

Norwegian Cruise Line Holdings Ltd.

Form 424B7

March 06, 2014

Table of Contents**CALCULATION OF REGISTRATION FEE**

<b>Title of Each Class of Securities to be Registered</b>	<b>Amount to be Registered</b>	<b>Proposed</b>		<b>Amount of Registration Fee(2)</b>
		<b>Maximum Offering Price per Share(1)</b>	<b>Proposed Maximum Aggregate Offering Price(1)</b>	
Ordinary shares, par value \$.001 per share	15,000,000	\$33.72	\$505,800,000	\$65,147.04

- (1) Estimated solely for the purpose of computing the registration fee pursuant to Rule 457(c) under the Securities Act of 1933, as amended (the Securities Act ). The offering price per share and aggregate offering price are based on the average of the high and low selling prices of the ordinary shares on March 3, 2014, as reported on the NASDAQ Global Select Market.
- (2) Calculated in accordance with Rule 456(b) and Rule 457(r) of the Securities Act.

**Table of Contents**

**Filed Pursuant to Rule 424(b)(7)  
Registration No. 333-194311**

**PROSPECTUS SUPPLEMENT**

**(To Prospectus dated March 4, 2014)**

**15,000,000 Ordinary Shares**

**NORWEGIAN CRUISE LINE HOLDINGS LTD.**

This prospectus supplement relates to the ordinary shares of Norwegian Cruise Line Holdings Ltd. being sold by the Apollo Funds and Star NCLC (each as defined herein, and together, the selling shareholders). The selling shareholders are selling 15,000,000 ordinary shares. We will not receive any proceeds from the sale of these ordinary shares by the selling shareholders.

Our ordinary shares are listed for trading on the NASDAQ Global Select Market under the symbol NCLH. The last reported sale price of our ordinary shares on March 4, 2014 was \$33.83 per share.

The underwriter has agreed to purchase ordinary shares from the selling shareholders at a price of \$32.97 per share, which will result in \$494,550,000 of proceeds to the selling shareholders. The underwriter may offer the ordinary shares from time to time for sale in one or more transactions on the NASDAQ Global Select Market, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. See Underwriting.

**Investing in our ordinary shares involves a high degree of risk. See Risk Factors beginning on page S-9 of this prospectus supplement and the risk factors included in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus to read about certain factors you should consider before buying our ordinary shares.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The underwriter expects to deliver the ordinary shares to purchasers on or about March 10, 2014.

Ordinary shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 1998, which regulates the sale of securities in Bermuda. Further, the Bermuda Monetary Authority (the BMA) must approve all issues and transfers of shares of a Bermuda exempted company under the Exchange Control Act of 1972 and regulations thereunder (together, the ECA). The BMA has given a general permission which will permit the issue of the ordinary shares and the free transferability of such shares under the ECA so long as voting securities of the Company are admitted to trading on the NASDAQ Global Select Market or any other appointed stock exchange.

**Citigroup**

**The date of this prospectus supplement is March 4, 2014.**

Table of Contents

**TABLE OF CONTENTS**  
**PROSPECTUS SUPPLEMENT**

<u>ABOUT THIS PROSPECTUS SUPPLEMENT</u>	Page S-ii
<u>TERMS USED IN THIS PROSPECTUS SUPPLEMENT</u>	S-iii
<u>CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS</u>	S-v
<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	S-1
<u>RISK FACTORS</u>	S-9
<u>USE OF PROCEEDS</u>	S-14
<u>MARKET PRICE FOR OUR ORDINARY SHARES</u>	S-15
<u>DIVIDEND POLICY</u>	S-16
<u>SELLING SHAREHOLDERS</u>	S-17
<u>UNDERWRITING</u>	S-20
<u>LEGAL MATTERS</u>	S-26
<u>EXPERTS</u>	S-26
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-26
<u>INCORPORATION OF CERTAIN INFORMATION BY REFERENCE</u>	S-27

**PROSPECTUS**

<u>ABOUT THIS PROSPECTUS</u>	1
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	2
<u>INCORPORATION OF CERTAIN INFORMATION BY REFERENCE</u>	2
<u>MARKET AND INDUSTRY DATA AND FORECASTS</u>	3
<u>CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS</u>	4
<u>THE COMPANY</u>	6
<u>RISK FACTORS</u>	7
<u>USE OF PROCEEDS</u>	8
<u>DESCRIPTION OF SHARE CAPITAL</u>	9
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS</u>	21
<u>SELLING SHAREHOLDERS</u>	24
<u>PLAN OF DISTRIBUTION</u>	25
<u>LEGAL MATTERS</u>	30

EXPERTS

30

S-i

Table of Contents

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which contains specific information about the selling shareholders and the terms on which the selling shareholders are offering and selling our ordinary shares. The second part is the accompanying prospectus which contains and incorporates by reference important business and financial information about us and other information about this offering. This prospectus supplement and the accompanying prospectus are part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission (the SEC), as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended (the Securities Act).

**We are responsible for the information contained in this prospectus supplement and the accompanying prospectus, including the information incorporated by reference herein as described herein and therein, and any free writing prospectus that we prepare and distribute. Neither we, the underwriter, nor the selling shareholders have authorized anyone to provide you with information different from that contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus or any such free writing prospectus. Neither we, the selling shareholders, nor the underwriter is making an offer to sell, or offer to buy, these securities in any jurisdiction where the offer or sale is not permitted. The information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or any related free writing prospectus prepared by us is accurate only as of the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.**

This prospectus supplement and the accompanying prospectus do not contain all of the information included in the registration statement as permitted by the rules and regulations of the SEC. For further information, we refer you to the registration statement on Form S-3, including its exhibits, of which this prospectus supplement forms a part. We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and therefore file reports and other information with the SEC. Statements contained in this prospectus supplement and the accompanying prospectus about the provisions or contents of any agreement or other document are only summaries. If SEC rules require that any agreement or document be filed as an exhibit to the registration statement, of which this prospectus supplement forms a part, you should refer to that agreement or document for its complete contents.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. Any statement made in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference in this prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus supplement modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

**Table of Contents**

**TERMS USED IN THIS PROSPECTUS SUPPLEMENT**

*Unless otherwise indicated or the context otherwise requires, references in this prospectus supplement to (i) the Company, we, our, us and NCLH refer to Norwegian Cruise Line Holdings Ltd. and/or its subsidiaries, (ii) NCLC refers to NCL Corporation Ltd. and/or its subsidiaries, (iii) Apollo refers to Apollo Global Management, LLC and its subsidiaries and the Apollo Funds refers to one or more of AIF VI NCL (AIV), L.P., AIF VI NCL (AIV II), L.P., AIF VI NCL (AIV III), L.P., AIF VI NCL (AIV IV), L.P., AAA Guarantor Co-Invest VI (B), L.P., Apollo Overseas Partners (Delaware) VI, L.P., Apollo Overseas Partners (Delaware 892) VI, L.P., Apollo Overseas Partners VI, L.P. and Apollo Overseas Partners (Germany) VI, L.P., (iv) TPG Global refers to TPG Global, LLC, TPG refers to TPG Global and its affiliates and the TPG Viking Funds refers to one or more of TPG Viking, L.P., TPG Viking AIV I, L.P., TPG Viking AIV II, L.P., and TPG Viking AIV III, L.P. and/or certain other affiliated investment funds, each an affiliate of TPG, (v) Genting HK refers to Genting Hong Kong Limited and/or its affiliates (formerly Star Cruises Limited and/or its affiliates) (Genting HK owns NCLH's ordinary shares indirectly through Star NCLC Holdings Ltd., its wholly owned subsidiary ( Star NCLC )), and (vi) Sponsor(s) refers to Genting HK, the Apollo Funds and/or the TPG Viking Funds. For further information about our non-GAAP financial measures including a reconciliation to the most directly comparable GAAP financial measure, we refer you to Management's Discussion and Analysis of Financial Condition and Results of Operations which appears in the documents incorporated by reference in this prospectus supplement. Unless otherwise indicated in this prospectus supplement, the following terms have the meanings set forth below:*

*Adjusted EBITDA.* EBITDA adjusted for other income (expense), impairment loss and other supplemental adjustments.

*Adjusted EPS.* Diluted earnings (loss) per share adjusted for supplemental adjustments.

*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.

*Berths.* Double occupancy capacity per cabin (single occupancy per studio cabin) even though many cabins can accommodate three or more passengers.

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

*Corporate Reorganization.* In connection with the consummation of the IPO, the Sponsors' ordinary shares in NCLC were exchanged for the ordinary shares of NCLH, and NCLH became the owner of 100% of the ordinary shares and parent company of NCLC.

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

*GAAP*. Generally accepted accounting principles in the United States.

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

*Gross Yield*. Total revenue per Capacity Day.

*IPO*. The initial public offering of ordinary shares of NCLH, which was consummated in January 2013.

*Management NCL Corporation Units*. NCLC's previously outstanding profits interests issued to management (or former management) of NCLC which have been converted into units in NCLC in connection with the Corporate Reorganization.

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

*Net Cruise Cost Excluding Fuel*. Net Cruise Cost less fuel expense.

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



**Table of Contents**

*Net Yield.* Net Revenue per Capacity Day.

*Occupancy Percentage or Load Factor.* The ratio of Passenger Cruise Days to Capacity Days. A percentage in excess of 100% indicates that three or more passengers occupied some cabins.

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

*Secondary Offering(s).* Public offering in August 2013 resulting in the sale of 23,000,000 ordinary shares by our Sponsors and public offering in December 2013 resulting in the sale of 25,300,000 ordinary shares by our Sponsors.

*Shareholders Agreement.* The amended and restated shareholders agreement, dated as of January 24, 2013, among NCLH, Star NCLC, Genting HK, the Apollo Funds and the TPG Viking Funds.

*Ship Contribution.* Total revenue less total cruise operating expense.

S-iv

**Table of Contents**

**CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS**

Certain statements in this prospectus supplement, the accompanying prospectus, information incorporated by reference herein or therein and any related free-writing prospectus contains forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995 within the meaning of the U.S. federal securities laws. All statements other than statements of historical facts in this prospectus supplement, including, without limitation, those regarding our business strategy, financial position, results of operations, plans, prospects and objectives of management for future operations (including development plans and objectives relating to our activities), 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, for intend and future and for 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 adverse impact of general economic conditions and related factors such as high levels of unemployment and underemployment, fuel price increases, 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;

changes in cruise capacity, as well as capacity changes in the overall vacation industry;

intense competition from other cruise companies as well as non-cruise vacation alternatives which could affect our ability to compete effectively;

negative publicity surrounding the cruise industry;

changes in fuel prices and/or other cruise operating costs;

the risks associated with operating internationally, including changes in interest rates and/or foreign currency rates;

the continued borrowing availability under our credit facilities and compliance with our financial covenants;

our substantial indebtedness, including the inability to generate the necessary amount of cash to service our existing debt, and to repay our credit facilities;

our ability to incur significantly more debt despite our substantial existing indebtedness;

the impact of 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;

adverse events impacting the security of travel such as terrorist acts, acts of piracy, armed conflict and other international events;

the impact of any future changes relating to how external distribution channels sell and market our cruises;

the impact 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 repairs, maintenance and refurbishment of our ships;

the delivery schedules and estimated costs of new ships on terms that are favorable or consistent with our expectations;

S-v

**Table of Contents**

the impact of problems encountered at shipyards, as well as, any potential claim, impairment loss, cancellation or breach of contract in connection with our contracts with shipyards;

the impact of the spread of epidemics and viral outbreaks;

the uncertain political environment in countries where we operate;

the impact of weather and natural disasters;

accidents and other incidents affecting the health, safety, security and vacation satisfaction of guests or causing damage to ships, which could cause the modification of itineraries or cancellation of a cruise or series of cruises;

the impact of pending or threatened litigation and investigations;

our ability to obtain insurance coverage on terms that are favorable or consistent with our expectations;

the impact of any breaches in data security or other disturbances to our information technology and other networks;

the impact of amendments to our collective bargaining agreements for crew members and other employee relation issues;

the continued availability of attractive port destinations;

our ability to attract and retain key personnel and qualified shipboard crew, maintain good relations with employee unions, maintain or renegotiate our collective bargaining agreements on favorable terms and prevent any disruptions in work;

changes involving the tax, environmental, health, safety, security and other regulatory regimes in which we operate;

increases in our future fuel expenses related to implementing International Maritime Organization regulations, which require the use of higher priced low sulfur fuels in certain cruising areas;

the implementation of regulations in the U.S. requiring U.S. citizens to obtain passports for travel to additional foreign destinations; and

other factors set forth under Risk Factors.

The above examples are not exhaustive and new risks emerge from time to time. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. 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 will operate in the future. These forward-looking statements speak only as of the date of the document in which they appear. 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.

S-vi

**Table of Contents**

**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary includes highlights of more detailed information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. This summary does not contain all of the information you should consider before investing in our ordinary shares. You should read, in their entirety, this prospectus supplement, the accompanying prospectus and any related free writing prospectus, together with all documents incorporated by reference herein and therein, carefully, especially the Risk Factors section of this prospectus supplement, our Annual Report on Form 10-K for the year ended December 31, 2013 (the 2013 Annual Report ) and our consolidated financial statements and related notes incorporated by reference in this prospectus supplement, before making an investment decision. Some of the statements in this prospectus supplement, in the accompanying prospectus and in the documents incorporated by reference herein and therein constitute forward-looking statements. See Cautionary Statement Concerning Forward-Looking Statements for more information.*

**Our Company**

We are a leading global cruise line operator, offering cruise experiences for travelers with a wide variety of itineraries in North America (including Alaska and Hawaii), the Mediterranean, the Baltic, Central America, Bermuda and the Caribbean. We strive to offer an innovative and differentiated cruise vacation with the goal of providing our guests the highest levels of overall satisfaction on their cruise experience. In turn, we aim to generate the highest guest loyalty and greatest numbers of repeat guests. We created a distinctive style of cruising called Freestyle Cruising onboard all of our ships, which we believe provides our guests with the freedom and flexibility associated with a resort style atmosphere and experience as well as more dining options than a traditional cruise. We established the very first private island developed by a cruise line in the Bahamas with a diverse offering of activities for guests. We are also the only cruise line operator to offer an entirely inter-island itinerary in Hawaii.

We have been recognized for our achievements as the recipient of multiple honorary awards mainly consisting of reviews tabulated from the readers of travel periodicals such as Travel Weekly, Condé Nast Traveler, and Travel + Leisure. We have been recognized as Europe's Leading Cruise Line six years in a row, as well as both Caribbean's Leading Cruise Line and World's Leading Large Ship Cruise Line by the World Travel Awards. Norwegian Breakaway, which was launched in 2013, has been named Best New Ship by the editors of Cruise Critic and Best Rookie Cruise Ship by the readers of Travel Weekly.

We offer a wide variety of cruises ranging in length from one day to three weeks. During 2013, we docked at 114 ports worldwide, with itineraries originating from 18 ports of which nine are in North America. In line with our strategy of innovation, many of these North American ports are part of our Homeland Cruising program in which we have homeports that are close to major population centers, such as New York, Boston and Miami. This reduces the need for vacationers to fly to distant ports to embark on a cruise and helps reduce our guests' overall vacation cost. We offer a wide selection of exotic itineraries outside of the traditional cruising markets of the Caribbean and Mexico; these include cruises in Europe, including the Mediterranean and the Baltic, Bermuda, Alaska, and the industry's only entirely inter-island itinerary in Hawaii with our U.S.-flagged ship, Pride of America.

Each of our 13 modern ships has been purpose-built to consistently deliver our Freestyle Cruising product offering across our entire fleet, which we believe provides us with a competitive advantage. By focusing on Freestyle Cruising, we have been able to achieve higher onboard spend levels, greater customer loyalty and the ability to attract a more diverse clientele.

S-1

**Table of Contents**

**Corporate Information**

NCLH is a Bermuda limited company formed as a holding company in 2011, with predecessors dating from 1966. Our registered offices are located at Cumberland House, 9th Floor, 1 Victoria Street, Hamilton HM 11, Bermuda. Our principal executive offices are located at 7665 Corporate Center Drive, Miami, Florida 33126. Our telephone number is (305) 436-4000. Our website is located at *www.investor.ncl.com*. The information that appears on our websites is not part of, and is not incorporated by reference into this prospectus supplement or any other report or document filed with or furnished to the SEC. Daniel S. Farkas, the Company's Senior Vice President and General Counsel, is our agent for service of process at our principal executive offices.

