

NORWEGIAN CRUISE LINE
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in thousands)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenue				
Passenger ticket	\$392,473	\$467,798	\$1,005,886	\$1,200,799
Onboard and other	<u>158,203</u>	<u>171,191</u>	<u>447,662</u>	<u>474,752</u>
Total revenue	<u>550,676</u>	<u>638,989</u>	<u>1,453,548</u>	<u>1,675,551</u>
Cruise operating expense				
Commissions, transportation and other	97,144	102,589	247,332	275,187
Onboard and other	47,462	57,173	124,173	149,609
Payroll and related	78,434	89,968	241,014	290,836
Fuel	45,038	78,729	113,853	211,777
Food	31,018	34,605	91,422	96,993
Other operating	<u>45,735</u>	<u>68,918</u>	<u>169,895</u>	<u>217,689</u>
Total cruise operating expense.....	344,831	431,982	987,689	1,242,091
Marketing, general and administrative expense.....	54,202	65,510	179,159	212,014
Depreciation and amortization expense.....	<u>38,212</u>	<u>40,889</u>	<u>114,331</u>	<u>121,043</u>
Total operating expense	<u>437,245</u>	<u>538,381</u>	<u>1,281,179</u>	<u>1,575,148</u>
Operating income.....	<u>113,431</u>	<u>100,608</u>	<u>172,369</u>	<u>100,403</u>
Non-operating income (expense)				
Interest income	132	1,139	767	1,966
Interest expense, net of capitalized interest	(25,813)	(35,143)	(77,860)	(117,275)
Other income (expense)	<u>(2,125)</u>	<u>104,582</u>	<u>10,957</u>	<u>14,089</u>
Total non-operating income (expense) ..	<u>(27,806)</u>	<u>70,578</u>	<u>(66,136)</u>	<u>(101,220)</u>
Net income (loss)	<u>\$ 85,625</u>	<u>\$171,186</u>	<u>\$ 106,233</u>	<u>\$ (817)</u>

NORWEGIAN CRUISE LINE
CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands, except share data)

	<u>September 30,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>
Assets		
Current assets:		
Cash and cash equivalents.....	\$ 143,640	\$ 185,717
Restricted cash	3,321	4,004
Accounts receivable, net	7,498	6,047
Inventories.....	32,896	29,494
Prepaid expenses and other assets.....	<u>42,341</u>	<u>24,460</u>
Total current assets	229,696	249,722
Property and equipment, net	3,851,993	4,119,222
Goodwill and tradenames.....	602,792	602,792
Other assets	<u>189,223</u>	<u>75,405</u>
	<u>\$4,873,704</u>	<u>\$5,047,141</u>
Liabilities and shareholders' equity		
Current liabilities:		
Current portion of long-term debt.....	\$ 4,664	\$ 182,487
Accounts payable	34,008	70,412
Accrued expense and other liabilities	219,017	278,213
Due to Affiliate, net	2,962	210,058
Advance ticket sales.....	<u>256,503</u>	<u>250,638</u>
Total current liabilities	517,154	991,808
Long-term debt.....	2,529,517	2,474,014
Other long-term liabilities	<u>91,641</u>	<u>31,520</u>
Total liabilities.....	<u>3,138,312</u>	<u>3,497,342</u>
Commitments and contingencies		
Shareholders' equity:		
Ordinary shares, \$.0012 par value; 40,000,000 and 25,000,000 shares authorized; 21,000,000 and 20,000,000 shares issued and outstanding	25	24
Additional paid-in capital.....	2,330,924	2,242,946
Accumulated other comprehensive income (loss)	(8,482)	137
Accumulated retained earnings (deficit)	<u>(587,075)</u>	<u>(693,308)</u>
Total shareholders' equity	<u>1,735,392</u>	<u>1,549,799</u>
	<u>\$4,873,704</u>	<u>\$5,047,141</u>

NORWEGIAN CRUISE LINE
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands)

	Nine months ended	
	September 30,	
	2009	2008
Cash flows from operating activities		
Net income (loss)	\$106,233	\$ (817)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization expense	126,258	132,635
Loss (gain) on translation of debt	15,836	(37,737)
Loss (gain) on derivatives	(28,637)	15,227
Write-off of unamortized loan fees	-	6,788
Stock compensation expense	3,190	612
Changes in operating assets and liabilities:		
Accounts receivable, net	(1,451)	21
Inventories	(3,402)	4,102
Prepaid expenses and other assets	(52,955)	(41,012)
Accounts payable	(36,404)	(19,318)
Accrued expense and other liabilities	(49,625)	15,050
Advance ticket sales	<u>5,865</u>	<u>(51,313)</u>
Net cash provided by operating activities	<u>84,908</u>	<u>24,238</u>
Cash flows from investing activities		
Additions to property and equipment, net	(135,038)	(124,950)
Restricted cash	<u>687</u>	<u>(2,033)</u>
Net cash used in investing activities	<u>(134,351)</u>	<u>(126,983)</u>
Cash flows from financing activities		
Repayments of long-term debt	(175,281)	(1,419,185)
Proceeds from long-term debt	30,000	903,000
Transactions with Affiliates, net	71,550	(198,309)
Contribution from Affiliates, net	100,000	948,111
Other	<u>(18,903)</u>	<u>(790)</u>
Net cash provided by financing activities	<u>7,366</u>	<u>232,827</u>
Net increase (decrease) in cash and cash equivalents	(42,077)	130,082
Cash and cash equivalents at beginning of period	<u>185,717</u>	<u>40,291</u>
Cash and cash equivalents at end of period	<u>\$143,640</u>	<u>\$170,373</u>

