



NORWEGIAN CRUISE LINE
HOLDINGS LTD.

FIRST QUARTER 2022 EARNINGS CONFERENCE CALL

May 10, 2022



FORWARD LOOKING STATEMENT

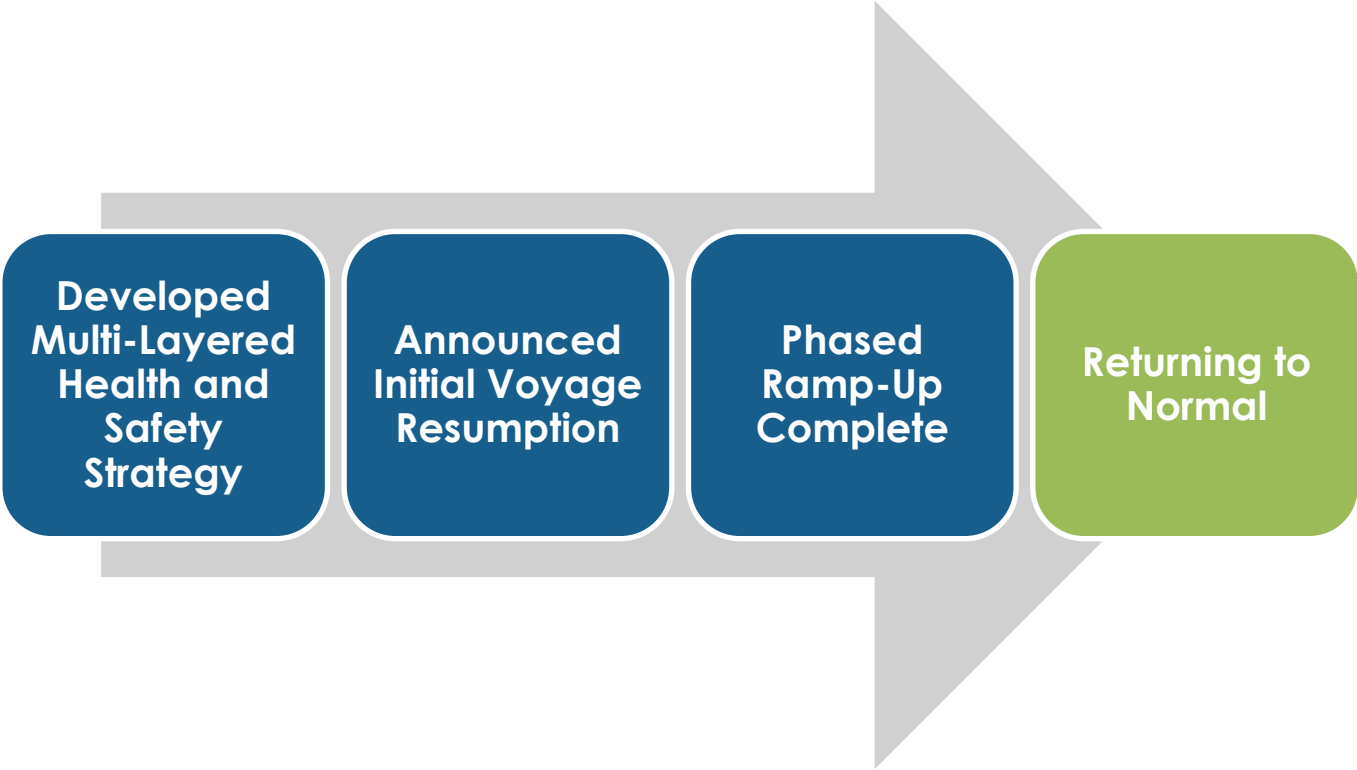
Some of the statements, estimates or projections contained in this presentation are “forward-looking statements” within the meaning of the U.S. federal securities laws intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding our business strategy, financial position, results of operations, plans, prospects, actions taken or strategies being considered with respect to our liquidity position, valuation and appraisals of our assets and objectives of management for future operations (including those regarding expected fleet additions, our ability to weather the impacts of the COVID-19 pandemic, our expectations regarding the impact of Russia’s recent invasion of Ukraine, our expectations regarding cruise voyage occupancy, the implementation of and effectiveness of our health and safety protocols, operational position, demand for voyages, plans or goals for our sustainability program and decarbonization efforts, our expectations for future cash flows and profitability, financing opportunities and extensions, and future cost mitigation and cash conservation efforts and efforts to reduce operating expenses and capital expenditures) 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: the spread of epidemics, pandemics and viral outbreaks and specifically, the COVID-19 pandemic, including its effect on the ability or desire of people to travel (including on cruises), which is expected to continue to adversely impact our results, operations, outlook, plans, goals, growth, reputation, cash flows, liquidity, demand for voyages and share price; implementing precautions in coordination with regulators and global public health authorities to protect the health, safety and security of guests, crew and the communities we visit and to comply with regulatory restrictions related to the pandemic; legislation prohibiting companies from verifying vaccination status; our indebtedness and restrictions in the agreements governing our indebtedness that require us to maintain minimum levels of liquidity and be in compliance with maintenance covenants and otherwise limit our flexibility in operating our business, including the significant portion of assets that are collateral under these agreements; our ability to work with lenders and others or otherwise pursue options to defer, renegotiate, refinance or restructure our existing debt profile, near-term debt amortization, newbuild related payments and other obligations and to work with credit card processors to satisfy current or potential future demands for collateral on cash advanced from customers relating to future cruises; our need for additional financing or financing to optimize our balance sheet, which may not be available on favorable terms, or at all, and our outstanding exchangeable notes and any future financing which may be dilutive to existing shareholders; the unavailability of ports of call; future increases in the price of, or major changes or reduction in, commercial airline services; changes involving the tax and environmental regulatory regimes in which we operate, including new regulations aimed at reducing greenhouse gas emissions; the accuracy of any appraisals of our assets as a result of the impact of the COVID-19 pandemic or otherwise; our success in controlling operating expenses and capital expenditures; trends in, or changes to, future bookings and our ability to take future reservations and receive deposits related thereto; adverse events impacting the security of travel, such as terrorist acts, armed conflict, such as Russia’s recent invasion of Ukraine, and threats thereof, acts of piracy, and other international events; adverse incidents involving cruise ships; adverse general economic and related factors, including as a result of the impact of the COVID-19 pandemic, Russia’s recent invasion of Ukraine or otherwise, such as fluctuating or increasing levels of interest rates, inflation, 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; breaches in data security or other disturbances to our information technology and other networks or our actual or perceived failure to comply with requirements regarding data privacy and protection; changes in fuel prices and the type of fuel we are permitted to use and/or other cruise operating costs; mechanical malfunctions and repairs, delays in our shipbuilding program, maintenance and refurbishments and the consolidation of qualified shipyard facilities; the risks and increased costs associated with operating internationally; our inability to recruit or retain qualified personnel or the loss of key personnel or employee relations issues; our inability to obtain adequate insurance coverage; pending or threatened litigation, investigations and enforcement actions; any further impairment of our trademarks, trade names or goodwill; 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 reliance on third parties to provide hotel management services for certain ships and certain other services; fluctuations in foreign currency exchange rates; our expansion into new markets and investments in new markets and land-based destination projects; overcapacity in key markets or globally; 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. Additionally, many of these risks and uncertainties are currently amplified by and will continue to be amplified by, or in the future may be amplified by, the COVID-19 pandemic and Russia’s recent invasion of Ukraine. It is not possible to predict or identify all such risks. There may be additional risks that we consider immaterial or which are unknown. 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 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.

