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 28, 2002

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__

At April 5, 2002, the Registrant had 586,491,340 shares of its common stock, $.01 par value, outstanding.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

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

	February 28, 2002	November 30, 2001
ASSETS		
Current Assets		
Cash and cash equivalents	$ 1,161,646	$ 1,421,300
Short-term investments	39,250	36,784
Accounts receivable, net	109,121	90,763
Inventories	90,369	91,996
Prepaid expenses and other	144,341	113,798
Fair value of hedged firm commitments	160,289	204,347
Total current assets	1,705,016	1,958,988
Property and Equipment, Net	8,775,886	8,390,230
Goodwill, Net	644,803	651,814
Other Assets	140,661	188,915
Fair Value of Hedged Firm Commitments	448,055	373,605
	$11,714,421	$11,563,552

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities		
Current portion of long-term debt	$ 21,255	$ 21,764
Accounts payable	271,284	269,467
Accrued liabilities	277,102	298,032
Customer deposits	687,985	627,698
Dividends payable	61,572	61,548
Fair value of derivative contracts	159,038	201,731
Total current liabilities	1,478,236	1,480,240
Long-Term Debt	2,960,019	2,954,854
Deferred Income and Other Long-Term Liabilities	165,612	157,998
Fair Value of Derivative Contracts	450,055	379,683
Commitments and Contingencies (Notes 4 and 5)		
Shareholders' Equity		
Common stock; $.01 par value; 960,000 shares authorized; 620,246 and 620,019 shares issued	6,202	6,200
Additional paid-in capital	1,809,699	1,805,248
Retained earnings	5,624,366	5,556,296
Unearned stock compensation	(14,055)	(12,398)
Accumulated other comprehensive loss	(38,076)	(36,932)
Treasury stock; 33,848 shares at cost	(727,637)	(727,637)
Total shareholders' equity	6,660,499	6,590,777
	$11,714,421	$11,563,552

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

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

	Three Months Ended February 28,	
	2002	2001
Revenues	$905,776	$1,007,606
Costs and Expenses		
Operating	518,165	600,120
Selling and administrative	152,045	155,891
Depreciation and amortization	89,754	91,591
	759,964	847,602
Operating Income Before Loss From Affiliated Operations	145,812	160,004
Loss From Affiliated Operations, Net		(21,063)
Operating Income	145,812	138,941
Nonoperating (Expense) Income		
Interest income	6,663	3,778
Interest expense, net of capitalized interest	(29,455)	(31,872)
Other income, net	4,959	11,946
Income tax benefit, net	1,661	5,157
	(16,172)	(10,991)
Net Income	$129,640	$ 127,950
Earnings Per Share		
Basic	$.22	$.22
Diluted	$.22	$.22

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

CARNIVAL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in thousands)

	Three Months Ended February 28, 2002	2001
OPERATING ACTIVITIES		
Net income	$ 129,640	$127,950
Operating items not requiring cash:		
Depreciation and amortization	89,754	91,591
Loss from affiliated operations and dividends received, net		33,949
Other	5,733	532
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Receivables	(17,593)	(13,938)
Inventories	1,627	(866)
Prepaid expenses and other	(31,280)	(7,337)
Increase (decrease) in:		
Accounts payable	1,817	(29,894)
Accrued and other liabilities	(25,082)	(35,054)
Customer deposits	60,287	181
Net cash provided by operating activities	214,903	167,114
INVESTING ACTIVITIES		
Additions to property and equipment, net	(443,393)	(120,829)
Other, net	(3,170)	(6,195)
Net cash used in investing activities	(446,563)	(127,024)
FINANCING ACTIVITIES		
Proceeds from issuance of long-term debt	37,560	666,081
Principal repayments of long-term debt	(9,729)	(702,843)
Dividends paid	(61,548)	(61,371)
Proceeds from issuance of common stock, net	1,556	2,086
Debt issuance costs	(173)	
Net cash used in financing activities	(32,334)	(96,047)
Effect of exchange rate changes on cash and cash equivalents	4,340	(214)
Net decrease in cash and cash equivalents	(259,654)	(56,171)
Cash and cash equivalents at beginning of period	1,421,300	189,282
Cash and cash equivalents at end of period	$1,161,646	$133,111

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

CARNIVAL CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 - Basis of Presentation

The accompanying financial statements have been prepared, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Carnival Corporation and its consolidated subsidiaries are referred to collectively in these consolidated financial statements and elsewhere in this Form 10-Q as "we", "our" and "us".

