Genting Hong Kong Limited

(Continued into Bermuda with limited liability)
Stock code: 678

Interim Report 2010

Genting Hong Kong Limited

(Continued into Bermuda with limited liability)

Interim Report for the six months ended 30 June 2010

CONTENTS

Forward-looking statements

This interim report 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 report 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.

Corporate Information

Board of Directors

Tan Sri Lim Kok Thay
Chairman and Chief Executive Officer
(Mr. William Ng Ko Seng as Alternate Director)

Mr. Alan Howard Smith
Deputy Chairman and
Independent Non-executive Director

Mr. Tan Boon Seng
Independent Non-executive Director

Mr. Lim Lay Leng
Independent Non-executive Director

Mr. Heah Sieu Lay
Independent Non-executive Director

Mr. Au Fook Yew
Non-executive Director

President
Mr. David Chua Ming Huat

Secretary
Ms. Louisa Tam Suet Lin

Assistant Secretary
Appleby Services (Bermuda) Ltd.

Registered Office
Canon's Court, 22 Victoria Street,
Hamilton HM 12, Bermuda

Corporate Headquarters
Suite 1501, Ocean Centre, 5 Canton Road,
Tsimshatsui, Kowloon, Hong Kong SAR
Tel: (852) 23782000
Fax: (852) 23143809

Bermuda Principal Registrar
Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre, 11 Bermudiana Road,
Pembroke HM08, Bermuda
Tel: (441) 2951111
Fax: (441) 2956759

Hong Kong Branch Registrar
Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre,
183 Queen's Road East, Hong Kong SAR
Tel: (852) 28628555
Fax: (852) 28650990

Transfer Agent
M & C Services Private Limited
138 Robinson Road #17-00,
The Corporate Office, Singapore 068906
Tel: (65) 62280507
Fax: (65) 62251452

Auditors
PricewaterhouseCoopers,
Certified Public Accountants
22nd Floor, Prince's Building,
Central, Hong Kong SAR

Internet Homepage
www.gentinghk.com

Investor Relations
Enquiries may be directed to:

Ms. Chuen Thong
Senior Manager – Corporate Finance
Hong Kong SAR
Tel: (852) 23782000
Fax: (852) 23143809
E-mail: chuen.thong@gentinghk.com

The Board of Directors (the "Directors") of Genting Hong Kong Limited (the "Company") presents the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2010, as follows:

Condensed Consolidated Statement of Comprehensive Income

		Six months ended 30 June	
		2010	2009
			(restated)
		US$'000	*US$'000*
	Note	*unaudited*	*unaudited*
Turnover	3	184,736	175,786
Operating expenses			
Operating expenses excluding depreciation, amortisation and impairment loss		(105,127)	(110,230)
Depreciation and amortisation	7	(31,863)	(34,068)
		(136,990)	(144,298)
Selling, general and administrative expenses			
Selling, general and administrative expenses excluding depreciation and amortisation		(29,101)	(38,144)
Depreciation and amortisation	7	(2,034)	(2,910)
		(31,135)	(41,054)
Impairment loss	4	—	(23,338)
		(168,125)	(208,690)
		16,611	(32,904)
Share of (loss) / profit of jointly controlled entities		(17,492)	5,188
Share of profit of associates		10,236	102
Other income, net	5	14,356	4,112
Finance income		1,401	176
Finance costs	6	(13,369)	(11,225)
		(4,868)	(1,647)
Profit / (Loss) before taxation	7	11,743	(34,551)
Taxation	8	(426)	(713)
Profit / (Loss) for the period		11,317	(35,264)
Other comprehensive income / (loss):			
Foreign currency translation differences		2,030	(22,890)
Fair value (loss) / gain on financial instruments		(2,197)	3,260
Cash flow hedges transferred to consolidated income statement		2,059	1,097
Share of other comprehensive loss of a jointly controlled entity		(6,206)	(4,165)
Release of reserves upon disposal of subsidiaries		8,452	—
Other comprehensive income / (loss) for the period		4,138	(22,698)
Total comprehensive income / (loss) for the period		15,455	(57,962)

Condensed Consolidated Statement of Comprehensive Income *(Continued)*

	Note	Six months ended 30 June 2010 *US$'000 unaudited*	2009 (restated) *US$'000 unaudited*
Profit / (Loss) attributable to:			
Equity holders of the Company		11,978	(34,497)
Non-controlling interest		(661)	(767)
		11,317	(35,264)
Total comprehensive income / (loss) attributable to:			
Equity holders of the Company		16,116	(57,195)
Non-controlling interest		(661)	(767)
		15,455	(57,962)
Earnings / (Loss) per share attributable to equity holders of the Company	9		
- Basic (US cents)		0.16	(0.46)
- Diluted (US cents)		0.16	(0.46)
Operating data			
Passenger Cruise Days		691,178	691,483
Capacity Days		840,479	802,741
Occupancy as a percentage of total capacity days		82%	86%

Condensed Consolidated Statement of Financial Position

	Note	As at 30 June 2010 US$'000 *unaudited*	As at 31 December 2009 (restated) US$'000 *audited*
ASSETS			
NON-CURRENT ASSETS			
Deferred tax assets		409	409
Property, plant and equipment		1,082,425	1,101,004
Land use right	10	39,936	41,456
Investment property		14,152	14,544
Interest in jointly controlled entities	11	753,114	776,702
Interest in associates	12	330,749	271,849
Available-for-sale investment		1,980	—
Other assets		18,351	2,019
		2,241,116	2,207,983
CURRENT ASSETS			
Consumable inventories		5,799	5,397
Trade receivables	13	10,727	11,685
Prepaid expenses and other receivables	14	37,214	39,366
Derivative financial instruments	18	—	654
Amounts due from related companies	20	2,399	1,933
Cash and cash equivalents		166,352	137,574
		222,491	196,609
Non-current assets held for sale	15	168,658	197,720
		391,149	394,329
TOTAL ASSETS		2,632,265	2,602,312

Condensed Consolidated Statement of Financial Position *(Continued)*

	Note	As at 30 June 2010 US$'000 unaudited	As at 31 December 2009 (restated) US$'000 audited
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	16	742,625	742,625
Reserves:			
Share premium		1,495,033	1,495,033
Additional paid-in capital		96,631	95,924
Convertible bonds – equity component		8,893	8,893
Foreign currency translation adjustments		(25,059)	(35,541)
Cash flow hedge reserve		(3,499)	3,561
Accumulated losses		(470,787)	(482,765)
		1,843,837	1,827,730
Non-controlling interest		43,561	44,222
TOTAL EQUITY		1,887,398	1,871,952
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	17	512,265	480,024
Derivative financial instruments	18	1,047	1,412
Deferred tax liabilities		82	816
		513,394	482,252
CURRENT LIABILITIES			
Trade creditors	19	29,998	26,340
Current income tax liabilities		2,144	2,651
Provisions, accruals and other liabilities		96,927	110,165
Current portion of loans and borrowings	17	88,079	98,690
Derivative financial instruments	18	3,125	571
Amounts due to related companies	20	—	586
Advance ticket sales		11,200	9,105
		231,473	248,108
TOTAL LIABILITIES		744,867	730,360
TOTAL EQUITY AND LIABILITIES		2,632,265	2,602,312
NET CURRENT ASSETS		159,676	146,221
TOTAL ASSETS LESS CURRENT LIABILITIES		2,400,792	2,354,204

Condensed Consolidated Statement of Cash Flows

	Note	Six months ended 30 June 2010 US$'000 unaudited	2009 (restated) US$'000 unaudited
OPERATING ACTIVITIES			
Cash generated from operations		40,019	22,322
Interest paid		(11,453)	(8,723)
Interest received		1,401	176
Income tax paid		(1,075)	(2,107)
Net cash inflow from operating activities		28,892	11,668
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(9,692)	(25,666)
Proceeds from sale of property, plant and equipment		28	3,779
Additional equity investment in a jointly controlled entity		—	(50,000)
Additional equity investment in an associate		(30,000)	(20)
Acquisition of available-for-sale investment		(1,980)	—
Net cash inflow arising on disposal of subsidiaries	(a)	24,102	—
Net cash outflow from investing activities		(17,542)	(71,907)
FINANCING ACTIVITIES			
Proceeds from loans and borrowings		152,542	127,078
Repayments of loans and borrowings		(131,914)	(78,920)
Payment of loan arrangement fees		(3,010)	(1,543)
Net cash inflow from financing activities		17,618	46,615
Effect of exchange rate changes on cash and cash equivalents		(190)	(543)
Net increase / (decrease) in cash and cash equivalents		28,778	(14,167)
Cash and cash equivalents at 1 January		137,574	112,147
Cash and cash equivalents at 30 June		166,352	97,980

Note to Condensed Consolidated Statement of Cash Flows

(a) Net cash inflow arising on disposal of subsidiaries

In June 2010, the Group disposed of the entire issued share capital of Port Klang Cruise Centre Sdn Bhd ("PKCC") and Glamourous Trendy Sdn Bhd ("GT") for approximately US$55.6 million and realised a gain on disposal of the subsidiaries of approximately US$17.6 million.

