

NEWS



Memorandum of Understanding agreed by Eurotunnel and Ad hoc Committee

A milestone in the restructuring of the Group's debt

The Joint Board of Eurotunnel has validated the Memorandum of Agreement (MoU) concerning the outline of the restructuring of Eurotunnel's debt, concluded on 31 January 2006 between the Group and the Ad hoc committee of creditors¹. This committee represents in excess of 50% of the total debt.

The MoU constitutes an essential step in the global restructuring of the debt.

In the coming weeks, Eurotunnel will continue finalising the outline of the restructuring by presenting the MOU, under the terms of a confidentiality agreement, to the creditors not represented by the Ad hoc committee. To do this, Eurotunnel is proposing a further period of waiver², until the end of March 2006.

Eurotunnel and the Ad hoc committee have agreed to maintain, throughout this period, the strictest confidentiality around the terms of the MoU.

In due course, a General Meeting of shareholders will be called to vote on the debt restructuring.

In the meantime, Eurotunnel draws to the attention of the markets the fact that any anticipation of the impact of this MoU would be premature.

¹ The Ad hoc committee is composed of MBIA, EIB, Franklin mutual Advisers, certain funds represented by Oaktree Capital Management and Ambac. It represents circa 73% of the debt held by the co-financiers and 21% of the Senior debt.

² Waiver to be granted by the senior lenders and the co-financiers (Junior debt, Fourth Tranche and Tier 1A)