The accompanying consolidated balance sheet at February 28, 2002 and the consolidated statements of operations and cash flows for the three months ended February 28, 2002 and 2001 are unaudited and, in the opinion of our management, contain all adjustments, consisting of only normal recurring accruals, necessary for a fair presentation.

Our operations are seasonal and results for interim periods are not necessarily indicative of the results for the entire year. Reclassifications have been made to prior period amounts to conform with the current period presentation.

NOTE 2 - Property and Equipment

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

	February 28, 2002	November 30, 2001
Ships	$ 9,323,116 (a)	$ 8,892,412
Ships under construction	606,166	592,781
	9,929,282	9,485,193
Land, buildings and improvements	268,227	264,294
Transportation equipment and other	365,703	349,188
Total property and equipment	10,563,212	10,098,675
Less accumulated depreciation and amortization	(1,787,326)	(1,708,445)
	$ 8,775,886	$ 8,390,230

(a)On February 1, 2002, Holland America Line ("Holland America") took possession of the 1,214 passenger Patriot, formerly the Nieuw Amsterdam, from its owner, whose parent company had filed for bankruptcy in late fiscal 2001. The Patriot was collateral for Holland America's note receivable, which arose in connection with Holland America's sale of the Nieuw Amsterdam in fiscal 2000. On February 1, 2002, the carrying value of the ship was $66 million, which was approximately equal to its estimated fair value. Accordingly, no gain or loss was recognized upon our repossession of this ship. We had previously recorded a $15 million write-down of this note receivable in the fourth quarter of fiscal 2001. We have not placed the ship into service and are currently evaluating whether to sell, charter or operate the ship.

Capitalized interest, primarily on our ships under construction, amounted to $8 million and $7 million for the three months ended February 28, 2002 and 2001, respectively.

NOTE 3 - Long-Term Debt

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

	February 28, 2002 (a)	November 30, 2001 (a)
Euro note, secured by one ship, bearing interest at euribor plus 0.5% (4.8% at February 28, 2002 and November 30, 2001), due through 2008	$ 112,877	$ 125,770
Unsecured notes, bearing interest at rates ranging from 6.15% to 7.7%, due through 2028(b)	848,809	848,779
Unsecured euro notes, bearing interest at rates ranging from euribor plus 0.35% to euribor plus 0.53% (3.8% to 4.7% and 3.9% to 4.9% at February 28, 2002 and November 30, 2001, respectively), due 2005 and 2006	624,521	604,068
Unsecured euro notes, bearing interest at 5.57%, due in 2006	258,882	266,223
Unsecured 2% convertible notes, due in 2021	600,000	600,000
Unsecured zero-coupon convertible notes, net of discount, with a face value of $1.05 billion, due in 2021	506,695	501,945
Other	29,490	29,833
	2,981,274	2,976,618
Less portion due within one year	(21,255)	(21,764)
	$2,960,019	$2,954,854

(a) All borrowings are in U.S. dollars unless otherwise noted. Euro denominated notes have been translated to U.S. dollars at the period end exchange rate.
(b) These notes are not redeemable prior to maturity.

Our unsecured 2% convertible notes ("2% Notes") and our zero-coupon convertible notes ("Zero-Coupon Notes") are convertible into 15.3 million shares and 17.4 million shares, respectively, of our common stock. Our 2% Notes are convertible at a conversion price of $39.14 per share, subject to adjustment, during any fiscal quarter for which the closing price of our common stock is greater than $43.05 per share for a defined duration of time. Our Zero-Coupon Notes have a 3.75% yield to maturity and are convertible during any fiscal quarter for which the closing price of our common stock reaches certain targeted levels for a defined duration of time. These levels commenced at a low of $31.94 per share for the first quarter of fiscal 2002 and increase at an annual rate of 3.75% thereafter, until maturity. The conditions for conversion of our 2% Notes or Zero-Coupon Notes were not met for the first quarter of fiscal 2002. Upon conversion of the above notes we may choose to deliver common stock, cash or a combination of cash and common stock with a total value equal to the value of the consideration otherwise deliverable.