The details of net assets disposed of and cash flows arising from the disposal of PKCC and GT are as follows:

	As at date of disposal *US$'000*
Property, plant and equipment	29,020
Land use right	1,075
Prepaid expenses and other receivables	111
Accruals and other payables	(5)
Deferred tax liabilities	(611)
Net assets disposed of	29,590
Release of reserves upon disposal of subsidiaries	8,452
Gain on disposal of subsidiaries	17,602
Sales proceeds	55,644

Sales proceeds will be / have been received as follows:

Advance deposits received in 2009	4,996
Cash received in 2010	24,102
Deferred consideration to be received in the form of promissory notes	26,546
	55,644

Condensed Consolidated Statement of Changes In Equity

	Attributable to equity holders of the Company									
	Share capital US$'000	Share premium US$'000	Additional paid-in capital US$'000	Convertible bonds - equity component US$'000	Foreign currency translation adjustments US$'000	Cash flow hedge reserve US$'000	Accumulated losses US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Six months ended 30 June 2010										
unaudited										
At 31 December 2009										
- as previously stated	742,625	1,495,033	95,924	8,893	(35,541)	3,561	(486,613)	1,823,882	42,939	1,866,821
- adoption of HKAS 17 (Revised) retrospectively	—	—	—	—	—	—	3,848	3,848	1,283	5,131
At 1 January 2010, as restated	742,625	1,495,033	95,924	8,893	(35,541)	3,561	(482,765)	1,827,730	44,222	1,871,952
Amortisation of share option expense	—	—	(9)	—	—	—	—	(9)	—	(9)
Profit / (Loss) for the period	—	—	—	—	—	—	11,978	11,978	(661)	11,317
Other comprehensive income / (loss) for the period:										
Foreign currency translation differences	—	—	—	—	2,030	—	—	2,030	—	2,030
Fair value loss on financial instruments	—	—	—	—	—	(2,197)	—	(2,197)	—	(2,197)
Cash flow hedges transferred to consolidated income statement	—	—	—	—	—	2,059	—	2,059	—	2,059
Share of other comprehensive income / (loss) of a jointly controlled entity	—	—	716	—	—	(6,922)	—	(6,206)	—	(6,206)
Release of reserves upon disposal of subsidiaries	—	—	—	—	8,452	—	—	8,452	—	8,452
At 30 June 2010	742,625	1,495,033	96,631	8,893	(25,059)	(3,499)	(470,787)	1,843,837	43,561	1,887,398

Condensed Consolidated Statement of Changes In Equity *(Continued)*

	Attributable to equity holders of the Company								
	Share capital *US$'000*	Share premium *US$'000*	Additional paid-in capital *US$'000*	Foreign currency translation adjustments *US$'000*	Cash flow hedge reserve *US$'000*	Accumulated losses *US$'000*	Total *US$'000*	Non-controlling interest *US$'000*	Total equity *US$'000*
Six months ended 30 June 2009									
unaudited									
At 31 December 2008									
- as previously stated	742,625	1,495,033	94,388	(22,233)	(3,412)	(419,869)	1,886,532	45,760	1,932,292
- adoption of HK(IFRIC) - Int 13 retrospectively	—	—	—	—	—	(41,401)	(41,401)	—	(41,401)
At 1 January 2009, as restated	742,625	1,495,033	94,388	(22,233)	(3,412)	(461,270)	1,845,131	45,760	1,890,891
Amortisation of share option expense	—	—	1,381	—	—	—	1,381	—	1,381
Non-controlling interest arising from incoporation of a subsidiary	—	—	—	—	—	—	—	125	125
Loss for the period	—	—	—	—	—	(34,497)	(34,497)	(767)	(35,264)
Other comprehensive income / (loss) for the period:									
Foreign currency translation differences	—	—	—	(22,890)	—	—	(22,890)	—	(22,890)
Fair value gain on financial instruments	—	—	—	—	3,260	—	3,260	—	3,260
Cash flow hedges transferred to consolidated income statement	—	—	—	—	1,097	—	1,097	—	1,097
Share of other comprehensive loss of a jointly controlled entity	—	—	—	—	(4,165)	—	(4,165)	—	(4,165)
At 30 June 2009	742,625	1,495,033	95,769	(45,123)	(3,220)	(495,767)	1,789,317	45,118	1,834,435

Notes to the Unaudited Condensed Consolidated Interim Financial Information

1. GENERAL INFORMATION

Genting Hong Kong Limited (the "Company") is an exempted company continued into Bermuda with limited liability and the shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and traded on the Quotation and Execution System for Trading of the Singapore Exchange Securities Trading Limited. The registered office of the Company is situated at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

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 and leisure, entertainment and hospitality activities.

These unaudited condensed consolidated interim financial information has been approved for issue by the Board of Directors on 28 August 2010.

2. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information of the Group have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The preparation of the unaudited condensed consolidated interim financial information in conformity with Hong Kong Financial Reporting Standards ("HKFRS") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The unaudited condensed consolidated interim financial information are prepared under the historical cost convention, as modified by the revaluations of certain financial assets and financial liabilities (including derivative instruments) which are carried at fair value.

Certain comparatives figures as set out in the unaudited condensed consolidated interim financial information have been reclassified to conform to the current year's presentation.

The Group's operations are seasonal and results for interim periods are not necessarily indicative of the results for the entire financial year. This interim report should be read where relevant, in conjunction with the annual report of the Group for the year ended 31 December 2009 which have been prepared in accordance with HKFRS information.

The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated interim financial information are consistent with those used in the annual report for the year ended 31 December 2009, except that the Group has adopted the following new / revised HKFRS standards and interpretations:

(i) HKFRS 3 (Revised) "Business Combinations" and consequential amendments to HKAS 27 "Consolidated and Separate Financial Statements", HKAS 28 "Investments in Associates" and HKAS 31 "Interests in Joint Ventures", are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with HKFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree's net assets. All acquisition-related costs are expensed.

As the Group has adopted HKFRS 3 (Revised), it is required to adopt HKAS 27 (Revised) "Consolidated and Separate Financial Statements" at the same time. HKAS 27 (Revised) required the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The amendments do not have a material impact on the Group's financial statements.

2. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION *(Continued)*

(ii) HKAS 17 (Revised) "Leases" provides additional guidelines to reassesses the classification of land elements of unexpired leases on the basis of information existing at the inception of the leases. Prior to 1 January 2010, the Group accounted for the land elements of certain leases as operating leases. Upon adoption of HKAS 17 (Revised) on 1 January 2010, the Group accounts for a lease as finance lease as it fulfills the criteria which lead to a lease being classified as a finance lease.

The change in accounting policy has been accounted for retrospectively as follows:-

	As previously reported *US$'000*	Effect of adoption of HKAS (Revised) *US$'000*	As restated *US$'000*
Group			
At 31 December 2009			
Property, plant and equipment	890,668	210,336	1,101,004
Land use right	246,661	(205,205)	41,456
Accumulated losses	486,613	(3,848)	482,765
Non-controlling interest	42,939	1,283	44,222
For the year ended 31 December 2009			
Depreciation and amortisation	78,472	(5,131)	73,341
Non-controlling interest	2,946	(1,283)	1,663

Apart from the impact mentioned above and certain presentational changes, the adoption of these new / revised HKFRS standards and interpretations has no significant impact on the Group's financial statements. Where necessary, comparative information has been reclassified and expanded from previously reported consolidated interim financial information to take into account any presentational change made in the annual financial statements or in these unaudited condensed consolidated interim financial information.

3. TURNOVER AND SEGMENT INFORMATION

The Group is principally engaged in the operation of passenger cruise ships. Senior management reviews the performance and makes operating decisions and resources allocation based on the Group's internal reports. The Group's business is considered from a cruise operation and a non-cruise operation perspective. Accordingly, two reportable segments namely, cruise and cruise related activities and charter hire and others are identified.

Cruise and cruise related revenues comprise sales of passenger tickets which include air transportation to and from the cruise ship, and revenues from onboard services and other related services, including gaming, food and beverage. Other operations of the Group comprise charter hire and others, none of which are of a significant size to be reported separately.