KEY EVENTS SINCE Q4 2021 EARNINGS CALL

Feb 28	Oceania Cruises celebrates float out of its new 1,200 guest <i>Vista</i> at the Fincantieri shipyard in Sestri Ponente, Italy.
Mar 7	Oceania Cruises sets new single-day booking record, surpassing the previous record set in September 2021 by almost 12%. This was driven by the launch of the 2024 world cruise, which sold out in 30 minutes, and four new grand voyages.
Mar 17	Norwegian Cruise Line names global pop superstar Katy Perry as godmother for its newest ship, Norwegian <i>Prima</i> .
Mar 30	CDC removes Travel Health Notice for cruising.
Mar 31	Company announced the signing of a Memorandum of Agreement to develop berthing and upland facilities in Whittier, Alaska in conjunction with the Huna Totem Corporation. The project will consist of a marine vessel docking facility along with related structures including a cruise ship terminal and facilities for rail and bus access.
Apr 6	Norwegian Cruise Line announces launch of the cruise industry's first collection of NFTs to celebrate the launch of the <i>Prima</i> Class. The six NFT art pieces were created by Manuel Di Rita, "Peeta", the Italian artist who designed the hull art on the Norwegian <i>Prima</i> and Norwegian <i>Viva</i> .
Apr 13	Oceania Cruises announces bow-to-stern re-inspiration of the 1,210-guest ships <i>Riviera</i> and <i>Marina</i> as part of OceaniaNEXT.
Apr 21	Company commits to pursue net zero greenhouse gas emissions by 2050 across its operations and value chain.
Apr 21	Company publishes first TCFD report.
May 2	Norwegian Cruise Line launches Giving Joy annual recognition program, which provides educators with free cruises and a chance to win up to \$25,000 for their schools.
May 5	CDC modified its <i>COVID-19 Program for Cruise Ships Operating in U.S. Waters</i> to reduce vaccination status thresholds from 95% of passengers to 90% of passengers ¹ .
May 7	Company becomes the first major cruise operator ¹ to return full fleet to service.

¹ Compared to CCL and RCL
Note: Excludes children under 5

RETURN TO SERVICE PLAN

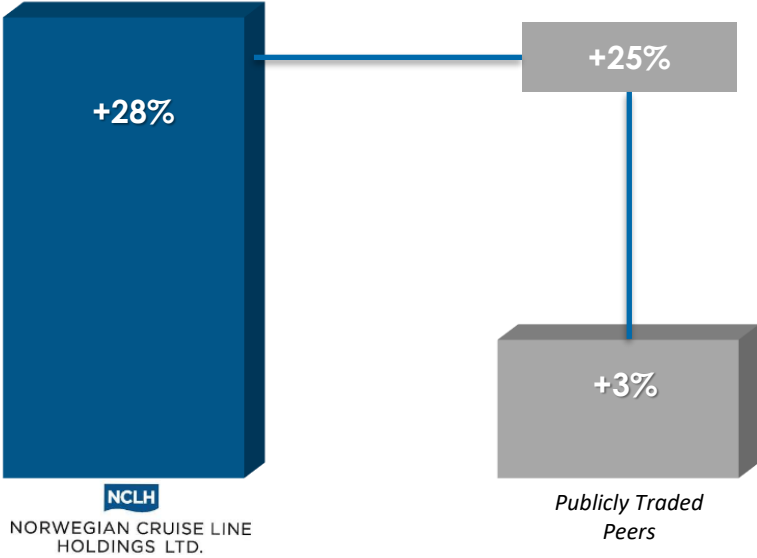


Significant Milestone Reached as First Major Cruise Operator¹ to Return Full Fleet to Service

¹ Compared to CCL and RCL

ROBUST Q1 PRICING GROWTH

Pricing growth compared to 2019

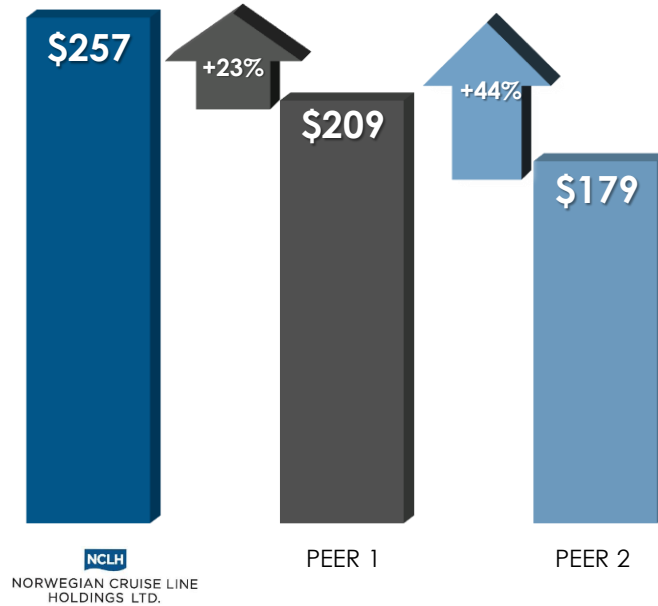


Our go-to-market strategy continues to deliver strong pricing

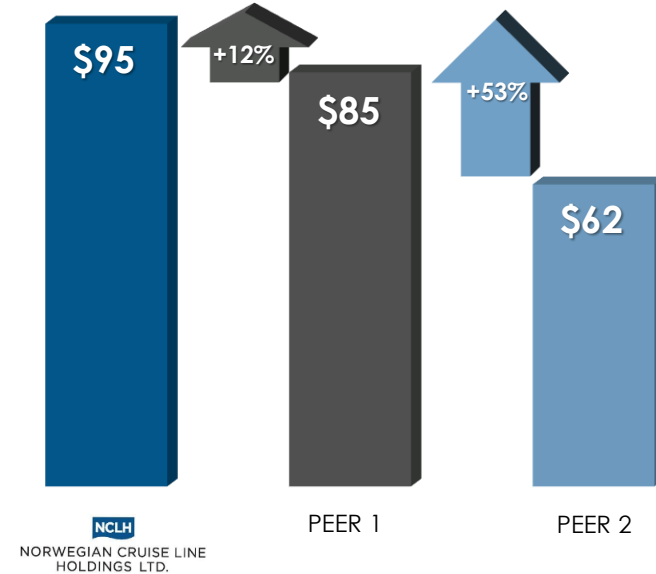
Note: Percentages presented above are based on growth in Net Per Diems, a non-GAAP financial measure, for Q1 2019 vs. Q1 2022. Please refer to the Appendix for reconciliations of these non-GAAP financial measures to the GAAP financial measures the Company considers most comparable.
Source: Company and peer company SEC filings. Peer company calculations may not be based on comparable time periods.

