			
Diluted	228,112,035	224,301,117			
Earnings (loss) per share					
Basic	\$ 0.32	\$ (0.10)			
Diluted	\$ 0.32	\$ (0.10)			
2 A000 0	ψ 0.32	+ (0.10)			

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

(Unaudited)

 $(in\ thousands)$

		Three Months Ended March 31,			
	2016	2015			
Net income (loss)	\$ 73,229	\$ (21,456)			
Other comprehensive income (loss):					
Shipboard Retirement Plan	108	119			
Cash flow hedges:					
Net unrealized gain (loss)	70,450	(103,765)			
Amount realized and reclassified into earnings	34,550	21,886			
Total other comprehensive income (loss)	105,108	(81,760)			
Total comprehensive income (loss)	\$ 178,337	\$ (103,216)			

NORWEGIAN CRUISE LINE HOLDINGS LTD. CONSOLIDATED BALANCE SHEETS

(Unaudited)

(in thousands, except share data)

Karry March of John Content of John Total current assers \$ 154,867 \$ 151,867	(in thousands, except share data)				
Assets Current assets: 1 154,867 \$ 115,937 Accounts receivable, net 45,613 44,906 Inventories 62,333 58,173 Prepaid expenses and other assets 130,053 121,035 Total current assets 392,916 340,411 Properly and equipment, net 9,488,053 9,488,053 Goodwill 138,98,13 13,889,31 Tradenames 817,525 817,525 Other long-term assets 12,405,73 \$ 22,648,75 Total assets 13,724 29,088 Total assets 12,405,73 \$ 22,648,75 Current proprion of long-term debt \$ 629,53 \$ 629,83 Accounts payable \$ 629,53 \$ 629,83 Accounts payable \$ 54,250 \$ 1,389 Accured expenses and other liabilities 20,076 20,076 Accured expenses and other liabilities 31,78,79 10,029,077 Total current liabilities 31,78,79 10,029,077 Ong-term debt 5,701,14 5,761,14 <t< th=""><th></th><th>]</th><th colspan="2">March 31,</th><th>· · · · · · · · · · · · · · · · · · ·</th></t<>]	March 31,		· · · · · · · · · · · · · · · · · · ·
Current asserts \$ 154,80° \$ 115,40° Cach and cash equivalents 45,613 44,90° Accounts receivable, net 62,333 58,173 Inventories 302,916 40,411 Prepaid expenses and other assets 302,916 43,418 Toda current assets 9,489,153 13,88,91 Goodwill 1388,91 18,88,91 Toda lancer 317,214 25,008 Other long-term assets 317,214 25,008 Other long-term assets 317,214 25,008 Total assets 317,214 25,008 Current portion of long-term debt \$ 62,953 \$ 629,840 Accord expenses and other liabilities \$ 62,953 \$ 629,840 Accord expenses and other liabilities \$ 60,016 \$ 64,064 Accord expenses and other liabilities \$ 20,076 \$ 20,076 Accord expenses and other liabilities \$ 24,008 \$ 30,508 Total current liabilities \$ 24,008 \$ 30,508 Due to affiliate \$ 3,700 \$ 30,508 Ongettern liabilitie			2016		2015
Cash and cash equivalents \$ 154,867 \$ 115,937 Accounts receivable, net 45,613 44,969 Inventories 62,383 58,173 Prepaid expenses and other assets 302,916 340,411 Property and equipment, net 94,881,55 9458,805 Goodwill 1388,931 1388,931 Tradenames 817,525 817,525 Other long-term assets 812,057,39 252,647,575 Other long-term dasher bolders' equity 21,204,575 Current partion of long-term debt 862,953 \$ 629,813 Accounts payable 54,250 51,369 Accounts payable 54,250 51,369 Accounts payable 54,250 51,369 Accounts payable 54,250 11,789 Account expenses and other liabilities 2,976 2,076 Due to affiliate 31,789 2366,519 Advance tisket sakes 1,178,749 1,023,973 Other long-term debt 31,789 349,661 Other long-term debt 2,879,081 349,661<	Assets				
Accounts receivable, net Inventories 45,613 44,906 Inventories 62,383 58,173 Prepaid expenses and other assets 392,015 340,411 Propaid equipment, net 9,489,153 9,488,805 Goodwill 13,889,31 13,889,31 Tradenames 817,525 817,525 Other long-term assets 31,7214 259,085 Total assets 31,7214 259,085 Total assets 31,7214 259,085 Total assets 52,240,730 20,076 Total assets 629,945 629,845 Account portion of long-term debt \$62,955 \$629,845 Account portion of long-term debt \$62,955 \$629,845 Account payable \$60,616 640,568 Due to affiliate 20,976 20,769 Advance ticket sales 11,78,749 102,379 Other long-term debt \$6,701,44 5,761,49 Other long-term debt \$8,781,28 348,871 Other long-term debt \$2,22 23 <	Current assets:				
