

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended May 31, 2004

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File Number: 1-9610

Commission File Number: 1-15136

Carnival Corporation
(Exact name of registrant as specified in its charter)

Carnival plc
(Exact name of registrant as specified in its charter)

Republic of Panama
(State or other jurisdiction of incorporation or organization)

England and Wales
(State or other jurisdiction of incorporation or organization)

59-1562976
(I.R.S. Employer Identification No.)

none
(I.R.S. Employer Identification No.)

3655 N.W. 87th Avenue
Miami, Florida 33178-2428
(Address of principal executive offices)
(Zip code)

Carnival House, 5 Gainsford Street,
London SE1 2NE, United Kingdom
(Address of principal executive offices)
(Zip code)

(305) 599-2600
(Registrant's telephone number, including area code)

011 44 20 7940 5381
(Registrant's telephone number, including area code)

None
(Former name, former address and former fiscal year, if changed since last report.)

None
(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrants are accelerated filers (as defined in Rule 12b-2 of the Exchange Act). Yes No

At July 9, 2004, Carnival Corporation had outstanding 633,066,932 shares of Common Stock, \$.01 par value.

At July 9, 2004, Carnival plc had outstanding 211,815,857 Ordinary Shares \$1.66 stated value, one Special Voting Share, GBP 1.00 par value and 633,066,932 Trust Shares of beneficial interest in the P&O Princess Special Voting Trust.

PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

CARNIVAL CORPORATION & PLC
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
(in millions, except per share data)

Six Months Ended May 31,		Three Months Ended May 31,	
-----	-----	-----	-----
2004	2003	2004	2003
----	----	----	----

Revenues				
Cruise				
Passenger tickets	\$ 3,218	\$ 1,808	\$ 1,691	\$ 1,008
Onboard and other	976	536	529	305
Other	45	33	36	29
	-----	-----	-----	-----
	4,239	2,377	2,256	1,342
	-----	-----	-----	-----
Costs and Expenses				
Operating				
Cruise				
Commissions, transportation and other	760	386	376	212
Onboard and other	178	72	97	44
Payroll and related	486	302	249	172
Food	264	158	137	88
Other ship operating	817	496	437	283
Other	43	33	33	28
	-----	-----	-----	-----
Total	2,548	1,447	1,329	827
Selling and administrative	638	389	322	212
Depreciation and amortization	388	241	200	135
	-----	-----	-----	-----
	3,574	2,077	1,851	1,174
	-----	-----	-----	-----
Operating Income	665	300	405	168
	-----	-----	-----	-----
Nonoperating (Expense) Income				
Interest income	9	13	4	9
Interest expense, net of capitalized interest	(136)	(71)	(70)	(42)
Other (expense) income, net	(7)	4	(7)	(11)
	-----	-----	-----	-----
	(134)	(54)	(73)	(44)
	-----	-----	-----	-----
Income Before Income Taxes	531	246	332	124
Income Tax Benefit, Net	4	9		4
	-----	-----	-----	-----
Net Income	\$ 535	\$ 255	\$ 332	\$ 128
	=====	=====	=====	=====
Earnings Per Share				
Basic	\$ 0.67	\$ 0.40	\$ 0.41	\$ 0.19
	=====	=====	=====	=====
Diluted	\$ 0.66	\$ 0.40	\$ 0.41	\$ 0.19
	=====	=====	=====	=====
Dividends Per Share	\$ 0.25	\$ 0.21	\$ 0.125	\$ 0.105
	=====	=====	=====	=====

The accompanying notes are an integral part of these consolidated financial statements.

CARNIVAL CORPORATION & PLC
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(in millions, except par/stated values)

	May 31, 2004 ----	November 30, 2003 ----
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 443	\$ 1,070
Accounts receivable, net	425	403
Inventories	211	171
Prepaid expenses and other	270	213
Fair value of derivative contracts	101	275
	-----	-----
Total current assets	1,450	2,132
	-----	-----
Property and Equipment, Net	19,948	17,522
Goodwill	3,212	3,031
Trademarks	1,349	1,324
Other Assets	444	482
	-----	-----
	\$ 26,403	\$ 24,491
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	\$ 249	\$ 94
Current portion of long-term debt	508	392
Convertible debt subject to current put option	600	--
Accounts payable	711	640
Accrued liabilities and other	410	426
Customer deposits	2,111	1,352
Dividends payable	100	100
Fair value of hedged firm commitments	101	264
	-----	-----
Total current liabilities	4,790	3,268
	-----	-----
Long-Term Debt	6,623	6,918
Other Long-Term Liabilities and Deferred Income	593	512
Contingencies (Note 5)		
Shareholders' Equity		
Common stock of Carnival Corporation; \$.01 par value; 1,960 shares authorized; 633 shares at 2004 and 630 shares at 2003 issued and outstanding	6	6
Ordinary shares of Carnival plc; \$1.66 stated value; 226 shares authorized; 212 shares at 2004 and 210 shares at 2003 issued	352	349
Additional paid-in capital	7,263	7,163
Retained earnings	7,526	7,191
Unearned stock compensation	(19)	(18)
Accumulated other comprehensive income	327	160
Treasury stock, 42 shares of Carnival plc at cost	(1,058)	(1,058)
	-----	-----
Total shareholders' equity	14,397	13,793
	-----	-----
	\$ 26,403	\$ 24,491
	=====	=====

The accompanying notes are an integral part of these consolidated financial statements.

CARNIVAL CORPORATION & PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in millions)

	Six Months Ended May 31,	
	2004	2003
	-----	-----
OPERATING ACTIVITIES		
Net income	\$ 535	\$ 255
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	388	241
Accretion of original issue discount	11	10
Other	12	4
Changes in operating assets and liabilities, excluding business acquired		
Increase in		
Receivables	(18)	(39)
Inventories	(42)	(4)
Prepaid expenses and other	(49)	(41)
Increase (decrease) in		
Accounts payable	64	56
Accrued and other liabilities	64	(34)
Customer deposits	742	217
	-----	-----
Net cash provided by operating activities	1,707	665
	-----	-----
INVESTING ACTIVITIES		
Additions to property and equipment	(2,648)	(613)
Cash acquired from the acquisition of P&O Princess, net		156
Proceeds from retirement of property and equipment	77	51
Other, net	(13)	(31)
	-----	-----
Net cash used in investing activities	(2,584)	(437)
	-----	-----
FINANCING ACTIVITIES		
Proceeds from issuance of long-term debt	842	898
Principal repayments of long-term debt	(624)	(284)
Proceeds from short-term borrowings, net	153	49
Dividends paid	(199)	(123)
Proceeds from exercise of stock options	97	14
Other	(4)	(12)
	-----	-----
Net cash provided by financing activities	265	542
	-----	-----
Effect of exchange rate changes on cash and cash equivalents	(15)	(56)
	-----	-----
Net(decrease) increase in cash and cash equivalents	(627)	714
Cash and cash equivalents at beginning of period	1,070	667
	-----	-----
Cash and cash equivalents at end of period	\$ 443	\$ 1,381
	=====	=====

The accompanying notes are an integral part of these consolidated financial statements.

CARNIVAL CORPORATION & PLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 - Basis of Presentation

Carnival Corporation is a Panamanian corporation, and Carnival plc is incorporated in England and Wales. Together with their consolidated subsidiaries they are referred to collectively in these consolidated financial statements and elsewhere in this joint Quarterly Report on Form 10-Q as "Carnival Corporation & plc," "our," "us," and "we." Our consolidated financial statements only include the consolidated results of the former P&O Princess Cruises plc operations since April 17, 2003.

On April 17, 2003, Carnival Corporation and Carnival plc (formerly known as P&O Princess Cruises plc or "P&O Princess") completed a dual listed company ("DLC") transaction (the "DLC transaction"), which implemented Carnival Corporation & plc's DLC structure. The DLC transaction combined the businesses of Carnival Corporation and Carnival plc through a number of contracts and amendments to Carnival Corporation's articles of incorporation and by-laws and to Carnival plc's memorandum of association and articles of association. The two companies have retained their separate legal identities, however, they operate as if they were a single economic enterprise.

The accompanying consolidated balance sheet at May 31, 2004, the consolidated statements of operations for the six and three months ended May 31, 2004 and 2003 and the consolidated statements of cash flows for the six months ended May 31, 2004 and 2003 are unaudited and, in the opinion of our management, contain all adjustments, consisting of only normal recurring adjustments, except as noted in the second paragraph of Note 3, necessary for a fair presentation. Our interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the related notes included in the Carnival Corporation & plc 2003 joint Annual Report on Form 10-K. Our operations are seasonal and results for interim periods are not necessarily indicative of the results for the entire year.

Commencing with the third quarter of fiscal 2003, we changed the reporting format of our consolidated statements of operations to present our significant revenue sources and their directly related variable costs and expenses. In addition, we have separately identified certain ship operating expenses, such as payroll and related expenses and food costs. Reclassifications have been made to prior period amounts to conform to the current period presentation.

Note 2 - Stock-Based Compensation

Pursuant to Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation," as amended, we elected to use the intrinsic value method of accounting for our employee and director stock-based compensation awards instead of the fair value method. Accordingly, we have not recognized compensation expense for our noncompensatory employee and director stock option awards. Our adjusted net income and adjusted earnings per share, had we elected to adopt the fair value approach of SFAS No. 123, which charges earnings for the estimated fair value of stock options, would have been as follows (in millions, except per share data):

	Six Months		Three Months	
	Ended May 31,		Ended May 31,	
	2004	2003	2004	2003
Net income, as reported	\$ 535	\$ 255	\$ 332	\$ 128
Stock-based compensation expense included in net income, as reported	6	2	4	1
Total stock-based compensation expense determined under the fair value-based method for all awards	(45)(a)	(17)	(12)	(9)
Adjusted net income for basic earnings per share	496	240	324	120
Interest on dilutive convertible notes	13		9	
Adjusted net income for diluted earnings per share	\$ 509	\$ 240	\$ 333	\$ 120
Earnings per share				
Basic				
As reported	\$0.67	\$0.40	\$0.41	\$0.19
Adjusted	\$0.62	\$0.38	\$0.40	\$0.17
Diluted				
As reported	\$0.66	\$0.40	\$0.41	\$0.19
Adjusted	\$0.62	\$0.38	\$0.40	\$0.17

(a) During the six months ended May 31, 2004 we completed a corporate reorganization. As a result of that reorganization, 2.3 million unvested options held by employees vested immediately. This vesting occurred either in accordance with the terms of the option plan or to avoid having these employees and Carnival Corporation incur unduly burdensome taxes upon the exercise of such options at a later date. As a result of this accelerated vesting we included an additional nonrecurring amount of \$23 million of stock-based compensation expense determined under the fair value-based method in the adjusted net income for the six months ended May 31, 2004.

NOTE 3 - DLC Transaction

The DLC transaction has been accounted for as an acquisition of P&O Princess by Carnival Corporation, using the purchase method of accounting. P&O Princess' accounting policies have been conformed to Carnival Corporation's policies. P&O Princess' reporting period has been changed to Carnival Corporation's reporting period, and the pro forma information presented below covers the same period of time for both companies. P&O Princess changed its name to Carnival plc upon completion of the DLC transaction. The P&O Princess purchase price was \$5.36 billion and the number of additional shares effectively issued in the combined entity for purchase accounting purposes was 209.6 million.

During the three months ended May 31, 2004 we increased the fair values of the P&O Princess publicly traded debt, and correspondingly, goodwill, by \$87 million to take into account the extension of Carnival Corporation's guarantee to cover this debt as of the acquisition date. The impact of this correction on our current and prior period financial statements was immaterial. There have been no other significant changes to our goodwill carrying amount since November 30, 2003, other than the changes resulting from using different foreign currency translation rates at each balance sheet date.

The following pro forma information has been prepared as if the DLC transaction had occurred on December 1, 2002 rather than April 17, 2003 and has not been adjusted to reflect any net transaction benefits. In addition, the pro forma information presented below does not purport to represent what the results of operations actually could have been if the DLC transaction had occurred on December 1, 2002 or what those results will be for any future periods. Management has prepared the pro forma information based upon the companies' reported financial information.

	Six Months ----- Ended May 31, ----- 2003 ----	Three Months ----- Ended May 31, ----- 2003 ----
--	---	---

(in millions, except earnings per share)

Pro forma revenues	\$ 3,256 =====	\$ 1,634 =====
Pro forma net income (a)(b)	\$ 221 =====	\$ 97 =====
Pro forma earnings per share		
Basic	\$ 0.28 =====	\$ 0.12 =====
Diluted	\$ 0.28 =====	\$ 0.12 =====
Pro forma weighted-average shares outstanding		
Basic	795 =====	796 =====
Diluted	799 =====	799 =====

(a) In accordance with SFAS No. 141, "Business Combinations," pro forma net income was reduced by \$51 million and \$27 million for the six and three months ended May 31, 2003, respectively, for P&O Princess' nonrecurring costs related to its completion of the DLC transaction with Carnival Corporation, which were expensed by P&O Princess prior to April 17, 2003.

(b) Pro forma net income for the six and three months ended May 31, 2003 included a \$16 million nonrecurring expense related to litigation and other charges associated with the DLC transaction. In addition, pro forma net income for the six months ended May 31, 2003, included \$19 million of income related to the receipt of nonrecurring net insurance proceeds during the three months ended February 28, 2003.

