

NCLH

NORWEGIAN CRUISE LINE  
HOLDINGS LTD.

# THIRD QUARTER 2018 EARNINGS CONFERENCE CALL

NOVEMBER 8, 2018



  
NORWEGIAN  
CRUISE LINE®

  
OCEANIA  
CRUISES®

  
SEVEN SEAS CRUISES®

# FORWARD LOOKING STATEMENT

Certain statements in this presentation constitute forward-looking statements within the meaning of the U.S. federal securities laws intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding our business strategy, financial position, results of operations, plans, potential share repurchases or dividends, future deleveraging, prospects and objectives of management for future operations (including expected fleet additions, development plans, demand environment, objectives relating to our activities and expected performance in new markets), are forward-looking statements. Many, but not all, of these statements can be found by looking for words like "expect," "anticipate," "goal," "project," "plan," "believe," "seek," "will," "may," "forecast," "estimate," "intend," "future," and similar words. Forward-looking statements do not guarantee future performance and may involve 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 impact of: adverse events impacting the security of travel, such as terrorist acts, armed conflict and threats thereof, acts of piracy, and other international events; adverse incidents involving cruise ships; adverse general economic and related factors, such as fluctuating or increasing levels of unemployment, underemployment and the volatility of fuel prices, declines in the securities and real estate markets, and perceptions of these conditions that decrease the level of disposable income of consumers or consumer confidence; the spread of epidemics and viral outbreaks; our expansion into and investments in new markets; the risks and increased costs associated with operating internationally; breaches in data security or other disturbances to our information technology and other networks; changes in fuel prices and/or other cruise operating costs; fluctuations in foreign currency exchange rates; overcapacity in key markets or globally; the unavailability of attractive port destinations; evolving requirements and regulations regarding data privacy and protection and any actual or perceived compliance failures by us; our indebtedness and restrictions in the agreements governing our indebtedness that limit our flexibility in operating our business; the significant portion of our assets pledged as collateral under our existing debt agreements and the ability of our creditors to accelerate the repayment of our indebtedness; volatility and disruptions in the global credit and financial markets, which may adversely affect our ability to borrow and could increase our counterparty credit risks, including those under our credit facilities, derivatives, contingent obligations, insurance contracts and new ship progress payment guarantees; our inability to recruit or retain qualified personnel or the loss of key personnel; delays in our shipbuilding program and ship repairs, maintenance and refurbishments; our reliance on third parties to provide hotel management services to certain ships and certain other services; future increases in the price of, or major changes or reduction in, commercial airline services; amendments to our collective bargaining agreements for crew members and other employee relation issues; our inability to obtain adequate insurance coverage; future changes relating to how external distribution channels sell and market our cruises; pending or threatened litigation, investigations and enforcement actions; our ability to keep pace with developments in technology; seasonal variations in passenger fare rates and occupancy levels at different times of the year; changes involving the tax and environmental regulatory regimes in which we operate; and other factors set forth under "Risk Factors" in our most recently filed Annual Report on Form 10-K, Quarterly Report on Form 10-Q and subsequent filings with the Securities and Exchange Commission. The above examples are not exhaustive and new risks emerge from time to time. Such forward-looking statements are based on our current beliefs, assumptions, expectations, estimates and projections regarding our present and future business strategies and the environment in which we expect to operate in the future. These forward-looking statements speak only as of the date made. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change of events, conditions or circumstances on which any such statement was based, except as required by law.

# DEFINITIONS AND NON-GAAP FINANCIAL MEASURES

This presentation includes the following defined terms and non-GAAP financial measures:

*Adjusted EPS.* Adjusted Net Income divided by the number of diluted weighted-average shares outstanding.

*Adjusted Net Cruise Cost Excluding Fuel.* Net Cruise Cost less fuel expense adjusted for supplemental adjustments.

*Adjusted Net Income.* Net income adjusted for supplemental adjustments.

*Adjusted ROIC.* Adjusted EBITDA less Adjusted Depreciation and Amortization divided by debt and shareholders' equity, averaged for four quarters..

