



**Achieves Record Full Year Adjusted Net Income
and Investment Grade Leverage Metrics, Reinstates Dividend
Outperforms Guidance Due to Strong Close-In Demand and Effective Cost Management**



Fourth Quarter 2025 Earnings Presentation

Disclaimers, Forward Looking Statements and Responsibility



This presentation includes certain financial measures not presented in accordance with generally accepted accounting principles (“GAAP”) including, but not limited to, cruise costs without fuel, Adjusted EBITDA, Adjusted Net Income (loss), ROIC, and certain ratios and metrics derived therefrom. These non-GAAP measures are supplemental measures that are not required by, and are not presented in accordance with, GAAP and we have presented these measures because we believe they are useful to investors in evaluating a company’s performance and/or ability to service and/or incur indebtedness. The items excluded from these measures are significant in assessing Carnival Corporation & plc’s operating results and liquidity and should not be construed as an inference that its future results will be unaffected by any such adjustments. Certain adjustments that are made in calculating these measures are based on assumptions and estimates that may prove to have been inaccurate. Therefore, these measures have limitations as analytical tools and should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that Carnival’s presentation of these measures may not be comparable to similarly-titled measures used by other companies.

Some of the statements, estimates or projections contained in this document are “forward-looking statements” that involve risks, uncertainties and assumptions with respect to us, including statements concerning the proposed unification and redomiciliation transactions, benefits of the transactions, future results, operations, strategy, outlooks, plans, goals, reputation, cash flows, liquidity and other events which have not yet occurred. These statements are intended to qualify for the safe harbors from liability provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts are statements that could be deemed forward-looking. These statements are based on current expectations, estimates, forecasts and projections about our business and the industry in which we operate and the beliefs and assumptions of our management. We have tried, whenever possible, to identify these statements by using words like “will,” “may,” “could,” “should,” “would,” “believe,” “depends,” “expect,” “goal,” “aspiration,” “anticipate,” “forecast,” “project,” “future,” “intend,” “plan,” “estimate,” “target,” “indicate,” “outlook,” and similar expressions of future intent or the negative of such terms.

Forward-looking statements include, but are not limited to, statements that relate to our outlook and financial position, as well as, statements regarding:

- | | |
|---|---|
| • The proposed unification and redomiciliation transactions | • Adjusted net income (loss) |
| • Pricing | • Adjusted EBITDA |
| • Booking levels | • Adjusted EBITDA per ALBD |
| • Occupancy | • Adjusted EBITDA margin |
| • Interest, tax and fuel expenses | • Adjusted earnings per share |
| • Currency exchange rates | • Net debt to adjusted EBITDA |
| • Goodwill, ship and trademark fair values | • Net yields |
| • Liquidity and credit ratings | • Adjusted cruise costs per ALBD |
| • Investment grade leverage metrics | • Adjusted cruise costs excluding fuel per ALBD |
| • Dividends | • Adjusted ROIC |
| • Estimates of ship depreciable lives and residual values | |

Because forward-looking statements involve risks and uncertainties, there are many factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied by our forward-looking statements. This note contains important cautionary statements of the known factors that we consider could materially affect the accuracy of our forward-looking statements and adversely affect our business, results of operations and financial position. These factors include, but are not limited to, the following:

- Events and conditions around the world, including geopolitical uncertainty, war and other military actions, pandemics, inflation, higher interest rates and other general concerns impacting the ability or desire of people to travel could lead to a decline in demand for cruises as well as have significant negative impacts on our financial condition and operations.
- Incidents concerning our ships, guests or the cruise industry may negatively impact the satisfaction of our guests and crew and lead to reputational damage.
- Adverse weather conditions or an increase in the frequency and/or severity of adverse weather conditions could have a material impact on our business and results of operations.
- Our targets, goals, aspirations, initiatives, public statements and disclosures, including those related to sustainability matters, may expose us to risks that may adversely impact our business.
- Cybersecurity incidents and data privacy breaches, as well as disruptions and other damages to our principal and other offices, information technology operations and system networks and failure to keep pace with developments in technology may adversely impact our business operations, the satisfaction of our guests and crew and may lead to fines, penalties and reputational damage.
- Our debt requires a significant amount of cash to service and our ability to generate sufficient cash depends on many factors, some of which may be beyond our control. Our financial condition and operations could be adversely impacted if we are unable to service our debt or satisfy our covenants.
- Increases in fuel costs, changes in the types of fuel consumed and availability of fuel supply may adversely impact our scheduled itineraries and costs.
- The loss of key team members, our inability to recruit or retain qualified shoreside and shipboard team members and increased labor costs could have an adverse effect on our business and results of operations.
- We rely on suppliers who are integral to the operations of our businesses. These suppliers and service providers may be unable to deliver on their commitments, which could negatively impact our business.
- Fluctuations in foreign currency exchange rates may adversely impact our financial results.
- Our investments in port destinations and exclusive islands may expose us to additional risks.
- Overcapacity and competition in the cruise and land-based vacation industry may negatively impact our cruise sales, pricing and destination options.
- Inability to implement our shipbuilding programs and ship repairs, maintenance and refurbishments may adversely impact our business operations and the satisfaction of our guests.
- Changes in and non-compliance with laws and regulations under which we operate, such as those relating to health, environment, safety and security, data privacy and protection, anti-money laundering, anti-corruption, economic sanctions, trade protection measures, labor and employment, and tax may be costly and lead to litigation, enforcement actions, fines, penalties and reputational damage.
- Factors associated with sustainability and the impact of greenhouse gases and other emissions on the environment could have a material impact on our business and operating results.
- We may not successfully complete the proposed unification of our DLC structure and the migration of Carnival Corporation’s legal incorporation to Bermuda, or, if we do, we may not realize the anticipated benefits and will be subject to Bermuda law which differs in some respects compared to our current jurisdictions.

The ordering of the risk factors set forth above is not intended to reflect our indication of priority or likelihood. There may be additional risks that we consider immaterial or which are unknown. Additional factors that may affect future results are contained in Carnival Corporation’s and Carnival plc’s filings with the SEC, including Carnival Corporation’s and Carnival plc’s most recent joint Annual Report on Form 10-K, as it may be updated from time to time by quarterly reports on Form 10-Q and current reports on Form 8-K, all of which are available at the SEC’s website <http://www.sec.gov>.

