



# Half-Year Results

25 JULY 2018



# SUMMARY

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# KEY MESSAGES

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# H1 2018: NEW RECORDS



Eurotunnel Traffic  
Cars **+2%** to 1.2 M  
Trucks **+3%** to 845k  
Eurostar pax **+3%** to 5.2M



Revenues **+4%\***  
to **€510M**



EBITDA **+5%\***  
to **€250M**

# BREXIT: EUROTUNNEL'S LEGAL FRAMEWORK

## 1986 Treaty of Canterbury

Bilateral treaty\* between France & UK

"The frontier controls shall be organised in a way which will reconcile, as far as possible, **the rapid flow of traffic** with the efficiency of the controls [...] in an area in the territory of the other State **where controls are juxtaposed.**"

\* Her Majesty Queen Elizabeth II, President François Mitterrand

## 2018 The Vital Link

€138Bn of goods transported each year:  
**26% of UK-EU trade**

Exceptional **value-added**  
(fresh products, pharma, IT, Just-In-Time)

An **ultra modern transport system** that has **changed the face of UK-EU trade** (time is money)

**Long-term aspirations from consumers** (e-commerce...)

Eurotunnel is **closely involved** in practical preparations: 500+ site visits and meetings with EU & British politicians & officials since 2016 providing us with key insights





## KEY FIGURES IN H1 2018

## A STRONG PERFORMANCE



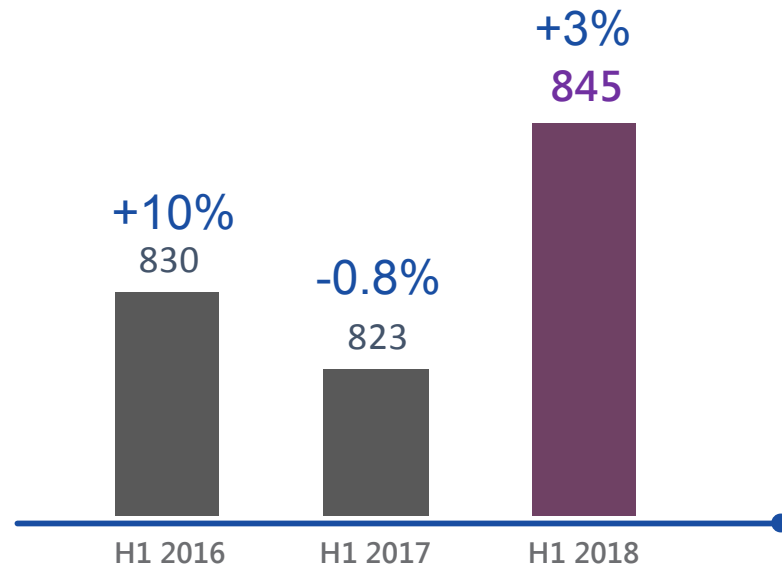
Yield increase  
in real terms

Records  
Eurostar traffic

Record  
EBITDA

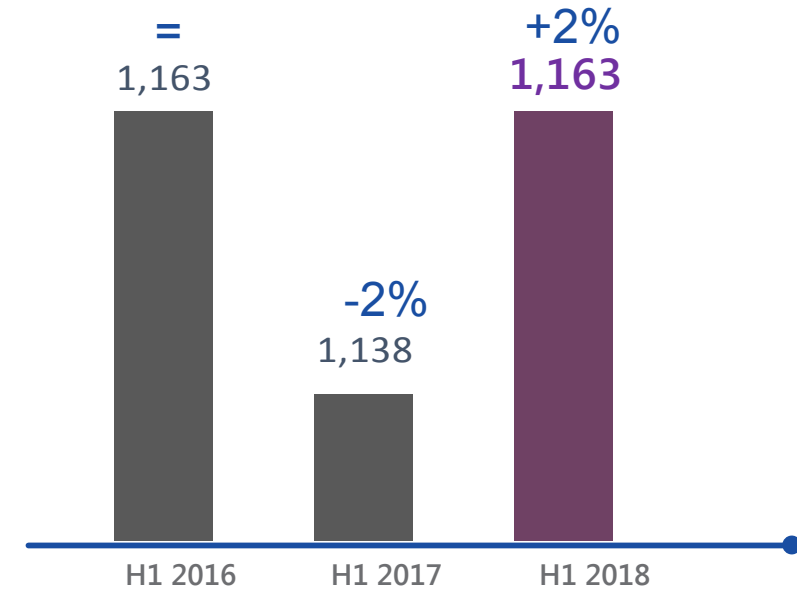
## **STRONG COMPETITIVE POSITION MAINTAINED**