*Capacity Days.* Available Berths multiplied by the number of cruise days for the period.

*Constant Currency.* A calculation whereby foreign currency-denominated revenues and expenses in a period are converted at the U.S. dollar exchange rate of a comparable period in order to eliminate the effects of foreign exchange fluctuations.

*Gross Cruise Cost.* The sum of total cruise operating expense and marketing, general and administrative expense.

*Net Cruise Cost.* Gross Cruise Cost less commissions, transportation and other expense and onboard and other expense.

*Net Leverage.* Long-term debt, including current portion, less cash and cash equivalents divided by Adjusted EBITDA.

*Net Revenue.* Total revenue less commissions, transportation and other expense and onboard and other expense.

*Net Yield.* Net Revenue per Capacity Day.

Net Yield, Adjusted Net Cruise Cost Excluding Fuel, Adjusted EPS, Adjusted ROIC and Net Leverage are non-GAAP financial measures. Please refer to the Appendix for reconciliations of the non-GAAP financial measures to the GAAP financial measures the Company considers most comparable. Please refer to the Company's Q3 2018 earnings release for definitions of other terms appearing in this presentation, and for more information regarding the Company's non-GAAP financial measures.

The Company does not provide guidance on a GAAP basis because the Company is unable to predict, with reasonable certainty, the future movement of foreign exchange rates or the future impact of certain gains and charges. These items are uncertain and will depend on several factors, including industry conditions, and could be material to the Company's results computed in accordance with GAAP. The Company has not provided reconciliations between the Company's 2018 guidance and the most directly comparable GAAP measures because it would be too difficult to prepare a reliable U.S. GAAP quantitative reconciliation without unreasonable effort.

# THIRD QUARTER 2018 EARNINGS BEAT

|                                    |                |
|------------------------------------|----------------|
| <b>Q3 Adjusted EPS Guidance</b>    | <b>~\$2.20</b> |
| Revenue Outperformance             | +\$0.02        |
| Fuel Consumption Savings           | +\$0.02        |
| Timing of Expenses Shifted into Q4 | +\$0.02        |
| Other Below the Line Items         | +\$0.01        |
| <b>Q3 Adjusted EPS Results</b>     | <b>\$2.27</b>  |

**\$0.07 Beat  
Versus Guidance**

# THIRD QUARTER 2018 RESULTS

|   | Constant Currency | As Reported |
|---|-------------------|-------------|
| Net Yield <sup>(1)</sup>                                    | 4.0%              | 3.9%        |
| Adjusted Net Cruise Cost<br>Excluding Fuel per Capacity Day | 2.0%              | 2.1%        |
| Adjusted EPS  |                   | \$2.27      |

**~22% Year-Over-Year Adjusted EPS Growth**

1. Inclusive of revenue dilution from China operations.

# FOURTH QUARTER 2018 GUIDANCE

|   | Constant Currency | As Reported |
|---|-------------------|-------------|
| Net Yield <sup>(1)</sup>                                    | 4.0%              | 3.75%       |
| Adjusted Net Cruise Cost<br>Excluding Fuel per Capacity Day | 1.5%              | 1.75%       |
| Adjusted EPS  |                   | \$0.78      |

**~15% Year-Over-Year Adjusted EPS Growth**

1. Inclusive of revenue dilution from China operations.

# FULL YEAR 2018 GUIDANCE

|   | Constant Currency | As Reported |
|---|-------------------|-------------|
| Net Yield <sup>(1)</sup>                                    | 3.3%              | 3.6%        |
| Adjusted Net Cruise Cost<br>Excluding Fuel per Capacity Day | 2.0%              | 2.5%        |
| Adjusted EPS  |                   | \$4.85      |

