PRESS RELEASE

24 July 2009

Success of Groupe Eurotunnel SA's Warrant Exchange Tender Offer

Half year results impacted by the fire in September 2008

As part of its development strategy,
Groupe Eurotunnel bids for Veolia Cargo's businesses in France

Jacques Gounon, Chairman and Chief Executive of Eurotunnel said, "Despite the less than favourable economic climate, Eurotunnel is putting all its efforts into regaining the levels of operating margin we had before the fire in September 2008. Bringing our customers back and keeping on top of our costs are our priorities. In this context, the success of the exchange tender offer for the Warrants shows what confidence investors have in the strength of Eurotunnel's business model. The growth of the Group will also be via the development of rail freight: environmental concerns make this a business for the future".

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►Success of Groupe Eurotunnel SA's Warrants Exchange Tender Offer, with 76% uptake

- 76% of the 4.3 billion warrants issued in 2007 during Eurotunnel's financial restructuring have been tendered by a large number of holders who have chosen, two years ahead of schedule to benefit from the business' return to better days.

- 103,502,084 new shares will be issued and listed from 27 July, with immediate voting rights. Groupe Eurotunnel SA has the option to buyback 10.4 million of these shares and then to cancel some or all of them in order to bring increased value to shareholders.

- This advanced conversion enables a simplification of GET SA's capital structure and gives enhanced visibility to the shares through a higher market capitalisation.

►The fire in September 2008 continues to affect the Eurotunnel Group's results, which for the first half of 2009 was a loss of €8 million

- **Traffic and revenues**

  - ✓ Full Tunnel capacity for Shuttles was restored on 10 February 2009 and Eurostar returned to full service on 23 February, which distorts the comparison with the first half of 2008.
  - ✓ Revenues were €266 million for the first half of this year, a fall of 28% at constant exchange rates[1], compared to 2008.
  - ✓ In contrast to comparable periods in 2008, the number of cars transported by Eurotunnel Shuttles (813,715 during the first half of 2009) was down 18%, a reduction that slowed to -8% during the second quarter. This is similar for Eurostar, with 4,345,576 passengers (-6% compared to the first half of 2008, but only -1% for the second quarter).
  - ✓ The consequences of the fire in September 2008 are felt particularly in the transport of trucks: 354,484 trucks were carried on Eurotunnel Shuttles in the first half of 2009, 53% less than in 2008; in this sector, road hauliers make annual agreements with the cross-Channel operators, their return to Eurotunnel is therefore deferred until contracts are renewed.

- **Since the fire in September 2008, the Eurotunnel Group has received €141 million from its insurers**

  - ✓ The costs of reconstruction in interval 6 of the Tunnel (€57 million) are covered by the insurers.
  - ✓ Studies relating to compensation for the destroyed Shuttle are being completed.
  - ✓ An advance of €36 million has been accounted for in the first half of 2009 corresponding to insurance indemnities received during the period to cover operating losses (the last receipt was on 8 June 2009).

- Excluding insurance costs, **Eurotunnel's external costs were reduced by €5 million in the first half of 2009**. The Group has launched a series of projects and initiatives to reduce operating expenditure.

- At €93 million, **Eurotunnel's gross cost of servicing debt was €45 million lower during the first quarter of 2009**, mainly due to the levels of inflation in the UK and France.

- On 30 June 2009, **Eurotunnel had cash reserves of €257 million** (after half-yearly payment of interest on the Term Loan).

- **The consolidated net result for the first half of 2009 is a loss of €8 million**, compared to a net profit of €22 million (recalculated) for the first half of 2008.

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[1] To facilitate comparison, the 2008 first half results have been recalculated at the average exchange rate for the first half of 2009, £1=€1.128

►Groupe Eurotunnel to bid for Veolia Cargo's rail freight businesses in France

- Groupe Eurotunnel has always had the ambition to develop in the rail freight sector. The Europorte 2 subsidiary was the first private entity to obtain a railway operator's licence (in February 2004) and has demonstrated its expertise in this field (ground operations for 2,718 goods trains and the traction of 847 trains through the Channel Tunnel in 2008).

