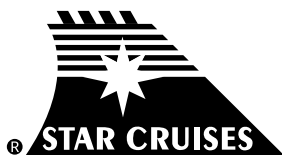

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this document or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in STAR CRUISES LIMITED, you should at once hand this document and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

CIRCULAR TO SHAREHOLDERS IN RELATION TO PROPOSALS FOR

- 1. GENERAL MANDATE TO REPURCHASE SHARES; AND**
- 2. GENERAL MANDATE TO ISSUE SHARES; AND**

NOTICE OF ANNUAL GENERAL MEETING.

The notice of the Ninth Annual General Meeting of STAR CRUISES LIMITED to be held at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR on Tuesday, 20 May 2003 at 10:00 a.m. (Hong Kong time) is set out in this document. The form of proxy enclosed with this document, together with any power of attorney or other authority under which the form of proxy is signed or a notorially certified copy of that power or authority, shall be deposited at the Corporate Headquarters of the Company at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR or at the office of the Company's transfer agent in Singapore, M & C Services Private Limited, 138 Robinson Road #17-00 The Corporate Office, Singapore 068906 not less than 48 hours before the time appointed for holding the meeting and any adjournment thereof and in default the form of proxy shall not be treated as valid.



STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

Board of Directors:

Tan Sri Lim Kok Thay

Chairman, President and Chief Executive Officer

Mr Alan Howard Smith, J.P.

Deputy Chairman and

Independent Non-executive Director

Mr Chong Chee Tut

Executive Director and Chief Operating Officer

Mr William Ng Ko Seng

Executive Director and Executive Vice President

Mr David Colin Sinclair Veitch

Executive Director, President and

Chief Executive Officer of

Norwegian Cruise Line Limited

Mr Tan Boon Seng

Independent Non-executive Director

Mr Lim Lay Leng

Independent Non-executive Director

Registered Office:

Cedar House

41 Cedar Avenue

Hamilton HM 12

Bermuda

*Corporate Headquarters and
principal place of business*

in Hong Kong:

Suite 1501

Ocean Centre

5 Canton Road

Tsimshatsui

Kowloon

Hong Kong SAR

21 March 2003

To Shareholders of the Company,

Dear Sir or Madam,

PROPOSALS FOR GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES

INTRODUCTION

At the eighth annual general meeting of STAR CRUISES LIMITED (the “Company”) held on 22 May 2002, the directors of the Company (the “Directors”) were given a general mandate to exercise the powers of the Company to repurchase issued shares and a general mandate to issue new shares in the capital of the Company. Such mandates will lapse at the conclusion of the forthcoming annual

LETTER FROM THE CHAIRMAN

general meeting to be held on 20 May 2003 (the “Annual General Meeting”). The Directors therefore propose to seek your approval of the ordinary resolutions to be proposed at the Annual General Meeting to give new general mandates to the Directors to exercise the powers of the Company to repurchase shares and to issue new shares.

GENERAL MANDATE TO DIRECTORS TO REPURCHASE SHARES

Ordinary Resolution No. 5(B) as set out in the notice dated 21 March 2003 for convening the Annual General Meeting contained in pages 5 to 9 of this document (the “Notice”), will be proposed at the Annual General Meeting to grant to the Directors a general mandate to exercise the powers of the Company to repurchase, during the relevant period, shares up to a maximum of 10% of the issued share capital of the Company at the date of the passing of the ordinary resolution (the “Repurchase Mandate”).

An explanatory statement, as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), is set out in the Appendix to this document. The explanatory statement contains all the information reasonably necessary to enable you as shareholders to make an informed decision on whether or not to vote for or against the ordinary resolution to grant the Repurchase Mandate to the Directors at the Annual General Meeting.

GENERAL MANDATE TO DIRECTORS TO ISSUE SHARES

Ordinary Resolutions Nos. 5(A) and 5(C) as set out in the Notice will also be proposed at the Annual General Meeting to grant to the Directors a general mandate to allot, issue and otherwise deal with new shares of the Company up to a limit equal to 20% of the issued shares of the Company at the date of the passing of such resolutions plus the amount of any shares repurchased by the Company.

RECOMMENDATION

The Directors consider that the granting of the mandates to repurchase shares and to issue shares would be in the interests of the Company and its shareholders as a whole and recommend that you vote in favour of Ordinary Resolutions Nos. 5(A), 5(B) and 5(C) to be proposed at the Annual General Meeting.

