

NEWS



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Further growth for Eurotunnel activity during the third quarter of 2006

- Revenue reaches £149.5 million (+7%)
- Revenue from Shuttle activities up 12%
- Volume increases in both car and truck traffic

Eurotunnel saw strong growth in activities during the third quarter of 2006, compared to the same period in 2005, with total revenue up by 7% to £149.5 million, mainly as a result of good performance from Shuttle services.

This success underlines the impact of the company's, now firmly established, new commercial and operational policy. It is also the result of the efforts of Eurotunnel's staff to maintain and further improve the quality of service delivery. Compared to 2005, the numbers of trucks and cars carried have increased, as have those of Eurostar passengers.

The fire on a truck being carried on a Freight Shuttle, on 21 August, did not affect the summer's performance. Thanks to the efforts of the operational teams, and in contrast to the experience of 1996, operations were completely back to normal in just over 24 hours.

Jacques Gounon, Eurotunnel Chairman and Chief Executive, said:

"I would like to thank our customers for their loyalty and our teams for their commitment. They have enabled us to achieve remarkable performance levels this summer. These successes must nevertheless be viewed in a context which remains worrying: it is my responsibility to point out that Eurotunnel cannot continue much longer on this course, unless the very serious uncertainty which weighs on its future is removed. Only a vote in favour of the Safeguard plan, which will be put to creditors before the end of the month, can remove this uncertainty".

Revenue

Eurotunnel's revenue, which results from transport and non-transport activities, totalled £149.5 million for the third quarter of 2006. At constant exchange rates, this represents a 7% increase over the same period in the previous year.

Shuttle services - Eurotunnel's core activities - are the principal drivers of this growth. Revenue from these activities grew by 12% to £87.3 million.

- During this key period, when passenger flows are high, the Passenger service made a significant contribution to performance: the new pricing policy is now adapted to market evolution, enabling it to attract and secure the loyalty of customers in the higher-yielding segments. Furthermore, the third quarter of 2006 saw a significant increase in continental traffic travelling to the UK.
- The Truck service, in a business which is generally quieter during the summer, is showing the benefit of the restoration of direct control by Eurotunnel over the sales network.

Revenues from the Railways increased slightly (+2%, to £59.8 million). They include payments under the Minimum Usage Charge, which represented £15.4 million for the period; this arrangement will cease at the end of November 2006. Revenue from non-transport activities remains marginal, with a decrease due to a non-recurring item recorded during the summer of 2005.

Revenue			
	3 rd quarter 2006 un-audited*	3 rd quarter 2005 restated*	Change 2006/05
£ million			
Shuttle services	87.3	77.5	+12 %
Railways	59.8	58.5	+2%
Transport activities	147.1	136.0	+8%
Non transport activities	2.4	4.1	-41%
Revenue	149.5	140.1	+7%

*The exchange rate for the year to 30 September 2006 and for the restated year to 30 September 2005 is £1 = €1.453

Traffic

Eurotunnel's quality of service and the speed, ease and reliability of its transport system, have led many customers to choose to travel with the company during the summer.

The number of trucks transported on Eurotunnel's Freight Shuttle service increased by 4%, to 305,850.

In a market that has been in decline for some time, Eurotunnel's Passenger Shuttles carried 625,862 cars (+3%) and 17,295 coaches (-11%).

Eurotunnel Shuttle traffic			
	3 rd quarter 2006	3 rd quarter 2005	Change 2006/05
Truck Shuttles	305,850	295,230	+4%
Passenger Shuttles	Cars*	625,862	+3%
	Coaches	17,295	-11%

* Including motorcycles, vehicles with trailers, caravans and camper vans.

Railways activity increased substantially during the summer months.

2,152,063 people chose to travel through the tunnel by Eurostar this summer, representing a 10% increase over the same period in 2005, during which traffic growth slowed following attacks on London.

Trains operated by the Railways carried 371,910 tonnes of freight in the third quarter of 2006, 3% more than in 2005. Despite this progression, traffic levels remain very much lower than the original forecasts and below the capacity of the Channel Tunnel.

Railways traffic			
	3rd quarter 2006	3rd quarter 2005	Change 2006/05
Eurostar* <i>passengers</i>	2,152,063	1,959,271	+10%
Railfreight trains (SNCF / EWS) <i>tonnes</i>	371,910	362,431	+3%

** The number of Eurostar passengers included in this table is that of passengers travelling through the Tunnel and excluding those who take the Eurostar between Paris-Calais and Brussels-Lille.*

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