3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

The segment information of the Group is as follows:

unaudited Six months ended 30 June 2010	Cruise and cruise related activities *US$'000*	Charter hire and others *US$'000*	Total *US$'000*
Passenger ticket revenue	50,482	—	50,482
Onboard and other revenues	14,368	—	14,368
Gaming revenue	105,818	—	105,818
Charter hire and others	—	14,068	14,068
Total turnover	170,668	14,068	184,736
Segment results	12,891	3,720	16,611
Share of loss of jointly controlled entities			(17,492)
Share of profit of associates			10,236
Other income, net			14,356
Finance income			1,401
Finance costs			(13,369)
Profit before taxation			11,743
Taxation			(426)
Profit for the period			11,317

unaudited As at 30 June 2010	Cruise and cruise related activities *US$'000*	Charter hire and others *US$'000*	Total *US$'000*
Segment assets	1,539,550	924,057	2,463,607
Unallocated assets			168,658
Total assets			2,632,265
Segment liabilities	127,393	14,986	142,379
Loans and borrowings (including current portion)	500,833	99,511	600,344
	628,226	114,497	742,723
Tax liabilities			2,144
Total liabilities			744,867
Capital expenditure	12,506	1,441	13,947
Depreciation and amortisation	25,961	7,936	33,897

3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

unaudited Six months ended 30 June 2009 (restated)	Cruise and cruise related activities *US$'000*	Charter hire and others *US$'000*	Total *US$'000*
Passenger ticket revenue	40,869	—	40,869
Onboard and other revenues	14,542	—	14,542
Gaming revenue	104,677	—	104,677
Charter hire and others	—	15,698	15,698
Total turnover	160,088	15,698	175,786
Segment results before impairment loss	(7,256)	(2,310)	(9,566)
Impairment loss	(2,030)	(21,308)	(23,338)
	(9,286)	(23,618)	(32,904)
Share of profit of jointly controlled entities			5,188
Share of profit of associates			102
Other income, net			4,112
Finance income			176
Finance costs			(11,225)
Loss before taxation			(34,551)
Taxation			(713)
Loss for the period			(35,264)

audited As at 31 December 2009 (restated)	Cruise and cruise related activities *US$'000*	Charter hire and others *US$'000*	Total *US$'000*
Segment assets	1,529,107	875,485	2,404,592
Unallocated assets			197,720
Total assets			2,602,312
Segment liabilities	131,486	17,509	148,995
Loans and borrowings (including current portion)	479,203	99,511	578,714
	610,689	117,020	727,709
Tax liabilities			2,651
Total liabilities			730,360
Capital expenditure	4,443	3,803	8,246
Depreciation and amortisation	56,898	16,443	73,341

No geographical information is shown as the turnover and operating profit of the Group is substantially derived from activities in Asia Pacific region.

4. IMPAIRMENT LOSS

During the six months ended 30 June 2009, the Group wrote down the carrying values of the ships and equipment in the amount of US$23.3 million, being the excess of the carrying values over their recoverable amounts.

5. OTHER INCOME, NET

	Six months ended 30 June 2010 *US$'000 unaudited*	2009 *US$'000 unaudited*
Gain on disposal of subsidiaries (note (a))	17,602	—
(Loss) / Gain on derivative instruments	(2,666)	871
Loss on foreign exchange	(461)	(2,278)
Income on distribution of asset (note (b))	—	5,250
Other (expenses) / income, net	(119)	269
	14,356	4,112

Notes:

(a) In June 2010, the Group disposed of the entire issued share capital of Port Klang Cruise Centre Sdn Bhd and Glamourous Trendy Sdn Bhd for approximately US$55.6 million and realised a gain on disposal of the subsidiaries of approximately US$17.6 million.

(b) In June 2009, the Group recorded an income of US$5.3 million on the distribution of non-cash assets from NCL Corporation Ltd. ("NCLC").

6. FINANCE COSTS

	Six months ended 30 June 2010 *US$'000 unaudited*	2009 *US$'000 unaudited*
Amortisation of:		
- bank loans arrangement fees	961	653
Interest on:		
- bank loans and others	5,781	10,072
- convertible bonds	6,627	—
Loans arrangement fees written off	—	500
Total finance costs	13,369	11,225

7. PROFIT / (LOSS) BEFORE TAXATION

Profit / (Loss) before taxation is stated after charging the following:

	Six months ended 30 June 2010 *US$'000 unaudited*	2009 *US$'000 unaudited*
Total depreciation and amortisation analysed into:	33,897	36,978
- relating to operating function	31,863	34,068
- relating to selling, general and administrative function	2,034	2,910
Fuel costs	19,343	12,442
Ships' charter costs	—	3,368
Advertising expenses	3,066	1,786
Impairment loss (see note 4)	—	23,338

8. TAXATION

	Six months ended 30 June 2010 *US$'000 unaudited*	2009 *US$'000 unaudited*
Overseas taxation		
- Current taxation	569	643
- Deferred taxation	—	87
	569	730
Under / (Over) provision in respect of prior years		
- Current taxation	7	42
- Deferred taxation	(150)	(59)
	426	713

The Company, which is domiciled in Bermuda, and the majority of its subsidiaries, are not subject to income tax as their income is mainly derived in international waters or outside taxing jurisdictions. However, the Group has incurred a tax charge, as illustrated in the table above, based on the income which is subject to local tax in certain jurisdictions where it operates. The appropriate local tax rate has been applied, in such circumstances, to determine the applicable tax charge.

9. EARNINGS / (LOSS) PER SHARE

Earnings / (Loss) per share is computed as follows:

	Six months ended 30 June 2010 *US$'000 unaudited*	2009 (restated) *US$'000 unaudited*
BASIC		
Earnings / (Loss) attributable to equity holders of the Company	11,978	(34,497)
Weighted average outstanding ordinary shares, in thousands	7,426,246	7,426,246
Basic earnings / (loss) per share in US cents	0.16	(0.46)
DILUTED		
Earnings / (Loss) attributable to equity holders of the Company	11,978	(34,497)
Weighted average outstanding ordinary shares, in thousands	7,426,246	7,426,246
Effect of dilutive ordinary shares, in thousands	—	—
Weighted average outstanding ordinary shares after assuming dilution, in thousands	7,426,246	7,426,246
Diluted earnings / (loss) per share in US cents	0.16	(0.46)

10. LAND USE RIGHT

	As at 30 June 2010 *US$'000 unaudited*	31 December 2009 (restated) *US$'000 audited*
Carrying amount at the beginning of period / year	41,456	254,156
Effect of adoption of HKAS 17 (Revised)	—	(210,336)
Amortisation of prepaid operating lease for the period / year	(947)	(1,917)
Classified as non-current assets held for sale	—	(462)
Disposal during the period	(613)	—
Translation differences	40	15
Carrying amount at the end of period / year	39,936	41,456

11. INTERESTS IN JOINTLY CONTROLLED ENTITIES

The Group's interest in jointly controlled entities is as follows:

	As at 30 June 2010 *US$'000* *unaudited*	As at 31 December 2009 *US$'000* *audited*
At 1 January	776,702	694,055
Additional equity investment in a jointly controlled entity	—	50,000
Unlisted investment in a jointly controlled entity	—	210
Share of (loss) / profit of jointly controlled entities	(17,382)	23,496
Share of reserves of a jointly controlled entity	(6,206)	1,081
Distribution of non-cash assets	—	7,900
Others	—	(40)
At 30 June 2010 / 31 December 2009	753,114	776,702

12. INTERESTS IN ASSOCIATES

The Group's interest in associates is as follows:

	As at 30 June 2010 *US$'000* *unaudited*	As at 31 December 2009 *US$'000* *audited*
At 1 January	271,849	287,428
Additional equity investment in an associate	50,000	20
Share of profit / (loss) of associates	10,236	(2,508)
Exchange translation differences	(1,336)	(13,091)
At 30 June 2010 / 31 December 2009	330,749	271,849

13. TRADE RECEIVABLES

	As at 30 June 2010 *US$'000* *unaudited*	As at 31 December 2009 *US$'000* *audited*
Trade receivables	10,767	11,757
Less: Provisions	(40)	(72)
	10,727	11,685

At 30 June 2010, the ageing analysis of the trade receivables is as follows:

	As at 30 June 2010 *US$'000* *unaudited*	As at 31 December 2009 *US$'000* *audited*
Current to 30 days	5,827	6,756
31 days to 60 days	1,053	864
61 days to 120 days	2,768	604
121 days to 180 days	45	2,403
181 days to 360 days	985	6
Over 360 days	89	1,124
	10,767	11,757

Credit terms generally range from payment in advance to 45 days credit (31 December 2009: payment in advance to 45 days).

14. PREPAID EXPENSES AND OTHER RECEIVABLES

	As at 30 June 2010 *US$'000 unaudited*	As at 31 December 2009 *US$'000 audited*
Other debtors, deposits and prepayments	22,426	19,124
Promissory notes receivables	12,000	—
Amounts due from jointly controlled entities and associates	2,788	242
Prepayment of equity interest in Premium Travellers Ltd.	—	20,000
	37,214	39,366

15. NON-CURRENT ASSETS HELD FOR SALE

The carrying amounts of certain vessels of the Group of US$168.7 million (31 December 2009: US$197.7 million) have been classified under non-current assets held for sale as at 30 June 2010 as these assets will be recovered through a sale transaction.

