

FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(Mark One)

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

For the quarterly period ended May 31, 1996

OR

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

For the transition period from _____ to _____
Commission file number 1-9610

CARNIVAL CORPORATION

(Exact name of registrant as specified in its charter)
Republic of Panama 59-1562976
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

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

(305) 599-2600
(Registrants telephone number, including area code)

None.

(Former name, former address and former fiscal year, if changed since last
report.)

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

Yes No

Indicate the number of shares outstanding of each of the issuers classes of
common stock, as of June 28, 1996.

Class A Common Stock, \$.01 par value: 235,278,746 shares
Class B Common Stock, \$.01 par value: 54,957,142 shares

CARNIVAL CORPORATION

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PART I. FINANCIAL INFORMATION

ITEM 1: FINANCIAL STATEMENTS

CARNIVAL CORPORATION
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

ASSETS	May 31, 1996	November 30, 1995
CURRENT ASSETS		
Cash and cash equivalents	\$ 89,167	\$ 53,365
Short-term investments	26,065	50,395
Accounts receivable	35,385	33,080
Consumable inventories, at average cost	52,072	48,820
Prepaid expenses and other	77,092	70,718
Total current assets	279,781	256,378
PROPERTY AND EQUIPMENT--at cost, less accumulated depreciation and amortization	3,806,703	3,414,823
OTHER ASSETS		
Goodwill, less accumulated amortization of \$51,783 in 1996 and \$48,292 in 1995	223,080	226,571
Investments in affiliates	343,152	25,569
Long-term notes receivable	92,177	78,907
Other assets	31,670	103,239
	\$4,776,563	\$4,105,487
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current portion of long-term debt	\$ 72,682	\$ 72,752
Accounts payable	105,682	90,237
Accrued liabilities	121,172	113,483
Customer deposits	456,233	292,606
Dividends payable	25,644	25,632
Total current liabilities	781,413	594,710
LONG-TERM DEBT	1,238,757	1,035,031
CONVERTIBLE NOTES	114,991	115,000
OTHER LONG-TERM LIABILITIES	17,093	15,873
COMMITMENTS AND CONTINGENCIES (Note 6)		
SHAREHOLDERS' EQUITY		
Class A Common Stock; \$.01 par value; one vote per share; 399,500 shares authorized; 235,274 and 229,839 shares issued and outstanding	2,353	2,298
Class B Common Stock; \$.01 par value; five votes per share; 100,500 shares authorized; 54,957 shares issued and outstanding	550	550
Paid-in-capital	741,583	594,811
Retained earnings	1,884,208	1,752,140
Less-other	(4,385)	(4,926)
Total shareholders' equity	2,624,309	2,344,873
	\$4,776,563	\$4,105,487

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

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

Six Months

Three Months

	Ended May 31,		Ended May 31,	
	1996	1995	1996	1995
REVENUES	\$965,624	\$872,646	\$516,836	\$452,826
COSTS AND EXPENSES				
Operating expenses	566,240	513,176	302,544	265,947
Selling and administrative	140,243	124,246	68,961	60,071
Depreciation and amortization	67,936	62,044	35,101	30,540
	774,419	699,466	406,606	356,558
OPERATING INCOME	191,205	173,180	110,230	96,268
NONOPERATING INCOME (EXPENSE)				
Interest income	15,104	6,906	7,259	4,907
Interest expense, net of capitalized interest	(33,216)	(33,315)	(17,178)	(15,764)
Other income	5,232	5,189	4,475	3,827
Income tax benefit	5,023	5,361	1,497	531
	(7,857)	(15,859)	(3,947)	(6,499)
NET INCOME	\$183,348	\$157,321	\$106,283	\$ 89,769
EARNINGS PER SHARE	\$.64	\$.56	\$.37	\$.32