NOTE 4 - Commitments

Ship Commitments

A description of our ships under contract for construction at February 28, 2002 was as follows (in millions, except passenger capacity data):

Ship	Expected Service Date(a)	Shipyard	Passenger Capacity(b)	Estimated Total Cost(c)
Carnival Cruise Lines ("Carnival")				
Carnival Legend	8/02	Masa-Yards(d)	2,124	$ 375
Carnival Conquest	11/02	Fincantieri	2,974	500
Carnival Glory	8/03	Fincantieri	2,974	500
Carnival Miracle	4/04	Masa-Yards(d)	2,124	375
Carnival Valor	11/04	Fincantieri(d)	2,974	500
Total Carnival			13,170	2,250
Holland America				
Zuiderdam	12/02	Fincantieri(d)	1,848	410
Oosterdam	7/03	Fincantieri(d)	1,848	410
Newbuild	5/04	Fincantieri(d)	1,848	410
Newbuild	11/05	Fincantieri(d)	1,848	410
Total Holland America			7,392	1,640
Costa Cruises ("Costa")				
Costa Mediterranea	7/03	Masa-Yards (e)	2,114	335
Costa Fortuna	1/04	Fincantieri(e)	2,720	390
Costa Magica	12/04	Fincantieri(e)	2,720	390
Total Costa			7,554	1,115
Cunard Line ("Cunard")				
Queen Mary 2	12/03	Chantiers de l'Atlantique(d)	2,620	780
Newbuild	2/05	Fincantieri(d)	1,968	410
Total Cunard			4,588	1,190
Total			32,704	$6,195

(a) The expected service date is the date the ship is currently expected to begin its first revenue generating cruise.
(b) 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.
(c) 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.
(d) These construction contracts are denominated in euros and have been fixed into U.S. dollars through the utilization of forward foreign currency contracts. At February 28, 2002, the $598 million of unrealized losses from these forward contracts has been recorded as fair value of derivative contract liabilities on our February 28, 2002 balance sheet and are also included in the above estimated total cost of these construction contracts.
(e) These construction contracts are denominated in euros, which is Costa's functional currency. The estimated total costs have been translated into U.S. dollars using the February 28, 2002 exchange rate.

In addition to these ship construction contracts, in December 2001, we entered into one shipbuilding option with Fincantieri for a May 2006 delivery date. This option expires in June 2002, but may be extended until March 31, 2003 under certain circumstances. No assurance can be given as to whether we will exercise this option.

In connection with our ships under contract for construction, we have paid $606 million through February 28, 2002 and anticipate paying approximately $1.3 billion during the twelve months ending February 28, 2003 and approximately $4.3 billion thereafter.

Travel Vouchers

Pursuant to Carnival's and Holland America's settlement of port litigation, travel vouchers with face values of $10 to $55 were required to be issued to qualified past passengers. Approximately $123 million of these travel vouchers are available to be used for future travel prior to their expiration, principally in fiscal 2005. The amount and timing of the travel vouchers which may be redeemed is not reasonably determinable. Accordingly, we will account for the redemption of these travel vouchers as a reduction to our future revenues as they are used.