16. SHARE CAPITAL

	Authorised share capital			
	Preference shares of US$0.10 each		Ordinary shares of US$0.10 each	
	No. of shares	*US$'000*	*No. of shares*	*US$'000*
unaudited				
At 1 January 2010	10,000	1	14,999,990,000	1,499,999
Addition during the period	—	—	5,000,000,000	500,000
At 30 June 2010	10,000	1	19,999,990,000	1,999,999
audited				
At 1 January 2009 and 31 December 2009	10,000	1	14,999,990,000	1,499,999

	Issued and fully paid ordinary shares of US$0.10 each	
	No. of shares	*US$'000*
unaudited		
At 1 January 2010 and 30 June 2010	7,426,245,846	742,625
audited		
At 1 January 2009 and 31 December 2009	7,426,245,846	742,625

17. LOANS AND BORROWINGS

Loans and borrowings consist of the following:

	As at 30 June 2010 US$'000 unaudited	As at 31 December 2009 US$'000 audited
Secured:		
US$750 million secured term loan and revolving credit facility	252,516	337,240
HK$340 million secured term loan	37,285	39,474
HK$195 million secured loan facility	22,578	20,037
US$150 million secured floating rate term loan facility	145,000	—
US$40 million secured loan facility	—	40,000
Unsecured:		
Convertible bonds	142,965	141,963
	600,344	578,714
Less: Current portion	(88,079)	(98,690)
Long-term portion	512,265	480,024

Movement in loans and borrowings is analysed as follow:

	US$'000
Six months ended 30 June 2010	
Balance as at 1 January 2010	578,714
Proceeds from loans and borrowings	152,542
Repayments of loans and borrowings	(131,914)
Convertible bonds interest accrued for the period	1,002
Balance as at 30 June 2010	600,344

	US$'000
Six months ended 30 June 2009	
Balance as at 1 January 2009	521,002
Proceeds from loans and borrowings	127,078
Repayments of loans and borrowings	(78,920)
Balance as at 30 June 2009	569,160

18. FINANCIAL INSTRUMENTS

(i) The Group has several interest rate swaps with an aggregate notional amount of US$70.0 million (as at 30 June 2010, the outstanding notional amount was approximately US$21.6 million) to convert certain long-term borrowings from a floating rate obligation to a fixed rate obligation. The notional amount will be reduced six-monthly in varying amounts over periods ranging from 8 to 10 years from the dates of the interest rate swap agreements. As at 30 June 2010, the estimated fair market value of the interest rate swaps was approximately US$1.0 million (31 December 2009: US$1.6 million), which was unfavourable to the Group. This amount has been recorded within the current and non-current portion of the derivative financial instruments in the condensed consolidated statement of financial position.

These interest rate swaps have been designated as cash flow hedges. The changes in the fair value of these interest rate swaps are included as a separate component of reserves and are recognised in the condensed consolidated statement of comprehensive income as the underlying hedged items are recognised.

(ii) The Group has a Singapore dollars forward contract and the notional amount of the contract was approximately US$69.0 million (as at 30 June 2010, the outstanding notional amount was approximately US$6.0 million). The notional amount will be reduced six-monthly over a period of 11 years from the dates of the contract. As at 30 June 2010, the estimated fair market value of the forward contract was approximately US$0.5 million (31 December 2009: US$0.4 million), which was unfavourable to the Group. The changes in the fair value of the forward contract were recognised as other expense in the condensed consolidated statement of comprehensive income. This amount has been recorded within the non-current portion of the derivative financial instruments in the condensed consolidated statement of financial position.

(iii) The Group entered into fuel swap agreements with an aggregate notional amount of US$25.2 million, to pay fixed price for fuel. As at 30 June 2010, the outstanding notional amount was approximately US$17.9 million, maturing through June 2011 and the estimated fair market value of the fuel swap was approximately US$2.7 million, which was unfavourable to the Group (31 December 2009: US$0.7 million, which was favourable to the Group). This amount has been recorded within the current portion of the derivative financial instruments in the condensed consolidated statement of financial position. These certain fuel swaps have been designated and qualified as cash flow hedges. The changes in the fair value of these fuel swaps are included as a separate component of reserves and are recognised in the statement of comprehensive income as the underlying hedged items are recognised. While the changes in fair value of the other fuel swaps were recognised as other expense in the condensed consolidated statement of comprehensive income.

The fair values of these instruments have been estimated using public market prices or quotes from reputable financial institutions. The Group had no significant concentrations of credit risk as at 30 June 2010.

19. TRADE CREDITORS

The ageing analysis of trade creditors as at 30 June 2010 is as follows:

	As at 30 June 2010 *US$'000* *unaudited*	As at 31 December 2009 *US$'000* *audited*
Current to 60 days	22,115	21,454
61 days to 120 days	1,435	3,171
121 days to 180 days	4,846	7
Over 180 days	1,602	1,708
	29,998	26,340

Credit terms granted to the Group generally vary from no credit to 45 days credit (31 December 2009: no credit to 45 days).

20. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

Golden Hope Limited ("Golden Hope"), a company incorporated in the Isle of Man acting as trustee of the Golden Hope Unit Trust, a private unit trust which is held directly and indirectly by IFG International Trust Company Limited as trustee of a discretionary trust established for the benefit of certain family members of the late Tan Sri Lim Goh Tong, is a substantial shareholder of the Company.

Tan Sri Lim Kok Thay, the Chairman and Chief Executive Officer of the Group, is a son of the late Tan Sri Lim Goh Tong.

Genting Berhad ("GENT"), a company in which Tan Sri Lim Kok Thay has a deemed interest and which is listed on Bursa Malaysia Securities Berhad ("Bursa Malaysia"), controls Genting Malaysia Berhad ("GENM"), a company also listed on Bursa Malaysia which in turn indirectly controls Resorts World Limited, which is a substantial shareholder of the Company. GENT indirectly controls Genting Singapore PLC ("GENS"), a company listed on the Main Board of the Singapore Exchange Securities Trading Limited.

WorldCard International Limited ("WCIL") is a company in which a subsidiary of each of the Group and GENS has a 50% interest. The Group's share of profit from WCIL amounted to US$181,000 for the six months ended 30 June 2010 (30 June 2009: share of loss of US$5,000). As at 30 June 2010, the Group's cumulative share of losses in WCIL has exceeded its interest in WCIL by US$45,000 (31 December 2009: US$226,000) and this has been recorded in accruals and other liabilities as the Group has constructive obligations towards WCIL.

Clever Create Limited ("CCL") is a company in which Mr. Kwan Yany Yan Chi ("Mr. Kwan") and his wife have an interest. Mr. Kwan is a director and an indirect substantial shareholder of Treasure Island Entertainment Complex Limited ("TIECL"), a 75% owned subsidiary of the Company.

Rich Hope Limited ("Rich Hope") is a company in which Tan Sri Lim Kok Thay and his wife have attributable interests as to 75% and 25% respectively. Tan Sri Lim Kok Thay is also a director of Star Cruises (HK) Limited ("SCHK"), an indirect wholly-owned subsidiary of the Company.

Resorts World at Sentosa Pte. Ltd. ("RWS") is a company incorporated in Singapore and an indirect wholly-owned subsidiary of GENS. Crystal Aim Limited ("CAL") is a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company.

Genting International Management Limited ("GIML"), a wholly-owned subsidiary of GENS, is the registered owner of the "Crockfords and device" trademark (the "Crockfords" Trademark).

NCLC is a jointly controlled entity of the Company.

Significant related party transactions entered into or subsisting between the Group and these companies during the six months ended 30 June 2010 and 2009 are set out below:

(a) Related companies of GENT provide certain services to the Group, including secretarial and share registration services, air ticket purchasing services, leasing of office space and other support services (such as information technology support services, travel services, other purchasing services and central reservation services). Amount charged to the Group in respect of these services rendered by the GENT Group was approximately US$659,000 for the six months ended 30 June 2010 (30 June 2009: US$833,000).

(b) The Group provides certain administrative support services to GENS internationally and the amount charged to GENS was approximately US$1,000 for the six months ended 30 June 2010 (30 June 2009: US$40,000).

20. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(c) WCIL, together with its subsidiaries, operate and administer the WorldCard programme on an international basis (save for Malaysia). The Group participated as a merchant in the WorldCard programme (save for Malaysia) and was subsequently allowed to participate in the WorldCard programme in Malaysia through certain inter-operator arrangements. In May 2007, the WorldCard programme was extended to cover sale of travel and tour packages which are sold to WorldCard holders at onshore outlets of the Group in various territories, including the cruise packages to board for the cruise ships of the Company or of its affiliates.

