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As filed with the Securities and Exchange Commission on June 19, 2003

Registration No. 333

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-3 and FORM F-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

S-3	S-3	F-3
CARNIVAL CORPORATION	**CARNIVAL PLC**	**P&O PRINCESS CRUISES INTERNATIONAL LIMITED**
	(Exact name of registrant as specified in its charter)	
Republic of Panama	**England and Wales**	**England and Wales**
	(State or other jurisdiction of incorporation or organization)	
59-1562976	**None**	**None**
	(I.R.S. Employer Identification No.)	
3655 N.W. 87th Avenue Miami, Florida 33178-2428 (305) 599-2600	**Carnival House 5 Gainsford Street London, SE1 2NE 011 44 20 7805 1200**	**Richmond House Terminus Terrace Southampton, SO14 3PN 011 44 20 78051200**
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)		

Arnaldo Perez, Esq.
Senior Vice President,
General Counsel and Secretary
Carnival Corporation
3655 N.W. 87th Avenue
Miami, Florida 33178-2428
(305) 599-2600
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement ofproposed sale to public: From time to time after the effective date of this registration statement as determined by market conditions.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. o

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, other than securities offered only in connection with dividend or interest reinvestment plans, please check the following box. ☒

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: o _____

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: o _____

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. o

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Carnival Corporation Senior Convertible Debentures due 2033	$ 889,000,000	$ 575,076,320(1)	$ 46,524
Carnival Corporation common stock, par value $0.01 per share	20,896,657(2)	—	—(3)
Trust shares of beneficial interest in the P&O Princess Special Voting Trust	20,896,657(4)	—	—(3)
Carnival plc Special Voting Share, nominal value £1 per share	1(5)	—	—(3)
Carnival plc Guarantee(6)	$ 889,000,000	—	—(3)
P&O Princess Cruises International Limited Guarantee(7)	$ 889,000,000	—	—(3)

(1) The Senior Convertible Debentures were issued at an original price of $646.88 per $1,000 principal amount at maturity, which represents an aggregate initial issue price of $575,076,320 and an aggregate principal amount at maturity of $889,000,000.

(2) Includes the shares of Carnival Corporation common stock and trust shares initially issuable upon conversion of the Senior Convertible Debentures at a maximum rate of 23.5058 shares of Carnival Corporation common stock and trust shares per $1,000 principal amount at maturity of Senior Convertible Debentures. Pursuant to Rule 416 under the Securities Act, such number of shares of common stock and trust shares registered hereby shall also include an indeterminate number of additional shares of common stock and trust shares that may be issued from time to time upon conversion of the Senior Convertible Debentures by reason of adjustment of the conversion price or upon repurchase of the Senior Convertible Debentures, in each case in certain circumstances outlined in the prospectus. See "Description of the Debentures—Conversion Rights."

(3) No additional fee is payable in respect of these securities because no additional consideration is payable in respect of these securities.

(4) Represents trust shares of beneficial interest in the P&O Princess Special Voting Trust, and such trust shares represent a beneficial interest in the special voting share of Carnival plc. (See Note 5) As a result of the dual listed company transaction between Carnival Corporation and Carnival plc, one trust share is paired with each share of Carnival Corporation common stock and is not transferable separately from the share of Carnival Corporation common stock. Upon each issuance of shares of Carnival Corporation common stock under the terms of the Senior Convertible Debentures, recipients will receive both shares of Carnival Corporation common stock and an equivalent number of paired trust shares.

(5) One special voting share of Carnival plc was issued to the P&O Princess Special Voting Trust in connection with the dual listed company transaction completed by Carnival plc and Carnival Corporation on April 17, 2003.

(6) Under the P&O Princess Deed of Guarantee entered into between Carnival Corporation and Carnival plc (formerly known as P&O Princess Cruises plc) on April 17, 2003, Carnival plc has agreed, subject to some exceptions, to guarantee all of the indebtedness of Carnival Corporation incurred under agreements entered into after April 17, 2003, including the Senior Convertible Debentures.

(7) Under the P&O Princess Cruises International Limited ("POPCIL") Deed of Guarantee entered into among Carnival Corporation, Carnival plc and P&O Princess Cruises International Limited on June 19, 2003, POPCIL has agreed, subject to some exceptions, to guarantee all of the indebtedness of Carnival Corporation incurred under agreements entered into after April 17, 2003, including the Senior Convertible Debentures.

The registrants hereby amend this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securtities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not solicitating an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to completion, dated June 19, 2003

PROSPECTUS

U.S. $889,000,000

CARNIVAL CORPORATION
Senior Convertible Debentures due 2033
Guaranteed by Carnival plc and P&O Princess Cruises International Limited

This prospectus relates to the resale of $889,000,000 aggregate principal amount at maturity of our Senior Convertible Debentures due 2033 by various selling securityholders. Each debenture was originally issued at a price of $646.88 per debenture and will have a principal amount at maturity of $1,000. The debentures may be sold from time to time by or on behalf of the selling securityholders named in this prospectus or in supplements to this prospectus. The debentures have been guaranteed by Carnival plc and P&O Princess Cruises International Limited, or POPCIL, on an unsecured and unsubordinated basis. See "Description of the Debentures," "Description of the Carnival plc Guarantee" and "Description of the POPCIL Guarantee."

This prospectus also relates to the resale by those selling securityholders of up to 20,896,657 shares of our common stock issuable upon conversion of the debentures held by the selling securityholders, plus an indeterminate number of shares as may become issuable upon conversion of the debentures by reason of adjustment to the conversion price. As a result of the completion on April 17, 2003 of a dual-listed company transaction between us and Carnival plc, upon each issuance of shares of our common stock to a person, including to a holder of debentures upon conversion of debentures, an equivalent number of non-detachable trust shares of beneficial interest in the P&O Princess Special Voting Trust, a trust established under the laws of the Cayman Islands, will be issued to such person. Therefore, references in this prospectus to shares of common stock issuable upon conversion or repurchase of the debentures shall be deemed to include both shares of our common stock and trust shares in the P&O Princess Special Voting Trust. See "Description of Carnival Corporation Capital Stock" and "Description of Trust Shares."

The selling securityholders may sell all or a portion of the securities offered by this prospectus in market transactions, negotiated transactions or otherwise and at prices which will be determined by the prevailing market price for the securities or in negotiated transactions. The selling securityholders may also sell all

or a portion of the shares of common stock from time to time on the New York Stock Exchange, in negotiated transactions or otherwise, and at prices which will be determined by the prevailing market price for the shares or in negotiated transactions. The selling securityholders will receive all of the proceeds from the sale of the securities under this prospectus. We will not receive any proceeds from the sale of securities under this prospectus by the selling securityholders.

Our common stock and the trust shares are listed and trade together on the New York Stock Exchange under the symbol "CCL." On June 18, 2003, the last reported sale price of our common stock was $32.35.

There is no public market for the debentures and we do not intend to apply for listing of them on any securities exchange or such approval for quotation of them through any automated system.

Investing in the securities offered by this prospectus involves risks that are described in the "Risk Factors" section beginning on page of this prospectus.

Neither the Securities and Exchange Commission, nor any state securities commission, has approved or disapproved of the securities offered by this prospectus or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2003.

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ABOUT THIS PROSPECTUS

References in this prospectus to "we," "us," "our" and "Carnival Corporation" are to Carnival Corporation including, unless otherwise expressly stated or the context otherwise requires, its subsidiaries. References to "Carnival plc" are to Carnival plc (formerly known as P&O Princess Cruises plc) including, unless otherwise expressly stated or the context otherwise requires, its subsidiaries. References to "POPCIL" are to P&O Princess Cruises International Limited including, unless otherwise expressly stated or the context otherwise requires, its subsidiaries. References to the "Carnival Corporation & plc" are to both Carnival Corporation and Carnival plc collectively, following the establishment of the dual listed company structure. For more information about the dual listed company structure, please see "Summary—Carnival Corporation & plc" and "Description of the DLC Transaction."

SUMMARY

The following summary is qualified in its entirety by the more detailed information included elsewhere or incorporated by reference into this prospectus. Because this is a summary, it may not contain all the information that may be important to you. You should read the entire prospectus, as well as the information incorporated by reference, before making an investment decision. Some of the statements in this "Summary" are forward-looking statements. Please see "Forward-Looking Statements" for more information regarding these statements.

Carnival Corporation & plc

On April 17, 2003, Carnival Corporation and Carnival plc (formerly known as P&O Princess Cruises plc) completed a dual listed company transaction, or DLC transaction which implemented Carnival Corporation & plc's DLC structure. Carnival Corporation and Carnival plc are both public companies, with separate stock exchange listings and different shareholders. The two companies have a single senior executive management team and identical boards of directors and are operated as if they were a single economic enterprise. On a pro forma basis in accordance with accounting principles generally accepted in the United States, or US GAAP, Carnival Corporation & plc would have reported revenues of $6.9 billion and $1.7 billion and net income of $1.3 billion and $138 million for the fiscal year ended November 30, 2002 and the three months ended February 28, 2003, respectively. On the same basis, Carnival Corporation & plc would

have reported shareholders' equity of $12.8 billion as at February 28, 2003. See "Description of the DLC Transaction" for a more detailed description of the transaction.

Carnival Corporation & plc is the largest cruise vacation group in the world, based on revenues, passengers carried and available capacity. Carnival Corporation & plc had, as at June 17, 2003, a combined fleet of 68 cruise ships offering 105,812 lower berths, with 15 additional cruise ships having 36,906 lower berths scheduled to be added over the next three years, and is the leading provider of cruises to all major destinations outside the Far East. Carnival Corporation & plc carried approximately 4.7 million passengers in fiscal 2002. Carnival Corporation & plc also operates two private destination ports of call in the Caribbean for the exclusive use of its passengers and three riverboats on Europe's Danube River and offers land-based tour packages as part of its vacation product alternatives.

Carnival Corporation & plc offers thirteen complementary brands with leading positions in North America, the UK, Germany, Italy, France, Spain, Brazil, Argentina and Australia. Carnival Corporation & plc has multi-brand strategies that are intended to differentiate it from its competitors and provide products and services appealing to the widest possible target audience across all major segments of the vacation industry. Carnival Corporation & plc is the leading global cruise vacation operator with brands appealing to the widest target audience, focused on sourcing passengers from developed vacation markets where cruising is one of the fastest growing vacation alternatives.

In addition to Carnival Corporation & plc's cruise operations, Carnival Corporation & plc operates the leading tour companies in Alaska and the Canadian Yukon, through Holland America Tours and Princess Tours. Holland America Tours operates 13 hotels in Alaska and the Canadian Yukon, two luxury dayboats and a fleet of motorcoaches and McKinley Explorer rail cars. Princess Tours is a tour operator in Alaska with five riverside lodges, a fleet of motorcoaches and Midnight Sun Express Rail cars. Carnival Corporation & plc also owns a business-to-business travel agency, P&O Travel, which is responsible for purchasing part of Carnival plc's air travel requirements.

Carnival Corporation

Carnival Corporation was incorporated under the laws of the Republic of Panama in November 1974. Our common stock and the paired trust shares, which trade together with the common stock, are listed on the NYSE under the symbol "CCL." Our principal executive offices are located at

Carnival Place, 3655 N.W. 87th Avenue, Miami, Florida 33178-2428. The telephone number of our principal executive offices is (305) 599-2600

Carnival plc

Carnival plc was incorporated and registered in England and Wales as P&O Princess Cruises plc in July 2000 and was renamed "Carnival plc" on April 17, 2003, the date on which the DLC transaction with Carnival Corporation closed. Carnival plc's ordinary shares are listed on the London Stock Exchange, and Carnival plc's American Depositary Shares, or ADSs, are listed on the NYSE. Effective April 22, 2003, Carnival plc ordinary shares trade under the ticker symbol "CCL" (formerly trading under "POC") on the London Stock Exchange. Effective April 21, 2003, Carnival plc ADSs trade under the ticker symbol "CUK" (formerly trading under "POC") on the NYSE. Carnival plc's principal executive offices are located at Carnival House, 5 Gainsford Street, London, SE1 2NE. The telephone number of Carnival plc's principal executive offices is 011 44 20 7805 1200.

P&O Princess Cruises International Limited

P&O Princess Cruises International Limited, or POPCIL, is a wholly owned direct subsidiary of Carnival plc. Carnival plc conducts all of its business through POPCIL and its direct or indirect wholly-owned subsidiaries. POPCIL owns and operates the businesses of P&O Cruises, Ocean Village and Swan Hellenic in the United Kingdom, Seetours, including AIDA and A'ROSA in Germany, and P&O Cruises in Australia. POPCIL is also the holding company for the entities that own and operate the Princess Cruises business. The sole directors and executive officers of POPCIL are Peter G. Ratcliffe, who serves as Chief Executive Officer, and Gerald R. Cahill, who serves as Chief Financial and Accounting Officer. POPCIL was incorporated and registered in England and Wales as a private company limited by shares under registered number 3902746 pursuant to the UK Companies Act 1985 on January 5, 2000. POPCIL's principal executive offices are located at Richmond House, Terminus Terrace, Southampton, SO14 3PN. The telephone number of POPCIL's principal executive office is 011 44 20 7805 1200.

Securities Being Offered

This prospectus covers the sale of $889,000,000 aggregate principal amount at maturity of debentures and 20,896,657 shares of our common stock, plus an undetermined number of additional shares of common stock that may be issued from time to time upon conversion of the debentures by reason of adjustment to the conversion price or upon repurchase of the debentures, in each case in certain circumstances described in this prospectus. The debentures have been guaranteed by Carnival plc and POPCIL on an unsecured and unsubordinated basis.

We issued and sold $889,000,000 aggregate principal amount at maturity of debentures on April 29, 2003, in a private offering to an initial purchaser. These debentures were simultaneously resold by the initial purchaser in transactions exempt from registration requirements of the Securities Act to persons reasonably believed by the initial purchaser to be "qualified institutional buyers", as defined in Rule 144A under the Securities Act.

The shares of common stock may be offered by the selling securityholders following the conversion or repurchase of the debentures from time to time.

Terms of the Debentures

Debentures	$889,000,000 aggregate principal amount at maturity of Senior Convertible Debentures due 2033. Each debenture was issued at a price of $646.88 per debenture and will have a principal amount at maturity of $1,000.

Maturity of Debentures	April 29, 2033.
Cash Interest	1.132% per year on the principal amount at maturity, payable semiannually in arrears in cash on April 29 and October 29 of each year, beginning October 29, 2003, until April 29, 2008. This cash interest will be taxable to holders as original issue discount for United States federal income tax purposes and, accordingly, will be taxed to a holder as it accrues regardless of the holder's method of tax accounting. However, a holder will not recognize additional income upon the actual payment of such cash interest. See "Certain Panamanian and United States Federal Income Tax Consequences—United States—US Holders—Original Issue Discount."
Yield to Maturity of Debentures	1.75% per year, computed on a semi-annual bond equivalent basis, calculated from April 29, 2003.
Original Issue Discount	The debentures were originally issued at an issue price significantly below the principal amount at maturity of the debentures. Original issue discount will accrue daily at a rate of 1.75% per year beginning on April 29, 2008, calculated on a semi-annual bond equivalent basis using a 360-day year comprised of twelve 30-day months. For United States federal income tax purposes, original issue discount accrues from April 29, 2003 at a constant rate per year, calculated in the manner described under "Certain Panamanian and United States Federal Income Tax Consequences—United States—US Holders—Original Issue Discount," and US holders are required to include original issue discount in their gross income as it accrues from the issue date regardless of their method of tax accounting. See "Certain Panamanian and United States Federal Income Tax Consequences—United States—US Holders—Original Issue Discount."
Conversion Rate	Prior to April 29, 2008: • the conversion rate is the base conversion rate, if the applicable stock price is less than or equal to the base conversion price; or • if the applicable stock price is greater than the base conversion price, the conversion rate is determined in accordance with the following formula:

$$\textit{Base Conversion Rate} + \left[\frac{(\textit{Applicable Stock Price} - \textit{Base Conversion Price}) \times \textit{Incremental Share Factor}}{\textit{Applicable Stock Price}}\right]$$

From and after April 29, 2008, the conversion rate will be fixed for remainder of the term of the debentures at the conversion rate termined as set forth above assuming a conversion date that is eight trading days prior to April 29, 2008, which we refer to as the fixed conversion rate, subject to the same adjustments as the base conversion rate.

The "base conversion rate" is 12.1800 shares per $1,000 principal amount at maturity of debentures, subject to adjustment as described under "Description of the Debentures—Conversion Rights—Conversion Rate Adjustments." The "base conversion price" is a dollar amount, initially $53.11, derived by dividing the issue price per debenture, $646.88, by the base conversion rate. The "incremental share factor" is 11.3258, subject to the same adjustments as the base conversion rate. The "applicable stock price" is equal to the average of the closing sale prices of our common stock over the five-trading day period starting the third trading day following the conversion date of the debentures, subject to certain adjustments. See "Description of the Debentures—Conversion Rights."

Conversion Rights	For each $1,000 principal amount at maturity of debentures surrendered for conversion, if specified conditions are satisfied, a holder will receive a number of shares of our common stock equal to the conversion rate. Upon conversion, we will have the right to deliver, in lieu of our common stock, cash or a combination of cash and common stock. If we elect to pay holders cash for their debentures, the payment will be based on the applicable stock price. The base conversion rate may be adjusted for certain reasons specified in the indenture but will not be adjusted for accrued original issue discount or accrued cash interest. Upon conversion, a holder will not receive any cash payment representing accrued original issue discount or any accrued cash

	interest, except in the limited circumstances described in "Description of the Debentures—Conversion Rights." Instead, accrued original issue discount or accrued cash interest generally will be deemed paid by the shares of common stock received by the holder on conversion. See "Description of the Debentures—Conversion Rights."
	Commencing after August 31, 2003, holders may surrender debentures for conversion into shares of common stock in any fiscal quarter, and only during such fiscal quarter, if the closing sale price of our common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding fiscal quarter is more than 120% of the accreted conversion price per share of common stock on the last day of such preceding fiscal quarter. The "accreted conversion price" per share will initially be the base conversion price and as of any day will equal the issue price of a debenture plus the

	accrued original issue discount to that day, with that sum divided by the base conversion rate.
	Holders may also surrender debentures for conversion during any period in which the credit rating assigned to the debentures by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors, or S&P is at or below BBB- and the credit rating assigned to the debentures by Moody's Investors Service and its successors, or Moody's is at or below Baa3.
	Debentures or portions of debentures in integral multiples of $1,000 principal amount at maturity called for redemption may be surrendered for conversion until the close of business on the redemption date, even if the debentures are not otherwise convertible. In addition, if we make a significant distribution to our shareholders or if we are a party to certain consolidations, mergers or binding share exchanges, debentures may be surrendered for conversion as provided in "Description of the Debentures—Conversion Rights." The ability to surrender debentures for conversion will expire at the close of business on the business day immediately preceding April 29, 2033, unless they have previously been redeemed or repurchased. See "Description of the Debentures—Conversion Rights—Conversion Rights Upon Notice of Redemption."
Paired Trust Shares	As a result of the DLC transaction, one trust share of beneficial interest in the P&O Princess Special Voting Trust, which represents an equal, undivided beneficial interest in the special voting share issued by Carnival plc, is paired with each share of our common stock. The trust shares are not detachable from the corresponding shares of our common stock. Upon each issuance to a person of new shares of our common stock, the non-detachable paired trust shares will also be acquired by that same person. Therefore, references in this prospectus to shares of our common stock issuable upon conversion, redemption or repurchase of the debentures shall be deemed to include both shares of our common stock and non-detachable trust shares in the P&O Princess Special Voting Trust. For a description of the pairing arrangement of our common stock and the trust shares, see "Description of Carnival Corporation Capital Stock" and "Description of Trust Shares."
Guarantees	Carnival plc and POPCIL have guaranteed our monetary obligations under the debentures on an unsecured and unsubordinated basis. See "Description of the Carnival plc Guarantee" and "Description of the POPCIL Guarantee."

Ranking	The debentures, the Carnival plc guarantee and the POPCIL guarantee are unsecured and unsubordinated obligations and rank equal in right of payment to all the existing and future unsecured and unsubordinated indebtedness of us, Carnival plc and POPCIL, respectively. However, the debentures, the Carnival plc guarantee and the POPCIL guarantee are effectively subordinated to all existing and future obligations of our subsidiaries, the non-guarantor subsidiaries of Carnival plc, respectively, and to any secured debt of us, Carnival plc and POPCIL, respectively, to the extent of any security. On a pro forma basis after giving effect to the DLC transaction, as of February 28, 2003, there would have been approximately $6.0 billion of

	total indebtedness outstanding of us and Carnival plc based on our indebtedness at February 28, 2003 and the indebtedness of Carnival plc at March 31, 2003. Of this amount, there would have been approximately $1.1 billion of secured indebtedness of us, Carnival plc and P&O Princess Cruises International Limited outstanding and approximately $1.4 billion of indebtedness of non-guarantor subsidiaries outstanding, on a pro forma basis, based on our indebtedness Carnival Corporation at February 28, 2003 and the indebtedness of Carnival plc at March 31, 2003.
Sinking Fund	None.
Redemption of Debentures at Our Option	We may redeem all or a portion of the debentures at any time on or after April 29, 2008 at the redemption prices set forth in this prospectus under the caption, "Description of the Debentures—Redemption of Debentures at Our Option." Holders may convert their debentures after they are called for redemption at any time prior to the close of business on the redemption date. In the event that a holder elects to convert debentures in connection with the redemption, the notice of redemption will inform the holder of our election to deliver shares of our common stock or to pay cash or a combination of cash and common stock. See "Description of the Debentures—Redemption of Debentures at Our Option."
Purchase of Debentures by Us at the Option of Holder	Holders may require us to purchase all or a portion of their debentures on the following dates at the following prices, plus accrued cash interest, if any, to the purchase date: • on April 29, 2008 for a price equal to $646.88 per debenture, • on April 29, 2013 for a price equal to $705.76 per debenture, • on April 29, 2018 for a price equal to $770.01 per debenture, • on April 29, 2023 for a price equal to $840.10 per debenture, and • on April 29, 2028 for a price equal to $916.57 per debenture.

	We may choose to pay the purchase price in cash, shares of common stock or a combination of cash and shares of common stock. After receiving notice of such choice, holders may withdraw their elections. We may also add additional purchase dates on which holders may require us to purchase all or a portion of their debentures. See "Description of the Debentures—Purchase of Debentures by Us at the Option of the Holder."
Change in Control	Upon a change in control, as defined in the indenture governing the debentures, of our company occurring at any time on or before April 29, 2008, each holder may require us to purchase all or a portion of such holder's debentures for cash at a price equal to 100% of the issue price of the debentures to be purchased plus accrued original issue discount and accrued cash interest, if any, to, but excluding, the date of purchase. See "Description of the Debentures—Change in Control Permits Purchase of Debentures by Us at the Option of the Holder."
Ownership Limitations	Pursuant to the terms of the indenture, no debenture holder will be entitled to convert debentures into shares of our common stock, which, when added to shares of our common stock already owned or deemed owned by the debenture holder, would exceed 4.9% of all shares of our outstanding common stock. For more information regarding this limitation, please see "Description of the Debentures—Conversion Rights—Ownership Limitations." Our common stock is also subject to restrictions on transfer and ownership such that no holder or deemed holder of our common stock may hold more than 4.9% of all shares of our outstanding common stock, subject to certain exceptions. For more information regarding this limitation, please see "Description of Carnival Corporation Capital Stock—Certain Provisions of Carnival Corporation's Articles and By-laws—Takeover Restrictions—Ownership Limitations and Transfer Restrictions."
Use of Proceeds	The selling securityholders will receive all of the proceeds from the sale of the securities sold under this prospectus. We will not receive any of the proceeds from sales by the selling securityholders of securities under this prospectus.
Registration Rights	We, Carnival plc and POPCIL filed a registration statement of which this

	prospectus is a part in satisfaction of an obligation to do so under a registration rights agreement. We and Carnival plc have agreed under this registration rights agreement to use commercially reasonable efforts to keep this shelf registration statement, of which this prospectus is a part, effective until the earlier of • the sale pursuant to the shelf registration statement of all of the debentures and the shares of common stock issuable upon conversion of the debentures,

	• the expiration of the holding period applicable to such securities held by non-affiliates of ours under Rule 144(k) under the Securities Act, or any successor provision and • the second anniversary of the effective date of the shelf registration statement, subject to some permitted exceptions. See "Description of the Debentures—Registration Rights."
Trading Symbol for Our Common Stock	Our shares of common stock and the paired trust shares of beneficial interest in the P&O Princess Special Voting Trust, including the beneficial interest in the Carnival plc special voting share, are listed and trade together on the New York Stock Exchange under the symbol "CCL."

RISK FACTORS

An investment in the securities offered by this prospectus involves a number of risks. You should consider carefully the following information about these risks, together with the other information contained in this prospectus, before making an investment in the securities. A number of the statements in this section are forward-looking statements. See "Forward-Looking Statements."

Risks Relating to Carnival Corporation & plc's Businesses

Carnival Corporation & plc may lose business to competitors throughout the vacation market.

Carnival Corporation & plc operates in the vacation market, and cruising is one of many alternatives for people choosing a vacation. Carnival Corporation & plc therefore risks losing business not only to other cruise lines, but also to other vacation operators that provide other leisure options, including hotels, resorts and package holidays and tours.

Carnival Corporation & plc faces significant competition from other cruise lines, both on the basis of cruise pricing and also in terms of the nature of ships and services it will offer to cruise passengers. Carnival Corporation & plc's principal competitors within the cruise vacation industry include:

- Royal Caribbean Cruises Ltd., which owns Royal Caribbean International and Celebrity Cruises;
- Norwegian Cruise Line and Orient Lines;
- Disney Cruise Line;
- My Travel's Sun Cruises, Thomson, Saga and Fred Olsen in the UK;
- Festival Cruises, Hapag-Lloyd, Peter Deilmann and Phoenix Reisen in Germany;
- Festival Cruises, Mediterranean Shipping Cruises, Royal Olympia Cruises and Louis Cruise Line in southern Europe;
- Crystal Cruises;
- Radisson Seven Seas Cruise Line; and
- Silversea Cruises.

Carnival Corporation & plc also competes with land-based vacation alternatives throughout the world, including, among others, resorts and hotels located in Las Vegas, Nevada, Orlando, Florida, various Caribbean, Mexican, Bahamian and Hawaiian Island destination resorts and numerous vacation destinations throughout Europe and the rest of the world.

In the event that Carnival Corporation & plc does not compete effectively with other vacation alternatives and cruise companies, its results of operations and financial condition could be adversely affected.

Overcapacity within the cruise and competing land-based vacation industry could have a negative impact on net revenue yields, increase operating costs, result in ship asset impairments and could adversely affect profitability.

Cruising capacity has grown in recent years and Carnival Corporation & plc expects it to continue to increase over the next three years as all of the major cruise vacation companies are expected to introduce new ships. In order to utilize new capacity, the cruise vacation industry will need to increase its share of the overall vacation market. The overall vacation market is also facing increases in land-based vacation capacity, which also will impact Carnival Corporation & plc. Failure of the cruise vacation industry to increase its share of the overall vacation market could have a negative impact on Carnival Corporation & plc's net revenue yields. Should net revenue yields be negatively impacted,

Carnival Corporation & plc's results of operations and financial condition could be adversely affected, including the impairment of the value of its ship assets. In addition, increased cruise capacity could impact Carnival Corporation & plc's ability to retain and attract qualified crew at competitive costs and, therefore, increase Carnival Corporation & plc's shipboard employee costs.

The international political and economic climate and other world events affecting safety and security could adversely affect the demand for cruises and could harm Carnival Corporation & plc's future sales and profitability.

Demand for cruises and other vacation options has been, and is expected to continue to be, affected by the public's attitude towards the safety of travel, the international political climate and the political climate of destination countries. Events such as the terrorist attacks in the US on September 11, 2001, the threat of additional attacks, the recent military action in Iraq, concerns of an outbreak of additional hostilities and national government travel advisories, together with the resulting political instability and concerns over safety and security aspects of traveling, have had a significant adverse impact on demand and pricing in the travel and vacation industry and may continue to do so in the future. Demand for cruises is also likely to be increasingly dependent on the underlying economic strength of the countries from which cruise companies source their passengers. Economic or political changes that reduce disposable income or consumer confidence in the countries from which Carnival Corporation & plc will source its passengers may affect demand for vacations, including cruise vacations, which are a discretionary purchase. Decreases in demand could lead to price discounting which, in turn, could reduce the profitability of its business.

Carnival Corporation & plc may not be able to obtain financing on terms that are favorable or consistent with its expectations due to, among other reasons, the lowering of the debt ratings of Carnival Corporation as a result of the DLC transaction.

Access to financing for Carnival Corporation & plc will depend on, among other things, the maintenance of strong long-term credit ratings. Carnival Corporation's debt was, prior to the closing of the DLC transaction, rated "A" by Standard & Poor's, "A2" by Moody's Investors Service and "A" by FitchRatings. Carnival plc's debt was, shortly prior to the closing of the DLC transaction, rated "BBB" by Standard & Poor's, "Baa3" by Moody's and "BBB+" by FitchRatings. On April 14, 2003, Moody's downgraded the long-term ratings of Carnival Corporation from "A2" to "A3" and its short-term rating from "Prime-1" to "Prime-2" to reflect the expected completion of the DLC transaction, and stated that this rating remains on review for further possible downgrade pending final resolution of Carnival Corporation & plc's capital structure. In addition, Moody's stated that the ratings for Carnival plc remain on review for possible upgrade pending final resolution of Carnival Corporation & plc's capital structure. On April 16, 2003, Standard & Poor's lowered its long-term corporate credit ratings for Carnival Corporation from "A" to "A-" and its short-term corporate credit ratings for Carnival Corporation from "A-1" to "A-2". Concurrently, Standard & Poor's withdrew its "BBB" corporate credit rating for Carnival plc and raised its unsubordinated unsecured debt ratings for Carnival plc from "BBB" to "A-." On April 29, 2003, FitchRatings lowered the rating on Carnival Corporation's unsubordinated, unsecured debt to "A-" and raised the rating on Carnival plc's unsubordinated, unsecured debt to "A-".

The forecasted cash flow from future operations for Carnival Corporation & plc may be adversely affected by various factors, including, but not limited to, declines in customer demand, increased competition, overcapacity, the deterioration in general economic and business conditions, terrorist attacks, the recent military action with Iraq, ship incidents, adverse publicity and increases in fuel prices, as well as other factors noted under these risk factors and under the "Forward-Looking Statements" section below. To the extent that Carnival Corporation & plc is required, or chooses, to fund future cash requirements, including future shipbuilding commitments, from sources other than cash flow from operations, cash on hand and current external sources of liquidity, including committed

financings, Carnival Corporation & plc will have to secure such financing from banks or through the offering of debt and/or equity securities in the public or private markets.

The future operating cash flow of Carnival Corporation & plc may not be sufficient to fund future obligations, and Carnival Corporation & plc may not be able to obtain additional financing, if necessary, at a cost that meets its expectations. Accordingly, the financial results of Carnival Corporation & plc could be adversely affected.

If Carnival plc loses eligibility for inclusion in the FTSE 100 or Carnival Corporation is removed from the S&P 500, it may become more difficult for Carnival Corporation & plc to access the equity capital markets.

Carnival Corporation's common stock remains listed on the NYSE and is expected to continue to be included in the S&P 500. Carnival plc's ordinary shares remain listed on the London Stock Exchange and remain eligible for inclusion in the FTSE series of indices and are included with full weighting in the FTSE 100. If Carnival plc loses eligibility for inclusion in the FTSE 100 or Carnival Corporation is removed from the S&P 500, it may become more difficult for Carnival Corporation & plc to access the equity capital markets, and the liquidity and the value of your securities may be adversely affected.

Conducting business internationally can result in increased costs.

Carnival Corporation & plc operates its business internationally and plans to continue to develop its international presence. Operating internationally exposes Carnival Corporation & plc to a number of risks, including:

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currency fluctuations;

- interest rate movements;
- the imposition of trade barriers and restrictions on repatriation of earnings;
- political risks;
- risk of increases in duties, taxes and governmental royalties; and
- changes in laws and policies affecting cruising, vacation or maritime businesses or governing the operations of foreign-based companies.

If Carnival Corporation & plc is unable to address these risks adequately, its results of operations and financial condition could be adversely affected.

Accidents and other incidents at sea or adverse publicity concerning the cruise industry or Carnival Corporation & plc could affect Carnival Corporation & plc's reputation and harm its future sales and profitability.

The operation of cruise ships involves the risk of accidents, illnesses, mechanical failures and other incidents at sea, which may bring into question passenger safety, health, security and vacation satisfaction and thereby adversely affect future industry performance. Incidents involving passenger cruise ships could occur and could adversely affect future sales and profitability. In addition, adverse publicity concerning the vacation industry in general or the cruise industry or Carnival Corporation & plc in particular could impact demand and, consequently, have an adverse impact on Carnival Corporation & plc's profitability.

Operating, financing and tax costs are subject to many economic and political factors that are beyond Carnival Corporation & plc's control, which could result in increases in operating and financing costs.

Some of Carnival Corporation & plc's operating costs, including fuel, food, insurance and security costs, are subject to increases because of market forces and economic or political instability beyond Carnival Corporation & plc's control. In addition, interest rates and Carnival Corporation & plc's ability to secure debt or equity financing, including in order to finance the purchase of new ships, are dependent on many economic and political factors. Actions by US and non-US taxing jurisdictions could also cause an increase in Carnival Corporation & plc's costs. Increases in operating, financing and tax costs could adversely affect Carnival Corporation & plc's results because Carnival Corporation & plc may not be able to recover these increased costs through price increases of its cruise vacations.

Environmental legislation and regulations could affect operations and increase operating costs.

Some environmental groups have lobbied for more stringent regulation of cruise ships. Some groups also have generated negative publicity about the cruise industry and its environmental impact. The US Environmental Protection Agency is considering new laws and rules to manage cruise ship waste. Alaskan authorities are currently investigating an incident that occurred in August 2002 on board Holland America's Ryndam involving a wastewater discharge from the ship. As a result of this incident, various Ryndam ship officers have received grand jury subpoenas from the US Attorney's office in Alaska. If the investigation results in charges being brought, sanctions could include a prohibition of operations in Alaska's Glacier Bay National Park and Preserve for a period of time.

In addition, pursuant to a settlement with the US government in April 2002, Carnival Corporation pled guilty to certain environmental violations. Carnival Corporation was sentenced under a plea agreement pursuant to which Carnival Corporation paid fines in fiscal 2002 totaling $18 million to the US government and other parties. Carnival Corporation accrued for these fines in fiscal 2001. Carnival Corporation was also placed on probation for a term of five years. Under the terms of the probation, any future violation of environmental laws by Carnival Corporation may be deemed a violation of probation. In addition, Carnival Corporation was required as a special term of probation to develop, implement and enforce a worldwide environmental compliance program. Carnival Corporation is in the process of implementing the environmental compliance program and expects to incur approximately $10 million in additional annual environmental compliance costs in 2003 and yearly thereafter as a result of the program. Since the completion of the DLC transaction, the terms of the environmental compliance program have become applicable to Carnival plc, which will result in higher environmental compliance costs for Carnival plc as well.

Carnival Corporation & plc's costs of complying with current and future environmental laws and regulations, or liabilities arising from past or future releases of, or exposure to, hazardous substances or to vessel discharges, could increase the cost of compliance or otherwise materially adversely affect Carnival Corporation & plc's business, results of operations or financial condition.

New regulation of health, safety and security issues could increase operating costs and adversely affect net income.

Carnival Corporation & plc is subject to various international, national, state and local health, safety and security laws, regulations and treaties. The International Maritime Organization, sometimes referred to as the IMO, which operates under the United Nations, has adopted safety standards as part of the International Convention for the Safety of Life at Sea, sometimes referred to as SOLAS, which is applicable to all of Carnival Corporation & plc's ships. Generally SOLAS establishes vessel design, structural features, materials, construction and life saving equipment requirements to improve passenger safety and security.

In addition, ships that call on US ports are subject to inspection by the US Coast Guard for compliance with SOLAS and by the US Public Health Service for sanitary standards. Carnival Corporation & plc's ships are also subject to similar inspections pursuant to the laws and regulations of various other countries such

ships visit. Finally, the US Congress recently enacted the Maritime Transportation Security Act of 2002 which implements a number of security measures at US ports, including measures that relate to foreign flagged vessels calling at US ports.

Carnival Corporation & plc believes that health, safety and security issues will continue to be areas of focus by relevant government authorities both in the US and abroad. Resulting legislation or regulations, or changes in existing legislation or regulations, could impact the operations of Carnival Corporation & plc and would likely subject Carnival Corporation & plc to increasing compliance costs in the future.

Delays in ship construction and problems encountered at shipyards could reduce Carnival Corporation & plc's profitability.

The construction of cruise ships is a complex process and involves risks similar to those encountered in other sophisticated construction projects, including delays in completion and delivery. In addition, industrial actions and insolvency or financial problems of the shipyards building Carnival Corporation & plc's ships could also delay or prevent the delivery of its ships under construction. These events could adversely affect Carnival Corporation & plc's profitability. However, the impact from a delay in delivery could be mitigated by contractual provisions and refund guarantees obtained by Carnival Corporation & plc.

In addition, Carnival Corporation & plc has entered into forward foreign currency contracts to fix the cost in US dollars of some of Carnival Corporation & plc's foreign currency denominated shipbuilding contracts. If any of the shipyards are unable to perform under the related contract, the foreign currency forward contracts related to that shipyard's shipbuilding contracts would still have to be honored. This might require Carnival Corporation & plc to realize a loss on an existing contract without having the ability to have an offsetting gain on its foreign currency denominated shipbuilding contract, thus adversely affecting the financial results of Carnival Corporation & plc.

Risks Relating to the DLC Transaction

Benefits from the DLC structure may not be achieved to the extent or within the time period currently expected, which could eliminate, reduce and/or delay the improvements in cost savings and operational efficiencies expected to be generated by the DLC structure.

Since completion of the DLC transaction, Carnival Corporation and Carnival plc have been managed as if they were a single economic enterprise. Carnival Corporation and Carnival plc expect their combination under the DLC structure to enable them to achieve cost savings through synergies as well as enhanced operational efficiencies. However, both may encounter substantial difficulties during this process that could eliminate, reduce and/or delay the realization of the cost savings and synergies that both currently expect. Among other things, these difficulties could include:

- loss of key employees;
- inconsistent and/or incompatible business practices, operating procedures, information systems, financial controls and procedures, cultures and compensation structures between Carnival Corporation and Carnival plc;
- unexpected integration issues and higher than expected integration costs; and
- the diversion of management's attention from day-to-day business as a result of the need to deal with integration issues.

As a result of these difficulties, the actual cost savings and synergies generated by the DLC structure may be less, and may take longer to realize, than Carnival Corporation and Carnival plc currently expect.

The structure of the DLC transaction involves risks not associated with the more common ways of combining the operations of two companies and these risks may have an adverse effect on the economic performance of the companies and/or their respective share prices.

The DLC structure is a relatively uncommon way of combining the management and operations of two companies and it involves different issues and risks from those associated with the other more common ways of effecting such a combination, such as a merger or exchange offer to create a wholly owned subsidiary. In the DLC transaction, the combination was effected primarily by means of contracts between Carnival Corporation and Carnival plc and not by operation of a statute or court order. The legal effect of these contractual rights may be different from the legal effect of a merger or amalgamation under statute or court order and there may be difficulties in enforcing these contractual rights. Shareholders and creditors of either company might challenge the validity of the contracts or their lack of standing to enforce rights under these contracts, and courts may interpret or enforce these contracts in a manner inconsistent with the express provisions and intentions of Carnival Corporation and Carnival plc expressed in such contracts. In addition, shareholders and creditors of other companies might successfully challenge other dual listed company structures and establish legal precedents that could increase the risk of a successful challenge to the DLC transaction. Carnival Corporation & plc is maintaining two separate public companies and complies with both Panamanian corporate law and English company and securities laws and different regulatory and stock exchange requirements in the UK and the US. This structure is likely to require more administrative time and cost than was the case for each company individually, which may have an adverse effect on Carnival Corporation & plc's operating efficiency.

Courts may interpret or enforce the contracts and other instruments that effect the DLC structure in a manner inconsistent with the express provisions and intentions of Carnival Corporation and Carnival plc.

Various provisions of the constituent documents of Carnival Corporation and Carnival plc, the equalization and governance agreement and the deeds of guarantee, which were entered into by Carnival Corporation and Carnival plc on April 17, 2003, are intended to ensure that, as far as practicable, the shareholders and creditors of Carnival Corporation and Carnival plc are treated equitably in the event of insolvency of either or both companies and in accordance with the equalization ratio, regardless of where the assets of Carnival Corporation & plc reside. Courts may interpret or enforce these contracts in a manner inconsistent with the express provisions and intentions of Carnival Corporation and Carnival plc expressed in those contracts and other instruments. For instance, a bankruptcy court may not choose to follow the companies' contractual way of allocating liabilities and assets. Therefore, if assets were transferred between the two companies, a court, faced with the liquidation or dissolution of either company, may not adhere to the intentions of Carnival Corporation and Carnival plc to treat both companies' creditors as creditors of Carnival Corporation & plc under their respective deeds of guarantee. As a result, the rights of creditors of a company that transfers assets to the other member of Carnival Corporation & plc may be adversely affected if a court determines that those creditors only have recourse to the assets of that company and not the other company.

Economic returns on shares of Carnival Corporation and Carnival plc will be dependent upon the economic performance of Carnival Corporation & plc, and the inability of one company to pay dividends may limit or prevent the payment of dividends by the other.

Under the DLC structure, the dividends paid on shares of Carnival Corporation and Carnival plc will depend primarily on the economic performance of the assets of both companies of Carnival

Corporation & plc. Therefore, the past performance of Carnival plc shares and Carnival Corporation shares may not reflect the future performance of these shares. Additionally, if one company is unable to pay dividends on its shares, the other company must make such payments to the other and/or scale back its dividend in order to equalize the distributions in accordance with the equalization ratio. After taking into consideration the actions necessary to equalize such distributions, both companies may be limited in their ability, or unable, to pay dividends.

Changes under the Internal Revenue Code, applicable US income tax treaties, and the uncertainty of the DLC structure under the Internal Revenue Code may adversely affect the US federal income taxation of the US source shipping income of Carnival Corporation & plc.

Carnival Corporation & plc believe that substantially all of the US source shipping income of each of Carnival Corporation and Carnival plc qualifies for exemption from US federal income tax, under:

- Section 883 of the Internal Revenue Code;
- as appropriate in the case of Carnival plc and its UK resident subsidiaries, the US-UK Income Tax Treaty that entered into force on April 25, 1980, which is referred to below as the "old US-UK treaty", and, when applicable, the new US-UK Income Tax Treaty that entered into force on March 31, 2003, which is referred to as the "new US-UK treaty"; or
- other applicable US income tax treaties,

and should continue to so qualify now that the DLC transaction has been completed. The new US-UK treaty contains some limitations that would deny the availability of treaty benefits for income earned through some entities, including some Carnival plc entities. However, the relevant provisions of the new US-UK treaty will not become effective until 2004 and Carnival plc and its UK resident subsidiaries may elect, in some circumstances, to continue application of the old US-UK treaty until twelve months beyond the date on which it would otherwise be effective. Carnival plc believes that it will be able to reorganize prior to the date on which new US-UK treaty becomes applicable such that the relevant US source shipping income should qualify for exemption from US federal income tax under the new US-UK treaty or Section 883. There is, however, no existing US federal income tax authority that directly addresses the tax consequences of implementation of a dual listed company structure such as the DLC structure for purposes of Section 883 or any other provision of the Internal Revenue Code or any income tax treaty and, consequently, the matters discussed above are not free from doubt.

To date, no final US Treasury regulations or other definitive interpretations of the relevant portions of Section 883 have been promulgated, although regulations have been proposed. Any such final regulations or official interpretations could differ materially from Carnival Corporation's and Carnival plc's interpretation of this Internal Revenue Code provision and, even in the absence of differing regulations or official interpretations, the Internal Revenue Service might successfully challenge either or both interpretations. In addition, the provisions of Section 883 are subject to change at any time by legislation. Moreover, changes could occur in the future with respect to the trading volume or trading frequency of Carnival Corporation shares and/or Carnival plc shares on their respective exchanges or with respect to the identity, residence, or holdings of Carnival Corporation's and/or Carnival plc's direct or indirect shareholders that could affect the eligibility of Carnival Corporation and its subsidiaries and/or certain members of the group consisting of Carnival plc, its subsidiaries and its subsidiary undertakings which are otherwise eligible for the benefits of Section 883 to qualify for the benefits of the Section 883 exemption. Accordingly, it is possible that Carnival Corporation and its ship-owning or operating subsidiaries and/or certain members of the group consisting of Carnival plc, its subsidiaries and its subsidiary undertakings whose tax exemption is based on Section 883 may lose this exemption. If any such corporation were not entitled to the benefits of Section 883, it would be subject to US federal income taxation on a portion of its income, which would reduce the net income of such corporation.

As noted above, Carnival plc believes that substantially all of the US source shipping income of Carnival plc and its UK resident subsidiaries qualifies for exemption from US federal income tax under either the old or new US-UK treaties, as applicable. In addition, certain companies of Carnival Corporation & plc may rely on other US income tax treaties for similar exemptions from US taxation on US source shipping income. Carnival Corporation and Carnival plc do not believe that the DLC transaction will affect the ability of these corporations to continue to qualify for such treaty benefits. There is, however, no authority that directly addresses the effect, if any, of DLC arrangements or the availability of benefits under the treaties and, consequently, the matter is not free from doubt.

These treaties may be abrogated by either applicable country, replaced or modified with new agreements that treat shipping income differently than under the agreements currently in force. If any of the corporations discussed in the paragraph above that currently qualify for exemption from US source shipping income under any applicable US income tax treaty do not qualify for benefits under the existing treaties or if the existing treaties are abrogated, replaced or materially modified in a manner adverse to the interests of any such corporation and, with respect to US federal income tax only, such corporation does not qualify for Section 883 exemption, such corporation may be subject to US federal income taxation on a portion of its income, which would reduce the net income of any such corporation.

A small group of shareholders collectively owns approximately 33% of the total combined voting power of the outstanding shares of Carnival Corporation & plc and may be able to effectively control the outcome of shareholder voting.

A group of shareholders, consisting of some members of the Arison family, including Micky Arison, and trusts established for their benefit, beneficially owns approximately 44% of the outstanding common stock of Carnival Corporation and owns shares entitled to constitute a quorum at shareholder meetings and to cast approximately 33% of the total combined voting power of the outstanding shares of Carnival Corporation & plc. Depending upon the nature and extent of the shareholder vote, this group of shareholders may have the power to effectively control, or at least to influence substantially, the outcome of shareholder votes and, therefore, the corporate actions requiring such votes.

Provisions in the Carnival Corporation and Carnival plc governing documents may prevent or discourage takeovers and business combinations that shareholders in Carnival Corporation & plc might consider in their best interests, and may prevent you from converting your debentures.

Carnival Corporation's articles and by-laws and Carnival plc's articles contain provisions that may delay, defer, prevent or render more difficult a takeover attempt that shareholders in Carnival Corporation & plc might consider to be in their best interests. For instance, these provisions may prevent shareholders in Carnival Corporation & plc from receiving a premium to the market price of Carnival Corporation shares and/or Carnival plc shares offered by a bidder in a takeover context. These additional takeover restrictions provide, generally, that no person will be able to obtain control of Carnival Corporation & plc without making an offer to the shareholders of both companies on equivalent terms. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of Carnival Corporation shares or Carnival plc shares if they are viewed as discouraging takeover attempts in the future.

Specifically, Carnival Corporation's articles contain provisions that prevent third parties, other than the Arison family and trusts for their benefit, from acquiring beneficial ownership of more than 4.9% of the outstanding Carnival Corporation shares without the consent of our board of directors and provide for the lapse of rights, and sale, of any shares acquired in excess of that limit. In addition, because the debentures are convertible into our common stock, pursuant to the terms of the indenture, no debenture holder will be entitled to convert debentures into shares of our common stock, which, when added to shares of our common stock already owned or deemed owned by the debenture holder,

would exceed 4.9% of all shares of our outstanding common stock. For more information regarding this limitation, please see "Description of the Debentures—Conversion Rights—Ownership Limitations." Furthermore, Carnival Corporation's and Carnival plc's governing documents contain provisions that would apply some of the anti-takeover protections provided by the UK Takeover Code to both companies. No third party, other than the Arison family and trusts for their benefit, may acquire additional shares or voting control over shares in either company, if such person would then be able to cast 30% or more of the votes which could be cast on a joint electorate action, without making an equivalent offer for the other company. Carnival Corporation's articles and by-laws provide that Carnival Corporation shareholders cannot act by written consent. The combined effect of these provisions may preclude third parties from seeking to acquire a controlling interest in either company in transactions that shareholders might consider to be in their best interests and may prevent them from receiving a premium above market price for their shares. These provisions may only be amended by both sets of shareholders, voting separately as a class, in a class rights action. See "Description of Carnival Corporation Capital Stock."

We are not a US corporation, and our shareholders may be subject to the uncertainties of a foreign legal system in protecting their interests.

Our corporate affairs are governed by our third amended and restated articles of incorporation and amended and restated by-laws and by the corporate laws of Panama. The corporate laws of Panama may differ in some respects from the corporate laws in the United States.

Risks Relating to the Debentures and Our Common Stock

You should consider the United States federal income tax consequences of owning the debentures.

The debentures were issued with "original issue discount" for US federal income tax purposes, and are subject to US federal income tax regulations applicable to debt instruments issued with original issue discount. Under that characterization and treatment, you will be required each year to include amounts in income as interest income, regardless of whether actual cash payments of interest are made in such year. A discussion of the US federal income tax consequences of ownership of the debentures is contained in this prospectus under the heading "Certain Panamanian and United States Federal Income Tax Consequences."

We may not have the ability to raise the funds necessary to finance the change in control repurchase option or the repurchase at the option of the holder provision in the debentures.

Upon the occurrence of specific kinds of change in control events occurring on or before April 29, 2008, and on the April 29, 2008, 2013, 2018, 2023 and 2028 purchase dates, we may be required to repurchase all outstanding debentures. In addition, we have other outstanding convertible debt instruments that have change in control repurchase obligations, and we may in the future issue additional similar securities. It is possible that we will not have sufficient funds to make the required repurchase of debentures in cash or that restrictions in our debt instruments will not allow such repurchases. Under the debentures, we may pay the purchase price described above, other than in the case of a change of control, in shares of common stock. See "Description of the Debentures—Purchase of Debentures by Us at the Option of the Holder" and "Description of the Debentures—Change in Control Permits Purchase of Debentures by Us at the Option of the Holder."

An active trading market for the debentures may not develop.

The debentures are a new issue of securities for which there is currently no public market and no active trading market might ever develop. The debentures may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, the price, and

volatility in the price, of our shares of common stock, our performance and other factors. In addition, we do not know whether an active trading market will develop for the debentures. To the extent that an active trading market does not develop, the liquidity and trading prices for the debentures may be harmed.

Risks Relating to the Guarantees

Carnival plc's guarantee and POPCIL's guarantee are governed by the laws of a foreign jurisdiction, and an action to enforce either guarantee must be brought in the courts of England.

Unlike the debentures offered by this prospectus, which are governed by the laws of the State of New York, Carnival plc's guarantee and POPCIL's guarantee of Carnival Corporation's debt securities are issued under separate deeds of guarantee that are governed by the laws of the Isle of Man. An action to enforce either

guarantee must be brought exclusively in the courts of England. Because of the exclusive jurisdiction of English courts, an action to enforce either guarantee may be separate from an action to enforce the terms of the debentures or related indenture. Furthermore, the Carnival plc deed of guarantee was executed in connection with the DLC transaction. DLC transactions are relatively unusual and there is little or no case law in the Isle of Man or the United Kingdom relating to DLC transactions or the agreements related to them. As a result of all of these factors, it may be more difficult, expensive and time consuming for holders to enforce the guarantees of Carnival plc and POPCIL than a guarantee governed by New York law in a more traditional financing.

Furthermore, because a substantial portion of Carnival Corporation's assets are located outside of the United Kingdom, any judgment related to the guarantee in England would then need to be enforced in other countries, such as the United States, which may require further litigation.

Carnival plc's guarantee and POPCIL's guarantee may be unenforceable due to fraudulent conveyance statutes and, accordingly, you could have no claim against either, as guarantor of any Carnival Corporation debt securities.

Although laws differ among various jurisdictions, a court could, under fraudulent conveyance laws, subordinate or avoid the guarantees of Carnival plc or POPCIL if it found that the guarantee was incurred with actual intent to hinder, delay or defraud creditors, or if the relevant guarantor did not receive fair consideration or reasonably equivalent value for the guarantee and that the relevant guarantor:

- was insolvent or rendered insolvent because of the guarantee;
- was engaged in a business or transaction for which its remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond the relevant guarantor's ability to pay at maturity.

Neither Carnival plc nor POPCIL believe that the issuance of their guarantee will be a fraudulent conveyance because, among other things, both Carnival plc and POPCIL will receive benefits. Carnival plc will receive a reciprocal guarantee by Carnival Corporation of its indebtedness, a major portion of which is currently guaranteed by POPCIL. In addition, Carnival plc and POPCIL receive the benefit of a streamlining and unification of the debt capital structure of Carnival Corporation & plc as a whole. However, if a court were to void the guarantee of a specific guarantor as the result of a fraudulent conveyance by such guarantor or hold it unenforceable for any other reason, you would cease to have a claim against that guarantor based on its guarantee and would solely be a creditor of Carnival Corporation and the remaining guarantor.

FORWARD-LOOKING STATEMENTS

Some of the statements contained in this prospectus or incorporated by reference into this prospectus are "forward-looking statements" that involve risks, uncertainties and assumptions with respect to Carnival Corporation, Carnival plc and Carnival Corporation & plc, including some statements concerning the transactions described in this prospectus, future results, plans, 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 and Section 21E of the Exchange Act. 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, including those which may impact the forecasting of net revenue yields, booking levels, pricing, occupancy, operating, financing and tax costs, estimates of ship depreciable lives and residual value or business prospects, involve risks and uncertainties, there are many factors that could cause Carnival Corporation's, Carnival plc's and Carnival Corporation & plc's actual results, performance or achievements to differ materially from those expressed or implied in this prospectus. These factors include, but are not limited to the following:

- achievement of expected benefits from the DLC transaction;
- risks associated with the DLC structure;
- liquidity and index inclusion as a result of the implementation of the DLC structure, including a possible mandatory exchange of Carnival plc shares that may occur under Carnival plc's constituent documents;
- risks associated with the uncertainty of the tax status of the DLC structure;
- general economic and business conditions which may impact levels of disposable income of consumers and the net revenue yields for the cruise brands of Carnival Corporation & plc;
- 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;
- the impact of operating internationally;
- the international political and economic climate, the recent military action in Iraq, other armed conflicts, terrorist attacks, availability of air service, and other world events and negative publicity and their impact on the demand for cruises;
- accidents and other incidents at sea affecting the health, safety, security and vacation satisfaction of passengers;
- the ability of Carnival Corporation & plc to implement its shipbuilding program and brand strategies and to continue to expand its businesses worldwide;
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the ability of Carnival Corporation & plc to attract and retain shipboard crew and maintain good relations with employee unions;

- the ability to obtain financing on terms that are favorable or consistent with Carnival Corporation & plc's expectations;
- the impact of changes in operating and financing costs, including changes in foreign currency and interest rates and fuel, food, insurance and security costs;
- changes in the tax, environmental, health, safety, security and other regulatory regimes under which Carnival Corporation & plc operates;

- continued availability of attractive port destinations;
- the ability to successfully implement cost improvement plans and to integrate business acquisitions;
- continuing financial viability of Carnival Corporation & plc's travel agent distribution system;
- weather patterns or natural disasters; and
- the ability of a small group of shareholders effectively to control the outcome of shareholder voting.

These risks and other risks are detailed in the section entitled "Risk Factors" and in the SEC reports of Carnival Corporation and Carnival plc. That section and those reports contain important cautionary statements and a discussion of many of the factors that could materially affect the accuracy of Carnival Corporation & plc's forward-looking statements and/or adversely affect Carnival Corporation & plc's businesses, results of operations and financial positions, which statements and factors are incorporated in this prospectus by reference.

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, Carnival Corporation & plc expressly disclaims any obligation to disseminate, after the date of this prospectus, 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.

RATIO OF EARNINGS TO FIXED CHARGES

Carnival Corporation

The following table sets forth our ratio of earnings to fixed charges on a historical basis for the periods indicated. Earnings include net income, adjusted for income taxes, minority interest and loss (income) from affiliated operations and dividends received, plus fixed charges and exclude capitalized interest. Fixed charges include gross interest expense, amortization of deferred financing expenses and an amount equivalent to interest included in rental charges. We have assumed that one-third of rental expense is representative of the interest portion of rent expense.

	Three Months Ended February 28,	Years Ended November 30,				
	2003	2002	2001	2000	1999	1998
Ratio of earnings to fixed charges(1)	3.8x	6.9x	7.1x	11.5x	11.3x	8.8x

(1) This ratio has been calculated based on US GAAP.

Carnival plc

The following table sets forth Carnival plc's ratio of earnings to fixed changes on a historical basis for the periods indicated. Earnings include net income, adjusted for income taxes and minority interest, plus fixed charges and exclude capitalized interest. Fixed charges include gross interest expense, amortization of deferred financing expenses and an amount equivalent to interest included in rental charges. Carnival plc has assumed that one-third of rent expense is representative of the interest portion of rent expense.

	Three Months Ended March 31,	Years Ended 31 December,				
	2003	2002	2001	2000	1999	1998
Ratio of earnings to fixed changes(1)	1.4x	2.6x	3.4x	4.5x	7.8x	6.2x

(1) This ratio has been calculated based on generally accepted accounting principles in the United Kingdom, which differ in some respects from US GAAP.

POPCIL

The following table sets forth POPCIL's ratio of earnings to fixed changes on a historical basis for the periods indicated. Earnings include net income, adjusted for income taxes and minority interest, plus fixed charges and exclude capitalized interest. Fixed charges include gross interest expense, amortization of deferred financing expenses and an amount equivalent to interest included in rental

charges. POPCIL has assumed that one-third of rent expense is representative of the interest portion of rent expense.

	Three Months Ended March 31,	Years Ended 31 December,				
	2003	2002	2001	2000	1999	1998
Ratio of earnings to fixed charges(1)	2.8x	5.5x	8.1x	4.7x	7.8x	6.2x

(1) This ratio has been calculated based on generally accepted accounting principles in the United Kingdom, which differ in some respects from US GAAP.

Carnival Corporation & plc

On a pro forma combined basis, giving effect to the DLC transaction as if it had occurred at the beginning of the relevant periods, Carnival Corporation & plc's ratio of earnings to fixed charges would have been 5.3x for the year ended December 31, 2002 and 2.6x for the three months ended February 28, 2003.

USE OF PROCEEDS

The selling securityholders will receive all of the proceeds from the sale of the securities sold under this prospectus. We will not receive any of the proceeds from sales by the selling securityholders of securities under this prospectus.

DESCRIPTION OF THE DLC TRANSACTION

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, and each company's shares continue to be publicly traded on the NYSE for Carnival Corporation and the London Stock Exchange for Carnival plc, as well as Carnival plc's ADSs on the NYSE. However, both companies operate as if they were a single economic enterprise. The contracts governing the DLC transaction provide that Carnival Corporation and Carnival plc each continue to have separate boards of directors, but the boards and senior executive management of both companies are identical. In addition to their normal fiduciary duties to their respective companies and obligation to have regard to the interests of the shareholders of their respective companies, the directors of each company are entitled to have regard to the interests of the other company and its shareholders. The amendments to the constituent documents of each of the companies also provide that, on most matters, the holders of the common equity of both companies effectively vote as a single body. On specified matters where the interests of Carnival Corporation shareholders may differ from the interests of Carnival plc shareholders, each shareholder body will vote separately as a class. These matters are called class rights actions and include, among others:

- transactions primarily designed to amend or unwind the DLC structure;
- adjustments to the equalization ratio, which reflects the relative economic and voting interests represented by an individual share in each company, not in accordance with the equalization and governance agreement described below; and
- amendments to tax-related provisions in Carnival Corporation's articles of incorporation.

No class rights action generally may be implemented unless approved by both shareholder bodies, which means that each shareholder body generally has a veto with respect to class rights actions. The current equalization ratio is 1:1, so one Carnival plc ordinary share is entitled to the same economic and voting interests in Carnival Corporation & plc as one share of Carnival Corporation common stock.

Carnival Corporation's constituent documents and Carnival plc's constituent documents have been harmonized, to the extent practicable and permitted by law, to ensure that Carnival Corporation's and Carnival plc's corporate procedures are substantially similar. As part of the DLC transaction, Carnival plc changed its name from P&O Princess Cruises plc to Carnival plc.

The shareholders of Carnival Corporation hold approximately 79% of the economic interests in Carnival Corporation & plc, and the shareholders of Carnival plc hold approximately 21% of the economic interests in Carnival Corporation & plc.

Carnival plc and Carnival Corporation executed deeds of guarantee at the closing of the DLC transaction. Under Carnival plc's deed of guarantee, Carnival plc has agreed to guarantee all indebtedness and certain other monetary obligations of Carnival Corporation that are incurred under agreements entered into on or after the date of the closing of the DLC transaction, along with all other obligations of Carnival Corporation that Carnival Corporation and Carnival plc specify in a separate agreement relating to the deed of guarantee. As a result, Carnival plc is guaranteeing the debentures under the deed of guarantee. The terms of Carnival

Corporation's deed of guarantee are substantially similar to those contained in Carnival plc's. As a result, subject to the terms of the guarantee, the holders of indebtedness and other obligations that are subject to the guarantees will have recourse to both Carnival plc and Carnival Corporation, though a Carnival plc creditor must first make written demand on Carnival plc and vice-versa. For more information regarding the Carnival plc deed of guarantee, please see "Description of the Carnival plc Guarantee."

Upon the closing of the DLC transaction, Carnival plc and Carnival Corporation also executed an equalization and governance agreement, which provides for the equalization of dividends and liquidation distributions based on the equalization ratio, and contains various other provisions relating to the governance of the DLC structure. Because the current equalization ratio is 1:1, one Carnival plc ordinary share would be entitled to the same distributions, subject to the terms of the equalization and governance agreement, as one share of Carnival Corporation common stock. In a liquidation of either company or both companies, if the hypothetical potential per share liquidation distributions to each company's shareholders are not equivalent, taking into account the relative value of the two companies' assets and the indebtedness of each company, to the extent that one company has greater net assets so that any liquidation distribution to its shareholders would not be equivalent on a per share basis, the company with the ability to make a higher net distribution is required to make a payment to the other company to equalize the possible net distribution to shareholders. The requirement to make an equalizing payment is subject to some limitations. First, a reorganization under Chapter 11 of the US Bankruptcy Code or a similar statute would not be considered a "liquidation," so such a reorganization would not result in equalizing payments. Second, neither company will be required to make the equalizing payment if the payment would result in neither group of shareholders being entitled to any liquidation proceeds. Therefore, if the assets of Carnival Corporation & plc are not sufficient to satisfy all of the creditors of Carnival Corporation & plc, no equalization payment would be required to be made.

DESCRIPTION OF THE DEBENTURES

The debentures were issued under an indenture dated as of April 25, 2001, between us and US Bank National Association, as trustee, as supplemented by a third supplemental indenture dated April 29, 2003. We refer to the indenture, as so supplemented, as the "indenture."

The following summary does not purport to be complete, and is subject to, and is qualified in its entirety by reference to, all of the provisions of the debenture and the indenture. We urge you to read the indenture, the form of the debentures and the registration rights agreement, which you may obtain from us upon request. As used in this description, all references to "our company," "we," "us" or "our" mean Carnival Corporation, excluding, unless otherwise expressly stated or the context otherwise requires, its subsidiaries, and all references to Carnival plc mean Carnival plc, excluding, unless otherwise expressly stated or the context otherwise requires, its subsidiaries.

General

We issued $889,000,000 aggregate principal amount at maturity of the debentures on April 29, 2003. The debentures will mature on April 29, 2033. The principal amount at maturity of each debenture is $1,000. The debentures are payable at the office of the paying agent, which is an office or agency of the trustee, or an office or agency maintained by us for such purpose, in the Borough of Manhattan, The City of New York.

The debentures bear cash interest at the rate of 1.132% per year on the principal amount at maturity from the original issue date, or from the most recent date to which interest has been paid or provided for, until April 29, 2008. During such period, cash interest will be payable semi-annually in arrears on April 29 and October 29 of each year, commencing on October 29, 2003, to holders of record at the close of business on the April 14 or October 14 immediately preceding such interest payment date. Each payment of cash interest on the debentures will include interest accrued through the day before the applicable interest payment date (or purchase, redemption or, in certain circumstances, conversion date, as the case may be). Any payment required to be made on any day that is not a business day will be made on the next succeeding business day.

We offered the debentures at a substantial discount from their $1,000 principal amount at maturity. The debentures were issued at an issue price of $646.88 per debenture. Original issue discount will accrue daily at a rate of 1.75% per year beginning on April 29, 2008, the last cash interest payment date, calculated on a semi-annual bond equivalent basis using a 360-day year comprised of twelve 30-day months. For United States federal income tax purposes, original issue discount is the difference between the issue price and the stated redemption price at maturity, which will include the semi-annual cash interest payments payable through April 29, 2008. Original issue discount accrues from April 29, 2003 at a constant rate per year, calculated in the manner described under "Certain Panamanian and United States Federal Income Tax Consequences—United States—US Holders—Original Issue Discount." Thus, US holders are required to accrue the cash interest as original issue discount regardless of their method of tax accounting but will not recognize additional income when such interest is actually paid. See "Certain Panamanian and United States Federal Income Tax Consequences—United States—US Holders—Original Issue Discount.

Original issue discount or cash interest, as the case may be, will cease to accrue on a debenture upon its maturity, conversion, purchase by us at the option of a holder or redemption. We may not reissue a debenture that has matured or been converted, purchased by us at your option, redeemed or otherwise cancelled, except for registration of transfer, exchange or replacement of such debenture.

Debentures may be presented for conversion at the office of the conversion agent, and for exchange or registration of transfer at the office of the registrar, each such agent initially being the trustee. We will not charge a service fee for any registration of transfer or exchange of the debentures.

Guarantee

Carnival plc and POPCIL have guaranteed Carnival Corporation's monetary obligations under the debentures on an unsecured and unsubordinated basis. See "Description of the Carnival plc Guarantee" and "Description of the POPCIL Guarantee."

Ranking

The debentures, the Carnival plc guarantee and the POPCIL guarantee are unsecured and unsubordinated obligations and rank equal in right of payment to all the existing and future unsecured and unsubordinated indebtedness of Carnival Corporation, Carnival plc and POPCIL, respectively. However, the debentures, the Carnival plc guarantee and the POPCIL guarantee are effectively subordinated to all existing and future obligations of the subsidiaries of Carnival Corporation and the non-guarantor subsidiaries of Carnival plc, respectively, and to any secured debt of Carnival Corporation, Carnival plc and POPCIL, respectively, to the extent of any security.

On a pro forma basis after giving effect to the DLC transaction, as of February 28, 2003, there would have been approximately $6.0 billion of total indebtedness outstanding of Carnival Corporation and Carnival plc based on the indebtedness of Carnival Corporation at February 28, 2003 and the indebtedness of Carnival plc at March 31, 2003. Of this amount, there would have been approximately $1.1 billion of secured indebtedness of Carnival Corporation, Carnival plc and P&O Princess Cruises International Limited outstanding and approximately $1.4 billion of indebtedness of non-guarantor subsidiaries outstanding, on a pro forma basis, based on the indebtedness of Carnival Corporation at February 28, 2003 and Carnival plc at March 31, 2003.

Conversion Rights

Subject to certain conditions, a holder of debentures may convert its debentures into a number of shares of our common stock equal to the conversion rate, calculated as of the conversion date. Prior to April 29, 2008, (1) the conversion rate is the base conversion rate, if the applicable stock price is less than or equal to the base conversion price, or (2) if the applicable stock price is greater than the base conversion price, the conversion rate is determined in accordance with the following formula:

$$\textit{Base Conversion}\ \text{Rate} + \left[\frac{(\textit{Applicable Stock Price} - \textit{Base Conversion Price})\ x\ \textit{Incremental Share Factor}}{\textit{Applicable Stock Price}}\right]$$

From and after April 29, 2008, the conversion rate will be fixed for the remainder of the term of the debentures at the conversion rate determined as set forth above assuming a conversion date that is eight trading days prior to April 29, 2008, which we refer to as the fixed conversion rate, subject to the same adjustments as the base conversion rate.

The "base conversion rate" is 12.1800 shares per $1,000 principal amount at maturity of debentures, subject to adjustment as described under "—Conversion Rate Adjustment." The "base conversion price" is a dollar amount (initially $53.11) derived by dividing the issue price per debenture, $646.88, by the base conversion rate. The "incremental share factor" is 11.3258, subject to the same adjustments as the base conversion rate. The "applicable stock price" is equal to the average of the closing sale prices of our common stock over the five-trading day period starting the third trading day following the conversion date of the debentures appropriately adjusted to take into account the occurrence, during such five-trading day period, of certain events with respect to the common stock listed under "—Conversion Rate Adjustment."

A holder of a debenture otherwise entitled to a fractional share will receive cash in an amount equal to the value of such fractional share based on the applicable stock price. Upon a conversion, we

will have the right to deliver cash or a combination of cash and shares of our common stock, as described below.

Holders may surrender debentures for conversion into shares of our common stock only if at least one of the conditions described below is satisfied. In addition, a debenture for which a holder has delivered a purchase notice or change in control purchase notice requiring us to purchase the debentures may be surrendered for conversion only if such notice is withdrawn in accordance with the indenture.

Conversion Rights Based on Common Stock Price. Commencing after August 31, 2003, holders may surrender debentures in integral multiples of $1,000 principal amount at maturity for conversion into shares of our common stock in any fiscal quarter (and only during such fiscal quarter), if the closing sale price of our common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding fiscal quarter is more than 120% of the accreted conversion price per share of common stock on the last day of such preceding fiscal quarter. The "accreted conversion price" per share will initially be the base conversion price and as of any day will equal the issue price of a debenture plus the accrued original issue discount to that day, with that sum divided by the base conversion rate.

"Trading day" means a day during which trading in securities generally occurs on the New York Stock Exchange or, if the common stock is not listed on the New York Stock Exchange, on the principal other national or regional securities exchange on which the common stock is then listed or, if the common stock is not listed on a national or regional securities exchange, on NASDAQ or, if the common stock is not quoted on NASDAQ, on the principal other market on which the common stock is then traded.

The conversion trigger price per share of our common stock for each of the first 20 fiscal quarters following the original issuance of the debentures is $63.73. This conversion trigger price reflects the initial accreted conversion price per share of $53.11 multiplied by 120%. Thereafter, the accreted conversion price per share of common stock increases each fiscal quarter by the accreted original issue discount on such price per share of common stock for the quarter. The conversion trigger price per share for the fiscal quarter of 2033 beginning March 1 will be $98.25, assuming no adjustment to the conversion rate.

Conversion Rights Upon Notice of Redemption. A holder may surrender for conversion a debenture called for redemption at any time prior to the close of business on the redemption date, even if it is not otherwise convertible at such time. A debenture for which a holder has delivered a purchase notice or a change in control purchase notice as described below requiring us to purchase the debenture may be surrendered for conversion only if such notice is withdrawn in accordance with the indenture.

Conversion Rights Upon Occurrence of Certain Corporate Transactions. If we are party to a consolidation, merger or binding share exchange pursuant to which our shares of common stock would be converted into cash, securities or other property, the debentures may be surrendered for conversion at any time from and after the date which is 15 days prior to the anticipated effective date of the transaction until 15 days after the actual date of such transaction and, at the effective time, the right to convert debentures into shares of common stock will be changed into a right to convert it into the kind and amount of cash, securities or other property of Carnival or another person which the holder would have received if the holder had converted the holder's debentures immediately prior to the

transaction. If such transaction also constitutes a change in control, the holder will be able to require us to purchase all or a portion of such holder's debentures as described under "—Change in Control Permits Purchase of Debentures by Us at the Option of the Holder."

In the event we elect to make a distribution described in the third or fourth bullet of the paragraph under the caption, "—Conversion Rate Adjustment" below describing adjustments to the conversion rate which, in the case of the fourth bullet, has a per share value equal to more than 15% of the sale price of our shares of common stock on the day preceding the declaration date for such distribution, Carnival will be required to give notice to the holders of the debentures at least 20 days prior to the ex-dividend date for such distribution and, upon the giving of such notice, the debentures may be surrendered for conversion at any time until the close of business on the business day prior to the ex-dividend date or until Carnival announces that such distribution will not take place.

Notwithstanding anything to the contrary, no debentures may be surrendered for conversion pursuant to the first paragraph under this caption, and no corporate transaction requiring an adjustment to the conversion price will be deemed to have occurred by reason of the completion of a merger, consolidation or other transaction effected with one of our affiliates for the purpose of

- changing our jurisdiction of organization; or
- effecting a corporate reorganization, including, without limitation, the implementation of a holding company structure (except for a corporate reorganization involving Carnival plc that would require Carnival Corporation shareholder approval).

Conversion Rights Upon Credit Rating Downgrade. Holders may also surrender debentures for conversion during any period in which the credit rating assigned to the debentures by S&P is at or below BBB- and the credit rating assigned to the debentures by Moody's is at or below Baa3.

Delivery of Common Stock. On conversion of a debenture, a holder will not receive any cash payment of interest representing accrued original issue discount or, except as described below, accrued cash interest. Our delivery to the holder of the full number of shares of common stock into which the debenture is convertible, together with any cash payment for such holder's fractional shares, will be deemed:

- to satisfy our obligation to pay the principal amount at maturity of the debenture; and
- to satisfy our obligation to pay accrued original issue discount or accrued cash interest attributable to the period from the issue date through the conversion date.

As a result, accrued original issue discount or accrued cash interest is deemed paid in full rather than cancelled, extinguished or forfeited.

Notwithstanding the above, if debentures are converted after a record date but prior to the next succeeding interest payment date, holders of such debentures at the close of business on the record date will receive the cash interest, if any, payable on such debentures on the corresponding interest payment date notwithstanding the conversion. Such debentures, upon surrender for conversion, must be accompanied by funds equal to the amount of interest payable on the debentures so converted, unless such debentures have been called for redemption on a redemption date that occurs between a regular record date and the third business day after the interest payment date to which it relates, in which case no such payment shall be required.

The conversion rate will not be adjusted for accrued original issue discount or accrued cash interest. A certificate for the number of full shares of common stock into which any debentures are converted, together with any cash payment for fractional shares, will be delivered through the conversion agent as soon as practicable following the conversion date. For a discussion of the tax treatment of a holder receiving shares of common stock upon conversion, see "Certain Panamanian and United States Federal Income Tax Consequences."

In lieu of delivery of shares of our common stock upon notice of conversion of any debentures (for all or any portion of the debentures), we may elect to pay holders surrendering debentures an amount

in cash per debenture (or a portion of a debenture) equal to the applicable stock price multiplied by the conversion rate in effect on that date. We will inform the holders through the trustee no later than two business days following the conversion date of our election to deliver shares of our common stock or to pay cash in lieu of delivery of such shares, unless we have already informed holders of our election in connection with our optional redemption of the debentures as described under "—Redemption of Debentures at Our Option." If we elect to deliver all of such payment in shares of our common stock, the shares will be delivered through the conversion agent no later than the fifth business day following the determination of the applicable stock price. If we elect to pay all or a portion of such payment in cash, the payment, including any delivery of our common stock, will be made to holders surrendering debentures no later than the tenth business day following the applicable conversion date. If an event of default, as described under "—Events of Default; Waiver and Notice" below (other than a default in a cash payment upon conversion of the debentures), has occurred and is continuing, we may not pay cash upon conversion of any debentures or portion of a debenture (other than cash for fractional shares).

To convert a debenture into shares of common stock, a holder must:

- complete and manually sign the conversion notice on the back of the debenture or complete and manually sign a facsimile of the conversion notice and deliver the conversion notice to the conversion agent;
- surrender the debenture to the conversion agent;
- if required by the conversion agent, furnish appropriate endorsements and transfer documents; and
- if required, pay all transfer or similar taxes.

Pursuant to the indenture, the date on which all of the foregoing requirements have been satisfied is the conversion date.

Conversion Rate Adjustment. Each of the base conversion rate, the incremental share factor and any fixed conversion rate will be adjusted for:

- dividends or distributions on our shares of common stock payable in shares of our common stock or other capital stock;
- subdivisions, combinations or certain reclassifications of shares of our common stock;
- distributions to all holders of shares of common stock of certain rights to purchase shares of common stock for a period expiring within 60 days at less than the sale price at the time;
- distributions to all holders of our shares of common stock of our assets (including shares of capital stock, of or similar equity interests in, a subsidiary or other business unit of ours) or debt securities or certain rights to purchase our securities (excluding any consideration paid in connection with a tender offer described in the bullet below and any cash dividends or other cash distributions, other than, with respect to any consecutive 12-month period, the amount, if any, by which the aggregate amount of all cash dividends and distributions occurring during such 12-month period together with cash or other consideration payable in respect of certain tender offers for our common stock consummated in such 12-month period exceeds on a per share basis 7.5% of the market price of the shares of common stock on the day preceding the date of declaration of such dividend or other distribution); and
- any expired tender offer made by us or any of our subsidiaries for our common stock that involved the payment of aggregate consideration in an amount that (together with cash or other consideration payable in respect of certain tender offers for our common stock consummated, and all other cash distributions to all or substantially all holders of our common stock made, in

the 12 months preceding the expiration of such expired tender offer) exceeded an amount equal to 7.5% of the product of the market price per share of our common stock on the last day of such expired tender offer and the number of shares of common stock outstanding at the expiration of such expired tender offer.

