

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

	Three months ended		Twelve months ended	
	December 31,		December 31,	
	2009	2008	2009	2008
Revenue				
Passenger ticket	\$269,958	\$300,847	\$1,275,844	\$1,501,646
Onboard and other	<u>131,698</u>	<u>130,003</u>	<u>579,360</u>	<u>604,755</u>
Total revenue	<u>401,656</u>	<u>430,850</u>	<u>1,855,204</u>	<u>2,106,401</u>
Cruise operating expense				
Commissions, transportation and other	63,976	66,749	311,308	341,936
Onboard and other	34,157	33,208	158,330	182,817
Payroll and related	77,140	86,372	318,154	377,208
Fuel	48,830	46,485	162,683	258,262
Food	27,477	29,743	118,899	126,736
Other	<u>50,185</u>	<u>73,833</u>	<u>220,080</u>	<u>291,522</u>
Total cruise operating expense	<u>301,765</u>	<u>336,390</u>	<u>1,289,454</u>	<u>1,578,481</u>
Other operating expense				
Marketing, general and administrative	62,517	87,813	241,676	299,827
Depreciation and amortization	38,369	41,522	152,700	162,565
Impairment loss	-	<u>128,775</u>	-	<u>128,775</u>
Total other operating expense	<u>100,886</u>	<u>258,110</u>	<u>394,376</u>	<u>591,167</u>
Operating income (expense)	<u>(995)</u>	<u>(163,650)</u>	<u>171,374</u>	<u>(63,247)</u>
Non-operating income (expense)				
Interest income	69	830	836	2,796
Interest expense, net of capitalized interest	(37,490)	(35,089)	(115,350)	(152,364)
Other income (expense)	<u>(584)</u>	<u>(13,077)</u>	<u>10,373</u>	<u>1,012</u>
Total non-operating expense	<u>(38,005)</u>	<u>(47,336)</u>	<u>(104,141)</u>	<u>(148,556)</u>
Net income (loss)	<u>\$ (39,000)</u>	<u>\$(210,986)</u>	<u>\$ 67,233</u>	<u>\$(211,803)</u>

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

	<u>December 31,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>
Assets		
Current assets:		
Cash and cash equivalents.....	\$ 50,152	\$ 185,717
Restricted cash	3,097	4,004
Accounts receivable, net	7,868	6,047
Inventories.....	28,865	29,494
Prepaid expenses and other assets.....	<u>61,580</u>	<u>24,460</u>
Total current assets	151,562	249,722
Property and equipment, net	3,836,127	4,119,222
Goodwill and tradenames.....	602,792	602,792
Other assets	<u>220,867</u>	<u>75,405</u>
	<u>\$4,811,348</u>	<u>\$5,047,141</u>
Liabilities and shareholders' equity		
Current liabilities:		
Current portion of long-term debt.....	\$ 3,586	\$ 182,487
Accounts payable	28,376	70,412
Accrued expense and other liabilities	206,419	278,213
Due to Affiliate, net	225	210,058
Advance ticket sales.....	<u>255,432</u>	<u>250,638</u>
Total current liabilities	494,038	991,808
Long-term debt.....	2,554,105	2,474,014
Other long-term liabilities	<u>58,654</u>	<u>31,520</u>
Total liabilities.....	<u>3,106,797</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, respectively; 21,000,000 and 20,000,000 shares issued and outstanding, respectively	25	24
Additional paid-in capital.....	2,328,302	2,242,946
Accumulated other comprehensive income	2,299	137
Retained earnings (deficit)	<u>(626,075)</u>	<u>(693,308)</u>
Total shareholders' equity	<u>1,704,551</u>	<u>1,549,799</u>
	<u>\$4,811,348</u>	<u>\$5,047,141</u>

