FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended February 29, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________ to ________________

Commission file number 1-9610

CARNIVAL CORPORATION
(Exact name of registrant as specified in its charter)

Republic of Panama	59-1562976
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

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

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No__

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Common Stock, $.01 par value - 604,455,414 shares as of April 11, 2000.

CARNIVAL CORPORATION

I N D E X

Part II. OTHER INFORMATION

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

CARNIVAL CORPORATION
CONSOLIDATED BALANCE SHEETS
(in thousands, except par value)

	February 29, 2000	November 30, 1999
ASSETS		
Current Assets		
Cash and cash equivalents	$ 552,764	$ 521,771
Short-term investments	5,553	22,800
Accounts receivable, net	82,288	62,887
Consumable inventories, at average cost	86,760	84,019
Prepaid expenses and other	124,815	100,159
Total current assets	852,180	791,636
Property and Equipment, Net	6,439,471	6,410,527
Investments in and Advances to Affiliates	543,849	586,922
Goodwill, less Accumulated Amortization of $88,767 and $85,272	458,846	462,340
Other Assets	38,327	34,930
	$8,332,673	$8,286,355
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Current portion of long-term debt	$ 207,817	$ 206,267
Accounts payable	197,521	195,879
Accrued liabilities	221,165	262,170
Customer deposits	660,653	675,816
Dividends payable	64,819	64,781
Total current liabilities	1,351,975	1,404,913
Long-Term Debt	865,666	867,515
Deferred Income and Other Long-Term Liabilities	89,409	82,680
Commitments and Contingencies (Note 5)		
Shareholders' equity		
Common Stock; $.01 par value; 960,000 shares authorized; 617,326 and 616,966 shares issued and outstanding	6,173	6,170
Additional paid-in capital	1,768,584	1,757,408
Retained earnings	4,283,203	4,176,498
Unearned stock compensation	(13,982)	(9,945)
Accumulated other comprehensive (loss) income	(18,355)	1,116
Total shareholders' equity	6,025,623	5,931,247
	$8,332,673	$8,286,355

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

CARNIVAL CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Three Months Ended February 29/28, 2000	1999
Revenues	$824,878	$748,258
Costs and Expenses		
Operating expenses	465,440	416,103
Selling and administrative	120,879	110,770
Depreciation and amortization	67,604	57,904
	653,923	584,777
Operating Income Before Loss From Affiliated Operations	170,955	163,481
Loss From Affiliated Operations, Net	(11,437)	(5,917)
Operating Income	159,518	157,564
Nonoperating Income (Expense)		
Interest income	6,939	6,887
Interest expense, net of capitalized interest	(8,589)	(13,390)
Other income, net	8,897	2,996
Income tax benefit	4,752	4,806
Minority interest		(1,102)
	11,999	197
Net Income	$171,517	$157,761
Earnings Per Share:		
Basic	$.28	$.26
Diluted	$.28	$.26

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

CARNIVAL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Three Months Ended February 29/28, 2000	1999
OPERATING ACTIVITIES		
Net income	$171,517	$157,761
Adjustments to reconcile net income to net cash provided from operations:		
Depreciation and amortization	67,604	57,904
Dividends received and loss from affiliated operations, net	24,547	5,917
Minority interest		1,102
Other	2,640	2,172
Changes in operating assets and liabilities		
Increase in:		
Receivables	(20,033)	(12,333)
Consumable inventories	(2,741)	(2,177)
Prepaid expenses and other	(24,663)	(4,222)
Increase (decrease) in:		
Accounts payable	1,642	(11,934)
Accrued liabilities	(40,090)	(2,958)
Customer deposits	(15,163)	17,561
Net cash provided from operating activities	165,260	208,793
INVESTING ACTIVITIES		
Decrease (increase) in short-term investments, net	16,463	(210,686)
Additions to property and equipment, net	(93,046)	(50,977)
Other, net	2,761	21,167
Net cash used for investing activities	(73,822)	(240,496)
FINANCING ACTIVITIES		

Proceeds from long-term debt	7,364	5,861
Principal payments of long-term debt	(7,715)	(214,282)
Dividends paid	(64,774)	(53,590)
Proceeds from issuance of Common Stock, net	4,680	730,812
Other		(117)
Net cash (used for) provided from financing activities	(60,445)	468,684
Net increase in cash and cash equivalents	30,993	436,981
Cash and cash equivalents at beginning of period	521,771	137,273
Cash and cash equivalents at end of period	$552,764	$574,254

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

CARNIVAL CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - BASIS OF PRESENTATION

The financial statements included herein have been prepared by Carnival Corporation, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission.