In the event that we pay a dividend or make a distribution on shares of our common stock consisting of capital stock of, or similar equity interests in, a subsidiary or other business unit of ours, the conversion rate will be adjusted based on the market value of the securities so distributed relative to the market value of our common stock, in each case based on the average sale prices of those securities for the 10 trading days commencing on and including the fifth trading day after the date on which "ex-dividend trading" commences for such dividend or distribution on the New York Stock Exchange or such other national or regional exchange or market on which the securities are then listed or quoted.

No adjustment to the conversion rate or the ability of a holder of a debenture to convert will be made if Carnival provides that holders of debentures will participate in the transaction without conversion or in certain other cases.

The indenture permits us to increase the conversion rate from time to time.

In the event of:

- a taxable distribution to holders of shares of common stock which results in an adjustment of the conversion rate; or
- an increase in the conversion rate at our discretion, the holders of the debentures may, in certain circumstances, be deemed to have received a distribution subject to federal income tax as a dividend. See "Certain Panamanian and United States Federal Income Tax Consequences."

Upon determination that debenture holders are or will be entitled to convert their debentures into shares of common stock in accordance with the foregoing provisions, we will issue a press release and publish such information on our website on the World Wide Web.

Ownership Limitations. Pursuant to the terms of the indenture, no debenture holder will be entitled to convert debentures into shares of our common stock, which, when added to shares of our common stock already owned (or deemed to be so owned pursuant to specific attribution provisions in the Internal Revenue Code) by the debenture holder, would exceed 4.9% of all shares of our outstanding common stock. Our common stock is also subject to restrictions on transfer and ownership such that no holder or deemed holder of our common stock may hold more than 4.9% of all shares of our outstanding common stock, subject to certain exceptions. For more information regarding this limitation, please see "Description of Carnival Corporation Capital Stock—Certain Provisions of Carnival Corporation's Articles and By-laws—Takeover Restrictions—Ownership Limitations and Transfer Restrictions."

Redemption of Debentures at Our Option

Prior to April 29, 2008, the debentures will not be redeemable at our option. Beginning on April 29, 2008, we may redeem the debentures at any time as a whole, or from time to time in part. We will give not less than 30 days' nor more than 60 days' notice of redemption by mail to holders of the debentures. In the event that a holder elects to convert debentures in connection with the redemption, the notice of redemption will inform the holder of our election to deliver shares of our common stock or to pay cash or a combination of cash and common stock in connection with such conversion.

If redeemed at our option, the debentures will be redeemed at a price equal to the sum of the issue price plus accrued original issue discount and accrued cash interest, if any, on such debentures to the applicable redemption date. The table below shows the redemption prices of a debenture on April 29, 2008, on each April 29 thereafter prior to maturity and at maturity on April 29, 2033. In addition, the redemption price of a debenture redeemed between the dates listed would include an additional amount reflecting the additional accrued original issue discount that has accrued on such debenture since the immediately preceding date in the table below.

Redemption Date	(1) Debenture Issue	(2) Accrued Original	(3) Redemption Price

	Price	Issue Discount	(1) + (2)
April 29, 2008	$ 646.88	$ 0.00	$ 646.88
April 29, 2010	$ 646.88	$ 11.37	$ 658.25
April 29, 2010	$ 646.88	$ 22.94	$ 669.82
April 29, 2009	$ 646.88	$ 11.37	$ 658.25
April 29, 2011	$ 646.88	$ 34.71	$ 681.59
April 29, 2012	$ 646.88	$ 46.69	$ 693.57
April 29, 2013	$ 646.88	$ 58.88	$ 705.76
April 29, 2014	$ 646.88	$ 71.29	$ 718.17
April 29, 2015	$ 646.88	$ 83.91	$ 730.79
April 29, 2016	$ 646.88	$ 96.76	$ 743.64
April 29, 2017	$ 646.88	$ 109.83	$ 756.71
April 29, 2018	$ 646.88	$ 123.13	$ 770.01
April 29, 2019	$ 646.88	$ 136.66	$ 783.54
April 29, 2020	$ 646.88	$ 150.43	$ 797.31
April 29, 2021	$ 646.88	$ 164.45	$ 811.33
April 29, 2022	$ 646.88	$ 178.71	$ 825.59
April 29, 2023	$ 646.88	$ 193.22	$ 840.10
April 29, 2024	$ 646.88	$ 207.98	$ 854.86
April 29, 2025	$ 646.88	$ 223.01	$ 869.89
April 29, 2026	$ 646.88	$ 238.30	$ 885.18
April 29, 2027	$ 646.88	$ 253.86	$ 900.74
April 29, 2028	$ 646.88	$ 269.69	$ 916.57
April 29, 2029	$ 646.88	$ 285.80	$ 932.68
April 29, 2030	$ 646.88	$ 302.19	$ 949.07
April 29, 2031	$ 646.88	$ 318.87	$ 965.75
April 29, 2032	$ 646.88	$ 335.85	$ 982.73
At stated maturity	$ 646.88	$ 353.12	$ 1,000.00

If we decide to redeem fewer than all of the outstanding debentures, the trustee will select the debentures to be redeemed in principal amounts at maturity of $1,000 or integral multiples of $1,000. In this case, the trustee may select the debentures by lot, pro rata, or by another method the trustee considers fair and appropriate.

If the trustee selects a portion of your debentures for partial redemption and you convert a portion of your debentures, the converted portion will be deemed to be the portion selected for redemption.

Purchase of Debentures by Us at the Option of the Holder

You have the right to require us to purchase your debentures on any April 29 occurring in the years 2008, 2013, 2018, 2023 and 2028 at the purchase price set forth below plus accrued cash interest, if any, to the purchase date. We will be required to purchase any outstanding debenture for which a

written purchase notice has been properly delivered by the holder to the paying agent and not withdrawn, subject to certain additional conditions. We may also add additional dates on which you may require us to purchase all or a portion of your debentures. However, we cannot assure you that we will add any purchase dates. You may submit your debentures for purchase to the paying agent at any time from the opening of business on the date that is 20 business days prior to the purchase date until the close of business on the purchase date. Also, our ability to satisfy our purchase obligations may be affected by the factors described in "Risk Factors" under the heading "—Risks Relating to the Debentures and Our Common Stock—We may not have the ability to raise the funds necessary to finance the change in control repurchase option or the repurchase at the option of the holder provision in the debentures."

The purchase price of a debenture will be:

- $646.88 per debenture on April 29, 2008;
- $705.76 per debenture on April 29, 2013;
- $770.01 per debenture on April 29, 2018;
- $840.10 per debenture on April 29, 2023; and
- $916.57 per debenture on April 29, 2028.

The purchase prices shown above are equal to the issue price plus accrued original discount, if any, to the purchase date. We may, at our option, elect to pay the purchase price in cash or shares of common stock, or any combination thereof. For a discussion of the tax treatment of a holder receiving cash, shares of common stock or any combination thereof, see "Certain Panamanian and United States Federal Income Tax Consequences."

We will be required to give notice on a date not less than 20 business days prior to the purchase date to all holders at their addresses shown in the register of the registrar, and to beneficial owners as required by applicable law, stating among other things:

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whether we will pay the purchase price of the debentures in cash or shares of common stock or any combination thereof, and specifying the percentages of each;

- if we elect to pay in shares of common stock, the method of calculating the market price of the common stock; and
- the procedures that holders must follow to require us to purchase their debentures.

Your purchase notice electing to require us to purchase your debentures must state:

- if certificated debentures have been issued, the debentures certificate numbers, or if not, such information as may be required under appropriate DTC procedures;
- the portion of the principal amount of debentures to be purchased, in integral multiples of $1,000 principal amount at maturity;
- that we are to purchase the debentures pursuant to the applicable provisions of the debentures and the indenture; and
- in the event we elect, pursuant to the notice that we are required to give, to pay the purchase price in shares of common stock, in whole or in part, but the purchase price is ultimately to be paid to you entirely in cash because any of the conditions to payment of the purchase price or portion of the purchase price in shares of common stock is not satisfied prior to the close of business on the purchase date, as described below, whether you elect:

1. to withdraw the purchase notice as to some or all of the debentures to which it relates; or

2. to receive cash in respect of the entire purchase price for all debentures or portions of the debentures subject to such purchase notice.

If you fail to indicate your choice with respect to the election described in the final bullet point above, you will be deemed to have elected to receive cash in respect of the entire purchase price for all debentures subject to the purchase notice in these circumstances. For a discussion of the tax treatment of a holder receiving cash instead of shares of common stock, see "Certain Panamanian and United States Federal Income Tax Consequences."

You may withdraw any purchase notice by a written notice of withdrawal delivered to the paying agent prior to the close of business on the purchase date. The notice of withdrawal must state:

- the principal amount at maturity of the withdrawn debentures;
- if certificated debentures have been issued, the certificate numbers of the withdrawn debentures, or if not, such information as may be required under appropriate DTC procedures; and
- the principal amount at maturity, if any, of debentures that remain subject to your purchase notice.

If we elect to pay the purchase price, in whole or in part, in shares of common stock, the number of shares to be delivered by us will be equal to the portion of the purchase price to be paid in shares of common stock divided by the market price of one share of common stock. We will pay cash based on the market price for all fractional shares in the event we elect to deliver shares of common stock in payment, in whole or in part, of the purchase price.

The "market price" means the average of the sale prices of the common stock for the five trading day period ending on the third business day (if the third business day prior to the purchase date is a trading day or, if not, then on the last trading day prior to the third business day) prior to the purchase date, appropriately adjusted to take into account the occurrence, during the period commencing on the first of such trading days during such five trading day period and ending on such purchase date, of certain events with respect to the common stock listed under "—Conversion Rights—Conversion Rate Adjustment."

The "sale price" of the common stock on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date as reported in composite transactions for the principal United States securities exchange on which the common stock is traded or, if the common stock is not listed on a United States national or regional securities exchange, as reported by NASDAQ or by the National Quotation Bureau Incorporated.

Because the market price of the common stock is determined prior to the purchase date, holders of debentures exercising the purchase right bear the market risk with respect to the value of the common stock to be received from the date such market price is determined to the purchase date. We may pay the purchase price or any portion of the purchase price in shares of common stock only if the information necessary to calculate the market price is published in a daily newspaper of national circulation or is otherwise readily publicly available.

Upon determination of the actual number of shares of common stock to be issued for each $1,000 principal amount at maturity of debentures in accordance with the foregoing provisions, we will publish such information on our Web site on the World Wide Web or through such other public medium as we may use at that time.

Our right to purchase debentures, in whole or in part, with shares of common stock is subject to our satisfying various conditions, including:

- the listing of such shares of common stock on the principal United States securities exchange on which the common stock is then listed or, if not so listed, on NASDAQ;

- the registration of the shares of common stock under the Securities Act and the Exchange Act, if required; and

- any necessary qualification or registration under applicable state securities law or the availability of an exemption from such qualification and registration.

If such conditions are not satisfied with respect to a holder prior to the close of business on the purchase date, we will pay the purchase price of the debentures of the holder entirely in cash. See "Certain Panamanian and United States Federal Income Tax Consequences." We may not change the form or components or percentages of components of consideration to be paid for the debentures once we have given the notice that we are required to give to holders of debentures, except as described in the first sentence of this paragraph.

Our ability to purchase debentures with cash may be limited by the terms of our then existing borrowing agreements. The indenture will prohibit us from purchasing debentures for cash in connection with your purchase right if any event of default under the indenture has occurred and is continuing, except a default in the payment of the purchase price with respect to the debentures.

You must either effect book-entry transfer or deliver the debentures to be purchased, together with necessary endorsements, to the office of the paying agent after delivery of the purchase notice to receive payment of the purchase price. You will receive payment in cash on the later of the purchase date or the time of book entry transfer or the delivery of your debentures. If the paying agent holds money or securities sufficient to pay the purchase price of the debenture on the business day following the purchase date, then, immediately after the purchase date:

- your debentures will cease to be outstanding;

- original issue discount will cease to accrue; and

- all other rights of the holder will terminate.

This will be the case whether or not book-entry transfer of your debentures is made and whether or not your debentures are delivered to the paying agent.

We will comply with the provisions of Rule 13e-4, Rule 14e-1 and any other tender offer rules under the Exchange Act that may be applicable at the time. We will file Schedule TO or any other schedule under the Exchange Act required in connection with any offer by us to purchase the debentures at your option.

Change in Control Permits Purchase of Debentures by Us at the Option of the Holder

In the event of a change in control, which occurs on or before April 29, 2008, you will have the right, at your option, subject to the terms and conditions of the indenture, to require us to purchase for cash any or all of your debentures in integral multiples of $1,000 principal amount at maturity. We will purchase the debentures at a price equal to 100% of the issue price of the debentures to be purchased plus accrued original issue discount or accrued cash interest, if any, to, but excluding, the change in control purchase date.

We will be required to purchase the debentures as of the date that is 35 business days after the occurrence of such change in control (a "change in control purchase date").

A change of control occurs in the following situations:

- any person or group, other than our subsidiaries, any of our or their employee benefit plans or permitted holders, after the first issuance of debentures files a Schedule TO or a Schedule 13D (or any successors to those Schedules) stating that it has become and actually is the beneficial owner of our voting stock representing more than 50% of the total voting power of all of our classes of voting stock entitled to vote generally in the election of the members of our board of directors (which is a joint electorate action under the agreements governing our DLC transaction);

- permitted holders file a Schedule TO or a Schedule 13D (or any successors to those Schedules) stating that they have become and actually are beneficial owners of our voting stock representing more than 80%, in the aggregate, of the voting power of all of our classes of voting stock entitled to vote generally in the election of the members of our board of directors (which is a joint electorate action under the agreements governing our DLC transaction); or

- we consolidate with or merge with or into another person (other than a subsidiary), we sell, convey, transfer or lease our properties and assets substantially as an entirety to any person (other than a subsidiary), or any person (other than a subsidiary) consolidates with or merges with or into our company, and our outstanding common stock is reclassified into, exchanged for or converted into the right to receive any other property or security, provided that none of these circumstances will be a change in control if the persons that beneficially own our voting stock immediately prior to a transaction beneficially own, in substantially the same proportion, shares with a majority of the total voting power of all outstanding voting securities of the surviving or transferee person that are entitled to vote generally in the election of that person's board of directors.

For purposes of this provision, a "permitted holder" means each of Marilyn B. Arison, Micky Arison, Shari Arison, Michael Arison or their spouses, children or lineal descendants of Marilyn B. Arison, Micky Arison, Shari Arison, Michael Arison or their spouses, any trust established for the benefit of any Arison family member mentioned in this paragraph, or any "person" (as such term is used in Section 13(d) or 14(d) of the Exchange Act), directly or indirectly, controlling, controlled by or under common control with any Arison family member mentioned in this paragraph or any trust established for the benefit of any such Arison family member or any charitable trust or non-profit entity established by a permitted holder.

Notwithstanding anything to the contrary, the completion of a merger, consolidation or other transaction effected with one of our affiliates for the purpose of:

- changing our jurisdiction of organization; or

- effecting a corporate reorganization, including, without limitation, the implementation of a holding company structure

shall not be deemed to be a "change of control."

Within 15 business days after the occurrence of a change in control, we are obligated to mail to the trustee and to all holders of debentures at their addresses shown in the register of the registrar and to beneficial owners as required by applicable law a notice regarding the change in control, stating, among other things:

- the events causing a change in control;
- the date of such change in control;
- the last date on which the purchase right may be exercised;

- the change in control purchase price;
- the change in control purchase date;
- the name and address of the paying agent and the conversion agent;
- the conversion rate and any adjustments to the conversion rate;
- that debentures with respect to which a change in control purchase notice is given by the holder may be converted only if the change in control purchase notice has been withdrawn in accordance with the terms of the debentures and the indenture; and
- the procedures that holders must follow to exercise these rights.

To exercise this right, you must deliver a written notice to the paying agent prior to the close of business on the business day immediately before the change in control purchase date. The required purchase notice upon a change in control must state:

- if certificated debentures have been issued, the debenture certificate numbers, or if not, must comply with appropriate DTC procedures;
- the portion of the principal amount of debentures to be purchased, in integral multiples of $1,000 principal amount at maturity; and
- that we are to purchase such debentures pursuant to the applicable provisions of the debentures and the indenture.

You may withdraw any change in control purchase notice by a written notice of withdrawal delivered to the paying agent prior to the close of business on the business day before the change in control purchase date. The notice of withdrawal must state:

- the principal amount at maturity of the withdrawn debentures, in integral multiples of $1,000 principal amount at maturity;
- if certificated debentures have been issued, the certificate numbers of the withdrawn debentures, or if not, must comply with appropriate DTC procedures; and
- the principal amount at maturity, if any, of debentures that remain subject to your change in control purchase notice.

A holder must either effect book-entry transfer or deliver the debentures to be purchased, together with necessary endorsements, to the office of the paying agent after delivery of the change in control purchase notice to receive payment of the change in control purchase price. You will receive payment in cash on the change in control purchase date or the time of book-entry transfer or the delivery of your debentures. If the paying agent holds money or securities sufficient to pay the change in control purchase price of your debentures on the business day following the change in control purchase date, then, immediately after the change in control purchase date:

- your debentures will cease to be outstanding;
- original issue discount will cease to accrue; and
- all other rights of the holder will terminate.

This will be the case whether or not book-entry transfer of your debentures is made or whether or not your debentures is delivered to the paying agent.

We will comply with the provisions of Rule 13e-4, Rule 14e-1 and any other tender offer rules under the Exchange Act that may be applicable at the time. We will file Schedule TO or any other schedule under the Exchange Act required in connection with any offer by us to purchase the debentures at your option.

The change in control purchase feature of the debentures may in certain circumstances make more difficult or discourage a takeover of us. The change in control purchase feature, however, is not the result of our knowledge of any specific effort:

- to accumulate shares of common stock;
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to obtain control of us by means of a merger, tender offer, solicitation or otherwise; or

- by management to adopt a series of anti-takeover provisions.

Instead, the terms of the change in control purchase feature resulted from negotiations between the initial purchaser of the debentures and us.

We could, in the future, enter into certain transactions, including certain recapitalizations, that would not constitute a change in control with respect to the change in control purchase feature of the debentures but that would increase the amount of our (or our subsidiaries') outstanding indebtedness.

No debentures may be purchased by us at the option of holders upon a change in control if there has occurred and is continuing an event of default with respect to the debentures, other than a default in the payment of the change in control purchase price with respect to the debentures.

For purposes of defining a change of control:

- the term "person" and the term "group" have the meanings given by Sections 13(d) and 14(d) of the Exchange Act or any successor provisions;

- the term "group" includes any group acting for the purpose of acquiring, holding or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act or any successor provision; and

- the term "beneficial owner" is determined in accordance with Rules 13d-3 and 13d-5 under the Exchange Act or any successor provision, except that a person will be deemed to have beneficial ownership of all shares that person has the right to acquire irrespective of whether that right is exercisable immediately or only after the passage of time.

Consolidation, Merger, Sale or Conveyance

The indenture provides that we may not consolidate with or merge into any other entity or convey or transfer our properties and assets substantially as an entirety to any entity, unless:

- the successor or transferee entity is a corporation, limited liability company trust or partnership organized under the laws of the United States or any State of the United States or the District of Columbia or the Republic of Panama or any other country recognized by the United States and all political subdivisions of such countries;

- the successor or transferee entity, if other than us, expressly assumes by a supplemental indenture executed and delivered to the trustee, in form reasonably satisfactory to the trustee, the due and punctual payment of the principal of, any premium on and any interest or accrued original issue discount on, all the outstanding debentures and the performance of every covenant in the indenture to be performed or observed by us and provides for conversion rights in accordance with applicable provisions of the indenture;

- immediately after giving effect to the transaction, no Event of Default, as defined in the indenture, and no event which, after notice or lapse of time or both, would become an Event of Default, has happened and is continuing; and

- we have delivered to the trustee an officers' certificate and an opinion of counsel, each in the form required by the indenture and stating that such consolidation, merger, conveyance or

transfer and such supplemental indenture comply with the foregoing provisions relating to such transaction.

In case of any such consolidation, merger, conveyance or transfer, the successor entity will succeed to and be substituted for us as obligor on the debentures, with the same effect as if it had been named in the indenture as our company.

Events of Default; Waiver and Notice

An event of default is defined in the indenture as:

(a) default for 30 days in payment of any Liquidated Damages under the registration rights agreement described below;

(b) default in payment of principal of or any premium on the debentures at maturity, redemption price, purchase price or change in control purchase price, when the same becomes due and payable;

(c) default in the payment (after any applicable grace period) of any indebtedness for money borrowed by our company, Carnival plc or a Subsidiary of either in excess of $50 million in aggregate principal amount (excluding such indebtedness of any Subsidiary other than a Significant Subsidiary, all the indebtedness of which Subsidiary is nonrecourse to our company or any other Subsidiary) or default on such indebtedness that results in the acceleration of such indebtedness prior to its express maturity, if such indebtedness is not discharged, or such acceleration is not annulled, by the end of a period of 30 days after written notice to us by the trustee or to us and the trustee by the holders of at least 25% in principal amount at maturity of the outstanding debentures;

(d) default by us in the performance of any other covenant contained in the indenture for the benefit of the debentures that has not been remedied by the end of a period of 60 days after notice is given as specified in the indenture;

(e) unless Carnival plc has become or has been merged with or has been otherwise consolidated with the primary obligor under the debentures and the indenture, Carnival plc's guarantee ceases to be in full force and effect or is declared null and void or Carnival plc denies that it has any further liability under its guarantee to the debenture holders, or gives notice to such effect (other than by reason of the termination of the indenture or the release of such guarantee in accordance with the indenture), and such condition shall have continued for a period of 30 days after written notice of such failure

requiring Carnival plc or us to remedy the same shall have been given to us by the trustee or to us and the trustee by the holders of 25% in aggregate principal amount at maturity of the debentures outstanding; and

(f) certain events of bankruptcy, insolvency and reorganization of our company, Carnival plc or a Significant Subsidiary of either.

When we refer to a "Significant Subsidiary," we mean any Subsidiary, the Net Worth of which represents more than 10% of the Consolidated Net Worth of our company, Carnival plc and our combined Subsidiaries. The terms "Subsidiary," "Net Worth" and "Consolidated Net Worth" are defined in the indenture.

The indenture provides that:

- if an event of default described in clause (a), (b), (c), (d) or (e) above has occurred and is continuing, either the trustee or the holders of not less than 25% in aggregate principal amount at maturity of the debentures may declare the accreted principal amount (the original issue price of the debentures plus accrued original issue discount thereon through the date of such

declaration) of the debentures then outstanding, and any accrued and unpaid cash interest through the date of such declaration, to be due and payable immediately;

- upon certain conditions such declarations may be annulled and past defaults (except for defaults in the payment of principal of, any premium on or interest on, the debentures and in compliance with certain covenants) may be waived by the holders of a majority in aggregate principal amount at maturity of the debentures then outstanding; and

- if an event of default described in clause (f) occurs and is continuing, then the accreted principal amount of all debentures issued under the indenture and then outstanding, together with any accrued cash interest through the occurrence of such event, shall become and be due and payable immediately, without any declaration or other act by the trustee or any other holder.

In case of default in payment of the accreted principal amount of the debentures, whether at the stated maturity or upon acceleration or redemption, from and after the maturity date, the debentures will bear interest, payable upon demand of their beneficial owners, at the rate of 1.75% per year, to the extent that payment of any interest is legally enforceable, on the unpaid amount due and payable on that date in accordance with the terms of the debentures to the date payment of that amount has been made or duly provided for.

Under the indenture, the trustee must give to the holders of debentures notice of all uncured defaults known to it with respect to the debentures within 90 days after such a default occurs (the term default to include the events specified above without notice or grace periods); provided that, except in the case of default in the payment of principal of, any premium on, any of the debentures, the trustee will be protected in withholding such notice if it in good faith determines that the withholding of such notice is in the interests of the holders of the debentures.

No holder of any debentures may institute any action under the indenture unless:

- such holder has given the trustee written notice of a continuing event of default with respect to the debentures;

- the holders of not less than 25% in aggregate principal amount at maturity of the debentures then outstanding have requested the trustee to institute proceedings in respect of such event of default;

- such holder or holders have offered the trustee such reasonable indemnity as the trustee may require;

- the trustee has failed to institute an action for 60 days thereafter; and

- no inconsistent direction has been given to the trustee during such 60-day period by the holders of a majority in aggregate principal amount at maturity of debentures.

The holders of a majority in aggregate principal amount at maturity of the debentures affected and then outstanding will have the right, subject to certain limitations, to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the debentures. The indenture provides that, if an event of default occurs and is continuing, the trustee, in exercising its rights and powers under the indenture, will be required to use the degree of care of a prudent man in the conduct of his own affairs. The indenture further provides that the trustee shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the indenture unless it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is reasonably assured to it.

We must furnish to the trustee within 120 days after the end of each fiscal year a statement of our company signed by one of the officers of our company to the effect that a review of our activities

during such year and of our performance under the indenture and the terms of the debentures has been made, and, to the knowledge of the signatories based on such review, we have complied with all conditions and covenants of the indenture or, if we are in default, specifying such default.

For the purposes of determining whether the holders of the requisite principal amount at maturity of debentures have taken any action herein described, the principal amount of debentures will be deemed to be the portion of such principal amount that would be due and payable at the time of the taking of such action upon a declaration of acceleration of maturity thereof.

Modification of the Indenture

We and the trustee may, without the consent of the holders of the debt securities issued under the indenture, enter into supplemental indentures for, among others, one or more of the following purposes:

- to evidence the succession of another corporation to our company, and the assumption by such successor of our obligations under the indenture and the debentures;
- to add covenants of our company, or surrender any rights of our company, or add any rights for the benefit of the holders of debentures;
- to cure any ambiguity, omission, defect or inconsistency in such indenture;
- to establish the form or terms of any other series of debt securities, including any subordinated securities;
- to evidence and provide for the acceptance of any successor trustee with respect to the debentures or one or more other series of debt securities or to facilitate the administration of the trusts thereunder by one or more trustees in accordance with such indenture; and
- to provide any additional events of default.

With certain exceptions, the indenture, the Carnival plc guarantee or the rights of the holders of the debentures may be modified by us and the trustee with the consent of the holders of a majority in aggregate principal amount at maturity of the debentures then outstanding, but no such modification may be made without the consent of the holder of each outstanding debenture affected thereby that would:

- change the maturity of any payment of principal of, or any premium on, any debentures, or reduce the principal amount at maturity or the rate of accrual of original issue discount of any debenture, or change any place of payment where, or the coin or currency in which, any debenture or any premium is payable, or impair the right to institute suit for the enforcement of any such payment on or after the maturity thereof (or, in the case of redemption or repayment, on or after the redemption date or the repayment date, as the case may be) or adversely affect the conversion or repurchase provisions in the indenture;
- reduce the percentage in principal amount at maturity of the outstanding debentures, the consent of whose holders is required for any such modification, or the consent of whose holders is required for any waiver of compliance with certain provisions of the indenture or certain defaults thereunder and their consequences provided for in the indenture; or
- modify any of the provisions of certain sections of the indenture, including the provisions summarized in this paragraph, except to increase any such percentage or to provide that certain other provisions of the indenture cannot be modified or waived without the consent of the holder of each outstanding debenture affected thereby.

Discharge of the Indenture

We may satisfy and discharge our obligations under the indenture by delivering to the trustee for cancellation all outstanding debentures or by depositing with the trustee, the paying agent or the conversion agent, if applicable, after the debentures have become due and payable, whether at stated maturity, or any redemption date, or any purchase date, or a change in control purchase date, or upon conversion or otherwise, cash or common stock (as applicable under the terms of the indenture) sufficient to pay all of the outstanding debentures and paying all other sums payable under the indenture by our company.

Governing Law

The indenture and the debentures are governed by and construed in accordance with the laws of the State of New York.

Book-Entry System

The debentures are represented by global securities. We deposited each global security with, or on behalf of, DTC and registered each global security in the name of Cede & Co., a nominee of DTC. Except under the circumstances described below, a global security may be transferred, in whole or in part, only to another nominee of DTC or to a successor of DTC or its nominee.

Upon the issuance of a global security, DTC credited on its book-entry registration and transfer system the accounts of persons designated by the initial purchaser with the respective principal amounts at maturity of the debentures represented by the global security. Ownership of beneficial interests in a global security will be limited to persons that have accounts with DTC or its nominee ("participants") or persons that may hold interests through participants. Owners of beneficial interests in the debentures represented by the global securities will hold their interests pursuant to the procedures and practices of DTC. Ownership of beneficial interests in a global security will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of persons other than participants). The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in a global security.

So long as DTC or its nominee is the registered owner of a global security, DTC or its nominee, as the case may be, will be considered the sole owner or holder of the debentures represented by that global security for all purposes under the indenture. Except as provided below, owners of beneficial interests in a global security will not be entitled to have debentures represented by that global security registered in their names, will not receive or be entitled to receive physical delivery of debentures in definitive form and will not be considered the owners or holders thereof under the indenture. Beneficial owners will not be holders and will not be entitled to any rights provided to the holders of debentures under the global securities or the indenture. Payment of principal amounts at maturity on debentures registered in the name of DTC or its nominee will be made to DTC or its nominee, as the case may be, as the registered owner of the relevant global security. None of our company, Carnival plc, the trustee, any paying agent or the registrar for the debentures will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in a global security or for maintaining, supervising or reviewing any records relating to such beneficial interests.

We expect that DTC or its nominee, upon receipt of any payment of the principal amount at maturity will credit immediately participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount at maturity of the relevant global security as shown on the

records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in a global security held through such participants will be governed by standing

instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participants.

If DTC is at any time unwilling or unable to continue as a depository and a successor depository is not appointed by us within 90 days or if an event of default has occurred and is continuing, we will issue debentures in definitive form in exchange for the entire global security for the debentures. In any such instance, an owner of a beneficial interest in a global security will be entitled to physical delivery in definitive form of debentures represented by such global security equal in principal amount at maturity to such beneficial interest and to have such debentures registered in its name. Debentures so issued in definitive form will be issued as registered debentures in denominations of $1,000 principal amount at maturity and integral multiples thereof, unless otherwise specified by us.

Payment of Additional Amounts

We have agreed that any amounts payable on the debentures will be paid without deduction or withholding for any taxes, levies, imposts or other governmental charges imposed, assessed, levied or collected by or for the account of the Republic of Panama or any of its political subdivisions or taxing authorities or by or for the account of the jurisdiction of incorporation (other than the United States) of a successor corporation to us, to the extent that such taxes first become applicable as a result of the successor corporation becoming the obligor on the debentures ("foreign taxes"). In addition, if deduction or withholding of any foreign taxes is ever required by the Republic of Panama or any of its political subdivisions or taxing authorities (or the jurisdiction of incorporation (other than the United States) of a successor corporation to us), we will pay any additional amounts ("additional amounts") required to make the net amounts paid to the holders of the debentures or the trustee under the indenture, as the case may be, after such deduction or withholding, equal to the amounts of principal, premium, if any, interest, if any, and sinking fund or analogous payments, if any, to which those holders or the trustee are entitled. We are not required to pay additional amounts in respect of the following taxes ("excluded taxes"):

- any present or future foreign taxes which would not have been so imposed, assessed, levied or collected if the holder or beneficial owner of the relevant debenture did not have some present or former connection with the Republic of Panama (or jurisdiction of incorporation of a successor corporation to us) or any such political subdivision of any such jurisdiction other than holding or owning a debenture, or collecting principal and interest, if any, on, or the enforcement of such debenture, which connection may include its domicile, residence or physical presence in such jurisdiction, or its conduct of a business or maintenance of a permanent establishment therein;

- any present or future foreign taxes which would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required, the relevant debenture was presented for payment on a date more than thirty days after the date the payment became due or was provided for, whichever is later; or

- any present or future foreign taxes which would not have been so imposed, assessed, levied or collected but for the failure by the holder to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the Republic of Panama (or the jurisdiction of incorporation of a successor corporation to us) or any of its political subdivisions of the holder or beneficial owner of the relevant debenture, if compliance is required by statute or by rules or regulations of any such jurisdiction as a condition to relief or exemption from foreign taxes.

We or any successor to us, as the case may be, will indemnify and hold harmless each holder of the debentures and upon written request reimburse each holder for the amount of:

- any foreign taxes levied or imposed and paid by the holder of the debentures (other than excluded taxes) as a result of payments made with respect to the debentures;

- any liability (including penalties, interest and expenses) arising from or in connection with the levying or imposing of any foreign taxes; and

- any foreign taxes levied or imposed with respect to payment of additional amounts or any reimbursement pursuant to this list.

We or our successor, as the case may be, will also (1) make such withholding or deduction and (2) remit the full amount deducted or withheld, to the relevant authority in accordance with applicable law. We or any successor to us, as the case may be, will furnish the trustee within 30 days after the date the payment of any foreign taxes is due, certified copies of tax receipts evidencing the payment by us or any successor to us, as the case may be. The trustee will forward copies of the tax receipts to the holders of the debentures.

At least 30 days prior to each date on which any payment under or with respect to the debentures is due and payable, if we are obligated to pay additional amounts with respect to those payments, we will deliver to the trustee an officers' certificate stating that additional amounts will be payable, stating the amounts that will be payable, and setting forth any other information necessary to enable the trustee to pay the additional amounts to holders of the debentures on the payment date.

Redemption or Assumption of Debentures Upon Changes or Amendment to Laws

If as the result of any change in or any amendment to the laws, including any regulations and any applicable double taxation treaty or convention, of the Republic of Panama (or any jurisdiction of incorporation of a successor corporation to us other than the United States), or of any of its political subdivisions or taxing authorities affecting taxation, or any change in an application or interpretation of those laws, which change, amendment, application or interpretation becomes effective on or after the original issuance date of the debentures (or, in certain circumstances, the later date on which a corporation becomes a successor corporation to us), we determine based upon an opinion of independent counsel of recognized standing that (i) we would be required to pay additional amounts on

the next succeeding date for the payment thereof, or (ii) any taxes would be imposed (whether by way of deduction, withholding or otherwise) by the Republic of Panama (or the jurisdiction of incorporation, other than the United States, of a successor corporation to us) or by any of its political subdivisions or taxing authorities, upon or with respect to any principal, premium, if any, interest, if any, or sinking fund or analogous payments, if any, then we may, at our option, on giving not less than 30 nor more than 60 days irrevocable notice, redeem the debentures in whole at any time at a redemption price equal to 100% of the issue price of the debentures to be purchased plus accrued original issue discount or accrued cash interest, if any, to the redemption date. No notice of redemption may be given more than 90 days prior to the earliest date on which we would be obligated to pay the additional amounts or the tax would be imposed, as the case may be. Also, at the time that the notice of redemption is given, the obligation to pay additional amounts or tax, as the case may be, must be in effect.

In the event that the debentures are called for redemption pursuant to the terms of this provision, the holders of debentures shall have all rights which such holders would have had if the debentures had been called for redemption by us pursuant to our rights to redeem the debentures at any time on or after April 29, 2008.

Registration Rights

We and Carnival plc entered into a registration rights agreement with the initial purchaser under which we, at our expense, for the benefit of the holders, filed with the SEC a shelf registration statement covering the resale of the debentures, the Carnival plc guarantee, the POPCIL guarantee and the shares of stock issuable upon conversion of the debentures. We and Carnival plc will use commercially reasonable efforts to keep the shelf registration statement effective until the earlier of

- the transfer pursuant to Rule 144 under the Securities Act or the sale pursuant to the shelf registration statement of all the securities registered thereunder;
- the expiration of the holding period applicable to such securities held by persons that are not affiliates of ours under Rule 144(k) under the Securities Act or any successor provision; and
- the second anniversary of the effective date of the registration statement, subject to certain permitted exceptions.

We are permitted to suspend the use of this prospectus that is part of the shelf registration statement under certain circumstances relating to pending corporate developments, public filings with the SEC and similar events for a period not to exceed 60 days in any three-month period and not to exceed an aggregate of 90 days in any 12-month period. We have agreed to pay predetermined liquidated damages as described in this prospectus, and to which we refer to as "Liquidated Damages," to holders of transfer restricted debentures, if a shelf registration statement is not timely filed or made effective or if the prospectus is unavailable for the periods in excess of those permitted above. Such Liquidated Damages shall accrue until such failure to file or become effective or unavailability is cured, in respect of any debentures at a rate per year equal to 0.25% for the first 90-day period after the occurrence of such event and 0.50% thereafter of the applicable principal amount (as defined below) thereof. So long as the failure to file or become effective or unavailability continues, we will pay Liquidated Damages in cash on April 29 and October 29 of each year to the holder of record of the transfer restricted debentures on the immediately preceding April 14 or October 14. When such registration default is cured, accrued and unpaid Liquidated Damages will be paid in cash to the record holder as of the date of such cure.

A holder of debentures or shares of common stock issued upon conversion of the debentures to be sold under the registration statement must complete and deliver to us a notice and questionnaire, at least 10 business days prior to any distribution of the securities so offered. A holder who sells debentures or shares of common stock issued upon conversion of the debentures under the shelf registration statement generally will be required to

- be named as a selling securityholder in the related prospectus;
- deliver a prospectus to purchasers and be bound by certain provisions of the registration rights agreement that are applicable to such holder, including certain indemnification provisions; and
- be subject to certain civil liability provisions under the Securities Act.

Under the registration rights agreement, we will

- pay all of our expenses of the shelf registration statement;
- provide copies of such prospectus to each holder that has notified us of its acquisition of debentures or shares of common stock issued upon conversion of the debentures;
- notify each such holder when the shelf registration statement has become effective; and
- take certain other actions as are required to permit, subject to the foregoing, unrestricted resales of the debentures and the shares of common stock issued upon conversion of the debentures.

The term "applicable principal amount" means, as of any date of determination, with respect to each $1,000 principal amount at maturity of debentures, the sum of the initial issue price of such debentures, $646.88 per $1,000 principal amount at maturity, plus accrued original issue discount with respect to such debentures through such date of determination.

For holders of securities are not a named selling securityholder in this prospectus at the time of effectiveness of the shelf registration statement, we will prepare and file, if required, as promptly as practicable after the receipt of the holder's questionnaire, amendments to the shelf registration statement containing this prospectus and/or supplements to this prospectus as necessary to permit holders to deliver this prospectus, including any supplements, to purchasers of the offered securities, subject to our right to suspend the use of this prospectus as described above.

The above summary of some of the provisions of the registration rights agreement is subject to, and is qualified in its entirety by reference to, all the provisions of the registration rights agreement, a copy of which has been filed as an exhibit to the registration statement of which this prospectus forms a part.

DESCRIPTION OF THE CARNIVAL PLC GUARANTEE

Carnival plc has guaranteed our monetary obligations under the debentures on an unsecured and unsubordinated basis. Carnival plc's guarantee was issued under its deed of guarantee, which Carnival plc and we executed at the closing of the DLC transaction on April 17, 2003. At the closing of the DLC transaction, Carnival plc and we also executed a separate deed of guarantee reciprocal to Carnival plc's, under which we guaranteed specified obligations of Carnival plc owed to creditors. The following description is a summary of the material provisions of Carnival plc's deed of guarantee. The summary is not complete and may not cover information that you may find important. Accordingly, this summary is subject to, and qualified in its entirety by reference to, the detailed provisions of Carnival plc's deed of guarantee, which is an exhibit to the registration statement containing this prospectus. You should read Carnival plc's deed of guarantee carefully and in its entirety because it, and not this description, defines your rights under the Carnival plc deed of guarantee.

Form of Guarantee

The Carnival plc guarantee is in uncertificated form.

Obligations Guaranteed

Under Carnival plc's deed of guarantee, Carnival plc has fully, unconditionally and irrevocably undertaken and promised to us that Carnival plc will, as a continuing obligation, make to the creditor to whom or to which it is owed the proper and punctual payment of each of the following obligations, following written demand on the relevant primary obligor, if for any reason we do not make such payment on the relevant due date:

- any contractual monetary obligations owed to our creditors incurred under an agreement entered into since completion of the DLC transaction;
- any contractual monetary obligations of other persons, referred to as principal debtors, which are guaranteed by us and incurred under an agreement entered into since completion of the DLC transaction; and
- any other obligation of any kind that may be agreed in writing between us and Carnival plc.

Carnival plc's deed of guarantee provides that the creditors to whom our obligations are owed are intended third party beneficiaries of Carnival plc's deed of guarantee. Subject to protective procedures for existing and new beneficiaries of Carnival plc's guarantee, we and Carnival plc may exclude obligations from coverage under Carnival plc's deed of guarantee by agreement, as described below under "—Exclusions from the Guarantee."

Should any obligation not be recoverable from Carnival plc as a result of the obligation becoming void, voidable or unenforceable against us, Carnival plc also has agreed that it will, as sole, original and independent obligor, make payment on such obligation by way of a full indemnity. Unless otherwise provided in Carnival plc's deed of guarantee, Carnival plc's liabilities and obligations under Carnival plc's deed of guarantee will remain in force notwithstanding any act, omission, neglect, event or matter which would not affect or discharge our liabilities owed to the relevant creditor, including, without limitation:

- anything which would have discharged Carnival plc, wholly or in part, but not us;
- anything which would have offered Carnival plc, but not us, any legal or equitable defense; and
- any winding-up, insolvency, dissolution and/or analogous proceeding of, or any change in constitution or corporate identity or loss of corporate identity by, us or any other person or entity.

In the event that Carnival plc is required under the Carnival plc guarantee to make a payment to a creditor, we will reimburse Carnival plc for those payments.

Exclusions from the Guarantee

We and Carnival plc may, by entering into a supplemental deed of guarantee and by giving the required notice, exclude from the scope of Carnival plc's deed of guarantee obligations of a particular type, or a particular obligation or obligations, incurred after a specified date. The specified date must be:

- in the case of obligations of a particular type, at least three months after the date on which notice of the relevant exclusion is given, or
- in the case of a particular obligation, at least five business days, or such shorter period as the relevant creditor may agree, after the date on which notice is given to the relevant creditor.

However, no such agreement or exclusion shall be effective with respect to any obligation incurred before, or arising out of, any credit or similar facility available for use at, the time at which the relevant agreement or exclusion becomes effective. Therefore, under this provision we and Carnival plc would not be able to exclude the debentures or the indenture governing such debentures from the scope of Carnival plc's deed of guarantee without the consent of the trustee under the indenture and the requisite holders of the debentures.

No Defense, Set-off and Counterclaim

In respect of any claim against Carnival plc by a creditor under Carnival plc's deed of guarantee, Carnival plc will not have available to it:

- by way of defense or set-off, any matter that arises from or in connection with Carnival plc's deed of guarantee, and which would have been available to Carnival plc by way of defense or set-off if the proceedings had been brought against Carnival plc by us,

- by way of defense or set-off, any matter that would have been available to Carnival plc by way of defense or set-off against a creditor if the creditor had been a party to Carnival plc's deed of guarantee, or

- by way of counterclaim any matter not arising from Carnival plc's deed of guarantee that would have been available to Carnival plc by way of counterclaim against a creditor if the creditor had been a party to Carnival plc's deed of guarantee.

Governing Law and Jurisdiction

Carnival plc's deed of guarantee is governed and construed in accordance with the laws of the Isle of Man. All actions or proceedings arising out of or in connection with Carnival plc's deed of guarantee must be exclusively brought in courts in England. In addition, the issuance of the Carnival plc guarantee does not affect the governing law of the debentures, which are governed by the laws of the State of New York. It is therefore likely that the governing law and the jurisdiction in which actions may be brought in respect of the Carnival plc guarantee will be different from those for the debentures. See "Risk Factors—Risks Relating to the Guarantees—Carnival plc's guarantee and POPCIL's guarantee are governed by the laws of a foreign jurisdiction, and an action to enforce either guarantee must be brought in the courts of England."

Termination

No termination of Carnival plc's deed of guarantee will be effective with respect to any obligation under Carnival plc's deed of guarantee incurred before, or arising out of, any credit or similar facility

available for use at, the time at which the termination becomes effective. Therefore, the termination provisions described below will not apply to the debentures or the related indenture without the consent of the trustee under the indenture and the requisite holders of the debentures.

Subject to that limitation, Carnival plc's deed of guarantee will terminate:

- automatically upon the termination or the discontinuance of effectiveness of the Equalization and Governance Agreement, which was entered into by us and Carnival plc at the closing of the DLC transaction and is the primary agreement governing the ongoing relationship between us and Carnival plc as a dual listed company operating as a single economic entity,

- automatically upon the termination or discontinuance of effectiveness of our deed of guarantee, or

- on such future date as Carnival plc may determine with the giving of three months' notice following our consenting to such termination, although our consent shall not be required if prior to the date of such notice a resolution is passed or an order is made for the liquidation of us.

Amendment

We and Carnival plc may amend Carnival plc's deed of guarantee by entering into a supplemental deed. However, no amendment of Carnival plc's deed of guarantee will be effective with respect to any obligation under Carnival plc's deed of guarantee incurred before, or arising out of, any credit or similar facility available for use at, the time at which the amendment becomes effective. Therefore, no such amendment with respect to the debentures or the related indenture may become effective without the consent of the trustee and the requisite holders of the debentures.

DESCRIPTION OF THE POPCIL GUARANTEE

POPCIL has guaranteed all of our indebtedness and related obligations to that indebtedness under the debentures on an unsecured and unsubordinated basis. POPCIL's guarantee is being issued under its deed of guarantee, which it executed with Carnival plc and us on June 19, 2003. Under POPCIL's deed of guarantee, on terms substantially the same as those described below, POPCIL has also agreed to guarantee all of Carnival plc's indebtedness and related obligations to that indebtedness incurred under agreements entered into after April 17, 2003. The following description is a summary of the material provisions of POPCIL's deed of guarantee. The summary is not complete and may not cover information that you may find important. Accordingly, this summary is subject to, and qualified in its entirety by reference to, the detailed provisions of POPCIL's deed of guarantee. You should read POPCIL's deed of guarantee carefully and in its entirety because it, and not this description, defines your rights under POPCIL's deed of guarantee.

Form of Guarantee

The POPCIL guarantee is in uncertificated form.

Obligations Guaranteed

Under POPCIL's deed of guarantee, POPCIL has fully, unconditionally and irrevocably undertaken and promised to Carnival Corporation that POPCIL will, as a continuing obligation, make to the creditor to whom or to which it is owed the proper and punctual payment of each of the following obligations, following written demand on the relevant primary obligor, if for any reason Carnival Corporation does not make such payment on the relevant due date:

-

any Indebtedness and Related Obligations to that Indebtedness incurred by us under an agreement entered into since April 17, 2003;

- any other Indebtedness and Related Obligations to that Indebtedness that we agree to cover under our deed of guarantee related to the DLC transaction; and

- any other obligation of any kind that may be agreed in writing among us, Carnival plc and POPCIL.

We refer to the obligations listed in the three bullets above in this description of POPCIL's guarantee as the "*Obligations*."

POPCIL's deed of guarantee provides that the creditors to whom the Obligations are owed are intended third party beneficiaries of POPCIL's deed of guarantee. Subject to protective procedures for existing and new beneficiaries of POPCIL's guarantee, we, POPCIL and Carnival plc may exclude obligations from coverage under POPCIL's deed of guarantee by agreement, as described below under "—Exclusions from the Guarantee."

Should any Obligation not be recoverable from POPCIL as a result of the Obligation becoming void, voidable or unenforceable against us, POPCIL also has agreed that it will, as sole, original and independent obligor, make payment on such obligation by way of a full indemnity. Unless otherwise provided in POPCIL's deed of guarantee, POPCIL's liabilities and obligations under POPCIL's deed of guarantee will remain in force notwithstanding any act, omission, neglect, event or matter which would not affect or discharge our liabilities owed to the relevant creditor, including, without limitation:

- anything which would have discharged POPCIL, wholly or in part, but not us;

- anything which would have offered POPCIL, but not us, any legal or equitable defense; and

- any winding-up, insolvency, dissolution and/or analogous proceeding of, or any change in constitution or corporate identity or loss of corporate identity by, us or any other person or entity.

In the event that POPCIL is required under POPCIL's deed of guarantee to make a payment to a creditor, we will reimburse POPCIL for those payments.

Exclusions from the Guarantee

We, Carnival plc and POPCIL may, by entering into a supplemental deed of guarantee and by giving the required notice, exclude from the scope of POPCIL's deed of guarantee obligations of a particular type, or a particular obligation or obligations, incurred after a specified date. The specified date must be:

- in the case of obligations of a particular type, at least five business days after the date on which notice of the relevant exclusion is given, or

- in the case of a particular obligation, at least five business days, or such shorter period as the relevant creditor may agree, after the date on which notice is given to the relevant creditor.

However, no such agreement or exclusion shall be effective with respect to any Obligation incurred before, or arising out of, any credit or similar facility available for use at, the time at which the relevant agreement or exclusion becomes effective. Therefore, under this provision we, POPCIL and Carnival plc would not be able to exclude the debentures or the indenture governing such debentures from the scope of POPCIL's deed of guarantee without the consent of the trustee under the indenture and the requisite holders of the debentures.

No Defense, Set-off and Counterclaim

In respect of any claim against POPCIL by a creditor under POPCIL's deed of guarantee, POPCIL will not have available to it:

- by way of defense or set-off, any matter that arises from or in connection with POPCIL's deed of guarantee, and which would have been available to POPCIL by way of defense or set-off if the proceedings had been brought against POPCIL by us,

- by way of defense or set-off, any matter that would have been available to POPCIL by way of defense or set-off against a creditor if the creditor had been a party to POPCIL's deed of guarantee, or

- by way of counterclaim any matter not arising from POPCIL's deed of guarantee that would have been available to POPCIL by way of counterclaim against a creditor if the creditor had been a party to POPCIL's deed of guarantee.

Governing Law and Jurisdiction

POPCIL's deed of guarantee is governed and construed in accordance with the laws of the Isle of Man. All actions or proceedings arising out of or in connection with POPCIL's deed of guarantee must be exclusively brought in courts in England. In addition, the issuance of the POPCIL guarantee will not affect the governing law of the debentures, which will continue to be governed by the laws of the State of New York. Any jurisdictional provisions contained in the debentures and the Indenture will also be unaffected by POPCIL's deed of guarantee. It is therefore likely that the governing law and the jurisdiction in which actions may be brought in respect of POPCIL's deed of guarantee will be different from those for the debentures. See "Risk Factors—Risks Relating to the Guarantees—Carnival plc's

guarantee and POPCIL's guarantee are governed by the laws of a foreign jurisdiction, and an action to enforce either guarantee must be brought in the courts of England."

Merger, Consolidation and Significant Asset Transfers

Upon any consolidation, merger or other combination of POPCIL into or with or any Significant Asset Transfer to, a subsidiary of us or Carnival plc, POPCIL shall use all reasonable efforts to procure that the successor Person formed by that consolidation or into or with which POPCIL is merged or to which that Significant Asset Transfer is made, if other than POPCIL, shall execute a supplemental deed to POPCIL's deed of guarantee so as to succeed to, and be substituted for, and be able to exercise every right and power of, POPCIL under POPCIL's deed of guarantee with the same effect as if the successor Person had been named as the guarantor under POPCIL's deed of guarantee.

Termination

The POPCIL deed of guarantee will terminate automatically, without the consent of any holder of debentures or other Obligations, with respect to all Obligations, including the debentures and other Obligations existing on the date of termination:

- upon any consolidation, merger or other combination of POPCIL with or into any Person, including Carnival plc or us but excluding any subsidiary of Carnival plc or us;
- upon any sale of voting securities or other capital stock of POPCIL to any Person other than Carnival plc, us or any of its or our respective subsidiaries such that after such sale, POPCIL is no longer a subsidiary of Carnival plc, us or any of its or our respective subsidiaries;
- upon any sale, assignment, transfer, lease, conveyance or other disposition of assets by POPCIL to any Person, including Carnival plc or us but excluding any subsidiary of Carnival plc or us, if the POPCIL Remaining Consolidated Assets represent 3% or less of the Carnival Corporation & plc Remaining Consolidated Assets; or
- if the consolidated Indebtedness of POPCIL and its subsidiaries (excluding Indebtedness represented by POPCIL's deed of guarantee), determined as of the most recently completed fiscal quarter of POPCIL in accordance with US GAAP, represents less than 3% of the consolidated Indebtedness of Carnival Corporation & plc, determined as of the most recently completed fiscal quarter of Carnival Corporation in accordance with US GAAP.

Subject to the limitation described below, the POPCIL deed of guarantee will also terminate:

- automatically upon the termination or the discontinuance of effectiveness of the Equalization and Governance Agreement, which was entered into by us and Carnival plc at the closing of the DLC transaction and is the primary agreement governing the ongoing relationship between us and Carnival plc as a dual listed company operating as a single economic entity,
- automatically upon the termination or discontinuance of effectiveness of our deed of guarantee or the Carnival plc deed of guarantee, or
- on such future date as POPCIL may determine with the giving of five business days' notice following Carnival plc and our consenting to such termination, although if prior to the date of such notice a resolution is passed or an order is made for the liquidation of either of us or Carnival plc, the consent of the company subject to the order or resolution shall not be required.

No termination described in the immediately preceding sentence will be effective with respect to an Obligation incurred before, or arising out of, any credit or similar facility available for use at, the time at which the termination becomes effective. Therefore, these termination provisions will not apply to

the debentures or the related indenture without the consent of the trustee under the indenture and the requisite holders of the debentures.

Amendment

We, POPCIL and Carnival plc may amend POPCIL's deed of guarantee by entering into a supplemental deed. However, no amendment of POPCIL's deed of guarantee will be effective with respect to any Obligations incurred before, or arising out of, any credit or similar facility available for use at, the time at which the amendment becomes effective. Therefore, no such amendment may become effective with respect to the debentures or the related indenture without the consent of the trustee and the requisite holders of the debentures.

Definitions

The following terms, as used in this description, have the following definitions:

"*Carnival Corporation & plc Remaining Consolidated Assets*" means, in respect of a sale, assignment, transfer, lease, conveyance or other disposition of assets, the consolidated assets of Carnival plc, us and its and our respective subsidiaries, determined in accordance with US GAAP, as of the most recently completed fiscal quarter of Carnival Corporation, giving pro forma effect to such sale, assignment, transfer, lease, conveyance or other disposition of assets and any related transactions.

"*Hedging Obligations*" means, with respect to any person or entity, the obligations of that person or entity under:

(1) currency exchange or interest rate swap agreements, currency exchange or interest rate cap agreements and currency exchange and interest rate collar agreements; and

(2) other agreements or arrangements designed to protect that person or entity against fluctuations in currency exchange or interest rates.

"*Indebtedness*" means, with respect to any specified Person, any indebtedness of such Person, whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect of any of those);

(3) in respect of banker's acceptances;

(4) representing capital lease obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property;

(6) representing any hedging obligations; or

(7) in respect of guarantees of any obligations described in items (1) to (6), above;

if and to the extent any of the preceding items (other than letters of credit, Hedging Obligations and guarantees) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with generally accepted accounting principles in the United States. Notwithstanding the foregoing, Indebtedness shall not include:

(a) trade accounts payable and accrued expenses or liabilities arising in the ordinary course of business;

(b) any liability for federal, state or local taxes or other taxes or by such Person; or

(c) obligations of such Person with respect to performance and surety bonds and completion guarantees in the ordinary course of business.

"*Person*" includes an individual, company, limited liability company, corporation, firm, partnership, joint venture, association, trust, state or agency of a state (in each case, whether or not having a separate legal personality).

"POPCIL Remaining Consolidated Assets" means, in respect of any sale, assignment, transfer, lease, conveyance or other disposition of assets, the consolidated assets of POPCIL, determined in accordance with US GAAP, as of the most recently completed fiscal quarter of POPCIL, giving pro forma effect to such sale, assignment, transfer, lease, conveyance or other disposition of assets and any related transactions and excluding (1) any receivables from or Indebtedness owed by Carnival plc, us or any of its or our respective subsidiaries, other than subsidiaries of POPCIL and (2) any investments in Carnival plc, us or any of its or our respective subsidiaries, other than subsidiaries of POPCIL.

"*Related Obligations*" means, with respect to Indebtedness, all obligations for principal, premium, interest, penalties, fees, indemnifications, reimbursements and other amounts payable pursuant to the documentation evidencing such Indebtedness.

"*Significant Asset Transfer*" means the sale, assignment, transfer, lease, conveyance or other disposition (in a single transaction or series of related transactions) of assets of POPCIL representing 90% or more of the book value of the consolidated assets of POPCIL, determined as of the most recently completed fiscal quarter of POPCIL, in accordance with US GAAP.

DESCRIPTION OF CARNIVAL CORPORATION CAPITAL STOCK

General

The following is a description of the material terms of our capital stock. Because it is a summary, the following description is not complete and is subject to and qualified in its entirety by reference to our third amended and restated articles of incorporation, or articles, our amended and restated by-laws, or by-laws, and the other agreements specifically referenced in this section.

Our authorized capital stock consists of 2,000,000,000 shares, of which 1,959,999,998 are shares of common stock, 40,000,000 are shares of preferred stock, one share is a special voting stock and one share is a special stock. As of June 17, 2003, there were 628,728,973 shares of common stock, no shares of preferred stock, one share of special voting stock and one share of special stock outstanding. The one share of special voting stock, which we refer to in this prospectus as the special voting share, and the one share of special stock, which we refer to in this prospectus as the equalization share, were issued in connection with the DLC transaction, which was completed on April 17, 2003. See "—Special Voting Share" and "—Equalization Share."

Our common stock and the trust shares of beneficial interest in the P&O Princess Special Voting Trust, including the beneficial interest in the Carnival plc special voting share, are listed and trade together on the NYSE under the ticker symbol "CCL."

Common Stock

Voting Rights

At any meeting of shareholders, all matters, except as otherwise expressly provided by Panamanian law, our articles or our by-laws, are decided by a majority of the votes cast by all shareholders entitled to vote, including, where applicable, the Carnival Corporation Special Voting Entity, as described below, who are present in person or by proxy at such meeting. In connection with the DLC transaction, special voting arrangements were implemented so that our

shareholders and Carnival plc's shareholders vote together as a single decision-making body on all actions submitted to a shareholder vote other than matters designated as "class rights actions" or resolutions on procedural or technical matters.

These are called *joint electorate actions* and include:

- the appointment, removal or re-election of any director of us, Carnival plc or both;
- if required by law, the receipt or adoption of the financial statements of us or Carnival plc or the annual accounts of both companies;
- the appointment or removal of the auditors of either company;
- a change of name by Carnival plc or us, or both; or
- the implementation of a mandatory exchange based on a change in tax laws, rules or regulations.

The following table illustrates how these voting arrangements would affect joint electorate actions needing to be passed by a majority vote, assuming 100% of each company's shareholders vote:

Carnival Corporation	Carnival plc	Outcome
64% or more approve	100% disapprove	Action taken
63% or less disapprove	100% approve	Action taken
51% or less approve	55% or more disapprove	Action not taken
51% or less disapprove	54% or more approve	Action taken

The relative voting rights of the Carnival plc shares and our shares are determined by the equalization ratio. Based on the current equalization ratio of 1:1, each of our shares has the same voting rights as one Carnival plc share on joint electorate actions.

A change in the equalization ratio resulting from a share reorganization or otherwise would only affect voting rights on a per share basis. In the aggregate, such a change would not affect the relative weighting between the current shareholders of us and Carnival plc.

In the case of class rights actions, the company wishing to carry out the class rights action would require the prior approval of shareholders of both companies, each voting separately as a class. If shareholders of either company do not approve the action, it generally will fail.

Class rights actions include:

- the voluntary liquidation, dissolution or winding up, or equivalent, of either company for which shareholder approval is required, other than as part of a voluntary liquidation, dissolution or winding up, or equivalent, of both companies at or about the same time provided that such liquidation is not for the purpose of reconstituting all or a substantial part of the business of the two companies in one or more successor entities;
- the sale, lease, exchange or other disposition of all or substantially all of the assets of either company other than a bona fide commercial transaction for valid business purposes and at fair market value and not as part of a proposal the primary purpose of which is to collapse or unify the DLC structure;
- an adjustment to the equalization ratio, other than in accordance with the equalization and governance agreement entered into by us and Carnival plc on April 17, 2003;
- any amendment, removal or alteration of any of the provisions of Carnival plc's articles of association and our articles and by-laws which entrench specified core provisions of the DLC structure;
- any amendment or termination of the principal agreements under which the DLC structure is implemented, except where otherwise specifically provided in the relevant agreement;
- any amendment to, removal or alteration of the effect of certain tax-related provisions of our articles of incorporation that would be reasonably likely to cause a mandatory exchange; and
- anything which the boards of both companies agree should be approved as a class rights action.

The following table illustrates how these voting arrangements would affect class rights actions:

Carnival Corporation shareholders	Carnival plc shareholders	Outcome
Approve(1)	Disapprove	Action not taken
Disapprove	Disapprove	Action not taken
Disapprove	Approve(2)	Action not taken
Approve	Approve	Action taken

(1) Assumes that holders of at least approximately 2% or more of our outstanding shares do not cast votes on the action. In contrast, if all of our shareholders voted in favor of the action, it would be taken.

(2) Assumes that holders of at least approximately 2% or more of the outstanding Carnival plc shares do not cast votes on the action, or in the case of a special resolution that at least one vote is cast against the action. In contrast, if all Carnival plc shareholders voted in favor of the action, it would be taken.

- No resolution to approve a class rights action or joint electorate action will be approved unless a parallel Carnival plc shareholders' meeting is held to vote on any equivalent resolution.

Our board and the Carnival plc board may:

- decide to seek approval from shareholders for any matter that would not otherwise require such approval;

- require any joint electorate action to instead be approved as a class rights action; or
- specify a higher majority vote than the majority that would otherwise be required by applicable laws and regulations.

Special Voting Share

Reflecting votes of Carnival plc shareholders at Carnival Corporation meetings

Our articles authorize one special voting share. The special voting share is merely a mechanism to give effect to shareholder votes at parallel shareholder meetings on joint electorate actions and class rights actions as described above under "—Common Stock—Voting Rights" and quorum provisions as described below under "—Certain Provisions of Carnival Corporation's Articles and By-laws—Quorum Requirements." The special voting share has no rights to income or capital and no voting rights except as described below. Upon completion of the DLC transaction, Carnival issued the special voting share to DLC SVC Limited. DLC SVC Limited is a newly formed company incorporated in England and Wales whose shares are legally and beneficially owned by The Law Debenture Trust Corporation p.l.c., an independent trustee company incorporated in England and Wales. At all meetings at which a joint electorate action or a class rights action will be considered, the holder of the Carnival Corporation special voting share must be present.

For joint electorate actions, the Carnival Corporation special voting share will represent the number of votes cast at the parallel meeting of Carnival plc shareholders, as adjusted by the equalization ratio and rounded up to the nearest whole number, and will represent "yes" votes, "no" votes and abstentions at our meeting in accordance with votes cast at the Carnival plc meeting.

For class rights actions, DLC SVC Limited, as holder of the Carnival Corporation special voting share, will only vote if the proposed action has not been approved at the parallel Carnival plc meeting. In that event, the Carnival Corporation special voting share will represent that number of votes equal to the largest whole percentage that is less than the percentage of the number of votes necessary to defeat the resolution at our meeting if the total votes capable of being cast by all of our outstanding shares able to vote were cast in favor of the resolution. In most cases, this will be 49%, for a majority vote, 49% is the largest whole percentage that is less than the 50% needed to defeat the resolution. As a result, in the case of a majority vote, the Carnival Corporation special voting share will represent a number of votes equal to 98% of the votes capable of being cast by all our shares, excluding the votes represented by the Carnival Corporation special voting share. Therefore, assuming holders of approximately 2% or more of our shares do not cast votes on such class rights action, it will fail. If the Carnival plc shareholders approve the proposed action, the Carnival Corporation special voting share will not represent any votes.

The Carnival Corporation special voting share will not represent any votes on any resolution of a procedural or technical nature, which we refer to in this prospectus as "procedural resolutions." Procedural resolutions are those that do not adversely affect the shareholders of Carnival plc in any material respect and are put to our shareholders at a meeting. The Chairman of our board will, in his absolute discretion, determine whether a resolution is a procedural resolution. To the extent that such matters require the approval of our shareholders, any of the following will be procedural resolutions:

- that certain people be allowed to attend or be excluded from attending the meeting;
- that discussion be closed and the question put to the vote, provided no amendments have been raised;
- that the question under discussion not be put to the vote, where a shareholder feels the original motion should not be put to the meeting at all, if such original motion was brought during the course of that meeting;
- to proceed with matters in an order other than that set out in the notice of the meeting;

- to adjourn the debate, for example, to a subsequent meeting; and
- to adjourn the meeting.

Reflecting votes of Carnival Corporation shareholders at Carnival plc meetings

As part of the DLC transaction, Carnival plc issued a special voting share to us, and we transferred such share to the trustee of the P&O Princess Special Voting Trust, a trust established under the laws of the Cayman Islands for the purpose of holding the Carnival plc special voting share. For joint electorate actions, the Carnival plc special voting share represents the number of votes cast at the parallel meeting of our shareholders, as adjusted by the equalization ratio and rounded to the nearest whole number, and will represent "yes" votes, "no" votes and abstentions at the Carnival plc meeting in accordance with votes cast at our meeting.

For class rights actions, the trustee of the P&O Princess Special Voting Trust, as holder of the Carnival plc special voting share, will only vote if the proposed action has not been approved at our parallel meeting. In that event, the Carnival plc special voting share will represent that number of votes equal to the

largest whole percentage that is less than the percentage of the number of votes, or, in the case of a special resolution, such percentage less one vote, necessary to defeat the resolution at the Carnival plc meeting if the total number of votes capable of being cast by all outstanding Carnival plc shares, and other Carnival plc shares able to vote, were cast in favor of the resolution. In most cases, this will be 49%, for a majority vote, 49% is the largest whole percentage that is less than the 50% needed to defeat the resolution. As a result, in the case of a majority vote, the Carnival plc special voting share will represent a number of votes equal to 98% of the votes capable of being cast by all Carnival plc shares excluding the votes represented by the Carnival plc special voting share. Therefore, assuming holders of approximately 2% or more of Carnival plc shares do not cast votes on such class rights action, it will fail. If our shareholders approve the proposed action, the Carnival plc special voting share will not represent any votes.

The Carnival plc special voting share will not represent any votes on any procedural resolutions.

In connection with the DLC transaction, trust shares of beneficial interest in the P&O Princess Special Voting Trust were transferred to us. Immediately following this transfer, we distributed such trust shares by way of dividend to our shareholders of record at the close of business on April 17, 2003. Under the Pairing Agreement entered into by us, the trustee of the P&O Princess Special Voting Trust and SunTrust Bank on April 17, 2003, and our articles, the trust shares of beneficial interest in the P&O Princess Special Voting Trust are paired with, and evidenced by, certificates representing shares of our common stock on a one-for-one basis.

Our shares trade in units consisting of one share of our common stock and one trust share of beneficial interest in the P&O Princess Special Voting Trust. Each share of our common stock shall not and cannot be transferred without the corresponding paired trust share. The trust shares of beneficial interest in the P&O Princess Special Voting Trust entitle our shareholders to receive any distributions made by the P&O Princess Special Voting Trust. As the sole purpose of the P&O Princess Special Voting Trust relates to the holding of the Carnival plc special voting share, it is not expected to make any distributions. See "Description of Trust Shares."

Equalization Share

Our articles authorize one equalization share. The equalization share:

- has rights to dividends in accordance with the equalization and governance agreement as declared and paid by the board of directors;
- has no rights to receive notice of, attend or vote at any shareholder meeting; and
- in the event of our voluntary or involuntary liquidation, ranks after all other holders of shares.

Equalization Ratio

The equalization and governance agreement, which was executed on April 17, 2003 by us and Carnival plc in connection with the DLC transaction, governs the equalization ratio, which reflects the relative economic and voting interests represented by an individual share of common equity in each company. As of June 1, 2003, the "equalization ratio" between shares of our common stock and Carnival plc ordinary shares was 1:1, so one share of our common stock is entitled to the same economic and voting interests in Carnival Corporation & plc as one Carnival plc ordinary share.

In order to effect the relative rights of our shares and Carnival plc shares under the DLC transaction, we and Carnival plc agreed in the equalization and governance agreement that Carnival Corporation & plc would be operated under the following DLC equalization principles:

- the equalization ratio will effectively govern the proportion in which distributions of income and capital are made to the holders of our shares relative to the holders of Carnival plc shares, and vice versa, and the relative voting rights of the holders of our shares and the holders of Carnival plc shares on joint electorate actions;
- issuances of or transactions affecting the share capital of us or Carnival plc will be implemented in a way which will not give rise to a materially different financial effect as between the interests of the holders of our shares and the interests of the holders of Carnival plc shares. If any such issue or transaction involves any of the following:
  - a rights issue of shares at less than market value;
  - an offer of any securities, or a grant of any options, warrants or other rights to subscribe for, purchase or sell any securities, to shareholders by way of rights;
  - non-cash distributions to shareholders and share repurchases involving an offer made to all or substantially all of the shareholders of a company to repurchase their shares at a premium to market value;
  - a consolidation or subdivision of shares; or
  - an issue of shares to shareholders for no consideration or solely by way of capitalization of profits or reserves,

then an automatic adjustment to the equalization ratio will occur, unless our board of directors and Carnival plc's board of directors, in their sole discretion, undertake:

- an offer or action which having regard to the then existing equalization ratio; the timing of the offer or action; and any other relevant circumstances, is in the reasonable opinion of the boards of us and Carnival plc financially equivalent (but not necessarily identical) in respect of, on the one hand holders of our shares, and on the other hand holders of Carnival plc shares, and does not materially disadvantage either company's

shareholders, which we refer to as a "matching action"; or

- an alternative to such automatic adjustment that has been approved as such by a class rights action.

Any adjustments to the equalization ratio will be communicated to shareholders through a press release.

Our board and Carnival plc's board will be under no obligation to undertake any such matching action or to seek approval of an alternative as a class rights action if any issue or transaction referred to above is not covered by an automatic adjustment to the equalization ratio, and no automatic adjustment to the equalization ratio will then occur, but our board and Carnival plc's board will have the right, in their sole discretion, but not the obligation, to undertake a matching action, or to seek approval of an adjustment to the equalization ratio as a class rights action.

No adjustment to the equalization ratio will be required in respect of:

- scrip dividends or dividend reinvestments at market price; issuances of Carnival plc shares or our shares or securities convertible into, or exercisable or exchangeable for, such shares pursuant to employee share plans;
- issuances of our shares under our $600,000,000 2% Convertible Senior Debentures due 2021 and the $1,051,175,000 Liquid Yield Option Notes™ due 2021;
- issuances of shares or securities convertible into, or exercisable or exchangeable for, such shares other than to all or substantially all shareholders of either company, including for acquisitions;
- a buy-back or repurchase of any shares:
  - in the market by means of an offer
    (1) not open to all or substantially all shareholders of either company or
    (2) in compliance with Rule 10b-18 under the Exchange Act;
  - at or below market value;
  - by either company pursuant to the provisions in such company's governing documents; or
  - pro rata to the shareholders of Carnival Corporation & plc at the same effective premium to the market price, taking into account the equalization ratio;
- matching actions;
- the issue of an equalization share by either company to the other; and
- any purchase, cancellation or reduction of disenfranchised shares.

Sources and Payment of Dividends

Under Panamanian law, a corporation may pay dividends to the extent of a corporation's net earnings or capital surplus.

We expect to pay quarterly dividends. There has been no change in the entitlement of quarterly dividends for shareholders of either company following the completion of the DLC transaction. Our shareholders and Carnival plc shareholders have rights to income and capital distributions from Carnival Corporation & plc based on the equalization ratio. In order for the companies to pay a dividend or make a distribution, the ratio of dividends and distributions paid per share of our common stock to dividends and distributions paid per Carnival plc ordinary share must equal the equalization ratio, taking account the applicable currency exchange rate.

Dividends are equalized according to the equalization ratio, and any balancing transactions between the companies will be determined and made, before deduction of any amounts in respect of the tax required to be deducted or withheld and excluding the amounts of any tax credits or other tax benefits.

If one company has insufficient profits or is otherwise unable to pay a dividend, we and Carnival plc will, as far as practicable, enter into such balancing transactions as are necessary to enable both companies to pay dividends in accordance with the equalization ratio. This may take the form of a payment from one company to the other or a dividend payment on an equalization share. We and Carnival plc expect that dividends received by Carnival plc shareholders will be made to be consistent with our regular quarterly dividend.

Our articles provide that the holders of our common stock be entitled, in accordance with the equalization and governance agreement and to the exclusion of the holders of shares of preferred stock, to receive such dividends as from time to time may be declared by the board of directors, except as otherwise provided by the board resolution or resolutions providing for the issue of any series of shares of preferred stock.

Liquidation

Under Panamanian law, if the board of directors deems it advisable that the corporation be dissolved, it is to propose by a majority of the votes of the members of the board an Agreement of Dissolution and within 10 days shall call or cause to be called, in accordance with law, a meeting of stockholders, to vote on the resolution passed by the board of directors proposing the dissolution. At the stockholders' meeting, the holders of a majority of shares with voting rights on the matter can adopt the resolution for the dissolution of the company. The dissolution of the company may also be adopted by written consent in lieu of meeting of the holders of all shares having voting power.

Pursuant to the equalization and governance agreement, in the event of a voluntary or involuntary liquidation of either us or Carnival plc, or both companies, if the hypothetical potential per share liquidation distributions to each company's shareholders are not equivalent, taking into account the relative value of the two companies' assets and the indebtedness of each company, to the extent that one company has greater net assets so that any liquidation distribution to its shareholders would not be equivalent on a per share basis, the company with the ability to make a higher net distribution is required to make a payment to the other company to equalize the possible net distribution to shareholders. The requirement to make an equalizing payment is subject to some limitations. First, a reorganization under Chapter 11 of the US Bankruptcy Code or a similar statute would not be considered a "liquidation," so such a reorganization would not result in equalizing payments. Second, neither company will be required to make the equalizing payment if the payment would result in neither group of shareholders being entitled to any liquidation proceeds. Therefore, if the assets of the combined group are not sufficient to satisfy all of the creditors of Carnival Corporation & plc, no equalization payment would be required to be made.

In giving effect to the principles regarding a liquidation of us, we may:

- make a payment to Carnival plc in accordance with the provisions of the equalization and governance agreement;
- issue shares to Carnival plc or to holders of Carnival plc ordinary shares and make a distribution or return on such shares; or
- take any other action that the boards of directors of each of us and Carnival plc consider appropriate to give effect to such principles.

Any action other than a payment of cash by one company to the other company will require the prior approval of the board of directors of each company.

Appraisal Rights

Under Panamanian law, shareholders of a corporation do not have appraisal rights.

Pre-emptive Rights

Under Panamanian law, a shareholder is entitled to pre-emptive rights to subscribe for additional issuances of common stock or any security convertible into stock in proportion to the shares that are owned unless there is a provision to the contrary in the articles of incorporation. Our articles provide that our shareholders are not entitled to pre-emptive rights.

Certain Provisions of Carnival Corporation's Articles and By-laws

Quorum Requirements

The presence in person or by proxy at any meeting of our shareholders holding at least one-third of the total votes entitled to be cast constitutes a quorum for the transaction of business at such meeting, except as otherwise required by applicable law or regulation, the articles of incorporation or the by-laws.

For purposes of determining whether a quorum exists at any meeting of shareholders where a joint electorate action or a class rights action is to be considered:

- if the meeting of our shareholders convenes before the parallel shareholder meeting of Carnival plc, the Carnival Corporation special voting share will, at the commencement of the meeting, have no votes and therefore will not be counted for purposes of determining the total number of shares entitled to vote at such meeting or whether a quorum exists at such meeting, although the Carnival Corporation special voting share itself must be present, either in person, through a representative of DLC SVC Limited, or by proxy;
- if the meeting of our shareholders convenes at substantially the same time as or after the parallel shareholder meeting of Carnival plc with respect to one or more joint electorate actions, the Carnival Corporation special voting share will have the maximum number of votes attached to it as were cast on such joint electorate actions, either for, against or abstained, at the parallel shareholder meeting of Carnival plc, and such maximum number of votes, including abstentions, will constitute shares entitled to vote and present for purposes of determining whether a quorum exists at such meeting; and
- if the meeting of our shareholders convenes at substantially the same time as or after the parallel shareholder meeting of Carnival plc with respect to a class rights action, the Carnival special voting share will, at the commencement of the meeting, have no votes and therefore will not be counted for purposes of determining the total number of shares entitled to vote at such meeting or whether a quorum exists at such meeting, although the Carnival Corporation special voting share itself must be present, either in person, through a representative of DLC SVC Limited, or by proxy.

In addition, in order for a quorum to be validly constituted with respect to meetings of shareholders convened to consider a joint electorate action or class rights action, DLC SVC Limited must be present at such meeting.

Shareholder Action By Written Consent

Our by-laws provide that shareholders may not act by written consent.

Shareholder Proposals

Panamanian law does not specifically address the issue of shareholder proposals and our by-laws do not expressly permit shareholder proposals to be considered at the annual meeting of shareholders. Panamanian law requires that prior notice of a meeting must set out the purpose or purposes for which the meeting is convened. Any proposal to be discussed at a meeting should be included in the notice of the meeting, unless the notice reserves time for any other matters which the shareholders may which to discuss.

