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STAR CRUISES GROUP ANNOUNCES FIRST HALF RESULTS FOR 2008

The below commentary is prepared based on the comparison of the results for first half 2008 and 2007 of Star Cruises Group (excluding NCL Corporation Ltd. ("NCLC") Group). NCLC ceased to be a subsidiary of Star Cruises Limited (the "Company") and became a 50% jointly controlled entity on 7 January 2008 following the completion of the deemed disposal arising from the US$1 billion subscription of new shares in NCLC by Apollo Management, L.P. and its affiliates.

Key points for 1H 2008 in comparison with 1H 2007: -

- Capacity increased by 29.2% from 1.0 million to 1.3 million capacity days
- Net revenue increased by 5.2%, net revenue yield decreased by 18.6%
- Ship operating expenses per capacity day increased by 7.4%. Ship operating expenses excluding fuel costs per capacity day were essentially flat
- Selling, general and administrative expenses ("SG&A") per capacity day increased by 24.8%. SG&A per capacity day excluding one-off payment to a former director of the Company decreased by 1.4%
- Reversal of previously recognised impairment loss was US$1.3 million, versus an impairment loss of US$2.6 million
- Operating loss was US$28.1 million, versus an operating profit of US$8.7 million

Star Cruises Group (excluding NCLC Group)

Net revenue for 1H 2008 increased 5.2% from 1H 2007 primarily due to a 29.2% capacity increase which was partially offset by the lower net revenue yield and occupancy level of 18.6% and 5.7 percentage points, respectively. The increase in capacity in 1H 2008 was primarily due to the addition of *m.v. SuperStar Aquarius* which commenced operations in June 2007. The decrease in net revenue yield was a result of lower gaming hold percentage onboard the ships. The occupancy was at 78.8% in 1H 2008 compared with 84.5% in 1H 2007.

Ship operating expenses per capacity day for 1H 2008 increased 7.4% compared with 1H 2007. This increase was mainly due to higher fuel costs and partially offset by the lower ships' charter hire fees. In 1H 2008, fuel costs increased approximately US$13.9 million compared with 1H 2007 with the average fuel price increasing approximately 51%. Fuel costs accounted for approximately 24.7% of ship operating expenses in 1H 2008 compared with 19.6% in 1H 2007. The lower ships' charter hire fees was due to the redelivery of *m.v. Norwegian Crown* to her new owner in November 2007 partially offset by the charter hire fees for *m.v. SuperStar Gemini* and *m.v. Marco Polo*.

SG&A expenses per capacity day for 1H 2008 increased 24.8% compared with 1H 2007 primarily due to the consideration of US$10 million paid to a former director of the Company in accordance with the terms of Non-Competitive Agreement.

Depreciation and amortisation expenses per capacity day in 1H 2008 decreased 33.2% compared with 1H 2007 primarily due to the cessation of depreciation for *m.v. Norwegian Dream* and *m.v. Norwegian* Majesty as well as the disposal of *m.v. Marco Polo* and *m.v. SuperStar Gemini. m.v. Norwegian Dream* and *m.v. Norwegian Majesty* have been classified as non-current assets held for sale after the Group entered into sale and leaseback arrangements in April 2008. *m.v. Norwegian Majesty* has since been delivered to her new owner in July 2008 and the delivery of *m.v. Norwegian Dream* to her new owner is currently scheduled in September 2008.

During 1H 2008, the Group recorded a reversal of previously recognised impairment loss of US$1.3 million in respect of the trade name of Orient Lines following its assignment to a third party. The Group had in 1H 2007 recorded a net impairment loss of US$2.6 million in respect of a ship and the trade name of Orient Lines.

During 1H 2008, the Group recognised a gain of US$71.8 million on the deemed disposal of NCLC and accounted for its share of loss from NCLC of approximately US$85.5 million, being the Group's 50% share of NCLC's results.