The accompanying consolidated balance sheet at February 29, 2000 and the consolidated statements of operations and cash flows for the three months ended February 29/28, 2000 and 1999 are unaudited and, in the opinion of management, contain all adjustments, consisting of only normal recurring accruals, necessary for a fair presentation. The operations of Carnival Corporation and its consolidated subsidiaries (referred to collectively as the "Company") and its affiliates are seasonal and results for interim periods are not necessarily indicative of the results for the entire year.

NOTE 2 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following (in thousands):

	February 29, 2000	November 30, 1999
Ships	$6,548,257	$6,543,592
Ships under construction	567,441	506,477
	7,115,698	7,050,069
Land, buildings and improvements	229,012	235,333
Transportation and other equipment	423,793	395,008
Total property and equipment	7,768,503	7,680,410
Less accumulated depreciation and amortization	(1,329,032)	(1,269,883)
	$6,439,471	$6,410,527

Capitalized interest, primarily on ships under construction, amounted to $10.0 million and $10.4 million for the three months ended February 29/28, 2000 and 1999, respectively.

NOTE 3 - LONG-TERM DEBT

Long-term debt consists of the following (in thousands):

	February 29, 2000	November 30, 1999
Commercial paper	$ 7,364	$
Unsecured 5.65% Notes Due October 15, 2000	199,942	199,920
Unsecured 6.15% Notes Due April 15, 2008	199,577	199,564
Unsecured 6.65% Debentures due January 15, 2028	199,281	199,274
Unsecured 6.15% Notes Due October 1, 2003	124,975	124,974

Unsecured 7.2% Debentures Due October 1, 2023	124,887	124,886
Unsecured 7.7% Notes Due July 15, 2004	99,950	99,947
Unsecured 7.05% Notes Due May 15, 2005	99,896	99,891
Other notes payable	17,611	25,326
	1,073,483	1,073,782
Less portion due within one year	(207,817)	(206,267)
	$ 865,666	$ 867,515

NOTE 4 - SHAREHOLDERS' EQUITY

The Company's Articles of Incorporation, as amended, authorizes the Board of Directors, at its discretion, to issue up to 40 million shares of Preferred Stock. The Preferred Stock is issuable in series which may vary as to certain rights and preferences and has a $.01 par value. At February 29, 2000 and November 30, 1999, no Preferred Stock had been issued.

During the three months ended February 29/28, 2000 and 1999, the Company declared quarterly cash dividends of $.105 and $.09 per share, or an aggregate of $64.8 million and $55.2 million, respectively.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

Capital Expenditures

A description of ships under contract for construction at April 11, 2000 is as follows (in millions, except passenger capacity data):

Ship	Expected Service Date(1)	Shipyard	Passenger Capacity(2)	Estimated Total Cost(3)
Carnival Cruise Lines				
Carnival Victory	9/00	Fincantieri	2,758	$ 450
Carnival Spirit	4/01	Masa-Yards	2,120	375
Carnival Pride	1/02	Masa-Yards(4)	2,120	375
Carnival Legend	8/02	Masa-Yards(4)	2,120	375
Carnival Conquest	12/02	Fincantieri(5)	2,974	500
Carnival Glory	8/03	Fincantieri(5)	2,974	500
Newbuild	11/04	Fincantieri(6)	2,974	500
Total Carnival Cruise Lines			18,040	3,075
Holland America Line				
Amsterdam	11/00	Fincantieri	1,380	300
Newbuild	10/02	Fincantieri(6)	1,820	410
Newbuild	8/03	Fincantieri(6)	1,820	410
Newbuild	1/04	Fincantieri(6)	1,820	410
Newbuild	9/04	Fincantieri(6)	1,820	410
Newbuild	6/05	Fincantieri(6)	1,820	410
Total Holland America Line			10,480	2,350
Total			28,520	$5,425

