



Carnival Corporation & plc Realigns and Expands Its Capacity in the British Cruise Market

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* Cunard Orders New Enhanced Version of Queen Victoria for Early 2007 Service

* P&O Cruises to Take Delivery of a New Ship, the Arcadia, Originally Scheduled to be the Queen Victoria, in 2005

* P&O Cruises and Princess Cruises Realign Their Fleets

MIAMI, April 5, 2004 /PRNewswire-FirstCall/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK) announced today that it is proceeding with a significant restructuring of its capacity in the British market. Cunard Line's Queen Victoria, a ship under construction in the Fincantieri Marghera Yard, will be transferred to P&O Cruises and renamed the Arcadia. The new Arcadia is scheduled to enter service in April 2005.

Cunard Line also announced that it has ordered an enhanced Queen Victoria, also to be built by Fincantieri Cantieri Navali Italiani S.p.A, which is now scheduled to enter service in January 2007. The new Queen Victoria will accommodate some 1,850 passengers and is expected to have an all-in cost of approximately euro 390 million. The new Queen Victoria will be more consistent with the grand ocean liner style of the Queen Mary 2 and Queen Elizabeth 2, and will include more luxury suites and mini-suites, and more classic culinary experiences including Queens and Princess Grills, and an upscale Todd English alternative restaurant.

Like the Queen Mary 2 and Queen Elizabeth 2, the new Queen Victoria will be marketed to passengers in both the United States and United Kingdom, as well as to passengers in Australasia and Asia.

P&O Cruises, the leading cruise brand in the United Kingdom, will take delivery of the new 1,968-bed Arcadia in April 2005. At 85,000 tons, with an all-in cost of approximately \$225 million she will be the largest cruise ship built exclusively for the British market. The ship, with 677 balcony cabins and alternative dining venues, will raise the quality of the P&O fleet still further. Arcadia, which was ordered prior to the combination of P&O Princess Cruises plc and Carnival Corporation, was originally designed to provide a premium British cruise experience and is well suited to delivering the P&O Cruises product to its British customers.

To provide an alternative cruise product for the British market and to satisfy the growing consumer demand for a more informal, upscale cruise experience, the Princess Cruises brand, renowned for its state of the art ships, informality, anytime dining and excellent American-style service, will allocate more of its capacity to the UK market. The 77,000-ton, 1,950-lower berth Adonia, currently sailing as part of the four ship P&O Cruises fleet, will be transferred to Princess Cruises in May 2005. This ship will reclaim the name Sea Princess, which she was originally given at the time of her delivery by Fincantieri to Princess Cruises in 1998, prior to her subsequent transfer to P&O Cruises.

As the first Princess Cruises ship with itineraries tailored specifically to meet the preferences of British passengers, Sea Princess will spearhead an increase in Princess Cruises' capacity dedicated to the UK market. She will operate cruises from the UK in the summer and 14-day Caribbean cruises in the winter. These itineraries will also be attractive to North American customers.

In May 2005, the Royal Princess, which currently sails for Princess Cruises, will be renamed the Artemis and join the P&O Cruises fleet, which will bring the number of vessels in the P&O Cruises fleet to five. Already a classic medium-sized ship with all outside staterooms, the 45,000-ton, 1,200-bed Artemis will be converted to a British-style vessel prior to entering service for P&O Cruises.

The transfers of Adonia to Princess Cruises and the Royal Princess to P&O Cruises will further increase the capacity growth of the successful Princess brand to approximately 16 percent in 2005. The average age of the Princess fleet will be reduced to approximately four years, the percentage of the fleet's total number of cabins with balconies will increase to 54 percent and the greater consistency of the Princess fleet achieved with these transfers will further improve its ability to provide personal choice cruising and anytime dining.

For P&O Cruises, the net effect of the transfer of ships will result in a 2005 capacity increase of approximately 8 percent and almost 40 percent of the fleet's cabins will then have balconies, a feature which has become so highly desirable by today's cruisers.

"The tremendous success of the Queen Mary 2, and the potential to grow and offer further choice for UK cruise passengers, prompted these changes. We will now have brands and ships that cater to all the differing needs of the growing and diversifying United Kingdom passenger base," said Peter Ratcliffe, chief executive officer of P&O Princess Cruises International and an executive director of Carnival Corporation & plc. "Cunard Line, P&O Cruises and Princess Cruises will all benefit from these moves and the changes are a further fulfillment of the fleet optimization opportunities offered by the recent combination of P&O Princess Cruises plc and Carnival Corporation."

Carnival Corporation & plc is the only company in the world to be included in both the S&P 500 and the FTSE 100 indices and most recently was added to the NYSE U.S. 100 Index.

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

Together, these brands operate 75 ships totaling more than 123,000 lower berths with nine new ships scheduled for delivery between April 2004 and mid-2006. Carnival Corporation & plc also operates the leading tour companies in Alaska and the Canadian Yukon, Holland America Tours and Princess Tours. Additional information on Carnival Corporation & plc is available at www.carnivalcorp.com and www.carnivalplc.com.

SOURCE Carnival Corporation & plc

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