



STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

(Stock Code: 678)

GENERAL DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

This announcement is made pursuant to Rule 13.18 of the Listing Rules with respect to the New LC Facility and the Revolving Facility recently entered into by NCLC. Each of these facilities contains a specific performance obligation on the Lim Family, which is similar to that of the existing loan facilities of the NCLC Group.

BACKGROUND

Reference is made to the Announcement and the Circulars.

Pursuant to Rule 13.18 of the Listing Rules, the Company further discloses the following information in connection with the New LC Facility and the Revolving Facility recently entered into by NCLC. Each of these facilities contains a specific performance obligation on the Lim Family, which is similar to that of the existing loan facilities of the NCLC Group.

1. US\$100 MILLION LETTERS OF CREDIT FACILITY

1.1 General

As disclosed in the Announcement, pursuant to the two letter of credit facility agreements dated 25 September 2003 (as amended), the Company as the then indemnifier obtained the Old LC Facilities, which contained a specific performance obligation on the Lim Family requiring it to maintain a specified minimum level of ownership / control in the Company.

On 23 September 2005, NCLC as indemnifier and credit support user entered into the New LC Facility Agreement with, inter alia, DnB NOR Bank ASA, HSBC Bank USA, N.A. and Nordea Bank Norge ASA as mandated lead arrangers for the New LC Facility. The Old LC Facilities were cancelled on the same day and the Company ceased to be the indemnifier thereunder. The New LC Facility will continue to be used to guarantee part of the risk of the credit card processor in processing credit card sales transactions of the NCLC Group. The New Letters of Credit are issued for an initial term, being the period of 364 days from the date of issue and will be automatically renewed for a subsequent term of 364 days from the end of the initial term or any subsequent term, provided that the New Letters of Credit shall expire no later than 2 April 2008.

1.2 Specific Performance Obligation on the Lim Family

The New LC Facility, similar to the Old LC Facilities, contains a specific performance obligation on the Lim Family requiring it to maintain a specified minimum level of ownership / control in NCLC (as the new indemnifier). Pursuant to this obligation, the Lim Family shall control (directly or indirectly), together or individually, NCLC and beneficially own (directly or indirectly) at least 51% of the issued share capital of, and equity interest in, NCLC at any time when the ordinary share capital of NCLC is not publicly listed on an approved stock exchange or at any time when a dividend is to be paid to the existing shareholders of NCLC by way of a share issue pursuant to a public offering on an approved stock exchange. In the event that the ordinary share capital of NCLC is listed on an approved stock exchange, if: (i) any individual or any third party (being any person or group of persons acting in concert who is not a member of the Lim Family) (a) owns legally and/or beneficially and either directly or indirectly at least 33% of the ordinary share capital of NCLC or (b) has the right or the ability to control, either directly or indirectly, the affairs of or the composition of the majority of the board of directors (or equivalent) of NCLC; and the Lim Family together or individually, directly or indirectly, ceases to beneficially own at least 51% of the issued share capital of, and equity interest in, NCLC; or (ii) NCLC ceases to be listed on an approved stock exchange without the prior written consent of the Issuers, this will constitute an event of default under the New LC Facility Agreement. The existing loan facilities of the NCLC Group also contained similar specific performance obligation on the Lim Family.

1.3 Impact of Breach of a Specific Performance Obligation on the Lim Family

A breach of the aforesaid specific performance obligation on the Lim Family would constitute an event of default under the New LC Facility Agreement. Such default would permit the Issuers to cancel the New Letters of Credit and to enforce the security under the New LC Facility Agreement and might trigger cross-default provisions under other loan facilities of the Group, whereupon the respective lenders may by notice demand immediate payment of the outstanding indebtedness thereunder.

2. EURO 624 MILLION REVOLVING LOAN FACILITY

2.1 General

As mentioned in the Circulars, NCLC and the Buyers had been arranging for loan financing to cover approximately 80% of the Contract Prices of the Vessels.