(1) The expected service date is the date the ship is expected to begin revenue generating activities.
(2) In accordance with cruise industry practice, passenger capacity is calculated based on two passengers per cabin even though some cabins can accommodate three or four passengers.
(3) Estimated total cost of the completed ship includes the contract price with the shipyard, design and engineering fees, capitalized interest, various owner supplied items and construction oversight costs.
(4) These construction contracts are denominated in German Deutsche Marks and have been fixed into U.S. dollars through the utilization of forward foreign currency contracts.
(5) In March 2000 the Company entered into additional contracts with the shipyard to increase the size of these ships. Although the initial contracts are denominated in U.S. dollars, these additional contract costs are denominated in Italian Lira and have been fixed into U.S. dollars through utilization of forward foreign currency contracts.
(6) These construction contracts are denominated in Italian Lira and have been fixed into U.S. dollars through the utilization of forward foreign currency contracts.

On April 6, 2000, the Company accepted delivery of Holland America Line's Zaandam with a passenger capacity of 1,440 and an estimated total cost of $300 million. The Zaandam's expected service date is in May 2000.

In connection with the ships under contract for construction, including the Zaandam, the Company has paid approximately $567 million through February 29, 2000 and anticipates paying approximately $805 million during the twelve month period ending February 28, 2001 and approximately $4.4 billion thereafter.

Litigation

Several actions (collectively the "Passenger Complaints") have been filed against Carnival Cruise Lines ("Carnival") and one action has been filed against Holland America Westours on behalf of purported classes of persons who paid port charges to Carnival or Holland America Line ("Holland America"), alleging that statements made in advertising and promotional materials concerning port charges were false and misleading. The Passenger Complaints allege violations of the various state consumer protection acts and claims of fraud, conversion, breach of fiduciary duties and unjust enrichment. Plaintiffs seek compensatory damages or, alternatively, refunds of portions of port charges paid, attorneys' fees, costs, prejudgment interest, punitive damages and injunctive and declaratory relief. The actions against Carnival are in various stages of progress and are proceeding.

Holland America Westours has entered into a settlement agreement for the one Passenger Complaint filed against it. The settlement agreement was approved by the court on September 28, 1998. One member of the settlement class appealed the court's approval of the settlement and a decision on such appeal is expected shortly. A further appeal could be taken by either party which could result in the settlement being delayed for an additional one year. Unless the appeal is successful, Holland America will issue travel vouchers with a face value of $10-$50 depending on specified criteria, to certain of its passengers who are U.S. residents and who sailed between April 1992 and April 1996, and will pay a portion of the plaintiffs' legal fees. The amount and timing of the travel vouchers to be redeemed and the effects of the travel voucher redemption on revenues is not reasonably determinable. Accordingly, the Company has not established a liability for the travel voucher portion of the settlements and will account for the redemption of the vouchers as a reduction of future revenues. In 1998, the Company established a liability for the estimated distribution costs of the settlement notices and plaintiffs' legal costs.

Several complaints were filed against Carnival and/or Holland America Westours (collectively the "Travel Agent Complaints") on behalf of purported classes of travel agencies who had booked a cruise with Carnival or Holland America, claiming that advertising practices regarding port charges resulted in an improper commission bypass. The two remaining actions, filed in California and Florida, allege violations of state consumer protection laws, claims of breach of contract, negligent misrepresentation, unjust enrichment, unlawful business practices and common law fraud, and they seek unspecified compensatory damages (or alternatively, the payment of usual and customary commissions on port charges paid by passengers in excess of certain charges levied by government authorities), an accounting, attorneys' fees and costs, punitive damages and injunctive relief. These actions are in various stages of progress and are proceeding.