**~22.5% Year-Over-Year Adjusted EPS Growth**

1. Inclusive of revenue dilution from China operations.

# FULL YEAR 2018 EARNINGS GUIDANCE RAISE

|  |                         |
|--|-------------------------|
| <b>August Adjusted EPS Guidance</b>                        | <b>\$4.70 to \$4.80</b> |
| Q3 and Q4 Revenue Outperformance                           | +\$0.04                 |
| Revenue Dilution from China Operations                     | (\$0.02)                |
| Lower Depreciation and Amortization                        | +\$0.04                 |
| Tax Planning Initiative Benefit                            | +\$0.05                 |
| Marketing Investments and Performance-related Compensation | (\$0.05)                |
| Interest Expense and Other Below the Line Benefits         | +\$0.04                 |
| <b>November Adjusted EPS Guidance</b>                      | <b>~\$4.85</b>          |

**\$0.10 Increase in  
Guidance at  
Midpoint**



# WELL-POSITIONED TO ACHIEVE 2020 TARGETS

## 2018 Investor Day: 2020 OUTLOOK

THREE-YEAR ADJUSTED EPS CAGR<sup>(1)</sup>

**Double-Digit**

ADJUSTED ROIC

**~12%**

TARGET NET LEVERAGE

**~2.5x to 2.75X**

CASH AVAILABLE FOR POTENTIAL  
SHAREHOLDER RETURNS<sup>(2)</sup>

(Cumulative 2018-2020)

**~\$1B to \$1.5B**

1. CAGR being measured from end of 2017 through end of 2020.

2. Includes \$200 million share repurchase in Q2 2018.

Note: Any determination to pay dividends or repurchase shares in the future will be entirely at the discretion of our Board or management, respectively, and will depend upon our results of operations, cash requirements, financial condition, business operations, contractual restrictions, restrictions imposed by applicable law and other factors that our Board or management deems relevant.

# KEY TAKEAWAYS

**Record Third Quarter  
Financial Performance**

Adjusted EPS of \$2.27 is highest in Company's history. Outperformed guidance by \$0.07

**Full Year 2018 Outlook  
Increased Above High-  
End of Previous Guidance**

Expect another year of record financial performance, with Adjusted EPS projected to grow approximately 22.5% over prior year

**Robust 2019 Outlook**

Strong conviction in 2019 outlook with both occupancy and pricing well ahead of this year's record levels across all three brands

**Well-Positioned to Achieve  
2020 Targets**

Balance sheet continues to strengthen and we are reaching an inflection point to drive potential shareholder returns

# APPENDIX

# CAPACITY GROWTH AND SENSITIVITIES

| NCLH Capacity Growth |              |            |            |
|----------------------|--------------|------------|------------|
|                      | 2018         | 2019       | 2020       |
| Q1                   | ~11%         | ~6%        |            |
| Q2                   | ~9%          | ~3%        |            |
| Q3                   | ~8%          | ~0%        |            |
| Q4                   | ~8%          | ~4%        |            |
| <b>Full Year</b>     | <b>~8.6%</b> | <b>~3%</b> | <b>~8%</b> |

| FY 2018 Adjusted EPS Sensitivities                    |         |
|---|---------|
| 1% change in Net Yield                                | ~\$0.20 |
| 1% change in Adjusted NCC Excl. Fuel per Capacity Day | ~\$0.10 |
| 10% change in fuel prices, net of hedges              | ~\$0.08 |
| 1% change in FX Basket                                | ~\$0.02 |
| 1% change in LIBOR <sup>(1)</sup>                     | ~\$0.09 |

