

# NEWS



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## **Paris Commercial Court postpones decision**

Eurotunnel considers that the postponement, until early August, of the decision by the Paris Commercial Court, concerning the safeguard procedure requested by the company on 11 July 2006 is opportune. The decision comes as no surprise as the company has made 17 applications covering six European countries. The postponement gives more time to the creditors to negotiate.

Eurotunnel points out that, since the agreement of 23 May 2006, the restructuring of its debt has been a problem between creditors, the negotiations led by the company having given rise to an implicit consensus that:

The sustainable level of debt is approximately £2.9 billion;

The current shareholders must benefit from accretion measures and retain a significant proportion of the equity

There is no reason why the creditors should not rapidly come to a consensual restructuring agreement within this framework.

As Eurotunnel will today make a payment of £78 million in interest, arguments relating to default of payment should not be used to justify a rupture in negotiations. It should be noted that the total amount of payments on the debt to be made before 31 December 2006 is £74 million.

In the absence of an agreement, the safeguard procedure would allow the company, aided by judicially appointed administrators, to re-engage in negotiations at the point at which they ceased. The creditors would have nothing to gain from such an outcome.

[www.eurotunnel.com](http://www.eurotunnel.com)

Eurotunnel manages the infrastructure of the Channel Tunnel and operates accompanied truck shuttle and passenger shuttle (car and coach) services between Folkestone, UK and Calais, France. Eurotunnel also earns toll revenue from train operators (Eurostar for rail passengers, and EWS and SNCF for rail freight) which use the Tunnel. Eurotunnel is quoted in London, Paris and Brussels.