It is not now possible to determine the ultimate outcome of the pending Passenger and Travel Agent Complaints if such claims should proceed to trial. Management believes that the Company has meritorious defenses to the claims. Management understands that purported class actions similar to the Passenger and Travel Agent Complaints have been filed against several other cruise lines.

Four complaints were filed between February and April, 2000 against the Company and four of its officers on behalf of a purported class of purchasers of Common Stock of the Company, claiming that statements made by the Company in public filings violate federal securities laws. The plaintiffs seek unspecified compensatory damages, attorneys' fees and costs and expert fees. The Company's time to respond to the complaints likely will be extended until such time as the court appoints a lead plaintiff and lead counsel for plaintiffs and a consolidated amended complaint is filed. It is not now possible to determine the ultimate outcome of these pending complaints if such claims should proceed to trial. Management believes that the Company and these officers have meritorious defenses to these claims. Accordingly, the Company and these officers intend to vigorously defend against all such actions.

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

Guarantees

The Company has effectively guaranteed certain obligations or provided letters of credit to participants in two ship lease out and lease back transactions which, at February 29, 2000, total approximately $365 million. Only in the remote event of nonperformance by certain major financial institutions, which have long-term credit ratings of AAA, would the Company be required to make any payments under these guarantees.

At February 29, 2000, the Company has guaranteed approximately $103 million of debt which includes, among other things, Il Ponte's acquisition indebtedness for the Company's interest in Costa.

NOTE 6 - COMPREHENSIVE INCOME

Comprehensive income for the three months ended February 29/28, 2000 and 1999 was as follows (in thousands):

	2000	1999
Net income	$171,517	$157,761
Changes in securities valuation allowance	(784)	(1)
Foreign currency translation adjustment	(18,689)	(7,168)
Total comprehensive income	$152,044	$150,592

NOTE 7 - SEGMENT INFORMATION

The Company's cruise segment includes five cruise brands which have been aggregated as a single operating segment based on the similarity of their economic characteristics. Cruise revenues are comprised of sales of passenger tickets, including, in some cases, air transportation to and from the cruise ship, and revenues from certain onboard activities and other related services. The tour segment represents the operations of Holland America Westours. Selected segment information for the three months ended February 29/28, 2000 and 1999 was as follows (in thousands):

	2000		1999	
	Revenues	Operating income (loss)	Revenues	Operating income (loss)
Cruise	$817,851	$184,134	$741,076	$180,434
Tour	7,435	(11,552)	7,504	(11,898)
Affiliated operations		(11,437)		(5,917)
Reconciling items (a)	(408)	(1,627)	(322)	(5,055)
	$824,878	$159,518	$748,258	$157,564

(a) Revenues consist of intersegment revenues. Operating loss represents corporate expenses not allocated to segments.

Selected segment information for the Company's affiliated operations which is not included in the Company's consolidated operations for the first quarter of fiscal 2000 and 1999 was as follows (in thousands):

	2000	1999
Revenues	$1,170,554	$1,184,956
Net loss	$ (44,024)	$ (20,420)

NOTE 8 - EARNINGS PER SHARE

Earnings per share have been computed as follows (in thousands, except per share data):

	Three Months Ended February 29/28, 2000	1999
BASIC:		
Net income	$171,517	$157,761
Average common shares outstanding	617,127	608,940
Earnings per share	$ .28	$ .26
DILUTED:		
Net income	$171,517	$157,761
Effect on net income of assumed purchase of minority interest		1,102
Net income available assuming dilution	$171,517	$158,863
Average common shares outstanding	617,127	608,940
Effect of dilutive securities:		
Additional shares issuable upon:		
Assumed exercise of Cunard Line Limited's minority shareholders purchase option		5,439
Various stock plans	3,110	3,881
Average shares outstanding assuming dilution	620,237	618,260
Earnings per share	$ .28	$ .26

NOTE 9 - RECENT PRONOUNCEMENTS

In June 1998, SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" was issued. SFAS No. 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Pursuant to SFAS No. 133, changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive income depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. SFAS No. 133, as amended, is effective for all fiscal quarters of fiscal years beginning after June 15, 2000 (December 1, 2000 for the Company). The Company has not yet determined the impact that the adoption of SFAS No. 133 will have, but does not currently expect the adoption to have a material impact on its results of operations or cash flows.