INDUSTRY LEADER IN YIELD AND EBITDA PER CAPACITY DAY ¹

2019 Net Yield ²



2019 EBITDA Per Capacity Day ²



Source: Company and peer company SEC filings. Peer filings may not be calculated on the same basis.

¹ Compared to major publicly traded cruise operators.

² Twelve months ended November 30 or December 31, 2019, as applicable.

Note: Metrics presented are for Norwegian Cruise Line Holdings Ltd.; Net Yield and EBITDA Per Capacity Day are non-GAAP financial measures. Non-GAAP financial measures should not be used as a substitute for GAAP financial measures, or considered in isolation, for the purpose of analyzing operating performance, financial position or cash flows. Please refer to the Appendix for reconciliations of these non-GAAP financial measures to the GAAP financial measures the Company considers most comparable.

RUSSIA-UKRAINE IMPACT

Operations

- Cancelled or modified ~60 sailings in 2022, which included all voyages with calls to ports in Russia.
- Redeployed three ships including Norwegian Getaway (Port Canaveral), Oceania Cruises' Marina (British Isles) and Regent's Seven Seas Splendor (Northern Europe).
- All 2023 calls to Russia have been removed from all itineraries company-wide.

Net Booking Volumes

- Elevated cancellations, primarily for itineraries in the Baltic region, in the immediate weeks after the invasion. Impact was short-lived and has since subsided.

Humanitarian Crisis Support/Relief

- Activated Crew Relief Fund and offering logistical, communication and mental health support to affected team members.
- Announced support via donation to Save the Children's Ukraine Crisis Relief Fund and invited guests, travel partners and team members to contribute.

BOOKING TRENDS UPDATE

- Net bookings began to improve in mid-January after an Omicron-related dip. This momentum was temporarily disrupted in the immediate weeks following the start of the Russia-Ukraine conflict. The impact was short-lived and net bookings have rebounded, and more recently surpassed, pre-Omicron levels. Net booking volumes are now approaching the pace needed to consistently sail at historical load factor levels.
- The overall cumulative booked position for the second half of 2022 is below the comparable 2019 period, primarily reflecting the impacts from Omicron and Russia-Ukraine. Booked position improves throughout the year with Q4 2022 in line with 2019. Pricing is meaningfully higher in all periods.
 - ~80% of the cumulative booked position for 2H 2022 is cash bookings vs. FCCs.
 - ~60% of the cumulative booked position for 2H 2022 are loyal repeat cruisers to our brands.
- Booking trends for 2023 continue to be positive with both booked position and pricing significantly higher and at record levels when compared to bookings for 2019 and pre-pandemic 2020 at a comparable point in the booking curve.
- Nearly 80% of the total value of FCCs outstanding have been rebooked to-date.
- In March, Oceania Cruises set a new single day booking record that surpassed the most recent record set in September 2021 by nearly 12%, driven by the launch of its 2024 world cruise and four new grand voyages. Almost half of bookings for the 2024 world cruise were from new to brand guests.

**Strong demand for cruises continues
with robust pricing for all future periods**

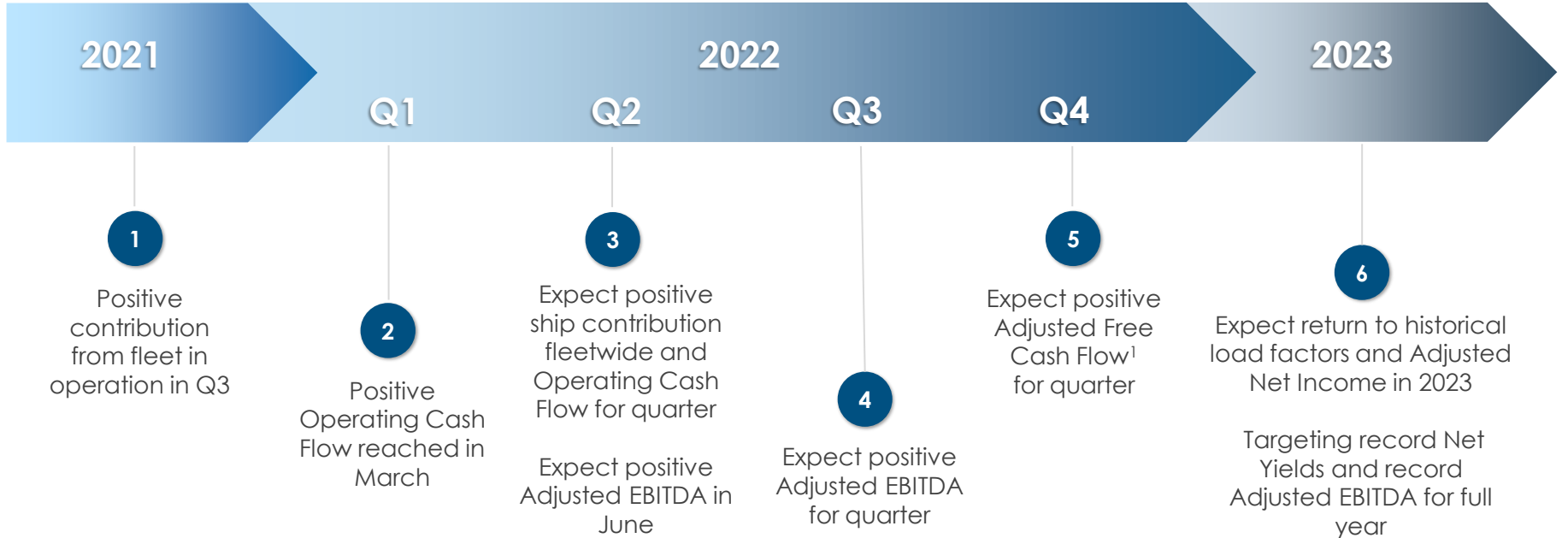
NEXT CLASS OF CUTTING-EDGE NORWEGIAN SHIPS

- Norwegian Prima is the first of six newbuilds on order for Norwegian Cruise Line. Norwegian Prima and sister ship Norwegian Viva will accommodate ~3,215 guests at double occupancy. Prima Plus Class vessels (#3-#6) will be larger and accommodate ~3,550 guests at double occupancy.
- World famous pop icon Katy Perry [named as Norwegian Prima's godmother](#) and headline entertainer for her christening ceremony in Reykjavik, Iceland.