The Group also implemented joint promotion and marketing programmes for the purpose of promoting the respective businesses of the Group and the GENM Group.

During the six months ended 30 June 2010 and 2009, the following transactions took place:

	Six months ended 30 June	
	2010	2009
	US$'000	*US$'000*
	unaudited	*unaudited*
Amounts charged from the GENT Group to the Group	361	479
Amounts charged to the GENT Group by the Group	300	157

(d) On 29 May 2009, TIECL entered into a tenancy agreement with CCL in respect of the lease of an office area in Macau. During the six months ended 30 June 2010, the amount charged by CCL to the Group in respect of the rental amounted to US$70,000 (30 June 2009: US$58,000). No amount was paid to CCL for fitting out work for the six months ended 30 June 2010 (30 June 2009: US$311,000).

(e) On 1 January 2010, SCHK entered into a tenancy agreement with Rich Hope in respect of the lease of an apartment in Hong Kong. During the six months ended 30 June 2010, the amount charged by Rich Hope to SCHK in respect of the rental and various deposits amounted to US$162,000.

(f) On 21 January 2010, CAL entered into a services agreement with RWS pursuant to which RWS engages CAL as a provider of certain services in respect of an integrated resort located at Sentosa, Singapore known as Resorts World Sentosa owned and operated by RWS, including but not limited to handling of English speaking inbound and outbound operation administration calls and provision of any reservations and booking services of tour packages, hotel rooms and any tickets for local and overseas customers of RWS, and handling of all amendment and cancellation related activities of any reservations and booking services. Amount charged to RWS in respect of these services rendered by CAL was approximately US$351,000 for the six months ended 30 June 2010.

Amounts outstanding at the end of each fiscal period in respect of the above transactions were included in the condensed consolidated statement of financial position within amounts due to related companies. The related party transactions described above were carried out on terms, conditions and prices comparable in transactions with independent parties.

(g) On 1 April 2009, the Group accepted an unsecured and interest bearing short-term loan facility of US$50 million from Golden Hope, a substantial shareholder of the Company. In April 2009, the Group drewdown the shareholder's loan for the additional equity investment in NCLC and this loan was subsequently repaid in May 2009.

(h) On 9 April 2009, Star Cruises (BVI) Limited ("SCBVI"), an indirect wholly-owned subsidiary of the Company, entered into an agreement with GIML to obtain the right to use and authorisation to grant to any companies within the Group and to any authorised third party (the "Authorised Company") subject to prior consent of GIML the right to use, the "Crockfords" Trademark in Macau, the Philippines and such other locations as may be mutually agreed in writing by SCBVI and GIML (the "Territories") for a consideration of GBP1.00. In addition, the Group and/or the Authorised Company shall expend an amount equivalent to GBP50,000 per annum in each of the Territories to promote and market the "Crockfords" Trademark in the Territories.

20. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(i) On 17 August 2007, the Group entered into a Reimbursement and Distribution Agreement ("RDA") with NCLC, Apollo Management, L.P. and its affiliates which set out arrangements in relation to the business of NCL America ("NCLA"). As part of the RDA, the Group had agreed to reimburse NCLC for certain cash losses of NCLA and for certain expenses (in the event of a shutdown of the NCLA business) and the reimbursement shall not exceed US$85.0 million in aggregate. In January 2009, the Group paid an amount of US$56.0 million in respect of this reimbursement.

On 19 December 2008, the Company and the other parties to the RDA confirmed that they had made the NCLA Wind-up Determination. In implementing the NCLA Wind-up Determination, NCLC had transferred m.v. Norwegian Sky (previously known as m.v. Pride of Aloha) in the amount of US$293.8 million to the Group in January 2009. On 2 January 2009, the Group entered into a bareboat charter agreement with NCLC for the charter hire of m.v. Norwegian Sky for a period of approximately 2 years, at US$24.8 million per annum. Cash payment in respect of m.v. Pride of America of US$196.9 million was received by the Group from NCLC in July 2008. In June 2009, S.S. United States at the value of US$10.5 million was transferred by NCLC to the Group.

(j) NCLC entered into charter agreements with the Group for certain ships owned by the Group. Charter hire revenue received for these ships was US$12.3 million for the six months ended 30 June 2010 (30 June 2009: US$15.1 million).

21. CAPITAL COMMITMENTS AND CONTINGENCIES

(i) Capital expenditure

Capital expenditure contracted but not provided for at the statement of financial position date are as follows:

	As at	
	30 June 2010 *US$'000 unaudited*	31 December 2009 *US$'000 audited*
Contracted but not provided for		
– Property under development	5,681	8,605

(ii) Material litigation and contingencies

There were no material updates to the information disclosed in the Group's annual report for the year ended 31 December 2009.

22. SIGNIFICANT SUBSEQUENT EVENTS

(a) Effective 1 July 2010, the Group and NCLC agreed to extend the charter of m.v. Norwegian Sky to 31 December 2012 with two one-year extension options, with each option subject to the mutual consent of each party. The new agreement provides for a purchase option of the ship during the charter period.

(b) In August 2010, Travellers International Hotel Group, Inc. ("Travellers"), an associate, declared a dividend of US$20 million to its stockholders, US$10 million of which pertains to the Group.

Interim Dividend

The Directors do not recommend the declaration of interim dividend in respect of the six months ended 30 June 2010.

Management's Discussion and Analysis

The following discussion is based on, and should be read in conjunction with, the financial information and the notes thereto included elsewhere in this interim report and the annual report of the Group for the year ended 31 December 2009.

Terminology

Net revenue represents total revenues less commissions, transportation and other expenses, and onboard and other expenses.

Net yield represents net revenue per capacity day. The Group utilises net yield to manage its business on a day-to-day basis and believes that it is the most relevant measure of the pricing performance and is commonly used in the cruise industry to measure pricing performance.

Ship operating expenses represent operating expenses excluding commissions, transportation and other expenses and onboard and other expenses. NCLC and its subsidiaries ("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.

EBITDA represents earnings before interest and other income (expense) including taxes, and depreciation and amortisation. The Group uses EBITDA to measure operating performance of the business.

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.

Six months ended 30 June 2010 ("1H 2010") compared with six months ended 30 June 2009 ("1H 2009")

The Group

Turnover

The Group's total revenue for 1H 2010 was US$184.7 million, an increase of 5.1% from US$175.8 million in 1H 2009. Net revenue in 1H 2010 increased by 7.5% as a results of increase in capacity days by 4.7% compare to 1H 2009 and higher passenger ticket revenue from m.v. SuperStar Virgo, m.v. SuperStar Libra and m.v. Star Pisces. Occupancy was at 82% in 1H 2010 compared with 86% in 1H 2009.

Cost and expenses

Total costs and expenses before finance costs and other items for 1H 2010 amounted to US$168.1 million compared with US$208.7 million for 1H 2009, a decrease of US$40.6 million.

Operating expenses excluding depreciation, amortisation and impairment loss decreased US$5.1 million (4.6%) to US$105.1 million in 1H 2010 from US$110.2 million in 1H 2009, primarily due to 3.6% decrease in ship operating expenses, achieved through cost savings in payroll, port charges and insurance partially offset by higher fuel costs, and also reduction in charter hire expenses due to delivery of m.v. Norwegian Majesty to its owner in November 2009. Ship operating expenses per capacity day decreased by 7.9% in 1H 2010. Higher fuel cost is due to an approximately 39% increase in average fuel price from US$346 per metric ton in 1H 2009 to US$480 per metric ton in 1H 2010.

Selling, general and administrative expenses excluding depreciation and amortisation decreased by US$9.0 million (23.6%) to US$29.1 million in 1H 2010 from US$38.1 million in 1H 2009 mainly due to one off retrenchment cost in 1H 2009.

Depreciation and amortisation expenses decreased by US$3.1 million (8.3%) primarily due to the cessation of depreciation for jetties, terminal building and improvement in Port Klang which has been classified as non-current assets held for sale since July 2009, and decrease in dry-docking expenses.

Management's Discussion and Analysis *(Continued)*

EBITDA

The Group's EBITDA for 1H 2010 was US$50.5 million, increase of 84.3% from US$27.4 million for 1H 2009.

Net finance costs

Net finance costs increased US$1.0 million (8.3%) during 1H 2010 primarily due to higher average outstanding debt and weighted average interest rates for the period under review.

Other income, net

Net other income was US$14.4 million for 1H 2010 compared with US$4.1 million for 1H 2009. During 1H 2010, the net other income comprised the gain on disposal of subsidiaries of US$17.6 million, partially offset by loss on fuel swaps of US$2.6 million. During 1H 2009, the net other income was mainly arising the income on distribution of asset from NCLC of US$5.3 million, partially offset by loss on foreign exchange of US$2.3 million.

