PRESS RELEASE

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Half-Year Results 2018
Strong growth in net profit

- **Revenues: a further increase to €510 million (+4%)**[1]
- **EBITDA increased to €250 million (+5%)**
- **Net profit up strongly to €39 million (+15%)**

➢ Eurotunnel:

- Revenues increased to €450 million (+4%)
- Increase in EBITDA of 4% to €247 million

➢ Europorte:

- Revenues increased to €60 million (+2%)
- Significant increase in EBITDA to €4 million

Jacques Gounon, Chairman and Chief Executive Officer of Getlink stated: *"For the first six months of 2018, Getlink has published growth in its revenues and EBITDA for the 9th consecutive first-half. We confirm our outlook for 2022 and our shareholder remuneration policy"*.

[1] *All comparisons with the income statement for the first half of 2017 are made at the average exchange rate for the first half of 2018 of £1=€1.136.*

Key events in the half year

➢ Group

- The arrival of Atlantia as an investor in the Group
- At its Investor Day on 19 June, the Group confirmed its financial objectives and dividend policy
- Payment of €160 million in dividends for the 2017 financial year
- Negative impact of the SNCF strikes on EBITDA estimated at €4.5 million

➢ Eurotunnel

- Strength of Le Shuttle and Le Shuttle Freight
- Opening of the Folkestone Flexiplus lounge
- Increase in truck market share (+1.7 points) to 40.9% and relative stability in the car market at 57.6%
- Eurostar traffic growth up to 5.2 million passengers (+3%), aided by the opening of the London-Amsterdam service on 4 April 2018 and a record month in June with 1.016 million passengers (+6.6%), the second biggest month in their history, despite the impact of strikes during the second quarter
- Underlying growth of +20% for cross-Channel rail freight trains, which were strongly affected by the SNCF strikes

➢ Europorte

- Increase in revenues (+2%) due to winning new contracts
- Negative impact of SNCF strikes on Europorte EBITDA, estimated at €1.6 million
- Significant increase in EBITDA to €4 million, in line with the strategic plan

➢ ElecLink

- On-time and on-budget
- €355 million investment to date since taking control in 2016

Operating profit continues to improve

The consolidated revenues for the Group in the first six months of 2018 reached €510 million, an increase of €18 million, or +4% compared to the first half of 2017.

The Group's operating costs have increased by €7 million for the six months. For the Fixed Link, charges increased by +4% to €203 million.

The consolidated figures for the first six months show an increase of €11 million in EBITDA to €250 million.

For the Fixed Link, this is the 9th consecutive first-half of the year when EBITDA has increased, +4% to €247 million.

We should remember that revenues and operating profit remain characterised by the strong seasonality across the year and that these first-half results cannot be extrapolated across the full year.

Net finance costs increased slightly (+€3 million) in the first six months of 2018, an increase due to the impact of the increase in British and French inflation on the cost of the indexed tranches of the debt.

In the first half of 2018, the Group's net consolidated result was a profit of €39 million, an increase of +15%.

The Free Cash Flow for the Group's continuing activities has increased by +€2 million to €108 million in the first six months of 2018, compared to €106 million in the first half of 2017.

OUTLOOK

Looking towards 2022, the Group remains confident in its capacity to generate sustainable growth and continues to expect growth in its EBITDA. The Group reconfirms its outlook for the medium term:

2018 Objectives:

- EBITDA: €545 million at an exchange rate of £1=€1.14
- Dividend 2018: €0.35 per share

Outlook for 2022:

- EBITDA: above €735 million (at least +38%)
- Free Cash Flow: c.€400 million (approx. +70%)
- Annual increase in dividend: +€0.05 per share

GROUP REVENUES

First half (January to June)

€ million Exchange rate €/£	1st half 2018* 1.136	1st half 2017** 1.136	Change	1st half 2017 1.161
Shuttle Services	296	282	+5%	285
Railway Network	147	144	+2%	146
Other revenues	7	7	0%	7
Sub-total Fixed Link	**450**	**433**	**+4%**	**438**
Europorte	60	59	+2%	59
Revenues	**510**	**492**	**+4%**	**497**

* *Average exchange rate for the first half of 2018: 1£ = €1.136.*

** *Recalculated at the exchange average rate of the first half of 2018.*

Second quarter (April to June)