Yours faithfully
On behalf of the Board of
STAR CRUISES LIMITED
Tan Sri Lim Kok Thay
Chairman, President and Chief Executive Officer

This appendix serves as an explanatory statement given to shareholders, as required under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at 18 March 2003, being the latest practicable date prior to the printing of this document (the “Latest Practicable Date”), the issued share capital of the Company comprised 4,946,177,492 ordinary shares of US\$0.10 each (the “Shares”).

Subject to the passing of Ordinary Resolution No. 5(B) as set out in the Notice and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 494,617,749 Shares representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its shareholders to have a general authority from the shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

FUNDING FOR REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for such purchase in accordance with its Memorandum of Continuance and Bye-laws, the Listing Rules and the laws of Bermuda. Further, the Companies Act 1981 of Bermuda (as amended) provides that a company may not repurchase its shares if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the company is, or after the repurchase would be, unable to pay its liabilities as they become due.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to the Company or its subsidiaries (within the meaning under section 2(4) of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)).

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate only in accordance with the Listing Rules and the laws of Bermuda.

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of The Hong Kong Code on Takeovers and Mergers (the "Takeover Code"). As a result, a shareholder or a group of shareholders acting in concert (within the meaning under the Takeover Code) could, depending on the level of increase in the shareholders' interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code. Save as aforesaid, the Directors are not aware of any consequences that would arise under the Takeover Code as a result of any repurchases of Shares pursuant to the Repurchase Mandate.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event the Repurchase Mandate is approved by the shareholders of the Company.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
March 2002	3.600	3.025
April 2002	3.800	3.025
May 2002	4.275	3.200
June 2002	3.550	2.900
July 2002	3.475	3.075
August 2002	3.650	2.700
September 2002	3.000	2.325
October 2002	2.700	2.300
November 2002	2.375	2.075
December 2002	2.700	2.150
January 2003	2.900	2.200
February 2003	2.350	2.000

SHARE REPURCHASES MADE BY THE COMPANY

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

NOTICE IS HEREBY GIVEN THAT the Ninth Annual General Meeting of the Company will be held at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR on Tuesday, 20 May 2003 at 10:00 a.m. (Hong Kong time) for the purpose of transacting the following business:

1. to receive and adopt the Audited Financial Statements for the year ended 31 December 2002 and the Directors' and Auditors' Reports thereon;
2. to approve Directors' fees of US\$228,000 (in aggregate) for the year ended 31 December 2002;
3. to re-elect the following Directors and to fix the maximum number of Directors at 12:

Mr William Ng Ko Seng
Mr Tan Boon Seng

4. to re-appoint Messrs PricewaterhouseCoopers as the Auditors and to authorize the Directors to fix the Auditors' remuneration;
5. to consider, and if thought fit, pass the following resolutions as ordinary resolutions of the Company with or without amendments:

(A). **“THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, notes, debentures and other securities which carry rights to subscribe for or are convertible into shares) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes, debentures and other securities which carry rights to subscribe for or are convertible into shares) which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
- (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of any rights of subscription or conversion under the terms of any existing warrants, bonds, notes, debentures, and any securities of the Company which carry rights to subscribe for or are convertible into shares of the Company;
 - (iii) an issue of shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement or rights to acquire shares of the Company; or
 - (iv) an issue of shares pursuant to any scrip dividends or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company from time to time,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares or an offer of options, warrants or other securities of the Company giving rights to subscribe for shares, open for acceptance for a period fixed by the Directors of the Company to the holders of shares of the Company whose names appear on the register of shareholders of the Company (and, where appropriate, to holders of other securities of the Company

NOTICE OF ANNUAL GENERAL MEETING

entitled to the offer) on a fixed record date in proportion to their then holdings of such shares (or, where appropriate, such other securities) as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations, or the expense and delay in determining the extent of any restrictions or obligations, under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory or otherwise howsoever applicable to the Company).”

(B). **“THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares may be listed or traded and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall be in addition to any other authorisation given to the Directors of the Company;
- (c) the aggregate nominal amount of shares which the Company is authorized to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of;

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

(C). “**THAT** conditional upon the passing of Ordinary Resolutions Nos. 5(A) and 5(B) set out in the notice convening this meeting, the general mandate granted under Ordinary Resolution No. 5(A) be and is hereby extended by adding the aggregate nominal amount of shares repurchased by the Company pursuant to Ordinary Resolution No. 5(B) to the aggregate nominal amount of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company under Ordinary Resolution No. 5(A).”

6. to transact any other ordinary business of the Company.