- **Groupe Eurotunnel is bidding to purchase the French subsidiaries of Veolia Cargo** (Veolia Cargo France, CFTA Cargo, Veolia Cargo Link and Socorail) activities which produced revenues of approximately €50 million in 2008. This project is being run in conjunction with a subsidiary of the SNCF group, which is bidding for the German, Dutch and Italian subsidiaries of Veolia Cargo.

- This transaction will be the first external growth project carried out by Groupe Eurotunnel, and it has been made possible by the 2007 financial restructuring. It will bring forward the development of one of Eurotunnel's core businesses and at the same time contribute to the preservation of our environment.

Appendix 1: Tables showing traffic and turnover for the first half of 2009.
Appendix 2: Financial analysis and important events.

TOTAL TURNOVER

Reminder: first quarter (January - March)

TOTAL TURNOVER € million	**1st quarter 2009**	**1st quarter 2008 restated***	**% change**	**1st quarter 2008 published****
Shuttle Services	60.4	113.7	- 47%	120.5
Railways	53.6	59.4	- 10%	63.8
Other revenues	2.0	3.1	- 37%	3.3
Revenue	**116.0**	**176.2**	**- 34%**	**187.6**
Other income	28.6	-	n/a	-
Total turnover	**144.6**	**176.2**	**- 18%**	**187.6**

** Average exchange rate: £1=1.074 €*

*** Average exchange rate: £1 = 1.257 €*

Second quarter (April - June)

TOTAL TURNOVER € million	**2nd quarter 2009**	**2nd quarter 2008 restated***	**% change**	**2nd quarter 2008 published****
Shuttle Services	82.4	121.7	- 32%	125.5
Railways	64.9	66.3	- 2%	68.4
Other revenues	2.8	4.0	- 31%	4.2
Revenue	**150.1**	**192.0**	**- 22%**	**198.1**
Other income	7.6	-	n/a	-
Total turnover	**157.7**	**192.0**	**- 18%**	**198.1**

** Average exchange rate for the first half of 2009: £1=€1.128*

*** Average exchange rate for the first half of 2008: £1=€1.159*

First half (January - June)

TOTAL TURNOVER € million	**1st half 2009**	**1st half 2008 restated***	**% change**	**1st half 2008 published****
Shuttle Services	143	235	- 39%	246
Railways	118	126	- 6%	133
Other revenues	5	7	- 33%	7
Revenue	**266**	**368**	**- 28%**	**386**
Other income	36	-	n/a	-
Total turnover	**302**	**368**	**- 18%**	**386**

** Average exchange rate for the first half of 2009: £1=€1.128*

*** Average exchange rate for the first half of 2008: £1=€1.159*

APPENDIX 1: TABLES SHOWING TRAFFIC AND TURNOVER FOR THE FIRST HALF OF 2009

TRAFFIC

Reminder: 1st quarter

TRAFFIC		1st quarter 2009	1st quarter 2008	Change 2009/2008
Truck Shuttles		171,675	385,145	- 55%
Passenger Shuttles	Cars*	320,427	454,076	- 29%
	Coaches	8,537	13,863	- 38%
Eurostar**	Passengers	1,923,407	2,175,042	- 12%
Rail freight	Tonnes	275,749	328,940	- 16%
	Trains	514	744	- 31%

Second quarter

TRAFFIC		2nd quarter 2009	2nd quarter 2008	Change 2009/2008
Truck Shuttles		182,809	372,278	- 51%
Passenger Shuttles	Cars*	493,288	538,701	- 8%
	Coaches	19,264	20,108	- 4%
Eurostar**	Passengers	2,422,169	2,453,783	- 1%
Rail freight	Tonnes	299,254	336,627	- 11%
	Trains	629	744	- 15%

1st half

TRAFFIC		1st half 2009	1st half 2008	Change 2009/2008
Truck Shuttles		354,484	757,423	- 53%
Passenger Shuttles	Cars*	813,715	992,777	- 18%
	Coaches	27,801	33,971	- 18%
Eurostar**	Passengers	4,345,576	4,628,825	- 6%
Rail freight	Tonnes	575,003	665,567	- 14%
	Trains	1,143	1,488	- 23%