### TRUCK VOLUMES\*



**845,132 trucks transported** (+3%),  
all-time record for a 1<sup>st</sup> half of the year  
Eurotunnel market **share up at 40.9%**  
(compared to 39.2% in H1 2017)

### CAR VOLUMES\*

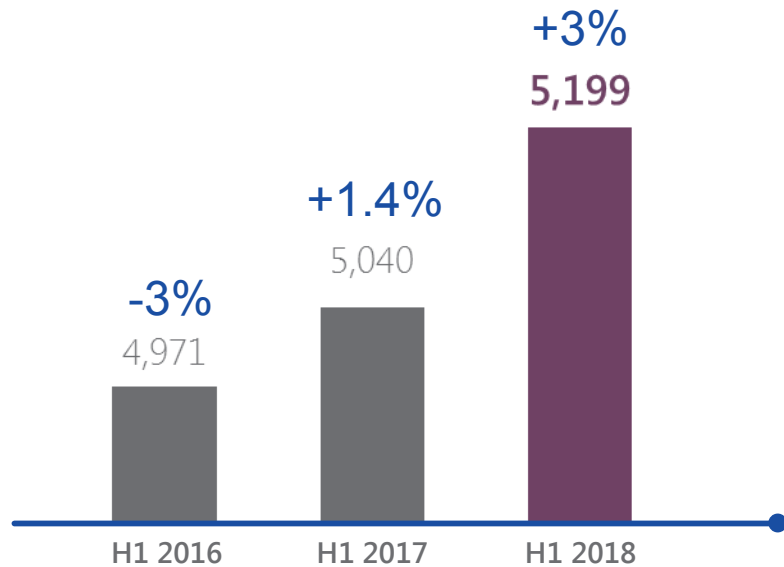


**1,163,054 cars transported** (+2.2%)  
Eurotunnel market share almost stable at 58%



## GROWTH IN VOLUMES DESPITE ADVERSE EFFECTS

### EUROSTAR PASSENGERS\*

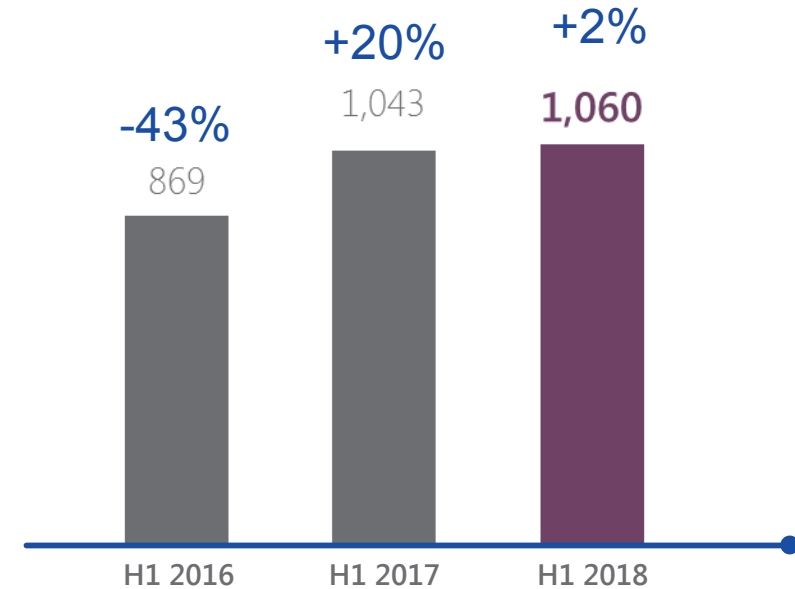


All-time traffic records for a **1<sup>st</sup> half of the year** (+3%)  
and **month of June** (+7%)