Proposed Acquisition of P&O Princess Cruises plc ("P&O")

We have made a pre-conditional offer to acquire P&O, the world's third largest cruise company, for 0.3004 shares of our common stock for each P&O share of common stock. At December 31, 2001, there were approximately 693 million shares of P&O stock outstanding. In addition, should we acquire P&O, we will assume or refinance P&O's net debt, which was approximately $1.4 billion as of December 31, 2001. Upon closing of the transaction, we will make available a partial cash alternative of 250 pence per share, which represents approximately $2.4 billion of the purchase price, subject to our obtaining satisfactory financing. The partial cash alternative will reduce the portion of our offer that will be paid in shares of our common stock. As of the date we made our pre-conditional offer, P&O and Royal Caribbean Cruises Ltd. ("RCL") were parties to a series of agreements that would result in a combination of P&O and RCL in a dual listed company structure. P&O has rejected our pre-conditional offer and has recommended the combination with RCL to its shareholders. However, P&O shareholders did not follow their Board of Directors' recommendation and voted to adjourn their scheduled meeting to vote on the RCL merger. Both the combination with RCL and our offer are subject to certain conditions, including regulatory clearances. We are currently providing information to both the U.S. and European Union regulators. The regulatory review process is expected to take until the mid-summer of 2002. No assurance can be given that we will be successful in acquiring P&O.

NOTE 5 - Contingencies

Litigation

Several actions have been filed against Costa, Cunard and Holland America Tours ("Tours") alleging that they violated the Americans with Disabilities Act by failing to make certain cruise ships accessible to individuals with disabilities (collectively the "ADA Complaints"). Plaintiffs seek injunctive relief and fees and costs. These actions are proceeding.

Several actions filed in the U.S. District Court for the Southern District of Florida against us and four of our executive officers on behalf of a purported class of purchasers of our common stock were consolidated into one action in Florida (the "Stock Purchase Complaint"). The plaintiffs have claimed that statements we made in public filings violated federal securities laws and seek unspecified compensatory damages and attorney and expert fees and costs. Our motion to dismiss is currently pending before the court.

The ultimate outcomes of the pending ADA and Stock Purchase Complaints cannot be determined at this time. We believe that we and our executive officers have meritorious defenses to these claims and, accordingly, we intend to vigorously defend against these actions.

In August 2000, we received a grand jury subpoena requesting that we produce documents and records concerning our ships' environmental practices and compliance with environmental laws and regulations. We have produced documents in response to the subpoena and are engaged in settlement discussions with the Office of the U.S. Attorney for the Southern District of Florida. No charges have been lodged against us. In the event that the investigation results in adverse findings with regard to our compliance with U.S. laws pertaining to the environment, a judgment could include fines and mandatory provisions relating to future compliance practices, among other forms of relief. However, the ultimate outcome of this matter cannot be determined at this time.

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

Costa has instituted arbitration proceedings in Italy to confirm the validity of its decision not to deliver its ship, the Costa Classica, to the shipyard of Cammell Laird Holdings PLC ("Cammell Laird") under a 79 million euro denominated contract for the conversion and lengthening of the ship. Costa has also given notice of termination of the contract. It is expected that the arbitration tribunal's decision will be made at the earliest by mid-2003. In the event that an award is given in favor of Cammell Laird, the amount of damages which Costa will have to pay, if any, is not currently determinable. The ultimate outcome of this matter cannot be determined at this time.

In the normal course of our business, various other claims and lawsuits have been filed or are pending against us. Most of these claims and lawsuits are covered under our insurance programs. We believe the ultimate outcome of any such actions, which are not covered by insurance, will not have a material adverse effect on our financial statements.

Contingent Obligations

At February 28, 2002, we had contingent obligations totaling $755 million to participants in lease out and lease back type transactions for three of our ships. At inception of the leases, the entire amount of the contingent obligations were paid by us to major financial institutions to enable them to directly pay these obligations. Accordingly, these obligations were considered extinguished and neither the funds nor the contingent obligations have been included on our balance sheets. Therefore, we would only be required to make any payments under these contingent obligations in the remote event of nonperformance by these financial institutions, all of which have long-term credit ratings of AAA or AA. In addition, in the unlikely event that we were to terminate the three lease agreements early, we would have to pay $180 million in termination fees. Between 2017 and 2022, we have the right to exercise options that would terminate these transactions at no cost to us. As a result of these three transactions we have received $67 million, which was recorded as deferred income on our balance sheets and is being amortized to nonoperating income through 2022.

NOTE 6 - Shareholders' Equity

Our Articles of Incorporation authorize our Board of Directors, at their discretion, to issue up to 40 million shares of our preferred stock. At February 28, 2002 and November 30, 2001, no preferred stock had been issued.

