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MAJOR TRANSACTION CONSTRUCTION OF A VESSEL

Further to the announcement of the Company dated 27 April 2005, the Board is pleased to announce that on 3 May 2005, Newbuild Holding, Ltd. (an indirect wholly-owned subsidiary of the Company) as buyer and NCLC (a direct wholly-owned subsidiary of the Company) as guarantor of the obligations of the Buyer entered into the Shipbuilding Contract with the Builder in relation to the construction and delivery of the Vessel at a contract price of Euro 391,000,000 (approximately HK\$3,942,844,000) including an allowance for Buyer's Items.

Under the Listing Rules, the Transaction constitutes a major transaction of the Company. A circular containing, inter alia, further details of the Shipbuilding Contract will be dispatched to the Shareholders as soon as practicable. As far as the Directors are aware, no Shareholder has any material interest in the Shipbuilding Contract and as such, no Shareholder would be required under the Listing Rules to abstain from voting on the Transaction if a general meeting were to be convened to approve the same. Golden Hope, Joondalup (a company wholly-owned by Golden Hope) and Goldsfine, who hold approximately 42.1491%, 7.8216% and 0.5354% respectively in the issued share capital of the Company as at the date of the Shipbuilding Contract, and who have an aggregate interest of approximately 50.5061%, have given written approval for the Transaction. Accordingly, the written approval from Golden Hope, Joondalup and Goldsfine, who constitute a closely allied group of shareholders, is accepted under Rule 14.44 of the Listing Rules in lieu of holding a general meeting of the Company to approve the Transaction.

Shipbuilding Contract

Further to the announcement of the Company dated 27 April 2005, the Board is pleased to announce that on 3 May 2005, the Buyer (an indirect wholly-owned subsidiary of the Company), NCLC (a direct wholly-owned subsidiary of the Company) as guarantor of the obligations of the Buyer thereunder entered into the Shipbuilding Contract with the Builder in relation to the construction and delivery of the Vessel at a contract price of Euro 391,000,000 (approximately HK\$3,942,844,000) including an allowance for Buyer's Items. The consideration was determined by reference to the prevailing market values for the construction of similar vessels, as ascertained from industry reports and recent comparable transactions in the industry, and based on arm's length negotiation with the Builder.

Contract Terms

The terms and conditions of the Shipbuilding Contract including the consideration payable, were determined on an arm's length basis and on normal commercial terms, and the payment terms and delivery date meet with the Buyer's and NCLC's requirements. The Board considers that the terms and conditions to be fair and reasonable and in the interests of the Company based on the experience of the Group in the operation of an international cruise business.

The Shipbuilding Contract will become effective by no later than 4 p.m. (Papenburg, Germany time) on 9 May 2005 (the "Effective Date") upon satisfaction of certain conditions, including:

- confirmation by the Buyer to the Builder that it has approved the final version of the specification and plans for the Vessel and the list of approved subcontractors and the form of the insurances to be arranged by the Builder in accordance with the Shipbuilding Contract;
- confirmation by the Buyer to the Builder that it has obtained binding written commitments (in terms reasonably satisfactory to the Buyer) for the loan financing for the construction of the Vessel;
- approval by the shareholders of the Company for the Shipbuilding Contract in accordance with the requirements of the Listing Rules and compliance with any other applicable regulatory requirements; and
- appointment by each party of a process agent in London.

Should any of the above conditions not be satisfied by the Effective Date or otherwise waived in writing by both parties in accordance with the terms of the Shipbuilding Contract, either party may cancel the Shipbuilding Contract within 10 days after the Effective Date by written notice given to the other party whereupon the Shipbuilding Contract will become null and void without any liability whatsoever on the part of either party. In the event that the Shipbuilding Contract is cancelled, further announcement will be made as and when appropriate in accordance with the Listing Rules.

Subject to the satisfaction of the conditions specified in the Shipbuilding Contract (including those set out above), the Vessel shall be ready for delivery in the fourth quarter of 2007 subject to any extensions to the delivery date of the Vessel in accordance with the terms of the Shipbuilding Contract.

Finance Terms

NCLC and the Buyer will arrange for loan financing to cover approximately 80% of the contract price of the Vessel. The remaining 20% of the contract price is expected to be funded by the internal resources of NCLC and/or its subsidiaries. Payment for the Vessel is according to a schedule of timed progress payments up to the date of delivery. The aggregate amounts payable under the Shipbuilding Contract in years 2005, 2006 and 2007 are as follows:

Year 2005: Euro 36,600,000 (approximately HK\$369,074,400)

Year 2006: Euro 36,600,000 (approximately HK\$369,074,400)

Year 2007: Euro 317,800,000 (approximately HK\$3,204,695,200)

Information on the Builder

The principal business of the Builder is ship building. The Builder has a track record in ship building for the Group.

Guarantee

Pursuant to the Shipbuilding Contract, NCLC has guaranteed the financial and performance obligations of the Buyer thereunder.

Reasons for entering into the Contract and Benefits to the Group

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in the business of cruise and cruise related operations. The Group currently owns a combined fleet of 21 vessels in service and under construction, with over 32,000 lower berths. Out of the four vessels which are under construction, two are scheduled for delivery in 2005, one in 2006 and one in 2007 and all to be operated under the NCL Brands. For the further development of its cruise and cruise-related business, the Group reviews from time to time its fleet portfolio and deployment options. Construction of the Vessel is in line with the Group's long-term strategy in expanding its fleet for continuing business development. The Board believes that the Vessel, upon delivery and operation, will improve the operating efficiency and revenue potential of the Group. It is intended that the Vessel will be operated within NCLC's North American business under the NCL Brands.