NOTE 10 - SUBSEQUENT EVENTS

On February 28, 2000, the Company announced that its Board of Directors approved the repurchase of up to $1 billion of the Company's Common Stock. As of April 12, 2000, the Company has repurchased 13.0 million shares of its Common Stock at a cost of approximately $311.6 million.

On March 16, 2000, the Company and Star Cruises PLC announced the termination of their joint venture agreement, which would have resulted in the Company owning a 40% interest in NCL Holding ASA, the parent company of Norwegian Cruise Line.

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

Certain statements under Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations", constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. See "Part II. OTHER INFORMATION, ITEM 5. (b) Forward-Looking Statements".

RESULTS OF OPERATIONS

The Company earns its cruise revenues primarily from (i) the sale of passenger tickets, which includes accommodations, meals, and most onboard activities, (ii) the sale of air transportation to and from the cruise ships and (iii) the sale of goods and services on board its cruise ships, such as casino gaming, bar sales, gift shop sales and other related services. The Company also derives revenues from the tour and related operations of Holland America Westours.

For selected segment information related to the Company's revenues and operating income see Note 7 in the accompanying financial statements. Operations data expressed as a percentage of total revenues and selected statistical information for the periods indicated is as follows:

Three Months Ended February 29/28,

	2000	1999
Revenues	100%	100%
Costs and Expenses		
Operating expenses	56	55
Selling and administrative	15	15
Depreciation and amortization	8	8
Operating Income Before Loss from Affiliated Operations	21	22
Loss from Affiliated Operations, Net	(1)	(1)
Operating Income	20	21
Nonoperating Income	1	-
Net Income	21%	21%
Selected Statistical Information (in thousands):		
Passengers carried	566	517
Passenger cruise days (1)	3,839	3,505
Occupancy percentage	103.4%	100.9%

(1) A passenger cruise day is one passenger sailing for a period of one day. For example, one passenger sailing on a one week cruise is seven passenger cruise days.

GENERAL

The Company's cruise and tour operations experience varying degrees of seasonality. The Company's revenue from the sale of passenger tickets for its cruise operations is moderately seasonal. Historically, demand for cruises has been greatest during the summer months. The Company's tour revenues are highly seasonal with a vast majority of tour revenues generated during the late spring and summer months in conjunction with the Alaska cruise season.

The year over year percentage increase in average passenger capacity for the Company's cruise brands is expected to be approximately 15.3%, 12.5% and 11.6% in the second, third and fourth quarters of fiscal 2000, respectively, as compared to the same periods of fiscal 1999. These increases are primarily a result of the introduction into service of the Carnival Triumph in July 1999 and Holland America's Volendam in November 1999 and the expected introduction into service of Holland America's Zaandam in May 2000 and the Carnival Victory in September 2000, partially offset by the expected withdrawal from service of Holland America's Nieuw Amsterdam in October 2000.

The year over year percentage increase in average passenger capacity resulting from the delivery of vessels currently under contract for construction for fiscal 2001 and 2002, net of the impact of the expected withdrawal from service of Holland America's Nieuw Amsterdam, is expected to approximate 10.2% and 7.3%, respectively. The Nieuw Amsterdam has been contracted for sale and is scheduled for closing in October 2000.

The Company and Airtours plc ("Airtours"), a publicly traded leisure travel company in which the Company holds an approximate 26% interest, each own a 50% interest in Il Ponte S.p.A. ("Il Ponte"), the parent company of Costa Crociere, S.p.A. ("Costa"), an Italian cruise company. The Company records its interest in Airtours and Il Ponte using the equity method of accounting and records its portion of Airtours' and Il Ponte's consolidated operating results on a two-month lag basis. Airtours' revenues are very seasonal due to the nature of the European leisure travel industry. Costa's revenues are moderately seasonal. Typically, Airtours' and Costa's quarters ending June 30 and September 30 experience higher revenues, with revenues in the quarter ending September 30 being the highest.