Profit / (Loss) before taxation

Profit before taxation for 1H 2010 was US$11.7 million compared to loss before taxation of US$34.6 million for 1H 2009.

Taxation

The Group incurred a taxation expense of US$0.4 million for 1H 2010 compared with US$0.7 million for 1H 2009.

Profit / (Loss) attributable to equity holders

Net profit attributable to equity holders of the Company was US$12.0 million for 1H 2010 compared with net loss attributable to equity holders of US$34.5 million in 1H 2009.

Liquidity and financial resources

As at 30 June 2010, cash and cash equivalents amounted to US$166.4 million, an increase of US$28.8 million compared with the amount of US$137.6 million as at 31 December 2009. The increase in cash and cash equivalents was primarily due to net cash inflow from operating activities, net cash inflow arising on disposal of subsidiaries and net proceeds from drawdown of the Group's credit facilities during the period, partially offset by net cash outflow from investing activities, including additional equity investment in Travellers of US$30 million during the period under review. Majority of the Group's cash and cash equivalents are held in U.S. dollars, Singapore dollars and Hong Kong dollars. The Group's liquidity as at 30 June 2010 was US$351.0 million (31 December 2009: US$264.7 million), comprising cash and cash equivalents and undrawn credit facilities.

Total loans and borrowings as at 30 June 2010 was in the amount of US$600.3 million (31 December 2009: US$578.7 million), denominated in U.S. dollars and Hong Kong dollars. Approximately 27% (31 December 2009: 29%) of the Group's loans and borrowings was under fixed rate and 73% (31 December 2009: 71%) was under floating rate, after taking into consideration the effect of interest rate swaps. Loans and borrowings in the amount of US$88.1 million (31 December 2009: US$98.7 million) was repayable within 1 year. The outstanding borrowings of the Group are secured by legal charges over vessels and leasehold properties including fixed and floating charges over assets of the Group of US$1.2 billion (31 December 2009: US$1.3 billion).

As at 30 June 2010, gearing ratio calculated based on net debt divided by total capital was 0.23 times, a slight decrease compared with 0.24 times as at 31 December 2009. Net debt of approximately US$0.43 billion (31 December 2009: US$0.44 billion) is calculated as total borrowings (including current and non-current borrowings) less cash and cash equivalents. The total capital of the Group is approximately US$1.89 billion (31 December 2009: US$1.87 billion).

The Group adopts a prudent treasury policy with all financing and treasury activities managed and controlled at its corporate head office. The Group manages its exposure primarily through foreign currency forward contracts, fuel swap agreements and interest rate swaps. It is also the Group's policy that hedging will not be performed in excess of actual requirement. The Group also applies fuel surcharge to mitigate the fluctuation in fuel prices.

Prospects

Resorts World Manila at Newport City in Manila has continued to extend its leisure and entertainment offerings since its soft opening in August 2009, with the gradual introduction of luxury hotels, theatre, cinemas, shopping mall and other facilities, at various phases throughout the year. The Group expects to celebrate its first fully operational land-based integrated leisure, entertainment and hospitality venture in the Philippines during the fourth quarter of 2010.

NCLC Group continue to strengthen its market position in the cruise industry with the recent launch of its newest ship, m.v. Norwegian Epic.

NCLC Group

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

Total revenue remained relatively unchanged in 2010 compared to 2009. Net revenue increased 1.3% primarily due to a 6.3% increase in net yield partially offset by the 4.7% decrease in capacity days. The increase in net yield was primarily due to an increase in passenger ticket pricing and onboard revenue due to increased net revenue from NCLC Group's gaming operations and shore excursions. A decrease in capacity days was the result of the departure of m.v. Norwegian Majesty from NCLC Group's fleet in October 2009.

Total operating expense decreased 4.2% in 2010 compared to 2009 primarily related to a decrease in capacity days and lower ship operating expenses partially offset by an increase in fuel expense primarily as a result of an increase in average fuel prices. Average fuel price per metric ton increased 52.8% to US$498 in 2010 from US$326 in 2009. Total other operating expense remained relatively unchanged compared to 2009 with an increase in marketing expenses offset by lower expenses associated with cost control initiatives. Ship operating expenses decreased 1.7% in 2010 compared to 2009. Ship operating expenses per capacity day increased 3.1% due to higher fuel expense per capacity day and higher marketing, general and administrative expense per capacity day partially offset by lower other ship operating expense and port charges per capacity day.

Depreciation and amortisation expense increased slightly in 2010 compared to 2009 due to depreciation expense related to m.v. Norwegian Epic which entered service in late June 2010.

Interest expense, net of capitalised interest, increased to US$72.9 million in 2010 from US$52.0 million in 2009 primarily due to higher average interest rates. Other income (expense) was a net expense of US$34.4 million in 2010 compared to income of US$13.1 million in 2009. The expense in 2010 was primarily due to losses on foreign exchange contracts associated with the financing of m.v. Norwegian Epic. The income in 2009 was primarily due to fuel derivative gains of US$17.1 million partially offset by foreign currency losses, primarily due to changes in the exchange rate regarding the revaluation of NCLC Group's euro-denominated debt to U.S.dollars, and losses on NCLC Group's interest rate swap.

Other than as disclosed above and elsewhere in this interim report, the Directors are not aware of any other material changes to the information in relation to the Group's performance and the material factors underlying its result and financial position published in the annual report for the year ended 31 December 2009.

Interests of Directors

As at 30 June 2010, the interests and short positions of the Directors and the Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Hong Kong (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") and in accordance with information received by the Company were as follows:

(A) Interests in the shares of the Company

	Nature of interests/capacity in which such interests were held					
Name of Director	**Beneficial owner**	**Interests of spouse**	**Interests of controlled corporation**	**Founder/ Beneficiary of discretionary trusts**	**Total**	**Percentage of issued ordinary shares**
	Number of ordinary shares *(Notes)*					
Tan Sri Lim Kok Thay	362,379,135	36,298,108 *(1)*	2,035,982,196 *(2)*	4,974,882,524 *(3)*	5,920,188,675 *(4)*	79.720
Mr. William Ng Ko Seng (Alternate Director to Tan Sri Lim Kok Thay)	752,631	—	—	—	752,631	0.010

Notes:

As at 30 June 2010:

(1) Tan Sri Lim Kok Thay had a family interest in the same block of 36,298,108 ordinary shares directly held by Goldsfine Investments Ltd. ("Goldsfine") in which his wife, Puan Sri Wong Hon Yee had a corporate interest.

(2) Tan Sri Lim Kok Thay was also deemed to have a corporate interest in 2,035,982,196 ordinary shares (comprising (i) the same block of 36,298,108 ordinary shares directly held by Goldsfine in which each of Tan Sri Lim Kok Thay and Puan Sri Wong Hon Yee held 50% of its issued share capital; (ii) the same block of 546,628,908 ordinary shares directly held by Joondalup Limited in which Tan Sri Lim Kok Thay held 100% of its issued share capital; and (iii) the same block of 1,432,959,180 ordinary shares directly held by Resorts World Limited ("RWL") and the same block of 20,096,000 ordinary shares directly held by Genting Overseas Holdings Limited ("GOHL") by virtue of his interests in a chain of corporation holding RWL and GOHL (details of the percentage interests in such corporations were set out in the section headed "Interests of Substantial Shareholders" below)).

(3) Tan Sri Lim Kok Thay as founder and a beneficiary of two discretionary trusts (trustees of which are Parkview Management Sdn Bhd and GZ Trust Corporation respectively), had a deemed interest in 4,974,882,524 ordinary shares.

(4) There was no duplication in arriving at the total interest.

(5) All the above interests represented long positions in the shares and excluded those in the underlying shares held through share options, convertible bonds or other equity derivatives. Interests of the respective Directors set out in this subsection (A) need to be aggregated with their interests in the underlying shares held through share options, convertible bonds or other equity derivatives of the Company set out in subsection (B) below in order to give the total interests of the respective Directors in the Company pursuant to the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Interests of Directors *(Continued)*

(B) Interests in the underlying shares of the Company held through share options, convertible bonds or other equity derivatives

Share options are granted to the Directors under The Star Cruises Employees' Share Option Scheme adopted by the Company on 16 April 1997 prior to the listing of its ordinary shares on the Stock Exchange (the "Pre-listing Employee Share Option Scheme") and the share option scheme adopted by the Company on 23 August 2000 (as effected on 30 November 2000 and amended on 22 May 2002) (the "Post-listing Employee Share Option Scheme").