Inventories 62,838 58,173 Prepaid expenses and other assets 130,053 121,305 Total current assets 392,916 340,411 Property and equipment, net 9,489,153 9,488,085 Godwill 13,889,31 13,889,31 Trade annes 817,525 817,525 Other long-term assets 31,206 22,204,737 Other long-term dest \$1,200 \$1,204,737 Total assets \$62,995 \$62,983 Current labilities \$62,995 \$62,984 Accounts payable \$60,616 \$61,058 Accured expenses and other liabilities \$60,616 \$61,058 Accured expenses and other liabilities \$60,616 \$1,039,79 Advance ticket sales \$1,178,749 \$1,239,79 Total current liabilities \$31,209 \$2,066,19 Advance ticket sales \$1,178,749 \$1,239,79 Other long-term debt \$5,701,44 \$7,676,797 Other long-term liabilities \$31,209 \$3,832,99 \$3,832,99 Starboler's e	Cash and cash equivalents	\$	154,867	\$	115,937
Prepaid expenses and other assets 130,051 21,30,41 Total current assets 392,916 394,810 Goodwill 9,489,153 1,388,931 Tradenames 817,525 817,525 Other long-term assets 31,214 259,085 Total assets 81,205,300 \$1,205,075 Current portion of long-term debt 56,295,30 \$1,309 Accounts payable 50,016 60,616 60,508 Accounts flitties 20,976 20,769 20,769 Advance ticket asses 11,787,49 10,239,73 Total current liabilities 249,009 236,519 Ong-term debt 5,701,14 5,701,49 Total prime liabilities 31,789 349,601 Total prime liabilities 31,789 349,601	Accounts receivable, net		45,613		44,996
Total current assets 392,916 340,411 Property and equipment, net 9,489,153 9,458,805 Goodwill 1,388,931 1,388,931 Tradenames 817,525 817,525 Other long-term assets 317,214 259,085 Total assets 317,214 259,085 Total shareholders' equity 82,026,737 \$ 629,840 Accounts payable 54,250 51,369 Accound expenses and other liabilities 606,161 640,568 Due to affiliate 20,976 20,766 Advance ticket sales 11,178,749 1023,973 Total current liabilities 2,490,089 2,566,719 Ong-term debt 5,670,144 5,767,697 Other long-term liabilities 317,895 349,661 Total current liabilities 317,895 349,661 Other long-term liabilities 317,895 349,661 Total pursent liabilities 317,895 349,661 Total liabilities 31,895 349,661 Total pursent liabilities 31,895	Inventories		62,383		58,173
Property and equipment, net 9,489,153 9,458,805 Goodwill 1,388,931 1,388,931 Tradenames 817,525 817,525 Other long-term assets 317,214 259,085 Total assets 1,240,573 \$ 12,040,739 Libilities and shareholders' equity Current liabilities 862,953 \$ 629,840 Accounts payable 54,250 51,369 Accounts payable 606,161 640,568 Due to affiliate 20,976 20,769 Advance ticks uses 11,78,749 1,023,973 Advance ticks uses 24,900,89 2,366,519 Long-term liabilities 31,780 3,976,679 Other long-term liabilities 31,780 3,83,871 Other long-term liabilities 31,780 3,83,871 Ordinary shares, Soll par value; 49,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31,2016 and 232,179,786 shares issued and 227,001,432 shares outstanding at March 31,2016 and 232,179,786 shares issued and 227,001,432 shares outstanding at December 31,2015 3,832,293 3,814,536 Accumulated other comprehensive	Prepaid expenses and other assets		130,053		121,305
Goodwill 1,388,931 1,388,931 Tradenames 817,525 817,525 Other long-term assets 512,405,739 \$22,607,875 Total assets 512,405,739 \$12,264,787 Libilities and share holders' equity Current liabilities Secured spans and other field by a colspans and other liabilities \$629,953 \$629,848 Accounds payable 54,250 \$1,369,94 \$2,609,08	Total current assets		392,916		340,411
Tradenames 817,525 817,525 Other long-term assets 317,214 259,085 Total assets \$ 12,405,739 \$ 12,264,757 Lishilities and shareholders' equity Secondary Sequity Secondary Sequity Current portion of long-term debt \$ 629,993 \$ 629,840 Accounts payable \$ 4250 \$ 1,309 Accrued expenses and other liabilities 20,976 20,769 Due to affiliate 20,976 20,769 Advance ticket sales 1,178,749 1,023,973 Total current liabilities 2,490,089 2,366,519 Long-term debt \$ 37,895 349,661 Other long-term liabilities 317,895 349,661	Property and equipment, net		9,489,153		9,458,805