In March 2000, management stated that softer ticket pricing resulting from slower booking patterns for post-Millennium cruises, together with increased fuel costs, could cause its fiscal 2000 second quarter earnings to be slightly lower than the comparable prior year quarter. Management also stated that it believes that earnings for the second half of fiscal 2000 will be stronger and estimated that for the entire fiscal 2000, earnings will be 8 percent to 10 percent higher than fiscal 1999.

THREE MONTHS ENDED FEBRUARY 29, 2000 ("2000") COMPARED TO THREE MONTHS ENDED FEBRUARY 28, 1999 ("1999")

Revenues

The increase in total revenues of $76.6 million, or 10.2%, was entirely due to a 10.4% increase in cruise revenues. The cruise revenue changes resulted from an increase of approximately 6.9% in passenger capacity, a 2.7% increase in occupancy rates and a .8% increase in total revenue per passenger cruise day.

The increase in passenger capacity resulted primarily from the introduction into service of the Carnival Triumph in July 1999 and Holland America's Volendam in November 1999. The increase in revenue per passenger was primarily due to the higher prices received on the Company's Millennium cruises partially offset by a decrease in revenue per passenger cruise day for certain non-Millennium cruises and a reduction in the number of passengers electing to use the Company's air program. When a passenger elects to provide their own transportation, rather than purchasing air transportation from the Company, both the Company's cruise revenues and operating expenses decrease by approximately the same amount.

Costs and Expenses

Operating expenses increased $49.3 million, or 11.9%. Cruise operating costs increased by $48.8 million, or 12.0%, to $455.9 million in 2000 from $407.1 million in 1999. Cruise operating costs increased in 2000 primarily due to additional costs associated with the increased passenger capacity, increases in fuel costs, and operational costs related primarily to the Company's Millennium cruises, partially offset by lower airfare costs. Airfare costs decreased primarily due to a lower percentage of passengers electing to use the Company's air program. Commencing in the fourth quarter of fiscal 1999, the Company began to incur significantly higher fuel costs due to a very large increase in the price of bunker fuel. Assuming 2000 fuel prices remain at the same levels as the end of the 2000 first quarter, the Company estimates that its fuel costs, excluding the impact on Costa's operations, will increase in 2000 by approximately $43 million versus 1999 due to the higher fuel prices. Cruise operating costs as a percentage of cruise revenues were 55.7% and 54.9% in 2000 and 1999, respectively.

Selling and administrative expenses increased $10.1 million, or 9.1%, primarily due to an increase in advertising and payroll and related costs. Selling and administrative expenses as a percentage of revenues were 14.7% and 14.8%, respectively.

Depreciation and amortization increased by $9.7 million, or 16.8% to $67.6 million in 2000 from $57.9 million in 1999 primarily due to the additional depreciation associated with the increase in the size of the fleet and Cunard and Seabourn's ship refurbishment expenditures.

Affiliated Operations

During 2000, the Company recorded $11.4 million of losses from affiliated operations as compared with $5.9 million of losses in 1999. The Company's portion of Airtours' losses increased $7.9 million to $16.4 million. The Company recorded income of $4.8 million and $2.6 million during 2000 and 1999, respectively, related to its interest in Il Ponte. See the "General" section for a discussion of Airtours' and Costa's seasonality.

Nonoperating Income (Expense)

Gross interest expense (excluding capitalized interest) decreased to $18.6 million from $23.8 million primarily as a result of lower average outstanding debt balances partially offset by a slightly higher weighted average borrowing cost.

Other income in 2000 of $8.9 million primarily relates to $8.5 million of compensation received from the shipyard related to the late delivery of Holland America's Zaandam, net of certain related expenses.

LIQUIDITY AND CAPITAL RESOURCES

Sources of Cash

The Company's business provided $165.3 million of net cash from operations during the three months ended February 29, 2000, a decrease of 20.8% compared to 1999. The decrease was primarily due to changes in operating assets and liabilities partially offset by higher net income.