Under the rules of the Exchange Act, shareholders may submit proposals, including director nominations, for consideration at shareholder meetings. Such proposals will need to comply with SEC regulations regarding the inclusion of shareholder proposals in company-sponsored proxy materials. In order for shareholder proposals to be considered for inclusion in our proxy statement/prospectus for an

annual meeting, the written proposals must be received by us not less than 120 calendar days before the first anniversary of the date of mailing of the proxy statement from the previous year's annual meeting.

Our by-laws provide that at any special meeting of shareholders only such business may be transacted as is related to the purpose or purposes of such meeting set forth in the notice of the special meeting. Our by-laws provide that special meetings of shareholders may only be called by our board or our President or Secretary.

Standard of Conduct for Directors

Panamanian law imposes a general fiduciary duty on directors to act prudently and in the best interests of the company. Among other things, directors are responsible for the authenticity of the payments which appear to have been made on behalf of the company, for the validity of dividends to be paid, general book-keeping and for effecting the operation of the company in accordance with applicable laws, its articles of incorporation, its by-laws, and resolutions of the General Assembly of shareholders.

Our articles provide that our board of directors is authorized to operate and carry into effect the equalization and governance agreement, the SVE Special Voting Deed, which regulates the manner in which the votes attaching to the Carnival Corporation special voting share and the P&O Princess special voting share are exercised, and the Carnival Corporation Deed of Guarantee each of which was entered into on April 17, 2003, and, subject to applicable laws and regulations, nothing done by any director in good faith pursuant to such authority and obligations constitutes a breach of the fiduciary duties of such director to us or our shareholders. In particular, the directors are, in addition to their duties to us, entitled to consider the interests of our shareholders and the Carnival plc shareholders as if we and Carnival plc were a single entity. As a result of, and following completion of the DLC transaction, our board of directors and that of Carnival plc are identical.

Meetings of Shareholders

If we propose to undertake a joint electorate action or class rights action at a meeting of shareholders, we must immediately give notice to Carnival plc of the nature of the joint electorate action or the class rights action it proposes to take. Unless such action is proposed to be taken at the annual meeting of shareholders, the board of directors must convene a special meeting for the purpose of considering a resolution to approve the joint electorate action or class rights action. Such meeting will be held as close in time as practicable with the parallel shareholder meeting convened by Carnival plc for purposes of considering such joint electorate action or class rights action. If we receive notice from Carnival plc that Carnival plc proposes to undertake a joint electorate action or a class rights action, our board of directors must convene a meeting of our shareholders as close in time as practicable to the Carnival plc meeting and must propose an equivalent resolution as that proposed at the Carnival plc meeting. We must cooperate fully with Carnival plc in preparing resolutions, explanatory memoranda or any other information or material required in connection with the proposed joint electorate action or class rights action.

Amendment of Governing Instruments

Under Panamanian law, unless the articles of incorporation require a greater vote, an amendment to the articles of incorporation may be made:

- by the holders or their proxies of all the issued and outstanding stock of the corporation entitled to vote;

- by means of a resolution passed by holders or their proxies of the majority of the outstanding stock of the corporation entitled to vote; and
- in case the amendment to the articles consists in any change in the preference of shares of any class, by means of a resolution passed by holders or their proxies of majority of the outstanding stock of the corporation entitled to vote of each class.

Any amendment to the provisions of our articles which entrench the DLC structure requires approval as a class rights action. The entrenched provisions of the articles include matters relating to:

- the special voting share;
- anti-takeover provisions;
- dividends and distributions;
- amendments to our articles and by-laws; and

- liquidation.

All other provisions of our articles, except as provided below, may be amended by the shareholders of Carnival Corporation and Carnival plc voting together in a joint electorate action. Amendments to our articles require approval, whether in a class rights action or joint electorate action, of a majority of all votes entitled to be cast with respect thereto, including votes entitled to be cast by the Carnival Corporation special voting share, at a meeting of our shareholders.

Notwithstanding the foregoing, any amendment of the articles to:

- specify or change the location of the office or registered agent of us, or
- to make, revoke or change the designation of a registered agent, or to specify or change the registered agent, may be approved and effected by the board of directors without the approval of our shareholders or the shareholders of Carnival plc.

Under Panamanian law, the board of directors of a corporation has the power to adopt, amend or repeal the by-laws of the corporation, unless specifically provided to the contrary by the articles of incorporation or in the by-laws approved by the shareholders. Our by-laws provide that the by-laws may be altered, amended, supplemented or repealed or new by-laws may be adopted, by the board of directors or by vote of the holders of the shares entitled to vote in the election of directors. Any by-laws adopted, altered or supplemented by the board of directors may be altered, amended, supplemented or repealed by the shareholders entitled to vote thereon.

Any amendment to or repeal of the provisions of our by-laws which entrench the DLC structure will also require approval as a class rights action. Any amendment to or repeal of our by-laws other than any of our entrenched by-laws may be approved and effected by our board of directors without the approval of our shareholders or the shareholders of Carnival plc. The entrenched provisions of the by-laws include matters relating to:

- the transferability of the special voting share;
- the scope of, and voting rights and procedures in relation to, joint electorate actions, class rights actions and procedural resolutions; and
- election, qualification and disqualification of directors.

In limited circumstances since the implementation of the DLC structure, Carnival plc shares, other than those held by us, may be subject to a mandatory exchange for our shares at the then prevailing equalization ratio. A mandatory exchange can occur if there is a change in applicable tax laws, rules or regulations that the board of directors of Carnival plc reasonably determines is reasonably likely to

have a material adverse effect on Carnival Corporation & plc and the exchange is approved by $66^{2}/_{3}$% of the, shareholders of Carnival plc and us voting on a joint electorate action. A mandatory exchange can also be triggered if there is a change in the applicable non-tax laws, rules or regulations, as a result of which the board of directors of Carnival plc reasonably determines that it is reasonably likely that all or a substantial portion of the agreements that give effect to the DLC structure are unlawful, illegal or unenforceable. Were either of these changes to occur, we would issue additional shares to deliver to Carnival plc shareholders in accordance with the then prevailing equalization ratio and we would own 100% of Carnival plc. Our shares are not subject to any mandatory exchange for Carnival plc shares. If such a mandatory exchange is triggered, our articles and by-laws will be automatically amended upon completion of the mandatory exchange, without any further action of us or our shareholders, to conform to our articles of incorporation and our by-laws prior to the implementation of the DLC structure.

Election of Directors

Resolutions relating to the appointment, removal and re-election of directors will be considered as a joint electorate action and voted upon by the shareholders of each company effectively voting together as a single decision-making body. Our articles provide that the number of directors will be no less than three and no more than 25. Within said minimum and maximum, the total number of directors may be fixed from time to time by resolution of the shareholders or by resolution of the board. A change in the minimum and maximum number of directors will require an amendment to the articles. No person may be elected or appointed to serve on our board unless that person is also elected to be a member of the Carnival plc board. Any of our directors who resign from our board must also resign from the Carnival plc board and vice versa.

Removal of Directors

Panamanian law provides that a director may be removed with or without cause by the holders of a majority in voting power of the shares entitled to vote at an election of directors.

Our by-laws provide that, subject to the provisions of Panamanian law, directors may be removed with or without cause only by a majority vote of a quorum of the shareholders.

Vacancies on the Board of Directors

Our by-laws provide that vacancies on the board of directors will be filled by a majority of the directors then in office, even though less than a quorum, provided that any such person is appointed to both our board and the Carnival plc board at the same time. If only one director remains in office, the director will have the power to fill all vacancies. If there are no directors, our Secretary may call a meeting at the request of any two shareholders for the purpose of appointing one or more directors.

Indemnification of Directors and Officers

Panamanian law does not specifically address the issue of indemnification of directors and officers. We may indemnify any officer or director who is made a party to any suit or proceeding on account of being a director, officer or employee of the corporation against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement reasonably incurred by him/her in connection with the action, through, among other things, a majority vote of a quorum consisting

of directors who were not parties to the suit or proceeding if the officer or director acted in good faith and in a manner he/she reasonably believed to be in the best interests of the corporation. In a criminal proceeding, the standard is that the director or officer had no reasonable cause to believe his/her conduct was unlawful.

Our articles provide that each person, and the heirs, executors or administrators of such person, who was or is a party to or is threatened to be made a party to any threatened, pending or completed

action, suit or proceeding, by reason of the fact that such person is or was a director or an officer of us or Carnival plc or is or was serving at the request of us or Carnival plc as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless by us against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding to the fullest extent and in the manner set forth in and permitted by Panamanian law, and any other applicable law, as from time to time in effect. This right of indemnification is not exclusive of any other rights to which a director or officer may be entitled. Any repeal or modification of the applicable provisions of the General Corporation Law of Panama will not affect any rights or obligations then existing with respect to any state of facts then or theretofore existing or any action, suit or proceeding theretofore or thereafter brought or threatened based in whole or in part on any such state of facts. We have the power to purchase and maintain insurance in respect of its indemnification obligations.

A member of the board of directors, or a member of any committee designated by the board of directors, will, in the performance of his duties, be fully protected in relying in good faith upon the records of us or Carnival plc and upon such information, opinions, reports or statements presented to us by any of our or Carnival plc's officers or employees, or committees of the board of directors, or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of us. In discharging their duties, directors and officers, when acting in good faith, may rely upon financial statements of us or Carnival plc represented to them to be correct by the chief financial officer or the controller or other officer of us or Carnival plc having charge of its books or accounts, or stated in a written report by an independent public or certified public account or firm of such accountants fairly to reflect the financial condition of us or Carnival plc.

Takeover Restrictions

Under Panamanian law, directors are responsible for the good management and in general for the execution or faulty fulfillment of their obligations to administer the corporation's affairs. There is limited legislative or judicial guidance on takeover issues in Panama and it is difficult to anticipate how a Panamanian court will react or resolve a matter concerning application of a policy of judicial deference to board of directors decisions to adopt anti-takeover measures in the face of a potential takeover where the directors are able to show that:

- they had reasonable grounds for believing that there was a danger to corporate policy and effectiveness from an acquisition proposal; and
- the board action taken was reasonable in relation to the threat posed.

Our articles contain provisions which would apply to any person, or group of persons acting in concert, that acquires shares in Carnival Corporation & plc which would trigger a mandatory offer obligation as if the UK Takeover Code applied to Carnival Corporation & plc on a combined basis. Where:

- a person or group of persons acquired, or acquires voting rights over 30% or more of the combined votes which would be cast on a joint electorate action; or
- any person or group of persons that already holds not less than 30% but not more than 50% of the combined votes which would be cast on a joint electorate action, acquired, or acquires voting rights over, any shares which increase the percentage of votes which such person(s) could cast on a joint electorate action,

such shares acquired would be disenfranchised, that is, the owner of those shares could cease to have any economic or voting rights on those shares, unless an offer for all the shares in Carnival

Corporation & plc at a price equivalent to that applicable to the acquisition has been made by the person or group. These takeover restrictions would not apply to:

- acquisitions of shares of the other company by either Carnival plc or us;
- if the restrictions are prohibited by applicable law and regulations;
- any acquisition by the Arison family and various trusts for their benefit within the thresholds described below; and
- any acquisition pursuant to a mandatory exchange.

There are some exceptions to these provisions in the case of the Arison family and trusts for their benefit, which together, hold approximately 33% of the total voting power of Carnival Corporation & plc. The Arison family and various trusts for their benefit can acquire shares in Carnival Corporation & plc without triggering these provisions provided that, as a result, their aggregate holdings do not increase by more than 1% of the voting power of Carnival Corporation & plc in any period of 12 consecutive months, subject to their combined holdings not exceeding 40% of the voting power of Carnival Corporation & plc. However, these parties may acquire additional shares or voting power without being subject to these restrictions if they comply with the offer requirement described above. These restrictions do not apply to acquisitions of shares by either Carnival plc or us.

Ownership Limitations and Transfer Restrictions

On August 2, 2002, the United States Treasury Department issued proposed Treasury Regulations to Section 883 of the Internal Revenue Code relating to income derived by foreign corporations from the international operation of a ship or ships (which includes certain cruise ship and aircraft income). The regulations provide, in general, that a foreign corporation organized in a qualified foreign country and engaged in the international operation of ships and aircraft shall exclude such income from gross income for purposes of federal income taxation provided that the corporation can satisfy certain ownership requirements, including, among other things, that its stock be publicly traded. A corporation's stock that is otherwise publicly traded will fail to satisfy this requirement if it is closely held, i.e., that 50% or more of its stock is owned by persons who each own 5% or more of the value of the outstanding shares of the corporation's stock.

To the best of our knowledge, after due investigation, we currently qualify as a publicly traded corporation under the regulations. However, because some members of the Arison family and various trusts established for their benefit beneficially own approximately 44% of our common stock, or approximately 33% of the total voting power of Carnival Corporation & plc, there is the potential that another shareholder could acquire 5% or more of our common stock which could jeopardize our qualification as a publicly traded corporation. If we in the future were to fail to qualify as a publicly traded corporation, we would be subject to United States income tax on income associated with our cruise operations in the United States. As a precautionary matter, in 2000, we amended our articles of incorporation to ensure that we continue to qualify as a publicly traded corporation under the regulations.

Our articles provide that no one person or group of related persons, other than some members of the Arison family and various trusts established for their benefit, may own, or be deemed to own by virtue of the attribution provisions of the Internal Revenue Code, more than 4.9% of our common stock, whether measured by vote, value or number. In addition, the articles generally restrict the transfer of any shares of our common stock if such transfer would cause us to be subject to United States shipping income tax. In general, the attribution rules under the Internal Revenue Code applicable in determining whether a person is a 5% shareholder under the regulations attribute stock:

- among specified members of the same family,

- to shareholders owning 50% or more of a corporation form that corporation,
- among corporations that are members of the same controlled group,
- among grantors, beneficiaries and fiduciaries of trusts, and
- to partners of a partnership from that partnership.

For purposes of this 4.9% limit, a "transfer" will include any sale, transfer, gift, assignment, devise or other disposition, whether voluntary or involuntary, whether of record, constructively or beneficially, and whether by operation of law or otherwise. The 4.9% limit does not apply to some members of the Arison family and various trusts established for their benefit. These shareholders will be permitted to transfer their shares of our common stock without complying with the limit so long as transfer does not cause us to be subject to United States income tax on shipping operations.

The articles provide that the board of directors may waive the 4.9% limit or transfer restrictions, in any specific instance, if evidence satisfactory to our board of directors and our tax counsel is presented that such ownership will not jeopardize our status as exempt from United States income taxation on gross income from the international operation of a ship or ships, within the meaning to Section 883 of the Internal Revenue Code. The board of directors may also terminate the limit and transfer restrictions generally at any time for any reason.

If a purported transfer or other event, including owning shares of common stock in excess of the 4.9% limit on the effective date of the proposed amendment, results in the ownership of common stock by any shareholder in violation of the 4.9% limit, or causes us to be subject to United States income tax on shipping operations, such shares of common stock in excess of the 4.9% limit, or which would cause us to be subject to United States shipping income tax will automatically be designated as "excess shares" to the extent necessary to ensure that the purported transfer or other event does not result in ownership of common stock in violation of the 4.9% limit or causes us to become subject to United States income tax on shipping operations, and any proposed transfer that would result in such an event would be void. Any purported transferee or other purported holder of excess shares will be required to give us written notice of a purported transfer or other event that would result in excess shares. The purported transferee or holders of such excess shares shall have no rights in such excess shares, other than a right to the payments described below.

Excess shares will not be treasury stock but rather will continue to be issued and outstanding shares of our common stock. While outstanding, excess shares will be transferred to a trust. The trustee of such trust will be appointed by us and will be independent of us and the purported holder of the excess shares. The beneficiary of such trust will be one or more charitable organizations selected by the trustee. The trustee will be entitled to vote the excess shares on behalf of the beneficiary. If, after purported transfer or other event resulting in excess shares and prior to the discovery by us of such transfer or other event, dividends or distributions are paid with respect to such excess shares, such dividends or distributions will be repaid to the trustee upon demand for payment to the charitable beneficiary. All dividends received or other income declared by the trust will be paid to the charitable beneficiary. Upon our liquidation, dissolution or winding up, the purported transferee or other purported holder will receive a payment that reflects a price per share for such excess shares generally equal to the lesser of

- in the case of excess shares resulting from a purported transfer, the price per share paid in the transaction that created such excess shares, or, in the case of certain other events, the market price per share for the excess shares on the date of such event, or
- in the case of excess shares resulting from an event other than a purported transfer, the market price for the excess shares resulting from an event other than a purported transfer, the market price for the excess shares on the date of such event.

At the direction of the board of the directors, the trustee will transfer the excess shares held in trust to a person or persons, including us, whose ownership of such excess shares will not violate the 4.9% limit or otherwise cause us to become subject to United States shipping income tax within 180 days after the later of the transfer or other event that resulted in such excess shares or we become aware of such transfer or event. If such a transfer is made, the interest of the charitable beneficiary will terminate, the designation of such shares as excess shares will cease and the purported holder of the excess shares will receive the payment described below. The purported transferee or holder of the excess shares will receive a payment that reflects a price per share for such excess shares equal to the lesser of

- the price per share received by the trustee, and

- the price per share such purported transferee or holder paid in the purported transfer that resulted in the excess shares, or, if the purported transferee or holder did not give value for such excess shares, through a gift, devise or other event, a price per share equal to the market price on the date of the purported transfer or other event that resulted in the excess shares.

A purported transferee or holder of the excess shares will not be permitted to receive an amount that reflects any appreciation in the excess shares during the period that such excess shares were outstanding. Any amount received in excess of the amount permitted to be received by the purported transferee or holder of the excess shares must be turned over to the charitable beneficiary of the trust.

If the foregoing restrictions are determined to be void or invalid by virtue of any legal decision, statute, rule or regulation, then the intended transferee or holder of any excess shares may be deemed, at our option, to have acted as an agent on our behalf in acquiring or holding such excess shares and to hold such excess shares on our behalf.

We will have the right to purchase any excess shares held by the trust for a period of 90 days from the later of

- the date the transfer or other event resulting in excess shares has occurred, and

- the date the board of directors determines in good faith that a transfer or other event resulting in excess shares has occurred.

The price per excess share to be paid by us will be equal to the lesser of

- the price per share paid in the transaction that created such excess shares, or, in the case of certain other events, the market price per share for the excess shares on the date of such event, or

- the lowest market price for the excess shares at any time after their designation as excess shares and prior to the date we accept such offer.

These provisions in our articles could have the effect of delaying, deferring or preventing a change in our control or other transaction in which our shareholders might receive a premium for their shares of common stock over the then-prevailing market price or which such holders might believe to be otherwise in their best interest. To the extent that the proposed regulations are amended or finalized in a manner which, in the opinion of our board of directors, does not require these provisions in our articles to ensure that we will maintain our income tax exemption for our shipping income, our board of directors may determine, in its sole discretion, to terminate the 4.9% limit and the transfer restrictions of these provisions.

While both the mandatory offer protection and 4.9% protection remain in place, no third party other than the Arison family and certain trusts for their benefit will be able to acquire control of Carnival Corporation & plc.

Preferred Stock

Our board of directors may issue, without further authorization from our shareholders, up to 40,000,000 shares of preferred stock in one or more series. Our board of directors may determine, at the time of creating each series, the distinctive designation of and the number of shares in, the series, its dividend rate, the number of votes, if any, allocated to each share of the series, the price and terms on which the shares may be redeemed, the terms of any applicable sinking fund, the amount payable upon liquidation, dissolution or winding up, the conversion rights, if any, and any other rights, preferences and priorities of the shares as our board of directors may be permitted to fix under the laws of the Republic of Panama in effect at the time the series is created. The issuance of preferred stock could adversely affect the voting power of holders of common stock and could delay, defer or prevent a change in control.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock and paired trust shares is SunTrust Bank.

DESCRIPTION OF TRUST SHARES

Generally

On April 17, 2003, we completed the DLC transaction with Carnival plc. As part of the DLC transaction, Carnival plc issued a special voting share to us, and we transferred such share to the trustee of the P&O Princess Special Voting Trust, a trust established under the laws of the Cayman Islands. Trust shares of beneficial interest in the property subject to the P&O Princess Special Voting Trust were issued to us. The trust shares represent a beneficial interest in the Carnival plc special voting share. Immediately following such issue, we distributed such trust shares by way of a dividend to our common stockholders. Under the Pairing Agreement, dated as of April 17, 2003, between us, The Law Debenture Trust Corporation (Cayman) Limited, as trustee of the P&O Princess Special Voting Trust, and SunTrust Bank, as transfer agent, the trust shares of beneficial interest in the P&O Princess Special Voting Trust are paired with, and evidenced by, certificates representing shares of our common stock on a one-for-one basis. In addition, under the Pairing Agreement, when a share of our common stock is issued to a recipient after the closing of the DLC transaction, a paired trust share will be issued at the same time initially to us, which will immediately transfer such trust share to the same recipient, whereupon such trust share will be paired with the share of our common stock. Upon each issuance of shares of our common stock to a holder in connection with conversion of the debentures, an equivalent number of trust shares, which represent a beneficial interest in the special voting share of Carnival plc, or trust shares, will be issued to such holder as described in the preceding sentence. Therefore, references in this prospectus to shares of common stock issuable upon conversion or repurchase of the debentures shall be deemed to include both shares of our common stock and trust shares in the P&O Princess Special Voting Trust.

Since completion of the DLC transaction, our shares of common stock have traded together with the paired trust shares on the NYSE under the ticker symbol "CCL." The paired trust shares entitle our shareholders to receive any distributions made by the P&O Princess Special Voting Trust. As the sole purpose of the P&O Princess Special Voting Trust relates to the holding of the Carnival plc special voting share, it is not expected to make any distributions.

The Carnival plc special voting share will be voted based upon the outcome of voting at the relevant parallel meeting of our shareholders, based on the number of votes cast by our shareholders voting their shares of our common stock. See "Description of Carnival Corporation Capital Stock—Special Voting Share."

Pairing Agreement

Pursuant to the Pairing Agreement, which was entered into by us, the trustee of the P&O Princess Special Voting Trust and a transfer agent at the closing of the DLC transaction:

- trust shares and shares of our common stock are not transferable unless the transferee acquires the same number of trust shares and our shares;
- we and the transfer agent will not agree to any transfer of our shares unless the transferee agrees to acquire the corresponding trust shares;
- trust shares and our shares are not represented by separate certificates, but by one certificate of our common stock, which represents an equal number of our shares and trust shares;
- upon each issuance of additional shares of our common stock, including pursuant to the exercise of any existing option or convertible security, the trustee of the P&O Princess Special Voting Trust will issue an equal number of additional trust shares;
- if we declare or pay any distribution consisting in whole or in part of shares of our common stock, or subdivide or combine shares of our common stock, then the trustee of the P&O

Princess Special Voting Trust will effect corresponding adjustments to maintain the pairing relationship of one share of our common stock to each trust share;

- if we otherwise reclassify shares of our common stock, then the trustee of the P&O Princess Special Voting Trust will effect such transactions as are necessary to maintain the pairing relationship of the securities into which one share of our common stock was so reclassified to each trust share; and
- if we cancel or retire any shares of our common stock, the trustee of the P&O Princess Special Voting Trust will cancel or retire the corresponding trust shares.

Voting Trust Deed

The voting trust deed of the P&O Princess Special Voting Trust governs the administration of the P&O Princess Special Voting Trust. The trust property consists of the Carnival plc special voting share, all payments or collections in respect of the Carnival plc special voting share and all other property from time to time deposited in the trust. The SVE Special Voting Deed provides that at every meeting of Carnival plc shareholders at which a resolution relating to a joint electorate action or a class rights action is to be considered, the trustee of the P&O Princess Special Voting Trust will be present by corporate representative or by proxy. The trustee has no discretion as to how the Carnival plc special voting share is to be voted at any Carnival plc shareholders meeting. The trustee will vote the Carnival plc special voting share at any Carnival plc shareholders meeting in accordance with the requirements of:

- the Carnival plc articles,
- the special voting deed entered into on April 17, 2003 by us, Carnival plc, DLC SVC Limited, as holder of the Carnival Corporation special voting share, the trustee of the P&O Princess Special Voting Trust, as holder of the Carnival plc special voting share and The Law Debenture Trust Corporation p.l.c., as the legal and beneficial owner of DLC SVC Limited, and
- the DLC equalization principles, in effect, to reflect the outcome of votes at parallel meetings of our shareholders for purposes of joint electorate actions and class rights actions.

The P&O Princess Special Voting Trust has a single class of trust shares of beneficial interest. Each trust share represents an equal, absolute, identical, undivided interest in the trust property. The trustee of the P&O Princess Special Voting Trust is authorized to issue an unlimited number of trust shares.

SELLING SECURITYHOLDERS

We originally sold the debentures to the initial purchaser in a private placement. The debentures were subsequently resold by the initial purchaser to purchasers, including the selling securityholders listed below, in transactions exempt from registration. The following table provides, as of June 19, 2003, the principal amount at maturity of debentures held by such selling securityholder, the number of shares of common stock owned by such securityholder prior to its conversion of any debentures and the number of shares of our common stock issuable upon conversion of the debentures (based upon the initial conversion price). This information has been obtained from the selling securityholders. Selling securityholders representing an amount of up to an additional $777,225,000 aggregate principal amount at maturity of debentures will be added to the table prior to the effectiveness of the registration statement of which this prospectus is a part.

Selling Securityholder	Principal Amount at	Percent of Total	Number of Shares of Common Stock	Number of Shares of Common Stock

	Maturity of Debentures Beneficially Owned And Offered	Outstanding Debentures	Issuable Upon Initial Conversion of Debentures(1)	Owned Prior to Conversion of Debentures(1)
Highbridge International LLC	$ 50,000,000	5.62%	1,175,290	0
Continental Casualty Company	$ 24,400,000	2.74%	573,542	0
Argent Classic Convertible Arbitrage (Bermuda) Fund Ltd.	$ 6,600,000	0.74%	155,138	0
Argent LowLev Convertible Arbitrage Fund Ltd.	$ 6,300,000	0.71%	148,087	0
KBC Financial Products (Cayman Island) Ltd.	$ 5,500,000	0.62%	129,282	0
Hamilton Multi-Strategy Master Fund, LP	$ 4,300,000	0.48%	101,075	0
Fore Convertible Masterfund Ltd.	$ 4,270,000	0.48%	100,370	0
Continental Assurance Company On Behalf Of Its Separate Account (E)	$ 3,100,000	0.35%	132	0
Argent Classic Convertible Arbitrage Fund L.P.	$ 2,800,000	0.31%	65,816	0
Lyxor Master Fund	$ 2,100,000	0.24%	49,362	0
Argent LowLev Convertible Arbitrage Fund LLC	$ 1,100,000	0.12%	25,856	0
S.A.C. Capital Associates, LLC	$ 500,000	0.06%	11,753	7,500
Xavex Risk Arbitrage Fund 2	$ 400,000	0.04%	9,402	0
Zurich Institutional Benchmark Master Fund LTD	$ 300,000	0.03%	7052	0
Sturgeon Limited	$ 105,000	0.01%	2,468	0

(1) Also includes an equivalent number of non-detachable trust shares of beneficial interest in P&O Princess Special Voting Trust, a trust established under the laws of the Cayman Islands. See "Description of Trust Shares."

This table assumes that the debentures will be convertible at the maximum conversion rate of 23.5058 shares of our common stock for each $1,000 principal amount at maturity of debentures, which conversion rate is subject to adjustment as described under "Description of the Debentures— Conversion Rights— Conversion Rate Adjustment." Accordingly, the number of shares of our common stock issuable upon conversion of the debentures may increase or decrease from time to time. Under the terms of the indenture, we will have the right to deliver, in lieu of our common stock, cash or a

combination of cash and our common stock upon conversion. If we elect to pay holders cash for their debentures, the payment will be based on the applicable stock price.

Assuming the sale of all of the debentures and shares of our common stock issuable upon conversion of the debentures, selling securityholders will not hold any debentures and will hold the number of shares of our common stock set forth in column, "Common Stock Owned Prior to Conversion of Debentures." At that time, no selling securityholder will hold more than 1% of our outstanding common stock.

Except as described below, none of the selling securityholders listed above has, or within the past three years had, any position, office or any material relationship with us or any of our affiliates. Because the selling securityholders may offer all or some portion of the above-referenced securities under this prospectus or otherwise, no estimate can be given as to the amount of percentage that will be held by the selling securityholders upon termination of any sale. In addition, the selling securityholders identified above may have sold, transferred or otherwise disposed of all or a portion of such securities since April 29, 2003, in transactions exempt from the registration requirements of the Securities Act.

Generally, only selling securityholders identified in the above table who beneficially own the securities set forth opposite their respective names in the second and fourth columns may sell offered securities under the registration statement of which this prospectus forms a part. We may, from time to time, include additional selling securityholders in supplements to this prospectus.

PLAN OF DISTRIBUTION

The securities offered by this prospectus are being registered to permit the resale of such securities by the holders of them from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale by the selling securityholders of the offered securities. We will bear the fees and expenses incurred in connection with our obligation to register the offered securities. These fees and expenses include registration and filing fees, printing and duplication expenses and fees and disbursement of our counsel. However, the selling securityholders will pay all underwriting discounts and selling commissions, if any, and their own legal expenses.

The selling securityholders may sell the securities from time to time directly or through underwriters, in accordance with registration rights agreement, broker-dealers or agents, in one or more transactions at fixed prices, at prevailing market prices at the time of sale, at varying prices determined at the time of sale, or at negotiated prices. Such sales may be effected in transactions, which may involve block transactions:

- on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;
- in the over-the-counter market;
-

in transactions otherwise than on such exchanges or services or in over-the-counter market; or

- through the writing of options.

In connection with sales of the securities or otherwise, the securityholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the securities and deliver securities to close out such short positions, or loan or pledge securities to broker-dealers that in turn may sell such securities.

If a material arrangement with any underwriter, broker, dealer or other agent is entered into for the sale of any offered securities through a secondary distribution or a purchase by a broker or dealer, or if other material changes are made in the plan of distribution of the offered securities, a prospectus supplement will be filed, if necessary, under the Securities Act disclosing the material terms and conditions of arrangement. The underwriter or underwriters with respect to an underwritten offering of offered securities and the other material terms and conditions of the underwriting will be set forth in a prospectus supplement relating to such offering and, if an underwriting syndicate is used, the managing underwriter or underwriters will be set forth on the cover of the prospectus supplement. In connection with the sale of offered securities, underwriters will receive compensation in the form of underwriting discounts or commissions and may also receive commissions from purchasers of offered securities for whom they may act as agent. Underwriters may sell to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agent.

In addition, any offered securities which can be sold under Rule 144 under the Securities Act may be sold under Rule 144 rather than in a registered offering contemplated by this prospectus.

The selling securityholders and any underwriters, broker-dealers or agents participating in the distribution of the securities may be deemed to be "underwriters" within the meaning of the Securities Act, and any profit on the sale of the offered securities by the selling securityholders and any commissions received by any such underwriters, broker-dealers or agents may be deemed to be underwriting commissions under the Securities Act.

The selling securityholders and any other person participating in the distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations under the Exchange Act, including without limitation, Regulation M, which may limit the timing of purchases and sales of any of

the offered securities by the selling securityholders and any other relevant person. Furthermore, Regulation M may restrict the ability of any person engaged in the distribution of the offered securities to engage in market-making activities with respect to the particular offered securities being distributed. All of the above may affect the marketability of the offered securities and the ability of any person or entity to engage in market-making activities with respect to the offered securities.

Under the securities law of various states, the offered securities may be sold in those states only through registered or licensed brokers or dealers. In addition, in various states the offered securities may not be sold unless the offered securities have been registered or qualified for sale in the state or an exemption from registration or qualification is available and is complied with.

We have agreed to indemnify the selling securityholders against some civil liabilities, including some liabilities arising under the Securities Act, and the selling securityholders will be entitled to contribution from us in connection with those liabilities. The selling securityholders will indemnify us against some civil liabilities, including liabilities arising under the Securities Act, and will be entitled to contribution from the selling securityholders in connection with those liabilities.

We are permitted to suspend the use of this prospectus under some circumstances relating to pending corporate developments, public filings with the SEC and similar events for a period not to exceed 60 days in any three-month period and not to exceed an aggregate of 90 days in any 12-month period. However, if the duration of such suspension exceeds any of the periods above-mentioned, we have agreed to pay liquidated damages. Please refer to the section entitled "Description of the Debentures—Registration Rights."

Our outstanding common stock, together with the paired trust shares of beneficial interest, is listed for trading on the New York Stock Exchange under the symbol "CCL." We do not intend to apply for listing of the debentures on any securities exchange or for quotation through the National Association of Securities Dealers Automated Quotation System. Accordingly, we cannot assure you about the development of liquidity or any trading market for the debentures.

CERTAIN PANAMANIAN AND UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

Panama

Under current Panamanian law, because we conduct all of our operations outside of Panama, we believe that no Panamanian taxes or withholding will be imposed on payments to holders of our securities.

United States

The following is a general summary of certain United States federal income tax consequences that may be relevant to an investment in the debentures but does not purport to be a complete analysis of the potential tax considerations that you may need to consider before investing based on your particular circumstances. This discussion is based on existing provisions of the Internal Revenue Code, Treasury Regulations promulgated thereunder, judicial decisions and administrative rulings and practice, all of which are subject to change with possible retroactive effect. This summary applies to you only if you hold the debentures and common stock as capital assets within the meaning of the Internal Revenue Code. This summary does not discuss any estate, gift, state, local or

foreign considerations and does not address all federal income tax consequences applicable to all categories of investors, some of which may be subject to special rules, such as life insurance companies, tax-exempt organizations, dealers in securities or currency, regulated investment companies, banks or other financial institutions, partnerships, S corporations and other flow-through entities for federal income tax purposes, holders subject to the alternative minimum tax, expatriates, investors whose functional currency is not the US dollar and investors who hold the debentures as part of a hedge, straddle or conversion transaction. In addition, this summary deals only with debentures acquired in the initial offering at their original issue price within the meaning of Section 1273 of the Internal Revenue Code and does not discuss the tax considerations applicable to subsequent purchasers of the debentures, including the "market discount" and "acquisition premium" rules of the Internal Revenue Code. We have not obtained, nor do we intend to obtain, any ruling from the internal Revenue Service (the "IRS") with respect to the statements made and the conclusions reached in the following summary, and we can not assure you it the IRS will agree with these statements and conclusions. This summary does not discuss the consequences to you of any transaction that would constitute a change in control, as defined in "Description of the Debentures" above, including but not limited to the tax consequences of adjustments to the debentures in the event of a consolidation, merger or other corporate transaction.

If you are considering the purchase of the debentures, you should consult your own tax advisor with respect to the application of the United States Federal tax laws to your particular situation as well as any tax consequences arising under the laws of any State, local or foreign taxing jurisdiction or under any applicable tax treaty.

US Holders

This summary applies to you if you are a US Holder. For purposes of this summary, the term "US Holder" means a beneficial owner of debentures or common stock that is:

- a citizen or individual resident of the United States;
- a corporation, partnership or other entity created or organized in or under the laws of the United States or any State thereof, including the District of Columbia, or a
- partnership otherwise treated as a United States person under applicable Treasury Regulations;
- an estate the income of which is subject to United States federal income taxation regardless of its source; and

- a trust if
  - a court within the United States is able to exercise primary supervision over the administration of the trust, and
  - one or more persons have the authority to control all substantial decisions of the trust; or an electing trust in existence on August 20, 1996 to the extent provided in Treasury Regulations.

If a partnership holds debentures or common stock, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. If you are a partner in such a partnership, you should consult your own tax advisor.

Original Issue Discount. The debentures will be treated as indebtedness for United States federal income tax purposes. The debentures will have original issue discount, or "OID," for United States federal income tax purposes, and accordingly, US Holders of debentures will be subject to special rules relating to the accrual of income for such purposes. US Holders of debentures generally must include OID in gross income for US federal income tax purposes on an annual basis under a constant yield accrual method regardless of their regular method of tax accounting. As a result, US Holders may be required to include OID in income in advance of the receipt of cash attributable to such income.

The debentures will be treated as issued with OID equal to the excess of a debenture's "stated redemption price at maturity" over its "issue price." The stated redemption price at maturity of a debenture will include all payments of principal and stated interest on the debenture. The debentures provide for payment of interest in cash through April 29, 2008. Such interest will be included in the stated redemption price at maturity and taxed as part of OID and will not be again included separately in gross income of US Holders when accrued or paid. The issue price is the first price at which a substantial amount of the debentures are sold for money excluding sales to bond houses, brokers or similar persons or organizations acting as underwriters, placement agents or wholesalers. The amount of OID includible in income by an initial US Holder of a debenture is the sum of the "daily portions" of OID with respect to the debenture for each date during the taxable year or portion thereof in which such US Holder holds such note, which we refer to as "accrued OID". A daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID that accrued in such period. The "accrual period" of a debenture may be of any length and may vary in length over the term of the debenture, provided that each accrual period is not longer than one year and each scheduled payment of principal or interest occurs either on the first or last day of an accrual period. The amount of OID that accrues with respect to any accrual period is the product of the debenture's adjusted issue price at the beginning of such accrual period and its yield to maturity, determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of such period. The "adjusted issue price" of a debenture at the start of any accrual period is equal to its issue price, increased by the accrued OID for each prior accrual period and reduced by any actual payments of interest and principal made on such debenture. Based on the issue price as discussed above, the yield to maturity for these purposes is 1.796%, calculated on a semi-annual bond equivalent basis. We intend to treat payments of interest, including OID, as US source income.

We will be required to furnish annually to the IRS and to US Holders of the notes, information with respect to the original issue discount accruing during the taxable year.

Constructive Dividends. Pursuant to Treasury regulations issued under section 305 of the Code, if at any time we were to make a distribution of property to our stockholders that would be taxable to the stockholders as a dividend for United States federal income tax purposes and, in accordance with the anti-dilution or other provisions of the debentures, the conversion rate of the debentures were increased, such increase might be deemed to be the payment of a taxable dividend to holders of the debentures. For example, under these regulations an increase in the conversion rate in connection with

any distribution of our evidences of indebtedness or our assets or an increase in the event of an extraordinary cash dividend generally would result in deemed dividend treatment to holders of the debentures, but an increase in the event of stock dividends or the distribution of rights to subscribe for common stock generally would not.

Sale, Exchange, Redemption and Other Disposition of Debentures or Shares of Common Stock. You generally will recognize gain or loss upon the sale, exchange, redemption, retirement or other disposition of debentures, other than a conversion, measured by the difference between

- the amount of cash proceeds and the fair market value of any property you receive, except to the extent attributable to accrued OID not previously taken into income, which will generally be taxable as ordinary income, and
- your adjusted tax basis in the debentures.

In general, if you hold common stock, and paired trust shares, into which the debentures have been converted, you will recognize gain or loss upon the sale, exchange or other disposition of the common stock, and paired trust shares, measured by the difference between

- the amount of cash and the fair market value of any property you receive, and
- your adjusted basis in the common stock and paired trust shares.

For a discussion of the basis and holding period of shares of common stock, and paired trust shares, see "—Conversion of Debentures," below. Gain or loss on the disposition of debentures or common stock, and paired trust shares, will generally be capital gain or loss and will be long-term gain or loss if the debentures or shares of common stock have been held for more than one year at the time of such disposition.

Conversion of Debentures. As discussed above, in "Description of the Debentures—Conversion Rights," upon conversion of a debenture, you will receive shares of our common stock and paired trust shares, determined in accordance with the formula described therein. You generally will not recognize gain or loss on the receipt of our common stock upon conversion of the debentures, except with respect to cash received in lieu of fractional shares and except for common stock attributable to accrued OID not previously taken into income, which will be taxable as OID as discussed above. You will, however, recognize gain or loss on receipt of the paired trust shares upon conversion of the debentures, in an amount equal to the fair market value of the paired trust shares so received. We believe, however, that the paired trust shares have only nominal value, and thus, it is likely that receipt of the paired trust shares upon conversion of your debenture would result in recognition of only a nominal amount of gain. Except for common stock attributable to any accrued OID not previously taken into income, your tax basis in the shares of common stock, and paired trust shares, received upon conversion of the debentures will be equal to your adjusted tax basis in the debentures exchanged therefor, less any portion thereof allocable to cash received in lieu of a share of common stock, increased by any gain recognized with respect to the receipt of the paired trust shares on the conversion. Except for common stock attributable to any accrued OID not previously taken into income, the holding period of the common stock will generally include the period during which you held the debentures prior to conversion. Cash received in lieu of a fractional share of common stock should generally be treated as a payment in exchange for such fractional share rather than as a dividend. You generally will recognize gain or loss on the receipt of cash paid in lieu of such fractional shares equal to the difference between the amount of cash received and the amount of tax basis allocable to the fractional shares. Your basis in the common stock attributable to accrued OID not previously taken into income generally should equal the value of the common stock on the date of conversion and your holding period in such common stock may commence on the day following the date of delivery of such common stock, although there is no authority precisely on point.

Dividends on Common Stock. Distributions on shares of our common stock will be taxed as dividends for United States federal income tax purposes to the extent of our current or accumulated earnings and profits as determined under United States federal income principles. Dividends paid to those of you that are United States corporations will not qualify for the dividends-received deduction. We expect that a substantial portion of our dividends will be treated as United States source income based on the proportion of our income that is effectively connected with our conduct of business in the United States to our gross income. To the extent that you receive distributions on shares of common stock that would otherwise constitute dividends for United States federal income tax purposes but that exceed our current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing your adjusted tax basis in the shares of common stock. Any such distributions in excess of your adjusted tax basis in the shares of common stock will generally be treated as capital gain.

A failure to fully adjust the conversion price of the debentures to reflect a stock dividend or other event increasing the proportionate interest of holders of our common stock in our earnings and profits or assets could, in some circumstances, be deemed to result in the payment of a taxable dividend to the holders of our common stock.

Exercise of the Optional Redemption or Repurchase Right. If a US Holder requires us to repurchase a debenture on a repurchase date and we issue shares of our common stock in satisfaction of the repurchase price, the exchange of a debenture for shares of our common stock should be treated in the same manner as a conversion as described above under "—Conversion of Debentures".

If a US Holder requires us to repurchase a debenture on a repurchase date and if we deliver a combination of cash and shares of our common stock in payment of the repurchase price, then, in general:

- a US Holder should recognize gain, but not loss, to the extent that the cash and the value of the shares exceed its adjusted tax basis in the debenture, but in no event should the amount of recognized gain exceed the amount of cash received;
- a US Holder will be required to include in gross income daily portions of the OID not previously included in gross income with respect to the notes, up to the date of conversion;
- a US Holder's basis in the shares received should be the same as its basis in the debenture repurchased by us, exclusive of any basis allocable to a fractional share, decreased by the amount of cash received, other than cash received in lieu of a fractional share, and increased by the amount of

gain, if any, recognized by such holder, other than gain with respect to a fractional share; and

- the holding period of the shares received in the exchange should include the holding period for the debenture that was repurchased, except that the holding period of shares attributable to accrued OID may commence on the day following the date of delivery of common stock, although there is no authority precisely on point.

If we elect to exercise our option to purchase a debenture or if a US Holder requires us to repurchase a debenture on a repurchase date and if, in either event, we deliver to a holder cash in full satisfaction of the repurchase price or redemption price, the repurchase or redemption will be treated the same as a sale of the debenture, as described above under "—Sale, Exchange, Redemption and other Disposition of Debentures or Shares of Common Stock."

Non-US Holders

The following is a summary of material US federal tax consequences that will apply to you if you are a non-US Holder of debentures or common stock. The term "non-US Holder" means a beneficial

owner of a debenture or common stock that is not a US Holder. Special rules may apply to certain non-US Holders such as "controlled foreign corporations", "passive foreign investment companies", "foreign personal holding companies", persons eligible for benefits under income tax conventions to which the United States is a party and certain US expatriates. Non-US Holders should consult their own tax advisers to determine the US federal, state, local and other tax consequences that may be relevant to them.

Payments of Interest. The 30% US federal withholding tax will not apply to any payment to you of interest, including OID, on a debenture provided that:

- you do not actually or constructively own 10% or more of the total combined voting power of all classes of our stock that are entitled to vote within the meaning of section 871(h)(3) of the Code;

- you are not a "controlled foreign corporation" that is related to us within the meaning of section 864(d)(4) of the Code;

- you are not a bank whose receipt of interest on a debenture is described in section 881(e)(3)(A) of the Code; and

- (a) you provide your name and address, and certify, under penalties of perjury, that you are not a U.S. person, which certification may be made on an IRS Form W-8BEN, or successor form, or (b) you hold your notes through certain foreign intermediaries, and you and the foreign intermediary satisfy the certification requirements of applicable US Treasury regulations.

Special certification rules apply to non-US Holders that are pass-through entities rather than corporations or individuals.

If you cannot satisfy the requirements described above, payments of interest will be subject to the 30% US federal withholding tax, unless you provide us with a properly executed:

(1) IRS Form W-8BEN (or successor form) claiming an exemption from or reduction in withholding under the benefit of any applicable tax treaty or

(2) IRS Form W8ECI (or successor form) stating that interest paid on the note is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States.

If you are engaged in a trade or business in the United States and interest on a note is effectively connected with the conduct of that trade or business, you will be subject to US federal income tax on that interest on a net income basis, although you will be exempt from the 30% withholding tax, provided you satisfy the certification requirements described above, in the same manner as if you were a US person as defined under the Code. In addition, if you are a foreign corporation, you may be subject to a branch profits tax equal to 30%, or lower applicable treaty rate, of your earnings and profits for the taxable year, subject to adjustments, that are effectively connected with your conduct of a trade or business in the United States.

Absent further relevant guidance from the IRS, we intend to treat payments of liquidated damages made to non-US Holders as subject to a US withholding tax. Therefore, we intend to withhold on such payments at a rate of 30% unless we receive an IRS Form W-8BEN or an IRS Form W-8ECI from the non-US Holder claiming, respectively, that such payments are subject to reduction or elimination of withholding under an applicable treaty or that such payments are effectively connected with the conduct of a US trade or business. A non-US Holder that is subject to the withholding tax should consult its own tax advisers as to whether it can obtain a refund for all or a portion of the withholding tax on the grounds that the liquidated damages qualify for the exemption applicable to interest, described above, within the meaning of the Code or some other grounds.

Conversion of the Debentures. A non-US Holder generally will not recognize any income, gain or loss on converting a debenture into common stock. Any gain recognized as a result of the holder's receipt of cash in lieu of a share of stock would also generally not be subject to US federal income tax. See "—Sale, Exchange or Redemption of Debentures or Common Stock," below.

Dividends on Common Stock. A portion of dividends paid to you with respect to our common stock, and any deemed dividends resulting from some adjustments, or failure to make adjustments, to the number of shares of common stock to be issued on conversion, see "—US Holders—Constructive Dividend" above, that is treated as US source income, as determined above under "—US Holders—Dividends on Common Stock," will be subject to withholding tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. However, dividends that are effectively connected with the conduct of a trade or business within the United States are not subject to the withholding tax, but instead are subject to US federal income tax on a net income basis at applicable

graduated individual or corporate rates. Some certification and disclosure requirements must be complied with in order for effectively connected income to be exempt from withholding. Any such effectively connected dividends received by a foreign corporation may, under certain circumstances, be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. A non-US Holder of common stock who wishes to claim the benefit of an applicable treaty rate is required to satisfy applicable certification and other requirements. If you are eligible for a reduced rate of US withholding by filing an appropriate claim for refund with the IRS.

Sale, Exchange or Redemption of Debentures or Common Stock. Any gain realized upon the sale, exchange, redemption or other disposition of a debenture or share of common stock for cash, including by means of a redemption at our option or repurchase at the holder's option, generally will not be subject to U.S. federal income tax unless:

- that gain is effectively connected with the conduct of a trade or business in the United States by you, or
- you are an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met.

A non-US Holder whose gain is described in the first bullet point above will be subject to US federal income tax on the net gain derived from the sale at the applicable graduated rate(s). A corporate non-US Holder whose gain is described in the first bullet point above may also be subject to a branch profits tax at a 30% rate or a lower rate if an income tax treaty applies. An individual non-US Holder described in the second bullet point above will be subject to a flat 30% US federal income tax on the gain derived from the sale, which may be offset by US source capital losses, even though the holder is not considered a resident of the United States.

If a non-US Holder requires us to repurchase a debenture on a repurchase date and we issue shares of our common stock in full satisfaction of the repurchase price, the exchange of a debenture for our common stock should be treated in the same manner as a conversion above described under "—Conversion of the Debentures."

Information Reporting and Backup Withholding

If you are a US Holder, in general, information reporting requirements will apply to certain payments of principal and interest on the debentures, dividends paid on the common stock, and the proceeds of sale of a debenture or share of common stock unless you are an exempt recipient, such as a corporation. Backup withholding tax will apply to such payments if you fail to provide your taxpayer identification number or certification of foreign or other exempt status or fail to report in full dividend and interest income.

If you are a non-US Holder, in general, you will not be subject to backup withholding and information reporting with respect to payments that we make to you provided that we do not have actual knowledge or reason to know that you are a US person and you have given us the statement described above under "—Non-US Holders—Payments of Interest." In addition, you will not be subject to backup withholding or information reporting with respect to the proceeds of the sale of a debenture or share of common stock within the United States or conducted through certain US-related financial intermediaries, if the payor receives the statement described above and does not have actual knowledge or reason to know that you are a US person, as defined under the Code, or you otherwise establish an exemption. However, we may be required to report annually to the IRS and to you the amount of, and the tax withheld respect to, any interest or dividends paid to you, regardless of whether any tax was actually withheld. Copies of these information returns may also be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which the non-US Holder resides.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your US federal income tax liability provided the required information is furnished timely to the IRS.

The United States Federal income tax discussion set forth above is included for general information only and may not be applicable depending upon your particular situation. You should consult your own tax advisor with respect to the tax consequences to you of the ownership and disposition of the debentures and common stock, including the tax consequences under state, local, foreign and other tax laws and the possible effects of changes in United States or other tax laws.

LEGAL MATTERS

Paul, Weiss, Rifkind, Wharton & Garrison LLP has passed upon the validity of the debentures offered by this prospectus for us. Dickinson Cruickshank & Co. has passed upon the validity of the guarantees offered by this prospectus by Carnival plc and POPCIL. The validity of the shares of our common stock offered by this prospectus and certain other matters with respect to Panamanian law have been passed upon for us by Tapia Linares y Alfaro. The validity of the trust shares of beneficial interest in the P&O Princess Special Voting Trust and certain other matters with respect to Cayman Islands law have been passed upon by Maples and Calder. The validity of the Carnival plc special voting share and certain other matters with respect to the laws of England and Wales have been passed upon for Carnival plc and POPCIL by Freshfields Bruckhaus Deringer.

James M. Dubin, a partner of Paul, Weiss, Rifkind, Wharton & Garrison LLP, is the sole securityholder of three corporations which act as trustees or protectors of various trusts established for the benefit of members of the Arison family. In this capacity, Mr. Dubin has shared voting or dispositive rights over approximately 23% of our outstanding common stock. This represents approximately 18% of the total voting power of Carnival Corporation & plc. Paul, Weiss, Rifkind, Wharton & Garrison LLP also serves as counsel to Micky Arison, who is the chairman and chief executive officer of us and Carnival plc, and other Arison family members and trusts.

EXPERTS

The consolidated financial statements of Carnival Corporation incorporated in this prospectus by reference to Carnival Corporation's Annual Report on Form 10-K for the year ended November 30, 2002 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent certified public accountants, given on the authority of said firm as experts in auditing and accounting.

The consolidated financial statements of Carnival plc, formerly known as P&O Princess Cruises plc, as of December 31, 2002 and 2001 and for each of the years in the three year period ended December 31, 2002, have been incorporated by reference herein in reliance upon the report of KPMG Audit Plc, chartered accountants and registered auditor, incorporated by reference herein and upon the authority of said firm as experts in auditing and accounting. The audit report covering the December 31, 2002 financial statements refers to the adoption of FRS 19 Deferred Tax.

The consolidated financial statements of P&O Princess Cruises International Limited, as of December 31, 2002 and 2001 and for each of the years in the three year period ended December 31, 2002, have been included herein in reliance upon the report of KPMG Audit Plc, chartered accountants and registered auditor, appearing elsewhere herein and upon the authority of said firm as experts in auditing and accounting. The audit report covering the December 31, 2002 financial statements refers to the adoption of FRS 19 Deferred Tax.

WHERE YOU CAN FIND MORE INFORMATION

Carnival Corporation, Carnival plc and POPCIL have jointly filed a Registration Statement on Form S-3 and Form F-3 with the Securities and Exchange Commission regarding the offering of the securities offered by this prospectus. This prospectus, which forms part of the registration statement, does not contain all of the information included in the registration statement. For further information about Carnival Corporation, Carnival plc, POPCIL and the securities offered by this prospectus, you should refer to the registration statement and its exhibits.

You may read and copy any document previously filed by each of Carnival Corporation and Carnival plc with the Securities and Exchange Commission at the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. In the future, Carnival Corporation and Carnival plc will be filing combined reports, proxy statements and other information with the Commission. Copies of such information filed with the Commission may be obtained at prescribed rates from the Public Reference Section. Please call the Commission at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. In addition, the Commission maintains a web site (www.sec.gov) that contains reports, proxy statements and other information regarding registrants, such as Carnival Corporation, Carnival plc and POPCIL that file electronically with the Commission. Materials that Carnival Corporation and Carnival plc have filed may also be inspected at the library of the NYSE, 20 Broad Street, New York, New York 10005.

The periodic reports of Carnival Corporation and Carnival plc under the Exchange Act will contain the combined financial statements of Carnival Corporation & plc. POPCIL, if required to do so in the future by the Exchange Act, will provide, as a foreign private issuer, its separate consolidated financial statements in periodic reports filed under the Exchange Act.

INCORPORATION BY REFERENCE

Carnival Corporation (file number 1-9610), Carnival plc (file number 1-15136) and POPCIL are incorporating by reference into this prospectus the following documents or portions of documents filed with the Commission:

- Carnival Corporation's Annual Report on Form 10-K, as amended by Form 10-K/As filed on March 12, 2003, March 27, 2003 and May 7, 2003 for the fiscal year ended November 30, 2002;
- Carnival Corporation's Quarterly Report on Form 10-Q for the quarter ended February 28, 2003;
- Carnival Corporation's Current Reports on Form 8-K filed on December 2, 2002, December 19, 2002, January 8, 2003 and March 21, 2003;
- Carnival plc's Annual Report on Form 20-F for the fiscal year ended December 31, 2002 (filed under its then name, P&O Princess Cruises plc);
- Carnival Corporation's and Carnival plc's joint Current Reports on Form 8-K filed on April 17, 2003 (as amended on April 29, 2003), April 23, 2003, April 30, 2003, May 7, 2003, May 19, 2003, May 23, 2003, May 29, 2003 and May 30, 2003;
- The description of common stock of Carnival Corporation in the Registration Statement on Form 8-A, filed pursuant to Section 12 of the Exchange Act on July 2, 1987, and any amendment or report filed for the purpose of updating such description;
- The pro forma financial information required by Article 11 of Regulation S-X contained in the section entitled "Unaudited Pro Forma Financial Information of the Combined Group," in the joint Registration Statement of Carnival Corporation and P&O Princess Cruises plc on Form S-4/F-4, (Registration No. 333-102443); and

- All other documents filed by Carnival Corporation, Carnival plc or POPCIL pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this prospectus and prior to the termination of the offering.

You should rely only on the information contained in this document or that information to which this prospectus refers you. Carnival Corporation, Carnival plc and POPCIL have not authorized anyone to provide you with any additional information.

Any statement contained in this prospectus or a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

The documents incorporated by reference into this prospectus are available from Carnival Corporation, Carnival plc and POPCIL upon request. Carnival Corporation, Carnival plc and POPCIL will provide a copy of any and all of the information that is incorporated by reference in this prospectus to any person, without charge, upon written or oral request. If exhibits to the documents incorporated by reference in this prospectus are not themselves specifically incorporated by reference in this prospectus, then the exhibits will not be provided. Requests for such copies should be directed to the following:

Carnival Corporation
Carnival plc
P&O Princess Cruises International Limited
3655 N.W. 87th Avenue
Miami, Florida 33178-2428
Attention: Corporate Secretary
Telephone: (305) 599-2600, Ext. 18018.

Except as provided above, no other information, including information on the web sites of Carnival Corporation or Carnival plc, is incorporated by reference into this prospectus.

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Independent Auditors' Report

The Board of Directors of P&O Princess Cruises International Limited

We have audited the accompanying consolidated balance sheets of P&O Princess Cruises International Limited as of December 31, 2002 and 2001, and the related consolidated profit and loss accounts, cash flow statements, statements of total recognized gains and losses and reconciliation of movements in shareholders' funds for each of the years in the three year period ended December 31, 2002. These financial statements are the responsibility of P&O Princess Cruises International Limited's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United Kingdom and the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of P&O Princess Cruises International Limited as of December 31, 2002 and 2001, and the results of their operations and its cash flows for each of the years in the three year period ended December 31, 2002 in conformity with generally accepted accounting principles in the United Kingdom.

As described more fully in the "Prior Year Adjustment on implementation of FRS19" paragraph of the accounting policies note 1 to the consolidated financial statements, P&O Princess Cruises International Limited has adopted FRS19 Deferred Tax in the year ended December 31, 2002. Consequently, the consolidated financial statements of P&O Princess Cruises International Limited as of December 31, 2001 and 2000 and for each of the years in the two year period ended December 31, 2001 have been restated.

Accounting principles generally accepted in the United Kingdom vary in certain respects from accounting principles generally accepted in the United States of America. Application of accounting principles generally accepted in the United States would have affected results of operations for each of the years in the

three-year period ended December 31, 2002 and shareholders' funds as of December 31, 2002 and 2001, to the extent summarized in note 26 to the consolidated financial statements.

KPMG Audit Plc

Chartered Accountants
Registered Auditor
London, England
June 13, 2003

P&O Princess Cruises International Limited

Consolidated profit and loss accounts

	Note	Year ended 31 December 2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
			Restated note 1	Restated note 1
Turnover	2	2,526.8	2,451.0	2,423.9
Cost of sales		(1,904.3)	(1,889.2)	(1,842.0)
Administrative expenses				
Administrative expenses before exceptional transaction costs		(214.8)	(208.1)	(208.8)
Exceptional transaction costs		(117.0)	—	—
		(331.8)	(208.1)	(208.8)
Operating costs	3	(2,236.1)	(2,097.3)	(2,050.8)
Group operating profit		290.7	353.7	373.1
Share of operating results of joint ventures		—	0.1	0.5
Total operating profit	2	290.7	353.8	373.6
Loss on disposal of ships		—	(1.9)	(6.7)
Profit on sale of business		1.2	—	0.2
Profit on ordinary activities before interest		291.9	351.9	367.1
Net interest and similar items	4	(2.3)	9.5	(45.6)
Profit on ordinary activities before taxation		289.6	361.4	321.5
Taxation	5	(17.1)	81.7	(57.4)
Profit on ordinary activities after taxation		272.5	443.1	264.1
Equity minority interests	17	—	(0.1)	(2.6)
Profit for the financial period attributable to shareholders		272.5	443.0	261.5
Dividends	6	(150.0)	(201.3)	(90.0)
Retained profit for the financial year	16	122.5	241.7	171.5

In all years profits and losses arise from continuing activities.

See accompanying notes to the consolidated financial statements.

P&O Princess Cruises International Limited

Consolidated balance sheets

	Note	As at 31 December 2002 U.S. $m	2001 U.S. $m
			Restated note 1

Fixed assets			
Intangible assets			
Goodwill	7	127.1	112.9
Tangible assets			
Ships	8	5,225.9	3,892.4
Properties and other fixed assets	9	249.4	248.0
		5,475.3	4,140.4
Investments	10	16.3	19.0
		5,618.7	4,272.3
Current assets			
Stocks	11	87.4	74.3
Debtors	12	309.4	256.7
Cash at bank and in hand		162.1	120.4
		558.9	451.4
Creditors: amounts falling due within one year	13	(2,031.7)	(1,801.6)
Net current liabilities		(1,472.8)	(1,350.2)
Total assets less current liabilities		4,145.9	2,922.1
Creditors: amounts falling due after one year	13	(1,395.9)	(326.9)
Provisions for liabilities and charges	14	(13.7)	(21.7)
		2,736.3	2,573.5
Capital and reserves			
Called up share capital	15	331.0	331.0
Share premium account	16	1,078.9	1,078.9
Merger reserve	16	(70.9)	(70.9)
Profit and loss account	16	1,397.1	1,234.3
Equity shareholders' funds		2,736.1	2,573.3
Equity minority interests	17	0.2	0.2
		2,736.3	2,573.5

See accompanying notes to the consolidated financial statements.

P&O Princess Cruises International Limited

Group cash flow statements

		Years ended 31 December		
	Note	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Net cash inflow from operating activities	18	561.4	484.4	520.0
Returns on investments and servicing of finance				
Interest received		5.9	6.6	2.6
Interest paid		(109.9)	(86.8)	(78.5)
Net cash outflow for returns on investments and servicing of finance		(104.0)	(80.2)	(75.9)
Taxation		6.4	(171.0)	(34.3)
Capital expenditure				
Purchase of ships		(1,124.1)	(579.3)	(749.8)
Purchase of other fixed assets		(32.4)	(53.5)	(45.9)
Disposal of ships		—	46.6	14.7
Disposal of other fixed assets		—	—	0.2
Net cash outflow for capital expenditure		(1,156.5)	(586.2)	(780.8)

Acquisitions and disposals				
Disposal/(purchase) of subsidiaries and long term investments	10, 19	3.1	(6.3)	(14.7)
Equity dividends paid		(150.0)	(201.2)	(90.0)
Net cash outflow before financing		(839.6)	(560.5)	(475.7)
Financing				
Loan drawdowns		879.4	320.5	247.7
Loan repayments		(65.4)	(277.3)	(39.6)
Repayment of finance lease		(2.6)	—	—
Intercompany movements		83.6	532.9	295.0
Net cash inflow from financing		895.0	576.1	503.1
Increase in cash in the year	18	55.4	15.6	27.4

The restatement for FRS19 'Deferred Taxation' has no impact on the cash flow for the year ended 31 December 2001 and 31 December 2000.

See accompanying notes to the consolidated financial statements.

P&O Princess Cruises International Limited

Consolidated statements of total recognised gains and losses

	Years ended 31 December		
	2002 U.S. $m	**2001 U.S. $m**	**2000 U.S. $m**
		Restated (note 1)	**Restated (note 1)**
Profit for the year	272.5	443.0	261.5
Exchange movements on foreign currency net investments	40.3	(20.5)	(5.5)
Total recognised gains and losses relating to the year	312.8	422.5	256.0
Prior year adjustment (note 1)	(108.1)		
Total gains and losses since last financial statements	204.7		

Reconciliations of movements in shareholders' funds

	Years ended 31 December		
	2002 U.S. $m	**2001 U.S. $m**	**2000 U.S. $m**
		Restated (note 1)	**Restated (note 1)**
Total recognised gains and losses for the year	312.8	422.5	256.0
Dividends	(150.0)	(201.3)	(90.0)
New shares issued	—	—	88.1
Investment in P&O Princess Cruises by P&O	—	—	1.2
	162.8	221.2	255.3
Shareholders' funds at beginning of year (The shareholders' funds at the beginning of 2001, as previously reported, were $2,460.2m (2000: $2,188.8m) before deducting the prior year adjustment of $108.1m (2000: $92.0m))	2,573.3	2,352.1	2,096.8
Shareholders' funds at end of year	2,736.1	2,573.3	2,352.1

See accompanying notes to the consolidated financial statements.

P&O Princess Cruises International Limited

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group.

Basis of preparation of financial statements

P&O Princess Cruises International Limited ("POPCIL") is a wholly owned subsidiary of P&O Princess Cruises plc. The POPCIL accounts comprise the consolidation of the accounts of the Company and all its subsidiaries and incorporate the Group's interest in its joint ventures. The accounts of its subsidiaries and joint ventures and associates are made up to 31 December.

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United Kingdom under the historical cost convention, and in accordance with applicable U.K. accounting standards. These principles differ in certain significant respects from accounting principles generally accepted in the United States ("U.S. GAAP"). Application of U.S. GAAP would have affected shareholders' funds at 31 December 2002 and 2001 and profit attributable to shareholders for the year ended 31 December 2002, 2001 and 2000, to the extent summarized in note 26, summary differences between U.K. and U.S. GAAP.

Basis of consolidation

POPCIL acquired the cruise business of The Peninsular and Oriental Steam Navigation Company ("P&O") during the period from incorporation up to 26 September 2000. The acquisition was effected by way of a share exchange between POPCIL and P&O.

The consolidated financial statements have been prepared using merger accounting principles as if the businesses comprising POPCIL had been part of the same group for all periods presented, since they have been under common control throughout this period. Businesses acquired from or disposed of to third parties during the periods presented have been accounted for using acquisition accounting, from or to the date control passed.

Prior year adjustment on implementation of FRS 19

The Accounting Standards Board issued Financial Reporting Standard No. 19 "Deferred Tax" (FRS 19) in December 2000. The standard is effective for accounting periods ending on or after 23 January 2002. The standard requires full provision to be made for deferred tax assets and liabilities arising from most types of timing difference between the recognition of gains and losses in the financial statements and their recognition in a tax computation. Deferred tax assets are, however, only to be recognized to the extent that it is regarded as more likely than not that they will be recovered. POPCIL has adopted the standard as of 1 January 2002 resulting in the restatement of comparative data from partial provisioning for deferred tax to the full provision basis.

As a result of the implementation of FRS 19, the balance sheet as at 31 December 1999 was restated to reflect full provision for deferred tax, an increase in deferred tax liabilities of $92.0m.

The net effect on net assets and shareholders' funds as of 31 December 2000 as a result of implementing FRS 19 is a reduction of $108.1 million with a charge to the profit and loss account for the year ended 31 December 2001of $16.1 million.

The tax credit in the profit and loss account for the year to 31 December 2001 has increased by $96.8 million to reflect the elimination of the majority of future potential tax liabilities upon POPCIL's election to enter the U.K. tonnage tax regime. This is consistent with the elimination of the partially provided deferred tax in the 2001 audited financial statements. The net effect on net assets and shareholders' funds as of 31 December 2001 as a result of implementing FRS 19 is a reduction of $11.3 million.

Use of estimates

Preparation of financial statements in conformity with U.K. GAAP and U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of turnover and expenses for an accounting period. Actual results could differ from these estimates.

Goodwill arising on acquisitions

Goodwill arising on business acquisitions being the difference between the fair value of consideration compared to the fair value of net assets acquired represents the residual purchase price after allocation to all identifiable net assets. Goodwill is included within intangible fixed assets and is stated at cost less accumulated amortization. Amortization is calculated to write off goodwill on a straight line basis over its expected useful life, which can be up to 40 years. A life of more than 20 years is adopted when the directors consider the period for which the value of the underlying business acquired exceeds the value of the identifiable net assets is demonstrably longer than 20 years. Goodwill with an expected useful life of more than 20 years is reviewed annually for any impairment, by comparing carrying value with discounted cashflows.

Joint ventures

A joint venture is an entity in which the Group has a long term interest and shares control with one or more co-venturers. Joint ventures are stated at the Group's share of underlying net assets. The Group's share of the profits or losses of joint ventures is included in the consolidated profit and loss account on an equity accounting basis.

Investments

Investments in subsidiary undertakings are held at cost less provisions for impairment.

Shares in P&O Princess Cruises plc, the ultimate parent of POPCIL during the year, held for the purpose of long term incentive plans (LTIPs) are held within fixed asset investments. To the extent that these shares have been identified for bonus awards, provision is made for the difference between the book value of these shares and their residual value, if any.

Tangible fixed assets

Ships are stated at cost less accumulated depreciation. Any subsequent expenditure on ships, to the extent that it represents an improvement costs is capitalized as additions to the ship, whilst other costs are treated as repairs and maintenance or dry docking costs.

Properties and other fixed assets, including computer hardware and software, are stated at cost less accumulated depreciation.

Interest incurred in respect of payments on account of assets under construction is capitalized to the cost of the assets concerned.

Depreciation is calculated to write off the cost to estimated residual value on a straight line basis over the expected useful life of the asset concerned as follows:

Cruise ships	30 years
Freehold buildings	40 years
Other fixed assets	3–16 years

Freehold land and ships under construction are not depreciated.

Dry-docking costs

Dry-docking costs are capitalized and expensed on a straight line basis to the date of the next scheduled drydock.

Impairment of fixed assets

The Group reviews all fixed assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable based on estimated future cash flows. Provision for impairment in value of fixed assets is made in the profit and loss account.

Stocks

Stocks consist of provisions, supplies, fuel and gift shop merchandise and are stated at the lower of cost or net realizable value.

Cash and borrowings

Cash and cash equivalents consist of cash, money market deposits and certificates of deposit. All cash equivalents have original maturities of 90 days or less. Cash and cash equivalents at the balance sheet date are deducted from bank loans and overdrafts where formal rights of set-off exist.

Turnover

Turnover comprises sales to third parties (excluding VAT and similar sales taxes). Turnover includes air and land supplements and on board sales and is taken before deducting travel agents' commission.

Deposits received on sales of cruises are initially recorded as deferred income and are recognized, together with revenues from shipboard activities and all associated direct costs of a voyage, on a pro rata basis over the period of the cruise.

Marketing and promotion costs

Marketing and promotion costs are expensed over the period of benefit, not exceeding one year from the end of the year the cost is incurred.

Leases

Assets acquired under finance leases are capitalized and the outstanding future lease obligations are shown in creditors. Rentals under operating leases are charged to the profit and loss account on a straight line basis over the life of the lease.

Pension costs

Contributions in respect of defined contribution pension plans are charged to the profit and loss account when they are payable. Contributions in respect of defined benefit pension plans are calculated as a percentage, agreed on actuarial advice, of the pensionable salaries of employees. The cost of providing defined benefit pensions is charged to the profit and loss account on a systematic basis over the periods benefiting from the services of employees, and is calculated with the advice of an independent qualified actuary, using the projected unit method. This is in accordance with Statement of Standard Accounting Practice 24 "Accounting for pension costs", the basis on which the Group accounts for pension costs. Additional disclosure as required by FRS17 is also provided.

Deferred taxation

Deferred tax is recognized without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. A net deferred tax asset is regarded as recoverable and therefore recognized only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Derivatives and other financial instruments

The Group uses currency swaps, interest rate swaps and forward currency contracts to manage its exposure to certain foreign currency and interest rate risks and to hedge its major capital expenditure or lease commitments by businesses in currencies other than their functional currency. Gains and losses on instruments used for hedging are not recognized until the exposure that is being hedged is itself recognized.

Foreign currencies

The functional and reporting currency of the Group is the U.S. dollar as the majority of its trade and assets are denominated in that currency. Transactions in currencies other than a business' functional currency are recorded at the rate of exchange ruling at the date of the transaction. Profits and losses of subsidiaries, branches, and joint ventures which have functional currencies other than U.S. dollars are translated into U.S. dollars at average rates of exchange. Assets and liabilities denominated in foreign currencies are translated at the year end exchange rates.

Exchange differences arising from the retranslation of the opening net assets of subsidiaries, branches, and joint ventures which have currencies of operation other than U.S. dollars and any related loans are taken to reserves, together with the differences arising when the profit and loss accounts are translated at average rates and compared with rates ruling at the year end. Other exchange differences are taken to the profit and loss account.

2 Segmental analysis

The Group has a single business of operating cruise ships and related landside assets under various brand names including; Princess Cruises, P&O Cruises, Swan Hellenic, Ocean Village, AIDA, A'ROSA and P&O Cruises (Australia). These brand names are marketed by operations in North America, Europe and Australia.

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Turnover (by origin)			
North America	1,698.8	1,754.9	1,796.7
Europe and Australia	828.0	696.1	627.2
	2,526.8	2,451.0	2,423.9

Turnover in Europe and Australia includes turnover in relation to the United Kingdom of $525.8m (2001: $476.3m and 2000: $454.0m).

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Total operating profit			
North America	292.5	254.1	279.6
Europe and Australia	115.2	99.7	94.0
Exceptional transaction costs	(117.0)	—	—
	290.7	353.8	373.6
Depreciation and amortization			
North America	114.9	102.1	100.4
Europe and Australia	51.6	38.9	44.2
	166.5	141.0	144.6
Profit on ordinary activities before interest			
North America	292.5	252.2	279.8
Europe and Australia	116.4	99.7	87.3
Exceptional transaction costs	(117.0)	—	—
	291.9	351.9	367.1
Which is stated after crediting/(charging):			
Non-operating items			
North America	—	(1.9)	0.2
Europe and Australia	1.2	—	(6.7)

	1.2	(1.9)	(6.5)

Non-operating items for Europe and Australia include a $1.2m profit on sale of an investment (2001: $1.9m, 2000: $6.0m, loss on disposal of vessels).

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Capital additions			
North America	1,107.2	465.4	500.1
Europe and Australia	223.5	57.9	321.2
	1,330.7	523.3	821.3

	2002 U.S. $m	2001 U.S. $m
Net operating assets excluding goodwill and ships under construction		
North America	2,606.6	2,599.0
Europe and Australia	1,420.8	586.8
	4,027.4	3,185.8

The net operating assets are reconciled to net assets as follows:

Net operating assets	4,027.4	3,185.8
Goodwill	127.1	112.9
Ships under construction	907.4	508.0
Group share of joint ventures' non-operating assets	3.5	8.6
Net borrowings	(2,262.5)	(1,198.1)
Corporation tax and deferred tax	(66.6)	(43.7)
Net assets	2,736.3	2,573.5
Total assets		
North America	3,914.7	3,411.0
Europe and Australia	2,262.9	1,312.7
	6,177.6	4,723.7

3 Operating costs

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Direct operating costs	1,592.0	1,598.8	1,558.0
Selling and administration expenses (including exceptional transaction costs for 2002)	477.6	357.5	348.2
Depreciation and amortization	166.5	141.0	144.6
	2,236.1	2,097.3	2,050.8

Operating costs include:

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Advertising and promotion costs	145.8	149.4	139.4
Exceptional transaction costs	117.0	—	—
Operating lease costs:			
Ships	36.3	33.3	13.3
Property	14.2	11.2	10.5
Other	3.3	3.3	2.9
Auditors' remuneration:			
Audit	0.7	0.6	0.6

Stock exchange reporting	2.6	1.8	—
	3.3	2.4	0.6
Tax advice	3.1	3.5	5.1
Other non-audit fees	0.2	0.5	0.2
Total fees paid to the auditors and their associates	6.6	6.4	5.9

Of the $5.9m (2001: $5.8m and 2000: $5.3m) charged for non-audit services provided by the Company's auditors $4.5m (2001: $3.8m and 2000: $0.1m) was for services in the U.K.

4 Net interest and similar items

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Interest payable on:			
Bank loans and overdrafts	(39.4)	(30.9)	(24.1)
Loans from P&O	—	—	(39.7)
Loans from parent undertaking	—	—	(6.8)
	(39.4)	(30.9)	(70.6)
Interest capitalized	31.0	33.1	23.5
Interest receivable on other deposits	6.0	7.2	1.3
	(2.4)	9.4	(45.8)
Joint ventures	0.1	0.1	0.2
	(2.3)	9.5	(45.6)

4 Net interest and similar items (Continued)

Interest capitalized relates to tangible fixed assets under construction. The capitalization rate is based on the weighted average of interest rates applicable to the Group's borrowings as a whole during each year. The aggregate interest capitalized at each year end was:

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Ships	204.1	173.4	140.8
Properties	4.4	4.1	3.5
	208.5	177.5	144.3

5 Taxation

The taxation charge/(credit) is made up as follows:

	2002 U.S. $m	2001 U.S. $m Restated (note 1)	2000 U.S. $m Restated (note 1)
Current taxation:			
U.K. Corporation tax	(0.2)	—	—
Overseas taxation	(16.4)	(110.8)	(40.2)
	(16.6)	(110.8)	(40.2)
Deferred taxation:			
Origination/reversal of timing differences	(0.5)	192.5	(17.2)
	(17.1)	81.7	(57.4)

The current taxation charge is reconciled to the U.K standard rate as follows:

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m

		Restated (note 1)	Restated (note 1)
Profit on ordinary activities before tax	289.6	361.4	321.5
Notional tax charge at U.K standard rate (2002: 30.0%; 2001:30.0%; 2000: 30.0%)	(86.9)	(108.4)	(96.5)
Effect of overseas taxes at different rates	61.4	59.9	41.0
Permanent differences	(17.1)	(62.3)	(1.6)
Effect of tonnage tax	26.0	—	—
Other	—	—	16.9
	(16.6)	(110.8)	(40.2)

There was no charge or credit in respect of profits and losses on sale of ships and other fixed assets. The effective tax rate for the Group is expected to remain low following entry into the U.K. tonnage tax regime. The exceptional transaction costs had no effect on the tax charge for the year.

6 Dividends

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Dividends paid, declared, proposed and accrued are as follows:			
First interim dividend paid (65 cents per share)	100.0	150.0	90.0
Second interim dividend paid (22 cents per share)	50.0	—	—
Final dividend proposed (nil cents per share)	—	51.3	—
	150.0	201.3	90.0

7 Goodwill

	U.S. $m
Cost	
Cost at 31 December 2001	128.5
Exchange movements	20.9
Additions	—
Cost at 31 December 2002	149.4
Amortization	
Amortization at 31 December 2001	(15.6)
Exchange movements	(2.4)
Amortization charge for year	(4.3)
Amortization at 31 December 2002	(22.3)
Net book value	
At 31 December 2002	127.1
At 31 December 2001	112.9

$128.0m of goodwill in respect of AIDA ($106.5) and Seetours ($21.5) is being amortized over 40 years and 20 years, respectively. The directors consider that 40 years represents the useful economic life of the AIDA business and all other goodwill being amortized over 20 years.