€ million	2nd quarter 2018	2nd quarter 2017	Change	2nd quarter 2017
Shuttle Services	157.5	152.6	+3%	153.9
Railway Network	77.5	76.3	+2%	77.0
Other revenues	3.9	4.1	-5%	4.0
Sub-total Fixed Link	**238.9**	**233.0**	**+3%**	**234.9**
Europorte	30.1	30.3	-1%	30.3
Revenues	**269.0**	**263.3**	**+2%**	**265.2**

First quarter (January to March)

€ million Exchange rate €/£	1st quarter 2018* 1.137	1st quarter 2017** 1.137	Change	1st quarter 2017 1.168
Shuttle Services	138.3	129.4	+7%	130.8
Railway Network	70.1	68.1	+3%	68.9
Other revenues	3.3	3.1	+5%	3.2
Sub-total Fixed Link	**211.7**	**200.6**	**+6%**	**202.9**
Europorte	29.7	28.9	+3%	28.9
Revenues	**241.4**	**229.5**	**+5%**	**231.8**

* *Average exchange rate for the first quarter 2018: 1£ = €1.137.*

** *Recalculated at the exchange average rate of the first quarter of 2018.*

FIXED LINK TRAFFIC

First half (January to June)

		1st half-year 2018	1st half-year 2017	Change
Truck Shuttles		845,132	823,147	+3%
Passenger Shuttles	Cars*	1,163,054	1,138,087	+2%
	Coaches	27,274	27,714	-2%
High-speed passenger trains (Eurostar)**	Passengers	5,198,821	5,040,425	+3%
Rail Freight***	Tonnes	670,853	601,237	+12%
	Trains	1,060	1,043	+2%

Second quarter (April to June)

		2nd quarter 2018	2nd quarter 2017	Change
Truck Shuttles		421,281	413,291	+2%
Passenger Shuttles	Cars*	675,851	671,525	+1%
	Coaches	16,462	16,548	-1%
High-speed passenger trains (Eurostar)**	Passengers	2,819,078	2,769,754	+2%
Rail Freight***	Tonnes	298,692	292,512	+2%
	Trains	484	500	-3%

First quarter (January to March)

		1st quarter 2018	1st quarter 2017	Change
Truck Shuttles		423,851	409,856	+3%
Passenger Shuttles	Cars*	487,203	466,562	+4%
	Coaches	10,812	11,166	-3%
High-speed passenger trains (Eurostar)**	Passengers	2,379,743	2,270,671	+5%
Rail Freight***	Tonnes	372,161	308,725	+21%
	Trains	576	543	+6%

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

*** Only passengers using Eurostar to cross the Channel are included in this table, thus excluding those who travel between Continental stations (such as Brussels-Calais, Brussels-Lille, Brussels-Amsterdam).*

**** Rail freight services by train operators (DB Cargo on behalf of BRB, SNCF and its subsidiaries, GB Railfreight, Rail Operations Group, RailAdventure and Europorte) using the Tunnel.*

www.getlinkgroup.com

GETLINK SE

HALF-YEAR FINANCIAL REPORT FOR THE SIX MONTHS TO 30 JUNE 2018*

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* *English translation of Getlink SE's "rapport financier semestriel" for information purposes only.*

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HALF-YEAR ACTIVITY REPORT AT 30 JUNE 2018

ANALYSIS OF CONSOLIDATED INCOME STATEMENT

To enable a better comparison between the two periods, the consolidated income statement for the first half of 2017 presented in this half-year activity report has been recalculated at the exchange rate used for the 2018 half-year income statement of £1=€1.136.

In the first half of 2018, the Group's consolidated revenues amounted to €510 million, an increase of €18 million (4%) compared to 2017. Operating costs totalled €260 million, an increase of €7 million (3%) compared to 2017. EBITDA improved by €11 million (5%) to €250 million and the trading profit improved by €10 million to €173 million. At €170 million, the operating profit for the first six months of 2018 was up by €13 million compared to 2017. Net finance costs increased by €3 million mainly as a result of the impact of higher British and French inflation rates on the index-linked tranches of the debt. The pre-tax result for the Group's continuing operations for the first half of 2018 was a profit of €36 million, an increase of €1 million compared to 2017 restated.

After taking into account a net tax income of €3 million, the net result for the continuing activities of the Group was a profit of €39 million compared to a profit of €29 million in 2017. The Group's net consolidated result for the first six months of 2018 was a profit of €39 million compared to a profit of €34 million in 2017.