During the three months ended February 28, 2002 and 2001, we declared cash dividends of $.105 per share each period, or an aggregate of $62 million and $61 million, respectively.

NOTE 7 - Comprehensive Income

Comprehensive income for the three months ended February 28, 2002 and 2001 was as follows (in thousands):

	2002	2001
Net income	$129,640	$127,950
Foreign currency translation adjustment	(8,156)	1,897
Changes in securities valuation allowance	2,433	1,176
Changes related to cash flow derivative hedges	4,579	3,415
Transition adjustment for cash flow derivative hedges		(4,214)
Total comprehensive income	$128,496	$130,224

NOTE 8 - Segment Information

Our cruise segment included six cruise brands, which have been aggregated as a single operating segment based on the similarity of their economic and other characteristics. Cruise revenues are comprised of sales of passenger cruise tickets, including, in some cases, air transportation to and from the cruise ships, and revenues from certain onboard activities and other services. The tour segment represents the transportation, hotel and tour operations of Tours.

Cruise revenues included intersegment revenues which primarily represent billings to the tour segment for the cruise portion of a tour when a cruise is sold as a part of a tour package. In addition, cruise and tour operating expenses included a cost allocation of certain corporate and other expenses. Selected segment information was as follows (in thousands):

	Three Months Ended February 28, 2002		Three Months Ended February 28, 2001	
	Revenues	Operating income (loss)	Revenues	Operating income (loss)
Cruise	$900,508	$160,070	$1,000,391	$174,161
Tour	5,706	(11,171)	7,688	(10,479)
Affiliated operations				(21,063)
Intersegment elimination	(438)		(473)	
Corporate		(3,087)		(3,678)
	$905,776	$145,812	$1,007,606	$138,941

NOTE 9 - Earnings Per Share

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

	Three Months Ended February 28, 2002	2001
Net income	$129,640	$127,950
Weighted average common shares outstanding	586,268	584,608
Dilutive effect of stock plans	1,471	2,525
Dilutive weighted average shares outstanding	587,739	587,133
Basic earning per share	$ .22	$ .22
Diluted earnings per share	$ .22	$ .22

Our diluted earnings per share computation for the three months ended February 28, 2002 did not include 32.7 million shares of our common stock issuable upon conversion of our 2% Notes and Zero-Coupon Notes, as this common stock was not issuable under the contingent conversion provisions of these debt instruments.

NOTE 10 - Accounting Changes

Effective December 1, 2001, we adopted Statement of Financial Accounting Standards ("SFAS") No. 141, "Business Combinations" and SFAS No. 142, "Goodwill and Other Intangible Assets". SFAS No. 141 requires business combinations initiated after June 30, 2001, to be accounted for using the purchase method. SFAS No. 141 also further clarifies the criteria for recognition of intangible assets separately from goodwill. Our adoption of this standard did not have any effect on our accounting for prior business combinations.

SFAS No. 142 stops the amortization of our goodwill, which is all allocated to our cruise segment, and requires an annual, or when events or circumstances dictate a more frequent, impairment review of our goodwill. Accordingly, as of December 1, 2001, we no longer amortize our goodwill and will perform a transitional impairment test of our existing goodwill by May 31, 2002 and annual impairment tests thereafter. We do not expect that there will be any impairment of our goodwill in connection with the initial transitional impairment test. There has been no change to our goodwill carrying amount since November 30, 2001, other than the change, which resulted from using a different foreign currency translation rate at February 28, 2002 compared to November 30, 2001. If goodwill amortization was not recorded in our first quarter of fiscal 2001, then our first quarter fiscal 2001 adjusted net income and basic and diluted adjusted earnings per share would have been $133 million and $0.23 per share, respectively.

NOTE 11 - Recent Accounting Pronouncement

In August 2001, SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" was issued. SFAS No. 144 requires (i) the recognition and measurement of the impairment of long-lived assets to be held and used and (ii) the measurement of long-lived assets to be held for sale. SFAS No. 144 is effective for us in fiscal 2003. We have not completed our review of SFAS No. 144, however, we expect that the adoption of this standard will not have a material effect on our financial statements since the impairment assessment under SFAS No. 144 is largely unchanged from existing literature.