As at 30 June 2010, the Directors had personal interests in the following underlying shares of the Company held through share options granted under the Pre-listing Employee Share Option Scheme and the Post-listing Employee Share Option Scheme:

Name of Director	Number of underlying ordinary shares	Percentage of issued ordinary shares	Capacity in which such interests were held
Tan Sri Lim Kok Thay	11,542,739	0.155	Beneficial owner
Mr. William Ng Ko Seng (Alternate Director to Tan Sri Lim Kok Thay)	2,265,770	0.031	Beneficial owner

Further details of share options granted to the Directors under the Pre-listing Employee Share Option Scheme and the Post-listing Employee Share Option Scheme are set out in the section headed "Share Options" below.

These interests in share options represented long positions in the underlying shares in respect of physically settled derivatives of the Company. Interests of the respective Directors set out in this subsection (B) need to be aggregated with their interests in the shares of the Company set out in subsection (A) above in order to give the total interests of the respective Directors in the Company pursuant to the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(C) Interests in the shares of associated corporation of the Company

Name of associated corporation	Name of Director	Nature of interests/ capacity in which such interests were held: Interests of controlled corporation	Founder/ Beneficiary of discretionary trusts	Total	Percentage of issued ordinary shares
		Number of ordinary shares *(Notes)*			
WorldCard International Limited ("WCIL") *(1)*	Tan Sri Lim Kok Thay	500,000 *(2)*	1,000,000 *(3)*	1,000,000 *(4 and 5)*	100

Notes:

As at 30 June 2010:

(1) WCIL was a company in which a subsidiary of each of the Company and Genting Singapore PLC ("GENS") had a 50% interest.

(2) Tan Sri Lim Kok Thay was deemed to have a corporate interest in 500,000 ordinary shares of WCIL directly held by Calidone Limited ("Calidone"), a wholly-owned subsidiary of GENS which was in turn a 51.73% owned subsidiary of Genting Berhad ("GENT") through its wholly-owned subsidiary, namely GOHL, by virtue of his interests in a chain of corporations holding Calidone (details of the percentage interests in such corporations were set out in this note and the section headed "Interests of Substantial Shareholders" below).

(3) Tan Sri Lim Kok Thay as founder and a beneficiary of two discretionary trusts had a deemed interest in 1,000,000 ordinary shares of WCIL.

(4) There was no duplication in arriving at the total interest.

(5) These interests represented long positions in the shares of WCIL.

Interests of Directors *(Continued)*

Save as disclosed above and in the sections headed "Share Options" and "Interests of Substantial Shareholders" below:

(a) as at 30 June 2010, none of the Directors or the Chief Executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code; and

(b) at no time during the period was the Company and its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares, underlying shares or debentures in the Company or any other body corporate.

Share Options

Details of the Company's Pre-listing Employee Share Option Scheme and Post-listing Employee Share Option Scheme are set out in the published annual report of the Company for the year ended 31 December 2009. Share options are granted to certain Directors of the Company and employees of the Group under the said schemes. Details of the movement in the share options granted under the Pre-listing Employee Share Option Scheme and the Post-listing Employee Share Option Scheme during the period and outstanding as at 30 June 2010 were as follows:

(A) Pre-listing Employee Share Option Scheme

	Number of options outstanding at 01/01/2010	Number of shares acquired upon exercise of options during the period	Number of options lapsed during the period	Number of options cancelled during the period	Number of options outstanding at 30/06/2010	Date granted	Exercise price per share	Exercisable period
Tan Sri Lim Kok Thay (Director)	259,584	—	—	—	259,584	23/10/2000	US$0.2524	23/10/2003 – 22/08/2010
	64,894	—	—	—	64,894	16/11/2000	US$0.2524	23/10/2003 – 22/08/2010
	324,478	**—**	**—**	**—**	**324,478**			
Mr. William Ng Ko Seng (Alternate Director to Tan Sri Lim Kok Thay)	98,639	—	—	—	98,639	23/10/2000	US$0.2524	23/10/2003 – 22/08/2010
	5,188	—	—	—	5,188	23/10/2000	US$0.3953	23/10/2003 – 22/08/2010
	103,827	**—**	**—**	**—**	**103,827**			
All other employees	259,584	—	(259,584)	—	—	07/01/2000	US$0.3953	07/01/2003 – 06/01/2010
	242,042	—	—	(124,596)	117,446	23/10/2000	US$0.2524	23/10/2003 – 22/08/2010
	242,168	—	—	(8,424)	233,744	23/10/2000	US$0.3953	23/10/2003 – 22/08/2010
	743,794	**—**	**(259,584)**	**(133,020)**	**351,190**			
Grand Total	**1,172,099**	**—**	**(259,584)**	**(133,020)**	**779,495**			

The outstanding share options under the Pre-listing Employee Share Option Scheme vest over a period of 10 years following their respective original dates of grant and generally become exercisable as to 20% and 30% of the amount granted 3 years and 4 years after the grant date, with the remaining options exercisable annually in equal tranches of 10% over the remaining option period, subject to further terms and conditions set out in the relevant offer letters and provisions of the Pre-listing Employee Share Option Scheme.

Share Options *(Continued)*

(B) Post-listing Employee Share Option Scheme

	Number of options outstanding at 01/01/2010	Number of shares acquired upon exercise of options during the period	Number of options lapsed during the period	Number of options cancelled during the period	Number of options outstanding at 30/06/2010	Date granted	Exercise price per share	Exercisable period
Tan Sri Lim Kok Thay (Director)	3,585,521	—	—	—	3,585,521	19/08/2002	HK$2.8142	20/08/2004 – 19/08/2012
	632,740	—	—	—	632,740	23/08/2004	HK$1.6202	24/08/2006 – 23/08/2014
	7,000,000	—	—	—	7,000,000	27/05/2008	HK$1.7800	28/05/2009 – 27/05/2018
	11,218,261	**—**	**—**	**—**	**11,218,261**			
Mr. William Ng Ko Seng (Alternate Director to Tan Sri Lim Kok Thay)	661,943	—	—	—	661,943	19/08/2002	HK$2.8142	20/08/2004 – 19/08/2012
	1,500,000	—	—	—	1,500,000	27/05/2008	HK$1.7800	28/05/2009 – 27/05/2018
	2,161,943	**—**	**—**	**—**	**2,161,943**			
All other employees	55,719,813	—	(7,317)	—	55,712,496	19/08/2002	HK$2.8142	20/08/2004 – 19/08/2012
	542,757	—	—	—	542,757	08/09/2003	HK$2.8142	09/09/2005 – 08/09/2013
	9,662,158	—	—	—	9,662,158	23/08/2004	HK$1.6202	24/08/2006 – 23/08/2014
	25,630,000	—	(1,500,000)	—	24,130,000	27/05/2008	HK$1.7800	28/05/2009 – 27/05/2018
	91,554,728	**—**	**(1,507,317)**	**—**	**90,047,411**			
Grand Total	**104,934,932**	**—**	**(1,507,317)**	**—**	**103,427,615**			

Other than (i) the share options granted on 23 August 2004 under the Post-listing Employee Share Option Scheme which become exercisable in part or in full for a period of eight years commencing from two years after the date of offer and (ii) the share options granted on 27 May 2008 under the Post-listing Employee Share Option Scheme vest in five tranches over a period of ten years from the date of offer and become exercisable annually in equal tranches of 20% of the amount granted commencing in each of the 5 years from 2009 to 2013, the outstanding share options under the Post-listing Employee Share Option Scheme vest in seven tranches over a period of ten years from their respective dates of offer and become exercisable as to 30% and 20% of the amount granted commencing from two years and three years respectively after the dates of offer, with the remaining options exercisable annually in equal tranches of 10% commencing in each of the following years. All the outstanding share options under the Post-listing Employee Share Option Scheme are subject to further terms and conditions set out in the relevant offer letters and provisions of the Post-listing Employee Share Option Scheme.