8 Ships

	Owned U.S. $m	Leased U.S. $m	Total U.S. $m
Costs			
Cost at 31 December 2001	4,585.9	—	4,585.9
Exchange movements	206.5	—	206.5
Additions	1,157.4	148.1	1,305.5
Cost at 31 December 2002	5,949.8	148.1	6,097.9

Depreciation			
Depreciation at 31 December 2001	(693.5)	—	(693.5)
Exchange movements	(42.5)	—	(42.5)
Charge for year	(135.4)	(0.6)	(136.0)
Depreciation at 31 December 2002	(871.4)	(0.6)	(872.0)
Net book value			
At 31 December 2002	5,078.4	147.5	5,225.9
At 31 December 2001	3,892.4	—	3,892.4

Ships under construction included in the above totaled $907.4m (2001: $508.0m). Included within ships under construction at 31 December 2002 is the final payment in respect of Coral Princess which was delivered in December 2002, but did not enter operational service until January 2003.

9 Properties and other fixed assets

	Freehold properties U.S. $m	Office equipment, plant and motor vehicles U.S. $m	Total U.S. $m
Cost			
Cost at 31 December 2001	123.7	214.7	338.4
Exchange movements	—	5.1	5.1
Additions	5.2	20.0	25.2
Cost at 31 December 2002	128.9	239.8	368.7
Depreciation			
Depreciation at 31 December 2001	(5.9)	(84.5)	(90.4)
Exchange movements	—	(2.7)	(2.7)
Charge for year	(3.4)	(22.8)	(26.2)
Depreciation at 31 December 2002	(9.3)	(110.0)	(119.3)
Net book value			
At 31 December 2002	119.6	129.8	249.4
At 31 December 2001	117.8	130.2	248.0

The book value of freehold land is $3.4m (2001: $3.4m), which is not depreciated.

10 Investments

	Own shares held U.S. $m	Joint ventures U.S. $m	Other investments U.S. $m	Total U.S. $m
Cost or valuation at 31 December 2001	5.0	8.8	6.9	20.7
Exchange movements	0.5	—	(0.4)	0.1
Disposals	(1.1)	—	(1.9)	(3.0)
Cost or valuation at 31 December 2002	4.4	8.8	4.6	17.8
Provision for share options granted at 31 December 2001	(1.7)	—	—	(1.7)
Exchange movements	(0.2)	—	—	(0.2)
Disposals	1.1	—	—	1.1
Charge for year	(0.7)	—	—	(0.7)
Provision for share options granted at 31 December 2002	(1.5)	—	—	(1.5)
Net book value				
At 31 December 2002	2.9	8.8	4.6	16.3
At 31 December 2001	3.3	8.8	6.9	19.0

At 31 December 2002 the P&O Princess Cruises Employee Benefit Trust held 1,540,483 (2001: 1,981,616) shares in P&O Princess Cruises, with an aggregate nominal value of $1m. At 31 December 2002 the market value of these shares was $10.7m (2001: $11.5m). If they had been sold at this value there would have been no tax liability (2001: $nil) on the capital gain arising from the sale.

The Ms Arkona was sold by the owner Ms Arkona GmbH & Co KG to Transocean Tours on 30 January 2002. A profit of $1.2m was made on this transaction.

The principal joint ventures are P&O Travel Limited (Hong Kong) and Joex Limited. P&O Travel Limited (Hong Kong) is a travel agency incorporated in Hong Kong in which P&O Princess Cruises had a 50% interest at 31 December 2002.

P&O Princess Cruises' share of turnover for the year ended 31 December 2002 and share of gross assets and gross liabilities as of 31 December 2002 of P&O Travel Limited (Hong Kong) are as follows:

	2002 U.S. $m	2001 U.S. $m
Turnover	4.9	5.6
Gross assets	6.8	6.7
Gross liabilities	(3.0)	(2.9)
	3.8	3.8

Joex Limited (Joex) is a company incorporated in the Isle of Man, in which P&O Princess Cruises had a 50% interest at 31 December 2002. Joex was incorporated during 2001 and has not traded since incorporation. P&O Princess Cruises' share of its gross assets and liabilities at 31 December 2002 were $5m and $nil respectively. On 25 October 2002, the shareholders agreed to terminate the joint venture with effect from 1 January 2003 at no cost to P&O Princess Cruises and, on 2 January 2003, P&O Princess Cruises confirmed that the joint venture had been terminated. Accordingly, the shareholders are proceeding with the dissolution of Joex.

11 Stocks

	2002 U.S. $m	2001 U.S. $m
Raw materials and consumables	45.7	39.5
Goods for resale	41.7	34.8
	87.4	74.3

12 Debtors

	2002 U.S. $m	2001 U.S. $m
Amounts recoverable within one year		
Trade debtors	66.4	45.2
Other debtors	39.1	37.8
Prepayments and accrued income	183.5	165.1
Total amounts recoverable within one year	289.0	248.1
Amounts recoverable after more than one year		
Other debtors	0.1	0.4
Prepayments and accrued income	20.3	8.2
Total amounts recoverable after more than one year	20.4	8.6
Total debtors	309.4	256.7

13 Creditors

	Group 2002 U.S. $m	Group 2001 U.S. $m
Amounts falling due within one year		
Overdrafts	(14.5)	(16.7)
Bank loans	(98.0)	(158.4)
Finance lease creditors	(7.8)	—

Amounts owed to parent undertaking	(1,084.8)	(1,017.3)
Trade creditors	(184.2)	(147.2)
Corporation tax	(54.8)	(32.4)
Other creditors	(5.5)	(3.8)
Accruals	(114.9)	(88.7)
Deferred income	(467.2)	(337.1)
	(2,031.7)	(1,801.6)
Amounts falling due after more than one year		
Bank loans, loan notes, finance lease creditors and bonds:		
Between one and five years		
Bank loans	(790.9)	(131.4)
Finance lease creditors	(119.5)	—
Over five years		
Bank loans	(482.4)	(184.1)
Accruals and deferred income	(3.1)	(11.4)
	(1,395.9)	(326.9)

Group bank loans and overdrafts include amounts of $840.5m (2001: $368.6m) secured on ships and other assets.

Included within amounts owed to parent undertaking is $911.5m (2001: $827.9m) of inter-group financing.

14 Provisions for liabilities and charges

	Deferred taxation U.S. $m	Other U.S. $m	Total U.S. $m
At 31 December 2001	—	(10.4)	(10.4)
Prior year adjustment (note 1)	(11.3)	—	(11.3)
At 31 December 2001 (as restated)	(11.3)	(10.4)	(21.7)
Exchange differences	—	(1.8)	(1.8)
Released	—	10.7	10.7
Charged to profit and loss	(0.5)	(0.4)	(0.9)
At 31 December 2002	(11.8)	(1.9)	(13.7)

During 2001 the Group elected to enter the U.K. tonnage tax regime which eliminated future potential tax liabilities on its profits in the U.K. The regime includes provision whereby a proportion of capital allowances previously claimed by the Group may be subject to tax in the event that a significant number of vessels are sold and not replaced. This contingent liability decreases over the first seven years following entry into tonnage tax to nil. The contingent tax liability at 31 December 2002 was $173.8m (2001: $262.0m) assuming all vessels on which capital allowances had been claimed were sold for net book value and not replaced. No provision has been made as no liability is expected to arise.

$10.7 million of contingent consideration has been reclassified into creditors.

Other provisions principally relate to contingent consideration payable on the acquisition of subsidiaries.

Deferred taxation comprises:

	2002 U.S. $m	2001 U.S. $m
		Restated (note 1)
Accelerated capital allowances	11.8	11.3

Distributable reserves of overseas subsidiaries and joint ventures comprising approximately $1,417.3m (2001: $1,197.5m) would be subject to tax if paid as dividends. No deferred taxation is provided in respect of these.

15 Called up share capital

The authorised share capital is 229,055,000 £1 ordinary shares.

The allotted, called up and fully paid ordinary share capital is as follows:

	No of Shares	U.S. $m
At 31 December 2001 and at 31 December 2002	229,051,002	331.0

16 Reserves

	Share premium account U.S. $m	Merger reserve U.S. $m	Profit and loss account U.S. $m	Total U.S. $m
At 31 December 2001	1,078.9	(70.9)	1,245.6	2,253.6
Prior year adjustment (note 1)	—	—	(11.3)	(11.3)
At 31 December 2001 (as restated)	1,078.9	(70.9)	1,234.3	2,242.3
Exchange movements	—	—	40.3	40.3
Retained profit for the financial year	—	—	122.5	122.5
At 31 December 2002	1,078.9	(70.9)	1,397.1	2,405.1

17 Equity minority interests

	U.S. $m
At 31 December 2001	0.2
Proportion of profit on ordinary activities after taxation	—
At 31 December 2002	0.2

18 Notes to the consolidated cash flow statement

(a) Reconciliation of operating profit to net cash inflow from operating activities

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Group operating profit	290.7	353.7	373.1
Depreciation and amortization	166.5	141.0	144.6
Increase in stocks	(11.1)	(11.6)	(1.6)
(Increase)/decrease in debtors	(31.5)	42.2	(40.8)
Increase/(decrease) in creditors and provisions	146.8	(40.9)	44.7
Net cash inflow from operating activities	561.4	484.4	520.0

(b) Reconciliation of net cash flow to movement in net debt

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Increase in net cash in the year	55.4	15.6	27.4
Cash outflow/(inflow) from changes in short term borrowings	26.1	(50.0)	(20.6)
Cash inflow from changes in inter-group financing	(83.6)	(532.9)	(295.0)
Cash (inflow)/outflow from third party debt and lease financing	(837.5)	6.8	(187.5)
Change in net debt resulting from cash flows	(839.6)	(560.5)	(475.7)
Inception of finance leases	(129.9)	—	—
Exchange movements in net debt	(94.9)	12.0	12.6
Movement in net debt in the year	(1,064.4)	(548.5)	(463.1)
Net debt at the beginning of the year	(1,198.1)	(649.6)	(186.5)
Net debt at the end of the year	(2,262.5)	(1,198.1)	(649.6)

(c) Analysis of net debt

	At 1 Jan. 2002 U.S. $m	Cash flow U.S. $m	Other non-cash movements U.S. $m	Exchange movements U.S. $m	At 31 Dec. 2002 U.S. $m

Cash available on demand	120.4	53.2	—	(11.5)	162.1
Less: bank overdrafts	(16.7)	2.2	—	—	(14.5)
	103.7	55.4	—	(11.5)	147.6
Short term debt	(158.4)	26.1	48.7	(14.4)	(98.0)
Inter-group financing	(827.9)	(83.6)	—	—	(911.5)
Medium and long term debt	(315.5)	(840.1)	(48.7)	(69.0)	(1,273.3)
Finance leases	—	2.6	(129.9)	—	(127.3)
Net debt	(1,198.1)	(839.6)	(129.9)	(94.9)	(2,262.5)

19 Acquisitions

There were no significant business acquisitions during 2002.

The business acquired during 2001 was Basté & Lange GmbH, a German procurement company. Net assets of $0.2m were acquired for $1.7m in cash, giving rise to goodwill of $1.5m with an estimated useful life of 20 years. All book values approximate to fair values at acquisition.

20 Employees

	2002	2001
The average number of employees was as follows:		
Shore staff	3,654	3,623
Sea staff	16,298	15,833
	19,952	19,456

	2002 U.S. $m	2001 U.S. $m
The aggregate payroll costs were:		
Wages and salaries	307.5	279.1
Social security costs	12.1	11.2
Pension costs	12.1	9.8
	331.7	300.1

Directors' remuneration

The aggregate emoluments of the directors for the year to 31 December 2002 was as follows:

	2002 U.S. $'000	2001 U.S. $'000
Directors' emoluments in respect of services provided	3,942	2,851
Company contributions to defined benefit pension schemes	268	255
	4,210	3,106

The emoluments of P G Ratcliffe, who is the highest paid director, are disclosed in the full annual report and accounts of P&O Princess Cruises plc, together with those of NL Luff and Lord Sterling of Plaistow.

During the year one director (2000: none) exercised share options over shares of the ultimate holding company.

The following number of directors were part of the group company pension schemes.

	2002	2001
Number of directors	4	4

N L Luff, P G Ratcliffe and Lord Sterling of Plaistow were also members of the board of directors of the ultimate holding company, P&O Princess Cruises plc, at 31 December 2002, of which this company is a wholly owned subsidiary. Their interests in shares and debentures of group companies are disclosed in the

directors' report of that company. The value of awards granted during the year under the Group's long term incentive plan are included in the aggregate emoluments disclosed above.

Employee Option Schemes

Options under the P&O Princess Cruises Executive Share Option Plan (the "Option Plan") are exercisable in a period beginning not normally earlier than three years and ending no later than ten years from the date of the grant. Options granted immediately after the demerger from P&O in October 2000 as replacements of options over P&O deferred stock previously held by P&O Princess employees are exercisable over the same period as the options replaced. The exercise price is set at the closing market price on the day the option was granted.

Options granted to POPCIL employees over shares of the ultimate holding company, under the Option Plan are as set out below:

	Weighted average exercise price per share		Number of options	
	Shares	ADS	Shares	ADS
Options outstanding at 1 January 2002	293p	$ 17.14	6,551,662	952,717
Options granted during the year	408p	$ 23.85	2,856,082	505,150
Options exercised during the year	292p	$ 16.97	(613,523)	(53,917)
Options lapsed or cancelled	292p	—	(171,572)	—
Options outstanding at 31 December 2002	318p	$ 19.56	8,622,649	1,403,950
Options exercisable at 31 December 2002	293p	$ 16.97	1,038,955	54,874

On completion of the DLC transaction with Carnival Corporation all options existing at 31 December 2002 vested and became exercisable and any performance conditions ceased to apply.

21 Pensions

The Group is a contributing employer to various pension schemes, including some multi-employer merchant navy industry schemes.

In the U.K. the Group operates its own defined benefit pension scheme, the assets of which are managed on behalf of the trustee by independent fund managers. This scheme is closed to new membership. As of 31 March 2001, the date of the most recent formal actuarial valuation, the scheme had assets with a market value of $60.9m, representing 102 percent of the benefits accrued to members

allowing for future increases in earnings. Approximately 70 percent of the scheme's assets are invested in bonds and 30 percent in equities. The principal valuation assumptions were as follows:

	%
Rate of salary increases	4.0
Rate of pension increases	2.5
Discount rate	5.25
Expected return on assets	5.25

The Merchant Navy Ratings Pension Fund ("MNRPF") is a defined benefit multi-employer scheme in which sea staff employed by companies within the Group have participated. The scheme has a significant funding deficit and has been closed to further benefit accrual. Companies within the Group, along with other employers, are making payments into the scheme under a non-binding Memorandum of Understanding to reduce the deficit. Payments by Group companies to the scheme in 2002 totaled $2.0m, which represented 7 percent of the total payments made by all employers. As of 31 March 2002, the date of the most recent formal actuarial valuation, the scheme had assets with a market value of $814m, representing 84 percent of the benefits accrued to members. Approximately 68 percent of the scheme's assets were invested in bonds, 25 percent in equities and 7 percent in property. The valuation assumptions were as follows:

	%
Rate of salary increases	4.0
Rate of pension increases (where increases apply)	2.5
Discount rate	5.8
Expected return on assets	5.8

The Merchant Navy Officers Pension Fund ("MNOPF") is a defined benefit multi-employer scheme in which officers employed by companies within the Group have participated and continue to participate. This scheme is closed to new membership. The share of contributions being made to the scheme by Group companies (based on the year to 31 December 2002) was approximately 7 percent. However, the extent of each participating employer's liability for any deficit in the scheme is uncertain. Accordingly, POPCIL accounts for the scheme on a contributions paid basis, as if it were a defined contribution scheme. The scheme is divided into two sections the New Section and the Old Section. As of 31 March 2000, the date of the most recent formal actuarial valuation, the New Section had assets with a market value of $2,680m, representing approximately 100 percent of the benefits accrued to members. The valuation assumptions were as follows:

	%
Rate of salary increases	4.0

Rate of pension increases (where increases apply)	2.5
Discount rate	5.75
Expected return on assets	5.75

At the date of the valuation, approximately 77 percent of the New Section's assets were invested in equities, 14 percent in bonds and 9 percent in property and cash. As a result of this asset distribution,

it is expected that the fall in equity markets since March 2000 will have resulted in the New Section now showing a significant funding deficit. The estimated current position is discussed below with the additional information presented under FRS17. The Old Section has been closed to benefit accrual since 1978. As of 31 March 2000, the date of the most recent formal actuarial valuation, it had assets with a market value of $2,233m representing approximately 111 percent of the benefits accrued to members. The assets of the Old Section are substantially invested in bonds. Contributions from Group companies to the MNOPF during the year to 31 December 2002 were $1.2m.

The Group also operates a number of smaller defined benefit schemes in the U.S. which are unfunded, other than assets in a Rabbi Trust held on the Group's balance sheet, and makes contributions to various defined contribution schemes in various jurisdictions.

The pension charges arising from the schemes described above were:

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
The P&O Princess Cruises Pension Scheme	5.5	4.3	4.0
Merchant Navy Pension funds	2.8	2.7	2.7
Overseas plans	3.8	2.8	3.0
	12.1	9.8	9.7

(In 2000, the P&O Princess Cruises Pension Scheme figure includes $3.1m in respect of payments to the P&O Pension Scheme prior to demerger in October 2000.)

Differences between the amounts charged and the amounts paid by The Group are included in prepayments or creditors as appropriate. At 31 December 2002 total prepayments amounted to $6.3m (2001: $7.3m), and total creditors amounted to $14.3m (2001: $13.1m), giving a net pension liability in the balance sheet of $8.0m.

Additional information presented under FRS17 "Retirement Benefits"

While the group continues to account for pension costs in accordance with Statement of Standard Accounting Practice 24 "Accounting for Pension costs", under FRS17 "Retirement Benefits" the following additional information has been presented in respect of the Group's principal pension fund, the Group's share of the MNRPF and the U.S. defined benefit schemes. In accordance with FRS17, the MNOPF is not included in this analysis as POPCIL's share of its underlying assets and liabilities cannot be identified with certainty. However, some additional information on the overall funding position of this scheme is provided.

The actuarial valuations of the Group schemes and POPCIL's share of the MNRPF were updated to 31 December 2002 and 2001 by the Group's qualified independent actuary. The assumptions used are best estimates chosen from a range of possible actuarial assumptions which may not necessarily be

borne out in practice. Using weighted averages, these assumptions for the U.K. and U.S. schemes together were:

	2002 %	2001 %
Rate of increase in salaries	4.1	4.1
Rate of increase in pensions (where increases apply)	2.5	2.5
Discount rate	5.2	5.6
Expected return on assets (only relevant for U.K. schemes)	5.1	5.5

The aggregated assets and liabilities in the schemes as of 31 December 2002 and 2001 were:

	2002		2001	
	U.S. $m	Expected rate of return %	U.S. $m	Expected rate of return %
Equities	42.9	5.1	34.1	5.5
Bonds	93.8	5.1	86.9	5.5
Total market value of assets	136.7		121.0	
Present value of the schemes' liabilities	(178.0)	5.5	(146.2)	5.5

Net pension liability	(41.3)	(25.2)

(This analysis excludes pension assets held in a Rabbi Trust of $4.8m.)

The net pension liability of $41.3m (2001: $25.2m) represents pension prepayments of $nil (2001: $7.3m) and pension liabilities of $41.3m (2001: $32.5m). This compares with the net pension liability accounted for under SSAP 24 of $8.0m.

On full compliance with FRS17, the amounts that would have been charged to the consolidated profit and loss account and consolidated statement of total recognized gains and losses for these schemes for the year ended 31 December 2002 are set out below:

	2002 U.S. $m
Analysis of amounts charged to operating profits:	
Current service cost	(7.3)
Past service costs	—
Total charged to operating profit	(7.3)
Analysis of amount credited to other finance income:	
Interest on pension scheme liabilities	(8.9)
Expected return on assets in the pension schemes	7.0
Net charge to other finance income	(1.9)

The total profit and loss charge of $9.2m compares with $12.1m under SSAP 24

	2002 U.S. $m
Analysis of amounts recognized in Statement of Recognized Gains and Losses (STRGL):	
Loss on assets	(11.4)
Experience gain on liabilities	9.4
Loss on change of assumptions (financial and demographic)	(11.8)
Total loss recognized in STRGL before adjustment for tax	(13.8)

	2002
History of experience gains and losses	
Loss on scheme assets	($11.4m)
As a % of scheme assets at end of year	8.3%
Experience gain on scheme liabilities	$9.4m
As a % of scheme liabilities at end of year	5.3%
Total actuarial loss recognized in STRGL	($13.8m)
As a % of scheme liabilities at end of year	7.8%

	2002 U.S. $m
Movement in net pension liability in the scheme during the year	
Net pension liability at 1 January 2002	(25.2)
Contributions paid	6.1
Current service cost	(7.3)
Other finance charge	(1.9)
Actuarial loss	(13.8)
Exchange	0.8
Net pension liability at 31 December 2002	(41.3)

It is estimated that the funding position of the MNOPF has changed significantly since the valuation as at 31 March 2000 referred to above and that the New Section is now in deficit. The Annual Report of the MNOPF for the year ended 31 March 2002 showed that the market value of the assets of the New Section at that date was $2,404m, of which 66 percent was invested in equities, 22 percent in bonds and 12 percent in property and cash. The Group's actuary has estimated the deficit in the New Section at 31 December 2002, based on the estimated movement in assets since 31 March 2002 and in liabilities since 31 March 2000 and applying a discount rate to the liabilities, of 5.1% in accordance with FRS17. As noted above, the extent of each employer's liability with respect to the deficit in

the fund is uncertain. Based on the share of current contributions made to the scheme by the Group, its share of the estimated deficit would be approximately U.S.$85.0m although the appropriate share of the deficit actually attributable to the Group is believed to be lower than this.

On full adoption of FRS17 "Retirement benefits", in future years the difference between the fair value of the assets held in the Group's defined benefit pension schemes and the value of the schemes' liabilities measured on an actuarial basis, using the projected unit method, will be recognized in the balance sheet as a pension scheme asset or liability, as appropriate, which would have a consequential effect on reserves. The carrying value of any resulting pension scheme asset would be restricted to the extent that the Group is able to recover the surplus either through reduced future contributions or refunds. The pension scheme asset or liability would be recognized net of any related deferred tax. However, this is expected to be minimal due to the tax structure of the group. Movements in the defined benefit pension scheme asset or liability would be taken to the profit and loss account or directly to reserves.

22 Related party transactions

Mr. Horst Rahe, a non-executive director of the ultimate parent company, has an interest in a deferred consideration arrangement relating to the Group's purchase of AIDA Cruises Limited in November 2000. Amounts provided for as of 31 December 2002 in respect of this deferred consideration were $57.5m in aggregate (2001: $57.0m).

In July 2002, P&O Princess Cruises International Limited, entered into, on an arms-length basis, a lease on an office property in Germany with a company in which Horst Rahe, a director of the Company, has an interest. The lease is for a term of 10 years, commencing in 2004, with options to extend. The rent payable under the lease each year varies over the term of the lease, within the range Euro350,000 to Euro500,000. These figures are net of relevant regional government grants.

23 Commitments

Capital

	2002 U.S. $m	2001 U.S. $m
Contracted		
Ships and riverboats	1,790.0	2,721.6
Other	—	3.8
	1,790.0	2,725.4

Capital commitments related to ships and riverboats include contract stage payments, design and engineering fees and various owner supplied items but exclude interest that will be capitalized. As of 31 December 2002, the Group had future capital commitments in respect of the five ocean cruise ships and two riverboats on order at that date of $1,790.0m. Of the total commitment as of 31 December 2002, it is expected that the Group will incur $610.0m in 2003 and $1,180.0m in 2004.

Revenue

The minimum annual lease payments to which the Group was committed under non-cancellable operating leases were as follows:

	Property 2002 U.S. $m	Other 2002 U.S. $m	Total 2002 U.S. $m	Property 2001 U.S. $m	Other 2001 U.S. $m	Total 2001 U.S. $m
Within one year	10.2	12.4	22.6	9.5	21.4	30.9
Between one and two years	9.8	11.5	21.3	9.1	3.7	12.8
Between two and three years	9.8	11.8	21.6	8.9	0.4	9.3
Between three and four years	9.7	1.9	11.6	8.8	0.5	9.3
Between four and five years	9.7	—	9.7	8.7	0.1	8.8
In more than five years	56.6	—	56.6	59.4	—	59.4
	105.8	37.6	143.4	104.4	26.1	130.5

Future minimum annual lease payment due within one year are analyzed as follows:

	Property 2002 U.S. $m	Other 2002 U.S. $m	Total 2002 U.S. $m	Property 2001 U.S. $m	Other 2001 U.S. $m	Total 2001 U.S. $m
On leases expiring:						
Within one year	0.4	0.4	0.8	0.3	8.7	9.0
Between one and five years	0.2	12.0	12.2	0.4	12.7	13.1
After five years	9.6	—	9.6	8.8	—	8.8
	10.2	12.4	22.6	9.5	21.4	30.9

In addition to the above, at 31 December 2002 the Group had future commitments to pay for our usage of certain port facilities as follows:

	U.S. $m
Within one year	6.4
Between one and five years	27.4
After five years	5.6
	39.4

24 Contingent liabilities

The Group's parent has provided counter indemnities of $213.4m (2001: $179.7m) relating to bonds provided by third parties in support of the Group's obligations arising in the normal course of business. Generally, these bonds are required by travel industry regulators in the various jurisdictions in which the Group operates.

At 31 December 2002, POPCIL unconditionally guaranteed $1,118.6m (2001: $1,086.8) principle value of notes and bonds held by P&O Princess Cruises plc. The notes and bonds mature from 2007 through 2027.

The Group is a party to a purported class action litigation relating to alleged inappropriate assessing of passengers with certain port charges in addition to their cruise fare. The plaintiffs have not claimed a specific damage amount but settlement of this litigation had been agreed in principle with the plaintiffs for coupons for future travel in amounts between $5 and $24 with a total face value of approximately $13.4 million. However, on 17 January 2002, a Los Angeles Superior Court Judge ruled that he would not consider the class-wide settlement agreed by the parties on the grounds that he had previously ruled that there was no appropriate class. As a result of this ruling, the case remains pending. Notwithstanding this development, the board does not believe that a material liability will arise with respect to this case and no provision has been made in the accounts for this contingency. However, if there is a settlement, there can be no guarantee that it would be of an amount previously indicated.

In the normal course of business, various other claims and lawsuits have been filed or are pending against the Group. The majority of these claims and lawsuits are covered by insurance. POPCIL management believes the outcome of any such suits, which are not covered by insurance, would not have a material adverse effect on the Group's financial statements.

25 Investments

The principal subsidiaries at 31 December 2002 were:

Description	Country of incorporation/ registration	Percentage of equity share capital owned at 31 December 2002	Business
Alaska Hotel Properties LLC	U.S.A.	100%	Hotel operations
Brittany Shipping Corporation Ltd	Bermuda	100%	Shipowner
Corot Shipping Corporation (Sociedade Unipessoal) Lda	Portugal	100%	Shipowner
CP Shipping Corporation Ltd	Bermuda	100%	Shipowner
Fairline Shipping Corporation Ltd	Bermuda	100%	Shipowner
Fairline Shipping International Corporation Ltd	Bermuda	100%	Shipowner
GP2 Ltd	Bermuda	100%	Shipowner
GP3 Ltd	Bermuda	100%	Shipowner
Princess Cruises (Shipowners) Ltd	England	100%	Passenger cruising
P&O Travel Ltd	England	100%	Travel agent
Princess Cruise Lines Ltd	Bermuda	100%	Passenger cruising
Princess Tours Ltd	England	100%	Shipowner
Royal Hyway Tours Inc	U.S.A.	100%	Land tours
Sitmar International SRL	Panama	100%	Holding company
Tour Alaska LLC	U.S.A.	100%	Rail tours

26 Summary differences between U.K. and U.S. GAAP

Accounting principles

These financial statements have been prepared in accordance with U.K. GAAP, which differs in certain significant respects from U.S. GAAP. A description of the relevant accounting principles which differ materially is given below.

Treasury stock

Under U.K. GAAP, the parent company's shares held by employee share trusts are included at cost in fixed asset investments and are written down to the amount payable by employees over the vesting period of the options. Under U.S. GAAP, such shares are treated as treasury shares and are included in shareholders' equity.

Depreciation

Under U.K. GAAP, until 31 December 1999 certain freehold properties were not depreciated. Under U.S. GAAP useful economic lives have been applied to these properties and a depreciation expense recorded based on these lives.

Goodwill and contingent consideration

Under U.K. GAAP, if an acquirer makes an acquisition for contingent consideration, provision is made at the outset where it is probable that it will be paid and the amount can be measured reliably. Under U.S. GAAP this consideration is not recognized until the consideration is settled.

In June 2001 the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 141—Business Combinations and SFAS No. 142—Goodwill and Other Intangible Assets. SFAS No. 141 requires that the purchase method of accounting be used for all business combinations. SFAS No. 141 specifies criteria that intangible assets acquired in a business combination must meet to be recognized and reported separately from goodwill. SFAS No. 142 requires that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead tested for impairment at least annually in accordance with the provisions of SFAS No. 142.

The Group adopted the provisions of SFAS No. 141 as at 1 July 2001 and SFAS No. 142 as of 1 January 2002. Goodwill and intangible assets determined to have an indefinite useful economic life are not amortized. Goodwill and indefinite life intangible assets acquired in business combinations completed before 1 July 2001 continued to be amortized through to 31 December 2001. Amortization of such assets ceased on 1 January 2002 upon adoption of SFAS No. 142. Accordingly, goodwill amortization recognized under UK GAAP from 1 January 2002 has been reversed for the purposes of U.S. GAAP.

Upon adoption of SFAS No. 142 the Group was required to evaluate its existing intangible assets and goodwill that were acquired in purchase business combinations, and to make any necessary reclassifications in order to conform with the new classification criteria SFAS No. 141 for recognition separate from goodwill. The Group was also required to reassess the useful lives and residual values of all intangibles acquired and to make any necessary amortization period adjustments by the end of the first interim period after adoption. For intangible assets identified as having indefinite useful economic lives, the Group was required to test those intangible assets for impairment in accordance with the provisions of SFAS No. 142 within the first interim period. Impairment is measured as the excess

carrying value over the fair value of an intangible asset with an indefinite life. The results of this analysis did not require the Group to recognize an impairment loss.

In connection with the SFAS No. 142 transitional goodwill impairment evaluation, the Statement required the Group to perform an assessment of whether there was an indication that goodwill is impaired as of date of adoption. To accomplish this the Group was required to identify its reporting units and determine the carrying value of each reporting unit by assigning the assets and liabilities, including the existing goodwill and intangible assets, to those reporting units as of 1 January 2002. The Group was required to determine the fair value of each reporting unit and compare it with the carrying value of the reporting unit within six months of 1 January 2002. This transitional impairment test upon the adoption of SFAS No. 142 did not result in an impairment charge. The Group performed the annual impairment test in December 2002 and determined that goodwill was not impaired.

Marketing and promotion costs

Under U.K. GAAP, marketing and promotion costs have been expensed over the period of benefit, not exceeding one year from the end of the year the cost is incurred. U.S. GAAP requires that these costs are expensed in the financial year incurred.

Relocation costs

The Group had accrued expenses relating to the relocation of employees which under U.K. GAAP are recognizable as liabilities. Under U.S. GAAP these costs may not be recognized until incurred by the employees.

Employee share incentives

The Executive schemes

Under U.K. GAAP the intrinsic value of shares or rights to acquire shares when the rights are granted, less contributions by employees, is charged in arriving at operating profit. If this forms part of a long term incentive scheme the charge in the profit and loss account is spread over the period to which the schemes' performance criteria relate, otherwise recognition occurs when shares or rights are granted. Under U.S. GAAP, compensation expense is recognized for the difference between the market price of the shares and the exercise price for performance plans and variable plans. The amount of compensation expense is adjusted each accounting period based on the value of shares for both types of plan and also upon the estimated achievement of the performance criteria for the performance plans, until the date at which the number of shares and the exercise price are known.

SAYE scheme

When employed by P&O, certain employees of P&O Princess were eligible to participate in the P&O save as you earn ("SAYE") share option scheme. P&O Princess does not operate a SAYE scheme. U.K. GAAP does not recognize the cost of SAYE discounts in financial statements. U.S. GAAP requires the full discount given to employees on the market price of shares provided as part of a "non-compensatory plan" (such as the SAYE scheme) to be charged to the profit and loss account when it is greater than that which would be reasonable in an offer of shares to shareholders or others.

Pensions

Under U.K. GAAP, pension costs include the regular cost of providing the benefits as a level percentage of current and expected future earnings of the employees covered. Variations from the regular pension cost are spread on a systematic basis over the estimated average remaining service lives of current employees in the plans.

U.S. GAAP requires that the projected benefit obligation (pension liability) be compared with the market value of the underlying plan assets, and the difference may be adjusted to reflect any unrecognized obligations or assets in determining the pension cost or credit for the period. The actuarial method and assumptions used in determining the pension expense can be significantly different from that computed under current U.K. GAAP. U.S. GAAP also requires the actuarial valuation to be prepared as of a more recent date than U.K. GAAP.

During 2001 one of the multi-employer schemes in which the Group participates, the MNRPF, closed its fund for future benefit accrual. Under U.K. GAAP, the Group is recognizing this liability over the period in which the funding deficit is being made good, which approximates to expected remaining service lives of employees in the scheme. Under U.S. GAAP, the Group has accounted for its share of the scheme's net pension liability with an expense of $3.7m being recognized in 2002 (2001: $15.1m).

Derivative instruments and hedging activities

Under U.K. GAAP, gains and losses on instruments used for hedging are not recognized until the exposure that is being hedged is itself recognized. Under U.S. GAAP, Statement of Financial Accounting Standards No. 133 (SFAS No. 133), "Accounting for Derivative Instruments and Hedging Activities", as amended, requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives will either be recognized in earnings as offsets to the changes in fair value of related hedged items, or, for forecast transactions, deferred and recorded as a component of other comprehensive income until the hedged transactions occur and are recognized in earnings. The ineffective portion of a hedging derivative's change in fair value is recognized immediately in earnings.

This statement became effective for POPCIL on 1 January 2001, and a transition adjustment of $9.0m was debited to reserves on implementation as the cumulative effect of U.S. GAAP accounting policy change.

In accordance with SFAS 133, U.S. GAAP assets are increased by $71.5m and liabilities by $77.9m at 31 December 2002 (2001 U.S. GAAP assets increased by $214.3m and liabilities by $219.8m). Cash flow hedges of $1.6m have been taken to other comprehensive income.

Taxes

Deferred Tax

Following the implementation of FRS19 "Deferred tax", under both U.K. and U.S. GAAP deferred taxes are accounted for on all timing differences. Deferred tax can also arise in relation to the tax effect of the other U.S. GAAP adjustments. During 2001, the Group elected to enter the U.K. tonnage tax regime, as a result of which temporary timing differences in respect of fixed assets within

the scheme became permanent differences. The deferred tax liabilities in respect of these assets have therefore been released under both U.K. and U.S. GAAP.

Implementation of FRS 19 "Deferred Tax"

Following the implementation of FRS 19 "Deferred tax", as detailed in note 1, the reconciliation of U.K. profit and shareholders' funds to U.S. GAAP has been restated for 2001 and 2000. In 2001, the impact on the U.S. GAAP reconciliation is a decrease in the "Taxes" U.S. GAAP adjustment to profit of $96.8m and an increase of $11.3m in the "Taxes" U.S. GAAP adjustment to shareholders' funds. In 2000, the effect is a reduction in the "Taxes" U.S. GAAP adjustment to profit of $16.1m and a reduction in the "Taxes" U.S. GAAP adjustment to shareholders' funds to $108.1m.

Other taxes

The Group incurred income tax in 2001 as a result of taxable gains on intercompany transactions that were undertaken to maximize its tax efficiency. Under U.K. GAAP, this was charged to the profit and loss account. Under U.S. GAAP, income taxes paid on intercompany profits on assets remaining within the Group must be deferred. This deferred charge is being amortized over 25 years.

Transaction costs

In 2001, it was expected that the proposed dual listed company transaction with Royal Caribbean Cruises Ltd would be accounted for under U.K. GAAP using merger accounting principles with the costs of carrying out the combination being expensed to the profit and loss account when the combined group came into existence. When the P&O Princess Board withdrew its recommendation for this proposed transaction in October 2002, these costs were expensed under U.K. GAAP. Under U.S. GAAP it was intended that the proposed transaction would be accounted for using the purchase method of accounting with P&O Princess being treated as the acquiree. Accordingly, under U.S. GAAP the costs incurred by P&O Princess in connection with the proposed combination were expensed to the profit and loss account as incurred.

Assets and liabilities

Current assets under U.K. GAAP of $20.4m (2001 $8.6m) would be reclassified as non current assets under U.S. GAAP.

Provisions for liabilities and charges under U.K. GAAP of $nil (2001 $0.2m) would be reclassified as Creditors—amounts falling due within one year under U.S. GAAP.

The effects of these differing accounting principles are shown below:

Summary Group income statement

	2002 U.K.GAAP U.S. $m	2002 Adjustments U.S. $m	2002 U.S.GAAP U.S. $m	2001 U.S.GAAP U.S. $m	2000 U.S.GAAP U.S. $m
Revenues	2,526.8	—	2,526.8	2,451.0	2,423.9
Expenses					
Operating	(1,592.0)	—	(1,592.0)	(1,598.8)	(1,558.0)
Marketing, selling and administrative	(477.6)	5.5	(472.1)	(381.5)	(353.7)
Depreciation and amortization	(166.5)	4.7	(161.8)	(139.4)	(143.9)
	(2,236.1)	10.2	(2,225.9)	(2,119.7)	(2,055.6)
Operating income before income from affiliated operations	290.7	10.2	300.9	331.3	368.3
Income from affiliated operations	—	—	—	0.1	0.5
Operating income	290.7	10.2	300.9	331.4	368.8
Non-operating income (expense)					
Interest income	6.0	—	6.0	7.2	1.3
Interest expense, net of capitalized interest	(8.3)	0.7	(7.6)	5.7	(46.9)
Other income (expense)	1.2	—	1.2	(1.8)	(6.5)
Income tax (expense) credit	(17.1)	(2.8)	(19.9)	151.2	(56.9)
Minority interest	—	—	—	(0.1)	(2.6)
	(18.2)	(2.1)	(20.3)	162.2	(111.6)
Profit attributable to ordinary shareholders in accordance with U.S. GAAP before cumulative effect of accounting policy change	272.5	8.1	280.6	493.6	257.2
Cumulative effect of accounting policy change in respect of derivative instruments and hedging activities	—	—	—	(9.0)	—
Profit attributable to ordinary shareholders in accordance with U.S. GAAP	272.5	8.1	280.6	484.6	257.2

Adjustments to profit attributable to ordinary shareholders

	2002 U.S.$m	2001 U.S.$m	2000 U.S.$m
		Restated (note 1)	Restated (note 1)
Profit attributable to ordinary shareholders in accordance with U.K. GAAP	272.5	443.0	261.5
U.S. GAAP adjustments			
Depreciation	0.4	0.4	0.4
Goodwill and contingent consideration	4.3	1.2	0.3
Marketing and promotion costs	(3.2)	5.2	(8.3)
Relocation costs	(2.0)	2.0	—
Employee share incentives	1.8	(5.1)	1.9
Pensions	(3.0)	(14.2)	0.9
Derivative instruments and hedging activities	0.7	3.5	—
Tax effect of U.S. GAAP adjustments	—	(3.9)	0.5
Taxes	(2.8)	73.4	—
Transaction costs	11.9	(11.9)	—
Profit attributable to ordinary shareholders in accordance with U.S. GAAP before cumulative effect of accounting policy change	280.6	493.6	257.2
Cumulative effect of U.S. GAAP accounting policy change in respect of derivative instruments and hedging activities	—	(9.0)	—

Profit attributable to ordinary shareholders in accordance with U.S. GAAP	280.6	484.6	257.2

Goodwill and other intangible assets—adoption of SFAS No. 142

	2002 U.S.$m	2001 U.S.$m	2000 U.S.$m
Reported profit attributable to ordinary shareholders in accordance with U.S. GAAP	280.6	484.6	257.2
Add back goodwill amortization	—	2.9	2.0
Adjusted profit attributable to ordinary shareholders in accordance with U.S. GAAP	280.6	487.5	259.2

Adjustments to shareholders' funds	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
		Restated (note 1)	Restated (note 1)
Shareholders' funds in accordance with U.K. GAAP	2,736.1	2,573.3	2,352.1
U.S. GAAP adjustments			
Treasury stock	(2.9)	(3.3)	—
Depreciation	(10.9)	(11.3)	(11.7)
Goodwill and contingent consideration	(41.0)	(45.3)	(46.5)
Marketing and promotion costs	(87.9)	(84.7)	(89.9)
Relocation costs	—	2.0	—
Pensions	(15.3)	(12.3)	1.9
Derivative instruments and hedging activities	(6.4)	(5.5)	—
Tax effect of U.S. GAAP adjustments	—	—	3.9
Taxes	70.6	73.4	—
Transaction costs	—	(11.9)	—
Shareholders' funds in accordance with U.S. GAAP	2,642.3	2,474.4	2,209.8

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
The following table reconciles shareholders' funds under U.S. GAAP			
Shareholders' funds opening balance	2,474.4	2,209.8	1,960.0
Profit for year under U.S. GAAP	280.6	484.6	257.2
Add back share options as taken through reserves	(1.8)	5.1	(1.2)
Treasury stock	—	(3.3)	—
Foreign exchange reserve movement	40.7	(20.5)	(5.5)
Dividend	(150.0)	(201.3)	(90.0)
Investment by P&O	—	—	1.2
New shares issued	—	—	88.1
FAS 133 cash flow hedge	(1.6)	—	—
Shareholders' funds closing balance	2,642.3	2,474.4	2,209.8

Cash flow statements

The cash flow statements have been prepared in conformity with U.K. Financial Reporting Standard 1 (Revised) "Cash Flow Statements". The principal differences between these statements and cash flow statements presented in accordance with SFAS No. 95 are as follows:

(a) Under U.K. GAAP net cash flow from operating activities is determined before considering cash flows from (a) returns on investments and servicing of finance (b) taxes paid and (c) dividends received from joint ventures. Under U.S. GAAP, net cash flow from operating activities is determined after these items.

(b) Under U.K. GAAP, capital expenditure is classified separately while under U.S. GAAP, it is classified as an investing activity.

(c) Under U.K. GAAP movements in bank overdrafts are classified as movements in cash while under U.S. GAAP they are classified as a financing activity.

(d)

Under U.K. GAAP equity dividends paid to shareholders are classified separately, under U.S. GAAP they are classified as a financing activity.

Set out below is a summary cash flow statement under U.S. GAAP:

	2002 U.S. $m	2001 U.S. $m	2000 U.S. $m
Net cash inflow from operating activities	463.5	233.3	410.1
Net cash outflow from investing activities	(1,153.4)	(592.5)	(795.5)
Net cash inflow from financing activities	743.1	391.2	411.8
Exchange translation effect on cash	(11.5)	5.9	(7.1)
Net increase in cash and cash equivalents under U.S. GAAP	41.7	37.9	19.3
Cash and cash equivalents at beginning of year	120.4	82.5	63.2
Cash and cash equivalents at end of year	162.1	120.4	82.5

New U.S. Accounting Standards

In June 2001, the Financial Accounting Standards Board ("FASB") issued SFAS No. 143—"Accounting for Asset retirement obligations". SFAS No. 143 requires the Group to record the fair value of asset retirement obligations associated with the retirement of tangible long-lived assets and the associated retirement costs in the period in which it is incurred, if a reasonable estimate of fair value can be made. SFAS No. 143 will be adopted by the Group in the 2003 fiscal year. The Group has not yet determined the impact of adopting SFAS No. 143.

In April 2002, the FASB issued SFAS No. 145 "Rescission of FASB Statements No. 4, 44 and 64, Amendment of FASB Statement No. 13, and Technical Corrections." SFAS No. 145 provides for the rescission of several previously issued accounting standards, new accounting guidance for the accounting for certain lease modifications and various technical corrections that are not substantive in nature to existing pronouncements. SFAS No. 145 will be adopted beginning January 1, 2003, except for the provisions relating to the amendment of SFAS No. 13, which was adopted for transactions occurring

subsequent to May 15, 2002. The impact of adopting SFAS No. 145 on the results of operations and financial position of the Group remains to be evaluated.

In July 2002, the FASB issued SFAS No. 146 ("SFAS 146"), "Accounting for Costs Associated with Exit or Disposal Activities." SFAS 146 nullifies Emerging issues Task Force No. 94-3, "Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)." SFAS 146 requires that a liability for a cost associated with an exit or disposal activity should be recorded when it is incurred and initial measurement be at fair value. The statement is effective for exit or disposal activities that are initiated after December 31, 2002, although earlier adoption is encouraged. The impact of adopting SFAS No. 146 on the results of operations and financial position of the Group remains to be evaluated.

In November 2002, the Financial Accounting Standards Board issued interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, including indirect Guarantees of Indebtedness of Others" (FIN45), which addresses, among other things, the disclosure to be made by a guarantor in its interim and annual financial statements about its obligations under guarantees. The Interpretation also requires the recognition of a liability by a guarantor at the inception of certain guarantees.

The Interpretation requires the guarantor to recognize a liability for the non-contingent component of the guarantee, this is the obligation to stand ready to perform in the event that specified triggering events or conditions occur. The initial measurement of this liability is the fair value of the guarantee at inception. The recognition of the liability is required even if it is not probable that payments will be required under the guarantee or if the guarantee was issued with a premium payment or as part of a transaction with multiple elements.

The Company has adopted the disclosure requirements of the Interpretation and will apply the disclosure recognition and measurement provisions for all guarantees entered into or modified after December 31, 2002.

In December 2002, the FASB issued SFAS No. 148, "Accounting for Stock Based Compensation—Transition and Disclosure—an amendment of FASB statement No. 123". SFAS 148 permits two additional transition methods for entities that adopt the fair value based method of accounting for stock-based employee compensation. The Statement also requires new disclosures about the ramp-up effect of stock-based employee compensation on reported results. The Statement also requires that those effects be disclosed more prominently by specifying the form, content and location of those disclosures. The transition guidance and annual disclosure provisions of SFAS No. 148 are effective for fiscal years ending after December 15, 2002, with earlier application permitted in certain circumstances. The interim disclosure provisions are effective for financial reports containing financial statements for interim periods beginning after December 5, 2002. The Company has not decided yet if it will adopt the transition provisions of SFAS 148.

In January 2003, the FASB issued FASB Interpretation No. 46, "Consolidation of Variable Interest Entities" (FIN 46) which interprets Accounting Research Bulletin (ARB) No. 51, Consolidated Financial Statements. FIN 46 clarifies the application of ARB No. 51 with respect to the consolidation of certain entities (variable interest entities—"VIES") to which the usual condition for consolidation described in ARB No. 51 does not apply because the controlling financial interest in VIE's may be achieved through arrangements that do not involve voting interests. In addition, FIN 46 requires the

primary beneficiary of VIE's and the holder of a significant variable interest in VIE's to disclose certain information relating to their involvement with the VIE's. The provisions of FIN 46 apply immediately to VIE's created after January 31, 2003, and to VIE's in which an enterprise obtains an interest after that date, FIN 46 applies in the first fiscal year beginning after June 15, 2003, to VIE's in which an enterprise holds an interest that it acquired before February 1, 2003. The Group is currently evaluating the impact the adoption of FIN 46 will have on its financial statements.

On 30 April 2003, the FASB issued Statement of Financial Accouting Standards No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities" (the "Statement"). The purpose of the Statement is to amend and clarify financial accounting and reporting for derivative instruments and hedging activities under Statement 133. The Statement amends Statement 133 to clarify the definition of a derivative, expand the nature of exemptions from Statement 133, clarify the application of hedge accounting when using certain instruments, clarify the application of paragraph 13 of Statement 133 to embedded derivative instruments in which the underlying is an interest rate, and modify the cash flow presentation of derivative instruments that contain financing elements. The company is currently considering the impact of this Standard.

On 15 May 2003, the FASB issued Statement No. 150 "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". The provisions of the Statement will change the classification of certain freestanding financial instruments that are now classified as equity. Generally, the Statement is effective for financial instrument arrangements entered into or modified after 31 May 2003, and otherwise effective at the beginning of the first interim period beginning after 15 June 2003.

27 Ultimate holding company

As at 31 December 2002, the Company's ultimate holding company was P&O Princess Cruises plc. This is the largest and smallest group into which the results of POPCIL were consolidated. Its accounts are available to the public from The Registrar of Companies, Companies House, Crown Way, Cardiff CF4 3UZ.

As described in note 28 below, on 17 April 2003 the DLC transaction with Carnival Corporation was completed. On that date, P&O Princess Cruises plc changed its name to Carnival plc.

28 Post balance sheet event

On 7 January 2003, the board of the parent company, P&O Princess Cruises plc approved the proposed DLC transaction with Carnival Corporation and agreed to recommend to the P&O Princess shareholders that they vote in favour of the resolution to implement the DLC structure. In the early morning of 8 January, 2003, Carnival and P&O Princess signed the implementation agreement setting out the terms and conditions for the implementation of the DLC structure.

The DLC transaction with Carnival Corporation completed on 17 April 2003. On this date, P&O Princess Cruises plc changed its name to Carnival plc. Following completion, Carnival Corporation and Carnival plc will function as a single economic business through contractual agreement between the two separate legal entities and provisions within the two companies' constitutional documents.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. ***Other Expenses of Issuance and Distribution***

The following statement sets forth the estimated amounts of expenses to be borne by the registrant in connection with the distribution of the offered securities.

Filing fee for Registration Statement	$	46,524
Printing fees and expenses	$	20,000*
Legal fees and expenses	$	60,000*
Accounting fees and expenses	$	20,000*
Miscellaneous	$	20,000*
Total	$	166,524*

* Estimated and subject to future contingencies.

Item 15. ***Indemnification of Directors and Officers.***

Carnival Corporation's third amended and restated articles of incorporation and by-laws provide, subject to the requirements set forth therein, that with respect to any person who was or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, Carnival Corporation shall indemnify such person by reason of the fact that he is or was one of Carnival Corporation's or Carnival plc's directors or officers, and may indemnify such person by reason of the fact that he is or was one of Carnival Corporation's or Carnival plc's employees or agents or is or was serving at Carnival Corporation's or Carnival plc's request as a director, officer, employee or agent in another corporation, partnership, joint venture, trust or other enterprise, in either case against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to Carnival Corporation's or Carnival plc's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Carnival Corporation has entered into agreements with each of its directors providing essentially the same indemnities as are described in Carnival Corporation's third amended and restated articles of incorporation in the event that such director or such director's heirs, executors or administrators are made a party to threatened, pending or completed actions, suits or proceedings as described above.

Article 288 of Carnival plc's articles of association provides:

"Subject to the provisions of the Companies Acts but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer of Carnival plc or of Carnival Corporation shall be indemnified out of the assets of Carnival plc against any liability incurred by him to the fullest extent permitted under the law."

Under the UK Companies Act 1985, a UK company is not permitted to indemnify a director or officer of the company (or any person employed by the company as an auditor) against any liability in

respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the company. UK companies, however, may:

- purchase and maintain liability insurance for officers and directors; and
- indemnify officers and directors against any liability incurred by him either in defending any proceedings in which judgment is given in his favor or he is acquitted, or in connection with the court granting him relief from liability in the case of honest and reasonable conduct.

Carnival plc has entered into agreements with each of its directors providing essentially the same indemnities as are described in Carnival plc's articles of association as described above.

Article 130 of POPCIL's Articles of Association provides:

"Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer of auditor of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company."

Under the UK Companies Act 1985, a UK company is not permitted to indemnify a director or officer of the company (or any person employed by the company as an auditor) against any liability in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the company. UK companies, however, may:

- purchase and maintain liability insurance for officers an directors; and
- indemnify officers and directors against any liability incurred by him either in defending any proceedings in which judgment is given in his favor or he is acquitted, or in connection with the court granting him relief from liability in the case of honest and reasonable conduct.

Item 16. ***Exhibits***

4.1	Third Amended and Restated Articles of Incorporation of Carnival Corporation (incorporated by reference to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc, filed on April 17, 2003).
4.2	Amended and Restated By-laws of Carnival Corporation (incorporated by reference to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc, filed on April 17, 2003).
4.3	Articles of Association of Carnival plc (incorporated by reference to the Carnival plc's current report on Form 8-K, filed on April 17, 2003).
4.4	Memorandum of Association of Carnival plc (incorporated by reference to Carnival plc's current report on Form 8-K, filed on April 17, 2003).
4.5	Articles of Association of P&O Princess Cruises International Limited (formerly P&O Cruises Limited).
4.6	Memorandum of Association of P&O Princess Cruises International Limited (formerly P&O Cruises Limited).
4.7	Voting Trust Deed, dated as of April 17, 2003, between Carnival Corporation and The Law Debenture Trust Corporation (Cayman) Limited, as trustee (incorporated by reference to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc, filed on April 17, 2003).

4.8	Pairing Agreement, dated as of April 17, 2003, between Carnival Corporation, The Law Debenture Trust Corporation (Cayman) Limited, as trustee, and SunTrust Bank, as transfer agent (incorporated by reference to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc, filed on April 17, 2003).
4.9	SVE Special Voting Deed, dated as of April 17, 2003 between Carnival Corporation, DLS SVC Limited, P&O Princess Cruises, plc, The Law Debenture Trust Corporation (Cayman) Limited, as trustee, and The Law Debenture Trust Corporation, P.L.C. (incorporated by reference to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc, filed on April 17, 2003).
4.10	Carnival plc (formerly P&O Princess Cruises plc) Deed of Guarantee between Carnival Corporation and Carnival plc, dated as of April 17, 2003.
4.11	P&O Princess Cruises International Limited Deed of Guarantee among P&O Princess Cruises International Limited, Carnival Corporation and Carnival plc, dated as of June 19, 2003.

4.12	Indenture, dated as of April 25, 2001, between Carnival Corporation and U.S. Bank Trust National Association, as trustee, relating to unsecured and unsubordinated debt securities (incorporated by reference to Exhibit No. 4.5 to the Registrant's registration statement on Form S-3, File No. 333-62950, filed with the Securities Exchange Commission).
4.13	Third Supplemental Indenture, dated as of April 29, 2003, between Carnival Corporation and U.S. Bank National Association, as trustee, creating a series of securities designated Senior Convertible Debentures due 2033.
4.14	Registration Rights Agreement, dated as of April 29, 2003, by and among Carnival Corporation, Carnival plc and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated.
4.15	Form of Senior Convertible Debenture (included in Exhibit 4.13).
4.16	Specimen Common Stock Certificate.
5.1	Opinion of Paul, Weiss, Rifkind, Wharton & Garrison LLP.
5.2	Opinion of Tapia Linares y Alfaro.
5.3	Opinion of Dickinson Cruickshank & Co.
5.4	Opinion of Maples and Calder.
5.5	Opinion of Freshfields Bruckhaus Deringer.
8.1	Opinion of Paul, Weiss, Rifkind, Wharton & Garrison LLP.
8.2	Opinion of Tapia Linares y Alfaro (included in Exhibit 5.2).
12.1	Ratio of Earnings to Fixed Charges of Carnival Corporation (incorporated by reference to Exhibit 12 to Carnival Corporation's Quarterly Report on Form 10-Q filed on April 14, 2003).
12.2	Ratio of Earnings to Fixed Charges of Carnival plc (incorporated by reference to Exhibit 12.2 to the Joint Registration Statement of Carnival Corporation and Carnival plc on Form S-4, File No. 333-105671).
12.3	Pro Forma Ratio of Earnings to Fixed Charges of Carnival Corporation & plc (incorporated by reference to Exhibit 12.3 to the Joint Registration Statement of Carnival Corporation and Carnival plc on Form S-4, File No. 333-105671).
12.4	Ratio of Earnings to Fixed Charges of POPCIL.
23.1	Consent of PricewaterhouseCoopers LLP, Independent Certified Public Accountants.

23.2	Consent of KPMG Audit Plc, Chartered Accountants, Registered Auditor of Carnival plc.
23.3	Consent of KPMG Audit Plc, Chartered Accountants, Registered Auditor of POPCIL.
23.4	Consent of Paul, Weiss, Rifkind, Wharton & Garrison LLP (included in Exhibit 5.1 and Exhibit 8.1).
23.5	Consent of Tapia Linares y Alfaro (included in Exhibit 5.2).
23.6	Consent of Dickinson Cruickshank & Co. (included in Exhibit 5.3).
23.7	Consent of Maples and Calder (included in Exhibit 5.4).
23.8	Consent of Freshfields Bruckhaus Deringer (included in Exhibit 5.5).
24.1	Powers of Attorney of certain officers and directors of Carnival Corporation (included on the signature pages hereof).
24.2	Powers of Attorney of certain officers and directors of Carnival plc (included on the signature pages hereof).
25.1	Statement of Eligibility under the Trust Indenture Act of 1939 on Form T-1 of U.S. Bank Trust National Association to act as Trustee under the Indenture, dated as of April 25, 2001, as supplemented by the Third Supplemental Indenture, dated as of April 29, 2003 (incorporated by reference to Exhibit 25.1 to Carnival Corporation's Registration Statement on Form S-3, File No. 333-62950).

Item 17. ***Undertakings***

The Registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (1)(i) and (1)(ii) of this Section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities

offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;

(4) If the registrant is a foreign private issuer, to file a post-effective amendment to the registration statement to include any financial statements required by Item 8.A of Form 20-F (17 CFR 249.220f) at the start of any delayed offering or throughout a continuous offering. Financial statements and information otherwise required by Section 10(a)(3) of the Act need not be furnished, provided that the registrant includes in the prospectus, by means of a post-effective amendment, financial statements required pursuant to this paragraph (a)(4) and other information necessary to ensure that all other information in the prospectus is at least as current as the date of those financial statements. Notwithstanding the foregoing, with respect to registration statements on Form F-3 (§ 239.33 of this chapter), a post-effective amendment need not be filed to include financial statements and information required by Section 10(a)(3) of the Act or § 210.3-19 of this chapter if such financial statements and information are contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Form F-3.

(5) That, for purposes of determining any liability under the Securities Act of 1933, each filing of each Registrants' annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and

(6) To file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act of 1939 in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Trust Indenture Act of 1939.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers, and controlling persons of the Registrants pursuant to the foregoing provisions, or otherwise, the Registrants have been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrants of expenses incurred or paid by a director, officer, or controlling person of the Registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the Registrants will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES OF CARNIVAL CORPORATION

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Miami, State of Florida, on the 18th day of June, 2003.

CARNIVAL CORPORATION

By: /s/ MICKY ARISON

Name: Micky Arison
Title: *Chairman of the Board of Directors and Chief Executive Officer*

POWER OF ATTORNEY

Each of the undersigned directors and officers of Carnival Corporation hereby severally constitutes and appoints Howard S. Frank or Gerald R. Cahill, and each of them, as attorneys-in-fact for the undersigned, in any and all capacities, with full power of substitution, to sign any amendments to this registration statement (including post-effective amendments), and to file the same with exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing requisite

and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that each said attorney-in-fact, or any of them, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ MICKY ARISON Micky Arison	Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer)	June 18, 2003
/s/ HOWARD S. FRANK Howard S. Frank	Vice-Chairman of the Board of Directors and Chief Operating Officer	June 18, 2003
/s/ GERALD R. CAHILL Gerald R. Cahill	Senior Vice President—Finance and Chief Financial and Accounting Officer (Principal Financial Officer and Principal Accounting Officer)	June 18, 2003
/s/ RICHARD G. CAPEN, JR. Richard G. Capen, Jr.	Director	June 14, 2003

/s/ ROBERT H. DICKINSON Robert H. Dickinson	Director	June 18, 2003
/s/ ARNOLD W. DONALD Arnold W. Donald	Director	June 17, 2003
/s/ PIER LUIGI FOSCHI Pier Luigi Foschi	Director	June 16, 2003
Baroness Hogg	Director	
A. Kirk Lanterman	Director	
/s/ MODESTO A. MAIDIQUE Modesto A. Maidique	Director	June 16, 2003
/s/ SIR JOHN PARKER Sir John Parker	Director	June 16, 2003
/s/ PETER G. RATCLIFFE Peter G. Ratcliffe	Director	June 17, 2003
Stuart Subotnick	Director	
Uzi Zucker	Director	

SIGNATURES OF CARNIVAL PLC

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Miami, State of Florida, on the 18th day of June, 2003.

CARNIVAL PLC

By: /s/ MICKY ARISON

Name: Micky Arison
Title: *Chairman of the Board of Directors and Chief Executive Officer*

POWER OF ATTORNEY

Each of the undersigned directors and officers of Carnival plc hereby severally constitutes and appoints Howard S. Frank or Gerald R. Cahill, and each of them, as attorneys-in-fact for the undersigned, in any and all capacities, with full power of substitution, to sign any amendments to this registration statement (including post-effective amendments), and to file the same with exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that each said attorney-in-fact, or any of them, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ MICKY ARISON Micky Arison	Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer)	June 18, 2003
/s/ HOWARD S. FRANK Howard S. Frank	Vice-Chairman of the Board of Directors and Chief Operating Officer	June 18, 2003
/s/ GERALD R. CAHILL Gerald R. Cahill	Senior Vice President—Finance and Chief Financial and Accounting Officer (Principal Financial Officer and Principal Accounting Officer)	June 18, 2003
/s/ RICHARD G. CAPEN, JR. Richard G. Capen, Jr.	Director	June 14, 2003

/s/ ROBERT H. DICKINSON Robert H. Dickinson	Director	June 18, 2003
/s/ ARNOLD W. DONALD Arnold W. Donald	Director	June 17, 2003
/s/ PIER LUIGI FOSCHI Pier Luigi Foschi	Director	June 16, 2003
Baroness Hogg	Director	
A. Kirk Lanterman	Director	
/s/ MODESTO A. MAIDIQUE Modesto A. Maidique	Director	June 16, 2003
/s/ SIR JOHN PARKER Sir John Parker	Director	June 16, 2003

/s/ PETER G. RATCLIFFE	Director	June 17, 2003
Peter G. Ratcliffe		
Stuart Subotnick	Director	
Uzi Zucker	Director	

SIGNATURES OF P&O PRINCESS CRUISES INTERNATIONAL LIMITED

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Southampton, England, on the 17th day of June, 2003.

P&O PRINCESS CRUISES INTERNATIONAL LIMITED

By: /s/ PETER G. RATCLIFFE

Name: Peter G. Ratcliffe
Title: *Director and Chief Executive Officer*

POWER OF ATTORNEY

Each of the undersigned directors and officers of Carnival Corporation hereby severally constitutes and appoints Howard S. Frank, Gerald R. Cahill or Arnaldo Perez, and each of them, as attorneys-in-fact for the undersigned, in any and all capacities, with full power of substitution, to sign any amendments to this registration statement (including post-effective amendments), and to file the same with exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that each said attorney-in-fact, or any of them, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ PETER G. RATCLIFFE	Director and Chief Executive Officer (Principal Executive Officer)	June 17, 2003
Peter G. Ratcliffe		
/s/ GERALD R. CAHILL	Director, Chief Financial and Accounting Officer (Principal Financial Officer and Principal Accounting Officer)	June 18, 2003
Gerald R. Cahill		

AUTHORIZED REPRESENTATIVE IN THE UNITED STATES

By: /s/ GERALD R. CAHILL — June 18, 2003

Name: Gerald R. Cahill
Title: Director, Chief Financial and Accounting Officer (Principal Financial Officer and Principal Accounting Officer)

EXHIBIT INDEX

4.1 Third Amended and Restated Articles of Incorporation of Carnival Corporation (incorporated by reference to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc, filed on April 17, 2003).

4.2 Amended and Restated By-laws of Carnival Corporation (incorporated by reference to the joint Current Report on Form 8-K of Carnival

Corporation and Carnival plc, filed on April 17, 2003).

4.3 Articles of Association of Carnival plc (incorporated by reference to the Carnival plc's current report on Form 8-K, filed on April 17, 2003).

4.4 Memorandum of Association of Carnival plc (incorporated by reference to Carnival plc's current report on Form 8-K, filed on April 17, 2003).

4.5 Articles of Association of P&O Princess Cruises International Limited (formerly P&O Cruises Limited).

4.6 Memorandum of Association of P&O Princess Cruises International Limited (formerly P&O Cruises Limited).

4.7 Voting Trust Deed, dated as of April 17, 2003, between Carnival Corporation and The Law Debenture Trust Corporation (Cayman) Limited, as trustee (incorporated by reference to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc, filed on April 17, 2003).

4.8 Pairing Agreement, dated as of April 17, 2003, between Carnival Corporation, The Law Debenture Trust Corporation (Cayman) Limited, as trustee, and SunTrust Bank, as transfer agent (incorporated by reference to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc, filed on April 17, 2003).

4.9 SVE Special Voting Deed, dated as of April 17, 2003 between Carnival Corporation, DLS SVC Limited, P&O Princess Cruises, plc, The Law Debenture Trust Corporation (Cayman) Limited, as trustee, and The Law Debenture Trust Corporation, P.L.C. (incorporated by reference to the joint Current Report on Form 8-K of Carnival Corporation and Carnival plc, filed on April 17, 2003).

4.10 Carnival plc (formerly P&O Princess Cruises plc) Deed of Guarantee between Carnival Corporation and Carnival plc, dated as of April 17, 2003.

4.11 P&O Princess Cruises International Limited Deed of Guarantee among P&O Princess Cruises International Limited, Carnival Corporation and Carnival plc, dated as of June 19, 2003.

4.12 Indenture, dated as of April 25, 2001, between Carnival Corporation and U.S. Bank Trust National Association, as trustee, relating to unsecured and unsubordinated debt securities (incorporated by reference to Exhibit No. 4.5 to the Registrant's registration statement on Form S-3, File No. 333-62950, filed with the Securities Exchange Commission).

4.13 Third Supplemental Indenture, dated as of April 29, 2003, between Carnival Corporation and U.S. Bank National Association, as trustee, creating a series of securities designated Senior Convertible Debentures due 2033.

4.14 Registration Rights Agreement, dated as of April 29, 2003, by and among Carnival Corporation, Carnival plc and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated.

4.15 Form of Senior Convertible Debenture (included in Exhibit 4.13).

4.16 Specimen Common Stock Certificate.

5.1 Opinion of Paul, Weiss, Rifkind, Wharton & Garrison LLP.

5.2 Opinion of Tapia Linares y Alfaro.

5.3 Opinion of Dickinson Cruickshank & Co.

5.4 Opinion of Maples and Calder.

5.5 Opinion of Freshfields Bruckhaus Deringer.

8.1 Opinion of Paul, Weiss, Rifkind, Wharton & Garrison LLP.

8.2 Opinion of Tapia Linares y Alfaro (included in Exhibit 5.2).

12.1 Ratio of Earnings to Fixed Charges of Carnival Corporation (incorporated by reference to Exhibit 12 to Carnival Corporation's Quarterly Report on Form 10-Q filed on April 14, 2003).

12.2 Ratio of Earnings to Fixed Charges of Carnival plc (incorporated by reference to Exhibit 12.2 to the Joint Registration Statement of Carnival Corporation and Carnival plc on Form S-4, File No. 333-105671).

12.3 Pro Forma Ratio of Earnings to Fixed Charges of Carnival Corporation & plc (incorporated by reference to Exhibit 12.3 to the Joint Registration Statement of Carnival Corporation and Carnival plc on Form S-4, File No. 333-105671).

12.4 Ratio of Earnings to Fixed Charges of P&O Princess Cruises International Limited.

23.1 Consent of PricewaterhouseCoopers LLP, Independent Certified Public Accountants.

23.2 Consent of KPMG Audit Plc, Chartered Accountants, Registered Auditor of Carnival plc.

23.3 Consent of KPMG Audit Plc, Chartered Accountants, Registered Auditor of POPCIL.

23.4 Consent of Paul, Weiss, Rifkind, Wharton & Garrison LLP (included in Exhibit 5.1 and Exhibit 8.1).

23.5 Consent of Tapia Linares y Alfaro (included in Exhibit 5.2).

23.6	Consent of Dickinson Cruickshank & Co. (included in Exhibit 5.3).
23.7	Consent of Maples and Calder (included in Exhibit 5.4).
23.8	Consent of Freshfields Bruckhaus Deringer (included in Exhibit 5.5).
24.1	Powers of Attorney of certain officers and directors of Carnival Corporation (included on the signature pages hereof).
24.2	Powers of Attorney of certain officers and directors of Carnival plc (included on the signature pages hereof).
25.1	Statement of Eligibility under the Trust Indenture Act of 1939 on Form T-1 of U.S. Bank Trust National Association to act as Trustee under the Indenture, dated as of April 25, 2001, as supplemented by the Third Supplemental Indenture, dated as of April 29, 2003 (incorporated by reference to Exhibit 25.1 to Carnival Corporation's Registration Statement on Form S-3, File No. 333-62950).

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Exhibit 4.5

COMPANY NO. 3902746

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

P&O PRINCESS CRUISES INTERNATIONAL LIMITED

(Adopted by special resolution passed on 19 March 2001)

PRELIMINARY

Table A

1. The regulations in Table A in the schedule to the Companies (Table A to F) Regulations 1985 (*Table A*) do not apply to the company.

Definitions

2. In these articles:

the Act means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;

the articles means these articles of association, as altered from time to time by special resolution;

auditors means the auditors of the company;

clear days in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

director means a director of the company and *the directors* means the directors or any of them acting as the board of directors of the company;

dividend means dividend or bonus;

the holder in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

office means the registered office of the company;

paid means paid or credited as paid;

seal means the common seal of the company and includes any official seal kept by the company by virtue of section 39 or 40 of the Act;

secretary means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary; and

the United Kingdom means Great Britain and Northern Ireland.

Construction

3. In these articles:

(a) unless expressly defined in the articles, words or expressions that are defined in the Act bear the same meaning as in the Act but excluding any statutory modification of the Act not in force when the articles become binding on the company;

(b) references to a document being executed include references to its being executed under hand or under seal or by any other method;

(c) words denoting the singular number include the plural number and vice versa, words denoting the masculine gender include the feminine gender and words denoting persons include corporations;

(d) headings and marginal notes are inserted for convenience only and do not affect the construction of these articles;

(e) powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them;

(f) the word *directors* in the context of the exercise of any power contained in these articles includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the company to which or, as the case may be, to whom the power in question has been delegated;

(g) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and

(h) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these articles or under another delegation of the power.

Single member

4. If at any time and for so long as the company has a single member, all the provisions of the articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company with a single member.

SHARE CAPITAL

Shares with special rights

5. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the company may by ordinary resolution determine or, subject to and in default of such determination, as the directors shall determine.

Redeemable shares

6. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the company or the holder on such terms and in such manner as may be provided by the articles.

Commissions

7. The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

Trusts not recognised

8. Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

Section 80 authority

9. In place of all authorities in existence at the date of adoption of these articles, the directors are hereby generally and unconditionally authorised pursuant to section 80 of the Act to allot relevant securities (within the meaning of section 80) up to an aggregate nominal amount equal to the authorised share capital of the company at the date of adoption of these articles for a period expiring (unless previously renewed, varied or revoked by the company in general meeting) five years after the date of adoption of these articles.

Section 89 exclusion

10. The pre-emption provisions in section 89(1) of the Act and the provisions of sub-sections 90(1) to 90(6) inclusive of the Act shall not apply to any allotment of the company's equity securities.

Allotment after expiry

11. Before the expiry of the authority granted by article 9 the company may make an offer or agreement which would or might require relevant securities to be allotted after that expiry and the directors may allot relevant securities in pursuance of that offer or agreement as if that authority had not expired.

Residual allotment powers

12. Subject to the provisions of articles 6, 9, 10 and 11, the provisions of the Act and to any resolution of the company in general meeting passed pursuant to those provisions:

(a) all unissued shares for the time being in the capital of the company (whether forming part of the original or any increased share capital) shall be at the disposal of the directors; and

(b) the directors may allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them to such persons on such terms and conditions and at such times as they think fit.

SHARE CERTIFICATES

Members' rights to certificates

13. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be executed under the seal or otherwise in accordance with the Act or in such other manner as the directors may approve and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up

thereon. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

Replacement certificates

14. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

LIEN

Company to have lien on shares

15. The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien on a share shall extend to any amount payable in respect of it.

Enforcement of lien by sale

16. The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.

Giving effect to sale

17. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

Application of proceeds

18. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES AND FORFEITURE

Power to make calls

19. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

Time when call made

20. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

Liability of joint holders

21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Interest payable

22. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

Deemed calls

23. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.

Differentiation on calls

24. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.

Notice requiring payment of call

25. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

Forfeiture for non-compliance

26. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

Sale of forfeited shares

27. Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.

Liability following forfeiture

28. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

Evidence of forfeiture or surrender

29. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

TRANSFER OF SHARES

Form and execution of transfer of share

30. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

Registration of transfer

31. The directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share to any person, whether or not it is fully paid or a share on which the company has a lien.

Notice of refusal to register

32. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.

Suspension of registration

33. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.

No fee payable on registration

34. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.

Retention of transfers

35. The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

TRANSMISSION OF SHARES

Transmission

36. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.

Elections permitted

37. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.

Rights of persons entitled by transmission

38. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company.

ALTERATION OF SHARE CAPITAL

Alterations by ordinary resolution

39. The company may by ordinary resolution:

(a) increase its share capital by new shares of such amount as the resolution prescribes;

(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and

(d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Fractions arising

40. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

Power to reduce capital

41. Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

PURCHASE OF OWN SHARES

Power to purchase own shares

42. Subject to the provisions of the Act, the company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.

GENERAL MEETINGS

Types of general meeting

43. All general meetings other than annual general meetings shall be called extraordinary general meetings.

Convening general meetings

44. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting.

NOTICE OF GENERAL MEETINGS

Period of notice

45. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:

(a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and

(b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right or such other majority as has been decided on by elective resolution of the members under the Act.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the auditors.

Accidental omission to give notice

46. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

Effectiveness of special and extraordinary resolutions

47. Where for any purpose an ordinary resolution of the company is required, a special or extraordinary resolution shall also be effective. Where for any purpose an extraordinary resolution is required a special resolution shall also be effective.

PROCEEDINGS AT GENERAL MEETINGS

Quorum

48. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.

If quorum not present

49. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.

Chairman

50. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

No director willing to act or present

51. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.

Directors entitled to speak

52. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the company.

Adjournments: chairman's powers

53. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

Methods of voting

54. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

(a) by the chairman; or

(b) by at least two members having the right to vote at the meeting; or

(c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(d) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

Declaration of result

55. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Withdrawal of demand for poll

56. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

Conduct of a poll

57. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Chairman's casting vote

58. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

When poll to be taken

59. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

Notice of poll

60. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

Resolutions in writing

61. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

Right to vote

62. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an

individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.

Votes of joint holders

63. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

Member under incapacity

64. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

Calls in arrears

65. No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.

Objection to voting

66. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

Supplementary provisions on voting

67. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.

Appointment of proxy

68. An instrument appointing a proxy shall be in writing under the hand of the appointing member or his attorney or, if the appointing member is a corporation, either under its common seal or the hand of a duly authorised officer, attorney or other person authorised to sign it.

Form of proxy

69. Instruments of proxy shall be in any usual form or in any other form which the directors may approve.

Delivery of form of proxy

70. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

(a) be left at or sent by post or facsimile transmission to the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

(b) in the case of a poll taken more than 48 hours after it is demanded, be left at or sent by post or facsimile transmission to the or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting after the poll has been demanded and before the time appointed for the taking of the poll; or

(c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

Revocation of authority

71. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

Validity of form of proxy

72. An instrument appointing a proxy shall be deemed to include the right to demand, or join in demanding, a poll. The instrument of proxy shall also be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates. Deposit of an instrument of proxy does not preclude a member from attending and voting at the meeting to which it relates or any adjournment of that meeting.

NUMBER OF DIRECTORS

Number of directors

73. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be not less than one but shall not be subject to any maximum in number. A sole director may exercise all the powers and discretions expressed by these articles to be vested in the directors generally.

ALTERNATE DIRECTORS

Power to appoint alternates

74. A director (other than an alternate director) may appoint any person willing to act, whether or not he is a director of the company, to be an alternate director and may remove from office an alternate director so appointed by him.

Alternates entitled to receive notice

75. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.

Alternates representing more than one director

76. A director or any other person may act as alternate director to represent more than one director, and an alternate director shall be entitled at meetings of the directors or any committee of the directors to one vote for every director whom he represents (and who is not present) in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present.

Expenses and remuneration of alternates

77. An alternate director may be repaid by the company such expenses as might properly have been repaid to him if he had been a director but shall not be entitled to receive any remuneration from the company in respect of his services as an alternate director except such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the company from time to time direct. An alternate director shall be entitled to be indemnified by the company to the same extent as if he were a director.

Termination of appointment

78. An alternate director shall cease to be an alternate director:

(a) if his appointor ceases to be a director; or

(b) if his appointor revokes his appointment pursuant to article 74; or

(c) on the happening of any event which, if he were a director, would cause him to vacate his office as director; or

(d) if he resigns his office by notice to the company.

Method of appointment and revocation

79. Any appointment or removal of an alternate director shall be by notice to the company signed by the director making or revoking the appointment. The notice may be:

(a) delivered personally to the secretary or to a director other than the director making or revoking the appointment; or

(b) sent by post in a prepaid envelope addressed to the office or to another address designated by the directors for that purpose or by leaving it at the office or such other address; or

(c) sent by telex, facsimile or electronic mail to a number designated by the directors for that purpose.