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

Cautionary Note Concerning Factors That May Affect Future Results

Certain statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations", and elsewhere in this Form 10-Q constitute "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. We have tried, wherever possible, to identify such statements by using words such as "anticipate," "believe," "expect," "forecast," "future," "intend," and words and terms of similar substance in connection with any discussion of future operating or financial performance. These forward-looking statements, including those which may impact the forecasting of our net revenue yields, booking levels, pricing, occupancy or business prospects, involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performances or achievements 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 the net revenue yields for our cruise products;
- consumer demand for cruises and other vacation options;
- other vacation industry competition;
- effects on consumer demand of armed conflicts, political instability, terrorism, adverse media publicity and the availability of air service;
- shifts in consumer booking patterns;
- increases in cruise industry and vacation industry capacity;
- continued availability of attractive port destinations;
- changes in tax laws and regulations;
- changes and disruptions in financial and equity markets;
- our ability to implement our brand strategy;
- our ability to implement our shipbuilding program and to continue to expand worldwide;
- our ability to attract and retain shipboard crew;
- changes in foreign currency rates, security expenses, food, fuel, insurance and commodity prices and interest rates;
- delivery of new ships on schedule and at the contracted prices;
- weather patterns or natural disasters;
- unscheduled ship repairs and drydocking;
- incidents involving cruise ships;
- impact of pending or threatened litigation;
- our ability to successfully implement cost improvement plans;
- the continuing financial viability of our travel agent distribution system; and
- changes in laws and regulations applicable to us.

These risks may not be exhaustive. We operate in a continually changing business environment, and new risks emerge from time to time. We cannot predict such risks nor can we assess the impact, if any, of such risks on our business or the extent to which any risk, or combination of risks may cause actual results to differ from those projected in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Results of Operations

We earn our cruise revenues primarily from the following:

- the sale of passenger cruise tickets, which includes accommodations, meals, and most onboard activities,
- the sale of air transportation to and from our cruise ships, and
- the sale of goods and services on board our cruise ships, such as casino gaming, bar sales, gift shop and photo sales, shore excursions and spa services.

We also derive revenues from the tour and related operations of Tours.

For segment information related to our revenues, operating income and affiliated operations segment see Note 8 in the accompanying financial statements. Operations data expressed as a percentage of total revenues and selected statistical information was as follows:

	Three Months Ended February 28, 2002	2001
Revenues	100%	100%
Costs and Expenses		
Operating	57	60
Selling and administrative	17	15
Depreciation and amortization	10	9
Operating Income Before Loss from Affiliated Operations	16	16
Loss from Affiliated Operations, Net		(2)
Operating Income	16	14
Nonoperating Expense	(2)	(1)
Net Income	14%	13%
Selected Statistical Information (in thousands)		
Passengers carried	772	786
Available lower berth days	5,060	4,944
Occupancy percentage	102.8%	105.2%

General

Our cruise and tour operations experience varying degrees of seasonality. Our revenue from the sale of passenger tickets for our cruise operations is moderately seasonal. Historically, demand for cruises has been greatest during the summer months. Our 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.

On June 1, 2001 we sold our investment in Airtours, plc ("Airtours") and, accordingly, we ceased recording Airtours' results in our affiliated operations as of the end of our second quarter of fiscal 2001. Historically, Airtours' results were very seasonal, with losses recorded in the first half of our fiscal year and substantially all of Airtours' profits being recognized in our fourth quarter.

Our average cruise passenger capacity is currently expected to increase by 3.5%, 2.8% and 8.2% in the second, third and fourth quarters of fiscal 2002, respectively, as compared to the same periods of fiscal 2001. Substantially all of our fiscal 2002 capacity increase will be in Carnival and Costa.

The year over year percentage increase in our average passenger capacity resulting from the delivery of ships under contract for construction for fiscal 2003 and 2004 is currently expected to be approximately 17% each year.