Forward-looking statements should not be relied upon as a prediction of actual results. Subject to any continuing obligations under applicable law or any relevant stock exchange rules, we expressly disclaim any obligation to disseminate, after the date of this document, any updates or revisions to any such forward-looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based.

Forward-looking and other statements in this document may also address our sustainability progress, plans, and goals (including emissions and environmental-related matters). In addition, historical, current, and forward-looking sustainability-related statements may be based on standards and tools for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions and predictions that are subject to change in the future and may not be generally shared.

Strong Finish to a Record-Breaking 2025

\$3.1B Adjusted Net Income
Full Year Record

Over 13% Adj. ROIC
Highest in Nearly 20 Years

Record Revenues
Record Net Yields
Record Adj. EBITDA
Record Operating Income
Record Customer Deposits

1Q

2Q

3Q

4Q

FY



Outperformed Fourth Quarter September Guidance on Every Measure



4Q 2025	Guidance	Actual
Net Yields vs. 2024	4.3%	5.4%
Adj. Cruise Costs excl. Fuel per ALBD vs. 2024	3.2%	0.5%
Adj. EBITDA	\$1.34B	\$1.48B
Adj. Net Income	\$0.30B	\$0.45B
Adj. Earnings Per Share - Diluted	\$0.23	\$0.34

Adj. Net Income nearly 2.5x 4Q 2024 levels

Robust Demand Drove Stellar Performance Throughout the Year

Full Year 2025	Dec Guidance	Outperformance	Actual
Net Yields vs. 2024	4.2%	 1.4% pts.	5.6%
Adj. Cruise Costs excl. Fuel per ALBD vs. 2024	3.7%	 1.1% pts.	2.6%
Adj. EBITDA	\$6.6B	 ~\$600M	\$7.2B
Adj. Net Income	\$2.3B	 ~\$800M	\$3.1B
Adj. Earnings Per Share - Diluted	\$1.70	 \$0.55	\$2.25

All-time high Adj. Net Income over 60% higher than 2024 and over 30% higher than 2025 December Guidance

Set Up Well for Another Step Forward in 2026

FY 2026	Guidance <i>(Approx.)</i>
Net Yields vs. 2025	2.5% <i>(3.0% Normalized⁽¹⁾)</i>
Adj. Cruise Costs excl. Fuel per ALBD vs. 2025	3.25% <i>(2.5% Normalized⁽²⁾)</i>
Adj. EBITDA	\$7.63B
Adj. Net Income	\$3,450M
Adj. Earnings Per Share - Diluted	\$2.48

Expect double-digit earnings growth and over 13.5% Adj. ROIC

This marks our fourth consecutive year of low or mid-single digit per diem growth

Note: Net Yields and Adj. Cruise Costs excl. Fuel per ALBD in Constant Currency. Adj. EBITDA, Adj. Net Income, and Adj. Earnings Per Share - Diluted in Current Dollars

(1) Normalized for the accounting treatment for Carnival Cruise Line's new loyalty program and the impact of the close-in redeployment of first quarter voyages from the Arabian Gulf

(2) Normalized for the partial year of operating expenses from Celebration Key, Grand Bahama and RelaxAway, Half Moon Cay and the timing of certain expenses between the years

2026 Bookings Hitting New Historical Highs

Full Year 2026 Booked Position

- ✓ About two-thirds of 2026 already on the books
- ✓ Historical high on price for both North America and Europe
- ✓ Historical high on occupancy



Strong booking volumes from Black Friday through Cyber Monday outpacing prior year levels

Record booking volumes in 4Q for 2026 and 2027 sailings on limited capacity growth