First of six Prima and Prima Plus Class vessels to join fleet in Summer 2022

KEY FINANCIAL RECOVERY MILESTONES



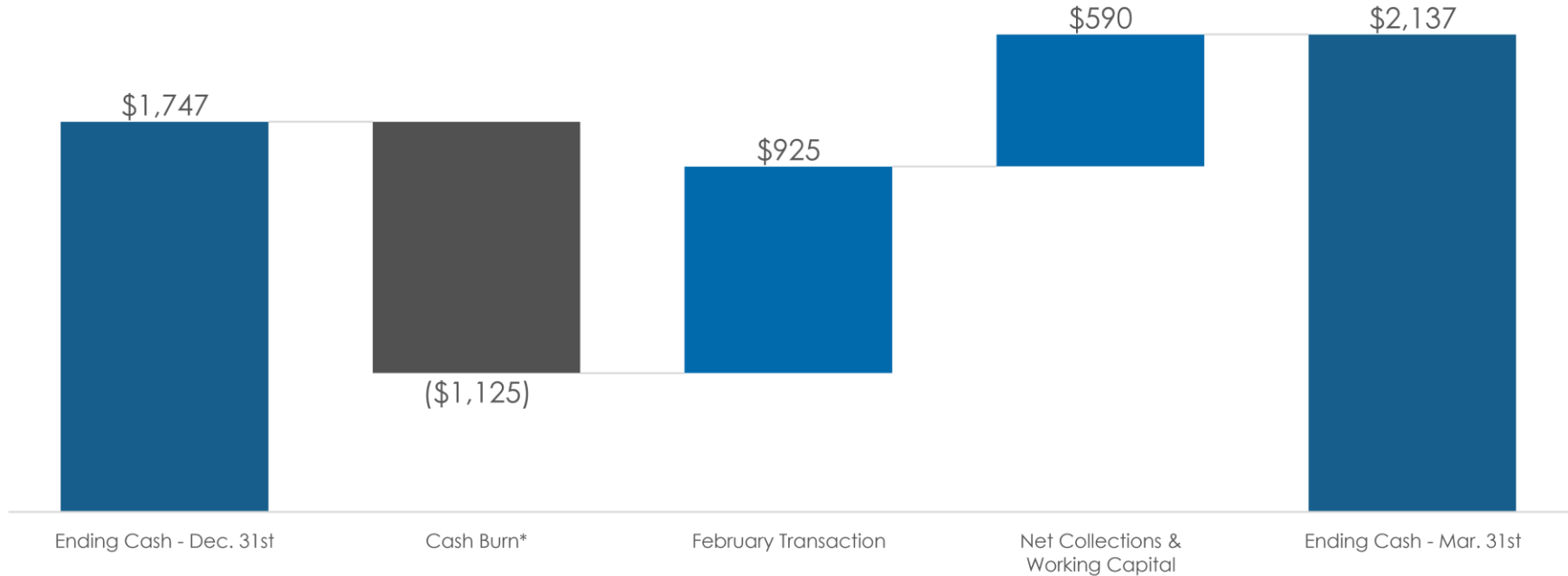
**Significant financial inflection point reached in March
with slightly positive operating cash flow**

¹ Includes financing proceeds for newbuilds

Note: Adjusted EBITDA, Adjusted Free Cash Flow, Adjusted Net Income and Net Yield are non-GAAP Financial measures. Non-GAAP financial measures should not be used as a substitute for GAAP financial measures, or considered in isolation, for the purpose of analyzing operating performance, financial position or cash flows. Please see the Appendix for additional information.

FIRST QUARTER SOURCES AND USES OF CASH

(in \$ Millions)



Cash balance increased in Q1 driven by February balance sheet optimization transactions

*Cash burn includes operating expenses, SG&A, interest expense and capital expenditures.
Cash includes cash and cash equivalents and short-term investments

LIQUIDITY & CASH BURN

- Liquidity of ~\$3.1B¹ as of March 31, 2022.
- The fleet in service in Q1 2022 generated positive contribution, despite the impact of Omicron, driven by strong ticket pricing and onboard revenue spend.
- In Q1 2022, the monthly average cash burn rate² was ~\$375M/month, below prior guidance of \$390M.
- Reached significant inflection point with slightly positive Operating Cash Flow in March and expect positive Operating Cash Flow for Q2 2022. On track for positive Operating Cash Flow and Adjusted EBITDA for second half 2022.
- During Q1 2022, gross advance ticket sales build were \$1.1 billion, a nearly 60% increase compared to prior quarter, and the first time since the beginning of the pandemic to surpass \$1 billion.

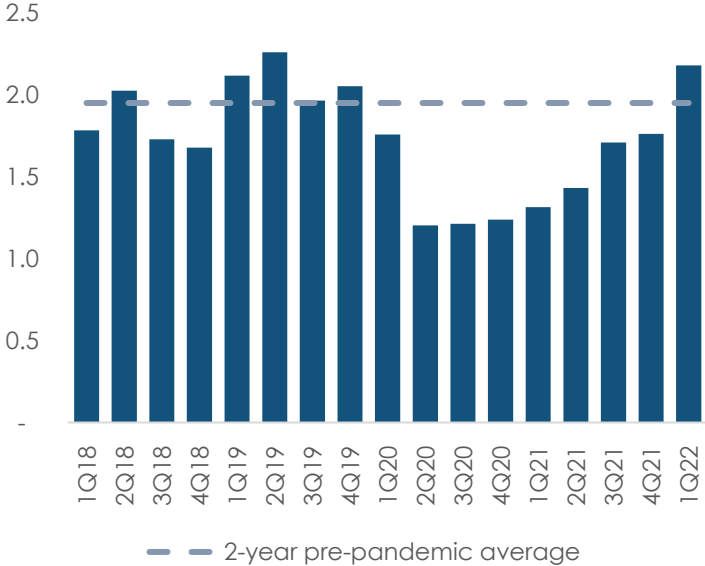
Strong liquidity profile positions Company well through recovery process

¹ Includes the undrawn \$1 billion commitment through August 2022

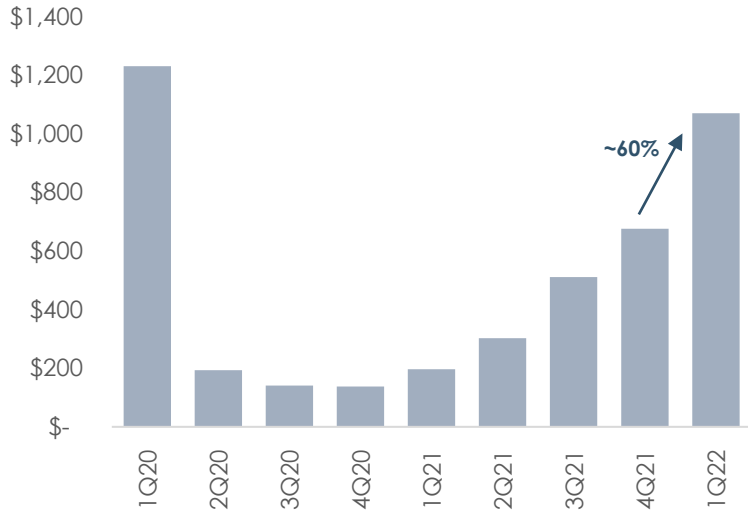
² Cash burn rates include ongoing ship operating expenses, administrative operating expenses, interest expense, taxes, debt deferral fees and expected non-newbuild capital expenditures and excludes cash refunds of customer deposits as well as cash inflows from new and existing bookings, newbuild related capital expenditures and other working capital changes