Excellent performance **despite the impact**  
**of the SNCF strikes** in Q2 2018

Opening of the **London-Amsterdam direct service** on 4<sup>th</sup> April

### NUMBER OF FREIGHT TRAINS



**Traffic up 2%** and **tonnage up 12%** in H1 2018

Strong underlying traffic  
**impacted by the SNCF strikes** in Q2 2018

Potential for development with the start of **new cross-Channel**  
**rail freight traffic** (Silk Road connection)

# RECORD REVENUE AND EBITDA

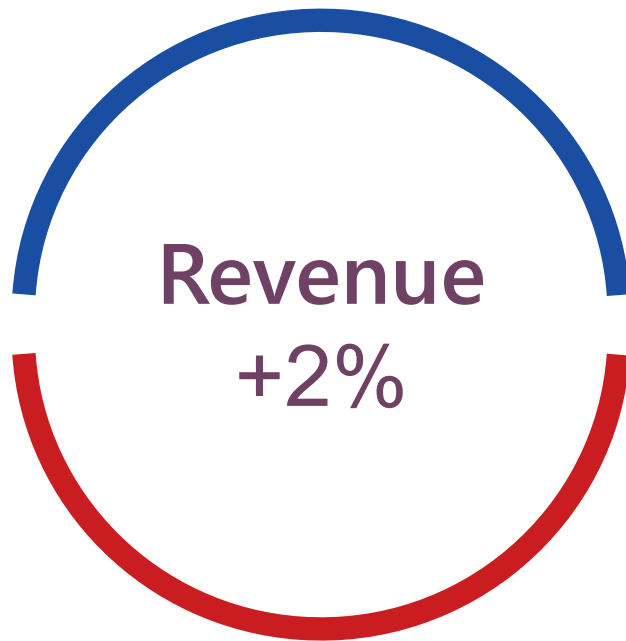
+5% growth in Shuttle Services revenue, thanks to an increase in traffic and yield for Passenger and Truck Shuttles

Impact of increase in UK and FR local taxes and **electricity costs** (c.€6M in total) partly offset by **energy saving credits from EDF** (c.€4M)

€M	H1 2018	Change	H1 2017*
Revenue	450	+4%	433
Shuttle Services	296	+5%	282
Railway Network	147	+2%	144
Other	7	=	7
Operating costs	-203	+4%	-196
EBITDA	247	+4%	237

+6% EBITDA adjusted for c.€3M negative impact of strikes on Railway Network revenue

## GROWTH IN PROFITABILITY DESPITE SNCF STRIKES



## GROWTH IN PROFITABILITY DESPITE SNCF STRIKES

New contracts and renewal  
of existing contracts

Increased activity  
in petrochemicals sector

€M	H1 2018	Change	H1 2017
Revenue	60	+2%	59
Operating costs	-56	=	-56
EBITDA	4	+€1M	3