NOTE 4 - Debt

In February and May 2004, we borrowed an aggregate of \$739 million to finance a portion of the Diamond Princess and Sapphire Princess purchase prices, pursuant to committed financing arrangements. These loans have both a fixed and variable interest rate component, mature through May 2016, and had a weighted-average interest rate of 3.9% at May 31, 2004. In addition, in March 2004 we extinguished \$237 million of unsecured debt, which bore interest at USDLibor plus 1.33%, before its July 2008 maturity date.

In March 2004, Carnival plc entered into a 600 million euro unsecured 364-day multi-currency revolving credit facility, guaranteed by Carnival Corporation, which currently bears interest at eurolibor plus 30 basis points ("BPS"), which interest rate spread over the base rate will vary based on changes to Carnival plc's senior unsecured credit rating. This facility also has a nine BPS commitment fee on the undrawn portion and expires in March 2005 but provides Carnival plc with the option to extend the repayment date of the then existing outstanding borrowings to June 2006. At May 31, 2004, \$101 million of short-term borrowings were outstanding under this facility, bearing interest at 2.34%. In connection with obtaining this revolver, Carnival plc repaid the \$93 million outstanding under the P&O Princess Cruises International Limited ("POPCIL") \$710 million revolving credit facilities, which facilities were then terminated prior to their September 2005 maturity dates. In June 2004, Carnival plc established a U.S. dollar commercial paper program, which is supported by this 600 million euro revolving credit facility and, accordingly, any amounts outstanding under this commercial paper program will reduce the aggregate amount available under the facility.

At May 31, 2004, Carnival Corporation had \$120 million outstanding under short-term commercial paper borrowings, bearing interest at 1.15%, and supported by its \$1.4 billion credit facility. Also, at May 31, 2004, our \$600 million 2% convertible notes were classified as a current liability since the first put option of these notes is in April 2005.

In connection with a corporate reorganization that was completed in late February 2004, the POPCIL deed of guarantee dated June 19, 2003, which guaranteed substantially all of Carnival Corporation's debt was terminated in accordance with its terms. The

deeds of guarantee between Carnival Corporation and Carnival plc are still in effect, thus effectively cross guaranteeing all Carnival Corporation and Carnival plc indebtedness and other monetary obligations.

NOTE 5 - Contingencies

Litigation

In 2002, two actions (collectively, the "Facsimile Complaints") were filed against Carnival Corporation on behalf of purported classes of persons who received unsolicited advertisements via facsimile, alleging that Carnival Corporation and other defendants distributed unsolicited advertisements via facsimile in contravention of the U.S. Telephone Consumer Protection Act. The plaintiffs seek to enjoin the sending of unsolicited facsimile advertisements and statutory damages. The advertisements referred to in the Facsimile Complaints that reference a Carnival Cruise Lines product were not sent by Carnival Corporation, but rather were distributed by a professional faxing company at the behest of travel agencies. We do not advertise directly to the traveling public through the use of facsimile transmission. The ultimate outcomes of the Facsimile Complaints cannot be determined at this time. We believe that we have meritorious defenses to these claims and, accordingly, we intend to vigorously defend against these actions.

In February 2001, Holland America Line-USA, Inc. ("HAL-USA"), our wholly-owned subsidiary, received a grand jury subpoena requesting that it produce documents and records relating to the air emissions from Holland America Line ships in Alaska. HAL-USA responded to the subpoena. The ultimate outcome of this matter cannot be determined at this time.

On August 17, 2002, an incident occurred in Juneau, Alaska onboard Holland America Line's Ryndam involving a wastewater discharge from the ship. As a result of this incident, the Office of the U.S. Attorney in Anchorage, Alaska initiated a grand jury proceeding. The State of Alaska is separately investigating this incident.

On March 5, 2004, Holland America Line notified the United States and Netherlands governmental authorities that one of its chief engineers had admitted to improperly processing bilge water on the Noordam. A subsequent internal investigation has determined that the improper operation may have begun in January 2004 and may have continued sporadically through March 4, 2004. Holland America Line and three shipboard engineers have received grand jury subpoenas from the Office of the U.S. Attorney in Tampa, Florida.

If either the Ryndam or the Noordam investigations result in charges being filed, a judgment could include, among other forms of relief, fines and debarment from federal contracting, which would prohibit operations in Glacier Bay National Park and Preserve during the period of debarment. The ultimate outcomes of these matters cannot be determined at this time. However, if Holland America Line were to lose its Glacier Bay permits we would not expect the impact on our financial statements to be material to us since we believe there are additional attractive alternative destinations in Alaska that can be substituted for Glacier Bay.

Costa Cruises ("Costa") has instituted arbitration proceedings in Italy to confirm the validity of its decision not to deliver its ship, the Costa Classica, to the shipyard of Cammell Laird Holdings PLC ("Cammell Laird") under a 79 million euro denominated contract for the conversion and lengthening of the ship. Costa has also given notice of termination of the contract. It is now expected that the arbitration tribunal's decision will be made in late-2004 at the earliest. In the event that an award is given in favor of Cammell Laird, the amount of damages, which Costa would have to pay, if any, is not currently determinable. The ultimate outcome of this matter cannot be determined at this time.

On April 23, 2003, Festival Crociere S.p.A. commenced an action against the European Commission (the "Commission") in the Court of First Instance of the European Communities in Luxembourg seeking to annul the Commission's antitrust approval of the DLC transaction (the "Festival Action"). We have been granted leave to intervene in the Festival Action and are contesting such action vigorously. A successful third

party challenge of an unconditional Commission clearance decision would be unprecedented, and based on a review of the law and the factual circumstances of the DLC transaction, as well as the Commission's approval decision in relation to the DLC transaction, we believe that the Festival Action will not have a material adverse effect on the companies or the DLC transaction. However, the ultimate outcome of this matter cannot be determined at this time.

In the normal course of our business, various other claims and lawsuits have been filed or are pending against us. Most of these claims and lawsuits are covered by insurance and, accordingly, the maximum amount of our liability is typically limited to our self-insurance retention levels. However, the ultimate outcome of these claims and lawsuits which are not covered by insurance cannot be determined at this time.

Contingent Obligations

At May 31, 2004, Carnival Corporation had contingent obligations totaling \$1.06 billion to participants in lease out and lease back type transactions for three of its ships. At the inception of the leases, the entire amount of the contingent obligations was paid by Carnival Corporation to major financial institutions to enable them to directly pay these obligations. Accordingly, these obligations were considered extinguished, and neither the funds nor the contingent obligations have been included on our balance sheets. Carnival Corporation would only be required to make any payments under these contingent obligations in the remote event of nonperformance by these financial institutions, all of which have long-term credit ratings of AAA or AA. In addition, Carnival Corporation obtained a direct guarantee from another AAA rated financial institution for \$287 million of the above noted contingent obligations, thereby further reducing the already remote exposure to this portion of the contingent obligations. If the major financial institutions' credit ratings fall below AA-, Carnival Corporation would be required to move a majority of the funds from these financial institutions to other highly-rated financial institutions. If Carnival Corporation's credit rating falls below BBB, it would be required to provide a standby letter of credit for \$85 million, or alternatively provide mortgages in the aggregate amount of \$85 million on two of its ships.

In the unlikely event that Carnival Corporation were to terminate the three lease agreements early or default on its obligations, it would, as of May 31, 2004 have to pay a total of \$177 million in stipulated damages. As of May 31, 2004, \$186 million of standby letters of credit have been issued by a major financial institution in order to provide further security for the payment of these contingent stipulated damages. In the event Carnival Corporation were to default under its \$1.4 billion revolving credit facility, it would be required to post cash collateral to support the stipulated damages standby letters of credit. Between 2017 and 2022, Carnival Corporation has the right to exercise options that would terminate these transactions at no cost to it. As a result of these three transactions, we have \$39 million and \$40 million of deferred income recorded on our balance sheets as of May 31, 2004 and November 30, 2003, respectively, which is being amortized to nonoperating income through 2022.

Some of the debt agreements that we enter into include indemnification provisions that obligate us to make payments to the counterparty if certain events occur. These contingencies generally relate to changes in taxes, changes in laws that increase lender capital costs and other similar costs. The indemnification clauses are often standard contractual terms and were entered into in the normal course of business. There are no stated or notional amounts included in the indemnification clauses and we are not able to estimate the maximum potential amount of future payments, if any, under these indemnification clauses. We have not been required to make any material payments under such indemnification clauses in the past and, under current circumstances, we do not believe a request for material future indemnification payments is probable.

NOTE 6 - Comprehensive Income

Comprehensive income was as follows (in millions):

	Six Months Ended May 31,		Three Months Ended May 31,	
	2004	2003	2004	2003
Net income	\$ 535	\$ 255	\$ 332	\$ 128
Items included in accumulated other comprehensive income:				
Foreign currency translation adjustment	175	164	(33)	109
Changes related to cash flow derivative hedges	(8)	(9)	5	(6)
Unrealized losses on marketable securities		2		3
Total comprehensive income	\$ 702	\$ 412	\$ 304	\$ 234

NOTE 7 - Segment Information

Our cruise segment includes all of our cruise brands, which have been aggregated as a single reportable segment based on the similarity of their economic and other characteristics. Our other segment represents the hotel, tour and transportation operations of Holland America Tours and Princess Tours and the business to business travel agency operations of P&O Travel Ltd., the latter two since completion of the DLC transaction on April 17, 2003.

Selected segment information for our cruise and other segments was as follows (in millions):

	Six Months Ended May 31,			
	Revenues (a)	Operating expenses	Selling and admin- istrative	Operating income (loss)
2004				
Cruise	\$ 4,194	\$ 2,505	\$ 610	\$ 702
Other	54	52	28	(37)
Intersegment elimination	(9)	(9)		
	\$ 4,239	\$ 2,548	\$ 638	\$ 665
2003				
Cruise	\$ 2,344	\$ 1,414	\$ 373	\$ 322
Other	46	46	16	(22)
Intersegment elimination	(13)	(13)		
	\$ 2,377	\$ 1,447	\$ 389	\$ 300

	Three Months Ended May 31,			
	Revenues (a)	Operating expenses	Selling and administrative	Operating income (loss)
2004				
Cruise	\$ 2,220	\$ 1,296	\$ 308	\$ 421
Other	43	40	14	(16)
Intersegment elimination	(7)	(7)		
	\$ 2,256	\$ 1,329	\$ 322	\$ 405
2003				
Cruise	\$ 1,313	\$ 799	\$ 203	\$ 178
Other	40	39	9	(10)
Intersegment elimination	(11)	(11)		
	\$ 1,342	\$ 827	\$ 212	\$ 168

(a) Revenue amounts in 2003 have been reclassified to conform to the 2004 presentation.

NOTE 8 - Earnings Per Share

Our basic and diluted earnings per share were computed as follows (in millions, except per share data):

	Six Months Ended May 31,		Three Months Ended May 31,	
	2004	2003(a)	2004	2003(a)
Net income	\$ 535	\$ 255	\$ 332	\$ 128
Interest on dilutive zero-coupon convertible notes	6		6	
Interest on dilutive 2% convertible notes	7		3	
Net income for diluted earnings per share	\$ 548	\$ 255	\$ 341	\$ 128
Weighted-average common and ordinary shares outstanding	801	638	803	689
Dilutive effect of zero-coupon convertible notes	9		17	
Dilutive effect of 2% convertible notes	15		15	
Dilutive effect of stock plans	5	1	4	1
Diluted weighted-average shares outstanding	830	639	839	690
Basic earnings per share	\$0.67	\$0.40	\$0.41	\$0.19
Diluted earnings per share	\$0.66	\$0.40	\$0.41	\$0.19

(a) The weighted-average shares outstanding for the six and three months ended May 31, 2003 included the pro rata Carnival plc shares since April 17, 2003.

Our diluted earnings per share computation for the six and three months ended May 31, 2004 did not include a maximum of 29.6 million shares (32.7 million shares in 2003) and 20.9 million shares (32.7 million shares in 2003), respectively, of Carnival Corporation common stock issuable upon conversion of its contingently convertible debt.

In addition, employee and director stock options to purchase 5.1 million (9.9 million in 2003) and 5.1 million (9.5 million in 2003) shares for the six and three months ended May 31, 2004 and 2003, respectively, were excluded from our diluted earnings per share computation since the effect of including them was anti-dilutive.

Carnival Corporation's common stock price was above the defined trigger price for its zero coupon convertible notes for a defined duration of time during the three months ended May 31, 2004 and, therefore, these notes are convertible into 17.4 million shares of Carnival Corporation common stock during our 2004 third quarter at a per share conversion price of \$31.57, and will be included in our third quarter diluted earnings per share computation, if dilutive. Carnival Corporation's common stock price did not reach the defined trigger prices for its 1.75% and 2% convertible notes during the three months ended May 31, 2004 and, accordingly, these notes are not convertible in our 2004 third quarter. In accordance with current accounting principles, these two convertible notes will not be included in our third quarter dilutive earnings per share computation, unless the defined trigger prices of \$43.05 and \$63.73 are met in the third quarter, and their impact is dilutive. See Management's Discussion and Analysis of Financial Condition and Results of Operations - Outlook for Remainder of Fiscal 2004 for further discussion of proposed changes to the computation of diluted earnings per share for our convertible notes.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Cautionary Note Concerning Factors That May Affect Future Results

Some of the statements contained in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this joint Quarterly Report on Form 10-Q are "forward-looking statements" that involve risks, uncertainties and assumptions with respect to us, including some statements concerning future results, plans, outlook, goals and other events which have not yet occurred. These statements are intended to qualify for the safe harbors from liability provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. You can find many, but not all, of these statements by looking for words like "will," "may," "believes," "expects," "anticipates," "forecast," "future," "intends," "plans," and "estimates" and for similar expressions.