**Our Sponsors**

**Apollo**

Apollo is a leading global alternative investment manager with offices in New York, Los Angeles, Houston, London, Frankfurt, Luxembourg, Singapore, Hong Kong and Mumbai. As of December 31, 2013, Apollo had assets under management of over \$161.2 billion invested in its private equity, capital markets and real estate businesses. Apollo owns a controlling interest in Prestige Cruises International, Inc. which operates through two distinct upscale cruise brands, Oceania Cruises and Regent Seven Seas Cruises. Investment funds managed by Apollo also have current and past investments in other travel and leisure companies, including Caesars Entertainment Corporation, Great Wolf Resorts, Vail Resorts, AMC Entertainment, Wyndham International and other hotel properties.

**TPG**

TPG is a leading global private investment firm founded in 1992 with \$55.7 billion of assets under management as of September 30, 2013 and with offices in San Francisco, Fort Worth, Austin, Beijing, Chongqing, Hong Kong, London, Luxembourg, Melbourne, Moscow, Mumbai, New York, Paris, São Paulo, Shanghai, Singapore and Tokyo. TPG has extensive experience with global public and private investments executed through leveraged buyouts, recapitalizations, spinouts, growth investments, joint ventures and restructurings.

**Genting HK**

Genting HK was founded in 1993 and through its subsidiary, Star Cruises Asia Holding Ltd., operates a leading cruise line in the Asia-Pacific region. Its headquarters are located in Hong Kong and it is represented in more than 20 locations worldwide, with offices and representatives in Asia, Australia, Europe and the U.S. Genting HK currently has a fleet of six ships, which offer various cruise itineraries in the Asia Pacific region.



**Table of Contents**

**The Offering**

Ordinary shares offered by the selling shareholders	15,000,000
Ordinary shares to be outstanding immediately after this offering	205,167,499. The ordinary shares of NCLC owned by NCLH represent a 97.8% economic interest in NCLC as of December 31, 2013.
	Our bye-laws provide that no one person or group of related persons, other than Apollo Funds, the TPG Viking Funds and Genting HK, may own, or be deemed to own, more than 4.9% of our ordinary shares, whether measured by vote, value or number, unless such ownership is approved by our Board of Directors.
Use of proceeds	The selling shareholders will receive all of the proceeds from the sale of the ordinary shares offered hereby. We will not receive any proceeds from this offering.
Listing	Our ordinary shares are listed on the NASDAQ Global Select Market ( NASDAQ ) under the symbol NCLH.
Dividend policy	We have not paid any dividends since our IPO and currently do not anticipate paying any dividends. Our debt agreements, among other things, restrict our ability to pay cash dividends to our shareholders. In addition, any determination to pay dividends in the future will be at the discretion of our Board of Directors and will depend upon our results of operations, financial condition, business opportunities, contractual restrictions, restrictions imposed by applicable law and other factors that our Board of Directors deems relevant. See Dividend Policy.
Risk factors	You should carefully read and consider the information set forth under Risk Factors in this prospectus supplement, the accompanying prospectus, any free writing prospectus prepared by us and the documents incorporated herein and therein before investing in our ordinary shares.
Unless we specifically state otherwise, the information in this prospectus supplement does not take into account:	

Edgar Filing: Norwegian Cruise Line Holdings Ltd. - Form 424B7

approximately 4,705,292 ordinary shares issuable upon the exchange of Management NCL Corporation Units outstanding as of February 27, 2014;

approximately 4,801,132 ordinary shares issuable upon the exercise of options outstanding as of February 27, 2014, at a weighted average exercise price of \$23.27 per share; and

approximately 10,104,147 ordinary shares available as of February 27, 2014 for future grant under our long term incentive plan.

S-3

**Table of Contents****Summary Consolidated Financial Data**

The summary consolidated financial and operating data presented in the tables below should be read in conjunction with Selected Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes which appear in the documents incorporated by reference in this prospectus supplement. In the table below, the consolidated balance sheets as of December 31, 2013, 2012 and 2011 and the related consolidated statements of operations and of cash flows for each of the three years in the period ended December 31, 2013 have been derived from our financial statements which appear in the documents incorporated by reference in this prospectus supplement, with the exception of the consolidated balance sheet as of December 31, 2011. Historical results are not necessarily indicative of results that may be expected for any future period.

(in thousands, except per share data)	For the Year Ended December 31,		
	2013	2012	2011
<b>Statement of operations data:</b>			
<b>Revenue</b>			
Passenger ticket	\$ 1,815,869	\$ 1,604,563	\$ 1,563,363
Onboard and other	754,425	671,683	655,961
<b>Total revenue</b>	<b>2,570,294</b>	<b>2,276,246</b>	<b>2,219,324</b>
<b>Cruise operating expense</b>			
Commissions, transportation and other	455,816	410,531	410,709
Onboard and other	195,526	173,916	169,329
Payroll and related	340,430	293,059	290,822
Fuel	303,439	283,678	243,503
Food	136,785	125,807	124,933
Other	225,663	191,442	228,580
<b>Total cruise operating expense</b>	<b>1,657,659</b>	<b>1,478,433</b>	<b>1,467,876</b>
<b>Other operating expense</b>			
Marketing, general and administrative	301,155	251,183	251,351
Depreciation and amortization	215,593	189,537	183,985
<b>Total other operating expense</b>	<b>516,748</b>	<b>440,720</b>	<b>435,336</b>
<b>Operating income</b>	<b>395,887</b>	<b>357,093</b>	<b>316,112</b>
<b>Non-operating income (expense)</b>			
Interest expense, net <sup>(1)</sup>	(282,602)	(189,930)	(190,187)
Other income (expense)	1,403	2,099	2,634
<b>Total non-operating income (expense)</b>	<b>(281,199)</b>	<b>(187,831)</b>	<b>(187,553)</b>
<b>Net income before taxes</b>	<b>114,688</b>	<b>169,262</b>	<b>128,559</b>

<b>Income tax expense</b>	(11,802)	(706)	(1,700)
<b>Net income</b>	102,886	168,556	126,859
<b>Net income attributable to non-controlling interest</b>	1,172		
<b>Net income attributable to Norwegian Cruise Line Holdings Ltd.</b>	\$ 101,714	\$ 168,556	\$ 126,859
<b>Earnings per share as reported</b>			
Basic	\$ 0.50	\$ 0.95	\$ 0.71
Diluted	\$ 0.49	\$ 0.94	\$ 0.71

S-4

**Table of Contents**

As of or for the Year Ended December 31,

(in thousands, except

Adjusted EPS and Other data)	2013	2012	2011
<b>Balance sheet data: (at end of period)</b>			
Cash and cash equivalents	56,467	45,500	58,926
Advance ticket sales	411,829	353,793	325,472
Total assets	6,650,978	5,938,427	5,562,411
Total debt	3,127,789	2,985,353	3,038,081
Total liabilities	4,019,712	3,919,643	3,717,948
Total shareholders equity	2,631,266	2,018,784	1,844,463
<b>Cash flow data:</b>			
Net cash provided by operating activities	475,281	398,594	356,990
Net cash used in investing activities	(894,851)	(303,840)	(184,797)
Net cash provided by (used in) financing activities	430,537	(108,180)	(168,314)
<b>Other financial measures:<sup>(2)</sup></b>			
Ship Contribution <sup>(3)</sup>	912,635	797,813	751,448
Adjusted EBITDA <sup>(4)</sup>	647,195	555,634	506,039
Adjusted Net Income <sup>(5)</sup>	295,790	173,056	126,859
Adjusted EPS <sup>(5)</sup>	1.41	0.97	0.71
Adjusted Net Cruise Cost Excluding Fuel <sup>(6)</sup>	970,984	861,491	895,686
Capital Expenditures Other	100,180	112,331	77,345
Capital Expenditures Newbuild	794,671	191,509	107,452
<b>Other data:</b>			
Passenger Cruise Days	11,400,906	10,332,914	10,227,438
Capacity Days	10,446,216	9,602,730	9,454,570
Load Factor	109.1%	107.6%	108.2%
Gross Yield <sup>(7)</sup>	\$ 246.05	\$ 237.04	\$ 234.74
Net Yield <sup>(7)</sup>	\$ 183.70	\$ 176.18	\$ 173.39

(1) In 2013, includes \$160.6 million of expenses associated with debt prepayments.

(2) We use certain non-GAAP financial measures, such as Ship Contribution, Adjusted EBITDA, Adjusted Net Income, Adjusted EPS, Adjusted Net Cruise Cost Excluding Fuel, Net Revenue, Gross Yield and Net Yield to enable us to analyze our performance. We utilize these financial measures to manage our business on a day-to-day basis and believe that they are the most relevant measures of our performance. You are encouraged to evaluate each adjustment used in calculating our non-GAAP financial measures and the reasons we consider our non-GAAP financial measures appropriate for supplemental analysis. In evaluating our non-GAAP financial measures, you should be aware that in the future we may incur expenses similar to the adjustments in our presentation. Our non-GAAP financial measures have limitations as analytical tools, and you should not consider these measures in isolation or as a substitute for analysis of our results as reported under GAAP. Our presentation of our non-GAAP financial measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our use of non-GAAP financial measures may not be comparable to other companies within our industry. We refer you to Management's Discussion and Analysis of Financial Condition and Results of Operations Results of Operations which appears in the documents incorporated by reference in this prospectus supplement.



**Table of Contents**

(3) The following table is a reconciliation of total revenue to Ship Contribution:

(in thousands)	Year Ended December 31,		
	2013	2012	2011
Total revenue	\$ 2,570,294	\$ 2,276,246	\$ 2,219,324
Less:			
Total cruise operating expense	1,657,659	1,478,433	1,467,876
Ship Contribution	\$ 912,635	\$ 797,813	\$ 751,448

(4) We believe that Adjusted EBITDA is appropriate as a supplemental financial measure as it is used by management to assess operating performance, is a factor in the evaluation of the performance of management and is the primary metric used in determining the Company's performance incentive bonus paid to its employees. 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.

Adjusted EBITDA was calculated as follows:

(in thousands)	Year Ended December 31,		
	2013	2012	2011
<b>Net income attributable to Norwegian Cruise Line Holdings Ltd.</b>	\$ 101,714	\$ 168,556	\$ 126,859
Interest expense, net	282,602	189,930	190,187
Income tax expense	11,802	706	1,700
Depreciation and amortization expense	215,593	189,537	183,985
<b>EBITDA</b>	611,711	548,729	502,731
Net income attributed to non-controlling interest	1,172		
Other (income) expense	(1,403)	(2,099)	(2,634)
Non-cash compensation and other <sup>(a)</sup>	17,188	9,004	5,942
Non-cash share-based compensation related to IPO	18,527		
<b>Adjusted EBITDA</b>	\$ 647,195	\$ 555,634	\$ 506,039

(a) Consists of non-cash compensation, expenses incurred from changes in corporate entity structure, our Secondary Offerings and other supplemental adjustments.

(5) Adjusted Net Income and Adjusted EPS are supplemental financial measures used to demonstrate GAAP net income and EPS excluding certain charges. We use Adjusted Net Income and Adjusted EPS as key performance

measures of our earnings performance, and we believe that both management and investors benefit from referring to these non-GAAP financial measures in assessing our performance and when planning, forecasting and analyzing future periods. These non-GAAP financial measures also facilitate management's internal comparison to our historical performance. These charges vary from period to period; thus, our presentation of Adjusted Net Income and Adjusted EPS may not be indicative of future adjustments or results.

S-6



**Table of Contents**

Adjusted Net Income and Adjusted EPS were calculated as follows:

(in thousands, except share data and per share data):	Year Ended December 31,		
	2013	2012	2011
Net income attributable to Norwegian Cruise Line Holdings Ltd.	\$ 101,714	\$ 168,556	\$ 126,859
Net income attributable to non-controlling interest	1,172		
<b>Net income</b>	<b>102,886</b>	<b>168,556</b>	<b>126,859</b>
Non-cash compensation	9,408	4,500	
Non-cash share-based compensation related to IPO	18,527		
Expenses related to debt prepayments <sup>(a)</sup>	160,573		
Other <sup>(b)</sup>	4,396		
<b>Adjusted Net Income</b>	<b>\$ 295,790</b>	<b>\$ 173,056</b>	<b>\$ 126,859</b>
Diluted weighted-average shares outstanding Net income	209,239,484	179,023,683	178,859,720
Diluted earnings per share <sup>(c)</sup>	\$ 0.49	\$ 0.94	\$ 0.71
<b>Adjusted EPS</b>	<b>\$ 1.41</b>	<b>\$ 0.97</b>	<b>\$ 0.71</b>

(a) Consists of premiums, write-offs of deferred fees and other expenses related to prepayments of debt.

(b) Expenses incurred from changes in corporate entity structure and our Secondary Offerings.

(c) Diluted earnings per share is computed by dividing net income by diluted weighted-average shares outstanding.

(6) In measuring our ability to control costs in a manner that positively impacts net income, we believe changes in Net Cruise Cost and Adjusted Net Cruise Cost Excluding Fuel to be the most relevant indicators of our performance.

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):	Year Ended December 31,		
	2013	2012	2011
Total cruise operating expense	\$ 1,657,659	\$ 1,478,433	\$ 1,467,876
Marketing, general and administrative expense	301,155	251,183	251,351
<b>Gross Cruise Cost</b>	<b>1,958,814</b>	<b>1,729,616</b>	<b>1,719,227</b>
Less:			
Commissions, transportation and other expense	455,816	410,531	410,709

Edgar Filing: Norwegian Cruise Line Holdings Ltd. - Form 424B7

Onboard and other expense	195,526	173,916	169,329
Net Cruise Cost	1,307,472	1,145,169	1,139,189
Less: Fuel expense	303,439	283,678	243,503
Net Cruise Cost Excluding Fuel	1,004,033	861,491	895,686
Less: Other <sup>(a)</sup>	33,049		
Adjusted Net Cruise Cost Excluding Fuel	\$ 970,984	\$ 861,491	\$ 895,686

- (a) Consists of non-cash share-based compensation related to our IPO and other supplemental adjustments.
- (7) We utilize Net Revenue and Net Yield to manage our business on a day-to-day basis and believe that they are the most relevant measures of our revenue performance because they reflect the revenue earned by us net of significant variable costs.

S-7

**Table of Contents**

Net Revenue, Gross Yield and Net Yield were calculated as follows:

<b>(in thousands, except Capacity Days and Yield data):</b>	<b>Year Ended December 31,</b>		
	<b>2013</b>	<b>2012</b>	<b>2011</b>
Passenger ticket revenue	\$ 1,815,869	\$ 1,604,563	\$ 1,563,363
Onboard and other revenue	754,425	671,683	655,961
<b>Total revenue</b>	<b>2,570,294</b>	<b>2,276,246</b>	<b>2,219,324</b>
Commissions, transportation and other expense	455,816	410,531	410,709
Onboard and other expense	195,526	173,916	169,329
<b>Net Revenue</b>	<b>\$ 1,918,952</b>	<b>\$ 1,691,799</b>	<b>\$ 1,639,286</b>
<b>Capacity Days</b>	<b>10,446,216</b>	<b>9,602,730</b>	<b>9,454,570</b>
<b>Gross Yield</b>	<b>\$ 246.05</b>	<b>\$ 237.04</b>	<b>\$ 234.74</b>
<b>Net Yield</b>	<b>\$ 183.70</b>	<b>\$ 176.18</b>	<b>\$ 173.39</b>

S-8

**Table of Contents**

**RISK FACTORS**

*An investment in our ordinary shares involves a high degree of risk. You should carefully consider the risk factors in the 2013 Annual Report, as well as the other information contained or incorporated by reference in this prospectus supplement, before deciding whether to invest in our ordinary shares. The risk factors described in the 2013 Annual Report could materially and adversely affect our business, financial condition or results of operations. However, the risk factors in the 2013 Annual Report are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. In such a case, the trading price of our ordinary shares could decline and you may lose all or part of your original investment.*

**Risk factors related to the offering and to our ordinary shares**

**The price of our shares may fluctuate substantially, and your investment may decline in value.**

The trading price of our ordinary shares could be volatile and subject to wide fluctuations in response to factors, many of which are beyond our control, including those described in this Risk Factors section and the risk factors in the 2013 Annual Report.

Further, the stock markets in general, and the stock exchange and the market for travel and leisure-related companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. We cannot assure you that trading prices and valuations will be sustained. These broad market and industry factors may materially and adversely affect the market price of our ordinary shares, regardless of our operating performance. Market fluctuations, as well as general political and economic conditions in the countries where we operate, such as recession or currency exchange rate fluctuations, may also adversely affect the market price of our ordinary shares. In the past, following periods of volatility in the market price of a company's securities, that company is often subject to securities class-action litigation. This kind of litigation, regardless of the outcome, could result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on our business, results of operations and financial condition.