1. Net of interest rate swaps.

# DEPLOYMENT BY MARKET

| 2018 NCLH Deployment by Market |             |             |             |             |             |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|
|                                | Q1          | Q2          | Q3          | Q4          | FY          |
| <b>Alaska</b>                  | 0%          | 9%          | 18%         | 0%          | <b>7%</b>   |
| <b>Asia/Africa/Pacific</b>     | 18%         | 11%         | 7%          | 13%         | <b>12%</b>  |
| <b>Bermuda</b>                 | 0%          | 11%         | 11%         | 2%          | <b>6%</b>   |
| <b>Caribbean</b>               | 59%         | 24%         | 18%         | 46%         | <b>36%</b>  |
| <b>Europe</b>                  | 4%          | 25%         | 37%         | 13%         | <b>20%</b>  |
| <i>Baltic</i>                  | 0%          | 9%          | 17%         | 0%          | <b>7%</b>   |
| <i>Canary</i>                  | 4%          | 0%          | 0%          | 2%          | <b>1%</b>   |
| <i>Med</i>                     | 0%          | 16%         | 20%         | 11%         | <b>12%</b>  |
| <b>Hawaii</b>                  | 4%          | 4%          | 4%          | 4%          | <b>4%</b>   |
| <b>Other</b>                   | 15%         | 16%         | 5%          | 22%         | <b>15%</b>  |
| <b>TOTAL</b>                   | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> |

| 2019 NCLH Deployment by Market |             |             |             |             |             |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|
|                                | Q1          | Q2          | Q3          | Q4          | FY          |
| <b>Alaska</b>                  | 0%          | 13%         | 21%         | 1%          | <b>9%</b>   |
| <b>Asia/Africa/Pacific</b>     | 16%         | 3%          | 0%          | 6%          | <b>6%</b>   |
| <b>Bermuda</b>                 | 0%          | 12%         | 10%         | 4%          | <b>6%</b>   |
| <b>Caribbean</b>               | 59%         | 25%         | 18%         | 39%         | <b>35%</b>  |
| <b>Europe</b>                  | 4%          | 26%         | 42%         | 17%         | <b>22%</b>  |
| <i>Baltic</i>                  | 0%          | 10%         | 18%         | 2%          | <b>7%</b>   |
| <i>Canary</i>                  | 4%          | 0%          | 0%          | 0%          | <b>1%</b>   |
| <i>Med</i>                     | 0%          | 17%         | 24%         | 15%         | <b>14%</b>  |
| <b>Hawaii</b>                  | 4%          | 4%          | 4%          | 4%          | <b>4%</b>   |
| <b>Other</b>                   | 17%         | 17%         | 5%          | 29%         | <b>18%</b>  |
| <b>TOTAL</b>                   | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> |

# 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 |                    | Nine Months Ended  |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | September 30,      |                    | September 30,      |                    |
|  | 2018               | 2017               | 2018               | 2017               |
| Net income                                     | \$ 470,378         | \$ 400,692         | \$ 800,209         | \$ 661,075         |
| <b>Non-GAAP Adjustments:</b>                   |                    |                    |                    |                    |
| Non-cash deferred compensation expenses (1)    | 864                | 878                | 2,591              | 2,524              |
| Non-cash share-based compensation expenses (2) | 28,962             | 21,444             | 88,797             | 63,664             |
| Secondary Equity Offering expenses (3)         | -                  | 462                | 482                | 462                |
| Severance payments and other fees (4)          | -                  | -                  | -                  | 2,399              |
| Acquisition of Prestige expenses (5)           | -                  | -                  | -                  | 500                |
| Amortization of intangible assets (6)          | 6,222              | 7,568              | 18,666             | 22,704             |
| Extinguishment of debt (7)                     | -                  | -                  | 6,346              | -                  |
| Impairment of assets held for sale (8)         | -                  | 2,935              | -                  | 2,935              |
| Tax benefit (9)                                | -                  | (7,950)            | -                  | (7,950)            |
| Other (10)                                     | -                  | 999                | (912)              | 2,605              |
| Adjusted Net Income                            | <u>\$ 506,426</u>  | <u>\$ 427,028</u>  | <u>\$ 916,179</u>  | <u>\$ 750,918</u>  |
| Diluted weighted-average shares outstanding    | <u>222,752,738</u> | <u>229,816,956</u> | <u>225,422,385</u> | <u>229,157,257</u> |
| Diluted earnings per share                     | <u>\$ 2.11</u>     | <u>\$ 1.74</u>     | <u>\$ 3.55</u>     | <u>\$ 2.88</u>     |
| Adjusted EPS                                   | <u>\$ 2.27</u>     | <u>\$ 1.86</u>     | <u>\$ 4.06</u>     | <u>\$ 3.28</u>     |

(1) Non-cash deferred compensation expenses related to the crew pension plan and other crew expenses, which are included in payroll and related expense and other income (expense), net.

