CARNIVAL CORP
Form DEF 14A
March 02, 2009
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

(Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨	Preliminary Proxy Statement
¨	Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
x	Definitive Proxy Statement
¨	Definitive Additional Materials
¨	Soliciting Material Pursuant to §240.14a-12

CARNIVAL CORPORATION

CARNIVAL plc

(Name of Registrants as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount previously paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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February 17, 2009

MICKY ARISON

Chairman of the Boards

Chief Executive Officer

To our Shareholders:

We will hold our joint annual meetings of shareholders at The Turner Sims Concert Hall, University of Southampton, Southampton SO17 1BJ, United Kingdom on Wednesday, April 15, 2009. The meetings will commence at 3:00 p.m. (BST), and although there are technically two separate meetings (the Carnival plc meeting will begin first), shareholders of Carnival Corporation may attend the Carnival plc meeting and vice-versa. Because we have shareholders in both the United Kingdom and the United States, we plan to continue to rotate the location of the annual meetings between the United States and the United Kingdom each year in order to accommodate shareholders on both sides of the Atlantic.

We are also pleased to offer an audio webcast of the annual meetings at www.carnivalcorp.com or www.carnivalplc.com.

You will find information regarding the matters to be voted on in the attached notices of annual meetings of shareholders and proxy statement. **The Carnival Corporation Notice of Annual Meeting begins on page 1 and the Carnival plc Notice of Annual General Meeting begins on page 3.** Because of the DLC structure, all voting will take place on a poll (or ballot).

We are also pleased to offer our shareholders the opportunity to receive our proxy statements and annual reports over the internet. By using these services, you are not only accessing these materials more quickly than ever before, but you will also help us reduce printing and postage costs associated with their distribution as well as help conserve the earth's valuable resources. Carnival Corporation shareholders can enroll for electronic delivery at www.InvestorDelivery.com. Carnival plc shareholders can enroll at www.shareview.co.uk.

Your vote is important. Whether or not you plan to attend the annual meetings in person, please submit your vote as soon as possible using one of the voting methods described in the attached materials. Submitting your voting instructions by any of these methods will not affect your right to attend the meetings in person should you so choose.

The boards of directors consider Carnival Corporation Proposals 1-11 (being Carnival plc Resolutions 1-24) to be in the best interests of Carnival Corporation & plc and the shareholders as a whole. Accordingly, the boards of directors unanimously recommend that you cast your vote FOR Carnival Corporation Proposals 1-11 (being Carnival plc Resolutions 1-24).

Thank you for your ongoing interest in, and continued support of, Carnival Corporation & plc.

Sincerely,

Micky Arison

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3655 N.W. 87th Avenue

Miami, Florida 33178

NOTICE OF ANNUAL MEETING OF CARNIVAL CORPORATION SHAREHOLDERS

DATE Wednesday, April 15, 2009

TIME 3:00 p.m. (BST), being 10:00 a.m. (EDT)
The Carnival Corporation annual meeting will start directly following the annual general meeting of Carnival plc.

PLACE The Turner Sims Concert Hall
University of Southampton

Southampton SO17 1BJ

United Kingdom

WEBCAST www.carnivalcorp.com or www.carnivalplc.com

ITEMS OF BUSINESS

1. To elect or re-elect 14 directors to the boards of each of Carnival Corporation and Carnival plc;

2. To re-appoint the independent auditors for Carnival plc and to ratify the selection of the independent registered certified public accounting firm for Carnival Corporation;

3. To authorize the Audit Committee of Carnival plc to agree the remuneration of the independent auditors;

4. To receive the UK accounts and reports of the directors and auditors of Carnival plc for the financial year ended November 30, 2008 (in accordance with legal

requirements applicable to UK companies);

5. To approve the directors remuneration report of Carnival plc for the financial year ended November 30, 2008 (in accordance with legal requirements applicable to UK companies);

6. To increase the amount of the authorized but unissued share capital of Carnival plc (in accordance with legal requirements applicable to UK companies);

7. To adopt Amended and Restated Articles of Association of Carnival plc (for purposes of compliance with legal requirements applicable to UK companies);

8. To approve certain amendments to the Articles of Association of Carnival plc, to take effect from October 1, 2009 (for purposes of

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compliance with legal requirements becoming applicable to UK companies from that date);

9. To approve the giving of authority for the allotment of new shares by Carnival plc (in accordance with customary practice for UK companies);

10. To approve the disapplication of pre-emption rights in relation to the allotment of new shares by Carnival plc (in accordance with customary practice for UK companies);

11. To approve a general authority for Carnival plc to buy back Carnival plc ordinary shares in the open market (in accordance with legal requirements applicable to UK companies desiring to implement share buy back programs); and

12. To transact such other business as may properly come before the meeting.

RECORD DATE	You are entitled to vote your Carnival Corporation shares if you were a shareholder at the close of business on February 17, 2009.
MEETING ADMISSION	Attendance at the meeting is limited to shareholders. Each Carnival Corporation shareholder may be asked to present valid picture identification, such as a driver s license or passport. Shareholders holding shares in brokerage accounts (under a street name) will need to bring a copy of a brokerage statement reflecting share ownership as of the record date. Due to security measures, all bags will be subject to search, and all persons who attend the meeting will be subject to a metal detector and/or a hand wand search. We will be unable to admit anyone who does not comply with these security procedures.
VOTING BY PROXY	Please submit a proxy as soon as possible so that your shares can be voted at the meeting in accordance with your instructions. For specific instructions, please refer to the Questions and Answers beginning on page 9 of this proxy statement and the instructions on your proxy card.

On behalf of the Board of Directors

ARNALDO PEREZ

Senior Vice President,

General Counsel & Secretary

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Beginning this year, Carnival Corporation is taking advantage of new U.S. Securities and Exchange Commission (SEC) rules that allow it to deliver proxy materials over the Internet. Under these rules, Carnival Corporation is sending its shareholders a one-page notice regarding the Internet availability of proxy materials instead of a full set of proxy materials, unless they previously requested to receive printed copies. If you receive this one-page notice, you will not receive printed copies of the proxy materials unless you specifically request them. Instead, this notice tells you how to access and review on the Internet all of the important information contained in the proxy materials. This notice also tells you how to submit your proxy card on the Internet and how to request to receive a printed copy of the proxy materials. All Carnival Corporation shareholders are urged to follow the instructions in the notice and submit their proxy promptly. If you receive a printed copy of the proxy materials, the accompanying envelope for return of the proxy card requires no postage. Any shareholder attending the meeting in Southampton may personally vote on all matters that are considered, in which event the previously submitted proxy will be revoked.

Notice and electronic delivery of this proxy statement and accompanying proxy card are being provided on or about March 5, 2009.

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THIS NOTICE OF ANNUAL GENERAL MEETING IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER AUTHORIZED UNDER THE UK FINANCIAL SERVICES AND MARKETS ACT 2000.

IF YOU HAVE SOLD OR OTHERWISE TRANSFERRED ALL YOUR SHARES IN CARNIVAL PLC, PLEASE SEND THIS DOCUMENT AND THE ACCOMPANYING DOCUMENTS TO THE PURCHASER OR TRANSFEREE OR TO THE STOCKBROKER, BANK OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED FOR TRANSMISSION TO THE PURCHASER OR TRANSFEREE.

Carnival House

5 Gainsford Street

London SE1 2NE

United Kingdom

NOTICE OF ANNUAL GENERAL MEETING OF CARNIVAL PLC SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an ANNUAL GENERAL MEETING of Carnival plc will be held at The Turner Sims Concert Hall, University of Southampton, Southampton SO17 1BJ, United Kingdom on Wednesday, April 15, 2009 at 3:00 p.m. (BST), being 10:00 a.m. (EDT), for the purpose of considering and, if thought fit, passing the resolutions described below:

Resolutions 1 through 19 and 22 will be proposed as ordinary resolutions. For ordinary resolutions, the required majority is more than 50% of the combined votes cast at this meeting and Carnival Corporation s annual meeting.

Resolutions 20, 21, 23 and 24 will be proposed as special resolutions. For special resolutions, the required majority is not less than 75% of the combined votes cast at this meeting and Carnival Corporation's annual meeting.

Election or Re-election of directors

1. To re-elect Micky Arison as a director of Carnival Corporation and as a director of Carnival plc.

2. To re-elect Ambassador Richard G. Capen, Jr. as a director of Carnival Corporation and as a director of Carnival plc.

3. To re-elect Robert H. Dickinson as a director of Carnival Corporation and as a director of Carnival plc.

4. To re-elect Arnold W. Donald as a director of Carnival Corporation and as a director of Carnival plc.

5. To re-elect Pier Luigi Foschi as a director of Carnival Corporation and as a director of Carnival plc.

6. To re-elect Howard S. Frank as a director of Carnival Corporation and as a director of Carnival plc.

7. To re-elect Richard J. Glasier as a director of Carnival Corporation and as a director of Carnival plc.

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8. To re-elect Modesto A. Maidique as a director of Carnival Corporation and as a director of Carnival plc.

9. To re-elect Sir John Parker as a director of Carnival Corporation and as a director of Carnival plc.

10. To re-elect Peter G. Ratcliffe as a director of Carnival Corporation and as a director of Carnival plc.

11. To re-elect Stuart Subotnick as a director of Carnival Corporation and as a director of Carnival plc.

12. To re-elect Laura Weil as a director of Carnival Corporation and as a director of Carnival plc.

13. To elect Randall J. Weisenburger as a director of Carnival Corporation and as a director of Carnival plc.

14. To re-elect Uzi Zucker as a director of Carnival Corporation and as a director of Carnival plc.

Re-appointment and remuneration of Carnival plc auditors and ratification of Carnival Corporation auditors

15. To re-appoint the UK firm of PricewaterhouseCoopers LLP as independent auditors of Carnival plc and to ratify the selection of the U.S. firm of PricewaterhouseCoopers LLP as the independent registered certified public accounting firm of Carnival Corporation.

16. To authorize the Audit Committee of the board of directors of Carnival plc to agree the remuneration of the independent auditors.

Accounts and Reports

17. To receive the UK accounts and the reports of the directors and auditors of Carnival plc for the financial year ended November 30, 2008.

Directors remuneration report

18. To approve the directors remuneration report of Carnival plc as set out in the annual report for the financial year ended November 30, 2008.

Increase in authorized share capital

19. THAT the authorized share capital of Carnival plc be and is hereby increased from $374,999,999.24 and £100,002 to $498,000,000 and £100,002 by the creation of 74,096,386 new ordinary shares of $1.66 each.

Adoption of the Amended and Restated Articles of Association of Carnival plc

20. THAT the Amended and Restated Articles of Association of Carnival plc in the form attached to this proxy statement as Annex D be, and they are, hereby adopted as the new Articles of Association of Carnival plc, to the exclusion of all existing Articles of Association of Carnival plc.

Amendment of the Articles of Association of Carnival plc with effect from October 1, 2009

21. THAT the Articles of Association of Carnival plc (being either the new Articles of Association of Carnival plc adopted pursuant to Resolution 20 or, in the event that Resolution 20 has not been passed, the existing Articles of Association of Carnival plc) be amended with effect from October 1, 2009 by the deletion from such Articles of Association of Carnival plc of:

    (a) all references to the business objects of Carnival plc which currently form part of the Carnival plc Memorandum of Association and which would otherwise be deemed to be incorporated into the Articles of Association of Carnival plc by the operation of section 28 of the Companies Act 2006; and

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(b) any provision which has the effect of restricting the maximum amount of shares which Carnival plc may allot, and which is deemed to form part of the Articles of Association of Carnival plc by the operation of Paragraph 42 of Schedule 2 to the Companies Act 2006 (Commencement No.8, Transitional Provisions and Savings) Order 2008.

Allotment of shares

22. THAT the directors of Carnival plc be and they are hereby authorized to exercise the power conferred by Article 30 of the Articles of Association of Carnival plc for the period commencing at the end of the meeting and expiring at the end of the next annual general meeting of Carnival plc after the date on which this resolution is passed and for that period the allotment amount (or, as the case may be, the Section 80 amount) shall be $117,998,296; provided that, if Resolution 19 (to increase the authorized share capital of Carnival plc) has not been passed, then for the period from the end of the shareholders meeting until October 1, 2009, the allotment amount (or, as the case may be, the Section 80 amount) shall be $21,005,110.

Disapplication of pre-emption rights

23. THAT subject to Resolution 22 having been passed, the directors of Carnival plc be and they are hereby authorized to exercise the power conferred by Article 31 of the Articles of Association of Carnival plc for the period commencing at the end of the meeting and expiring at the end of the next annual general meeting of Carnival plc after the date on which this resolution is passed and for that period the disapplication amount (or, as the case may be, the Section 89 amount) shall be $17,699,744.44.

General authority to buy back Carnival plc ordinary shares

24. THAT Carnival plc be and is generally and unconditionally authorized to make market purchases (within the meaning of Section 163(3) of the UK Companies Act 1985 (the Companies Act 1985)) of ordinary shares of $1.66 each in the capital of Carnival plc provided that:

(a) the maximum number of ordinary shares authorized to be acquired is 21,324,993;

(b) the minimum price (exclusive of expenses) which may be paid for an ordinary share is $1.66;

(c) the maximum price which may be paid for an ordinary share is an amount (exclusive of expenses) equal to the higher of (1) 105% of the average middle market quotation for an ordinary share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased and (2) the amount stipulated by Article 5 of Commission Regulation No. 2273/2003 of 22 December 2003; and

(d) this authority shall expire on the earlier of (i) the conclusion of the annual general meeting of Carnival plc to be held in 2010 and (ii) 18 months from the date of this resolution (except in relation to the purchase of ordinary shares, the contract of which was entered into before the expiry of such authority).

By Order of the Board	Registered Office:
	Carnival House
Arnaldo Perez Company Secretary	5 Gainsford Street
February 17, 2009	London SE1 2NE

United Kingdom

Registered Number 4039524

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Voting Arrangements for Carnival plc Shareholders

Carnival plc shareholders can vote in either of two ways:

by attending the meeting and voting in person or, in the case of corporate shareholders, by corporate representatives; or

by appointing a proxy to attend and vote on their behalf, using the proxy form enclosed with this notice of annual general meeting.

Voting in person

If you come to the annual general meeting, please bring the attendance card (attached to the enclosed proxy form) with you. This will mean you can register more quickly.

In order to attend and vote at the annual general meeting, a corporate shareholder may appoint one or more individuals to act as its representative. The appointment must comply with the requirements of Section 323 of the Companies Act 2006. Each representative should bring evidence of their appointment, including any authority under which it is signed, to the meeting. If you are a corporation and are considering appointing a corporate representative to represent you and vote your shareholding in Carnival plc at the annual general meeting you are strongly encouraged to pre-register your corporate representative to make registration on the day of the meeting more efficient. In order to pre-register, please fax your Letter of Representation to Carnival plc s registrars, Equiniti, on 01903 833168 from within the United Kingdom or +44 1903 833168 from elsewhere. Please note that this fax facility should be used only for pre-registration of corporate representatives and not for any other purpose.

Voting by proxy

A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his or her stead. A proxy need not be a shareholder of Carnival plc. A shareholder who appoints more than one proxy must appoint each proxy to exercise the votes attaching to specified shares held by that shareholder. A person who is nominated to enjoy information rights in accordance with Section 146 of the Companies Act 2006, but is not a shareholder, is not entitled to appoint a proxy.

If you are a person nominated to enjoy information rights in accordance with Section 146 of the Companies Act 2006 you may have a right under an agreement between you and the member by whom you were nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If you have no such right, or you have such a right but do not wish to exercise it, you may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

To be effective, a duly completed proxy form and the authority (if any) under which it is signed, or a notarially certified copy of such authority, must be deposited (whether delivered personally or by post) at the offices of Carnival plc s registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6GL, United Kingdom as soon as possible and in any event no later than 3:00 p.m. (BST) on April 13, 2009. Alternatively, a proxy vote may be submitted via the internet in accordance with the instructions set out on the proxy form.

In the case of joint registered holders, the signature of one holder on a proxy card will be accepted and the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which names stand on the register of shareholders of Carnival plc in respect of the relevant joint holding.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear s

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specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer s agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Carnival plc may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Shareholders who are entitled to vote

Carnival plc, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of Carnival plc at 11:00 p.m. (BST) on April 13, 2009 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the entries on the register of members after 11:00 p.m. (BST) on April 13, 2009 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Documents available for inspection

Copies of all service agreements (including letters of appointment) between each director and Carnival plc will be available for inspection during normal business hours on any weekday (public holidays excluded) at the registered office of Carnival plc from the date of this notice until and including the date of the meeting and at the place of the meeting for at least 15 minutes prior to and during the meeting.

* * *

There are 24 Resolutions that require shareholder approval at the annual meeting this year. The directors unanimously recommend that you vote in favor of Resolutions 1-24 (inclusive), and encourage you to submit your vote using one of the voting methods described herein. Submitting your voting instructions by any of these methods will not affect your right to attend the meeting in person should you so choose.

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QUESTIONS AND ANSWERS

ABOUT THE PROXY MATERIALS AND THE ANNUAL MEETINGS

Q: Why am I receiving these materials?

A: The board of directors of each of Carnival Corporation and Carnival plc (together, Carnival Corporation & plc, we or us) is providing these proxy materials to you in connection with our joint annual meetings of shareholders on Wednesday, April 15, 2009. The annual meetings will be held at The Turner Sims Concert Hall, University of Southampton, Southampton SO17 1BJ, United Kingdom. The meetings will commence at 3:00 p.m. (BST), and although technically two separate meetings (the Carnival plc meeting will begin first), shareholders of Carnival Corporation may attend the Carnival plc meeting and vice-versa.

Q: What information is contained in these materials?

A: The information included in this proxy statement relates to the proposals to be voted on at the meetings, the voting process, the compensation of directors and certain executive officers and certain other information required by SEC rules applicable to both companies. We have attached as Annexes A, B and C to this proxy statement information that Carnival plc is required to provide to its shareholders under applicable UK rules. The proposed Amended and Restated Articles of Association of Carnival plc are attached as Annex D, which are marked to show the amendments made to the existing Articles of Association of Carnival plc.

Q: What proposals will be voted on at each of the meetings?

A: The proposals to be voted on at each of the meetings are set out in the notices of meetings starting on pages 1 and 3 of this proxy statement.

Q: What is the voting recommendation of the boards of directors?

A: Your boards of directors recommend that you vote FOR all of the proposals described in this proxy statement.

Q: How does the dual listed company (DLC) structure affect my voting rights?

A: On most matters that affect all of the shareholders of Carnival Corporation and Carnival plc, the shareholders of both companies effectively vote together as a single decision-making body. These matters are called joint electorate actions. Combined voting is accomplished through the special voting shares that have been issued by each company. Certain matters specified in the organizational documents of Carnival Corporation and Carnival plc where the interests of the two shareholder bodies may diverge are called class rights actions. These class rights actions are voted on separately by the shareholders of each company. If either group of shareholders does not approve a class rights action, that action generally cannot be taken by either company. All of the proposals to be voted on at these annual meetings are joint electorate actions, and there are no class rights actions.

Q: Generally, what actions are joint electorate actions?

A: Any resolution to approve an action other than a class rights action or a procedural resolution (described below) is designated as a joint electorate action. The actions designated as joint electorate actions include:

- the appointment, removal, election or re-election of any director of either or both companies;
- if required by law, the receipt or adoption of the annual accounts of both companies;
- the appointment or removal of the independent auditors of either company;
- a change of name by either or both companies; or

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- the implementation of a mandatory exchange of Carnival plc shares for Carnival Corporation shares based on a change in tax laws, rules or regulations.

The relative voting rights of Carnival plc shares and Carnival Corporation shares are equalized based on a ratio which we refer to as the equalization ratio. Based on the current equalization ratio of 1:1, each Carnival Corporation share has the same voting rights as one Carnival plc share on joint electorate actions.

Q: How are joint electorate actions voted on?

A: Joint electorate actions are voted on as follows:

- Carnival plc shareholders vote at the annual general meeting of Carnival plc (whether in person or by proxy). Voting is on a poll (or ballot) which remains open for sufficient time to allow the vote at the Carnival Corporation meeting to be held and reflected in the Carnival plc meeting through the mechanism of the special voting share. An equivalent vote is cast at the subsequent Carnival Corporation meeting on each of the corresponding resolutions through a special voting share issued by Carnival Corporation; and

- Carnival Corporation shareholders vote at the Carnival Corporation annual meeting (whether in person or by proxy). Voting is by ballot (or on a poll) which remains open for sufficient time to allow the vote at the Carnival plc meeting to be held and reflected in the Carnival Corporation meeting through the mechanism of the special voting share. An equivalent vote is cast on the corresponding resolutions at the Carnival plc meeting through a special voting share issued by Carnival plc.

A joint electorate action is approved if it is approved by:

- a simple majority of the votes cast in the case of an ordinary resolution (or not less than 75% of the votes cast in the case of a special resolution if required by applicable law and regulations or Carnival plc s articles) by the holders of Carnival plc s shares and the holder of the Carnival plc special voting share as a single class at a meeting at which a quorum was present and acting;

- a simple majority of the votes cast (or other majority if required by applicable law and regulations or the Carnival Corporation articles and by-laws) by the holders of Carnival Corporation shares and the holder of the Carnival Corporation special voting share, voting as a single class at a meeting which a quorum was present and acting; and

- a minimum of one-third of the total votes available to be voted by the combined shareholders must be cast on each resolution for it to be effective. Formal abstentions (or votes withheld) by a shareholder on a resolution will be counted as having been cast for this purpose.

Q: How are the directors of each company elected or re-elected?

A: Resolutions relating to the election or re-election of directors are considered as joint electorate actions. No person may be a member of the board of directors of Carnival Corporation or Carnival plc without also being a member of the board of directors of the other company. There are 14 nominees for election or re-election to the board of directors of each company this year. Each nominee currently serves as a director of Carnival Corporation and Carnival plc. All directors are to be elected or re-elected to serve until the next annual meetings and until their successors are elected.

Q: ***What votes are required to elect directors or approve the other proposals?***

A: Carnival Corporation Proposals 7, 8, 10 and 11 (being Carnival plc Resolutions 20, 21, 23 and 24) are required to be approved by 75% of the combined votes cast at both meetings.

Each of the other proposals, including the election or re-election of directors, requires the approval of a majority of the combined votes cast at both meetings. Abstentions (including votes withheld, except in the

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case of the election or re-election of directors by Carnival Corporation shareholders as discussed below) and broker non-votes are not deemed votes cast for purposes of calculating the vote, but do count for the purpose of determining whether a quorum is present. In the election of directors by Carnival Corporation shareholders, votes withheld in respect of one or more nominees count for the purpose of determining whether a quorum is present and are deemed votes cast against such nominee or nominees.

If you are a beneficial owner of Carnival Corporation shares and do not provide the shareholder of record with a signed voting instruction card, your shares may constitute broker non-votes, as described in *How is the quorum determined?* In tabulating the voting result for any particular proposal, shares which constitute broker non-votes are not deemed cast for purposes of calculating the vote.

Q: Generally, what are procedural resolutions?

A: Procedural resolutions are resolutions of a procedural or technical nature that do not adversely affect the shareholders of the other company in any material respect and are put to the shareholders at a meeting. The special voting shares do not represent any votes on procedural resolutions. The chairman of each of the meetings will determine whether a resolution is a procedural resolution.

To the extent that such matters require the approval of the shareholders of either company, 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.

Q: Where can I find the voting results of the meeting?

A: The voting results will be announced to the media and the relevant stock exchanges and posted on our website at www.carnivalcorp.com and www.carnivalplc.com, after both shareholder meetings have closed. The results will also be published in our joint quarterly report on Form 10-Q for the second quarter of fiscal 2009 ending May 31, 2009.

Q: What is the quorum requirement for the meetings?

A:

The quorum requirement for holding the meetings and transacting business as joint electorate actions at the meetings is one-third of the total votes capable of being cast by all shareholders of both companies. Shareholders may be present in person or represented by proxy or corporate representative at the meetings.

Q: How is the quorum determined?

A: For purposes of determining a quorum with respect to joint electorate actions, the special voting shares have the maximum number of votes attached to them as were cast on such joint electorate actions, either for, against or abstained, at the parallel shareholder meeting of the other company, and such maximum number of votes (including abstentions) constitutes shares entitled to vote and present for purposes of determining whether a quorum exists at such meeting.

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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, the special voting entities must be present.

Abstentions (including votes withheld) and broker non-votes are counted as present for the purpose of determining the presence of a quorum. Generally, broker non-votes occur when shares held by a broker for a beneficial owner are not voted with respect to a particular proposal because (1) the broker has not received voting instructions from the beneficial owner and (2) the broker lacks discretionary voting power to vote such shares.

Q: Is my vote confidential?

A: Proxy instructions, ballots and voting tabulations that identify individual shareholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed to third parties except (1) as necessary to meet applicable legal requirements, (2) to allow for the tabulation of votes and certification of the vote or (3) to facilitate a successful proxy solicitation by our boards of directors. Occasionally, shareholders provide written comments on their proxy card which are then forwarded to management.

Q: Who will bear the cost of soliciting votes for the meetings?

A: We will pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials and soliciting votes for the meetings. We will also reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding proxy materials to shareholders.

Q: Can I view the proxy materials electronically?

A: Yes. This proxy statement and any other proxy materials have been posted on our website at www.carnivalcorp.com and www.carnivalplc.com. Carnival Corporation shareholders can also access proxy-related materials at www.investoreconnect.com as described under *Questions Specific to Shareholders of Carnival Corporation* beginning on page 14.

Q: What reports are filed by Carnival Corporation and Carnival plc with the SEC and how can I obtain copies?

A: We file this proxy statement, joint annual reports on Form 10-K, joint quarterly reports on Form 10-Q and joint current reports on Form 8-K with the SEC. Copies of this proxy statement, the Carnival Corporation & plc joint annual report on Form 10-K for the year ended November 30, 2008, as well as any joint quarterly reports on Form 10-Q or joint current reports on Form 8-K, as filed with the SEC can be viewed or obtained without charge through the SEC s website at www.sec.gov (under Carnival Corporation or Carnival plc) or at www.carnivalcorp.com or www.carnivalplc.com. Copies will also be provided to shareholders without charge upon written request to Investor Relations, Carnival Corporation, 3655 N.W. 87th Avenue, Miami, Florida 33178 or Carnival plc, Carnival House, 5 Gainsford Street, London SE1 2NE, United Kingdom. We encourage you to take advantage of the convenience of accessing these materials through the internet as it is simple and fast to use, saves time and money, and is environmentally friendly.

Q: May I propose actions for consideration at next year s annual meetings?

A: Carnival Corporation shareholders and Carnival plc shareholders (to the extent permitted under Carnival plc s governing documents and UK law) may submit proposals for consideration at future shareholder meetings, including director nominations. In order for shareholder proposals to be considered for inclusion in our proxy statement for next year s annual meetings, the written proposals must be received by our Secretary no later than November 4, 2009. Such proposals also will need to comply with SEC regulations

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and UK corporate law requirements regarding the inclusion of shareholder proposals in company sponsored proxy materials. Any proposal of shareholders to be considered at next year s meetings, but not included in our proxy statement, must be submitted in writing by January 18, 2010.

Q: May I nominate individuals to serve as directors?

A: You may propose director candidates for consideration by our board s Nominating & Governance Committees. In order to have a nominee considered by the Nominating & Governance Committees for election at the 2010 annual meetings you must submit your recommendation in writing to the attention of our Secretary at our headquarters not later than November 4, 2009. Any such recommendation must include:

the name and address of the candidate;

a brief biographical description, including his or her occupation for at least the last five years, and a statement of the qualifications of the candidate, taking into account the factors referred to below in *Board Structure and Committee Meetings Nominations of Directors* ; and

the candidate s signed consent to serve as a director if elected and to be named in the proxy statement.

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QUESTIONS SPECIFIC TO SHAREHOLDERS OF CARNIVAL CORPORATION

Carnival plc shareholders should refer to the *Questions Specific to Shareholders of Carnival plc* beginning on page 17.

Q: What Carnival Corporation shares owned by me can be voted?

A: All Carnival Corporation shares owned by you as of February 17, 2009, the record date, may be voted by you. These shares include those (1) held directly in your name as the shareholder of record, including shares purchased through Carnival Corporation s Dividend Reinvestment Plan and its Employee Stock Purchase Plan and (2) held for you as the beneficial owner through a stockbroker, bank or other nominee.

Q: Will I be asked to vote at the Carnival plc annual meeting?

A: No. Your vote at the Carnival Corporation annual meeting, for purposes of determining the outcome of combined voting, is automatically reflected as appropriate at the parallel annual meeting of Carnival plc through the mechanism of the special voting share issued by Carnival plc.

Q: Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials this year instead of a full set of proxy materials?

A: Beginning this year, Carnival Corporation is taking advantage of new SEC rules that allow it to deliver proxy materials over the Internet. Under these rules, Carnival Corporation is sending its shareholders a one-page notice regarding the Internet availability of proxy materials instead of a full set of proxy materials unless they previously requested to receive printed copies. You will not receive printed copies of the proxy materials unless you specifically request them. Instead, this notice tells you how to access and review on the Internet all of the important information contained in the proxy materials. This notice also tells you how to submit your proxy card on the Internet and how to request to receive a printed copy of the proxy materials.

Q: What is the difference between holding shares as a shareholder of record and as a beneficial owner?

A: Most of the shareholders of Carnival Corporation hold their shares through a stockbroker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Shareholder of Record

If your shares are registered directly in your name with Carnival Corporation s transfer agent, Computershare Investor Services LLC, you are considered, with respect to those shares, the shareholder of record, and the notice of Internet availability of proxy materials or set of printed proxy materials, as applicable, is being sent directly to you by us. As the shareholder of record, you have the right to grant your voting proxy directly to the persons named in the proxy or to vote in person at the meeting. If you request a paper copy of the proxy materials as indicated in the notice, Carnival Corporation will provide a proxy card for you to use.

Beneficial Owner

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name, and the notice of Internet availability of proxy materials or set of printed proxy materials, as applicable, is being forwarded to you by your broker or nominee who is considered, with respect to those shares, the shareholder of record. As the beneficial owner, you have the right to direct your broker on how to vote and are also invited to attend the meeting. However, since you are not the shareholder of record, you may not vote these shares in person at the meeting. If you request a paper copy of the proxy materials as indicated in the notice, your broker or nominee will provide a voting instruction card for you to use.

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Q: How can I vote my Carnival Corporation shares in person at the meeting?

A: Shares held directly in your name as the shareholder of record may be voted in person at the annual meeting in the United Kingdom. If you choose to do so, please bring your proxy card and proof of identification.

Even if you plan to attend the annual meeting, we recommend that you also submit your proxy as described below so that your vote will be counted if you later decide not to attend the meeting. Shares held in street name may be voted in person by you only if you obtain a signed proxy from the record holder giving you the right to vote the shares. Please refer to the voting instructions provided by your broker or nominee.

Q: How can I vote my Carnival Corporation shares without attending the meeting?

A: Whether you hold shares directly as the shareholder of record or beneficially in street name, you may direct your vote without attending the meeting. You may vote by granting a proxy or, for shares held in street name, by submitting voting instructions to your broker or nominee. For shareholders of record, you may do this by voting on the Internet or by telephone by following the instructions in the notice you received in the mail. If you received a full printed set of proxy materials in the mail, you can also vote by signing your proxy card and mailing it in the enclosed envelope. If you provided specific voting instructions, your shares will be voted as you instruct. If you submit a proxy but do not provide instructions, your shares will be voted as described below in *How are votes counted?* Where your shares are held in street name, in most instances you will be able to do this over the Internet or by telephone by following the instructions in the notice you received in the mail. If you received a full printed set of proxy materials in the mail, you can also vote by mail. Please refer to the voting instruction card included by your broker or nominee.