**We are a controlled company within the meaning of the rules of NASDAQ and, as a result, rely on, exemptions from certain corporate governance requirements.**

On January 18, 2013, we listed our ordinary shares on NASDAQ. Genting HK, the Apollo Funds and the TPG Viking Funds, or their respective affiliates, together control, and will continue to control after this offering, a majority of our ordinary shares. As a result, we are a controlled company within the meaning of the corporate governance standards of NASDAQ. Under the rules of NASDAQ, a company of which more than 50% of the voting power is held by an individual, group or another company is a controlled company and may elect not to comply with certain corporate governance requirements, including the requirements:

that a majority of our Board of Directors consists of independent directors;

that we have a nominating and governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities;

that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and

for an annual performance evaluation of the nominating and governance committee and compensation committee.

We have utilized these exemptions. As a result, we do not have a majority of independent directors nor are we required to have any independent directors on our nominating and governance and compensation committees,

S-9

## **Table of Contents**

and we are not required to have an annual performance evaluation of the nominating and governance and compensation committees. Accordingly, our shareholders do not have the same protections afforded to shareholders of companies that are subject to the general corporate governance requirements (without giving effect to the controlled company exemptions) of NASDAQ.

### **There are regulatory limitations on the ownership and transfer of our ordinary shares.**

The BMA must approve all issuances and transfers of securities of a Bermuda exempted company like us. However, for as long as our ordinary shares are listed on an appointed stock exchange, the BMA has given general permission that permits the issue and free transferability of our listed ordinary shares to and among persons who are residents and non-residents of Bermuda for exchange control purposes.

Additionally, our bye-laws contain provisions that prevent third parties, other than the Apollo Funds, the TPG Viking Funds and Genting HK, from acquiring beneficial ownership of more than 4.9% of our outstanding ordinary shares without the consent of our Board of Directors and provide for the lapse of rights, and sale, of any shares acquired in excess of that limit.

### **As a shareholder of our Company, you may have greater difficulties in protecting your interests than as a shareholder of a U.S. corporation.**

We are a Bermuda exempted company. The Companies Act 1981 of Bermuda (the Companies Act), which applies to our Company, differs in material respects from laws generally applicable to U.S. corporations and their shareholders. Taken together with the provisions of our bye-laws, some of these differences may result in you having greater difficulties in protecting your interests as a shareholder of our Company than you would have as a shareholder of a U.S. corporation. This affects, among other things, the circumstances under which transactions involving an interested director are voidable, whether an interested director can be held accountable for any benefit realized in a transaction with our Company, what approvals are required for business combinations by our Company with a large shareholder or a wholly owned subsidiary, what rights you may have as a shareholder to enforce specified provisions of the Companies Act or our bye-laws, and the circumstances under which we may indemnify our directors and officers.

### **The market price for our ordinary shares could be subject to wide fluctuations and you could lose all or part of your investment.**

The market price for our ordinary shares could be volatile and subject to wide fluctuations in response to factors including the following:

actual or anticipated fluctuations in our quarterly results;

the public's reaction to our press releases, other public announcements and filings with the SEC;

sales of large blocks of our ordinary shares, or the expectation that such sales may occur, including sales by our directors, officers and our Sponsors;

market and industry perception of our success, or lack thereof, in pursuing our growth strategy;

announcements of new itineraries or services or the introduction of new ships by us or our competitors;

changes in financial estimates by securities analysts;

conditions in the cruise industry;

price and volume fluctuations in the stock markets generally;

announcements by our competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;

S-10

**Table of Contents**

our involvement in significant acquisitions, strategic alliances or joint ventures;

changes in government and environmental regulation;

changes in accounting standards, policies, guidance, interpretations or principles;

additions or departures of key personnel;

changes in general market, economic and political conditions in the United States and global economies or financial markets, including those resulting from natural disasters, terrorist attacks, acts of war and responses to such events; or

potential litigation.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are not related to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our shares.

**The substantial number of ordinary shares that will be eligible for sale in the near future may cause the market price of our ordinary shares to decline.**

There were 205,160,340 ordinary shares of NCLH issued and outstanding as of December 31, 2013. The ordinary shares (i) issued in connection with our IPO and secondary offerings completed in August and December of 2013, (ii) to be sold in this offering by the selling shareholders, (iii) issued or to be issued under our new long-term incentive plan or (iv) issued or to be issued in exchange for Management NCL Corporation Units are or will be freely transferable, except for any shares held by our affiliates, as that term is defined in Rule 144 under the Securities Act. Following this offering, ordinary shares that continue to be held by our Sponsors and key employees may also be sold in the public market in the future subject to applicable lock-up agreements as well as the restrictions contained in Rule 144 under the Securities Act. If our Sponsors sell a substantial amount of our ordinary shares after the expiration of the applicable lock-up period, the prevailing market price for our ordinary shares could be adversely affected. If our Sponsors continue to sell, it is possible that one or more Sponsors may no longer own any of our ordinary shares. The uncertainty regarding the future ownership of the Company by the Sponsors could materially adversely impact our operations and the market price of our ordinary shares.

As of December 31, 2013, there were an aggregate of 4,709,692 outstanding Management NCL Corporation Units, which represent a 2.2% economic interest in NCLC. In connection with the consummation of the IPO, we entered into an exchange agreement with NCLC. Pursuant to the exchange agreement, and subject to certain procedures and restrictions (including the vesting schedules applicable to the Management NCL Corporation Units and any applicable legal and contractual restrictions), each holder of Management NCL Corporation Units has the right to cause NCLC and us to exchange the holder's Management NCL Corporation Units for our ordinary shares at an exchange rate equal to one ordinary share for every Management NCL Corporation Unit (or, at NCLC's election, a cash payment equal to the value of the exchanged Management NCL Corporation Units), subject to customary adjustments for stock splits, subdivisions, combinations and similar extraordinary events. We have reserved for issuance a number of our ordinary shares corresponding to the number of Management NCL Corporation Units. On August 19, 2013, NCLH filed a



registration statement with the SEC, which is effective, to register on a continuous basis the issuance of the ordinary shares to be received by the holders of Management NCL Corporation Units who elected or will elect to exchange.

We may issue our ordinary shares or other securities from time to time as consideration for future acquisitions and investments. If any such acquisition or investment is significant, the number of ordinary shares, or the number or aggregate principal amount, as the case may be, of other securities that we may issue may in turn be substantial. We may also grant registration rights covering those ordinary shares or other securities in connection with any such acquisitions and investments.

S-11

## **Table of Contents**

We have granted approximately 5.0 million options to acquire our ordinary shares to our management team under our new long-term incentive plan. We filed a registration statement on Form S-8 under the Securities Act covering the 15,035,106 ordinary shares reserved for issuance under our new long-term incentive plan (including the shares subject to the option grants described above). Accordingly, ordinary shares registered under such registration statement will be available for sale in the open market upon exercise or other acquisition by the holders, subject to vesting restrictions, Rule 144 limitations applicable to our affiliates and any applicable contractual lock-up provisions.

### **We do not have current plans to pay dividends on our ordinary shares.**

We do not currently intend to pay dividends to our shareholders and our Board of Directors may never declare a dividend. You should not anticipate receiving dividends with respect to ordinary shares that you purchase in the offering. Our debt agreements limit or prohibit, and any of our future debt arrangements may restrict, among other things, the ability of our subsidiaries, including NCLC, to pay distributions to NCLH and our ability to pay cash dividends to our shareholders. In addition, any determination to pay dividends in the future will be entirely at the discretion of our Board of Directors and will depend upon our results of operations, cash requirements, financial condition, business opportunities, contractual restrictions, restrictions imposed by applicable law and other factors that our Board of Directors deems relevant. We are not legally or contractually required to pay dividends. Accordingly, if you purchase ordinary shares in this offering, it is likely that in order to realize a gain on your investment, the price of our ordinary shares will have to appreciate. This may not occur. In addition, we are a holding company and would depend upon our subsidiaries for their ability to pay distributions to us to finance any dividend or pay any other obligations of NCLH. Investors seeking dividends should not purchase our ordinary shares. See [Dividend Policy](#).

### **Enforcement of civil liabilities against us by our shareholders and others may be difficult.**

We are a company incorporated under the laws of Bermuda. In addition, certain of our subsidiaries are organized outside the United States. Certain of our directors named herein are resident outside the United States. A substantial portion of our assets and the assets of such individuals are located outside the United States. As a result, it may not be possible for investors to effect service of process upon us or upon such persons within the United States or to enforce against us or them in U.S. courts judgments obtained in U.S. courts predicated upon the civil liability provisions of the U.S. federal securities laws. Furthermore, we have been advised by counsel in Bermuda that the Bermuda courts will not enforce a U.S. federal securities law that is either penal or contrary to the public policy of Bermuda. An action brought pursuant to a public or penal law, the purpose of which is the enforcement of a sanction, power or right at the instance of the state in its sovereign capacity, may not be entertained by a Bermuda court. Certain remedies available under the laws of U.S. jurisdictions, including certain remedies under U.S. federal securities laws, may not be available under Bermuda law or enforceable in a Bermuda court, as they may be contrary to Bermuda public policy. Further, no claim may be brought in Bermuda against us or our directors and officers in the first instance for violations of U.S. federal securities laws because these laws have no extraterritorial jurisdiction under Bermuda law and do not have force of law in Bermuda. A Bermuda court may, however, impose civil liability on us or our directors and officers if the facts alleged in a complaint constitute or give rise to a cause of action under Bermuda law. However, section 281 of the Companies Act allows a Bermuda court, in certain circumstances, to relieve officers and directors of Bermuda companies of liability for acts of negligence, breach of duty or trust or other defaults.

### **Provisions in our constitutional documents may prevent or discourage takeovers and business combinations that our shareholders might consider to be in their best interests.**

Our bye-laws contain provisions that may delay, defer, prevent or render more difficult a takeover attempt that our shareholders consider to be in their best interests. As a result, these provisions may prevent our shareholders from receiving a premium to the market price of our shares offered by a bidder in a takeover context. Even in the absence of

a takeover attempt, the existence of these provisions may adversely affect the

S-12

**Table of Contents**

prevailing market price of our shares if they are viewed as discouraging takeover attempts in the future. These provisions include (subject to the Shareholders Agreement):

the ability of our Board of Directors to designate one or more series of preference shares and issue preference shares without shareholder approval;

a classified Board of Directors;

the sole power of a majority of our Board of Directors to fix the number of directors;

the power of our Board of Directors to fill any vacancy on our Board of Directors in most circumstances, including when such vacancy occurs as a result of an increase in the number of directors or otherwise; and

advance notice requirements for nominating directors or introducing other business to be conducted at shareholder meetings.

Additionally, our bye-laws contain provisions that prevent third parties, other than the Apollo Funds, the TPG Viking Funds and Genting HK, from acquiring beneficial ownership of more than 4.9% of our outstanding ordinary shares without the consent of our Board of Directors and provide for the lapse of rights, and sale, of any shares acquired in excess of that limit. The effect of these provisions as well as the significant ownership of ordinary shares by our Sponsors, may preclude third parties from seeking to acquire a controlling interest in us in transactions that shareholders might consider to be in their best interests and may prevent them from receiving a premium above market price for their shares.

**Any issuance of preference shares could make it difficult for another company to acquire us or could otherwise adversely affect holders of our ordinary shares, which could depress the price of our ordinary shares.**

Our Board of Directors has the authority to issue preference shares and to determine the preferences, limitations and relative rights of shares of preference shares and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our shareholders, subject to the Shareholders Agreement. Our preference shares could be issued with voting, liquidation, dividend and other rights superior to the rights of our ordinary shares. The potential issuance of preference shares may delay or prevent a change in control of us, discouraging bids for our ordinary shares at a premium over the market price, and adversely affect the market price and the voting and other rights of the holders of our ordinary shares.

**Table of Contents**

**USE OF PROCEEDS**

The selling shareholders will receive all of the proceeds from the sale of the ordinary shares offered hereby. We will not receive any proceeds from this offering.

S-14

**Table of Contents****MARKET PRICE FOR OUR ORDINARY SHARES**

Our ordinary shares have been listed on NASDAQ under the symbol NCLH since January 18, 2013, in connection with our IPO. Prior to that time, there was no public market for our ordinary shares. The following table sets forth, for the periods indicated, the high and low sales prices of our ordinary shares as reported by NASDAQ:

<b>2013</b>	<b>High</b>	<b>Low</b>
First fiscal quarter of 2013 (from January 18, 2013)	\$ 31.91	\$ 19.00
Second fiscal quarter of 2013	\$ 32.93	\$ 28.00
Third fiscal quarter of 2013	\$ 33.67	\$ 28.28
Fourth fiscal quarter of 2013	\$ 35.97	\$ 28.57
<b>2014</b>	<b>High</b>	<b>Low</b>
First fiscal quarter of 2014 (through March 4, 2014)	\$ 37.30	\$ 31.65

On March 4, 2014, the last reported sale price on NASDAQ of our ordinary shares was \$33.83 per share. As of February 14, 2014 we had approximately 151 holders of record of our ordinary shares. A substantially greater number of shareholders are beneficial holders of our ordinary shares in street name through banks, brokers and other financial institutions that are record holders.

**Table of Contents**

**DIVIDEND POLICY**

We have not paid any dividends since our IPO and do not intend to pay any dividends after the completion of this offering. We intend to retain all available funds and any future earnings to fund the continued development and growth of our business. Our debt agreements restrict, among other things, our ability to pay cash dividends to our shareholders. Our future dividend policy will also depend on the requirements of any future financing agreements to which we may be a party and other factors considered relevant by our Board of Directors. Any determination to pay dividends in the future will be at the discretion of our Board of Directors and will depend on, among other things, our results of operations, cash requirements, financial condition, business opportunities, contractual restrictions, restrictions imposed by applicable law and other factors that our Board of Directors deems relevant.

S-16

---

**Table of Contents**

**SELLING SHAREHOLDERS**

The table below sets forth information regarding beneficial ownership of our ordinary shares by the selling shareholders as of February 27, 2014 (i) immediately prior to this offering and (ii) as adjusted to give effect to the offering. In the table below, the percentage of shares is based on 205,167,499 ordinary shares outstanding as of February 27, 2014.

Pursuant to the Shareholders Agreement, Genting HK, subject to certain consent rights, granted to the Apollo Funds the right to vote our ordinary shares held by affiliates of Genting HK, and the TPG Viking Funds granted the Apollo Funds the right to vote our ordinary shares that are held by the affiliates of the TPG Viking Funds in connection with certain transactions that require the vote of our shareholders. We refer you to our filings with the SEC for more details on our relationship with the selling shareholders and the Shareholders Agreement.

Any further disposal of our ordinary shares held by Star NCLC following the completion of this offering may constitute a very substantial disposal by Genting HK under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the HK Listing Rules) and requires Genting HK shareholders approval in a general meeting. To allow any future sale of our ordinary shares under the HK Listing Rules, Genting HK plans to seek a specific mandate (the Disposal Mandate) from its shareholders authorizing the board of directors of Genting HK to effect disposal(s), from time to time for a period of 12 months from the date when the Disposal Mandate is approved, of up to all of our ordinary shares held by Star NCLC. Genting HK will issue related announcements, circulars, notice of general meetings and proxy forms to its shareholders for this purpose. Subject to certain adjustments, any disposal(s) pursuant to the Disposal Mandate shall not be made at less than \$19.00 per share and if our ordinary shares are sold through a public offering, the selling price shall not be more than a 20% discount to the average closing price of our ordinary shares in the five trading days immediately prior to the date of the relevant underwriting agreement. There is no assurance that Star NCLC will proceed with any further disposals of our ordinary shares after obtaining the Disposal Mandate.

The amounts and percentages of our ordinary shares beneficially owned are reported on the basis of regulations of the SEC governing the determination of beneficial ownership of securities (including as further described in the footnotes to the following table). Under the rules of the SEC, a person is deemed to be a beneficial owner of a security if that person has or shares voting power, which includes the power to vote or to direct the voting of such security, or investment power, which includes the power to dispose of or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which that person has a right to acquire beneficial ownership within 60 days. Under these rules, more than one person may be deemed a beneficial owner of the same securities and a person may be deemed a beneficial owner of securities as to which he has no economic interest. Except as otherwise indicated in the footnotes below and except as provided in the Shareholders Agreement, each of the beneficial owners has, to our knowledge, sole voting and investment power with respect to the indicated ordinary shares.

Each selling shareholder who is also an affiliate of a broker-dealer as noted below has represented that: (1) the selling shareholder acquired the ordinary shares in the ordinary course of business; and (2) at the time of acquisition of the ordinary shares being registered for resale, the selling shareholder had no agreements or understandings, directly or indirectly, with any person to distribute such ordinary shares. The selling shareholders may be deemed to be underwriters within the meaning of the Securities Act with respect to the ordinary shares they are offering.