Interests of Substantial Shareholders

As at 30 June 2010, the following persons (other than the Directors or the Chief Executive of the Company) had interests or short positions in the shares and underlying shares of the Company, being 5% or more of the Company's issued share capital, as recorded in the register required to be kept under section 336 of the SFO and in accordance with information received by the Company:

(A) Interests in the shares of the Company

	Nature of interests/capacity in which such interests were held						
Name of shareholder *(Notes)*	Beneficial owner	Interests of spouse	controlled corporation	Trustee	Beneficiary of trust	Total	Percentage of issued ordinary shares
	Number of ordinary shares *(Notes)*						
Parkview Management Sdn Bhd (as trustee of a discretionary trust) *(1)*	—	—	1,453,055,180 *(10)*	1,453,055,180 *(12)*	—	1,453,055,180 *(19)*	19.57
Kien Huat Realty Sdn. Berhad *(2)*	—	—	1,453,055,180 *(10)*	—	—	1,453,055,180	19.57
Genting Berhad *(3)*	—	—	1,453,055,180 *(10)*	—	—	1,453,055,180	19.57
Genting Malaysia Berhad *(4)*	—	—	1,432,959,180 *(11)*	—	—	1,432,959,180	19.30
Sierra Springs Sdn Bhd *(5)*	—	—	1,432,959,180 *(11)*	—	—	1,432,959,180	19.30
Resorts World Limited *(5)*	1,432,959,180	—	—	—	—	1,432,959,180	19.30
GZ Trust Corporation (as trustee of a discretionary trust) *(6)*	—	—	3,521,827,344 *(13)*	3,521,827,344 *(14)*	3,521,827,344 *(16)*	3,521,827,344 *(19)*	47.42
Cove Investments Limited *(7)*	—	—	—	—	3,521,827,344 *(17)*	3,521,827,344	47.42
Golden Hope Limited (as trustee of Golden Hope Unit Trust) *(8)*	—	—	—	3,521,827,344 *(15)*	—	3,521,827,344	47.42
Joondalup Limited *(9)*	546,628,908	—	—	—	—	546,628,908	7.36
Puan Sri Wong Hon Yee	—	5,920,188,675 *(18(a))*	36,298,108 *(18(b))*	—	—	5,920,188,675 *(19)*	79.72

Notes:

As at 30 June 2010:

(1) Parkview Management Sdn Bhd ("Parkview") was a trustee of a discretionary trust (the "Discretionary Trust 1"), the beneficiaries of which included certain family members of the late Tan Sri Lim Goh Tong (the "Lim Family"). Tan Sri Lim Kok Thay ("Tan Sri KT Lim") controlled an aggregate of 33.33% of the equity interest in Parkview directly and indirectly.

(2) Kien Huat Realty Sdn. Berhad ("KHR") was a private company of which the Discretionary Trust 1, through Aranda Tin Mines Sdn Bhd, Infomark (Malaysia) Sdn Bhd, Inforex Sdn Bhd, Dataline Sdn Bhd and Info-Text Sdn Bhd (all of which were 100% held by Parkview as trustee of the Discretionary Trust 1), controlled an aggregate of 100% of its equity interest.

(3) Genting Berhad ("GENT") was a company listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia") of which KHR controlled 39.60% of its equity interest carrying voting power.

(4) Genting Malaysia Berhad ("GENM") was a company listed on the Main Market of Bursa Malaysia of which GENT controlled 48.64% of its equity interest.

(5) Resorts World Limited ("RWL") was a subsidiary of Sierra Springs Sdn Bhd ("Sierra Springs") and both of them were wholly-owned subsidiaries of GENM.

(6) GZ Trust Corporation ("GZ") was the trustee of a discretionary trust (the "Discretionary Trust 2") established for the benefit of certain members of the Lim Family. GZ as trustee of the Discretionary Trust 2 held 99.99% of the units in Golden Hope Unit Trust ("GHUT"), a private unit trust directly and 0.01% of the units in GHUT indirectly through Cove (as defined below).

Interests of Substantial Shareholders *(Continued)*

(A) Interests in the shares of the Company *(Continued)*

Notes: (Continued)

As at 30 June 2010: *(Continued)*

(7) Cove Investments Limited ("Cove") was wholly-owned by GZ as trustee of the Discretionary Trust 2.

(8) Golden Hope Limited ("Golden Hope") was the trustee of GHUT.

(9) Joondalup Limited was wholly-owned by Tan Sri KT Lim.

(10) Each of Parkview as trustee of the Discretionary Trust 1, KHR and GENT had a corporate interest in 1,453,055,180 ordinary shares (comprising the same block of 1,432,959,180 ordinary shares held directly by RWL and the same block of 20,096,000 ordinary shares held directly by Genting Overseas Holdings Limited ("GOHL"), a wholly-owned subsidiary of GENT).

(11) Each of GENM and Sierra Springs had a corporate interest in the same block of 1,432,959,180 ordinary shares held directly by RWL.

(12) The interest in 1,453,055,180 ordinary shares was held by Parkview in its capacity as trustee of the Discretionary Trust 1 and it comprised the same block of 1,432,959,180 ordinary shares held directly by RWL and the same block of 20,096,000 ordinary shares held directly by GOHL.

(13) GZ as trustee of the Discretionary Trust 2 had a corporate interest in the same block of 3,521,827,344 ordinary shares held directly by Golden Hope as trustee of GHUT.

(14) GZ in its capacity as trustee of the Discretionary Trust 2 had a deemed interest in the same block of 3,521,827,344 ordinary shares held directly by Golden Hope as trustee of GHUT.

(15) The interest in 3,521,827,344 ordinary shares was held directly by Golden Hope in its capacity as trustee of GHUT.

(16) GZ as trustee of the Discretionary Trust 2 was deemed to have interest in the same block of 3,521,827,344 ordinary shares held directly by Golden Hope as trustee of GHUT in its capacity as beneficiary of GHUT.

(17) Cove which held 0.01% of the units in GHUT was deemed to have interest in the same block of 3,521,827,344 ordinary shares held directly by Golden Hope as trustee of GHUT in its capacity as beneficiary of GHUT.

(18) (a) Puan Sri Wong Hon Yee ("Puan Sri Wong") as the spouse of Tan Sri KT Lim, had a family interest in the same block of 5,920,188,675 ordinary shares in which Tan Sri KT Lim had a deemed interest. These interests did not include the deemed interests of Puan Sri Wong in the underlying shares of the Company through share options held personally by Tan Sri KT Lim and need to be aggregated with such interests set out in subsection (B) below to give the total interests of Puan Sri Wong pursuant to the SFO.

(b) Puan Sri Wong also had a corporate interest in 36,298,108 ordinary shares held directly by Goldsfine by holding 50% of its equity interest.

(19) There was no duplication in arriving at the total interest.

(20) All the above interests represented long positions in the shares of the Company and excluded those in the underlying shares held through share options, convertible bonds or other equity derivatives.

(B) Interests in the underlying shares of the Company held through share options, convertible bonds or other equity derivatives

Name of shareholder	Number of underlying ordinary shares	Percentage of issued ordinary shares	Nature of interests
Puan Sri Wong Hon Yee	11,542,739 *(Note)*	0.155	Interests of spouse

Note:

As at 30 June 2010, Puan Sri Wong as the spouse of Tan Sri KT Lim, was deemed to have a family interest in 11,542,739 underlying ordinary shares of the Company by virtue of the share options granted to Tan Sri KT Lim under the Pre-listing Employee Share Option Scheme and the Post-listing Employee Share Option Scheme. These interests represented long positions in the underlying shares in respect of physically settled derivatives of the Company and need to be aggregated with her interests set out in subsection (A) above to give her total interests pursuant to the SFO.

Save as disclosed above and in the sections headed "Interests of Directors" and "Share Options" above, as at 30 June 2010, there were no other persons who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

General Disclosure pursuant to the Listing Rules

Pursuant to Rules 13.18 and 13.21 of the Listing Rules, the Company discloses the following information.

Loan Agreements of the Group

The Group is a party to two loan agreements for an aggregate principal amount of US$900 million, with terms ranging from five to eight years from the dates of drawdown of the loans. As at 30 June 2010, the outstanding loan balance was approximately US$397.5 million.

Under the US$750 million secured term loan and revolving credit facility, the Lim Family is required to control (directly or indirectly) together or individually, the Company and beneficially own (directly or indirectly) at least 51% of the issued share capital of, and equity interest in, the Company during the term of the loan while the US$150 million secured floating rate term loan agreement requires the Lim Family (directly or indirectly) together or individually to control the Company by beneficially owning (directly or indirectly) at least 51% of the issued share capital of, and equity interest in, the Company at any time when this term loan facility is outstanding.

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's shares during the six months ended 30 June 2010.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules in force during the six months ended 30 June 2010 as its code of conduct regarding securities transactions by its Directors. All Directors have confirmed, following specific enquiry by the Company, that during the period from 1 January 2010 to 30 June 2010 (both dates inclusive), they have complied with the required standard set out in the Model Code as contained in Appendix 10 of the Listing Rules in force during the said period.

Corporate Governance

In the opinion of the Directors, during the six months ended 30 June 2010, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Listing Rules in force during the said period, save for the deviation from Code Provision A.2.1 which states that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Considered reasons for the deviation from Code Provision A.2.1 were set out in the Corporate Governance Report of the Company's annual report for the year ended 31 December 2009 issued in March 2010.

Review by Audit Committee

This interim report has been reviewed by the Audit Committee established in compliance with Rule 3.21 of the Listing Rules and the relevant provisions of the CG Code. The Audit Committee comprises four Independent Non-executive Directors of the Company, namely Mr. Heah Sieu Lay, Mr. Alan Howard Smith, Mr. Tan Boon Seng and Mr. Lim Lay Leng, and one Non-executive Director, namely Mr. Au Fook Yew.

On behalf of the Board

Tan Sri Lim Kok Thay
Chairman and Chief Executive Officer

Hong Kong, 28 August 2010