

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

(Stock Code: 678)

CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF 25% INTEREST IN RESORTS WORLD AT SENTOSA PTE. LTD. AND RESUMPTION OF TRADING

Reference is made to the announcement of the Company dated 18 December 2006 (the “**Sentosa Announcement**”) in connection with the formation of a joint venture, Resorts World at Sentosa Pte. Ltd. (“**RWS**”, formerly known as Infinity @ TheBay Pte. Ltd.) for the development of Resorts World at Sentosa. Terms defined in the Sentosa Announcement have the same meaning in this announcement unless otherwise defined herein.

On 2 March 2007, GIPLC issued a letter to the Company notifying the Company that GIPLC believed that a divestment of the Company’s 25% indirect interest in RWS would expedite the processing of RWS’ application for a casino licence and would, therefore, be in the mutual interests of the Company and GIPLC. On 3 March 2007, the Company issued a reply to GIPLC notifying its agreement with GIPLC that it is essential for RWS to be in a position to meet the suitability requirements necessary for the application of a casino licence at the appropriate time in the future and, on such basis, its acceptance, subject to the relevant approvals being obtained, to withdraw its investment in RWS by selling its 25% indirect interest in RWS to GIPLC (the “**RWS Disposal**”) at a price to be mutually agreed.

Upon completion of the RWS Disposal, the Shareholders’ Agreement in relation to RWS will terminate and the Company will cease to have any interest in and funding commitment towards RWS. The RWS Disposal will constitute a connected transaction of the Company. The Company will make a further announcement when the material terms of the RWS Disposal are finalised and agreed by the Company and GIPLC, and the Company will comply with the reporting, announcement and/or independent shareholders’ approval requirements under Chapter 14A of the Listing Rules to the extent applicable.

At the request of the Company, trading in the Shares was suspended on the Stock Exchange with effect from 9:30 a.m. (Hong Kong time) and halted on CLOB International with effect from 9:00 a.m. (Singapore time) on 5 March 2007, pending the release of this announcement. The Company has applied to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. (Hong Kong time) and to CLOB International for lifting of the trading halt in the Shares on CLOB International with effect from 9:30 a.m. (Singapore time) respectively on 7 March 2007.

Reference is made to the Sentosa Announcement in connection with the formation of a joint venture, RWS, for the development of Resorts World at Sentosa. Terms defined in the Sentosa Announcement have the same meaning in this announcement unless otherwise defined herein.

DISPOSAL OF 25% INDIRECT INTEREST IN RWS

On 2 March 2007, GIPLC issued a letter to the Company notifying the Company that GIPLC believed that a divestment of the Company's 25% indirect interest in RWS would expedite the processing of RWS' application for a casino licence and would, therefore, be in the mutual interests of the Company and GIPLC. On 3 March 2007, the Company issued a reply to GIPLC notifying its agreement with GIPLC that it is essential for RWS to be in a position to meet the suitability requirements necessary for the application of a casino licence at the appropriate time in the future and, on such basis, its acceptance, subject to the relevant approvals being obtained, to withdraw its investment in RWS by selling its 25% indirect interest in RWS to GIPLC at a price to be mutually agreed.

Upon completion of the RWS Disposal, the Shareholders' Agreement in relation to RWS will terminate and the Company will cease to have any interest in and funding commitment towards RWS. The RWS Disposal will constitute a connected transaction of the Company. The Company will make a further announcement when the material terms of the RWS Disposal are finalised and agreed by the Company and GIPLC, and the Company will comply with the reporting, announcement and/or independent shareholders' approval requirements under Chapter 14A of the Listing Rules to the extent applicable.

REASONS FOR THE RWS DISPOSAL

It is essential for RWS to be in a position to meet the suitability requirements necessary for the application of a casino licence at the appropriate time in the future. The Directors believe that the RWS Disposal at a price to be mutually agreed would better preserve the value of the investment in RWS made by the Company thus far and will also enable the Company to devote its resources on the other major projects of the Company. Subject to the material terms of the RWS Disposal being finalised, the Directors consider that the RWS Disposal will be in the interests of the Shareholders as a whole in principle.

SUSPENSION AND RESUMPTION OF TRADING IN SHARES

At the request of the Company, trading in the Shares was suspended on the Stock Exchange with effect from 9:30 a.m. (Hong Kong time) and halted on CLOB International with effect from 9:00 a.m. (Singapore time) on 5 March 2007, pending the release of this announcement. The Company has applied to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. (Hong Kong time) and to CLOB International for lifting of the trading halt in the Shares on CLOB International with effect from 9:30 a.m. (Singapore time) respectively on 7 March 2007.

By order of the board of directors of
STAR CRUISES LIMITED
Louisa Tam Suet Lin
Company Secretary

Hong Kong, 6 March 2007

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, Mr. Tan Boon Seng and Mr. Lim Lay Leng.

Please also refer to the published version of this announcement in China Daily.