

PRESS RELEASE



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Groupe Eurotunnel launches the refinancing of its floating rate debt

As part of its ongoing strategy to optimise the structure of its debt and with a view to reducing the cost of its debt service, Groupe Eurotunnel today launched the refinancing of its floating rate debt¹.

This operation will refinance the current Tranche C debt by three tranches of fixed rate debt with expected maturities of 5 and 10 years (for €953 million in aggregate) and of 12 years (for £350 million), which will revert to floating until their final maturity in 2050. It will also require the partial unwind of the interest rate swaps put in place in 2007, the cost of which will be funded by new 33-year fixed rate debt in sterling and euros. The amount of the consolidated new tranche C debt is expected to be close to €2 billion.

The Group expects that this operation will result in a very significant reduction in the average cost of its debt for at least the next five years, the tranche C having an effective interest rate of 8.39%.

The Group's debt is exceptionally well adapted to the unique nature of the Fixed Linked: it benefits from a long maturity (2050) consistent with the duration of the Concession (2086); it is denominated both in euros and in pounds to match the Group's revenue profile, with moderate repayments spread over time (33 years).

Jacques Gounon, President and CEO of Groupe Eurotunnel SE, said: "*Groupe Eurotunnel's performance today gives investors long-term visibility on its results and its business model. This refinancing operation, launched whilst credit markets are strong, is expected to result in a significant reduction in the Group's financing costs.*"

Final pricing is expected to take place within two weeks.

¹ The issuer of this new debt is Channel Link Enterprises Finance plc (CLEF). The proceeds of any issuance of these notes will ultimately be used by Eurotunnel to refinance the existing sterling and euro tranches of floating rate debt, pay related hedge break costs and associated transaction cost. The tranche C of floating rate debt being refinanced corresponds to the A3 and A4 floating rate notes issued by CLEF.

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