Q: Can I change my vote?

A: You may change your proxy instruction at any time prior to the vote at the annual meeting. For shares held directly in your name, you may accomplish this by granting a new proxy bearing a later date (which automatically revokes the earlier proxy) or by attending the annual meeting and voting in person. Attendance at the meeting will not cause your previously granted proxy to be revoked unless you specifically so request. For shares owned beneficially by you, you may accomplish this by submitting new voting instructions to your broker or nominee.

Q: What does it mean if I receive more than one notice of Internet availability of proxy materials or set of printed proxy materials, as applicable?

A: It means your shares are registered differently or are in more than one account. Please follow the instructions in each notice to ensure all of your shares are voted.

Q: Only one notice of Internet availability of proxy materials or set of printed proxy materials was delivered to my address, but there are two or more shareholders at this address. How do I request additional copies of the proxy materials?

A. Broadridge Financial Solutions, Inc., the entity we have retained to mail the notice of Internet availability of proxy materials or printed proxy materials to Carnival Corporation s registered owners and the entity retained by the brokerage community to mail the notice of Internet availability of proxy materials or printed proxy materials to Carnival Corporation s beneficial owners, has been instructed to deliver only one notice or set of printed proxy materials to multiple security holders sharing an address unless we have received contrary instructions from you or one of the other shareholders. We will promptly deliver a separate copy of the notice or set of printed proxy materials for this year s annual meeting or for any future meetings to any shareholder upon written or oral request. To make such request, please contact Broadridge Financial Solutions at 1-800-542-1061, or write to Broadridge Financial Solutions, Attention: Householding

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Department, 51 Mercedes Way, Edgewood, New York 11717. Similarly, you may contact us through any of these methods if you receive multiple notices or sets of printed proxy materials and would prefer to receive a single copy in the future.

Q: Who can attend the Carnival Corporation meeting?

A: All Carnival Corporation shareholders of record as of February 17, 2009, or their duly appointed proxies, may attend and vote at the meeting. Each shareholder may be asked to present valid picture identification, such as a driver s license or passport.

If you hold your shares through a stockbroker or other nominee, you will need to provide proof of ownership by bringing either a copy of the voting instruction card provided by your broker or a copy of a brokerage statement showing your share ownership as of February 17, 2009 together with proof of identification. Cameras, recording devices and other electronic devices will not be permitted at the meeting.

Q: What class of shares are entitled to be voted at the Carnival Corporation meeting?

A: Carnival Corporation has only one class of common stock outstanding. Each share of Carnival Corporation common stock outstanding as of the close of business on February 17, 2008, the record date, is entitled to one vote at the annual meeting. As of January 15, 2009, Carnival Corporation had 625,991,532 shares of common stock issued and outstanding. The trust shares of beneficial interest in the P&O Princess Special Voting Trust that are paired with your shares of common stock do not give you separate voting rights.

Q: How are votes counted?

A: In the election of directors, you may vote FOR all of the nominees or you may WITHHOLD your vote with respect to one or more of the nominees. In the election of directors, a vote withheld on the Carnival Corporation proxy card has the same effect as a vote against the indicated nominee or nominees. You may vote FOR, AGAINST or ABSTAIN for each of the other proposals. If you ABSTAIN, it has r effect on the outcome of the votes, although abstentions will be counted for purposes of determining if a quorum is present for joint electorate actions. If you submit a proxy or broker voting instruction card with no further instructions, your shares will be voted in accordance with the recommendations of the boards of directors.

Q: What happens if additional proposals are presented at the meeting?

A: Other than the proposals described in this proxy statement, Carnival Corporation does not expect any matters to be presented for a vote at the annual meeting. If you grant a proxy, the persons named as proxy holders, Micky Arison, Carnival Corporation s Chairman of the Board and Chief Executive Officer, and Arnaldo Perez, Carnival Corporation s Senior Vice President, General Counsel and Secretary, will have the discretion to vote your shares on any additional matters properly presented for a vote at the meeting. If for any unforeseen reason any of our nominees is unable to accept nomination or election (which is not anticipated), the persons named as proxy holders will vote your proxy for such other candidate or candidates as may be nominated by the boards of directors.

Q: Who will count the vote?

A: A representative of Computershare Investor Services LLC, our transfer agent, will tabulate the votes and act as the inspector of elections.

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QUESTIONS SPECIFIC TO SHAREHOLDERS OF CARNIVAL PLC

Carnival Corporation shareholders should refer to *Questions Specific to Shareholders of Carnival Corporation* beginning on page 14.

Q: Who is entitled to attend and vote at the annual general meeting of Carnival plc?

A: If you are a Carnival plc shareholder registered in the register of members of Carnival plc at 11:00 p.m. (BST) on April 13, 2009, you will be entitled to attend in person and vote at the annual general meeting to be held in the United Kingdom in respect of the number of Carnival plc shares registered in your name at that time. You may also appoint one or more proxies to attend, speak and vote instead of you. If you are a corporation you may appoint one or more corporate representatives to represent you and vote your shareholding in Carnival plc at the annual general meeting to be held in the United Kingdom. For further details regarding appointing a proxy or corporate representative please see below.

We are also offering an audio webcast of the annual meetings. If you choose to listen to the webcast, go to our website at www.carnivalcorp.com or www.carnivalplc.com shortly before the start of the meetings and follow the instructions provided.

Q: Will I be asked to vote at the Carnival Corporation annual meeting?

A: No. Your vote at the Carnival plc annual general meeting, for purposes of determining the outcome of combined voting, will automatically be reflected as appropriate at the parallel annual meeting of Carnival Corporation through the mechanism of a special voting share issued by Carnival Corporation.

Q: How do I vote my Carnival plc shares without attending the annual general meeting?

A: You may vote your Carnival plc shares at the annual general meeting by completing and signing the enclosed form of proxy in accordance with the instructions set out on the form and returning it as soon as possible, but in any event so as to be received by Carnival plc s registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6GL, by not later than 3:00 p.m. (BST) on April 13, 2009. Alternatively, a proxy vote may be submitted via the internet in accordance with the instructions set out in the proxy form. It is also possible to appoint a proxy via the CREST system, please see the Carnival plc Notice of Annual General Meeting for further details. Voting by proxy does not preclude you from attending the annual general meeting and voting in person should you wish to do so.

If you are a corporation you can vote your Carnival plc shares at the annual general meeting by appointing one or more corporate representatives. You are strongly encouraged to pre-register your corporate representative to make registration on the day of the annual meeting more efficient. In order to pre-register you would need to fax your Letter of Representation to Carnival plc s registrars, Equiniti, on 01903 833168 from within the United Kingdom or +44 1903 833168 from elsewhere.

Corporate representatives themselves are urged to arrive at least two hours before commencement of the annual general meeting to assist Carnival plc s registrars with the appropriate registration formalities. Whether or not you intend to appoint a corporate representative, you are strongly encouraged to return the enclosed form of proxy to Carnival plc s registrars.

Q: Can I change my vote given by proxy or by my corporate representative?

A: Yes, in certain circumstances. You may change your proxy vote by either completing, signing and dating a new form of proxy in accordance with its instructions and returning it to Carnival plc s registrars by no later than 3:00 p.m. (BST) on April 13, 2009, or by attending and voting in person at the annual general meeting. If you do not attend and vote in person at the annual general meeting and wish to revoke the appointment of your proxy or corporate representative you must do so by delivering a notice of such revocation to Carnival plc s registrars at least three hours before the start of the annual general meeting.

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Q: What class of shares are entitled to be voted at the Carnival plc meeting?

A: Carnival plc has only one class of ordinary shares in issue. Each Carnival plc ordinary share in issue as of the close of business on April 13, 2009, is entitled to one vote at the annual general meeting. As of January 15, 2009, Carnival plc had 213,249,933 ordinary shares in issue. However, the 51,596,194 Carnival plc ordinary shares directly or indirectly held by Carnival Corporation have no voting rights (in accordance with the Articles of Association of Carnival plc).

Q: How are votes counted?

A: You may vote FOR, AGAINST or WITHHOLD your vote for each of the resolutions. If you WITHHOLD, it has no effect on the outcon of the votes, although withheld votes will be counted for purposes of determining if a quorum is present for joint electorate actions.

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STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Set forth below is information concerning the share ownership of (1) all persons known by us to be the beneficial owners of 5% or more of the 625,991,532 shares of Carnival Corporation common stock and trust shares of beneficial interest in the P&O Princess Special Voting Trust outstanding as of January 15, 2009, (2) all persons known by us to be the beneficial owners of 5% or more of the 213,249,933 ordinary shares of Carnival plc outstanding as of January 15, 2009, 51,596,194 of which are directly or indirectly owned by Carnival Corporation and have no voting rights, (3) each of our executive officers named in the Summary Compensation Table which appears elsewhere in this proxy statement, (4) each of our directors and (5) all directors and executive officers as a group.

Micky Arison, Chairman of the board and Chief Executive Officer of each of Carnival Corporation and Carnival plc, certain other members of the Arison family and trusts for their benefit (collectively, the Principal Shareholders), beneficially own shares representing approximately 36% of the voting power of Carnival Corporation and approximately 28% of the combined voting power of Carnival Corporation & plc and have informed us that they intend to cause all such shares to be voted in favor of the 14 nominees to the boards of directors named in this proxy statement and in favor of Proposals 2 through 11 listed in the accompanying Carnival Corporation Notice of Meeting. The table begins with ownership of the Principal Shareholders.

The number of shares beneficially owned by each entity, person, director, nominee or executive officer is determined under SEC rules, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which the individual has the sole or shares voting power or investment power and also any shares which the individual would have the right to acquire as of March 16, 2009 (being 60 days after January 15, 2009) through the exercise of any stock option (Vested Options), the vesting of restricted share units (RSUs) and restricted shares, which had no voting rights prior to vesting.

Beneficial Ownership Table

Name and Address of Beneficial Owners or Identity of Group[1]	Amount and Nature of Beneficial Ownership of Carnival Corporation Shares and Trust Shares*	Percent of Carnival Corporation Common Stock	Amount and Nature of Beneficial Ownership of Carnival plc Ordinary Shares	Percent of Carnival plc Ordinary Shares	Percent of Combined Voting Power**
Micky Arison	188,031,357(2)(3)(4)	30.0%	0	***	23.9%
MA 1994 B Shares, L.P.	106,114,284(2)(5)	17.0%	0	***	13.5%
MA 1994 B Shares, Inc.	106,114,284(2)(5)	17.0%	0	***	13.5%
Nickel 2003 Revocable Trust	483,464(2)(6)	***	0	***	***
Artsfare 2005 Trust No. 2 c/o SunTrust Delaware Trust Company 1011 Centre Road, Suite 108 Wilmington, DE 19805	32,301,364(2)(7)(12)	5.2%	0	***	4.1%
Artsfare 2006 Trust No. 1 c/o SunTrust Delaware Trust Company 1011 Centre Road, Suite 108 Wilmington, DE 19805	1,805,943(2)(7)(12)	***	0	***	***
Artsfare 2006 Trust No. 2 c/o SunTrust Delaware Trust Company 1011 Centre Road, Suite 108 Wilmington, DE 19805	6,473,623(2)(7)(12)	1.0%	0	***	***
J.P. Morgan Trust Company of Delaware	3,759,010(2)(8)	***	0	***	***
JMD-LMA Protector, Inc.	40,580,930(2)(7)	6.5%	0	***	5.1%
Nickel Continued Irrevocable Trust	2,124,560(2)	***	0	***	***

Eternity Two Trust	3,759,010(2)(8)(13)	***	0	***	***

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Name and Address of Beneficial Owners or Identity of Group(1)	Amount and Nature of Beneficial Ownership of Carnival Corporation Shares and Trust Shares*	Percent of Carnival Corporation Common Stock	Amount and Nature of Beneficial Ownership of Carnival plc Ordinary Shares	Percent of Carnival plc Ordinary Shares	Percent of Combined Voting Power**
Jafasa Continued Irrevocable Trust	1,000,000(2)	***	0	***	***
MBA I, L.P.	1,432,439(2)(3)(9)	***	0	***	***
Artsfare 2003 Trust	1,432,439(2)(3)(9)	***	0	***	***
TAMMS Management Corporation	32,439(2)(3)	***	0	***	***
James M. Dubin c/o Paul, Weiss, Rifkind, Wharton & Garrison LLP 1285 Avenue of the Americas New York, NY 10019	116,809,502(2)(3)(10)	18.7%	0	***	14.8%
John J. O Neil c/o Paul, Weiss, Rifkind, Wharton & Garrison LLP 1285 Avenue of the Americas New York, NY 10019	65,546,535(2)(11)(14)	10.5%	0	***	8.3%
SunTrust Delaware Trust Company 1011 Centre Road, Suite 108 Wilmington, DE 19805	40,580,930(2)(12)	6.5%	0	***	5.2%
JMD Delaware, Inc.	9,248,598(2)(5)(6)(13)	1.5%	0	***	1.2%
Knight Protector, Inc.	65,546,535(2)(14)	10.5%	0	***	8.3%
Citigroup Inc 399 Park Avenue New York, NY 10043	63,700,037(15)	10.2%	0	***	8.1%
Citigroup Institutional Trust Company 824 Market Street Wilmington, DE 19801	61,787,525(15)	9.9%	0	***	7.9%
David Bernstein	72,200(16)	***	0	***	***
Gerald R. Cahill	293,501(17)	***	0	***	***
Pier Luigi Foschi c/o Costa Crociere S.p.A. Via XII Ottobre, 2 16121 Genoa Italy	0	***	352,264(18)	***	***
Howard S. Frank	859,304(19)	***	0	***	***
Ambassador Richard G. Capen, Jr. 1384 West Muirlands Drive La Jolla, CA 92037	55,000(20)	***	0	***	***
Robert H. Dickinson	464,000(21)	***	0	***	***
Arnold W. Donald 1 North Brentwood Blvd., Suite 510 Clayton, MO 63105	38,782(22)	***	0	***	***

Richard J. Glasier 122 Crystal Canyon Drive Carbondale, CO 81623	23,000(23)	***	0	***	***
Modesto A. Maidique c/o Florida International University Office of the President University Park Campus 107th Avenue and S.W. 8th Street Miami, FL 33199	61,000(24)	***	0	***	***
Sir John Parker c/o National Grid plc 1-3 Strand London WC2N 5EH United Kingdom	7,500	***	10,004(25)	***	***

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Name and Address of Beneficial Owners or Identity of Group(1)	Amount and Nature of Beneficial Ownership of Carnival Corporation Shares and Trust Shares*	Percent of Carnival Corporation Common Stock	Amount and Nature of Beneficial Ownership of Carnival plc Ordinary Shares	Percent of Carnival plc Ordinary Shares	Percent of Combined Voting Power**
Peter G. Ratcliffe c/o Princess Cruise Lines 24305 Town Center Drive Santa Clarita, CA 91355	130,000(26)	***	0(27)	***	***
Stuart Subotnick c/o Metromedia Company 810 7th Avenue, 29th Floor New York, NY 10019	17,100(28)	***	0	***	***
Laura Weil 220 East 73rd Street New York, NY 10021	3,018	***	0	***	***
Randall J. Weisenburger 354 Stanwich Road Greenwich, CT 06830	0	***	0	***	***
Uzi Zucker 870 5th Avenue New York, NY 10021	93,700(29)	***	0	***	***
Capital Research Global Investor 333 South Hope Street Los Angeles, CA 90071	58,583,680(30)	9.4%	0	***	7.4%
Capital World Investors 333 South Hope Street Los Angeles, CA 90071	34,324,800(30)	5.5%	0	***	4.4%
AXA S.A. 25 Avenue Matignon 75008 Paris France	0	***	11,119,972(31)	6.9%	1.4%
The Capital Group Companies, Inc. and their affiliates 333 South Hope Street Los Angeles, CA 90071	0	***	16,984,669(31)	10.5%	2.2%
Legal & General Group plc and/or its subsidiaries Temple Court 11 Queen Victoria Street London EC4N 4SB United Kingdom	0	***	11,350,409(31)	7.0%	1.4%
Prudential plc and/or its subsidiaries Governor s House	0	***	9,421,563(31)	5.8%	1.2%

5 Laurence Pountney Hill London EC4R 0HH United Kingdom					
All directors and executive officers as a group (21 persons)	190,754,950(32)	30.5%	402,911(33)	***	24.3%

* As part of the establishment of the DLC structure, Carnival plc issued a special voting share to Carnival Corporation, which transferred such share to the trustee of the P&O Princess Special Voting Trust (the Trust), a trust established under the laws of the Cayman Islands. Trust shares of beneficial interest in the Trust were transferred to Carnival Corporation. The trust shares represent a beneficial interest in the Carnival plc special voting share. Immediately following the transfer, Carnival Corporation distributed such trust shares by way of a dividend to holders of shares of Carnival Corporation common stock. Under a pairing agreement, the trust shares of beneficial interest in the Trust are paired with, and evidenced by, certificates representing shares of Carnival Corporation common stock on a one-for-one basis. In addition, under the pairing agreement, when a share of Carnival Corporation common stock is issued to a person after the implementation of the DLC structure, a paired trust share will be issued at the same time to such person. Each share of Carnival Corporation common stock and the paired trust share may not be transferred separately. The Carnival Corporation common stock and the trust shares (including the beneficial interest in the Carnival plc special voting share) are listed and trade together on the New York Stock Exchange under the ticker symbol CCL. Accordingly, each holder of Carnival Corporation common stock is also deemed to be the beneficial owner of an equivalent number of trust shares.

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** As a result of the DLC structure, on most matters that affect all of the shareholders of Carnival Corporation and Carnival plc, the shareholders of both companies effectively vote together as a single decision-making body. Combined voting is accomplished through the special voting shares that have been issued by each company.

*** Less than one percent.

(1) The address of each natural person named, unless otherwise noted, is 3655 N.W. 87 Avenue, Miami, Florida 33178. The address of all entities, unless otherwise noted, is 1201 North Market Street, Wilmington, Delaware 19899.

(2) The Principal Shareholders and others have filed a joint statement on Schedule 13D with respect to the shares of Carnival Corporation common stock held by such persons.

(3) TAMMS Management Corporation holds 32,439 shares of common stock (TAMMS Corp.). TAMMS Corp. is wholly-owned by MBA I, L.P. (MBA I).

(4) Includes (i) 1,056,000 Vested Options, (ii) 2,077,312 shares of common stock held by the Nickel 2006 GRAT, (iii) 622,161 shares of common stock held by the Nickel 2007 GRAT, (iv) 824,565 shares of common stock held by the Nickel 2003 GRAT; (v) 2,600,000 shares of common stock held by the Nickel 2008-2 GRAT, (vi) 483,464 shares held by the Nickel 2003 Revocable Trust, (vii) 106,114,284 shares of common stock held by MA 1994 B Shares, L.P., (viii) 72,821,132 shares of common stock held by the Artsfare 2006 Trust No. 1, Artsfare 2006 Trust No. 2, Artsfare 2005 Trust No. 2, Eternity Four Trust and the Nickel 97-06 Irrevocable Trust by virtue of the authority granted to Mr. Arison under the last will of Ted Arison and (ix) 1,432,439 shares of common stock held by the Artsfare 2003 Trust by virtue of authority granted under the trust instrument all of which may be deemed to be beneficially owned by Mr. Arison. Of these shares, Eternity Four has pledged approximately 9.5 million shares. Mr. Arison does not have an economic interest in the shares of common stock held by Artsfare 2006 Trust No. 1, Artsfare 2006 Trust No. 2, Artsfare 2005 Trust No. 2, Artsfare 2003 Trust and Eternity Four Trust.

(5) MA 1994 B Shares, L.P. (MA 1994, L.P.) owns 106,114,284 shares of common stock. The general partner of MA 1994, L.P. is MA 1994 B Shares, Inc. (MA 1994, Inc.), which is wholly-owned by the Nickel 1994 B Trust, a trust established for the benefit of Mr. Arison and his heirs (the B Trust). The sole limited partner of MA 1994, L.P. is the B Trust. Under the terms of the instrument governing the B Trust, Mr. Arison has the sole right to vote and direct the sale of the common stock indirectly held by the B Trust. By virtue of the limited partnership agreement of MA 1994, L.P., MA 1994, Inc. may be deemed to beneficially own all such 106,114,284 shares of common stock. By virtue of Mr. Arison s interest in the B Trust and the B Trust s interest in MA 1994, L.P., Mr. Arison may be deemed to beneficially own all such 106,114,284 shares of common stock. The trustee of the B Trust is JMD Delaware, Inc., a corporation wholly-owned by James M. Dubin.

(6) Nickel 2003 Revocable Trust, a trust established for the benefit of Mr. Arison and his heirs (the Nickel 2003 Trust) owns 483,464 shares of common stock. Under the terms of the instrument governing the Nickel 2003 Trust, Mr. Arison has the sole right to vote and direct the sale of the common stock held by the Nickel 2003 Trust. The trustee of the Nickel 2003 Trust is JMD Delaware, Inc., a corporation wholly-owned by James M. Dubin.

(7) JMD-LMA Protector, Inc., a Delaware corporation, is the protector of the Artsfare 2006 Trust No. 1, the Artsfare 2006 Trust No. 2 and Artsfare 2005 Trust No. 2. JMD-LMA Protector, Inc. has shared voting and dispositive power with respect to the shares of common stock held by Artsfare 2005 Trust No. 2, Artsfare 2006 Trust No. 1 and Artsfare 2006 Trust No. 2.

(8) J.P. Morgan Trust Company of Delaware acts as trustee of Eternity Two Trust. As trustee of Eternity Two Trust, J.P. Morgan Trust Company of Delaware has shared voting and dispositive power with respect to 3,759,010 shares of common stock held by Eternity Two Trust. J.P. Morgan Trust Company of Delaware disclaims beneficial ownership of the common stock held by Eternity Two Trust.

(9) MBA I owns 1,400,000 shares of common stock and is the sole shareholder of TAMMS Corp. (See Note 3 above). MBA I may be deemed to own 32,439 shares of common stock held by TAMMS Corp. The Artsfare 2003 Trust owns a controlling interest in MBA I; therefore, the Artsfare 2003 Trust is deemed to beneficially own all such 1,432,439 shares of common stock.

(10) By virtue of being the sole shareholder of JMD Delaware, Inc. and JMD-LMA Protector, Inc., a 50% shareholder of Knight Protector, Inc., and the sole trustee of the Artsfare 2003 Trust, Mr. Dubin may be deemed to own the aggregate of 116,808,502 shares of common stock beneficially owned by such entities, as to which he disclaims beneficial ownership. Mr. Dubin beneficially owns 1,000 shares of common stock held directly.

(11) By virtue of being a 50% shareholder of Knight Protector, Inc., Mr. O Neil may be deemed to own the aggregate of 65,546,535 shares of common stock beneficially owned by such entity, as to which he disclaims beneficial ownership.

(12) SunTrust Delaware Trust Company acts as trustee for the Artsfare 2005 Trust No. 2, the Artsfare 2006 Trust No. 1 and the Artsfare 2006 Trust No. 2.

(13) JMD Delaware, Inc. is a Delaware corporation wholly owned by Mr. James Dubin. JMD Delaware, Inc. acts as trustee of the Nickel Continued Irrevocable Trust, the Jafasa Continued Irrevocable Trust, the Nickel 2006 GRAT, the Nickel 2008 GRAT and the Nickel 2008-2 GRAT. JMD Delaware, Inc. has sole voting and dispositive power over the shares of common stock held by the Jafasa Continued Irrevocable Trust, the Nickel Continued Irrevocable Trust, the Nickel 2006 GRAT, the Nickel 2008 GRAT and the Nickel 2008-2 GRAT.

(14) Knight Protector, Inc. acts as protector of the Eternity Four Trust, and has shared dispositive power with respect to all 61,787,525 shares of common stock held by Eternity Four Trust, shared voting power with respect to 31,701,809 shares of common stock held by Eternity Four Trust and sole voting power with respect to 30,085,716 shares of common stock held by Eternity Four Trust. Knight Protector, Inc. acts as protector of the Eternity Two Trust, and has shared voting and dispositive power with respect to 3,759,010 shares of common stock held by Eternity Two Trust.

(15) Citigroup Institutional Trust Company acts as trustee for the Eternity Four Trust. According to Amendment No. 3 to Schedule 13G filed on February 8, 2007 by Citigroup Inc. and Citigroup Institutional Trust Company (formerly known as Smith Barney Corporate Trust Company), as of December 31, 2006 Citigroup Institutional Trust Company (of which Citigroup Inc. is the sole member) has shared

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dispositive power over 61,787,525 shares of common stock (all of which are shares held by the Eternity Four Trust), and Citigroup Inc. has shared voting power and shared dispositive power over 63,700,037 shares of common stock (61,787,525 shares of which are shares held by the Eternity Four Trust).

(16) Includes 44,400 Vested Options.
(17) Includes 188,000 Vested Options.
(18) Includes 352,264 Vested Options.
(19) Includes (i) 440,000 Vested Options and (ii) 4,000 shares of common stock owned by the Jackson S. Woolworth Irrevocable Trust and the Cassidy B. Woolworth Trust (Mr. Frank is trustee), as to which Mr. Frank disclaims beneficial ownership.
(20) Includes (i) 50,000 Vested Options, and (ii) 2,000 shares owned by the Capen Trust, of which Mr. Capen is co-trustee.
(21) Includes (i) 304,000 Vested Options and (ii) 160,000 shares of common stock owned by Dickinson Enterprises Limited Partnership (the Dickinson Partnership). The general partner of the Dickinson Partnership is Dickinson Enterprises, Inc., which is wholly owned by a revocable trust established for the benefit of Mr. Dickinson and his heirs (the Dickinson Trust). Under the terms of the instrument governing the Dickinson Trust, Mr. Dickinson has the sole right to vote and direct the sale of the common stock indirectly held by the Dickinson Trust.
(22) Includes (i) 37,000 Vested Options and (ii) 1,282 shares held by The Arnold W. Donald Revocable Trust UAD 5/26/98.
(23) Includes 18,000 Vested Options.
(24) Includes 56,000 Vested Options.
(25) Includes 7,000 shares held by Whitefoord Limited on behalf of GHM Trustees Limited, the trustee for Sir John Parker s Fixed Unapproved Restricted Retirement Scheme.
(26) Includes 120,000 Vested Options.
(27) Does not include Mr. Ratcliffe s conditional right to receive 56,589 share awards under the Carnival plc Deferred Bonus and Co-Investment Matching Plan after a three-year retention period, during which Mr. Ratcliffe does not have the right to vote or direct the sale of those shares.
(28) Includes 7,600 Vested Options.
(29) Includes 31,200 Vested Options.
(30) As reflected in separate Schedules 13G, filed on December 31, 2007 with the SEC. Capital Research Global Investors reported sole voting power over 52,405,000 shares of common stock and sole dispositive power over 58,583,680 shares of common stock as a result of acting as an investment advisor to various investment companies. Capital World Investors reported sole voting power over 9,119,800 shares of common stock and sole dispositive power over 34,324,800 shares of common stock as a result of acting as an investment advisor to various investment companies. Each company disclaims beneficial ownership of such shares.
(31) Based on notifications to Carnival plc of interests of 3% or more in the voting rights of Carnival plc as required by the Disclosure and Transparency Rules of the UK Listing Authority.
(32) Includes 2,786,132 Vested Options.
(33) Includes 384,870 Vested Options.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based upon a review of Forms 3 and 4 and amendments thereto furnished to Carnival Corporation and Carnival plc during and with respect to their most recent fiscal year and upon written representations from persons known to Carnival to be subject to Section 16 of the U.S. Securities Exchange Act of 1934, as amended (the Exchange Act) (a reporting person) that no Form 5 is required to be filed for such reporting person, all reporting persons filed on a timely basis reports required by Section 16(a) of the Exchange Act during the fiscal year ended November 30, 2008, with the exception of Alan Buckelew and Stein Kruse who each filed one late report relating to one transaction.

PROPOSAL 1 (Resolutions 1-14)

ELECTION OR RE-ELECTION OF DIRECTORS

The DLC structure requires the boards of Carnival plc and Carnival Corporation to be identical. Shareholders are required to approve the election or re-election of directors to each board. There are 14 nominees for election or re-election to each board of directors. Each nominee currently serves as a director of both companies. All directors are to be elected or re-elected to serve until the next annual meeting and until their successors are elected.

With respect to each nominee set forth below, the information presented includes such person s age, the month and year in which such person first became a director, any other position held with Carnival Corporation and

Carnival plc, such person s principal occupations during at least the past five years and any directorships held by such nominee in public or certain other companies.

The Nominating & Governance Committees conducted performance evaluations on the members of our boards of directors serving during fiscal 2008 and reported the results to the boards. The boards determined that each of those directors was an effective and committed member of the boards and, therefore, that each such director should be proposed for re-election.

Accordingly, the boards of directors unanimously recommend a vote FOR the election or re-election of each of the following nominees:

Micky Arison, age 59, has been Chairman of the board of directors of Carnival Corporation since October 1990 and a director since June 1987. He became a director and Chairman of the board of directors of Carnival plc in April 2003. He has been Chief Executive Officer of Carnival Corporation since 1979 and became Chief Executive Officer of Carnival plc in April 2003.

Ambassador Richard G. Capen, Jr., age 74, has been a director of Carnival Corporation since April 1994 and a director of Carnival plc since April 2003. He is currently a corporate director, author and business consultant. From 1992 to 1993, Ambassador Capen served as United States Ambassador to Spain. From 1989 to 1991, Ambassador Capen served as Vice Chairman of Knight-Ridder, Inc. Ambassador Capen was the Chairman and Publisher of the Miami Herald from 1983 to 1989. Ambassador Capen is a member of the boards of directors of the Fixed Income Funds of The Capital Group, the New Economy Fund and Smallcap World Fund.

Robert H. Dickinson, age 66, has been a director of Carnival Corporation since June 1987 and a director of Carnival plc since April 2003. From May 2003 to July 2007, Mr. Dickinson served as President and Chief Executive Officer of the Carnival Cruise Lines division of Carnival Corporation. He retired from Carnival Cruise Lines on November 30, 2007. From May 1993 through May 2003, Mr. Dickinson was President and Chief Operating Officer of Carnival Cruise Lines.

Arnold W. Donald, age 54, has been a director of Carnival Corporation since January 2001 and a director of Carnival plc since April 2003. Mr. Donald served as President and Chief Executive Officer of Juvenile Diabetes Research Foundation International from January 2006 to February 2008. From March 2000 to November 2005, Mr. Donald was the Chairman of the Board of Merisant Company, a manufacturer and marketer of tabletop sweetener products, including the Equal® and Canderel® brands. From March 2000 to March 2003, he was also the Chief Executive Officer of Merisant Company. From January 1998 to March 2000 he was Senior Vice-President of Monsanto Company, a company which develops agricultural products and consumer goods, and President of its nutrition and consumer sector. Prior to that he was President of Monsanto Company s agricultural sector. He is a member of the boards of directors of Crown Holdings, Inc., The Laclede Group, Inc. and Oil-Dri Corporation of America.

Pier Luigi Foschi, age 62, has been a director of Carnival Corporation and Carnival plc since April 2003. He has been Chief Executive Officer of Costa Crociere S.p.A. (Costa), a subsidiary of Carnival plc, and chairman of its board since January 2000.