* *Including motorcycles, vehicles with trailers, caravans and motor homes.*

** *Only passengers using Eurostar to cross the Channel are included in this table, thus excluding journeys betweens Paris-Calais and Brussels-Lille.*

FINANCIAL ANALYSIS

SUMMARY

The Eurotunnel Group's consolidated revenue for the first half of 2009 has been significantly affected by the consequences of the fire in September 2008 as well as by the effects of the economic climate on the cross-Channel market. At €302 million, total turnover, which includes €36 million of insurance indemnities relating to operating losses received during the period, decreased by 18% at a constant exchange rate compared to the first half of 2008. Operating expenses have increased by 6% compared to the same period in 2008 mainly due to the increase in insurance premiums following the fire in September 2008. Financial charges in the first half of 2009 have reduced significantly as a result of the effect of very low (even negative) inflation rates on the index-linked tranches of the debt. After taking into account net other financial income of €31 million, the net consolidated result for Groupe Eurotunnel SA for the first six months of 2009 is a loss of €8 million.

For a better comparison between the two periods, Groupe Eurotunnel SA's consolidated income statement for the first half of 2008 presented in this Half-yearly activity report has been recalculated at the exchange rate used for the 2009 half-yearly income statement of £1=€1.128.

ANALYSIS OF RESULT

€ million	30 June 2009	30 June 2008 restated*	% change	30 June 2008 published
Exchange rate €/£	**1.128**	**1.128**		**1.259**
Shuttle services	143	235	-39%	246
Railways	118	126	-6%	133
Other revenue	5	7	-33%	7
Revenue	**266**	**368**	**-28%**	**386**
Other income	36	-	n/a	-
Total turnover	**302**	**368**	**-18%**	**386**
Operating expenses	(103)	(98)	+6%	(102)
Employee benefit expense	(63)	(61)	+2%	(63)
Operating margin (EBITDA)	***136***	***209***	***-35%***	***221***
Depreciation	(83)	(80)	+4%	(80)
Trading profit	**53**	**129**	**-59%**	141
Other operating (expenses)/income	(1)	22		22
Operating profit (EBIT)	**52**	**151**		**163**
Income from cash and cash equivalents	2	11		11
Gross cost of servicing debt	(93)	(138)		(145)
Net cost of financing and debt service	(91)	(127)	-28%	(134)
Other financial income/(charges) and income tax expense	31	(2)		(3)
Net result: (loss)/profit	**(8)**	**22**		**26**

* *Restated at the rate of exchange used for the 2009 half-year income statement (£1=€1.128).*

Revenues

The Eurotunnel Group has continued to be significantly affected by the consequences of the fire in September 2008, in a climate marked by the difficulties affecting the UK and, albeit to a lesser extent, France and all other European countries, and which by its nature has an immediate effect on cross-Channel transport activity, particularly in the case of truck traffic. During the first half of the year, a new competitor, LD Lines, entered the Short Straits market.

Shuttle services

Full Shuttle services were resumed from 10 February 2009. At €143 million, Shuttle revenue for the first half of 2009 declined by 39% at a constant exchange rate compared to the first half of 2008. It should however be remembered that

APPENDIX 2: FINANCIAL ANALYSIS AND IMPORTANT EVENTS

Shuttle traffic benefitted from particularly favourable circumstances during the first half of 2008, notably disruptions at the ports (fishermen and ferry company strikes) and the effect of the leap year.

Truck Shuttles

The return of road haulage customers since the re-opening of interval 6 is only very gradual and Eurotunnel's market share is further impacted as a result of the annual commitments which the customers have made with the ferry operators during the partial closure of the Tunnel. After the fire in 1996, the return to previous levels of truck traffic took over a year, but in an economic climate that was more favourable. The number of trucks carried by Eurotunnel was 53% below the first half of 2008.

