

NEWS



Eurotunnel –Press Release

13 July 2006

Following long and intense negotiations, Eurotunnel presented an ultimate proposal at 11 p.m. Paris time on 12 July 2006 to reach a compromise between the Preliminary Restructuring Agreement dated 23 May 2006 and the demands made to date by its subordinated creditors.

Although the vast majority of these demands were satisfied by the substantial efforts made jointly by Eurotunnel and the Ad Hoc Committee, the subordinated creditors, led by Deutsche Bank, rejected this final attempt to reach a negotiated agreement between all of Eurotunnel's creditors.

Eurotunnel is now forced to pursue legal proceedings to place itself under the protection of the Commercial Court of Paris pursuant to the French law "*procédure de sauvegarde*".

Mr Jacques Gounon declared: "I fail to understand how an institution such as Deutsche Bank has maintained its unreasonable demands without taking into account the consequences on the 2,300 employees and 800,000 shareholders of Eurotunnel."