CASH GENERATION ENGINE FUELED BY ADVANCE TICKET SALES

Total Advance Ticket Sales (\$B)



Quarterly Gross Advance Ticket Sales Build (\$M)



Strong demand led to a 60% QoQ increase in gross advance ticket sales build in Q1

MEDIUM AND LONG-TERM FINANCIAL RECOVERY PLAN

1

Rebuild and Improve Margins

- Gradual return to pre-COVID margin levels
- Maintain price discipline and industry-leading Net Yields
- Reduce fixed cost base
- Identify marketing efficiencies, including shift to digital
- Manage fuel expense with EGCS¹ retrofits and newbuilds

2

Maximize Cash Flow Generation

- Introduce robust growth profile of ROIC and cash flow accretive vessels in 2022-2027
- Balance ongoing capex needs, including fleet refurbishments, with required debt and interest payments
- Explore return generating destination investments, including expanding private island infrastructure

3

Optimize Balance Sheet

- Maintain sufficient liquidity to weather extended post-crisis recovery
- Chart path to return to pre-COVID leverage
- Refinance or repay high-cost debt incurred during crisis
- Revisit capital returns to shareholders once balance sheet is optimized

Continued focus on execution of medium and long-term financial recovery plan

BALANCE SHEET OPTIMIZATION TRANSACTIONS

November 2021

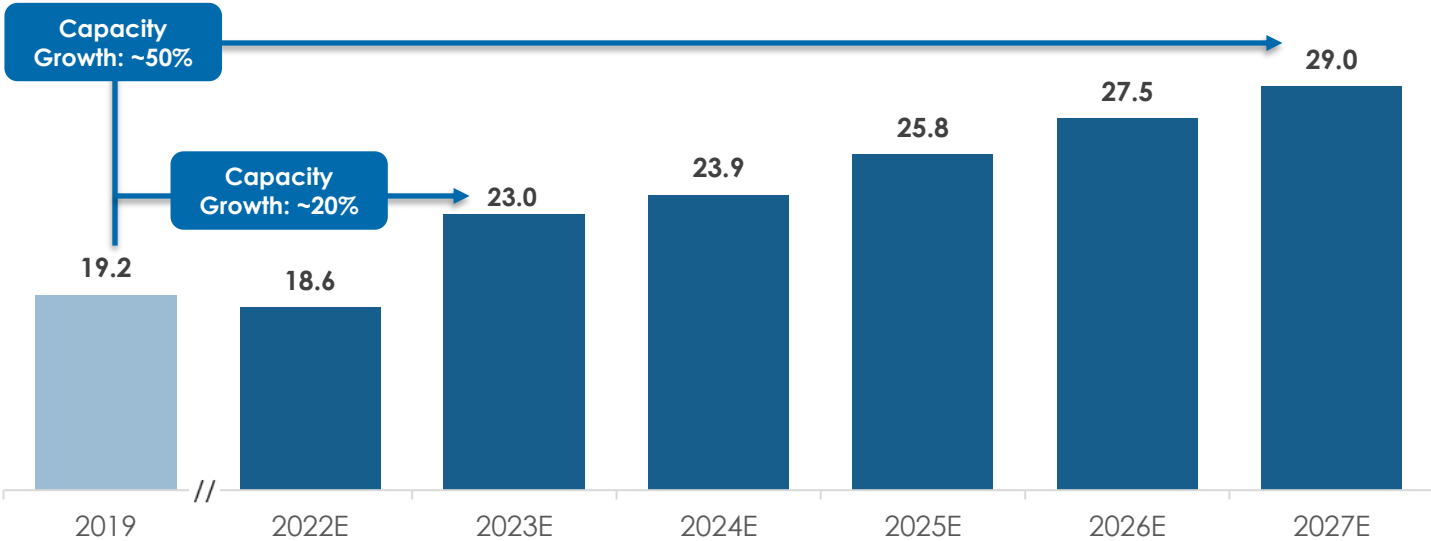
- Issued \$1.15B of 1.125% exchangeable senior notes due 2027
- Repurchased \$715.9M of 6.00% exchangeable senior notes due 2024
- Issued common equity of ~\$1.1B, with net proceeds used to redeem a portion of 12.25% and 10.25% senior secured notes due 2024 and 2026, respectively
- Net reduction in diluted shares outstanding of 5.2M¹

February 2022

- Issued \$1.0B of 5.875% senior secured notes due 2027
- Issued \$600M of 7.750% senior notes due 2029
- Issued \$473M of 2.50% exchangeable senior notes due 2027
- Proceeds used to redeem all of the outstanding 12.25% and 10.25% secured notes due 2024 and 2026, respectively, and expected to be used to make principal payments on debt maturing in the short-term

Extended Debt Maturities, Reduced Diluted Shares Outstanding and Lowered Cash Interest by \$75M/year

2019-2027E DISCIPLINED GROWTH (M)



# Ships	27	29	32	33	35	36	37
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New Ships	Norwegian Encore (Nov '19)	Norwegian Prima	Norwegian Viva	Norwegian Prima Plus Class	Norwegian Prima Plus Class	Norwegian Prima Plus Class	Norwegian Prima Plus Class
		Seven Seas Splendor® ⁽¹⁾	Oceania Vista		Oceania Allura Class		
			Seven Seas Grandeur™				

(1) Seven Seas Splendor® was delivered in 2020 just prior to the cruise voyage suspension

SAIL SUSTAIN

- Global sustainability program, Sail & Sustain, is a core focus in everyday operations, centered around 5 key pillars
- Strategy led by ESG¹ department with oversight by executive team and TESS² Board Committee
- Released inaugural [2020 ESG report](#) in June 2021 including first SASB Index and new sustainability website to provide additional transparency around Sail & Sustain program
- Published first [TCFD report](#) in April 2022
- Pursuing [net zero emissions by 2050](#) across entire operations and value chain as part of long-term climate action strategy
- Implemented voluntary carbon offset program to bridge gap in decarbonization efforts while exploring long-term solutions
- Received “B” CDP climate change score above the Marine Transport Sector, N. America & Global averages
- First in the world to receive LEED Gold New Construction v4 certification at [PortMiami terminal](#)
- Launched unconscious bias, microaggressions and diversity and inclusion training in 2020
- Commitment to DE&I demonstrated by President & CEO Frank Del Rio joining the CEO Action for Diversity & Inclusion pledge
- Named to Forbes’ World’s Best Employers 2021 List
- Offering paid volunteer day for U.S. shoreside team beginning in 2021 to support community involvement
- Provided \$2M+ of in-kind humanitarian relief to global community organizations throughout 2020 & 2021
- Contributed \$10M of cash support to Alaska port communities impacted by cruise suspension



Reducing
Environmental Impact



Sailing Safely



Empowering People



Strengthening
Our Communities



Operating with Integrity
and Accountability

¹ ESG is Environmental, Social and Governance.