Impact of the SNCF strikes on EBITDA estimated at -€1.6M

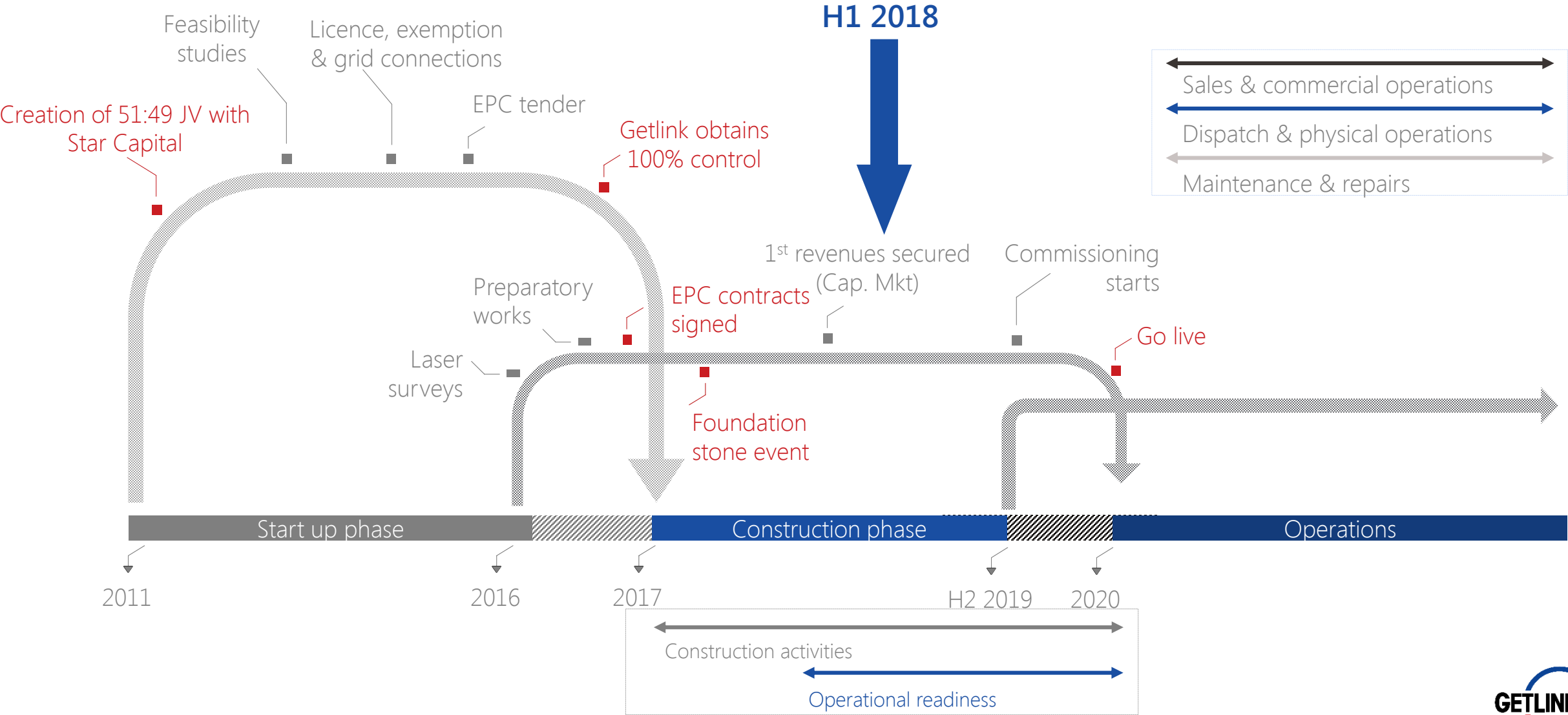


## A STRATEGIC INVESTMENT FOR GETLINK



1,000 MW electricity capacity, equivalent to the consumption of **c.2 million households**