Uses of Cash

During the three months ended February 29, 2000, the Company made net expenditures of approximately $93.0 million on capital projects, of which $64.0 million was spent in connection with its ongoing shipbuilding program. The nonshipbuilding capital expenditures consisted primarily of computer equipment, ship refurbishments, tour assets and other equipment.

During the three months ended February 29, 2000, the Company had net borrowings of $7.4 million under its commercial paper programs and made principal payments totaling $7.7 million pursuant to various notes payable. In addition, the Company paid cash dividends of $64.8 million in the three months ended February 29, 2000.

On February 28, 2000, the Company announced that its Board of Directors approved the repurchase of up to $1 billion of the Company's Common Stock. As of April 12, 2000, the Company has repurchased 13.0 million shares of its Common Stock at a cost of approximately $311.6 million.

Future Commitments

As of April 11, 2000, the Company, excluding Costa, has contracts for the delivery of thirteen new ships over the next five years. The Company's remaining obligations related to these contracts and the Zaandam, which was delivered to the Company on April 6, 2000, is to pay approximately $805 million during the twelve months ending February 28, 2001 and approximately $4.4 billion thereafter.

In addition to these ship construction contracts, the Company has a letter of intent for the construction of Cunard Line's Queen Mary 2. No assurance can be given that this letter of intent will result in a ship construction contract.

At February 29, 2000, the Company had $1.1 billion of long-term debt of which $208 million is due during the twelve months ending February 28, 2001. See Notes 3 and 5 in the accompanying financial statements for more information regarding the Company's debts and commitments.

Funding Sources

At February 29, 2000, the Company had approximately $558.3 million in cash, cash equivalents and short-term investments. These funds along with future cash from operations are expected to be the Company's principal sources of capital to fund its working capital and debt service requirements, ship construction costs, stock repurchase program and dividend payments. Additionally, the Company may also fund a portion of these cash requirements from borrowings under its revolving credit facilities or commercial paper programs. At February 29, 2000, the Company had approximately $1.2 billion available for borrowing under its revolving credit facilities.

To the extent that the Company is required to or chooses to fund future cash requirements from sources other than as discussed above, management believes that it will be able to secure such financing from banks or through the offering of debt and/or equity securities in the public or private markets.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings.

Several actions collectively referred to as the "Passenger Complaints", were previously reported in the Company's Annual Report on Form 10-K for the year ended November 30, 1999 (the "1999 Form 10-K"). The following is the only material subsequent development in such cases.

In the Illinois action, the plaintiffs filed a motion to vacate the stay imposed by the state appellate court, pending resolution of Carnival's appeal. That motion was denied on March 15, 2000. On March 28, 2000, the state appellate court issued an opinion reversing the order of the trial court and enforcing Carnival's forum selection clause. The state appellate court thus held that plaintiffs' claims must be dismissed in favor of litigation in Florida.

Several actions collectively referred to as the "Travel Agent Complaints" were previously reported in the 1999 Form 10-K. The following is the only material subsequent development in such cases.

In September 1997, a Travel Agent Complaint was filed against Holland America Westours in the Superior Court of the State of Washington for King County by N.G.L. Travel Associates on behalf of a purported nationwide class of travel agencies who booked cruises with Holland America. On March 20, 2000, this case was dismissed by the court at the request of the plaintiff. The dismissal was without prejudice.

On February 29, 2000, a class action was filed against the Company and four of its officers in the United States District Court for the Southern District of Florida by Sandy Katz on behalf of herself and a purported class of persons who purchased Common Stock of the Company between February 25, 1999 and February 16, 2000. The complaint alleges that statements made by the Company in public filings relating to compliance with applicable safety regulations were in violation of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The complaint also alleges violations by the individual defendants as controlling persons under Section 20(a) of the Securities Exchange Act of 1934.