Howard S. Frank, age 67, has been Vice Chairman of the board of directors of Carnival Corporation since October 1993 and a director since April 1992. He has been a director, Vice Chairman of the board of directors and Chief Operating Officer of Carnival plc since April 2003. He has served as Chief Operating Officer of Carnival Corporation since January 1998. Mr. Frank is a director of The Fairholme Funds, Inc.

Richard J. Glasier, age 63, has been a director of Carnival Corporation and Carnival plc since July 2004. From July 2002 to May 2005, Mr. Glasier was President of Argosy Gaming Company, an owner and operator of casinos, and its Chief Executive Officer from May 2003 until October 2005. From November 1995 to July 2002, Mr. Glasier was Executive Vice President and Chief Financial Officer of Royal Caribbean Cruises Ltd.

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Modesto A. Maidique, age 68, has been a director of Carnival Corporation since April 1994 and a director of Carnival plc since April 2003. He has been President of Florida International University (FIU) since 1986. Prior to assuming the presidency of FIU, Dr. Maidique taught at the Massachusetts Institute of Technology, Harvard University and Stanford University. Dr. Maidique has also served as Vice President and General Manager of the Semiconductor Division of Analog Devices, Inc. which he co-founded in 1969, as President and Chief Executive Officer of Genome Therapeutics Corporation (formerly known as Collaborative Research, Inc.), a genetics engineering firm, and as General Partner of Hambrecht & Quist, a venture capital firm. Dr. Maidique is a director of National Semiconductor, Inc.

Sir John Parker, age 66, has been a director of Carnival Corporation since April 2003 and a director of Carnival plc since October 2000. He was Deputy Chairman of Carnival plc from September 2002 to April 2003. He has been the non-executive Chairman of National Grid plc since October 2002, Vice Chairman of DP World (Dubai) since May 2007 and joint Chairman of Mondi plc since May 2007. He is also Senior Non-Executive Director of the Court of the Bank of England, non-executive director of European Aeronautic Defence and Space Company EADS N.V., a member of the Prime Minister s Business Council for Britain and Chancellor of the University of Southampton. He was formerly a non-executive director of GKN plc, Brambles Industries plc and BG Group plc, Chairman of Babcock International Group plc, RMC Group plc and P&O Group plc and a President of the Royal Institution of Naval Architects. Sir John Parker has been a member of the General Committee of Lloyds Register of Shipping since 1983 and was Chairman of its Technical Committee from 1993 until 2002.

Peter G. Ratcliffe, age 60, has been a director of Carnival Corporation since April 2003 and a director of Carnival plc since October 2000. He was Carnival plc s Chief Executive Officer until April 2003. From April 2003 to June 2007 he served as Chief Executive Officer of P&O Princess Cruises International comprised of Cunard Line, Ocean Village, P&O Cruises, P&O Cruises (Australia), Princess Cruises and Princess Tours. He is a member of the boards of directors of BBA Aviation plc and Mead Johnson Nutrition Company.

Stuart Subotnick, age 67, has been a director of Carnival Corporation since July 1987 and a director of Carnival plc since April 2003. Mr. Subotnick has been a general partner and the Executive Vice President of Metromedia Company, a privately held diversified Delaware general partnership, since July 1986. He is a member of the board of directors of Abovenet Inc.

Laura Weil, age 52, has been a director of Carnival Corporation and Carnival plc since January 2007. Ms. Weil was the Chief Operating Officer and Senior Executive Vice President of AnnTaylor Stores Corporation, a women s apparel company, from October 2005 to May 2006. From December 1995 to September 2005, she was the Chief Financial Officer and Executive Vice President of American Eagle Outfitters, Inc., a clothing retailer. She is now a retail consultant and director of Ultra Stores Corporation, a privately held jewelry retailer.

Randall J. Weisenburger, age 50, has been a director of Carnival Corporation and Carnival plc since January 2009. Mr. Weisenburger has been the Executive Vice President and Chief Financial Officer of Omnicom Group Inc., an advertising, marketing and corporate communications company, since September 1998.

Uzi Zucker, age 73, has been a director of Carnival Corporation since July 1987 and a director of Carnival plc since April 2003. Mr. Zucker was a Senior Managing Director of Bear, Stearns & Co. until he retired in December 2002. Mr. Zucker is now a private investor.

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PROPOSALS 2 & 3 (Resolutions 15 & 16)

RE-APPOINTMENT AND REMUNERATION OF INDEPENDENT AUDITORS FOR CARNIVAL PLC AND RATIFICATION OF INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM FOR CARNIVAL CORPORATION

The Audit Committee of the board of directors of Carnival plc has selected the UK firm of PricewaterhouseCoopers LLP as Carnival plc s independent auditors for the year ending November 30, 2009, subject to approval of our shareholders. The Audit Committee of the board of directors of Carnival Corporation has selected the U.S. firm of PricewaterhouseCoopers LLP as Carnival Corporation s independent registered certified public accounting firm for the year ending November 30, 2009. Representatives of both the U.S. and UK firms of PricewaterhouseCoopers LLP will be present at the annual meetings and will have an opportunity to make a statement if they desire to do so. Representatives of PricewaterhouseCoopers LLP will be available to respond to appropriate questions from shareholders.

This resolution would re-appoint PricewaterhouseCoopers LLP as the independent auditors of Carnival plc until the conclusion of the next general meeting at which accounts are laid. It is a requirement of Section 489(2) of the Companies Act 2006 that Carnival plc appoint its independent auditors at a general meeting at which accounts are laid. You are also being asked to authorize the Audit Committee of Carnival plc to determine the remuneration of PricewaterhouseCoopers LLP as independent auditors of Carnival plc.

Although ratification by our shareholders of the appointment of independent certified public accountants for Carnival Corporation is not legally required, our boards of directors believe that such action is desirable. If our shareholders do not approve Proposal 3, the Audit Committees will consider the selection of another accounting firm for 2009 and future years.

The boards of directors unanimously recommend a vote FOR the re-appointment of the UK firm of PricewaterhouseCoopers LLP as Carnival plc s independent auditors for the 2009 fiscal year, the authorization of the Audit Committee of Carnival plc to agree the remuneration of PricewaterhouseCoopers LLP and the ratification of the selection of the U.S. firm of PricewaterhouseCoopers LLP as Carnival Corporation s independent registered certified public accounting firm for the 2009 fiscal year.

PROPOSAL 4 (Resolution 17)

RECEIPT OF ACCOUNTS AND REPORTS OF CARNIVAL PLC

The directors of Carnival plc are required by the Companies Act 1985 to present the financial statements, the UK statutory Directors Report and the auditors report relating to those accounts to the Carnival plc shareholders. Accordingly, the directors of Carnival plc lay before the annual meetings the Carnival plc accounts and the reports of the directors and auditors for the financial year ended November 30, 2008, which have been approved by and signed on behalf of Carnival plc s board of directors and will be delivered to the Registrar of Companies in the UK following the annual meetings. Shareholders are voting to approve receipt of these documents, as UK law does not require shareholder approval of the substance and content of these documents. The UK statutory Directors Report is attached to this proxy statement as Annex A. The full accounts and reports of Carnival plc will be available for inspection prior to and during the annual meetings.

The boards of directors unanimously recommend a vote FOR the receipt of the accounts and reports of Carnival plc for the financial year ended November 30, 2008.

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PROPOSAL 5 (Resolution 18)

APPROVAL OF DIRECTORS REMUNERATION REPORT

The UK Directors Remuneration Report Regulations 2002 incorporated into the Companies Act 1985 (the DRR Regulations) require companies listed on the Official List of the UK Listing Authority to prepare a directors remuneration report, which must be put to a shareholder vote. Shareholders are voting to approve adoption of the Carnival plc Directors Remuneration Report, which is in two parts. Part I also constitutes the Compensation Discussion and Analysis as required by regulations promulgated by the SEC, and includes information that Carnival plc is required to disclose in accordance with the DRR Regulations. Part II of the Carnival plc Directors Remuneration Report is set forth as Annex B to this proxy statement and includes the additional information that Carnival plc is required to disclose in accordance with the DRR Regulations, including certain information which has been audited for the purposes of the Carnival plc Annual Report. UK law does not require shareholder approval of the substance and content of the Carnival plc Directors Remuneration Report. Accordingly, disapproval of the Carnival plc Directors Remuneration Report will not require us to amend the report although under applicable UK guidelines the boards and Compensation Committees are expected to take into account both the voting result and the views of our shareholders in their application, development and implementation of remuneration policies and schemes.

The Carnival plc Directors Remuneration Report sets out the boards remuneration policy for the next and subsequent financial years and other details required by the DRR Regulations and the Combined Code on Corporate Governance published by the UK Financial Reporting Council in June 2006 (the UK Combined Code).

The boards of directors unanimously recommend a vote FOR the approval of the Carnival plc Directors Remuneration Report.

PROPOSAL 6 (Resolution 19)

TO INCREASE THE AUTHORIZED BUT UNISSUED SHARE CAPITAL OF CARNIVAL PLC

Summary. The directors consider that it is appropriate to increase the amount of the available authorized but unissued share capital of Carnival plc, and are therefore proposing that the authorized share capital be increased to $498 million and £100,002, by the creation of an additional 74,096,386 ordinary shares of $1.66, an increase of 33% in the amount of the authorized ordinary share capital. The Carnival plc directors have no current commitments or plans to issue additional shares of Carnival plc. The increase in authorized share capital merely provides a reserve of additional shares available for future allotment, subject to applicable board or shareholder approval requirements as discussed further in connection with Proposals 9 and 10 (Resolutions 22 and 23). Therefore, the approval of this proposal has no immediate dilutive effect on the existing shareholdings of Carnival plc shareholders.

Discussion. Under UK company law, as in force at the date of this notice of meeting, the capacity of a company to allot new shares is limited by the amount of its authorized but unissued share capital. Carnival plc s existing authorized share capital is $374,999,999.24 and £100,002 divided into 225,903,614 ordinary shares of $1.66 each, two subscriber shares of £1 each, 99,998 preference shares of £1 each, a special voting share of £1 and an equalization share of £1. As of January 15, 2009, there were 213,249,933 ordinary shares allotted and issued, leaving Carnival plc with current capacity to allot a further 12,653,681 ordinary shares, which represents approximately 5.9% of the existing issued ordinary share capital of Carnival plc.

Whenever Carnival plc issues shares for cash, it must offer to its existing shareholders the opportunity to purchase their pro rata share of the new shares at the same price so as to avoid any dilution of the percentage holdings of the existing shareholders. This is a UK legal requirement known as pre-emption rights . If Carnival plc allots shares other than for cash, such as, for example, an allotment of new shares as consideration for the acquisition of a company or business, such allotments are not subject to pre-emption rights.

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Increasing the authorized share capital of Carnival plc does not of itself confer on the boards the authority to allot those shares, whether to existing shareholders or otherwise. The authority for allotment of shares and for a limited authority to make such allotments without first offering the new shares to existing Carnival plc shareholders is being sought under Proposals 9 and 10 (Resolutions 22 and 23). Those authorities are being sought in terms which are typical for UK public companies, but in order for the boards to exercise those authorities in the terms proposed it is also necessary to seek an increase in the authorized share capital of Carnival plc. That increase will also provide additional unissued Carnival plc ordinary shares for the purpose of satisfying entitlements to new shares arising on the exercise of options granted under the Carnival plc equity compensation programs.

The boards of directors unanimously recommend a vote FOR the increase of the authorized but unissued share capital of Carnival plc.

PROPOSAL 7 (Resolution 20)

ADOPTION OF AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF CARNIVAL PLC

Since the adoption of the existing Articles of Association of Carnival plc, at the time of the establishment of the DLC structure, there have been a number of developments in company law in the UK, including most significantly the enactment of the Companies Act 2006. This legislation has given rise to a number of changes to law and practice affecting public listed companies in the UK.

In order to take account of these changes, the directors are proposing that Carnival plc should adopt Amended and Restated Articles of Association which are consistent with current law and practice and with the changes brought about by the Companies Act 2006. The proposed Amended and Restated Articles of Association of Carnival plc are attached as Annex D, and are marked to show the amendments made to the existing Articles of Association of Carnival plc. The principal changes to the existing Articles of Association of Carnival plc, which would be implemented by the adoption of the proposed Amended and Restated Articles of Association of Carnival plc are as follows:

Age limit for directors. The restrictions in the Companies Act 1985 on the appointment of a person aged 70 or over as a director have been repealed. The provisions in the existing articles which disapply such restrictions will therefore be deleted.

Directors conflicts of interest. A new article will allow the board to authorize a director coming into or remaining in a situation in which he has or could have an interest that conflicts with Carnival plc s interests. This power of authorization is permitted under section 175 of the Companies Act 2006. It would be exercised by those directors who are independent of the relevant conflict situation.

Directors indemnification. A new article will confirm that Carnival plc may indemnify a director or purchase directors and officers liability insurance on a director s behalf or fund the director s costs in defending himself or herself in litigation or regulatory proceedings that might be brought against a director in his or her capacity as a director, but in each case only to the extent permitted under the Companies Act 2006. Another new provision will permit any director concerned to be included in the quorum and to vote on any board resolution to approve such an arrangement. The law in relation to these matters has changed significantly since Carnival plc adopted its existing Articles of Association and the proposed amendments to this section of the Articles of Association will make these provisions consistent with current law and practice for UK listed companies.

Electronic communications with shareholders. Various amendments will be made to the provisions in the articles concerning electronic communications so as to make them more consistent with the company communication provisions of the Companies Act 2006.

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General meetings. A new provision will allow Carnival plc to hold a general meeting at which a special resolution is to be proposed on 14 days notice, as permitted by the Companies Act 2006, rather than on 21 days notice as required by the existing articles. Annual general meetings will continue to require 21 days notice.

Joint shareholders. A new provision will confirm that the giving of a document or other information by Carnival plc to a joint shareholder with that shareholder s agreement, and vice versa, will be effective so far as all the joint shareholders are concerned notwithstanding that it was not necessarily agreed to by the other joint shareholder(s). This is to avoid any such action being ineffective and invalid as a result of a technical infringement of the Companies Act 2006.

Polls. A new provision will allow the chairman of a shareholder meeting, at his discretion, to put a resolution to a vote on a poll without first putting it to a vote on a show of hands. The provision will not prevent a resolution from first being put to a vote on a show hands should the chairman consider it appropriate to do so. The provision is consistent with what has now become usual practice among UK listed companies.

Proxies. New provisions will be added relating to proxies. One will confirm the right that proxies now have under the Companies Act 2006 to speak at shareholder meetings. Another will provide for weekends and public holidays to be disregarded when determining the time by which proxy forms must be lodged prior to a shareholder meeting which is consistent with the relevant sections of the Companies Act 2006. This will enable Carnival plc to fix a deadline for lodging a proxy that is up to 48 hours earlier (and sometimes more) than what is permitted under the existing articles.

Requisitions. Provisions in the existing articles that confer power on shareholders to requisition shareholder meetings or to requisition the circulation of annual general meeting resolutions will be removed. These powers are conferred on shareholders by the Companies Act 2006 and do not need to be replicated in the articles.

Shareholder resolutions and meetings. Various amendments will be made to make the provisions in the existing Articles of Association of Carnival plc concerning shareholder resolutions and meetings consistent with those in the Companies Act 2006. These changes will reduce the risk of a conflict between the Articles of Association of Carnival plc and the Companies Act 2006 which might otherwise jeopardize the validity of any resolution passed at a shareholder meeting.

Statutory references and definitions. References to sections of the Companies Act 1985 will be replaced by references to the corresponding sections in the Companies Act 2006, where applicable. Various new terms will be defined in the definitions section of the Articles of Association of Carnival plc. Certain terms used in the Companies Act 1985 but not in the Companies Act 2006 will be removed from the Articles of Association of Carnival plc. For example (i) references to any extraordinary general meeting will become any general meeting, (ii) references to electronic communications will be replaced by electronic means , and (iii) references to any extraordinary resolution will be replaced by any special resolution or will be removed altogether, and (iv) the Articles of Association of Carnival plc will no longer permit Carnival plc to pass written resolutions since, as a public limited company, it is no longer allowed to do so.

The boards of directors unanimously recommend a vote FOR the adoption of the Amended and Restated Articles of Association of Carnival plc.

PROPOSAL 8 (Resolution 21)

PROSPECTIVE AMENDMENT OF THE ARTICLES OF ASSOCIATION OF CARNIVAL PLC,

TO TAKE ACCOUNT OF FURTHER LEGISLATIVE CHANGES

WHICH WILL BECOME EFFECTIVE ON OCTOBER 1, 2009

The Companies Act 2006 has been brought into effect in several stages, and there remain certain parts of this legislation which have yet to be implemented. On October 1, 2009, further provisions of the Companies Act 2006

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will come into effect which relate to the share capital of UK companies. In particular, UK companies will no longer be required to state the amount of their authorized share capital.

As a result of the terms upon which these legislative changes are being implemented, the existing business objects set out in the incorporation documents of Carnival plc would be taken to form part of the Articles of Association of Carnival plc with effect from October 1, 2009. Since it will no longer be necessary for companies to set out business objects in these terms, the directors are proposing that they be removed entirely, by an amendment to the Articles of Association of Carnival plc, which will become effective on October 1, 2009.

Similarly, the effect of this change in the legislation is that the amount of the authorized share capital of Carnival plc as at October 1, 2009 would be taken as an upper limit on the number of new shares which Carnival plc may allot. Because the allotment of new shares requires the approval of shareholders in any event, it is considered that such a limitation will be inappropriate for many companies. Therefore, the directors are proposing that a resolution be passed which will become effective on October 1, 2009, and if passed, would avoid such a limit on new allotments of shares by amending the Articles of Association of Carnival plc to that effect.

The amendments to the Articles of Association of Carnival plc would have the same effect in respect of either the existing Articles of Association of Carnival plc, or the proposed Amended and Restated Articles of Association of Carnival plc if they are approved and adopted by the passing of Resolution 20.

The boards of directors unanimously recommend a vote FOR the adoption of the prospective amendment to the Articles of Association of Carnival plc.

PROPOSALS 9 & 10 (Resolutions 22 & 23)

APPROVAL OF THE GRANT OF AUTHORITY TO ALLOT NEW CARNIVAL PLC SHARES

AND THE DISAPPLICATION OF PRE-EMPTION RIGHTS APPLICABLE TO THE ALLOTMENT OF NEW CARNIVAL PLC SHARES

Summary. Proposal 9 (Resolution 22) authorizes the directors of Carnival plc to issue, until the next annual general meeting of Carnival plc, a maximum number of Carnival plc ordinary shares without further shareholder approval. Proposal 10 (Resolution 23) authorizes the directors of Carnival plc to issue, until the next annual general meeting of Carnival plc, a maximum number of Carnival plc ordinary shares for cash without first offering them to existing shareholders in accordance with the pre-emption rights that would otherwise be applicable. As is the case with many UK companies, these resolutions are proposed each year as the directors believe occasions may arise from time to time when it would be beneficial for shares to be allotted without shareholder approval and for shares to be allotted for cash without making a pre-emptive offer. The Carnival plc directors have no current commitments or plans to allot additional shares of Carnival plc.

Discussion. Under Article 30 of the existing Articles of Association of Carnival plc, the directors have, for a prescribed period, unconditional authority to allot ordinary shares in Carnival plc up to an aggregate nominal amount known as the Section 80 amount. An equivalent authority will be provided by Article 30 of the proposed Amended and Restated Articles of Association of Carnival plc, if they are adopted at the annual general meeting, except that the Section 80 amount will henceforth be referred to as the allotment amount.

The power to implement the authority provided by Article 30 is sought each year by the proposal of an ordinary resolution to establish the prescribed period and the Section 80 amount (now the allotment amount). By passing this ordinary resolution, shareholders are authorizing the board of Carnival plc to issue, during the prescribed period, a maximum number of shares having an aggregate nominal value equal to the allotment amount, without further shareholder approval. In the absence of such approval, the issuance of any additional shares would require shareholder approval.

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Under Article 31 of the existing Articles of Association of Carnival plc, the directors have, for the same prescribed period referred to above, power to allot a small number of ordinary shares for cash without making a pre-emptive offer to existing shareholders up to an aggregate nominal amount known as the Section 89 amount. An equivalent authority will be provided by Article 31 of the proposed Amended and Restated Articles of Association of Carnival plc, if they are adopted at the annual general meeting, except that the Section 89 amount will henceforth be referred to as the disapplication amount.

The power to implement the authority provided by Article 31 is sought each year by the proposal of a special resolution to establish the Section 89 amount (now the disapplication amount). By passing this special resolution, shareholders are authorizing the board of Carnival plc to issue, during the prescribed period, an amount of shares having an aggregate nominal value equal to the disapplication amount, for cash without first offering them to existing shareholders of Carnival plc.

Carnival Corporation s articles of incorporation do not contain equivalent provisions and holders of Carnival Corporation shares do not have pre-emption rights. Accordingly, no action is required in respect of the ability of Carnival Corporation to allot shares or to disapply pre-emption rights.

In common with many UK companies, resolutions to renew the prescribed period and re-establish the allotment amount and the disapplication amount are normally proposed each year as the directors believe occasions may arise from time to time when it would be beneficial for shares to be allotted and for shares to be allotted for cash without making a pre-emptive offer. This is the purpose of Resolution 22 (an ordinary resolution) and Resolution 23 (a special resolution). As usual, the prescribed period is the period from the passing of the resolutions until the next annual general meeting.

Guidelines issued by the Association of British Insurers, whose member insurance companies are some of the largest institutional investors in UK listed companies, require the allotment amount to be limited to the lesser of (a) the authorized but unissued ordinary share capital and (b) one-third of the issued ordinary share capital. If Resolution 19 is passed, thereby effecting an increase in the amount of the authorized but unissued ordinary share capital of Carnival plc, then by reference to Carnival plc s issued ordinary share capital on January 15, 2009, the maximum allotment amount is $117,998,296.26, which is equal to 71,083,311 new Carnival plc ordinary shares, being one third of the amount of the issued ordinary share capital. If Resolution 19 were not passed, then the allotment amount would, in effect, be $21,005,110.46, which is equal to 12,653,681 new Carnival plc ordinary shares, being the existing authorized but unissued ordinary share capital of Carnival plc. That number of new ordinary shares is equivalent to approximately 5.9% of Carnival plc s existing issued ordinary share capital.

Guidelines issued by the Pre-emption Group, a group comprising representatives of UK listed companies, investment institutions and corporate finance practitioners and formed under the support of the London Stock Exchange to monitor the operation of the Guidelines, recommend that a resolution to disapply the statutory pre-emption rights provided by UK company law should be limited to an amount of equity securities not exceeding 5% of the nominal value of the company s issued ordinary share capital. By reference to Carnival plc s issued ordinary share capital on January 15, 2009, the maximum disapplication amount is $17,699,744.44, which is equal to 10,662,497 new Carnival plc ordinary shares.

In summary, if Proposals 9 and 10 (Resolutions 22 and 23) were passed, the extent of the authority of the directors to allot new Carnival plc ordinary shares for cash on terms which would be dilutive to the existing shareholdings of Carnival plc shareholders, without shareholder approval, would be limited to 10,662,497 new Carnival plc ordinary shares, being 5% of the issued ordinary share capital of Carnival plc at January 15, 2009. The directors have no current commitments or plans to allot additional shares of Carnival plc. Furthermore, the adoption of Proposals 9 and 10 would have no material effect on the ability of Carnival plc to undertake or defend against a takeover attempt.

In October 2008, Carnival Corporation and Carnival plc announced that their boards of directors had authorized issuance of up to 19.2 million Carnival Corporation shares in the U.S. market from time to time in at the

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market transactions with the proceeds being used to repurchase shares of Carnival plc in the UK market on at least an equivalent basis (the Stock Swap), with the remaining net proceeds, if any, used for general corporate purposes. When the Carnival plc shares trade at a discount to Carnival Corporation shares, we derive an economic benefit from the Stock Swap. In the event Carnival Corporation shares trade at a discount to Carnival plc shares, Carnival Corporation or Carnival Investments Limited, a subsidiary of Carnival Corporation, may elect to sell Carnival plc shares it owns from time to time in at the market transactions with the proceeds being used to repurchase shares of Carnival Corporation in the U.S. market on at least an equivalent basis, with the remaining net proceeds, if any, used for general corporate purposes, again deriving an economic benefit.

The boards of directors unanimously recommend a vote FOR the approval of limits on the authority to allot Carnival plc shares and the disapplication of pre-emption rights for Carnival plc.

PROPOSAL 11 (Resolution 24)

GENERAL AUTHORITY TO BUY BACK CARNIVAL PLC ORDINARY SHARES

In June 2006 Carnival Corporation & Carnival plc announced that their boards of directors had authorized the repurchase of up to an aggregate of $1 billion of Carnival Corporation and Carnival plc shares. By September 19, 2007, the total amount repurchased under the June 2006 authorization was $422 million. On that date, the boards of directors authorized the repurchase of $422 million of shares resulting in an aggregate authorization of $1 billion (the Repurchase Program). At January 15, 2009, the remaining availability pursuant to the Repurchase Program was $787 million. It is not our present intention to repurchase Carnival Corporation and/or Carnival plc shares under the Repurchase Program, except for repurchases resulting from the Stock Swap program.

Shareholder approval is not required for us to buy back shares of Carnival Corporation, but is required under the Companies Act 1985 for us to buy back shares of Carnival plc. Accordingly, last year Carnival Corporation and Carnival plc sought and obtained shareholder approval to effect market purchases (within the meaning of Section 163(3) of the Companies Act 1985) of up to 21,318,575 ordinary shares of Carnival plc (being approximately 10% of Carnival plc s ordinary shares in issue) of which an aggregate of 655,450 ordinary shares have been purchased under the Repurchase Program and the Stock Swap through January 15, 2009. That approval expires at the conclusion of Carnival plc s 2009 annual general meeting. Shareholder approval to effect market purchases of up to 21,324,993 ordinary shares of Carnival plc (being 10% of Carnival plc s ordinary shares in issue as of January 15, 2009) is being sought.

The boards of directors confirm that the authority to purchase Carnival plc s shares under the Repurchase Program will only be exercised after careful consideration of prevailing market conditions and the position of Carnival plc. In particular, the program will only proceed if we believe that it is in the best interests of Carnival Corporation, Carnival plc and their shareholders generally. The boards of directors are making no recommendation as to whether shareholders should sell any shares in Carnival plc and/or Carnival Corporation.

If the boards of directors exercise the authority conferred by Proposal 11 (Resolution 24), we would have the option of holding the shares in treasury, or canceling them. Shares held in treasury can be re-sold for cash, used for employee share schemes or later cancelled. The boards of directors think it prudent to maintain discretion as to dealing with the purchased shares.

The boards of directors consider that any buy back of Carnival plc shares may include the purchase of its American Depositary Shares (ADSs), each representing one ordinary share of Carnival plc, with a subsequent cancellation of the underlying ADSs. If the underlying ADSs are so cancelled, Carnival plc will either cancel or hold in treasury the ordinary share represented by such ADSs.

The minimum price (exclusive of expenses) which may be paid for each Carnival plc ordinary share is $1.66, and the maximum price which may be paid is an amount (exclusive of expenses) equal to the higher of: (i) 105% of

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the average middle market quotations for an ordinary share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and (ii) that stipulated by Article 5 of Commission Regulation (EC) of 22 December 2003 (No. 2273/2003).

As of January 15, 2009, there are options outstanding to subscribe for 2,982,368 ordinary shares and Carnival plc has issued 799,662 RSUs, which represent in the aggregate approximately 1.77% of Carnival plc s issued share capital. If 21,324,993 ordinary shares of Carnival plc were purchased by Carnival plc and cancelled, these options and RSUs would represent in the aggregate approximately 1.97% of Carnival plc s issued share capital.

The authority to purchase Carnival plc ordinary shares will expire at the conclusion of the Carnival plc annual general meeting in 2010 or on October 14, 2010, whichever is earlier (except in relation to any purchases of shares the contract for which was entered before the expiry of such authority).

The boards of directors unanimously recommend a vote FOR the general authority to buy back Carnival plc ordinary shares.

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BOARD STRUCTURE AND COMMITTEE MEETINGS

Independence of Board Members

The boards of directors have determined that each of the following directors is an independent director in accordance with the corporate governance rules of the New York Stock Exchange as a result of having no material relationship with Carnival Corporation & plc other than (1) serving as a director and board committee member, (2) receiving related fees as disclosed in this proxy statement and (3) having beneficial ownership of Carnival Corporation and/or Carnival plc securities as disclosed in the section of this proxy statement entitled *Stock Ownership of Certain Beneficial Owners and Management* : Ambassador Richard G. Capen, Jr., Arnold W. Donald, Richard J. Glasier, Modesto A. Maidique, Sir John Parker, Stuart Subotnick, Laura Weil, Randall J. Weisenburger and Uzi Zucker. Baroness Hogg, who served as a director until April 2008, was also determined to be an independent director as set forth above.

Changes in Board Composition

As previously reported, Baroness Hogg decided not to seek re-election to the boards in April 2008 due to additional pressures on her schedule following her appointment as Deputy Chairman of the UK Financial Reporting Council. As a result, her term ended on April 22, 2008.

Board Meetings

During the year ended November 30, 2008, the board of directors of each of Carnival Corporation and Carnival plc held a total of nine meetings. Each Carnival Corporation director and each Carnival plc director attended either telephonically or in person at least 75% of all Carnival Corporation & plc board of directors and applicable committee meetings.

Our Corporate Governance Guidelines provide that our non-management directors will meet privately in executive session at least quarterly. All of our non-management directors, acting in executive session, elected Stuart Subotnick as the Presiding Director to preside at these meetings. Mr. Subotnick also acts as the senior independent director under the UK Combined Code.

All board members are expected to attend our annual meetings of shareholders. At the 2008 annual meetings, all of the board members of each company were in attendance.

Board Committees

The boards delegate various responsibilities and authority to different board committees. The committees regularly report on their activities and actions to the full boards. The board of directors of each of Carnival Corporation and Carnival plc has established standing Audit; Compensation; Executive; Health, Environmental, Safety & Security (HESS); and Nominating & Governance Committees, which are comprised of the same directors for each company. A majority of the directors of each company and all of the members of the Audit Committee, Compensation Committee, HESS Committee and Nominating & Governance Committee of each company are independent (as defined by the listing standards of the New York Stock Exchange, SEC rules and the UK Combined Code).

The membership and function of each committee is described below. The Corporate Governance Guidelines and copies of the charters of the Audit, Compensation, HESS and Nominating & Governance Committees are available under the Corporate Governance section of our website at www.carnivalcorp.com and www.carnivalplc.com and are available in print to any shareholder upon request. Each committee will periodically review its charter in light of new developments in applicable regulations and may make additional recommendations to the boards to reflect evolving best practices. Each committee can engage outside experts, advisers, and counsel to assist the committee in its work.

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The following table identifies the current committee members.

Name	Audit	Compensation	Executive	HESS	Nominating & Governance
Micky Arison			Chair		
Richard G. Capen, Jr.				X	
Robert H. Dickinson					
Arnold W. Donald		Chair		X	
Pier Luigi Foschi					
Howard S. Frank			X		
Richard J. Glasier	Chair	X			
Modesto A. Maidique	X				
Sir John Parker				Chair	X
Peter G. Ratcliffe					
Stuart Subotnick	X				X
Laura Weil	X	X			
Randall J. Weisenburger	X				
Uzi Zucker	X		X		Chair
Number of committee meetings/consent actions in fiscal 2008	13	11	4	4	4

Audit Committees. The Audit Committees assist the boards in their general oversight of our financial reporting, internal controls and audit functions, and are responsible for the appointment, retention, compensation, and oversight of the work of our independent auditors and our independent registered certified public accounting firm. Each board of directors has determined that Richard J. Glasier is both independent and an audit committee financial expert, as defined by SEC rules. In addition, the board of Carnival plc has determined that Richard J. Glasier has recent and relevant financial experience for purposes of the UK Combined Code. The boards determined that each member of the Audit Committees has sufficient knowledge in reading and understanding the company s financial statements to serve on the Audit Committees. The responsibilities and activities of the Audit Committees are described in detail in Report of the Audit Committees and the Audit Committees charter.