² Technology, Environmental, Safety and Security Committee of Board of Directors.

KEY TAKEAWAYS

Full Fleet Back in Service

- Significant milestone in Great Cruise Comeback reached with all ships across all three brands resuming sailing.
- Focused on ramping up occupancy in a disciplined manner with the goal of exceeding historical Net Yield levels for full year 2023 while maintaining high guest satisfaction scores and strong onboard revenue generation.

Strong Demand & Robust Pricing for Future Cruises

- Net booking volumes have recovered from setbacks due to Omicron and the Russia-Ukraine conflict. Net booking volumes are now approaching the pace needed to consistently sail at historical load factor levels.
- Pricing for all future periods is higher than the latest comparable pre-pandemic period, even when including the dilutive impact of future cruise credits in 2022.
- Booking trends for 2023 continue to be positive with both booked position and pricing significantly higher and at record levels when compared to bookings for 2019 and pre-pandemic 2020 at a comparable point in the booking curve.

Tremendous Growth Opportunity

- Attractive newbuild growth profile of 9 premium yielding vessels comprising 24,000 additional berths. Expect 50% increase in capacity in 2027 vs. 2019.
- Growth profile is expected to translate to outsized contribution to top and bottom-line results and significant cash flow generation.
- Focused on execution of medium and long-term financial recovery plan.

APPENDIX

DISCIPLINED AND ATTRACTIVE NEWBUILD PROGRAM

NORWEGIAN CRUISE LINE



OCEANIA CRUISES



REGENT SEVEN SEAS CRUISES

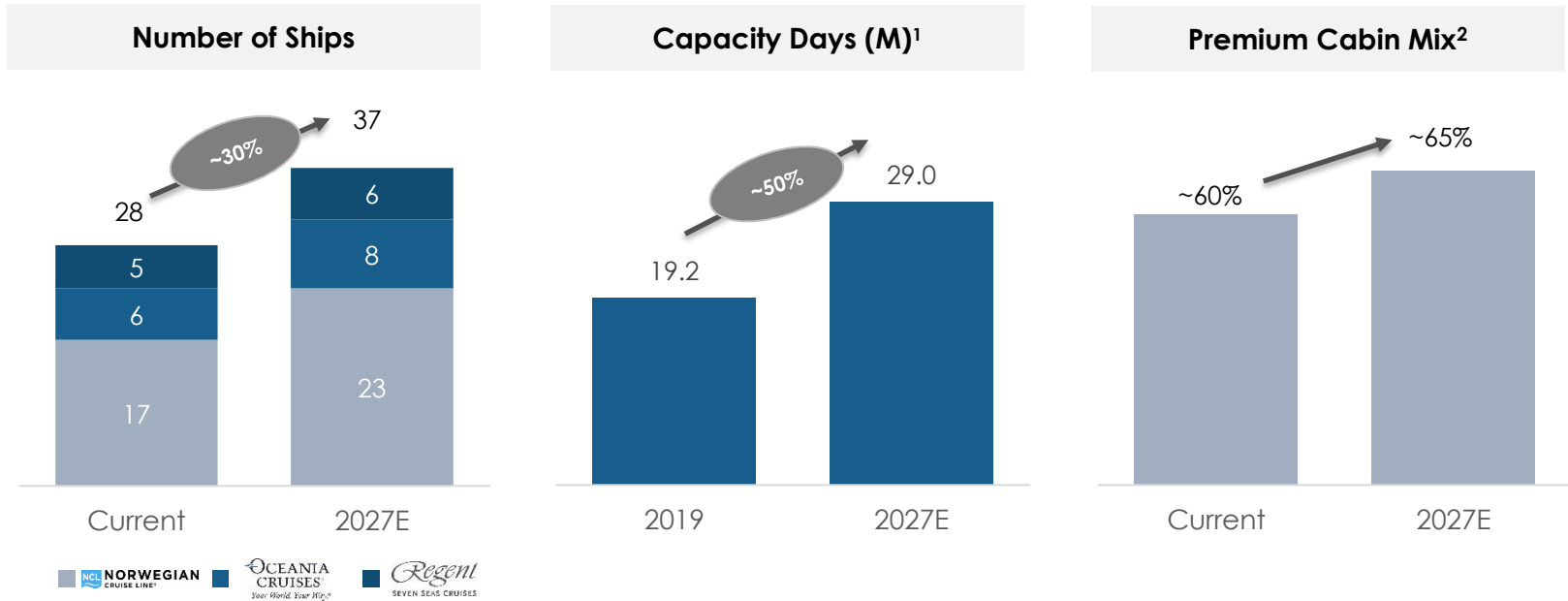


Ships / Berths	17 ships / 50,520 berths	6 ships / 5,240 berths	5 ships / 3,390 berths
Ships Ordered	6	2	1

FIRST SAILING	2022	1) Norwegian Prima: ~3,215 Berths (3 rd quarter)		
	2023	2) Norwegian Viva: ~3,215 Berths (2 nd quarter)	1) Vista: ~1,200 Berths (2 nd quarter)	1) Seven Seas Grandeur™: 750 Berths (4 th quarter)
	2024	3) Prima Plus Class: ~3,550 Berths (4 th quarter)		
	2025	4) Prima Plus Class: ~3,550 Berths (3 rd quarter)	2) Allura Class: ~1,200 Berths (2 nd quarter)	
	2026	5) Prima Plus Class: ~3,550 Berths (3 rd quarter)		
	2027	6) Prima Plus Class: ~3,550 Berths (2 nd quarter)		

Company well-positioned for significant growth with 9 premium yielding vessels on order through 2027 which represents 40% growth or an additional ~24,000 berths

MEANINGFUL GROWTH POTENTIAL FOR TOP AND BOTTOM-LINE RESULTS



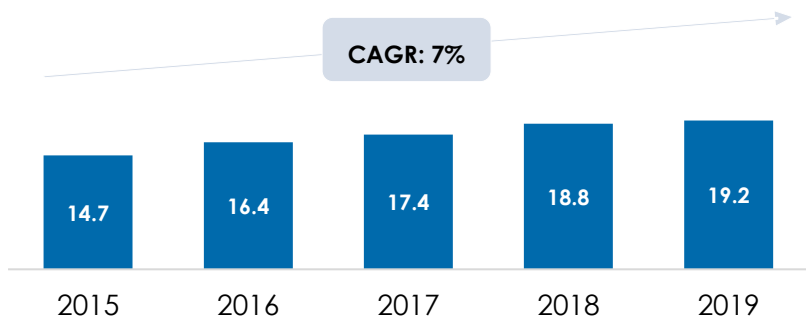
Growth pipeline presents additional opportunities for diversification into unserved and underserved markets