On March 15, 2000, March 17, 2000 and April 3, 2000, almost identical class actions were filed against the Company and the same individual defendants in the same court by Edward R. Stone, Morris Troglin and Sandy Gottlieb, respectively, on behalf of each of them and a purported class of persons who purchased Common Stock of the Company during the same class period as the first-filed action requesting the same relief.

In each action, the plaintiff seeks certification of a class action and the appointment of the named plaintiff as class representative, and an award of unspecified compensatory damages in favor of all class members for the damages allegedly sustained as a result of defendants' actions, plus counsel fees and expenses and expert costs. The time for defendants to respond to the complaint has not yet arrived, and likely will be extended until a lead plaintiff and lead counsel for the plaintiffs are appointed and a consolidated amended complaint filed.

Item 5. Other Information.

(a) Subsequent Event

On March 16, 2000, the Company and Star Cruises PLC announced the termination of their joint venture agreement, which would have resulted in the Company owning a 40% interest in NCL Holding ASA, the parent company of Norwegian Cruise Line.

(b) Forward-Looking Statements

Certain statements in this Form 10-Q and in the future filings by the Company with the Securities and Exchange Commission, in the Company's press releases, and in oral statements and presentations made by or with the approval of an authorized executive officer of the Company constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions which may impact levels of disposable income of consumers and pricing and passenger yields for the Company's cruise products; consumer demand for cruises, including the effects on consumer demand of armed conflicts, political instability or adverse media publicity; increases in cruise industry capacity; changes in tax laws and regulations; the ability of the Company to implement its shipbuilding program and to expand its business outside the North American market where it has less experience; changes in food and fuel commodity prices; delivery of new vessels on schedule and at the contracted price; weather patterns; unscheduled ship repairs and drydocking; incidents involving cruise vessels at sea; changes in foreign currency prices which may impact the income or loss from certain affiliated operations and certain cruise related revenues and expenses; and changes in laws and regulations applicable to the Company.

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

(a) Exhibits

12 Ratio of Earnings to Fixed Charges.
27 Financial Data Schedule (for SEC use only).

(b) Reports on Form 8-K

Current Report on Form 8-K filed with the Commission on December 3, 1999 related to the Company's intention to commence a cash tender offer to purchase NCL Holding ASA.

Current Report on Form 8-K filed with the Commission on January 24, 2000 related to the Company entering into a letter of intent with Fairfield Communities, Inc. for a proposed merger with Fairfield.

Current Report on Form 8-K filed with the Commission on February 4, 2000 related to the Company's entering into a memorandum of understanding with Star Cruises PLC for a proposed joint venture for the management and control of the business, operations and affairs of NCL Holding, ASA.

SIGNATURES

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

CARNIVAL CORPORATION

Date: April 13, 2000

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

Date: April 13, 2000

BY/s/ Gerald R. Cahill
Gerald R. Cahill
Senior Vice President-Finance and Chief Financial and Accounting Officer

EXHIBIT 12

CARNIVAL CORPORATION
RATIO OF EARNINGS TO FIXED CHARGES
(in thousands, except ratios)

	Three Months Ended February 29/28, 2000	1999
Net income	$171,517	$157,761
Income tax benefit	(4,752)	(4,806)
Income before income tax benefit	166,765	152,955
Adjustment to Earnings:		
Minority interest		1,102
Dividends received less loss from affiliate operations, net	24,547	5,917
Earnings as adjusted	191,312	159,974
Fixed Charges:		
Interest expense, net	8,589	13,390
Interest portion of rent expense(1)	833	916
Capitalized interest	9,998	10,406
Total fixed charges	19,420	24,712
Fixed charges not affecting earnings:		
Capitalized interest	(9,998)	(10,406)
Earnings before fixed charges	$200,734	$174,280
Ratio of earnings to fixed charges	10.3x	7.1x

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

5
1000

3-MOS
NOV-30-2000
FEB-29-2000
552,764
5,553
82,288
0
86,760
852,180
7,768,503
1,329,032
8,332,673
1,351,975
865,666
6,173
0
0
6,019,450
8,332,673
0
824,878
0
465,440
0
0
8,589
166,765
4,752
171,517
0
0
0
171,517
.28
.28