**Table of Contents**

Name and Address	Ordinary Shares Beneficially Owned Prior to this Offering		Number of Ordinary Shares Offered Hereby	Ordinary Shares Beneficially Owned After this Offering	
	Number	Percent		Number	Percent
Star NCLC <sup>(1)</sup>	64,319,334	31.4%	7,500,000	56,819,334	27.7%
Apollo Funds <sup>(2)</sup>	48,239,500	23.5%	7,500,000	40,739,500	19.9%

- (1) Star NCLC, a Bermuda company, is a wholly owned subsidiary of Genting HK. Genting HK owns NCLH's ordinary shares indirectly through Star NCLC. The address of each of Genting HK and Star NCLC is c/o Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR. As of February 27, 2014, the principal shareholders of Genting HK are:

	Percentage Ownership in Genting HK
Golden Hope Limited (GHL <sup>(a)</sup> )	46.05%
Genting Malaysia Berhad (GENM <sup>(b)</sup> )	17.81%

- (a) GHL is a company incorporated in the Isle of Man acting as trustee of the Golden Hope Unit Trust, a private unit trust which is held directly and indirectly by First Names Trust Company (Isle of Man) Limited (formerly known as IFG International Trust Company Limited), as trustee of a discretionary trust, the beneficiaries of which are Tan Sri Lim Kok Thay and certain members of his family (the Lim Family).
- (b) GENM is a Malaysian company listed on the Main Market of Bursa Malaysia Securities Berhad in which Parkview Management Sdn Bhd as trustee of a discretionary trust, the beneficiaries of which are the Lim Family, has a substantial indirect beneficial interest.

As a result, an aggregate of 63.86% of Genting HK's outstanding shares is owned by GENM and GHL as trustee of the Golden Hope Unit Trust, directly or indirectly, as of February 27, 2014. Star NCLC is an affiliate of a broker-dealer in Hong Kong.

- (2) Prior to this offering, the Apollo Funds (AAA Guarantor Co-Invest VI (B), L.P., AIF VI NCL (AIV), L.P., AIF VI NCL (AIV II), L.P., AIF VI NCL (AIV III), L.P., AIF VI NCL (AIV IV), L.P., Apollo Overseas Partners (Delaware) VI, L.P., Apollo Overseas Partners (Delaware 892) VI, L.P., Apollo Overseas Partners VI, L.P. and Apollo Overseas Partners (Germany) VI, L.P.) hold of record an aggregate of 48,239,500 ordinary shares of NCLH. Under the terms of the Shareholders Agreement, the Apollo Funds also have the right to vote the ordinary shares of NCLH held by affiliates of Genting HK (including Star NCIC), and the ordinary shares of NCLH held by the affiliates of the TPG Viking Funds, in connection with certain transactions that require the vote of our shareholders (or those of NCLH, as applicable), and to consent to certain transfers of such shares. The Apollo Funds also have the right under the Shareholders Agreement to, under certain circumstances, require each of Star NCLC Holdings Ltd., TPG Viking, L.P., TPG Viking AIV I, L.P., TPG Viking AIV II, L.P. and TPG Viking AIV III, L.P. to sell the ordinary shares of NCLH held by such entity to a third party purchaser. The Apollo affiliate that serves as the general partner or managing general partner of each of Apollo Overseas Partners (Delaware) VI, L.P., Apollo Overseas Partners (Delaware 892) VI, L.P., Apollo Overseas Partners VI, L.P. and Apollo Overseas Partners (Germany) VI, L.P. is an affiliate of Apollo Principal Holdings I, L.P. Apollo Principal

Holdings I GP, LLC is the general partner of Apollo Principal Holdings I, L.P. The Apollo affiliate that serves as the general partner of AIF VI NCL (AIV), L.P., AIF VI NCL (AIV II), L.P., AIF VI NCL (AIV III), L.P. and AIF VI NCL (AIV IV), L.P. is an affiliate of Apollo Principal Holdings III, L.P. Apollo Principal Holdings III GP, Ltd. is the general partner of Apollo Principal Holdings III, L.P. An affiliate of Apollo Management Holdings, L.P. provides management services to AAA Guarantor Co-Invest VI (B), L.P. and to the Apollo affiliate that serves as the general partner of AAA Guarantor Co-Invest VI (B), L.P. The manager of each of the other Apollo Funds is also an affiliate of Apollo Management Holdings, L.P. Apollo Management Holdings GP, LLC is the general partner of Apollo Management Holdings, L.P. Leon Black, Joshua Harris and Marc Rowan are

**Table of Contents**

the managers of Apollo Principal Holdings I GP, LLC, the managers, as well as executive officers, of Apollo Management Holdings GP, LLC, and the directors of Apollo Principal Holdings III GP, Ltd. and as such may be deemed to have voting and dispositive control over our ordinary shares that are held by the Apollo Funds. The address for each of Apollo Overseas Partners (Delaware) VI, L.P., Apollo Overseas Partners (Delaware 892) VI, L.P., Apollo Principal Holdings I, L.P. and Apollo Principal Holdings I GP, LLC is One Manhattanville Road, Suite 201, Purchase, New York 10577. The address for each of Apollo Overseas Partners VI, L.P., Apollo Overseas Partners (Germany) VI, L.P., AIF VI NCL (AIV), L.P., AIF VI NCL (AIV II), L.P., AIF VI NCL (AIV III), L.P., AIF VI NCL (AIV IV), L.P., Apollo Principal Holdings III, L.P. and Apollo Principal Holdings III GP, Ltd. is c/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Street, George Town, Grand Cayman KY1-9005, Cayman Islands. The address for AAA Guarantor Co-Invest VI (B), L.P. is c/o Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands, MH 96960. The address for Apollo Management Holdings, L.P. and Apollo Management Holdings GP, LLC, and for Messrs. Black, Harris and Rowan, is 9 W. 57th Street, 43rd Floor, New York, New York 10019. The Apollo Funds are affiliates of a broker-dealer and affiliates of the Apollo Funds indirectly own interests in other broker-dealers.

S-19

**Table of Contents**

**UNDERWRITING**

NCLH, each selling shareholder, severally and not jointly, and Citigroup Global Markets Inc., the underwriter, have entered into an underwriting agreement with respect to the ordinary shares being offered hereby. Subject to certain conditions, the underwriter has agreed to purchase all of the 15,000,000 ordinary shares offered by the selling shareholders at a price of \$32.97 per share, which will result in \$494,550,000 of aggregate proceeds to the selling shareholders.

The underwriting agreement provides that the underwriter's obligation to purchase ordinary shares is subject to the satisfaction of customary conditions contained therein. The underwriter is committed to take and pay for all of the ordinary shares being offered by the selling shareholders, if any are taken.

The underwriter may offer the ordinary shares from time to time for sale in one or more transactions on NASDAQ, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. In connection with the sale of the ordinary shares offered hereby, the underwriter may be deemed to have received compensation in the form of an underwriting discount. The underwriter may effect such transactions by selling shares to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriter or purchasers of shares for whom they may act as agents or to whom they may sell as principal.

**Expenses**

The expenses of the offering that are payable by us are estimated to be approximately \$1.4 million. We have agreed with the underwriter to pay actual accountable legal fees and filing fees and other reasonable disbursements of counsel to the underwriter relating to the review and qualification of this offering by the Financial Industry Regulatory Authority, Inc. in an aggregate amount not to exceed \$15,000.

**Lock-Up Agreements**

We, Star NCLC, the Apollo Funds and the TPG Viking Funds, have agreed that, subject to certain exceptions, without the prior written consent of the underwriter, we and they will not directly or indirectly, (i) sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, or file (or participate in the filing of) a registration statement with the SEC in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act with respect to, any ordinary shares or any other securities of the Company that are substantially similar to ordinary shares, or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing, (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of ordinary shares or any other securities of the Company that are substantially similar to ordinary shares, or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing, whether any such transaction is to be settled by delivery of ordinary shares or such other securities, in cash or otherwise or (iii) publicly announce an intention to effect any transaction specified in clause (i) or (ii), for a period of 60 days after the date of this prospectus supplement. The exceptions to the lock-up agreements include an exception that permits Genting HK to publish and dispatch, subject to certain conditions, (a) a circular, a notice of general meeting and a proxy form (including any related supplemental documents) in relation to a specific mandate that Genting Hong Kong Limited may seek from its shareholders to authorize its board of directors to effect future disposals of the Ordinary Shares (the Shareholder Consent) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and (b) any announcement for the purpose of obtaining the Shareholder Consent.

S-20

## **Table of Contents**

The underwriter may release the ordinary shares and other securities subject to the lock-up agreements described above in whole or in part at any time with or without notice. When determining whether or not to release ordinary shares and other securities from lock-up agreements, the underwriter will consider, among other factors, the holder's reasons for requesting the release, the number of ordinary shares and other securities for which the release is being requested and market conditions at the time.

## **Indemnification**

We and the selling shareholders have, severally and not jointly, agreed to indemnify the underwriter against certain liabilities, including certain liabilities under the Securities Act, in the case of the Company, liabilities arising from breaches of the representations and warranties of the Company contained in the underwriting agreement and to contribute to payments that the underwriter may be required to make for these liabilities.

## **Stabilization and Short Positions**

In connection with the offering, the underwriter may purchase and sell ordinary shares in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriter of a greater number of ordinary shares than it is required to purchase in the offering. The underwriter must close out any short position by purchasing ordinary shares in the open market. A short position is more likely to be created if the underwriter is concerned that there may be downward pressure on the price of the ordinary shares in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of ordinary shares made by the underwriter in the open market prior to the completion of the offering.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriter for its own account, may have the effect of preventing or retarding a decline in the market price of our ordinary shares, and may stabilize, maintain or otherwise affect the market price of the ordinary shares. As a result, the price of the ordinary shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on NASDAQ, in the over-the-counter market or otherwise.

Neither we, any selling shareholder, nor the underwriter makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the ordinary shares. In addition, neither we, any selling shareholder, nor the underwriter makes any representation that the underwriter will engage in these stabilizing transactions or that any transaction, once commenced, will not be discontinued without notice.

## **Electronic Distribution**

A prospectus supplement and the accompanying prospectus may be made available in electric format on the Internet sites or through other online services maintained by the underwriter, or by its affiliates. In those cases, prospective investors may view offering terms online and prospective investors may be allowed to place orders online.

Other than the prospectus supplement and the accompanying prospectus in electronic format, the information on the website and any information contained in any other website maintained by the underwriter is not part of the prospectus supplement, accompanying prospectus or the registration statement of which this prospectus supplement and the accompanying prospectus form a part, has not been approved and/or endorsed by us or the underwriter and should not be relied upon by investors.

**Listing**

Our ordinary shares are listed on NASDAQ under the symbol NCLH.

S-21

## **Table of Contents**

### **Stamp Taxes**

Purchasers of the ordinary shares offered in this prospectus supplement may be required to pay stamp taxes and other charges under the laws and practices of the country of purchase, in addition to the offering price listed on the cover page of this prospectus supplement. Accordingly, we urge you to consult a tax advisor with respect to whether you may be required to pay those taxes or charges, as well as any other tax consequences that may arise under the laws of the country of purchase.

### **Relationships**

The underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriter may in the future perform investment banking and advisory services for us from time to time for which they may in the future receive customary fees and expenses. In the ordinary course of its various business activities, the underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of NCLH.

The underwriter and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State ) an offer to the public of any shares which are the subject of the offering contemplated by this prospectus supplement (the Shares ) may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State of any Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- (b) by the Managers to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of Lead Manager for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Shares shall result in a requirement for the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.



For the purposes of this provision, the expression an offer to the public in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase any Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

S-22

## **Table of Contents**

The EEA selling restriction is in addition to any other selling restrictions set out in this prospectus supplement.

### **United Kingdom**

This prospectus supplement is only being distributed to and is only directed at: (1) persons who are outside the United Kingdom; (2) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order); or (3) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons falling within (1)-(3) together being referred to as relevant persons). The shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such shares will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this prospectus supplement or any of its contents.

### **Australia**

This prospectus supplement is not a formal disclosure document and has not been, nor will be, lodged with the Australian Securities and Investments Commission. It does not purport to contain all information that an investor or their professional advisers would expect to find in a prospectus or other disclosure document (as defined in the Corporations Act 2001 (Australia)) for the purposes of Part 6D.2 of the Corporations Act 2001 (Australia) or in a product disclosure statement for the purposes of Part 7.9 of the Corporations Act 2001 (Australia), in either case, in relation to the securities.

The securities are not being offered in Australia to retail clients as defined in sections 761G and 761GA of the Corporations Act 2001 (Australia). This offering is being made in Australia solely to wholesale clients for the purposes of section 761G of the Corporations Act 2001 (Australia) and, as such, no prospectus, product disclosure statement or other disclosure document in relation to the securities has been, or will be, prepared.

This prospectus supplement does not constitute an offer in Australia other than to persons who do not require disclosure under Part 6D.2 of the Corporations Act 2001 (Australia) and who are wholesale clients for the purposes of section 761G of the Corporations Act 2001 (Australia). By submitting an application for our securities, you represent and warrant to us that you are a person who does not require disclosure under Part 6D.2 and who is a wholesale client for the purposes of section 761G of the Corporations Act 2001 (Australia). If any recipient of this prospectus supplement is not a wholesale client, no offer of, or invitation to apply for, our securities shall be deemed to be made to such recipient and no applications for our securities will be accepted from such recipient. Any offer to a recipient in Australia, and any agreement arising from acceptance of such offer, is personal and may only be accepted by the recipient. In addition, by applying for our securities you undertake to us that, for a period of 12 months from the date of issue of the securities, you will not transfer any interest in the securities to any person in Australia other than to a person who does not require disclosure under Part 6D.2 and who is a wholesale client.

### **Hong Kong**

The contents of this prospectus supplement have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this prospectus supplement, you should obtain independent professional advice. Please note that (i) our securities may not be offered or sold in Hong Kong, by means of this prospectus supplement or any document other than to professional investors within the meaning of Part I of Schedule 1 of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) (SFO) and any rules made thereunder, or in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong) (CO) or which do not constitute an offer or invitation to the public for the purpose of the CO or the SFO, and (ii) no advertisement,

invitation or document relating to our securities

S-23

## **Table of Contents**

may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere) which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the SFO and any rules made thereunder.

### **Japan**

Our securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and our securities will not be offered or sold, directly or indirectly, in Japan, or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan, or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

### **Singapore**

This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of our securities may not be circulated or distributed, nor may our securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where our securities are subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired our securities pursuant to an offer made under Section 275 except:
  - (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
  - (2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law; or

(4) as specified in Section 276(7) of the SFA.

**Switzerland**

This prospectus supplement does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations ( CO ) and the shares will not be listed on the SIX Swiss Exchange. Therefore, this prospectus supplement may not comply with the disclosure standards of the CO and/or the listing rules (including any prospectus schemes) of the SIX Swiss Exchange. Accordingly, the shares may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors, which do not subscribe to the shares with a view to distribution.

S-24

**Table of Contents**

**Greece**

The securities have not been approved by the Hellenic Capital Markets Commission for distribution and marketing in Greece. This document and the information contained therein do not and shall not be deemed to constitute an invitation to the public in Greece to purchase the securities. The securities may not be advertised, distributed, offered or in any way sold in Greece except as permitted by Greek law.

**Dubai International Finance Centre**

This prospectus supplement relates to an Exempt Offer in accordance with the Markets Rules of the Dubai Financial Services Authority. This prospectus supplement is intended for distribution only to Professional Clients who are not natural persons. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The Securities to which this prospectus supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Securities offered should conduct their own due diligence on the Securities. If you do not understand the contents of this document you should consult an authorized financial adviser.

S-25

Table of Contents

**LEGAL MATTERS**

Cox Hallett Wilkinson Limited will pass upon for us the validity of the sale of the ordinary shares offered hereby. O Melveny & Myers LLP will pass upon for us certain matters relating to U.S. federal income tax considerations. Cahill Gordon & Reindel LLP and Appleby (Bermuda) Limited will pass upon certain legal matters in connection with this offering for the underwriter.

**EXPERTS**

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus supplement by reference to the Annual Report on Form 10-K for the year ended December 31, 2013, have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, given on the authority of such firm as experts in auditing and accounting.

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains our reports, proxy and other information regarding us at <http://www.sec.gov>. Our SEC filings are also available free of charge at our website ([www.investor.ncl.com](http://www.investor.ncl.com)). **The information on or accessible through our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus.**

We have filed with the SEC a registration statement on Form S-3 with respect to the ordinary shares offered hereby. This prospectus supplement and accompanying prospectus, filed as part of the registration statement, do not contain all of the information set forth in the registration statement or the exhibits and schedules thereto as permitted by the rules and regulations of the SEC. For further information about us and our securities, you should refer to the registration statement. This prospectus supplement and accompanying prospectus summarize provisions that we consider material of certain documents to which we refer you. Because the summaries may not contain all of the information that you may find important, you should review the full text of those documents.