The appointment or removal shall take effect when the notice is deemed delivered in accordance with article 126 or article 127 (as the case may be) or on such later date (if any) specified in the notice.

Alternate not an agent of appointor

80. Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

POWERS OF DIRECTORS

Business to be managed by board

81. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

Exercise by company of voting rights

82. The directors may exercise the voting power conferred by the shares in any body corporate held or owned by the company in such manner in all respects as they think fit (including without limitation the exercise of that power in favour

of any resolution appointing its members or any of them directors of such body corporate, or voting or providing for the payment of remuneration to the directors of such body corporate).

DELEGATION OF DIRECTORS' POWERS

Committees of the directors

83. The directors may delegate any of their powers to any committee consisting of one or more directors. The directors may also delegate to any director holding any executive office such of their powers as the directors consider desirable to be exercised by him. Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate all or any of the powers delegated to one or more directors (whether or not acting as a committee) or to any employee or agent of the company. Any such delegation may be made subject to such conditions as the directors may specify, and may be revoked or altered. The directors may co-opt persons other than directors on to any such committee. Such co-opted persons may enjoy voting rights in the committee. The co-opted members shall be less than one-half of the total membership of the committee and a resolution of any committee shall be effective only if at least half of the members present are directors. Subject to any conditions imposed by the directors, the proceedings of a committee with two or more members shall be governed by these articles regulating the proceedings of directors so far as they are capable of applying.

Agents

84. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

Offices including the title "director"

85. The directors may appoint any person to any office or employment having a designation or title including the word "director" or attach such a designation or title to any existing office or employment with the company and may terminate any such appointment or the use of any such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment shall not imply that the holder is a director of the company, and the holder shall not thereby be empowered in any respect to act as, or be deemed to be, a director of the company for any of the purposes of these articles.

APPOINTMENT AND RETIREMENT OF DIRECTORS

Appointment and removal by holding company

86. The immediate holding company for the time being of the company (the *appointor*) may at any time and from time to time appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, and remove any director from office. Any appointment or removal of a director under this article shall be by notice to the company signed by or on behalf of the appointor or appointors (which may consist of several documents in the like form each signed by or on behalf of one or more appointors). The notice may be:

(a) delivered personally to the secretary or to a director other than the director being appointed or removed; or

(b) sent by post in a prepaid envelope addressed to the office or to another address designated by the directors for that purpose or by leaving it at the office or such other address; or

(c) sent by telex, facsimile or electronic mail to a number designated by the directors for that purpose.

The appointment or removal shall take effect when the notice is deemed delivered in accordance with article 126 or article 127 (as the case may be) or on such later date (if any) specified in the notice.

Appointment by the directors

87. The directors shall also have power to appoint any person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing directors, subject to any maximum for the time being in force, and any director so appointed shall hold office until he is removed in accordance with article 86.

Age limit

88. No person shall be disqualified from being appointed a director, and no director shall be required to vacate that office, by reason only of the fact that he has attained the age of 70 years or any other age nor shall it be necessary by reason of his age to give special notice under the Act of any resolution.

DISQUALIFICATION OF DIRECTORS

Disqualification as a director

89. The office of a director shall be vacated if:

(a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or

(b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

(c) he is, or may be, suffering from mental disorder and either:
  (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
  (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

(d) he resigns his office by notice to the company; or

(e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated; or

(f) he is removed in accordance with article 86; or

(g) he is requested to resign in writing by not less than three quarters of the other directors. In calculating the number

of directors who are required to make such a request to the director, (i) an alternate director appointed by him acting in his capacity as such shall be excluded; and (ii) a director and any alternate director appointed by him and acting in his capacity as such shall constitute a single director for this purpose, so that the signature of either shall be sufficient."

REMUNERATION OF DIRECTORS

Remuneration

90. The directors shall be entitled to such remuneration as the company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

DIRECTORS' EXPENSES

Directors may be paid expenses

91. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

Appointment to executive office

92. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company.

Directors may contract with the company

93. Provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:

(a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;

(b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and

(c) shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

Notification of interests

94. For the purposes of article 93:

(a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class or persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and

(b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

BENEFITS, PENSIONS AND INSURANCE

Benefits and pensions

95. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the company or with any body corporate which is or has been a subsidiary of the company or a predecessor in business of the company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

Insurance

96. Without prejudice to the provisions of article 130, the directors may exercise all the powers of the company to purchase and maintain insurance for or for the benefit of any person who is or was:

(a) a director, other officer, employee or auditor of the company, or any body which is or was the holding company or subsidiary undertaking of the company, or in which the company or such holding company or subsidiary undertaking has or had any interest (whether direct or indirect) or with which the company or such holding company or subsidiary undertaking is or was in any way allied or associated; or

(b) a trustee of any pension fund in which employees of the company or any other body referred to in article 96(a) is or has been interested,

including without limitation insurance against any liability incurred by such person in respect of any act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his duties, powers or offices in relation to the relevant body or fund.

Directors not liable to account

97. Without prejudice to the generality of article 93, no director or former director shall be accountable to the company

or the members for any benefit provided pursuant to article 95 or 96. The receipt of any such benefit shall not disqualify any person from being or becoming a director of the company.

Section 719 of the Act

98. Pursuant to section 719 of the Act, the directors are hereby authorised to make such provision as may seem appropriate for the benefit of any persons employed or formerly employed by the company or any of its subsidiary undertakings in connection with the cessation or the transfer of the whole or part of the undertaking of the company or any subsidiary undertaking. Any such provision shall be made by a resolution of the directors in accordance with section 719.

PROCEEDINGS OF DIRECTORS

Convening meetings

99. Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Notice of a meeting of the directors shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing or by telex, facsimile or electronic mail to him at his last known address or any other address given by him to the company for this purpose. A director absent or intending to be absent from the United Kingdom may request the directors that notices of directors meetings shall during his absence be sent in writing to him at an address given by him to the company for this purpose, but such notices need not be given any earlier than notices given to directors not so absent and, if no such request is made to the directors, it shall not be necessary to give notice of a directors meeting to any director who is for the time being absent from the United Kingdom. Any director may waive notice of a meeting and any such waiver may be retrospective.

Voting

100. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

Quorum

101. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two, except when there is only one director. If there is only one director, he may exercise all the powers and discretions conferred on directors by these articles. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. Any director who ceases to be a director at a directors' meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the directors' meeting if no director objects.

Meetings by telephone, etc.

102. Without prejudice to the first sentence of article 99, a person entitled to be present at a meeting of the directors or of a committee of the directors shall be deemed to be present for all purposes if he is able (directly or by telephonic communication) to speak to and be heard by all those present or deemed to be present simultaneously. A director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where it is convened to be held or (if no director is present in that place) where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is. The word meeting in these articles shall be construed accordingly.

Chairman and deputy chairman

103. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

Validity of acts of the board

104. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

Resolutions in writing

105. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

Directors' power to vote on contracts in which they are interested

106. Without prejudice to his obligations of disclosure under the Act and the articles, a director may vote at any meeting of the directors or of a committee of the directors on, and be counted in the quorum present at a meeting in relation to, any resolution concerning a transaction or arrangement with the company or in which the company is interested, or concerning any other matter in which the company is interested, notwithstanding that he is interested in that transaction, arrangement or matter or has in relation to it a duty which conflicts or may conflict with the interests of the company.

SECRETARY

Appointment and removal of secretary

107. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

MINUTES

Minutes required to be kept

108. The directors shall cause minutes to be made in books kept for the purpose:

(a) of all appointments of officers made by the directors; and

(b) of all proceedings at meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

THE SEAL, DEEDS AND CERTIFICATION

Authority required for execution of deed

109. The seal shall only be used by the authority of a resolution of the directors. The directors may determine who shall sign any instrument executed under the seal. If they do not, it shall be signed by at least one director and the secretary or by at least two directors. Any document may be executed under the seal by impressing the seal by mechanical means or by printing the seal or a facsimile of it on the document or by applying the seal or a facsimile of it by any other means to the document. A document signed, with the authority of a resolution of the directors, by a director and the secretary or by two directors and expressed (in whatever form of words) to be executed by the company has the same effect as if executed under the seal. For the purpose of the preceding sentence only, "secretary" shall have the same meaning as in the Act and not the meaning given to it by article 2.

Official seal for use abroad

110. The company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad.

Certified copies

111. Any director or the secretary, or any person appointed by the directors for the purpose, shall have power to authenticate any documents affecting the constitution of the company and any resolutions passed by the company (or the holders of any class of shares of the company) or the directors or any committee of the directors, and any books, records, documents and accounts relating to the business of the company, and to certify copies of or extracts from them as true copies or extracts. A document purporting to be a copy of a resolution, or the minutes of or an extract from the minutes of a meeting of the company (or the holders of any class of shares of the company) or of the directors or any committee of the directors that is certified in this way shall be conclusive evidence in favour of all persons dealing with the company in reliance on it that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

RECORD DATES

Record dates for dividends, etc.

112. Notwithstanding any other provision of these articles, the company or the directors may fix any date as the record date for any dividend, distribution, allotment or issue, which may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made.

DIVIDENDS

Declaration of dividends

113. Subject to the provisions of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors. Dividends may be declared in any currency authorised by the Board from time to time.

Interim dividends

114. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Apportionment of dividends

115. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

Dividends in specie

116. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

Procedure for payment to holders and others entitled

117. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the company. Any joint holder or

other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

Interest not payable

118. No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.

Forfeiture of unclaimed dividends

119. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

ACCOUNTS

Rights to inspect records

120. No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company.

CAPITALISATION OF PROFITS

Power to capitalise

121. The directors may with the authority of an ordinary resolution of the company:

(a) subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve;

(b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other; but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

(c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and

(d) authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

NOTICES

When notice required to be in writing

122. Any notice to be given to or by any person pursuant to the articles, except a notice calling a meeting of the directors or a committee of the directors, shall be in writing which includes, without limitation, telex, facsimile and electronic mail and any other visible substitute for writing. A notice may be partly in one form and partly in another.

Method of giving notice to member

123. The company may give any notice to a member:

(a) personally; or

(b) by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address; or

(c) by sending it by telex, facsimile or electronic mail to a number or address supplied to the company by the member for that purpose.

In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company.

Deemed receipt of notice

124. A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

Transferees etc. bound by prior notice

125. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

When notice by post deemed given

126. This article applies to any notice to be given to or by any person pursuant to the articles, including without

limitation a notice under article 79 or 86. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice sent by post shall be deemed given:

(a) if sent by first class post from an address in the United Kingdom to another address in the United Kingdom, on the day following that on which the envelope containing it was posted;

(b) if sent by the equivalent of first class post from an address in another country to another address in that country, on the day following that on which the envelope containing it was posted;

(b) if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or to an address in the United Kingdom from an address outside the United Kingdom, on the third day following that on which the envelope containing it was posted; and

(c) in any other case, on the fifth day following that on which the envelope containing it was posted.

When other notices deemed given

127. This article applies to any notice to be given to or by any person pursuant to the articles, including without limitation a notice under article 79 or 86. A notice sent by telex, facsimile or electronic mail transmission to a member to a number or address supplied to the company by the member for that purpose shall be deemed given twelve hours after the time of despatch or at such earlier time as receipt is acknowledged. A notice left at the registered address of a member shall be deemed given when delivered.

Notice to persons entitled by transmission

128. A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

WINDING UP

Liquidator may distribute in specie

129. If the company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

INDEMNITY

Indemnity to directors

130. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

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Exhibit 4.6

THE COMPANIES ACTS 1985 TO 1989

A PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
of
P&O PRINCESS CRUISES INTERNATIONAL LIMITED

1. The Company's name is "P&O PRINCESS CRUISES INTERNATIONAL LIMITED"[1].

2. The Company's registered office is to be situated in England and Wales.

3.1 The objects for which the Company is established are to carry on the business of ship and boat owners, forwarding and general agents, organising and conducting cruises, tours, holidays and excursions and to carry on the business as carriers of passengers and goods by sea, river, land and air, travel agents, tourist agents and contractors, insurance brokers, agents for the operators of sea, river, land and air carriage undertakings, and to provide passengers, travellers and tourists with hotel, leisure and other services and conveniences of all kinds.

3.2 Without prejudice to the generality of the objects and the powers of the Company derived from Section 3A of the Act the Company has power to do all or any of the following things:-

3.2.1 To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.

3.2.2 To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere, any trade marks, patents, copyrights, trade secrets, or other intellectual property rights, licences, secret processes, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.

1 The Company was incorporated as Setgilt Limited on 5th January 2000. Its name was changed to P&O Princess Cruises Limited on 22nd March 2000, to P&O Cruises Limited on 18th July 2000 and to P&O Princess Cruises International Limited on 20th December 2000, each change being made by special resolution.

3.2.3 To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

3.2.4 To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.

3.2.5 To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

3.2.6 To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).

3.2.7 To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.

3.2.8 To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.

3.2.9 To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the

Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

3.2.10 To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

3.2.11 To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

3.2.12 To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.

3.2.13 To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.

3.2.14 To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.

3.2.15 To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.

3.2.16 To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.

3.2.17 To distribute among the members of the Company in kind any property of the Company of whatever nature.

3.2.18 To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.

3.2.19 To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been directors of, or who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance including insurance for any director, officer or auditor against any liability in respect of any negligence, default, breach of duty or breach of trust (so far as permitted by law); and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such schemes to be established or maintained.

3.2.20 Subject to and in accordance with the provisions of the Act (if and so far as such provisions shall be applicable) to give, directly or indirectly, financial assistance for the acquisition of shares or other securities of the Company or of any other company or for the reduction or discharge of any liability incurred in respect of such acquisition.

3.2.21 To procure the Company to be registered or recognised in any part of the world.

3.2.22 To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

3.2.23 To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

3.2.24 AND so that:-

3.2.24.1 None of the provisions set forth in any sub-clause of this clause shall be restrictively construed but the widest interpretation shall be given to

each such provision, and none of such provisions shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other provision set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this clause, or by reference to or inference from the name of the Company.

3.2.24.2 The word "company" in this clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

3.2.24.3 In this clause the expression "the Act" means the Companies Act 1985, but so that any reference in this clause to any provision of the Act shall be deemed to include a reference to any statutory modification or reenactment of that provision for the time being in force.

4. The liability of the members is limited.

5. The Company's share capital is £1000 divided into 1000 shares of £1 each[2].

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[2] The capital was increased by the formation of 54,000 ordinary shares of £1 each on 21st July 2000, by the creation of 225,000,000 ordinary shares of £1 each on 25th September 2000 and by the creation of 4,000,000 ordinary shares of £1 each on 28th November 2000, each change being made by special resolution.

I, the subscriber to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and I agree to take the number of shares shown opposite my name.

Name and address of Subscriber	Number of shares taken by the Subscriber
Instant Companies Limited 1 Mitchell Lane Bristol BS1 6BU	One
Total shares taken	One

Date: 23rd December 1999.

Witness to the above signature	/s/ Authorized Signatory **Glenys Copeland** **1 Mitchell Lane, Bristol BS1 6BU**

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Exhibit 4.10

P&O PRINCESS DEED OF GUARANTEE

This Deed of Guarantee (**"Guarantee"**) is made on April 17, 2003 between P&O Princess Cruises plc (**"P&O Princess"**) and Carnival for the benefit of each Creditor.

BACKGROUND

Under the Implementation Agreement referred to below, P&O Princess has agreed with Carnival to enter into this Guarantee in respect of certain obligations of Carnival (including, without limitation, guarantees by Carnival of certain obligations of Principal Debtors).

THIS DEED WITNESSES as follows:

1. Definitions and Interpretation

1.1 **Definitions**

In this Guarantee:

"Business Day" shall have the meaning given in the Equalization and Governance Agreement;

"Carnival" means Carnival Corporation, a Panamanian company, having its principal place of business at Carnival Place, 3655, 87 Avenue, Miami, Florida, 33178-2482;

"Carnival Guarantee" means the deed of guarantee entered into by Carnival on or about the date of this Guarantee pursuant to the Implementation Agreement;

"Creditor" means any Person to whom or to which any Obligation is owed;

"Equalization and Governance Agreement" means the Agreement headed "Equalization and Governance Agreement" entered into between Carnival and P&O Princess as of even date with this Guarantee;

"Existing Obligation" means, in relation to:

(i) any agreement or exclusion referred to in Clause 4; or

(ii) any termination of this Guarantee; or

(iii) any amendment to this Guarantee,

any Obligation incurred before, or arising out of any credit or similar facility (whether committed or uncommitted) available for use at, the time at which the relevant agreement, exclusion, termination or amendment becomes effective;

"Group" means, in relation to Carnival or P&O Princess, such company and its Subsidiaries from time to time;

"Implementation Agreement" means the Agreement headed "Offer and Implementation Agreement" entered into between P&O Princess and Carnival, dated as of 8 January 2003;

"Obligation" means:

(a) any contractual monetary obligation (whether primary or secondary (and including, for the avoidance of doubt, any guarantee of the contractual monetary obligations of any Principal Debtor)) incurred by Carnival after the date of this Guarantee; and

(b) any other obligation of any kind which may be agreed in writing between Carnival and P&O Princess (in their absolute discretion) (in which case a note of such Obligation will be appended as an exhibit to this Guarantee),

excluding, in each case, any obligation (unless such obligation has been included pursuant to clause (b), above):

(i) to the extent that (without reference to the effect of this Guarantee) it is covered by the terms of any policy of insurance (or any indemnity in the nature of insurance) of which Carnival (or, where relevant, the Principal Debtor) has the benefit and which is in full force and effect;

(ii) explicitly guaranteed in writing by P&O Princess (otherwise than under this Guarantee) or for which P&O Princess agrees in writing to act as co-obligor or co-issuer;

(iii) where the arrangement under which the obligation was or is incurred, or the terms of issue of the obligation, explicitly provided or

provide(s) that the obligation is not to be an Obligation within the meaning of this Guarantee, or where the Creditor has explicitly agreed or explicitly agrees that the obligation is not to be an Obligation within the meaning of this Guarantee;

(iv) owed to P&O Princess or to any Subsidiary or Subsidiary Undertaking of P&O Princess or to any of the Subsidiaries or Subsidiary Undertakings of Carnival;

(v) of Carnival under or in connection with the Carnival Guarantee or any other guarantee by Carnival of any obligation of P&O Princess or any Subsidiary or Subsidiary Undertaking of P&O Princess;

(vi) excluded from the scope of this Guarantee as provided in Clause 4 (Exclusion Of Certain Obligations) or Clause 5 (Termination);

(vii) of Carnival incurred under any instrument or agreement existing on or prior to the date of this Guarantee; or

(viii) of Carnival under a guarantee to the extent that the guaranteed obligation of the Principal Debtor is not a contractual monetary obligation and/or is of a type referred to in any of paragraphs (i) to (vii) of this definition;

"Person" includes an individual, company, corporation, firm, partnership, joint venture, association, trust, state or agency of a state (in each case, whether or not having a separate legal personality);

"Principal Debtor" means, at any time, any Person any of whose obligations are at that time guaranteed by Carnival;

"Relevant Creditor" has the meaning given in Clause 3.1;

"Subsidiary" means, with respect to Carnival or P&O Princess, any entity, whether incorporated or unincorporated, in which such company owns, directly or indirectly, a majority of the securities or other ownership interests having by their terms ordinary voting power to elect a majority of the directors or other persons performing similar functions, or the management and policies of which such company otherwise has the power to direct; and

"Subsidiary Undertaking" has the meaning as defined in section 258 of the Companies Act 1985 (an Act of Parliament).

1.2 **Interpretation**

Headings are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise.

(A) The singular includes the plural and conversely.

(B) One gender includes all genders.

(C) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(D) A reference to any person includes a body corporate, an unincorporated body or other entity and conversely.

(E) A reference to a Clause is to a Clause of this Guarantee.

(F) A reference to any agreement or document is to that agreement or document as amended, novated, supplemented, varied or replaced from time to time, except to the extent prohibited by this Guarantee.

(G) A reference to any legislation (including any listing rules of a stock exchange or voluntary codes) or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.

(H) A reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form.

(I) Mentioning anything after include, includes, or including does not limit what else might be included. Where particular words are following by general words, the general words are not limited by the particular.

(J) Reference to a body other than P&O Princess or Carnival (including any government agency), whether statutory or not:

(i) which ceases to exist; or

(ii) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

(K) All references to time are to the local time in the place where the relevant obligation is to be performed (or right exercised).

2. Effect Of This Guarantee

This Guarantee shall take effect as a deed and it is intended that each Creditor severally shall be entitled to benefit from the terms of this Guarantee pursuant to the terms of the Contracts (Rights of Third Parties) Act 2001 save that the parties hereto shall be entitled to make any variation or

rescission of its terms, in accordance with its terms (including, without limitation, pursuant to Clause 4), without the consent of any Creditor or of any third party.

3. Guarantee and Indemnity

3.1 Subject to the terms of this Guarantee, P&O Princess unconditionally and irrevocably undertakes and promises to Carnival that it shall make to the Creditor to whom or to which it is owed (the **"Relevant Creditor"**) the proper and punctual payment of each Obligation if for any reason Carnival does not make such payment on its due date. If for any reason Carnival does not make such payment on its due date, P&O Princess shall pay the amount due and unpaid to the Relevant Creditor upon written demand upon P&O Princess by the Relevant Creditor. In this Clause 3, references to the Obligations include references to any part of them.

3.2 The obligations of P&O Princess under this Guarantee shall be continuing obligations and shall not be satisfied, discharged or affected by any intermediate payment or settlement of account.

3.3 For the avoidance of doubt, nothing in this Guarantee shall require, bind or oblige P&O Princess to fulfil any non-monetary Obligation of Carnival of any kind.

3.4 In the event that P&O Princess is required to make any payment to any Creditor pursuant to Clause 3.1 and/or 3.11 and does make such payment, Carnival unconditionally and irrevocably agrees by way of a full indemnity to reimburse P&O Princess in respect of such payments.

3.5 A demand may not be made under this Guarantee without:

(A) a demand first having been made by the Relevant Creditor on Carnival; and/or

(B) to the extent, if any, that the terms of the relevant Obligation of Carnival (or the underlying obligation of the relevant Principal Debtor) require such recourse, recourse first being had to any other Person or to any security.

3.6 Unless otherwise provided in this Guarantee, the liabilities and obligations of P&O Princess under this Guarantee shall remain in force notwithstanding any act, omission, neglect, event or matter which would not affect or discharge the liabilities of Carnival owed to the Relevant Creditor. Without prejudice to its generality, the foregoing shall apply in relation to:

(A) anything which would have discharged P&O Princess (wholly or in part) but not Carnival;

(B) anything which would have offered P&O Princess (but not Carnival) any legal or equitable defence; and

(C) any winding-up, insolvency, dissolution and/or analogous proceeding of, or any change in constitution or corporate identity or loss of corporate identity by, Carnival or any other Person.

3.7 Section 3(2) and (4) of the Contracts (Rights of Third Parties) Act 2001 shall not apply to this Guarantee and accordingly:

(A) In respect of any claim against P&O Princess by a Creditor, P&O Princess shall not have available to it by way of defence or set off any matter that arises from or in connection with this Guarantee, and which would have been available to P&O Princess by way of defence or set-off if the proceedings had been brought against P&O Princess by Carnival.

(B) P&O Princess shall not have available to it by way of defence or set-off any matter that would have been available to it by way of defence or set-off against the Creditor if the Creditor had been a party to this Guarantee.

(C) P&O Princess shall not have available to it by way of counterclaim any matter not arising from this Guarantee that would have been available to it by way of counterclaim against the Creditor if the Creditor had been a party to this Guarantee.

3.8 Any discharge or release of any liabilities and obligations of P&O Princess under this Guarantee, and any composition or arrangement which P&O Princess may effect with any Creditor in respect of any such liabilities or obligations, shall be deemed to be made subject to the condition that it will be void to the extent that any or all of the payment or security which the Creditor may previously have received or may thereafter receive from any Person in respect of the relevant Obligations is set aside or reduced under any applicable law or proves to have been for any reason invalid.

3.9 Without prejudice to the generality of this Clause 3, and to Clause 3.10 in particular, none of the liabilities or obligations of P&O Princess under this Guarantee shall be impaired by any Creditor:

(A) agreeing with Carnival any variation of or departure from (however substantial) the terms of any Obligation and any such variation or departure shall, whatever its nature, be binding upon P&O Princess in all circumstances; or

(B) releasing or granting any time or any indulgence whatsoever to Carnival.

3.10 Despite anything else in this Guarantee (including Clause 3.9), no variation of or departure from the terms of any Obligation (or any underlying obligation of any Principal Debtor) agreed with Carnival or any Principal Debtor, as applicable, after termination of this Guarantee or exclusion of that Obligation shall be binding on P&O Princess (or extend its liabilities and obligations under this Guarantee) except to the extent, if any, that:

(A) P&O Princess explicitly agrees in writing to that variation or departure at the same time as Carnival or that Principal Debtor; or

(B) it reduces P&O Princess' obligations or liability under this Guarantee.

3.11 As a separate, additional and continuing obligation, P&O Princess unconditionally and irrevocably agrees that, should any Obligation not be recoverable from P&O Princess under Clause 3.1 as a result of the Obligation becoming void, voidable or unenforceable against Carnival, P&O Princess undertakes with Carnival that it will, as a sole, original and independent obligor, make payment of the Obligation to the Relevant Creditor by way of a full indemnity on the due date provided for payment by the terms of the Obligation.

3.12 P&O Princess shall, if requested by Carnival, (i) enter into agreements to act as a co-issuer or co-borrower with respect to any Obligation of Carnival or (ii) execute and deliver a separate guarantee agreement of any Obligation of Carnival, in each case, on terms satisfactory to P&O Princess and Carnival. If P&O Princess enters into such agreements with respect to any Obligation of Carnival, P&O Princess and Carnival may agree that such Obligation shall be excluded from the scope of this Guarantee in accordance with Clause 4 hereof.

4. Exclusion Of Certain Obligations

4.1 Subject to Clauses 4.2 and 4.3, P&O Princess and Carnival may at any time agree that obligations of a particular type, or a particular obligation or particular obligations, incurred after the time at which such exclusion becomes effective shall be excluded from the scope of this Guarantee (and shall not be "Obligations" for the purpose of this Guarantee) with effect from such future time (being at least 3 months after the date on which notice of the relevant exclusion is given in accordance with Clause 4.4 or, where the Obligation is a particular obligation, at least 5 Business Days, or such shorter period as the relevant Creditor may agree, after the date on which notice of the relevant exclusion is given in accordance with Clause 4.5) as they may agree.

4.2 No such agreement or exclusion shall be effective with respect to any Existing Obligation.

4.3 No such agreement or exclusion shall be effective unless and until P&O Princess and Carnival enter into a supplemental deed specifying the relevant exclusion and the time at which it is to become effective.

4.4 Notice of any such exclusion of obligations of a particular type, of the time at which such exclusion is to become effective, and of the date of the related supplemental deed, shall be given in accordance with Clause 8.3.

4.5 Notice of any such exclusion of a particular obligation and of the time at which it is to become effective shall be given to the relevant Creditor in writing addressed to that Creditor at the last address of that Creditor known to P&O Princess and shall be effective when delivered to that address. It shall not be necessary for the related supplemental deed to have been entered into before that notice is sent, nor for the notice to state the date of the related supplemental deed.

5. Termination

5.1 Subject to Clause 5.3, this Guarantee shall automatically terminate if, and with effect from, the same time as:

(A) the Equalization and Governance Agreement terminates or otherwise ceases to have effect; or

(B) the Carnival Guarantee terminates or otherwise ceases to have effect.

5.2 Subject to Clause 5.3, P&O Princess may at any time terminate this Guarantee by giving notice under Clause 8.3 with effect from such future time (being at least 3 months after the date on which such notice of termination is given) as it may determine. Subject to the next sentence, no such termination under this Clause 5.2 shall be effective unless Carnival agrees to such termination before such notice is given. However, such termination shall not require the agreement of Carnival if:

(A) P&O Princess has given notice of the proposed termination of this Guarantee in accordance with Clause 8.3; and

(B) prior to the date set out in such notice, a resolution is passed or an order is made for the liquidation of Carnival.

5.3 No such termination shall be effective with respect to any Existing Obligation.

5.4 Notice of any automatic termination under Clause 5.1, and of the time at which it became effective, shall be given in accordance with Clause 8.3 within 10 Business Days of such termination.

6. Amendments

6.1 Subject to Clause 6.2, P&O Princess and Carnival may at any time amend this Guarantee by giving notice under Clause 8.3 with effect from the time of the amendment or such future time as they may determine.

6.2 No such amendment shall be effective with respect to any Existing Obligation.

6.3 No such amendment shall be effective unless and until P&O Princess and Carnival enter into a supplemental deed specifying the relevant amendment and the time at which it is to become effective.

6.4 Notice of any such amendment, of the time at which it is to become effective, and of the date of the related supplemental deed, shall be given in

accordance with Clause 8.3.

7. Currency

7.1 All payments to be made under this Guarantee shall be made in the currency or currencies in which the Obligations are expressed to be payable by Carnival.

7.2 If, under any applicable law, whether as a result of a judgment against P&O Princess or Carnival or the liquidation of P&O Princess or Carnival or for any other reason, any payment under or in connection with this Guarantee is made or is recovered in a currency (the **"other currency"**) other than that in which it is required to be paid under the terms of the relevant Obligation (the **"agreed currency"**) then, to the extent that the payment to the Creditor (when converted at the rate of exchange on the date of payment, or in the case of a liquidation, the latest date for the determination of liabilities permitted by the applicable law) falls short of the amount due and unpaid in respect of that Obligation, P&O Princess undertakes with Carnival that it shall, as a separate and independent obligation, fully indemnify the Creditor against the amount of the shortfall, and for the purposes of this Clause 7, **"rate of exchange"** means the spot rate at which the Creditor is able on the relevant date to purchase the agreed currency with the other currency.

8. Notices

8.1 Any notice to or demand upon P&O Princess under this Guarantee shall be in writing addressed to it at its principal place of business in the U.S.A. for the time being (marked for the attention of the Chief Financial Officer, with a copy sent to the General Counsel and Secretary) and shall be effective when delivered to that principal place of business.

8.2 Any notice to or demand upon Carnival under this Guarantee shall be in writing addressed to it at its principal place of business in the U.S.A. for the time being (marked for the attention of the Chief Financial Officer, with a copy sent to the General Counsel and Secretary) and shall be effective when delivered to that principal place of business.

8.3 Any notice by P&O Princess under Clause 4.4, 5.2, 5.4, 6.1 or 6.4 shall be given by advertisements in the Financial Times (London Edition) and the Wall Street Journal (but, if at any time P&O Princess determines that advertisement in such newspaper(s) is not practicable, the relevant advertisement shall instead be published in such other newspaper(s) circulating generally in the United Kingdom or the U.S.A., as the case may be, as P&O Princess shall determine); provided that no such notice need be given with respect to (i) any action pursuant to which Carnival and P&O Princess agree that an obligation or other liability shall be treated as an Obligation pursuant to clause (b) of the definition of such term; or (ii) any action whereby a particular obligation is excluded from the scope of this Guarantee in accordance with Clause 4. Any such notice shall be deemed given on the date of publication in such newspaper in the United Kingdom or the U.S.A., as the case may be (or, where such advertisements are published on different dates, on the later of such dates).

8.4 The original counterparts of this Guarantee and of any related supplemental deeds shall be kept at, respectively, the principal place of business in the U.S.A. for the time being of P&O Princess and the principal place of business in the U.S.A. for the time being of Carnival and shall be available for inspection there on reasonable notice during the normal business hours of that office.

9. General

9.1 **Prohibition and Enforceability**

Any provision of, or the application of any provision of, this Guarantee which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

9.2 **Further Assurances**

P&O Princess and Carnival shall take all steps, execute all documents and do everything reasonably required to give effect to their rights, liabilities and obligations contemplated by this Guarantee.

9.3 **No Novation**

Neither P&O Princess nor Carnival may not novate any of their rights, liabilities or obligations under this Guarantee, in whole or in part.

9.4 **Counterparts**

This Guarantee may be executed in any number of counterparts. All counterparts taken together will be taken to constitute one and the same instrument.

10. **Law and Jurisdiction**

10.1 This Guarantee shall be governed by and construed in accordance with the laws of the Isle of Man.

10.2 Any legal action or proceeding arising out of or in connection with this Guarantee shall be brought exclusively in the courts of England.

10.3 P&O Princess and Carnival irrevocably submit to the jurisdiction of such courts and waive any objection to proceedings in any such court on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

IN WITNESS WHEREOF
EXECUTED as a **DEED** by)
P&O PRINCESS CRUISES PLC)
acting by two of its directors/a director and)
secretary)

/s/ PETER RATCLIFFE

Name: Peter Ratcliffe
Title: Chief Executive Officer

/s/ NICHOLAS LUFF

Name: Nicholas Luff
Title: Chief Financial Officer

EXECUTED as a **DEED** by)
CARNIVAL CORPORATION)
acting by duly authorised officers)

/s/ HOWARD S. FRANK

Name: Howard S. Frank
Title: Vice-Chairman and Chief Operating Officer

/s/ ARNALDO PEREZ

Name: Arnaldo Perez
Title: Senior Vice-President, General Counsel and Secretary

DATED April 17, 2003

P&O PRINCESS CRUISES PLC DEED OF GUARANTEE

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Exhibit 4.11

P&O PRINCESS CRUISES INTERNATIONAL LIMITED
DEED OF GUARANTEE

Dated as of 19 June 2003

P&O PRINCESS CRUISES INTERNATIONAL LIMITED
DEED OF GUARANTEE

This Deed of Guarantee ("Guarantee") is made on 19 June 2003 among P&O Princess Cruises International Limited, a limited liability company existing under the laws of England and Wales (including any successors thereto pursuant to Clause 10.1 hereof, the "Guarantor"), Carnival Corporation, a Panamanian corporation ("Carnival Corporation"), and Carnival plc (formerly known as P&O Princess Cruises plc), a public limited company existing under the laws of England and Wales ("Carnival plc"), for the benefit of each Creditor.

BACKGROUND

On 17 April 2003, in connection with the dual listed company transaction between Carnival Corporation and Carnival plc and pursuant to the Implementation Agreement referred to below, Carnival Corporation and Carnival plc entered into reciprocal guarantees in respect of certain obligations of the other.

The Guarantor has agreed with Carnival Corporation and Carnival plc to enter into this Guarantee in respect of certain obligations of Carnival Corporation and/or Carnival plc (including, without limitation, guarantees by Carnival Corporation and/or Carnival plc of certain obligations of Principal Debtors).

THIS DEED WITNESSES as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Guarantee:

"Business Day" means any day other than a Saturday, Sunday or day on which banking institutions in the City of New York, London or the Cayman Islands are authorised or obligated by law or executive order to close (or on which such banking institutions are open solely for trading in euros);

"Carnival Corporation & plc Remaining Consolidated Assets" means, in respect of sale, assignment, transfer, lease, conveyance or other disposition of the assets of the Guarantor, the consolidated assets of Carnival Corporation, Carnival plc and their respective Subsidiaries, determined in accordance with GAAP, as of the most recently completed fiscal quarter of Carnival Corporation, giving pro forma effect to such sale, assignment, transfer, lease, conveyance or other disposition and any related transactions thereto;

"Carnival Corporation Guarantee" means the deed of guarantee entered into by Carnival Corporation on 17 April 2003 pursuant to the Implementation Agreement;

"Carnival plc Guarantee" means the deed of guarantee entered into by Carnival plc on 17 April 2003 pursuant to the Implementation Agreement;

"Creditor" means any Person to whom or to which any Obligation is owed;

"Equalization and Governance Agreement" means the Agreement headed "Equalization and Governance Agreement" entered into between Carnival Corporation and Carnival plc, dated as of 17 April 2003;

"Existing Obligation" means, in relation to:

(i) any agreement or exclusion referred to in Clause 4; or

(ii) any termination of this Guarantee; or

(iii) any amendment to this Guarantee,

any Obligation incurred before, or arising out of any credit or similar facility (whether committed or uncommitted) available for use at, the time at which the relevant agreement, exclusion, termination or amendment becomes effective;

"GAAP" means accounting principles generally accepted in the United States, as in effect as of the date of determination;

"Group" means, in relation to Carnival Corporation or Carnival plc, such company and its Subsidiaries from time to time;

"Guarantor Remaining Consolidated Assets" means, in respect of a sale, assignment, transfer, lease, conveyance or other disposition of the assets of the Guarantor, the consolidated assets of the Guarantor, determined in accordance with GAAP, as of the most recently completed fiscal quarter of the Guarantor, giving pro forma effect to such sale, assignment, transfer, lease, conveyance or other disposition, and any related transactions thereto and excluding (1) any receivables from or indebtedness owed by, Carnival plc, Carnival Corporation or any of their respective Subsidiaries, other than Subsidiaries of the Guarantor and (2) any investments in Carnival plc, Carnival Corporation or any of their respective Subsidiaries, other than Subsidiaries of the Guarantor;

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under (i) currency exchange or interest rate swap agreements, currency exchange or interest rate cap agreements and currency exchange and interest rate collar agreements and (ii) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange or interest rates;

"Implementation Agreement" means the Agreement headed "Offer and Implementation Agreement" entered into between Carnival Corporation and Carnival plc, dated as of 8 January 2003;

"Indebtedness" means, with respect to any specified Person, any indebtedness of such Person, whether or not contingent:

(a) in respect of borrowed money;

(b) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(c) in respect of banker's acceptances;

(d) representing capital lease obligations;

(e) representing the balance deferred and unpaid of the purchase price of any property;

(f) representing any Hedging Obligations; or

(g) in respect of guarantees of any obligations described in clauses (a) through (f), above;

if and to the extent any of the preceding items (other than letters of credit, Hedging Obligations and any guarantees) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. Notwithstanding the foregoing, Indebtedness shall not include:

(1) trade accounts payable and accrued expenses or liabilities arising in the ordinary course of business;

(2) any liability for federal, state or local taxes or other taxes or by such Person; or

(3) obligations of such Person with respect to performance and surety bonds and completion guarantees in the ordinary course of business.

"Merger/Consolidation" means any arrangement whether by way of contract, order, regulation or statute, under the laws of any jurisdiction, whereby the assets and/or liabilities of one Person are merged, consolidated or otherwise combined with those of another Person;

"Obligation" means:

(a) any Indebtedness and Related Obligations thereto (whether primary or secondary) incurred by Carnival Corporation under agreements or instruments entered into after 17 April 2003,

(b) any Indebtedness and Related Obligations thereto (whether primary or secondary) incurred by Carnival plc under agreements or instruments entered into after 17 April 2003,

(c) any Indebtedness and Related Obligations thereto (whether primary or secondary) that are "Obligations" under the Carnival plc Guarantee, as defined in clause (b) of the definition of "Obligation" in the Carnival plc Guarantee,

(d) any Indebtedness and Related Obligations thereto (whether primary or secondary) that are "Obligations" under the Carnival Corporation Guarantee, as defined in clause (b) of the definition of "Obligation" in the Carnival Corporation Guarantee,

(e) any other obligation of any kind which may be agreed in writing between the Guarantor, Carnival Corporation and Carnival plc (in their absolute discretion) (in which case a note of such Obligation will be appended as an exhibit to this Guarantee),

excluding, in each case, any obligation (unless such obligation has been included pursuant to clause (e), above):

(i) to the extent that (without reference to the effect of this Guarantee) it is covered by the terms of any policy of insurance (or any indemnity in the nature of insurance) of which Carnival Corporation or Carnival plc (or, where relevant, the Principal Debtor) has the benefit and which is in full force and effect;

(ii) explicitly guaranteed in writing by the Guarantor (otherwise than under this Guarantee) or for which the Guarantor agrees in writing to act as co-obligor or co-issuer;

(iii) where the arrangement under which the obligation was or is incurred, or the terms of issue of the obligation, explicitly provided or provide(s) that the obligation is not to be an Obligation within the meaning of this Guarantee, or where the Creditor has explicitly agreed or explicitly agrees with the Guarantor that the obligation is not to be an Obligation within the meaning of this Guarantee;

(iv) owed to any Subsidiary or Subsidiary Undertaking of Carnival Corporation or Carnival plc (including, without limitation, the Guarantor);

(v) excluded from the scope of this Guarantee as provided in Clause 4 (Exclusion Of Certain Obligations) or Clause 5 (Termination);

(vi) of Carnival Corporation or Carnival plc incurred under any instrument or agreement existing on or prior to 17 April 2003 (subject to clauses (c), (d) and (e) of the definition of Obligation); or

(vii) of Carnival Corporation or Carnival plc under a guarantee to the extent that the guaranteed obligation of the Principal Debtor either (x) is not Indebtedness or a Related Obligation thereto or (y) is of a type referred to in any of paragraphs (i) to (vi) of this definition;

"Person" includes an individual, company, limited liability company, corporation, firm, partnership, joint venture, association, trust, state or agency of a state (in each case, whether or not having a separate legal personality);

"Principal Debtor" means, at any time, any Person any of whose obligations are at that time guaranteed by Carnival Corporation or Carnival plc;

"Related Obligations" means, with respect to Indebtedness, all obligations for principal, premium, interest, penalties, fees, indemnifications, reimbursements and other amounts payable pursuant to the documentation evidencing such Indebtedness;

"Relevant Creditor" means, with respect to any Obligation, the Creditor to whom or to which such Obligation is owed;

"Relevant Obligor" means, (i) with respect to an Obligation described in Clause 3.1(A), Carnival Corporation, (ii) with respect to an Obligation described in Clause 3.1(B), Carnival plc, and (iii) with respect to a joint Obligation of Carnival Corporation and Carnival plc, each of Carnival Corporation and Carnival plc jointly and severally;

"Significant Asset Transfer" means the sale, assignment, transfer, lease, conveyance or other disposition (in a single transaction or series of related transactions) of assets of the Guarantor representing 90% or more of the book value of the consolidated assets of the Guarantor, determined as of the most recently completed fiscal quarter of the Guarantor, in accordance with GAAP;

"Subsidiary" means, with respect to Carnival Corporation or Carnival plc, any entity, whether incorporated or unincorporated, in which such company owns, directly or indirectly, a majority of the securities or other ownership interests having by their terms ordinary voting power to elect a majority of the directors or other persons performing similar functions, or the management and policies of which such company otherwise has the power to direct; and

"Subsidiary Undertaking" has the meaning as defined in section 258 of the Companies Act 1985 (an Act of Parliament).

1.2 **Interpretation**

Headings are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise.

(A) The singular includes the plural and conversely.

(B) One gender includes all genders.

(C) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(D) A reference to any person includes a body corporate, an unincorporated body or other entity and conversely.

(E) A reference to a Clause is to a Clause of this Guarantee.

(F) A reference to any agreement or document is to that agreement or document as amended, novated, supplemented, varied or replaced from time to time, except to the extent prohibited by this Guarantee.

(G) A reference to any legislation (including any listing rules of a stock exchange or voluntary codes) or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.

(H) A reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form.

(I) Mentioning anything after include, includes, or including does not limit what else might be included. Where particular words are following by general words, the general words are not limited by the particular.

(J) Reference to a body other than the Guarantor, Carnival Corporation or Carnival plc (including any government agency), whether statutory or not:

(i) which ceases to exist; or

(ii) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

(K) All references to time are to the local time in the place where the relevant obligation is to be performed (or right exercised).

2. **EFFECT OF THIS GUARANTEE**

This Guarantee shall take effect as a deed and it is intended that each Creditor severally shall be entitled to benefit from the terms of this Guarantee pursuant to the terms of the Contracts (Rights of Third Parties) Act 2001 save that the parties hereto shall be entitled to make any variation or rescission of its terms, in accordance with its terms (including, without limitation, pursuant to Clause 4), without the consent of any Creditor or of any third party.

3. **GUARANTEE AND INDEMNITY**

3.1 Subject to the terms of this Guarantee:

(A) The Guarantor unconditionally and irrevocably undertakes and promises to Carnival Corporation that it shall make to the Relevant Creditor the proper and punctual payment of each Obligation of Carnival Corporation if for any reason Carnival Corporation does not make such payment on its due date. If for any reason Carnival Corporation does not make such payment on its due date, the Guarantor shall pay the amount due and unpaid to the Relevant Creditor upon written demand upon the Guarantor by the Relevant Creditor.

(B) The Guarantor unconditionally and irrevocably undertakes and promises to Carnival plc that it shall make to the Relevant Creditor the proper and punctual payment of each Obligation of Carnival plc if for any reason Carnival plc does not make such payment on its due date. If for any reason Carnival plc does not make such payment on its due date, the Guarantor shall pay the amount due and unpaid to the Relevant Creditor upon written demand upon the Guarantor by the Relevant Creditor.

3.2 The obligations of the Guarantor under this Guarantee shall be continuing obligations and shall not be satisfied, discharged or affected by any intermediate payment or settlement of account. In this Clause 3, references to the Obligations include references to any part of them.

3.3 For the avoidance of doubt, nothing in this Guarantee shall require, bind or oblige the Guarantor to fulfil any non-monetary Obligation of Carnival Corporation or Carnival plc of any kind.

3.4 In the event that the Guarantor is required to make any payment to any Creditor pursuant to Clause 3.1 and/or 3.11 and does make such payment, the Relevant Obligor unconditionally and irrevocably agrees by way of a full indemnity to reimburse the Guarantor in respect of such payments.

3.5 A demand may not be made under this Guarantee without:

(A) a demand first having been made by the Relevant Creditor on the Relevant Obligor; and

(B) to the extent, if any, that the terms of the relevant Obligation of the Relevant Obligor (or the underlying obligation of the relevant Principal Debtor), require such recourse, recourse first being had to any other Person or to any security.

3.6 Unless otherwise provided in this Guarantee, the liabilities and obligations of the Guarantor under this Guarantee shall remain in force notwithstanding any act, omission, neglect, event or matter which would not affect or discharge the liabilities of each Relevant Obligor owed to each corresponding Relevant Creditor. Without prejudice to its generality, the foregoing shall apply in relation to:

(A) anything which would have discharged the Guarantor (wholly or in part) but not the Relevant Obligor;

(B) anything which would have offered the Guarantor (but not the Relevant Obligor) any legal or equitable defence; and

(C) any winding-up, insolvency, dissolution and/or analogous proceeding of, or any change in constitution or corporate identity or loss of corporate identity by, the Relevant Obligor or any other Person.

3.7 Section 3(2) and (4) of the Contracts (Rights of Third Parties) Act 2001 shall not apply to this Guarantee and accordingly:

(A) In respect of any claim against the Guarantor by a Creditor, the Guarantor shall not have available to it by way of defence or set off any matter that arises from or in connection with this Guarantee, and which would have been available to the Guarantor by way of defence or set-off if the proceedings had been brought against the Guarantor by the Relevant Obligor.

(B) the Guarantor shall not have available to it by way of defence or set-off any matter that would have been available to it by way of defence or set-off against the Creditor if the Creditor had been a party to this Guarantee.

(C) the Guarantor shall not have available to it by way of counterclaim any matter not arising from this Guarantee that would have been available to it by way of counterclaim against the Creditor if the Creditor had been a party to this Guarantee.

3.8

Any discharge or release of any liabilities and obligations of the Guarantor under this Guarantee, and any composition or arrangement which the Guarantor may effect with any Creditor in respect of any such liabilities or obligations, shall be deemed to be made subject to the condition that it will be void to the extent that any or all of the payment or security which the Creditor may previously have received or may thereafter receive from any Person in respect of the relevant Obligations is set aside or reduced under any applicable law or proves to have been for any reason invalid.

3.9 Without prejudice to the generality of this Clause 3, and to Clause 3.10 in particular, none of the liabilities or obligations of the Guarantor under this Guarantee shall be impaired by any Creditor:

(A) agreeing with the Relevant Obligor any variation of or departure from (however substantial) the terms of any Obligation and any such variation or departure shall, whatever its nature, be binding upon the Guarantor in all circumstances; or

(B) releasing or granting any time or any indulgence whatsoever to the Relevant Obligor.

3.10 Despite anything else in this Guarantee (including Clause 3.9), no variation of or departure from the terms of any Obligation (or any underlying obligation of any Principal Debtor) agreed with the Relevant Obligor, or any Principal Debtor, after termination of this Guarantee or exclusion of that

Obligation shall be binding on the Guarantor (or extend its liabilities and obligations under this Guarantee) except to the extent, if any, that:

(A) the Guarantor explicitly agrees in writing to that variation or departure at the same time as the Relevant Obligor or any Principal Debtor; or

(B) it reduces the Guarantor's obligations or liability under this Guarantee.

3.11 As a separate, additional and continuing obligation, the Guarantor unconditionally and irrevocably agrees that should any Obligation not be recoverable from the Guarantor under Clause 3.1 as a result of the Obligation becoming void, voidable or unenforceable against the Relevant Obligor, the Guarantor undertakes with the Relevant Obligor that it will, as a sole, original and independent obligor, make payment of the Obligation to the Relevant Creditor by way of a full indemnity on the due date provided for payment by the terms of the Obligation.

3.12 The Guarantor shall, if requested by Carnival Corporation or Carnival plc, as the case may be, (i) enter into agreements to act as a co-issuer or co-borrower with respect to any Obligation of such requesting party or (ii) execute and deliver a separate guarantee agreement of any Obligation of such requesting party, in each case, on terms satisfactory to the Guarantor and Carnival Corporation or Carnival plc, as the case may be. If the Guarantor enters into such agreements with respect to any Obligation of Carnival Corporation or Carnival plc, as the case may be, the Guarantor, Carnival Corporation and Carnival plc may agree that such Obligation shall be excluded from the scope of this Guarantee in accordance with Clause 4 hereof.

4. **Exclusion Of Certain Obligations**

4.1 Subject to Clauses 4.2 and 4.3, the Guarantor, Carnival Corporation and Carnival plc may at any time agree that obligations of a particular type, or a particular obligation or particular obligations, incurred after the time at which such exclusion becomes effective shall be excluded from the scope of this Guarantee (and shall not be "Obligations" for the purpose of this Guarantee) with effect from such future time (being at least five Business Days after the date on which notice of the relevant exclusion is given in accordance with Clause 4.4 or, where the Obligation is a particular obligation, at least five Business Days, or such shorter period as the relevant Creditor may agree, after the date on which notice of the relevant exclusion is given in accordance with Clause 4.5) as they may agree.

4.2 No such agreement or exclusion shall be effective with respect to any Existing Obligation.

4.3 No such agreement or exclusion shall be effective unless and until the Guarantor, Carnival Corporation and Carnival plc enter into a supplemental deed specifying the relevant exclusion and the time at which it is to become effective.

4.4 Notice of any such exclusion of obligations of a particular type, of the time at which such exclusion is to become effective, and of the date of the related supplemental deed, shall be given in accordance with Clause 8.3.

4.5 Notice of any such exclusion of a particular obligation and of the time at which it is to become effective shall be given to the relevant Creditor in writing addressed to that Creditor at the last address of that Creditor known to the Guarantor and shall be effective when delivered to that address. It shall not be necessary for the related supplemental deed to have been entered into before that notice is sent, nor for the notice to state the date of the related supplemental deed.

5. **Termination**

5.1 Subject to Clause 5.3, this Guarantee shall automatically terminate if, and with effect from, the same time as:

(A) the Equalization and Governance Agreement terminates or otherwise ceases to have effect; or

(B) the Carnival Corporation Guarantee and the Carnival plc Guarantee terminate or otherwise cease to have effect.

5.2

Subject to Clause 5.3, the Guarantor may at any time terminate this Guarantee by giving notice under Clause 8.3 with effect from such future time (being at least five Business Days after the date on which such notice of termination is given) as it may determine. Subject to the next sentence, no such termination under this Clause 5.2 shall be effective unless Carnival Corporation and Carnival plc agree to such termination before such notice is given. However, such termination shall not require the agreement of Carnival Corporation or Carnival plc if:

(A) the Guarantor has given notice of the proposed termination of this Guarantee in accordance with Clause 8.3; and

(B) prior to the date set out in such notice, a resolution is passed or an order is made for the liquidation of Carnival Corporation and/or Carnival plc.

5.3 No termination under Clauses 5.1 or 5.2 shall be effective with respect to any Existing Obligation.

5.4 This Guarantee shall automatically terminate, without the consent of any Creditor, with respect to all Obligations, including, for the avoidance of doubt, Existing Obligations:

(A) Upon any Merger/Consolidation of the Guarantor with or into any Person (including Carnival Corporation and Carnival plc but excluding any Subsidiary of Carnival plc or Carnival Corporation);

(B) Upon any sale of voting securities or other capital stock of the Guarantor to any Person other than Carnival plc, Carnival Corporation or any of their respective Subsidiaries such that after such sale, the Guarantor is no longer a Subsidiary of Carnival plc, Carnival Corporation or any of their respective Subsidiaries;

(C) Upon any sale, assignment, transfer, lease, conveyance or other disposition of the assets of the Guarantor to any Person (including Carnival Corporation and Carnival plc but excluding any Subsidiary of Carnival plc or Carnival Corporation), if the Guarantor Remaining Consolidated Assets represent 3.0% or less of the Carnival Corporation & plc Remaining Consolidated Assets; or

(D) If the consolidated Indebtedness of the Guarantor and its Subsidiaries (excluding Indebtedness represented by this Guarantee), determined as of the most recently completed fiscal quarter of the Guarantor in accordance with GAAP, represents less than 3.0% of the consolidated Indebtedness of Carnival plc, Carnival Corporation and their respective Subsidiaries, determined as of the most recently completed fiscal quarter of Carnival Corporation in accordance with GAAP.

5.5 Notice of any automatic termination under Clause 5.1 or 5.4, and of the time at which it became effective, shall be given in accordance with Clause 8.3 within 10 Business Days after such termination.

6. **Amendments**

6.1 Subject to Clause 6.2, the Guarantor, Carnival Corporation and Carnival plc may at any time amend this Guarantee by giving notice under Clause 8.3 with effect from the time of the amendment or such future time as they may determine.

6.2 No such amendment shall be effective with respect to any Existing Obligation.

6.3 No such amendment shall be effective unless and until the Guarantor, Carnival Corporation and Carnival plc enter into a supplemental deed specifying the relevant amendment and the time at which it is to become effective.

6.4 Notice of any such amendment, of the time at which it is to become effective, and of the date of the related supplemental deed, shall be given in accordance with Clause 8.3.

7. **Currency**

7.1 All payments to be made under this Guarantee shall be made in the currency or currencies in which the Obligations are expressed to be payable.

7.2 If, under any applicable law, whether as a result of a judgment against the Guarantor or the Relevant Obligor or the liquidation of the Guarantor or the Relevant Obligor, or for any other reason, any payment under or in connection with this Guarantee is made or is recovered in a currency (the "other currency") other than that in which it is required to be paid under the terms of the relevant Obligation (the "agreed currency") then, to the extent that the payment to the Creditor (when converted at the rate of exchange on the date of payment, or in the case of a liquidation, the latest date for the determination of liabilities permitted by the applicable law) falls short of the amount due and unpaid in respect of that Obligation, the Guarantor undertakes with the Relevant Obligor, that it shall, as a separate and independent obligation, fully indemnify the Creditor against the amount of the shortfall, and for the purposes of this Clause 7, "rate of exchange" means the spot rate at which the Creditor is able on the relevant date to purchase the agreed currency with the other currency.

8. **Notices**

8.1 Any notice to or demand upon the Guarantor under this Guarantee shall be in writing addressed to it at its principal place of business in the United Kingdom for the time being (marked for the attention of the Chief Financial Officer, with a copy sent to the General Counsel and Secretary) and shall be effective when delivered to that principal place of business.

8.2 Any notice to or demand upon Carnival Corporation or Carnival plc under this Guarantee shall be in writing addressed to its principal place of business in the U.S.A. for the time being (marked for the attention of the Chief Financial Officer, with a copy sent to the General Counsel and Secretary) and shall be

effective when delivered to that principal place of business.

8.3 Any notice by the Guarantor under Clause 4.4, 5.2, 5.5, 6.1, 6.4 or 10.2 may be given by (A) advertisements in the Financial Times (London Edition) and the Wall Street Journal (but, if at any time the Guarantor determines that advertisement in such newspaper(s) is not practicable, the relevant advertisement may instead be published in such other newspaper(s) circulating generally in the United Kingdom or the U.S.A., as the case may be, as the Guarantor shall determine), (B) by the filing of a Current Report on Form 8-K or 6-K (or any successor forms) or any periodic report on Form 10-K, 10-Q or 20-F (or any successor forms) with the U.S. Securities and Exchange Commission by the Guarantor, Carnival Corporation or Carnival plc or (C) by the issuance of a press release by the Guarantor, Carnival Corporation or Carnival plc; provided that no such notice need be given with respect to (i) any action pursuant to which Carnival Corporation, Carnival plc and the Guarantor agree that an obligation or other liability shall be treated as an Obligation pursuant to clause (e) of the definition of such term; or (ii) any action whereby a particular obligation is excluded from the scope of this Guarantee in accordance with Clause 4. Any notice shall be deemed given (i) on the date of publication of the newspaper in the United Kingdom or the U.S.A., as the case may be (or, where such advertisements are published on different dates, on the later of such dates), if given pursuant to Clause 8.3(A), (ii) on the date of the relevant filing, if given pursuant to Clause 8.3(B), or (iii) on the date the press release is issued, if given pursuant to Clause 8.3(C).

8.4 The original counterparts of this Guarantee and of any related supplemental deeds shall be kept at, respectively, the principal place of business in the U.S.A. for the time being of the Guarantor,

Carnival Corporation and Carnival plc, and shall be available for inspection there on reasonable notice during the normal business hours of that office.

9. **General**

9.1 **Prohibition and Enforceability**

Any provision of, or the application of any provision of, this Guarantee which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

9.2 **Further Assurances**

The Guarantor, Carnival Corporation and Carnival plc shall take all steps, execute all documents and do everything reasonably required to give effect to their rights, liabilities and obligations contemplated by this Guarantee.

9.3 **No Novation**

No party to this Guarantee may novate any of its rights, liabilities or obligations under this Guarantee, in whole or in part.

9.4 **Counterparts**

This Guarantee may be executed in any number of counterparts. All counterparts taken together will be taken to constitute one and the same instrument.

10. **Successor Person Substituted**

10.1 Upon any Merger/Consolidation of the Guarantor into or with or any Significant Asset Transfer to, a Subsidiary of Carnival Corporation or Carnival plc, the Guarantor shall take all reasonable steps to procure that the successor Person formed by such Merger/Consolidation or to which such Significant Asset Transfer is made (if other than the Guarantor) shall execute a supplemental deed to this Guarantee so as to succeed to, and be substituted for (so that from and after the date of such Merger/Consolidation or Significant Asset Transfer, the provisions of this Guarantee referring to the "Guarantor" shall refer instead to the successor Person and not to the Guarantor), and be able to exercise every right and power of the Guarantor under this Guarantee with the same effect as if such successor Person had been named as the Guarantor herein.

10.2 Notice of any substitution under Clause 10.1 and of the time at which it became effective, shall be given in accordance with Clause 8.3 within 10 Business Days after the effective time of such substitution.

11. **Law and Jurisdiction**

11.1 This Guarantee shall be governed by and construed in accordance with the laws of the Isle of Man.

11.2 Any legal action or proceeding arising out of or in connection with this Guarantee shall be brought exclusively in the courts of England.

11.3 The Guarantor, Carnival Corporation and Carnival plc irrevocably submit to the jurisdiction of such courts and waive any objection to proceedings in any such court on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

IN WITNESS WHEREOF

EXECUTED as a **DEED** by)
P&O PRINCESS CRUISES)
INTERNATIONAL LIMITED)
acting by a director and secretary)

/s/ CHLOE A. MARSHALL

Name: Chloe A. Marshall
Title: Company Secretary

/s/ GERALD R. CAHILL

Name: Gerald R. Cahill
Title: Director and Chief Financial Officer

EXECUTED as a **DEED** by)
CARNIVAL CORPORATION)
acting by duly authorised officers)

/s/ MICKY ARISON

Name: Micky Arison
Title: Chairman of the Board of Directors and Chief Executive Officer

/s/ HOWARD S. FRANK

Name: Howard S. Frank
Title: Vice-Chairman of the Board of Directors and Chief Operating Officer

EXECUTED as a **DEED** by)
CARNIVAL PLC)
acting by duly authorised officers)

/s/ MICKY ARISON

Name: Micky Arison
Title: Chairman of the Board of Directors and Chief Executive Officer

/s/ HOWARD S. FRANK

Name: Howard S. Frank
Title: Vice-Chairman of the Board of Directors and Chief Operating Officer

Exhibit 4.13

EXECUTION COPY

CARNIVAL CORPORATION

and

U.S. BANK NATIONAL ASSOCIATION,

As Trustee

THIRD SUPPLEMENTAL INDENTURE

Dated as of April 29, 2003

Supplemental to Indenture

Dated as of April 25, 2001

Creating a series of Securities
designated
Senior Convertible Debentures due 2033

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CARNIVAL CORPORATION

THIRD SUPPLEMENTAL INDENTURE

THIS THIRD SUPPLEMENTAL INDENTURE, dated as of April 29, 2003, between Carnival Corporation, a corporation organized and existing under the laws of the Republic of Panama (the "Company"), and U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America (the "Trustee").

WITNESSETH

WHEREAS, the Company has heretofore executed and delivered to the Trustee an Indenture, dated as of April 25, 2001 (the "Indenture"), providing for the issuance from time to time of its debentures, notes, bonds or other evidences of indebtedness (hereinafter called "Securities") in one or more fully registered series;

WHEREAS, Section 9.1(7) of the Indenture provides that the Company and the Trustee may from time to time enter into one or more indentures supplemental thereto to establish the form or terms of Securities of a new series;

WHEREAS, Section 3.1 of the Indenture provides that the Company may enter into supplemental indentures to establish the terms and provisions of a series of Securities issued pursuant to the Indenture;

WHEREAS, on April 25, 2001, the Company issued its 2% Convertible Senior Debentures due 2021 under a First Supplemental Indenture dated as of April 25, 2001;

WHEREAS, on October 24, 2001, the Company issued its Liquid Yield Option Notes due 2021 under a Second Supplemental Indenture dated as of October 24, 2001;

WHEREAS, the Company desires to issue Senior Convertible Debentures due 2033 (the "2033 Debentures") guaranteed by Carnival plc, a public limited company incorporated in England and Wales in July 2000 as P&O Princess Cruises plc ("Carnival plc"), under the Deed of Guarantee, dated as of April 17 2003, between the Company and Carnival plc, such 2033 Debentures being a new series of Security, the issuance of which was authorized by resolution of the Board of Directors of the Company, dated April 17, 2003, and a resolution of the Executive Committee of the Board of Directors of the Company, dated April 23, 2003;

WHEREAS, the Company, pursuant to the foregoing authority, proposes in and by this Third Supplemental Indenture (the "Third Supplemental Indenture") to supplement and amend in certain respects the Indenture insofar as it will apply only to the 2033 Debentures (and not to any other series); and

WHEREAS, all things necessary have been done to make the 2033 Debentures, when executed by the Company and authenticated and delivered hereunder and duly issued by the Company, the valid obligations of the Company, and to make this Third Supplemental Indenture a valid agreement of the Company, in accordance with their and its terms.

NOW THEREFORE:

In consideration of the premises provided for herein, the Company and the Trustee mutually covenant and agree for the equal and proportionate benefit of all Holders of the 2033 Debentures as follows:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 101 *Definitions.*

For all purposes of the Indenture and this Third Supplemental Indenture relating to the series of Securities created hereby, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Article have the meanings assigned to them in this Article. Each capitalized term that is used in this Third Supplemental Indenture but not defined herein shall have the meaning specified in the Indenture.

"*2033 Debentures*" has the meaning specified in the recitals.

"*Accreted Conversion Price*" has the meaning specified in Section 402.

"*Accreted Principal Amount*" with respect to any given date, means the Issue Price of the 2033 Debentures plus accrued Original Issue Discount thereon through such date.

"Agent Members" has the meaning specified in Section 201(c).

"*Applicable Procedures*" means, with respect to any transfer or exchange of beneficial ownership interests in a Global Security, the rules and procedures of the Depositary that are applicable to such transfer or exchange.

"Applicable Stock Price" means, in respect of a Conversion Date, the average over the five-Trading Day period starting the third Trading Day following such Conversion Date of the Sale Prices per share of Common Stock, which Sale Prices are adjusted to take account of the occurrence during such five-Trading Day period of the events described in Section 410.

"Base Conversion Price" means the dollar amount derived by dividing the Issue Price by the Base Conversion Rate.

"Base Conversion Rate" means 12.1800 shares of Common Stock per $1,000 Principal Amount at Maturity of 2033 Debentures, subject to adjustment as set forth in Section 410.

"*Beneficial Owner*" has the meaning specified in Section 701(a).

"*Capital Stock*" or "*capital stock*" of any Person means any and all shares, interests, partnership interests, participations, rights or other equivalents (however designated) of equity interests (however designated) issued by that Person.

"Carnival plc" has the meaning specified in the recitals.

"Carnival plc Guarantee" means the guarantee of the 2033 Debentures issued under the Deed of Guarantee, dated as of April 17 2003, between the Company and Carnival plc.

"*Certificated Security*" means a Security that is in substantially the form attached hereto as *Annex A*.

"*Change in Control*" has the meaning specified in Section 701(a).

"*Change in Control Purchase Date*" has the meaning specified in Section 701(a).

"*Change in Control Purchase Notice*" has the meaning specified in Section 701(c).

"*Change in Control Purchase Price*" has the meaning specified in Section 701(a).

"*Code*" means the U.S. Internal Revenue Code of 1986, as amended.

"*Common Stock*" means the common stock, par value $0.01 per share, of the Company as it exists on the date of this Third Supplemental Indenture or any other shares of Capital Stock of the Company into which such common stock is reclassified or changed. References in this Third Supplemental Indenture to shares of Common Stock issuable upon conversion, redemption or repurchase of the 2033 Debentures shall be deemed to include the Trust Shares paired with the shares of the Company's common stock, par value $0.01 per share.

"*Company Notice Date*" has the meaning specified in Section 603.

"*Consolidated Net Worth*" means, at any time, the Net Worth of the Company, Carnival plc and their combined Subsidiaries on a consolidated basis determined in accordance with GAAP.

"*Conversion Agent*" shall be the agent specified in Section 201(e).

"*Conversion Date*" has the meaning specified in Section 406.

"*Conversion Rate*" with respect to any Conversion Date prior to April 29, 2008 means:

(1) if the Applicable Stock Price is less than or equal to the Base Conversion Price, the Base Conversion Rate; or

(2) if the Applicable Stock Price is greater than the Base Conversion Price, the number determined in accordance with the following formula:

$$\text{Base Conversion Rate} + \left[\frac{(\text{Applicable Stock Price} - \text{Base Conversion Price}) \times \text{Incremental Share Factor}}{\text{Applicable Stock Price}}\right]$$

From and after April 29, 2008, the Conversion Rate shall be the Fixed Conversion Rate.

"*Depositary*" has the meaning specified in Section 201(a).

"*Determination Date*" has the meaning specified in Section 410(d)(1).

"*DTC*" has the meaning specified in Section 201(a).

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor statute.

"Ex-Dividend Date" has the meaning specified in Section 410(e).

"*Expiration Date*" has the meaning specified in Section 410(d)(2).

"*Expiration Time*" has the meaning specified in Section 410(d)(2).

"Fixed Conversion Rate" means the Conversion Rate determined as set forth in the definition thereof assuming a Conversion Date that is eight Trading Days prior to April 29, 2008, subject to adjustment pursuant to Section 410.

"*GAAP*" means generally accepted accounting principles as in effect on the date of this Third Supplemental Indenture in the United States.

"*Global Security*" means a permanent Global Security that is in substantially the form attached hereto as *Annex A* and that includes the information and schedule called for by footnotes 1, 3 and 4 thereof and which is deposited with the Depositary or the Securities Custodian and registered in the name of the Depositary or its nominee.

"Incremental Share Factor" means 11.3258 shares of Common Stock, subject to adjustment pursuant to Section 410.

"*Indenture*" has the meaning specified in the recitals.

"*Issue Date*" of any 2033 Debenture means the date on which the 2033 Debenture was originally issued or deemed issued as set forth on the face of the 2033 Debenture.

"*Issue Price*" means $646.88 per $1,000 principal amount at Stated Maturity of 2033 Debentures.

"*Liquidated Damages*" shall have the meaning set forth in the Registration Rights Agreement.

"*Market Price*" has the meaning specified in Section 604.

"*Net Worth*" means, at any time with respect to the Company, Carnival plc or any of their respective Subsidiaries, the net worth of the Company, Carnival plc or any such respective Subsidiary, as the case may be, determined in accordance with GAAP.

"*NYSE*" has the meaning specified in Section 410(e).

"*Original Issue Discount*" with respect to any Outstanding 2033 Debenture, means the difference between the Issue Price and the Principal Amount at Maturity of such 2033 Debenture.

"*Outstanding*," when used with respect to Securities or Securities of any series, means, as of the date of determination, all such Securities theretofore authenticated and delivered under this Indenture, except:

(1) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(2) Securities for whose payment, repurchase or redemption money or Common Stock in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities; *provided* that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(3) Securities which have been cancelled pursuant to Section 3.9 of the Indenture or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company; and

(4) Securities converted into Common Stock pursuant to the terms of the Indenture or such Securities;

provided, *however*, that in determining whether the Holders of the requisite Principal Amount at Maturity of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor.

"*Paying Agent*" shall be the agent specified in Section 201(e).

"*Permitted Holders*" has the meaning specified in Section 701(a).

"*Post-Distribution Price*" has the meaning specified in Section 410(e).

"*Principal Amount at Maturity*" of any 2033 Debenture means the principal amount at maturity as set forth on the face of the 2033 Debenture.

"*Purchased Shares*" has the meaning specified in Section 410(d)(2).

"*purchases*" has the meaning specified in Section 410(d)(3).

"*QIB*" has the meaning specified in Section 201(a).

"*Redemption Price*" has the meaning specified in Section 501.

"*Registration Rights Agreement*" means the Registration Rights Agreement, dated as of April 29, 2003, between the Company and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated.

"*Repurchase Date*" has the meaning specified in Section 601.

"*Repurchase Notice*" has the meaning specified in Section 601.

"*Repurchase Price*" has the meaning specified in Section 601.

"*Restricted Certificated Security*" means a Certificated Security which is a Transfer Restricted Security.

"*Restricted Global Security*" means a Global Security that is a Transfer Restricted Security.

"*Rule 144*" means Rule 144 under the Securities Act or any successor to such Rule.

"*Rule 144A*" means Rule 144A under the Securities Act or any successor to such Rule.

"*Sale Price*" has the meaning specified in Section 604.

"*Securities*" has the meaning specified in the preamble of this Third Supplemental Indenture.

"*Securities Act*" means the Securities Act of 1933, as amended, or any successor statute.

"*Securities Custodian*" means the Trustee, as custodian with respect to the Securities in global form, or any successor thereto.

"*Significant Subsidiary*" means any Subsidiary, the Net Worth of which represents more than 10% of the Consolidated Net Worth of the Company, Carnival plc and their combined Subsidiaries.

"Subsidiary" means, with respect to any Person, (i) a corporation, a majority of whose Capital Stock with voting power, under ordinary circumstances, to elect directors is, at the date of determination, directly or indirectly owned by such Person, by one or more Subsidiaries of the such Person or by such Person and one or more Subsidiaries of such Person, (ii) a partnership in which such Person or a Subsidiary of such Person holds a majority interest in the equity capital or profits of such partnership, or (iii) any other Person (other than a corporation or a partnership) in which such Person, a Subsidiary of such Person or such Person and one or more Subsidiaries of such Person, directly or indirectly, at the date of determination, has (x) at least a majority equity ownership interest or (y) the power to elect or direct the election of a majority of the directors or other governing body of such other Person.

"*tender offer*" has the meaning specified in Section 410(d)(3).

"*tendered shares*" has the meaning specified in Section 410(d)(3).

"*Third Supplemental Indenture* "has the meanings specified in the recitals.

"*Trading Day*" means a day during which trading in securities generally occurs on the New York Stock Exchange or, if the Common Stock is not listed on the New York Stock Exchange, on the principal other national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not listed on a national or regional securities exchange, on the National Association of Securities Dealers Automated Quotation System or, if the Common Stock is not quoted on the National Association of Securities Dealers Automated Quotation System, on the other principal market on which the Common Stock is then traded.

"*Transfer Certificate*" has the meaning specified in Section 202(c).

"*Transfer Restricted Securities*" has the meaning specified in Section 202(f)(1).

"*Trigger Event*" has the meaning specified in Section 410(c).

"*Triggering Distribution*" has the meaning specified in Section 410(d)(1).

"Trust Shares" means trust shares of beneficial interest in the property (which, as of the date hereof, consists of a Special Voting Share, nominal value £1.00, issued by Carnival plc) subject to the P&O Princess Special Voting Trust, a trust established under the laws of the Cayman Islands on April 17, 2003 (or any successor thereto), that are paired with, and evidenced by, certificates representing shares of the common stock, $0.01 par value, of the Company.

"*Unrestricted Certificated Security*" means a Certificated Security which is not a Transfer Restricted Security.

"*Unrestricted Global Security*" means a Global Security which is not a Transfer Restricted Security.

"*Voting Stock*" means any class or classes of Capital Stock pursuant to which the holders thereof under ordinary circumstances have the power to vote in the election of the board of directors, managers or trustees of any Person (or other Persons performing similar functions), irrespective of whether or not, at the time, Capital Stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency.

ARTICLE TWO

THE 2033 DEBENTURES

Section 201 *Designation of 2033 Debentures; Establishment of Form.*

There shall be a series of Securities designated "Senior Convertible Debentures due 2033" of the Company, and the form thereof shall be substantially as set forth in *Annex A* hereto, which is incorporated into and shall be deemed a part of this Third Supplemental Indenture, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or as may, consistently herewith, be determined by the officers of the Company executing such 2033 Debentures, as evidenced by their execution of the 2033 Debentures.

(a) *Restricted Global Securities*. All of the 2033 Debentures are initially being offered and sold to qualified institutional buyers as defined in Rule 144A (collectively, "QIBs" or individually a "QIB") in reliance on Rule 144A under the Securities Act and shall be issued initially in the form of one or more Restricted Global Securities, which shall be deposited on behalf of the purchasers of the 2033 Debentures represented thereby with the Trustee, at its Corporate Trust Office, as Securities Custodian for the depositary, The Depository Trust Company ("DTC") (such depositary, or any successor thereto, being hereinafter referred to as the "Depositary"), and registered in the name of its nominee, Cede & Co., duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate Principal Amount at Maturity of a Restricted Global Security may from time to time be increased or decreased by adjustments made on the records of the Securities Custodian as hereinafter provided, subject in each case to compliance with the Applicable Procedures.

(b) [RESERVED]

(c) *Global Securities in General*. Each Global Security shall represent such of the Outstanding 2033 Debentures as shall be specified therein and each shall provide that it shall represent the aggregate Principal Amount at Maturity of Outstanding 2033 Debentures from time to time endorsed thereon and that the aggregate Principal Amount at Maturity of Outstanding 2033 Debentures represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges, redemptions, purchases or conversions of such 2033 Debentures. Any endorsement of a Global Security to reflect the amount of any increase or decrease in the Principal Amount at Maturity of Outstanding 2033 Debentures represented thereby shall be made by the Securities Custodian in accordance with the standing instructions and procedures existing between the Depositary and the Securities Custodian.

Neither any members of, or participants in, the Depositary ("Agent Members") nor any other Persons on whose behalf Agent Members may act shall have rights under this Indenture with respect to any Global Security held in the name of the Depositary or any nominee thereof, or under the Global Security, and the Depositary (including, for this purpose, its nominee) may be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner and Holder of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall (A) prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depositary or (B) impair, as between the Depositary, its Agent Members and any other Person on whose behalf an Agent Member may act, the operation of customary practices governing the exercise of the rights of a Holder of any 2033 Debenture.

(d) *Certificated Securities*. Certificated Securities shall be issued only under the limited circumstances provided in Section 202(a)(1) hereof.

(e) *Paying Agent and Conversion Agent*. The Company shall maintain an office or agency where 2033 Debentures may be presented for purchase or payment ("Paying Agent") and an office or agency where 2033 Debentures may be presented for conversion ("Conversion Agent"). The Company may

have one or more additional paying agents and one or more additional conversion agents.

The Company shall enter into an appropriate agency agreement with any Paying Agent or Conversion Agent (other than the Trustee). The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall notify the Trustee of the name and address of any such agent. If the Company fails to maintain a Paying Agent or Conversion Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 6.7 of the Indenture. The Company or any Subsidiary or an Affiliate of either of them may act as Paying Agent or Conversion Agent.

The Company initially appoints the Trustee as Conversion Agent and Paying Agent in connection with the 2033 Debentures.

Section 202 Transfer and Exchange.

(a) *Transfer and Exchange of Global Securities*.

(1) Certificated Securities shall be issued in exchange for interests in the Global Securities only if (x) the Depositary notifies the Company that it is unwilling or unable to continue as depositary for the Global Securities or if it at any time ceases to be a "clearing agency" registered under the Exchange Act if so required by applicable law or regulation and a successor depositary is not appointed by the Company within 90 days, (y) at any time the Company so determines, in its sole discretion, or (z) an Event of Default has occurred and is continuing with respect to the 2033 Debentures. In any of the foregoing cases, the Company shall execute, and the Trustee shall, upon receipt of a Company Order (which the Company agrees to deliver promptly), authenticate and deliver Certificated Securities in an aggregate Principal Amount at Maturity equal to the Principal Amount at Maturity of such Global Securities in exchange therefor. Only Restricted Certificated Securities shall be issued in exchange for beneficial interests in Restricted Global Securities, and only Unrestricted Certificated Securities shall be issued in exchange for beneficial interests in Unrestricted Global Securities. Certificated Securities issued in exchange for beneficial interests in Global Securities shall be registered in such names and shall be in such authorized denominations as the Depositary, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver or cause to be delivered such Certificated Securities to the persons in whose names such Securities are so registered. Such exchange shall be effected in accordance with the Applicable Procedures. Nothing herein shall require the Trustee to communicate directly with beneficial owners, and the Trustee shall in connection with any transfers hereunder be entitled to rely on instructions received through the registered Holder.

