

# NEWS



5 February 2007

## **First step towards implementing the Safeguard Plan: Tier 3 creditors choose NRS or Cash Option**

The safeguard Plan approved by the Paris Commercial Court on 15 January allows that in exchange for abandoning their debt, the holders of Tier 3 debt will receive Notes Redeemable in Shares (NRS) issued by the new company, Eurotunnel Group UK plc, and redeemable in ordinary shares in the new company Groupe Eurotunnel SA.

The plan also provides for this category of creditor to opt for a cash sum in place of receiving NRS, the decision to exercise this option having had to be notified to Eurotunnel by 31 January 2007.

Four holders of Tier 3 debt, representing approximately 32.5% of the total Tier 3 debt, c£575 million at face value at an exchange rate of £1 : €1.46635, have chosen to exercise the Cash Option.

The payment of the corresponding amount will, inter alia, be guaranteed according to the conditions set out in the plan, through the subscription for the NRS which would have been attributed to those creditors who have chosen to take the Cash Option, by some of the other holders of Tier 3 debt and some of the bondholders\*. The creditors who are interested in subscribing for these NRS have until 14 February inclusive to exercise this option.

To guarantee the financing of the Cash Option, Eurotunnel signed a Cash Option Provider Agreement, on 30 January 2007, with Deutsche Bank and Goldman Sachs (these two institutions having committed to becoming Cash Option Providers for the Tier 3 debt when they made their financing proposal at the end of November 2006).

\*Resettable Bonds, Participating Loan Notes and Stabilisation Notes.