**Table of Contents**

**INCORPORATION OF CERTAIN INFORMATION BY REFERENCE**

The SEC allows incorporation by reference into this prospectus supplement of information that we file with the SEC. This permits us to disclose important information to you by referencing these filed documents. Any information referenced this way is considered to be a part of this prospectus supplement and any information filed by us in accordance with Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act with the SEC subsequent to the date of this prospectus supplement automatically will be deemed to update and supersede this information. We incorporate by reference the following documents which we have filed with the SEC (excluding any portions of such documents that have been furnished but not filed for purposes of the Exchange Act):

NCLH's Annual Report on Form 10-K for the year ended December 31, 2013, filed on February 21, 2014;

the information in Part III, Items 10, 11, 12, 13 and 14 of NCLH's Annual Report on Form 10-K for the year ended December 31, 2012, filed on February 20, 2013;

NCLH's Current Reports on Form 8-K, filed on February 25, 2013, June 7, 2013 and January 17, 2014; and

the description of NCLH's ordinary shares set forth in its Registration Statement on Form 8-A, filed on January 15, 2013.

We incorporate by reference any filings made with the SEC in accordance with Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus supplement and until the date all of the ordinary shares offered hereby are sold or the offering is otherwise terminated, with the exception of any information furnished under Item 2.02 and Item 7.01 of a Current Report on Form 8-K, which is not deemed filed and which is not incorporated by reference herein. Any such filings shall be deemed to be incorporated by reference and to be a part of this prospectus supplement from the respective dates of filing of those documents.

We will provide to each person, including any beneficial owner, to whom a prospectus supplement and accompanying prospectus is delivered, without charge, upon written or oral request, a copy of any or all of the documents that are incorporated by reference into this prospectus supplement but not delivered with this prospectus supplement, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference as an exhibit in this prospectus supplement. You should direct requests for documents to:

**Norwegian Cruise Line Holdings Ltd.**

**7665 Corporate Center Drive**

**Miami, Florida 33126**

**Attention: Investor Relations**

**(305) 436-4000**





**Table of Contents**

**PROSPECTUS**

**NORWEGIAN CRUISE LINE HOLDINGS LTD.**

**ORDINARY SHARES**

This prospectus relates solely to sales of our ordinary shares by us or by certain selling shareholders. We, or any selling shareholders, who will be named in a prospectus supplement, may offer and sell our ordinary shares from time to time in amounts, at prices and on terms that will be determined at the time of any such offering. We will not receive any proceeds from the sale of ordinary shares to be offered by any selling shareholders. We will pay the expenses, other than underwriting discounts and commissions, associated with the sale of ordinary shares by any selling shareholders.

This prospectus describes some of the general terms that may apply to the offering of our ordinary shares. Each time any ordinary shares are offered pursuant to this prospectus, we will provide a prospectus supplement and attach it to this prospectus. The prospectus supplement will contain more specific information about the offering, including the number of ordinary shares to be sold, and the identities of any selling shareholders, if applicable. The prospectus supplement may also add, update or change information contained in this prospectus. You should read this prospectus, any applicable prospectus supplement, as well as the documents incorporated by reference herein or therein, carefully before you make your investment decision.

This prospectus may not be used to offer and sell our ordinary shares unless accompanied by a prospectus supplement.

Our ordinary shares may be sold at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at a negotiated price. The ordinary shares offered by this prospectus and the accompanying prospectus supplement may be offered by us or any selling shareholders, independently or together in any combination, directly to purchasers or to or through underwriters, brokers or dealers or other agents. The prospectus supplement for each offering will describe in detail the plan of distribution for that offering and will set forth the names of any underwriters, brokers or dealers or agents involved in the offering and any applicable fees, commissions or discount arrangements.

Our ordinary shares are listed for trading on the NASDAQ Global Select Market under the symbol NCLH. The last reported sale price of our ordinary shares on March 3, 2014 was \$33.68 per share.

**Investing in our securities involves a high degree of risk. See Risk Factors on page 7 of this prospectus, as well as those contained in any prospectus supplement and the documents incorporated by reference herein and therein, before you make your investment decision.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

Ordinary shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 1998, which regulates the sale of securities in Bermuda. Further, the Bermuda Monetary Authority (the BMA ) must approve all issues and transfers of shares of a Bermuda exempted company under the Exchange Control Act of 1972 and regulations thereunder (together, the ECA ). The BMA has given a general permission which will permit the issue of the ordinary shares and the free transferability of such shares under the ECA so long as voting securities of the Company are admitted to trading on the NASDAQ Global Select Market or any other appointed stock exchange.

**The date of this prospectus is March 4, 2014.**

**Table of Contents**

**TABLE OF CONTENTS**

	<b>Page</b>
<u>ABOUT THIS PROSPECTUS</u>	1
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	2
<u>INCORPORATION OF CERTAIN INFORMATION BY REFERENCE</u>	2
<u>MARKET AND INDUSTRY DATA AND FORECASTS</u>	3
<u>CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS</u>	4
<u>THE COMPANY</u>	6
<u>RISK FACTORS</u>	7
<u>USE OF PROCEEDS</u>	8
<u>DESCRIPTION OF SHARE CAPITAL</u>	9
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS</u>	21
<u>SELLING SHAREHOLDERS</u>	24
<u>PLAN OF DISTRIBUTION</u>	25
<u>LEGAL MATTERS</u>	30
<u>EXPERTS</u>	30

---

**Table of Contents**

**ABOUT THIS PROSPECTUS**

Unless otherwise indicated or the context otherwise requires, references in this prospectus to (i) the Company, we, our, us and NCLH refer to Norwegian Cruise Line Holdings Ltd. and/or its subsidiaries, (ii) NCLC refers to NCL Corporation Ltd. and/or its subsidiaries, (iii) Apollo refers to Apollo Global Management, LLC and its subsidiaries and the Apollo Funds refers to one or more of AIF VI NCL (AIV), L.P., AIF VI NCL (AIV II), L.P., AIF VI NCL (AIV III), L.P., AIF VI NCL (AIV IV), L.P., AAA Guarantor Co-Invest VI (B), L.P., Apollo Overseas Partners (Delaware) VI, L.P., Apollo Overseas Partners (Delaware 892) VI, L.P., Apollo Overseas Partners VI, L.P. and Apollo Overseas Partners (Germany) VI, L.P., (iv) TPG Global refers to TPG Global, LLC, TPG refers to TPG Global and its affiliates and the TPG Viking Funds refers to one or more of TPG Viking, L.P., TPG Viking AIV I, L.P., TPG Viking AIV II, L.P., and TPG Viking AIV III, L.P. and/or certain other affiliated investment funds, each an affiliate of TPG, (v) Genting HK refers to Genting Hong Kong Limited and/or its affiliates (formerly Star Cruises Limited and/or its affiliates), and (vi) Sponsor(s) refers to Genting HK, the Apollo Funds and/or the TPG Viking Funds.

This prospectus is part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission (the SEC) as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended (the Securities Act). Under the automatic shelf process, we and any selling shareholders to be named in one or more prospectus supplements may offer and sell, from time to time, our ordinary shares. We will also be required to provide a prospectus supplement containing specific information about the terms on which our ordinary shares are being offered and sold and any selling shareholders. We may also add, update or change, in a prospectus supplement, information contained in this prospectus.

We are responsible for the information contained in this prospectus and the accompanying prospectus supplement, including the information incorporated by reference herein as described herein and therein and any free writing prospectus that we prepare and distribute. Neither we nor any selling shareholders have authorized anyone to provide you with information or to make any representations about our ordinary shares or any offers by us or our selling shareholders other than those contained in or incorporated by reference into this prospectus, any accompanying prospectus supplement or any related free writing prospectus prepared by us.

Neither we nor any selling shareholders are making any offer to sell, or any offers to buy, our ordinary shares in jurisdictions where offers and sales are not permitted.

This prospectus and any accompanying prospectus supplement or other offering materials do not contain all of the information included in the registration statement as permitted by the rules and regulations of the SEC. For further information, we refer you to the registration statement on Form S-3, including its exhibits, of which this prospectus forms a part. We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and, therefore, file reports and other information with the SEC. Statements contained in this prospectus and any accompanying prospectus supplement or other offering materials about the provisions or contents of any agreement or other document are only summaries. If SEC rules require that any agreement or document be filed as an exhibit to the registration statement, of which this prospectus forms a part, you should refer to that agreement or document for its complete contents.

If the description of the offering varies between any prospectus supplement and this prospectus, you should rely on the information in the prospectus supplement. Any statement made in this prospectus or in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or

superseded, to constitute a part of this prospectus.

You should not assume that the information in this prospectus, any accompanying prospectus supplement or any free writing prospectus prepared by us, including any information incorporated by reference, is accurate as of any date other than the date of the applicable document. Our business, financial conditions, results of operations and prospects may have changed since that date.

**THIS PROSPECTUS MAY NOT BE USED TO SELL ANY OF OUR ORDINARY SHARES UNLESS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.**

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains our reports, proxy and other information regarding us at <http://www.sec.gov>. Our SEC filings are also available free of charge at our website ([www.investor.ncl.com](http://www.investor.ncl.com)). The information on or accessible through our website is not incorporated by reference into this prospectus.

We have filed with the SEC a registration statement on Form S-3 with respect to the ordinary shares offered hereby. This prospectus, filed as part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules thereto as permitted by the rules and regulations of the SEC. For further information about us and our securities, you should refer to the registration statement. This prospectus summarizes provisions that we consider material of certain documents to which we refer you. Because the summaries may not contain all of the information that you may find important, you should review the full text of those documents.

**INCORPORATION OF CERTAIN INFORMATION BY REFERENCE**

The SEC allows incorporation by reference into this prospectus of information that we file with the SEC. This permits us to disclose important information to you by referencing these filed documents. Any information referenced this way is considered to be a part of this prospectus and any information filed by us in accordance with Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act with the SEC subsequent to the date of this prospectus automatically will be deemed to update and supersede this information. We incorporate by reference the following documents which we have filed with the SEC (excluding any portions of such documents that have been furnished but not filed for purposes of the Exchange Act):

NCLH's Annual Report on Form 10-K for the year ended December 31, 2013, filed on February 21, 2014 (the 2013 Annual Report );

the information in Part III, Items 10, 11, 12, 13 and 14 of NCLH's Annual Report on Form 10-K for the year ended December 31, 2012, filed on February 20, 2013;

NCLH's Current Reports on Form 8-K, filed on February 25, 2013, June 7, 2013 and January 17, 2014; and

the description of NCLH's ordinary shares set forth in its Registration Statement on Form 8-A, filed on January 15, 2013.

We incorporate by reference any filings made with the SEC in accordance with Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus and until the date all of the ordinary shares offered hereby are sold or the offering is otherwise terminated, with the exception of any information furnished under Item 2.02 and Item 7.01 of a Current Report on Form 8-K, which is not deemed filed and which is not incorporated by reference herein. Any such filings shall be deemed to be incorporated by reference and to be a part of this prospectus from the respective dates of filing of those documents.

We will provide to each person, including any beneficial owner, to whom a prospectus is delivered, without charge, upon written or oral request, a copy of any or all of the documents that are incorporated by reference into this prospectus but not delivered with this prospectus, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference as an exhibit in this prospectus. You should direct requests for documents to:

**Norwegian Cruise Line Holdings Ltd.**

**7665 Corporate Center Drive**

**Miami, Florida 33126**

**Attention: Investor Relations**

**(305) 436-4000**



**Table of Contents**

**MARKET AND INDUSTRY DATA AND FORECASTS**

This prospectus and any accompanying prospectus supplement, and any document incorporated by reference into this prospectus and any accompanying prospectus supplement, may include market share and industry data and forecasts that we obtained from industry publications, third-party surveys and internal company surveys. Although we believe that the industry publications and third-party sources are reliable, we have not independently verified any of the data from industry publications or third-party sources. Similarly, while we believe our internal estimates with respect to our industry are reliable, our estimates have not been verified by any independent sources. While we are not aware of any misstatements regarding any industry data presented in this prospectus and any accompanying prospectus supplement, and any document incorporated by reference into this prospectus and any accompanying prospectus supplement, our estimates, in particular as they relate to market share and our general expectations, involve risks and uncertainties and are subject to change based on various factors, including those discussed under **Risk Factors** and **Cautionary Statement Concerning Forward-Looking Statements** in this prospectus and any accompanying prospectus supplement, as well as the documents incorporated by reference into this prospectus and any accompanying prospectus supplement.

**Table of Contents**

**CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS**

Certain statements in this prospectus, any prospectus supplement, information incorporated by reference herein or therein and any related free-writing prospectus constitute forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995 within the meaning of the U.S. federal securities laws. All statements other than statements of historical facts in this prospectus, including, without limitation, those regarding our business strategy, financial position, results of operations, plans, prospects and objectives of management for future operations (including development plans and objectives relating to our activities), 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 and future. 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 adverse impact of general economic conditions and related factors such as high levels of unemployment and underemployment, fuel price increases, 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;

changes in cruise capacity, as well as capacity changes in the overall vacation industry;

intense competition from other cruise companies as well as non-cruise vacation alternatives which could affect our ability to compete effectively;

negative publicity surrounding the cruise industry;

changes in fuel prices and/or other cruise operating costs;

the risks associated with operating internationally, including changes in interest rates and/or foreign currency rates;

the continued borrowing availability under our credit facilities and compliance with our financial covenants;

our substantial indebtedness, including the inability to generate the necessary amount of cash to service our existing debt, and to repay our credit facilities;

our ability to incur significantly more debt despite our substantial existing indebtedness;

the impact of 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;

adverse events impacting the security of travel such as terrorist acts, acts of piracy, armed conflict and other international events;

the impact of any future changes relating to how external distribution channels sell and market our cruises;

the impact 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 repairs, maintenance and refurbishment of our ships;

the delivery schedules and estimated costs of new ships on terms that are favorable or consistent with our expectations;

**Table of Contents**

the impact of problems encountered at shipyards, as well as, any potential claim, impairment loss, cancellation or breach of contract in connection with our contracts with shipyards;

the impact of the spread of epidemics and viral outbreaks;

the uncertain political environment in countries where we operate;

the impact of weather and natural disasters;

accidents and other incidents affecting the health, safety, security and vacation satisfaction of guests or causing damage to ships, which could cause the modification of itineraries or cancellation of a cruise or series of cruises;

the impact of pending or threatened litigation and investigations;

our ability to obtain insurance coverage on terms that are favorable or consistent with our expectations;

the impact of any breaches in data security or other disturbances to our information technology and other networks;

the impact of amendments to our collective bargaining agreements for crew members and other employee relation issues;

the continued availability of attractive port destinations;

our ability to attract and retain key personnel and qualified shipboard crew, maintain good relations with employee unions, maintain or renegotiate our collective bargaining agreements on favorable terms and prevent any disruptions in work;

changes involving the tax, environmental, health, safety, security and other regulatory regimes in which we operate;

increases in our future fuel expenses related to implementing International Maritime Organization regulations, which require the use of higher priced low sulfur fuels in certain cruising areas;

the implementation of regulations in the U.S. requiring U.S. citizens to obtain passports for travel to additional foreign destinations; and

other factors set forth under Risk Factors.

The above examples are not exhaustive and new risks emerge from time to time. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. 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 will operate in the future. These forward-looking statements speak only as of the date of this prospectus. All forward-looking statements included in documents incorporated by reference into this prospectus apply only as of the date of such documents. 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.

**Table of Contents**

**THE COMPANY**

We are a leading global cruise line operator, offering cruise experiences for travelers with a wide variety of itineraries in North America (including Alaska and Hawaii), the Mediterranean, the Baltic, Central America, Bermuda and the Caribbean. We strive to offer an innovative and differentiated cruise vacation with the goal of providing our guests the highest levels of overall satisfaction on their cruise experience. In turn, we aim to generate the highest guest loyalty and greatest numbers of repeat guests. We created a distinctive style of cruising called Freestyle Cruising onboard all of our ships, which we believe provides our guests with the freedom and flexibility associated with a resort style atmosphere and experience as well as more dining options than a traditional cruise. We established the very first private island developed by a cruise line in the Bahamas with a diverse offering of activities for guests. We are also the only cruise line operator to offer an entirely inter-island itinerary in Hawaii.

**Corporate Information**

NCLH is a Bermuda limited company formed as a holding company in 2011, with subsidiary predecessors dating from 1966. Our registered offices are located at Cumberland House, 9th Floor, 1 Victoria Street, Hamilton HM 11, Bermuda. Our principal executive offices are located at 7665 Corporate Center Drive, Miami, Florida 33126. Our telephone number is (305) 436-4000. Our website is located at *www.investor.ncl.com*. The information that appears on our websites is not part of, and is not incorporated by reference into this prospectus or any other report or document filed with or furnished to the SEC. Daniel S. Farkas, the Company's Senior Vice President and General Counsel, is our agent for service of process at our principal executive offices.