€ million Improvement/(deterioration) of result	1st half 2018	1st half 2017 * restated	Variance €M	 %	1st half 2017 published
Exchange rate €/£	1.136	1.136			1.161
Fixed Link	450	433	17	+4%	438
Europorte	60	59	1	+2%	59
Revenue	**510**	**492**	**18**	**+4%**	**497**
Fixed Link	(203)	(196)	(7)	-4%	(198)
Europorte	(56)	(56)	–	–	(56)
ElecLink	(1)	(1)	–	–	(1)
Operating costs	**(260)**	**(253)**	**(7)**	**-3%**	**(255)**
Operating margin (EBITDA)	**250**	**239**	**11**	**+5%**	**242**
Depreciation	(77)	(76)	(1)	-1%	(76)
Trading profit	**173**	**163**	**10**	**+6%**	**166**
Other net operating charges	(3)	(6)	3		(6)
Operating profit (EBIT)	**170**	**157**	**13**	**+8%**	**160**
Net finance costs	(135)	(132)	(3)	-2%	(134)
Net other financial income	1	10	(9)		10
Pre-tax profit from continuing operations	**36**	**35**	**1**	**+3%**	**36**
Income tax income/(expense)	3	(6)	9		(6)
Net profit from continuing operations	**39**	**29**	**10**	**+34%**	**30**
Net profit from discontinued operations**	–	5	(5)		5
Net consolidated profit for the period	**39**	**34**	**5**	**+15%**	**35**

* *Restated at the rate of exchange used for the 2018 half-year income statement (£1=€1.136).*

** *The Group has applied IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" to its maritime segment since the cessation of MyFerryLink's operations in the second half of 2015 and to GB Railfreight's activity since its sale in November 2016. Accordingly, the net results of these activities for the current and previous financial periods are presented as a single line in the income statement called "Net profit from discontinued operations".*

The evolution of the pre-tax result from continuing operations by segment compared to 2017 is presented below:

€ million	Fixed Link	Europorte	ElecLink	Total continuing activities
Pre-tax result from continuing activities for the 1st half of 2017*	**37**	**-**	**(2)**	**35**
Improvement/(deterioration) of result:				
Revenue	+17	+1	-	+18
Operating expenses	-7	-	-	-7
EBITDA	**+10**	**+1**	**-**	**+11**
Depreciation	-1	-	-	-1
Trading result	**+9**	**+1**	**-**	**+10**
Other net operating income/charges	+3	-	-	+3
Operating result (EBIT)	**+12**	**+1**	**-**	**+13**
Net financial costs and other	-12	-	-	-12
Total changes	**-**	**+1**	**-**	**+1**
Pre-tax result from continuing operations for the 1st half of 2018	**37**	**1**	**(2)**	**36**

* *Restated at the rate of exchange used for the 2018 half-year income statement (£1=€1.136).*

1 FIXED LINK SEGMENT

The Group's core business is the Channel Tunnel Fixed Link Concession which operates and directly markets its Shuttle Services and also provides access, on payment of a toll, for the circulation of High-Speed Passenger Trains (Eurostar) and the Train Operators' Rail Freight Trains through its Railway Network. As stated in note D.1 to the half-year consolidated financial statements at 30 June 2018, as the corporate reorganisation as described in note A.1 to the consolidated half-year financial statements at 30 June 2018 has only recently been put in place, the separation between the Eurotunnel and Getlink segments has not been presented in this half-year financial report. Therefore the Group's corporate services are included in the Fixed Link segment as previously.

€ million Improvement/(deterioration) of result	1st half 2018	1st half *2017	Variation M€	Variation %
Exchange rate €/£	1.136	1.136		
Shuttle Services	296	282	14	+5%
Railway Network	147	144	3	+2%
Other revenue	7	7	–	–
Revenue	**450**	**433**	**17**	**+4%**
External operating costs	(112)	(107)	(5)	-5%
Employee benefits expense	(91)	(89)	(2)	-2%
Operating costs	**(203)**	**(196)**	**(7)**	**-4%**
Operating margin (EBITDA)	**247**	**237**	**10**	**+4%**
EBITDA/revenue	*55%*	*55%*	*0 pts*	

* *Restated at the rate of exchange used for the 2018 half-year income statement (£1=€1.136).*

1.1 FIXED LINK CONCESSION REVENUE

Revenue generated by this segment, which in the first six months of 2018 represented 88% of the Group's total revenue, reached €450 million, up 4% compared to 2017.