4Q 2025 Results

*Net Yields
outperform guidance by
110 basis points*

*Onboard Revenue
Per Diems
significantly higher YoY*

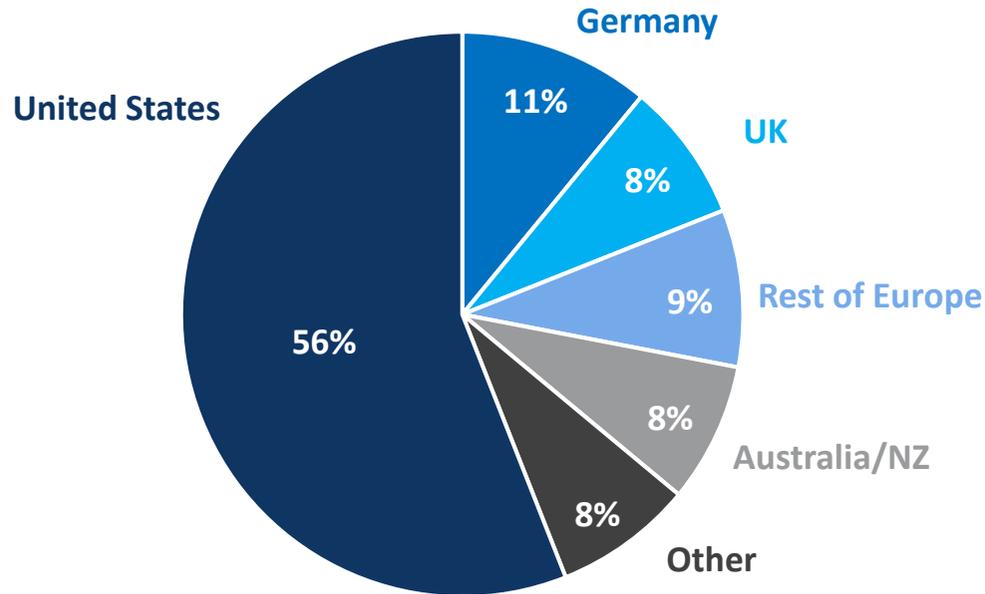
Record Customer Deposits

In Billions

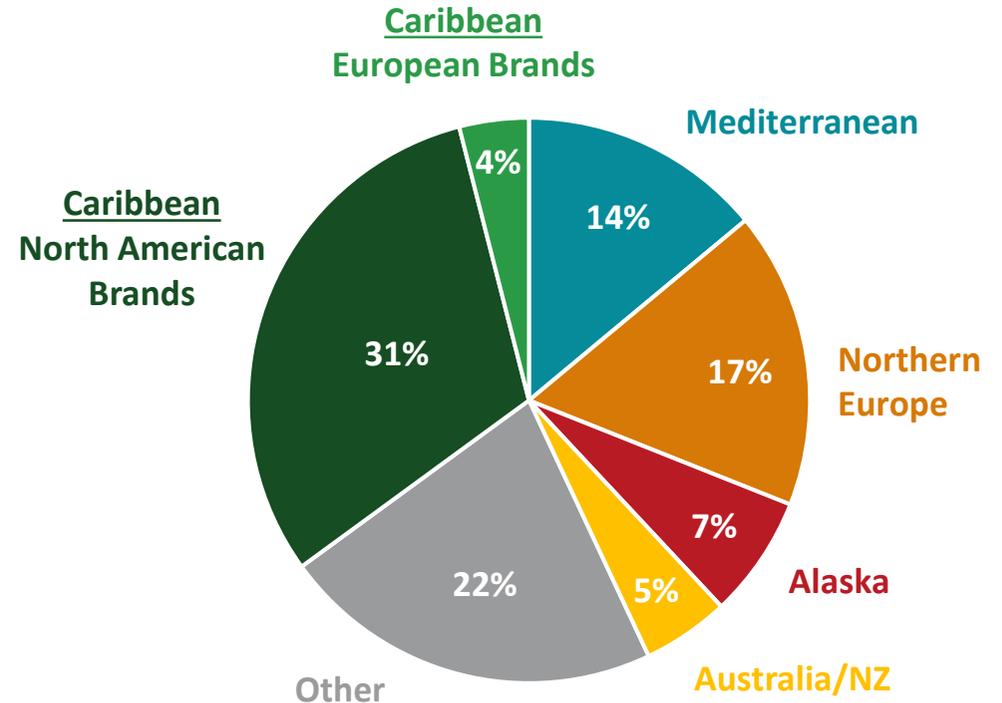


Benefitting from Our Strong Diversified Portfolio

Source Markets

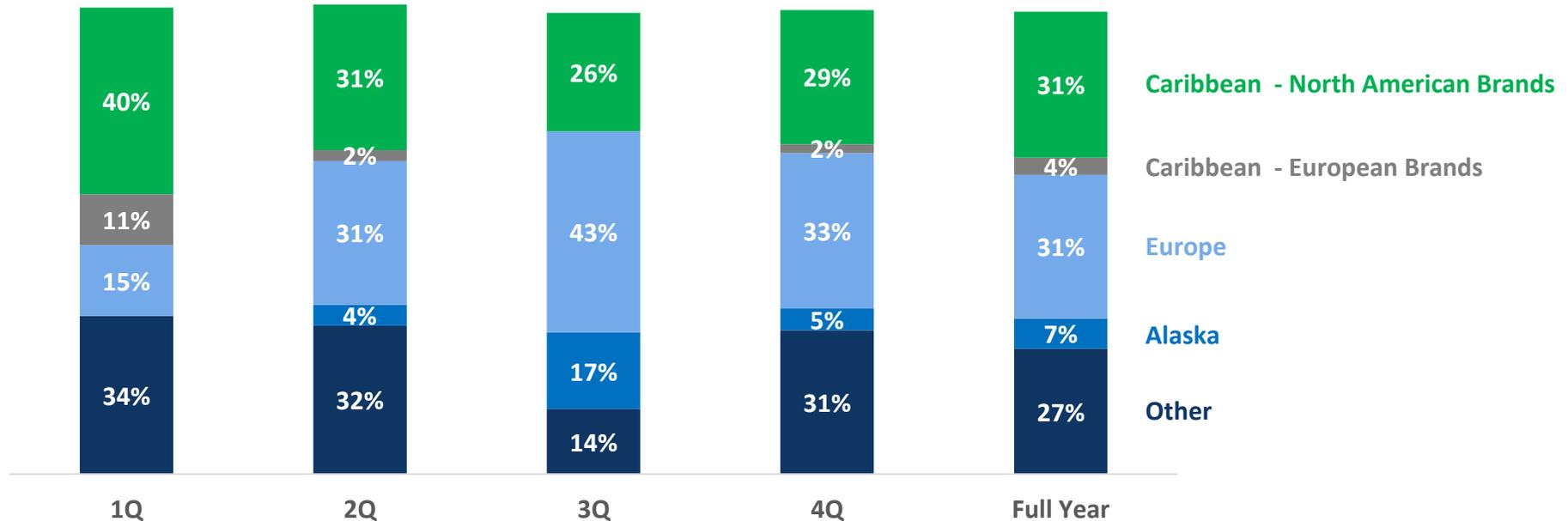


Deployment



Benefitting from Diversified Sourcing in Caribbean North American and European Brands

2026 Capacity by Market



Absorbing another year of double-digit industry growth in the Caribbean

Welcomed Star Princess

Sister to the Award-Winning Sun Princess
Historic Naming Ceremony in November



Ship Godparents Camila and Matthew McConaughey



Musical performance from Sheryl Crow

Recent 2025 Recognition Highlights



Travel Weekly Readers' Choice Awards

- Best Domestic Cruise Line (10th Consecutive Year)
- Best Short Itinerary (4th Consecutive Year)



Condé Nast Traveler Readers' Choice Awards

- Best Mega Cruise Ship in the United States (Sun Princess)
(2nd Consecutive Year)



Travel Weekly Readers' Choice Awards

- Best World Cruise Itinerary

Cruise Critic's Awards

- Best Service (4th Consecutive Year)
- Best Itineraries



Travel Weekly Readers' Choice Awards

- Best Small-Ship Cruise Line

Condé Nast Traveler Readers' Choice Awards

- Best Expedition Cruise Line (2nd Consecutive Year)



Travel Weekly Readers' Choice Awards

- Best for Transatlantic Sailing

Cruise Critic's Awards

- Best for Enrichment

Building Excitement! – New Carnival Cruise Line Advertising Campaign

“Carnival is Calling” featuring Nick Offerman of Parks and Recreation fame

[Click on the photo below to view the commercial!](#)



Delivering Even Greater Shareholder Value



Disciplined Newbuild Program

Ship Deliveries

Average of
3 to 4



2018 - 2024

2025

Current Orderbook

No ship deliveries for 20 months



2026

2027

2028

2029

2030

2031

2032

2033

Continued focus on same ship yield improvement with limited capacity growth

Reinvesting to Drive Returns Higher in Our Existing Fleet

AIDAluna became the second of seven ships to undergo a complete upgrade

AIDAdiva is already delivering higher NPS, ticket premium, and higher onboard revenue

Potential to expand program to other brands



Improved F&B experience by adding and converting existing concepts.