**Table of Contents**

**RISK FACTORS**

You should carefully consider each of the risk factors described in the 2013 Annual Report, the risk factors described under the caption "Risk Factors" in any applicable prospectus supplement and any risk factors set forth in our other filings with the SEC that are incorporated by reference herein and therein and as may be amended, supplemented or superseded from time to time by our filings with the SEC, before making an investment decision. Each of the risks described in these documents could materially and adversely affect our business, financial condition, results of operations and prospects, and could result in a partial or complete loss of your investment. The risks and uncertainties are not limited to those set forth in the risk factors described in these documents. Additional risks and uncertainties not presently known to us or that we currently believe to be less significant than the risk factors incorporated by reference herein may also adversely affect our business. In addition, past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. See also the information contained under the heading "Cautionary Statement Concerning Forward-Looking Statements."

**Table of Contents**

**USE OF PROCEEDS**

Unless otherwise indicated in an accompanying prospectus supplement, we intend to use the net proceeds we receive from the sale of ordinary shares by us for general corporate purposes, which may include, among other things, the repayment or refinancing of indebtedness, capital expenditures and working capital requirements.

We will not receive any of the proceeds of any sale of ordinary shares by any selling shareholders under any prospectus supplement. We will pay certain expenses, other than underwriting discounts and commissions, associated with the sale of ordinary shares by any selling shareholders.



---

**Table of Contents**

**DESCRIPTION OF SHARE CAPITAL**

NCLH was incorporated on February 21, 2011 as a Bermuda exempted company organized under the Companies Act 1981 of Bermuda (the Companies Act ). We are registered with the Registrar of Companies in Bermuda under registration number 45125. Our registered office is located at Cumberland House, 9th Floor, 1 Victoria Street, Hamilton HM 11, Bermuda. The rights of our shareholders, are governed by Bermuda law, our memorandum of association and our amended and restated bye-laws, which we refer to as our bye-laws. The Companies Act differs in some material respects from laws generally applicable to U.S. corporations and their shareholders. The bye-laws are subject to the terms of, and incorporate the provisions of, the amended and restated shareholders agreement, dated as of January 24, 2013, among NCLH, Star NCLC Holdings Ltd., Genting HK, the Apollo Funds and the TPG Viking Funds (such agreement, the Shareholders Agreement ). For information regarding the governance arrangements for the Company among our Sponsors please see the description of our Shareholders Agreement in our filings with the SEC.

The following descriptions are qualified in their entirety by reference to our memorandum of association and bye-laws and to the Shareholders Agreement. For more information on how you can obtain our memorandum of association, our bye-laws and the Shareholders Agreement see Where You Can Find More Information. We urge you to read our memorandum of association, bye-laws and Shareholders Agreement in their entirety. The following summary is a description of the material terms of our share capital. The following summary also highlights material differences between Bermuda and Delaware corporate laws.

**Share Capital**

Our authorized share capital is \$500,000 divided into 490,000,000 ordinary shares of par value \$.001 per share and 10,000,000 preference shares of par value \$.001 per share.

Pursuant to our bye-laws, subject to the requirements of NASDAQ and to any resolution of the shareholders to the contrary, our Board of Directors is authorized to issue any of our authorized but unissued ordinary shares. There are no limitations on the right of non-Bermudians or non-residents of Bermuda to hold or vote our shares.

**Ordinary Shares**

As of February 27, 2014, there were 205,167,499 ordinary shares issued and outstanding. No preference shares have been issued or outstanding as of February 27, 2014. All of our issued and outstanding ordinary shares are fully paid.

In the event of our liquidation, dissolution or winding up, the holders of ordinary shares are entitled to share equally and ratably in our assets, if any, remaining after the payment of all of our debts and liabilities and subject to any preferential rights to payments owing to preference shareholders.

If we issue any preference shares, the rights, preferences and privileges of holders of ordinary shares will be subject to, and may be adversely affected by, the rights of the holders of our preference shares. See Preference shares below.

**Voting**

Holders of ordinary shares have no pre-emptive, redemption, conversion or sinking fund rights. Holders of ordinary shares are entitled to one vote per share on all matters submitted to a vote of holders of ordinary shares. Unless a different majority is required by law or by our bye-laws, resolutions to be approved by holders of ordinary shares require approval by a simple majority of votes cast at a meeting at which a quorum is present.



## **Table of Contents**

Our bye-laws provide that no bye-law shall be rescinded, altered or amended, and no new bye-law shall be made, unless it is in accordance with the Companies Act and until it shall have been approved by a resolution of our Board of Directors and by a resolution of our shareholders holding a majority of the then-outstanding shares of the Company (or, where required, of a separate class or classes of shareholders), provided that in no event shall any such rescission, alteration, amendment or new bye-law affect the rights and obligations of Genting HK, any of the Apollo Funds or the TPG Viking Funds without the prior written consent of Genting HK, the Apollo Funds or the TPG Viking Funds, as the case may be.

Our bye-laws provide that no alteration to our memorandum of association shall be made, unless it is in accordance with the Companies Act and until it shall have been approved by a resolution of our Board of Directors and by a resolution of our shareholders holding a majority of the then-outstanding shares of the Company (or, where required, of a separate class or classes of shareholders), provided that in no event shall any such alteration affect the rights and obligations of Genting HK, any of the Apollo Funds or the TPG Viking Funds without the prior written consent of Genting HK, the Apollo Funds or the TPG Viking Funds, as the case may be. Holders of ordinary shares will vote together as a single class on all matters presented to the shareholders for their vote or approval, including the election of directors.

Any individual who is a shareholder of the Company and who is present at a meeting may vote in person, as may any corporate shareholder that is represented by a duly authorized representative at a meeting of shareholders. Our bye-laws also permit attendance at general meetings by proxy, provided the instrument appointing the proxy is in the form specified in the bye-laws or such other form as our Board of Directors may determine.

The Companies Act also provides that shareholders may take action by written resolution. Subject to the following, anything (except for the removal of an auditor before the expiration of the term of his office or director before the expiration of the term of his office) which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the shareholders may, without a meeting, be done by resolution in writing signed by, or in the case of a shareholder that is a corporation whether or not a company within the meaning of the Companies Act, on behalf of, such number of shareholders who, at the date that the notice of resolution is given, represent not less than the minimum number of votes as would be required if the resolution was voted on at a meeting of shareholders at which all shareholders entitled to attend and vote were present and voting.

## ***Dividends***

Under our bye-laws, each ordinary share is entitled to dividends if, as and when dividends are declared by our Board of Directors, subject to any preferential dividend right of the holders of any preference shares. We intend to retain all currently available funds and as much as necessary of future earnings in order to fund the continued development and growth of our business. Our debt agreements also impose restrictions on our ability to pay dividends. Any determination to pay dividends in the future will be at the discretion of our Board of Directors and will depend upon our results of operations, financial condition, business opportunities, contractual restrictions, restrictions imposed by applicable law and other factors that our Board of Directors deems relevant.

We are a holding company and have no direct operations. As a result, we will depend upon distributions from our subsidiaries to pay any dividends.

Additionally, we are subject to Bermuda legal constraints that may affect our ability to pay dividends on our ordinary shares and make other payments. Under the Companies Act, we may declare or pay a dividend only if we have reasonable grounds for believing that we are, or would after the payment be, able to pay our liabilities as they become due and if the realizable value of our assets would thereby not be less than our liabilities.

***Transfer Restrictions***

Under Section 883 of the Internal Revenue Code of 1986, as amended (the Code ) and the related regulations, a foreign corporation will be exempt from U.S. federal income taxation on its U.S.-source

## Table of Contents

international shipping income if, among other requirements, one or more classes of its stock representing, in the aggregate, more than 50% of the combined voting power and value of all classes of its stock are primarily and regularly traded on one or more established securities markets in a qualified foreign country or in the United States (and certain exceptions do not apply), to which we refer as the Publicly Traded Test.

The regulations under Section 883 of the Code provide, in pertinent part, that a class of stock will not be considered to be regularly traded on an established securities market for any taxable year in which 50% or more of the outstanding shares of such class of stock are owned on more than half the days during the taxable year by persons who each own 5% or more of the outstanding shares of such class of stock, to which we refer as the Five Percent Override Rule. The Five Percent Override Rule will not apply if NCLH can substantiate that the number of NCLH's ordinary shares owned for more than half of the number of days in the taxable year (1) directly or indirectly applying attribution rules, by its qualified shareholders, and (2) by its non-5% shareholders, is greater than 50% of its outstanding ordinary shares.

As of the date of this prospectus, NCLH's direct non-5% shareholders own more than 50% of its ordinary shares. Based on the foregoing, as of the date of this prospectus, we believe that NCLH's ordinary shares will be considered to be regularly traded on an established securities market.

Because we are relying on the substantial ownership by non-5% shareholders in order to satisfy the regularly traded test, there is the potential that if another shareholder becomes a 5% shareholder our qualification under the Publicly Traded Test could be jeopardized. If we were to fail to satisfy the Publicly Traded Test, we likely would become subject to U.S. income tax on income associated with our cruise operations in the United States. Therefore, as a precautionary matter, we have provided protections in our bye-laws to reduce the risk of the Five Percent Override Rule applying. In this regard, our bye-laws provide that no one person or group of related persons, other than the Apollo Funds, the TPG Viking Funds and Genting HK, may own, or be deemed to own by virtue of the attribution provisions of the Code, more than 4.9% of our ordinary shares, whether measured by vote, value or number, unless such ownership is approved by our Board of Directors. In addition, any person or group of related persons that own 3% or more (or a lower percentage if required by the U.S. Treasury Regulations under the Code) of our ordinary shares will be required to meet certain notice requirements as provided for in our bye-laws. Our bye-laws generally restrict the transfer of any of our ordinary shares if such transfer would cause us to be subject to tax on our U.S. shipping income. In general, detailed attribution rules, that treat a shareholder as owning shares that are owned by another person, are applied in determining whether a person is a 5% shareholder.

For purposes of the 4.9% limit, a transfer will include any sale, transfer, gift, assignment, devise or other disposition, whether voluntary or involuntary, whether of record, constructively or beneficially, and whether by operation of law or otherwise. The 4.9% limit does not apply to the Apollo Funds, the TPG Viking Funds or Genting HK. These shareholders will be permitted to transfer their shares without complying with the limit subject to certain restrictions.

Our bye-laws provide that our Board of Directors may waive the 4.9% limit or transfer restrictions, in any specific instance. Our Board of Directors may also terminate the limit and transfer restrictions generally at any time for any reason. If a purported transfer or other event results in the ownership of ordinary shares by any shareholder in violation of the 4.9% limit, or causes us to be subject to U.S. income tax on shipping operations, such ordinary shares in excess of the 4.9% limit, or which would cause us to be subject to U.S. shipping income tax will automatically be designated as excess shares to the extent necessary to ensure that the purported transfer or other event does not result in ownership of ordinary shares in violation of the 4.9% limit or cause us to become subject to U.S. income tax on shipping operations, and any proposed transfer that would result in such an event would be void. Any purported transferee or other purported holder of excess shares will be required to give us written notice of a purported transfer or other event that would result in excess shares. The purported transferee or holders of such excess shares shall have no rights in such excess shares, other than a right to the payments described below.



**Table of Contents**

Excess shares will not be treasury shares but rather will continue to be issued and outstanding ordinary shares. While outstanding, excess shares will be transferred to a trust. The trustee of such trust has been appointed by us and is independent of us and the purported holder of the excess shares. The beneficiary of such trust will be one or more charitable organizations that is a qualified shareholder selected by the trustee. The trustee is entitled to vote the excess shares on behalf of the beneficiary. If, after purported transfer or other event resulting in excess shares and prior to the discovery by us of such transfer or other event, dividends or distributions are paid with respect to such excess shares, such dividends or distributions will be immediately due and payable to the trustee for payment to the charitable beneficiary. All dividends received or other income declared by the trust will be paid to the charitable beneficiary. Upon our liquidation, dissolution or winding up, the purported transferee or other purported holder will receive a payment that reflects a price per share for such excess shares generally equal to the lesser of:

the amount per share of any distribution made upon such liquidation, dissolution or winding up, and

in the case of excess shares resulting from a purported transfer, the price per share paid in the transaction that created such excess shares, or, in the case of certain other events, the market price per share for the excess shares on the date of such event, or in the case of excess shares resulting from an event other than a purported transfer, the market price for the excess shares on the date of such event.

At the direction of our Board of Directors, the trustee will transfer the excess shares held in trust to a person or persons, including us, whose ownership of such excess shares will not violate the 4.9% limit or otherwise cause us to become subject to U.S. shipping income tax within 180 days after the later of the transfer or other event that resulted in such excess shares or we become aware of such transfer or event. If such a transfer is made, the interest of the charitable beneficiary will terminate, the designation of such shares as excess shares will cease and the purported holder of the excess shares will receive the payment described below. The purported transferee or holder of the excess shares will receive a payment that reflects a price per share for such excess shares equal to the lesser of:

the price per share received by the trustee, and

the price per share such purported transferee or holder paid in the purported transfer that resulted in the excess shares, or, if the purported transferee or holder did not give value for such excess shares, through a gift, devise or other event, a price per share equal to the market price on the date of the purported transfer or other event that resulted in the excess shares.

A purported transferee or holder of the excess shares will not be permitted to receive an amount that reflects any appreciation in the excess shares during the period that such excess shares were outstanding. Any amount received in excess of the amount permitted to be received by the purported transferee or holder of the excess shares must be turned over to the charitable beneficiary of the trust. If the foregoing restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the intended transferee or holder of any excess shares may be deemed, at our option, to have acted as an agent on our behalf in acquiring or holding such excess shares and to hold such excess shares on our behalf.

We have the right to purchase any excess shares held by the trust for a period of 90 days from the later of:

the date the transfer or other event resulting in excess shares has occurred, and

the date our Board of Directors determines in good faith that a transfer or other event resulting in excess shares has occurred.

The price per excess share to be paid by us will be equal to the lesser of:

the price per share paid in the transaction that created such excess shares, or, in the case of certain other events, the market price per share for the excess shares on the date of such event, or

the lowest market price for the excess shares at any time after their designation as excess shares and prior to the date we accept such offer.



## **Table of Contents**

These provisions in our bye-laws could have the effect of delaying, deferring or preventing a change in our control or other transaction in which our shareholders might receive a premium for their ordinary shares over the then-prevailing market price or which such holders might believe to be otherwise in their best interest. Our Board of Directors may determine, in its sole discretion, to terminate the 4.9% limit and the transfer restrictions of these provisions. While both the mandatory offer protection and 4.9% protection remain in place, no third party other than the Apollo Funds, the TPG Viking Funds or Genting HK will be able to acquire control of the Company.

## ***Listing***

Our ordinary shares are listed on the NASDAQ Global Select Market under the symbol NCLH.

## **Preference Shares**

Pursuant to our bye-laws, our Board of Directors by resolution may establish one or more series of preference shares having such number of shares, designations, dividend rates, relative voting rights, conversion or exchange rights, redemption rights, liquidation rights and other relative participation, optional or other special rights, qualifications, limitations or restrictions as may be fixed by our Board of Directors without any further shareholder approval but subject to the Shareholders Agreement. Such rights, preferences, powers and limitations as may be established could also have the effect of discouraging an attempt to obtain control of the Company. We currently have authorized 10,000,000 preference shares of par value \$.001 per share. We have no present plans to issue any preference shares.

## **Composition of Board of Directors; Election; Quorum**

In accordance with our bye-laws, the number of directors comprising our Board of Directors will be as determined from time to time by resolution of our Board of Directors, provided, that there shall be at least seven but no more than eleven directors. Each director is to hold office until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. At any meeting of our Board of Directors, our bye-laws will provide that a majority of the directors then in office will constitute a quorum for all purposes.

Our Board of Directors currently consists of eleven directors, three of which are independent directors. As of the date of this prospectus, we avail ourselves of the controlled company exception under the NASDAQ rules, which eliminates the requirement that we have a majority of independent directors on our Board of Directors and that we have compensation and nominating and governance committees composed entirely of independent directors. We are required to have an audit committee comprised entirely of independent directors, which we currently do.

If at any time we cease to be a controlled company under the NASDAQ rules, our Board of Directors will take all action necessary to comply with such NASDAQ rules, including appointing a majority of independent directors to our Board of Directors and establishing certain committees composed entirely of independent directors, subject to a permitted phase-in period, and in each case, subject to the terms of the Shareholders Agreement.

Our Board of Directors is divided into three classes, each of whose members will serve for staggered three-year terms. Tan Sri Lim Kok Thay, Marc J. Rowan and John Chidsey are Class I directors, whose terms expire at the first annual general meeting of shareholders that is held following the initial public offering of NCLH's ordinary shares (the IPO); Walter L. Revell, Adam M. Aron, Kevin Crowe and F. Robert Salerno are Class II directors, whose terms expire at the second annual general meeting of shareholders that is held following the IPO; and Steve Martinez, Karl Peterson, David Chua Ming Huat and Robert Seminara are Class III directors, whose terms expire at the third annual general meeting of shareholders that is held following the IPO.