1.1.1 Shuttle Services

Traffic (number of vehicles)	1st half 2018	1st half 2017	Change
Truck Shuttle	845,132	823,147	3%
Passenger Shuttle:			
Cars *	1,163,054	1,138,087	2%
Coaches	27,274	27,714	-2%

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

Shuttle Services' revenue for the first half of 2018 amounted to €296 million, up 5% compared to the previous year due to an increase in yields which continue to benefit from the Group's strategy of optimising the profitability of its Shuttle business through its dynamic pricing policy for both truck and passenger traffic.

Truck Shuttle

The Truck Shuttle service increased its share of the Short Straits cross-Channel truck market from 39.2% for the first half of 2017 to 40.9% for the first half of 2018. The number of vehicles carried increased by 2.7% to 845,132 trucks which represents a record for a first half of the year.

Passenger Shuttle

With growth traffic of 2.2% in the first half of 2018, the market share of the Passenger Shuttle's car activity remained relatively stable at 57.6%.

The Passenger Shuttle's coach market share for the first half of 2018 increased by one point compared to the previous year, to 41.0%.

1.1.2 Railway Network

Traffic	1st half 2018	1st half 2017	Change
High-Speed Passenger Trains (Eurostar)			
Passengers *	5,198,821	5,040,425	3%
Train Operators' Rail Freight Services **:			
Number of tonnes	670,853	601,237	12%
Number of trains	1,060	1,043	2%

* *Only passengers travelling through the Channel Tunnel are included in this table, excluding those who travel between continental stations (such as Brussels-Calais, Brussels-Lille, Brussels-Amsterdam, etc.).*

** *Rail freight services by train operators (DB Cargo for BRB, SNCF and its subsidiaries, GB Railfreight, Rail Operations Group, RailAdventure and Europorte) using the Tunnel.*

The Group earned revenues of €147 million in the first half of 2018 from the use of its Railway Network by Eurostar's High-Speed Passenger Trains and by the Train Operators' Rail Freight Services, up 2% compared to 2017. Revenues generated by both Eurostar and rail freight trains were impacted by the series of SNCF strikes in France during April, May and June 2018.

Despite being impacted by the SNCF strikes, the 5,198,821 Eurostar passengers that used the Tunnel in the first half of 2018 represented a record first-half, with June being the second best month ever. This growth of 3% compared to the previous year was across all destinations and was boosted by the start of direct services from London to Amsterdam on 4 April 2018.

In the first half of 2018, cross-Channel rail freight recorded a growth of 2% in the number of trains compared to the same period in 2017. After a first quarter with 6% growth and well set to continue like this with the launch of two new cross-Channel rail freight services to Italy and Germany and the new Silk Road service, the second quarter was affected by the SNCF strikes and fell by 3%.

The impact on Railway Network revenue of the SNCF strikes in the first half of 2018 is estimated at €2.9 million.

1.2 FIXED LINK OPERATING COSTS

Fixed Link's operating costs amounted to €203 millions for the first half of 2018, up 4% compared to 2017. This increase of €7 million was due mainly to increased activity and maintenance costs as well as to increased electricity costs and UK business rates, partially offset by the impact on the period of credits from EDF energy savings certificates in relation to operation of the new Truck Shuttles amounting to €4 million.

2 EUROPORTE SEGMENT

The Europorte segment covers the entire rail freight transport logistics chain in France and includes Europorte France and Socorail.

€ million Improvement/(deterioration) of result	1st half 2018	1st half 2017	Change €M
Revenue	60	59	1
External operating costs	(33)	(33)	–
Employee benefits expense	(23)	(23)	–
Operating costs	**(56)**	**(56)**	**–**
Operating margin (EBITDA)	**4**	**3**	**1**

Despite the SNCF strikes that had a significant impact on Europorte's activities during the second quarter of 2018, Europorte's revenues and EBITDA for the first half of 2018 increased by €1 million compared to 2017. The results for the period were driven by the contribution of new business and increased activity, particularly in the petrochemical sector and by the continued strategy to sustainably reinforce Europorte's profitability. The impact of the SNCF strikes on revenue and EBITDA is estimated at €1.6 million for the first half of 2018.