Compensation Committees. The Compensation Committees have authority for reviewing and determining salaries, performance-based incentives, and other matters related to the compensation of our executive officers, and administering our stock incentive plans, including reviewing and granting equity-based awards to our executive officers and all other employees. The Compensation Committees also review and determine various other compensation policies and matters, including making recommendations to the boards with respect to the compensation of the non-executive (non-employee) directors, incentive compensation and equity-based plans generally, and administering the employee stock purchase plans. For more information on the responsibilities and activities of the Compensation Committees, including the committees processes for determining executive compensation, see Compensation Discussion and Analysis, Executive Compensation, and the Compensation Committees charter.

Executive Committees. The Executive Committees may exercise the authority of the full board between board meetings, except to the extent that the board has delegated authority to another committee or to other persons, and except as limited by applicable law.

HESS Committees. The HESS Committees review and recommend policies relative to the protection of the environment and the health, safety and security of employees, contractors, customers and the public. The HESS Committees also supervise and monitor health, environmental, safety and security policies and programs and review with management significant risks or exposures and actions required to minimize such risks. The HESS Committees charter describes the responsibilities and activities of the HESS Committees in detail.

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Nominating & Governance Committees. The Nominating & Governance Committees review and report to the boards on a periodic basis with regard to matters of corporate governance. The Nominating & Governance committees also review and assess the effectiveness of the boards Corporate Governance Guidelines, make recommendations to the boards regarding proposed revisions to these Guidelines, and make recommendations to the boards regarding the size and composition of the boards and their committees. For more information on the responsibilities and activities of the Nominating & Governance Committees, see Nomination of Directors, Procedures Regarding Director Candidates Recommended by Shareholders and the Nominating & Governance Committees charter.

Additional information with respect to Carnival plc s corporate governance practices during the 2008 financial year is included in the Carnival plc Corporate Governance Report attached to this proxy statement as Annex C.

Corporate Governance Guidelines

Our Corporate Governance Guidelines address various governance issues and principles, including director qualifications and responsibilities, access to management personnel, director compensation, director orientation and continuing education and annual performance evaluations of the boards and directors. Our Corporate Governance Guidelines are posted on our website at www.carnivalcorp.com and www.carnivalplc.com and are available in print to any shareholder upon request.

Nominations of Directors

Carnival Corporation and Carnival plc are two separate legal entities and, therefore, each has a separate board of directors, each of which in turn has its own Nominating & Governance Committee. As the DLC structure requires that there be identical boards of directors, the Nominating & Governance Committees make one set of determinations in relation to both companies.

The Nominating & Governance Committees actively seek individuals qualified to become board members and recommend to the boards the nominees to stand for election as directors at the annual meetings of shareholders or, if applicable, at a special meeting of shareholders.

When evaluating prospective candidates for director, regardless of the source of the nomination, the Nominating & Governance Committees will consider, in accordance with their charter, such factors, as they deem appropriate, including:

- the candidate s judgment;
- the candidate s skill;
- diversity considerations;
- the candidate s experience with businesses and other organizations of comparable size;
- the interplay of the candidate s experience with the experience of other board members; and
- the extent to which the candidate would be a desirable addition to the boards and any committees of the boards.

The Nominating & Governance Committees will also use their best efforts to seek to ensure that the composition of the boards at all times adheres to the independence requirements applicable to companies listed for trading on the New York Stock Exchange and the London Stock Exchange. The Nominating & Governance Committees may consider candidates proposed by management, but are not required to do so. Other than the foregoing, there are no stated minimum criteria for director nominees.

The Nominating & Governance Committees identify nominees by first evaluating the current members of the boards willing to continue in service. Current members of the boards with skills and experience that are relevant

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to our business and who are willing to continue in service are considered for re-nomination, balancing the value of continuity of service by existing members of the boards with that of obtaining a new perspective. If any member of the boards does not wish to continue in service or if the Nominating & Governance Committees or the boards decide not to re-nominate a member for re-election, the Nominating & Governance Committees identify the desired skills and experience of a new nominee in light of the criteria above. Current members of the Nominating & Governance Committees and the boards are polled for suggestions as to individuals meeting the criteria of the Nominating & Governance Committees. The Nominating and Governance Committees may engage a third party search firm to identify or evaluate or assist in identifying potential nominees. Mr. Weisenburger, who joined the boards in January 2009, was recommended to the Nominating & Governance Committees by a non-executive director.

Procedures Regarding Director Candidates Recommended by Shareholders

The Nominating & Governance Committees will also consider shareholder recommendations of qualified director nominees when such recommendations are submitted in accordance with the procedures below. In order to have a nominee considered by the Nominating & Governance Committees for election at the 2010 annual meetings, a shareholder must submit his or her recommendation in writing to the attention of our Secretary at our headquarters no later than November 4, 2009. Any such recommendation must include:

- the name and address of the candidate;
- a brief biographical description, including his or her occupation for at least the last five years, and a statement of the qualifications of the candidate, taking into account the qualification requirements set forth above; and
- the candidate s signed consent to serve as a director if elected and to be named in the proxy statement.

Once we receive the recommendation, we will deliver to the candidate a questionnaire that requests additional information about the candidate s independence, qualifications and other matters that would assist the Nominating & Governance Committees in evaluating the candidate, as well as certain information that must be disclosed about the candidate in our proxy statement or other regulatory filings, if nominated. Candidates must complete and return the questionnaire within the time frame provided to be considered for nomination by the Nominating & Governance Committees.

Communications between Shareholders and the Boards

Shareholders or interested parties who wish to communicate with the boards, the Presiding Director, the non-management directors as a group or any individual director should address their communications to the attention of the Secretary of Carnival Corporation and Carnival plc at 3655 N.W. 87th Avenue, Miami, Florida 33178. The Secretary will maintain a log of all such communications, promptly forward to the Presiding Director those which the Secretary believes require immediate attention, and also periodically provide the Presiding Director with a summary of all such communications and any responsive actions taken. The Presiding Director will notify the boards or the chairs of the relevant board committees as to those matters that he believes are appropriate for further action or discussion.

Code of Business Conduct and Ethics

Carnival Corporation and Carnival plc s Code of Business Conduct and Ethics applies to all employees and members of the boards of Carnival Corporation and Carnival plc. Our Code of Business Conduct and Ethics is posted on our website at www.carnivalcorp.com and www.carnivalplc.com and is available in print to any shareholder who requests it. The Code of Business Conduct and Ethics may be amended periodically to remain in line with best practices.

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DIRECTOR COMPENSATION

Our non-executive directors are entitled to receive an annual retainer of $40,000 per year, an attendance fee per board meeting of $5,000 ($2,000 if meeting attended by telephone), equity compensation, as further described below, and reimbursement for travel, meals and accommodation expenses attendant to their board membership. We do not provide retirement benefits or other benefits to our non-executive directors. We reimburse directors for travel expenses incurred for spouses or partners when we request that they attend a special event. Any amount reimbursed for spousal or partner travel is reported below in the Director Compensation for Fiscal Year 2008 table. The Presiding Director receives an additional retainer of $20,000 per annum. In addition, non-executive directors receive additional compensation for serving as chairman or a member of a board committee. Board members who are employed by us do not receive additional compensation for their services as a member of the boards of directors. The retainer and meeting attendance fees for the board committees in effect during 2008 are as follows:

	Retainer		Attendance Fee	
	Chair	Member	In Person	By Telephone
Audit Committees	$ 23,000	$ 7,500	$ 3,000	$ 1,500
Compensation Committees	$ 14,000	$ 3,750	$ 2,500	$ 1,250
Executive Committees		$ 3,750		
HESS Committees	$ 23,000	$ 3,750	$ 2,500	$ 1,250
Nominating & Governance Committees	$ 10,000	$ 3,750	$ 2,500	$ 1,250

Non-executive directors receive cash fees in quarterly installments. Annual retainers are pro-rated so that adjustments can be made during the year. Unearned portions of cash retainers are forfeited upon termination of service.

For purposes of calculating fees, a board or committee meeting of Carnival Corporation and a concurrent or related board or committee meeting of Carnival plc constitute a single meeting. Directors who are employed by us or our subsidiaries or acting as our consultants do not receive any additional compensation for their board activities.

Each non-executive director receives an award of 2,500 restricted shares or RSUs under the Amended and Restated Carnival Corporation 2001 Outside Director Stock Plan in the form of 2,500 restricted shares or RSUs, which vest in their entirety on the third anniversary of the grant date. Awards of options will no longer be made under this plan. Awards of restricted shares have the same rights with respect to dividends and other distributions as all other outstanding shares of Carnival Corporation common stock. Awards of RSUs do not receive dividends or have voting rights. Each RSU awarded is credited with dividend equivalents equal to the value of cash and stock dividends paid on Carnival Corporation common stock, and interest is credited on the amount of cash dividend equivalents at a rate of 2% per annum. The cash and stock dividend equivalents will be distributed upon the settlement of the RSUs upon vesting.

Mr. Dickinson, Mr. Ratcliffe and Ms. Weil received a grant of 2,500 RSUs upon their re-election to the boards on April 23, 2008. The other non-executive directors received an equity award in October 2007. It is anticipated that in the future all non-executive directors will receive their annual awards at the time of their annual election or re-election to the boards. The next annual award is expected to be made in April 2009.

Director Compensation for Fiscal Year 2008

The following table details the total compensation earned by our directors in fiscal 2008, other than Messrs. Arison, Foschi and Frank whose compensation is reflected in the section entitled Summary Compensation Table, which follows the Compensation Discussion and Analysis. Board members who are employed by us do not receive additional compensation for their services as a member of the boards of directors. Upon Mr. Ratcliffe s retirement from employment effective March 6, 2008, he became eligible to receive compensation payable to non-executive directors.

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Name	Fees Earned or Paid in Cash[(1)] ($)	Stock Awards[(2)(3)] ($)	Option Awards[(2)(3)] ($)	All Other Compensation[(4)] ($)	Total ($)
Richard G. Capen, Jr.	94,125		70,604	10,329	175,058
Robert H. Dickinson	70,000	98,450		8,517	176,967
Arnold W. Donald	116,500		59,532	16,576	192,608
Richard J. Glasier	141,000		54,238	14,766	210,004
Baroness Hogg[(5)]	34,125				34,125
Modesto A. Maidique	101,000		70,604	18,293	189,897
Sir John Parker	111,750			640	112,390
Peter G. Ratcliffe	51,000	98,450		1,815,314[(6)]	1,964,764
Stuart Subotnick	135,250		48,457		183,707
Laura Weil	115,813	142,032			257,845
Uzi Zucker	106,500		70,604		177,104

(1) Refer to the table above describing the board committee membership.

(2) The amounts included in the table represent the dollar amount recognized for financial reporting purposes with respect to fiscal year 2008, computed in accordance with the provisions of Statement of Financial Accounting Standards No. 123(R) (as amended) Share-Based Payment (SFAS No. 123(R)) related to grants of Carnival Corporation restricted shares, RSUs and options in fiscal year 2008 and in prior years, except that amounts in this table do not reflect a reduction for estimated forfeitures. We calculate compensation expense related to options using the Black-Scholes option-pricing model, disregarding estimates of forfeitures related to service-based vesting conditions. We calculate compensation expense related to a share of restricted stock and an RSU based on the market price of Carnival Corporation common stock or Carnival plc ordinary shares, as applicable, on the date of grant. Refer to footnotes 2 and 12 in the Carnival Corporation & plc financial statements for the year ended November 30, 2008 for a description of the assumptions used to determine the fair value of these awards. As noted in the Carnival Corporation & plc financial statements, share-based payments expense for grants made prior to December 1, 2005 is recognized ratably using the straight-line attribution method over the expected vesting period. The restricted shares and RSUs granted in 2008 to non-executive directors vest on the third anniversary of the grant date. The restricted shares and RSUs granted to non-executive directors vest in full upon the death or disability of the director, and continue to vest in accordance with the original vesting schedule and are not forfeited if a director ceases to be a director for any other reason after having served as a director for at least one year. All of the above directors have served for at least one year. Accordingly, for grants made to directors serving at least one year after December 1, 2005, we are required to recognize the full expense of these awards at the date of the grant. The amount reported for Ms. Weil includes the expense recognized for her 2007 grant of RSUs that were expensed through the first anniversary of her election to the boards in April 2008. Mr. Dickinson, Mr. Ratcliffe and Ms. Weil received a grant of 2,500 RSUs upon their re-election to the boards on April 23, 2008 when the closing price of a share was $39.38. The grant date fair value of each award was $98,450. None of the other non-executive directors received an equity-based award during fiscal 2008.

(3) The aggregate number of Carnival Corporation and Carnival plc restricted shares, RSUs and options (both exercisable and unexercisable) outstanding at November 30, 2008 are as follows:

Name	Unvested Restricted Shares	Unvested RSUs	Unexercised Options
Richard G. Capen, Jr.	0	2,500	62,000
Robert H. Dickinson	160,000	2,500	464,000
Arnold W. Donald	500	3,250	44,000
Richard J. Glasier	0	2,500	30,000
Modesto A. Maidique	0	2,500	68,000
Sir John Parker	5,000	0	0
Peter G. Ratcliffe	66,589	52,500	200,000
Stuart Subotnick	5,000	0	9,600
Laura Weil	0	4,500	0
Uzi Zucker	2,500	0	43,200

(4) Represents reimbursement of expenses associated with spousal or partner travel and the incremental cost of cruise benefits.

(5) Baroness Hogg decided not to seek re-election to the boards in April 2008 due to additional pressures on her schedule following her appointment as Deputy Chairman of the UK Financial Reporting Council. As a result, her term ended on April 22, 2008.

(6) Mr. Ratcliffe retired from employment effective March 6, 2008. Upon his retirement, he became eligible to receive compensation for his services as a non-executive director. The amount reported includes salary of $327,308, expenses associated with stock and option awards of $1,173,694, and perquisites of $314,312 received by Mr. Ratcliffe during his employment. The stock and option awards related to awards made while Mr. Ratcliffe was an employee and those amounts were calculated as described in footnote 2 above.

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The following policies also apply to our non-executive directors:

Stock Ownership Guidelines. All non-executive directors are required to own at least 5,000 shares (inclusive of unvested restricted shares, RSUs and shares in a trust beneficially owned by the director) of either Carnival Corporation common stock or Carnival plc ordinary shares. Each of the non-executive directors elected by the shareholders in 2008 have achieved this board mandated requirement. New directors must achieve this requirement no later than two years from the date of their initial election to the boards by the shareholders.

Product Familiarization. All non-executive directors are encouraged to take a cruise for up to 14 days per year for product familiarization and pay a fare of $35 per day for such cruises. In addition, guests traveling with the non-executive director in the same stateroom are charged a fare of $35 per day. All other charges associated with the cruise (e.g., air fares, fuel supplements, government fees and taxes, gratuities, ground transfers, tours, etc.) are the responsibility of the non-executive director.

Carnival plc

Additional information with respect to Carnival plc s compensation and reimbursement practices during fiscal 2008 for non-executive directors is included in Part II of the Carnival plc Directors Remuneration Report, which is attached as Annex B to this proxy statement.

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COMPENSATION DISCUSSION AND ANALYSIS

and

CARNIVAL PLC DIRECTORS REMUNERATION REPORT PART I

INTRODUCTION

Carnival Corporation and Carnival plc are subject to disclosure regimes in the U.S. and UK. While some of the disclosure requirements are the same or similar, some are very different. As a result, the Carnival plc Directors Remuneration Report is in two parts. The information contained in this Part I also constitutes the Compensation Discussion and Analysis as required by regulations promulgated by the SEC, and includes information that Carnival plc is required to disclose in accordance with the UK Directors Remuneration Report Regulations 2002 incorporated into the UK Companies Act 1985 (the DRR Regulations). Part II of the Carnival plc Directors Remuneration Report is set forth as Annex B to this proxy statement and includes the additional information that Carnival plc is required to disclose in accordance with the DRR Regulations, including certain information which has been audited for the purposes of the Carnival plc Annual Report.

Parts I and II of the Carnival plc Directors Remuneration Report have been drafted in compliance with the DRR Regulations, the Combined Code on Corporate Governance published in June 2006 by the UK Financial Reporting Council (the UK Combined Code), the UK Companies Acts 1985 and 2006 and the Listing Rules of the UK Listing Authority. Both Parts I and II form part of the Annual Report of Carnival plc for the financial year ended November 30, 2008.

GENERAL

Carnival Corporation and Carnival plc are separate legal entities (together referred to in this report as Carnival Corporation & plc) and each company has its own board of directors and Compensation Committee. However, as is required by the agreements governing the dual listed company (DLC) structure, the boards of directors and members of the committees of the boards, including the Compensation Committees, are identical and there is a single management team.

The Compensation Committees determine the compensation policy and the compensation payable to all of our executive officers, including Carnival Corporation & plc s Chief Executive Officer and Chief Financial Officer. Pursuant to rules promulgated by the SEC and the DRR Regulations, this Compensation Discussion and Analysis reviews the compensation of the following named executive officers (the NEOs):

Name	Title
Micky Arison	Chairman of the Boards of Directors and Chief Executive Officer
David Bernstein	Senior Vice President and Chief Financial Officer
Gerald R. Cahill	President and Chief Executive Officer of Carnival Cruise Lines
Pier Luigi Foschi	Chairman and Chief Executive Officer of Costa
Howard S. Frank	Vice Chairman of the Boards of Directors and Chief Operating Officer

Since 2003, the Compensation Committees have engaged a consultant from Watson Wyatt Worldwide (the Consultant) as their outside compensation consultant to assist in their annual review of our executive and director compensation programs. Watson Wyatt Worldwide also provides actuarial advice and administrative services to Carnival plc in relation to the UK pension schemes and accounting valuation advice and administrative services with respect to equity awards to Carnival Corporation and Carnival plc. The Compensation Committees do not believe the provision of these services by Watson Wyatt Worldwide results in a conflict of interest as they are administrative in nature and Watson Wyatt Worldwide does not act in a decision-making capacity. The Compensation Committees believe that the Consultant is able to provide objective advice to the Compensation Committees.

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OVERALL PHILOSOPHY AND OBJECTIVES

Carnival Corporation & plc is a global entity and is a dual listed company in both the U.S. and UK. Most of the executive officers of Carnival Corporation & plc are located in the U.S., with others based in Europe. As a global entity, it is challenging to establish consistent compensation practices across geographic and corporate lines that satisfy the particular requirements of all jurisdictions. Since the largest presence of executive officers is in the U.S., our compensation policies primarily reflect U.S. market practices and are based on data provided to the Compensation Committees by the Consultant. However, the Compensation Committees seek to incorporate UK compensation principles, including those contained in the UK Combined Code, as far as practicable, unless the application of those principles would be uncompetitive in the U.S. or other markets, or would restrict Carnival Corporation & plc s ability to transfer executives between operating units.

The objectives of the Compensation Committees with respect to executive compensation are to create competitive compensation packages that provide both short-term rewards and long-term incentives for positive individual and corporate performances and to increase the alignment of the financial interests of our executive officers and Carnival Corporation & plc s shareholders. The Compensation Committees philosophy is to place more emphasis on the variable elements of compensation, such as the annual cash bonus and equity-based compensation, than on base salary. The Compensation Committees seek to target total direct compensation for each NEO within a reasonable range of the peer group median with the potential for each NEO to receive total direct compensation up to the 75th percentile if performance warrants. The Compensation Committees review the position of each element of total direct compensation relative to the peer group, but does not seek to target each element of total direct compensation to a market reference.

HOW CARNIVAL PAYS FOR PERFORMANCE

Fiscal 2008 Performance

Fiscal 2008 presented a number of challenges to Carnival Corporation & plc s senior management team. Operating expenses were higher than initially forecast due to highly volatile fuel prices. The onset of a recession and global financial crisis put pressure on revenues. Despite these factors, Carnival Corporation & plc s operating income slightly increased over the prior year. In addition, Carnival Corporation & plc achieved a slight reduction in net cruise costs (excluding fuel and in constant currency) and successfully launched six new ships across its various brands.

Annual changes in cash compensation for Carnival Corporation & plc s senior management team, including the NEOs, are managed to closely correlate with changes in operating income as measured at the most relevant levels (corporate and/or operating company). Other considerations impacting cash compensation include changes in responsibility, market pay positioning and comparisons to other Carnival Corporation & plc executives with similar responsibility levels.

At the time fiscal 2008 salaries and target bonuses were established, Carnival Corporation & plc s operating income was forecast to increase over the prior year by about 10%. The table below shows how fiscal 2008 target cash compensation levels and fiscal 2008 actual cash compensation compared to actual cash compensation for fiscal 2007. Mr. Arison s actual fiscal 2008 cash compensation reflects his decision to decline a bonus for 2008. Mr. Bernstein and Mr. Cahill s fiscal 2008 cash compensation reflect increases related to fiscal 2008 being their first full year in their current job responsibilities. Pursuant to his service agreement, Mr. Foschi s annual cash bonus is based on year-over-year changes in earnings at Costa. Because Mr. Foschi s service agreement does not include a target bonus, the table below uses Mr. Foschi s actual fiscal 2007 bonus as his fiscal 2008 target bonus.

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NEO	2007 Salary Plus Actual Bonus	2008 Salary Plus Target Bonus	Change from 2007 Salary Plus Bonus	2008 Salary Plus Actual Bonus	Percent of 2008 Target Cash Compensation	Change from 2007 Salary Plus Bonus
Micky Arison	$ 3,775,000	$ 4,080,000	8.1%	$ 880,000	21.6%	-76.7%
David Bernstein	$ 619,596	$ 840,000	35.6%	$ 934,120	111.2%	50.8%
Gerald R. Cahill	$ 1,625,000	$ 1,850,000	13.8%	$ 1,912,288	103.4%	17.7%
Pier Luigi Foschi	2,075,493	2,110,493	1.7%	2,156,209	102.2%	3.9%
Howard S. Frank	$ 3,575,000	$ 3,880,000	8.5%	$ 3,489,400	89.9%	-2.4%

Similar to cash bonuses, equity-based compensation awards for the NEOs are made early in one fiscal year based on overall company and individual officer performance results from the prior year. Unlike the annual cash bonuses, individual equity awards are not directly linked to operating income results from the prior year. Beginning with the equity awards for performance in 2008 (made in early fiscal 2009), the Compensation Committees determined the number of equity awards to grant to the NEOs and all other participants based on the grant date fair value rather than based on share numbers. While the equity awards for fiscal 2008 performance were similar in grant date fair value to those granted for fiscal 2007 performance, this is not necessarily indicative of what equity grant values will be in future years.

The table below compares each NEOs fiscal 2008 total direct compensation (salary, annual cash bonus, and equity awards made for fiscal 2008 performance) to both fiscal 2007 total direct compensation and fiscal 2008 target levels. The fiscal 2008 compensation values in this table reflect the fair value of grants made in December 2008 (awarded in fiscal 2009) while the fiscal 2007 compensation values reflect the fair value of grants made in February 2008 (awarded in fiscal 2008). As a result, the total direct compensation for fiscal 2008 does not include the grant date fair value of equity awards shown in the Grants of Plan-Based Awards table following this Compensation Discussion and Analysis that were granted in fiscal 2008 for fiscal 2007 performance. For additional information on the differences in the grant date fair values for awards granted in fiscal 2008 and awards granted in fiscal 2009 for 2008 performance, see the discussion in the subsection below entitled Equity-Based Awards Made During Fiscal 2009 Based on Fiscal 2008 Performance. The changes in total direct compensation for the NEOs were primarily driven by the same factors that explain the year-over-year change in NEO cash compensation outlined for the table above.

NEO	2007 Actual Total Direct Compensation	2008 Target Total Direct Compensation	Change from 2007 Total	2008 Actual Total Direct Compensation	Percent of 2008 Target Total Direct Compensation	Change from 2007 Total Direct Compensation
Micky Arison	$ 7,247,560	$ 7,698,481	6.2%	$ 4,498,481	58.4%	-37.9%
David Bernstein	$ 1,032,996	$ 1,270,760	23.0%	$ 1,364,880	107.4%	32.1%
Gerald R. Cahill	$ 2,658,500	$ 2,926,924	10.1%	$ 2,989,212	102.1%	12.4%
Pier Luigi Foschi	2,766,265	2,804,476	1.4%	2,850,192	101.6%	3.0%
Howard S. Frank	$ 6,468,800	$ 6,895,393	6.6%	$ 6,504,793	94.3%	0.6%

Market Comparison

Carnival Corporation & plc s executive compensation programs are designed to be competitive and to reward financial performance. The total direct compensation provided to our NEOs in fiscal 2008 included salary, an annual bonus and equity-based compensation. As discussed further in this Compensation Discussion and Analysis, in order to assist in its determination of appropriate levels of total direct compensation for each of our NEOs, the Compensation Committees, with the assistance of the Consultant, selects a peer group of companies in order to review executive officer compensation practices at other similarly-sized companies. The peer group of companies referred to by the Compensation Committees when reviewing NEO compensation for 2008 is listed in this Compensation Discussion and Analysis under the heading Process for Making Compensation Determinations Competitive Market Analysis.

An analysis by the Consultant of our aggregate NEO total direct compensation in comparison to our peer group demonstrates that aggregate total direct compensation levels for Carnival Corporation & plc s NEOs are competitively positioned against other similarly-sized public companies.

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The table below compares selected financial data and aggregate total direct compensation for the NEOs based on total direct compensation from companies in our peer group with data and total direct compensation for the NEOs of Carnival Corporation & plc:

	Financial Data(1)				Aggregate NEO Compensation(2)			
	Revenue	Market Capitalization	Operating Income	Net Income	Base Salary	Target Annual Bonus	Equity-Based Compensation(3)	Target Total Direct Compensation
75th Percentile	$ 22,697	$ 31,091	$ 3,240	$ 2,029	$ 5,255,529	$ 5,255,529	$ 16,636,641	$ 27,531,765
Median	$ 16,370	$ 22,304	$ 2,302	$ 1,405	$ 4,049,359	$ 4,672,651	$ 12,301,305	$ 23,062,255
25th Percentile	$ 11,083	$ 3,950	$ 1,089	$ 662	$ 3,712,173	$ 3,621,134	$ 10,017,540	$ 18,732,652
Carnival Corporation & plc	$ 14,646	$ 16,485	$ 2,729	$ 2,330	$ 4,175,500	$ 9,619,135	$ 9,175,393	$ 22,970,227
Percentile Rank	41st	44th	61st	80th	55th	89th	20th	50th

(1) Financial data for the peer group is reported in millions and is based on the most recent publicly available information as of November 30, 2008. Financial data for Carnival Corporation & plc is based on the fiscal year ended as of November 30, 2008. Market capitalization for Carnival Corporation & plc is as of November 30, 2008.

(2) Base salary, annual bonus and equity-based compensation information from the peer group is based on compensation data as reported in their most recently filed proxy statements. Base salary, target annual bonus and equity-based compensation information for Carnival Corporation & plc is based on fiscal year 2008 performance.

(3) Represents the sum of the grant date fair value of equity-based awards granted in December 2008 for fiscal year 2008 performance.

Based on the data compiled by the Consultant, Carnival Corporation & plc s fiscal year 2008 revenues and year-end market capitalization are slightly below the peer group median, but its operating income exceeds the peer group median and its net income exceeds the peer group s 75th percentile. The aggregate target total direct compensation for the Carnival Corporation & plc NEOs approximates the peer 50th percentile. A comparison of aggregate target total direct compensation for these NEOs as compared to the aggregate for the peer group based on the data described above also indicates that our compensation mix places more emphasis on the annual bonus element and less emphasis on equity-based compensation as compared to the practices of the peer group companies.

The Consultant s analysis suggests that when evaluated as a percentage of revenues and market capitalization, the aggregate total direct compensation for Carnival Corporation & plc s NEOs approximates the peer group median. However, the aggregate target total direct compensation of these five Carnival Corporation & plc NEOs is below the median as a percentage of operating income and is below the 25th percentile for the peer group as a percentage of net income.

	Financial Data[1]				NEO Total Direct Compensation[2] as Percentage of			
	Revenue	Market Capitalization	Operating Income	Net Income	Revenue	Market Capitalization	Operating Income	Net Income
75th Percentile	$ 22,697	$ 31,091	$ 3,240	$ 2,029	0.18%	0.49%	1.75%	2.56%
Median	$ 16,370	$ 22,304	$ 2,302	$ 1,405	0.13%	0.14%	0.95%	1.71%
25th Percentile	$ 11,083	$ 3,950	$ 1,089	$ 662	0.10%	0.08%	0.80%	1.16%
Carnival Corporation & plc	$ 14,646	$ 16,485	$ 2,729	$ 2,330	0.16%	0.14%	0.84%	0.99%
Percentile Rank	41st	44th	61st	80th	61st	50th	43rd	18th

(1) Financial data for the peer group is reported in millions and is based on the most recent publicly available information as of November 30, 2008. Financial data for Carnival Corporation & plc is based on the fiscal year ended November 30, 2008. Market capitalization for Carnival Corporation & plc is as of November 30, 2008.

(2) Total direct compensation is based on the sum of base salary, annual bonus and equity-based compensation. Base salary, annual bonus and equity-based compensation information from the peer group is based on compensation data as reported in their most recently filed proxy statements. Base salary, annual bonus and equity-based compensation information for Carnival Corporation & plc is based on fiscal year 2008.

In summary, these analyses suggest that total direct compensation levels for Carnival Corporation & plc s NEOs are competitively positioned against other similarly-sized public companies but are also relatively conservative given Carnival Corporation & plc s profitability and its market capitalization.

PROCESS FOR MAKING COMPENSATION DETERMINATIONS

The Compensation Committees annually determine the compensation of our NEOs. Except for Mr. Foschi who has a service agreement, the compensation for the NEOs is determined by the Compensation Committees using their full discretion to evaluate their individual performance and the overall performance of Carnival Corporation & plc. As part of the annual compensation determination process, Mr. Arison and Mr. Frank recommend to the Compensation Committees key initiatives and goals for Carnival Corporation & plc at the beginning of each year. After the fiscal year is complete, Mr. Arison and Mr. Frank review with the Compensation Committees the results of those initiatives, progress towards goals and other material items relating to overall Carnival Corporation & plc performance.

The Consultant attends all meetings of the Compensation Committees and, upon request, provides its views on proposed actions by the Compensation Committees. The Compensation Committees interact with management of Carnival Corporation & plc on compensation issues primarily through communications, meetings and discussions with Mr. Arison and Mr. Frank, who also attend meetings of the Compensation Committees as requested by the Compensation Committees.

During 2008, new annual bonus programs were adopted for corporate executive officers, other corporate management staff and for senior management at Carnival Cruise Lines, Carnival UK, Holland America Line, Princess Cruise Lines and P&O Cruises Australia. Messrs. Arison, Frank, and Bernstein participate in the Carnival Corporation & plc Management Incentive Plan for Executive Officers (the Corporate Plan) and Mr. Cahill participates in the Carnival Cruise Lines Management Incentive Plan (the CCL Plan). The new annual bonus programs were designed through a collaborative effort involving the Compensation Committees, the Consultant and select members of Carnival Corporation & plc s management, including Messrs. Arison, Frank and Bernstein, as well as the chief executives of the participating operating companies.

