

June 14, 2009

Norwegian Cruise Line Reports Results For First Quarter 2009

EBITDA in the first quarter improves to \$50.9 million in 2009 compared to \$34.8 million in 2008 Record first quarter occupancy percentage of 106.9%

Norwegian Cruise Line (the "Company") reported an EBITDA improvement for the three months ended March 31, 2009 of 46.3% to \$50.9 million versus \$34.8 million for the same period in 2008. Net income rose to \$5.2 million in 2009 versus a net loss of \$145.0 million in 2008. These increases in profitability came despite a decrease in Net Revenues for the first quarter of 15.5%. Net Revenues decreased primarily due to a 7.9% decrease in Net Yields and an 8.3% decrease in Capacity Days. The decrease in Net Yields resulted mainly from weakness in passenger ticket pricing offset by an increase in Net Yields pertaining to onboard and other revenues. The decrease in Capacity Days resulted from the departure of Marco Polo and Norwegian Dream from the Company's fleet in March and November of 2008, respectively. Occupancy Percentage for the first quarter of 2009 was 106.9% compared to 106.4% in the first quarter of 2008, and is the highest for a first quarter since the introduction of the Company's first modern, purpose-built Freestyle Cruising ship slightly less than ten years ago.

Net Cruise Costs per Capacity Day decreased 14.7% in the first quarter of 2009 compared to the same period in 2008. The decrease in these costs is primarily attributable to lower fuel costs across the fleet and lower payroll and related costs per Capacity Day primarily due to cost savings from the re-flagging of Pride of Hawai'i and Pride of Aloha from the U.S.-flagged fleet to the international fleet. For the first quarter of 2009, average fuel costs decreased 43.3% from the first quarter of 2008 from \$526 to \$298 per metric ton.

Interest expense, net of capitalized interest, decreased to \$25.4 million in the first quarter of 2009 from \$47.7 million for the first quarter of 2008 primarily due to lower average interest rates in the period which were partially offset by an increase in outstanding long-term debt balances. Other income (expenses), net improved to a \$17.3 million gain in 2009 from a \$92.7 million loss in 2008, primarily due to foreign currency translation gains of \$15.4 million in 2009 compared to losses of \$92.5 million in 2008.

"Although our results reflect the weakness in the overall economy, I am pleased with how our strategic initiatives have softened the impact and continue to position us for the future," said Kevin Sheehan, chief executive officer of Norwegian Cruise Line. "The restructuring of our Hawaii operation, as well as our focus on our cost structure, have resulted in significant savings which are reflected in our improved EBITDA result. Our fleet renewal program continues with the scheduled departure of the oldest ship in our fleet, Norwegian Majesty, in October of this year, and we continue to eagerly prepare for the 2010 delivery of Norwegian Epic, which goes on sale to the general public on May 21, 2009."

Outlook

Although pricing continues to be soft, booking levels continue to remain strong and occupancy rates should equal or exceed those of last year. The booking curve, which had contracted considerably at the end of 2008, has lengthened slightly, although it continues to be shorter compared to historic levels. "As we continue to navigate through this difficult economy, we see signs of improvement. An expanding booking curve, however slight, as well as record occupancy levels are signs that the marketplace is receptive to cruising as a vacation choice. Although we continue to be disappointed with the current pricing environment, we are optimistic that we are introducing new people to our brand and bringing in new cruisers to the market," said Sheehan.

Non-GAAP Information

To supplement the Company's condensed consolidated financial statements presented on a U.S. Generally Accepted Accounting Principles (GAAP) basis, the Company also provides certain non-GAAP financial measures, including EBITDA, pro forma EBITDA, and adjusted operating income.

EBITDA is defined as earnings (net income) before interest, taxes, depreciation and amortization, and is used by management to measure operating performance of the business. Management believes EBITDA is a useful measure as it reflects certain operating drivers of the Company's business, such as sales growth, operating costs, selling, general and administrative expenses and other operating income and expense. EBITDA is also one of the measures used by the Company to calculate incentive compensation for management-level employees. Pro forma EBITDA excludes the impact of a one-time impairment loss in 2008 of \$128.8 million related to the cancellation of a contract to build a ship and a \$2.6 million loss in 2007 related to the sale of Oceanic, and also excludes certain restructuring charges. While EBITDA and pro forma EBITDA are not recognized measures under GAAP, management uses these financial measures to evaluate and forecast the Company's business performance. These non-GAAP financial measures have certain material limitations, including:

* they do not include net interest expense. As the Company has borrowed money for general corporate purposes, interest expense is a necessary element of its costs and ability to generate profits and cash flows; and

* they do not include depreciation and amortization expenses. As the Company uses capital assets, depreciation and amortization are necessary elements of its costs and ability to generate profits.

Management compensates for these limitations by using EBITDA and pro forma EBITDA as only two of several measures for evaluating the Company's business performance. In addition, capital expenditures, which impact depreciation and amortization, interest expense and income tax expense, are reviewed separately by management. Management believes these non-GAAP financial measures can provide a more complete understanding of the underlying operating results and trends and an enhanced overall understanding of the Company's financial performance and prospects for the future. EBITDA and pro forma EBITDA are not intended to be measures of liquidity or cash flows from operations or measures comparable to net income as they do not take into account certain requirements such as capital expenditures and related depreciation, principal and interest payments and tax payments. A reconciliation of these items can be found attached hereto.

Terminology and Non-GAAP Financial Measures

Passenger Cruise Days

Passenger Cruise Days represents the number of passengers carried for the period multiplied by the number of days in their respective cruises.