NORWEGIAN CRUISE LINE
NON-GAAP RECONCILING INFORMATION
(unaudited)

The following table sets forth selected statistical information:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2009	2008	2009	2008
Passengers Carried	348,614	360,810	1,019,672 ⁽¹⁾	966,701
Passenger Cruise Days	2,483,300	2,553,190	7,054,434	7,321,490
Capacity Days	2,163,140	2,293,946	6,386,536	6,745,362
Occupancy Percentage	114.8%	111.3%	110.5%	108.5%

⁽¹⁾Passengers Carried increased in 2009 primarily due to the three and four-night itinerary of *Norwegian Sky* compared to the seven-night itinerary with *Pride of Aloha* in 2008.

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,	
	2009	2008	2009	2008
Passenger ticket revenue	\$392,473	\$467,798	\$1,005,886	\$1,200,799
Onboard and other revenue	<u>158,203</u>	<u>171,191</u>	<u>447,662</u>	<u>474,752</u>
Total revenue	550,676	638,989	1,453,548	1,675,551
Less:				
Commissions, transportation and other expense	97,144	102,589	247,332	275,187
Onboard and other expense	<u>47,462</u>	<u>57,173</u>	<u>124,173</u>	<u>149,609</u>
Net Revenue	<u>\$406,070</u>	<u>\$479,227</u>	<u>\$1,082,043</u>	<u>\$1,250,755</u>
Capacity Days	2,163,140	2,293,946	6,386,536	6,745,362
Gross Yield	\$ 254.57	\$ 278.55	\$ 227.60	\$ 248.40
Net Yield	\$ 187.72	\$ 208.91	\$ 169.43	\$ 185.42

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

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2009	2008	2009	2008
Total cruise operating expense	\$344,831	\$431,982	\$987,689	\$1,242,091
Marketing, general and administrative expense	<u>54,202</u>	<u>65,510</u>	<u>179,159</u>	<u>212,014</u>
Gross Cruise Cost	399,033	497,492	1,166,848	1,454,105
Less:				
Commissions, transportation and other expense	97,144	102,589	247,332	275,187
Onboard and other expense	<u>47,462</u>	<u>57,173</u>	<u>124,173</u>	<u>149,609</u>
Net Cruise Cost	<u>\$254,427</u>	<u>\$337,730</u>	<u>\$795,343</u>	<u>\$1,029,309</u>

Capacity Days	2,163,140	2,293,946	6,386,536	6,745,362
Gross Cruise Cost per Capacity Day	\$ 184.47	\$ 216.87	\$ 182.70	\$ 215.57
Net Cruise Cost per Capacity Day	\$ 117.62	\$ 147.23	\$ 124.53	\$ 152.60

Operating Income Margin was calculated as follows (in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	2009	2008
Net Revenue	406,070	479,227	1,082,043	1,250,755
Operating income	113,431	100,608	172,369	100,403
Operating Income Margin	27.9%	21.0%	15.9%	8.0%

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

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	2009	2008
Net income (loss)	\$85,625	\$171,186	\$106,233	\$(817)
Interest income	(132)	(1,139)	(767)	(1,966)
Interest expense, net of capitalized interest	25,813	35,143	77,860	117,275
Other expense (income)	2,125	(104,582)	(10,957)	(14,089)
Operating income	113,431	100,608	172,369	100,403
Depreciation and amortization expense	38,212	40,889	114,331	121,043
EBITDA	151,643	141,497	286,700	221,446
Legal fees and settlements ⁽¹⁾	-	3,500	1,500	3,500
NCLA shutdown costs ⁽²⁾	-	1,724	-	13,138
Norwegian Sky start-up expenses ⁽³⁾	-	2,583	-	8,504
Consulting fees	-	1,215	-	7,231
Other ⁽⁴⁾	(3,468)	361	(2,662)	(1,531)
Adjusted EBITDA	\$148,175	\$150,880	\$285,538	\$252,288

(1) Includes legal fees for the cancellation of a newbuild ship order and for credit facility amendments.

(2) Costs in connection with the Hawaii restructuring, which were reimbursed by Star Cruises pursuant to the Reimbursement and Distribution Agreement.

(3) Costs incurred from the reflagging of Pride of Aloha from the U.S.-flagged fleet to the international fleet as Norwegian Sky.

(4) Includes insurance claim recoveries, costs related to severance agreements, and a supplemental Protection and Indemnity insurance call.