Other long-term assets 317,214 259,085 Total assets 212,067,739 \$ 12,264,757 Lisabilities and shareholders' equity Current liabilities Current portion of long-term debt \$ 629,953 \$ 629,850 Accounts payable \$ 609,161 640,568 Accrued expenses and other liabilities 606,161 640,568 Due to affiliate 2,990,760 20,769 Advance ticket sales 1,117,479 1,203,973 At total current liabilities 2,490,089 2,366,519 Ong-term debt 5,670,144 5,767,697 Other long-term liabilities 317,895 349,661 Total labilities 317,895 349,661 Total position of contingencies 8,478,128 8,483,877 Commitments and contingencies Shareholders' equity: 227,815,301 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,878 shares issued and 227,001,432 shares outstanding at December 31, 2015 232 32 23 Accumulated other comprehasive income (loss) (307,54)	Goodwill		1,388,931		1,388,931
Total assets \$ 12,264,739 \$ 12,264,757 Libilities and shareholders' equity Current labilities \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 629,953 \$ 630,953 \$ 629,953	Tradenames		817,525		817,525
Current liabilities and shareholders' equity Current portion of long-term debt \$629,953 \$629,840 Accounts payable \$4,250 \$1,369 Accrued expenses and other liabilities \$60,161 \$640,568 Due to affiliate \$20,976 \$20,769 Advance ticket sales \$1,178,749 \$1,023,973 Total current liabilities \$2,490,089 \$2,366,519 Long-term debt \$2,490,089 \$2,366,519 Long-term liabilities \$317,895 \$349,661 Total liabilities \$3478,128 \$349,661 Total liabilities \$3478,128 \$349,661 Total liabilities \$322 \$32,813,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,001,432 shares outstanding at December 31, 2015 Accumulated other comprehensive income (loss) \$3,832,929 \$3,814,536 Accumulated other comprehensive income (loss) \$3,927,611 \$68,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015 respectively, at cost) \$3,927,611 \$3,780,880 Total shareholders' equity \$3,927,611 \$3,80,880 Total shareholders' equity \$3,927,611 \$3,80,880 Total shareholders' equity \$3,927,611 \$3,927,611 \$3,80,880 Total shareholders' equity \$3,927,611 \$3,927,6	Other long-term assets		317,214		259,085
Current portion of long-term debt \$ 629,953 \$ 629,840 Accounts payable 54,250 51,369 Accrued expenses and other liabilities 606,161 640,568 Due to affiliate 20,976 20,769 Advance ticket sales 1,178,749 1,023,973 Advance ticket sales 2,490,089 2,366,519 Long-term debt 5,670,144 5,767,697 Other long-term liabilities 317,895 349,661 Total liabilities 8,478,128 8,483,877 Commitments and contingencies 8,478,128 8,483,877 Shareholders' equity: 70 criliarry shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2016 232 232 232 Accumulated other comprehensive income (loss) 3,832,929 3,814,536 Accumulated other comprehensive income (loss) 3,832,929 3,814,536 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015 461,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 a	Total assets	\$	12,405,739	\$	12,264,757
Current portion of long-term debt \$ 629,953 629,840 Accounts payable 54,250 51,369 Accrued expenses and other liabilities 606,161 640,568 Due to affiliate 20,976 20,769 Advance ticket sales 1,178,749 1,023,973 Total current liabilities 2,490,089 2,366,519 Long-term debt 5,670,144 5,767,697 Other long-term liabilities 317,895 349,661 Total liabilities 8,478,128 8,483,877 Commitments and contingencies 8,478,128 8,483,877 Commitments and contingencies 5 5,670,144 5,676,697 Ordinary shares, \$0.01 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 232 232 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015 (239,255)	Liabilities and shareholders' equity				
Accounts payable 54,250 51,369 Accrued expenses and other liabilities 606,161 640,568 Due to affiliate 20,976 20,769 Advance ticket sales 1,178,749 1,023,973 Total current liabilities 2,490,089 2,366,519 Long-term debt 5,670,144 5,767,697 Other long-term liabilities 317,895 349,661 Total liabilities 8,478,128 8,483,877 Commitments and contingencies S S Shareholders' equity: 00 dimary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity	Current liabilities:				