Because forward-looking statements involve risks and uncertainties, there are many factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied in this joint Quarterly Report on Form 10-Q. Forward-looking statements include those statements which may impact the forecasting of our earnings per share, net revenue yields, booking levels, pricing, occupancy, operating, financing and tax costs, costs per available lower berth day ("ALBD"), estimates of ship depreciable lives and residual values, outlook or business prospects. These factors include, but are not limited to, the following:

- risks associated with the DLC structure, including the uncertainty of its tax status;
- general economic and business conditions, which may impact levels of disposable income of consumers and net revenue yields for our cruise brands;
- conditions in the cruise and land-based vacation industries, including competition from other cruise ship operators and providers of other vacation alternatives and increases in capacity offered by cruise ship and land-based vacation alternatives;
- risks associated with operating internationally;
- the international political and economic climate, armed conflicts, terrorist attacks and threats thereof, including the risk of attack at the 2004 Summer Olympics in Athens, Greece, for which we have chartered four of our ships to third parties, availability of air service, other world events and adverse publicity, and their impact on the demand for cruises;
- accidents and other incidents affecting the health, safety, security and vacation satisfaction of passengers;
- our ability to implement our shipbuilding programs and brand strategies and to continue to expand our business worldwide;
- our ability to attract and retain qualified shipboard crew and maintain good relations with employee unions;
- our ability to obtain financing on terms that are favorable or consistent with our expectations;
- the impact of changes in operating and financing costs, including changes in foreign currency and interest rates and fuel, food, payroll, insurance and security costs;
- changes in the tax, environmental, health, safety, security and other regulatory regimes under which we operate;
- continued availability of attractive port destinations;
- our ability to successfully implement cost improvement plans and to integrate business acquisitions;
- continuing financial viability of our travel agent distribution system; and
- unusual weather patterns or natural disasters.

Forward-looking statements should not be relied upon as a prediction of

actual results. Subject to any continuing obligations under applicable law or any relevant listing rules, we expressly disclaim any obligation to disseminate, after the date of this joint Quarterly Report on Form 10-Q, any updates or revisions to any such forward-looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based.

Key Performance Indicators, Pro Forma Information and Critical Accounting Estimates

We use net cruise revenues per ALBD ("net revenue yields") and net cruise costs per ALBD as significant non-GAAP financial measures of our cruise segment financial performance. We believe that net revenue yields are commonly used in the cruise industry to measure a company's cruise segment revenue performance. This measure is also used for revenue management purposes. In calculating net revenue yields, we use "net cruise revenues" rather than "gross cruise revenues." We believe that net cruise revenues is a more meaningful measure in determining revenue yield than gross cruise revenues because it reflects the cruise revenues earned by us net of its most significant variable costs, which are travel agent commissions, cost of air transportation and certain other variable direct costs associated with onboard revenues. Substantially all of our remaining cruise costs are largely fixed once our ship capacity levels have been determined.

Net cruise costs per ALBD is the most significant measure we use to monitor our ability to control our cruise segment costs. In calculating this measure, we exclude the same variable costs as described above, which are included in the calculation of net cruise revenues. This is done to avoid duplicating these variable costs in the two non-GAAP financial measures described above.

We have not provided estimates of future gross revenue yields or future gross cruise costs per ALBD because the reconciliations of forecasted net cruise revenues to forecasted gross cruise revenues or forecasted net cruise costs to forecasted cruise operating expenses would require us to forecast, with reasonable accuracy, the amount of air and other transportation costs that our forecasted cruise passengers would elect to purchase from us (the "air/sea mix"). Since the forecasting of future air/sea mix involves several significant variables that are relatively difficult to forecast and the revenues from the sale of air and other transportation approximate the costs of providing that transportation, management focuses primarily on forecasts of net cruise revenues and costs rather than gross cruise revenues and costs. This does not impact, in any material respect, our ability to forecast our future results, as any variation in the air/sea mix has no material impact on our forecasted net cruise revenues or forecasted net cruise costs. As such, management does not believe that this reconciling information would be meaningful.

In addition, because a significant portion of our operations utilize the euro or sterling to measure their results and financial condition, the translation of those operations to our U.S. dollar reporting currency results in increases in reported U.S. dollar revenues and expenses if the U.S. dollar weakens against these foreign currencies, and decreases in reported U.S. dollar revenues and expenses if the U.S. dollar strengthens against these foreign currencies. Accordingly, we also monitor our key indicators assuming the 2004 exchange rates have remained constant with the prior year's comparable rates, or on a "constant dollar basis," in order to remove the impact of changes in exchange rates on our non U.S. cruise operations. We believe that this is a useful measure indicating the actual growth of our operations.

Our 2003 reported results only included the results of P&O Princess since April 17, 2003. Consequently, we believe that the most meaningful comparison of our financial results and revenue and cost metrics is to the comparable pro forma results and metrics, which reflect the operations of both Carnival Corporation and P&O Princess as if the companies had been consolidated throughout 2003. Accordingly, we have disclosed pro forma information, as well as the required reported information, in the discussion of our results of operations.

The 2003 pro forma information was computed by adding the 2003 results of P&O Princess' operations, adjusted for acquisition adjustment reductions of \$8 million and \$4 million of depreciation expense and \$3 million and \$2 million of interest expense during the six and three months ended May 31, 2003, respectively, and excluding \$51 million and \$27 million of nonrecurring DLC transaction costs during the six and three months ended May 31, 2003, respectively, to the 2003 Carnival Corporation reported results. For additional information related to the pro forma results of operations see Note 3 in the accompanying financial statements.

For a discussion of our critical accounting estimates, see "Management's Discussion and Analysis of Financial Condition and Results of Operations," which is included in Carnival Corporation & plc's 2003 joint Annual Report on Form 10-K. On April 14, 2004, the Financial Accounting Standards Board ("FASB") decided that the Property, Plant and Equipment Draft Statement of Position ("PP&E SOP") should not be approved for issuance. Accordingly, the disclosure of the possible impact from this PP&E SOP included in our joint Annual Report on Form 10-K is no longer applicable, although it is still possible that all or certain provisions of the PP&E SOP could be required by future U.S. generally accepted accounting principles.

Outlook for Remainder of Fiscal 2004

On June 17, 2004, we said that we expected our net revenue yields for the full year of 2004 to increase approximately 6% to 8% (4% to 6% on a constant dollar basis), compared to pro forma 2003. We believe this increase in yields, which is a primary driver of our forecasted operating income growth, is due to a number of factors, including an improved economy and greater consumer confidence, a more stable geopolitical environment, and a weaker U.S. dollar compared to the euro and sterling. Also, our pro forma 2003 net revenue yields were negatively impacted by several exogenous events, including the Iraqi war. Net cruise costs per ALBD for full year 2004 are expected to be flat to up 2% (flat to down 2% on a constant dollar basis), compared to pro forma 2003. Based on these estimates, and including better than expected second quarter results, and assuming no major geopolitical events adversely impacting our business, we said that we expected full year 2004 earnings per share to be in the range of \$2.10 to \$2.20 per share. That guidance was based on an exchange rate of \$1.19 to the euro and \$1.77 to the sterling.

We also said that we expected third quarter 2004 net revenue yields will increase approximately 6% to 8% (4% to 6% on a constant dollar basis), compared to last year's third quarter. Net cruise costs per ALBD in the third quarter of 2004 are expected to be up 1% to 3% (down 1% to up 1% on a constant dollar basis), compared to 2003. Based on these estimates, we said that we expected third quarter 2004 earnings per share to be in the range of \$1.16 to \$1.20.

Our ALBD capacity is currently expected to increase 17.9% and 13.1% in the third and fourth quarters of fiscal 2004, respectively, as compared to the same period of fiscal 2003.

Subsequent to our earnings guidance, on July 1, 2004, the Emerging Issues Task Force (the "EITF") of the FASB reached a tentative conclusion that would require all shares that are contingently issuable under our outstanding convertible notes to be considered outstanding for our diluted earnings per share computations, if dilutive, using the "if converted" method of accounting from the date of issuance. Currently these shares are only included in the diluted earnings per share computation if Carnival Corporation's common stock price has reached certain conversion trigger prices. If approved, this EITF statement ("EITF 04-8") would also require us to retroactively restate our prior periods diluted earnings per share. It is believed likely that EITF 04-8 will be effective for periods ending after mid-October 2004. If adopted, EITF 04-8 would have no impact on our diluted earnings per share for the three and six months ended May 31, 2004 or the three months ended May 31, 2003 but it would reduce our diluted earnings per share by \$0.01 for the six months ended May 31, 2003. Also its adoption is expected to reduce our June 17, 2004 forecasted third quarter 2004 diluted earnings per share by \$0.01 to \$0.02 and the 2004 full year diluted earnings per share by \$0.02 to \$0.03.

Seasonality

Historically, demand for cruises has been greatest during our third fiscal quarter, which includes the Northern Hemisphere summer months. The consolidation of the P&O Princess brands has caused our quarterly results to be more seasonal than we had previously experienced, as their business is more seasonal. This higher demand during the third quarter results in higher net revenue yields and, accordingly, the largest share of our net income is earned during this period. Revenues from Holland America Tours and Princess Tours are highly seasonal, with substantially all of their

Revenues

We use net revenue yields to measure our cruise segment revenue performance. Gross and net revenue yields were computed by dividing the gross or net cruise revenues, without rounding, by ALBDs as follows:

	Six Months Ended May 31,		
	2004	Pro Forma 2003	2003

	(in millions, except ALBDs and yields)		
Cruise revenues			
Passenger tickets	\$ 3,218	\$ 2,501	\$ 1,808
Onboard and other	976	716	536
	-----	-----	-----
Gross cruise revenues	4,194	3,217	2,344
Less cruise costs			
Commissions, transportation and other	(760)	(592)	(386)
Onboard and other	(178)	(123)	(72)
	-----	-----	-----
Net cruise revenues	\$ 3,256	\$ 2,502	\$ 1,886
	=====	=====	=====
ALBDs	21,183,100	17,710,254	13,465,330
	=====	=====	=====
Gross revenue yields	\$ 198.02	\$ 181.66	\$ 174.11
	=====	=====	=====
Net revenue yields	\$ 153.74	\$ 141.30	\$ 140.08
	=====	=====	=====

Net revenue yields in 2004 increased 8.8% (9.0% gross) compared to pro forma 2003 net revenue yields due to higher cruise ticket prices, onboard revenues and occupancy levels and, to a lesser extent, due to the weak U.S. dollar relative to the euro and sterling. Net revenue yields as measured on a constant dollar basis increased 5.5% when compared with the same period last year. Onboard and other revenues included concession revenues of \$120 million in 2004, \$92 million in pro forma 2003 and \$83 million in 2003.

Net revenue yields in 2004 increased 9.8% (13.7% gross) compared to 2003 primarily due to the same reasons noted above and, to a lesser extent, higher net revenue yields from the P&O Princess brands. Gross revenue yields increased more than net revenue yields primarily because of the higher proportion of customers of the P&O Princess brands who purchased air transportation from us.

Costs and Expenses

We use net cruise costs per ALBD to monitor our ability to control our cruise segment costs. Gross and net cruise costs per ALBD were computed by dividing the gross or net cruise costs, without rounding, by ALBDs as follows:

	Six Months Ended May 31,		
	2004	Pro Forma 2003	2003

	(in millions, except ALBDs and costs per ALBD)		
Cruise operating expenses	\$ 2,505	\$ 2,011	\$ 1,414
Cruise selling and administrative expenses	610	533	373
	-----	-----	-----
Gross cruise costs	3,115	2,544	1,787
Less cruise costs included in net cruise revenues			
Commissions, transportation and other	(760)	(592)	(386)
Onboard and other	(178)	(123)	(72)
	-----	-----	-----
Net cruise costs	\$ 2,177	\$ 1,829	\$ 1,329
	=====	=====	=====
ALBDs	21,183,100	17,710,254	13,465,330
	=====	=====	=====
Gross cruise costs per ALBD	\$ 147.06	\$ 143.57	\$ 132.64
	=====	=====	=====
Net cruise costs per ALBD	\$ 102.78	\$ 103.20	\$ 98.61
	=====	=====	=====

Net cruise costs per ALBD in 2004 decreased 0.4% compared to pro forma 2003 net cruise costs. This decrease was achieved despite the impact of the weak dollar, which had the effect of significantly increasing cruise costs per ALBD. On a constant dollar basis, net cruise costs per ALBD declined 3.8% from the pro forma 2003 primarily due to the economies of scale associated with a 19.6% capacity increase, synergy savings from the DLC transaction and a 5.4% reduction in fuel prices. Gross cruise costs per ALBD in 2004 increased 2.4% compared to pro forma 2003.

Net cruise costs per ALBD in 2004 increased 4.2% (10.9% gross) compared to 2003 primarily because of the impact of the weak U.S. dollar and higher operating costs of the P&O Princess brands. Gross cruise costs per ALBD increased more than net cruise costs per ALBD primarily because of the higher proportion of the P&O Princess brands' customers who purchased air transportation from us.