Passenger Shuttles

The cross-Channel car and coach markets, and Eurotunnel's share of these markets, have also been affected, but to a lesser extent than the Truck market. During the first half of 2009, the car activity's yield management system worked to good effect, especially during the period of restricted capacity, and had a positive effect on the average yield per crossing. Car traffic fell by only 18% during the first half of 2009 compared to the previous year (-8% during the second quarter), and coach traffic fell by 18% (-4% during the second quarter).

Railways revenues

Revenues from the Railways fell by 6% at a constant exchange rate, to €118 million for the first 6 months of 2009.

Eurotunnel gave priority to Eurostar services during the partial closure of the Tunnel, and on 23 February 2009, Eurostar returned to their pre-fire service levels. The number of passengers using Eurostar to travel though the Tunnel during the first quarter of 2009 fell by 12%, whilst during the second quarter the reduction was limited to 1%, leading to a 6% reduction for the first six months of 2009 compared to the same period in 2008.

In total, revenues for the first half of 2009 of €266 million, excluding insurance indemnities, fell by 28% compared to the first half of 2008 restated (€368 million).

Total turnover

Other income of €36 million was recorded during the first half of 2009 corresponding to the amount of insurance compensation received during the period relating to operating losses.

Operating margin (EBITDA)

Despite a €10 million increase in insurance premiums following the 2008 fire, reductions in other areas, notably in electricity costs, limited the increase in operating expenses (excluding employee benefit expenses) to €5 million in the first half of 2009 compared to the same period in 2008.

Employee benefit expenses remained stable in the first half of 2009, with average staff numbers moving from 2,340 in the first half of 2008 to 2,370 during the first half of 2009.

Operating profit (EBIT)

After taking into account net other operating charges of €1 million, EBIT for the first half of 2009 was €52 million compared to €151 million (restated) for the first half of 2008. The €22 million net income in the first half of 2008 corresponded mainly to the income of €24 million resulting from the agreement with the French government following the disturbances caused to Eurotunnel's business by the intrusion of illegal migrants coming from the Sangatte centre near Calais during the early part of the decade.

Net cost of financing and debt service

Income from cash and cash equivalents amounted to €2 million during the first half of 2009, €9 million below the same period in 2008 as a result of significantly lower interest rates and the absence of the short-term investment of the proceeds from the financial operations carried out during the first half of 2008 (capital increase and issue of the SDES prior to being used to redeem the NRS II).

At €93 million, the gross cost of servicing debt has fallen by €45 million at a constant exchange rate, of which €38 million is due to the effect of very low (or negative) inflation rates during the first half of 2009 compared to the first half of 2008 which led to a reduction of interest charges relating to the indexation of the nominal on tranche A of the Term Loan. Following the redemption and purchases of NRS carried out since the first half of 2008, the accretion expense of the NRS was €7 million lower in the first half of 2009.

The €31 million of other financial income in the first half of 2009 included a release of provision for risk following the end of the legal proceedings relating to the safeguard plan.

APPENDIX 2: FINANCIAL ANALYSIS AND IMPORTANT EVENTS

Net result

The net consolidated result for the first half of 2009 was a loss of €8 million compared to a net profit of €22 million during the first half of 2008.

CASH FLOW

€ million Exchange rate €/£	30 June 2009 1.174	30 June 2008 1.262
Net cash inflow from trading	116	229
Other operating cash flows and taxation	(3)	(1)
Net cash inflow from operating activities	**113**	**228**
Net cash flow from investing activities	(11)	(23)
Net cash flow from financing activities	(129)	694
(Decrease)/increase in cash	**(27)**	**899**

Net cash inflow from trading amounted to €116 million in the first half of 2009 compared to €220 million in the first half of 2008 restated at the balance sheet rate at 30 June 2009 of £1=€1.174 (€229 million at the balance sheet rate at 30 June 2008). Cash from revenues excluding insurance indemnities decreased compared to 2008 in the same proportion and for the same reasons as described in the analysis on the income statement above, and cash spent on operating expenses increased mainly as a result of the €20 million increase in insurance premiums paid in the first half of the year. During the first half of 2009, a total of €36 million of insurance indemnities was received relating to operating losses following the fire in September 2008.