Competitive Market Analysis

When determining each element of NEO compensation, the Compensation Committees annually review the compensation practices of certain other publicly-listed companies with the assistance of their Consultant. The annual market assessment consists of an analysis of top officer pay at a group of publicly-listed peer companies, as well as survey data described further below. Based on the recommendations of the Consultant, the Compensation Committees approve a peer group before the annual assessment commences. The peer group used when determining the compensation for the NEOs in 2008 consisted of 15 U.S. publicly-listed companies comparable in size to Carnival Corporation & plc (considering revenue, market capitalization, operating income, total assets and reported full time employees) and reflect a balanced group of comparable media, entertainment, consumer goods and services and retailing companies. During fiscal 2008, Hilton Hotels Corporation, one of the peer group companies, became a private corporation. As a result, its NEO compensation data was removed from the peer group and not considered when determining the final 2008 annual cash bonuses and equity grants awarded in early 2009. However, the Compensation Committees believe there are no public companies that are directly relevant to Carnival Corporation & plc in terms of comparing executive officer pay. The only direct peer is Royal Caribbean Cruises Ltd., which is a substantially smaller corporation. The other selected companies have some characteristics similar to Carnival Corporation & plc, but they also have some significant differences.

2008 Peer Group Companies

Anheuser-Busch Companies, Inc.	NIKE, Inc.
Colgate-Palmolive Company	Royal Caribbean Cruises Ltd.
Macy s, Inc.	Starbucks Corporation
General Mills, Inc.	Starwood Hotels & Resorts Worldwide, Inc.
Hilton Hotels Corporation	Target Corporation
Marriott International Inc.	The DIRECTTV Group, Inc.
McDonald s Corporation	The Walt Disney Company
MGM Mirage	

When determining the appropriate level of each element of total direct compensation, the Compensation Committees also review compensation data assembled by the Consultant that is derived from recognized executive compensation surveys. The Consultant develops market references for each NEO position in order to gauge the pay of other officers holding similar positions at other companies. The Compensation Committees review the market references primarily to ensure that the executive compensation program is generally competitive, but do not use the data as a benchmark. For fiscal year 2008, the market data were derived from the Watson Wyatt Top Management Compensation Survey and Mercer Executive Benchmark Database. The references developed for the Compensation Committees from these surveys are based on data reported by hundreds of companies with revenues in excess of $10 billion. Because these surveys are national, non-industry specific reports including data from hundreds of companies, the Compensation Committees are not shown the identities of the companies participating in the reports.

As discussed above, the aggregate fiscal 2008 target total direct compensation for the NEOs approximated the peer group 50th percentile. The aggregate fiscal 2008 target total direct compensation includes fiscal 2008 salaries, actual bonuses paid for fiscal 2008 performance and, for administrative purposes, the grant date fair value of equity grants made in December 2008 for performance during fiscal 2008.

NEO COMPENSATION DESIGN AND ELEMENTS

The compensation elements for our NEOs consist of base salary, an annual cash bonus, equity-based compensation, retirement benefits, perquisites and other benefits.

The compensation practices for our NEOs vary due to the structure of Carnival Corporation & plc. Three of our NEOs (Messrs. Arison, Bernstein and Frank) had company-wide roles during fiscal 2008 and two of our NEOs (Messrs. Cahill and Foschi) were chief executive officers of an operating unit during fiscal 2008. As a result, the compensation practices for these two groups are different. Carnival Corporation & plc s business strategy gives the chief executive officer of each operating unit a greater degree of responsibility and autonomy as compared to more centralized companies. As a result Carnival Corporation & plc provides these executives a level of compensation opportunity that is higher than typical market practice for operating unit executives and an annual cash bonus program placing more emphasis on performance of their respective operating unit. Moreover, the benefits and perquisites and certain elements of the equity-based awards vary among the NEOs to reflect local market practices where an NEO resides.

Mr. Foschi s cash compensation is payable in euros. For purposes of this discussion, his compensation has been converted into U.S. dollars at the average exchange rate of the dollar for the 2008 fiscal year of $1.49: 1, unless otherwise noted.

Base Salaries

A. General

Base salaries are intended to provide a baseline level of fixed compensation that reflects each NEO s level of responsibility. Base salaries for 2008 to our NEOs are reported in the Summary Compensation Table. With the exception of Mr. Foschi, our NEOs do not have agreements that establish a minimum base salary. Mr. Foschi s service agreement sets forth a minimum base salary of 872,000. The Compensation Committees annually review the NEO s performance and may increase their base salary in their discretion if merited by performance or other market factors in order to attract and retain our executives.

Salaries are established for NEOs after performance results for the prior fiscal year are available. Mr. Arison and Mr. Frank review the annual market assessment provided by the Consultant, as well as individual and operating unit performance, and provide the Compensation Committees with recommended salaries for all NEOs, except for their own salaries. The recommendations include a capsule review of each NEO s individual performance for the prior fiscal year.

Mr. Arison and Mr. Frank also submit a self-assessment regarding the performance of the overall corporation and summarize their individual activities and outcomes as compared to the goals as presented to the Compensation Committees at the beginning of the year. The Compensation Committees determine the salaries for Mr. Arison and Mr. Frank, and may also request recommendations from the Consultant. The base salaries of Mr. Arison and Mr. Frank typically are within $100,000 reflecting the belief of the Compensation Committees that they have a similar level of job responsibility and both have significant impact on the success of Carnival Corporation & plc.

B. 2008 Base Salaries and Analysis

The Compensation Committees approved salary increases for the NEOs after reviewing the competitive market assessment for total direct compensation, the fiscal 2007 performance and results of Carnival Corporation & plc (for the NEOs with company-wide roles) or the 2007 performance and results of the respective operating unit (for those NEOs who were chief executive officers of an operating unit) and the individual contributions of each NEO, as follows:

NEO	Fiscal 2007 Base Salary	Fiscal 2008 Base Salary	Percentage Increase (%)
Micky Arison	$ 850,000	$ 880,000	3.5
David Bernstein	$ 300,000	$ 350,000	16.7
Gerald R. Cahill	$ 625,000	$ 750,000	20.0
Pier Luigi Foschi(1)	915,000	950,000	3.7
Howard S. Frank	$ 750,000	$ 780,000	4.0

(1) Mr. Foschi s base salary is payable in euros. His base salary is equivalent to $1,244,400 for fiscal 2007 and $1,415,500 for fiscal 2008 when converted into U.S. dollars at the average exchange rate for fiscal 2007 of $1.36: 1 and fiscal 2008 of $1.49: 1.

The Compensation Committees determined to increase base salaries for Mr. Arison and Mr. Frank for fiscal 2008 in response to their satisfactory performance results during 2007 and recognizing that their base salaries did not change from fiscal 2006 to fiscal 2007. The 2008 base salaries for both Mr. Arison and Mr. Frank were below the median market references developed by the Consultant.

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Mr. Bernstein s base salary increase reflected his performance since assuming the role of Chief Financial Officer during 2007 and recognized that his initial salary level and total direct compensation were at the low end of market references for chief financial officers.

Mr. Cahill s base salary increase reflected consideration of base salary levels and total compensation for top executives of large business units as reflected in the market references as well as those of other operating company chief executives within Carnival Corporation & plc. It also reflected an assessment of Mr. Cahill s performance as President and Chief Executive Officer of Carnival Cruise Lines during the latter part of 2007 and recognized that his base salary had not been adjusted at the time he assumed this new role.

Mr. Foschi s base salary increase reflected the strong operating performance results achieved during 2007 by the operating units led by Mr. Foschi and his efforts in developing the business under his responsibility.

Annual Cash Bonuses

A. General

The performance-related annual cash bonus is the most significant cash compensation feature of our executive compensation program. In fiscal 2008, each NEO s target bonus comprised the majority of their respective total cash compensation, supporting Carnival Corporation & plc s objective to pay for performance. Annual cash bonus payments are intended to reward short-term individual and corporate and operating unit performance results and achievements. The emphasis on the annual cash bonus allows Carnival Corporation & plc greater flexibility in rewarding favorable individual and corporate performance than is possible under a compensation structure where the majority of compensation is a fixed salary.

B. 2008 Annual Cash Bonuses and Analysis

During 2008, the annual cash bonuses for NEOs, other than Mr. Foschi, were determined in accordance with annual bonus programs adopted in 2008 and described below.

The Corporate Plan

Messrs. Arison, Bernstein and Frank, who have company-wide roles, participate in the Corporate Plan, which was adopted in January 2008. The Corporate Plan is designed to focus the attention of these NEOs on achieving outstanding performance results as reflected by income from operations of Carnival Corporation & plc and other relevant measures.

In January 2008, being the first year for participation in the Corporate Plan, the Compensation Committees set the initial target bonuses for Messrs. Arison, Bernstein and Frank after consideration of both competitive market assessment data and historical bonus payout levels at Carnival Corporation & plc, along with corresponding Carnival Corporation & plc financial performance results. They also considered that the Operating Income Target for fiscal 2008 was approximately 10% over the actual operating income achieved in fiscal 2007. For fiscal 2008, the Compensation Committees established target bonuses of $3,200,000 for Mr. Arison, $3,100,000 for Mr. Frank and $490,000 for Mr. Bernstein. When these targets are combined with their 2008 base salary, their target cash compensation for fiscal 2008 represented an increase of approximately 8% for Mr. Arison, 8.5% for Mr. Frank and 29% for Mr. Bernstein, over their respective aggregate cash compensation paid in 2007.

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The Corporate Plan contains a schedule that calibrates the Operating Income Target for the year with the target bonus for each participant. The performance range in the schedule is from 72% to 123% of the Operating Income Target with corresponding preliminary bonus funding ranging from 50% to 150% of each NEO s target bonus. Results between the goals and performance levels shown in the following table are interpolated to derive a percentage. The Operating Incomes, performance levels and resulting performance level payouts for fiscal 2008 were as follows:

Operating Income	Performance Level (% of Target Achievement)	Resulting Percent of Target Bonus
$2,166,956,000	Threshold (72%)	50%
$3,009,661,000	Target (97% - 103%)	100%
$3,701,883,000	Maximum (123%)	150%

Following the end of the fiscal year, the Compensation Committees confirmed funding guideline bonus amounts for the NEO participants based on the actual Operating Income results achieved during fiscal 2008. The Compensation Committees then considered other factors deemed relevant to the performance of Carnival Corporation & plc, including fuel prices. The Compensation Committees also considered other factors relevant to the performance of each participant such as successful implementation of strategic initiatives and business transactions, significant business contracts, departmental accomplishments, executive recruitment, new ship orders, and management of health, environment, safety and security matters. Based on such factors the Compensation Committees determined the final bonus amounts.

Mr. Arison and Mr. Frank made recommendations to the Compensation Committees for all NEO cash bonuses except for their own. The recommendations included a capsule review of the prior fiscal year performance of each NEO. Mr. Arison and Mr. Frank also submitted self-assessments to the Compensation Committees summarizing their own activities and outcomes as compared to their goals, as well as Carnival Corporation & plc s overall performance. Their bonuses were then determined by the Compensation Committees, which requested input from the Consultant.

Actual Operating Income for fiscal 2008 was $2.729 billion, or 91% of the Operating Income Target, and was slightly increased over fiscal 2007. The achievement of 91% of the Operating Income Target resulted in a funding guideline equal to 87% of a participant s target bonus. Mr. Arison informed the Compensation Committees that he voluntarily elected to forego any bonus for fiscal 2008 and the Compensation Committees agreed to honor his request. Based on the bonus funding schedule set forth in the Corporate Plan, the Compensation Committees awarded Mr. Frank a fiscal 2008 bonus of $2,709,400 or approximately 87% of his target. This bonus represents a 4% decline from Mr. Frank s fiscal 2007 bonus.

Based on the bonus funding schedule for fiscal 2008, Mr. Bernstein s fiscal 2008 funding guideline under the Corporate Plan was calculated at $428,260 or approximately 87% of his target. Based on the recommendations of Messrs. Arison and Frank, the Compensation Committees determined to increase Mr. Bernstein s fiscal 2008 bonus by $155,860, for a fiscal 2008 final bonus of $584,120, or 119% of his target. The increase reflects the especially strong performance of Mr. Bernstein in his first full year of being Chief Financial Officer amid challenging economic times.

The CCL Plan

The annual bonus for Mr. Cahill, the President and Chief Executive Officer of the Carnival Cruise Lines division of Carnival Corporation, is contained in the CCL Plan. For fiscal 2008, the Compensation Committees established Mr. Cahill s target bonus at $1,100,000 after consideration of the competitive market assessment data, his individual historical bonus levels and the aggregate compensation levels of the other chief executives of the operating companies within Carnival Corporation & plc. His target represented a 10% increase over his fiscal 2007 bonus.

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The CCL Plan determines a participant s bonus funding guideline based on bonus schedules that are weighted 75% by CCL Operating Income Target and 25% by Carnival Corporation & plc Operating Income Target for the fiscal 2008 plan year. The CCL Operating Income Target for fiscal 2008 was equal to the fiscal 2007 result achieved, adjusted for changes in capacity and the price of fuel. Both the CCL Operating Income Target and the actual CCL Operating Income achieved for fiscal 2008 were measured using a constant fuel price per ton. The Carnival Corporation & plc Operating Income Target and actual Operating Income for fiscal 2008 are as described above for the Corporate Plan.

The actual CCL Operating Income for fiscal 2008 was approximately 105% of its target and the actual Carnival Corporation & plc Operating Income for fiscal 2008 was 91% of its target, resulting in a funding guideline equal to 105% of a participant s target bonus as a result of the performance leverages described further in the narrative disclosure following the Summary Compensation Table and the Grants of Plan-Based Awards in Fiscal 2008 table. Based on the funding guideline for fiscal 2008, the Compensation Committees awarded Mr. Cahill a fiscal 2008 bonus of $1,162,288 or approximately 105% of his target. This bonus represents a 16% increase from Mr. Cahill s fiscal 2007 bonus. The Compensation Committees approved his bonus based upon the bonus funding schedule set forth in the CCL Plan after reviewing the recommendation of Mr. Arison and Mr. Frank, which reflected an assessment of Mr. Cahill s strong individual performance and contributions during his first full year as President and Chief Executive Officer of Carnival Cruise Lines.

For more detailed information regarding the Corporate Plan and the CCL Plan, please refer to the narrative disclosure following the Summary Compensation Table and the Grants of Plan-Based Awards in Fiscal 2008 table and the exhibit index to the most recently filed Carnival Corporation & plc joint Annual Report on Form 10-K.

Pier Luigi Foschi

The annual cash bonus of Mr. Foschi is determined in accordance with his service agreement pursuant to which he receives an annual guaranteed bonus of 669,000 ($996,810), plus an additional amount based on the compounded year-over-year percentage increases in consolidated adjusted net income of Costa from the base year (limited to an increase of 20% per year and adjusted to exclude non-recurring gains and losses). Based on this formula, Mr. Foschi s total annual cash bonus for 2008 was 1,206,209 ($1,797,251), representing a 3.9% increase from 2007.

Specific formulas are contained in Mr. Foschi s service agreement, but generally adjust for nonrecurring gains and losses. For a more detailed explanation of this agreement, please refer to the exhibit index to the most recently filed Carnival Corporation & plc joint Annual Report on Form 10-K.

C. 2009 Target Bonuses

Pursuant to the terms of the Corporate Plan and the CCL Plan, the Compensation Committees have set the target bonuses for 2009 for the NEOs who participate in a management incentive plan as follows: $2,524,160 for Mr. Arison, $438,884 for Mr. Bernstein, $1,133,000 for Mr. Cahill and $2,445,280 for Mr. Frank. Mr. Foschi s fiscal 2009 bonus will be determined in accordance with the terms of his service agreement. Mr. Arison s and Mr. Frank s fiscal 2009 target bonuses decreased as a result of a decrease in the Operating Income Target in accordance with the terms of the Corporate Plan, which is described in the narrative disclosure following the Summary Compensation Table and the Grants of Plan-Based Awards for Fiscal 2008 table. The target bonus for Mr. Bernstein also was reduced based on the Corporate Plan s adjustment to the Operating Income Target, but by a lesser amount in recognition of Mr. Bernstein s strong individual performance in his first full year as Chief Financial Officer. The CCL Operating Income Target for fiscal 2009 is equivalent to the CCL Operating Income result in fiscal 2008 (adjusted for changes in capacity). In consideration of this performance target, the Compensation Committees increased Mr. Cahill s target bonus under the CCL Plan by 3%.

Equity-Based Compensation

A. General

The Compensation Committees award equity-based compensation to NEOs to provide long-term incentives and align management and shareholder interests. Awards are granted pursuant to the Carnival Corporation 2002 Stock Plan or the Carnival plc 2005 Employee Share Plan, which have been approved by Carnival Corporation & plc s shareholders. Messrs. Arison, Bernstein, Cahill and Frank receive equity awards under the Carnival Corporation 2002 Stock Plan. Mr. Foschi receives awards under the Carnival plc 2005 Employee Share Plan. These awards are in the form of restricted shares or RSUs, which appreciate or depreciate in value based on the trading price of our shares. The equity-based compensation program is designed to recognize scope of responsibilities, reward demonstrated performance and leadership, motivate future superior performance and align the interests of the executive with our shareholders interests. Existing ownership levels are not a factor in award determinations, as we do not want to discourage executives from holding significant amounts of Carnival Corporation & plc shares.

When the Compensation Committees set annual total direct compensation, they believe that a significant percentage of compensation should be equity-based, rather than paid in cash. The specific equity awards granted to NEOs reflect the desire of the Compensation Committees to have a substantial portion of compensation be in the form of equity-based compensation. The number and form of equity awards granted annually to our NEOs are determined both in the discretion of the Compensation Committees and pursuant to certain agreements with certain NEOs. In 1998, Mr. Arison and Mr. Frank entered into Long-Term Equity Incentive Compensation Agreements that provide for an annual grant of restricted shares. These grants are subject to the Compensation Committees review of their performance taking into consideration each NEO s long-term contributions. The terms of these agreements are described below in the narrative disclosure following the Summary Compensation Table and the Grants of Plan-Based Awards for Fiscal 2008 table.

The number of equity awards granted to the other NEOs is determined by the Compensation Committees after reviewing the recommendation of Mr. Arison and Mr. Frank, the size of the NEO s prior year award and other elements of an NEO s current year compensation. As shown in the graph above describing the Carnival NEO Average Pay Mix, on a combined basis, approximately 40% of our NEO s total direct compensation for fiscal 2008 was provided in the form of equity-based awards. The Compensation Committees seek to keep total direct compensation competitive in relationship to the peer group. As such, the Compensation Committees also review the peer group and survey data for long-term incentive compensation provided by the Consultant to confirm that the value of an NEO s aggregate equity-based compensation remains competitive in the marketplace. The Compensation Committees do not benchmark the value of equity-based compensation against market references. Rather, the peer group and survey data are used as a general reference to assist the Compensation Committees in their deliberations.

Equity-based awards granted during fiscal 2008 were made in the form of restricted shares or RSUs and the Compensation Committees expect this practice to continue in future years unless market trends and practices, expense implications, tax efficiencies or other considerations warrant reconsideration of the form of equity-based awards. As explained in our prior year proxy statement, the Compensation Committees consolidated the grant of all employee equity awards to a single date. During fiscal 2008, all equity awards for services during fiscal 2007 were made in February 2008. The Compensation Committees reviewed proposed award levels for the NEOs at the same January meeting where 2008 salaries and 2007 annual bonuses were determined. The February award date was selected based on an understanding that awards denominated in Carnival plc shares could not be made until the Carnival plc s Annual Report for the prior year was filed. Subsequent to the awards in February 2008 and following discussions with UK regulators, it was determined that awards denominated in Carnival plc shares could be made once the Carnival Corporation & plc prior year financial results were made public through the earnings release, which usually occurs in December.

The Compensation Committees met in December 2008 to determine the fiscal 2008 annual cash bonuses for the NEOs. They also determined the equity awards to be granted in fiscal year 2009 for performance during fiscal

2008, including awards to the NEOs. The restricted share and RSU awards for performance during fiscal 2008 were approved by the Compensation Committees in December 2008, after the public release of earnings results for fiscal 2008. The Compensation Committees expect that future annual equity awards will be made following their regularly scheduled January meeting each year.

The vesting of equity-based awards made to the NEOs are not subject to performance criteria. While the UK Combined Code provides that performance criteria should apply to the vesting of equity-based incentive awards, the Compensation Committees have deemed it appropriate to take account of practice in Carnival Corporation & plc s main market for executive talent, the U.S., and the need to be able to move senior executives around the organization. Although equity awards vest based on continued service, the experience and long-term performance of individuals is taken into account in determining the size of annual awards made to individual executives.

B. Equity-Based Awards Made During Fiscal 2008 Based on Fiscal 2007 Performance

Equity-based awards made during fiscal 2008 were based on performance during fiscal 2007. All participants, including the NEOs, received restricted shares or RSUs in February 2008 that cliff vest after three years, in conformity with the UK Combined Code. The NEOs received restricted shares of Carnival Corporation common stock under the Carnival Corporation 2002 Stock Plan, with the exception of Mr. Foschi who received Carnival plc RSUs under the Carnival plc 2005 Employee Share Plan. The equity-based awards made to the NEOs were as follows:

NEO	Restricted Shares/RSUs (#)	Grant Date Fair Value of Stock Awards(1)
Micky Arison	84,000	$ 3,472,560
David Bernstein	10,000	$ 413,400
Gerald R. Cahill	25,000	$ 1,033,500
Pier Luigi Foschi	25,000	701,908(2)
Howard S. Frank	70,000	$ 2,893,800

(1) The value of the stock awards has been calculated by reference to price of Carnival Corporation common stock on the New York Stock Exchange on the date of grant.

(2) The Carnival plc shares awarded to Mr. Foschi are denominated in sterling. Because Mr. Foschi is compensated in euros, the value of the Carnival plc shares awarded to Mr. Foschi has been converted from sterling into euro based on the February 20, 2008 exchange rate of 1.33:£1.

The Compensation Committees approved grants of 84,000 restricted shares to Mr. Arison and 70,000 restricted shares to Mr. Frank under the Carnival Corporation 2002 Stock Plan pursuant to their Executive Long-Term Compensation Agreements, which are described further in the narrative disclosure to the Summary Compensation Table and the Grants of Plan-Based Awards in Fiscal Year 2008 table. In accordance with those agreements, these grants were contingent on the Compensation Committees determination that their long-term and recent performance was satisfactory.

The Compensation Committees approved the equity-based awards to Messrs. Bernstein, Cahill and Foschi after considering the recommendations received from Mr. Arison and Mr. Frank and reviewing their long-term and fiscal 2007 performance. The size of the equity awards made to Messrs. Bernstein, Cahill and Foschi were determined based on their historical equity award levels, each NEO s role and responsibilities, and individual contributions to the performance of Carnival Corporation & plc. The Compensation Committees determined the size of Mr. Bernstein s equity award after reviewing market data in the context of his total direct compensation and considering his new role as Chief Financial Officer and his strong individual performance in transitioning to his new role.

The number of restricted shares and RSUs granted to our NEOs during fiscal 2008 are shown in the Grants of Plan-Based Awards in Fiscal Year 2008 table and are included in the Outstanding Equity Awards at 2008 Fiscal Year-End table.

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C. Equity-Based Awards Made During Fiscal 2009 Based on Fiscal 2008 Performance

Equity-based awards made during fiscal 2009 were based on performance during fiscal 2008. All participants in the Carnival Corporation 2002 Stock Plan and the Carnival plc 2005 Employee Share Plan, including the NEOs, received restricted shares or RSUs in December 2008 that cliff vest after three years, in conformity with the UK Combined Code. The Compensation Committees determined to base NEO equity awards for 2008 and future years in terms of value following the Consultant s review of equity award practices at large UK and U.S. public companies, including the 2008 peer group used in evaluating NEO compensation. Basing equity awards on value will facilitate comparisons to external market references and also to other forms of remuneration such as salaries, bonuses and benefits. Value-based equity awards will also help Carnival Corporation & plc more effectively manage stock compensation expense.

The fair value of the awards for each NEO s December 2008 equity grant was substantially the same fair value as the awards made in February 2008. Because the market prices of both Carnival Corporation and Carnival plc shares declined from February 2008 to December 2008, the number of restricted shares awarded to each NEO correspondingly increased.

The Compensation Committees approved the equity-based awards to the other NEOs after consideration of recommendations received from Mr. Arison and Mr. Frank and reviewing their long-term and fiscal 2008 performance. The NEOs received restricted shares of Carnival Corporation common stock under the Carnival Corporation 2002 Stock Plan, with the exception of Mr. Foschi who received Carnival plc RSUs under the Carnival plc 2005 Employee Share Plan. The equity-based awards made to the NEOs in December 2008 were as follows:

NEO	Restricted Shares/RSUs (#)	Grant Date Fair Value of Stock Awards(1)
Micky Arison	149,524	$ 3,618,481
David Bernstein	17,800	$ 430,760
Gerald R. Cahill	44,501	$ 1,076,924
Pier Luigi Foschi	44,880	718,403(2)
Howard S. Frank	124,603	$ 3,015,393

(1) The value of the stock awards has been calculated by reference to the price of Carnival Corporation common stock on the New York Stock Exchange on the date of grant.

(2) The Carnival plc shares awarded to Mr. Foschi are denominated in sterling. Because Mr. Foschi is compensated in euros, the value of the Carnival plc shares awarded to Mr. Foschi has been converted from sterling into euro based on the December 19, 2008 exchange rate of 1.07:£1

A portion of the awards made to Mr. Arison and Mr. Frank, specifically 84,000 restricted shares to Mr. Arison and 70,000 restricted shares to Mr. Frank, were made under the Carnival Corporation 2002 Stock Plan pursuant to their Executive Long-Term Compensation Agreements. These grants were contingent on the Compensation Committees determination that their long-term and recent performance was satisfactory.

The number of restricted shares and RSUs granted to our NEOs in December 2008 for fiscal 2008 performance are not reflected in the Summary Compensation Table or shown in the Grants of Plan-Based Awards in Fiscal Year 2008 table or the Outstanding Equity Awards at 2008 Fiscal Year-End table since these tables report compensation awarded or equity held as of the end of fiscal year 2008.

Perquisites and Other Compensation

The NEOs are provided various perquisites believed by the Compensation Committees to be representative of common practices for executives in their respective countries. Some of Mr. Foschi s perquisites and other benefits are provided pursuant to terms of his service agreement and are consistent with the executive compensation practices where he resides. The Compensation Committees believe these benefits are standard in the hospitality industry. The Compensation Committees, with the assistance of the Consultant, review perquisites provided to the NEOs on a periodic basis and believe the perquisites provided by Carnival Corporation & plc continue to be a standard industry element of the overall compensation package used to attract and retain such officers. The last review by the Compensation Committees occurred in fiscal year 2006. The perquisites received by each NEO in fiscal 2008, as well as their incremental cost to Carnival Corporation & plc, are reported in the Summary Compensation Table and its accompanying footnotes.

In February 2006, the Compensation Committees approved a policy to establish procedures and controls as to the authorized use of aircraft owned or chartered by Carnival Corporation & plc (the Aircraft). According to the policy, the Aircraft can only be used for business purposes, except that Mr. Arison and Mr. Frank (with the authorization of Mr. Arison) are authorized to use the Aircraft for personal travel. Guests may accompany these executives when traveling. Because there is no determinable incremental cost for this benefit, no amount is allocated for a guest s travel when accompanying an NEO traveling for business purposes in the Summary Compensation Table. Personal use of the Aircraft is taxable to the NEOs as required by law.

POST-EMPLOYMENT COMPENSATION OBLIGATIONS

Carnival Corporation & plc does not have any change of control agreements that provide cash severance to our NEOs upon a change of control of Carnival Corporation & plc. With the exception of Mr. Foschi, we do not have employment agreements with any of our NEOs that provide cash severance benefits in connection with an executive s termination of employment. Under his service agreement, Mr. Foschi is generally entitled to an amount equal to one-year base salary and bonus if his employment is terminated. The Compensation Committees believe that the severance benefits provided to Mr. Foschi under his service agreement are reasonable and in accordance with market practice in Italy. Upon termination of employment for certain circumstances or upon a change of control, our NEOs may be entitled to receive accelerated vesting of equity awards. These benefits are provided under the terms of the plans pursuant to which the equity grants were awarded and under individual agreements with certain NEOs. The Compensation Committees believe these arrangements are reasonable and encourage an executive to comply with post-termination restrictive non-compete covenants and to cooperate with us both before and after their employment is terminated. In fiscal year 2008, the Compensation Committees included post-termination restrictive non-compete covenants in the terms of all equity-based compensation awarded to the NEOs. The Compensation Committees did not modify any other policy or agreement relating to benefits or payments to be received upon termination of employment or in connection with a change of control during fiscal 2008. The benefits that our NEOs may be eligible to receive in connection with termination of employment or upon a change of control are described in detail in this proxy statement under the heading Potential Payments Upon Termination or Change of Control.

Pensions and Deferred Compensation Plans

As part of the overall compensation program, Carnival Corporation & plc operates various group pension programs for its executives in which certain of the NEOs also participate. Under the Carnival Corporation pension programs, base salaries and annual cash bonuses are used to determine pension benefits. The Compensation Committees believe that these pension plans enhance our executive compensation package. The primary objective of our pension plans is to attract and retain our executives.

Messrs. Arison, Cahill and Frank receive retirement benefits under the Carnival Corporation Nonqualified Retirement Plan for Highly Compensated Employees (the Retirement Plan) and Mr. Frank also participates in the Carnival Corporation Supplemental Executive Retirement Plan (Carnival SERP). Information regarding defined benefit retirement plan benefits for each of the NEOs is shown in the Pension Benefits in Fiscal Year 2008 table. The benefit formula for these plans is described under the Pension Benefits in Fiscal Year 2008 table.

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Messrs. Bernstein, Cahill and Frank also participate in a nonqualified deferred compensation plan established by Carnival Corporation. Carnival Corporation offers the Carnival Corporation Fun Ship Nonqualified Savings Plan (the Savings Plan), which is a nonqualified defined contribution plan whereby certain executives may defer salary and/or bonus amounts into the Savings Plan. However, because Mr. Bernstein is not a participant in the Retirement Plan which was closed to participation prior to his commencement of employment, Carnival Corporation matches 50% of every dollar Mr. Bernstein defers into the Savings Plan up to the lower of (i) 50% of the U.S. Internal Revenue Service qualified plan limitation (which in 2008 was $15,500) or (ii) 6% of his annual base salary (before any pre-tax contributions from his pay and taxes) and bonus. Additional information regarding the Savings Plan is described under the Nonqualified Deferred Compensation in Fiscal Year 2008 table. Information regarding nonqualified deferred compensation for each of the NEOs is shown in the Nonqualified Deferred Compensation in Fiscal Year 2008 table.

Because Mr. Frank continued in his role past the normal retirement age of 65 and because he had achieved the maximum service credits under both the Retirement Plan and the SERP, the Compensation Committees determined during fiscal 2007 that he should be allowed to receive his accrued benefits from these plans. In accordance with the transition relief contained in U.S. Internal Revenue Service Notice 2006-79 and the applicable Section 409A Treasury Regulations, to allow new elections in 2007 as to the time and form of distributions under the Carnival SERP for amounts that are otherwise payable in 2008 or later. Mr. Frank elected to receive in January 2008 the lump sum present value of his benefit under the Retirement Plan of $17,343,824 and the Carnival SERP of $3,577,847.