# OUR JOURNEY SO FAR



ELECLINK

## CONSTRUCTION: ON TIME + ON BUDGET

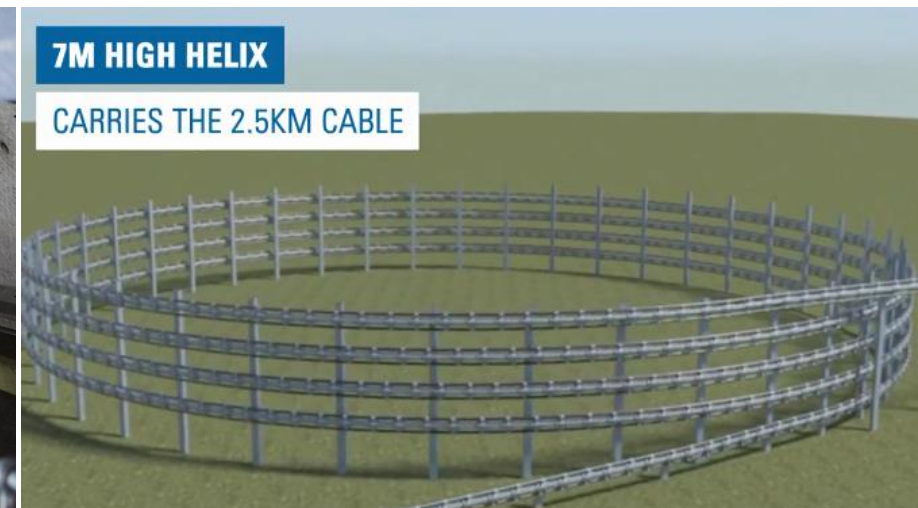
Converter station in France



Installation of HEX beams  
in the North railway tunnel



Helix for cable pulling



INVESTMENT: **€116M** in H1 2018 and **€355M** to date

Cable installation waiting for **IGC** final authorisation





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# H1 2018 FINANCIAL RESULTS



# H1 2018 INCOME STATEMENT

In €M	H1 2018	H1 2017*	Δ%
Revenue	510	492	+4%
Operating costs	(260)	(253)	-3%
EBITDA	250	239	+5%
EBIT	170	157	+8%
Net finance costs	(135)	(132)	-2%
Net profit from continuing activities	39	29	+34%
Net consolidated profit	39	34	+15%