1. Growth also reflects additions of Norwegian Encore in late 2019 & Regent Seven Seas Splendor in early 2020.

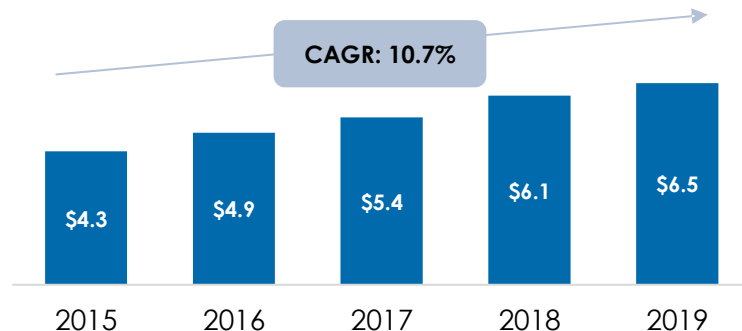
2. % of Berths Balconies & Above

HISTORIC FINANCIAL OUTPERFORMANCE

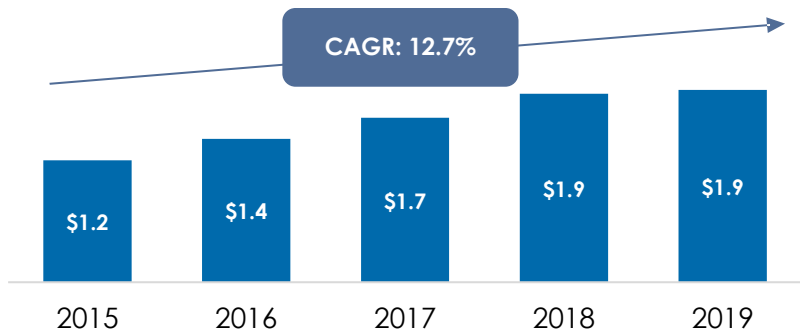
Capacity Days (M)



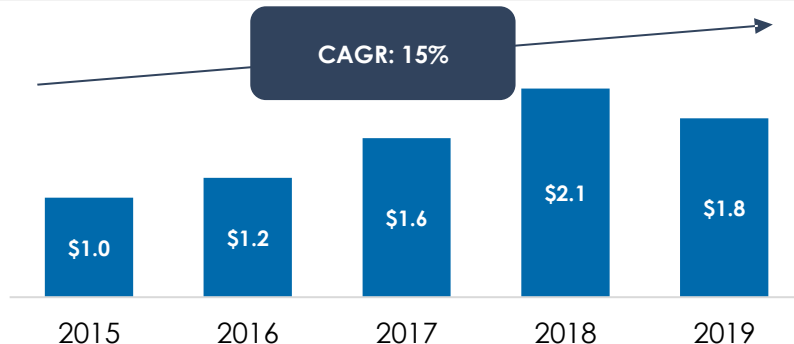
Gross Revenue (\$B)



Adjusted EBITDA (\$B)



Net Cash Provided by Operating Activities (\$B)



Capacity additions have translated into outsized contributions to top and bottom-line results and significant cash flow generation

2022 DEPLOYMENT BY MARKET

	2022 NCLH				
	Q1	Q2	Q3	Q4	FY
Alaska	0%	17%	26%	5%	13%
Asia/Africa/Pacific	1%	0%	0%	8%	2%
Bermuda	0%	10%	9%	5%	7%
Caribbean	80%	17%	11%	29%	29%
Europe	0%	37%	42%	21%	28%
Baltic	0%	10%	15%	1%	7%
Mediterranean	0%	27%	27%	20%	20%
Hawaii	0%	5%	4%	5%	4%
Other	19%	14%	8%	27%	17%
Total	100%	100%	100%	100%	100%

FUEL HEDGE PROGRAM

NCLH Fuel Hedge Program as of 3/31/22			
	2022	2023	2024
% of HFO Consumption Hedged ¹	30%	15%	-
Average USGC Price / Barrel	\$48.36	N/A	-
Average Brent Price / Barrel	\$66.50	\$64.72	-
% of MGO Consumption Hedged	51%	32%	-
Average Gasoil Price / Barrel	\$70.00	\$69.91	-
Total % of Consumption Hedged	41%	24%	-

¹ USGC derivatives were de-designated for accounting purposes in the fourth quarter of 2020 and first quarter of 2021. Both our USGC and Brent derivatives represent economic hedges and may be designated or re-designated as accounting hedges in the future.

2022-2024 OUTLOOK

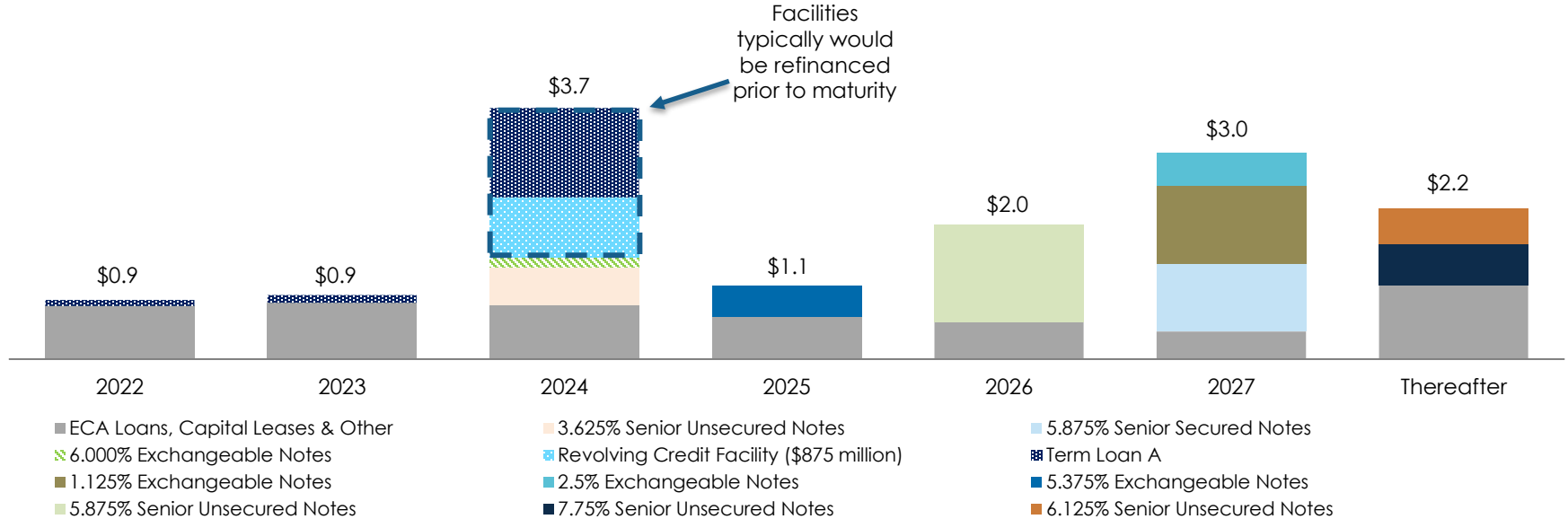
\$ Millions	2022		
Depreciation & Amortization	\$750M		
Run-Rate Interest Expense, net ¹	\$605M		
Non-Newbuild Capital Expenditures	\$500M		
Fuel Consumption (metric tons)	895,000		
Fuel Price Per Metric Ton (net of hedges)	\$780		
\$ Billions	Remainder of 2022	2023	2024
Newbuild-Related Capital Expenditures, Pre-Financing ²	\$1.6B	\$2.5B	\$1.4B
Export Credit Financing for Newbuild-Related Capital Expenditures	\$0.9B	\$2.0B	\$0.7B
Newbuild-Related Capital Expenditures, Net of Financing	\$0.7B	\$0.5B	\$0.7B