Mr. Foschi does not participate in any pensions or defined benefit pension plans sponsored by Carnival Corporation or Carnival plc.

IMPACT OF REGULATORY REQUIREMENTS ON COMPENSATION

In making determinations regarding executive compensation, the Compensation Committees consider relevant issues relating to accounting treatment, tax treatment (both company and individual) and regulatory requirements. The global nature of Carnival Corporation & plc s operations necessarily means that monitoring these technical issues and considering their potential impact on appropriate design and operation of executive remuneration programs is increasingly a complex exercise. Technical issues are evaluated along with Carnival Corporation & plc s philosophy and objectives for executive compensation and its corporate governance principles.

The Emergency Economic Stabilization Act of 2008 added Section 457A to the U.S. Internal Revenue Code (Section 457A), which applies to foreign corporations, including Carnival Corporation, that maintain nonqualified deferred compensation plans. Under Section 457A, participants in a nonqualified deferred compensation plan are subject to U.S. federal income tax when an amount of compensation becomes vested. Section 457A provides that compensation earned after December 31, 2008 cannot be deferred unless it is subject to a substantial risk of forfeiture (e.g., continued employment required to earn the benefit). As a result, Carnival Corporation will no longer provide retirement or deferred compensation programs under the Retirement Plan, the Savings Plan or the Carnival SERP to its employees, including the NEOs. Furthermore, all vested funds in these retirement and deferred compensation plans as of December 31, 2008 must be distributed by December 31, 2017 or be subject to a 20% penalty and interest assessment. Employees were given an opportunity to change their form and timing elections under these plans to be in compliance with the Transition Relief under the applicable Section 409A Treasury Regulations.

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COMPENSATION COMMITTEES REPORT

The Compensation Committees have reviewed the Compensation Discussion and Analysis and discussed it with management. Based on its review and discussions with management, the Compensation Committees recommended to our boards of directors that the Compensation Discussion and Analysis be included in the company s joint Annual Report on Form 10-K for 2008 and the Carnival Corporation & plc 2009 proxy statement. This report is provided by the following independent directors, who comprise the Compensation Committees:

The Compensation Committee of Carnival Corporation	The Compensation Committee of Carnival plc
Arnold W. Donald, Chairman	Arnold W. Donald, Chairman
Richard J. Glasier	Richard J. Glasier
Laura Weil	Laura Weil

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EXECUTIVE COMPENSATION

Although Carnival Corporation and Carnival plc are two separate entities with separate officers, our business is run by a single management team. The following table sets forth the annual compensation for our Chief Executive Officer, our Chief Financial Officer and our three other most highly compensated executive officers for the year ended November 30, 2008. Because Mr. Foschi lives in Italy, his compensation is payable in euros. These amounts have been converted into U.S. dollars at the average exchange rate of the dollar for the 2008 fiscal year of $1.49: 1.

Summary Compensation Table

Name and Principal Position	Fiscal Year	Salary[1] ($)	Bonus ($)	Stock Awards[2] ($)	Option Awards[2] ($)	Non-Equity Incentive Plan Compensation[1] ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings[3] ($)	All Other Compensation[4] ($)	Total ($)
Micky Arison	2008	880,000		5,561,856	1,538,673		112,718	404,329	8,497,576
Chairman of the Board & CEO	2007	850,000		3,689,123	1,879,529	2,925,000	69,875	336,688	9,750,215
David Bernstein	2008	350,000	155,860(5)	107,122	128,795	428,260		105,088	1,275,125
Senior Vice President & CFO	2007	269,596			158,043	350,000		77,193	854,832
Gerald R. Cahill	2008	750,000		708,717	569,727	1,162,288	675,536	48,775	3,915,043
President and CEO of Carnival Cruise Lines	2007	625,000		168,248	654,499	1,000,000	343,435	42,841	2,834,023
Pier Luigi Foschi	2008	1,415,500(6)	996,810(7)	486,451	583,118	800,441		402,830	4,685,150
Chairman and CEO of Costa Crociere S.p.A.	2007	1,244,400	909,840	194,428	1,663,810	668,430		312,149	4,993,057
Howard S. Frank	2008	780,000		2,893,800	827,976	2,709,400	3,899,136(8)	355,255	11,465,567
Vice Chairman of the Board & COO	2007	750,000		2,610,000	1,113,260	2,825,000		243,383	7,541,643

(1) Represents annual base salaries and annual cash bonuses earned during the fiscal year, including amounts deferred under the Savings Plan, which have been included in the Nonqualified Deferred Compensation in Fiscal Year 2008 table below.

(2) No stock option awards were granted in fiscal 2008. For the grant date fair value of equity awards granted to the NEOs in fiscal 2008 based on their performance in fiscal 2007, see the Grants of Plan-Based Awards in Fiscal Year 2008 table. For the grant date fair value of equity awards granted to the NEOs based on their performance during 2008, which awards were granted in December 2008, see the Grants of Equity Awards During Fiscal 2009 Based on Fiscal 2008 Performance Table below. The amounts included in the Summary Compensation Table represent the dollar amount recognized for financial reporting purposes with respect to the applicable fiscal year, computed in accordance with the provisions of SFAS No. 123(R) related to grants of Carnival Corporation restricted shares and options and Carnival plc RSUs to these NEOs in fiscal year 2008 and in prior years, except that amounts in this table do not reflect a reduction for estimated forfeitures. Refer to note 2 of the Director Compensation for Fiscal Year 2008 table for a description of the method used to determine the value and expense of the equity awards and the assumptions used. Prior to the adoption of SFAS 123(R) in 2006 it was our policy to expense an award over the vesting period without regard to retirement eligibility. For the proceeds actually received by the listed officers upon exercise of options granted in prior years or the vesting of restricted shares or RSUs, see the Option Exercises and Stock Vested for Fiscal Year 2008 table.

(3)

Represents the actuarial increase during fiscal year 2008 in the pension value for the plans in which each NEO participates. Carnival Corporation & plc does not pay above-market rates under its nonqualified deferred compensation plans. A description of these benefits is set forth below the Pension Benefits in Fiscal Year 2008 and Nonqualified Deferred Compensation Benefits in Fiscal Year 2008 tables.

(4) See the All Other Compensation Table below for additional information.

(5) Represents the discretionary increase in Mr. Bernstein s bonus above the funding guideline set forth in the Corporate Plan.

(6) Includes an annual non-competition payment in accordance with his service agreement as described below.

(7) Represents the portion of Mr. Foschi s bonus which is guaranteed.

(8) Amounts reflect the actuarial increase in the present value of Mr. Frank s pension benefits from the end of fiscal 2007 to the end of fiscal 2008, based on the applicable measurement date. For this purpose, in accordance with SEC rules, the present value was calculated using

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the same assumptions used for financial statement reporting purposes in fiscal 2008 as disclosed in note 12 to the Carnival Corporation & plc financial statements for the year ended November 30, 2008. In fiscal 2008, Carnival Corporation & plc changed the assumptions used in calculating the actuarial present value of benefits, including the interest rate and the mortality and payment distribution assumptions. The effect of the change in assumptions increases the difference between the actuarial present value of Mr. Frank s pension benefits at the end of fiscal 2007 and fiscal 2008 by $2,234,915. In accordance with SEC rules, although Mr. Frank received a lump-sum distribution of his entire accrued benefit as of December 31, 2007, under the pension plans in which he participates, the amount reported for Mr. Frank as a change in pension value includes both the present value of his benefit accrued in fiscal year 2008 ($1,664,221) and the value that is attributable to the effect of the change in assumptions. For additional information regarding the distribution he received in 2008 under the pension plans and the value of his 2008 accrued benefits, see the Pension Benefits in Fiscal Year 2008 table.

The amounts set forth in the columns entitled Stock Awards and Option Awards in the Summary Compensation Table do not represent the equity-based compensation awarded to the NEOs based on their performance during fiscal 2008. As required by SEC rules and as described in note 2 to the Summary Compensation Table, the amounts reported in these columns represent the expense recognized by Carnival Corporation & plc for financial reporting purposes in fiscal 2008 and include the expense associated with awards made in fiscal 2008 and in prior years based on their performance in fiscal 2007 and prior years. The amounts reported in these columns do not include any expense associated with grants made in December 2008 based on performance during fiscal 2008 that are described in the Compensation Discussion and Analysis. The expense recognized by Carnival Corporation & plc for these awards will begin to be reported in fiscal year 2009. The equity awards granted to the NEOs in December 2008 relating to their performance during fiscal 2008 are as follows:

Grants of Equity Awards During Fiscal 2009 Based on Fiscal 2008 Performance Table

Name	Grant Date Fair Value of Stock Awards(1) ($)	Option Awards ($)
Micky Arison	3,618,481	0
David Bernstein	430,760	0
Gerald Cahill	1,076,924	0
Pier Luigi Foschi	1,034,035	0
Howard S. Frank	3,015,393	0

(1) The amounts in this column are the full grant date values of the stock awards calculated in accordance with SFAS 123(R). The value for Carnival plc shares has been converted from sterling into U.S. dollars based on the December 19, 2008 exchange rate of $1.54:£1. Generally, the full grant date fair value for an award is the amount that Carnival & plc will expense in financial statements over the award s vesting schedule, and may not correspond to the actual value that will be realized by the NEOs.

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All Other Compensation Table

Each component of the All Other Compensation column in the Summary Compensation Table above is as follows:

Item	Micky Arison ($)	David Bernstein ($)	Gerald R. Cahill ($)	Pier Luigi Foschi ($)	Howard S. Frank ($)
Employer contributions to Defined Contribution Plan		34,406			
Private medical/health insurance costs and premiums[1]	24,428	49,604	23,717		31,699
Automobile lease or allowance	13,135	11,331	18,000	65,480	21,488
Personal use of Aircraft[2]	224,250				205,500
Tax planning and tax return preparation services		4,324	5,800		42,191
Personal use of sporting event tickets	135,459				17,226
Living accommodations and maintenance				210,086	
Driver and Security	5,869			103,194	
Other[3]	1,188	5,423	1,258	24,070	37,151
Total	**404,329**	**105,088**	**48,775**	**402,830**	**355,255**

(1) Certain of our NEOs are eligible to participate in an executive health insurance program, which includes a fully insured plan and a secondary self-funded plan. Amounts reported represent the cost of the premiums paid on an NEO s behalf under these plans plus the cost of medical services rendered during the fiscal year. NEOs participating in this plan generally have until March 31, 2009 to submit their 2008 claims for reimbursement, and as a result, these amounts may increase. The maximum amount that may be reimbursed in any year under the secondary plan is $100,000.

(2) Represents the aggregate incremental cost to Carnival Corporation for travel not related to company business. The aggregate incremental cost for the use of the Aircraft for personal travel is calculated by multiplying the hourly variable cost rate for the Aircraft used by the hours used. The hourly variable cost rate primarily includes fuel, airport handling and other fees, aircraft repairs and maintenance, crew expenses and catering. The variable cost rate is reviewed annually and adjusted as necessary to reflect changes in costs.

(3) This item reports the total amount of other benefits provided, none of which individually exceeded the greater of $25,000 or 10% of the total amount of these benefits for the NEO. These other benefits include: accidental death or dismemberment, long-term disability insurance premiums, life and auto insurance premiums, automobile repairs and expenses, gross-ups for taxes, health or other club membership, other personal air travel and the opportunity to travel on Carnival Corporation & plc cruise lines for reduced fares. The other personal air travel refers to the cost of tickets purchased by Carnival Corporation & plc used by the NEO or his guests on business and non-business occasions.

Additional information with respect to Carnival plc s compensation and reimbursement practices during fiscal 2008 for non-executive directors is included in Part II of the Carnival plc Directors Remuneration Report, which is attached as Annex B to this proxy statement.

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Grants of Plan-Based Awards in Fiscal Year 2008

Equity awards and non-equity awards granted to the NEOs during fiscal 2008 are as follows:

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards[(1)] ($) Threshold	Target	Maximum	All Other Stock Awards: Number of Shares of Stock or Units[(2)] (#)	Grant Date Fair Value of Stock Awards[(3)] ($)
Micky Arison		1,600,000	3,200,000	4,800,000		
	2/20/2008				84,000	3,472,560
David Bernstein		245,000	490,000	735,000		
	2/20/2008				10,000	413,400
Gerald R. Cahill		550,000	1,100,000	1,650,000		
	2/20/2008				25,000	1,033,500
Pier Luigi Foschi		0	732,325	1,078,151		
	2/20/2008				25,000	1,029,250
Howard S. Frank		1,550,000	3,100,000	4,650,000		
	2/20/2008				70,000	2,893,800

(1) This column shows the potential value of the payout of the annual cash bonuses under the management incentive plan applicable for each NEO other than Mr. Foschi for fiscal year 2008 performance. The Non-Equity Incentive Plan awards for Messrs. Arison, Bernstein and Frank were made under the Corporate Plan. The Non-Equity Incentive Plan award for Mr. Cahill was made under the CCL Plan. Mr. Foschi s Non-Equity Incentive Plan award was made pursuant to his service agreement. The actual amount of a NEO s annual cash bonus paid in 2009 for fiscal year 2008 performance is shown in the Summary Compensation Table under the Non-Equity Incentive Plan Compensation column. Mr. Foschi s agreement does not set specific target payouts based on performance. The estimated target payout amount for Mr. Foschi is an estimate based on the award earned for fiscal year 2007. For a more detailed description of the potential payout under each plan, see the description in the Compensation Discussion and Analysis under the section 2008 Annual Cash Bonuses. Pursuant to Mr. Foschi s service agreement, his aggregate bonus and non-equity incentive compensation is limited to an increase of 20% per year.

(2) This column shows the number of restricted shares of Carnival Corporation common stock granted to the NEOs in fiscal 2008 granted under the Carnival Corporation 2002 Stock Plan, with the exception of Mr. Foschi who received Carnival plc RSUs granted under the Carnival plc 2005 Employee Share Plan.

(3) The amounts in this column are the full grant date values of the stock awards made in fiscal year 2008 calculated in accordance with SFAS 123(R), which were determined based on the assumptions set forth in footnotes 2 and 12 in the Carnival Corporation & plc financial statements for the year ended November 30, 2008 (disregarding estimated forfeitures). Unless otherwise noted, the value for Carnival plc shares has been converted from sterling into U.S. dollars based on the February 20, 2008 exchange rate of $1.95:£1. Generally, the full grant date fair value for an award is the amount that Carnival & plc will expense in financial statements over the award s vesting schedule, and may not correspond to the actual value that will be realized by the NEOs.

Narrative Disclosure to the Summary Compensation Table and the Grants of Plan-Based Awards in Fiscal 2008 Table

Executive Long-Term Compensation Agreements. In 1998 Carnival Corporation entered into Executive Long-Term Compensation Agreements with Mr. Arison and Mr. Frank. These agreements provide that during the term of such officer s employment, Carnival Corporation will provide equity-based compensation (in addition to his annual compensation consisting of a base salary and annual cash bonus) in the form of annual restricted share awards, contingent upon a satisfactory review of the performance of the officer. In accordance with these agreements, Mr. Arison is eligible to receive 84,000 restricted shares and Mr. Frank is eligible to receive 70,000 restricted shares. The restricted shares issued to Mr. Arison and Mr. Frank will cliff vest after a period of three years and will be subject to the forfeiture provisions described in the section entitled Potential Payments upon Termination or Change of Control. The Compensation Committees have discretion to award more shares outside of the terms of these agreements.

Service Agreement with Pier Luigi Foschi

Mr. Foschi entered into an agreement on February 10, 2005 setting forth the contractual and economic terms of his post as Chairman of the Board and Chief Executive Officer of Costa. The agreement provides for twelve month terms, which automatically renew unless either party gives 60 days advance written notice. Mr. Foschi s annual base salary compensation is a minimum of 757,000 and his bonus calculation is based on a year-over-year percentage increase in consolidated net income for Costa, adjusted to exclude nonrecurring gains and losses. The aggregate cash bonus and non-equity incentive plan compensation increase for subsequent years is limited to a cumulative 20% per year on a compounded basis over the term of the agreement resulting from renewal. If consolidated net income of Costa is lower than the prior year, the non-equity incentive plan compensation would be reduced by the percentage in net decrease, but he would continue to be entitled to a base bonus of 669,000.

Mr. Foschi s agreement also contains a non-competition provision whereby he may not undertake to operate in favor of companies in competition with Costa nor acquire a shareholding in such companies (unless the company is a listed company, in which case his ownership may not exceed 2%), entice away any of Costa s suppliers of goods or services, nor induce any employee to resign in order to enter into an employment or independent contractor relationship in favor of other cruise vessel operators or owners.

If Mr. Foschi s agreement is terminated by Costa for reasons other than Mr. Foschi s breach of his obligations under the agreement or because Mr. Foschi is removed as a director of Costa for cause, or if Mr. Foschi resigns with cause under Italian law or as a result of a change of control of Costa, Mr. Foschi is entitled to a termination payment equal to his annual base salary, the annual non-competition compensation of 115,000, and a bonus equal to the bonus paid the year prior to termination (unless in the case of a change of control an alternative contractual arrangement is entered into with the new controlling group).

Annual Cash Bonus Plans

The Corporate Plan

The annual cash bonuses for the NEOs with company-wide roles, being Messrs. Arison, Bernstein and Frank, were determined pursuant to the Corporate Plan, which was adopted in January 2008. The Corporate Plan is designed to focus the attention of these NEOs on achieving outstanding performance results as reflected by income from operations of Carnival Corporation & plc and other relevant measures.

In January 2008, being the first year for participation in the Corporate Plan, the Compensation Committees set the initial target bonus for Messrs Arison, Bernstein and Frank. In the second and subsequent years of participation, the target bonus for each participant shall be revised directly in proportion to the percentage change in the Operating Income Target for the new plan year as compared to the Operating Income Target of the prior year. The Operating Income Target for each year will be equal to the projected Operating Income for the year that corresponds to the midpoint of the diluted earnings per share guidance publicly announced during the first month of the fiscal year by Carnival Corporation & plc. Operating Income is defined in the plan to mean the net income of Carnival Corporation & plc before interest income and expense, other nonoperating income and expense and income taxes as reported by the Carnival Corporation & plc in its full year earnings report issued following each plan year. The Compensation Committees may, in their discretion, increase or decrease the Operating Income Target for any reason they deem appropriate. The Compensation Committees also have discretion to modify the target bonus.

The Corporate Plan contains a schedule that calibrates the Operating Income Target for the year with the target bonus for each participant. The performance range in the schedule is from 72% to 123% of the Operating Income Target with results at 72% or less producing a preliminary bonus amount equal to 50% of the target bonus and at 123% or more producing a preliminary bonus amount equal to 150% of the target bonus. Results from 97% to 103% of the Operating Income Target result in a preliminary bonus amount equal to 100% of the target bonus. The preliminary bonus amount for results between 72% and 97% as well as results between 103% and 123% are calculated using interpolation.

Following the end of each fiscal year, the Compensation Committees confirm the actual Operating Income for the year and the preliminary bonus amount for each participant. The Compensation Committees then may consider other factors deemed relevant to the performance of Carnival Corporation & plc, including the impacts of changes in accounting principles, unusual gains and/or losses and other events outside the control of management. The Compensation Committees also may consider other factors relevant to the performance of each participant such as successful implementation of strategic initiatives and business transactions, significant business contracts, departmental accomplishments, executive recruitment, new ship orders, and management of health, environment, safety and security matters. Based on such factors the Compensation Committees may increase or decrease the bonus to determine the final bonus amount. However, the final bonus amount may not exceed 200% of the target bonus of the participant.

The CCL Plan

The annual cash bonus for Mr. Cahill, the President and Chief Executive Officer of the Carnival Cruise Lines division of Carnival Corporation, were determined pursuant to CCL MIP, which was adopted in July 2008. The CCL MIP is designed to focus the attention of the employees of Carnival Cruise Lines on achieving outstanding performance results as reflected in the operating income of Carnival Cruise Lines and the operating income of Carnival Corporation & plc, as well as other relevant measures.

Shortly following the commencement of each plan year, the Compensation Committees shall, in their discretion, determine a target bonus for Mr. Cahill. The Compensation Committees established a target bonus for Mr. Cahill of $1.1 million for fiscal 2008.

Bonus funding is calculated by reference to a bonus schedule that calibrates the weighted Carnival Cruise Lines Operating Income Target (75%) and Carnival Corporation & plc Operating Income Target (25%) for the 2008 plan year with the target bonus. The performance range in the bonus schedule is from 75% to 120% of the Operating Income Targets with results at 75% or less producing a preliminary bonus amount equal to 50% of the target bonus and at 120% or more producing a preliminary bonus amount equal to 150% of the target bonus. Results from 75% to 120% of the Operating Income Targets will be calculated using interpolation.

The CCL Operating Income shall mean the net income of Carnival Cruise Lines before interest income and expense and other nonoperating income and expense and income taxes, as reported by Carnival Cruise Lines for the plan year. The CCL Operating Income Target for the plan year will be equal to the actual Carnival Cruise Lines Operating Income for the prior plan year adjusted for any change in capacity. The Corporation Operating Income and the Corporation Operating Income Target is for the plan year are calculated in the same manner as described above for the Corporate Plan.

The Compensation Committees has the discretion to increase or decrease the CCL Operating Income Target and/or the Corporation Operating Income Target or establish an alternative target for any reason they deem appropriate. In addition, in the discretion of the Compensation Committees, certain items, including, but not limited to, gains or losses on ship sales can be excluded from the CCL and/or Corporation Operating Income Targets and the actual CCL and/or Corporation Operating Income for any plan year.

Following the end of each fiscal year, the Compensation Committees confirm the actual CCL Operating Income, adjusted to reflect the impact of constant (prior year) fuel prices on fuel expense, and the actual Corporation Operating Income for the plan year and the preliminary bonus amount for Mr. Cahill. The Compensation Committees then may consider other factors deemed relevant to the performance of Carnival Cruise Lines and Carnival Corporation & plc, including the impacts of changes in accounting principles, unusual gains and/or losses and other events outside the control of management. The Compensation Committees also may consider other factors relevant to the performance of Carnival Cruise Lines or Mr. Cahill, including, but not limited to operating performance metrics (such as return on investment, revenue yield, costs per available lower berth day), successful implementation of strategic initiatives and business transactions, significant business contracts, departmental accomplishments, executive recruitment, new ship orders, and management of health, environment, safety and security matters. Based on such factors the Compensation Committees may increase or decrease the bonus to determine the final bonus amount. However, the final bonus amount may not exceed 200% of the target bonus of the participant.

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For more detailed information regarding the Corporate Plan and the CCL Plan, please refer to the exhibit index to the most recently filed Carnival Corporation & plc joint Annual Report on Form 10-K.

Equity-Based Compensation

In February 2008 the Compensation Committees awarded restricted shares or RSUs to the NEOs that cliff vest after three years, in conformity with the UK Combined Code. The closing price of Carnival Corporation common stock and Carnival plc ordinary shares on February 20, 2008, the grant date, was $41.68 and 21.11, respectively.

The restricted shares have the same rights with respect to dividends and other distributions as all other outstanding shares of Carnival Corporation common stock. RSUs do not receive dividends or have voting rights. Each RSU is credited with dividend equivalents equal to the value of cash and stock dividends paid on Carnival Corporation common stock or Carnival plc ordinary shares, and interest shall be credited on the amount of cash dividend equivalents at a rate of 2% per annum. The cash and stock dividend equivalents will be distributed to Mr. Foschi upon the settlement of the RSUs upon vesting.

For further information regarding forfeiture and treatment upon termination or change of control, refer to the section entitled Potential Payments Upon Termination or Change of Control below.

Outstanding Equity Awards at 2008 Fiscal Year-End

Information with respect to outstanding Carnival Corporation options, restricted shares and RSUs granted by Carnival Corporation & plc to and held by the NEOs as of November 30, 2008, except for the options and RSUs issued to Mr. Foschi, which are Carnival plc ordinary shares is as follows:

	Option Awards				Stock Awards	
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price[1] ($)**	**Option Expiration Date**	**Number of Shares or Units of Stock That Have Not Vested[2] (#)**	**Market Value of Shares or Units of Stock That Have Not Vested[3] ($)**
Micky Arison	120,000	0	45.38	1/11/2009	60,000(4)(5)	1,260,000
	120,000	0	43.56	1/26/2010	60,000(4)(6)	1,260,000
	240,000	0	29.81	1/8/2011	60,000(4)(7)	1,260,000
	120,000	0	22.57	10/8/2011	60,000(4)(8)	1,260,000
	120,000	0	27.88	12/2/2012	84,000(4)(12)	1,764,000
	120,000	0	34.45	10/13/2013		
	96,000	24,000(9)	49.09	10/18/2014		
	72,000	48,000(10)	46.61	10/18/2012		
	48,000	72,000(11)	47.83	10/16/2013		
TOTAL	**1,056,000**	**144,000**			**324,000**	
David Bernstein	8,000	0	45.38	1/11/2009	10,000(12)	210,000
	10,000	0	43.56	1/26/2010		
	4,800	0	34.45	10/13/2013		
	9,600	2,400(9)	49.09	10/18/2014		
	7,200	4,800(10)	46.61	10/18/2012		
	4,800	7,200(11)	47.83	10/16/2013		
TOTAL	**44,400**	**14,400**			**10,000**	

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	Option Awards				Stock Awards	
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price[1] ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested[2] (#)	Market Value of Shares or Units of Stock That Have Not Vested[3] ($)
Gerald R. Cahill	20,000	0	45.38	1/11/2009	10,000(8)	210,000
	30,000	0	43.56	1/26/2010	25,000(12)	525,000
	6,000	0	22.57	10/8/2011		
	12,000	0	27.88	12/2/2012		
	30,000	0	34.45	10/13/2013		
	40,000	10,000(9)	49.09	10/18/2014		
	30,000	20,000(10)	46.61	10/18/2012		
	20,000	30,000(11)	47.83	10/16/2013		
TOTAL	**188,000**	**60,000**			**35,000**	
Pier Luigi Foschi	200,000	0	38.98	2/25/2012	10,000(12)	210,000
	28,800	0	43.61	10/17/2014	10,000(13)	210,000
	58,264	0	43.61	10/17/2014	25,000(14)	525,000
	21,200	0	44.87	4/13/2015		
	24,000	16,000(10)	44.11	10/17/2013		
	20,000	30,000(15)	48.93	2/20/2013		
	0	50,000(16)	39.78	2/19/2012		
TOTAL	**352,264**	**96,000**			**45,000**	
Howard S. Frank	100,000	0	45.38	1/11/2009	50,000(5)(17)	1,050,000
	100,000	0	43.56	1/26/2010	50,000(6)	1,050,000
	20,000	0	27.88	12/2/2012	50,000(7)	1,050,000
	40,000	0	34.45	10/13/2013	50,000(8)	1,050,000
	80,000	20,000(9)	49.09	10/18/2014	70,000(12)	1,470,000
	60,000	40,000(10)	46.61	10/18/2012		
	40,000	60,000(11)	47.83	10/16/2013		
TOTAL	**440,000**	**120,000**			**270,000**	

(1) Option exercise prices indicate rounding with respect to prices prior to 2002 which extended to four decimal places. Options issued to Mr. Foschi are in Carnival plc shares, which are priced in British Pounds Sterling. These option prices have been converted into the figures above based on the November 28, 2008 exchange rate of $1.53:£1.
(2) Market value of the stock awards is based on the closing price of Carnival Corporation common stock on November 28, 2008 of $21.00, except for the Carnival plc RSUs awarded to Mr. Foschi under the Carnival plc 2005 Employee Share Plan which are based on the closing price of Carnival plc shares on November 28, 2008 of £13.73, which has been converted into $21.00 based on the November 28, 2008 exchange rate of $1.53:£1.
(3) On the date each participant becomes eligible for retirement under the terms of the plan after December 31, 2008, 50% of each award will immediately vest.
(4) All shares are transferred upon issuance from Mr. Arison to the Nickel 2003 Revocable Trust of which Mr. Arison is a beneficiary.
(5) Restriction lapses on January 30, 2009.
(6) Restriction lapses on January 17, 2010.
(7) Restriction lapses on January 23, 2011.
(8) Restriction lapses on January 22, 2012.
(9) Options granted October 18, 2004 and vest 20% per year on the first through the fifth anniversaries of the grant date.
(10) Options granted October 18, 2005 and vest 20% per year on the first through the fifth anniversaries of the grant date.
(11) Options granted October 16, 2006 and vest 20% per year.
(12) Restriction on the RSUs lapses on February 20, 2011.
(13) Restriction on the RSUs lapses on February 19, 2012.
(14) Restriction on the RSU lapses on February 19, 2011.
(15) Options granted February 21, 2006 and vest 20% per year on the first through the fifth anniversaries of the grant date.

(16) All options vest on February 19, 2012.
(17) A gift of 2,000 shares was made to each of the Cassidy B. Woolworth 2001 Irrevocable Trust and Jackson S. Woolworth Irrevocable Trust.

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Option Exercises and Stock Vested for Fiscal Year 2008

The following table provides information for the NEOs on (1) option exercises during fiscal 2008, including the number of shares acquired upon exercise and the value realized and (2) the number of shares acquired upon the vesting of restricted shares and RSUs and the value realized, each before the payment of any applicable withholding tax and broker commissions. The exercise prices reported in the notes below indicate rounding since prices prior to 2000 extended to four decimal places.

	Option Awards(1)		Stock Awards(1)	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Micky Arison	0	0	60,000	2,483,100
David Bernstein	2,000	28,560	0	0
Gerald R. Cahill	0	0	0	0
Pier Luigi Foschi	0	0	0	0
Howard S. Frank	0	0	70,000	2,896,950

(1) The value realized on exercise represents the difference between the exercise price of the options and the fair market value of Carnival Corporation shares at exercise. The fair market value of Carnival Corporation shares realized on exercise or vesting has been determined using the average of the highest and lowest sale prices reported as having occurred on the New York Stock Exchange on the date of exercise in the case of options or vesting date in the case of stock awards.

Pension Benefits in Fiscal Year 2008

The following table provides information regarding defined benefit retirement plan benefits for each of the NEOs. Messrs. Arison, Cahill and Frank participate in the Retirement Plan. Mr. Frank also participates in the Carnival SERP.

Name	Plan Name	Number of Years Credited Service(1) (#)	Present Value of Accumulated Benefit(2) ($)	Payments During Last Fiscal Year(3) ($)
Micky Arison	Retirement Plan	30	1,164,948	0
David Bernstein	None			
Gerald R. Cahill	Retirement Plan	14	2,346,699	0
Pier Luigi Foschi	None			
Howard S. Frank	Retirement Plan	30	1,644,221	17,343,824
	Carnival SERP	25		3,577,847

(1) Credited service for benefit calculation purposes under the Retirement Plan and the Carnival SERP is limited to 30 and 25 years, respectively, while actual credited service for Messrs. Arison and Frank exceeds these amounts. In consideration of Mr. Frank s forfeiture of retirement benefits from his prior employer, in April 1995, the Carnival Corporation Compensation Committee approved an agreement with Mr. Frank whereby Carnival Corporation agreed to compensate Mr. Frank upon his retirement for benefits he would have received if he had been credited with an additional 13 years of service in addition to the actual years of credited service. The additional 13 years of credited service increased the aggregate lump sum paid to Mr. Frank under the two plans by $5,091,374.