3 ELECLINK SEGMENT

ElecLink's activity is the construction and operation of a 1,000 MW electricity interconnector between the UK and France. Construction works began in 2016 and the interconnector is expected to be in commercial operation at the beginning of 2020.

Costs directly attributable to the project are capitalised. During the first half of 2018, works continued to advance in accordance with the schedule and investment in the project amounted to €116 million.

Operating costs for the first half of 2018 amounted to €1 million, at a similar level as in the first half of 2017.

4 OPERATING MARGIN (EBITDA)

EBITDA by business segment evolved as follows:

€ million	Fixed Link	Europorte	ElecLink	Total Group
EBITDA 1st half 2017 *	237	3	(1)	**239**
Improvement/(deterioration):				
Revenue	17	1	–	**18**
Operating costs	(7)	–	–	**(7)**
Total changes	**10**	**1**	**–**	**11**
EBITDA 1st half 2018	**247**	**4**	**(1)**	**250**

* *Restated at the rate of exchange used for the 2018 income statement (£1=€1.136).*

At €250 million in 2018, the Group's operating margin improved by €11 million compared to 2017 (+5%) as a result of an increase in revenue and control of costs. The series of SNCF strikes during the second quarter of 2018 impacted the EBITDA of both the Fixed Link and Europorte segments by an estimated €4.5 million.

5 OPERATING PROFIT (EBIT)

Depreciation charges increased by €1 million compared to the first half of 2017 to €77 million.

At €173 million in the first half of 2018, the trading profit improved by €10 million (+6%) compared to 2017.

After taking into account net other operating charges of €3 million (€6 million in 2017), the operating profit for the first six months of 2018 was up by €13 million (+8%) compared to 2017, to €170 million.

6 NET FINANCIAL CHARGES

At €135 million for the first half of 2018, net finance costs increased by €3 million compared to 2017 at a constant exchange rate. This increase was mainly as a result of the impact of the increase in inflation rates in the UK and France on the index-linked tranches of the debt and of the loan for the acquisition of the inflation-linked bonds partially offset by the capitalisation of interest on the financing of the ElecLink project.

Other net financial income of €1 million in the first half of 2018 include net exchange losses of €0.1 million (2017: net exchange gains of €8 million) and a net income of €1 million on the bonds held by the Group (2017: €3 million).

7 NET RESULT FROM CONTINUING OPERATIONS

The Group's pre-tax result for continuing operations for the first six months of 2018 was a profit of €36 million, up €1 million compared to 2017 at a constant exchange rate.

After taking into account a net tax income of €3 million, the Group's post-tax result for continuing operations for the first half of 2018 was a profit of €39 million compared to a profit of €29 million in 2017.

8 NET RESULT FROM DISCONTINUED ACTIVITIES

Information on discontinued activities is set out in note C.2 to the Group's half-year consolidated financial statements as at 30 June 2018.

9 NET CONSOLIDATED RESULT

The net consolidated result for the Group for the first half of the 2018 financial year was a profit of €39 million compared to a profit of €34 million (restated at an equivalent exchange rate) for the same period in 2017.

ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ million	30 June 2018	31 December 2017
Exchange rate €/£	1.129	1.127
Fixed assets	6,554	6,493
Other non-current assets	559	229
Total non-current assets	**7,113**	**6,722**
Trade and other receivables	111	96
Other current assets	65	61
Cash and cash equivalents	274	613
Total current assets	**450**	**770**
Total assets	**7,563**	**7,492**
Total equity	1,914	2,051
Financial liabilities	4,568	4,346
Interest rate derivatives	719	716
Other liabilities	362	379
Total equity and liabilities	**7,563**	**7,492**

The table above summarises the Group's consolidated statement of financial position as at 30 June 2018 and 31 December 2017. The main elements and changes between the two dates, presented at the exchange rate for each period, are as follows:

- At 30 June 2018, "Fixed assets" include property, plant and equipment and intangible assets amounting to €5,964 million for the Fixed Link segment, €512 million for the ElecLink segment and €79 million for the Europorte segment. The increase between 31 December 2017 and 30 June 2018 results mainly from investments of €116 million in the ElecLink project.
- Other non-current assets at 30 June 2018 include the inflation-linked bonds acquired by the Group in February 2018 amounting to €336 million (see note A.2 to the half-year consolidated financial statements at 30 June 2018) and a deferred tax asset of €218 million.
- At 30 June 2018, "Cash and cash equivalents" amounted to €274 million after payment of the €160 million dividend, net capital expenditure of €111 million, €126 million in debt service costs (interest, repayments and fees) and net payments of €192 million in respect of the acquisition of the inflation-linked bonds (a total payment of €407 million for the purchase of the bonds financed in part by a loan of €214 million).
- Equity decreased by €137 million as a result of the €160 million dividend payment, the impact of the first-time application of IFRS 9 on the opening balance sheet at 1 January 2018 (€22 million) and the purchase of treasury shares (€13 million) partly offset by the recycling of the fair value of value on the hedging contracts (€18 million) and the net profit for the period (€39 million).
- Financial liabilities have increased by €222 million compared to 31 December 2017 as a result of the €214 million loan to finance the acquisition of the inflation-linked bonds in February 2018, an increase of €30 million arising from fees and the effect of inflation on the index-linked debt tranches of the Term Loan and €26 million for the impact of the first-time application of IFRS 9 on the accounting value of the debt at 1 January 2018. These increases have been partially offset by the contractual debt repayments of €39 million.
- The valuation of the fair value of the interest rate derivatives liability increased by €3 million.
- Other liabilities include €287 million of trade and other payables and provisions, as well as retirement liabilities of €75 million.

ANALYSIS OF CONSOLIDATED CASH FLOWS

Consolidated cash flows

€ million	1st half 2018	1st half 2017
Exchange rate €/£	1.129	1.137
Continuing activities:		
Net cash inflow from trading	271	261
Other operating cash flows and taxation	(9)	1
Net cash inflow from operating activities	**262**	**262**
Net cash outflow from investing activities	(111)	(168)
Net cash outflow from financing activities	(298)	(269)
Net cash (outflow)/inflow from financing operation	(192)	265
(Decrease)/increase in cash in the period from continuing activities	**(339)**	**90**
Discontinued activities *:		
Net cash outflow from sale of subsidiary	–	(2)
Net cash inflow from financing activities	–	120
Increase in cash in the period from discontinued activities	**–**	**118**
Total (decrease)/increase in cash in the period	**(339)**	**208**

* *Maritime segment and GB Railfreight Limited, see note C.2 to the consolidated accounts at 30 June 2018.*

Continuing activities

At €271 million, net cash generated from trading by continuing operations in the first half of 2018 improved by €10 million compared to the first half of 2017. This change is explained mainly by:

- an increase of €9 million to €271 million for the Fixed Link's activities (first half of 2017: €262 million),
- Europorte's trading cash flow remained stable at €1 million, and
- ElecLink's expenditure remained relatively stable at €1 million (first half of 2017: €2 million).

The €10 million reduction in "Other operating cash flows and taxation" is mainly due to a net increase in tax payments: net payments of €6 million in the first half of 2018 compared to net receipts of €3 million in the first half of 2017.

At €111 million in the first half of 2018 (down by €57 million compared to the first half of 2017), net cash payments from investing activities comprised mainly:

- a net amount of €31 million relating to the Fixed Link (first half of 2017: €27 million). The main expenditure was €11 million on infrastructure, €8 million on rolling stock, €4 million for new Flexiplus lounges (the Folkestone lounge opened 18 May 2018), €3 million to improve service to customers on the terminals and €2 million on computing and digital projects, and
- payments of €79 million for the construction works on the ElecLink project (€140 million in the first half of 2017).

On 9 February 2018, the Group completed the acquisition of inflation-linked bonds (see notes A.2 and G.1 to the notes to the half-year consolidated financial statements at 30 June 2018), which was financed in part by an external loan. This transaction generated a net cash outflow of €192 million.

Other net financing payments in the first half of 2018 amounted to €298 million compared to €269 million in the first half of 2017. During 2018, cash flow from financing comprised:

- debt service costs of €126 million:
  - €84 million of interest paid on the Term Loan and on other borrowings (€111 million in the first half of 2017, including the associated hedging transactions before their partial termination in June 2017); the decrease in interest paid results from the new financing conditions obtained from the debt restructuring in June 2017;
  - €39 million paid in respect of the scheduled repayments on the Term Loan and other borrowings (€17 million in the first half of 2017), including €31 million in respect of the first repayments of tranche A of the debt, and
  - €4 million in relation to fees on the operation to simplify the debt completed at the end of 2015 (€3 million in the first half of 2017).
- €15 million paid in respect of the share buyback programme (€4 million in the first half of 2017),
- €160 million paid in dividends (€139 million in the first half of 2017), and
- net receipts of €3 million from the liquidity contract and interest received (€7 million in the first half of 2017, including €3 million on the floating rate notes held by the Group until June 2017).