The Company has entered into a number of agreements with Alliance Global Group, Inc. to acquire an aggregate of 50% (direct and indirect) interests in the share capital of Travellers International Hotel Group, Inc. ("Travellers") for a total consideration of US$335 million to pursue strategic and collaborative arrangements in relation to the development and operation of hotel and casino complexes in Philippines. Travellers will participate in the development of two tourism projects in the Philippines namely Newport City Project and Bagong Nayong Pilipino Entertainment City Manila Project.

The investment in Travellers is a key strategic move made by the Group in stepping into a land-base hospitality and entertainment business. This investment in Travellers will complement the Group's existing cruises business and offer the customers more leisure variety across Asia Pacific.

With a strengthen capital structure after the deemed disposal of NCLC as well as the disposal of vessels, management will continue to source for suitable investment opportunities to further enhance shareholders' value.

NCLC Group

The commentary below is prepared based on NCLC Group's US GAAP financial statements.

Net revenue for 1H 2008 increased 4.7% from 1H 2007 primarily due to an 8.0% increase in net revenue yield partially offset by a 3.1% decrease in capacity. The increase in net revenue yield in 1H 2008 was primarily the result of an increase in passenger ticket prices, onboard and other revenues and occupancy. The decrease in capacity was the result of the departure of *m.v. Norwegian Wind* (renamed to *m.v. SuperStar Aquarius*), *m.v. Norwegian Crown* and *m.v. Marco Polo*, which left the fleet upon expiration of the relevant charter agreements in April 2007, November 2007 and March 2008, respectively, as well as the re-flag of *m.v. Pride of Aloha* which was withdrawn from the fleet on 11 May 2008 and launched as *m.v. Norwegian Sky* in July 2008. This decrease in capacity was partially offset by the addition of *m.v. Norwegian Gem*, which entered service in October 2007.

Ship operating expenses per capacity day for 1H 2008 increased 9.5% compared with 1H 2007. This increase was mainly due to higher fuel expenses. In 1H 2008, average fuel prices, including the impact of fuel hedges, increased 58.7% to US$550 per metric ton from US$346 per metric ton for the same period in 2007. The increase in fuel expenses were partially offset by lower payroll and related expenses resulting from a reduction of crew costs related to U.S. crew employed on NCLC Group's inter-island cruises in Hawaii primarily due to the re-flagging and redeployment of *m.v. Pride of Hawaii* and *m.v. Pride of Aloha* from the Hawaii market to international fleet.

SG&A expenses per capacity day for 1H 2008 increased 14.0% compared with 1H 2007 mainly due to additional professional fees incurred in connection with management consulting projects and the timing of advertising expenditures.

Terminology

- *Net revenue yield represents total revenues less commissions, transportation and other expenses and onboard and other expenses per Capacity Day.*
- *Ship operating expenses represent operating expenses excluding commissions, transportation and other expenses and onboard and other expenses. NCLC Group, reporting under US GAAP, accounts for dry-docking costs under the direct expense method and these costs are classified as ship operating expenses. Under HKFRS, the dry-docking costs are included as a separate component of the ship costs to be amortised to the subsequent dry-docking generally every 2 to 3 years in the depreciation and amortisation.*
- *Capacity Days represent double occupancy per cabin multiplied by the number of cruise days for the period.*
- *Passenger Cruise Days represent the number of passengers carried for the period, multiplied by the number of days in their respective cruises.*
- *Occupancy Percentage, in accordance with cruise industry practice, represents the ratio of Passenger Cruise Days to Capacity Days. A percentage in excess of 100% indicates that three or more passengers occupied some cabins.*

ABOUT STAR CRUISES GROUP

Star Cruises, the leading cruise liner in Asia-Pacific and the third largest cruise operator in the world, is a global cruise brand with a combined fleet of 20 ships with more than 32,000 lower berths in service with an additional 2 ships and some 8,400 lower berths due to be delivered by 2010, cruising to destinations and islands in Asia-Pacific, North and South America, Hawaii, Caribbean, Alaska, Europe, Mediterranean and Bermuda under Star Cruises and Norwegian Cruise Line.