Enhanced offer for suite guests by adding an outdoor sun deck for more exclusive service.



Generate more onboard revenue opportunities. Upgraded the spa and casino areas.



Enhanced family experience on Sphinx class ships.



Upgraded Theatrium to living room concept with more harmonized colors and comfortable seating.



Cabin facelifts for modern appearance. Renewed of all Suite cabins and added new spacious suites by converting balcony cabins.

Leaning Into Our Paradise Collection



Amber Cove
Dominican Republic



Puerta Maya
Cozumel, Mexico

Grand Turk
Turks and Caicos

Princess Cays
The Bahamas

Benefitting from the Most Assets in and Capacity Dedicated to Alaska

20

Glass Dome
Rail Cars

8

Hotels & Lodges
(~2,500 rooms)

MOST

Glacier Bay
Permits


DENALI PRINCESS
WILDERNESS LODGE


COPPER RIVER PRINCESS
WILDERNESS LODGE


Holland America
DAWSON CITY INN


Holland America
SKAGWAY INN


Holland America
DENALI LODGE


KENAI PRINCESS
WILDERNESS LODGE


FAIRBANKS PRINCESS
RIVERSIDE LODGE


MT. MCKINLEY PRINCESS
WILDERNESS LODGE

Refinancing Plan Successfully Completed in Under One Year

\$19B

of debt refinanced in 2025

Over \$10B

reduction of total debt
since the peak in early 2023

Over \$700M

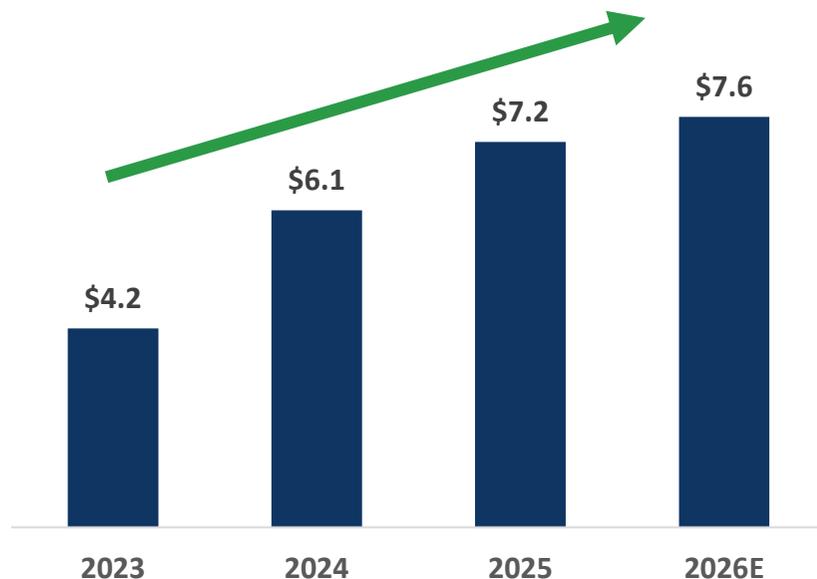
improvement in
Net Interest Expense expected
in 2026 vs. 2023

Capital structure simplified, future debt maturities optimized, and financial flexibility enhanced

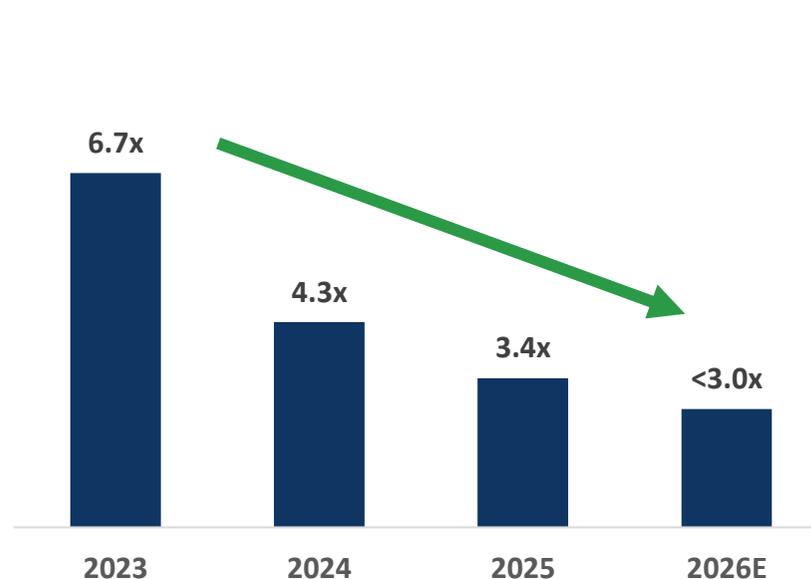
Reached Investment Grade Leverage Metrics