In the event that Certificated Securities are issued in exchange for beneficial interests in Global Securities in accordance with the foregoing paragraph and, thereafter, the events or conditions specified in this Section 202(a)(1) which required such exchange shall have ceased to exist, the Company shall mail notice to the Trustee and to the Holders stating that Holders may exchange Certificated Securities for interests in Global Securities by complying with the procedures set forth in this Indenture and briefly describing such procedures and the events or circumstances requiring that such notice be given.

(2) Notwithstanding any other provisions of this Third Supplemental Indenture other than the provisions set forth in Section 202(a)(1) hereof, a Global Security may not be transferred, except as a whole by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. Nothing in this Section 202(a)(2) shall prohibit or render ineffective any transfer of a beneficial interest in a Global Security effected in accordance with the other provisions of this Section 202.

(b) [RESERVED]

(c) *Transfer and Exchange of Certificated Securities.* When Certificated Securities are presented by a Holder to a Security Registrar with a request:

(1) to register the transfer of the Certificated Securities to a person who will take delivery thereof in the form of Certificated Securities only; or

(2) to exchange such Certificated Securities for an equal Principal Amount at Maturity of Certificated Securities of other authorized denominations,

such Security Registrar shall register the transfer or make the exchange as requested; *provided*, *however*, that the Certificated Securities presented or surrendered for register of transfer or exchange:

(3) shall be duly endorsed or accompanied by a written instrument of transfer in accordance with the fifth paragraph of Section 3.5 of the Indenture; and

(4) in the case of a Restricted Certificated Security, such request shall be accompanied by the following additional information and documents, as applicable:

(A) if such Restricted Certificated Security is being delivered to the Security Registrar by a Holder for registration in the name of such Holder, without transfer, or such Restricted Certificated Security is being transferred to the Company or a Subsidiary of the Company, a certification to that effect from such Holder (in substantially the form set forth in *Exhibit B* hereto (the "Transfer Certificate"));

(B) if such Restricted Certificated Security is being transferred to a person the Holder reasonably believes is a QIB in accordance with Rule 144A or pursuant to an effective registration statement under the Securities Act, a certification to that effect from such Holder (in substantially the form set forth in the Transfer Certificate); or

(C) if such Restricted Certificated Security is being transferred (i) pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or (ii) pursuant to an exemption from the registration requirements of the Securities Act (other than pursuant to Rule 144A or Rule 144) and as a result of which, in the case of a Security transferred pursuant to this clause (ii), such Security shall cease to be a "restricted security" within the meaning of Rule 144, a certification to that effect from the Holder (in

substantially the form set forth in the Transfer Certificate) and, if the Company or such Security Registrar so requests, a customary opinion of counsel, certificates and other information reasonably acceptable to the Company and such Security Registrar to the effect that such transfer is in compliance with the Securities Act.

(d) *Transfer of a Beneficial Interest in a Restricted Global Security for a Beneficial Interest in an Unrestricted Global Security*. Any person having a beneficial interest in a Restricted Global Security may upon request, subject to the Applicable Procedures, transfer such beneficial interest to a person who is required or permitted to take delivery thereof in the form of an Unrestricted Global Security. Upon receipt by the Trustee of written instructions or such other form of instructions as

is customary for the Depositary, from the Depositary or its nominee on behalf of any person having a beneficial interest in a Restricted Global Security and the following additional information and documents in such form as is customary for the Depositary from the Depositary or its nominee on behalf of the person having such beneficial interest in the Restricted Global Security (all of which may be submitted by facsimile or electronically):

(1) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certification to that effect from the transferor (in substantially the form set forth in the Transfer Certificate); or

(2) if such beneficial interest is being transferred (i) pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or (ii) pursuant to an exemption from the registration requirements of the Securities Act (other than pursuant to Rule 144A or Rule 144) and as a result of which, in the case of a Security transferred pursuant to this clause (ii), such Security shall cease to be a "restricted security" within the meaning of Rule 144, a certification to that effect from the transferor (in substantially the form set forth in the Transfer Certificate) and, if the Company or the Trustee so requests, a customary opinion of counsel, certificates and other information reasonably acceptable to the Company and the Trustee to the effect that such transfer is in compliance with the Securities Act,

the Trustee, as a Security Registrar and Securities Custodian, shall reduce or cause to be reduced the aggregate Principal Amount at Maturity of the Restricted Global Security by the appropriate Principal Amount at Maturity and shall increase or cause to be increased the aggregate Principal Amount at Maturity of the Unrestricted Global Security by a like Principal Amount at Maturity. Such transfer shall otherwise be effected in accordance with the Applicable Procedures. If no Unrestricted Global Security is then outstanding, the Company shall execute and the Trustee shall, upon receipt of a Company Order (which the Company agrees to deliver promptly), authenticate and deliver an Unrestricted Global Security.

(e) *Transfers of Certificated Securities for Beneficial Interest in Global Securities.* If Certificated Securities are presented by a Holder to a Security Registrar with a request:

(1) to register the transfer of such Certificated Securities to a person who will take delivery thereof in the form of a beneficial interest in a Global Security, which request shall specify whether such Global Security will be a Restricted Global Security or an Unrestricted Global Security; or

(2) to exchange such Certificated Securities for an equal Principal Amount at Maturity of beneficial interests in a Global Security, which beneficial interests will be owned by the Holder transferring such Certificated Securities (provided that in the case of such an exchange, Restricted Certificated Securities may be exchanged only for Restricted Global Securities and Unrestricted Certificated Securities may be exchanged only for Unrestricted Global Securities),

the Security Registrar shall register the transfer or make the exchange as requested by canceling such Certificated Security and causing, or directing the Securities Custodian to cause, the aggregate Principal Amount at Maturity of the applicable Global Security to be increased accordingly and, if no such Global Security is then outstanding, the Company shall issue and the Trustee shall authenticate and deliver a new Global Security; *provided, however*, that the Certificated Securities presented or surrendered for registration of transfer or exchange:

(3) shall be duly endorsed or accompanied by a written instrument of transfer in accordance with the fifth paragraph of Section 3.5 of the Indenture;

(4) in the case of a Restricted Certificated Security to be transferred for a beneficial interest in an Unrestricted Global Security, such request shall be accompanied by the following additional information and documents, as applicable:

(A) if such Restricted Certificated Security is being transferred pursuant to an effective registration statement under the Securities Act, a certification to that effect from such Holder (in substantially the form set forth in the Transfer Certificate); or

(B) if such Restricted Certificated Security is being transferred pursuant to (i) an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or (ii) pursuant to an exemption from the registration requirements of the Securities Act (other than pursuant to Rule 144A or Rule 144) and as a result of which, in the case of a Security transferred pursuant to this clause (ii), such Security shall cease to be a "restricted security" within the meaning of Rule 144, a certification to that effect from such Holder (in substantially the form set forth in the Transfer Certificate), and, if the Company or the Security Registrar so requests, a customary opinion of counsel, certificates and other information reasonably acceptable to the Company and the Trustee to the effect that such transfer is in compliance with the Securities Act;

(5) in the case of a Restricted Certificated Security to be transferred or exchanged for a beneficial interest in a Restricted Global Security, such request shall be accompanied by a certification from such Holder (in substantially the form set forth in the Transfer Certificate) to the effect that such Restricted Certificated Security is being transferred to a person the Holder reasonably believes is a QIB (which, in the case of an exchange, shall be such Holder) in accordance with Rule 144A; and

(6) in the case of an Unrestricted Certificated Security to be transferred or exchanged for a beneficial interest in an Unrestricted Global Security, such request need not be accompanied by any additional information or documents.

(f) *Legends*.

(1) Except as permitted by the following paragraphs (2) and (3), each Global Security and Certificated Security (and all Securities issued in exchange therefor or upon registration of transfer or replacement thereof and any Common Stock issuable upon conversion thereof) shall bear a legend in substantially the form called for by footnote 2 to *Annex A* hereto (each, a "Transfer Restricted Security") for so long as such Security or Common Stock issuable upon conversion thereof is required by this Indenture to bear such legend. Each Transfer Restricted Security shall have attached thereto a Transfer Certificate.

(2) Upon any sale or transfer of a Transfer Restricted Security (x) pursuant to Rule 144, (y) pursuant to an effective registration statement under the Securities Act or (z) pursuant to any other available exemption (other than Rule 144A) from the registration requirements of the Securities Act and as a result of which, in the case of a Security transferred pursuant to this clause (z), such Security shall cease to be a "restricted security" within the meaning of Rule 144:

(A) in the case of any Restricted Certificated Security, any Security Registrar shall permit the Holder thereof to exchange such Restricted Certificated Security for an Unrestricted Certificated Security, or (under the circumstances described in Section 202(e) hereof) to transfer such Restricted Certificated Security to a transferee who shall take such Security in the form of a beneficial interest in an Unrestricted Global Security, and in each case shall rescind any restriction on the transfer of such Security; *provided, however*, that the Holder of such Restricted Certificated Security shall, in

connection with such exchange or transfer, comply with the other applicable provisions of this Section 202; and

(B) in the case of any beneficial interest in a Restricted Global Security, the Trustee shall permit the beneficial owner thereof to transfer such beneficial interest to a transferee who shall take such interest in the form of a beneficial interest in an Unrestricted Global Security and shall rescind any restriction on transfer of such beneficial interest; *provided*, *however*, that such Unrestricted Global Security shall continue to be subject to the provisions of Section 202(a)(2) hereof, and *provided further*, *however*, that the owner of such beneficial interest shall, in connection with such transfer, comply with the other applicable provisions of this Section 202.

(3) Upon the exchange, registration of transfer or replacement of Securities not bearing the legend described in paragraph (1) above, the Company shall execute, and the Trustee shall authenticate and deliver, Securities that do not bear such legend and which do not have a Transfer Certificate attached thereto.

(g) *Transfers to the Company.* Nothing in this Third Supplemental Indenture or in the Securities shall prohibit the sale or other transfer of any Securities (including beneficial interests in Global Securities) to the Company, Carnival plc or any of their respective Subsidiaries, which Securities (if transferred to the Company or any of its Subsidiaries) shall thereupon be canceled in accordance Section 3.9 of the Indenture.

(h) *Additional OID Legend.* Any Restricted Certificated Security shall bear the legend required by Treas. Reg. Section 1.1275-3(b).

Section 203 *Amount.*

(a) The Trustee shall authenticate and deliver 2033 Debentures for original issue in an aggregate Principal Amount at Maturity of up to $889,000,000 upon a Company Order for the authentication and delivery of 2033 Debentures, without any further action by the Company. The aggregate Principal Amount at Maturity of 2033 Debentures that may be authenticated and delivered under the Indenture may not exceed the amount set forth in the foregoing sentence, except for 2033 Debentures authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other 2033 Debentures pursuant to Section 202 of this Third Supplemental Indenture or Sections 2.5, 3.4, 3.5, 3.6 or 11.7 of the Indenture.

(b) The Company may not issue new 2033 Debentures to replace 2033 Debentures that it has paid or delivered to the Trustee for cancellation or that any Holder has converted pursuant to Article Four hereof.

Section 204 *Interest and Original Issue Discount.*

Outstanding 2033 Debentures shall bear interest at the rate of 1.132% per annum on the Principal Amount at Maturity from April 29, 2003, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to, but excluding, April 29, 2008 (or such earlier date as determined pursuant to Section 208, 209 or 211 of this Third Supplemental Indenture), payable semiannually in arrears on April 29 and October 29 of each year, commencing October 29, 2003, to the Persons in whose names the 2033 Debentures are registered at the close of business on the April 14 or October 14 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Interest on the 2033 Debentures will be computed on the basis of a 360-day year comprised of twelve 30-day months. Each payment of cash interest on the 2033 Debentures shall include interest accrued through the day before the applicable Interest Payment Date. Any payment required to be made on any day that is not a Business Day shall be made on the next succeeding Business Day.

Outstanding 2033 Debentures shall accrue Original Issue Discount, calculated on a semi-annual bond equivalent basis, at 1.75% per annum from April 29, 2008, using a 360-day year comprised of twelve 30-day months. Original Issue Discount shall cease to accrue at the Stated Maturity, or such earlier date as determined pursuant to Section 208, 209 or 211 of this Third Supplemental Indenture. Upon any such earlier date specified in the previous sentence, the Holders of any 2033 Debentures shall be entitled to payment of Original Issue Discount and other amounts hereunder, as provided in Section 309 of this Third Supplemental Indenture.

Section 205 *Liquidated Damages.*

Liquidated Damages with respect to the 2033 Debentures shall be payable in accordance with the provisions and in the amounts set forth in the Registration Rights Agreement.

Section 206 *Denominations.*

Each 2033 Debenture shall be in fully registered form without coupons in the denominations of $1,000 of Principal Amount at Maturity or any integral multiple thereof.

Section 207 *Place of Payment.*

The Place of Payment for the 2033 Debentures and the place or places where the 2033 Debentures may be surrendered for registration of transfer, exchange, repurchase, redemption or conversion and where notices may be given to the Company in respect of the 2033 Debentures is at the office of the Trustee in New York, New York and at the agency of the Trustee maintained for that purpose at the office of the Trustee; *provided, however*, that payment of interest may be made at the option of the Company by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register (as defined in the Indenture).

Section 208 *Redemption.*

(a) There shall be no sinking fund for the retirement of the 2033 Debentures.

(b) The Company, at its option, may redeem the 2033 Debentures on or after April 29, 2008 in accordance with the provisions and at the Redemption Price set forth under the captions "Optional Redemption" and "Notice of Redemption" in the 2033 Debentures and in accordance with the provisions of the Indenture and this Third Supplemental Indenture, including, without limitation, Article Five hereof.

Section 209 *Conversion.*

The 2033 Debentures shall be convertible in accordance with the provisions and at the Conversion Rate set forth under the caption "Conversion" in the 2033 Debentures and in accordance with the provisions of the Indenture and this Third Supplemental Indenture, including, without limitation, Article Four hereof.

Section 210 *Stated Maturity.*

The date on which the principal of the 2033 Debentures is due and payable, unless earlier converted, accelerated, redeemed or repurchased pursuant to the Indenture or this Third Supplemental Indenture, shall be April 29, 2033.

Section 211 *Repurchase.*

(a) The 2033 Debentures shall be repurchased by the Company, at the option of the Holder in accordance with the provisions and at the Repurchase Price set forth under the caption "Repurchase by the Company at the Option of the Holder" in the 2033 Debentures and in accordance with the provisions of the Indenture and this Third Supplemental Indenture, including, without limitation, Article Six hereof.

(b) The 2033 Debentures shall be purchased by the Company in accordance with the provisions and at the Change in Control Purchase Price set forth under the caption "Purchase of Securities at Option of Holder Upon a Change in Control" in the 2033 Debentures and in accordance with the provisions of this Third Supplemental Indenture, including, without limitation, Article Seven hereof.

Section 212 *Discharge of Liability on 2033 Debentures.*

The 2033 Debentures may be discharged by the Company in accordance with the provisions of Article IV of the Indenture, as amended by Section 305 hereof.

Section 213 *Other Terms of 2033 Debentures.*

Without limiting the foregoing provisions of this Article, the terms of the 2033 Debentures shall be as set forth in the form of the 2033 Debentures set forth in Annex A hereto and as provided in the Indenture.

Section 214 *Ownership Limitation on 2033 Debentures.*

(a) For purposes of this Section 214, the following terms shall have the following meanings:

"*Beneficial Ownership*" shall mean ownership of Shares (including Shares deemed to be held as a result of ownership of the 2033 Debentures) by a Person who would be treated as an owner of such Shares directly, indirectly or constructively through the application of Section 267(b) of the Code, as modified in any way by Section 883 of the Code and the regulations promulgated thereunder. The terms "Beneficial Owner," "Beneficially Owns" and "Beneficially Owned" shall have correlative meanings.

"*Ownership Limit*" shall mean, in the case of a Person, Beneficial Ownership of more than four and nine-tenths percent (4.9%), by value, vote or number, of the Shares.

"*Person*" shall mean a person as defined by Section 7701(a) of the Code.

"*Restriction Termination Date*" shall mean such date as may be determined by the Company in its sole discretion (and for any reason) as the date on which the ownership restrictions set forth in this Section 214 should cease to apply.

"*Shares*" shall means shares of the Company as may be authorized and issued from time to time pursuant to its Articles of Incorporation. For purposes of determining a Person's Beneficial Ownership of any Shares, the conversion of the 2033 Debentures and any other convertible securities held by such Person shall be deemed effected and any option, warrant or similar instrument held by such Person shall be deemed exercised.

(b) Notwithstanding anything to the contrary contained in this Third Supplemental Indenture or in the 2033 Debentures, except as provided in Section 214(d) hereof, until the Restriction Termination Date no Holder shall be entitled to convert 2033 Debentures into Shares that, when added to Shares Beneficially Owned by such Holder immediately prior to the proposed conversion of such 2033 Debentures, would cause such Holder to Beneficially Own an aggregate number of Shares in excess of the Ownership Limit.

(c) Nothing contained in this Third Supplemental Indenture shall limit the ability of the Company to take such other action as it deems necessary or advisable to protect the interests of the Company by preservation of the Company's status as exempt from taxation on gross income from the international operation of a ship or ships within the meaning of Section 883 of the Code and to ensure compliance with the Ownership Limit.

(d) The Company upon receipt of a ruling from the Internal Revenue Service or an opinion of tax counsel, satisfactory to it in its sole and absolute discretion, in each case to the effect that the Company's status as exempt from taxation on gross income from the international operation of a ship or ships within the meaning of Section 883 of the Code will not be jeopardized, may exempt a Person (or may generally exempt any class of Persons) from application of the Ownership Limit if the Company, in its sole discretion, ascertains that such Person's (or Persons') Beneficial Ownership of Shares and/or 2033 Debentures will not jeopardize the Company's status as exempt from taxation on gross income from the international operation of a ship or ships within the meaning of Section 883 of the Code. The Company may require representations and undertakings from such Person or Persons as are necessary to make such determination.

(e) Prior to the Restriction Termination Date, each certificate for the 2033 Debentures shall bear the following legend:

THIS SECURITY IS SUBJECT TO LIMITATIONS ON OWNERSHIP CONTAINED IN THE INDENTURE, IN ORDER TO PERMIT THE COMPANY TO RETAIN ITS STATUS AS A PUBLICLY TRADED CORPORATION UNDER PROPOSED TREASURY REGULATIONS UNDER SECTION 883 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

(f) The Trustee of the 2033 Debentures shall have no responsibility to monitor the ownership of the 2033 Debentures.

Section 215 *Payments of Additional Amounts.*

Sections 10.5 and 11.8 of the Indenture shall apply to the 2033 Debentures; *provided* that Section 10.5 of the Indenture shall be amended by replacing clause (i) of such Section 10.5 with the following clause:

(i) any present or future Panamanian Taxes which would not have been so imposed, assessed, levied or collected if the Holder or beneficial owner of such Security did not have some present or former connection with the Republic of Panama (or the jurisdiction of incorporation of a successor corporation to the Company pursuant to Section 8.1) or any political subdivision thereof (or of any

such jurisdiction of incorporation) other than holding or ownership of a Security, or the collection of principal and interest, if any, on, or the enforcement of such Security, which connection may include its domicile, residence or physical presence in the Republic of Panama or such jurisdiction of incorporation, or its conduct of a business or maintenance of a permanent establishment therein.

ARTICLE THREE

AMENDMENTS TO THE INDENTURE

Section 301 *Provisions Applicable Only to 2033 Debentures.*

The Provisions contained herein shall apply to the 2033 Debentures only and not to any other series of Security issued under the Indenture and any covenants provided herein are expressly being included solely for the benefit of the 2033 Debentures and not for the benefit of any other series of Security issued under the Indenture. These amendments shall be effective for so long as there remain any 2033 Debentures Outstanding.

Section 302 *Registration, Registration of Transfer and Exchange.*

The Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2033 Debentures only, by replacing the seventh paragraph of Section 3.5 with the following paragraph:

The Company shall not be required (i) to issue, register the transfer of or exchange the Securities of any series during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Securities of that series selected for redemption and ending at the close of business on the day of such mailing, (ii) to register the transfer of or exchange any 2033 Debenture so selected for redemption in whole or in part, except the unredeemed portion of any 2033 Debenture being redeemed in part, or (iii) to exchange or register a transfer of any 2033 Debenture or portions thereof in respect of which a Change in Control Purchase Notice or Repurchase Notice has been delivered and not withdrawn by the Holder thereof (except, in the case of the purchase or repurchase of a 2033 Debenture in part, the portion not to be purchased).

Section 303 *Reserved.*

Section 304 *Payment of Interest and Original Issue Discount; Interest Rights Preserved.*

The Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2033 Debentures only, by inserting the following paragraph before the final paragraph in Section 3.7 of the Indenture:

On conversion of a Holder's 2033 Debentures, such Holder shall not receive any cash payment of accrued Original Issue Discount or any cash payment of interest (unless such 2033 Debentures or portions thereof have been called for redemption in accordance with Article 5 hereof on a Redemption Date that occurs between a Regular Record Date and the third business day after the Interest Payment Date to which it relates). The Company's delivery to a Holder of the full number of shares of Common Stock into which a 2033 Debenture is convertible, together with any cash payment for such Holder's fractional shares, or cash or a combination of cash and Common Stock in lieu thereof, shall be deemed to satisfy the Company's obligation to pay the Principal Amount at Maturity of such 2033 Debenture, to pay accrued interest, if any, attributable to the period from the most recent Interest Payment Date through the Conversion Date and to pay all accrued Original Issue Discount.

Notwithstanding the above, if any 2033 Debentures are converted after a Regular Record Date but prior to the next succeeding Interest Payment Date, Holders of such 2033 Debentures at the close of business on such Regular Record Date shall receive the interest payable on such 2033 Debentures on the corresponding Interest Payment Date notwithstanding the conversion. Such 2033 Debentures, upon surrender for conversion, must be accompanied by funds equal to the amount of interest payable on the Principal Amount at Maturity of the 2033 Debentures so converted, unless such 2033 Debentures have been called for redemption on a Redemption Date that occurs between a Regular Record Date and the third business day after the Interest Payment Date to which it relates, in which case no such payment shall be required.

Section 305 *Discharge of Liability on Securities.*

When (i) the Company delivers to the Trustee or any Paying Agent all Outstanding 2033 Debentures (other than 2033 Debentures replaced pursuant to Section 3.6 of the Indenture) for cancellation or (ii) all Outstanding 2033 Debentures have become due and payable and the Company deposits with the Trustee, any Paying Agent or any Conversion Agent cash or, if expressly permitted by the terms of the 2033 Debentures, Common Stock sufficient to pay all amounts due and owing on all Outstanding 2033 Debentures (other than 2033 Debentures replaced pursuant to Section 3.6), and if in either case the Company pays all other sums payable hereunder by the Company, then this Third Supplemental Indenture shall, subject to Section 6.7 of the Indenture, cease to be of further effect, except for the indemnification of the Trustee, which shall survive. The Trustee shall join in the execution of a document prepared by the Company acknowledging satisfaction and discharge of this Third Supplemental Indenture on demand of the Company accompanied by an Officers' Certificate and Opinion of Counsel and at the reasonable cost and expense of the Company.

Section 306 *Repayment to the Company.*

The Trustee and the Paying Agent shall return to the Company upon written request any money or securities held by them for the payment of any amount with respect to the 2033 Debentures that remains unclaimed for two years, subject to applicable unclaimed property law. After return to the Company, Holders entitled to the money or securities must look to the Company for payment as general creditors unless an applicable abandoned property law designates another person and the Trustee and the Paying Agent shall have no further liability to the Holders of 2033 Debentures with respect to such money or securities for that period commencing after the return thereof.

Section 307 *Events of Default.*

The Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2033 Debentures only, by replacing Section 5.1 with the following paragraph:

"Event of Default," wherever used herein, means with respect to the 2033 Debentures any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest upon any 2033 Debenture when it becomes due and payable or in the payment of any Liquidated Damages pursuant to the Registration Rights Agreement, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal amount at Maturity, the Redemption Price, the Repurchase Price, or the Change in Control Purchase Price, as the case may be, in respect of the 2033 Debentures when the same become due and payable; or

(3) a default under any bonds, debentures, notes or other evidences of indebtedness for money borrowed by the Company, Carnival plc or any of their respective Subsidiaries or under any mortgages, indentures or instruments under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Company, Carnival plc or any of their respective Subsidiaries, whether such indebtedness now exists or shall hereafter be created, which indebtedness, individually or in the aggregate, is in excess of $50,000,000 principal amount (excluding any such indebtedness of any Subsidiary other than a Significant Subsidiary, all the indebtedness of which Subsidiary is nonrecourse to the Company, Carnival plc or any other of their respective Subsidiaries), which default shall constitute a failure to pay any portion of the principal of or interest on such indebtedness when due and payable after the expiration of any applicable grace or cure period with respect thereto or shall have resulted in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged, or such acceleration having been rescinded or annulled, within a period of 30 days after there shall have been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in Principal Amount at Maturity of the Outstanding 2033 Debentures a written notice specifying such default and requiring the Company to cause such indebtedness to be discharged or cause such acceleration to be rescinded or annulled and stating that such notice is a "Notice of Default" hereunder; or

(4) default by the Company in the performance, or breach, of any covenant or warranty of the Company in the Indenture or this Third Supplemental Indenture for the benefit of the 2033 Debentures (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section 307 specifically dealt with), and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in Principal Amount at Maturity of the Outstanding

2033 Debentures a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) unless Carnival plc has become or has been merged with or has been otherwise consolidated with the primary obligor under the 2033 Debentures and the Indenture (as supplemented by this Third Supplemental Indenture), the Carnival plc Guarantee ceases to be in full force and effect or is declared null and void or Carnival plc denies that it has any further liability under the Carnival plc Guarantee in respect of the 2033 Debentures and/or the Indenture, or gives notice to such effect (other than by reason of the termination of this Third Supplemental Indenture or the release of any such Carnival plc Guarantee in accordance with this Third Supplemental Indenture) and such condition shall have continued for a period of 30 days after written notice of such failure requiring Carnival plc and the Company to remedy the same shall have been given, by registered or certified mail, (x) to the Company by the Trustee or (y) to the Company and the Trustee by the holders of 25% in aggregate Principal Amount at Maturity of the 2003 Debentures then outstanding; or

(6) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company, Carnival plc or any of their respective Significant Subsidiaries in an involuntary case or proceeding under any applicable Federal, State or foreign bankruptcy, insolvency, reorganization or other similar law (each, a "Bankruptcy Law") or (B) a decree or order adjudging the Company, Carnival plc or any of their respective Significant Subsidiaries a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company, Carnival plc or any of their respective Significant Subsidiaries under any applicable Federal, State or foreign law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official

of the Company, Carnival plc or any of their respective Significant Subsidiaries or of any substantial part of their respective properties, or ordering the winding up or liquidation of the affairs of the Company, Carnival plc or any of their respective Significant Subsidiaries, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(7) the commencement by the Company, Carnival plc or any of their respective Significant Subsidiaries of a voluntary case or proceeding under any applicable Bankruptcy Law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by either the Company, Carnival plc or any of their respective Significant Subsidiaries to the entry of a decree or order for relief in respect of the Company, Carnival plc or any of their respective Significant Subsidiaries in an involuntary case or proceeding under any applicable Bankruptcy Law or to the commencement of any bankruptcy or insolvency case or proceeding against any of the Company, Carnival plc or any of their respective Significant Subsidiaries, or the filing by any of the Company, Carnival plc or any of their respective Significant Subsidiaries of a petition or answer or consent seeking reorganization or relief under any applicable Federal, State or foreign law, or the consent by any of the Company, Carnival plc or any of their respective Significant Subsidiaries to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company, Carnival plc or any of their respective Significant Subsidiaries or of any substantial part of their respective properties, or the making by any of the Company, Carnival plc or any of their respective Significant Subsidiaries of an assignment for the benefit of creditors, or the admission by any of the Company, Carnival plc or any of their respective Significant Subsidiaries in writing of an inability to pay the debts of any of the Company, Carnival plc or any of their respective Significant Subsidiaries generally as they become due, or the taking of corporate action by the Company, Carnival plc or any of their respective Significant Subsidiaries in furtherance of any such action.

Upon the occurrence of a default in payment of the Accreted Principal Amount (whether upon acceleration pursuant to Section 5.2 of the Indenture, upon the date set for payment of the Redemption Price, the Change in Control Purchase Price, the Repurchase Price or upon the Stated Maturity of the 2033 Debenture), from and after such date the 2033 Debentures shall bear interest at the rate of 1.75% per annum on the unpaid amount due and payable on such date, compounded on a semi-annual basis (based on a 360-day year of 12 30-day months) to the extent that payment of any interest is legally enforceable, payable upon demand of the Holder or beneficial Holder of any such 2033 Debenture, in accordance with the terms of the 2033 Debentures, to the date that payment of such amount has been made or provided for upon the terms set forth herein.

Section 308 *Acceleration of Maturity; Rescission and Annulment.*

The Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2033 Debentures only, by replacing Section 5.2 with the following paragraphs:

If an Event of Default under clauses (1), (2), (3), (4) or (5) of the definition of Event of Default in Section 307 above, with respect to 2033 Debentures at the time Outstanding, occurs and is continuing, then in every such case the Trustee or the Holders of not less than 25% in Principal Amount at Maturity of the Outstanding 2033 Debentures may declare the Accreted Principal Amount of all of the Outstanding 2033 Debentures, and accrued and unpaid interest, if any, on all of the Outstanding 2033 Debentures through the date of such declaration, to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration, such Accreted Principal Amount shall become immediately due and payable.

At any time after such a declaration of acceleration with respect to 2033 Debentures has been made and before a judgment or decree for payment of the money due has been obtained by the

Trustee as hereinafter in this Article provided, the Holders of a majority in Principal Amount at Maturity of the Outstanding 2033 Debentures, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay:

(A) the Accreted Principal Amount and accrued and unpaid interest, if any, on the 2033 Debentures to the date of such payment or deposit;

(B) to the extent that payment of such interest is enforceable under applicable law, interest on the Accreted Principal Amount and accrued and unpaid interest, if any, on the 2033 Debentures to the date of such payment or deposit, at the rate borne by the 2033 Debentures during the period of such default in accordance with the last paragraph of Section 307 of this Third Supplemental Indenture; and

(C) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel;

and

(2) all Events of Default with respect to the 2033 Debentures, other than the non-payment of the Accreted Principal Amount of, and accrued and unpaid interest, if any, on, the 2033 Debentures which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 5.13 of the Indenture.

No such waiver or rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

If an Event of Default described in clauses (6) and (7) of the definition of Event of Default in Section 307 above, with respect to 2033 Debentures at the time Outstanding, occurs and is continuing, then the Accreted Principal Amount of, and accrued and unpaid interest, if any, on, the Outstanding 2033 Debentures shall become due and payable immediately, without any declaration or other act by the Trustee or any Holder.

Section 309 *Unconditional Right of Holders to Receive Principal, Premium and Interest.*

Notwithstanding any other provision in this Third Supplemental Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Section 3.7 of the Indenture) interest on such Security on the Stated Maturity or Maturities expressed in such Security (or in the case of redemption, to receive the Redemption Price on the Redemption Date, in the case of a repurchase, to receive the Repurchase Price on the Repurchase Date, or in the case of a Change in Control, to receive the Change in Control Purchase Price on the Change in Control Purchase Date) and to institute suit for the enforcement of any such payment on or after such respective dates, and such rights shall not be impaired without the consent of such Holder.

Section 310 *Reports by Company.*

The Company shall: (1) provide to the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Company is not required to file information, documents or reports pursuant to either of said Sections, then it shall provide to the Trustee and file with the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(1) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations; and

(2) transmit by mail to all Securityholders, as their names and addresses appear in the Security Register, within 30 days after the filing thereof with the Trustee, such summaries of any information, documents and reports required to be filed by the Company pursuant to paragraphs (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

If at any time while any of the Securities are "restricted securities" within the meaning of Rule 144, the Company is no longer subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company shall prepare and shall furnish to any Holder, any beneficial owner of Securities and any prospective purchaser of Securities designated by a Holder or a beneficial owner of Securities, promptly upon request, the information required pursuant to Rule 144A(d)(4) (or any successor thereto) under the Securities Act in connection with the offer, sale or transfer of Securities.

Section 311 *Consolidation, Merger and Sale.*

Section 8.1 of the Indenture is, with respect to the 2033 Debentures only, hereby amended and restated in its entirety to read as follows:

The Company shall not consolidate with or merge into any other entity or convey or transfer its properties and assets substantially as an entirety to any entity, unless:

(a) the successor or transferee entity is a corporation, limited liability company, trust or partnership organized under the laws of the United States or any State of the United States or the District of Columbia or the Republic of Panama or any other country recognized by the United States and all political subdivisions of such countries;

(b) the successor or transferee entity, if other than the Company, expressly assumes by a supplemental indenture executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of, any premium on and any interest or accrued Original Issue Discount on, all the Outstanding 2033 Debentures and the performance of

every covenant in the Indenture (as supplemented by this Third Supplemental Indenture) to be performed or observed by the Company and provides for conversion rights in accordance with applicable provisions of the Indenture and this Third Supplemental Indenture;

(c) immediately after giving the effect to the transaction, no Event of Default and no event which, after notice or lapse of time or both, would become an Event of Default, has occurred and is continuing; and

(d) the Company has delivered to the Trustee an officers' certificate and an opinion of counsel, each in the form required by the Indenture and this Third Supplemental Indenture, stating that such consolidation, merger, conveyance or transfer and such supplemental indenture comply with the foregoing provisions relating to such transaction.

In case of any such consolidation, merger, conveyance or transfer, the successor entity shall succeed to and be substituted for the Company as obligor under the Indenture (as supplemented hereby), with the same effect as if it had been named in the Indenture (as supplemented hereby) as the Company.

Section 312 *Supplemental Indentures Without Consent of Holders.*

Section 9.1 of the Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2033 Debentures only, by inserting the following clauses immediately following clause (11) thereof:

(12) to add any rights for the benefit of Holders of 2033 Debentures; and

(13) to provide any additional events of default.

Section 313 *Supplemental Indentures with Consent of Holders.*

Section 9.2 of the Indenture is, with respect to the 2033 Debentures only, hereby amended and restated in its entirety to read as follows:

With the consent of the Holders of not less than a majority in Principal Amount at Maturity of the Outstanding 2033 Debentures, by Act of said Holders delivered to the Company and the Trustee, the Company (and Carnival plc to the extent that any supplemental indenture relates to the Carnival plc Guarantee), when authorized by a Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act of 1939 as in force at the date of execution thereof) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture, the Carnival plc Guarantee or of any supplemental indenture or of modifying in any manner the rights of the Holders of 2033 Debentures; *provided, however*, that no such supplemental indenture shall (i) change the Maturity of any payment of principal of, or any premium on, or any installment of interest on or Original Issue Discount on any 2033 Debenture, or reduce the Principal Amount at Maturity thereof or any premium thereon or the rate of interest or accrual of Original Issue Discount thereon, or change the place of payment where, or the coin or currency in which, any 2033 Debenture or any premium, interest or Original Issue Discount thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Maturity thereof (or, in the case of redemption or repayment, on or after the redemption date or the repayment date, as the case may be), (ii) adversely affect the conversion rights of the Holders under Article Four of this Third Supplemental Indenture or the right of Holders to require the Company to repurchase the 2033 Debentures under Articles Six and Seven of this Third Supplemental Indenture, (iii) reduce the percentage in aggregate Principal Amount at Maturity of the Outstanding 2033 Debentures, the consent of whose holders is required for any such modification, or the consent of whose holders is required for any waiver of compliance with the provisions of the Indenture or this Third Supplemental Indenture or for any waiver of an Event of Default; or (iv) modify this Section 9.2, except to increase any percentages required for approval or to provide that certain other provisions of the Indenture or this Third Supplemental Indenture cannot be modified or waived without the consent of the Holder of each Outstanding 2033 Debenture affected thereby.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of

Securities, or which modifies the rights of the Holders of Securities or such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

Upon the request of the Company accompanied by a copy of a Board Resolution authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee of evidence of the consent of Holders as aforesaid, the Trustee shall join with the Company in the execution of such supplemental indenture. It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Section 314 *Maintenance of Office or Agency.*

The first paragraph of Section 10.2 of the Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2033 Debentures only, by changing the first sentence thereof to read in its entirety as follows:

The Company shall maintain in each Place of Payment for the 2033 Debentures an office or agency where the 2033 Debentures may be presented or surrendered for payment, where the 2033 Debentures may be surrendered for registration of transfer or exchange, where the 2033 Debentures may be surrendered for conversion and where notices and demands to or upon the Company in respect of the 2033 Debentures and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

Section 315 *Redemption.*

(a) Section 11.4 of the Indenture is hereby amended, subject to Section 301 hereof and with respect to the 2033 Debentures only, by deleting the word "and" at the end of paragraph (5) thereof, replacing the period at the end of paragraph (6) thereof with," and" and by inserting the following paragraph:

"(7) in the event that a Holder elects to convert 2033 Debentures in connection with such redemption, the election of the Company (which, subject to the provisions of Article Four of the Third Supplemental Indenture, shall be irrevocable) to deliver shares of Common Stock or to pay cash or a combination of cash and Common Stock in lieu of delivery of such shares with respect to any 2033 Debentures."

(b) Section 11.2 of the Indenture shall be modified by deleting the number "45" in the second sentence thereof and replacing it with the number "30."

Section 316 *Conversion Arrangement on Call for Redemption.*

In connection with 2033 Debentures, the Company may arrange for the purchase and conversion of any 2033 Debentures called for redemption by an agreement with one or more investment bankers or other purchasers to purchase such 2033 Debentures by paying to a Paying Agent (other than the Company or any of its Affiliates) in trust for the Holders, on or before 11:00 A.M. New York City time on the Redemption Date, an amount that, together with any amounts deposited with such Paying Agent by the Company for the redemption of such 2033 Debentures, is not less than the Redemption Price of such 2033 Debentures. Notwithstanding anything to the contrary contained in this Article, the obligation of the Company to pay the Redemption Price of such 2033 Debentures shall be deemed to be satisfied and discharged to the extent such amount is so paid by such purchasers; *provided, however*, that nothing in this Section 316 shall relieve the Company of its obligation to pay the Redemption Price of 2033 Debentures called for redemption. If such an agreement is entered into, any 2033 Debentures called for redemption and not surrendered for conversion by the Holders thereof prior to the relevant Redemption Date may, at the option of the Company upon written notice to the Trustee, be deemed, to the fullest extent permitted by law, acquired by such purchasers from such Holders and

(notwithstanding anything to the contrary contained in Article Four hereof) surrendered by such purchasers for conversion, all as of immediately prior to the close of business on the Business Day immediately prior to the Redemption Date, subject to payment of the above amount as aforesaid. The Paying Agent shall hold and pay to the Holders whose 2033 Debentures are selected for redemption any such amount paid to it for purchase in the same manner as it would money deposited with it by the Company for the redemption of 2033 Debentures. Without the Paying Agent's prior written consent, no arrangement between the Company and such purchasers for the purchase and conversion of any 2033 Debentures shall increase or otherwise affect any of the powers, duties, responsibilities or obligations of the Paying Agent as set forth in this Indenture, and the Company agrees to indemnify the Paying Agent from, and hold it harmless against, any loss, liability or expense arising out of or in connection with any such arrangement for the purchase and conversion of any 2033 Debentures between the Company and such purchasers, including the costs and expenses incurred by the Paying Agent in the defense of any claim or liability reasonably incurred without negligence or bad faith on its part arising out of or in connection with the exercise or performance of any of its powers, duties, responsibilities or obligations under this Indenture, in accordance with the indemnity provisions applicable to the Trustee set forth herein.

Section 317 *Optional Redemption or Assumption of Securities under Certain Circumstances.*

The 2033 Debentures may be redeemed in accordance with Section 11.8 of the Indenture, which is hereby amended, subject to Section 301 hereof and with respect to the 2033 Debentures only, by adding the following subsection:

(c) In the event that the 2033 Debentures are called for redemption pursuant to the terms of this Section, the Holders of 2033 Debentures shall have all rights which such Holders would have had if the 2033 Debentures had been called for redemption by the Company pursuant to Article Five hereof.

ARTICLE FOUR

CONVERSION

Section 401 *Conversion Rights.*

2033 Debentures shall be convertible in accordance with their terms and in accordance with this Article into a number of shares of Common Stock per $1,000 Principal Amount at Maturity of Debentures equal to the Conversion Rate, in respect of the relevant Conversion Date, subject to adjustment upon the occurrence of certain events described in this Article and subject to the limitation set forth in Section 214 hereof. A Holder of a 2033 Debenture otherwise entitled to a fractional share shall receive cash in an amount determined by multiplying such fraction, to the nearest 1/1,000th of a share, by the Applicable Stock Price in respect of such Conversion Date, and rounding the product to the nearest whole cent. Upon a conversion, the Company may deliver cash or a combination of cash and Common Stock in lieu of Common Stock, as described in Section 406.

A Holder of 2033 Debentures is not entitled to any rights of a holder of Common Stock until such Holder has converted its 2033 Debentures to Common Stock, and only to the extent such 2033 Debentures are deemed to have been converted into Common Stock pursuant to this Article.

Upon determination that Holders are or will be entitled to convert their 2033 Debentures pursuant to this Article Four, the Company shall publish such determination at the Company's Web site on the World Wide Web or through such other public medium as the Company may use at that time.

Section 402 *Conversion Rights Based on Common Stock Price.*

Commencing after August 31, 2003, a Holder of a 2033 Debenture may convert such 2033 Debenture or a portion thereof (which 2033 Debenture or portion thereof must be $1,000 Principal Amount at Maturity or an integral multiple thereof) into shares of Common Stock in any fiscal quarter (and only during such fiscal quarter), if the closing sale price of the Common Stock for at least 20 Trading Days in a period of 30 consecutive Trading Days ending on the last Trading Day of the immediately preceding fiscal quarter is more than 120% of the Accreted Conversion Price (as defined below) that is in effect on such last day of such preceding fiscal quarter.

The "Accreted Conversion Price," as of any date of determination, shall equal (x) the sum of the Issue Price per $1,000 Principal Amount at Maturity of a 2033 Debenture plus accrued Original Issue Discount thereon computed to, but not including, such date divided by (y) the Base Conversion Rate as of such date.

Section 403 *Conversion Rights Upon Notice of Redemption.*

A Holder of a 2033 Debenture may surrender for conversion a 2033 Debenture called for redemption under Article Five hereof at any time prior to the close of business on the Redemption Date, even if it is not otherwise convertible at such time. A 2033 Debenture for which a Holder has delivered a Repurchase Notice as described in Section 601 or a Change in Control Purchase Notice as described in Section 701 requiring the Company to purchase such 2033 Debentures may be surrendered for conversion only if such Repurchase Notice or Change of Control Purchase Notice is withdrawn in accordance with this Third Supplemental Indenture.

In case a 2033 Debenture or portion thereof is called for redemption pursuant to Article Eleven of the Indenture and/or Article Five hereof, such conversion right shall terminate at the close of business on the Business Day immediately preceding the Redemption Date for such 2033 Debenture or such earlier date as the Holder presents such 2033 Debenture for redemption (unless the Company defaults in making the payment of the Redemption Price when due, in which case the conversion right shall terminate at the close of business on the date such default is cured and such Redemption Price is paid).

Section 404 *Conversion Rights Upon Occurrence of Certain Corporate Transactions.*

If the Corporation is a party to a consolidation, merger or binding share exchange pursuant to which the shares of Common Stock would be converted into cash, securities or other property, any 2033 Debenture may be surrendered for conversion at any time from and after the date which is 15 days prior to the anticipated effective date of the transaction until 15 days after the actual date of such transaction and, at the effective time of the transaction, the right to convert a 2033 Debenture into shares of Common Stock shall be changed into a right to convert such 2033 Debenture into the kind and amount of cash, securities or other property of the Company or another person which the Holder would have received if the Holder had converted such 2033 Debenture immediately prior to the effective time of the transaction. Notwithstanding anything to the contrary, no 2033 Debentures may be surrendered for conversion pursuant to this Section 404 by reason of the completion of a merger, consolidation or other transaction effected with one of the Company's Affiliates for the purpose of (i) changing the Company's jurisdiction of organization or (ii) effecting a corporate reorganization, including, without limitation, the implementation of a holding company structure (except for a corporate reorganization involving Carnival plc that would require the approval of the Company's shareholders pursuant to Article 289 of the Articles of Incorporation of Carnival plc, as such Articles are in effect on the date hereof).

Section 405 *Conversion Rights Upon Credit Rating Downgrade.*

A Holder of a 2033 Debenture may surrender for conversion such 2033 Debenture at any time during which the credit rating assigned to the 2033 Debentures by (a) Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc., or the successor thereto, is at or below BBB-, or any equivalent rating, and (b) Moody's Investors Service, or the successor thereto, is at or below Baa3, or any equivalent rating.

Section 406 *Conversion Procedures.*

To convert a 2033 Debenture, a Holder must (a) complete and manually sign the conversion notice or a facsimile of the conversion notice on the back of the 2033 Debenture and deliver such notice to a Conversion Agent, (b) surrender the 2033 Debenture to a Conversion Agent, (c) furnish appropriate endorsements and transfer documents if required by the Security Registrar or a Conversion Agent, and (d) pay any transfer or similar tax, if required. The date on which the Holder satisfies all of those requirements is the "Conversion Date." Within two Business Days following the Conversion Date, the Company shall deliver to the Holder, through the Conversion Agent, written notice of whether such

2033 Debentures shall be converted into Common Stock or paid in cash or a combination of cash and Common Stock, unless the Company shall have delivered to such Holder notice of redemption pursuant to Section 11.4 of the Indenture and the Conversion Date occurs before the Redemption Date set forth in such notice. If the Company shall have notified the Holder that all of such 2033 Debentures shall be converted into Common Stock, the Company shall deliver to the Holder through the Conversion Agent, as soon as practicable but in any event no later than the fifth Business Day following the determination of the Applicable Stock Price in respect of such Conversion Date, a certificate for the number of whole shares of Common Stock issuable upon the conversion and cash in lieu of any fractional shares pursuant to Section 407. Except as otherwise provided in this Article Four, if the Company shall have notified the Holder that all or a portion of such 2033 Debenture shall be paid in cash, the Company shall deliver to the Holder surrendering such 2033 Debenture the amount of cash payable with respect to such 2033 Debenture no later than the tenth Business Day following such Conversion Date, together with a certificate for the number of full shares of Common Stock deliverable upon the conversion and cash in lieu of any fractional share determined pursuant to Section 407 hereof. Except as otherwise provided in this Article Four, the Company may not change its election with respect to the consideration to be delivered upon conversion of a 2033 Debenture once the Company has notified the Holder in accordance with this paragraph. Anything herein to the contrary notwithstanding, in the case of Global Securities, conversion notices may be delivered and such 2033 Debentures may be surrendered for conversion in accordance with the Applicable Procedures of the Depositary as in effect from time to time. The Person in whose name the Common Stock certificate is registered shall be deemed to be a shareholder of record on the Conversion Date; *provided*, *however*, that no surrender of a 2033 Debenture on any date when the stock transfer books of the Company are closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such conversion as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; *provided further*, *however*, that such conversion shall be at the Conversion Rate in effect on the date that such 2033 Debenture shall have been surrendered for conversion, as if the stock transfer books of the Company had not been closed. Upon conversion of a 2033 Debenture, such Person shall no longer be a Holder of such 2033 Debenture.

No payment or adjustment shall be made for dividends on, or other distributions with respect to, any Common Stock except as provided in this Article. On conversion of a 2033 Debenture, except as provided below in the case of certain 2033 Debentures or portions thereof called for redemption described in Section 304 hereof, that portion of (a) accrued and unpaid interest, if any, on the converted 2033 Debenture attributable to the period from the most recent Interest Payment Date (or, if no Interest Payment Date has occurred, from the Issue Date) through the Conversion Date or (b) accrued Original Issue Discount attritutable to the period from the Issue Date through the Conversion Date of such 2033 Debenture, as the case may be, shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through delivery of the Common Stock (together with the cash payment, if any, in lieu of fractional shares), or cash or a combination of cash and Common Stock in lieu thereof, in exchange for the 2033 Debenture being converted pursuant to the provisions hereof, and the fair market value of such shares of Common Stock (together with any such cash payment in lieu of fractional shares), or cash or a combination of

cash and Common Stock in lieu thereof, shall be treated as issued, to the extent thereof, first in exchange for any accrued and unpaid interest and any accrued Original Issue Discount through the Conversion Date and the balance, if any, of such fair market value of such Common Stock (and any such cash payment), or cash in lieu thereof, shall be treated as issued in exchange for the Issue Price of the 2033 Debenture being converted pursuant to the provisions hereof.

If a Holder converts more than one 2033 Debenture at the same time, the number of shares of Common Stock issuable upon the conversion shall be based on the aggregate Principal Amount at Maturity of 2033 Debentures converted.

Upon surrender of 2033 Debenture that is converted in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder a new 2033 Debenture equal in Principal Amount at Maturity to the Principal Amount at Maturity of the unconverted portion of the 2033 Debenture surrendered.

Any 2033 Debentures or portions thereof surrendered for conversion during the period from the close of business on any Regular Record Date immediately preceding any Interest Payment Date to the opening of business on such Interest Payment Date shall (except for 2033 Debentures called for redemption pursuant to Article Five hereof on a Redemption Date that occurs during the period between a Regular Record Date and the third business day after the Interest Payment Date to which such Regular Record Date relates) be accompanied by payment to the Company or its order, in New York Clearing House funds or other funds acceptable to the Company, of an amount equal to the interest payable on such Interest Payment Date on the principal amount of 2033 Debentures or portions thereof being surrendered for conversion.

The Holders' rights to convert 2033 Debentures into Common Stock are subject to the Company's right to elect instead to pay each such Holder the amount of cash set forth in the next succeeding sentence (or an equivalent amount in a combination of cash and shares of Common Stock), in lieu of delivering such Common Stock; *provided*, *however*, that if an Event of Default (other than a default in a cash payment upon conversion of the 2033 Debentures) shall have occurred and be continuing, the Company shall deliver Common Stock in accordance with this Article, whether or not the Company has delivered a notice pursuant to Section 11.4 of the Indenture or Section 406 hereof to the effect that the 2033 Debentures would be paid in cash or a combination of cash and Common Stock. The amount of cash to be paid pursuant to Section 406 hereof for each $1,000 of Principal Amount at Maturity of a 2033 Debenture (or portion thereof) upon conversion shall be equal to the Applicable Stock Price in respect of the relevant Conversion Date multiplied by the Conversion Rate (or appropriate fraction of such Conversion Rate) in effect on such Conversion Date.

Section 407 *Fractional Shares.*

The Company shall not issue a fractional share of Common Stock upon conversion of a 2033 Debenture. Instead, the Company shall deliver cash for the current market value of the fractional share. The current market value of a fractional share of Common Stock as of a Conversion Date shall be determined by multiplying such fraction, to the nearest $1/1{,}000^{th}$ of a share, by the Applicable Stock Price in respect of such Conversion Date, and rounding the product to the nearest whole cent.

Section 408 *Taxes on Conversion.*

If a Holder converts a 2033 Debenture, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon such conversion. However, the Holder shall pay any such tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Conversion Agent may refuse to deliver the certificate representing the Common Stock being issued in a name other than the Holder's name until the Conversion Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulation.

Section 409 *Company to Provide Common Stock.*

The Company shall, prior to issuance of any 2033 Debentures under this Article, and from time to time as may be necessary, reserve, out of its authorized but unissued Common Stock, a sufficient number of shares of Common Stock to permit the conversion of all 2033 Debentures Outstanding into shares of Common Stock. All shares of Common Stock delivered upon conversion of the 2033 Debentures shall be newly issued shares, shall be duly authorized, validly issued, fully paid and nonassessable and shall be free from preemptive rights and free of any lien or adverse claim.

The Company will endeavor promptly to comply with all federal and state securities laws regulating the registration of the offer and delivery of shares of Common Stock to a converting Holder upon conversion of 2033 Debentures, if any, and will list or cause to have quoted such shares of Common Stock on each national securities exchange or on the Nasdaq National Market or other over-the-counter market or such other market on which the Common Stock are then listed or quoted.

Section 410 *Adjustment of Conversion Rate.*

Each of the Base Conversion Rate, the Incremental Share Factor and the Fixed Conversion Rate shall be adjusted from time to time by the Company as follows (references to adjustments of the Base Conversion Rate in this Section 410 shall also include adjustments to the Incremental Share Factor and the Fixed Conversion Rate, as the case may be):

(a) In case the Company (i) pays a dividend on its Common Stock in shares of Common Stock, (ii) makes a distribution on its Common Stock in shares of Common Stock, (iii) subdivides its outstanding Common Stock into a greater number of shares, or (iv) combines its outstanding Common Stock into a smaller number of shares, the Base Conversion Rate in effect immediately prior thereto shall be adjusted by multiplying such Base Conversion Rate by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately after to the effectiveness of such event and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior the effectiveness of such event. An adjustment made pursuant to this subsection (a) shall become effective immediately after the record date in the case of a dividend or distribution and shall become effective immediately after the effective date in the case of subdivision or combination.

(b) In case the Company issues rights or warrants to all or substantially all holders of its Common Stock entitling them (for a period commencing no earlier than the record date described below and expiring not more than 60 days after such record date) to subscribe for or purchase shares of Common Stock (or securities convertible into Common Stock) at a price per share (or having a conversion price per share) less than the Sale Price on the record date for the determination of shareholders entitled to receive such rights or warrants, the Base Conversion Rate in effect immediately prior thereto shall be adjusted so that the same shall equal the rate determined by multiplying the Base Conversion Rate in effect immediately prior to such record date by a fraction of which the numerator shall be the number of shares of Common Stock outstanding on such record date plus the number of additional shares of Common Stock offered (or into which the convertible securities so offered are convertible), and of which the denominator shall be the number of shares of Common Stock outstanding on such record date plus the number of shares which the aggregate offering price of the total number of shares of Common Stock so offered (or the aggregate conversion price of the convertible securities so offered, which shall be determined by multiplying the number of shares of Common Stock issuable upon conversion of such convertible securities by the conversion price per share of Common Stock pursuant to the terms of such convertible securities) would purchase at the Sale Price on such record date. Such adjustment shall be made successively whenever any such rights or warrants are issued, and shall become effective immediately after such record date. If at the end of the period during which such

rights or warrants are exercisable not all rights or warrants shall have been exercised, the adjusted Base Conversion Rate shall be immediately readjusted to what it would have been based upon the number of additional shares of Common Stock actually issued (or the number of shares of Common Stock issuable upon conversion of convertible securities actually issued).

(c) (1) In case the Company distributes to all or substantially all holders of its Common Stock any shares of capital stock (other than dividends or distributions of Common Stock on Common Stock to which Section 410(a) applies) of the Company, evidences of indebtedness or other assets (including securities of any Person other than the Company, but excluding cash distributions, dividends or distributions referred to in Section 410(c)(2), consideration paid in respect of tender offers or any rights or warrants referred to in Section 410(b)), then in each such case the Base Conversion Rate shall be adjusted so that the same shall equal the rate determined by multiplying the current Base Conversion Rate by a fraction of which the numerator shall be the current market price per share (as determined in accordance with subsection (e) of this Section 410) of the Common Stock on the record date mentioned below, and of which the denominator shall be the current market price per share (as determined in accordance with subsection (e) of this Section 410) of the Common Stock on such record date less the fair market value on such record date (as determined by the Board of Directors, whose determination shall be conclusive evidence of such fair market value and which shall be evidenced by an Officers' Certificate delivered to the Trustee) of the portion of the capital stock, evidences of indebtedness or other non-cash assets so distributed applicable to one share of Common Stock (determined on the basis of the number of shares of Common Stock outstanding on the record date). Such adjustment shall be made successively whenever any such distribution is made and shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution.

In the event that the Company implements a shareholder rights plan, such rights plan shall provide, subject to customary exceptions and limitations, that upon conversion of the 2033 Debentures the Holders will receive, in addition to the Common Stock issuable upon such conversion, the rights issued under such rights plan (notwithstanding the occurrence of an event causing such rights to separate from the Common Stock at or prior to the time of conversion). Any distribution of rights or warrants pursuant to a shareholder rights plan complying with the requirements set forth in the immediately preceding sentence of this paragraph shall not constitute a distribution of rights or warrants for the purposes of this Section 410(c) or any other provision of this Section 410.

Rights or warrants distributed by the Company to all holders of Common Stock entitling the holders thereof to subscribe for or purchase shares of the Company's capital stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Trigger Event"): (i) are deemed to be transferred with such shares of Common Stock; (ii) are not exercisable; and (iii) are also issued in respect of future issuances of Common Stock, shall be deemed not to have been distributed for purposes of this Section 410(c) or any other provision of this Section 410(c) (and no adjustment to the Base Conversion Rate under this Section 410(c) or any other provision of this Section 410 will be required) until the occurrence of the earliest Trigger Event. If such right or warrant is subject to subsequent events, upon the occurrence of which such right or warrant shall become exercisable to purchase different securities, evidences of indebtedness or other assets or entitle the holder to purchase a different number or amount of the foregoing or to purchase any of the foregoing at a different purchase price, then the occurrence of each such event shall be deemed to be the date of issuance and record date with respect to a new right or warrant (and a termination or expiration of the existing right or warrant without exercise by the holder thereof). In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event (of the type described in the preceding sentence) with respect thereto, that resulted in an adjustment to the Base Conversion Rate under this Section 410(c), (1) in the case of any such rights or warrants which shall all have been redeemed or repurchased without exercise by any holders thereof,

the Base Conversion Rate shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or repurchase price received by a holder of Common Stock with respect to such rights or warrants (assuming such holder had retained such rights or warrants), made to all holders of Common Stock as of the date of such redemption or repurchase, and (2) in the case of such rights or warrants all of which shall have expired or been terminated without exercise, the Base Conversion Rate shall be readjusted as if such rights and warrants had never been issued.

(2) In case the Company pays a dividend or makes a distribution to all holders of its Common Stock consisting of Capital Stock of any class or series, or similar equity interests, of or relating to a Subsidiary or other business unit of the Company, the Base Conversion Rate shall be adjusted so that the same shall equal the rate determined by multiplying the current Base Conversion Rate by the sum of the number one plus a fraction, of which the numerator shall be the fair market value of the portion of the Capital Stock or similar equity interests so distributed in respect of each share of Common Stock (as determined in accordance with subsection (e) of this Section 410) and the denominator shall be shall be the current market price per share (as determined in accordance with subsection (e) of this Section 410) of the Common Stock, such adjustment to become effective immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution.

(d) (1) In case the Company, by dividend or otherwise, at any time distributes (a "Triggering Distribution") to all or substantially all holders of its Common Stock cash distributions in an aggregate amount that, together with the aggregate amount of (A) any cash and the fair market value (as

determined by the Board of Directors, whose determination shall be conclusive evidence thereof and which shall be evidenced by an Officers' Certificate delivered to the Trustee) of any other consideration payable in respect of any tender offer by the Company or a Subsidiary of the Company for Common Stock consummated within the 12 months preceding the date of payment of the Triggering Distribution and in respect of which no Base Conversion Rate adjustment pursuant to this Section 410 has been made and (B) all other cash distributions to all or substantially all holders of its Common Stock made within the 12 months preceding the date of payment of the Triggering Distribution and in respect of which no Base Conversion Rate adjustment pursuant to this Section 410 has been made, exceeds an amount equal to 7.5% of the product of the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 410) on the Business Day (the "Determination Date") immediately preceding the day on which such Triggering Distribution is declared by the Company multiplied by the number of shares of Common Stock outstanding on the Determination Date (excluding shares held in the treasury of the Company), the Base Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying such Base Conversion Rate in effect immediately prior to the Determination Date by a fraction of which the numerator shall be such current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 410) on the Determination Date, and the denominator shall be the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 410) on the Determination Date less the sum of the aggregate amount of cash and the aggregate fair market value (determined as aforesaid) of any such other consideration so distributed, paid or payable within such 12 months (including, without limitation, the Triggering Distribution) applicable to one share of Common Stock (determined on the basis of the number of shares of Common Stock outstanding on the Determination Date), such increase to become effective immediately prior to the opening of business on the day following the date on which the Triggering Distribution is paid.

(2) In case any tender offer made by the Company or any of its Subsidiaries for Common Stock expires and such tender offer (as amended upon the expiration thereof) involves the payment of aggregate consideration in an amount (determined as the sum of the aggregate amount of cash

consideration and the aggregate fair market value (as determined by the Board of Directors, whose determination shall be conclusive evidence thereof and which shall be evidenced by an Officers' Certificate delivered to the Trustee thereof) of any other consideration) that, together with the aggregate amount of (A) any cash and the fair market value (as determined by the Board of Directors, whose determination shall be conclusive evidence thereof and which shall be evidenced by an Officers' Certificate delivered to the Trustee) of any other consideration payable in respect of any other tender offers by the Company or any Subsidiary of the Company for Common Stock consummated within the 12 months preceding the date of the Expiration Date (as defined below) and in respect of which no Base Conversion Rate adjustment pursuant to this Section 410 has been made and (B) all cash distributions to all or substantially all holders of its Common Stock made within the 12 months preceding the Expiration Date and in respect of which no Base Conversion Rate adjustment pursuant to this Section 410 has been made, exceeds an amount equal to 7.5% of the product of the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 410) as of the last date (the "Expiration Date") tenders could have been made pursuant to such tender offer (as it may be amended) (the last time at which such tenders could have been made on the Expiration Date is hereinafter sometimes called the "Expiration Time") multiplied by the number of shares of Common Stock outstanding (including tendered shares but excluding any shares held in the treasury of the Company) at the Expiration Time, then, immediately prior to the opening of business on the day after the Expiration Date, the Base Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Base Conversion Rate in effect immediately prior to close of business on the Expiration Date by a fraction of which the numerator shall be the sum of (x) the aggregate consideration (determined as aforesaid) payable to stockholders based on the acceptance (up to any maximum specified in the terms of the tender offer) of all shares validly tendered and not withdrawn as of the Expiration Time (the shares deemed so accepted, up to any such maximum, being referred to as the "Purchased Shares") and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares and excluding any shares held in the treasury of the Company) at the Expiration Time and the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 410) on the Trading Day next succeeding the Expiration Date, and the denominator shall be the product of the number of shares of Common Stock outstanding (including tendered shares but excluding any shares held in the treasury of the Company) at the Expiration Time multiplied by the current market price per share of Common Stock (as determined in accordance with subsection (e) of this Section 410) on the Trading Day next succeeding the Expiration Date, such increase to become effective immediately prior to the opening of business on the day following the Expiration Date. In the event that the Company is obligated to purchase shares pursuant to any such tender offer, but the Company is permanently prevented by applicable law from effecting any or all such purchases or any or all such purchases are rescinded, the Base Conversion Rate shall again be adjusted to be the Base Conversion Rate which would have been in effect based upon the number of shares actually purchased. If the application of this Section 410(d)(2) to any tender offer would result in a decrease in the Base Conversion Rate, no adjustment shall be made for such tender offer under this Section 410(d)(2).

(3) For purposes of this Section 410(d), the term "tender offer" shall mean and include both tender offers and exchange offers, all references to "purchases" of shares in tender offers (and all similar references) shall mean and include both the purchase of shares in tender offers and the acquisition of shares pursuant to exchange offers, and all references to "tendered shares" (and all similar references) shall mean and include shares tendered in both tender offers and exchange offers.

(e)For the purpose of any computation under subsections (b), (c)(1) and (d) of this Section 410, the current market price per share of Common Stock on any date shall be deemed to be the Market Price calculated with respect to (i) the Determination Date or the Expiration Date, as the case may be, with respect to distributions or tender offers under subsection (d) of this Section 410 or (ii) the record date with respect to distributions, issuances or other events requiring

such computation under subsection (b) or (c) of this Section 410. For the purpose of any computation under subsection (c)(2) of this Section 410, the current market price per share of Common Stock shall be the average of the Sale Prices of the Common Stock for the ten Trading Days commencing on and including the fifth Trading Day after the date (the "Ex-Dividend Date") on which "ex-dividend trading" commences for the relevant dividend or distribution on the New York Stock Exchange or such other national or regional exchange or market on which the Common Stock is then listed or quoted, and the fair market value of the Capital Stock or similar equity interests distributed in respect of each share of Common Stock shall be determined by multiplying the number of shares of Capital Stock or similar equity interests distributed in respect of each share of Common Stock by the average of the Post-Distribution Prices of such shares of Capital Stock or similar equity interests for the ten Trading Days commencing on and including the fifth Trading Day after the Ex-Dividend Date.

"Post-Distribution Price" of Capital Stock or any similar equity interest on any date means the per unit closing sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average or the average bid and the average ask prices) on such Trading Date for such securities on a "when issued" basis without due bills (or similar concept) as reported in the composite transactions for the principal United States securities exchange on which such Capital Stock or equity interest is traded or, if the Capital Stock or equity interest, as the case may be, is not listed on a United States national or regional securities exchange, as reported by the National Association of Securities Dealers Automated Quotation

System or by the National Quotation Bureau Incorporated; *provided* that if on any date such securities have not been traded on a "when issued" basis, the Post-Distribution Price shall be the per share closing sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such Trading Date for such securities on a "regular way" basis without due bills (or similar concept) as reported in the composite transaction for the principal United States securities exchange on which such Capital Stock or equity interest is traded or, if the Capital Stock or equity interest, as the case may be, is not listed on a United States national or regional securities exchange, as reported by the National Association of Securities Dealers Automated Quotation System or by the National Quotation Bureau Incorporated. In the absence of such quotation, the Company shall be entitled to determine the Post-Distribution Price on the basis of such quotations which reflect the post-distribution value of the Capital Stock or equity interests as it considers appropriate.

(f) In any case in which this Section 410 requires that an adjustment be made following a record date or a Determination Date or Expiration Date, as the case may be, established for purposes of this Section 410, the Company may elect to defer (but only until five Business Days following the filing by the Company with the Trustee of the certificate described in Section 413) issuing to the Holder of any 2033 Debenture converted after such record date or Determination Date or Expiration Date the shares of Common Stock and other capital stock of the Company issuable upon such conversion over and above the shares of Common Stock and other capital stock of the Company issuable upon such conversion only on the basis of the Base Conversion Rate prior to adjustment; and, in lieu of the shares the issuance of which is so deferred, the Company shall issue or cause its transfer agents to issue due bills or other appropriate evidence prepared by the Company of the right to receive such shares. If any distribution in respect of which an adjustment to the Base Conversion Rate is required to be made as of the record date or Determination Date or Expiration Date therefor is not thereafter made or paid by the Company for any reason, the Base Conversion Rate shall be readjusted to the Base Conversion Rate which would then be in effect if such record date had not been fixed or such effective date or Determination Date or Expiration Date had not occurred.

(g) Upon the election by the Company to make a distribution as described in paragraphs (b), (c) and (d) of this Section 410, which in the case of paragraph (d) has a per share value equal to more than 15% of the Sale Price of shares of Common Stock on the Trading Day preceding the declaration date for such distribution, the Company shall give notice to Holders of the 2033 Debentures not less than 20 days prior to the ex-dividend date for such distribution. Upon giving such notice, Holders may surrender the 2033 Debentures for conversion pursuant to this Article Four at any time until the close of business on the Business Day prior to the ex-dividend date or until the Company publicly announces that such distribution will not be given effect.

Section 411 *No Adjustment.*

No adjustment in the Base Conversion Rate shall be required unless the adjustment would require an increase or decrease of at least 1% in the Base Conversion Rate as last adjusted; *provided, however*, that any adjustments which by reason of this Section 411 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Article shall be made to the nearest cent or to the nearest 1/1000th of a share, as the case may be.

Except pursuant to Section 415, no adjustment in the Base Conversion Rate will be made by reason of the completion of a merger, consolidation or other transaction effected with one of the Company's Affiliates for the purpose of (1) changing the jurisdiction of organization of the Company or (2) effecting a corporate reorganization including, without limitation, the implementation of a holding company structure.

No adjustment need be made for issuances of Common Stock pursuant to a Company plan for reinvestment of dividends or interest or for a change in the par value or a change to no par value of the Common Stock.

To the extent that the 2033 Debentures become convertible into the right to receive cash, no adjustment need be made thereafter as to the cash. Interest shall not accrue on the cash.

No adjustments pursuant to Section 410 shall be made to the Incremental Share Factor and the Fixed Conversion Rate unless an adjustment to the Base Conversion Rate is required to be made pursuant Section 410.

Section 412 *Adjustment for Tax Purposes.*

The Company shall be entitled to make such adjustments in the Conversion Rate, the Base Conversion Rate, the Incremental Share Factor and the Fixed Conversion Rate, in addition to those required by Section 410, as in its discretion shall determine to be advisable in order that any stock dividends, subdivisions of shares, distributions of rights to purchase stock or securities or distributions of securities convertible into or exchangeable for stock hereafter made by the Company to its stockholders shall not be taxable.

Section 413 *Notice of Adjustment.*

Whenever the Conversion Rate, the Base Conversion Rate, the Incremental Share Factor or the Fixed Conversion Rate is adjusted, the Company shall promptly mail to Holders a notice of the adjustment and file with the Trustee an Officers' Certificate specifying the adjusted rate, and briefly stating the facts requiring the adjustment and the manner of computing it.

Section 414 *Notice of Certain Transactions.*

In the event that:

(1) the Company takes any action which would require an adjustment in the Conversion Rate,

(2) the Company takes any action that requires a supplemental indenture pursuant to Section 415, or

(3) there is a dissolution or liquidation of the Company,

the Company shall mail to Holders and file with the Trustee a notice stating the proposed record or effective date, as the case may be. The Company shall mail the notice at least fifteen days before such date. Failure to mail such notice or any defect therein shall not affect the validity of any transaction referred to in clause (1), (2) or (3) of this Section 414.

Section 415 *Effect of Reclassification, Consolidation, Merger or Sale on Conversion Privilege.*

If any of the following shall occur, namely: (a) any reclassification or change of shares of Common Stock issuable upon conversion of the 2033 Debentures (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination); (b) any consolidation or merger in which the Company is a party consolidating with another entity or merging with or into another entity other than a merger in which the Company is the continuing corporation and which does not result in any reclassification of, or change (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination) in, Outstanding shares of Common Stock; or (c) any sale or conveyance of all or substantially all of the property and assets of the Company to any Person, then the Company, or such successor, purchasing or transferee corporation, as the case may be, shall, as a condition precedent to such reclassification, change, consolidation, merger, sale or conveyance, execute and deliver to the Trustee a supplemental indenture providing that the Holder of each 2033 Debenture then Outstanding shall have the right to convert such 2033 Debenture into the kind and amount of shares of stock and other securities and property (including cash) receivable upon such reclassification, change, consolidation, merger, sale or conveyance by a holder of the number of shares of Common Stock deliverable upon conversion of such 2033 Debenture immediately prior to such reclassification, change, consolidation, merger, sale or conveyance. Such supplemental indenture shall provide for adjustments of the Conversion Rate, the Base Conversion Rate, the Incremental Share Factor and the Fixed Conversion Rate which shall be as nearly equivalent as may be practicable to the adjustments thereof provided for in this Article. If, in the case of any such consolidation, merger, sale or conveyance, the stock or other securities and property (including cash) receivable thereupon by a holder of Common Stock include shares of stock or other securities and property of a Person other than the successor, purchasing or transferee corporation, as the case may be, in such consolidation, merger, sale or conveyance, then such supplemental indenture shall also be executed by such other Person and shall contain such additional provisions to protect the interests of the Holders of the 2033 Debentures as the Board of Directors shall reasonably consider necessary by reason of the foregoing. The provisions of this Section 415 shall similarly apply to successive reclassifications, changes, consolidations, mergers, sales or conveyances.

In the event the Company shall execute a supplemental indenture pursuant to this Section 415, the Company shall promptly file with the Trustee (x) an Officers' Certificate briefly stating the reasons therefor, the kind or amount of shares of stock or other securities or property (including cash) receivable by Holders of the 2033 Debentures upon the conversion of their 2033 Debentures after any such reclassification, change, consolidation, merger, sale or conveyance, any adjustment to be made with respect thereto and that all conditions precedent have been complied with and (y) an Opinion of Counsel that all conditions precedent have been complied with, and shall promptly mail notice thereof to all Holders.

Section 416 *Trustee's Disclaimer.*

The Trustee shall have no duty to determine when an adjustment under this Article should be made, how it should be made or what such adjustment should be, but may accept as conclusive evidence of that fact or the correctness of any such adjustment, and shall be protected in relying upon, an Officers' Certificate including the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 413. The Trustee makes no representation as to the validity or value of any securities or assets issued upon conversion of 2033 Debentures, and the Trustee shall not be responsible for the Company's failure to comply with any provisions of this Article.

The Trustee shall not be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture executed pursuant to Section 415, but may accept as conclusive evidence of the correctness thereof, and shall be fully protected in relying upon, the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 415.

Section 417 *Voluntary Increase.*

The Company from time to time may increase the Conversion Rate, the Base Conversion Rate, the Incremental Share Factor and the Fixed Conversion Rate by any amount for any period of time if the period is at least 20 days or such longer period as may be required by law and if the increase is irrevocable during the period.

ARTICLE FIVE

REDEMPTION OF 2033 DEBENTURES AT THE OPTION OF THE COMPANY

Section 501 *General.*

Beginning on April 29, 2008, the Company may redeem the 2033 Debentures at any time as a whole, or from time to time in part, pursuant to the terms and conditions under the captions "Optional Redemption" and "Notice of Redemption" in the 2033 Debentures, at the redemption price specified therein (the "Redemption Price") and otherwise in accordance with Article 11 of the Indenture and Section 315 of this Third Supplemental Indenture.

ARTICLE SIX

REPURCHASE OF 2033 DEBENTURES AT OPTION OF THE HOLDER

Section 601 *General.*

The Company shall be required to repurchase 2033 Debentures in accordance with this Article Six.

2033 Debentures shall be purchased by the Company pursuant to the terms and conditions under the caption "Repurchase by the Company at the Option of the Holder" in the 2033 Debentures on any April 29 occurring in the years 2008, 2013, 2018, 2023 and 2028 (each, a "Repurchase Date"), at the

repurchase price specified therein (each, a "Repurchase Price"), at the option of the Holder thereof, upon:

(1) delivery to the Paying Agent, by the Holder of a written notice of purchase (a "Repurchase Notice") at any time from the opening of business on the date that is at least 20 Business Days prior to a Repurchase Date until the close of business on such Repurchase Date stating:

(A) if a Certificated Security has been issued, the certificate number of the 2033 Debenture which the Holder will deliver to be repurchased or if not, such information as may be required under appropriate DTC Procedures,

(B) the portion of the Principal Amount at Maturity of the 2033 Debenture which the Holder will deliver to be repurchased, which portion must be $1,000 Principal Amount at Maturity or an integral multiple thereof,

(C) that such 2033 Debenture shall be purchased as of the Repurchase Date pursuant to the terms and conditions specified under the paragraph "Repurchase by the Company at the Option of the Holder" of the 2033 Debentures and in the Indenture, as supplemented by this Third Supplemental Indenture,

(D) in the event that the Company elects, pursuant to Section 602 hereof, to pay the Repurchase Price to be paid as of such Repurchase Date, in whole or in part, in Common Stock but such portion of the Repurchase Price shall ultimately be payable to such Holder entirely in cash because any of the conditions to payment of the Repurchase Price in Common Stock is not satisfied prior to the close of business on such Repurchase Date, as set forth in Section 603 hereof, whether such Holder elects (i) to withdraw such Repurchase Notice as to some or all of the 2033 Debentures to which such Repurchase Notice relates (stating the Principal Amount at Maturity and certificate numbers of the 2033 Debentures as to which such withdrawal shall relate), or (ii) to receive cash in respect of the entire Repurchase Price for all 2033 Debentures (or portions thereof) to which such Repurchase Price relates, and

(2) delivery of such 2033 Debentures to the Paying Agent prior to, on or after the Repurchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Repurchase Price therefor; *provided*, *however*, that such Repurchase Price shall be so paid pursuant to this Article only if the 2033 Debentures so delivered to the Paying Agent conform in all respects to the description thereof in the related Repurchase Notice.

If a Holder, in such Holder's Repurchase Notice and in any written notice of withdrawal delivered by such Holder pursuant to the terms of Section 609 hereof, fails to indicate such Holder's choice with respect to the election set forth in clause (D) of Section 601(1), such Holder shall be deemed to have elected to receive cash in respect of the Repurchase Price for all 2033 Debentures subject to the Repurchase Notice in the circumstances set forth in such clause (D).

The Company shall purchase from the Holder thereof, pursuant to this Article, a portion of a 2033 Debenture if the Principal Amount at Maturity of such portion is $1,000 or an integral multiple of $1,000. Provisions of this Indenture that apply to the purchase of all of a 2033 Debenture also apply to the purchase of such portion of such 2033 Debenture.

Any purchase by the Company contemplated pursuant to the provisions of this Article shall be consummated by the delivery of the consideration to be received by the Holder (if any) promptly following the later of the Repurchase Date and the time of delivery of the 2033 Debenture.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Repurchase Notice contemplated by this Section 601 shall have the right to withdraw such Repurchase

Notice at any time prior to the close of business on the Repurchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 609.

