



Carnival Corporation & plc Restructures Cunard's North America Organization

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MIAMI, Jul 16, 2004 /PRNewswire-FirstCall via COMTEX/ -- Carnival Corporation & plc (NYSE: CCL; LSE) (NYSE: CUK) has announced a restructuring of Cunard Line's North American organization designed to position the company for continued growth while streamlining operations and maximizing efficiencies. The line will be relocated to Santa Clarita, California, home to sister company Princess Cruises, by December 2004. In addition to the recently announced fleet operations reorganization, Cunard will share administrative, finance and IT functions with Princess.

This relocation follows the recent announcement in the United Kingdom, where Cunard's British operations were combined with those of the other Carnival Corporation & plc U.K. brands.

"Cunard has one of the most time honored names in cruising, and with the introduction of the Queen Mary 2 and the upcoming delivery of Queen Victoria, the brand is poised for growth," said Peter Ratcliffe, CEO of Carnival Corporation's P&O Princess division, which includes Cunard. "This move provides Cunard the opportunity to utilize the significant resources of one of its sister companies while retaining its unique identity."

The relocation is expected to reduce future overhead costs by approximately \$20 million on an annual basis. Non-recurring charges related to the cost of the relocation of between \$10 million and \$15 million are expected to be recorded primarily over the remainder of 2004.

During the reorganization period Pamela Conover will remain as president of Cunard Line and will oversee the transition of the Cunard organization to Santa Clarita. Once the relocation is complete, Conover will assume the new position of senior vice president, Carnival Shared Services, a corporate office function reporting directly to Howard Frank, vice chairman and chief operating officer of Carnival Corporation & plc.

"It has been an honor to lead Cunard for the past three years, but it is quite clear that this move will further strengthen Cunard Line and will lay the foundations for further growth and success," said Conover. "In Miami we have an amazing team of dedicated staff who have been instrumental to Cunard's success over the years, and I would like to thank them for their support and many contributions, and wish them well for the future."

The line's North American Sales and Customer Services department will report to Lee Robinson, vice president of sales and customer service for Cunard, and the North American Marketing and Revenue department will be led by David Gevanthor, Cunard's vice president of yield management and marketing. Gevanthor and Robinson, together with Carol Marlow and Jackie Foggitt, the heads of sales and marketing in the United Kingdom and Australia, respectively, will report to Peter Ratcliffe once the transition is complete.

The current Cunard field sales force remains intact, and will continue to represent the Seabourn Cruise Line in addition to Cunard.

"We remain committed to continuing the proud tradition of Cunard and the unique values of its ocean liner product as the company moves forward," said Gevanthor. "Travel agents can be completely confident that they and their clients will continue to experience Cunard's renowned White Star Service now and into the future," said Robinson.

Seabourn Cruise Line will remain based in Miami and operate as an independent brand within Carnival Corporation & plc led by Deborah Natansohn, who has been newly appointed its president. She had previously been senior vice president, sales and marketing, for Cunard. Natansohn will report to Carnival's Howard Frank. In a related move, Richard D. Meadows, senior vice president of sales and marketing at Seabourn, has been named senior vice president of sales and marketing for Carnival's Holland America Line.

Carnival Corporation & plc is the largest cruise vacation group in the world, with a portfolio of 12 cruise brands in North America, Europe and Australia, comprised of Carnival Cruise Lines, Holland America Line, Princess Cruises, Seabourn Cruise Line, Windstar Cruises, AIDA, Costa Cruises, Cunard Line, Ocean Village, P&O Cruises, Swan Hellenic, and P&O Cruises Australia.

Together, these brands operate 77 ships totaling more than 128,000 lower berths with eight new ships scheduled for delivery between November 2004 and December 2006. Carnival Corporation & plc also operates the leading tour companies in Alaska and the Canadian Yukon, Holland America Tours and Princess Tours. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the S&P 500 and the FTSE 100 indices.

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