(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) Secondary Equity Offering expenses are included in marketing, general and administrative expense.

(4) Severance payments and other fees related to restructuring costs and other severance arrangements are included in marketing, general and administrative expense.

(5) Acquisition of Prestige expenses are included in marketing, general and administrative expense.

(6) Amortization of intangible assets related to the Acquisition of Prestige, which are included in depreciation and amortization expense.

(7) Losses on extinguishments of debt due to the partial redemption of our 4.750% Senior Notes due 2021, which are included in interest expense, net.

(8) Loss on sale of Hawaii land-based operations.

(9) Tax benefit primarily due to the reversal of tax contingency reserves in 2017.

(10) Other primarily related to expenses and reimbursements for certain legal costs included in marketing, general and administrative expense.

# NORWEGIAN CRUISE LINE HOLDINGS LTD.

## NON-GAAP RECONCILING INFORMATION

(UNAUDITED)

The following table sets forth selected statistical information:

|                       | Three Months Ended |           | Nine Months Ended |            |
|-----------------------|--------------------|-----------|-------------------|------------|
|                       | September 30,      |           | September 30,     |            |
|                       | 2018               | 2017      | 2018              | 2017       |
| Passengers carried    | 823,413            | 741,216   | 2,128,673         | 1,868,512  |
| Passenger Cruise Days | 5,493,932          | 5,071,115 | 15,177,982        | 13,819,421 |
| Capacity Days         | 4,941,643          | 4,590,789 | 13,958,331        | 12,811,155 |
| Occupancy Percentage  | 111.2%             | 110.5%    | 108.7%            | 107.9%     |

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

|  | Three Months Ended |                              |                  | Nine Months Ended |                              |                  |
|--|--------------------|------------------------------|------------------|-------------------|------------------------------|------------------|
|  | September 30,      |                              |                  | September 30,     |                              |                  |
|  | 2018               | 2018                         | 2017             | 2018              | 2018                         | 2017             |
|  | <u>2018</u>        | <u>Constant<br/>Currency</u> | <u>2017</u>      | <u>2018</u>       | <u>Constant<br/>Currency</u> | <u>2017</u>      |
| Passenger ticket revenue                         | \$ 1,334,460       | \$1,336,565                  | \$ 1,192,023     | \$3,301,372       | \$3,280,610                  | \$2,916,731      |
| Onboard and other revenue                        | 523,896            | 523,896                      | 459,715          | 1,372,561         | 1,372,561                    | 1,229,891        |
| Total revenue                                    | 1,858,356          | 1,860,461                    | 1,651,738        | 4,673,933         | 4,653,171                    | 4,146,622        |
| Less:  |                    |                              |                  |                   |                              |                  |
| Commissions, transportation<br>and other expense | 301,349            | 301,614                      | 266,173          | 769,564           | 764,601                      | 683,628          |
| Onboard and other expense                        | 117,747            | 117,747                      | 98,476           | 281,232           | 281,232                      | 250,254          |
| Net Revenue                                      | <u>1,439,260</u>   | <u>1,441,100</u>             | <u>1,287,089</u> | <u>3,623,137</u>  | <u>3,607,338</u>             | <u>3,212,740</u> |
| Capacity Days                                    | 4,941,643          | 4,941,643                    | 4,590,789        | 13,958,331        | 13,958,331                   | 12,811,155       |
| Gross Yield                                      | \$ 376.06          | \$ 376.49                    | \$ 359.79        | \$ 334.85         | \$ 333.36                    | \$ 323.67        |
| Net Yield  | \$ 291.25          | \$ 291.62                    | \$ 280.36        | \$ 259.57         | \$ 258.44                    | \$ 250.78        |

# NORWEGIAN CRUISE LINE HOLDINGS LTD.

## NON-GAAP RECONCILING INFORMATION

(UNAUDITED)