(2) The present value of benefits was calculated based on the interest assumptions used to calculate the fiscal 2008 year end liabilities for each of the plans as disclosed in note 12 to the financial statements in the Carnival Corporation & plc joint Annual Report on Form 10-K for the year ended November 30, 2008. Specifically, for the Retirement Plan, benefits are assumed payable as lump sums at the later of age 65 or current age. Lumps sums were calculated using an interest rate of 4.25% and the 1994 Group Annuity Reserving Table used to determine lump sum payments in 2008. They were then discounted to the current age using an interest rate of 7.65% and the RP 2000 mortality table with mortality improvements projected seven years beyond the valuation date for annuitants and 15 years beyond the valuation date for participants not yet receiving payments. Due to taxation issues created by the adoption of Section 457A, Retirement Plan benefits will be paid as lump sums at the earlier of retirement or December 31, 2017.

(3)

Mr. Frank elected to take an in-service distribution of the present value of his accumulated benefit as of December 31, 2007 under each plan in a lump-sum. The difference between the present value of his accumulated benefit reported at fiscal year-end 2007 and the amount of his lump-sum distribution in 2008 is a result of varying interest rates used to calculate the benefit.

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Carnival Corporation & plc operates various group pension programs for its executives in which the NEOs also participate. Under the Carnival plc pension schemes, in line with UK best practice, pension benefits are based solely on base salary and no other elements of compensation are taken into account when determining pension benefits. Under the Carnival Corporation pension programs, base salaries and annual cash bonuses are used to determine pension benefits.

Messrs. Arison, Cahill and Frank participate in the Retirement Plan. The Retirement Plan is unfunded and is not qualified for U.S. tax purposes. Benefits under the Retirement Plan are calculated based on length of service with Carnival Corporation and the average of a participant s five highest consecutive years of compensation out of the last ten years of service. The benefit formula provides an annual benefit accrual equal to 1% of the participant s earnings for the year up to covered compensation plus 1.6% of earnings for the year in excess of covered compensation then multiplied by the participant s years of service up to a maximum of 30 years of credited service. Covered compensation may vary over the years based in part on changes in the Social Security taxable wage base. Covered compensation in 2008 for Messrs. Arison, Cahill and Frank was $70,764, $74,820 and $51,348, respectively. The elements of compensation to determine their benefit are their base salary and annual cash bonus. Each of Messrs. Arison, Cahill and Frank are vested in their respective benefit in accordance with the terms of the Retirement Plan. As a result of the adoption of Section 457A, benefits under the Retirement Plan will be paid as elected by the participant as a lump sum or monthly payments on or prior to the earlier of separation from employment, retirement or December 31, 2017. For Mr. Frank, each annual accrual beginning in 2009 will be paid in a lump sum to him each January up through 2017. The normal form of payment is a continuous and certain annuity for five years. Benefits payable in other forms are actuarially equivalent. During fiscal 2008, Mr. Frank received the present value of his December 31, 2007 accrued annual benefit of $1,461,394 as a lump sum in connection with receiving the present value of his accumulated benefit under the Retirement Plan as noted above in the table. At December 1, 2008, the accrued annual benefit for 2008 payable as a five-year certain and continuous annuity under the Retirement Plan to Mr. Cahill and Mr. Frank is $332,135 and $138,829, respectively.

Mr. Frank also participates in the Carnival SERP. The Carnival SERP is also unfunded and is not qualified for U.S. tax purposes. The Carnival SERP provides a benefit equal to 50% of Mr. Frank s highest cash compensation in any 12 month period within the last sixty months offset by any benefit payable under the Retirement Plan and Social Security benefits. As a result of the adoption of Section 457A, benefits under the Carnival SERP will be paid as a lump sum each January beginning in 2010 following the year of the accrual up through 2017. During fiscal 2008, Mr. Frank received the present value of his December 31, 2007 annual accrued benefit of $301,470 as a lump sum in connection with receiving the present value of his accumulated benefit under the Carnival SERP noted above in the table. He did not accrue additional SERP benefits in 2008.

Each of the Retirement Plan and the Carnival SERP provides a reduced early retirement benefit at age 55 after completion of 15 years of service. The normal retirement age under both plans is age 65. Benefits under the Retirement Plan are reduced by 6% for each year (1/2% for each month) that the participant retires before age 65. Benefits under the Carnival SERP are reduced by 3% for each year (1/4% for each month) that the participant retires before age 65. Mr. Arison is currently eligible for early retirement under the Retirement Plan.

Carnival Corporation has a benefit limitation policy for the Retirement Plan which only applies to Mr. Arison. The annual compensation covered by the Retirement Plan for the calendar year 2008 for Mr. Arison has been limited to $340,090 (as may be indexed). Based on Mr. Arison s level of compensation and his 30 credited years of service, the annual estimated benefits payable under the Carnival Corporation Retirement Plan to Mr. Arison at age 65 would be a life annuity (five-year certain benefit) $150,506 or a lump sum of $1,914,718. The Retirement Plan does not reduce benefits on account of Social Security (or any other benefit), other than as reflected in the benefit formula which is integrated with Social Security.

Mr. Bernstein and Mr. Foschi do not participate in any defined benefit pension plans sponsored by Carnival Corporation or Carnival plc. Mr. Bernstein is not eligible to participate in the Retirement Plan because it was closed to participation prior to his commencement of employment.

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Nonqualified Deferred Compensation in Fiscal Year 2008

Name	Executive Contributions in Last FY[1] ($)	Registrant Contributions in Last FY[2] ($)	Aggregate Earnings in Last FY ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($)
Micky Arison	0	0	0	0	0
David Bernstein	21,830	34,406	(135,762)	79,804	371,209
Gerald R. Cahill	750,000	0	(1,404,066)	0	6,023,120
Pier Luigi Foschi	0	0	0	0	0
Howard S. Frank	2,825,000	0	(6,638,491)	0	12,673,922

(1) These amounts are included under the Salary, Bonus and/or Non-Equity Incentive Plan Compensation columns of the Summary Compensation Table.
(2) These amounts are included in the All Other Compensation column of the Summary Compensation Table.

Carnival Corporation has established the Savings Plan, which is a nonqualified defined contribution plan for U.S. tax purposes. Until December 31, 2008, Messrs. Cahill, Bernstein and Frank could defer salary and/or bonus amounts into the Savings Plan. As described in the section of the Compensation Discussion and Analysis entitled Impact of Regulatory Requirements on Compensation, effective January 1, 2009, they may no longer defer any salary or bonus amounts into the Savings Plan. No company contributions were made on behalf of Mr. Cahill and Mr. Frank since they participated in the Retirement Plan. Although the Savings Plan is unfunded, Carnival Corporation has established a rabbi trust that holds any executive deferrals and company contributions to the Savings Plan.

Benefits are paid based on the participant s form and timing elections made in accordance with applicable Section 409A Treasury Regulations. Generally, the NEO must decide to defer at least six months prior to the close of the fiscal year in which the compensation is earned. Benefits are based on the participant s deferrals of cash compensation and associated earnings and losses based on the investment allocation selected by the participant. The investment options available to participants in the Savings Plan are identical to those available to participants in the Carnival Corporation Fun Ship Savings Plan, a 401(k) plan, except for the money market investment option. A participant may change his or her investment allocation at any time. In December 2008, Mr. Frank received a distribution of his aggregate balance in the Savings Plan in the amount of $12.6 million.

Because Mr. Bernstein is not a participant in the Retirement Plan which was closed to participation prior to his commencement of employment, for every dollar Mr. Bernstein defers into the Savings Plan, Carnival Corporation will match 50% up to the lower of (ii) 50% of the U.S. Internal Revenue Service qualified plan limitation (which in 2008 was $15,500) or (ii) 6% of his eligible pay. Eligible pay includes regular pay (before any pre-tax contributions from his pay and taxes) and bonus. Carnival Corporation may also make profit sharing contributions into the Savings Plan based upon his eligible pay and years of service according to the following schedule:

Years of Service	Award (% of Eligible Pay)
Less than 2	0%
2-5	1%
6-9	2%
10-13	3%
14-16	5%
17-19	7%
20-22	9%
23-25	12%
26 and over	15%

As of November 30, 2008, Mr. Bernstein had ten years of service.

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Following the promulgation of Section 457A, salary and bonus deferrals into the Savings Plan are no longer permitted. Beginning in 2009, all Savings Plan participants, including Mr. Bernstein, will be paid the equivalent of his annual matching award and profit sharing contribution as additional cash compensation. The effect of this change will result in no additional benefit for Mr. Bernstein and will not result in a material incremental cost to Carnival Corporation.

Additional information with respect to pension plan arrangements for Carnival plc for the financial year ended November 30, 2008 is included in Part I of the Carnival plc Directors Remuneration Report included in this proxy statement as the Compensation Discussion and Analysis and Part II of the Carnival plc Directors Remuneration Report, which is attached as Annex B to this proxy statement.

Potential Payments Upon Termination or Change of Control

Each of our NEOs may be eligible to receive certain payments and benefits in connection with termination of employment under various circumstances. The potential benefits payable to our NEOs in the event of termination of employment under various scenarios on November 30, 2008 are described below.

In addition to benefits described below, NEOs will be eligible to receive any benefits accrued under Carnival Corporation & plc broad-based benefit plans, such as distributions under life insurance and disability benefits and accrued vacation pay, in accordance with those plans and policies. These benefits are generally available to all employees. Our NEOs will also be eligible to receive any account balances at the 2008 fiscal year under our nonqualified deferred compensation plans and programs as set forth in the Nonqualified Deferred Compensation in Fiscal Year 2008 table in accordance with their payout election. Our NEOs will also be eligible to receive any vested benefits under our pension programs upon termination of employment in accordance with those plans and policies. These benefits are described in the Pension Benefits in Fiscal Year 2008 table and the description that follows that table. There are no special or enhanced executive benefits under our pension and nonqualified deferred compensation plans and programs, and all of our NEOs are fully vested in those benefits.

Severance Benefits

It is the policy of the Compensation Committees for executive officers to have notice periods, if any, of not more than 12 months in duration. Following U.S. accepted practice on remuneration, the Compensation Committees have adopted a policy not to enter into service contracts with U.S. executives. The Compensation Committees will continue to have regard to the individual circumstances of each case taking account of best practice in the UK and the U.S. and the expected cost to Carnival Corporation & plc of any termination of an executive s employment arrangements. Details of individual termination arrangements for the NEOs are set out below:

Name	Effective date of service contract	Unexpired term of contract from November 30, 2007	Notice period	Compensation for loss of office
Micky Arison	None(1)	None	None	None
David Bernstein	None	None	None	None
Gerald R. Cahill	None	None	None	None
Pier Luigi Foschi	Dec. 1, 2004	12 months	12 months	1x annual base salary and bonus
Howard S. Frank	None(1)	None	None	None

(1) Messrs. Arison and Frank only have Executive Long-Term Compensation Agreements. Nothing in those agreements confers a right to be employed by Carnival Corporation and no notice period to terminate the agreements applies.

In accordance with U.S. practice, Messrs. Arison, Bernstein, Cahill and Frank have no employment agreements and no entitlement to severance except for possible retention of unvested options and restricted share awards depending on the circumstances of their separation of employment discussed below. Mr. Foschi is the only NEO with a service agreement providing cash severance. As shown in the above chart, Mr. Foschi may be eligible to receive 12 months of base salary plus a cash bonus if his employment is terminated for certain reasons as described in the section entitled Individual Arrangements Related to Equity Awards under the Carnival Corporation 2002 Stock Plan. In line with U.S. practice, Mr. Foschi s severance includes an amount equal to his prior year annual cash bonus. If Mr. Foschi s agreement is terminated by Costa for reasons other than Mr. Foschi s breach of his obligations under the agreement or because Mr. Foschi is removed as a director of Costa for cause, or if Mr. Foschi resigns with cause under Italian law or as a result of a change of control of Costa, Mr. Foschi is entitled to a termination payment equal to his annual base salary, the annual non-competition compensation of 115,000, and a bonus equal to the bonus paid the year prior to termination (unless, in the case of a change of control, an alternative contractual arrangement is entered into with the new controlling group). If Mr. Foschi s employment had terminated on November 30, 2008 under these circumstances, he would have received a severance payment equal to one year s base salary of $1,415,500 (which includes the annual non-competition compensation of $171,350) plus a bonus equal to his prior fiscal year s bonus of $1,729,135. These amounts would be payable in euros. For purposes of this discussion, his potential compensation has been converted into U.S. dollars at the average exchange rate of the dollar for the 2008 fiscal year of $1.49: 1.

Equity-Based Compensation

Vesting of options, restricted shares and RSUs upon termination of an NEO s employment is dependent upon the reasons the NEO is terminated. Under the Carnival Corporation 2002 Stock Plan and Carnival plc 2005 Employee Share Plan and the associated equity award agreement, all options, restricted shares and RSUs not vested at the time of termination of employment will lapse with the exception of retirement, death or disability. In the case of retirement, depending on the NEO s years of service and age, the options and share awards will vest according to the terms of the award agreement.

Awards granted to Messrs. Bernstein, Cahill and Foschi are subject to these standard terms. Mr. Arison and Mr. Frank have Executive Long-Term Compensation Agreements that provide for accelerated or continued vesting of awards upon termination of employment under certain circumstances described below. Absent an Executive Long-Term Compensation Agreement or an employment and/or equity award agreement specifying a different treatment, equity awards held by NEOs will be treated according to the respective provisions of the plans described further below.

Carnival Corporation 2002 Stock Plan

All NEOs except Mr. Foschi receive equity awards under the Carnival Corporation 2002 Stock Plan. The terms of the Carnival Corporation 2002 Stock Plan and the equity award agreements applicable to participants generally provide that upon termination for death or disability all unvested equity awards will immediately vest. Upon retirement, awards continue to vest according to their terms as though employment had not ended; provided, however, that as each participant reaches retirement age after December 31, 2008 the award will immediately vest as to 50% of the award. For equity awards made prior to December 2008, retirement is defined as voluntary termination of an employee being at least 55 years of age with 15 years of service or at least 65 years of age with five years of service. In December 2008, the Compensation Committees amended the definition of retirement to increase the retirement age to 60 years of age with 15 years of service or at least 65 years of age with five years of service. Upon voluntary termination prior to qualifying for retirement, all unvested equity awards are forfeited. Upon a change of control, all options become immediately exercisable and the restricted period on all restricted shares and RSUs immediately expires. Change of control means the occurrence of any of the following (i) the acquisition by any individual, entity or group of beneficial ownership of 50% or more of either (A) the then outstanding shares of common stock of Carnival Corporation or (B) the combined voting power of the then outstanding voting securities of Carnival Corporation & plc entitled to vote generally in the election of directors, except that this provision does not apply to affiliated companies or the Arison family, (ii) incumbent directors cease to constitute at least a majority of the boards of directors, (iii) the dissolution or liquidation of Carnival Corporation, (iv) the sale, transfer or other disposition of all or substantially all of the

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business or assets of Carnival Corporation, or (v) the consummation of a reorganization, recapitalization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving Carnival Corporation that requires the approval of the shareholders, whether for such transaction or the issuance of securities in the transaction.

All of the equity-based awards made to the NEOs in February 2008 contain confidentiality and non-compete provisions that restrict them from competing with Carnival Corporation for three years after employment terminates. All of the equity-based awards made to participants, including the NEOs, in December 2008 contain confidentiality and non-compete provisions and restrict them from competing with Carnival Corporation for the remainder of the award s vesting period and after employment terminates. They will be subject to the confidentiality restrictions indefinitely. If they breach either of these provisions, they will forfeit the right to receive all unvested and unexercised equity awards.

Individual Arrangements Related to Equity Awards under the Carnival Corporation 2002 Stock Plan

Micky Arison and Howard S. Frank. In 1998, Mr. Arison and Mr. Frank entered into Executive Long-Term Compensation Agreements with Carnival Corporation that contain additional provisions pertaining to all of their equity awards under the Carnival Corporation 2002 Stock Plan. These agreements include provisions that differ from the standard terms of the plan described above that result in the vesting of awards upon termination of employment under certain circumstances. If their employment is terminated without cause, options will continue to vest according to their terms, and restricted share awards granted prior to February 2008 will vest in 20% annual installments on each of the first through fifth anniversaries of the date of grant of the award. Restricted share awards granted in February 2008 and thereafter will vest in 33.33% annual installments on each of the first through third anniversaries of the date of the grant of the award.

In December 2008, the Executive Long-Term Compensation Agreement with Mr. Arison was amended to change the age after which Mr. Arison may voluntarily terminate his employment and be eligible to continue to vest in the equity awards made to him under the agreement from 60 to 65 years of age. Accordingly, if employment terminates due to diagnosis of a terminal medical condition or if Mr. Arison voluntarily terminates his employment after attaining age 65, all of their respective outstanding equity awards will continue to vest according to their original vesting schedule. For purposes of the agreement, cause is defined as any action or inaction which constitutes fraud, embezzlement, misappropriation, dishonesty, breach of trust, a felony or moral turpitude, as determined by the board of directors.

If Mr. Arison voluntarily terminates his employment within 14 days of notice that the Compensation Committees elect to reduce the number of restricted shares granted under the agreement by more than 25%, then his restricted share awards will vest according to an alternate vesting schedule. The alternate vesting schedule allows Mr. Arison to retain 20% per year beginning with the first anniversary date of the restricted shares grant for awards granted prior to February 2008, and 33% per year for awards granted in February 2008 and thereafter. Any restricted shares remaining unvested after application of this alternate vesting schedule are forfeited. If Mr. Arison voluntarily terminates his employment before age 65, all unvested awards are forfeited. If termination occurs before the first anniversary date of the grant, all restricted shares are forfeited. The provisions of this paragraph are not applicable to Mr. Frank.

David Bernstein and Gerald R. Cahill. The terms of Mr. Bernstein and Mr. Cahill s restricted stock agreement for awards granted in February 2008 and thereafter provide that if their employment is terminated without cause or they voluntarily terminate due to a diagnosis of terminal medical condition, the restricted share awards will continue to vest according to their original vesting schedule. For purpose of the agreement, cause is defined as any action or inaction which constitutes fraud, embezzlement, misappropriation, dishonesty, breach of trust, a felony or moral turpitude, as determined by the boards of directors.

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Carnival plc Executive Share Option Plan

Mr. Foschi is the only NEO that holds outstanding options under this plan. Mr. Foschi receives the same treatment as other Carnival Executive Share Option Plan participants generally. Under the terms of the plan and Mr. Foschi s award agreements, upon termination for cause or voluntary termination, all options will be forfeited. Upon change of control or termination of employment for retirement, injury, disability, ill health or termination by Carnival plc without cause, all options will vest and become exercisable. Change of control is defined to mean (i) a person, alone or in concert with others making a general offer to acquire the whole of the share capital of Carnival plc, (ii) a person becoming bound or entitled to give notice under sections 428 to 430F of the Companies Act 1985 to acquire shares, (iii) a court directing that a meeting of the holders of shares be convened pursuant to section 425 of the Companies Act 1985 for the purposes of considering a scheme of arrangement of Carnival plc or its amalgamation with any other company or companies and the scheme of arrangement being approved by the shareholders meeting or sanctioned by the court, or (iv) notice being duly given of a resolution for the voluntary winding-up of Carnival plc. Cause is not specifically defined in this plan.

Carnival plc 2005 Employee Share Plan

Mr. Foschi is the only NEO who receives awards under the Carnival plc 2005 Employee Share Plan. Mr. Foschi receives the same treatment under the Carnival plc 2005 Employee Share Plan as other participants generally for awards granted through fiscal year 2008, except with respect to termination in the event of disability as described in the section entitled Individual Arrangements Related to Equity Awards under the Carnival plc Equity Plans. All awards vest upon termination of employment for death. Upon retirement, all awards will continue to vest according to their terms as if employment had not been terminated. For equity awards made prior to December 2008, retirement is defined as voluntary termination of an employee being at least 55 years of age with 15 years of service or at least 65 years of age with five years of service. In December 2008, the Compensation Committees amended the definition of retirement to increase the retirement age to 60 years of age with 15 years of service. Upon a change of control, all options will vest. Change of control is defined to mean the occurrence of any of the following (i) a person (either alone or together with any person acting in concert with him) obtaining control of Carnival plc as a result of a general offer or otherwise for the whole of the share capital of Carnival plc (other than those shares which are already owned by him and/or any person acting in concert with him), (ii) the acquisition by any individual, entity or group of beneficial ownership of 50% or more of either (A) the then outstanding shares of Carnival plc or (B) the combined voting power of the then outstanding voting securities of Carnival plc entitled to vote generally in the election of directors, except that this provision does not apply to affiliated companies or members of the Arison family, (iii) incumbent directors cease to constitute at least a majority of the boards of directors, (iv) a person becoming bound or entitled to give notice under sections 428 to 430F of the Companies Act 1985 to acquire shares, (v) a court directing that a meeting of the holders of shares be convened pursuant to section 425 of the Companies Act 1985 for the purposes of considering a scheme of arrangement of Carnival plc or its amalgamation with any other company or companies and the scheme of arrangement being approved by the shareholders meeting or sanctioned by the court, (vi) notice being duly given of a resolution for the voluntary winding-up of Carnival plc, (vii) the sale, transfer or other disposition of all or substantially all of the business or assets of Carnival plc, or (viii) the completion of a reorganization, recapitalization, merger, consolidation, share exchange or similar form of corporate transaction involving Carnival plc that requires the approval of the shareholders, whether for such transaction or the issuance of securities in the transaction.

All of the equity-based awards made to the NEOs in February 2008 and thereafter contain confidentiality and non-compete provisions that restrict them from competing with Carnival Corporation for the remainder of award s vesting period. They will be subject to the confidentiality restrictions indefinitely. If they breach either of these provisions, they will forfeit the right to receive all unvested and unexercised equity awards.

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Individual Arrangements Related to Equity Awards under the Carnival plc Equity Plans

Pier Luigi Foschi. In the event of termination of employment as a result of disability, all of Mr. Foschi s outstanding options and RSUs will vest. The terms of Mr. Foschi s RSU agreement for awards granted in December 2008 provide that if his employment is terminated without cause or he voluntarily terminates due to diagnosis of a terminal medical condition, the RSU award will continue to vest according to its original vesting schedule. For purposes of his agreement, cause is defined as any action or inaction which constitutes fraud, embezzlement, misappropriation, dishonesty, breach of trust, a felony or moral turpitude, as determined by the boards of directors.

Acceleration of Equity Awards Upon Termination of Employment or Change of Control

The following chart shows the value of option, restricted share, and RSU awards that would have become vested, or that could have continued to vest, subject to any non-compete and confidentiality requirement, for termination of employment or upon a change of control as of November 30, 2008. No termination of employment is required to trigger acceleration upon a change of control. For this purpose, options were valued as the difference between the closing price of Carnival Corporation common stock or Carnival plc ordinary shares, as applicable, as of that date and the applicable exercise price of the options. Restricted shares and RSUs were valued based on the closing price of Carnival Corporation common stock or Carnival plc ordinary shares, as applicable, as of that date. The value for Carnival Corporation common shares is based on $21.00, which is the closing price reported as having occurred on the New York Stock Exchange on November 28, 2008 and the value for Carnival plc ordinary shares is based on $21.00, which is the closing price reported as having occurred on the London Stock Exchange on November 28, 2008 of £13.73, which has been converted at November 28, 2008 exchange rate of $1.53:£1. The value of options includes only those options with an exercise price above these closing prices. As described above, certain options, restricted shares or RSUs do not vest upon termination of employment, but continue to vest over time according to the terms of the relevant equity plan, or Executive Long-Term Compensation, employment, service or equity award agreements. The true value of these equity awards for future vesting periods is subject to market fluctuations occurring over time.

Estimated Potential Value for Acceleration of Equity Awards

	Termination without Cause ($)	Voluntary Termination ($)	Retirement ($)	Death, Disability or Diagnosis of Terminal Medical Condition ($)	Change of Control ($)
Micky Arison	6,804,000	0	0	6,804,000	6,804,000
David Bernstein	210,000	0	0	210,000	210,000
Gerald R. Cahill	735,000	0	0	735,000	735,000
Pier Luigi Foschi	525,000	0	0	945,000(1)	945,000
Howard S. Frank	5,670,000	5,670,000	5,670,000	5,670,000	5,670,000
Total	**13,944,000**	**5,670,000**	**6,615,000**	**14,364,000**	**14,364,000**

(1) Mr. Foschi would receive $525,000 in the event of voluntary termination due to diagnosis of a terminal medical condition.

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INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

Audit and Non-Audit Fees

PricewaterhouseCoopers LLP were the auditors of Carnival Corporation & plc during 2008 and 2007. Aggregate fees for professional services rendered by PricewaterhouseCoopers LLP for the years ended November 30, 2008 and 2007 are set forth below:

	Carnival Corporation & plc 2008 (in millions)	Carnival Corporation & plc 2007 (in millions)
Audit Fees	$ 5.8	$ 5.5
Audit-Related Fees	0.0	0.3
Tax Fees	0.0	0.0
All Other Fees	0.0(1)	0.0(1)
Total	$ 5.8	$ 5.8

(1) Less than $50,000.

Audit Fees for 2008 and 2007 were for professional services rendered for the integrated audits of the Carnival Corporation & plc consolidated financial statements and system of internal control over financial reporting, quarterly reviews of our joint Quarterly Reports on Form 10-Q, the audits of the Carnival plc IFRS annual consolidated financial statements, consents, SEC comment letter, Financial Reporting Review Panel comment letter, comfort letters, registration statements, statutory audits of various international subsidiaries and other agreed upon procedures.

Audit-Related Fees for 2007 were for due diligence acquisition work.

All Other Fees for 2008 and 2007 were primarily for Immigration and Naturalization Service certifications and license fees for internal audit and accounting research software.

All of the services described above were approved by the Audit Committees, and in doing so, the Audit Committees did not rely on the *de minimis* exception set forth in Rule 2-01(c)(7)(i)(C) under Regulation S-X.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Certified Public Accounting Firm

In December 2003, the Audit Committees adopted Key Policies and Procedures which address, among other matters, pre-approval of audit and permissible non-audit services provided by the independent registered certified public accounting firm. The Key Policies and Procedures require that all services to be provided by the independent registered certified public accounting firm must be approved by the Audit Committees prior to the performance of such services. The Audit Committees consider whether the services requested are consistent with the rules of the SEC on auditor independence.

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REPORT OF THE AUDIT COMMITTEES

Carnival Corporation and Carnival plc are two separate legal entities and, therefore, each has a separate board of directors, each of which in turn has its own Audit Committee. In accordance with their charter, each Audit Committee assists the relevant board of directors in carrying out its oversight of:

- the integrity of the relevant financial statements;
- Carnival Corporation & plc s compliance with legal and regulatory requirements;
- the auditors qualifications and independence; and
- the performance of Carnival Corporation & plc s internal audit functions and independent auditors.

Both Audit Committees are subject to the audit committee independence requirements under the corporate governance standards of the New York Stock Exchange and relevant SEC rules, and the Audit Committee of Carnival plc is also subject to the requirements of the UK Combined Code. The two Audit Committees have identical members and each currently consists of five independent (as defined by the listing standards of the New York Stock Exchange currently in effect, SEC rules and the UK Combined Code), non-executive directors. The Carnival Corporation board of directors has determined that Richard J. Glasier is both independent and an audit committee financial expert, as defined by SEC rules. In addition, the Carnival plc board of directors has determined that Richard J. Glasier has recent and relevant financial experience for purposes of the UK Combined Code.

Management has primary responsibility for Carnival Corporation & plc s financial reporting process, including its system of internal control, and for the preparation of consolidated financial statements. Carnival Corporation & plc s independent auditors are responsible for performing an independent audit of those financial statements and expressing an opinion on the conformity of those financial statements with U.S. generally accepted accounting principles. The Audit Committees are responsible for monitoring and overseeing the financial reporting process and the preparation of consolidated financial statements and for supervising the relationship between Carnival Corporation & plc and its independent auditors, as well as reviewing the group s systems of internal controls and compliance with the group Code of Business Conduct and Ethics. The Audit Committees have met and held discussions with management of Carnival Corporation & plc and the independent auditors. In this context, management represented to the Audit Committees that Carnival Corporation & plc s consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles.

The Audit Committees (i) reviewed and discussed Carnival Corporation & plc s audited consolidated financial statements for the year ended November 30, 2008 with Carnival Corporation & plc s management and with Carnival Corporation & plc s independent auditors; (ii) discussed with Carnival Corporation & plc s independent auditors the matters required to be discussed by Statement on Auditing Standards No. 61, as amended; and (iii) received the written disclosures and the letter from Carnival Corporation & plc s independent accountants required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountants communications with the Audit Committees concerning independence and discussed with Carnival Corporation & plc s independent auditors the independent auditors independence. The Audit Committees also considered whether the provision to the relevant entity by the independent auditors of non-audit services was compatible with maintaining the independence of the independent auditors. Based on the reviews and discussions described above, the Audit Committees recommended to the boards of directors that the audited consolidated financial statements of Carnival Corporation & plc be included in Carnival Corporation & plc s Annual Report on Form 10-K for the year ended November 30, 2008 for filing with the SEC.

The Audit Committee of Carnival Corporation	**The Audit Committee of Carnival plc**
Richard J. Glasier, Chairman	Richard J. Glasier, Chairman
Modesto A. Maidique	Modesto A. Maidique
Stuart Subotnick	Stuart Subotnick
Laura Weil	Laura Weil
Randall J. Weisenburger	Randall J. Weisenburger
Uzi Zucker	Uzi Zucker

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Review and Approval of Transactions with Related Persons

It is our practice to review all relationships and transactions in which Carnival Corporation & plc and our directors and executive officers or their immediate family members are participants to determine whether such persons have a direct or indirect material interest. Our legal department and corporate finance departments are primarily responsible for the development and implementation of processes and controls to obtain information from the directors and executive officers with respect to related person transactions and for then determining, based on the facts and circumstances, whether we or a related person has a direct or indirect material interest in the transaction. As required under SEC rules, transactions in which the amount involved exceeds $120,000 in which the Company was or is to be a participant and a related person had or will have a direct or indirect material interest are disclosed in our proxy statement. In addition, the boards review and approve or ratify any related person transaction involving a director regardless of the amount.

In the course of its review and approval or ratification of a related person transaction, the boards may consider the following factors:

- the nature of the related person s interest in the transaction;
- the material terms of the transaction, including, without limitation, the amount and type of transaction;
- the importance of the transaction to the related person;
- the importance of the transaction to the Company;
- whether the transaction would impair the judgment of a director or executive officer to act in our best interest; and
- any other matters the boards deem appropriate.

Any member of the boards who is a related person with respect to a transaction under review may not participate in the deliberations or vote respecting approval or ratification of the transaction, provided, however, that such director may be counted in determining the presence of a quorum at a meeting of the board that considers the transaction.

Related Person Transactions

Transactions with Micky Arison. Micky Arison, our Chairman and Chief Executive Officer, is also the Chairman, President and the indirect sole shareholder of FBA II, Inc., the sole general partner of Miami Heat Limited Partnership (MHLP), the owner of the Miami Heat, a professional basketball team. He is also the indirect sole shareholder of Basketball Properties, Inc., the sole general partner of Basketball Properties, Ltd. (BPL), the manager and operator of American Airlines Arena. Pursuant to a five-year advertising and promotion agreement between Carnival Cruise Lines, MHLP and BPL effective July 2004, Carnival Cruise Lines paid approximately $265,000 in fiscal 2008 for the advertising and promotion of Carnival Cruise Lines during Miami Heat games and other events held at the American Airlines Arena, located in Miami, Florida.