For a discussion of our critical accounting policies see "Management's Discussion and Analysis of Financial Condition and Results of Operations", which is included in our Annual Report on Form 10-K for fiscal 2001.

Outlook for Remainder of Fiscal 2002

Recent booking levels for the remainder of fiscal 2002 have been running well ahead of last year. Prices on those bookings have also recovered significantly from the highly discounted levels late last year, although they are still less than prices during the comparable period last year. Primarily as a result of the significant slowdown in 2002 bookings last fall and the shift to closer to sailing booking patterns after September 11, cumulative advance bookings and average prices for the remainder of 2002 are still below last year's levels. We currently expect our net revenue yields for the second and third quarters of fiscal 2002 to be down approximately 4 percent to 6 percent and the 2002 fourth quarter to increase slightly compared to last year.

Three Months Ended February 28, 2002 ("2002") Compared
To Three Months Ended February 28, 2001 ("2001")

Revenues

Revenues decreased $102 million, or 10.1%, in 2002 compared to 2001.

Cruise revenues decreased by $100 million, or 10%, to $901 million in 2002 from $1.0 billion in 2001. Our cruise revenues change resulted from a 10% decrease in our gross revenue per passenger cruise day and a 2.4% decrease in our occupancy rate, partially offset by a 2.3% increase in our passenger capacity. This decrease in gross revenue per passenger cruise day and occupancies was primarily caused by the impact of the September 11 events, which resulted in lower cruise ticket prices and occupancies and also a significant reduction in the number of guests purchasing air travel. When a guest elects to provide his or her own transportation, rather than purchasing air transportation from us, both our cruise revenues and operating expenses decrease by approximately the same amount.

Costs and Expenses

Operating expenses decreased $82 million, or 13.7%, in 2002 compared to 2001. Cruise operating costs decreased by $80 million, or 13.6%, to $511 million in 2002 from $591 million in 2001. Approximately $39 million of this decrease was due to reduced air travel costs since fewer guests purchased air transportation through us. Also, commission expenses were less because of lower cruise revenues. Excluding air travel costs and commissions, cruise operating expenses per available berth day decreased 8.5% due to lower fuel costs and decreases in other operating costs, partially as a result of the temporary cost reduction initiatives we undertook after the events of September 11, 2000.

Selling and administrative expenses decreased $4 million, or 2.5%, to $152 million in 2002 from $156 million in 2001. Selling and administrative expenses decreased in 2002 primarily from a 5.2% decrease in our cruise selling and administrative expenses per available berth day, net of additional expenses associated with our 2.3% increase in passenger capacity. A portion of the reduction in costs per available berth day resulted from temporary cost containment actions taken after September 11.

Depreciation and amortization decreased by $2 million, or 2%, to $90 million in 2002 from $92 million in 2001. This decrease was primarily due to the elimination of $5 million of goodwill amortization upon our adoption of SFAS No. 142 on December 1, 2001 (see Note 10), partially offset by an increase due to the expansion of our fleet and ship improvement expenditures.

Affiliated Operations

During 2001, we recorded $21 million of losses from affiliated operations for our portion of Airtours' losses. On June 1, 2001 we sold our investment in Airtours and, accordingly, we ceased recording Airtours' results as of the end of our second quarter of fiscal 2001.

Nonoperating (Expense) Income

Interest expense, net of interest income and excluding capitalized interest, decreased to $31 million in 2002 from $35 million in 2001. Interest expense decreased by $1 million, which was comprised of an $8 million reduction in interest expense due to lower average borrowing rates partially offset by a $7 million increase in interest expense due to our increased level of average borrowings. Interest income increased by $3 million, which was comprised of a $15 million increase in interest income from our higher average invested cash balances partially offset by a $12 million reduction in interest income due to lower average interest rates.

Liquidity and Capital Resources

Sources and Uses of Cash

Our business provided $215 million of net cash from operations during the three months ended February 28, 2002, an increase of $48 million, or 28.6%, compared to the three months ended February 28, 2001, due primarily to an increase in customers' advance ticket deposits.

During the three months ended February 28, 2002, our net expenditures for capital projects were $443 million, of which $389 million was spent for our ongoing shipbuilding program. The $54 million of nonshipbuilding capital expenditures consisted primarily of ship refurbishments, information technology assets, tour assets and other.