Headquartered in Hong Kong, Star Cruises is represented in more than 20 locations worldwide with offices and representatives in Australia, China, India, Indonesia, Japan , Korea , Malaysia, New Zealand, Philippines, Singapore, Sweden, Taiwan, Thailand, United Arab Emirates, United Kingdom and the United States of America.

For investor relations and editorial, please contact:

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Forward-looking statements

This press release contains forward-looking statements that involve risks and uncertainties. These forward-looking statements are not historical facts, but rather are based on the current beliefs, assumptions, expectations, estimates and projections of the Company about the industry and markets in which the Company and its subsidiaries (the "Group") will operate in the future. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Group, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Factors that could cause actual results to differ materially from those reflected in the forward-looking statements include general economic, political and business conditions, changes in cruise industry competition, weather, force majeure events and/or other factors. Reliance should not be placed on these forward-looking statements, which merely reflect the view of the Company as of the date of this press release only. The Company is under no obligation to revise or update publicly these forward-looking statements or any part thereof to reflect events or circumstances resulting from any new information, future events or otherwise on which any such statement was based.

CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2008
PREPARED IN ACCORDANCE WITH HONG KONG FINANCIAL REPORTING STANDARDS

	Six months ended 30 June *(note 1)*	
	2008 US$'000	2007 US$'000
	unaudited	unaudited
Turnover	204,105	1,221,919
Operating expenses (excluding depreciation, amortisation and impairment loss)	(152,985)	(902,796)
Selling, general and administrative expenses (excluding depreciation)	(47,659)	(161,661)
Depreciation and amortisation	(32,806)	(119,713)
Reversal of previously recognised impairment loss / (Impairment loss)	1,250	(5,165)
	(232,200)	(1,189,335)
	(28,095)	32,584
Interest income	416	2,805
Finance costs	(15,609)	(114,230)
Share of losses of associates	-	(905)
Share of loss of a jointly controlled entity	(85,542)	-
Other income, net *(note 3)*	80,260	26,970
	(20,475)	(85,360)
Loss before taxation	(48,570)	(52,776)
Taxation	(1,117)	(3,226)
Loss for the period	(49,687)	(56,002)
Attributable to:		
Equity holders of the Company	(49,436)	(56,002)
Minority interest	(251)	-
	(49,687)	(56,002)
Loss per share in US cents:		
- Basic	(0.67)	(0.79)
- Diluted	N/A *(note 2)*	N/A *(note 2)*
Weighted average outstanding ordinary shares, in thousands	7,426,246	7,123,440
Weighted average outstanding ordinary shares after assuming dilution, in thousands	7,426,856	7,129,546
Operating data		
Passenger Cruise Days	1,000,612	5,684,994
Capacity Days	1,270,517	5,576,623
Occupancy as a percentage of total capacity days	79%	102%

Notes:

(1) The unaudited consolidated income statement of the Group for the six months ended 30 June 2007 includes the full consolidation of NCLC's results whereas the unaudited consolidated income statement of the Group for the six months ended 30 June 2008 reflects Star Cruises Asia's operations with the results of NCLC Group being accounted for as a jointly controlled entity using the equity method.

(2) Diluted loss per share for the six months ended 30 June 2008 and 2007 are not shown as the diluted loss per share is less than the basic loss per share.

(3) Included in the net other income for the six months ended 30 June 2008 were US$71.8 million gain on deemed disposal of NCLC and a transaction fee income of US$10.0 million.

Included in the net other income for the six months ended 30 June 2007 were translation loss of Euro denominated debt of US$20.5 million and a gain on disposal of Resorts World at Sentosa Pte. Ltd. of US$53.7 million.