Depreciation and amortization expense increased by \$81 million, or 26.4%, to \$388 million in 2004 from \$307 million in pro forma 2003 largely due to the expansion of the combined fleet and ship improvement expenditures, as well as the impact of a weaker U.S. dollar. Depreciation and amortization increased by \$147 million, or 61.0%, to \$388 million in 2004 from \$241 million in 2003. This increase was primarily the result of the consolidation of P&O Princess, other capacity growth and ship improvement expenditures.

Nonoperating (Expense) Income

Interest expense, net of interest income and excluding capitalized interest, increased to \$144 million in 2004 from \$80 million in 2003, or \$64 million, which was comprised primarily of a \$79 million increase in interest expense from our higher level of average borrowings and a weaker U.S. dollar, partially offset by a \$19 million decrease in interest expense due to lower average borrowing rates. The higher average debt balances were primarily a result of our consolidation of the P&O Princess debt and new ship deliveries. Net interest expense, excluding capitalized interest, increased by \$25 million, or 21.0%, to \$144 million in 2004 from \$119 million in pro forma 2003. This increase was primarily due to the increased level of average borrowings and the weaker U.S. dollar.

Other nonoperating income was \$4 million in 2003, which included \$19 million from net insurance proceeds, \$10 million as a result of Windstar Cruise's Wind Song casualty loss and \$9 million as a reimbursement of expenses incurred in prior years less \$16 million of costs primarily related to a DLC-related litigation matter.

Three Months Ended May 31, 2004 ("2004") Compared to Pro Forma Three Months Ended May 31, 2003 ("pro forma 2003") and Reported Results for the Three Months Ended May 31, 2003 ("2003")

Our reported and pro forma results of operations and selected statistical information were as follows:

	Three Months Ended May 31,			Difference Between 2004 and	
	2004	Pro Forma		Pro Forma	
	2004	2003	2003	2003	2003
	-----	-----	-----	-----	-----
	(dollars in millions)				
Revenues					
Cruise					
Passenger tickets	\$ 1,691	\$ 1,239	\$ 1,008	\$ 452	\$ 683
Onboard and other	529	364	305	165	224
Other	36	31	29	5	7
	-----	-----	-----	-----	-----
	2,256	1,634	1,342	622	914
	-----	-----	-----	-----	-----
Costs and Expenses					
Operating					
Cruise					
Commissions, transportation and other	376	280	212	96	164
Onboard and other	97	61	44	36	53
Payroll and related	249	207	172	42	77
Food	137	105	88	32	49
Other ship operating	437	351	283	86	154
Other	33	31	28	2	5
	-----	-----	-----	-----	-----
Total	1,329	1,035	827	294	502
Selling and administrative	322	276	212	46	110
Depreciation and amortization	200	156	135	44	65
	-----	-----	-----	-----	-----
Operating Income	405	167	168	238	237
Nonoperating Expense, Net	(73)	(49)	(44)	(24)	(29)
	-----	-----	-----	-----	-----
Income Before Income Taxes	332	118	124	214	208
Income Tax Benefit, Net		6	4	(6)	(4)
	-----	-----	-----	-----	-----
Net Income	\$ 332	\$ 124	\$ 128	\$ 208	\$ 204
	=====	=====	=====	=====	=====
Selected Statistical Information					
Passengers carried (in thousands)	1,567	1,254	1,153	313	414
	=====	=====	=====	=====	=====
Occupancy percentage	102.8%	98.2%	98.5%	4.6 pts.	4.3 pts.
	=====	=====	=====	=====	=====

Revenues

Gross and net revenue yields were as follows:

	Three Months Ended May 31,		
	2004	Pro Forma 2003	2003
	----- (in millions, except ALBDs and yields) -----		
Cruise revenues			
Passenger tickets	\$ 1,691	\$ 1,239	\$ 1,008
Onboard and other	529	364	305
	-----	-----	-----
Gross cruise revenues	2,220	1,603	1,313
Less cruise costs			
Commissions, transportation and other	(376)	(280)	(212)
Onboard and other	(97)	(61)	(44)
	-----	-----	-----
Net cruise revenues	\$ 1,747	\$ 1,262	\$ 1,057
	=====	=====	=====
ALBDs	11,120,445	9,092,025	7,660,571
	=====	=====	=====
Gross revenue yields	\$ 199.62	\$ 176.30	\$ 171.42
	=====	=====	=====
Net revenue yields	\$ 157.06	\$ 138.78	\$ 137.97
	=====	=====	=====

Net and gross revenue yields in 2004 increased 13.2% compared to pro forma 2003 net and gross revenue yields primarily due to higher cruise ticket prices, onboard revenues and occupancy levels and, to a lesser extent, due to the weak U.S. dollar relative to the euro and sterling. Net revenue yields as measured on a constant dollar basis increased 10.6% when compared to the same period last year. Onboard and other revenues included concession revenues of \$64 million in 2004, \$46 million in proforma 2003 and \$43 million in 2003.

Net revenue yields in 2004 increased 13.8% (16.5% gross) compared to 2003 primarily due to the same reasons as noted above.

Costs and Expenses

Gross and net cruise costs per ALBD were as follows:

	Three Months Ended May 31,		
	2004	Pro Forma 2003	2003
	----- (in millions, except ALBDs and costs per ALBD) -----		
Cruise operating expenses	\$ 1,296	\$ 1,004	\$ 799
Cruise selling and administrative expenses	308	264	203
	-----	-----	-----
Gross cruise costs	1,604	1,268	1,002
Less cruise costs included in net cruise revenues			
Commissions, transportation and other	(376)	(280)	(212)
Onboard and other	(97)	(61)	(44)
	-----	-----	-----
Net cruise costs	\$ 1,131	\$ 927	\$ 746
	=====	=====	=====
ALBDs	11,120,445	9,092,025	7,660,571
	=====	=====	=====
Gross cruise costs per ALBD	\$ 144.28	\$ 139.49	\$ 130.98
	=====	=====	=====
Net cruise costs per ALBD	\$ 101.72	\$ 101.97	\$ 97.53
	=====	=====	=====

Net cruise costs per ALBD in 2004 were flat compared to pro forma 2003 net cruise costs. This result was achieved despite the impact of the weak U.S.

dollar, which had the effect of increasing net cruise costs per ALBD. On a constant dollar basis, net cruise costs per ALBD declined 2.7% from the pro forma 2003 primarily due to the economies of scale associated with a 22.3% capacity increase, synergy savings from the DLC transaction and a 6.8% decrease in fuel prices. Gross cruise costs per ALBD in 2004 increased 3.4% compared to pro forma 2003.

Net cruise costs per ALBD in 2004 increased 4.3% (10.2% gross) compared to 2003 primarily because of the impact of the weak U.S. dollar and higher operating costs of the P&O Princess brands.

Depreciation and amortization expense increased by \$44 million, or 28.2%, to \$200 million in 2004 from \$156 million in pro forma 2003 largely due to the expansion of the combined fleet and ship improvement expenditures, as well as the impact of a weaker U.S. dollar. Depreciation and amortization increased by \$65 million, or 48.1%, to \$200 million in 2004 from \$135 million in 2003. This increase was primarily the result of the consolidation of P&O Princess, other capacity growth and ship improvement expenditures.

Nonoperating (Expense) Income

Interest expense, net of interest income and excluding capitalized interest, increased to \$73 million in 2004 from \$46 million in 2003, or \$27 million, which was comprised primarily of a \$32 million increase in interest expense from our higher level of average borrowings and a weaker U.S. dollar, partially offset by a \$9 million decrease in interest expense due to lower average borrowing rates. The higher average

debt balances were primarily a result of our consolidation of the P&O Princess debt and new ship deliveries. Net interest expense, excluding capitalized interest, increased by \$18 million, or 32.7%, to \$73 million in 2004 from \$55 million in pro forma 2003. This increase was primarily due to the increased level of average borrowings and the weaker U.S. dollar.

Other nonoperating expense was \$11 million in 2003, which included \$16 million related to litigation and other charges associated with the DLC transaction.

Liquidity and Capital Resources

Sources and Uses of Cash

Our business provided \$1.71 billion of net cash from operations during the six months ended May 31, 2004, an increase of \$1.05 billion, or 157%, compared to 2003, due primarily to the consolidation of the P&O Princess operations and significantly higher cash flows from our operations. We continue to generate substantial cash from operations and remain in a strong financial position.

During the six months ended May 31, 2004, our expenditures for capital projects were \$2.65 billion, of which \$2.50 billion was spent for our ongoing new shipbuilding program, including the final delivery payments for the Queen Mary 2, Carnival Miracle, Diamond Princess, Westerdam, Caribbean Princess and Sapphire Princess. The remaining capital expenditures consisted primarily of \$89 million for ship improvements and refurbishments, and \$57 million for Alaska tour assets, cruise port facility developments and information technology assets.

During the six months ended May 31, 2004, we borrowed \$842 million, which was used primarily to finance a portion of the Diamond Princess and Sapphire Princess purchase prices. During the same six month period, we made \$378 million of scheduled debt repayments and, in order to reduce our borrowing rates, we repaid \$237 million of debt prior to its scheduled maturity date. We also paid cash dividends of \$199 million in the first six months of fiscal 2004.

Future Commitments and Funding Sources

Our contractual cash obligations, with initial and remaining terms in excess of one year, remained generally unchanged at May 31, 2004 compared to November 30, 2003, except for the following:

- - Final contractual payments to shipyards for six new ship deliveries.
- - In March 2004, Costa exercised its letter of intent and entered into a ship construction contract for a 3,004-passenger ship with Fincantieri for a summer 2006 delivery date at an estimated total cost of 450 million euros.
- - Changes to our debt as discussed in Note 4 in the accompanying financial statements.

As of May 31, 2004, we had liquidity of \$2.57 billion, which consisted of \$445 million of cash, cash equivalents and short-term investments and \$2.13 billion available for borrowing under our \$2.45 billion revolving credit facilities. Our revolving credit facilities mature in May and June 2006, except for our Carnival plc 600 million euro facility, which expires in March 2005 (see Note 4 in the accompanying financial statements). A key to our access to liquidity is the maintenance of our strong credit ratings.

We believe that our existing liquidity and cash flow from future operations will be sufficient to fund our committed capital projects, debt service requirements, dividend payments, working capital and other firm commitments. However, our forecasted cash flow from future operations, as well as our credit ratings, may be adversely affected by various factors, including, but not limited to, those factors noted under "Cautionary Note Concerning Factors That May Affect Future Results." To the extent that we are required, or choose, to fund future cash requirements, including our future shipbuilding commitments, from sources other than as discussed above, we believe that we will be able to secure such financing from banks or through the offering of debt and/or equity securities in the public or private markets. No assurance can be given that our future operating cash flow will be sufficient to fund future obligations or

that we will be able to obtain additional financing, if necessary.

Off-Balance Sheet Arrangements

We are not a party to any off-balance sheet arrangements, including guarantee contracts, retained or contingent interests, certain derivative instruments and variable interest entities, that either have, or are reasonably likely to have, a current or future material effect on our financial statements.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit, is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms.

Our Chief Executive Officer, Chief Operating Officer and Chief Financial and Accounting Officer have evaluated our disclosure controls and procedures and have concluded, as of May 31, 2004, that they are effective as described above.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during our quarter ended May 31, 2004 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system will be met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there is only reasonable assurance that our controls will succeed in achieving their goals under all potential future conditions.

PART II OTHER INFORMATION

Item 1. Legal Proceedings.

ADA Complaints against Costa and Holland America Tours were previously reported in the Carnival Corporation and Carnival plc joint Annual Report on Form 10-K for the fiscal year ended November 30, 2003. The motions for class certifications were granted and fairness hearings for the courts' consideration of the proposed settlements have been scheduled for October 19, 2004.

Item 4. Submission of Matters to a Vote of Security Holders

The annual meetings of shareholders of Carnival Corporation and Carnival plc were held on April 22, 2004 (the "Annual Meetings"). On all matters which came before the Annual Meetings, holders of Carnival Corporation common stock and Carnival plc ordinary shares were entitled to one vote for each share held. Proxies for 680,826,440 shares entitled to vote were received in connection with the Annual Meetings.

The following table sets forth the matters which were submitted to Carnival Corporation and Carnival plc's shareholders for approval at the Annual Meetings and the tabulation of the votes with respect to each such matter:

Director Elections Resolution/Proposal	For	Against/ Withheld(a)	Abstained
To re-elect Micky Arison as a director of Carnival Corporation and Carnival plc	654,688,475	24,841,028	1,296,937
To re-elect Ambassador Richard G. Capen, Jr as a director of Carnival Corporation and Carnival plc	662,094,689	13,599,292	5,132,459
To re-elect Robert H Dickinson as a director of Carnival Corporation and Carnival plc	670,061,792	10,558,656	205,992
To re-elect Arnold W Donald as a director of Carnival Corporation and Carnival plc	657,938,982	17,753,958	5,133,500
To re-elect Pier Luigi Foschi as a director of Carnival Corporation and Carnival plc	656,493,414	15,869,808	8,463,218
To re-elect Howard S. Frank as a director of Carnival Corporation and Carnival plc	672,903,864	7,673,045	249,531
To re-elect Baroness Hogg as a director of Carnival Corporation and Carnival plc	676,499,348	4,119,123	207,969
To re-elect A. Kirk Lanterman as a director of Carnival Corporation and Carnival plc	661,088,077	17,300,124	2,438,239
To re-elect Modesto A Maidique as a director of Carnival Corporation and Carnival plc	661,100,253	14,616,246	5,109,941
To elect John P. McNulty as a director of Carnival Corporation and Carnival plc	662,999,390	13,335,767	4,491,283
To re-elect Peter Ratcliffe as a director of Carnival Corporation and Carnival plc	671,673,941	8,040,865	1,111,634
To re-elect Sir John Parker as a director of Carnival Corporation and Carnival plc	672,406,522	7,116,566	1,303,352
To re-elect Stuart Subotnick as a director of Carnival Corporation and Carnival plc	659,124,998	16,567,132	5,134,310
To re-elect Uzi Zucker as a director of Carnival Corporation and Carnival plc	662,707,215	11,179,510	6,939,715

- (a) A vote "Withheld" by a shareholder of Carnival Corporation is deemed to be a vote against the resolutions electing/re-electing directors.