On 7 October 2005, NCLC as borrower entered into the Revolving Facility Agreement with, inter alia, DnB NOR Bank ASA and Nordea Bank Norge ASA as lead arrangers for the Revolving Facility. The Revolving Facility may be used to finance in part the Contract Prices due to the Builder under the Shipbuilding Contracts or, if the whole of any part of the Revolving Facility is prepaid, it may be applied for general corporate and working capital purposes for the NCLC Group. The final maturity of the Revolving Facility shall be the date falling 144 months from the relevant Delivery Date.

2.2 Specific Performance Obligation on the Lim Family

The Revolving Facility Agreement contains a specific performance obligation on the Lim Family which is similar to that of the existing loan facilities of the NCLC Group and the New LC Facility. For details, please refer to paragraph 1.2 above and as if all references therein to "New LC Facility Agreement" and "Issuers" are replaced with "Revolving Facility Agreement" and "Majority Lenders" respectively.

2.3 Impact of Breach of a Specific Performance Obligation on the Lim Family

A breach of the aforesaid specific performance obligation on the Lim Family would constitute an event of default under the Revolving Facility Agreement. Such default would permit the relevant lenders to accelerate the maturity of the indebtedness under the Revolving Facility Agreement and to enforce the security thereunder. Such acceleration might trigger cross-default provisions under other loan facilities of the Group, whereupon the respective lenders may by notice demand immediate payment of the outstanding indebtedness thereunder.

GENERAL

As at the date hereof, the Lim Family controls (directly or indirectly), together or individually, and beneficially owns (directly or indirectly) approximately 87.11% of the issued share capital of the Company.

This announcement is made pursuant to Rule 13.18 of the Listing Rules. In accordance with the requirements thereunder, disclosure will be included in the interim and annual reports of the Company for so long as the said specific performance obligations continue to exist.

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.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context otherwise requires:

"Announcement" an announcement of the Company dated 21 April 2004 in relation to various loans of the Group pertaining to the ship operations in Asia and the United States including, inter alia, the Old LC Facilities

"Builder" Jos. L. Meyer GmbH, a company organized and existing under the laws of Germany and the shipbuilder constructing the Vessel 669 and the Vessel 670 pursuant to the Shipbuilding Contract 1 and the Shipbuilding Contract 2 respectively

"Buyer 1" Norwegian Pearl, Ltd. (formerly known as Hull 669 Limited), a company incorporated in Bermuda with limited liability, and an indirect wholly-owned subsidiary of the Company

"Buyer 2" Norwegian Jade, Ltd., a company incorporated in Bermuda with limited liability, and an indirect wholly-owned subsidiary of the Company

"Buyers" the Buyer 1 and the Buyer 2

"Circular 1" a circular to the Shareholders dated 8 February 2005 in respect of a major transaction of the Company relating to the Shipbuilding Contract 1 for the construction of the Vessel 669

"Circular 2" a circular to the Shareholders dated 18 July 2005 in respect of a major transaction of the Company relating to the Shipbuilding Contract 2 for the construction of the Vessel 670

"Circulars" the Circular 1 and the Circular 2

"Company" STAR CRUISES LIMITED, an exempted company continued into Bermuda with limited liability and the shares of which are listed on The Stock Exchange of Hong Kong Limited and traded on the Central Limit Order Book International of the Singapore Exchange Securities Trading Limited

"Contract Prices" in respect of the Vessel 669, Euro 389,000,000 (approximately HK\$3,639,484,000) being the price agreed between the Builder, NCLC and the Buyer 1 for the construction of the Vessel 669 pursuant to the Shipbuilding Contract 1 and, in respect of the Vessel 670, Euro 391,000,000 (approximately HK\$3,658,196,000) being the price agreed between the Builder, NCLC and the Buyer 2 for the construction of the Vessel 670 pursuant to the Shipbuilding Contract 2

"control" in respect of a body corporate, the power to direct the management and policies of such body corporate, whether through ownership of more than 50% of the issued voting capital of that body corporate or by contract, trust or other arrangement