Accrued expenses and other liabilities 606,161 640,568 Due to affiliate 20,976 20,769 Advance ticket sales 1,178,749 1,023,973 Total current liabilities 2,490,089 2,366,519 Long-term debt 5,670,144 5,767,697 Other long-term liabilities 317,895 349,661 Total liabilities 8,478,128 8,483,877 Commitments and contingencies 8 8,478,128 8,483,877 Shareholders' equity: Ordinary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,001,432 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,780,880 3,780,880	Current portion of long-term debt	\$	629,953	\$	629,840
Due to affiliate 20,976 20,769 Advance ticket sales 1,178,749 1,023,973 Total current liabilities 2,490,089 2,366,519 Long-term debt 5,670,144 5,767,697 Other long-term liabilities 317,895 349,661 Total liabilities 8,478,128 8,483,877 Commitments and contingencies 8 478,128 8,483,877 Shareholders' equity: Ordinary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,780,880 3,780,880	Accounts payable		54,250		51,369
Advance ticket sales	Accrued expenses and other liabilities		606,161		640,568
Total current liabilities 2,490,089 2,366,519 Long-term debt 5,670,144 5,767,697 Other long-term liabilities 317,895 349,661 Total liabilities 8,478,128 8,483,877 Commitments and contingencies Shareholders' equity: Very containary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Due to affiliate		20,976		20,769
Long-term debt 5,670,144 5,767,697 Other long-term liabilities 317,895 349,661 Total liabilities 8,478,128 8,483,877 Commitments and contingencies Shareholders' equity: Verify the contingencies Verify the contingencies Shareholders' equity: Ordinary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Advance ticket sales		1,178,749		1,023,973
Other long-term liabilities 317,895 349,661 Total liabilities 8,478,128 8,483,877 Commitments and contingencies Shareholders' equity: Ordinary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Total current liabilities		2,490,089		2,366,519
Total liabilities 8,478,128 8,483,877 Commitments and contingencies Shareholders' equity:	Long-term debt		5,670,144		5,767,697
Commitments and contingencies Shareholders' equity: Ordinary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Other long-term liabilities		317,895		349,661
Shareholders' equity: Ordinary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Total liabilities		8,478,128		8,483,877
Ordinary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Commitments and contingencies				
and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and 227,815,301 shares outstanding at December 31, 2015 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity	Shareholders' equity:				
227,815,301 shares outstanding at December 31, 2015 232 232 Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Ordinary shares, \$.001 par value; 490,000,000 shares authorized; 232,313,393 shares issued				
Additional paid-in capital 3,832,929 3,814,536 Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	and 227,001,432 shares outstanding at March 31, 2016 and 232,179,786 shares issued and				
Accumulated other comprehensive income (loss) (307,542) (412,650) Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	227,815,301 shares outstanding at December 31, 2015		232		232
Retained earnings 641,247 568,018 Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Additional paid-in capital		3,832,929		3,814,536
Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015, respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Accumulated other comprehensive income (loss)		(307,542)		(412,650)
respectively, at cost) (239,255) (189,256) Total shareholders' equity 3,927,611 3,780,880	Retained earnings		641,247		568,018
Total shareholders' equity 3,927,611 3,780,880	Treasury shares (5,311,961 and 4,364,485 ordinary shares at March 31, 2016 and December 31, 2015,				
			(239,255)		(189,256)
Total liabilities and shareholders' equity \(\begin{array}{cccccccccccccccccccccccccccccccccccc	Total shareholders' equity		3,927,611		3,780,880
	Total liabilities and shareholders' equity	\$	12,405,739	\$	12,264,757