Capacity Days

Capacity Days represents double occupancy per cabin multiplied by the number of cruise days for the period.

Occupancy Percentage

Occupancy Percentage, in accordance with cruise industry practice, represents the ratio of Passenger Cruise Days to Capacity Days. A percentage in excess of 100% indicates that three or more passengers occupied some cabins.

Net Revenues

Net Revenues represents total revenues less commissions, transportation and other expenses, and onboard and other expenses.

Gross Yields

Gross Yields represents total revenues per Capacity Day.

Net Yields

Net Yields represents total revenues less commissions, transportation and other expenses, and onboard and other expenses per Capacity Day. The Company utilizes Net Yields to manage its business on a day-to-day basis and believes that it is the most relevant measure of its performance and is commonly used in the cruise industry to measure performance. The Company has not provided a quantitative reconciliation of projected Gross Yields to projected Net Yields due to the significant uncertainty in projecting the costs deducted to arrive at this measure. Accordingly, the Company does not believe that reconciling information for such projected figures would be meaningful.

Gross Cruise Costs

Gross Cruise Costs represents the sum of total cruise operating expenses and marketing, general and administrative expenses.

Net Cruise Costs

Net Cruise Costs represents Gross Cruise Costs excluding commissions, transportation and other expenses and onboard and other expenses. In measuring the Company's ability to control costs in a manner that positively impacts operating income, the Company believes changes in Net Cruise Costs and Net Cruise Costs Excluding Fuel to be the most relevant indicators of its performance and are commonly used in the cruise industry as a measurement of costs.

About Norwegian Cruise Line

Norwegian Cruise Line (NCL) is the innovator in cruise travel with a 42-year history of breaking the boundaries of traditional cruising, most notably with the introduction of Freestyle Cruising which has revolutionized the industry by allowing guests more freedom and flexibility.

Today, NCL has the youngest fleet in the industry with 11 purpose-built Freestyle Cruising ships, providing guests the opportunity to enjoy a relaxed cruise vacation on the newest, most contemporary ships at sea.

NCL is presently building Norwegian Epic, a new third generation Freestyle Cruising vessel, for delivery in May 2010.

High resolution, downloadable images are available at www.ncl.com/pressroom. For further information on NCL, visit www.ncl.com or contact NCL in the U.S. and Canada at (866) 234-0292.

Forward-Looking Statements

This release may contain statements, estimates or projections that constitute "forward-looking statements" as defined under U.S. federal securities laws including the statements made under the "Outlook" section of this release. Generally, the words "expect," "anticipate," "goal," "project," "plan," "believe," "seek," "will," "may," "forecast," "estimate," "intend," "future," and similar expressions are intended to identify forward-looking statements, which are not historical in nature. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. These risks include, but are not limited to, the impact of changes in the global credit markets on the Company's ability to borrow and counterparty credit risks, including those under the Company's credit facilities, derivative instruments, contingent obligations, insurance contracts and new ship progress payment guarantees; the Company's ability to finalize amendments to its credit facilities and obtain additional equity investments from its shareholders in accordance with the Company's expectations; changes in cruise capacity, as well as capacity changes in the overall vacation industry; introduction of competing itineraries and other products by other companies; changes in general economic, business and geo-political conditions; adverse economic conditions that may affect consumer demand for cruises such as higher unemployment rates, fuel price increases, declines in the securities and real estate markets, and declines in disposable income and consumer confidence; adverse events impacting the security of travel that may affect consumer demand for cruises such as terrorist acts, acts of piracy, armed conflict and other international events; lack of acceptance of new itineraries, products or services by the Company's targeted customers; the Company's ability to implement brand strategies and its shipbuilding programs, and to continue to expand its business worldwide; costs of new initiatives; changes in interest rates, fuel costs or foreign currency rates; delivery schedules and estimated costs of new ships on terms that are favorable or consistent with the Company's expectations; risks associated with operating internationally; impact of the spread of contagious diseases; accidents and other incidents affecting the health, safety, security and vacation satisfaction of passengers and causing damage to ships, which could cause the modification of itineraries or cancellation of a cruise or series of cruises; the Company's ability to attract and retain qualified shipboard crew, maintain good relations with employee unions and maintain or renegotiate the Company's collective bargaining agreements on favorable terms; changes in other operating costs such as crew, insurance and security costs; continued availability of attractive port destinations; the impact of pending or threatened litigation and investigations; the ability to obtain financing and/or insurance coverage on terms that are favorable or consistent with the Company's expectations; continued availability under the Company's credit facilities and compliance with the Company's covenants; the impact of changes in the Company's credit ratings; changes involving the corporate, tax, environmental, health, safety, security and other regulatory regimes in which the Company operates; the impact of any future changes relating to how travel agents sell and market the Company's cruises; the impact on the Company's business of any future increases in the price of, or major changes or reduction in commercial airline services; the impact of delays, costs and other factors resulting from emergency ship repairs as well as scheduled maintenance, repairs and refurbishment of the Company's ships; disruptions to the Company's software and other information technology systems; the implementation of regulations in the United States requiring United States citizens to obtain passports for travel to additional foreign destinations; weather and natural disasters; and other risks discussed in NCL's filings with the Securities and Exchange Commission. You should not place undue reliance on forward-looking statements as a prediction of actual results. NCL expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based. In addition, certain financial measures in this release constitute non-GAAP financial measures as defined by Regulation G. A reconciliation of these items can be found attached hereto and on the Company's web site at www.ncl.com/investors

[Click here](#) for financial tables.