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

CARNIVAL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Six Months Ended May 31,	
	1996	1995
OPERATING ACTIVITIES:		
Net income	\$183,348	\$157,321
Adjustments:		
Depreciation and amortization	67,936	62,044
Other	3,423	3,395
Changes in operating assets and liabilities:		
Increase in receivables	(2,557)	(11,219)
Increase in consumable inventories	(3,252)	(3,788)
Increase in prepaid and other	(6,459)	(30,320)
Increase in accounts payable	15,445	1,263
Increase (decrease) in accrued liabilities	7,689	(4,968)
Increase in customer deposits	163,627	137,498
Net cash provided from operations	429,200	311,226
INVESTING ACTIVITIES:		
Decrease in short-term investments, net	24,099	5,864
Additions to property and equipment, net (Additions to) reductions in investments in affiliates	(456,296)	(75,919)
Increase in long-term notes receivable	(163,116)	11,927
Increase in long-term notes receivable	(23,566)	(833)
Decrease in other non-current assets	71,569	848
Net cash used for investing activities	(547,310)	(58,113)
FINANCING ACTIVITIES:		
Principal payments of long-term debt	(458,369)	(307,257)
Proceeds from long-term debt	662,004	136,212

Dividends paid	(51,268)	(42,386)
Issuance of common stock	1,545	47,724
Net cash provided from (used for) financing activities	153,912	(165,707)
Net increase in cash and cash equivalents	35,802	87,406
Cash and cash equivalents at beginning of period	53,365	54,105
Cash and cash equivalents at end of period	\$89,167	\$141,511

Supplemental disclosure:

Non-cash effect of issuance of Class A Common Stock in connection with investment in Airtours plc	\$144,171	\$ -
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The accompanying notes are an integral part of these financial statements.

CARNIVAL CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - BASIS FOR PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying consolidated balance sheet at May 31, 1996, the consolidated statements of operations and cash flows for the six and three months ended May 31, 1996 and May 31, 1995 are unaudited and, in the opinion of management, contain all adjustments, consisting of only normal recurring accruals, necessary for a fair presentation. The operations of Carnival Corporation and its subsidiaries (the "Company") are seasonal and results for interim periods are not necessarily indicative of the results for the entire year.

The accompanying financial statements include the consolidated balance sheets and statements of operations and cash flows of the Company and its subsidiaries. All material intercompany transactions and accounts have been eliminated in consolidation. Certain amounts in prior periods have been reclassified to conform with the current period's presentation.

NOTE 2 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

CARNIVAL CORPORATION
 STATEMENT REGARDING COMPUTATION OF PER SHARE EARNINGS
 (in thousands, except per share data)

	Six Months Ended May 31,		Three Months Ended May 31,	
	1996	1995	1996	1995
Net income	\$183,348	\$157,321	\$106,283	\$ 89,769
Adjustments to net income for the purpose of computing fully diluted earnings per share:				
Interest reduction from assumed conversion of 4.5% Convertible Subordinated Notes	2,772	2,770	1,386	1,385
Adjusted net income	\$186,120	\$160,091	\$107,669	\$ 91,154
Weighted average shares outstanding	287,190	283,356	288,960	283,886
Adjustments to weighted average shares outstanding for the purpose of computing fully diluted earnings per share:				
Additional shares issuable upon assumed conversion of 4.5% Convertible Subordinated Notes	6,618	6,618	6,618	6,618
Adjusted weighted average shares outstanding	293,808	289,974	295,578	290,504
Earnings per share:				
Primary	\$0.64	\$0.56	\$0.37	\$0.32
Fully Diluted*	\$0.63	\$0.55	\$0.36	\$0.31

*In accordance with Accounting Principles Board Opinion No. 15, the Company does not present fully diluted EPS in its financial statements because the Company's convertible securities are anti-dilutive or result in a less than 3% dilution for the periods presented.

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

	Six Months Ended May 31, 1996	1995
Net Income	\$183,348	\$157,321
Income tax benefit	(5,023)	(5,361)
Income before income tax benefit	178,325	151,960
Fixed Charges:		
Interest expense, net	33,216	33,315
Interest portion of rental expense (1)	931	841
Capitalized interest	13,754	8,149
Total Fixed Charges	47,901	42,305
Fixed Charges Not Currently Affecting Income:		
Capitalized interest	(13,754)	(8,149)
Earnings before fixed charges	\$212,472	\$186,116
Ratio of earnings to fixed charges	4.4x	4.4x

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

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NOV-30-1996
MAY-31-1996
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52,072
279,781
4,520,032
713,329
4,776,563
781,413
1,353,748
2,903
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2,621,406
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965,624
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183,348
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