The composition of our Board of Directors and committees of our Board of Directors are subject to requirements in the Shareholders Agreement.

**Table of Contents****Registration Rights**

	Impairment		
	Total		
(in thousands)			
Total provision recognized	\$3,167	\$5,629	\$8,796
Asset write-off		-	(5,629)
Cash payments		(444)	-
Foreign exchange movement		(170)	-
Provision at March 31, 2015		\$2,553	\$-

Cash payments of \$444,000 were paid in respect of the onerous lease during the three months ended March 31, 2015.

**Prior Period Restructuring Charges – 2013 Restructuring Provisions**

Restructuring and other items of \$9.0 million were recorded during the year ended December 31, 2013. During Q1 and Q2 2013 the Company conducted a review of its operations. This review resulted in the adoption of an initial restructuring plan, which included the closure of its Phase I facility in Omaha, Nebraska. This followed the expansion of the Company's Phase I facility in San Antonio, Texas and the consolidation of the Company's US Phase I capabilities in this location. The restructuring plan also included resource rationalizations in certain areas of the business to improve resource utilization. Details of the movement in this restructuring plan recognized are as follows:

	Workforce Reductions	Office Consolidations	Total
	(in thousands)		
Q1 Plan - Initial provision recognized	\$3,903	\$ 509	\$4,412
Q2 Plan - Initial provision recognized	4,228	393	4,621
Total provision recognized	8,131	902	9,033
Cash payments	(7,934 )	(579 )	(8,513 )
Amounts released	(93 )	-	(93 )
Foreign exchange movement	(3 )	-	(3 )
Provision at March 31, 2015	\$100	\$ 323	\$423

Cash payments of \$114,000 (workforce reductions \$71,000; office consolidations \$43,000) were paid during the three months ended March 31, 2015.



## 5. Income Taxes

Income taxes recognized during the three and three months ended March 31, 2015 comprise:

	Three Months Ended	
	March 31, 2015	March 31, 2014
	(In thousands)	
Provision for income taxes	\$10,801	\$6,894

As at March 31, 2015 the Company maintains a \$27.6 million liability (December 31, 2014: \$25.6 million) for unrecognized tax benefit, which is comprised of \$25.1 million (December 31, 2014: \$23.2 million) related to items generating unrecognized tax benefits and \$2.4 million (December 31, 2014: \$2.4 million) for interest and related penalties to such items. The Company recognizes interest accrued on unrecognized tax benefits as an additional income tax expense.

The Company has analyzed filing positions in all of the significant federal, state and foreign jurisdictions where it is required to file income tax returns, as well as open tax years in these jurisdictions. The only periods subject to examination by the major tax jurisdictions where the Company does business are 2009 through 2014 tax years. The Company does not believe that the outcome of any examination will have a material impact on its financial statements.

## 6. Net income per ordinary share

Basic net income per ordinary share has been computed by dividing net income available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted net income per ordinary share is computed by adjusting the weighted average number of ordinary shares outstanding during the period for all potentially dilutive ordinary shares outstanding during the period and adjusting net income for any changes in income or loss that would result from the conversion of such potential ordinary shares. There is no difference in net income used for basic and diluted net income per ordinary share.

The reconciliation of the number of shares used in the computation of basic and diluted net income per ordinary share is as follows:

	Three Months Ended	
	March 31, 2015	March 31, 2014
Weighted average number of ordinary shares outstanding for basic net income per ordinary share	60,281,059	61,776,643
Effect of dilutive share options outstanding	1,575,288	1,449,154
Weighted average number of ordinary shares for diluted net income per ordinary share	61,856,347	63,225,797

## 7. Share-based Awards

### Share Options

On July 21, 2008 the Company adopted the Employee Share Option Plan 2008 (the “2008 Employee Plan”) pursuant to which the Compensation and Organization Committee of the Company’s Board of Directors may grant options to any employee, or any director holding a salaried office or employment with the Company or a Subsidiary for the purchase of ordinary shares. On the same date, the Company also adopted the Consultants Share Option Plan 2008 (the “2008 Consultants Plan”), pursuant to which the Compensation and Organization Committee of the Company’s Board of Directors may grant options to any consultant, adviser or non-executive director retained by the Company or any Subsidiary for the purchase of ordinary shares.

Each option granted under the 2008 Employee Plan or the 2008 Consultants Plan (together the “2008 Option Plans”) will be an employee stock option, or NSO, as described in Section 422 or 423 of the Internal Revenue Code. Each grant of an option under the 2008 Options Plans will be evidenced by a Stock Option Agreement between the optionee and the Company. The exercise price will be specified in each Stock Option Agreement, however option prices will not be less than 100% of the fair market value of an ordinary share on the date the option is granted.

An aggregate of 6.0 million ordinary shares have been reserved under the 2008 Employee Plan, as reduced by any shares issued or to be issued pursuant to options granted under the 2008 Consultants Plan, under which a limit of 400,000 shares applies. Further, the maximum number of ordinary shares with respect to which options may be granted under the 2008 Employee Option Plan, during any calendar year to any employee shall be 400,000 ordinary shares. There is no individual limit under the 2008 Consultants Plan. No options may be granted under the 2008 Option Plans after July 21, 2018.

On January 17, 2003 the Company adopted the Share Option Plan 2003 (the “2003 Share Option Plan”) pursuant to which the Compensation and Organization Committee of the Board could grant options to officers and other employees of the Company or its subsidiaries for the purchase of ordinary shares. An aggregate of 6.0 million ordinary shares were reserved under the 2003 Share Option Plan; and, in no event could the number of ordinary shares issued pursuant to options awarded under this plan exceed 10% of the outstanding shares, as defined in the 2003 Share Option Plan, at the time of the grant, unless the Board expressly determined otherwise. Further, the maximum number of ordinary shares with respect to which options could be granted under the 2003 Share Option Plan during any calendar year to any employee was 400,000 ordinary shares. The 2003 Share Option Plan expired on January 17, 2013. No new options may be granted under this plan.

Share option awards are granted with an exercise price equal to the market price of the Company’s shares at date of grant. Share options typically vest over a period of five years from date of grant and expire eight years from date of grant. The maximum contractual term of options outstanding at March 31, 2015 is eight years.

The following table summarizes option activity for the three months ended March 31, 2015:

	Options Outstanding Number of Shares	Weighted Average Exercise Price	Weighted Average Fair Value	Weighted Average Remaining Contractual Life
Outstanding at December 31, 2014	2,227,700	\$ 28.00	\$ 10.40	

Edgar Filing: Norwegian Cruise Line Holdings Ltd. - Form 424B7

Granted	239,972	\$ 68.39	\$ 19.78	
Exercised	(317,777 )	\$ 25.60	\$ 9.89	
Forfeited	(31,637 )	\$ 24.06	\$ 9.29	
Outstanding at March 31, 2015	2,118,258	\$ 33.00	\$ 11.56	4.98
Exercisable at March 31, 2015	924,768	\$ 25.53	\$ 9.80	3.42

12

---

The Company has granted options with fair values ranging from \$5.88 to \$19.78 per option or a weighted average fair value of \$10.64 per option. The Company issues ordinary shares for all options exercised. The total amount of fully vested share options which remained outstanding at March 31, 2015, was 924,768. Fully vested share options at March 31, 2015, have an average remaining contractual term of 3.42 years, an average exercise price of \$25.53 and a total intrinsic value of \$41.6 million. The total intrinsic value of options exercised during the three months ended March 31, 2015 was \$12.6 million (March 31, 2014: \$8.9 million).

The following table summarizes the movement in non-vested share options for the three months ended March 31, 2015:

	Options Outstanding Number of Shares	Weighted Average Exercise Price	Weighted Average Fair Value
Non vested outstanding at December 31, 2014	1,203,150	\$ 30.54	\$ 10.98
Granted	239,972	\$ 68.39	\$ 19.78
Vested	(230,849 )	\$ 27.64	\$ 10.17
Forfeited	(18,783 )	\$ 25.86	\$ 10.33
Non vested outstanding at March 31, 2015	1,193,490	\$ 38.78	\$ 12.92

#### Fair value of Stock Options Assumptions

The weighted average fair value of options granted during the three months ended March 31, 2015 and March 31, 2014 was calculated using the Black-Scholes option pricing model. The weighted average fair values and assumptions used were as follows:

	Three Months Ended	
	March 31, 2015	March 31, 2014
Weighted average fair value	\$19.78	\$14.95
Assumptions:		
Expected volatility	30 %	33 %
Dividend yield	0 %	0 %
Risk-free interest rate	1.41 %	1.54 %
Expected life	5 years	5 years

Expected volatility is based on the historical volatility of our common stock over a period equal to the expected term of the options; the expected life represents the weighted average period of time that options granted are expected to be outstanding given consideration to vesting schedules and our historical experience of past vesting and termination patterns. The risk-free rate is based on the U.S. government zero-coupon bonds yield curve in effect at time of the grant for periods corresponding with the expected life of the option.

#### Restricted Share Units and Performance Share Units



On July 21, 2008 the Company adopted the 2008 Employees Restricted Share Unit Plan (the “2008 RSU Plan”) pursuant to which the Compensation and Organization Committee of the Company’s Board of Directors may select any employee, or any director holding a salaried office or employment with the Company, or a Subsidiary to receive an award under the plan. An aggregate of 1.0 million ordinary shares have been reserved for issuance under the 2008 RSU Plan.

On April 23, 2013 the Company adopted the 2013 Employees Restricted Share Unit Plan (the “2013 RSU Plan”) pursuant to which the Compensation and Organization Committee of the Company’s Board of Directors may select any employee, or any director holding a salaried office or employment with the Company, or a Subsidiary to receive Restricted Share Units (“RSUs”) and/or Performance Share Units (“PSUs”) under the plan. An aggregate of 1.6 million ordinary shares have been reserved for issuance under the 2013 RSU Plan. The shares are awarded at zero cost and vest over a service period. Awards under the 2013 RSU Plan may be settled in cash or shares at the option of the Company.

The Company has awarded RSUs and PSUs to certain key individuals of the Group. The following table summarizes RSU and PSU activity for the three months ended March 31, 2014:

	PSU Outstanding Number of Shares	PSU Weighted Average Fair Value	PSU Weighted Average Remaining Contractual Life	RSU Outstanding Number of Shares	RSU Weighted Average Fair Value	RSU Weighted Average Remaining Contractual Life
Outstanding at December 31, 2014	669,171	\$39.78	1.77	1,038,996	\$35.19	1.67
Granted	231,284	\$68.39		75,412	\$68.39	
Shares vested	-	-		(155,983 )	\$21.75	
Forfeited	(3,981 )	\$31.49		(23,608 )	\$39.12	
Outstanding at March 31, 2015	896,474	\$47.21	1.90	934,817	\$40.01	1.78

The fair value of RSUs vested for the three months ended March 31, 2015 totaled \$3.4 million (full year 2014: \$4.9 million).

No PSUs vested during either the first three months of 2015 or the full year 2014.

The PSUs vest based on service and specified EPS targets over the period 2013 – 2016, 2014 – 2017 and 2015 - 2018. Since 2013, we granted 449,399 PSUs (net of forfeitures). Depending on the actual amount of EPS from 2013 to 2018, up to an additional 447,075 PSUs may also be granted.

Non-cash stock compensation expense

Non-cash stock compensation expense for the three months ended March 31, 2015 has been allocated as follows:

	Three Months Ended	
	March 31, 2015	March 31, 2014
	(In thousands)	
Direct costs	\$3,330	\$2,229
Selling, general and administrative	2,713	1,816
	\$6,043	\$4,045

Total non-cash stock compensation expense not yet recognized at March 31, 2015 amounted to \$69.3 million. The weighted average period over which this is expected to be recognized is 2.5 years. Total tax benefit recognized in additional paid in capital related to the non-cash compensation expense amounted to \$1.9 million for the three months ended March 31, 2015 (March 31, 2014: \$0.7 million).

## 8. Business Segment Information

The Company determines and presents operating segments based on the information that is internally provided to the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer, who together are considered the Company's chief operating decision makers, in accordance with FASB ASC 280-10 Disclosures about Segments of an Enterprise and Related Information.

The Company is a contract research organization ("CRO"), providing outsourced development services on a global basis to the pharmaceutical, biotechnology and medical device industries. It specializes in the strategic development, management and analysis of programs that support all stages of the clinical development process - from compound selection to Phase I-IV clinical studies. The Company has the expertise and capability to conduct clinical trials in most major therapeutic areas on a global basis and has the operational flexibility to provide development services on a stand-alone basis or as part of an integrated "full service" solution. The Company has expanded predominately through internal growth, together with a number of strategic acquisitions to enhance its expertise and capabilities in certain areas of the clinical development process.

The Company is generally awarded projects based upon responses to requests for proposals received from companies in the pharmaceutical, biotechnology and medical device industries or work orders executed under our strategic partnership arrangements. Contracts with customer are generally entered into centrally, in most cases with ICON Clinical Research Limited ("ICON Ireland"), the Company's principal operating subsidiary in Ireland. Revenues, which consist primarily of fees earned under these contracts, are allocated to individual entities within the Group, based on where the work is performed in accordance with the Company's global transfer pricing model.

ICON Ireland acts as the group entrepreneur under the Company's global transfer pricing model given its role in the development and management of the group, its ownership of key intellectual property and customer relationships, its key role in the mitigation of risks faced by the group and its responsibility for maintaining the Company's global network. As such it enters into the majority of the Company's customer contracts.

ICON Ireland remunerates other operating entities in the ICON Group on the basis of a guaranteed cost plus mark up for the services they perform in each of their local territories. The cost plus mark up for each ICON entity is established to ensure that each of ICON Ireland and the ICON entities that are involved in the conduct of services for customers, earn an appropriate arms-length return having regard to the assets owned, risks borne, and functions performed by each entity from these intercompany transactions. The cost plus mark-up policy is reviewed annually to ensure that it is market appropriate.

The geographic split of revenue disclosed for each region outside Ireland is the cost plus revenue attributable to these entities. The residual revenues of the Group, once each ICON entity has been paid its respective intercompany service fee, generally fall to be retained by ICON Ireland. As such revenues and income from operations in Ireland are a function of this global transfer pricing model and comprise net revenues of the Group after deducting the cost plus revenues attributable to the activities performed outside Ireland.

The Company's areas of operation outside of Ireland include the United States, United Kingdom, France, Germany, Italy, Spain, The Netherlands, Sweden, Turkey, Poland, Czech Republic, Lithuania, Latvia, Russia, Ukraine, Hungary, Israel, Romania, Switzerland, Canada, Mexico, Brazil, Colombia, Argentina, Chile, Peru, India, China, South Korea, Japan, Thailand, Taiwan, Singapore, The Philippines, Australia, New Zealand, and South Africa.

Segment information as at March 31, 2015 and December 31, 2014 and for the three months ended March 31, 2015 and March 31, 2014 is as follows:



a) The distribution of net revenue by geographical area was as follows:

	Three Months Ended	
	March 31, 2015	March 31, 2014
	(in thousands)	
Ireland	\$ 114,090	\$ 85,361
Rest of Europe	84,088	86,401
U.S.	150,064	141,679
Rest of World	39,989	36,193
Total	\$ 388,231	\$ 349,634

\* All sales shown for Ireland are export sales.

b) The distribution of income from operations by geographical area was as follows:

	Three Months Ended	
	March 31, 2015	March 31, 2014
	(in thousands)	
Ireland	\$ 47,566	\$ 28,134
Rest of Europe	6,785	6,401
U.S.	9,854	6,694
Rest of World	2,468	1,769
Total	\$ 66,673	\$ 42,998

c) The distribution of property, plant and equipment, net, by geographical area was as follows:

	March 31,	December
	2015	31, 2014
	(in thousands)	
Ireland	\$ 90,481	\$ 95,574
Rest of Europe	8,822	10,419
U.S.	34,239	33,978
Rest of World	8,010	8,214
Total	\$ 141,552	\$ 148,185

d) The distribution of depreciation and amortization by geographical area was as follows:

	Three Months Ended	
	March 31, 2015	March 31, 2014
(in thousands)		
Ireland	\$4,913	\$5,149
Rest of Europe	2,268	1,323
U.S.	5,718	4,203
Rest of World	1,026	873
Total	\$13,925	\$11,548

e) The distribution of total assets by geographical area was as follows:

	March 31,	December
	2015	31, 2014
(in thousands)		
Ireland	\$491,413	\$495,747
Rest of Europe	310,481	324,086
U.S.	747,641	648,559
Rest of World	55,366	60,458
Total	\$1,604,901	\$1,528,850

ICON plc

Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with the unaudited Condensed Consolidated Financial Statements and accompanying notes included elsewhere herein and the Consolidated Financial Statements and related notes thereto included in our Form 20-F for the year ended December 31, 2014. The Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States.