NORWEGIAN CRUISE LINE HOLDINGS LTD. CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited) (in thousands)

	Three Months Ended March 31,			
		2016		2015
Cash flows from operating activities				
Net income (loss)	\$	73,229	\$	(21,456)
Adjustments to reconcile net income (loss) to				
net cash provided by operating activities:				
Depreciation and amortization expense		104,686		104,533
(Gain) loss on derivatives		(11,948)		29,027
Deferred income taxes, net		158		60
Gain on contingent consideration		-		(9,100)
Write-off of deferred financing fees		-		195
Provision for bad debts and inventory		575		-
Share-based compensation expense		15,245		12,005
Changes in operating assets and liabilities:				
Accounts receivable, net		(1,042)		1,474
Inventories		(4,360)		(80)
Prepaid expenses and other assets		(5,390)		(4,488)
Accounts payable		2,750		(17,455)
Accrued expenses and other liabilities		7,572		(35,481)
Advance ticket sales		148,621		255,556
Net cash provided by operating activities		330,096		314,790
Cash flows from investing activities				
Additions to property and equipment, net		(132,027)		(73,131)
Settlement of derivatives		(1,167)		-
Net cash used in investing activities		(133,194)		(73,131)
Cash flows from financing activities				
Repayments of long-term debt		(308,248)	((477,224)
Proceeds from long-term debt		204,000		224,033
Proceeds from the exercise of share options		2,044		51,790
Proceeds from employee share purchase plan		1,104		-
Purchases of treasury shares		(49,999)		-
Deferred financing fees and other		(6,873)		(3,660)
Net cash used in financing activities		(157,972)		(205,061)
Net increase in cash and cash equivalents		38,930		36,598
Cash and cash equivalents at beginning of the period		115,937		84,824
Cash and cash equivalents at end of the period	\$	154,867	\$	121,422