¹Run-rate interest expense excluding debt extinguishment costs. Reported interest expense is expected to be approximately \$795M including debt extinguishment costs from the February 2022 redemptions.

²Includes all newbuild related capital expenditures including shipyard progress payments.

CURRENT DEBT MATURITY PROFILE

As of March 31, 2022
(\$ billions)



Note: Based on debt outstanding as of 3/31/2022

DEFINITIONS AND NON-GAAP INFORMATION AND RECONCILIATIONS

Non-GAAP financial measures should not be used as a substitute for GAAP financial measures, or considered in isolation, for the purpose of analyzing operating performance, financial position or cash flows. The Company does not provide estimated future results 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.

DEFINITIONS

Adjusted EBITDA. EBITDA adjusted for other income (expense), net and other supplemental adjustments.

Adjusted Free Cash Flow. Free Cash Flow adjusted for proceeds from ship construction financing facilities and other supplemental adjustments.

Adjusted Gross Margin. Gross margin adjusted for payroll and related, fuel, food, other and ship depreciation. Gross margin is calculated pursuant to GAAP as total revenue less total cruise operating expense and ship depreciation.

Adjusted Net Income. Net income, adjusted for non-cash compensation expense and any potential impacts associated with financing activities.

Capacity Days. Berths available for sale multiplied by the number of cruise days for the period for ships in service.

EBITDA. Earnings before interest, taxes, and depreciation and amortization.

Free Cash Flow. Net cash provided by operating activities less capital expenditures for ship construction, business enhancements and other.

Net Per Diems. Adjusted Gross Margin divided by Passenger Cruise Days.

Net Yield. Adjusted Gross Margin per Capacity Day.

Operating Cash Flow. Net cash provided by (used in) operating activities.

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

NON-GAAP RECONCILING INFORMATION

(UNAUDITED)

Year Ended December 31

Adjusted EBITDA ¹ is Calculated as Follows (in thousands):	2015	2016	2017	2018	2019
Net income attributable to Norwegian Cruise Line Holdings Ltd.	\$427,137	\$633,085	\$759,872	\$954,843	\$930,228
Interest expense, net	221,909	276,859	267,804	270,404	272,867
Income tax (benefit) expense	6,772	7,218	10,742	14,467	(18,863)
Depreciation and amortization expense	432,114	432,495	509,957	561,060	646,188
EBITDA	1,087,932	1,349,657	1,548,375	1,800,774	1,830,420
Other (income) expense, net	46,668	8,302	10,401	(20,653)	(6,155)
Other	92,315	86,473	98,578	117,621	110,755
Adjusted EBITDA	\$1,226,915	\$1,444,432	\$1,657,354	\$1,897,742	\$1,935,020
Total Revenue	\$4,345,048	\$4,874,340	\$5,396,175	\$6,055,126	\$6,462,376
Adjusted EBITDA Margin	28.2%	29.6%	30.7%	31.3%	29.9%

¹ Adjusted EBITDA is defined as EBITDA adjusted for other (income) expense, and other supplemental adjustments ("Other"). We believe that Adjusted EBITDA is appropriate as a supplemental financial measure as it is used by management to assess operating performance. We believe that Adjusted EBITDA is a useful measure in determining the Company's performance as it reflects certain operating drivers of the Company's business, such as sales growth, operating costs, marketing, general and administrative expense and other operating income and expense. Adjusted EBITDA is not a defined term under GAAP. Adjusted EBITDA is not intended to be a measure of liquidity or cash flows from operations or measures comparable to net income as it does not take into account certain requirements such as capital expenditures and related depreciation, principal and interest payments and tax payments and it includes other supplemental adjustments.

NON-GAAP RECONCILING INFORMATION

(UNAUDITED)

Net Yield is Calculated as Follows (in thousands, except Capacity Days and Yield Data): Year Ended Dec. 31, 2019

Total revenue	\$6,462,376
Less: Total cruise operating expense	3,663,261
Less: Ship depreciation	587,677
Gross Margin	\$2,211,438
Payroll and related	924,157
Fuel	409,602
Food	222,602
Other	591,341
Ship depreciation	587,677
Adjusted Gross Margin	\$4,946,817
Capacity Days	19,233,459
Gross Margin per Capacity Day	\$114.98
Net Yield	\$257.20

NON-GAAP RECONCILING INFORMATION

(UNAUDITED)

EBITDA per Capacity Day was Calculated as Follows

(in thousands, except Capacity Days and EBITDA per Capacity Day Data):

Year Ended December 31, 2019

Net Income Attributable to Norwegian Cruise Line Holdings Ltd.	\$930,228
Interest Expense, Net	272,867
Income Tax Expense	(18,863)
Depreciation and Amortization Expense	646,188
EBITDA	\$1,830,420
Capacity Days	19,233,459
EBITDA per Capacity Day	\$95.17

NON-GAAP RECONCILING INFORMATION

(UNAUDITED)

Net Per Diem is Calculated as Follows (in thousands, except Passenger Cruise Days and Net Per Diem Data):

	Quarter Ended Mar. 31, 2022	Quarter Ended Mar. 31, 2019
Total revenue	\$521,940	\$1,403,630
Less: Total cruise operating expense	735,413	826,651
Less: Ship depreciation	166,656	152,851
Gross Margin	(\$380,129)	424,128
Payroll and related	240,727	223,107
Fuel	135,509	98,253
Food	39,516	55,045
Other	199,153	141,569
Ship depreciation	166,656	152,851
Adjusted Gross Margin	\$401,432	\$1,094,953
Passenger Cruise Days	1,429,446	4,975,440
Gross Margin per Passenger Cruise Day	(\$265.93)	\$85.24
Net Per Diem	\$280.83	\$220.07