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 |                      |                   | Nine Months Ended  |                      |                    |
|--|--------------------|----------------------|-------------------|--------------------|----------------------|--------------------|
|  | September 30,      |                      |                   | September 30,      |                      |                    |
|  | 2018               | Constant<br>Currency | 2017              | 2018               | Constant<br>Currency | 2017               |
| Total cruise operating expense                           | \$ 928,944         | \$ 927,984           | \$ 838,165        | \$2,559,818        | \$2,546,877          | \$2,310,205        |
| Marketing, general and administrative expense            | 235,436            | 236,167              | 202,221           | 688,986            | 686,729              | 587,914            |
| Gross Cruise Cost  | 1,164,380          | 1,164,151            | 1,040,386         | 3,248,804          | 3,233,606            | 2,898,119          |
| Less:  |                    |                      |                   |                    |                      |                    |
| Commissions, transportation and other expense            | 301,349            | 301,614              | 266,173           | 769,564            | 764,601              | 683,628            |
| Onboard and other expense                                | 117,747            | 117,747              | 98,476            | 281,232            | 281,232              | 250,254            |
| Net Cruise Cost  | 745,284            | 744,790              | 675,737           | 2,198,008          | 2,187,773            | 1,964,237          |
| Less: Fuel expense                                       | 99,643             | 99,643               | 91,231            | 288,286            | 288,286              | 266,780            |
| Net Cruise Cost Excluding Fuel                           | 645,641            | 645,147              | 584,506           | 1,909,722          | 1,899,487            | 1,697,457          |
| <b>Less Non-GAAP Adjustments:</b>                        |                    |                      |                   |                    |                      |                    |
| Non-cash deferred compensation (1)                       | 543                | 543                  | 878               | 1,627              | 1,627                | 2,524              |
| Non-cash share-based compensation (2)                    | 28,962             | 28,962               | 21,444            | 88,797             | 88,797               | 63,664             |
| Secondary Equity Offering expenses (3)                   | -                  | -                    | 462               | 482                | 482                  | 462                |
| Severance payments and other fees (4)                    | -                  | -                    | -                 | -                  | -                    | 2,399              |
| Acquisition of Prestige expenses (5)                     | -                  | -                    | -                 | -                  | -                    | 500                |
| Other (6)  | -                  | -                    | 999               | (912)              | (912)                | 2,605              |
| Adjusted Net Cruise Cost Excluding Fuel                  | <u>\$ 616,136</u>  | <u>\$ 615,642</u>    | <u>\$ 560,723</u> | <u>\$1,819,728</u> | <u>\$1,809,493</u>   | <u>\$1,625,303</u> |
| Capacity Days  | 4,941,643          | 4,941,643            | 4,590,789         | 13,958,331         | 13,958,331           | 12,811,155         |
| Gross Cruise Cost per Capacity Day                       | \$ 235.63          | \$ 235.58            | \$ 226.62         | \$ 232.75          | \$ 231.66            | \$ 226.22          |
| Net Cruise Cost per Capacity Day                         | \$ 150.82          | \$ 150.72            | \$ 147.19         | \$ 157.47          | \$ 156.74            | \$ 153.32          |
| Net Cruise Cost Excluding Fuel per Capacity Day          | \$ 130.65          | \$ 130.55            | \$ 127.32         | \$ 136.82          | \$ 136.08            | \$ 132.50          |
| Adjusted Net Cruise Cost Excluding Fuel per Capacity Day | \$ 124.68          | \$ 124.58            | \$ 122.14         | \$ 130.37          | \$ 129.64            | \$ 126.87          |

(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) Secondary Equity Offering expenses are included in marketing, general and administrative expense.

(4) Severance payments and other fees related to restructuring costs and other severance arrangements are included in marketing, general and administrative expense.

(5) Acquisition of Prestige expenses are included in marketing, general and administrative expense.

(6) Other primarily related to expenses and reimbursements for certain legal costs included in marketing, general and administrative expense.