The following table sets forth selected statistical information:

	Three Months Ended March 31,		
	2016 2		
Passengers carried	551,475	513,526	
Passenger Cruise Days	4,285,294	3,768,115	
Capacity Days	3,990,942	3,556,468	
Occupancy Percentage	107.4%	106.0%	

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

Ted day.	Three Months Ended March 31,					l
	2016			2016 Constant Currency		2015
Passenger ticket revenue Onboard and other revenue Total revenue	\$	740,112 337,520 1,077,632	\$ 1	752,632 337,519 ,090,151	\$	670,483 267,699 938,182
Less: Commissions, transportation						
and other expense		175,437		178,905		171,827
Onboard and other expense Net Revenue		63,965 838,230		63,965 847,281		58,645 707,710
Non-GAAP Adjustment:		,		., .		, .
Deferred revenue (1)	-	460	_	460	_	21,194
Adjusted Net Revenue	\$	838,690	\$	847,741	\$	728,904
Capacity Days		3,990,942	3	,990,942		3,556,468
Gross Yield	\$	270.02	\$	273.16	\$	263.80
Net Yield	\$	210.03	\$	212.30	\$	198.99
Adjusted Net Yield	\$	210.15	\$	212.42	\$	204.95

⁽¹⁾ Reflects deferred revenue fair value adjustments related to the Acquisition of Prestige that were made pursuant to business combination accounting rules.

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					i
	March 31,					
				2016		
			C	onstant		
		2016	C	urrency		2015
Total cruise operating expense	\$	664,481	\$	669,159	\$	623,700
Marketing, general and						
administrative expense		180,574		181,315		154,157
Gross Cruise Cost		845,055		850,474		777,857
Less:						
Commissions, transportation						
and other expense		175,437		178,905		171,827
Onboard and other expense		63,965		63,965		58,645
Net Cruise Cost		605,653		607,604		547,385
Less: Fuel expense		81,672		81,672		87,374
Net Cruise Cost Excluding Fuel		523,981		525,932		460,011
Less Non-GAAP Adjustments:						
Non-cash deferred compensation (1)		791		791		1,453
Non-cash share-based compensation (2)		15,245		15,245		12,005
Severance payments and other fees (3)		2,030		2,030		10,387
Management NCL Corporation Units exchange expenses (4)		-		-		624
Acquisition of Prestige expenses (5)		1,741		1,741		400
Contingent consideration adjustment (6)				_		(9,100)
Adjusted Net Cruise Cost Excluding Fuel	\$	504,174	\$	506,125	\$	444,242
Capacity Days		3,990,942	3	3,990,942		3,556,468
Gross Cruise Cost per Capacity Day	\$	211.74	\$	213.10	\$	218.72
Net Cruise Cost per Capacity Day	\$	151.76	\$	152.25	\$	153.91
Net Cruise Cost Excluding Fuel per Capacity Day	\$	131.29	\$	131.78	\$	129.34
Adjusted Net Cruise Cost Excluding Fuel per Capacity Day	\$	126.33	\$	126.82	\$	124.91

- (1) Non-cash deferred compensation expenses related to the crew pension plan and other crew expenses, which are included in payroll and related expense.
- (2) Non-cash share-based compensation expenses related to equity awards, which are included in marketing, general and administrative expense and payroll and related expense.
- (3) Severance payments and other expenses related to restructuring costs and other severance arrangements, which are included in marketing, general and administrative expense.
- (4) Expenses related to the exchange of Management NCL Corporation Units for ordinary shares, which are included in marketing, general and administrative expense.
- (5) Expenses related to the Acquisition of Prestige, which are included in marketing, general and administrative expense.
- (6) Contingent consideration fair value adjustment related to the Acquisition of Prestige, which is included in marketing, general and administrative expense.

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

	Three Months Ended			
	March 31,			
	2016	2015		
Net income (loss)	\$ 73,229	\$ (21,456)		
Non-GAAP Adjustments:	Ψ 13,22)	ψ (21,430)		
Non-cash deferred compensation (1)	791	1,453		
Non-cash share-based compensation (2)	15,245	12,005		
Severance payments and other fees (3)	2,030	10,387		
Management NCL Corporation Units exchange expenses (4)	-	624		
Acquisition of Prestige expenses (5)	1,741	400		
Deferred revenue (6)	460	21,194		
Amortization of intangible assets (7)	5,268	18,146		
Contingent consideration adjustment (8)	-	(9,100)		
Derivative adjustment (9)	(12,096)	28,953		
Adjusted Net Income	\$ 86,668	\$ 62,606		
Diluted weighted-average shares outstanding - Net income (loss)	228,112,035	224,301,117 (10)		
Diluted weighted-average shares outstanding - Adjusted Net income	228,112,035	229,046,929		
Diluted earnings (loss) per share	\$ 0.32	\$ (0.10)		
Adjusted EPS	\$ 0.38	\$ 0.27		