General Information

Under the Listing Rules, the Transaction constitutes a major transaction of the Company. A circular containing, inter alia, further details of the Shipbuilding Contract will be dispatched to the shareholders as soon as practicable. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Builder and its ultimate beneficial owner are Independent Third Parties. As far as the Directors are aware, no Shareholder has any material interest in the Shipbuilding Contract and as such, no Shareholder would be required under the Listing Rules to abstain from voting on the Transaction if a general meeting were to be convened to approve the same. Golden Hope, Joondalup (a company wholly-owned by Golden Hope) and Goldsfine, who hold approximately 42.1491%, 7.8216% and 0.5354% respectively in the issued share capital of the Company as at the date of the Shipbuilding Contract, and who have an aggregate interest of approximately 50.5061%, have given written approval for the Transaction. Accordingly, the

written approval from Golden Hope, Joondalup and Goldsfine, who constitute a closely allied group of shareholders, is accepted under Rule 14.44 of the Listing Rules in lieu of holding a general meeting of the Company to approve the Transaction.

As at the date of this announcement, the Board comprises four executive directors, namely Tan Sri Lim Kok Thay, Mr. Chong Chee Tut, Mr. William Ng Ko Seng, 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.

Definitions

In this announcement, unless the context requires otherwise, the following expressions bear the following meanings:

Board	the board of directors of the Company
Builder	Jos. L. Meyer GmbH, a company organized and existing under the laws of Germany and the shipbuilder constructing the Vessel pursuant to the Shipbuilding Contract
Buyer	Newbuild Holding, Ltd., a company incorporated in Bermuda with limited liability, and an indirect wholly-owned subsidiary of the Company
Buyer's Items	specified supplies from time to time purchased by or at the direction of the Buyer and other costs from time to time expended by or at the direction of the Buyer in connection with the construction of the Vessel
CLOB International Company	the Central Limit Order Book International of the Singapore Exchange Securities Trading Limited
Directors	directors of the Company
Euro	the common European currency pursuant to laws and resolutions implementing the European Economic and Monetary Union and/or the lawful currency of the Federal Republic of Germany
Golden Hope	Golden Hope Limited, a company incorporated in the Isle of Man with limited liability and a substantial shareholder of the Company holding 2,232,365,114 Shares (representing approximately 42.1491% of the Company's issued share capital as at the date of the Shipbuilding Contract) in its capacity as trustee of the Golden Hope Unit Trust
Golden Hope Unit Trust	a private unit trust which is held directly and indirectly by GZ Trust Corporation as trustee of a discretionary trust established for the benefit of certain members of the family of Tan Sri Lim Goh Tong, the father of Tan Sri Lim Kok Thay, the Chairman, President and Chief Executive Officer of the Company
Goldsfine	Goldsfine Investments Ltd., a company incorporated in the British Virgin Islands with limited liability (holding 28,357,897 Shares, representing approximately 0.5354% of the Company's issued share capital as at the date of the Shipbuilding Contract) and equally owned by Tan Sri Lim Kok Thay and his spouse
Group	the Company and its subsidiaries
HK\$	Hong Kong dollars, the lawful currency of the Hong Kong
Hong Kong	the Hong Kong Special Administrative Region of the People's Republic of China
Independent Third Parties	third parties independent of the Company, the directors, chief executives and substantial shareholders of the Company or its subsidiaries or an associate (as defined in the Listing Rules) of any of them
Joondalup	Joondalup Limited, a company incorporated in the Isle of Man with limited liability (holding 414,260,835 Shares, representing approximately 7.8216% of the issued share capital of the Company as at the date of the Shipbuilding Contract) and wholly-owned by Golden Hope in its capacity as trustee of the Golden Hope Unit Trust
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
NCL Brands	Norwegian Cruise Line and NCL America, two major brands of NCLC in the cruise industry
NCLC	NCL Corporation Ltd., a company incorporated in Bermuda with limited liability, a direct wholly-owned subsidiary of the Company and the immediate holding company of the Group members operated in North America and Europe under NCL Brands and Orient Lines
Shareholders	shareholders of the Company
Shares	ordinary shares of US\$0.10 each in the share capital of the Company
Shipbuilding Contract	the shipbuilding contract dated 3 May 2005 between the Buyer, NCLC as guarantor of the obligations of the Buyer thereunder and the Builder for the construction and delivery of the Vessel
Stock Exchange Transaction	The Stock Exchange of Hong Kong Limited
Vessel	the transaction in relation to the construction and delivery of the Vessel as contemplated under the Shipbuilding Contract
	the vessel to be constructed as a 1,188 cabin luxury passenger cruise vessel to be identified with the hull no. S.670 at the yard of the Builder which will be delivered to the Buyer pursuant to the Shipbuilding Contract

By order of the Board
Louisa Tam Suet Lin
Company Secretary

Hong Kong, 3 May 2005

In this announcement, the Hong Kong dollar amounts have been translated from euro at the rate of euro 1 to HK\$10.084. Such translations are for the convenience of the readers only. No representation is made that the euro amounts have been, could have been or could be, converted into the Hong Kong dollars, or vice versa, at such rate or at any other rates on any relevant dates.