The Paying Agent shall promptly notify the Company of the receipt by it of any Repurchase Notice or written notice of withdrawal thereof.

The Company may, at its option, specify additional dates on which Holders will have the right to require it to repurchase 2033 Debentures upon written notice to the Trustee and the Holders. Such notice shall specify the additional dates upon which the Company shall be required to repurchase the 2033 Debentures at the option of the Holders and shall be delivered to the Trustee and the Holders no less than 25 Business Days prior to the earliest repurchase date specified in such notice.

Section 602 *The Company's Right to Elect Manner of Payment of Repurchase Price.*

(a) The Repurchase Price of 2033 Debentures in respect of which a Repurchase Notice pursuant to Section 601 hereof has been given, or a specified percentage thereof, will be paid by the Company, at the election of the Company, in cash or Common Stock or in any combination of cash and Common Stock, subject to the conditions set forth in Section 602 and 603 hereof. The Company shall designate, in the Company Notice delivered pursuant to Section 605 hereof, whether the Company will purchase the 2033 Debentures for cash or Common Stock, or, if a combination thereof, the percentages of the Repurchase Price of 2033 Debentures in respect of which it will pay in cash and Common Stock; *provided*, *however*, that the Company will pay cash for fractional interests in Common Stock. For purposes of determining the existence of potential fractional interests, all 2033 Debentures subject to purchase by the Company held by a Holder shall be considered together (no matter how many separate certificates are to be presented). Each Holder whose 2033 Debentures are purchased pursuant to this Article shall receive the same percentage of cash or Common Stock in payment of the Repurchase Price for such 2033 Debentures, except (i) as provided in Section 604 hereof with regard to the payment of cash in lieu of fractional Common Stock and (ii) in the event that the Company is unable to purchase the 2033 Debentures of a Holder or Holders for Common Stock because any necessary qualifications or registrations of the Common Stock under applicable state securities laws cannot be obtained, the Company may purchase the 2033 Debentures of such Holder or Holders for cash. The Company may not change its election with respect to the consideration (or components or percentages of components thereof) to be paid once the Company has given its Company Notice to Holders except pursuant to this Section 602 hereof or pursuant to Section 604 hereof in the event of a failure to satisfy, prior to the close of business on the Repurchase Date, any condition to the payment of the Repurchase Price, in whole or in part, in Common Stock.

At least three Business Days before the Company Notice Date (as defined in Section 603 of this Third Supplemental Indenture), the Company shall deliver an Officers' Certificate to the Trustee specifying:

(i) the manner of payment selected by the Company,

(ii) the information required by Section 605,

(iii) if the Company elects to pay the Repurchase Price, or a specified percentage thereof, in Common Stock, that the conditions to such manner of payment set forth in Section 604 hereof have been or will be complied with, and

(iv) whether the Company desires the Trustee to give the Company Notice required by Section 605 hereof.

Section 603 *Purchase with Cash.*

On each Repurchase Date, at the option of the Company, the Repurchase Price of 2033 Debentures in respect of which a Repurchase Notice pursuant to Section 601 has been given, or a specified percentage thereof, may be paid by the Company with cash equal to the aggregate Repurchase Price of such 2033 Debentures. If the Company elects to purchase 2033 Debentures with cash, the Company Notice, as provided in Section 605, shall be sent to Holders (and to beneficial owners as required by applicable law) not less than 20 Business Days prior to such Repurchase Date (the "Company Notice Date").

Section 604 *Payment by Issuance of Common Stock.*

On each Repurchase Date, at the option of the Company, the Repurchase Price of 2033 Debentures in respect of which a Repurchase Notice pursuant to Section 601 has been given, or a specified percentage thereof, may be paid by the Company by the issuance of a number of shares of Common Stock equal to the quotient obtained by dividing (i) the amount of cash to which the Holders would have been entitled had the Company elected to pay all or such specified percentage, as the case may be, of the Repurchase Price of such 2033 Debentures in cash by (ii) the Market Price of a share of Common Stock, subject to the next succeeding paragraph.

The Company shall not issue a fractional share of Common Stock in payment of the Repurchase Price. Instead the Company shall pay cash for the current market value of the fractional share. The current market value of a fraction of a share of Common Stock shall be determined by multiplying the Market Price by such fraction and rounding the product to the nearest whole cent with one half cent being rounded upwards. It is understood that if a Holder elects to have more than one 2033 Debenture repurchased, the number of shares of Common Stock shall be based on the aggregate amount of 2033 Debentures to be repurchased.

If the Company elects to purchase the 2033 Debentures by the issuance of Common Stock, the Company Notice, as provided in Section 605, shall be sent to the Holders (and to beneficial owners as required by applicable law) not later than the Company Notice Date.

The Company's right to exercise its election to purchase the 2033 Debentures pursuant to this Article through the issuance of Common Stock shall be conditioned upon:

(i) the Company's not having given its Company Notice of an election to pay entirely in cash and its giving of timely Company Notice of election to purchase all or a specified percentage of the 2033 Debentures with Common Stock as provided herein;

(ii) the listing of shares of Common Stock to be issued in respect of the payment of the Repurchase Price on the principal United States securities exchange on which the Common Stock is then listed;

(iii) the registration of the shares of Common Stock to be issued in respect of the payment of the Repurchase Price under the Securities Act or the Exchange Act, in each case, if required for the initial issuance thereof;

(iv) any necessary qualification or registration under applicable state securities laws or the availability of an exemption from such qualification and registration; and

(v) the receipt by the Trustee of an Officers' Certificate and an Opinion of Counsel each stating that (A) the terms of the issuance of the Common Stock are in conformity in all material respects with this Third Supplemental Indenture and (B) the Common Stock to be issued by the Company in payment of the Repurchase Price in respect of 2033 Debentures has been duly authorized and, when issued and delivered pursuant to the terms of this Third Supplemental Indenture in payment of the Repurchase Price in respect of the 2033 Debentures, will be validly

issued, fully paid and nonassessable and, to the best of such counsel's knowledge, free from preemptive rights, and, in the case of such Officer's Certificate, stating that conditions (i), (ii) (iii) and (iv) above and the condition set forth in the second succeeding sentence have been satisfied and, in the case of such Opinion of Counsel, stating that conditions (ii) and (iii) above have been satisfied.

Such Officers' Certificate shall also set forth the number of shares of Common Stock to be issued for each $1,000 Principal Amount at Maturity of 2033 Debentures and the Sale Price of a share of Common Stock on each trading day during the period commencing on the first trading day of the period during which the Market Price is calculated and ending three Business Days prior to the applicable Repurchase Date. The Company shall pay the Repurchase Price (or any portion thereof) in Common Stock only if the information necessary to calculate the Market Price is published in *The Wall Street Journal* or another daily newspaper of national circulation or is otherwise readily publicly available. If the foregoing conditions are not satisfied with respect to a Holder or Holders prior to the close of business on the Repurchase Date and the Company has elected to repurchase the 2033 Debentures pursuant to this Article through the issuance of Common Stock, the Company shall pay, without further notice, the entire Repurchase Price of the 2033 Debentures of such Holder or Holders in cash.

The "Market Price" means the average of the Sale Prices of the Common Stock for the five Trading Day period ending on the third Business Day (if the third Business Day prior to the applicable Repurchase Date is a Trading Day, or if not, then on the last Trading Day prior to the third Business Day), prior to the applicable Repurchase Date appropriately adjusted to take into account the occurrence, during the period commencing on the first of such Trading Days during such five Trading Day period and ending on such Repurchase Date, of any event described in Section 410; subject, however, to the conditions set forth in Sections 410(f) and 411.

The "Sale Price" of the Common Stock on any date means the closing per share sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and average ask prices) on such date as reported in the composite transactions for the principal United States securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a United States national or regional securities exchange, as reported by the National Association of Securities Dealers Automated Quotation System or by the National Quotation Bureau Incorporated.

Section 605 *Notice of Election.*

The Company's notice (the "Company Notice") of election to repurchase with cash or Common Stock or any combination thereof shall be sent to the Holders in the manner provided in Section 206 of the Indenture at the Company Notice Date. Such Company Notice shall state the manner of payment elected and shall contain the following information:

In the event the Company has elected to pay the Repurchase Price (or a specified percentage thereof) with Common Stock, the Company Notice shall:

(1) state that each Holder will receive Common Stock with a Market Price equal to such specified percentage of the Repurchase Price of the 2033 Debentures held by such Holder (except any cash amount to be paid in lieu of fractional shares);

(2) set forth the method of calculating the Market Price of the Common Stock; and

(3) state that because the Market Price of Common Stock will be determined prior to the Repurchase Date, Holders will bear the market risk with respect to the value of the Common Stock to be received from the date such Market Price is determined to the Repurchase Date.

In any case, each Company Notice shall include a form of Repurchase Notice to be completed by a Holder and shall state:

(A) the Repurchase Price and the Conversion Rate (as of the most recent practicable date) and, to the extent known at the time of such notice, the amount of interest that will be accrued and payable with respect to the 2033 Debentures as of the Repurchase Date;

(B) the name and address of the Paying Agent and the Conversion Agent;

(C) that 2033 Debentures as to which a Repurchase Notice has been given may be converted pursuant to Article Four hereof only if the applicable Repurchase Notice has been withdrawn in accordance with the terms of this Indenture;

(D) that 2033 Debentures must be surrendered to the Paying Agent to collect payment of the Purchase Price;

(E) that the Repurchase Price for any 2033 Debenture as to which a Repurchase Notice has been given and not withdrawn will be paid promptly following the later of the Repurchase Date and the time of surrender of such 2033 Debenture as described in (D);

(F) the procedures the Holder must follow to exercise repurchase rights under this Article and a brief description of those rights;

(G) briefly, the conversion rights of the 2033 Debentures; and

(H) the procedures for withdrawing a Repurchase Notice (including, without limitation, for a conditional withdrawal pursuant to the terms of Section 601 or 609).

If any of the 2033 Debentures is in the form of a Global Security, then the Company shall modify the Company Notice to the extent necessary to accord with the procedures of the Depositary applicable to the repurchase of Global Securities.

At the Company's request, the Trustee shall give such Company Notice in the Company's name and at the Company's expense; *provided*, *however*, that, in all cases, the text of such Company Notice shall be prepared by the Company.

Upon determination of the actual number of shares of Common Stock to be issued for each $1,000 Principal Amount at Maturity of 2033 Debentures, the Company will publish such determination at the Company's Web site on the World Wide Web or through such other public medium as the Company may use at that time.

Section 606 *Common Stock Delivered Upon Purchase.*

All Common Stock delivered upon purchase of the 2033 Debentures shall be newly issued shares or treasury shares, shall be duly authorized, validly issued, fully paid and nonassessable and shall be free from preemptive rights and free of any lien or adverse claim.

Section 607 *Procedure upon Repurchase.*

As soon as practicable after the Repurchase Date, the Company shall deliver to each Holder entitled to receive Common Stock through the Paying Agent, a certificate for the number of full shares of Common Stock issuable in payment of the Repurchase Price and cash in lieu of any fractional shares of Common Stock. The Person in whose name the certificate for Common Stock is registered shall be treated as a holder of record of Common Stock on the Business Day following the Repurchase Date. Subject to Section 604, no payment or adjustment will be made for dividends on the Common Stock the record date for which occurred on or prior to the Repurchase Date.

Section 608 *Taxes.*

If a Holder of a 2033 Debenture is paid in Common Stock, the Company shall pay any documentary, stamp or similar issue or transfer tax due on such issue of Common Stock. However, the Holder shall pay any such tax which is due because the Holder requests the Common Stock to be issued in a name other than the Holder's name. The Paying Agent may refuse to deliver the certificates representing the shares of Common Stock being issued in a name other than the Holder's name until the Paying Agent receives a sum sufficient to pay any tax which will be due because the shares of Common Stock are to be issued in a name other than the Holder's name.

Section 609 *Effect of Repurchase Notice.*

Upon receipt by the Paying Agent of the Repurchase Notice specified in Section 605, the Holder of the 2033 Debenture in respect of which such Repurchase Notice was given shall (unless such Repurchase Notice is withdrawn as specified in the following two paragraphs) thereafter be entitled to receive solely the Repurchase Price with respect to such 2033 Debenture. Such Repurchase Price shall be paid to such Holder, subject to receipt of funds and/or Common Stock by the Paying Agent, promptly following the later of (x) the Repurchase Date with respect to such 2033 Debenture (provided the conditions in Section 601 have been satisfied) and (y) the time of delivery of such 2033 Debenture to the Paying Agent by the Holder thereof in the manner required by Section 601. 2033 Debentures in respect of which a Repurchase Notice has been given by the Holder thereof may not be converted pursuant to Article Four hereof on or after the date of the delivery of such Repurchase Notice unless such Repurchase Notice has first been validly withdrawn as specified in the following two paragraphs.

A Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Repurchase Notice at any time prior to the close of business on the applicable Repurchase Date specifying:

(1) if Certificated Securities have been issued, the certificate number of the 2033 Debenture in respect of which such notice of withdrawal is being submitted, or if not, such information as may be required under appropriate procedures of the Depositary;

(2) the Principal Amount at Maturity of the 2033 Debenture with respect to which such notice of withdrawal is being submitted; and

(3) the Principal Amount at Maturity, if any, of such 2033 Debenture which remains subject to the original Repurchase Notice and which has been or will be delivered for purchase by the Company.

A written notice of withdrawal of a Repurchase Notice may be in the form set forth in the preceding paragraph or may be in the form of (1) a conditional withdrawal contained in a Repurchase Notice pursuant to the terms of Section 601(1)(D) or (ii) a conditional withdrawal containing the information set forth in Section 601(1)(D) and the preceding paragraph and contained in a written notice of withdrawal delivered to the Paying Agent as set forth in the preceding paragraph.

There shall be no purchase of any 2033 Debentures pursuant to this Article (other than through the issuance of Common Stock in payment of the Repurchase Price, including cash in lieu of fractional shares) if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such 2033 Debentures, of the required Repurchase Notice) and is continuing an Event of Default (other than a default in the payment of the Repurchase Price with respect to such 2033 Debentures). The Paying Agent will promptly return to the respective Holders thereof any 2033 Debentures (x) with respect to which a Repurchase Notice has been withdrawn in compliance with this Indenture, or (y) held by it during the continuance of an Event of Default (other than a default in the payment of the Repurchase Price with respect to such 2033 Debentures) in which case, upon such return, the Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 610 *Deposit of Repurchase Price.*

Prior to 11:00 a.m. (New York City time) on the Business Day following the Repurchase Date, the Company shall deposit with the Trustee or with the Paying Agent an amount of money (in immediately available funds if deposited on such Business Day) and/or Common Stock, if permitted hereunder, sufficient to pay the aggregate Repurchase Price of all of the 2033 Debentures or portions thereof which are to be purchased as of the Repurchase Date. The manner in which the deposit required by this Section 610 is made by the Company shall be at the option of the Company; *provided, however*, that such deposit shall be made in a manner such that the Trustee or a Paying Agent shall have immediately available funds on the Repurchase Date.

If a Paying Agent holds, in accordance with the terms hereof, money and/or Common Stock sufficient to pay the Repurchase Price of any 2033 Debenture for which a Repurchase Notice has been tendered and not withdrawn in accordance with this Indenture then, immediately after Repurchase Date, such 2033 Debenture will cease to be Outstanding, interest and Original Issue Discount thereon shall cease to accrue, and the rights of the Holder in respect thereof shall terminate (other than the right to receive the Repurchase Price upon surrender of such 2033 Debenture).

Section 611 *Securities Repurchased in Part.*

Any 2033 Debenture which is to be purchased only in part shall be surrendered at the office of the Paying Agent (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company or the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such 2033 Debenture, without service charge except for any taxes to be paid by the Holder in the event a 2033 Debenture is registered under a new name, a new 2033 Debenture, of any authorized denomination as requested by such Holder in aggregate Principal Amount at Maturity equal to, and in exchange for, the portion of the Principal Amount at Maturity of the 2033 Debenture so surrendered which is not purchased.

Section 612 *Compliance with Securities Laws Upon Purchase of Securities.*

In connection with any offer to purchase or purchase of 2033 Debentures under this Article (provided that such offer or purchase constitutes an "issuer tender offer" for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the Exchange Act at the time of such offer or purchase), the Company shall (i) comply with Rule 13e-4, Rule 14e-1 (if applicable) and any other applicable tender offer rules under the Exchange Act, (ii) file the related Schedule TO (or any successor schedule, form or report), if required, under the Exchange Act, and (iii) otherwise comply with all applicable Federal and state securities laws so as to permit the rights and obligations under Article Six to be exercised in the time and in the manner specified in this Article.

Section 613 *Repayment to the Company.*

The Trustee and the Paying Agent shall return to the Company any cash or Common Stock that remain unclaimed for two years, subject to applicable unclaimed property law, together with interest or dividends, if any, thereon held by them for the payment of the Repurchase Price, *provided*, *however*, that to the extent that the aggregate amount of cash or Common Stock deposited by the Company pursuant to Section 610 exceeds the aggregate Repurchase Price of the 2033 Debentures or portions thereof which the Company is obligated to purchase as of the Repurchase Date, then promptly after the Business Day following the Repurchase Date, the Trustee shall return any such excess to the Company together with interest or dividends, if any, thereon. Thereafter, any Holder entitled to payment must look to the Company for payment as general creditors, unless an applicable abandoned property law designates another Person.

Section 614 *Conversion Arrangement on Repurchase.*

Any 2033 Debentures required to be repurchased under this Article, unless surrendered for conversion before the close of business on the Repurchase Date, may be deemed to be purchased from the Holders of such 2033 Debentures for an amount in cash not less than the Repurchase Price, by one or more investment bankers or other purchasers who may agree with the Company to purchase such 2033 Debentures from the Holders, to convert them into Common Stock of the Company and to make payment for such 2033 Debentures to the Trustee in trust for such Holders.

ARTICLE SEVEN

PURCHASE OF 2033 DEBENTURES AT OPTION OF THE HOLDER UPON CHANGE IN CONTROL

Section 701 *Right to Require Repurchase.*

(a) If at any time on or before April 29, 2008, while 2033 Debentures remain Outstanding, a Change in Control occurs, 2033 Debentures shall be purchased by the Company in integral multiples of $1,000 Principal Amount at Maturity at the option of the Holders thereof as of the date that is 35 Business Days after the occurrence of the Change in Control (the "Change in Control Purchase Date") subject to satisfaction by or on behalf of any Holder of the requirements set forth in subsection (c) of this Section 701. The purchase price of such 2033 Debentures (the "Change in Control Purchase Price") shall be equal to 100% of the Issue Price of the 2033 Debentures to be purchased plus any accrued and unpaid interest and any accrued Original Issue Discount, to but excluding, the Change in Control Purchase Date.

A "Change in Control" shall be deemed to have occurred at such time after the date hereof as (a) any Person or any Persons acting together in a manner which would constitute a "group" for purposes of Section 13(d) of the Exchange Act, or any successor provision thereto, together with any Affiliates thereof (but in each case excluding Subsidiaries, any employee benefit plans of the Company or its Subsidiaries or any Permitted Holders), after the first issuance of 2033 Debentures files a Schedule TO or a Schedule 13D (or any successors to those forms) stating that it or they has or have become and actually is or are Beneficial Owners, directly or indirectly, of Capital Stock of the Company, entitling such Person or Persons and its or their Affiliates to exercise more than 50% of the total voting power of all classes of the Company's Capital Stock entitled to vote generally in the election of the Company's directors or (b) any of the Permitted Holders, after the first issuance of 2033 Debentures, file a Schedule TO or a Schedule 13D (or any successors to those forms) stating that they have become and actually are Beneficial Owners of the Company's Capital Stock representing more than 80%, in the aggregate, of the voting power entitled to vote generally in the election of the Company's directors or (c) the Company consolidates with or merges into any other Person (other than a Subsidiary), or any other Person (other than a Subsidiary) consolidates with or merges into the Company, or the Company sells, conveys, transfers or leases its properties and assets substantially as an entirety to any Person other than a Subsidiary, and, in the case of any such transaction the outstanding Common Stock is reclassified into, exchanged for or converted into the right to receive any other property or security, unless the stockholders of the Company immediately before such transaction, own, directly or indirectly, immediately following such transaction, at least a majority of the combined voting power of the outstanding voting securities of the Person resulting from such transaction or the Person acquiring such properties and assets, entitled to vote generally on the election of such resulting or acquiring Person's directors, in substantially the same proportion as their ownership of the Common Stock immediately before such transaction; *provided*, *however*, that a Change in Control shall not be deemed to have occurred upon the completion of a merger, consolidation or other transaction effected with any Affiliates of the Company for the purpose of (x) changing the Company's jurisdiction of

organization, or (y) effecting a corporate reorganization of the Company, including, without limitation, the implementation of a holding company structure.

The term "Beneficial Owner" shall be determined in accordance with Rules 13d-3 and 13d-5 promulgated by the Securities and Exchange Commission under the Exchange Act or any successor provision thereto, except that a Person shall be deemed to have "beneficial ownership" of all shares that such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time.

The term "Permitted Holder" shall mean each of Marilyn B. Arison, Micky Arison, Shari Arison, Michael Arison or their spouses, children or lineal descendants of Marilyn B. Arison, Micky Arison, Shari Arison, Michael Arison or their spouses, any trust established for the benefit of any Arison family member mentioned in this paragraph, or any "person" (as such term is used in Section 13(d) or 14(d) of the Exchange Act), directly or indirectly, controlling, controlled by or under common control with any Arison family member mentioned in this paragraph or any trust established for the benefit of any such Arison family member or any charitable trust or non-profit entity established by a Permitted Holder.

The term "Person," solely for purposes of this Section 701(a), shall mean "person," as such term is used in Section 13(d) or 14(d) of the Exchange Act.

(b) Within 15 Business Days after the occurrence of a Change in Control, the Company shall mail a written notice of the Change in Control to the Trustee and to each Holder. The notice shall include the form of a Change in Control Purchase Notice to be completed by the Holder and shall state:

(1) the date of such Change in Control and, briefly, the events causing such Change in Control;

(2) the date by which the Change in Control Purchase Notice pursuant to this Section 701 must be given;

(3) the Change in Control Purchase Date;

(4) the Change in Control Purchase Price that will be accrued and payable with respect to the 2033 Debentures as of the Change in Control Purchase Date;

(5) briefly, the conversion rights of the 2033 Debentures;

(6) the name and address of each Paying Agent and Conversion Agent;

(7) the Conversion Rate (as of the most recent practicable date) and any adjustments thereto;

(8) that 2033 Debentures as to which a Change in Control Purchase Notice has been given may be converted into Common Stock pursuant to Article Four only to the extent that the Change in Control Purchase Notice has been withdrawn in accordance with the terms of this Indenture;

(9) the procedures that the Holder must follow to exercise rights under this Section 701;

(10) the procedures for withdrawing a Change in Control Purchase Notice, including a form of notice of withdrawal; and

(11) that the Holder must satisfy the requirements set forth in the 2033 Debentures in order to convert the 2033 Debentures.

If any of the 2033 Debentures is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to accord with the procedures of the Depositary applicable to the repurchase of Global Securities.

(c) A Holder may exercise its rights specified in subsection (a) of this Section 701 upon delivery of a written notice (which shall be in substantially the form included as an attachment to the 2033 Debentures and which may be delivered by letter, overnight courier, hand delivery, facsimile transmission or in any other written form and, in the case of Global Securities, may be delivered electronically or by other means in accordance with the Depositary's customary procedures) of the exercise of such rights (a "Change in Control Purchase Notice") to any Paying Agent at any time prior to the close of business on the Business Day next preceding the Change in Control Purchase Date.

The delivery of such 2033 Debenture to any Paying Agent (together with all necessary endorsements) at the office of such Paying Agent shall be a condition to the receipt by the Holder of the Change in Control Purchase Price.

The Company shall purchase from the Holder thereof, pursuant to this Section 701, a portion of a 2033 Debenture if the Principal Amount at Maturity of such portion is $1,000 or an integral multiple of $1,000. Provisions of this Indenture that apply to the purchase of all of a 2033 Debenture pursuant to Sections 701 through 706 also apply to the purchase of such portion of such 2033 Debenture.

Any purchase by the Company contemplated pursuant to the provisions of this Section 701 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Change in Control Purchase Date and the time of delivery of the 2033 Debenture to the Paying Agent in accordance with this Section 701.

Notwithstanding anything herein to the contrary, any Holder delivering to a Paying Agent the Change in Control Purchase Notice contemplated by this subsection (c) shall have the right to withdraw such Change in Control Purchase Notice in whole or as to a portion thereof that is with respect to a Principal Amount at Maturity of 2033 Debentures of $1,000 or an integral multiple thereof at any time prior to the close of business on the Business Day next preceding the Change in Control Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 702.

A Paying Agent shall promptly notify the Company of the receipt by it of any Change in Control Purchase Notice or written withdrawal thereof.

Anything herein to the contrary notwithstanding, in the case of Global Securities, any Change in Control Purchase Notice may be delivered or withdrawn and such 2033 Debentures may be surrendered or delivered for purchase in accordance with the applicable procedures of the Depositary as in effect from time to time.

Section 702 *Effect of Change in Control Purchase Notice.*

Upon receipt by any Paying Agent of the Change in Control Purchase Notice specified in Section 701(c), the Holder of the 2033 Debenture in respect of which such Change in Control Purchase Notice was given shall (unless such Change in Control Purchase Notice is withdrawn as specified below) thereafter be entitled to receive the Change in Control Purchase Price with respect to such 2033 Debenture. Such Change in Control Purchase Price shall be paid to such Holder promptly following the later of (a) the Change in Control Purchase Date with respect to such 2033 Debenture (provided the conditions in Section 701(c) have been satisfied) and (b) the time of delivery of such 2033 Debenture to a Paying Agent by the Holder thereof in the manner required by Section 701(c). 2033 Debentures in respect of which a Change in Control Purchase Notice has been given by the Holder thereof may not be converted into Common Stock on or after the date of the delivery of such Change

in Control Purchase Notice unless such Change in Control Purchase Notice has first been validly withdrawn as specified in the following paragraph.

A Change in Control Purchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Change in Control Purchase Notice at any time prior to the close of business on the Business Day prior to the applicable Change in Control Purchase Date specifying:

(1) if a Certificated Security has been issued, the certificate number of the 2033 Debentures in respect of which such notice of withdrawal is being submitted, or if not, such information as required by the Depositary;

(2) the Principal Amount at Maturity, in integral multiples of $1,000, of the 2033 Debentures with respect to which such notice of withdrawal is being submitted; and

(3) the Principal Amount at Maturity, if any, of such 2033 Debentures which remain subject to the original Change in Control Purchase Notice and which has been or will be delivered for purchase by the Company.

There shall be no purchase of any 2033 Debentures pursuant to this Article if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such 2033 Debentures, of the required Change in Control Purchase Notice) and is continuing an Event of Default (other than a default in the payment of the Change in Control Purchase Price with respect to such 2033 Debentures). The Paying Agent will promptly return to the respective Holders thereof any 2033 Debentures (x) with respect to which a Change in Control Purchase Notice has been withdrawn in compliance with this Indenture, or (y) held by it during the continuance of an Event of Default (other than a default in the payment of the Change in Control Purchase Price with respect to such 2033 Debentures) in which case, upon such return, the Change in Control Purchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 703 *Deposit of Change in Control Purchase Price.*

On or before 11:00 a.m. New York City time on the Change in Control Purchase Date, the Company shall deposit with the Trustee or with a Paying Agent (other than the Company or an Affiliate of the Company) an amount of money (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Change in Control Purchase Price of all the 2033 Debentures or portions thereof that are to be purchased as of such Change in Control Purchase Date. The manner in which the deposit required by this Section 703 is made by the Company shall be at the option of the Company; *provided, however,* that such deposit shall be made in a manner such that the Trustee or a Paying Agent shall have immediately available funds on the Change in Control Purchase Date.

If a Paying Agent holds, in accordance with the terms hereof, money sufficient to pay the Change in Control Purchase Price of any 2033 Debenture for which a Change in Control Purchase Notice has been tendered and not withdrawn in accordance with this Indenture then, on the Change in Control Purchase Date, then such 2033 Debenture will cease to be Outstanding, interest and Original Issue Discount thereon shall cease to accrue, and the rights of the Holder in respect thereof shall terminate (other than the right to receive the Change in Control Price upon surrender of such 2033 Debenture). The Company shall publicly announce the Principal Amount at Maturity of 2033 Debentures purchased as a result of such Change in Control on or as soon as practicable after the Change in Control Purchase Date.

Section 704 *Securities Purchased In Part.*

Any 2033 Debenture that is to be purchased only in part shall be surrendered at the office of a Paying Agent and promptly after the Change in Control Purchase Date the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such 2033 Debenture, without service charge (other than amounts to be paid in respect of applicable transfer taxes), a new 2033 Debenture or 2033 Debentures, of such authorized denomination or denominations in integral multiples of $1,000 as may be requested by such Holder, in aggregate Principal Amount at Maturity equal to, and in exchange for, the portion of the Principal Amount at Maturity of the 2033 Debenture so surrendered that is not purchased.

Section 705 *Compliance With Securities Laws Upon Purchase of Securities.*

In connection with any offer to purchase or purchase of 2033 Debentures under this Article (provided that such offer or purchase constitutes an "issuer tender offer" for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the Exchange Act at the time of such offer or purchase), the Company shall (i) comply with Rule 13e-4, Rule 14e-1 (if applicable) and any other applicable tender offer rules under the Exchange Act, (ii) file the related Schedule TO (or any successor schedule, form or report), if required, under the Exchange Act, and (iii) otherwise comply with all applicable Federal and state securities laws so as to permit the rights and obligations under this Article to be exercised in the time and in the manner specified in this Article.

Section 706 *Repayment to the Company.*

The Trustee and the Paying Agent shall return to the Company any cash or Common Stock that remains unclaimed for two years, subject to applicable unclaimed property law, together with interest or dividends, if any, thereon held by them for the payment of the Change in Control Purchase Price; *provided, however*, that to the extent that the aggregate amount of cash or Common Stock deposited by the Company pursuant to Section 703 exceeds the aggregate Change in Control Purchase Price of the 2033 Debentures or portions thereof which the Company is obligated to purchase as of the Change in Control Purchase Date, then on the Business Day following the Repurchase Date, the Trustee shall return any such excess to the Company together with interest or dividends, if any, thereon. Thereafter, any Holder entitled to payment must look to the Company for payment as general creditors, unless an applicable abandoned property law designates another Person.

ARTICLE EIGHT

MISCELLANEOUS PROVISIONS

Section 801 *Integral Part.*

This Third Supplemental Indenture constitutes an integral part of the Indenture with respect to the 2033 Debentures only.

Section 802 *General Definitions.*

For all purposes of this Third Supplemental Indenture:

(a) capitalized terms used herein without definition shall have the meanings specified in the Indenture, and

(b) the terms "herein," "hereof," "hereunder" and other words of similar import refer to this Third Supplemental Indenture.

Section 803 *Adoption, Ratification and Confirmation.*

The Indenture, as supplemented and amended by this Third Supplemental Indenture, is in all respects hereby adopted, ratified and confirmed, and this Third Supplemental Indenture shall be deemed part of the Indenture in the manner and to the extent herein and therein provided. The provisions of this Third Supplemental Indenture shall, subject to the terms hereof, supersede the provisions of the Indenture to the extent the Indenture is inconsistent herewith.

Section 804 *Counterparts.*

This Third Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed an original; and all such counterparts shall together constitute but one and the same instrument.

Section 805 *Governing Law.*

THIS THIRD SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICTS OF LAW RULES OF SAID STATE THAT WOULD INDICATE THE APPLICABILITY OF THE LAWS OF ANY OTHER JURISDICTION.

Section 806 *Conflict of Any Provision of Indenture with Trust Indenture Act of 1939.*

If and to the extent that any provision of this Third Supplemental Indenture limits, qualifies or conflicts with a provision required under the terms of the Trust Indenture Act of 1939, as amended, such Trust Indenture Act provision shall control.

Section 807 *Effect of Headings.*

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 808 *Severability of Provisions.*

In case any provision in this Third Supplemental Indenture or in the 2033 Debentures shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 809 *Successors and Assigns.*

All covenants and agreements in this Third Supplemental Indenture by the parties hereto shall bind their respective successors and assigns and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 810 *Benefit of Supplemental Indenture.*

Nothing in this Third Supplemental Indenture, express or implied, shall give to any Person, other than the parties hereto, any Security Registrar, any Paying Agent, any Conversion Agent and their successors hereunder, and the Holders of the 2033 Debentures, any benefit or any legal or equitable right, remedy or claim under this Third Supplemental Indenture.

Section 811 *Acceptance by Trustee.*

The Trustee accepts the amendments to the Indenture effected by this Third Supplemental Indenture and agrees to execute the trusts created by the Indenture as hereby amended, but only upon the terms and conditions set forth in this Third Supplemental Indenture and the Indenture. Without limiting the generality of the foregoing, the Trustee assumes no responsibility for the correctness of the recitals contained herein, which shall be taken as the statements of the Company and except as provided in the Indenture the Trustee shall not be responsible or accountable in any way whatsoever for or with respect to the validity or execution or sufficiency of this Third Supplemental Indenture and the Trustee makes no representation with respect thereto.

Section 812 *Amendment to Indenture.*

(a) Section 3.3 of the Indenture is hereby amended with respect to all series of Securities issued under the Indenture by replacing the first and second sentences thereof with the following: "The Securities shall be signed on behalf of the Company by any one of the following: Its Chairman of the Board, its Vice-Chairman of the Board, its President, its Chief Executive Officer, its Chief Operating Officer, any Senior Vice President, any Vice

President or any Secretary. Such signature upon the Securities may be the manual or facsimile signature of the present or any future such authorized officer and may be imprinted or otherwise reproduced on the Securities."

(b) Section 1.1 of the Indenture is hereby amended with respect to all series of Securities issued under the Indenture by replacing the paragraph below the heading "*Company Request; Company Order*" with the following: "The term "Company Request" or "Company Order" shall mean a written request or order signed in the name of the Company by its Chairman of the Board, its Vice-Chairman of the Board, its President, its Chief Executive Officer, its Chief Operating Officer, any Senior Vice President, any Vice President or any Secretary, and delivered to the Trustee.

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed and attested as of the day and year first written above.

CARNIVAL CORPORATION

By: /s/ HOWARD FRANK

U.S. BANK NATIONAL ASSOCIATION

By: /s/ RICHARD PROKUSH

ANNEX A

GLOBAL SECURITY

[FORM OF FACE OF SECURITY]

THIS SECURITY WAS ISSUED WITH ORIGINAL ISSUE DISCOUNT AND FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED, THE ISSUE PRICE OF THIS SECURITY WAS $638.79 PER $1,000 OF PRINCIPAL AMOUNT AT MATURITY; THE AMOUNT OF ORIGINAL ISSUE DISCOUNT, INCLUDING CASH INTEREST PAYABLE TO APRIL 29, 2008 TAXABLE AS ORIGINAL ISSUE DISCOUNT UNDER TREASURY REGULATION SECTION 1.1273-1, IS $417.81 PER $1,000 OF PRINCIPAL AMOUNT AT MATURITY; THE ISSUE DATE IS APRIL 29, 2003; AND THE YIELD TO MATURITY FOR THE PURPOSES OF ACCRUING TAX ORIGINAL ISSUE DISCOUNT IS 1.796% PER ANNUM, CALCULATED ON A SEMIANNUAL BOND EQUIVALENT BASIS.

[UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. THIS SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE AND, UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY OR BY THE DEPOSITORY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY.][1]

1 These paragraphs should be included only if the Security is a Global Security.

THIS SECURITY, THE CARNIVAL PLC GUARANTEE AND THE SHARES OF COMMON STOCK AND TRUST SHARES OF BENEFICIAL INTEREST IN THE P&O PRINCESS SPECIAL VOTING TRUST ("PAIRED TRUST SHARES") ISSUABLE UPON CONVERSION OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY, THE CARNIVAL PLC GUARANTEE, THE SHARES OF COMMON STOCK AND PAIRED TRUST SHARES ISSUABLE UPON CONVERSION OF THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN OR THEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION.

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS TWO YEARS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH CARNIVAL CORPORATION (THE "COMPANY," OR THE "ISSUER"), CARNIVAL PLC OR ANY AFFILIATE OF EITHER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) ONLY

(A) TO THE COMPANY, CARNIVAL PLC OR ANY SUBSIDIARY OR AFFILIATE THEREOF, (B) FOR SO LONG AS THE SECURITY IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHICH NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, OR (D) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND IN EACH OF THE FOREGOING CASES, A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.[2]

THIS SECURITY IS SUBJECT TO LIMITATIONS ON OWNERSHIP CONTAINED IN THE INDENTURE, IN ORDER TO PERMIT THE COMPANY TO RETAIN ITS STATUS AS A PUBLICLY TRADED CORPORATION UNDER PROPOSED TREASURY REGULATIONS UNDER SECTION 883 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

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2 These paragraphs to be included only if the Security is a Transfer Restricted Security

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[FORM OF FACE OF SECURITY]

CARNIVAL CORPORATION

Senior Convertible Debentures due 2033
Guaranteed by Carnival plc

Issue Date: April 29, 2003 Principal Amount at Maturity: $

Registered: No. R- CUSIP: 143658 AT 9

Carnival Corporation, a corporation organized and existing under the laws of the Republic of Panama (herein called the "Company," which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of DOLLARS ($) on April 29, 2033, [or such greater or lesser amount as is indicated in the Schedule of Exchanges of Securities on the other side of this 2033 Debenture],[3] and to pay interest thereon from April 29, 2003 or from the most recent date to which interest has been paid or duly provided for, to, but excluding, April 29, 2008 (or such earlier date as determined pursuant to Section 208, 209 or 211 of the Third Supplemental Indenture) semiannually on April 29 and October 29 in each year (each, an "Interest Payment Date"), commencing October 29, 2003, at the rate of 1.132% per annum on the Principal Amount at Maturity. Interest on this 2033 Debenture shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. Each payment of cash interest on the 2033 Debentures shall include interest accrued through the day before the applicable Interest Payment Date. Any payment required to be made on any day that is not a Business Day shall be made on the next succeeding Business Day. The interest so payable and punctually paid or duly provided for on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this 2033 Debenture (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the April 14 or October 14 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any interest which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date shall forthwith cease to be payable to the registered Holder hereof on the relevant Regular Record Date by virtue of having been such Holder, and may be paid to the Person in whose name this 2033 Debenture (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Company, notice whereof shall be given to the Holders of 2033 Debentures not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the 2033 Debentures may be listed, and upon such notice as may be required by such exchange, all as more fully provided in such Indenture. This 2033 Debenture is convertible as specified on the other side on this 2033 Debenture.

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3 To be included only if the Security is a Global Security.

Original Issue Discount shall accrue as specified on the reverse side of this Security. This 2033 Debenture is convertible as specified on the reverse side of this 2033 Debenture.

Payment of any amounts in respect of this 2033 Debenture will be made at the office or agency of the Company maintained for that purpose in The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that at the option of the Company, payment of interest, if any, may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

Reference is hereby made to the further provisions of this 2033 Debenture set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this 2033 Debenture shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: April 29, 2003

CARNIVAL CORPORATION

By: _____

Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

_____

Authorized Signature

Date of Authentication: April 29, 2003

(FORM OF REVERSE SIDE OF SECURITY)

CARNIVAL CORPORATION

Senior Convertible Debentures due 2033

This Security is one of a duly authorized issue of senior securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of April 25, 2001, as amended by the Third Supplemental Indenture thereto, dated as of April 29, 2003 (as so amended, herein called the "Indenture"), between the Company and U.S. Bank National Association, as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), to which the Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof (herein called the "2033 Debentures"), limited in aggregate principal amount at Stated Maturity (the "Principal Amount at Maturity") to $889,000,000 created pursuant to the Indenture as supplemented by the Third Supplemental Indenture. Capitalized terms used and not otherwise defined in this 2033 Debenture are used as defined in the Indenture.

The 2033 Debentures are general unsecured and unsubordinated obligations of the Company. The Indenture does not limit other indebtedness of the Company, secured or unsecured.

Interest on Overdue Amounts

If the Principal Amount at Maturity hereof or any portion of such principal amount at Maturity is not paid when due (whether upon acceleration pursuant to Section 5.2 of the Indenture, upon the date set for payment of the Redemption Price as described under "Optional Redemption," upon the date set for payment of the Change in Control Purchase Price pursuant to "Purchase of 2033 Debentures at Option of Holder Upon a Change in Control," upon the date set for payment of the Repurchase Price under "Repurchase by the Company at the Option of the Holder" or upon the Stated Maturity of this 2033 Debenture) or of interest hereon, if any (or any portion of such interest), then in each such case the overdue amount shall, to the extent permitted by law, bear interest at the rate of 1.75% per annum (computed on a semi-annual bond equivalent basis based on a 360-day year of twelve 30-day months), which interest shall accrue from the date such overdue amount was originally due to the date payment of such amount, including interest thereon, has been made or duly provided for. All such interest shall be payable as set forth in the Indenture.

Method of Payment

Payments in respect of the Accreted Principal Amount of, and interest, if any, on the 2033 Debentures shall be made by the Company in immediately available funds.

Paying Agent, Conversion Agent and Security Registrar

Initially, the Trustee shall act as Paying Agent, Conversion Agent and Security Registrar. The Company may appoint and change any Paying Agent, Conversion Agent, Security Registrar or co-registrar without notice, other than notice to the Trustee, except that the Company shall maintain at least one Paying Agent in the State of New York, City of New York, Borough of Manhattan, which shall initially be an office or agency of the Trustee. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent, Security Registrar or co-registrar.

Optional Redemption

No sinking fund is provided for the 2033 Debentures. At any time on or after April 29, 2008, the 2033 Debentures are redeemable at any time as a whole, or from time to time in part, at the option of the Company in accordance with the Indenture at a redemption price (the "Redemption Price") equal to the Issue Price of such 2033 Debentures plus accrued Original Issue Discount and accrued and unpaid interest to, but excluding, the Redemption Date.

If the Company redeems less than all of the outstanding 2033 Debentures, the Trustee will select the 2033 Debentures to be redeemed (i) by lot; (ii) pro rata; or (iii) by another method the Trustee considers fair and appropriate. If the Trustee selects a portion of a Holder's 2033 Debentures for partial redemption and the Holder converts a portion of the same 2033 Debentures, the converted portion shall be deemed to be from the portion selected for redemption.

Notice of Redemption

Notice of optional redemption by the Company will be mailed by first-class mail at least 30 days but not more than 60 days before the Redemption Date to each Holder of 2033 Debentures to be redeemed at its registered address. 2033 Debentures in denominations larger than $1,000 Principal Amount at Maturity may be redeemed in part, but only in whole multiples of $1,000. On and after the Redemption Date, subject to the deposit with the Paying Agent of funds sufficient to pay the Redemption Price for such 2033 Debentures, all Original Issue Discount and interest shall cease to accrue on such 2033 Debentures or portions thereof called for redemption in such notice. In the event that a Holder of 2033 Debentures elects to convert a 2033 Debenture in connection with a redemption, the notice of redemption will inform the Holder of the Company's election to deliver shares of Common Stock or to pay cash or a combination of cash and Common Stock in connection with such conversion.

Purchase of 2033 Debentures at Option of Holder Upon a Change in Control

At the option of the Holder and subject to the terms and conditions of the Indenture, the Company shall purchase all or any part specified by the Holder in such Holder's Change in Control Purchase Notice (so long as the principal amount at Stated Maturity of such part is $1,000 or an integral multiple of $1,000 in excess thereof) of the 2033 Debentures held by such Holder on the date that is 35 Business Days after the occurrence of a Change in Control, at a purchase price (the "Change in Control Purchase Price") equal to the Issue Price of the 2033 Debentures to be purchased plus any accrued and unpaid interest and any accrued Original Issue Discount thereon to, but excluding, the Change in Control Purchase Date.

The Holder shall have the right to withdraw any Change in Control Purchase Notice (in whole or in a portion thereof that is $1,000 Principal Amount at Maturity or an integral multiple of $1,000 in excess thereof) at any time prior to the close of business on the Business Day prior to the Change in Control Purchase Date by delivering a written notice of withdrawal to the Paying Agent in accordance with the terms of the Indenture.

If cash sufficient to pay the Change in Control Purchase Price of all 2033 Debentures or portions thereof to be purchased as of the Change in Control Purchase Date is deposited with the Paying Agent on the Change in Control Purchase Date, then, on such Change in Control Purchase Date, such 2033 Debenture will cease to be Outstanding, interest and Original Issue Discount thereon shall cease to accrue, and the rights of the Holder in respect thereof shall terminate (other than the right to receive the Change in Control Purchase Price upon surrender of such 2033 Debenture).

Conversion

Subject to the provisions of the Indenture, commencing after August 31, 2003 the Holder of a 2033 Debenture may convert the 2033 Debenture into Common Stock on a Conversion Date in any fiscal quarter (and only during such fiscal quarter) if the closing sale price of the Common Stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the immediately preceding fiscal quarter is more than 120% of the Accreted Conversion Price per share of Common Stock on the last trading day of such preceding fiscal quarter.

The "Accreted Conversion Price," as of any date of determination, shall equal (x) the sum of the Issue Price per $1,000 Principal Amount at Maturity of a 2033 Debenture plus accrued Original Issue Discount thereon computed to, but not including, such date divided by (y) the Base Conversion Rate as of such date.

Subject to the provisions of the Indenture, a Holder may convert into Common Stock a 2033 Debenture or portion of a 2033 Debenture which has been called for redemption by the Company, even if the 2033 Debenture or any portion thereof is not subject to conversion by the Holder, and such 2033 Debentures may be surrendered for conversion until the close of business on the Redemption Date.

Subject to the provisions of the Indenture, in the event the Company is a party to a consolidation, merger or binding share exchange pursuant to which the Common Stock would be converted into cash, securities or other property as set forth in Section 404 of the Third Supplemental Indenture, the 2033 Debentures may be surrendered for conversion at any time from and after the date which is 15 days prior to the date of the anticipated effective time of such transaction announced by the Company until 15 days after the actual effective date of such transaction, and at the effective time of such transaction the right to convert a 2033 Debenture into Common Stock will be deemed to have changed into a right to convert it into the kind and amount of cash, securities or other property which the holder would have received if the holder had converted its 2033 Debenture immediately prior to the transaction.

Subject to the provisions of the Indenture, a Holder of a 2033 Debenture may surrender for conversion such 2033 Debenture at any time during which the credit rating assigned to the 2033 Debentures by (a) Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc., or the successor thereto, is at or below BBB-, or any equivalent rating, and (b) Moody's Investors Service, or the successor thereto, is at or below Baa3, or any equivalent rating.

Subject to the provisions of the Indenture, upon the election by the Company to make a distribution as described in paragraphs (b), (c) and (d) of Section 410 of the Indenture, which in the case of paragraph (d) of such Section has a per share value equal to more than 15% of the Sale Price of shares of Common Stock on the Trading Day preceding the declaration date for such distribution, the Company shall give notice to Holders of the 2033 Debentures not less than 20 days prior to the ex-dividend date for such distribution. Upon giving such notice, Holders may surrender the 2033 Debentures for conversion at any time until the close of business of the Business Day prior to the ex-dividend date or until the Company publicly announces that such distribution will not be given effect.

A 2033 Debenture in respect of which a Holder has delivered a Purchase Notice or Change in Control Purchase Notice exercising the option of such Holder to require the Company to purchase such 2033 Debenture may be converted only if such notice of exercise is withdrawn in accordance with the terms of the Indenture. The Conversion Rate shall be calculated as set forth in the Indenture, and the Conversion Rate and the components thereof shall be subject to adjustment upon the occurrence of certain events described in the Indenture.

A Holder's right to convert the 2033 Debentures into Common Stock of the Company is also subject to the ownership limitation described below and to the Company's right to elect to pay such

Holder the amount of cash set forth in the next succeeding sentence (or an equivalent amount in a combination of cash and shares of Common Stock), in lieu of delivering all or part of such Common Stock; *provided, however*, that if such payment of cash is not permitted pursuant to the provisions of the Indenture, the Company shall deliver Common Stock (and cash in lieu of fractional shares of Common Stock) in accordance with the Indenture, whether or not the Company has delivered a notice pursuant to the Indenture to the effect that the 2033 Debentures will be paid in cash or a combination of cash and Common Stock. The amount of cash to be paid for each $1,000 Principal Amount at Maturity of a 2033 Debenture shall be equal to the Applicable Stock Price in respect of such Conversion Date multiplied by the Conversion Rate in effect on such Conversion Date. If the Company shall elect to make such payment wholly in shares of Common Stock, then such shares shall be delivered through the Conversion Agent to Holders surrendering 2033 Debentures as promptly as practicable but in any event no later than the fifth Business Day following the date of determination of the Applicable Stock Price in respect of such Conversion Date. If, however, the Company elects to make any portion of such payment in cash, then the payment, including any delivery of shares of Common Stock, shall be made to Holders surrendering 2033 Debentures no later than the tenth Business Day following the Conversion Date.

The Company may not pay cash in lieu of delivering all or part of such shares of Common Stock upon the conversion of any 2033 Debenture pursuant to the terms of the Indenture (other than cash in lieu of fractional shares) if there has occurred (prior to, on or after, as the case may be, the Conversion Date or the date on which the Company delivers its notice specifying whether each Conversion shall be converted into shares of Common Stock or cash) and is continuing an Event of Default (other than a default in such payment on such 2033 Debentures).

A Holder may convert a portion of a 2033 Debenture if the Principal Amount at Maturity of such portion is $1,000 or an integral multiple of $1,000. No payment or adjustment shall be made for dividends on the Common Stock except as provided in the Indenture. On conversion of a 2033 Debenture, except as otherwise provided in the Third Supplemental Indenture, accrued and unpaid interest, if any, attributable to the period from the most recent Interest Payment Date (or, if no Interest Payment Date has occurred, from the Issue Date) through the Conversion Date, or accrued Original Issue Discount attributable to the period from the Issue Date through the Conversion Date of such 2033 Debenture, shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through delivery of the Common Stock (together with the cash payment, if any, in lieu of fractional shares), or cash in lieu thereof, in exchange for the 2033 Debenture being converted pursuant to the provisions hereof, and the fair market value of such shares of Common Stock (together with any such cash payment in lieu of fractional shares), or cash in lieu thereof, shall be treated as issued in exchange for the Issue Price of the 2033 Debenture being converted pursuant to the provisions hereof.

No fractional shares will be issued upon conversion; in lieu thereof, an amount will be paid in cash based upon the Applicable Stock Price, as the same may be adjusted, in respect of the relevant Conversion Date.

To convert a 2033 Debenture, a Holder must (a) complete and manually sign the conversion notice set forth below and deliver such notice to a Conversion Agent, (b) surrender the 2033 Debenture to the Conversion Agent, (c) furnish appropriate endorsements and transfer documents (including any certification that may be required under applicable law) if required by the Conversion Agent, and (d) pay any transfer or similar tax, if required.

Repurchase by the Company at the Option of the Holder

Subject to the terms and conditions of the Indenture, the Company shall become obligated to purchase, at the option of the Holder, the 2033 Debentures held by such Holder on the following

Repurchase Dates and at the following Repurchase Prices per $1,000 Principal Amount at Maturity of such 2033 Debentures, upon delivery of a Repurchase Notice containing the information set forth in the Indenture, at any time from the opening of business on the date that is at least 20 Business Days prior to such Repurchase Date until the close of business on such Repurchase Date and upon delivery of the 2033 Debentures to the Paying Agent by the Holder as set forth in the Indenture.

Repurchase Date	Repurchase Price
April 29, 2008	$ 646.88
April 29, 2013	$ 705.76
April 29, 2018	$ 770.01
April 29, 2023	$ 840.10
April 29, 2028	$ 916.57

The Repurchase Price may be paid, at the option of the Company, in cash or by the issuance of Common Stock (as provided in the Indenture), or in any combination thereof.

Holders have the right to withdraw any Repurchase Notice by delivering to the Paying Agent a written notice of withdrawal prior to the close of business on the Repurchase Date in accordance with the provisions of the Indenture.

If cash (and/or securities if permitted under the Indenture) sufficient to pay the Repurchase Price of all 2033 Debentures or portions thereof to be purchased as of the Repurchase Date is deposited with the Paying Agent on the Business Day following the Repurchase Date, then, immediately after Repurchase Date, such 2033 Debenture will cease to be Outstanding, interest and Original Issue Discount thereon shall cease to accrue, and the rights of the Holder in respect thereof shall terminate (other than the right to receive the Repurchase Price upon surrender of such 2033 Debenture).

Conversion Arrangement on Call for Redemption

Any 2033 Debentures called for redemption, unless surrendered for conversion before the close of business on the Redemption Date, may be deemed to be purchased from the Holders of such 2033 Debentures at an amount not less than the Redemption Price by one or more investment bankers or other purchasers who may agree with the Company to purchase such 2033 Debentures from the Holders, to convert them into Common Stock of the Company and to make payment for such 2033 Debentures to the Paying Agent in trust for such Holders.

Transfer

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this 2033 Debenture is registrable in the Security Register, upon surrender of this 2033 Debenture for registration or transfer at the office or agency in a Place of Payment for the 2033 Debentures, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new 2033 Debentures, of any authorized denominations and for the same aggregate Principal Amount at Maturity, executed by the Company and authenticated and delivered by the Trustee, will be issued to the designated transferee or transferees.

The 2033 Debentures are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations set forth therein and on the face of this 2033 Debenture, 2033 Debentures are exchangeable for a like aggregate Principal Amount at Maturity of 2033 Debentures of a different authorized denomination as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this 2033 Debenture for registration of transfer, the Company, the Trustee or any agent of the Company or the Trustee may treat the Person in whose name this 2033 Debenture is registered as the owner hereof for all purposes, whether or not this 2033 Debenture be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

Ownership Limitation

In order to permit the Company to retain its status as a publicly traded corporation under the proposed Treasury regulations to Section 883 of the Code, the Third Supplemental Indenture provides that, notwithstanding anything to the contrary contained therein, except as provided in Section 214(d) of the Third Supplemental Indenture, until the Restriction Termination Date no Holder shall be entitled to convert 2033 Debentures into Shares that, when added to Shares Beneficially Owned by such Holder immediately prior to the proposed conversion of such 2033 Debentures, would cause such Holder to Beneficially Own an aggregate number of Shares in excess of the Ownership Limit.

Amendment, Supplement and Waiver

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the 2033 Debentures under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in Principal Amount at Maturity of the 2033 Debentures at the time Outstanding. The Indenture also contains provisions permitting the Holders of specified percentages in Principal Amount at Maturity of the 2033 Debentures at the time Outstanding, on behalf of the Holders of all 2033 Debentures, to waive compliance by the Company with certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this 2033 Debenture shall be conclusive and binding upon such Holder and upon all future Holders of this 2033 Debenture and of any 2033 Debenture issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this 2033 Debenture.

Successor Corporation

When a successor corporation assumes all the obligations of its predecessor under the 2033 Debentures and the Indenture in accordance with the terms and conditions of the Indenture, the predecessor corporation will (except in certain circumstances specified in the Indenture) be released from those obligations.

Defaults and Remedies

Under the Indenture, Events of Default include (i) default in the payment of any interest on the 2033 Debentures when it becomes due and payable or in the payment of any Liquidated Damages and continuance of such default for a period of 30 days; (ii) default in payment of the Principal Amount at Maturity, Redemption Price, Repurchase Price or Change in Control Purchase Price, as the case may be, in respect of the 2033 Debentures when the same becomes due and payable; (iii) failure by the Company to comply with other agreements in the Indenture for the benefit of the 2033 Debentures, subject to notice and lapse of time; (iv) default under any bond, debenture, note or other evidence of indebtedness for money borrowed of the Company, Carnival plc or any of their respective Subsidiaries having an aggregate outstanding principal amount in excess of $50,000,000 (excluding such indebtedness

of any Subsidiary other than a Significant Subsidiary, all the indebtedness of which is nonrecourse to the Company, Carnival plc or any other of their respective Subsidiaries), which default shall be with respect to payment or shall have resulted in such indebtedness being accelerated, without such indebtedness being discharged or such acceleration having been rescinded or annulled, subject to notice and passage of time; (v) unless Carnival plc has become or has been merged with or has been otherwise consolidated with the primary obligor under the 2033 Debentures and the Indenture, the Carnival plc Guarantee ceases to be in full force and effect or is declared null and void or any Carnival plc denies that it has any further liability under the Carnival plc Guarantee in respect of the 2033 Debentures and/or the Indenture, or gives notice to such effect and continuance of such default for a period of 30 days after written notice thereof; and (vi) certain events of bankruptcy, insolvency or reorganization of the Company, Carnival plc or any of their Significant Subsidiaries. If an Event of Default with respect to 2033 Debentures shall occur and be continuing, the Accreted Principal Amount of, and accrued and unpaid interest, if any, on, the 2033 Debentures through the acceleration date may be declared due and payable in the manner and with the effect provided in the Indenture. If an Event of Default occurs as a result of certain events of bankruptcy, insolvency or reorganization of the Company, the Accreted Principal Amount of, and accrued and unpaid interest, if any, on, the 2033

Debentures Outstanding shall become due and payable immediately without any declaration or other act on the part of the Trustee or any Holder, all as and to the extent provided in the Indenture.

Indenture

The Company issued the 2033 Debentures under an Indenture dated as of April 25, 2001, as supplemented and amended by a Third Supplemental Indenture dated as of April 29, 2003 (as amended, the "Indenture"), among the Company and the Trustee. The terms of the Securities include those stated in the Indenture and those made part of the Indenture by reference to the Securities themselves and the Trust Indenture Act of 1939, as in effect from time to time (the "TIA"). Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The Securities are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of those terms.

No Recourse Against Others

No recourse shall be had for the payment of the principal of or the interest, if any, on this 2033 Debenture, for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, shareholder, officer or director, as such, past, present or future, of the Company or of any successor corporation, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment of penalty or otherwise, all such liability being, by acceptance hereof and as part of the consideration for the issue hereof, expressly waived and released.

Authentication

This 2033 Debenture shall not be valid until the Trustee or an authenticating agent manually signs the certificate of authentication on the other side of this 2033 Debenture.

Indenture to Control; Governing Law

In the case of any conflict between the provisions of this 2033 Debenture and the Indenture, the provisions of the Indenture shall control.

THE INDENTURE AND THE SECURITIES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK

WITHOUT REGARD TO THE CONFLICTS OF LAW RULES OF SAID STATE THAT WOULD INDICATE THE APPLICABILITY OF THE LAWS OF ANY OTHER JURISDICTION.

Abbreviations and Definitions

Customary abbreviations may be used in the name of the Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/G/M/A (= Uniform Gifts to Minors Act).

All terms defined in the Indenture and used in this 2033 Debenture but not specifically defined herein are defined in the Indenture and are used herein as so defined.

CONVERSION NOTICE

To convert this 2033 Debenture into Common Stock of the Company, check the box: o

To convert only part of this 2033 Debenture, state the Principal Amount at Maturity to be converted (must be $1,000 or a multiple of $1,000):
$.

If you want the stock certificate made out in another person's name, fill in the form below.

(Insert other person's soc. sec. or tax I.D. no.)

(Print or type other person's name, address and zip code)

Your Signature: _____ Date: _____

(Sign exactly as your name appears on the other side of this 2033 Debenture)

Signature guaranteed by:[4] _____

By: _____

4 The Signature must be guaranteed by an institution which is a member of one of the following recognized signature guaranty programs: (i) the Securities Transfer Agent Medallion Program (STAMP); (ii) the New York Stock Exchange Medallion Program (MSP); (iii) the Stock Exchange Medallion Program (SEMP); or (iv) such other guaranty program acceptable to the Trustee.

OPTION OF HOLDER TO ELECT PURCHASE ON CHANGE IN CONTROL

If you want to elect to have this 2033 Debenture purchased, in whole or in part, by the Company pursuant to Section 701 of the Indenture and the applicable provisions of the 2033 Debentures, check the following box: o

If you want to have only part of this 2033 Debenture purchased by the Company pursuant to Section 701 of the Indenture, state the Principal Amount at Maturity you want to be purchased (must be $1,000 or a multiple of $1,000): $

If this 2033 Debenture has been issued in certificated form, provide the certificate number thereof: _____

Signature guaranteed by:[5] _____

By: _____

5 The Signature must be guaranteed by an institution which is a member of one of the following recognized signature guaranty programs: (i) the Securities Transfer Agent Medallion Program (STAMP); (ii) the New York Stock Exchange Medallion Program (MST); (iii) the Stock Exchange Medallion Program (SEMP); or (iv) such other guaranty program acceptable to the Trustee.

SCHEDULE OF EXCHANGES OF SECURITIES[6]

The following exchanges, redemptions, repurchases or conversions of a part of this Global Security have been made:

Date of Transaction	Amount of Decrease in Principal Amount at Maturity of this Global Security	Amount of Increase in Principal Amount at Maturity of the Global Security

6 This schedule should be included only if the Security is a Global Security.

Exhibit B

CERTIFICATE TO BE DELIVERED UPON EXCHANGE OR REGISTRATION OF TRANSFER OF RESTRICTED SECURITIES[7]

Re: Senior Convertible Debentures due 2033 (the "2033 Debentures") of Carnival Corporation

This certificate relates to $ Principal Amount at Maturity of Securities owned in (check applicable box)

o book-entry or

o definitive form

by _____ (the "Transferor").

The Transferor has requested a Security Registrar or the Trustee to exchange or register the transfer of such 2033 Debentures.

In connection with such request and in respect of each such Security, the Transferor does hereby certify that the Transferor is familiar with transfer restrictions relating to the 2033 Debentures as provided in Section 202 of the Third Supplemental Indenture dated as of April 29, 2003 (the "Indenture"), between Carnival Corporation and US Bank National Association, as trustee.

7 This certificate should only be included only if this Security is a Transfer Restricted Security.

In connection with any transfer of any of the 2033 Debentures evidenced by this certificate occurring prior to the expiration of the period referred to in Rule 144(k) under the Securities Act after the later of the date of original issuance of the Securities and the last date, if any, on which such 2033 Debentures were owned by the Company or any Affiliate of the Company, the undersigned confirms that such 2033 Debentures are being transferred in accordance with its terms:

CHECK ONE BOX BELOW

(1) o to the Company or a subsidiary of the Company; or

(2) o pursuant to an effective registration statement under the Securities Act of 1933; or

(3) o to a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act of 1933) that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that such transfer is being made in reliance on Rule 144A, in each case pursuant to and in compliance with Rule 144A under the Securities Act of 1933; or

(4) o pursuant to another available exemption from registration under the Securities Act of 1933.

Unless one of the boxes is checked, the Trustee will refuse to register any of the 2033 Debentures evidenced by this certificate in the name of any person other than the registered holder thereof, *provided*, *however*, that if box (4) or (5) is checked, the Trustee may require, prior to registering any such transfer of the 2033 Debentures, such legal opinions, certifications and other information as the Company has reasonably requested to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933, such as the exemption provided by Rule 144 under such Act.

Signature

Signature Guarantee:

Signature must be guaranteed

Signature

TO BE COMPLETED BY PURCHASER IF (3) ABOVE IS CHECKED

The undersigned represents and warrants that it is purchasing this 2033 Debenture for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated:

NOTICE: To be executed by an executive officer

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Exhibit 4.13

CARNIVAL CORPORATION and U.S. BANK NATIONAL ASSOCIATION, As Trustee
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ANNEX A

GLOBAL SECURITY
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EXHIBIT 4.14

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made and entered into as of April 29, 2003, by and among CARNIVAL CORPORATION, a corporation organized and existing pursuant to the laws of the Republic of Panama (the "Company"), CARNIVAL PLC, a public limited company incorporated in England and Wales in July 2000 as P&O Princess Cruises plc (the "Guarantor"), and MERRILL LYNCH & CO., MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED (the "Initial Purchaser").

This Agreement is made pursuant to the Purchase Agreement, dated April 23, 2003 (the "Purchase Agreement"), among the Company, as issuer of the Senior Convertible Debentures due 2033 (the "Debentures"), the Guarantor and the Initial Purchaser, which provides for, among other things, the sale by the Company to the Initial Purchaser of the aggregate principal amount at maturity of Debentures specified therein. In order to induce the Initial Purchaser to enter into the Purchase Agreement, the Company and the Guarantor have agreed to provide the registration rights set forth in this Agreement. The execution of this Agreement is a condition to the closing under the Purchase Agreement.

The Company and the Guarantor agree with the Initial Purchaser, (i) for its benefit as Initial Purchaser and (ii) for the benefit of the beneficial owners (including the Initial Purchaser) from time to time of the Debentures and the Guarantee (as defined herein), and the beneficial owners from time to time of the Underlying Common Stock (as defined herein) issued upon conversion of the Debentures, if any, (each of the foregoing a "Holder" and together the "Holders"), as follows:

SECTION 1. *Definitions.* Capitalized terms used herein without definition shall have their respective meanings set forth in the Purchase Agreement. As used in this Agreement, the following terms shall have the following meanings:

"Affiliate" With respect to any specified person, an "affiliate," as defined in Rule 144, of such person.

"Applicable Principal Amount" The Applicable Principal Amount, as of any date of determination, means with respect to each $1,000 principal amount at maturity of Debentures, the sum of the Issue Price (as defined in the Indenture) of such Debentures plus accrued Original Issue Discount (as defined in the Indenture) with respect to such Debentures through such date of determination.

"Business Day" Each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in The City of New York are authorized or obligated by law or executive order to close.

"Common Stock" The common stock, $0.01 par value per share, of the Company and any other shares of common stock as may constitute "Common Stock" for purposes of the Indenture, including the Underlying Common Stock. References in this Agreement to shares of Common Stock issuable upon conversion, redemption or repurchase of the Debentures shall be deemed to include the Trust Shares paired with the Company's common stock, $0.01 par value per share.

"Company" See the first paragraph hereof.

"Damages Accrual Period" See Section 2(e) hereof.

"Damages Payment Date" Each April 29 and October 29.

"Debentures" See the second paragraph hereof.

"Deferral Notice" See Section 3(h) hereof.

"Deferral Period" See Section 3(h) hereof.

"Effectiveness Deadline Date" See Section 2(a) hereof.

"Effectiveness Period" The period of two years from the date the Shelf Registration Statement has been declared effective under the Securities Act, or such shorter period ending on the date that all Registrable Securities have ceased to be Registrable Securities.

"Event" See Section 2(e) hereof.

"Event Date" See Section 2(e) hereof.

"Event Termination Date" See Section 2(e) hereof.

"Exchange Act" The Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Filing Deadline Date" See Section 2(a) hereof.

"Guarantee" The guarantee of the Debentures issued under the Deed of Guarantee, dated as of April 17 2003, between the Company and the Guarantor.

"Holder" See the third paragraph hereof.

"Indenture" The Indenture, dated as of April 25, 2001, between the Company and U.S. Bank National Association, as trustee, as amended and supplemented by the Third Supplemental Indenture, dated as of April 29, 2003, pursuant to which the Debentures are being issued.

"Initial Purchaser" See the first paragraph of this Agreement.

"Initial Shelf Registration Statement" See Section 2(a) hereof.

"Issue Date" means April 29, 2003.

"Liquidated Damages Amount" See Section 2(e) hereof.

"Material Event" See Section 3(h) hereof.

"Notice and Questionnaire" A written notice delivered to the Company containing substantially the information called for by the Selling Securityholder Notice and Questionnaire attached as Annex A to the Offering Memorandum of the Company, dated April 23, 2003, relating to the Debentures.

"Notice Holder" On any date, any Holder that has delivered a Notice and Questionnaire to the Company on or prior to such date.

"Prospectus" The prospectus included in any Registration Statement (including, without limitation, a prospectus that discloses information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 415 promulgated under the Securities Act), as amended or supplemented by any amendment or prospectus supplement, including post-effective amendments, and all materials incorporated by reference in such Prospectus.

"Purchase Agreement" See the second paragraph hereof.

"Record Date" With respect to any Damages Payment Date relating to any Debenture as to which any Liquidated Damages Amount has accrued, (i) the 14th day immediately preceding such Damages Payment Date if the Damages Accrual Period has not ended, or (ii) the date of the end Damages Accrual Period.

"Record Holder" With respect to any Damages Payment Date relating to any Debenture as to which any Liquidated Damages Amount has accrued, the registered holder of such Debenture on the Record Date.

"Registrable Securities" The Securities, until such securities have been converted or exchanged and, at all times subsequent to any such conversion or exchange, any securities into or for which such securities have been converted or exchanged, and any security issued with respect thereto upon any

stock dividend, split, merger or similar event until, in the case of any such security, the earliest of (i) its effective registration under the Securities Act and resale in accordance with the Registration Statement covering it, (ii) expiration of the holding period that would be applicable thereto under Rule 144(k) were it not held by an Affiliate of the Company or (iii) its sale to the public pursuant to Rule 144.

"Registration Expenses" See Section 5 hereof.

"Registration Statement" Any registration statement of the Company and the Guarantor that covers any of the Registrable Securities pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such registration statement, including post-effective amendments, all exhibits, and all materials incorporated by reference in such registration statement.

"Restricted Securities" As this term is defined in Rule 144.

"Rule 144" Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

"Rule 144A" Rule 144A under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

"SEC" The Securities and Exchange Commission.

"Securities" Collectively means the Debentures, the Guarantee and the Underlying Common Stock.

"Securities Act" The Securities Act of 1933, as amended, and the rules and regulations promulgated by the SEC thereunder.

"Shelf Registration Statement" See Section 2(a) hereof.

"Subsequent Shelf Registration Statement" See Section 2(b) hereof.

"TIA" The Trust Indenture Act of 1939, as amended.

"Trustee" U.S. Bank National Association (or any successor entity), the Trustee under the Indenture.

"Trust Shares" Trust shares of beneficial interest in the property (which as of the date hereof consists of a Special Voting Share, nominal value £1.00, issued by the Guarantor) subject to the P&O Princess Special Voting Trust, a trust established under the laws of the Cayman Islands, that are paired with, and evidenced by, certificates representing shares of the common stock, $0.01 par value, of the Company.

"Underlying Common Stock" The Common Stock into which the Debentures are convertible or issued upon any such conversion.

SECTION 2. *Shelf Registration.*

(a) The Company and the Guarantor shall prepare and file or cause to be prepared and filed with the SEC no later than a date which is ninety (90) days after the Issue Date (the "Filing Deadline Date") a Registration Statement for an offering to be made on a delayed or continuous basis pursuant to Rule 415 of the Securities Act (a "Shelf Registration Statement") registering the resale from time to time by Holders thereof of all of the Registrable Securities (the "Initial Shelf Registration Statement"). The Initial Shelf Registration Statement shall be on Form S-3 or another appropriate form permitting registration of such Registrable Securities for resale by such Holders in accordance with the methods of distribution reasonably elected by the Holders and set forth in the Initial Shelf Registration Statement; *provided* that in no event will such method(s) of distribution take the form of an underwritten offering of the Registrable Securities without the prior agreement of the Company and the Guarantor. The Company and the Guarantor shall use commercially reasonable efforts to cause the Initial Shelf

Registration Statement to be declared effective under the Securities Act by the date (the "Effectiveness Deadline Date") that is one hundred and eighty (180) days after the Issue Date, and to keep the Initial Shelf Registration Statement (or any Subsequent Shelf Registration Statement) continuously effective under the Securities Act until the expiration of the Effectiveness Period subject to the rights of the Company under Section 3(h) to create a Deferral Period. At the time the Initial Shelf Registration Statement is declared effective, each Holder that became a Notice Holder on or prior to the date 10 Business Days prior to such time of effectiveness shall be named as a selling securityholder in the Initial Shelf Registration Statement and the related Prospectus in such a manner as to permit such Holder to deliver such Prospectus to purchasers of Registrable Securities in accordance with applicable law under ordinary circumstances, subject to compliance with blue sky laws. Neither the Company nor the Guarantor shall permit any of its securityholders (other than the Holders of Registrable Securities) to include any of the Company's or the Guarantor's securities in the Shelf Registration Statement.

(b) If the Initial Shelf Registration Statement or any Subsequent Shelf Registration Statement ceases to be effective other than during a Deferral Period for any reason at any time during the Effectiveness Period, the Company and the Guarantor shall use reasonable efforts to obtain the prompt withdrawal of any order suspending the effectiveness thereof, and in any event shall within thirty (30) days of such cessation of effectiveness amend the Shelf Registration Statement in a manner reasonably expected by the Company to obtain the withdrawal of the order suspending the effectiveness thereof, or file an additional Shelf Registration Statement covering all of the Securities that as of the date of such filing are Registrable Securities (a "Subsequent Shelf Registration Statement"). If a Subsequent Shelf Registration Statement is filed, the Company and the Guarantor shall use reasonable efforts to cause the Subsequent Shelf Registration Statement to become effective as promptly as reasonably practicable after such filing, unless during a Deferral Period, or, if filed during a Deferral Period, after the expiration of a Deferral Period, and to keep such Registration Statement (or subsequent Shelf Registration Statement) continuously effective until the end of the Effectiveness Period.

(c) The Company and the Guarantor shall supplement and amend the Shelf Registration Statement if required by the rules, regulations or instructions applicable to the registration form used by the Company and the Guarantor for such Shelf Registration Statement if required by the Securities Act.

(d) Each Holder of Registrable Securities agrees that if such Holder wishes to sell Registrable Securities pursuant to a Shelf Registration Statement and related Prospectus, it will do so only in accordance with this Section 2(d) and Section 3(h). Each Holder of Registrable Securities wishing to sell Registrable Securities pursuant to a Shelf Registration Statement and related Prospectus agrees to deliver a Notice and Questionnaire to the Company at least ten (10) Business Days prior to any intended distribution of Registrable Securities under the Shelf Registration Statement. From and after the date the Initial Shelf Registration Statement is declared effective, the Company and the Guarantor shall, as promptly as reasonably practicable after the date a Notice and Questionnaire is delivered, (i) if required by applicable law, file with the SEC a post-effective amendment to the Shelf Registration Statement or prepare and, if required by applicable law, file a supplement to the related Prospectus or a supplement or amendment to any document incorporated therein by reference or file any other document required by the SEC so that the Holder delivering such Notice and Questionnaire is named as a selling securityholder in the Shelf Registration Statement and the related Prospectus in such a manner as to permit such Holder to deliver such Prospectus to purchasers of the Registrable Securities in accordance with applicable law and, if the Company and the Guarantor shall file a post-effective amendment to the Shelf Registration Statement, use reasonable efforts to cause such post-effective amendment to be declared effective under the Securities Act as promptly as reasonably practicable; (ii) provide such Holder copies of any documents filed pursuant to Section 2(d)(i); and (iii) notify such Holder as promptly as reasonably practicable after the effectiveness under the Securities Act of any

post-effective amendment filed pursuant to Section 2(d)(i); *provided* that if such Notice and Questionnaire is delivered during a Deferral Period, the Company and the Guarantor shall so inform the Holder delivering such Notice and Questionnaire and shall take the actions set forth in clauses (i), (ii) and (iii) above upon expiration of the Deferral Period in accordance with Section 3(h). Notwithstanding anything contained herein to the contrary, the Company and the Guarantor shall be under no obligation to name any Holder that is not a Notice Holder as a selling securityholder in any Registration Statement or related Prospectus; *provided, however*, that any Holder that becomes a Notice Holder pursuant to the provisions of Section 2(d) of this Agreement (whether or not such Holder was a Notice Holder at the time the Registration Statement was initially declared effective) shall be named as a selling securityholder in the Registration Statement or related Prospectus subject to and in accordance with the requirements of this Section 2(d).

(e) The parties hereto agree that the Holders of Registrable Securities will suffer damages, and that it would not be feasible to ascertain the extent of such damages with precision, if (i) the Initial Shelf Registration Statement has not been filed on or prior to the Filing Deadline Date, (ii) the Initial Shelf Registration Statement has not been declared effective under the Securities Act on or prior to the Effectiveness Deadline Date, or (iii) the aggregate duration of Deferral Periods in any period exceeds the number of days permitted in respect of such period pursuant to Section 3(h) hereof (each of the events of a type described in any of the foregoing clauses (i) through (iii) are individually referred to herein as an "Event," and the Filing Deadline Date in the case of clause (i), the Effectiveness Deadline Date in the case of clause (ii), and the date on which the aggregate duration of Deferral Periods in any period exceeds the number of days permitted by Section 3(h) hereof in the case of clause (iii), being referred to herein as an "Event Date"). Events shall be deemed to continue until the "Event Termination Date," which shall be the following dates with respect to the respective types of Events: the date the Initial Shelf Registration Statement is filed in the case of an Event of the type described in clause (i), the date the Initial Shelf Registration Statement is declared effective under the Securities Act in the case of an Event of the type described in clause (ii), termination of the Deferral Period that caused the limit on the aggregate duration of Deferral Periods in a period set forth in Section 3(h) to be exceeded in the case of the commencement of an Event of the type described in clause (iii).