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

	Twelve months ended	
	December 31,	
	2009	2008
Cash flows from operating activities		
Net income (loss)	\$ 67,233	\$(211,803)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization expense	169,701	162,565
Impairment loss.....	-	128,775
Loss (gain) on translation of debt	22,677	(111,464)
Loss (gain) on derivatives.....	(35,488)	101,511
Write-off of unamortized loan fees.....	6,744	6,788
Stock compensation expense	4,075	865
Changes in operating assets and liabilities:		
Accounts receivable, net	(532)	2,126
Inventories.....	629	12,503
Prepaid expense and other assets	(90,605)	(15,323)
Accounts payable	(42,036)	(18,303)
Accrued expense and other liabilities	(56,466)	627
Advance ticket sales.....	4,794	(82,164)
Net cash provided by (used in) operating activities.....	<u>50,726</u>	<u>(23,297)</u>
Cash flows from investing activities		
Additions to property and equipment, net.....	(161,838)	(163,607)
Increase in restricted cash	(4,735)	(2,629)
Net cash used in investing activities	<u>(166,573)</u>	<u>(166,236)</u>
Cash flows from financing activities		
Repayments of long-term debt.....	(1,249,064)	(1,524,095)
Proceeds from long-term debt.....	1,121,021	1,123,000
Transactions with Affiliate, net.....	71,541	(211,267)
Contribution from Affiliates, net	100,000	948,111
Other, primarily deferred financing fees.....	(63,216)	(790)
Net cash provided by (used in) financing activities.....	<u>(19,718)</u>	<u>334,959</u>
Net increase (decrease) in cash and cash equivalents.....	(135,565)	145,426
Cash and cash equivalents at beginning of year	185,717	40,291
Cash and cash equivalents at end of year.....	<u>\$ 50,152</u>	<u>\$ 185,717</u>

NORWEGIAN CRUISE LINE
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 and 2007
(unaudited, in thousands)

	Ordinary shares	Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated retained earnings (deficit)	Total Shareholders' equity
Balance, December 31, 2006	\$ 12	\$1,711,114	\$ (1,516)	\$ (254,543)	\$1,455,067
Share-based compensation	—	948	—	—	948
Contribution from Affiliate, net	—	3,656	—	—	3,656
Changes related to cash flow hedges	—	—	2,817	—	2,817
Net loss	—	—	—	(226,962)	(226,962)
Balance, December 31, 2007	12	1,715,718	1,301	(481,505)	1,235,526
Ordinary share split	12	—	—	—	12
Share-based compensation	—	853	—	—	853
Contribution from Affiliate, net	—	948,099	—	—	948,099
Transactions with Affiliate, net	—	(421,724)	—	—	(421,724)
Changes related to cash flow hedges	—	—	(1,164)	—	(1,164)
Net loss	—	—	—	(211,803)	(211,803)
Balance, December 31, 2008	24	2,242,946	137	(693,308)	1,549,799
Share-based compensation	—	4,075	—	—	4,075
Contribution from Affiliates,	1	99,999	—	—	100,000
Transactions with Affiliate, net	—	(18,718)	—	—	(18,718)
Changes related to cash flow hedges	—	—	8,313	—	8,313
Changes related to defined benefit plan, net	—	—	(6,151)	—	(6,151)
Net income	—	—	—	67,233	67,233
Balance, December 31, 2009	\$ 25	\$2,328,302	\$ 2,299	\$(626,075)	\$1,704,551

NORWEGIAN CRUISE LINE
NON-GAAP RECONCILING INFORMATION
(unaudited)

The following table sets forth selected statistical information:

	Three months ended December 31,		Twelve months ended December 31,	
	2009	2008	2009	2008
Passengers Carried	298,769	303,580	1,318,441 ⁽¹⁾	1,270,281
Passenger Cruise Days	2,188,720	2,182,349	9,243,154	9,503,839
Capacity Days	2,064,444	2,155,454	8,450,980	8,900,816
Occupancy Percentage	106.0%	101.2%	109.4%	106.8%