By order of the Board
Louisa Tam Suet Lin
Company Secretary

Hong Kong, 21 March 2003

Notes:

1. A shareholder entitled to attend and vote at this meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
2. The form of proxy in the case of an individual shall be signed by the appointor or his attorney and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
3. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. If the form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.
5. If no name is inserted in the space for the name of your proxy on the form of proxy, the chairman of this meeting will act as your proxy.

NOTICE OF ANNUAL GENERAL MEETING

6. The form of proxy, together with any power of attorney or other authority under which the form of proxy is signed or a notarially certified copy of that power or authority, shall be deposited at the Corporate Headquarters of the Company at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR or the office of the Company's transfer agent in Singapore, M & C Services Private Limited, 138 Robinson Road #17-00, The Corporate Office, Singapore 068906 not less than 48 hours before the time appointed for holding the meeting and any adjournment thereof and in default the form of proxy shall not be treated as valid. Delivery of the form of proxy shall not preclude shareholders from attending and voting in person at the Annual General Meeting (or any adjourned meeting thereof) should they so wish.
7. With respect to Ordinary Resolution No. 5(A), approval is being sought from shareholders for a general mandate to issue shares to be given to the Directors.
8. With respect to Ordinary Resolution No. 5(B), approval is being sought from shareholders for a general mandate to repurchase shares to be given to the Directors.
9. With respect to Ordinary Resolution No. 5(C), approval is being sought from shareholders for an extension of the general mandate to be granted to the Directors pursuant to Ordinary Resolution No. 5(A) to allot shares by adding to it the number of shares repurchased by the Company under the authority granted to the Directors pursuant to Ordinary Resolution No. 5(B).
10. In accordance with the Listing Rules and the Hong Kong Codes on Takeovers and Mergers and Share Repurchases, an explanatory statement setting out the terms and conditions upon which the powers to be granted under Ordinary Resolution No. 5(B) will be exercised accompanies this notice.



STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

Form of proxy

I/We _____

being a shareholder/shareholders of the Company hereby appoint* the CHAIRMAN OF THE MEETING or _____

as my/our proxy to attend and vote for me/us on my/our behalf at the Ninth Annual General Meeting of the Company to be held at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR on Tuesday, 20 May 2003, at 10:00 a.m. (Hong Kong time) and at any adjournment thereof and to vote as indicated below. (* Delete if inapplicable)

Dated: _____ Signed: _____

Full Name(s)
IN BLOCK CAPITAL _____

Address _____

Number of shares held _____

ORDINARY RESOLUTIONS	Proxy	
	For	Against
1. Proposed adoption of the Audited Financial Statements for the year ended 31 December 2002 and the Directors' and Auditors' Reports thereon.		
2. Proposed approval of Directors' fee of US\$228,000 (in aggregate) for the year ended 31 December 2002.		
3. (A) Proposed re-election of Directors: (i) Mr William Ng Ko Seng (ii) Mr Tan Boon Seng (B) Proposed fixing of the maximum number of Directors at 12.		
4. Proposed re-appointment of Messrs PricewaterhouseCoopers as the Auditors and authorization to the Directors to fix the Auditors' remuneration.		
5. (A) Proposed mandate to the Directors to issue new shares.		
(B) Proposed mandate to the Directors to repurchase shares.		
(C) Proposed extension of the mandate to issue shares under Ordinary Resolution No. 5(A) by the number of shares repurchased under Ordinary Resolution No. 5(B).		
6. Any other business.		

Please indicate with an "X" in the appropriate box provided above how you wish your vote to be cast on the resolutions specified in the notice of meeting.

NOTES:

- A shareholder entitled to attend and vote at this meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
- The form of proxy in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorized.
- Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- If the form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.
- Please insert the number of shares of US\$0.10 each registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares in the capital of the Company registered in your name(s).
- If any proxy other than the Chairman of the Meeting is preferred, strike out the words "the CHAIRMAN OF THE MEETING or" and insert the name and address of the proxy desired in the space provided. Any alteration made to this form of proxy must be initialled by the person who signs it. If no name is inserted in the space for the name of your proxy on the form of proxy, the Chairman of the Meeting will act as your proxy.
- The form of proxy, together with any power of attorney or other authority under which the form of proxy is signed or a notarially certified copy of that power or authority, shall be deposited at the Corporate Headquarters of the Company at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR or the office of the Company's transfer agent in Singapore, M & C Services Private Limited, 138 Robinson Road #17-00, The Corporate Office, Singapore 068906 not less than 48 hours before the time appointed for holding the meeting and any adjournment thereof and in default the form of proxy shall not be treated as valid. Delivery of the form of proxy shall not preclude shareholders from attending and voting in person at the Meeting (or any adjourned meeting thereof) should they so wish.