- (1) Non-cash deferred compensation expenses related to the crew pension plan and other crew expenses, which are included in payroll and related expense.
- (2) Non-cash share-based compensation expenses related to equity awards, which are included in marketing, general and administrative expense and payroll and related expense.
- (3) Severance payments and other expenses related to restructuring costs and other severance arrangements, which are included in marketing, general and administrative expense.
- (4) Expenses related to the exchange of Management NCL Corporation Units for ordinary shares, which are included in marketing, general and administrative expense.
- (5) Expenses related to the Acquisition of Prestige, which are primarily included in marketing, general and administrative expense.
- (6) Deferred revenue fair value adjustments related to the Acquisition of Prestige that were made pursuant to business combination accounting rules, which are primarily included in Net Revenue.
- (7) Amortization of intangible assets related to the Acquisition of Prestige, which are included in depreciation and amortization expense.
- (8) Contingent consideration fair value adjustment related to the Acquisition of Prestige, which is included in marketing, general and administrative expense.
- (9) In 2016, a gain of approximately \$13.6 million for the fair value adjustment of a foreign exchange collar which does not receive hedge accounting and losses of approximately \$(1.5) million for dedesignation of certain fuel swaps. In 2015, a loss for the fair value adjustment of a foreign exchange collar which does not receive hedge accounting treatment. These adjustments are included in other income (expense).
- (10) Due to a net loss, excludes 4,745,812 shares, as including these would be antidilutive.

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

,		Three Months Ended March 31,				
		2016	2015			
Net income (loss)	\$	73,229	\$	(21,456)		
Interest expense, net		59,754		50,989		
Income tax expense		1,104		677		
Depreciation and amortization expense		101,295		99,976		
EBITDA		235,382		130,186		
Other (income) expense		(2,805)		30,139		
Non-GAAP Adjustments:						
Non-cash deferred compensation (1)		791		1,453		
Non-cash share-based compensation (2)		15,245		12,005		
Severance payments and other fees (3)		2,030		10,387		
Management NCL Corporation Units exchange expenses (4)		-		624		
Acquisition of Prestige expenses (5)		1,741		400		
Deferred revenue (6)		460		21,194		
Contingent consideration adjustment (7)		-		(9,100)		
Adjusted EBITDA	\$	252,844	\$	197,288		

- (1) Non-cash deferred compensation expenses related to the crew pension plan and other crew expenses, which are included in payroll and related expense.
- (2) Non-cash share-based compensation expenses related to equity awards, which are included in marketing, general and administrative expense and payroll and related expense.
- (3) Severance payments and other expenses related to restructuring costs and other severance arrangements, which are included in marketing, general and administrative expense.
- (4) Expenses related to the exchange of Management NCL Corporation Units for ordinary shares, which are included in marketing, general and administrative expense.
- (5) Expenses related to the Acquisition of Prestige, which are included in marketing, general and administrative expense.
- (6) Deferred revenue fair value adjustments related to the Acquisition of Prestige that were made pursuant to business combination accounting rules, which are primarily included in Net Revenue.
- (7) Contingent consideration fair value adjustment related to the Acquisition of Prestige, which is included in marketing general and administrative expense.

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

Three Months Ended March 31

	March 31,				
- -		2016	2015		
Net cash provided by operating activities	\$	330,096	\$	314,790	
Less: Capital expenditures for ship construction		(25,609)		(21,295)	
Less: Capital expenditures for business enhancements and other		(106,418)		(51,836)	
Free Cash Flow	\$	198,069	\$	241,659	