Other Matters

Resolution/Proposal	For	Against	Abstained/ Withheld(b)	Broker Non-Votes
To appoint Pricewaterhouse-Coopers LLP as independent auditors of Carnival plc and to ratify the selection of PricewaterhouseCoopers LLP as independent certified public accountants of Carnival Corporation	674,869,120	3,161,908	2,796,000	0
To authorize the audit committee of the board of directors of Carnival plc to agree the remuneration of the independent auditors	677,221,100	589,345	3,016,583	0
To receive the UK accounts of Carnival plc and the reports of the directors and the auditors of Carnival plc for the financial period ended November 30, 2003	664,345,570	1,716,362	14,765,096	0
To approve the director's remuneration report of Carnival plc	657,153,500	18,973,149	4,698,686	1,693
To approve the limits on the authority to allot shares by Carnival plc	676,374,032	1,351,876	3,099,928	1,192
To approve the disapplication of pre-emption rights for Carnival plc shares	670,602,499	7,061,973	3,161,365	1,191

- (b) An "Abstained" vote by a shareholder of Carnival Corporation means "Withheld" for this purpose (a vote neither for or against the resolution).

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

- 3.1 Third Amended and Restated Articles of Incorporation of Carnival Corporation, incorporated by reference to Exhibit No. 3.1 to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc filed on April 17, 2003.
- 3.2 Amended and Restated By-laws of Carnival Corporation, incorporated by reference to Exhibit No. 3.2 to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc filed on April 17, 2003.
- 3.3 Articles of Association of Carnival plc, incorporated by reference to Exhibit No. 3.3 to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc filed on April 17, 2003.
- 3.4 Memorandum of Association of Carnival plc, incorporated by reference to Exhibit No. 3.4 to the joint Current Report on Form 8-K of Carnival

Corporation and Carnival plc filed on April 17, 2003.

- 10.1 Amended and Restated Carnival Corporation 2002 Stock Plan.
- 12 Ratio of Earnings to Fixed Charges.
- 31.1 Certification of Chief Executive Officer of Carnival Corporation pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification of Chief Operating Officer of Carnival Corporation pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.3 Certification of Executive Vice President and Chief Financial and Accounting Officer of Carnival Corporation pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.4 Certification of Chief Executive Officer of Carnival plc pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.5 Certification of Chief Operating Officer of Carnival plc pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.6 Certification of Executive Vice President and Chief Financial and Accounting Officer of Carnival plc pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 Certification of Chief Executive Officer of Carnival Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 Certification of Chief Operating Officer of Carnival Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.3 Certification of Executive Vice President and Chief Financial and Accounting Officer of Carnival Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.4 Certification of Chief Executive Officer of Carnival plc pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.5 Certification of Chief Operating Officer of Carnival plc pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.6 Certification of Executive Vice President and Chief Financial and Accounting Officer of Carnival plc pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K

Carnival Corporation and Carnival plc filed joint Current Reports on Form 8-K on March 5, 2004 (Items 5, 7 and 9).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CARNIVAL CORPORATION

CARNIVAL plc

By: /s/ Micky Arison

Micky Arison
Chairman of the Board of Directors
and Chief Executive Officer

By: /s/ Micky Arison

Micky Arison
Chairman of the Board of Directors
and Chief Executive Officer

By: /s/ Howard S. Frank

Howard S. Frank
Vice Chairman of the Board of
Directors and Chief Operating Officer

By: /s/ Howard S. Frank

Howard S. Frank
Vice Chairman of the Board of
Directors and Chief Operating Officer

By: /s/ Gerald R. Cahill

Gerald R. Cahill
Executive Vice President
and Chief Financial and
Accounting Officer

By: /s/ Gerald R. Cahill

Gerald R. Cahill
Executive Vice President
and Chief Financial and
Accounting Officer

Dated: July 14, 2004

Dated: July 14, 2004

CARNIVAL CORPORATION
2002 STOCK PLAN

(Effective as of January 14, 2002,
as amended as of September 25, 2002 and April 17, 2003,
and as further amended and restated as of April 21, 2004)

1. Purpose

The purpose of the Plan is to provide a means through which each member of the Combined Group and their respective Affiliates may attract able persons to enter and remain in the employ of members of the Combined Group and their Affiliates and to provide a means whereby employees, directors and consultants of each member of the Combined Group and their Affiliates can acquire and maintain Share ownership, or be paid incentive compensation measured by reference to the value of Shares, thereby strengthening their commitment to the welfare of the members of the Combined Group and their Affiliates and promoting an identity of interest between shareholders and these persons.

The Plan provides for granting of Incentive Stock Options, Nonqualified Stock Options, Restricted Stock and Restricted Stock Units.

2. Definitions

The following definitions shall be applicable throughout the Plan.

(a) "Affiliate" means (i) any entity that directly or indirectly is controlled by, controls or is under common control with the Company or Carnival plc, and (ii) to the extent provided by the Committee, any entity in which the Company or Carnival plc has a significant equity interest.

(b) "Award" means, individually or collectively, any Incentive Stock Option, Nonqualified Stock Option, Restricted Stock Award or Restricted Stock Unit Award.

(c) "Award Agreement" means a Stock Option Agreement, Restricted Stock agreement or Restricted Stock Unit agreement.

(d) "Board" means the Board of Directors of the Company.

(e) "Carnival plc" means the entity previously known as P&O Princess Cruises plc, a public limited company incorporated under the laws of England and Wales, and any successor thereto.

(f) "Cause" means a member of the Combined Group or an Affiliate having "cause" to terminate a Participant's employment or service, as defined in any existing employment, consulting or any other agreement between the Participant and a member of the Combined Group or an Affiliate or, in the absence of such an employment, consulting or other agreement, upon (i) the determination by the Committee that the Participant has ceased to perform his duties to a member of the Combined Group or an Affiliate (other than as a result of his incapacity due to physical or mental illness or injury), which failure amounts to an intentional and extended neglect of his duties to such party, (ii) the Committee's determination that the Participant has engaged or is about to engage in willful misconduct or conduct which causes or may reasonably be expected to cause substantial damage to a member of the Combined Group or an Affiliate, (iii) the Participant having been convicted of, or plead guilty or no contest to, a felony or any crime involving as a material element fraud or dishonesty, (iv) the failure of the Participant to follow the lawful instructions of the Board or any of his superiors or (v) in the case of a Participant who is a non-employee director, the Participant

ceasing to be a member of the Board in connection with the Participant engaging in any of the activities described in clauses (i) through (iv) above.

(g) "Change of Control" means, unless in the case of a particular Award the applicable Award Agreement states otherwise or contains a different definition of "Change of Control," the occurrence of any of the following:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more (on a fully diluted basis) of either (A) the then outstanding shares of common stock of the Company, taking into account as outstanding for this purpose such common stock issuable upon the exercise of options or warrants, the

conversion of convertible stock or debt, and the exercise of any similar right to acquire such common stock (the "Outstanding Company Common Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this Plan, the following acquisitions shall not constitute a Change of Control: (I) any acquisition by the Company or any Affiliate, (II) any acquisition by any employee benefit plan sponsored or maintained by the Company or any Affiliate, (III) any acquisition by Marilyn B. Arison, Micky Arison, Shari Arison, Michael Arison or their spouses or lineal descendants, any trust established for the benefit of any of the aforementioned Arison family members, or any Person directly or indirectly controlling, controlled by or under common control with any of the aforementioned Arison family members or any trust established for the benefit of any of the aforementioned Arison family members or any charitable trust or non-profit entity established by any person or entity described in this clause (III), (IV) any acquisition by any Person which complies with clauses (A), (B) and (C) of subsection (v) of this Section 2(g), or (V) in respect of an Award held by a particular Participant, any acquisition by the Participant or any "affiliate" (within the meaning of 17 C.F.R. ss.230.405) of the Participant (persons described in clauses (I), (II), (III) (IV) and (V) being referred to hereafter as "Excluded Persons");

(ii) individuals who, on the date hereof, constitute the Board (the "Incumbent Directors") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the date hereof, whose election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without written objection to such nomination) shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest, as such terms are used in Rule 14a-11 of Regulation A promulgated under the Exchange Act, with respect to directors or as a result of any other actual or threatened solicitation of proxies or consents by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director;

(iii) the dissolution or liquidation of the Company;

(iv) the sale, transfer or other disposition of all or substantially all of the business or assets of the Company; or

(v) the consummation of a reorganization, recapitalization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company that requires the approval of the Company's shareholders, whether for such transaction or the issuance of securities in the transaction (a "Business Combination"), unless immediately following such Business Combination: (A) more than 50% of the total voting power of (x) the corporation resulting from such Business Combination (the "Surviving Company"), or (y) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of sufficient voting securities eligible to elect a majority of the directors of the Surviving

Company (the "Parent Company"), is represented by the Outstanding Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which the Outstanding Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of the Company's Voting Securities among the holders thereof immediately prior to the Business Combination, (B) no Person (other than any Excluded Person), is or becomes the beneficial owner, directly or indirectly, of 50% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Parent Company (or, if there is no Parent Company, the Surviving Company) and (C) at least a majority of the members of the board of directors of the Parent Company (or, if there is no Parent Company, the Surviving Company) following the consummation of the Business Combination were Board members at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination.

(h) "Code" means the Internal Revenue Code of 1986, as amended. Reference in the Plan to any section of the Code shall be deemed to include any amendments or successor provisions to such section and any regulations under such section.

(i) "Committee" means the Compensation Committee of the Board. Unless the Board determines otherwise, each member of the Committee shall, at the time he takes any action with respect to an Award under the Plan, be an Eligible Director. However, the mere fact that a Committee member shall fail to qualify as an Eligible Director shall not invalidate any Award granted by the Committee which Award is otherwise validly granted under the Plan.

(j) "Common Stock" means the common stock, par value \$0.01 per share, of the Company and any stock into which such common stock may be converted or into which it may be exchanged.

(k) "Combined Group" means the Company and Carnival plc and any successor thereto.

(l) "Company" means Carnival Corporation, a corporation organized under the laws of the Republic of Panama, and any successor thereto.

(m) "Date of Grant" means the date on which the granting of an Award is authorized, or such other date as may be specified in such authorization or, if there is no such date, the date indicated on the applicable Award Agreement.

(n) "Disability" means, unless in the case of a particular Award, the applicable Award Agreement states otherwise, a condition entitling a person to receive benefits under the long-term disability plan of a member of the Combined Group or an Affiliate, as may be applicable to the Participant in question, or, in the absence of such a plan, the complete and permanent inability by reason of illness or accident to perform the duties of the occupation at which a Participant was employed or served when such disability commenced, as determined by the Committee based upon medical evidence acceptable to it.

(o) "Effective Date" means January 14, 2002.

(p) "Eligible Director" means a person who is (i) a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act, or a person meeting any similar requirement under any successor rule or regulation and (ii) an "outside director" within the meaning of Section 162(m) of the Code, and the Treasury Regulations promulgated thereunder; provided, however, that clause (ii) shall apply only with respect to grants of Awards with respect to which the Company's tax deduction could be limited by Section 162(m) of the Code if such clause did not apply.

(q) "Eligible Person" means any (i) individual regularly employed by a member of the Combined Group or an Affiliate who satisfies all of the requirements of Section 6; provided, however, that no such employee covered by a collective bargaining agreement shall be an Eligible Person unless and to the extent that such eligibility is set forth in such collective bargaining agreement or in an agreement or instrument relating thereto; (ii) director of a member of the Combined Group or an Affiliate or (iii) consultant or advisor to a member of the Combined Group or an Affiliate who may be offered securities pursuant to Form S-8 (which, as of the Effective Date, includes only those who (A) are natural persons and (B) provide bona fide services to a member of the Combined Group other than in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Company's securities).

(r) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(s) "Fair Market Value", on a given date means (i) if the Shares are listed on a national securities exchange, the average of the highest and lowest sale prices reported as having occurred on the primary exchange with which the Shares are listed and traded on such date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported; (ii) if the Shares are not listed on any national securities exchange but is quoted in the Nasdaq National Market ("Nasdaq") on a last sale basis, the average between the high bid price and low ask price reported on the date prior to such date, or, if there is no such sale on that date, then on the last preceding date on which a sale was reported; or (iii) if the Shares are not listed on a national securities exchange nor quoted in the Nasdaq on a last sale basis, the amount determined by the Committee to be the fair market value based upon a good faith attempt to value the Shares accurately and computed in accordance with applicable regulations of the Internal Revenue Service.

(t) "Incentive Stock Option" means an Option granted by the Committee to a Participant under the Plan which is designated by the Committee as an incentive stock option as described in Section 422 of the Code and which otherwise meets the requirements set forth herein.