In addition, in October 2004 Carnival Corporation entered into a seven-year agreement with BPL for the use of six courtside lounge seats at the Miami Heat games played at the American Airlines Arena and other public events at the arena. Under the agreement, Carnival Corporation agreed to pay $180,000 per year for the first five years, plus taxes, subject to a 5% increase in years six and seven.

Transactions with the Ted Arison Family Foundation USA, Inc. Shari Arison (Micky Arison s sister) is the Chairman of the Board of Trustees of the Ted Arison Family Foundation USA, Inc. (the Foundation), a charitable foundation established by Carnival Corporation s founder, Ted Arison. Carnival Corporation leases

approximately 100 square feet of office space to the Foundation and employs one of its employees. During fiscal 2008, Carnival Corporation billed the Foundation $132,000 for both occupancy and other costs incurred by Carnival Corporation related to this employee. It is expected that Carnival Corporation will continue these arrangements with the Foundation in the future, until such time that the employee is no longer providing such services.

Registration Rights. Pursuant to a letter agreement (the Trust Registration Rights Agreement) dated July 11, 1989, Carnival Corporation granted to the Ted Arison Irrevocable Trust (the Irrevocable Trust) and the Arison Children s Irrevocable Trust (the Children s Trust, and together with the Irrevocable Trust, the Trusts) certain registration rights with respect to certain shares of Carnival Corporation common stock held for investment by the Trusts (the Shares). The beneficiaries of the Trusts included the children of Ted Arison, including Micky Arison, our Chairman of the boards and Chief Executive Officer, and Shari Arison. Effective December 26, 1991, the Children s Trust was divided into three separate continued trusts, including continued trusts for Micky Arison, Shari Arison and Michael Arison.

Under the Trust Registration Rights Agreement, Carnival Corporation has granted the Trusts demand and piggyback registration rights. Carnival Corporation is not required to effect any demand registration unless all of the Shares owned by either of the Trusts are included in the demand. Carnival Corporation has agreed to bear all expenses relating to such demand and piggyback registrations, except for fees and disbursements of counsel for the Trusts, selling costs, underwriting discounts and applicable filing fees.

Under a registration rights agreement dated June 14, 1991, as amended by an amendment dated July 31, 1991 and a succession agreement dated May 28, 2002 (together, the Arison Registration Rights Agreement), Carnival Corporation granted certain registration rights to Ted Arison with respect to certain shares of common stock beneficially owned by him (the Arison Shares) in consideration for $10,000. The registration rights were held by the Estate of Ted Arison. The Estate of Ted Arison subsequently transferred the Arison Shares to the Nickel 1997 Irrevocable Trust (formerly known as The 1997 Irrevocable Trust of Micky Arison), the Artsfare 1992 Irrevocable Trust (formerly known as the Ted Arison 1992 Irrevocable Trust for Lin No. 2) and the Eternity Four Trust (formerly known as the Ted Arison 1994 Irrevocable Trust for Shari No. 1) (collectively, the Family Trusts). The Arison Registration Rights Agreement provides the Family Trusts and certain transferees with demand and piggyback registration rights. Carnival Corporation has agreed to bear all expenses relating to such demand and piggyback registrations, except for fees and disbursements of counsel for the Family Trusts, selling costs, underwriting discounts and applicable filing fees.

Son of Pier Luigi Foschi. The son of Pier Luigi Foschi, one of our NEOs and a director, is a minority partner in Studio Biscozzi-Nobili, an Italian tax consulting firm, which is retained from time to time to provide tax advice to Costa, one of Carnival plc s subsidiaries. During fiscal 2008, Costa paid approximately $211,000, plus taxes, to Studio Biscozzi-Nobili for providing such services to Costa.

Transactions with Omnicom Group, Inc. Randall J. Weisenburger, a member of our boards since January 2009, is the Executive Vice President and Chief Financial Officer of Omnicom Group Inc., an advertising, marketing and corporate communications company. During fiscal 2008, Omnicom Group Inc. received approximately $12.4 million from Carnival Corporation & plc for advertising and marketing services. Such fees represented less than 1% of the consolidated revenues of Omnicom Group Inc. It is anticipated that Carnival Corporation & plc will continue to do business with Omnicom Group Inc. in the future.

Charitable Donations. One of our board members, Modesto A. Maidique, is President of FIU. Carnival Corporation made a $900,000 gift commitment to FIU in support of the FIU School of Hospitality and Tourism Management to be paid in annual installments over five years. FIU agreed to use the gift, which qualified for $700,000 in matching funds from the State of Florida, to (1) renovate, furnish and equip a 2,600 square foot multi-purpose facility to be named the Carnival Student Center and (2) establish and endow Carnival Scholarships for students to be known as Carnival Scholars. During fiscal 2008, Carnival Corporation paid

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$250,000 in respect of this commitment. In addition, Carnival Corporation made additional donations in the amount of approximately $11,000 for event sponsorships and scholarship contributions.

Mary Frank, the spouse of Howard S. Frank, our Vice Chairman and Chief Operating Officer, is the immediate past President of the Board of Trustees of the Miami Art Museum and currently serves on its Executive Committee. Carnival Corporation made a conditional pledge of $5,000,000 to the Miami Art Museum to be used for on-going capital expenditures, a capital campaign to include construction of certain galleries to be named as the Carnival Family Gallery and the Carnival Educational Gallery and expenses relating to educational outreach programs. In October 2008, the board approved payment of the initial installment of $500,000. It is anticipated that nine additional $500,000 annual installments will be submitted for board approval annually. In addition, Carnival Corporation made additional donations in the amount of approximately $67,700 for general sponsorships, educational programs.

Alonzo Mourning is the founder and primary sponsor of the Overtown Youth Center, an 18,000 square foot facility located in the heart of Miami s inner city, which provides academic and recreational activities for children. Until recently, Mr. Mourning was also a player for the Miami Heat, a professional basketball team. As described above, Micky Arison, our Chairman and Chief Executive Officer, is also the Chairman, President and the indirect sole shareholder of FBA II, Inc., the sole general partner of MHLP, the owner of the Miami Heat. Carnival Corporation conditionally pledged a gift of $500,000 to the Overtown Youth Center Endowment Fund. The board approved payment of the initial installment of $100,000. It is anticipated that four additional annual installments will be submitted for board approval annually.

The board has reviewed and approved or ratified these transactions.

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Annex A

CARNIVAL PLC DIRECTORS REPORT

Directors Report

Carnival plc and Carnival Corporation are separate legal entities (together referred to in this report as Carnival Corporation & plc) and each company has its own board of directors and committees of the board. However, as is required by the agreements governing the dual listed company (DLC) structure, there is a single management team and the boards of directors and members of the committees of the boards are identical.

Principal activities

Carnival Corporation & plc is the largest cruise vacation group in the world, with a portfolio of cruise brands in North America, Europe and Australia. Together, these brands operate 88 ships totalling over 169,000 lower berths with 17 new ships scheduled to enter service between March 2009 and June 2012. Carnival Corporation & plc also operates Holland America Tours and Princess Tours, the leading tour companies in Alaska and the Canadian Yukon. Carnival Corporation & plc has a multi-brand strategy, which provides products and services appealing to the widest possible target audience across all major sectors of the vacation industry. For a further discussion of Carnival Corporation & plc s business and risk factors, please refer to the Carnival Corporation & plc joint 2008 Annual Report on Form 10-K (the Form 10-K), which is available at the Carnival Corporation & plc website at www.carnivalcorp.com or www.carnivalplc.com.

Business review and future developments

The directors consider that the most meaningful presentation of the Carnival plc group s results and financial position under the DLC structure is by reference to information provided for Carnival Corporation & plc under U.S. GAAP which is included in the Carnival Corporation & plc 2008 Annual Report, which is available in the Investor Relations section of the Carnival Corporation & plc website at www.carnivalcorp.com or www.carnivalplc.com.

Management s Discussion and Analysis of Financial Condition and Results of Operations contained on pages 34 to 51 in the Carnival Corporation & plc 2008 Annual Report contains a review of the business and sets out the principal activities, operations, performance, financial position, key performance indicators and likely future developments of the Carnival Corporation & plc group. That discussion also identifies the principal risks and uncertainties with related mitigating factors that might affect the Carnival Corporation & plc group s future performance. In addition, note 25 to the Carnival plc IFRS financial statements and note 2 of the Carnival Corporation & plc 2008 Annual Report identifies concentrations of credit risk and mitigating factors. Further information is also provided in the Chairman s statement on pages 2 and 3 of the Carnival Corporation & plc 2008 Annual Report. Finally, the Form 10-K, which is filed with the SEC, provides a detailed description of our business and risk factors. The Form 10-K can be accessed via the SEC website at www.sec.gov under Carnival Corporation or Carnival plc or the Carnival Corporation & plc website at www.carnivalcorp.com or www.carnivalplc.com.

As is common with other cruise vacation companies, we use a number of key performance indicators in reviewing the performance of our business. In particular, we use the measure of available lower berth days to represent passenger capacity for the period. Applying this measure to net revenues and net costs during a period allows us to analyze rate and capacity variances between periods. As a significant portion of our operations net income is generated in euros, sterling and the Australian dollar, we also review current year performance applying rates of exchange that applied during the prior year. This permits us to review the growth of our business in a fluctuating exchange rate environment. We also monitor our brands fuel consumption and fuel cost per metric ton.

The consolidated net income for the Carnival plc group (being Carnival plc and its subsidiary undertakings) under applicable international financial reporting standards was $1,067.4m (2007 $949.3m). For the avoidance of doubt, this does not include the results of Carnival Corporation.

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Dividends

During the financial year ended November 30, 2008, Carnival plc paid four quarterly dividends totalling $1.60 per ordinary share (2007 $1.25). On October 31, 2008, Carnival plc announced a quarterly cash dividend of $0.40 per ordinary share. The dividend was paid on December 12, 2008, to shareholders of record on November 21, 2008. On October 31, 2008, Carnival plc also announced that its board of directors voted to suspend its quarterly dividend for the next quarter as a result of the highly volatile state of the financial markets. Carnival plc intends to maintain the dividend suspension throughout 2009, but will re-evaluate its dividend policy based on the circumstances prevailing during the year.

Although the dividend was declared in U.S. dollars, it is paid in sterling to the holders of ordinary shares in Carnival plc unless they elect to receive their dividends in U.S. dollars. Dividends payable in sterling are converted from U.S. dollars into sterling at the U.S. dollar to sterling exchange rate quoted by the Bank of England in London at 12:00 p.m. on the next combined U.S. and UK business day that follows the quarter end.

Holders of the Carnival plc s American Depositary Shares (ADSs) are paid their dividend in U.S. dollars.

On September 21, 2004, Bedell Trustees Limited, the trustee for the Carnival plc Deferred Bonus and Co-Investment Matching Plan, waived its right to all dividends payable by Carnival plc. Dividends paid during the year over which rights were waived amounted to $137,146.

In July 2008, each of Carnival Investments Limited and Carnival Corporation waived its rights to all dividends payable by Carnival plc. Dividends paid during the year over which rights were waived amounted to $20,372,297,60.

Share capital and control

Changes in the share capital of Carnival plc during the year are given in note 17 to the Carnival plc consolidated IFRS financial statements.

The share capital of Carnival plc at the date of this report includes two allotted and issued subscriber shares of £1 each, 50,000 allotted but unissued redeemable preference shares of £1 each, one allotted and issued special voting share of £1 and 213,249,933 allotted and issued ordinary shares of US$1.66 each. The subscriber shares carry no voting rights and no right to receive any dividend or any amount paid on a return of capital. The redeemable preference shares carry no voting rights, but are entitled to payment of a cumulative preferential fixed dividend of 8 per cent per annum on the amount paid up on each such share, which is in issue. On a return of capital on a winding up or otherwise, the redeemable preference shares rank behind the ordinary shares but ahead of any other class of shares, and are entitled to receive payment of the amount paid up or credited as paid up on each such share. Redeemable preference shares which are fully paid may be redeemed at any time at the election of the holder or of the company, in which case the amount payable on redemption is the amount credited as paid up on each share which is redeemed, together with all arrears and accruals of the preferential dividend.

Details of options over ordinary shares and restricted stock units granted to employees are given in note 20 to the Carnival plc consolidated IFRS financial statements.

The articles of association of Carnival plc contain provisions which, in certain circumstances, would have the effect of preventing a shareholder (or a group of shareholders acting in concert) from holding or exercising the voting rights attributable to shares in Carnival plc which are acquired by them. These provisions would have effect if a shareholder (or a group of shareholders acting in concert) were to acquire ordinary shares in Carnival plc with the result that the total voting rights exercisable by that shareholder or group of shareholders on matters put to a vote as joint electorate actions under the DLC structure would exceed 30 per cent of the total voting rights exercisable in respect of any joint electorate action. They would also have effect if a shareholder (or group

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of shareholders acting in concert) already holding between 30 per cent and 50 per cent of the total voting rights exercisable in respect of any joint electorate action were to acquire shares in Carnival plc and thereby increase the percentage of voting rights so held. In each such case, the percentage of voting rights held is determined after taking into account voting rights attributable to shares of Carnival Corporation common stock held by such shareholder (or group of shareholders) and also taking into account the effect of the equalization ratio which gives effect to common voting by the shareholders of Carnival plc and Carnival Corporation on joint electorate actions under the DLC structure.

Under the relevant provisions of the Carnival plc articles of association (articles 277 to 287) shares which are acquired by a person and which trigger the thresholds referred to in the foregoing may be sold at the direction of the board, and the proceeds remitted to the acquiring shareholder, net of any costs incurred by the company. Pending such sale any dividends paid in respect of such shares would be paid to a charitable trust, and the trustee of such trust would be entitled to exercise the voting rights attaching to the shares.

The restrictions summarized in the preceding paragraphs would not apply in the case of an acquisition of shares which is made in conjunction with a takeover offer for the company which is announced in accordance with the City Code on Takeovers and Mergers, for so long as that offer has not lapsed or been withdrawn. However, if such a takeover offer is not made, or lapses or is withdrawn, the restrictions will apply in respect of any acquired shares.

The foregoing is a summary only of the relevant provisions of the articles of association of Carnival plc, and for a complete understanding of their effect, shareholders are recommended to refer to the articles of association themselves, a copy of which is available at Carnival plc s website at www.carnivalplc.com or upon request from the Company Secretary, 3655 N.W. 87th Avenue, Miami, Florida 33178, United States of America. The terms of these provisions would not be varied as a result of the adoption of the proposed new articles of association of Carnival plc, which are attached as Annex D to the proxy statement to which this report is annexed.

There are two significant agreements to which Carnival plc is a party which may be altered or terminated in the event of a change of control. These are (1) the Facilities Agreement dated October 21, 2005, as amended, by and among Carnival Corporation, Carnival plc, The Royal Bank of Scotland plc, and various other lenders, which provides for $1.2 billion, 400 million and £200 million revolving credit facilities and which may, under certain circumstances, be cancelled upon a change of control of Carnival plc, other than a change which results in control of Carnival plc being vested in Carnival Corporation or in certain members of the Arison family or trusts related to them, and (2) the Trust Deed dated November 27, 2006, by and among Carnival plc, Carnival Corporation and Citicorp Trustee Company Limited, governing the terms of 750 million 4.25% Guaranteed Bonds due 2013, which provides that the bondholders have the option to redeem the bonds in the event that a non-investment grade rating is applied to the bonds by a specified rating agency as a direct result of the change of control.

Articles of association

The articles of association of Carnival plc may be amended by the passing of a special resolution of the shareholders. In common with many other corporate actions which might be undertaken by Carnival plc, such a resolution would be proposed as a joint electorate action on which the shareholders of Carnival plc and of Carnival Corporation effectively vote as a single unified body, as contemplated by the DLC structure. The proxy statement to which this report is annexed gives details of proposed changes to the articles of association of Carnival plc to be proposed at the annual general meetings scheduled to be held on April 15, 2009.

Purchase of own shares

In June 2006 Carnival Corporation and Carnival plc announced that their boards of directors had authorized the repurchase of up to an additional $1 billion in total of Carnival Corporation and Carnival plc shares. By September 19, 2007, the total amount repurchased under the June 2006 $1 billion authorization was $422 million. On that date, the boards of directors increased the remaining $578 million repurchase authorization to $1 billion (the Repurchase Program).

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In October 2008, Carnival Corporation and Carnival plc announced that their boards of directors had authorized issuance of up to 19.2 million Carnival Corporation shares in the U.S. market from time to time in at the market transactions with the proceeds being used to repurchase shares of Carnival plc in the UK market on at least an equivalent basis (Stock Swap), with the remaining net proceeds, if any, used for general corporate purposes. When the Carnival plc shares trade at a discount to Carnival Corporation shares, we derive an economic benefit from the Stock Swap. In the event Carnival Corporation shares trade at a discount to Carnival plc shares, Carnival Corporation or Carnival Investments Limited, a subsidiary of Carnival Corporation, may elect to sell Carnival plc shares it owns from time to time in at the market transactions with the proceeds being used to repurchase shares of Carnival Corporation in the U.S. market on at least an equivalent basis, with the remaining net proceeds, if any, used for general corporate purposes, again deriving an economic benefit.

At February 17, 2009, the remaining availability pursuant to the Repurchase Program was $787 million. It is not our present intention to repurchase Carnival Corporation and/or Carnival plc shares under the Repurchase Program, except for repurchases resulting from the Stock Swap program.

Shareholder approval is not required to buy back shares of Carnival Corporation, but is required under the Companies Act 1985 to buy back shares of Carnival plc. Accordingly, at the annual general meetings held on April 22, 2008, the authority for Carnival plc to buy back its own shares was approved. This authority enabled Carnival plc to buy back up to 21,318,575 ordinary shares of Carnival plc (being approximately 10% of Carnival plc s ordinary shares in issue) of which 1,115,450 shares have been purchased under the Repurchase Program and the Stock Swap through February 17, 2009 by Carnival Corporation or Carnival Investments Limited, a subsidiary of Carnival Corporation, for approximately $15 million. That approval expires at the conclusion of Carnival plc s 2009 annual general meeting.

Directors

The names of the persons who served as directors of Carnival Corporation and Carnival plc during the 2008 financial year, and biographical notes about each of the directors, including the period for which they held office during the 2008 financial year, are contained in the proxy statement to which this report is annexed. Details of the directors membership on board committees are set out in the Carnival plc Corporate Governance Report attached as Annex C to the proxy statement.

The appointment and replacement of directors of Carnival plc is governed by the provisions of the articles of association of Carnival plc, and also by the provisions of the Equalization and Governance Agreement entered into on April 17, 2003 on the establishment of the DLC structure. The articles of association and the Equalization and Governance Agreement require that the boards of directors of Carnival plc and Carnival Corporation be comprised of exactly the same individuals.

Details of the directors remuneration and their interests in the shares of Carnival Corporation and Carnival plc are set out in Part II the Carnival plc Directors Remuneration Report attached as Annex B to the proxy statement.

Substantial shareholdings

As at the date of this report, Carnival plc has been notified of the following material interests of 3% or more in Carnival plc s total voting rights:

	No. of shares	Percentage of voting rights
Aviva plc	8,020,004(1)	5.0%
AXA, S.A.	11,119,972(2)	6.9%
Barclays plc	6,454,915(3)	4.0%
Legal & General Group plc	11,350,409(4)	7.0%
Prudential plc	9,421,563(5)	5.8%
The Capital Group Companies, Inc.	16,984,669(6)	10.5%

(1) Aviva plc and its subsidiaries have an interest in these shares.
(2) AXA, S.A. and its group of companies have an interest in these shares.
(3) Affiliates of Barclays plc have an interest in these shares.
(4) Legal & General Group plc and its subsidiaries have an interest in these shares.
(5) Prudential plc and its group of companies have an interest in these shares.
(6) The Capital Group of Companies, Inc. and its affiliates, being Capital Research and Management Company, Capital International S.A., Capital International Limited and Capital Guardian Trust Company, have an interest in these shares.

Carnival Corporation and Carnival Investments Limited, a subsidiary of Carnival Corporation, are the holders of an aggregate of 52,046,194 Carnival plc ordinary shares as at the date of this report. These shares carry no voting rights or rights on liquidation unless Carnival Corporation owns over 90% of all the Carnival plc shares. Accordingly, the details of voting rights given in the preceding table take account of the absence of voting rights carried by these shares.

Save for the above, no person has disclosed relevant information to Carnival plc pursuant to rule 5 of the Disclosure and Transparency Rules.

Corporate governance and directors remuneration

A report on corporate governance and compliance with the Combined Code appended to the UK Listing Authority s Listing Rules is contained in the Carnival plc Corporate Governance Report attached as Annex C to the proxy statement. Part I of the Carnival plc Directors Remuneration Report is included in the proxy statement and Part II of the Carnival plc Directors Remuneration Report is attached as Annex B to the proxy statement.

Corporate and social responsibility

Health, environmental, safety and security

The Carnival Corporation & plc Health, Environmental, Safety & Security (HESS) Committees are comprised of three independent directors. The principal function of the HESS Committees is to assist the boards in fulfilling their responsibility to supervise and monitor Carnival Corporation & plc s health, environmental, safety and security policies, programs, initiatives at sea and ashore, and compliance with related legal and regulatory requirements.

Carnival Corporation & plc has a corporate Health, Environmental, Safety and Security Policy. Senior management reviews this policy at least annually.

The boards recognize that Carnival Corporation & plc need to ensure there is a consistent standard of operation throughout its fleet in keeping with its leading position in the cruise industry. In this regard, the Carnival Corporation & plc Maritime Policy & Compliance Department works with the operating companies to develop corporate-wide standards on health, environmental, safety and security issues in order to provide fleet-wide consistency. The Maritime Policy & Compliance Department reports to the HESS Committees.

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The International Organization for Standardization (ISO) is an international standard-setting body, which produces worldwide industrial and commercial standards. ISO 14001 is one of the series of ISO 14000 environmental management standards that were developed to help organizations manage their processes, products and services to minimize environmental impacts. ISO 14001 presents a structured approach to setting environmental objectives and targets, and provides a framework for any organization to apply these broad conceptual tools to their own processes. During 2006, Carnival Corporation & plc completed its corporate-wide implementation and received certification of our ISO 14001 Environmental Management System at all its then existing brands.

Assurance of compliance with the corporate Health, Environmental, Safety and Security policies and corporate standards is maintained through a series of audits performed by the Maritime Policy & Compliance Department, through a comprehensive program of corporate audits, and by monitoring performance reports and data.

Carnival Corporation & plc s senior management maintains a continuing commitment to be responsible corporate citizens, especially when it comes to protecting the environment. Carnival Corporation & plc has made great strides in this area and will continue to dedicate its efforts toward even more progress. In 2008, Carnival Corporation & plc published its third annual Environmental Management Report. This action continues the expansion of its transparency in publicly reporting the details of its ongoing commitment to the environment. It has also begun to broaden the scope of its transparency to include sustainability reporting. Sustainability reports have been published by two of its brands, AIDA Cruises and Costa Cruises. Carnival Corporation & plc is planning to use these reports as models for similar sustainability reports by all of its brands, beginning in 2010.

Carnival Corporation & plc s Health, Environmental, Safety and Security Policy and Annual Environmental Reports are available in the Corporate Governance section of the Carnival Corporation & plc website at www.carnivalcorp.com or www.carnivalplc.com.

Employees

Carnival Corporation & plc own and operate a portfolio of cruise brands in North America, Europe and Australia comprised of Carnival Cruise Lines, Holland America Line, Princess Cruises, The Yachts of Seabourn, AIDA Cruises, Costa Cruises, Cunard Line, Ibero Cruises, Ocean Village, P&O Cruises, and P&O Cruises Australia. Individual brands employ a variety of methods, such as intranet sites, management briefings, newsletters and reward programs to keep employees informed of the performance, development and progress of Carnival Corporation & plc.

Senior employees within Carnival Corporation & plc are eligible to participate in either the Carnival plc 2005 Employee Share Plan or the Carnival Corporation 2002 Stock Plan, further details of which are provided in Carnival plc s Directors Remuneration Report attached as Annex B to the proxy statement. These schemes reinforce the philosophy of encouraging senior employees to contribute directly to the achievement of Carnival Corporation & plc s goals and of rewarding individual and collective success.

It is the policy of Carnival Corporation & plc that disabled persons should receive full and fair consideration for all job vacancies for which they are suitable applicants and training and career development is encouraged for all employees. It is the policy of Carnival Corporation & plc to seek to retain employees who become disabled whilst in its service wherever possible and to provide specialist training where appropriate.

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Charitable donations

Carnival Corporation & plc provides support to charities by way of donations in cash and/or gifts in kind. Carnival Corporation has established the Carnival Foundation (the Foundation), which assists it in its commitment to enrich and better the lives of communities where it does business and/or where its employees live and work. The Foundation considers applications for charitable support from individuals and organizations and, according to an assessment of the merits of each application, determines whether it is appropriate to support particular causes or projects. Its primary funding interests include human and social needs, art and culture, health services and education.

During the financial year ended November 30, 2008, the Carnival plc group made charitable donations totalling $1.5 million (2007 $1.4 million) of which $1.1 million (2007 $1.0 million) was in respect of charitable organizations in the United States.

Political contributions

Carnival plc did not make any political contributions to any European Union (EU) political organization during the financial year ended November 30, 2008 (2007 nil). Carnival plc subsidiaries made political contributions to organizations outside the EU of $0.1 million (2007 $0.1 million).

Creditor payment policy

It is Carnival plc s policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with. At November 30, 2008, the company had an average of 13 days (2007 18 days) purchases outstanding in trade creditors.

Directors statement as to disclosure of information to auditors

Each director is satisfied that, as far as he or she is aware, the auditors are aware of all information relevant to the audit of Carnival plc s consolidated financial statements for the financial year ended November 30, 2008 and that he or she has taken all steps that ought to have been taken by him or her as a director in order to make the auditors aware of any relevant audit information and to establish that Carnival plc s auditors are aware of that information.

Auditors

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be re-appointed will be proposed at the annual general meeting.

By order of the board

Arnaldo Perez

Company Secretary

February 17, 2009

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Statement of directors responsibilities

The directors are responsible for preparing the Annual Report, the Carnival plc Directors Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and parent company financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU. The financial statements are required by law to give a true and fair view of the state of affairs of Carnival plc and the Carnival plc group and of the profit or loss of the group for that period.

In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the group financial statements comply with IFRS, as adopted by the EU; and
- prepare the group and parent company financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of Carnival plc and the Carnival plc group and to enable them to ensure that the financial statements comply with the Companies Act 1985 and Article 4 of the IAS Regulation and the Carnival plc Directors Remuneration Report complies with the Companies Act 1985.

They are also responsible for safeguarding the assets of Carnival plc and the Carnival plc group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors, whose names are listed in the proxy statement, confirm that to the best of their knowledge they have complied with the above requirements in preparing the financial statements.

By order of the board

Arnaldo Perez

Company Secretary

February 17, 2009

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Annex B

CARNIVAL PLC DIRECTORS REMUNERATION REPORT

PART II

Certain information required to be included in the Carnival plc Directors Remuneration Report is set forth in Part I (which is also known as the Compensation Discussion and Analysis) which can be found beginning on page 41 of the proxy statement to which this report is annexed. The Compensation Discussion and Analysis should be read in conjunction with this Part II.

As explained in Part I, Parts I and II of this report form part of the Annual Report of Carnival plc for the financial year ended November 30, 2008. Carnival plc and Carnival Corporation are separate legal entities (together referred to in this report as Carnival Corporation & plc) and each company has its own board of directors and Compensation Committees. However, as is required by the agreements governing the dual listed company (DLC) structure, there is a single management team and the boards of directors and members of the committees of the boards are identical. Accordingly, consistent with prior years, we have included remuneration paid by Carnival Corporation and Carnival plc in the Carnival plc Directors Remuneration Report.

The current membership of the Compensation Committees consists of three members who are deemed independent by the boards of directors. The members of the Compensation Committees are appointed by the boards based on the recommendations of the Nominating & Governance Committees. Until April 22, 2008, the Compensation Committees of the boards were comprised of three independent non-executive directors: Arnold W. Donald (chairman), Richard J. Glasier and Baroness Hogg. Effective April 22, 2008, Laura Weil joined the Compensation Committees and Baroness Hogg resigned.

Both Parts I and II of this report have been prepared in compliance with the Directors Remuneration Report Regulations 2002 incorporated into the UK Companies Acts 1985 and 2006 and with the 2006 Combined Code on Corporate Governance, the UK Companies Act 1985 and the Listing Rules of the UK Listing Authority. Sections 1 to 9 below comprise the auditable part of this report.

Sterling and euro denominated amounts are converted to U.S. dollar amounts at the average exchange rates for the year ended November 30, 2008 of £1:$1.90 (2007 £1:$2.00) and 1:$1.49 (2007 1:$1.36) unless otherwise stated.

EXECUTIVE DIRECTORS

The following chart shows the relative values of performance related and non-performance related components of the remuneration of executive directors of Carnival Corporation & plc in 2008, excluding pension benefits:

The performance related and non-performance related components of the remuneration shown in the above table were calculated using actual salary, benefits and bonuses, the face value of restricted shares and restricted share units (RSUs) in respect of the financial year ended November 30, 2008.

NON-EXECUTIVE DIRECTORS

Service contracts

Non-executive directors do not have service contracts, but instead have a letter of appointment setting out the services they are to provide to Carnival Corporation & plc and the other terms and conditions of their appointment. Their appointments and subsequent appointments are subject to annual election or re-election by shareholders.

Our non-executive directors are entitled to receive an annual retainer of $40,000 per year, an attendance fee per board meeting of $5,000 ($2,000 if meeting attended by telephone), equity compensation, as further described below, and reimbursement for travel, meals and accommodation expenses attendant to their board membership. In certain circumstances, we request that the directors spouses or partners attend a special event and we reimburse the directors for travel expenses incurred. The Presiding Director receives an additional retainer of $20,000 per annum. In addition, non-executive directors receive additional compensation for serving as chairman or a member of a board committee. The following table sets forth the retainer and meeting attendance fees for the board committees in effect during 2008.

	Retainer		Attendance Fee	
	Chair	Member	In Person	By Telephone
Audit Committees	$ 23,000	$ 7,500	$ 3,000	$ 1,500
Compensation Committees	$ 14,000	$ 3,750	$ 2,500	$ 1,250
HESS Committees	$ 23,000	$ 3,750	$ 2,500	$ 1,250
Nominating & Governance Committees	$ 10,000	$ 3,750	$ 2,500	$ 1,250

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Non-executive directors receive cash fees in quarterly installments. Annual retainers are prorated so that adjustments can be made during the year. Unearned paid portions of cash retainers are forfeited upon termination of service.

For purposes of calculating fees, a board or committee meeting of Carnival Corporation and a concurrent or related board or committee meeting of Carnival plc constitute a single meeting. Directors who are employed by us or our subsidiaries or acting as our consultants do not receive any additional compensation for their board activities.

Amended and Restated Carnival Corporation 2001 Outside Director Stock Plan

Each non-executive director is entitled to an annual award under the Amended and Restated Carnival Corporation 2001 Outside Director Stock Plan in the form of 2,500 restricted shares or RSUs which vest in their entirety on the third anniversary of the grant date. No performance conditions are applied to the vesting of share awards. Awards of options will no longer be made under this plan. Mr. Dickinson, Mr. Ratcliffe and Ms. Weil received a grant of 2,500 RSUs upon their re-election to the boards on April 23, 2008. The other non-executive directors received an equity award in October 2007. It is anticipated that all non-executive directors will receive their annual awards at the time of their annual election or re-election to the boards in the future. The maximum number of shares that may be subject to awards under this plan is 1,000,000.

Pensions

The non-executive directors d