⁽¹⁾Passengers Carried increased for the twelve months of 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 December 31,		Twelve months ended December 31,	
	2009	2008	2009	2008
Passenger ticket revenue	\$269,958	\$300,847	\$1,275,844	\$1,501,646
Onboard and other revenue	<u>131,698</u>	<u>130,003</u>	<u>579,360</u>	<u>604,755</u>
Total revenue	<u>401,656</u>	<u>430,850</u>	<u>1,855,204</u>	<u>2,106,401</u>
Less:				
Commissions, transportation and other expense	63,976	66,749	311,308	341,936
Onboard and other expense	<u>34,157</u>	<u>33,208</u>	<u>158,330</u>	<u>182,817</u>
Net Revenue	<u>\$303,523</u>	<u>\$330,893</u>	<u>\$1,385,566</u>	<u>\$1,581,648</u>
Capacity Days	2,064,444	2,155,454	8,450,980	8,900,816
Gross Yield	\$ 194.56	\$ 199.89	\$ 219.53	\$ 236.65
Net Yield	\$ 147.02	\$ 153.51	\$ 163.95	\$ 177.70

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

	Three months ended December 31,		Twelve months ended December 31,	
	2009	2008	2009	2008
Total cruise operating expense	\$301,765	\$336,390	\$1,289,454	\$1,578,481
Marketing, general and administrative expense	<u>62,517</u>	<u>87,813</u>	<u>241,676</u>	<u>299,827</u>
Gross Cruise Cost	<u>364,282</u>	<u>424,203</u>	<u>1,531,130</u>	<u>1,878,308</u>
Less:				
Commissions, transportation and other expense	63,976	66,749	311,308	341,936
Onboard and other expense	<u>34,157</u>	<u>33,208</u>	<u>158,330</u>	<u>182,817</u>
Net Cruise Cost	<u>\$266,149</u>	<u>\$324,246</u>	<u>\$1,061,492</u>	<u>\$1,353,555</u>
Capacity Days	2,064,444	2,155,454	8,450,980	8,900,816
Gross Cruise Cost per Capacity Day	\$ 176.46	\$ 196.80	\$ 181.18	\$ 211.03

Net Cruise Cost per Capacity Day	\$ 128.92	\$ 150.43	\$ 125.61	\$ 152.07
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EBITDA and Adjusted EBITDA are calculated as follows (in thousands):

	Three months ended		Twelve months ended	
	December 31,		December 31,	
	2009	2008	2009	2008
Net income (loss)	\$ (39,000)	\$ (210,986)	\$ 67,233	\$ (211,803)
Interest income	(69)	(830)	(836)	(2,796)
Interest expense, net of capitalized interest	37,490	35,089	115,350	152,364
Other expense (income)	584	13,077	(10,373)	(1,012)
Operating income (loss)	(995)	(163,650)	171,374	(63,247)
Depreciation and amortization expense	38,369	41,522	152,700	162,565
Impairment loss	-	128,775	-	128,775
EBITDA	37,374	6,647	324,074	228,093
Legal fees and settlements ⁽¹⁾	-	9,223	1,500	12,723
NCLA shutdown costs ⁽²⁾	-	981	-	14,119
Norwegian Sky start-up expenses ⁽³⁾	-	-	-	8,503
Consulting fees	-	1,148	-	8,378
Other ⁽⁴⁾	4,256	15,663	6,959	14,133
Adjusted EBITDA	<u>\$41,630</u>	<u>\$ 33,662</u>	<u>\$332,533</u>	<u>\$285,949</u>

⁽¹⁾ Includes a claim related to the S.S. Norway incident and legal fees for credit facility amendments and the cancellation of a newbuild ship order.

⁽²⁾ Costs in connection with the Hawaii restructuring, which were reimbursed by Star Cruises (now known as Genting Hong Kong Limited).

⁽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 and a supplemental insurance call, costs related to severance of former CEO in the fourth quarter of 2008, non-cash compensation and pension costs, and costs related to a mechanical failure on one of our vessels in the fourth quarter of 2009.