(u) "Mature Shares" means Shares owned by a Participant which are not subject to any pledge or other security interest and have either been held by the Participant for six months, previously acquired by the Participant on the open market or meet such other requirements as the Committee may determine are necessary in order to avoid an accounting earnings charge on account of the use of such Shares to pay the Option Price or satisfy a withholding obligation in respect of an Option.

(v) "Nonqualified Stock Option" means an Option granted by the Committee to a Participant under the Plan, which is not designated by the Committee as an Incentive Stock Option.

(w) "Option" means an Award granted under Section 7.

(x) "Option Period" means the period described in Section 7(c).

(y) "Option Price" means the exercise price for an Option as described in Section 7(a).

(z) "Pairing Agreement" means the Pairing Agreement, dated April 17, 2003, among Carnival Corporation, The Law Debenture Trust Corporation (Cayman) Limited, as trustee of the Carnival plc Special Voting Trust, and Sun Trust Bank, as transfer agent, as it may be amended from time to time.

(aa) "Participant" means an Eligible Person who has been selected by the Committee to participate in the Plan and to receive an Award.

(bb) "Performance Goals" means the performance objectives which may be established by the Committee for the purpose of determining whether, and to what extent, Awards will be earned for a Restricted Period. To the extent an Award is intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the Performance Goals shall be established with reference to one or more of the following, either on a Combined Group-wide basis or, as relevant, in respect of the Company, Carnival plc or one or more Affiliates, divisions or operations of a member of the Combined Group:

- (i) earnings (gross, net or per share)
- (ii) stock price (absolute or relative to other companies)
- (iii) market share
- (iv) gross or net profit margin
- (v) costs or expenses
- (vi) productivity improvements
- (vii) total shareholder return (absolute or relative to other companies).

(cc) "Plan" means this Carnival Company 2002 Stock Plan, as amended.

(dd) "Restricted Period" means, with respect to any share of Restricted Stock or any Restricted Stock Unit, the period of time determined by the Committee during which such Award is subject to the restrictions set forth in Section 8.

(ee) "Restricted Stock" means Shares issued or transferred to a Participant subject to forfeiture and the other restrictions set forth in Section 8.

(ff) "Restricted Stock Award" means an Award of Restricted Stock granted under Section 8.

(gg) "Restricted Stock Unit" means a hypothetical investment equivalent to one Share granted in connection with an Award made under Section 8.

(hh) "Restricted Stock Unit Award" means an Award of Restricted Stock Units granted under Section 8.

(ii) "Retirement" means a termination of employment with a member of the Combined Group and all Affiliates by a Participant on or after the earlier of (i) age 65 with at least five years of employment with a member of the Combined Group and/or its Affiliates or (ii) age 55 with at least 15 years of employment with a member of the Combined Group and/or its Affiliates.

(jj) "Securities Act" means the Securities Act of 1933, as amended.

(kk) "Share" means the aggregate of one share of Common Stock and one Trust Share.

(ll) "Stock Option Agreement" means any agreement between the Company and a Participant who has been granted an Option pursuant to Section 7 which defines the rights and obligations of the parties thereto.

(mm) "Subsidiary" means any subsidiary of the Company as defined in Section 424(f) of the Code.

(nn) "Trust Share" shall have the meaning assigned to it in the Pairing Agreement.

(oo) "Vested Unit" shall have the meaning assigned to it in Section 8(d).

3. Effective Date, Duration and Shareholder Approval

The Plan is effective as of the Effective Date, and the Plan was approved by shareholders at a meeting held on April 15, 2002 in a manner intended to comply with the shareholder approval requirements of Sections 422(b)(1) and 162(m) of the Code and the New York Stock Exchange.

The expiration date of the Plan, on and after which no Awards may be granted hereunder, shall be the tenth anniversary of the Effective Date; provided, however, that the administration of the Plan shall continue in effect until all matters relating to Awards previously granted have been settled.

4. Administration

The Committee shall administer the Plan. The majority of the members of the Committee shall constitute a quorum. The acts of a majority of the members present at any meeting at which a quorum is present or acts approved in writing by a majority of the Committee shall be deemed the acts of the Committee.

Subject to the provisions of the Plan and applicable law, the Committee shall have the power, in addition to other express powers and authorizations conferred on the Committee by the Plan, to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to a Participant; (iii) determine the number of Shares to be covered by, or with respect to which payments, rights, or other matters are to be calculated in connection with, Awards; (iv) determine the terms and conditions of any Awards; (v) determine whether, to what extent, and under what circumstances Awards may be settled or exercised in cash, Shares, other securities, other Awards or other property, or canceled, forfeited or suspended and the method or methods by which Awards may be settled, exercised, canceled, forfeited or suspended; (vi) determine whether, to what extent, and under what circumstances the delivery of cash, Shares, other securities, other Awards, other property and other amounts payable with respect to an Award shall be deferred either automatically or at the election of the holder thereof or of the Committee; (vii) interpret, administer, reconcile any inconsistency, correct any defect and/or supply any omission in the Plan and any instrument or agreement relating to, or Award granted under, the Plan; (viii) establish, amend, suspend, or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; and (ix) make any other determination and take any other action specified under the Plan or that the Committee deems necessary or desirable for the administration of the Plan.

(b) The Committee shall have the authority to amend the Plan (including by the adaptation of appendices or subplans) and/or the terms and conditions relating to an Award to the extent necessary to permit participation in the Plan by Eligible Persons who are located outside of the United States on terms and conditions comparable to those afforded to Eligible Persons located within the United States; provided, however, that no such action shall be taken without shareholder approval if such approval is necessary to comply with any tax or regulatory requirement applicable to the Plan (including as necessary to prevent the Company from being denied a tax deduction on account of Section 162(m) of the Code).

(c) Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations and other decisions under or with respect to the Plan or any Award or any documents evidencing Awards shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive and binding upon all parties, including, without limitation, each member of the Combined Group, their respective Affiliates, any Participant, any holder or beneficiary of any Award, and any shareholder.

5. Grant of Awards; Shares Subject to the Plan

The Committee may, from time to time, grant Awards of Options, Restricted Stock, Restricted Stock Units, or other stock-based Awards pursuant to Section 9, to one or more Eligible Persons; provided, however, that:

(a) Subject to Section 11, the aggregate number of Shares in respect of which Awards may be granted under the Plan shall not exceed 40,000,000;

(b) Shares shall be deemed to have been used in settlement of Awards whether they are actually delivered. In the event any Award shall be surrendered, terminate, expire, forfeited or cancelled for any reason whatsoever without the Participant having benefited from therefrom, the number of Shares no longer subject thereto shall thereupon be released and shall thereafter be available for new Awards under the Plan. For purposes of the foregoing sentence, a Participant shall not be deemed to have received any "benefit" in the case of forfeited Restricted Stock Awards by reason of having enjoyed voting rights and dividend rights prior to the date of forfeiture;

(c) Shares delivered by the Company in settlement of Awards may be authorized and unissued Shares or Shares held in the treasury of the Company or purchased on the open market or by private purchase; and

(d) Subject to Section 11, no person may be granted an Award under the Plan during any calendar year with respect to more than 2,000,000 Shares; provided that such number shall be adjusted pursuant to Section 11, and Shares otherwise counted against such number, only in a manner which will not cause the Awards granted under the Plan to fail to qualify as "performance-based compensation" under Section 162(m) of the Code.

6. Eligibility

Participation shall be limited to Eligible Persons who have received written notification from the Committee, or from a person designated by the Committee, that they have been selected to participate in the Plan.

7. Terms of Options

The Committee is authorized to grant one or more Incentive Stock Options or Nonqualified Stock Options to any Eligible Person; provided, however, that no Incentive Stock Option shall be granted to any Eligible Person who is not an employee of the Company or a Subsidiary. Each Option so granted shall be subject to the conditions set forth in this Section 7, or to such other conditions as may be reflected in the applicable Stock Option Agreement.

(a) Option Price. The Option Price per Share for each Option shall be set by the Committee at the time of grant but shall not be less than (i) in the case of an Incentive Stock Option, and subject to Section 7(f), the Fair Market Value of a Share on the Date of Grant, and (ii) in the case of a Non-Qualified Stock Option, 85% of the Fair Market Value of a Share on the Date of Grant; provided, however, that all Options intended to qualify as "performance-based compensation" under Section 162(m) of the Code shall have an Option Price per Share no less than the Fair Market Value of a Share on the Date of Grant.

(b) Manner of Exercise and Form of Payment. No Shares shall be delivered pursuant to any exercise of an Option until payment in full of the Option Price therefor is received by the Company. Options which have become exercisable may be exercised by delivery of written notice of exercise to the Company accompanied by payment of the aggregate Option Price. The Option Price shall be payable in cash and/or Shares valued at the Fair Market Value at the time the Option is exercised (including by means of attestation of ownership of a sufficient number of Shares in lieu of actual delivery of such Shares to the Company), provided that such Shares are Mature Shares, or, in the discretion of the Committee, either (i) in

other property having a fair market value on the date of exercise equal to the Option Price, (ii) by delivering to the Committee a copy of irrevocable instructions to a stockbroker to deliver promptly to the Company an amount of loan proceeds, or proceeds of the sale of the Shares subject to the Option, sufficient to pay the Option Price or (iii) by such other method as the Committee may allow.

(c) Vesting, Option Period and Expiration. Options shall vest and become exercisable in such manner and on such date or dates determined by the Committee and shall expire after such period, not to exceed ten years, as may be determined by the Committee (the "Option Period"); provided, however, that notwithstanding any vesting dates set by the Committee, the Committee may, in its sole discretion, accelerate the exercisability of any Option, which acceleration shall not affect the terms and conditions of such Option other than with respect to exercisability. If an Option is exercisable in installments, such installments or portions thereof which become exercisable shall remain exercisable until the Option expires.

Unless otherwise stated in the applicable Stock Option Agreement, an Option shall expire earlier than the end of the Option Period in the following circumstances:

(i) If prior to the end of the Option Period, the Participant's employment or service with each member of the Combined Group and all Affiliates is terminated by a member of the Combined Group without Cause or by the Participant for any reason other than Retirement, the Option shall expire on the earlier of the last day of the Option Period or the date that is three months after the date of such termination; provided, however, that any Participant whose employment or service with a member of the Combined Group or any Affiliate is terminated and who is subsequently rehired or reengaged by a member of the Combined Group or any Affiliate prior to the expiration of the Option shall not be considered to have undergone a termination. In the event of a termination described in this clause (i), the Option shall remain exercisable by the Participant until its expiration only to the extent the Option was exercisable at the time of such termination.

(ii) If the Participant dies or is terminated on account of Disability prior to the end of the Option Period and while still in the employ or service of a member of the Combined Group or an Affiliate, or dies following a termination described in clause (i) above but prior to the expiration of an Option, the Option shall expire on the earlier of the last day of the Option Period or the date that is one year after the date of death or termination on account of Disability of the Participant, as applicable. In such event, the Option shall remain exercisable by the Participant or his or her beneficiary determined in accordance with Section 10(p), as applicable, until its expiration only to the extent the Option was exercisable by the Participant at the time of such event.

(iii) If the Participant ceases employment or service with a member of the Combined Group and Affiliates due to a termination by a member of the Combined Group or an Affiliate for Cause, the Option shall expire immediately upon such cessation of employment or service.

Unless stated otherwise in an applicable Stock Option Agreement, if the Participant terminates by reason of Retirement prior to the end of the Option Period, the Option shall (i) expire at the end of the Option Period and (ii) continue vesting in accordance with the vesting schedule set forth in the Stock Option Agreement, without regard to any requirement in such vesting schedule that the Participant remain employed with a member of the Combined Group or an Affiliate as a condition to vesting.

(d) Other Terms and Conditions. Each Option granted under the Plan shall be evidenced by a Stock Option Agreement. Except as specifically provided otherwise in a Stock Option Agreement, each Option granted under the Plan shall be subject to the following terms and conditions:

(i) Each Option or portion thereof that is exercisable shall be exercisable for the full amount or for any part thereof.

(ii) Each Share purchased through the exercise of an Option shall be paid for in full at the time of the exercise. Each Option shall cease to be exercisable, as to any Share, when the Participant purchases the share or when the Option expires.

(iii) Subject to Section 8(h), Options shall not be transferable by the Participant except by will or the laws of descent and distribution and shall be exercisable during the Participant's lifetime only by him.

(iv) Each Option shall vest and become exercisable by the Participant in accordance with the vesting schedule established by the Committee and set forth in the Stock Option Agreement.

(v) At the time of any exercise of an Option, the Committee may, in its sole discretion, require a Participant to deliver to the Committee a written representation that the Shares to be acquired upon such exercise are to be acquired for investment and not for resale or with a view to the distribution thereof. Upon such a request by the Committee, delivery of such representation prior to the delivery of any Shares issued upon exercise of an Option shall be a condition precedent to the right of the Participant or such other person to purchase any Shares. In the event certificates for Shares are delivered under the Plan with respect to which such investment representation has been obtained, the Committee may cause a legend or legends to be placed on such certificates to make appropriate reference to such representation and to restrict transfer in the absence of compliance with applicable federal or state securities laws.