Net cash outflows from investing activities included the receipt of an indemnity of €10 million relating to the rolling stock destroyed in the fire, and €21 million of capital expenditure (in particular on the renovation and upgrade of the power of locomotives).

During the first half of 2009, the **net cash outflow from financing activities** which amounted to €129 million included:

- interest paid of €102 million on the Term Loan (the effect of the indexation of the nominal gives rise to cash payments only on repayment of the nominal);
- payments of €30 million relating to the partial buy back of NRS, and
- interest received of €2 million.

During the first half of 2008, cash inflows from financing activities of €694 million is largely explained by the two financial operations (see “Net cost of financing and debt service” above), interest received of €10 million and interest paid of €106 million on the Term Loan.

OUTLOOK

The main risks and uncertainties by which the Eurotunnel Group may be confronted in the remaining six months of the year have not evolved significantly compared to those identified in chapter 4 “Risk factors” of the 2008 Reference document registered with the *Autorité des marchés financiers* (the French financial markets authority) on 16 April 2009, with the exception of:

- The Eurotunnel Group continues to be affected by the consequences of the fire in September 2008, in particular as regards road haulage customers whose return since the re-opening of interval 6 is very gradual, mainly owing to the annual commitments which they may have made with the ferry operators. After the fire in 1996, the return to previous levels of truck traffic took over a year, but in an economic climate that was significantly more favourable.
- Nevertheless, the Eurotunnel Group is insured against operating losses and material damage up to €900 million, and consequently the financial impact of the fire in September 2008 on the Eurotunnel Group’s results should be limited to the €10 million insurance excess for the period 2008-2010, provided there is no difference of opinion with the insurance companies over the level of operating losses.
- Following the claim issued by the railways to the Eurotunnel Group’s operating loss insurers for compensation for their own operating losses resulting from the fire in September 2008 (see note 1.6 of the notes to the half-year summary

consolidated accounts), compensation reimbursements expected by the Eurotunnel Group during the second half of 2009 may be delayed. The Eurotunnel Group has taken the necessary steps in order to limit the consequences of this situation for the cash flow.

- The Eurotunnel Group's activity is, as are all other businesses, inevitably affected by the economic environment of all European countries, and which by its nature has an immediate effect on cross-Channel transport activity, especially truck traffic.

In this unfavourable environment, the Eurotunnel Group continues to apply its commercial development strategy, and to control its costs.

IMPORTANT EVENTS

Fire in September 2008

The closure until 9 February 2009 of the section of the Tunnel damaged by the fire on 11 September 2008 limited activity in the first half of 2009, for which period revenue was significantly below 2008.

The Eurotunnel Group is insured against operating losses and damage to material resulting from this fire up to €900 million. The financial impact of the indemnities relating to the fire in the 2009 consolidated half-year income statement is as follows:

- As provided for by the insurance contracts, indemnities for operating losses have given rise to the receipt of advances from insurers. The Group has accounted in other income for all advances received by 30 June 2009 totalling €36 million.
- The cost of repairs resulting from the fire has been offset by insurance indemnities for a corresponding amount, and therefore has no effect on the income statement.
- The indemnity relating to the destroyed rolling stock is made on the basis of a contractually agreed value. At 31 December 2008, 17 wagons had been declared beyond repair by all experts, for which the Eurotunnel Group accounted for a debt of €16 million, of which €10 million was received during the first half of 2009. Examinations by experts continue on other parts of the shuttle that was involved in the fire in order to determine whether or not they are repairable and to fix definitively the amount of the indemnity.

Operating losses are insured for 24 months from the date of the fire, i.e. up to September 2010.

Simplified public exchange offer on the 2007 Warrants

The simplified exchange offer on the 2007 Warrants launched by the Eurotunnel Group on 25 June 2009 had no significant impact on the consolidated accounts at 30 June 2009.