Growing Adj. EBITDA

In Billions



Improved Net Debt to Adj. EBITDA

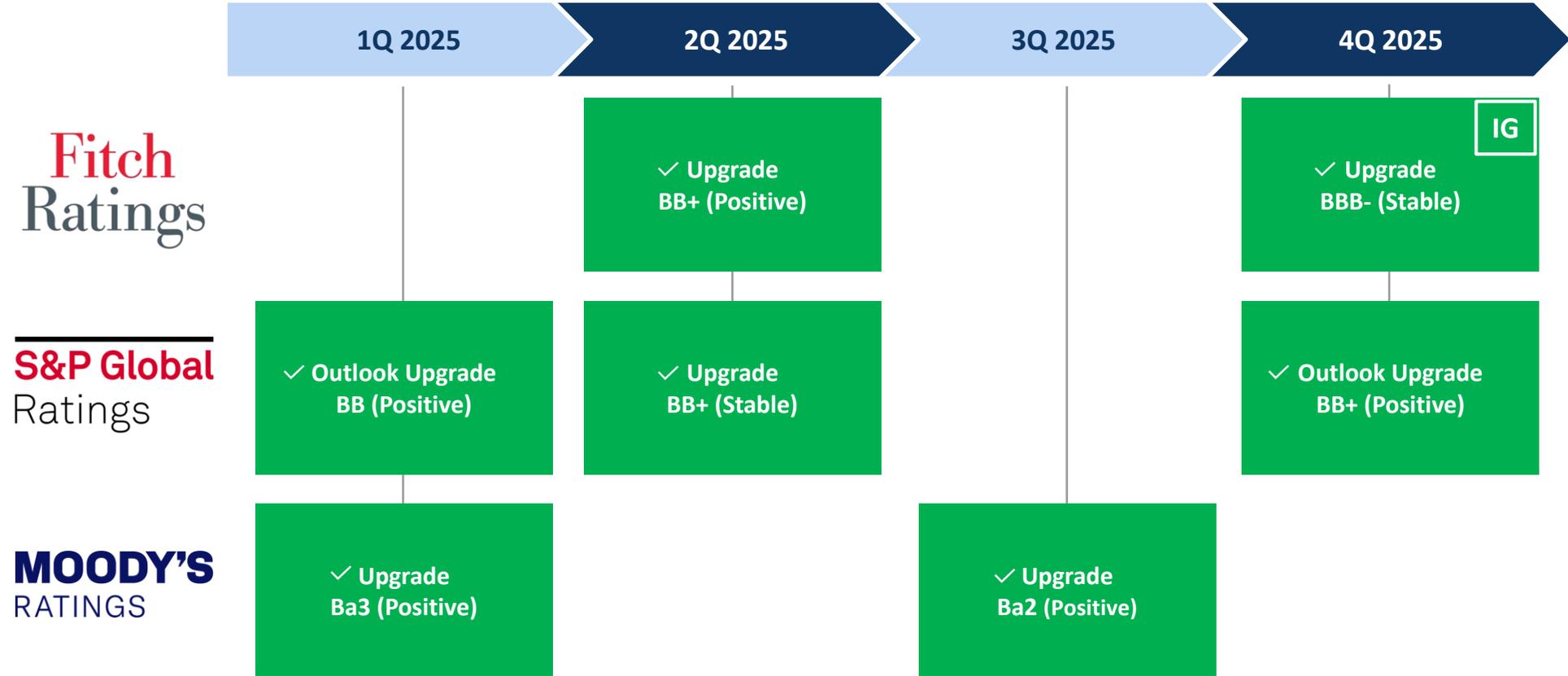


Net Debt (\$B)

Year	2023	2024	2025	2026E
Net Debt (\$B)	\$28.5	\$26.6	\$24.7	\$21.8

Projecting Net Debt to Adj. EBITDA ratio of under 3.0x for 2026 inclusive of over \$0.8B of dividend payments

Reached Investment Grade Rating with Fitch and Only One Notch Away with Positive Outlook from S&P



Embarking on Capital Allocation Strategy to Return Even More Value to Shareholders

Substantial cash flow generation



Disciplined capital investments



Strong financial position



Dividend reinstated
(Initial \$0.15 per share)

Potential to opportunistically
buy back shares
(18M shares taken out through calling convertible debt)

Continue to responsibly de-lever
(Expecting Net Debt to Adj. EBITDA ratio under 3.0x in 2026)

Recommended Simplification of the Corporate Structure

From: Dual Listed Company (DLC)

Two companies:
Carnival Corporation (NYSE)
Carnival plc (LSE; NYSE)

Two different stock exchanges
and share prices

Two share registers



To: Unified Listing

One company:
Carnival Corporation (NYSE)⁽¹⁾
(With Carnival plc as wholly owned UK subsidiary)

One stock exchange listing
and unified share price

One share register

The company believes this will lead to greater liquidity, increased weighting in major U.S. stock indexes, streamlined governance and reporting, and reduced administrative costs

Appendix



Capacity by Market – 2026

<i>Per Dec Guidance</i>	1Q	2Q	3Q	4Q	Full Year
Caribbean	51%	34%	26%	31%	35%
Northern Europe	11%	16%	23%	17%	17%
Mediterranean	5%	15%	20%	17%	14%
Australia/New Zealand	7%	6%	3%	5%	5%
Alaska	0%	4%	17%	5%	7%
Other Programs	26%	25%	11%	25%	22%
Total	100%	100%	100%	100%	100%

Year over year change	1Q 2026		Full Year 2026		
	Current Dollars	Constant Currency	Current Dollars	Constant Currency	
Net yields	Approx. 5.1%	Approx. 1.6%	Approx. 3.7%	Approx. 2.5%	
Adjusted cruise costs excluding fuel per ALBD	Approx. 9.6%	Approx. 5.9%	Approx. 4.6%	Approx. 3.25%	
	2026				
	1Q	2Q	3Q	4Q	Full Year
ALBDs (in millions) (a)	23.7	24.7	24.9	24.1	97.4
Capacity growth compared to prior year	0.5 %	2.0 %	1.5 %	(0.3)%	0.9 %
(a) See "Notes to Statistical Information"					
	1Q 2026		Full Year 2026		
Fuel consumption in metric tons (in millions)	0.7		2.8		
Fuel cost per metric ton consumed (excluding emission allowances)	\$ 539		\$ 524		
Fuel expense (including emission allowances expense) (in billions)	\$ 0.38		\$ 1.63		
Depreciation and amortization expense (in billions)	\$ 0.70		\$ 2.98		
Interest expense, net of capitalized interest and interest income (in billions)	\$ 0.29		\$ 1.11		
Adjusted EBITDA (in billions)	Approx. \$1.24		Approx. \$7.63		
Adjusted net income (loss) (in millions)	Approx. \$235		Approx. \$3,450		
Adjusted earnings per share - diluted	Approx. \$0.17		Approx. \$2.48		
Weighted-average shares outstanding - basic	1,379		1,385		
Adjusted weighted-average shares outstanding - diluted	1,388		1,392		