(vi) Each Participant awarded an Incentive Stock Option under the Plan shall notify the Company in writing immediately after the date he makes a disqualifying disposition of any Shares acquired pursuant to the exercise of such Incentive Stock Option. A disqualifying disposition is any disposition (including any sale) of such Shares before the later of (a) two years after the Date of Grant of the Incentive Stock Option or (b) one year after the date the Participant acquired the Shares by exercising the Incentive Stock Option.

(vii) Except as specifically provided otherwise in a Stock Option Agreement, any Participant who is classified as a "shipboard employee," and who has not otherwise evidenced a specific intent to permanently terminate his employment with each member of the Combined Group and all Affiliates (as reasonably determined by the Committee) shall not be considered to have terminated employment with each member of the Combined Group and all Affiliates until a six-month period has expired from his signing off of a ship without physically signing on to another ship.

(e) Incentive Stock Option Grants to 10% Shareholders.

Notwithstanding anything to the contrary in this Section 7, if an Incentive Stock Option is granted to a Participant who owns stock representing more than ten percent of the voting power of all classes of stock of the Company or of a Subsidiary or a parent of the Company, the Option Period shall not exceed five years from the Date of Grant of such Option and the Option Price shall be at least 110 percent of the Fair Market Value (on the Date of Grant) of the Shares subject to the Option.

(f) \$100,000 Per Year Limitation for Incentive Stock Options. To the extent the aggregate Fair Market Value (determined as of the Date of Grant) of Shares for which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company) exceeds \$100,000, such excess Incentive Stock Options shall be treated as Nonqualified Stock Options.

8. Restricted Stock Awards and Restricted Stock Units

(a) Awards of Restricted Stock and Restricted Stock Unit Awards.

(i) The Committee shall have the authority (A) to grant Restricted Stock Awards and Restricted Stock Unit Awards to Eligible Persons, (B) to issue or transfer Restricted Stock to Participants, and (C) to establish terms, conditions and restrictions applicable to such Restricted Stock and Restricted Stock Units, including the Restricted Period, which may differ with respect to each Participant, the time or times at which Restricted Stock or Restricted Stock Units shall be granted or become vested and the number of Shares or units to be covered by each grant.

(ii) Each Participant granted a Restricted Stock Award shall execute and deliver to the Company a Restricted Stock agreement with respect to the Restricted Stock setting forth the restrictions applicable to such Restricted Stock. If the Committee determines that the Restricted Stock shall be held in escrow rather than delivered to the Participant pending the release of the applicable restrictions, the Committee may require the Participant to additionally execute and deliver to the Company (A) an escrow agreement satisfactory to the Committee and (B) the appropriate blank stock powers with respect to the Restricted Stock covered by such agreement. If a Participant shall fail to execute an agreement evidencing an Award of Restricted Stock and, if applicable, an escrow agreement and stock powers, the Award shall be null and void. Subject to the restrictions set forth in Section 8(b), the Participant generally shall have the rights and privileges of a stockholder as to such Restricted Stock, including the right to vote such Restricted Stock. At the discretion of the Committee, cash dividends and stock dividends with respect to the Restricted Stock may be either currently paid to the Participant or withheld by the Company for the Participant's account, and interest may be credited on the amount of cash dividends withheld at a rate and subject to such terms as determined by the Committee. The cash dividends or stock dividends so withheld by the Committee and attributable to any particular share of Restricted Stock (and earnings thereon, if applicable) shall be distributed to the Participant upon the release of restrictions on such share and, if such share is forfeited, the Participant shall have no right to such cash dividends stock dividends.

(iii) Upon the grant of an Award of Restricted Stock, the Committee shall cause a stock certificate registered in the name of the Participant to be issued and, if it so determines, deposited together with the stock powers with an escrow agent designated by the Committee. If an escrow arrangement is used, the Committee may cause the escrow agent to issue to the Participant a receipt evidencing any stock certificate held by it registered in the name of the Participant.

(iv) The terms and conditions of a grant of Restricted Stock Units shall be reflected in a written Restricted Stock Unit agreement. No Shares shall be issued at the time an Award of Restricted Stock Units is made, and the Company will not be required to set aside a fund for the payment of any such Award. At the discretion of the Committee, each Restricted Stock Unit (representing one Share) awarded to a Participant may be credited with cash and stock dividends paid in respect of one Share ("Dividend Equivalents"). At the discretion of the Committee, Dividend Equivalents may be either currently paid to the Participant or withheld by the Company for the Participant's account, and interest may be credited on the amount of cash Dividend Equivalents withheld at a rate and subject to such terms as determined by the Committee. Dividend Equivalents credited to a Participant's account and attributable to any particular Restricted Stock Unit (and earnings thereon, if applicable) shall be distributed to the Participant upon settlement of such Restricted Stock Unit and, if such Restricted Stock Unit is forfeited, the Participant shall have no right to such Dividend Equivalents.

(b) Restrictions.

(i) Restricted Stock awarded to a Participant shall be subject to the following restrictions until the expiration of the Restricted Period and the attainment of any other vesting criteria established by the Committee, and to such other terms and conditions as may be set forth in the applicable Restricted Stock Agreement: (A) if an escrow arrangement is used, the

Participant shall not be entitled to delivery of the stock certificate; (B) the Shares shall be subject to the restrictions on transferability set forth in the Restricted Stock Agreement; (C) the Shares shall be subject to forfeiture to the extent provided in the applicable Restricted Stock Agreement and, to the extent such Shares are forfeited, the stock certificates shall be returned to the Company, and all rights of the Participant to such Shares and as a shareholder shall terminate without further obligation on the part of the Company.

(ii) Restricted Stock Units awarded to any Participant shall be subject to (1) forfeiture until the expiration of the Restricted Period and the attainment of any other vesting criteria established by the Committee, to the extent provided in the applicable Restricted Stock Unit agreement, and to the extent such Restricted Stock Units are forfeited, all rights of the Participant to such Restricted Stock Units shall terminate without further obligation on the part of the Company and (2) such other terms and conditions as may be set forth in the applicable Restricted Stock Unit agreement.

(iii) The Committee shall have the authority to remove any or all of the restrictions on the Restricted Stock and Restricted Stock Units whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the date of the Restricted Stock Award or Restricted Stock Unit Award, such action is appropriate.

(c) Restricted Period. The Restricted Period of Restricted Stock and Restricted Stock Units shall commence on the Date of Grant and shall expire from time to time as to that part of the Restricted Stock and Restricted Stock Units indicated in a schedule established by the Committee in the applicable Restricted Stock agreement or Restricted Stock Unit agreement.

(d) Delivery of Restricted Stock and Settlement of Restricted Stock Units. Upon the expiration of the Restricted Period with respect to any Shares covered by an Award of Restricted Stock and the attainment of any other vesting criteria established by the Committee, the restrictions set forth in Section 8(b) and the Restricted Stock Agreement shall be of no further force or effect with respect to shares of Restricted Stock which have not then been forfeited. If an escrow arrangement is used, upon such expiration, the Company shall deliver to the Participant, or his beneficiary, without charge, the stock certificate evidencing the shares of Restricted Stock which have not then been forfeited and with respect to which the Restricted Period has expired and any other vesting criteria established by the Committee has been attained (to the nearest full share) and any cash dividends or stock dividends credited to the Participant's account with respect to such Restricted Stock and the interest thereon, if any.

Upon the expiration of the Restricted Period and the attainment of any other vesting criteria established by the Committee, with respect to any Restricted Stock Units covered by a Restricted Stock Unit Award, the Company shall deliver to the Participant, or his beneficiary, without charge, one Share for each Restricted Stock Unit which has not then been forfeited and with respect to which the Restricted Period has expired and any other such vesting criteria are attained ("Vested Unit"); provided, however, that, if so noted in the applicable Restricted Stock Unit agreement, the Committee may, in its sole discretion, elect to pay cash or part cash and part Shares in lieu of delivering only Shares for Vested Units. If cash payment is made in lieu of delivering Shares, the amount of such payment shall be equal to the Fair Market Value of the Shares as of the date on which the Restricted Period lapsed with respect to such Vested Unit.

(e) Stock Restrictions. Each certificate representing Restricted Stock awarded under the Plan shall bear a legend until the lapse of all restrictions with respect to the Shares subject to the Award substantially in the form set forth below, as well as containing any other information the Company deems appropriate:

Transfer of this certificate and the shares represented hereby is restricted pursuant to the terms of the Carnival Corporation 2002 Stock Plan, as amended from time to time, and a Restricted Stock agreement, dated as of _____, between Carnival Corporation and _____. Copies of such Plan and agreement are on file at the offices of Carnival Corporation.

Stop transfer orders shall be entered with the Company's transfer agent and registrar against the transfer of legended securities.

(f) Applicability of Section 162(m). With respect to Awards of Restricted Stock and Restricted Stock Units intended to qualify as "performance-based compensation" under Section 162(m) of the Code, this Section 8 (including the substance of the Performance Goals, the timing of establishment of the Performance Goals, the adjustment of the Performance Goals and determination of the Award) shall be implemented by the Committee in a manner designed to preserve such Awards as such "performance-based compensation."

9. Other Stock Based Awards

The Committee shall have the right to grant Awards determined in Shares, or valued with reference to Shares, having such terms and conditions as the Committee may determine, including the grants of Shares based upon the attainment of certain conditions, including, without limitation, the payment by the Participant of the Fair Market Value of such Shares on the Date of Grant, the grant of securities convertible into Shares and the grant of stock appreciation rights.

10. General

(a) Additional Provisions of an Award. Awards granted to a Participant under the Plan also may be subject to such other provisions (whether or not applicable to Awards granted to any other Participant) as the Committee determines appropriate including, without limitation, provisions to assist the Participant in financing the purchase of Shares upon the exercise of Options (provided that the Committee determines that providing such financing does not violate the Sarbanes-Oxley Act of 2002), provisions for the forfeiture of or restrictions on resale or other disposition of Shares acquired under any Award, provisions giving the Company the right to repurchase Shares acquired under any Award in the event the Participant elects to dispose of such Shares, provisions allowing the Participant to elect to defer the receipt of Shares upon the exercise of Awards for a specified period or until a specified event, and provisions to comply with Federal and state securities laws and Federal and state tax withholding requirements. Any such provisions shall be reflected in the applicable Award Agreement.

(b) Privileges of Stock Ownership. Except as otherwise specifically provided in the Plan, no person shall be entitled to the privileges of ownership in respect of Shares which are subject to Awards hereunder until such Shares have been issued to that person.

(c) Government and Other Regulations. The obligation of the Company to issue Shares upon the exercise of Options or otherwise settle Awards in Shares shall be subject to all applicable laws, rules, and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Company shall be under no obligation to offer to sell or to sell and shall be prohibited from offering to sell or selling any Shares pursuant to an Award unless such Shares have been properly registered for sale pursuant to the Securities Act with the Securities and Exchange Commission or unless the Company has received an opinion of counsel, satisfactory to the Company, that such Shares may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. The Company shall be under no obligation to register for sale under the Securities Act any of the Shares to be offered or sold under the Plan. If the Shares offered for sale or sold under the Plan are offered or sold

pursuant to an exemption from registration under the Securities Act, the Company may restrict the transfer of such Shares and may legend the stock certificates representing such Shares in such manner as it deems advisable to ensure the availability of any such exemption.

(d) Tax Withholding.

(i) A Participant may be required to pay to a member of the Combined Group or any Affiliate, and each member of the Combined Group or any Affiliate shall have the right and is hereby authorized to withhold from any Shares or other property deliverable under any Award or from any compensation or other amounts owing to a Participant the amount (in cash, Shares or other property) of any required tax withholding and payroll taxes in respect of an Award, its exercise, or any payment or transfer under an Award or under the Plan and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes.

(ii) Without limiting the generality of clause (i) above, the Committee may, in its sole discretion, permit a Participant to satisfy, in whole or in part, the foregoing withholding liability (but no more than the minimum required withholding liability if using method (B) or (C) of this subsection) by (A) payment in cash; (B) delivery of Shares owned by the Participant (which Shares must be Mature Shares) with a Fair Market Value equal to such withholding liability or (C) having the Company withhold from the number of Shares otherwise issuable pursuant to the exercise of the Award a number of Shares with a Fair Market Value equal to such withholding liability.

(e) Claim to Awards and Employment Rights. No employee of a member of the Combined Group, an Affiliate, or other person, shall have any claim or right to be granted an Award under the Plan or, having been selected for the grant of an Award, to be selected for a grant of any other Award. Neither the Plan nor any action taken hereunder shall be construed as giving any Participant any right to be retained in the employ or service of a member of the Combined Group or an Affiliate.

(f) No Liability of Committee Members. No member of the Committee shall be personally liable by reason of any contract or other instrument executed by such member or on his behalf in his capacity as a member of the Committee nor for any mistake of judgment made in good faith, and the Company shall indemnify and hold harmless each member of the Committee and each other employee, officer or director of the Company to whom any duty or power relating to the administration or interpretation of the Plan may be allocated or delegated, against any cost or expense (including counsel fees) or liability (including any sum paid in settlement of a claim) arising out of any act or omission to act in connection with the Plan unless arising out of such person's own fraud or willful bad faith; provided, however, that approval of the Board shall be required for the payment of any amount in settlement of a claim against any such person. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation or By-Laws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

(g) Governing Law. The Plan shall be governed by and construed in accordance with the internal laws of the State of Florida without regard to the principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Florida.

(h) Funding. No provision of the Plan shall require the Company, for the purpose of satisfying any obligations under the Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Company maintain separate bank accounts, books, records or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the Plan other than as unsecured general creditors of the Company, except that insofar as they may have become entitled to payment of

additional compensation by performance of services, they shall have the same rights as other employees under general law.