Accordingly, commencing on (and including) any Event Date and ending on (but excluding) the next date on which there are no Events that have occurred and are continuing (a "Damages Accrual Period"), the Company and the Guarantor agree to pay, as liquidated damages and not as a penalty, an amount (the "Liquidated Damages Amount"), payable on the Damages Payment Dates to Record Holders of then outstanding Debentures that are Registrable Securities, accruing, for each portion of such Damages Accrual Period beginning on and including a Damages Payment Date (or, in respect of the first time that the Liquidation Damages Amount is to be paid to Record Holders on a Damages Payment Date as a result of the occurrence of any particular Event, beginning on and including the Event Date) and ending on but excluding the first to occur of (A) the date of the end of the Damages Accrual Period or (B) the next Damages Payment Date, at a rate per annum equal to 0.25% for the first 90-day period from the Event Date and 0.50% for each 90-day period thereafter of the Applicable Principal Amount thereof as of such Event Date determined as of the Record Date; *provided* that any Liquidated Damages Amount accrued with respect to any Debenture or portion thereof called for redemption on a redemption date or converted into Underlying Common Stock on a conversion date prior to the Damages Payment Date, shall, in any such event, be paid instead to the Holder who submitted such Debenture or portion thereof for redemption or conversion on the applicable redemption date or conversion date, as the case may be, on such date (or promptly following the conversion date, in the case of conversion). Notwithstanding the foregoing, no Liquidated Damages Amounts shall accrue as to any Debenture from and after the earlier of (x) the date such Debenture is no longer a Registrable Security and (y) expiration of the Effectiveness Period. The rate of accrual of the Liquidated Damages Amount with respect to any period shall not exceed the rate provided for in this paragraph notwithstanding the occurrence of multiple concurrent Events. Following the cure of all

Events requiring the payment by the Company and the Guarantor of Liquidated Damages Amounts to the Holders of Debenture pursuant to this Section, the accrual of Liquidated Damages Amounts will cease (without in any way limiting the effect of any subsequent Event requiring the payment of the Liquidated Damages Amount by the Company and the Guarantor).

The Trustee shall be entitled, on behalf of Holders of Debentures, to seek any available remedy for the enforcement of this Agreement, including for the payment of any Liquidated Damages Amount. Notwithstanding the foregoing, the parties agree that the sole remedy for a violation of the terms of this Agreement with respect to which liquidated damages are expressly provided shall be such liquidated damages.

All of the Company's and the Guarantor's obligations set forth in this Section 2(e) that are outstanding with respect to any Registrable Security at the time such Security ceases to be a Registrable Security shall survive until such time as all such obligations with respect to such security have been satisfied in full (notwithstanding termination of this Agreement pursuant to Section 8(j)).

The parties hereto agree that the liquidated damages provided for in this Section 2(e) constitute a reasonable estimate of the damages that may be incurred by Holders of Registrable Securities by reason of the failure of the Shelf Registration Statement to be filed or declared effective or available for effecting resales of Registrable Securities in accordance with the provisions hereof.

SECTION 3. *Registration Procedures.* In connection with the registration obligations of the Company and the Guarantor under Section 2 hereof, the Company and the Guarantor shall:

(a) Subject to section 3(h), prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement continuously effective for the applicable period specified in Section 2(a); cause the related Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provisions then in force) under the Securities Act; and use reasonable efforts to comply with the provisions of the Securities Act applicable to it with respect to the disposition of all securities covered by such Registration Statement during the Effectiveness Period in accordance with the intended methods of disposition by the sellers thereof set forth in such Registration Statement as so amended or such Prospectus as so supplemented.

(b) As promptly as reasonably practicable give notice to the Notice Holders and the Initial Purchaser (i) when any Prospectus, Prospectus supplement, Registration Statement or post-effective amendment to a Registration Statement has been filed with the SEC and, with respect to a Registration Statement or any post-effective amendment, when the same has been declared effective, (ii) of any request, following the effectiveness of the Initial Shelf Registration Statement under the Securities Act, by the SEC or any other federal or state governmental authority for amendments or supplements to any Registration Statement or related Prospectus or for additional information, (iii) of the issuance by the SEC or any other federal or state governmental authority of any stop order suspending the effectiveness of any Registration Statement or the initiation or threatening of any proceedings for that purpose, (iv) of the receipt by the Company or the Guarantor of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, (v) of the occurrence of (but not the nature of or details concerning) a Material Event (*provided*, *however*, that no notice by the Company or the Guarantor shall be required pursuant to this clause (v) in the event that the Company and the Guarantor either promptly file a Prospectus supplement to update the Prospectus or a Form 8-K or other appropriate Exchange Act report that is incorporated by reference into the Registration Statement, which, in either case, contains the requisite information with respect to such Material Event that results in such Registration Statement no longer containing any untrue statement of material fact or omitting to state a material fact necessary to make the statements contained therein not misleading) and (vi) of the determination by the Company and the Guarantor that a post-effective

amendment to a Registration Statement will be filed with the SEC, which notice may, at the discretion of the Company and the Guarantor (or as required pursuant to Section 3(h)), state that it constitutes a Deferral Notice, in which event the provisions of Section 3(h) shall apply.

(c) Use reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement or the lifting of any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction in which they have been qualified for sale, in either case at the earliest possible moment or, if a Deferral Period is in effect, at the earliest possible moment after the Deferral Period.

(d) If reasonably requested by the Initial Purchaser or any Notice Holder, as promptly as reasonably practicable incorporate in a Prospectus supplement or post-effective amendment to a Registration Statement such information as the Initial Purchaser or such Notice Holder shall, on the basis of an opinion of nationally-recognized counsel experienced in such matters, determine to be required to be included therein by applicable law and make any required filings of such Prospectus supplement or such post-effective amendment; *provided* that the Company and the Guarantor shall not be required to take any actions under this Section 3(d) that are not, in the reasonable opinion of counsel for the Company and the Guarantor, in compliance with applicable law or to include the disclosure

which at the time would have an adverse effect on the business or operations of the Company, the Guarantor and/or their respective Subsidiaries, as determined in good faith by the Company and the Guarantor.

(e) As promptly as reasonably practicable furnish to each Notice Holder and the Initial Purchaser, upon their request and without charge, at least one (1) conformed copy of the Registration Statement and any amendment thereto, including financial statements, but excluding schedules, all documents incorporated or deemed to be incorporated therein by reference and all exhibits (unless requested in writing to the Company by such Notice Holder or the Initial Purchaser, as the case may be).

(f) During the Effectiveness Period, deliver to each Notice Holder in connection with any sale of Registrable Securities pursuant to a Registration Statement, without charge, as many copies of the Prospectus or Prospectuses relating to such Registrable Securities (including each preliminary prospectus) and any amendment or supplement thereto as such Notice Holder may reasonably request; and the Company and the Guarantor hereby consent (except during such periods that a Deferral Notice is outstanding and has not been revoked) to the use of such Prospectus or each amendment or supplement thereto by each Notice Holder in connection with any offering and sale of the Registrable Securities covered by such Prospectus or any amendment or supplement thereto in the manner set forth therein.

(g) Subject to Section 3(h), prior to any public offering of the Registrable Securities pursuant to the Shelf Registration Statement, use commercially reasonable efforts to register or qualify or cooperate with the Notice Holders in connection with the registration or qualification (or exemption from such registration or qualification) of such Registrable Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions within the United States as any Notice Holder reasonably requests in writing (which request may be included in the Notice and Questionnaire) it being agreed that no such registration or qualification will be made unless so requested; prior to any public offering of the Registrable Securities pursuant to the Shelf Registration Statement, use reasonable efforts to keep each such registration or qualification (or exemption therefrom) effective during the Effectiveness Period in connection with such Notice Holder's offer and sale of Registrable Securities pursuant to such registration or qualification (or exemption therefrom) and do any and all other acts or things necessary to enable the disposition in such jurisdictions of such Registrable Securities in the manner set forth in the relevant Registration Statement and the related Prospectus; *provided* that neither the Company nor the Guarantor will be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where it is not otherwise qualified but for this Agreement or (ii) take any action that would subject it to general service of process in suits or to taxation in any such jurisdiction where it is not then so subject.

(h) Upon (A) the issuance by the SEC of a stop order suspending the effectiveness of the Shelf Registration Statement or the initiation of proceedings with respect to the Shelf Registration Statement under Section 8(d) or 8(e) of the Securities Act, (B) the occurrence of any event or the existence of any fact (a "Material Event") as a result of which any Registration Statement shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or any Prospectus shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (C) the occurrence or existence of any corporate development that, in the discretion of the Company and the Guarantor, makes it appropriate to suspend the availability of the Shelf Registration Statement and the related Prospectus, (i) in the case of clause (B) above, subject to the next sentence, as promptly as reasonably practicable prepare and file a post-effective amendment to such Registration Statement or a supplement to the related Prospectus or any document incorporated therein by reference or file any other required document that would be incorporated by reference into such Registration Statement and Prospectus so that such Registration Statement does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and such Prospectus does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as thereafter delivered to the purchasers of the Registrable Securities being sold thereunder, and, in the case of a post-effective amendment to a Registration Statement, subject to the next sentence, use reasonable efforts to cause it to be declared effective as promptly as is reasonably practicable, and (ii) give notice to the Notice Holders that the availability of the Shelf Registration Statement is suspended (a "Deferral Notice") and, upon receipt of any Deferral Notice, each Notice Holder agrees to suspend the use of the Prospectus and not to sell any Registrable Securities pursuant to the Registration Statement until such Notice Holder's receipt of copies of the supplemented or amended Prospectus provided for in clause (i) above, or until it is advised in writing by the Company that the Prospectus may be used, and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such Prospectus. The Company and the Guarantor will use all reasonable efforts to ensure that the use of the Prospectus may be resumed (x) in the case of clause (A) above, as promptly as reasonably practicable, (y) in the case of clause (B) above, as soon as, in the sole judgment of the Company and the Guarantor, public disclosure of such Material Event would not be prejudicial to or contrary to the interests of the Company or the

Guarantor or, if necessary to avoid unreasonable burden or expense, as soon as reasonably practicable thereafter and (z) in the case of clause (C) above, as soon as, in the discretion of the Company and the Guarantor, such suspension is no longer appropriate. The period during which the availability of the Registration Statement and any Prospectus is suspended (the "Deferral Period") shall, without the Company and the Guarantor incurring any obligation to pay liquidated damages pursuant to Section 2(e), not exceed sixty (60) days in any three (3) month period or ninety (90) days in any twelve (12) month period.

(i) If reasonably requested in writing in connection with a disposition of Registrable Securities pursuant to a Registration Statement, make reasonably available for inspection during normal business hours by a representative for the Notice Holders of such Registrable Securities and any broker-dealers, attorneys and accountants retained by such Notice Holders, all relevant financial and other records, pertinent corporate documents and properties of the Company, the Guarantor and their respective subsidiaries, and cause the appropriate executive officers, directors and designated employees of the Company, the Guarantor and their respective subsidiaries to make reasonably available for inspection during normal business hours all relevant information reasonably requested by such representative for the Notice Holders or any such broker-dealers, attorneys or accountants in connection with such disposition, in each case as is customary for similar "due diligence" examinations; *provided*, *however*, that such persons shall first agree in writing with the Company or the Guarantor, as the case may be, that any information that is reasonably designated by the Company or the Guarantor, as the case may be, in writing as confidential at the time of delivery of such information shall be kept confidential by such persons and shall be used solely for the purposes of exercising rights under this Agreement and such person shall comply with applicable securities laws, unless (i) disclosure of such information is required by court or administrative order or is necessary to respond to inquiries of regulatory authorities, (ii) disclosure of such information is required by law (including any disclosure requirements pursuant to federal securities laws in connection with the filing of any Registration Statement or the use of any Prospectus referred to in this Agreement), (iii) such information becomes generally available to the public other than as a result of a disclosure or failure to safeguard by any such person or (iv) such information becomes available to any such person from a source other than the Company or the Guarantor, as the case may be, and such source is not bound by a confidentiality agreement or fiduciary

obligations; and *provided further* that the foregoing inspection and information gathering shall, to the greatest extent possible, be coordinated on behalf of all the Notice Holders and the other parties entitled thereto by the counsel referred to in Section 5.

(j) Comply with all applicable rules and regulations of the SEC and make generally available to its securityholders earning statements (which need not be audited) satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any similar rule promulgated under the Securities Act) no later than 90 days after the end of the first 12-month period constituting a fiscal year commencing on the first day of the first fiscal quarter of the first fiscal year of the Company commencing after the effective date of a Registration Statement, which statements shall cover said 12-month periods.

(k) Cooperate with each Notice Holder to facilitate the timely preparation and delivery of certificates representing Registrable Securities sold pursuant to a Registration Statement, and cause such Registrable Securities to be in such denominations as are permitted by the Indenture and registered in such names as such Notice Holder may request in writing at least two Business Days prior to any sale of such Registrable Securities.

(l) Provide a CUSIP number for all Registrable Securities covered by each Registration Statement not later than the effective date of such Registration Statement and provide the Trustee for the Debentures and the transfer agent for the Common Stock with certificates for the Registrable Securities that are in a form eligible for deposit with The Depository Trust Company.

(m) Make reasonable effort to provide such information as is required for any filings required to be made with the National Association of Securities Dealers, Inc.

(n) Enter into such customary agreements and take all such other reasonable necessary actions in connection therewith (including those reasonably requested by the holders of a majority of the Registrable Securities being sold) in order to expedite or facilitate the registration or the disposition of such Registrable Securities; *provided* that neither the Company nor the Guarantor shall be required to take any action in connection with an underwritten offering without its consent; and

(o) Cause the Indenture to be qualified under the TIA not later than the effective date of any Registration Statement; and in connection therewith, cooperate with the Trustee to effect such changes to the Indenture as may be required for the Indenture to be so qualified in accordance with the terms of the TIA and execute, and use reasonable efforts to cause the Trustee to execute, all documents as may be required to effect such changes, and all other forms and documents required to be filed with the SEC to enable the Indenture to be so qualified in a timely manner.

SECTION 4. *Holder's Obligations.* Each Holder agrees, by acquisition of the Registrable Securities, that no Holder of Registrable Securities shall be entitled to sell any of such Registrable Securities pursuant to a Registration Statement or to receive a Prospectus relating thereto, unless such Holder has furnished the Company with a Notice and Questionnaire as required pursuant to Section 2(d) hereof (including the information required to be included in such Notice and Questionnaire) and the information set forth in the next sentence. Each Notice Holder agrees promptly to furnish to the Company all information required to be disclosed in order to make the information previously furnished to the Company by such Notice Holder not misleading and any other information regarding such Notice Holder and the distribution of such Registrable Securities as may be required to be disclosed in the Registration Statement under applicable law or pursuant to SEC comments. Each Holder further agrees to notify the Company within 10 business days of request, of the amount of Registrable Securities sold pursuant to the Registration Statement and, in the absence of a response, the Company and the Guarantor may assume that all of the Holder's Registrable Securities were so sold.

In addition, each Holder agrees that:

(a) upon receipt of a Deferral Notice, it will keep the fact of such notice confidential, forthwith discontinue disposition of its Registrable Securities pursuant to the Registration Statement, and will not deliver any Prospectus forming part thereof until receipt of the amended or supplemented Registration Statement or Prospectus, as applicable, or until it is advised in writing by the Company that the Prospectus may be used and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such Prospectus;

(b) if so directed by the Company in the Deferral Notice, it will deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in its possession, of the Prospectus; and

(c) the sale of the Registrable Securities pursuant to a Registration Statement shall only be made in the manner set forth in such currently effective Registration Statement.

SECTION 5. *Registration Expenses.* The Company shall bear all fees and expenses incurred in connection with the performance by the Company and the Guarantor of their obligations under Sections 2 and 3 of this Agreement whether or not any of the Registration Statements are declared effective. Such fees and expenses shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses (x) with respect to filings required to be made with the National Association of Securities Dealers, Inc. and (y) of compliance with federal and state securities or Blue Sky laws to the extent such filings or compliance are required pursuant to this Agreement

(including fees and expenses of the Company's and the Guarantor's counsel)), (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities in a form eligible for deposit with The Depository Trust Company), (iii) duplication expenses relating to copies of any Registration Statement or Prospectus delivered to any Holders hereunder, (iv) fees and disbursements of counsel for the Company and the Guarantor in connection with the Shelf Registration Statement, and (v) reasonable fees and disbursements of the Trustee and its counsel and of the registrar and transfer agent for the Common Stock. In addition, the Company and the Guarantor shall pay their respective internal expenses (including, without limitation, all salaries and expenses of officers and employees performing legal or accounting duties) and their respective expenses for any annual audit, the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange on which the same securities of the Company or the Guarantor, as the case may be, are then listed and the fees and expenses of any person, including special experts, retained by the Company or the Guarantor, as the case may be.

SECTION 6. *Indemnification; Contribution.*

(a) The Company and the Guarantor, jointly and severally, agree to indemnify and hold harmless the Initial Purchaser and each holder of Registrable Securities and each person, if any, who controls the Initial Purchaser or any holder of Registrable Securities within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, provided that (subject to Section 6(d) below) any such settlement is effected with the prior written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by the Initial Purchaser), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, *however*, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by the Initial Purchaser, such holder of Registrable Securities (which also acknowledges the indemnity provisions herein) or any person, if any, who controls the Initial Purchaser or any such holder of Registrable Securities expressly for use in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto); *provided further* that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense (1) arising from an offer or sale of Registrable Securities occurring during a Deferral Period, if a

Deferral Notice was given to such Notice Holder in accordance with Section 8(b), or (2) if the Holder fails to deliver at or prior to the written confirmation of sale, the most recent Prospectus, as amended or supplemented, and such Prospectus, as amended or supplemented, would have corrected such untrue statement or omission or alleged untrue statement or omission of a material fact.

(b) In connection with any Shelf Registration in which a holder, including, without limitation, the Initial Purchaser, of Registrable Securities is participating, in furnishing information relating to such holder of Registrable Securities to the Company in writing expressly for use in such Registration Statement, any preliminary prospectus, the Prospectus or any amendments or supplements thereto, the holders of such Registrable Securities agree, severally and not jointly, to indemnify and hold harmless the Initial Purchaser and each person, if any, who controls the Initial Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act and the Company, the Guarantor and each person, if any, who controls the Company or the Guarantor within the meaning of either such Section, against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by or on behalf of such holder of Registrable Securities (which also acknowledges the indemnity provisions herein) or any person, if any, who controls any such holder of Registrable Securities expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

The Initial Purchaser agrees to indemnify and hold harmless the Company, the Guarantor, the holders of Registrable Securities, and each person, if any, who controls the Company, the Guarantor or any holder of Registrable Securities within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company or the Guarantor by the Initial Purchaser expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

(c) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. The indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (a) the fees and expenses of more than one separate firm (in addition to any local counsel), whose fees must be reasonable, for the Initial Purchaser, Holders of Registrable Securities, and all persons, if any, who control the Initial Purchaser or Holders of Registrable Securities within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, collectively (b) the fees and expenses of more than one separate firm (in addition to any local counsel), whose fees must be reasonable, for the Company and the Guarantor, and each person, if any, who controls the Company or the Guarantor within the meaning of either such Section, and that all fees and expenses payable under (a) and (b) above shall be reimbursed as they are incurred. In the case of any such separate firm for the Initial Purchaser, Holders of Registrable Securities, and control persons of the Initial Purchaser and Holders of Registrable Securities, such firm shall

be designated in writing by the Initial Purchaser. In the case of any such separate firm for the Company and the Guarantor, and control persons of the Company and the Guarantor, such firm shall be designated in writing by the Company and the Guarantor. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final non-appealable judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement. Notwithstanding the immediately preceding

sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, an indemnifying party shall not be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its consent if such indemnifying party (1) reimburses such indemnified party in accordance with such request to the extent it considers such request to be reasonable and (2) provides written notice to the indemnified party substantiating the unpaid balance as unreasonable, in each case prior to the date of such settlement.

(e) If the indemnification to which an indemnified party is entitled under this Section 6 is for any reason unavailable to or insufficient although applicable in accordance with its terms to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred (i) in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party on the one hand and the indemnified party on the other hand from the offering of the Registrable Securities or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the indemnifying party on the one hand and of the indemnified party on the other hand in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative fault of the Company and the Guarantor on the one hand and the holders of the Registrable Securities or the Initial Purchaser on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company and the Guarantor or by the holder of the Registrable Securities or the Initial Purchaser and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 6(e) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 6(e). The aggregate amount of losses, liabilities, claims, damages, and expenses incurred by an indemnified party and referred to above in this Section 6(e) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 6, neither the holder of any Registrable Securities nor the Initial Purchaser, shall be required to indemnify or contribute any amount in excess of the amount by which the total price at which the Registrable Securities sold by such holder of Registrable Securities or by the Initial Purchaser, as the case may be, and distributed to the public were offered to the public exceeds the amount of any damages that such holder of Registrable Securities or the Initial Purchaser has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 6(e), each person, if any, who controls the Initial Purchaser or any holder of Registrable Securities within the meaning of Section 15 of the Securities Act or Section 20 of

the Exchange Act shall have the same rights to contribution as the Initial Purchaser or such holder, and each person, if any, who controls the Company or the Guarantor within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Company or the Guarantor.

SECTION 7. *Information Requirements.* Each of the Company and the Guarantor covenants that, if at any time before the end of the Effectiveness Period the Company or the Guarantor is not subject to the reporting requirements of the Exchange Act, the Company or the Guarantor will cooperate with any Holder of Registrable Securities and take such further reasonable action as any Holder of Registrable Securities may reasonably request in writing (including, without limitation, making such reasonable representations as any such Holder may reasonably request), all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 and Rule 144A under the Securities Act and customarily taken in connection with sales pursuant to such exemptions.

SECTION 8. *Miscellaneous, No Conflicting Agreements.* Except for such agreements that will be waived or amended prior to the filing of the Registration Statement, neither the Company nor the Guarantor is as of the date hereof, a party to, nor shall either, on or after the date of this Agreement, enter into any agreement with respect to its securities that conflicts with the rights granted to the Holders of Registrable Securities in this Agreement. Except for such agreements that will be waived or amended prior to the filing of the Registration Statement, each of the Company and the Guarantor represents and warrants that the rights granted to the Holders of Registrable Securities hereunder do not in any way conflict with the rights granted to the holders of its other issued and outstanding securities under any other agreements.

(a) *Amendments and Waivers.* The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Company and the Guarantor have obtained the written consent of Holders of a majority of the then outstanding Underlying Common Stock constituting Registrable Securities (with Holders of Debentures deemed to be the Holders, for purposes of this Section, of the number of outstanding shares of Underlying Common Stock into which such Debentures are or would be convertible or exchangeable as of the date on which such consent is requested). Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders of Registrable Securities whose securities are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other Holders of Registrable Securities may be given by Holders of at least a majority of the Registrable Securities being sold by such Holders pursuant to such Registration Statement; *provided* that the provisions of this sentence may not be amended, modified, or supplemented except in accordance with the provisions of the immediately preceding sentence. Each Holder of Registrable Securities outstanding at the time of any such amendment, modification, supplement, waiver or consent or thereafter shall be bound by any such amendment, modification, supplement, waiver or consent effected pursuant to this Section 8(a), whether or not any notice, writing or marking indicating such amendment, modification, supplement, waiver or consent appears on the Registrable Securities or is delivered to such Holder.

(b) *Notices.* All notices and other communications provided for or permitted hereunder shall be made in writing by hand delivery, by telecopier, by courier guaranteeing overnight delivery or by first-class mail, return receipt requested, and shall be deemed given (i) when made, if made by hand delivery, (ii) upon confirmation, if made by telecopier, (iii) one (1) Business Day after being

deposited with such courier, if made by overnight courier or (iv) on the date indicated on the notice of receipt, if made by first-class mail, to the parties as follows:

(v) if to a Holder of Registrable Securities that is not a Notice Holder, at the address for such Holder then appearing in the Registrar (as defined in the Indenture);

(w) if to a Notice Holder, at the most current address given by such Holder to the Company in a Notice and Questionnaire or any amendment thereto,

(x) if to the Company, to:

Carnival Corporation
3655 N.W. 87th Avenue
Miami, FL 33178-2428
Attention: Arnaldo Perez, Esq., General Counsel
Telecopier No.: (305) 599-2600

with a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, N.Y. 10019
Attention: John C. Kennedy, Esq.
Telecopier No.: (212) 373-2042

(y) if to the Guarantor, to:

Carnival plc
3655 N.W. 87th Avenue
Miami, FL 33178-2428
Attention: Arnaldo Perez, Esq., General Counsel
Telecopier No.: (305) 599-2600

with a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, N.Y. 10019
Attention: John C. Kennedy, Esq.
Telecopier No.: (212) 373-2042

and

(z) if to the Initial Purchaser, to:

Merrill Lynch & Co.,
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
4 World Financial Center
New York, New York 10080
Attention: Mark Hagan
Telecopy No.: (212) 449-9143

or to such other address as such person may have furnished to the other persons identified in this Section 8(b) in writing in accordance herewith.

(c) *Approval of Holders.* Whenever the consent or approval of Holders of a specified percentage of Registrable Securities is required hereunder, Registrable Securities held by the

Company, the Guarantor or their respective affiliates (as such term is defined in Rule 405 under the Securities Act) (other than the Initial Purchaser or subsequent Holders of Registrable Securities if such subsequent Holders are deemed to be such affiliates solely by reason of their holdings of such Registrable Securities) shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

(d) *Successors and Assigns.* Any person who purchases any Registrable Securities from the Initial Purchaser shall be deemed, for purposes of this Agreement, to be an assignee of the Initial Purchaser. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties and shall inure to the benefit of and be binding upon each Holder of any Registrable Securities.

(e) *Counterparts.* This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be original and all of which taken together shall constitute one and the same agreement.

(f) *Headings.* The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(g) *Governing Law.* THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(h) *Severability.* If any term, provision, covenant or restriction of this Agreement is held to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, and the parties hereto shall use their best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction, it being intended that all of the rights and privileges of the parties shall be enforceable to the fullest extent permitted by law.

(i) *Entire Agreement.* This Agreement is intended by the parties as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein and the registration rights granted by the Company and the Guarantor with respect to the Registrable Securities. Except as provided in the Purchase Agreement, there are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein, with respect to the registration rights granted by the Company and the Guarantor with respect to the Registrable Securities. This Agreement supersedes all prior agreements and undertakings among the parties solely with respect to such registration rights.

(j) *Termination.* This Agreement and the obligations of the parties hereunder shall terminate upon the end of the Effectiveness Period, except for any liabilities or obligations under Sections 4, 5 or 6 hereof and the obligations to make payments of and provide for Liquidated Damages under Section 2(e) hereof to the extent such damages accrue prior to the end of the Effectiveness Period, each of which shall remain in effect in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

CARNIVAL CORPORATION

By: /s/ GERALD CAHILL

Name: Gerald Cahill
Title:

CARNIVAL PLC

By: /s/ GERALD CAHILL

Name: Gerald Cahill
Title:

Accepted as of the date
first above written:

MERRILL LYNCH & CO.
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By: /s/ MARK E. HAGAN

Authorized Signatory

QuickLinks

EXHIBIT 4.14

REGISTRATION RIGHTS AGREEMENT

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 4.16

INCORPORATED UNDER
THE LAWS OF THE
REPUBLIC OF PANAMA

THIS CERTIFICATE IS
TRANSFERRED IN
ATLANTA, GEORGIA
OR NEW YORK, NEW YORK

CARNIVAL CORPORATION

COMMON STOCK

SEE REVERSE FOR CERTAIN DEFINITIONS

CUSIP 143658 30 0

This certifies that

is the owner of

FULLY PAID AND NON-ASSESSABLE SHARES OF THE COMMON STOCK OF THE PAR VALUE OF $.01 EACH OF

Carnival Corporation transferable on the books of the Corporation by the holder hereof in person or by duly authorized attorney upon the surrender of this Certificate properly endorsed. This Certificate is not valid until countersigned and registered by the Transfer Agent and Registrar.

Witness the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

Dated: _____

SEAL

Countersigned and Registered
SunTrust Bank, Transfer Agent and Registrar

By: _____

SECRETARY _____ CHAIRMAN _____ AUTHORIZED SIGNATURE

The Shares represented by this certificate are subject to restrictions on transfer. Unless excepted by the Board of Directors or exempted by the terms of the Articles of Incorporation of Carnival Corporation, no Person may (1) Beneficially Own Shares in excess of 4.9% of the outstanding Shares, by value, vote or number, determined as provided in the Articles of Incorporation of Carnival Corporation, and computed with regard to all outstanding Shares and, to the extent provided by the Code, all Shares issuable under existing options and exchange rights that have not been exercised; or (2) Beneficially Own Shares which would result in the Corporation being "closely held." Unless so excepted, any acquisition of Shares and continued holding of ownership constitutes a continuous representation of compliance with the above limitations, and any Person who attempts to Beneficially Own Shares in excess of the above limitations has an affirmative obligation to notify the Corporation immediately upon such attempt. If the restrictions on transfer are violated, the transfer will be void *ab initio* and the Shares represented hereby will be designated and treated as Excess Shares that will be held in trust. Excess Shares may not be transferred at a profit and may be purchased by the Corporation. In addition, certain Beneficial Owners must give written notice as to certain information on demand and on exceeding certain ownership levels. All terms not defined in this legend have the meanings provided in the Articles of Incorporation of Carnival Corporation. The Corporation will mail without charge to any requesting shareholder a copy of the Articles of Incorporation, including the express terms of each class and series of the authorized Shares of the Corporation, within five (5) days after receipt by the Secretary of the Corporation of a written request therefor.

The shares represented by this certificate are subject to certain restrictions on ownership of shares of Carnival Corporation and P&O Princess Cruises plc. Under the terms of the Articles of Incorporation of the Corporation, if any person acquires Carnival Common Stock and/or P&O Princess Ordinary Shares or voting control over such shares, and after giving effect to such acquisition, such person, together with any person or persons Acting in Concert with such acquiring person, holds or exercises voting control over Carnival Common Stock and/or P&O Princess Ordinary Shares which is equal to or in excess of such number of shares which, in aggregate, represent the right to cast 30% or more of the votes on a Joint Electorate Action, such shares which cause that ownership limit to be equaled or exceeded may be designated as Combined Group Excess Shares. In addition, any additional acquisition of Carnival Common Stock and/or P&O Princess Ordinary Shares by a person that, together with any person or persons Acting in Concert, holds or has voting control over Carnival Common Stock and/or P&O Princess Ordinary Shares representing the right to cast not less than 30% and not more than 50% of the votes on a Joint Electorate Action, may result in certain shares being designated as Combined Group Excess Shares. Any Carnival Common Stock that are designated as Combined Group Excess Shares will be transferred to a trustee, and the prior holder thereof will have no right to vote such shares or receive dividends or other distributions with respect thereto. A person may exceed the ownership limits described above if such person makes a Qualifying Takeover Offer with respect to all Carnival Common Stock and P&O Princess Ordinary Shares. Holders may be required to provide written notice and other information to the Corporation if such ownership levels are equaled or exceeded. The foregoing is only a summary of the applicable restrictions and is qualified in its entirety by reference to the Articles of Incorporation of the Corporation. The Corporation will mail without charge to any requesting shareholder of the Corporation a copy of the Articles of Incorporation, within five (5) days after receipt by the Secretary of the Corporation of a written request therefor. All terms not defined in this legend have the meanings provided in the Articles of Incorporation of Carnival Corporation.

Incorporated under the laws of the Republic of Panama, by Public Deed 9,414 of November 14, 1974, of the Second Notary of the Circuit of Panama, recorded at Volume 1102, Page 169, Entry 117,371 "B" of the Mercantile Persons Section of the Public Registry, and amended by Public Deed 12,296, of July 14, 1987, of the Third Notary of the Circuit of Panama, recorded at Microfiche 016585, Roll 21914, Frame 0191, of the Microfilm (Mercantile) Section of the Public Registry.

Incorporated under the laws of the Republic of Panama, by Public Deed, 9,414 of November 14, 1974, of the Second Notary of the Circuit of Panama, recorded at Volume 1102, Page 169, Entry 117,371 "B" of the Mercantile Persons Section of the Public Registry, and amended by Public Deed 13,296, of July 14, 1987, of the Third Notary of the Circuit of Panama, recorded at Microfiche 016585, Roll 21914, Frame 0191, of the Microfilm (Mercantile) Section of the PublicRegistry.

AUTHORIZED CAPITAL:

US $20,000,000, divided as follows: US $19,5999,999.98, divided into 1,959,999,998 shares Common Stock, par value US $.01 each; US $400,000, divided into 40,000,000 shares of Preferred Stock, par value US $.01 each; US$.01, comprised of one share of special voting stock, par value US $.01; and US $.01, comprised of one share of special stock, par value US $.01. Holders of Comon Stock are entitled to one (1) vote per share.

The following abbreviations, when used in the inscription of the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	—	as tenants in common	UNIF GIFT MIN ACT—	_____ Custodian _____
TEN ENT	—	as tenants by the entireties		(cust) (Minor)
JT TEN	—	as joint tenants with right of survivorship and not as tenants in common		under Uniform Gifts to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above lists.

For value received, _____ *hereby sell, assign and transfer unto*

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING ZIP CODE OF ASSIGNEE

Shares of the capital stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

---

Attorney to transfer the said stock on the books of the within-named Corporation with full power of substitution in the premises.

Dated, _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Certificate, in every particular, without alteration or enlargement, or any change whatever.

SIGNATURE(S) GUARANTEED: _____

THE SIGNATURES(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15.

THIS CERTIFICATE ALSO REPRESENTS A NUMBER OF SHARES OF BENEFICIAL INTEREST ("TRUST SHARES") IN THE P&O PRINCESS SPECIAL VOTING TRUST ("P&O PRINCESS TRUST"), EQUAL TO THE NUMBER OF SHARES OF COMMON STOCK OF CARNIVAL CORPORATION (THE "CARNIVAL COMMON STOCK") REPRESENTED BY THIS CERTIFICATE. THE TRUST SHARES EACH REPRESENT AN EQUAL, ABSOLUTE, IDENTICAL, UNDIVIDED INTEREST IN THE TRUST PROPERTY (INCLUDING A SPECIAL VOTING SHARE ISSUED BY P&O PRINCESS CRUISES PLC) THAT IS HELD BY THE LAW DEBENTURE TRUST CORPORATION (CAYMAN) LIMITED OR ANY SUCCESSOR THERETO, AS TRUSTEE OF THE P&O PRINCESS TRUST (THE "P&O PRINCESS TRUSTEE"). THE TRUST SHARES ARE REPRESENTED BY THIS CERTIFICATE PURSUANT TO THE TERMS OF A SPECIAL VOTING TRUST DEED ESTABLISHING P&O PRINCESS TRUST BETWEEN CARNIVAL CORPORATION AND THE P&O PRINCESS TRUSTEE (THE "SPECIAL VOTING TRUST DEED") AND A PAIRING AGREEMENT AMONG CARNIVAL CORPORATION, THE P&O PRINCESS TRUSTEE AND SUNTRUST BANK OR ANY SUCCESSOR THERETO (THE "PAIRING AGREEMENT"), AND THE TRUST SHARES REPRESENTED BY THIS CERTIFICATE MAY ONLY BE TRANSFERRED TOGETHER WITH THE CARNIVAL COMMON STOCK PURSUANT TO THE PAIRING AGREEMENT. THE P&O PRINCESS TRUST AND THE TRUST SHARES ARE SUBJECT TO AND THE TRUST SHARES ARE ISSUED PURSUANT TO, THE SPECIAL VOTING TRUST DEED. BY ACCEPTING THE TRUST SHARES REPRESENTED BY THIS CERTIFICATE, THE HOLDER OF THIS CERTIFICATE AGREES TO BE BOUND BY THE PROVISIONS OF THE SPECIAL VOTING TRUST DEED. COPIES OF THE PAIRING AGREEMENT AND THE SPECIAL VOTING TRUST DEED MAY BE OBTAINED FROM CARNIVAL CORPORATION BY CONTACTING THE INVESTOR RELATIONS DEPARTMENT AT CARNIVAL CORPORATION'S HEADQUARTERS LOCATED AT 3655 N.W. 87 AVENUE, MIAMI, FLORIDA 33178

QuickLinks

Exhibit 4.16

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 5.1

[LETTERHEAD OF PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP]

212-373-3000

212-757-3990

June 19, 2003

Carnival Corporation
3655 N.W. 87th Avenue
Miami, FL 33178-2428

Carnival Corporation
Carnival plc
P&O Princess Cruises International Limted
Registration Statement on Form S-3/F-3

Dear Ladies and Gentlemen:

In connection with the Registration Statement on Form S-3 and F-3 (the "Registration Statement") filed by Carnival Corporation, a Panama corporation (the "Company"), Carnival plc, a public limited company incorporated under the laws of England and Wales ("Carnival plc"), and P&O Princess Cruises International Limited, a private company limited by shares incorporated under the laws of England and Wales ("POPCIL"), with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Act"), and the rules and regulations under the Act (the "Rules"), we have been requested to render our opinion as to the legality of certain of the securities being registered.

The Registration Statement relates to the registration under the Act of the resale by the selling securityholders named in the Registration Statement of (i) up to $889,000,000 aggregate principal amount at maturity of the Company's senior convertible debentures due 2033 (the "Debentures"), (ii) up to 20,896,657 shares of the Company's common stock, par value $0.01 per share ("Carnival Corporation Common Stock"), (iii) up to 20,896,657 trust shares of beneficial interest in the P&O Princess Special Voting Trust ("Trust Shares"), a trust established under the laws of the Cayman Islands, (iv) the guarantee by Carnival plc of the Debentures pursuant to the Carnival plc Deed of Guarantee between the Company and Carnival plc, dated as of April 17, 2003, and (v) the guarantee by POPCIL of the Debentures pursuant to the P&O Princess Cruises International Limited Deed of Guarantee among the Company, Carnival plc and POPCIL, dated as of June 19, 2003. The shares of Carnival Corporation Common Stock and the Trust Shares are issuable upon conversion of the Debentures and the Registration Statement also registers the resale of an indeterminate number of additional shares of Carnival Corporation Common Stock and additional Trust Shares that may result from adjustments to the conversion rate under, or the repurchase of, the Debentures. The Debentures were issued under a Third Supplemental Indenture (the "Third Supplemental Indenture"), dated as of April 29, 2003, between the Company and the U.S. Bank National Association, as trustee (the "Trustee") and an Indenture (the "Indenture"), dated as of April 25, 2001, between the Company and the Trustee. Capitalized terms used and not otherwise defined in this letter have the respective meanings given those terms in the Registration Statement.

In connection with this opinion, we have examined originals, conformed copies or photocopies, certified or otherwise identified to our satisfaction, of the following documents:

(i) the Registration Statement;

(ii) the Third Supplemental Indenture;

(iii) the Indenture;

(iv) the Debentures; and

(v) the Registration Rights Agreement, dated as of April 29, 2003, among the Company, Carnival plc and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated, as the Initial Purchaser (the "Registration Rights Agreement").

In addition, we have examined such other certificates, agreements and documents that we deemed relevant and necessary as a basis for our opinion. We have also relied as to matters of fact upon certificates of public officials and the officers of the Company.

In our examination of the documents referred to above, we have assumed, without independent investigation, the genuineness of all signatures, the legal capacity of all individuals who have executed any of the documents reviewed by us, the authenticity of all documents submitted to us as originals, the conformity to the originals of all documents submitted to us as certified, photostatic, reproduced or conformed copies of valid existing agreements or other documents, the authenticity of the latter documents and that the statements regarding matters of fact in the certificates, records, agreements, instruments and documents that we have examined are accurate and complete.

We have also assumed, without independent investigation, that (i) the Indenture, the Third Supplemental Indenture, the Registration Rights Agreement and the Debentures are legal, valid and binding obligations of the Company under the laws of the Republic of Panama, (ii) the Company is validly existing and in good standing under the laws of its jurisdiction of incorporation, (iii) the Company has all necessary corporate power and authority to execute, deliver and perform its obligations under the Indenture, the Third Supplemental Indenture, the Registration Rights Agreement and the Debentures, (iv) the execution, delivery and performance of the Indenture, the Third Supplemental Indenture, the Registration Rights Agreement and the Debentures by the Company have been duly authorized by all necessary corporate action and do not violate the articles of incorporation, as amended, and by-laws, as amended, of the Company or the laws of

the Republic of Panama, and (v) the due execution and delivery of the Indenture, the Third Supplemental Indenture, the Registration Rights Agreement and the Debentures by the Company under the laws of the Republic of Panama. We have also assumed that the Indenture, the Third Supplemental Indenture and the Registration Rights Agreement have been duly authorized and executed by, and each represents a legal, valid and binding obligation of, all parties thereto other than the Company.

Based on the above, and subject to the stated assumptions, exceptions and qualifications, we are of the opinion that the Debentures constitute valid and legally binding obligations of the Company and are enforceable against the Company in accordance with their terms, except that (i) the enforceability of the Indenture, the Third Supplemental Indenture, the Registration Rights Agreement and the Debentures may be (x) subject to bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally and (y) subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity) and (ii) the indemnification and contribution provisions of the Registration Rights Agreement may be limited by the effect of applicable public policy.

The opinion expressed above is limited to the laws of the State of New York. Our opinion is rendered only with respect to the laws, and the rules, regulations and orders under those laws, that are currently in effect. Except as set forth herein, this letter is not to be relied upon by any other person without our prior written authorization.

We hereby consent to the use of this opinion as an exhibit to the Registration Statement and to the reference to us under the heading "Legal Matters" in the prospectus included in the Registration

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Statement. In giving this consent, we do not admit that we come within the category of persons whose consent is required by the Act or the Rules.

Very truly yours,

/s/ PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP
PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

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Exhibit 5.2

[Letterhead of Tapia Linares y Alfaro]

June 19, 2003

Carnival Corporation
3655 N.W. 87th Avenue
Miami, Florida 33178-2428
U. S. A.

Registration Statement on Form S-3/F-3

Dear Sirs:

In connection with the Registration Statement on Form S-3/F-3 (the "Registration Statement") relating to the registration with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Act"), and the rules and regulations promulgated thereunder, by Carnival Corporation, a Panamanian corporation (the "Company"), Carnival plc, a public limited company incorporated under the laws of England and Wales ("Carnival plc"), and P&O Princess Cruises International Limited, a private company limited by shares incorporated under the laws of England and Wales ("POPCIL"), of the resale by the selling stockholders named in the Registration Statement of (i) up to $889,000,000 aggregate principal amount at maturity of Carnival Corporation's Senior Convertible Debentures due 2033 (the "Debentures"), (ii) up to 20,896,657 shares of the Company's common stock, par value $0.01 per share ("Carnival Corporation Common Stock"), (iii) up to 20,896,657 trust shares of beneficial interest ("Trust Shares") in the P&O Princess Special Voting Trust, a trust established under the laws of the Cayman Islands, which Trust Shares are paired with the shares of Carnival Corporation Common Stock on a one-for-one basis and represent a beneficial interest in a special voting share of Carnival plc (the "P&O Princess Special Voting Trust"), (iv) a guarantee by Carnival plc of Carnival Corporation's contractual monetary obligations under the Debentures pursuant to the Carnival plc Deed of Guarantee between Carnival Corporation and Carnival plc, dated as of April 17, 2003 (the "Carnival plc Guarantee"), and (v) a guarantee by POPCIL of Carnival Corporation's indebtedness and related obligations under the Debentures pursuant to the P&O Princess Cruises International Limited Deed of Guarantee among Carnival Corporation, Carnival plc and POPCIL, dated as of June 19, 2003 (the "POPCIL Guarantee"), we have been requested to render our opinion as to the legality of the securities being registered thereunder. The shares of Carnival Corporation Common Stock and the Trust Shares are issuable upon conversion of the Debentures, and the Registration Statement also registers the resale of an indeterminate number of additional shares of Carnival Corporation Common Stock and additional Trust Shares that may result from adjustments to the conversion rate under the Debentures.

The Debentures were issued under a Third Supplemental Indenture (the "Third Supplemental Indenture"), dated as of April 29, 2003, between the Company and U.S. Bank Trust National Association, as trustee (the "Trustee"), and an Indenture (the "Indenture"), dated as of April 25, 2001, between the Company and the Trustee. The Debentures, the Carnival Corporation Common Stock, the Trust Shares, the Carnival plc Guarantee and the POPCIL Guarantee are hereinafter called, collectively, the "Securities."

In this connection we have examined (i) originals, photocopies or conformed copies of the Registration Statement, including the exhibits and amendments thereto, (ii) the Indenture, the Third Supplemental Indenture, the Carnival plc Guarantee, the POPCIL Guarantee and the voting trust deed dated April 17, 2003 by and between the Company and The Law Debenture Trust Corporation (Cayman) Limited, pursuant to which the Company and The Law Debenture Trust Corporation established the P&O Princess Special Voting Trust (the "Voting Trust Deed") (collectively, the "Documents"), filed as exhibits to the Registration Statement, (iii) records of certain of the Company's

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corporate proceedings relating to, among other things, the issuance and sale of the Securities, and (iv) copies of the Articles of Incorporation and By-Laws of the Company and all amendments thereto, and copies of certain other corporate records and documents. In addition, we have made such other examinations of law and fact as we considered necessary in order to form a basis for the opinion hereinafter expressed. In connection with such investigation, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to originals of all documents submitted to us as photocopies or conformed copies. We have relied as to matters of fact upon certificates of officers of the Company.

In rendering the opinion set forth below, we have assumed that (i) the Documents have been duly authorized by the parties thereto other than the Company ("Other Parties"), and have been executed and delivered by the Other Parties, and (ii) the Documents each represent a valid and binding obligation of the Other Parties under the laws of their respective jurisdictions of incorporation.

Based on the foregoing, we are of the opinion that:

1. The execution and delivery of the Documents, the performance of the Company's obligations thereunder, the execution, issuance and delivery of the Securities, as applicable, and the performance of the Company's obligations thereunder have been duly authorized by the Company.

2. The Carnival Corporation Common Stock issuable upon conversion of the Debentures have been duly authorized and reserved for issuance and will be validly issued, fully paid and nonassessable, when issued upon conversion of the Debentures in accordance with the terms of the Debentures, the Indenture and the Third Supplemental Indenture.

3. Neither distributions to the holders of the Carnival Corporation Common Stock nor the interest paid on the Debentures will be subject to taxation under the laws of Panama. Also, the Company's income will not be subject to significant taxation under the laws of Panama, as long as the Company's income is produced outside the territory of the Republic of Panama.

4.

The Company is duly incorporated and validly existing as a corporation in good standing under the laws of the Republic of Panama.

5. The Company has full power and authority under the laws of the Republic of Panama and its Articles of Incorporation to execute, deliver and perform its obligations under the Documents and to issue and deliver the Securities.

6. The execution, delivery and performance of the Documents by the Company and the issuance and delivery of the Securities by the Company do not violate the Articles of Incorporation, Bylaws or other organizational documents of the Company or the laws of the Republic of Panama applicable thereto.

We are members of the Bar of the Republic of Panama. We express no opinion as to matters of law other than the laws of the Republic of Panama.

We hereby consent to the use of our name in the Registration Statement and in the prospectus therein, and to the use of this opinion as an exhibit to the Registration Statement. In giving this consent, we do not thereby admit that we come within the category of persons whose consent is required by the Act or by the rules and regulations promulgated thereunder.

Yours very truly,

/s/ Mario E. Correa

Mario E. Correa

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Exhibit 5.3

[Letterhead of Dickinson, Cruickshank & Co]

19th June 2003

Carnival Corporation
Carnival Place,
3655 N.W. 87th Avenue,
Miami,
Florida 33178-2428

Dear Sirs

Re: Registration Statement on Form S-3/F-3 in connection with Carnival Corporation's Senior Convertible Debentures due 2033

1. We are a firm of Isle of Man advocates duly qualified to advise on Isle of Man law.

In connection with the above-captioned Registration Statement on Form S-3/F-3 ("Registration Statement") filed by Carnival Corporation, Carnival plc and P&O Princess Cruises International Limited ("POPCIL") on 19th June 2003, with the United States Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, we have been asked to provide this opinion on:

(i) the P&O Princess Deed of Guarantee between Carnival Corporation and Carnival plc (under its then name P&O Princess Cruises plc), dated as of April 17, 2003 (the "Carnival plc Guarantee"); and

(ii) the P&O Princess Cruises International Limited Deed of Guarantee among Carnival Corporation, Carnival plc and POPCIL, dated as of June 19, 2003 (the "POPCIL Guarantee").

In this opinion references to the "Documents" are references to the Registration Statement, the Carnival plc Guarantee and the POPCIL Guarantee.

2. *The Assumptions*

In rendering the opinion stated below we have, with your permission, made the following assumptions:

2.1 that each party to the Documents is duly incorporated and organised, validly existing and in good standing under the laws of its jurisdiction of incorporation or the jurisdiction of its principal place of business and has full power capacity and authority to enter into the Documents and to exercise its rights and perform its obligations thereunder, and all corporate and other action required to authorise the execution of the same and the performance of its obligations thereunder has been or will be duly taken;

2.2 that all acts, conditions and things required to be done, fulfilled or undertaken under any law (including any and all authorisations and consents of any public authority of any jurisdiction) other than that of the Isle of Man in respect of the lawful execution delivery or performance of the Documents and in order to ensure that they are binding upon and enforceable against the parties have been or will be done, fulfilled, undertaken or obtained;

2.3 insofar as any obligation under the Documents is to be performed in any jurisdiction outside the Isle of Man its performance will be legal and effective in accordance with the law of that jurisdiction;

2.4 that by entering into the Documents the parties thereto will not be in conflict with or in breach of their constitutional documents or in breach of or otherwise in violation of any provision of the laws of the jurisdictions in which they are respectively constituted and established;

2.5 that none of the parties to the Documents by entering into the Documents will be in breach of any other agreement to which it is a party;

2.6 that no circumstances exist which would justify the setting aside of the Documents by reason of fraud, misrepresentation, mistake or undue influence;

2.7 that the definitions of "Carnival Corporation & plc Remaining Consolidated Assets", "Guarantor Remaining Consolidated Assets" and "Significant Asset Transfer" in the POPCIL Guarantee can be satisfactorily and clearly interpreted by the accountants of the Group who are making the relevant GAAP determination.

The making of each of the above assumptions indicates that we have assumed that each matter the subject of each assumption is true correct and complete in every particular. That we have made an assumption in this opinion does not imply that we have made any enquiry to verify an assumption. No assumption specified above is limited by reference to any other assumption.

3. *The Opinion*

Based upon and subject to the foregoing and subject to the qualifications set out below, we confirm our opinion that the Carnival plc Guarantee and the POPCIL Guarantee constitute the legal, valid and binding obligations of Carnival plc and POPCIL, enforceable against Carnival plc and POPCIL, respectively, in accordance with their terms.

4. *Qualifications*

The opinion expressed above is subject to the following qualifications which are not to be limited by reference to each other:

4.1 The Courts of the Isle of Man would determine in their discretion whether or not any provision of any document may be severed from the other provisions thereof on account of invalidity illegality or unenforceability in order to save the other provisions thereof.

4.2 Where any obligation of any person is to be performed in any jurisdiction outside of the Isle of Man, such obligation may not be enforceable under the law of the Isle of Man to the extent that the performance thereof would be illegal or contrary to public policy under the laws of that foreign jurisdiction.

4.3 The courts of the Isle of Man might not give effect to any indemnity for legal costs incurred by a litigant as costs will be in the court's discretion.

4.4 The effectiveness of any term exculpating a party from a liability or duty otherwise owed may be limited by law.

4.5 Whilst an Isle of Man court has power to give judgment expressed as an order to pay in a currency other than pounds sterling, it may decline to do so in its discretion.

4.6 Our opinion is subject to any limitations arising from bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoriums and similar laws affecting the rights of creditors generally.

4.7 Enforcement may be limited by general principles of private international law and of equity. Equitable remedies are available only at the discretion of the court and are not available where damages are considered to be an adequate remedy.

4.8 A foreign judgment could not form the basis of an action in the Isle of Man without a re-trial or re-examination of the matters thereby adjudicated upon if such judgment were obtained by fraud or in a manner contrary to natural justice or if the enforcement were contrary to Isle of Man public policy. Enforcement may be withheld if the relevant judgment is not a final and

conclusive money judgment being both unrelated to taxation and free of conflict with any other judgment in the same cause of action.

4.9 Claims may be or become statute-barred under the Limitation Acts of the Isle of Man or become subject to a defence of set-off or counterclaim.

4.10 Any provision as to payment of default interest or agreed compensation contained in any document may be unenforceable to the extent that any element of interest or agreed compensation constitutes a penalty rather than a compensatory amount.

4.11 If proceedings were commenced in the Isle of Man courts any provision in any document to the effect that calculations and/or certifications and/or determinations will be conclusive and binding will not be effective in Manx law if such calculations and/or certifications and/or determinations are fraudulent or erroneous on their face or manifestly inaccurate and will not necessarily prevent judicial enquiry into the merits of any claim by any party to any such document respecting any such calculation, certification or determination.

4.12 Under Isle of Man law the terms of an agreement under hand may be varied by oral or written agreement of the parties and this should be borne in mind if proceedings are intended to be brought in the Isle of Man courts.

4.13 As regards any provision in any document relating to jurisdiction, Isle of Man courts may stay proceedings if concurrent proceedings are being brought elsewhere.

4.14 Any clause in any document which provides that remedies in the courts of enforcement shall not be affected by invalidity under other laws could be seen to contemplate the ousting of the jurisdiction of the court by the parties; a Manx court would be unlikely to permit parties to contract out of the invalidating effect of a foreign law where it is material to the transaction envisaged by any document.

4.15 Save as otherwise specifically stated herein this opinion addresses law and not fact.

4.16 We do not purport to be experts on and do not purport to be generally familiar with or qualified to express legal opinions based on any law other than the laws of the Isle of Man and accordingly express no legal opinion herein based upon any law other than the laws of the Isle of Man in force at the date hereof.

4.17 Our opinion is limited to the present laws of the Isle of Man and the present practice of the Isle of Man courts and is limited to facts and circumstances known to us and subsisting at the date hereof.

4.18 This opinion is given on the basis that it will be governed and construed in accordance with the laws of the Isle of Man, is solely for the benefit of the persons to whom it is addressed and their legal advisers and is not to be disclosed to or relied upon by any other person or for any other purpose nor is it to be quoted or made public in any way, except that we hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name in the Registration Statement and in the Prospectus therein as the same appears in the caption "Legal Matters". It is strictly limited to the matters stated herein and does not extend to, and is not to be extended by implication, to any other matters.

Yours faithfully
/s/ Dickinson, Cruikshank & Co
DICKINSON, CRUICKSHANK & CO

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Exhibit 5.3

[Letterhead of Dickinson, Cruickshank & Co]

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Exhibit 5.4

[Letterhead of Maples and Calder]

P&O Princess Cruises PLC
77 New Oxford Street,
London, WC1A 1PP
United Kingdom

Carnival Corporation
3655 N.W. 87th Avenue
Miami, Florida 33178-2428
U.S.A.

19th June, 2003

Dear Sirs

P&O Princess Special Voting Trust

1 We have acted as Cayman Islands counsel to The Law Debenture Trust Corporation (Cayman) Limited (the "Trustee") in connection with:

(1) the voting trust deed (the "Trust Deed") dated 17th April, 2003 by and between Carnival Corporation, a Panamanian corporation, (the "Depositor" or the "Company") and the Trustee, pursuant to which the Depositor and the Trustee established the P&O Princess Special Voting Trust, a Cayman Islands law trust (the "Trust") and pursuant to which shares of beneficial interest in the Trust (the "Trust Shares") are to be issued and the initial trust property of which is the P&O Princess Special Voting Share (the "Initial Property"); and

(2) the registration statement on Form S-3/F-3, including all amendments or supplements thereto ("Form S-3/F-3"), filed with the Securities and Exchange Commission on 19th June, 2003, by Carnival Corporation, Carnival plc, a public limited company incorporated under the laws of England and Wales, and P&O Princess Cruises International Limited, a private company limited by shares incorporated under the laws of England and Wales, under the Securities Act of 1933, as amended (the "Registration Statement") relating to, among other things, the registration under the Securities Act of 1993, as amended of the resale by the selling security holders named in the Registration Statement of (i) up to $889,000,000 aggregate principal amount at maturity of Carnival Corporation's senior convertible debentures due 2033 (the "Debentures"), (ii) up to 20,896,657 shares of Carnival Corporation's common stock, par value $0.01 per share ("Carnival Corporation Common Stock"), (iii) up to 20,896,657 trust shares of beneficial interest ("Trust Shares") in the P&O Princess Special Voting Trust, a trust established under the laws of the Cayman Islands, which Trust Shares are paired with the shares of Carnival Corporation Common Stock on a one-for-one basis and represent a beneficial interest in a special voting share of Carnival plc, (iv) a guarantee by Carnival plc of Carnival Corporation's contractual monetary obligations under the Debentures pursuant to the Carnival plc Deed of Guarantee between Carnival Corporation and Carnival plc, dated as of April 17, 2003, and (v) a guarantee by POPCIL of Carnival Corporation's indebtedness and related obligations under the Debentures pursuant to the P&O Princess Cruises International Limited Deed of Guarantee among Carnival Corporation, Carnival plc and POPCIL, dated as of 19th June, 2003. The shares of Carnival Common Stock and the Trust Shares are issuable upon conversion of the Debentures, and the Registration Statement also registers the resale of an indeterminate number of additional shares of Carnival Corporation Common Stock and additional Trust Shares that may result from adjustments to the conversion rate under the Debentures.

2 We are furnishing this opinion as Exhibit 5.4 to the Registration Statement.

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3 Other terms used but not defined in this letter are used as defined in the Registration Statement or the Trust Deed.

4 For the purposes of this opinion, we have reviewed only originals, copies or final drafts of the following documents:

(1) the Trust Deed; and

(2) the Form S-3/F-3.

5 This opinion is given only as to, and based on, circumstances and matters of fact existing and known to us on the date of this opinion. This opinion relates only to the laws of the Cayman Islands in force on the date of this opinion. We have relied on the following assumptions, which we have not independently verified.

(1) The Trust Deed has been authorised and duly executed and delivered by or on behalf of the Depositor in accordance with all relevant laws.

(2) The Trust Deed is legal, valid, binding and enforceable against the Depositor and the Trustee in accordance with its terms under all relevant laws other than the laws of the Cayman Islands.

(3)

Copy documents, conformed copies or drafts of documents provided to us are true and complete copies of, or in the final forms of, the originals.

(4) All signatures, initials and seals are genuine.

(5) The power, authority and legal right of the Depositor and the Trustee under all relevant laws and regulations to enter into, execute, deliver and perform their respective obligations under the Trust Deed (other than the Trustee under the laws of the Cayman Islands).

(6) There is nothing under any law (other than Cayman Islands law) that would or might affect the opinions in this letter. Specifically, we have made no independent investigation of the laws of England and Wales, the Republic of Panama or the States of New York or Florida.

6 Based on the foregoing and subject to the qualifications set out below and having regard to such legal considerations as we consider relevant, we are of the opinion that:

(1) The Trust is duly established and constitutes a validly existing trust under the laws of the Cayman Islands.

(2) The Trust Shares when issued as contemplated under the Registration Statement will be duly authorised for issuance in accordance with the provisions of the Trust Deed and, on the relevant entries being made in the Share Register, the Trust Shares will constitute validly issued, fully paid and non-assessable Trust Shares and, in respect of such Trust Shares, the registered holders will have the rights attributable thereto as set forth in the Trust Deed.

7 The opinions expressed above are subject to the following qualifications.

(1) Nominal Cayman Islands stamp duty of CI$40 (US$48) may be payable if the original Trust Deed is brought to or executed in the Cayman Islands.

(2) The obligations of the Trustee may be subject to restrictions pursuant to United Nations sanctions as implemented under the laws of the Cayman Islands.

(3) All the beneficiaries under the trust may together terminate the Trust notwithstanding anything to the contrary in the Trust Deed.

8 We express no view as to whether the terms of the Trust Deed represent the intentions of the parties and make no comment with regard to the representations that may be made by the Depositor or the Trustee.

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9 This opinion is given today and may not be relied on at any later date. This opinion is given for your benefit for the purposes of the Registration Statement to be filed under the Securities Act of 1933, as amended.

10 We consent to the filing of this opinion as an exhibit to the Registration Statement. In giving consent, we do not admit that we are in the category of persons whose consent is required under the Securities Act of 1933, as amended, or the Rules and Regulations of the Commission thereunder.

Yours faithfully
/s/ Maples and Calder
MAPLES and CALDER

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Exhibit 5.4

[Letterhead of Maples and Calder]
P&O Princess Special Voting Trust

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Exhibit 5.5

[Letterhead of Freshfields Bruckhaus Deringer]

Carnival plc
Carnival House
5 Gainsford Street
London
SE1 2NE

19 June 2003

Dear Sirs

Registration Statement on Form S-3/F-3

Introduction

1. In connection with the registration statement (the ***Registration Statement***) on Form S-3/F-3 of Carnival Corporation, a corporation organized under the laws of the Republic of Panama (***Carnival Corporation***), Carnival plc, a public limited company incorporated under the laws of England and Wales (the ***Company***), and P&O Princess Cruises International Limited, a private company limited by shares incorporated under the laws of England and Wales (***POPCIL***), under the Securities Act of 1933 (the ***Securities Act***), we have been requested to render our opinion on certain matters in connection with the Registration Statement. The Registration Statement relates to the registration under the Securities Act of the resale by the selling security holders named in the Registration Statement of (i) up to $889,000,000 aggregate principal amount at maturity of Carnival Corporation's senior convertible debentures due 2033 (the ***Debentures***), (ii) up to 20,896,657 shares of Carnival Corporation's common stock, par value $0.01 per share (***Carnival Corporation Common Stock***), (iii) up to 20,896,657 trust shares of beneficial interest (***Trust Shares***) in the P&O Princess Special Voting Trust, a trust established under the laws of the Cayman Islands, which Trust Shares are paired with the shares of Carnival Corporation Common Stock on a one-for-one basis and represent a beneficial interest in a special voting share of the Company, (iv) a guarantee by the Company of Carnival Corporation's contractual monetary obligations under the Debentures pursuant to the Company's Deed of Guarantee between Carnival Corporation and the Company, dated as of April 17, 2003 (the ***Company's Guarantee***), and (v) a guarantee by POPCIL of Carnival Corporation's indebtedness and related obligations under the Debentures pursuant to the P&O Princess Cruises International Limited Deed of Guarantee among Carnival Corporation, the Company and POPCIL, dated as of June 19, 2003 (the ***POPCIL Guarantee***). The shares of Carnival Corporation Common Stock and the Trust Shares are issuable upon conversion of the Debentures, and the Registration Statement also registers the resale of an indeterminate number of additional shares of Carnival Corporation Common Stock and additional Trust Shares that may result from adjustments to the conversion rate under the Debentures.

2. We are acting as English legal advisers to the Company for the purposes of giving this opinion. In so acting, we have examined the following documents:

(a) the Registration Statement to be filed under the Act;

(b) copies of the Company's Guarantee and the POPCIL Guarantee (together the ***Guarantees***);

(c) a copy of the current Memorandum and Articles of Association of the Company in force as at 17 April 2003 and a copy of the current Memorandum and Articles of Association of POPCIL in force as at 19 March 2001;

(d) a copy of the Company's Certificate of Incorporation dated 19 July 2000 and a copy of POPCIL's Certificate of Incorporation dated 5 June 2000, each issued by the Registrar of Companies of England and Wales;

(e) searches carried out on 19 June 2003 (carried out by us or by ICC Information Ltd. on our behalf) of the public documents of each of the Company and POPCIL kept at the Registrar of Companies of England and Wales (the ***Company Searches***);

(f) an extract of minutes of a meeting of the Board of directors of the Company held on 11 March 2003 authorising the issue and allotment of the Special Voting Shares to Carnival Corporation;

(g) a certified copy of the register of members of the Company and a certified copy of the register of members of the Cayman Islands overseas branch register of members of the Company, in each case in respect of the Special Voting Share; and

(h) certificates issued to us by the Company Secretary of each of the Company and POPCIL dated 19 June 2003 (certifying to us that, amongst other matters, the execution, delivery and performance of the Guarantees by both the Company and POPCIL, as applicable, was properly approved by the boards of directors of the Company and POPCIL, as applicable and that the Special Voting Share of 1 pound sterling in the capital of the Company (the ***Special Voting Share***) has been duly authorised, validly issued and is fully paid and non-assessable),

and relied upon the statements as to factual matters contained in or made pursuant to each of the above mentioned documents.

Assumptions

3. In considering the above documents and rendering this opinion we have with your consent and without any further enquiry assumed:

(a) the genuineness of all signatures on, and the authenticity and completeness of, all documents submitted to us whether as originals or copies;

(b) the conformity to originals of all documents supplied to us as photocopies or facsimile copies;

(c) that where a document has been examined by us in draft or specimen form, it will be or has been executed in the form of that draft or specimen;

(d) that each of the statements contained in the certificates of the Company Secretary of each of the Company and of POPCIL dated 19 June 2003 is true and correct as at the date hereof;

(e) that each of the Guarantees has been duly authorised, executed and delivered in accordance with all applicable laws (other than, in the case of the Company and POPCIL, as applicable, the laws of England);

(f) that each of the Guarantees constitutes or will constitute (as applicable) legal, valid and binding obligations of each of the parties thereto enforceable under all applicable laws including the laws of the State of New York and the laws of the Isle of Man by which they are expressed to be governed (other than in the case of the Company and POPCIL, the laws of England);

(g) that each of the Guarantees has been or will be (as applicable) entered into for bona fide commercial reasons and on arms length terms by each of the parties thereto;

(h) that each of the Guarantees has not been amended and has been and/or will be performed in accordance with its terms;

(i) that the directors of the Company and POPCIL in authorising execution of the relevant Guarantees have exercised their powers in accordance with their duties under all applicable laws and the Memorandum and Articles of Association of the Company or POPCIL (as appropriate);

(j) that the information revealed by the Company Searches was accurate in all respects and has not since the time of such search been altered;

(k) that the information revealed by our oral enquiries on 19 June 2003 of the Central Registry of Winding up Petitions (the ***Winding up Enquiries***) was accurate in all respects and has not since the time of such enquiry been altered;

(m) that each of the Guarantees has been delivered by the Company and POPCIL (as applicable) and are not subject to any escrow or other similar arrangement; and

(n) the meeting of the board of directors of the Company to authorise the issue and allotment of the Special Voting Share was proper convened, quorate and properly held and the extract of the minutes of that meeting referred to in 2(f) above is a true and accurate description of the resolution passed at that meeting and the resolution remains in force and has not been revoked or amended.

Opinion

4. Based and relying solely upon the foregoing and the matters set out in paragraphs 5 and 6 below and any matters not disclosed to us, we are of the opinion that:

(a) each of the Company and POPCIL has been duly incorporated in Great Britain and registered in England and Wales, in the case of the Company, as a public limited company and, in the case of POPCIL, as a private limited company and the Company Searches revealed no order for the winding up of the Company or POPCIL and revealed no notice of appointment in respect of the Company or POPCIL of a liquidator, receiver, administrative receiver or administrator and our Winding up Enquiries have confirmed that no petition for the winding up of the Company or POPCIL has been presented within the period of six months covered by such enquiries;

(b) the Company had the corporate power and capacity (which has not been revoked) to enter into and perform its obligations under the Company's Guarantee and the execution and performance of the Company's Guarantee has been duly authorised by all necessary corporate action on the part of the Company and the execution and performance of the Company's Guarantee does not violate the Memorandum and Articles of Association or any other relevant organizational documents of the Company or the laws of England and Wales applicable thereto;

(c) POPCIL had the corporate power and capacity (which has not been revoked) to enter into and perform its obligations under the POPCIL Guarantee and the execution and performance of the POPCIL Guarantee has been duly authorised by all necessary corporate action on the part of POPCIL and the execution and performance of the POPCIL Guarantee does not violate the Memorandum and Articles of Association or any other relevant organizational documents of POPCIL or the laws of England and Wales applicable thereto; and

(d) the Special Voting Share has been duly authorized and validly issued and is fully paid and non-assessable.

For the purposes of the opinion, we have assumed that the term "non-assessable" in relation to the Special Voting Share means under English law that the holder of such share, in respect of which all amounts due on such share as to the nominal amount and any premium thereon have been fully paid, will be under no further obligation to contribute to the liabilities of the Company solely in its capacity as holder of such share.

Qualifications

5. Our opinion is subject to the following qualifications:

(a) the Company Searches are not capable of revealing conclusively whether or not:

(i) a winding up order has been made or a resolution passed for the winding up of a company; or

(ii) an administration order has been made; or

(iii) a receiver, administrative receiver, administrator or liquidator has been appointed,

since notice of these matters may not be filed with the Registrar of Companies immediately and, when filed, may not be entered on the public database or recorded on the public microfiches of the relevant company immediately.

In addition, the Company Searches are not capable of revealing, prior to the making of the relevant order, whether or not a winding up petition or a petition for an administration order has been presented;

(b) the Winding up Enquiries relate only to a compulsory winding up and are not capable of revealing conclusively whether or not a winding up petition in respect of a compulsory winding up has been presented, since details of the petition may not have been entered on the records of the Central Registry of Winding up Petitions immediately or, in the case of a petition presented to a County Court, may not have been notified to the Central Registry and entered on such records at all, and the response to an enquiry only relates to the period of approximately four years prior to the date when the enquiry was made; and

(c) this opinion is subject to all applicable laws relating to insolvency, bankruptcy, administration, reorganisation, liquidation or analogous circumstances.

Observations

6. We should also like to make the following observations:

(a) it should be understood that we have not been responsible for investigating or verifying the accuracy of the facts, including the statements of foreign law, or the reasonableness of any statement or opinion or intention contained in or relevant to any document referred to herein, or that no material facts have been omitted therefrom; and

(b) it should be understood that we have not been responsible for investigating or verifying the accuracy of the facts, including statements of foreign law, or the reasonableness of any statement of opinion or intention, contained in or relevant to any document referred to herein, or that no material facts have been omitted therefrom.

7. This opinion is limited to English law as currently applied by the English courts and is given on the basis that it will be governed by and construed in accordance with current English law. Accordingly, we express no opinion with regard to any system of law other than the law of England as currently applied by the English courts.

8. We hereby consent to the use of our name in the Registration Statement and to the filing of this opinion as Exhibit 5.5 to the Registration Statement. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required by the Act or by the rules and regulations promulgated thereunder.

9. This opinion is given to you for your benefit and for the purposes of the Registration Statement to be filed under the Act.

Yours faithfully
/s/ Freshfields Bruckhaus Deringer

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Exhibit 8.1

[LETTERHEAD OF PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP]

June 19, 2003

Carnival Corporation
3655 N.W. 87th Avenue
Miami, Florida 33178-2428

Carnival Corporation
Carnival plc
P&O Princess Cruises International Limited
Registration Statement on Form S-3/F-3

Ladies and Gentlemen:

We have acted as United States federal income tax counsel for Carnival Corporation, a Panama corporation (the "Company") in connection with the registration under the Securities Act of 1933, as amended, (the "Securities Act") of (i) the resale by selling securityholders named in the Registration Statement on Form S-3/F-3 (the "Registration Statement") of (A) up to $889,000,000 aggregate principal amount of the Company's Senior Convertible Debentures due 2033 (the "Debentures"), (B) up to 20,896,657 shares of the Company's common stock, par value $0.01 per share, and (C) up to 20,896,657 trust shares of beneficial interest in the P&O Princess Cruises International Limited Special Voting Trust ("Trust Shares"), a trust established under the laws of the Cayman Islands, which Trust Shares are paired with the shares of Company common stock on a one-for-one basis and represent a beneficial interest in a special voting share of Carnival plc, a public limited company incorporated under the laws of England and Wales in July 2000 as P&O Princess Cruises plc ("Carnival plc"); (iv) a guarantee by Carnival plc of the Company's contractual monetary obligations under the Debentures pursuant to the Carnival plc Deed of Guarantee between the Company and Carnival plc, dated as of April 17, 2003; and (v) a guarantee by P&O Princess Cruises International Limited, a private company limited by shares incorporated under the laws of England and Wales ("POPCIL") of the Company's indebtedness and related obligations under the Debentures pursuant to the P&O Princess Cruises International Limited Deed of Guarantee among the Company Corporation, Carnival plc and POPCIL, dated as of June 19, 2003.

We are rendering this opinion in connection with the Registration Statement filed by the Company with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Act and the rules and regulations of the Commission promulgated thereunder. Capitalized terms used but not defined herein have the respective meanings ascribed to them in the Registration Statement.

In rendering our opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such agreements and other documents as we have deemed relevant and necessary and we have made such investigations of law as we have deemed appropriate as a basis for the opinion expressed below. In our examination, we have assumed, without independent verification, (i) the authenticity of original documents; (ii) the accuracy of copies and the genuineness of signatures; (iii) that each such agreement represents the valid and binding obligation of the respective parties thereto, is enforceable in accordance with its respective terms and represents the entire agreement between the parties with respect to the subject matter thereof; (iv) the parties to each agreement have complied, and will comply, with all of their respective covenants, agreements and undertakings contained therein; and (v) the transactions provided for by each agreement were and will be carried out in accordance with their terms.

The opinion set forth below is limited to the Internal Revenue Code of 1986, as amended, administrative rulings, judicial decisions, proposed, temporary and final Treasury Regulations and other applicable authorities, all as in effect on the date hereof. The statutory provisions, regulations, and interpretations upon which our opinion is based are subject to change, and such changes could apply retroactively. Any such change could materially affect the continuing validity of the opinion set forth below.

The opinion set forth herein has no binding effect on the United States Internal Revenue Service (the "IRS") or the courts of the United States. No assurance can be given that, if the matter were contested, a court would agree with the opinion set forth herein.

We hereby confirm that the discussion of United States federal income tax matters set forth under the caption "Certain Panamanian and U.S. Federal Income Tax Consequences" in the Registration Statement is our opinion. While this description discusses the material anticipated United States federal income tax consequences applicable to particular holders, it does not purport to discuss all United States federal income tax consequences that may be applicable to a holder and is limited to those United States federal income tax consequences specifically discussed therein and subject to the qualifications set forth therein.

In giving the foregoing opinion, we express no opinion other than as to the federal income tax laws of the United States of America.

Furthermore, in rendering our opinion, we have made no independent investigation of the facts referred to herein and have relied for the purpose of rendering this opinion exclusively on those facts that have been provided to us by you and your agents, which we assume have been, and will continue to be, true.

We are furnishing this letter in our capacity as United States federal income tax counsel to the Company. This letter is not to be used, circulated, quoted or otherwise referred to for any other purpose, except as set forth below.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. The issuance of such a consent does not concede that we are an "expert" for purposes of the Securities Act.

Very truly yours,

/s/ PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP
PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

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Exhibit 8.1

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Exhibit 12.4

P&O Princess Cruises International Limited ("POPCIL")
Ratio of Earnings to Fixed Charges
(In millions, except ratios)
(UK GAAP)

	Three Months Ended March 31, 2003	Years Ended December 31, 2002	2001	2000	1999	1998
Net income	$ 33.3	$ 272.5	$ 443.0	$ 261.5	$ 310.3	$ 223.3
Income tax expense (benefit), net	0.4	17.1	(81.7)	57.4	47.0	88.8
Income before income tax	33.7	289.6	361.3	318.9	357.3	312.1
Adjustment to earnings:						
Minority interest	0.0		0.1	2.6	0.5	
Earnings as adjusted	33.7	289.6	361.4	321.5	357.8	312.1
Fixed charges:						
Interest expense, net	5.4	8.3	(2.3)	46.9	28.7	32.9
Rent expense (a)	4.2	17.9	15.9	8.9	8.2	8.2
Capitalized interest	5.7	31.0	33.1	23.5	13.7	15.8
Total fixed charges	15.3	57.2	46.7	79.3	50.6	56.9
Fixed charges not affecting earnings:						
Capitalized interest	(5.7)	(31.0)	(33.1)	(23.5)	(13.7)	(15.8)
Earnings before fixed charges	$ 43.2	$ 315.8	$ 375.0	$ 377.3	$ 394.7	$ 353.2
Ratio of earnings to fixed charges	**2.8x**	**5.5x**	**8.0x**	**4.8x**	**7.8x**	**6.2**

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

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Exhibit 12.4

Ratio of Earnings to Fixed Charges

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EXHIBIT 23.1

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 and Form F-3 of our report dated January 29, 2003 relating to Carnival Corporation's consolidated financial statements, which appears in the Carnival Corporation 2002 Annual Report to Shareholders, which is incorporated by reference in Carnival Corporation's amended Annual Report on Form 10-K/A for the year ended November 30, 2002. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PRICEWATERHOUSECOOPERS LLP

PricewaterhouseCoopers LLP
Miami, Florida
June 18, 2003

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EXHIBIT 23.1

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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Exhibit 23.2

INDEPENDENT AUDITORS' CONSENT

We consent to the use of our report dated 6 February 2003, with respect to the consolidated balance sheets of Carnival plc (formerly P&O Princess Cruises plc) as of 31 December 2002 and 2001, and the related consolidated profit and loss accounts, cash flow statements, statements of total recognised gains and losses and reconciliation of movements in consolidated shareholders' funds for each of the years in the three-year period ended 31 December 2002, incorporated by reference in the registration statement on Form S-3/F-3 of Carnival Corporation, Carnival plc (formerly P&O Princess Cruises plc) and P&O Princess Cruises International Limited. Our report refers to the adoption of FRS19 Deferred Tax. We consent to the reference to our firm under the heading "Experts" in the prospectus.

/s/ KPMG

KPMG Audit Plc
Chartered Accountants
Registered Auditor
London, England
19 June 2003

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Exhibit 23.2

INDEPENDENT AUDITORS' CONSENT

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Exhibit 23.3

INDEPENDENT AUDITORS' CONSENT

We consent to the use of our report dated 13 June 2003, with respect to the consolidated balance sheets of P&O Princess Cruises International Limited as of 31 December 2002 and 2001, and the related consolidated profit and loss accounts, cash flow statements, statements of total recognised gains and losses and reconciliation of movements in shareholders' funds for each of the years in the three-year period ended 31 December 2002, included herein. Our report refers to the adoption of FRS19 Deferred Tax. We consent to the reference to our firm under the heading "Experts" in the prospectus.

/s/ KPMG

KPMG Audit Plc
Chartered Accountants
Registered Auditor
London, England
19 June 2003

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Exhibit 23.3

INDEPENDENT AUDITORS' CONSENT