Merger of TNU SA into GET SA

The shareholders' general meetings of TNU SA and GET SA on 28 April 2009 and 6 May 2009 respectively adopted the resolutions concerning the simplification of the legal structure of the Group, the main feature of which were the disposal by TNU PLC of The Channel Tunnel Group limited ("***CTG***") to TNU SA, the disposal of Eurotunnel Group UK PLC's interest in TNU SA and TNU PLC to GET SA, and the merger of TNU SA into GET SA.

The merger of TNU SA into GET SA led to the issue of 178,730 new GET SA ordinary shares in consideration for the merger.

Partial cash buy back of NRS I

During the first half of 2009, the Eurotunnel Group purchased 334,507 NRS I for a total amount of €30 million.

Litigation

Dresdner Bank and the Eurotunnel Group decided to put an end to the various pending Court proceedings started by Dresdner Bank in Paris relating to the adoption and implementation of Eurotunnel's safeguard plan. Accordingly, Dresdner Bank has formally and irrevocably withdrawn and abandoned all pending claims and waived all rights of action in respect of such proceedings. The Eurotunnel Group and the representatives appointed by the Court under the safeguard proceedings have unconditionally accepted such withdrawal.

The judgments of 2 August 2006, by which the Paris Commercial Court opened safeguard proceedings in favour of TNU PLC, Eurotunnel Services Limited, EurotunnelPlus Limited, Eurotunnel Finance Limited and CTG, were subject to third-party opposition by certain Elliot companies. These third-party oppositions were rejected by five judgments of the Paris Commercial Court dated 15 January 2007. The appeal lodged by the Elliot companies in relation to this first series of decisions was rejected by five orders of the Paris Court of Appeal (*Cour d'appel de Paris*) delivered on 29 November 2007 (see paragraph 20.7.1 of the 2008 Reference Document). On 30 June 2009, the Supreme Court of Appeal (*Cour de cassation*) quashed the five orders of the Paris Court of Appeal in so far as they related to the admissibility of this appeal and referred the matter back to the Paris Court of Appeal on the substance of the claim. This procedure is not considered likely to challenge the validity of the safeguard plan, and Eurotunnel remains confident of a favourable outcome.

Eurostar and the insurers

Eurotunnel is covered by an insurance policy covering material damage and operating losses which is composed of two layers, the primary layer covering the first €200 million which is placed on the French insurance market, the second layer is placed on the London market for €700 million.

At the time of the preparation of the interim accounts, the Eurotunnel Group has received payments from the first layer of insurance amounting to €51 million for Tunnel repairs, €10 million for rolling stock, and €80 million for operating losses, making a total of €141 million.

The railways (BRB and SNCF), users of the Channel Tunnel infrastructure, benefit from the Eurotunnel Group's insurance for material damage to the Tunnel. As mentioned in paragraph 6.4.1 of the 2008 Reference Document, the Eurotunnel Group's insurers have received a claim for compensation relating to the fire on 11 September 2008 from the railways and relating to their own operating losses. The railways consider that the Eurotunnel Group's insurers should also compensate them for their operating losses following the fire.

As a result, Eurostar UK Limited ("EUKL", on behalf of BRB) and SNCF have commenced proceedings against the insurers and have obtained ex parte and in summary proceedings (not contested and in the absence of the other parties) an order from the Paris Tribunal de Grande Instance dated 13 May 2009:

- against the first-layer insurers;
- ordering them to "reserve in their accounts – out of the sum of €200 million corresponding to the total amount guaranteed under the policy – the sum of €48 million for the companies SNCF and EUKL" until such time as a ruling can be made on the substance (on their right to claim under the policy). This sum corresponds to the unilateral estimation made by the railways of their operating losses.

This order was notified to the insurers on the 20 May 2009.

These proceedings between EUKL/SNCF and the insurance companies do not in any way implicate the Eurotunnel Group who is not a party to the procedure.

These actions, by their very nature, do not call into question the principle of compensation for operating losses and damage resulting from the incident (up to a maximum of €900 million), but may delay the expected reimbursements. In order to avoid such delays, the Eurotunnel Group has taken the necessary legal steps.