Currencies (USD to 1)	1Q 2026	Full Year 2026
AUD	\$ 0.67	\$ 0.67
CAD	\$ 0.73	\$ 0.73
EUR	\$ 1.17	\$ 1.17
GBP	\$ 1.34	\$ 1.34
Sensitivities (impact to adjusted net income (loss) in millions)	1Q 2026	Full Year 2026
1% change in net yields	\$ 43	\$ 204
1% change in adjusted cruise costs excluding fuel per ALBD	\$ 27	\$ 114
10% change in fuel cost per metric ton (excluding emission allowances)	\$ 37	\$ 145
100 basis point change in variable rate debt	—	\$ 42
1% change in currency exchange rates	\$ 5	\$ 27
<u>Capital Expenditures</u>		
For full year 2026, newbuild capital expenditures are \$0.6 billion and non-newbuild capital expenditures are \$2.5 billion. These future capital expenditures will fluctuate with foreign currency movements relative to the U.S. Dollar. In addition, these figures do not include potential stage payments for ship orders that the company may place in the future.		

Reconciliation of Net Yields

	Three Months Ended November 30,			Twelve Months Ended November 30,		
	2025	2025 Constant Currency	2024	2025	2025 Constant Currency	2024
<i>(in millions, except yields data)</i>						
Total Revenues	\$ 6,330		\$ 5,938	\$ 26,622		\$ 25,021
Less: Cruise and tour operating expenses	(3,910)		(3,833)	(15,947)		(15,638)
Depreciation and amortization expense	(727)		(659)	(2,790)		(2,557)
Gross margin	1,694		1,447	7,884		6,826
Less: Tour and other revenues	(29)		(33)	(241)		(255)
Add: Payroll and related	673		653	2,589		2,464
Fuel	425		461	1,808		2,007
Food	375		358	1,499		1,457
Other operating	1,046		1,005	3,904		3,801
Depreciation and amortization expense	727		659	2,790		2,557
Adjusted gross margin	<u>\$ 4,910</u>	<u>\$ 4,846</u>	<u>\$ 4,550</u>	<u>\$ 20,233</u>	<u>\$ 20,096</u>	<u>\$ 18,857</u>
ALBDs	24.1	24.1	23.9	96.5	96.5	95.6
Gross margin yields (per ALBD)	\$ 70.20		\$ 60.57	\$ 81.72		\$ 71.43
Net yields (per ALBD)	\$ 203.52	\$ 200.84	\$ 190.53	\$ 209.72	\$ 208.30	\$ 197.33



Reconciliation of Adj. EBITDA and Net Debt

<i>(in millions, except per share data)</i>	Three Months Ended November 30,		Twelve Months Ended November 30,		<i>(in millions, except per share data)</i>	Three Months Ended November 30,		Twelve Months Ended November 30,	
	2024	2023	2024	2023		2025	2024	2025	2024
Net income (loss)	\$ 303	\$ (48)	\$ 1,916	\$ (74)	Net income (loss)	\$ 422	\$ 303	\$ 2,760	\$ 1,916
(Gains) losses on ship sales and impairments	(33)	(34)	(39)	(88)	(Gains) losses on ship sales and impairments	(9)	(33)	(110)	(39)
Debt extinguishment and modification costs	1	(1)	79	111	Debt extinguishment and modification costs	43	1	409	79
Restructuring expenses	1	3	21	19	Restructuring expense	8	1	13	21
Other	(86)	(10)	(86)	33	Other	(10)	(86)	7	(86)
Adjusted net income (loss)	\$ 186	\$ (90)	\$ 1,891	\$ 1	Adjusted net income (loss)	\$ 454	\$ 186	\$ 3,079	\$ 1,891
Interest expense, net of capitalized interest	403	466	1,755	2,066	Interest expense, net of capitalized interest	315	403	1,349	1,755
Interest income	(16)	(50)	(93)	(233)	Interest income	(17)	(16)	(51)	(93)
Income tax benefit (expense), net	(13)	24	(1)	28	Income tax benefit (expense), net	(2)	(13)	14	(1)
Depreciation and amortization	659	596	2,557	2,370	Depreciation and amortization expense	727	659	2,790	2,557
Adjusted EBITDA	\$ 1,220	\$ 946	\$ 6,110	\$ 4,231	Adjusted EBITDA	\$ 1,477	\$ 1,220	\$ 7,182	\$ 6,110

	November 30,		
	2025	2024	2023
Long-term debt	24,037	25,936	28,483
Current portion of long-term debt	2,603	1,538	2,089
Cash and cash equivalents	1,928	1,210	2,415
Minimum cash balance	-	300	300
Net Debt⁽¹⁾	24,712	26,564	28,457

(1) Net debt as of February 2023 to November 2024 is calculated as total debt minus available cash and short-term investments plus minimum cash balance of \$300 million. Net debt as of November 2025 and subsequent periods is calculated as total debt minus available cash and short-term investments.

