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STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

(Stock Code: 678)

UNUSUAL SHARE PRICE MOVEMENT

This announcement is made in response to the unusual share price movement on 26 October 2004.

Trading in the shares of the Company was suspended on the Hong Kong Stock Exchange with effect from 9:30 a.m. (Hong Kong time) and on CLOB International with effect from 9:00 a.m. (Singapore time) respectively on 27 October 2004 at the request of the Company pending the release of this announcement. Application has been made by the Company for resumption of trading in its shares on the Hong Kong Stock Exchange with effect from 9:30 a.m. (Hong Kong time) and on CLOB International with effect from 9:00 a.m. (Singapore time) respectively on 28 October 2004.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). The board of directors (the "Board") of Star Cruises Limited (the "Company") has noted the increase in the price of the shares of the Company on 26 October 2004 and wishes to state that the Board is not aware of any reasons for such increase.

In the normal course of identifying business opportunities, the Company from time to time engages in exploratory discussions with potential business partners with respect to tourism related business. At present, the discussions, which are in process, are at preliminary stage and may or may not materialise. No agreement has yet been reached. If materialised, they may or may not constitute notifiable transactions of the Company. Further announcement will be made by the Company as and when required in accordance with the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules").

Save as disclosed above, we confirm that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Meanwhile, shareholders of the Company and prospective investors are advised to exercise caution in dealing in the securities of the Company.

At the request of the Company, trading in the shares of the Company was suspended on the Hong Kong Stock Exchange with effect from 9:30 a.m. (Hong Kong time) and on the Central Limit Order Book International of the Singapore Exchange Securities Trading Limited ("CLOB International") with effect from 9:00 a.m. (Singapore time) respectively on 27 October 2004 pending the release of this announcement. Application has been made by the Company for resumption of trading in its shares on the Hong Kong Stock Exchange with effect from 9:30 a.m. (Hong Kong time) and on CLOB International with effect from 9:00 a.m. (Singapore time) respectively on 28 October 2004.

Made by the order of the Board of Star Cruises Limited, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

As at the date of this announcement, the board of directors of the Company comprises four executive directors, namely Tan Sri Lim Kok Thay, Mr. Chong Chee Tut, Mr. William Ng Ko Seng and Mr. David Colin Sinclair Veitch and three independent non-executive directors, namely Mr. Alan Howard Smith J.P., Mr. Tan Boon Seng and Mr. Lim Lay Leng.

By Order of the Board
Louisa Tam Suet Lin
Company Secretary

Hong Kong, 27 October 2004