(i) Nontransferability.

(i) Each Award shall be exercisable only by a Participant during the Participant's lifetime, or, if permissible under applicable law, by the Participant's legal guardian or representative. No Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant otherwise than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against each member of the Combined Group or an Affiliate; provided that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(ii) Notwithstanding the foregoing, the Committee may, in its sole discretion, permit Awards other than Incentive Stock Options to be transferred by a Participant, without consideration, subject to such rules as the Committee may adopt consistent with any applicable Award Agreement to preserve the purposes of the Plan, to:

- (A) any person who is a "family member" of the Participant, as such term is used in the instructions to Form S-8 (collectively, the "Immediate Family Members");
- (B) a trust solely for the benefit of the Participant and his or her Immediate Family Members;
- (C) a partnership or limited liability company whose only partners or shareholders are the Participant and his Immediate Family Members; or
- (D) any other transferee as may be approved either (a) by the Board or the Committee in its sole discretion, or (b) as provided in the applicable Award Agreement;

(each transferee described in clauses (A), (B), (C) and (D) above is hereinafter referred to as a "Permitted Transferee"); provided that the Participant gives the Committee advance written notice describing the terms and conditions of the proposed transfer and the Committee notifies the Participant in writing that such a transfer would comply with the requirements of the Plan.

(iii) The terms of any Award transferred in accordance with the immediately preceding sentence shall apply to the Permitted Transferee and any reference in the Plan, or in any applicable Award Agreement, to a Participant shall be deemed to refer to the Permitted Transferee, except that (A) Permitted Transferees shall not be entitled to transfer any Award, other than by will or the laws of descent and distribution; (B) Permitted Transferees shall not be entitled to exercise a transferred Nonqualified Stock Option unless there shall be in effect a registration statement on an appropriate form covering the Shares to be acquired pursuant to the exercise of such Nonqualified Stock Option if the Committee determines, consistent with any applicable Stock Option Agreement, that such a registration statement is necessary or appropriate, (C) the Committee or any member of the Combined Group shall not be required to provide any notice to a Permitted Transferee, whether or not such notice is or would otherwise have been required to be given to the Participant under the Plan or otherwise, and (D) the consequences of a Participant no longer being employed by, or in the services of, the a member of the Combined Group or an Affiliate under the terms of the Plan and the applicable Award Agreement shall continue to be applied with respect to the Participant, including, without limitation, that a Nonqualified Stock Option shall be exercisable by the Permitted Transferee only to the extent, and for the periods, specified in the Plan and the applicable Stock Option Agreement.

(j) Reliance on Reports. Each member of the Committee and each member of the Board shall be fully justified in acting or failing to act, as the case may be, and shall not be liable for having so acted or failed to act in good faith reliance upon any report made by the independent public accountant of the Combined Group and its Affiliates and upon any other information furnished in connection with the Plan by any person or persons other than himself.

(k) Relationship to Other Benefits. No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, profit sharing, group insurance or other benefit plan of a member of the Combined Group or any Affiliate except as otherwise specifically provided in such other plan.

(l) Expenses. The expenses of administering the Plan shall be borne by the Company and Affiliates.

(m) Gender and Number. Where the context admits, masculine pronouns and other words of masculine gender shall refer to both men and women, words in the singular shall include the plural and words in the plural shall include the singular.

(n) Titles and Headings. The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings shall control.

(o) Termination of Employment. For all purposes herein, a person who transfers from employment or service with a member of the Combined Group to employment or service with an Affiliate or vice versa shall not be deemed to have terminated employment or service with a member of the Combined Group or such Affiliate.

(p) Severability. If any provision of the Plan or any Award Agreement is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or Award, such provision shall be stricken as to such jurisdiction, person or Award and the remainder of the Plan and any such Award shall remain in full force and effect.

(q) Beneficiary Designation. Each Participant may designate one or more beneficiaries by delivering a signed written designation thereof to the Committee. Upon the death of a Participant, his beneficiaries shall be entitled to the Awards granted to such Participant under the terms of this Plan. A Participant may change his beneficiary designation at any time by delivering a new designation in accordance with the first sentence of this paragraph. Any designation shall become effective only upon its receipt by the Committee. In the absence of an effective beneficiary designation in accordance with this Section 10(p), a Participant's beneficiary shall be his estate. After the receipt of Options in accordance with this paragraph, beneficiaries will only be able to exercise such Options in accordance with Section 7(c)(ii) of this Plan.

11. Changes in Capital Structure

Awards granted under the Plan and any Award Agreements, the maximum number of Shares subject to all Awards stated in Section 5(a) and the maximum number of Shares with respect to which any one person may be granted Awards during any period stated in Section 5(d) shall be subject to adjustment or substitution, as determined by the Committee in its sole discretion, as to the number, price or kind of a share of stock or other consideration subject to such Awards or as otherwise determined by the Committee to be equitable (i) in the event of changes in the outstanding Shares or in the capital structure of the Company by

reason of stock or extraordinary cash dividends, stock splits, reverse stock splits, recapitalization, reorganizations, mergers, consolidations, combinations, exchanges, an unpairing of the shares of Common Stock from the Trust Shares, or other relevant changes in capitalization occurring after the Date of Grant of any such Awards or (ii) in the event of any change in applicable laws or any change in circumstances which results in or would result in any substantial dilution or enlargement of the rights granted to, or available for, Participants, or which otherwise warrants equitable adjustment because it interferes with the intended operation of the Plan. Any adjustment in Incentive Stock Options under this Section 11 shall be made only to the extent not constituting a "modification" within the meaning of Section 424(h)(3) of the Code, and any adjustments under this Section 11 shall be made in a manner which does not adversely affect the exemption provided pursuant to Rule 16b-3 under the Exchange Act. Further, with respect to Awards intended to qualify as "performance-based compensation" under Section 162(m) of the Code, such adjustments or substitutions shall be made only to the extent that the Committee determines that such adjustments or substitutions may be made without causing the Company to be denied a tax deduction on account of Section 162(m) of the Code. The Company shall give each Participant notice of an adjustment hereunder and, upon notice, such adjustment shall be conclusive and binding for all purposes.

Notwithstanding the above, in the event of any of the following:

A. The Company is merged or consolidated with another corporation or entity and, in connection therewith, consideration is received by shareholders of the Company in a form other than stock or other equity interests of the surviving entity;

B. All or substantially all of the assets of the Company are acquired by another person;

C. The reorganization or liquidation of the Company; or

D. The Company shall enter into a written agreement to undergo an event described in clauses A, B or C above,

then the Committee may, in its discretion and upon at least 10 days advance notice to the affected persons, cancel any outstanding Awards and cause the holders thereof to be paid, in cash or stock, or any combination thereof, the value of such Awards based upon the price per share of the shares of stock or other consideration received or to be received by other shareholders of the Company in the event. The terms of this Section 11 may be varied by the Committee in any particular Award Agreement.

12. Effect of Change of Control

Except to the extent a particular Award Agreement otherwise provides:

(a) In the event of a Change of Control, notwithstanding any provision of the Plan to the contrary, all Options shall become immediately exercisable with respect to 100 percent of the Shares subject to such Option, and the Restricted Period shall expire immediately with respect to 100 percent of the shares of Restricted Stock and Restricted Stock Units (including a waiver of any applicable Performance Goals) and, to the extent practicable, such acceleration of exercisability and expiration of the Restricted Period (as applicable) shall occur in a manner and at a time which allows affected Participants the ability to participate in the Change in Control transaction with respect to the Shares subject to their Awards.

(b) In addition, in the event of a Change of Control, the Committee may in its discretion and upon at least 10 days' advance notice to the affected persons, cancel any outstanding Award and pay to the holders thereof, in cash or stock, or any combination thereof, the value of such Awards based upon the price per Share received or to be received by other shareholders of the Company in the event.

(c) The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. The Company agrees that it will make appropriate provisions for the preservation of Participants' rights under the Plan in any agreement or plan which it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

13. Nonexclusivity of the Plan

Neither the adoption of this Plan by the Board nor the submission of this Plan to the shareholders of the Company for approval shall be construed as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting of stock options otherwise than under this Plan, and such arrangements may be either applicable generally or only in specific cases.

14. Amendments and Termination

(a) Amendment and Termination of the Plan. The Board may amend, alter, suspend, discontinue, or terminate the Plan or any portion thereof at any time; provided that no such amendment, alteration, suspension, discontinuation or termination shall be made without shareholder approval if such approval is necessary to comply with any tax or regulatory requirement applicable to the Plan (including as necessary to prevent the Company from being denied a tax deduction on account of Section 162(m) of the Code); and provided further that any such amendment, alteration, suspension, discontinuance or termination that would impair the rights of any Participant or any holder or beneficiary of any Option theretofore granted shall not to that extent be effective without the consent of the affected Participant, holder or beneficiary.

(b) Amendment of Award Agreements. The Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any Award theretofore granted or the associated Award Agreement, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would impair the rights of any Participant, holder or beneficiary in respect of any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant; and provided further that, without stockholder approval, the Committee may not take any action that results in the "repricing" of any Option granted under the Plan. For purposes of this Section 13(b) a "repricing" means any of the following (or any other action that has the same effect of any of the following): (i) amending or modifying the terms of an Option after the Date of Grant in a manner that reduces the Option Price of such Option; (ii) any other action that would either (A) be reportable on the Company's proxy statement as Options which have been "repriced" (as such term is used in Item 402 of Regulation S-K promulgated under the Exchange Act) or (B) results in an Option being considered repriced under generally accepted accounting principles; or (iii) canceling an Option at time when its Option Price is equal to or less than the Fair Market Value of the Shares subject to the Option, in exchange for another Option, Restricted Stock Award or any other equity-based award. A cancellation and exchange described in clause (iii) of the preceding sentence will be considered a "repricing" regardless of whether (x) the Option, Restricted Stock Award or other equity-based award is delivered simultaneously with the cancellation of the Option, (y) it is reportable as a repricing in the Company's proxy statement or under generally accepted accounting principles, and (z) the cancellation of the Option was voluntary on the part of the Participant.

* * *

As adopted by the Board of Directors of Carnival Corporation as of January 14, 2002 and amended as of September 25, 2002 and April 17, 2003, and further amended and restated as of April 21, 2004.

CARNIVAL CORPORATION & PLC
 Ratio of Earnings to Fixed Charges
 (in millions, except ratios)

	Six Months Ended May 31,	
	2004	2003
	-----	-----
Net income	\$ 535	\$ 255
Income tax benefit, net	(4)	(9)
Loss from equity investees	4	
	-----	-----
Income before income taxes	535	246
	-----	-----
Fixed charges		
Interest expense, net	136	71
Interest portion of rent expense(1)	9	4
Capitalized interest	17	22
	-----	-----
Total fixed charges	162	97
	-----	-----
Fixed charges not affecting earnings		
Capitalized interest	(17)	(22)
	-----	-----
Earnings before fixed charges	\$ 680	\$ 321
	=====	=====
Ratio of earnings to fixed charges	4.2x	3.3x
	=====	=====

(1) Represents one-third of rent expense, which we believe to be representative of the interest portion of rent expense.

I, Micky Arison, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 14, 2004

By: /s/ Micky Arison

Micky Arison
Chairman of the Board of Directors
and Chief Executive Officer

I, Howard S. Frank, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 14, 2004

By: /s/ Howard S. Frank

Howard S. Frank
Vice Chairman of the Board of
Directors and Chief Operating Officer

I, Gerald R. Cahill, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 14, 2004

By: /s/ Gerald R. Cahill

 Gerald R. Cahill
 Executive Vice President and Chief
 Financial and Accounting Officer

I, Micky Arison, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 14, 2004

By: /s/ Micky Arison

Micky Arison
Chairman of the Board of Directors
and Chief Executive Officer

I, Howard S. Frank, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 14, 2004

By: /s/ Howard S. Frank

Howard S. Frank
Vice Chairman of the Board of
Directors and Chief Operating Officer

I, Gerald R. Cahill, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 14, 2004

By: /s/ Gerald R. Cahill

Gerald R. Cahill
Executive Vice President and Chief
Financial and Accounting Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2004 as filed by Carnival Corporation with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival Corporation.

Date: July 14, 2004

By: /s/ Micky Arison

Micky Arison
Chairman of the Board of Directors
and Chief Executive Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2004 as filed by Carnival Corporation with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival Corporation.

Date: July 14, 2004

By: /s/ Howard S. Frank

Howard S. Frank
Vice Chairman of the Board of Directors
and Chief Operating Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2004 as filed by Carnival Corporation with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival Corporation.

Date: July 14, 2004

By: /s/ Gerald R. Cahill

Gerald R. Cahill
Executive Vice President and Chief
Financial and Accounting Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2004 as filed by Carnival plc with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival plc.

Date: July 14, 2004

By: /s/ Micky Arison

Micky Arison
Chairman of the Board of Directors
and Chief Executive Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2004 as filed by Carnival plc with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival plc.

Date: July 14, 2004

By: /s/ Howard S. Frank

Howard S. Frank
Vice Chairman of the Board of Directors
and Chief Operating Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended May 31, 2004 as filed by Carnival plc with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival plc.

Date: July 14, 2004

By: /s/ Gerald R. Cahill

Gerald R. Cahill
Executive Vice President and Chief
Financial and Accounting Officer