c.€4.5M impact of SNCF strikes on Revenue, EBITDA, EBIT and net result

# GETLINK: CONFIDENCE IN FUTURE GROWTH

## FINANCIAL OBJECTIVES FOR 2018

EBITDA\*  
€545M

DIVIDEND  
€0.35

## 2022 HORIZON + ELECLINK

EBITDA\*  
>€735M

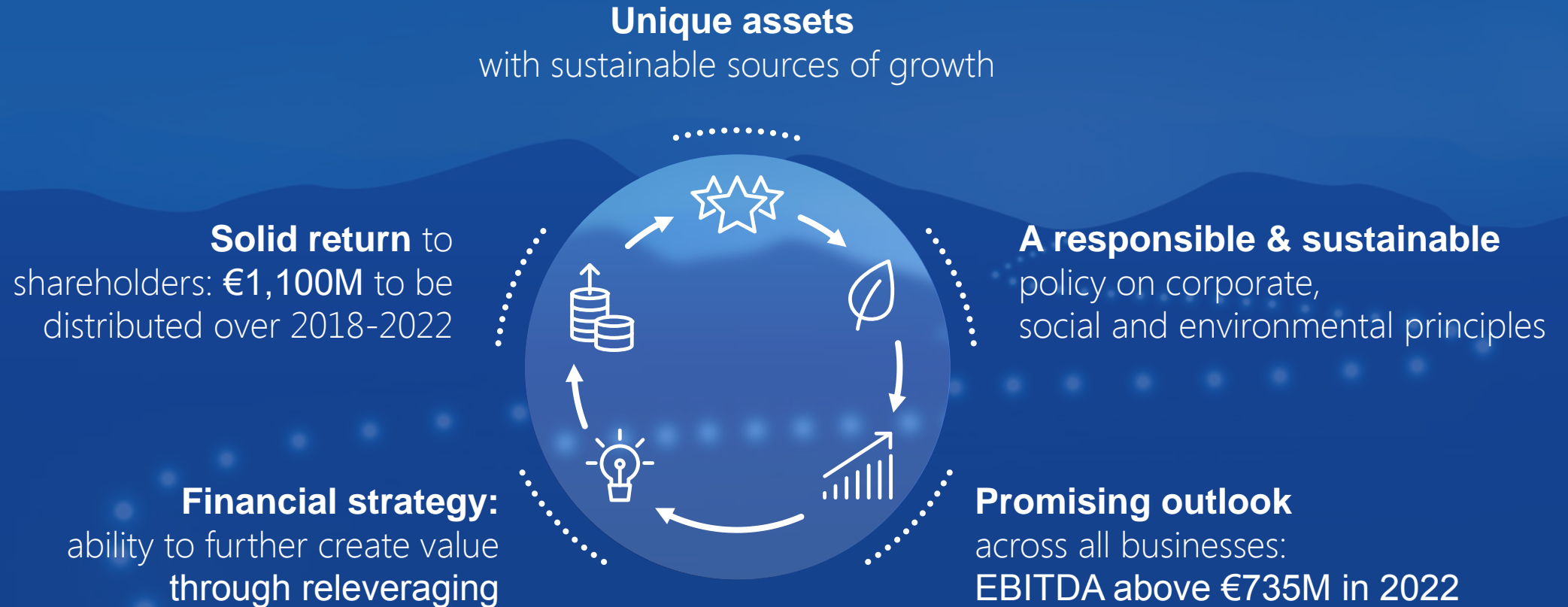
DIVIDEND  
+€0.05  
per year

# BREXIT

Given Eurotunnel's unique position,  
our **key Government insights**,  
and our **track record** in managing  
**operational and technological transition**,

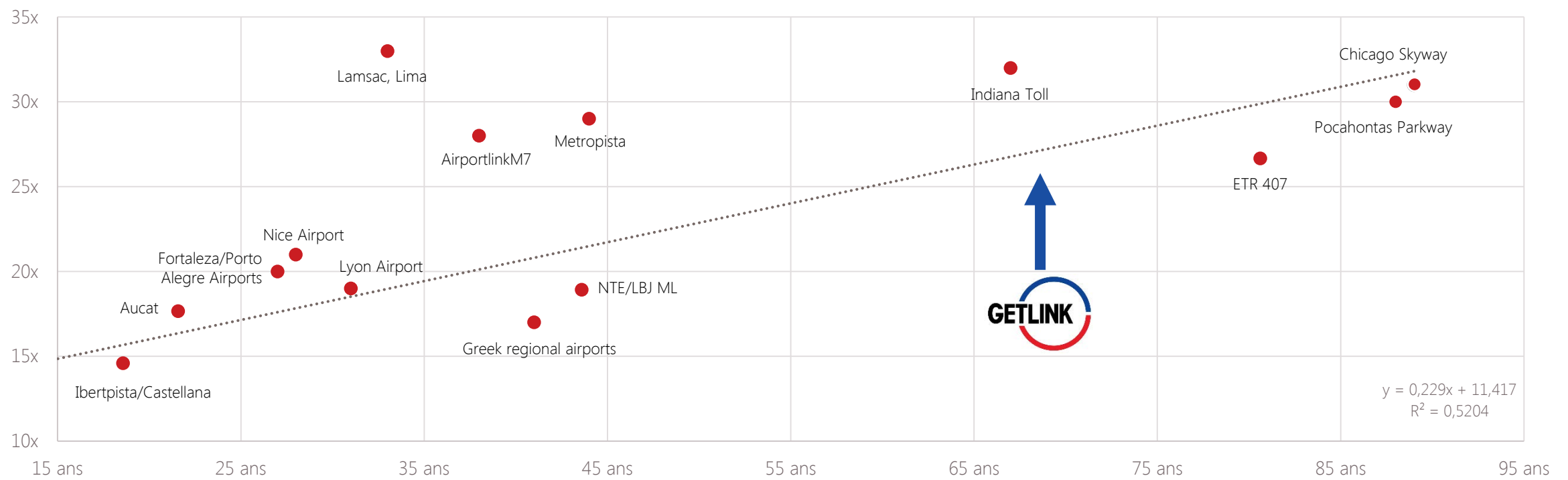
we strongly believe that **the Group will strengthen  
its competitive position** after the Brexit

# INVESTOR DAY: VALUE CREATION AND SHAREHOLDER RETURN





# HIGH CORRELATION BETWEEN EV/EBITDA MULTIPLE AND LENGTH OF CONCESSION



Based on M&A transaction and sell-side analysts SOTP, Getlink is significantly undervalued

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