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended November 30,		Twelve Months Ended November 30,	
	2025	2024	2025	2024
<i>(in millions, except per share data)</i>				
Net income (loss)	\$ 422	\$ 303	\$ 2,760	\$ 1,916
(Gains) losses on ship sales and impairments	(9)	(33)	(110)	(39)
Debt extinguishment and modification costs	43	1	409	79
Restructuring expense	8	1	13	21
Other	(10)	(86)	7	(86)
Adjusted net income (loss)	\$ 454	\$ 186	\$ 3,079	\$ 1,891
Interest expense, net of capitalized interest	315	403	1,349	1,755
Interest income	(17)	(16)	(51)	(93)
Income tax benefit (expense), net	(2)	(13)	14	(1)
Depreciation and amortization expense	727	659	2,790	2,557
Adjusted EBITDA	\$ 1,477	\$ 1,220	\$ 7,182	\$ 6,110
Earnings per share - diluted (a)	\$ 0.31	\$ 0.23	\$ 2.02	\$ 1.44
Weighted-average shares outstanding - diluted (a)	1,403	1,399	1,402	1,398
Adjusted earnings per share - diluted (b)	\$ 0.34	\$ 0.14	\$ 2.25	\$ 1.42
Adjusted weighted-average shares outstanding - diluted (b)	1,403	1,305	1,402	1,398

(See Non-GAAP Financial Measures)

- (a) Diluted earnings per share includes the add-back of dilutive interest expense related to the company's convertible notes of \$18 million and \$71 million for the three and twelve months ended November 30, 2025, and \$20 million and \$94 million for the three and twelve months ended November 30, 2024.
- (b) Diluted adjusted earnings per share includes the add-back of dilutive interest expense related to the company's convertible notes of \$18 million and \$71 million for the three and twelve months ended November 30, 2025 and \$94 million for the twelve months ended November 30, 2024. The company's convertible notes were antidilutive to the three months ended November 30, 2024 and therefore were not included in the calculations of diluted adjusted earnings per share.

	Three Months Ended November 30,			Twelve Months Ended November 30,		
	2025	2025 Constant Currency	2024	2025	2025 Constant Currency	2024
<i>(in millions, except costs per ALBD data)</i>						
Cruise and tour operating expenses	\$ 3,910		\$ 3,833	\$ 15,947		\$ 15,638
Selling and administrative expense	959		886	3,402		3,252
Less: Tour and other expenses	(37)		(39)	(194)		(212)
Cruise costs	4,832		4,680	19,154		18,678
Less: Commissions, transportation and other	(728)		(721)	(3,331)		(3,232)
Onboard and other costs	(663)		(634)	(2,816)		(2,678)
Gains (losses) on ship sales and impairments	9		33	110		39
Restructuring expense	(8)		(1)	(13)		(21)
Other	(6)		—	(10)		—
Adjusted cruise costs	3,436	3,363	3,356	13,095	12,974	12,786
Less: Fuel	(425)	(424)	(461)	(1,808)	(1,807)	(2,007)
Adjusted cruise costs excluding fuel	\$ 3,011	\$ 2,939	\$ 2,895	\$ 11,286	\$ 11,167	\$ 10,780
ALBDs	24.1	24.1	23.9	96.5	96.5	95.6
Cruise costs per ALBD	\$ 200.26		\$ 195.95	\$ 198.54		\$ 195.45
Adjusted cruise costs per ALBD	\$ 142.41	\$ 139.40	\$ 140.53	\$ 135.73	\$ 134.48	\$ 133.80
Adjusted cruise costs excluding fuel per ALBD	\$ 124.81	\$ 121.83	\$ 121.22	\$ 116.99	\$ 115.75	\$ 112.81

Non-GAAP Financial Measures

We use non-GAAP financial measures and they are provided along with their most comparative U.S. GAAP financial measure:

Non-GAAP Measure	U.S. GAAP Measure	Use Non-GAAP Measure to Assess
<ul style="list-style-type: none"> Adjusted net income (loss), adjusted EBITDA, adjusted EBITDA per ALBD and adjusted EBITDA margin 	<ul style="list-style-type: none"> Net income (loss) 	<ul style="list-style-type: none"> Company Performance
<ul style="list-style-type: none"> Adjusted earnings per share 	<ul style="list-style-type: none"> Earnings per share 	<ul style="list-style-type: none"> Company Performance
<ul style="list-style-type: none"> Net debt to adjusted EBITDA 	<ul style="list-style-type: none"> — 	<ul style="list-style-type: none"> Company Leverage
<ul style="list-style-type: none"> Net yields 	<ul style="list-style-type: none"> Gross margin yields 	<ul style="list-style-type: none"> Cruise Segments Performance
<ul style="list-style-type: none"> Adjusted cruise costs per ALBD 	<ul style="list-style-type: none"> Gross cruise costs per 	<ul style="list-style-type: none"> Cruise Segments Performance
<ul style="list-style-type: none"> Adjusted ROIC 	<ul style="list-style-type: none"> — 	<ul style="list-style-type: none"> Company Performance

The presentation of our non-GAAP financial information is not intended to be considered in isolation from, as a substitute for, or superior to the financial information prepared in accordance with U.S. GAAP. It is possible that our non-GAAP financial measures may not be exactly comparable to the like-kind information presented by other companies, which is a potential risk associated with using these measures to compare us to other companies.

Adjusted net income (loss) and adjusted earnings per share provide additional information to us and investors about our future earnings performance by excluding certain gains, losses and expenses that we believe are not part of our core operating business and are not an indication of our future earnings performance. We believe that gains and losses on ship sales, impairment charges, debt extinguishment and modification costs, restructuring costs and certain other gains, losses and expenses are not part of our core operating business and are not an indication of our future earnings performance.

Adjusted EBITDA, adjusted EBITDA per ALBD and adjusted EBITDA margin provide additional information to us and investors about our core operating profitability, including on a per ALBD basis, by excluding certain gains, losses and expenses that we believe are not part of our core operating business and are not an indication of our future earnings performance as well as excluding interest, taxes and depreciation and amortization. In addition, we believe that the presentation of adjusted EBITDA provides additional information to us and investors about our ability to operate our business in compliance with the covenants set forth in our debt agreements. We define adjusted EBITDA as adjusted net income (loss) adjusted for (i) interest, (ii) taxes and (iii) depreciation and amortization. There are material limitations to using adjusted EBITDA. Adjusted EBITDA does not take into account certain significant items that directly affect our net income (loss). These limitations are best addressed by considering the economic effects of the excluded items independently and by considering adjusted EBITDA in conjunction with net income (loss) as calculated in accordance with U.S. GAAP. We define adjusted EBITDA margin as adjusted EBITDA divided by total revenues.

Net debt to adjusted EBITDA provides additional information to us and investors about our overall leverage. We define net debt to adjusted EBITDA as total debt less cash and cash equivalents excluding a minimum cash balance divided by twelve-month adjusted EBITDA.