"Delivery Date" the date on which the Vessel 669 and the Vessel 670 are delivered to the Buyer 1 and the Buyer 2 respectively pursuant to the respective Shipbuilding Contracts which date is expected to be in the first quarter of 2007 in respect of the Vessel 669 and the fourth quarter of 2007 in respect of the Vessel 670

"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

"Group" the Company and its subsidiaries

"HK\$" Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People's Republic of China

"Issuers" the issuers of the Letters of Credit

"Lim Family" Tan Sri Lim Goh Tong, his spouse, his direct lineal descendants, the personal estate of any of the above persons and any trust created for the benefit of one or more of the above persons and their respective estates. Tan Sri Lim Goh Tong is the father of Tan Sri Lim Kok Thay, the Chairman, President and Chief Executive Officer of the Company

"Listing Rules" The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"Majority Lenders" lenders the aggregate of whose commitments exceed 67% of the aggregate total commitments of all lenders under the Revolving Facility

"NCLC" NCL Corporation Ltd., a company incorporated in Bermuda and a direct wholly-owned subsidiary of the Company

"NCLC Group" NCLC and its subsidiaries

"New LC Facility" a letters of credit facility arranged by DnB NOR Bank ASA, HSBC Bank USA, N.A. and Nordea Bank Norge ASA on 23 September 2005 in an aggregate amount not exceeding US\$100,000,000 (approximately HK\$780,000,000) pursuant to the New LC Facility Agreement

"New LC Facility Agreement" a letters of credit facility agreement dated 23 September 2005 entered into between, inter alia, NCLC as indemnifier and credit support user and DnB NOR Bank ASA, HSBC Bank USA, N.A. and Nordea Bank Norge ASA as mandated lead arrangers for the New LC Facility

"New Letters of Credit" letters of credit issued under the New LC Facility

"Old LC Facilities" two letter of credit facilities arranged by The Hongkong and Shanghai Banking Corporation Limited and DnB NOR Bank ASA, Singapore Branch respectively on 25 September 2003 in an aggregate amount not exceeding US\$100,000,000 (approximately HK\$780,000,000) pursuant to the two letter of credit facility agreements both dated 25 September 2003 (as amended)

"Revolving Facility" a revolving loan facility of up to Euro 624,000,000 (approximately HK\$5,838,144,000) arranged by DnB NOR Bank ASA and Nordea Bank Norge ASA pursuant to the Revolving Facility Agreement

"Revolving Facility Agreement" a revolving loan facility agreement dated 7 October 2005 entered into between, inter alia, NCLC as borrower and DnB NOR Bank ASA and Nordea Bank Norge ASA as lead arrangers for the Revolving Facility

"Shareholders" shareholders of the Company

"Shipbuilding Contract 1" the shipbuilding contract dated 24 December 2004 between the Buyer 1, NCLC as guarantor of the obligations of the Buyer 1 thereunder and the Builder for the construction and delivery of the Vessel 669

"Shipbuilding Contract 2" the shipbuilding contract dated 3 May 2005 between the Buyer 2, NCLC as guarantor of the obligations of the Buyer 2 thereunder and the Builder for the construction and delivery of the Vessel 670

"Shipbuilding Contracts" the Shipbuilding Contract 1 and the Shipbuilding Contract 2

"Vessel 669" the vessel to be constructed as a 1,188 cabin luxury passenger cruise vessel to be identified with the hull no. S.669 at the yard of the Builder which will be delivered to the Buyer 1 pursuant to the Shipbuilding Contract 1

"Vessel 670" 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 2 pursuant to the Shipbuilding Contract 2

"Vessels" the Vessel 669 and the Vessel 670

"US\$" US dollars, the lawful currency of the United States of America

By Order of the Board
Louisa Tam Suet Lin
Company Secretary

Hong Kong, 19 October 2005

In this announcement, the Hong Kong dollar amounts have been translated from US dollars at the rate of US\$1.00 to HK\$7.80 and from Euro at the rate of Euro 1.00 to HK\$9.356. Such translations are for the convenience of the readers only. No representation is made that the US dollars and/or the euro amounts have been, could have been or could be, converted into Hong Kong dollars, or vice versa, at such rates or at any other rates on any relevant dates.