#### Overview

We are a contract research organization ("CRO"), providing outsourced development services on a global basis to the pharmaceutical, biotechnology and medical device industries. We specialize in the strategic development, management and analysis of programs that support all stages of the clinical development process - from compound selection to Phase I-IV clinical studies. Our vision is to be the Global CRO partner of choice in drug development by delivering best in class information, solutions and performance in clinical and outcomes research.

We believe that we are one of a select group of CRO's with the expertise and capability to conduct clinical trials in most major therapeutic areas on a global basis and have the operational flexibility to provide development services on a stand-alone basis or as part of an integrated "full service" solution. At March 31, 2015, we employed approximately 11,200 employees, in 81 locations in 38 countries. During the three months ended March 31, 2015 we derived approximately 38.7%, 51.0% and 10.3% of our net revenue in the United States, Europe and Rest of World, respectively.

Revenue consists primarily of fees earned under contracts with third-party clients. In most cases, a portion of the contract fee is paid at the time the study or trial is started, with the balance of the contract fee generally payable in installments over the study or trial duration, based on the achievement of certain performance targets or "milestones". Revenue from contracts is recognized on a proportional performance method based on the relationship between time incurred and the total estimated duration of the trial or on a fee-for-service basis according to the particular circumstances of the contract. As is customary in the CRO industry, we contract with third party investigators in connection with clinical trials. All investigator fees and certain other costs, where reimbursed by clients, are, in accordance with industry practice, deducted from gross revenue to arrive at net revenue. As these costs vary from contract to contract, we view net revenue as our primary measure of revenue growth.

As the nature of our business involves the management of projects having a typical duration of one to four years, the commencement or completion of projects in a fiscal year can have a material impact on revenues earned with the relevant clients in such years. In addition, as we typically work with some, but not all, divisions of a client, fluctuations in the number and status of available projects within such divisions can also have a material impact on revenues earned from such clients from year to year.

Termination or delay in the performance of an individual contract may occur for various reasons, including, but not limited to, unexpected or undesired results, production problems resulting in shortages of the drug, adverse patient reactions to the drug, the client's decision to de-emphasize a particular trial or inadequate patient enrolment or investigator recruitment. In the event of termination the Company is usually entitled to all sums owed for work performed through the notice of termination and certain costs associated with the termination of the study. In addition, contracts generally contain provisions for renegotiation in the event of changes in the scope, nature, duration, or volume of services of the contract.



Our backlog consists of potential net revenue yet to be earned from projects awarded by clients. At March 31, 2015 we had a backlog of approximately \$3.6 billion, compared with approximately \$3.6 billion at December 31, 2014. We believe that our backlog as of any date is not necessarily a meaningful predictor of future results, due to the potential for cancellation or delay of the projects underlying the backlog, and no assurances can be given on the extent to which we will be able to realize this backlog as net revenue.

Although we are domiciled in Ireland, we report our results in U.S. dollars. As a consequence the results of our non-U.S. based operations, when translated into U.S. dollars, could be materially affected by fluctuations in exchange rates between the U.S. dollar and the currencies of those operations.

In addition to translation exposures, we are also subject to transaction exposures because the currency in which contracts are priced can be different from the currencies in which costs relating to those contracts are incurred. Our operations in the United States are not materially exposed to such currency differences as the majority of our revenues and costs are in U.S. dollars. However, outside the United States the multinational nature of our activities means that contracts are usually priced in a single currency, most often U.S. dollars or euro, while costs arise in a number of currencies, depending, among other things, on which of our offices provide staff for the contract and the location of investigator sites. Although many such contracts benefit from some degree of natural hedging, due to the matching of contract revenues and costs in the same currency, where costs are incurred in currencies other than those in which contracts are priced, fluctuations in the relative value of those currencies could have a material effect on our results of operations. We regularly review our currency exposures and usually negotiate currency fluctuation clauses in our contracts which allow for price negotiation if changes in the relative value of those currencies exceed predetermined tolerances.

As we conduct operations on a global basis, our effective tax rate has depended and will depend on the geographic distribution of our revenue and earnings among locations with varying tax rates. Our results therefore may be affected by changes in the tax rates of the various jurisdictions. In particular, as the geographic mix of our results of operations among various tax jurisdictions changes, our effective tax rate may vary significantly from period to period.

## Results of Operations

Three Months Ended March 31, 2015 compared with Three Months Ended March 31, 2014

The following table sets forth for the periods indicated certain financial data as a percentage of net revenue and the percentage change in these items compared to the prior comparable period. The trends illustrated in the following table may not be indicative of future results.

	Three Months Ended				2015 to 2014 Percentage Increase/ (Decrease)	
	March 31, 2015		March 31, 2014			
	Percentage of Net Revenue					
Net revenue	100.0	%	100.0	%	11.0	%
Costs and expenses:						
Direct costs	58.7	%	61.8	%	5.5	%
Selling, general and administrative	20.5	%	22.6	%	0.8	%
Depreciation	2.6	%	2.8	%	2.3	%
Amortization	1.0	%	0.5	%	115.3	%
Income from operations	17.2	%	12.3	%	55.1	%

Net revenue for the period increased by \$38.6 million, or 11.0%, from \$349.6 million for the three months ended March 31, 2014 to \$388.2 million for the three months ended March 31, 2015. For the three months ended March 31, 2015 we derived approximately 38.7%, 51.0% and 10.3% of our net revenue in the United States, Europe and Rest of World, respectively. During the three months ended March 31, 2015, \$202.6 million or 52.2% of our net revenues were derived from our top five customers compared to \$184.3 million or 52.7% of net revenues derived from our top

five customers during the three months ended March 31, 2014. The increased use of strategic partnerships arrangements in recent years has resulted in a greater portion of our net revenues being derived from our top five customers. While net revenues from these customers continue to increase, we have seen a reduction in the overall proportion of Group revenues being derived from these customers as the Company continues to expand its customer base. Net revenues for the three months ended March 31, 2015 includes revenues from the acquisition of Aptiv Solutions which was acquired on May 7, 2014 together with revenues from the acquisition of MediMedia Pharma Solutions since its acquisition on February 28, 2015. This equivalent revenue was not earned during the three months ended March 31, 2014.

Net revenue in Ireland increased from \$85.4 million for the three months ended March 31, 2014 to \$114.1 million for the three months ended March 31, 2015. Net revenue in Ireland is principally a function of the Company's global transfer pricing model (see note 8 Business Segmental Information for further details). Net revenue in our Rest of Europe region decreased from \$86.4 million for the three months ended March 31, 2014 to \$84.1 million for the three months ended March 31, 2015. Net revenues in non-U.S. dollar operations in this region were impacted by foreign currency translation and the movement in local rates to the U.S. dollar over the comparative quarter. In addition, the previous closure of the Company's early phase operations in the United Kingdom contributed to a reduction in net revenues in this region for the three months ended March 31, 2015. Net revenues in the U.S. region for the three months ended March 31, 2015 were impacted positively by the acquisitions of Aptiv Solutions, which was acquired on May 7, 2014, and MediMedia Pharma Solutions, which was acquired on February 28, 2015. Net revenues in our Other region increased from \$36.2 million for three months ended March 31, 2014 to \$40.0 million for the three months ended March 31, 2015. Net revenues in this region were also positively impacted by the acquisitions of Aptiv Solutions, which was acquired on May 7, 2014.

Direct costs for the period increased by \$12.0 million, or 5.5%, from \$216.1 million for the three months March 31, 2014 to \$228.1 million for the three months ended March 31, 2015. Direct costs consist primarily of compensation, associated fringe benefits and share based compensation expense for project-related employees and other direct project driven costs. The increase in direct costs during the period arose from an increase in headcount and a corresponding increase in personnel related expenditure of \$7.8 million and an increase in other direct project related costs of \$4.2 million. As a percentage of net revenue, direct costs have decreased from 61.8% for the three months ended March 31, 2014 to 58.7% for the three months ended March 31, 2015.

Selling, general and administrative expenses for the period increased by \$0.6 million, or 0.8%, from \$78.9 million for the three months ended March 31, 2014 to \$79.5 million for the three months ended March 31, 2015. Selling, general and administrative expenses comprise primarily of compensation, related fringe benefits and share based compensation expense for non-project-related employees, recruitment expenditure, professional service costs, advertising costs and all costs related to facilities and information systems. The increase in selling, general and administration expenses for the period arose primarily from an increase in personnel related expenditure of \$1.5 million, an increase in facilities and related costs expenditure of \$1.1 million, and an increase in general and administrative expenses of \$1.4 million. The increase in selling, general and administrative expenses are inclusive of amounts in relation to MediMedia Pharma Solutions since acquisition. In addition, during the three months ended March 31, 2015, we recognized a foreign exchange gain of \$2.9 million, which reduced selling, general and administrative expenses from 21.2% of revenue to 20.5% of revenue for the three months ended March 31, 2015. As a percentage of net revenue, selling, general and administrative expenses, decreased from 22.6% for the three months ended March 31, 2014 to 20.5% for the three months ended March 31, 2015.

Depreciation expense for the period increased by \$0.2 million, or 2.3%, from \$9.7 million for the three months ended March 31, 2014 to \$9.9 million for three months ended March 31, 2015 and principally arises from an investment in facilities, information systems and equipment to support the Company's growth. As a percentage of net revenue, depreciation expense decreased from 2.8% of net revenues for the three months ended March 31, 2014 to 2.6% of net revenues for the three months ended March 31, 2015. Amortization expense for the period increased by \$2.1 million, or 115.3%, from \$1.9 million for the three months ended March 31, 2014 to \$4.0 million for the three months ended March 31, 2015. Amortization expense represents the amortization of intangible assets acquired on business combinations. The increase in the amortization expense for the period relates to the Aptiv and MediMedia acquisitions. As a percentage of net revenue, amortization expense increased from 0.5% of net revenues for the three months ended March 31, 2014 to 1.0% for the three months ended March 31, 2015.

As a result of the above, income from operations for the three months increased by \$23.7 million, or 55.1%, from \$43.0 million for the three months ended March 31, 2014 to \$66.7 million for the three months ended March 31, 2015.

As a percentage of net revenue, income from operations increased from 12.3% of net revenues for the three months ended March 31, 2014 to 17.2% of net revenues for the three months ended March 31, 2015.

Income from operations in Ireland increased from a profit of \$28.1 million for the three months ended March 31, 2014 to a profit of \$47.6 million for the three months ended March 31, 2015. Income from operations in Ireland is impacted by the Group's global transfer pricing model (see note 8 Business Segmental Information for further details). Income from operations in our Rest of Europe region increased from \$6.4 million for the three months ended March 31, 2014 to \$6.8 million for the three months ended March 31, 2015. The previous closure of the Company's early phase operations in the United Kingdom contributed to an increase in income from operations in this region during the three months ended March 31, 2015. Income from operations in the U.S. region increased from \$6.7 million for the year ended March 31, 2014 to \$9.9 million for the three months ended March 31, 2015. Income from operations in the U.S. region for the three months ended March 31, 2015 were impacted positively by the acquisitions of Aptiv Solutions, which was acquired on May 7, 2014, and MediMedia Pharma Solutions, which was acquired on February 28, 2015. Income from operations in our Other region increased from \$1.8 million for three months ended March 31, 2014 to \$2.5 million for the three months ended March 31, 2015. Income from operations in this region was also positively impacted by the acquisitions of Aptiv Solutions, which was acquired on May 7, 2014.

Interest expense for the period remained at \$0.3 million for the three months ended March 31, 2014 and the three months ended March 31, 2015. Interest income remained at \$0.3 million for the three months ended March 31, 2014 and the three months ended March 31, 2015.

Provision for income taxes for the period increased from \$6.9 million for the three months ended March 31, 2014 to \$10.8 million for the three months ended March 31, 2015. The Company's effective tax rate for the three months ended March 31, 2015 was 16.2% compared with 16.0% for the three months ended March 31, 2014. The Company's effective tax rate is principally a function of the distribution of pre-tax profits amongst the territories in which it operates.

#### Liquidity and Capital Resources

The CRO industry is generally not capital intensive. The Group's principal operating cash needs are payment of salaries, office rents, travel expenditures and payments to investigators. Investing activities primarily reflect capital expenditures for facilities and information systems enhancements, the purchase and sale of short term investments and acquisitions.

Our clinical research and development contracts are generally fixed price with some variable components and range in duration from a few weeks to several years. Revenue from contracts is generally recognized as income on the basis of the relationship between time incurred and the total estimated contract duration or on a fee-for-service basis. The cash flow from contracts typically consists of a small down payment at the time the contract is entered into, with the balance paid in installments over the contract's duration, in some cases on the achievement of certain milestones. Accordingly, cash receipts do not correspond to costs incurred and revenue recognized on contracts.

The Company's cash and short term investment balances at March 31, 2015 amounted to \$191.7 million compared with cash and short term investment balances of \$216.0 million at December 31, 2014. The Company's cash and short term investment balances at March 31, 2015 comprised cash and cash equivalents \$95.2 million and short-term investments \$96.4 million. The Company's cash and short-term investment balances at December 31, 2014 comprised cash and cash equivalents \$118.9 million and short-term investments \$97.1 million. During the three months ended March 31, 2015, the Company completed the acquisition of MediMedia Pharma Solutions resulting in a cash outflow totalling \$105.1 million.

On June 30, 2014 the Company entered into a five year committed multi currency revolving credit facility for \$100.0 million with Citibank, JP Morgan, Santander and Barclays Bank. Each bank subject to the agreement has committed \$25 million to the facility, with equal terms and conditions in place with all institutions. The facility bears interest at LIBOR plus a margin and includes certain composite guarantees, indemnities and pledges in favor of the banks. During the three months ended March 31, 2015, the company drew down \$20 million of the facility. Amounts available to the Group under the facility amounted to \$80.0 million at March 31, 2015. This replaced all other facilities in place at that date.

Net cash provided by operating activities was \$61.1 million for the three months ended March 31, 2015 compared with cash provided by operating activities of \$38.7 million for the three months ended March 31, 2014. The most significant influence on our operating cashflows has been an increase to revenues and underlying profitability of the Company. This was offset by an increase in revenue outstanding which comprises accounts receivable and unbilled revenue, less payments on account. The dollar value of these balances and the related number of days revenue outstanding (i.e. revenue outstanding as a percentage of revenue for the period, multiplied by the number of days in the period) can vary over a study or trial duration. Contract fees are generally payable in installments based on the achievement of certain performance targets or "milestones" (e.g. target patient enrollment rates, clinical testing sites initiated or case report forms completed), such milestones being specific to the terms of each individual contract,

while revenues on contracts are recognized as contractual obligations are performed. Days revenue outstanding can vary therefore due to, amongst others, the scheduling of contractual milestones over a study or trial duration, the achievement of a particular milestone during the period or the timing of cash receipts from customers. A decrease in the number of days revenue outstanding during a period will result in cash inflows to the Company while an increase in days revenue outstanding will lead to cash outflows. The number of days revenue outstanding at March 31, 2015 was 47 days compared to 40 days at December 31, 2014. The number of days revenue outstanding at March 31, 2014 was 35 days compared to 32 days at December 31, 2013.

Net cash used in investing activities was \$112.8 million for the three months ended March 31, 2015 compared to net cash provided by investing activities of \$5.4 million for the three months ended March 31, 2014. Net cash used in the three months ended March 31, 2015 arose principally from cash paid on the purchase of MediMedia Pharma Solutions.

Capital expenditure for the three months ended March 31, 2015 amounted to \$10.7 million and comprised mainly of expenditure on global infrastructure and information technology systems to support the Company's growth. During the three months ended March 31, 2015 the Company received a net \$1.0 million from the sale of short-term investments.

Net cash provided by financing activities during the three months ended March 31, 2015 amounted to \$30.1 million compared with net cash provided by financing activities of \$10.5 million for the three months ended March 31, 2014. During the three months ended March 31, 2015 \$20.0 million was drawn down by the Company under its negotiated banking facility. In addition, \$8.1 million was received by the Company from the exercise of share options. Net cash provided by financing activities during the three months ended March 31, 2014 arose primarily from the \$9.8 million received from the exercise of stock options.

As a result of these cash flows, cash and cash equivalents decreased by \$23.7 million for the three months ended March 31, 2015 compared to an increase of \$54.1 million for the three months ended March 31, 2014.

#### Inflation

We believe the effects of inflation generally do not have a material adverse impact on our operations or financial condition.

#### Legal Proceedings

We are not party to any litigation or other legal proceedings that we believe could reasonably be expected to have a material adverse effect on our business, results of operations and financial condition.



SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ICON plc

Date: May 15, 2015

/s/ Brendan Brennan  
Brendan Brennan  
Chief Financial Officer

23