Net yields enable us and investors to measure the performance of our cruise segments on a per ALBD basis. We use adjusted gross margin rather than gross margin to calculate net yields. We believe that adjusted gross margin is a more meaningful measure in determining net yields than gross margin because it reflects the cruise revenues earned net of only our most significant variable costs, which are travel agent commissions, cost of air and other transportation, certain other costs that are directly associated with onboard and other revenues and credit and debit card fees.

Non-GAAP Financial Measures (Cont'd)

Adjusted cruise costs per ALBD and adjusted cruise costs excluding fuel per ALBD enable us and investors to separate the impact of predictable capacity or ALBD changes from price and other changes that affect our business. We believe these non-GAAP measures provide useful information to us and investors and expanded insight to measure our cost performance. Adjusted cruise costs per ALBD and adjusted cruise costs excluding fuel per ALBD are the measures we use to monitor our ability to control our cruise segments' costs rather than cruise costs per ALBD. We exclude gains and losses on ship sales, impairment charges, restructuring costs and certain other gains and losses that we believe are not part of our core operating business as well as excluding our most significant variable costs, which are travel agent commissions, cost of air and other transportation, certain other costs that are directly associated with onboard and other revenues and credit and debit card fees. We exclude fuel expense to calculate adjusted cruise costs excluding fuel. The price of fuel, over which we have no control, impacts the comparability of period-to-period cost performance. The adjustment to exclude fuel provides us and investors with supplemental information to understand and assess the company's non-fuel adjusted cruise cost performance. Substantially all of our adjusted cruise costs excluding fuel are largely fixed, except for the impact of changing prices once the number of ALBDs has been determined.

Adjusted ROIC provides additional information to us and investors about our operating performance relative to the capital we have invested in the company. We define adjusted ROIC as the twelve-month adjusted net income (loss) before interest expense and interest income divided by the monthly average of debt plus equity minus construction-in-progress, excess cash, goodwill and intangibles.

Reconciliation of Forecasted Data

We have not provided a reconciliation of forecasted non-GAAP financial measures to the most comparable U.S. GAAP financial measures because preparation of meaningful U.S. GAAP forecasts would require unreasonable effort. We are unable to predict, without unreasonable effort, the future movement of foreign exchange rates and fuel prices. We are unable to determine the future impact of gains and losses on ship sales, impairment charges, debt extinguishment and modification costs, restructuring costs and certain other non-core gains and losses.

Constant Currency

Our operations primarily utilize the U.S. dollar, Australian dollar, euro and sterling as functional currencies to measure results and financial condition. Functional currencies other than the U.S. dollar subject us to foreign currency translational risk. Our operations also have revenues and expenses that are in currencies other than their functional currency, which subject us to foreign currency transactional risk.

Constant currency reporting removes the impact of changes in exchange rates on the translation of our operations plus the transactional impact of changes in exchange rates from revenues and expenses that are denominated in a currency other than the functional currency.

We report adjusted gross margin, net yields, adjusted cruise costs excluding fuel and adjusted cruise costs excluding fuel per ALBD on a "constant currency" basis assuming the current periods' currency exchange rates have remained constant with the prior periods' rates. These metrics facilitate a comparative view for the changes in our business in an environment with fluctuating exchange rates.

Examples:

- The translation of our operations with functional currencies other than U.S. dollar to our U.S. dollar reporting currency results in decreases in reported U.S. dollar revenues and expenses if the U.S. dollar strengthens against these foreign currencies and increases in reported U.S. dollar revenues and expenses if the U.S. dollar weakens against these foreign currencies.
- Our operations have revenue and expense transactions in currencies other than their functional currency. If their functional currency strengthens against these other currencies, it reduces the functional currency revenues and expenses. If the functional currency weakens against these other currencies, it increases the functional currency revenues and expenses.

Additional Information on Recommended Simplification of Corporate Structure



Important Information for Investors and Stockholders

In connection with the proposed unification and redomiciliation transactions, Carnival Corporation plans to file with the SEC a Registration Statement on Form S-4, containing a Proxy Statement/Prospectus relating to the proposed transactions (collectively, the “Proxy Statement”), and Carnival plc plans to file the Proxy Statement with the SEC. Investors and security holders of Carnival Corporation and Carnival plc are urged to read the Registration Statement, the Proxy Statement and any other relevant documents filed with the SEC when they are available, because they contain, or will contain, important information about Carnival Corporation and Carnival plc, the proposed transactions and related matters. The final Proxy Statement will be mailed to shareholders of Carnival Corporation and Carnival plc. Investors and security holders of Carnival Corporation and Carnival plc will be able to obtain copies of the Registration Statement and the Proxy Statement, when they become available, as well as other filings with the SEC that will be incorporated by reference into such documents, containing information about Carnival Corporation and Carnival plc, without charge, at the SEC’s website (<http://www.sec.gov>).

No Offer or Solicitation

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Participants in the Solicitation

Carnival Corporation, Carnival plc and their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies from Carnival Corporation’s and Carnival plc’s shareholders in respect of the proposed transactions under the rules of the SEC. Information regarding Carnival Corporation’s and Carnival plc’s directors and executive officers is available in Carnival Corporation’s and Carnival plc’s joint Annual Report on Form 10-K for the year ended November 30, 2024 and Carnival Corporation’s and Carnival plc’s joint proxy statement, dated February 28, 2025, for its 2025 annual meeting of stockholders, which can be obtained free of charge through the website maintained by the SEC at <http://www.sec.gov>. Any changes in the holdings of Carnival Corporation’s securities by Carnival Corporation’s directors or executive officers or Carnival plc’s securities by Carnival plc’s directors or executive officers from the amounts described in Carnival Corporation’s and Carnival plc’s 2025 joint proxy statement have been reflected in Statements of Change in Ownership on Form 4 filed with the SEC subsequent to the filing date of Carnival Corporation’s and Carnival plc’s 2025 joint proxy statement and are available at the SEC’s website at www.sec.gov. Additional information regarding the interests of such participants will be included in the Registration Statement, the Proxy Statement and other relevant materials to be filed with the SEC when they become available.