During the three months ended February 28, 2002, we borrowed $38 million under Costa's euro denominated revolving credit facility primarily for Costa's short-term working capital needs, and made $10 million of principal repayments, primarily on Costa's secured debt. We also paid cash dividends of $62 million in the first three months of fiscal 2002.

Future Commitments and Funding Sources

Our contractual cash obligations, with initial or remaining terms in excess of one year, remained generally unchanged at February 28, 2002 compared to November 30, 2001, except for shipbuilding payments of $389 million made in the first quarter of fiscal 2002.

As of February 28, 2002, we had noncancelable contracts for the delivery of fourteen new ships over the next four years. Our remaining obligations related to these ships under contract for construction is to pay approximately $1.3 billion during the twelve months ending February 28, 2003 and approximately $4.3 billion thereafter.

At February 28, 2002, we had $2.98 billion of long-term debt, of which $21 million is due during the twelve months ending February 28, 2003. See Notes 3 and 4 in the accompanying financial statements for more information regarding our debt and commitments.

At February 28, 2002, we had liquidity of $2.7 billion, which consisted of $1.2 billion of cash, cash equivalents and short-term investments, and $1.5 billion available for borrowing under our revolving credit facilities obtained through a group of banks, which have strong long-term credit ratings. Our revolving credit facilities mature in 2006. A key to the cost of, and our access to, other forms of liquidity is the maintenance of our strong long-term credit ratings. Credit rating agencies review credit ratings on a periodic basis and may revise a company's credit rating. A lower credit rating would increase our cost of borrowing and could restrict our access to the commercial paper and other capital markets. In that case, unless there was a material adverse change in our business, we could draw on our revolving credit facilities or seek other sources of financing. A downgrade in our credit ratings would not accelerate the scheduled principal repayments on our existing long-term debt. In that regard, the proposed acquisition of P&O, if consummated, may result in a ratings downgrade, although we currently believe our senior unsecured long-term debt would retain its long-term investment grade debt ratings.

We believe that our existing liquidity, as well as our forecasted cash flow from future operations, will be sufficient to fund most or all of our capital projects, debt service requirements, dividend payments, working capital and other firm commitments, excluding the cash portion of our P&O acquisition price. Our forecasted cash flow from future operations may be adversely affected by various factors noted under "Cautionary Note Concerning Factors That May Affect Future Results". To the extent that we are required, or choose, to fund future cash requirements, including our future shipbuilding commitments, from sources other than as discussed above, we believe that we will be able to secure financing from banks or through the offering of debt and/or equity securities in the public or private markets. Specifically, if our P&O acquisition is consummated we intend to finance approximately $2.4 billion in cash through the issuance of long-term debt or equity securities or a combination of debt and equity. No assurance can be given that our future operating cash flow will be sufficient to fund future obligations or that we will be able to obtain additional financing, including financing for the cash portion of our proposed acquisition of P&O.

PART II. OTHER INFORMATION

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

(a) Exhibit

12 Ratio of Earnings to Fixed Charges.

(b) Reports on Form 8-K

We filed current reports on Form 8-K on December 17, 2001 (Items 5, 7 and 9), on December 20, 2001 (Items 5 and 7), and on February 13, 2002 (Items 5 and 7).

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 10, 2002

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

Date: April 10, 2002

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 28,	
	2002	2001
Net income	$129,640	$127,950
Income tax benefit, net	(1,661)	(5,157)
Income before income tax benefit	127,979	122,793
Adjustment to earnings:		
Loss from affiliate operations and dividends received, net		33,949
Earnings as adjusted	127,979	156,742
Fixed charges:		
Interest expense, net	29,455	31,872
Interest portion of rent expense(1)	1,087	879
Capitalized interest	7,869	6,562
Total fixed charges	38,411	39,313
Fixed charges not affecting earnings:		
Capitalized interest	(7,869)	(6,562)
Earnings before fixed charges	$158,521	$189,493
Ratio of earnings to fixed charges	4.1x	4.8x

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