Free Cash Flow

The Group defines its Free Cash Flow as net cash flow from operating activities less net cash flow from investing activities (excluding the initial investment in new activities and the acquisition of shareholdings in subsidiary undertakings) and net cash flow from financing activities relating to debt service plus interest received (on cash and cash equivalents and other financial assets).

€ million	1st half 2018	1st half 2017
Exchange rate €/£	1.129	1.137
Net cash inflow from operating activities	262	262
Net cash outflow from investing activities	(31)	(28)
Debt service costs (interest paid, fees and repayments)	(126)	(134)
Interest received and other receipts	3	6
Free Cash Flow from continuing operations	**108**	**106**
Free Cash Flow from discontinuing operations	–	5
Free Cash Flow	*108*	*111*
Dividend paid	(160)	(139)
Purchase of treasury shares and net movement on liquidity contract	(16)	(2)
ElecLink: project expenditure	(79)	(140)
Refinancing operations	(192)	266
Sale of GB Railfreight Limited	–	(2)
Sale of ferries	–	114
Use of Free Cash Flow	**(447)**	**97**
(Decrease)/increase in cash in the period	**(339)**	**208**

At €108 million in the first half of 2018, Free Cash Flow for continuing activities has increased by €2 million compared to the same period in 2017 for the reasons set out above.

OTHER FINANCIAL INDICATORS

Financial covenants

Following the completion of the Group's corporate reorganisation during the first half of 2018 (see note A.1 to the consolidated financial statements at 30 June 2018), the debt service cover ratio is now based on the cash flows of the Eurotunnel Holding SAS sub-group of companies only, being defined as their net operating cash flow less capital expenditure and taxes compared to their debt service costs, calculated on a rolling 12 month basis. The synthetic debt service cover ratio is calculated on the same basis but using a hypothetical amortisation on the Term Loan.

The ratios for the 12 months ending 30 June 2018 were 2.53 and 2.53 respectively and hence the financial covenants for the period were respected.

Net debt to EBITDA ratio

The net debt to EBITDA ratio as defined by the Group in paragraph 2.1.4 of the 2017 Registration Document, is the ratio between consolidated EBITDA and financial liabilities less the value of the inflation-linked notes and cash and cash equivalents held by the Group. The Group does not consider it appropriate to publish this ratio when calculated on the basis of the activity of a six month period. At 31 December 2017, the ratio was 7.1.

EBITDA to finance cost ratio

The ratio of the Group's consolidated EBITDA to its finance costs (excluding interest received and indexation) as defined in paragraph 2.1.4 of the 2017 Registration Document is 2.2 at 30 June 2018 (30 June 2017 restated: 2.2).

OUTLOOK

The Group's results for the first half of 2018 reflect the orientations adopted within the framework of the strategic plan. They confirm the robustness of its business model focused on sustainable growth in its various business segments and on creating value for its shareholders.

The results of the Shuttle business, with traffic growth of between 2 and 3% and revenue increasing by 5%, reflect the strategy of optimising profitability through active management of prices, for both the truck and car activities.

This strategy, driven by an attractive commercial proposition based on quality of service and the digitalisation of processes, is intended to generate continuous growth in Tunnel traffic whilst optimising margins. The Group's investment policy serves this strategy and, such as with the opening of the new Flexiplus lounge on the Folkestone terminal during the first half of the year, the Group is continuing its targeted investments aimed at reinforcing service quality and modernising its infrastructure and equipment.

Despite the SNCF strike during the period, passenger high-speed train traffic travelling through the Tunnel continued the growth seen in 2017, and the launch in April 2018 of the new service between London and Amsterdam confirms the potential for growth of the rail transport market between the UK and the Continent over and above existing services and destinations.

The Group remains very confident in the solidity of its Fixed Link business and in its potential for growth. The Fixed Link continues to be, and will increasingly assert itself as, the principle choice for trade and movement of people between the UK and continental Europe.

The Group is closely following the negotiations on the exit of the United Kingdom from the European Union, which, with the recent publication of a white paper by the British Government, has entered an intense phase in the run-up to the effective date of 29 March 2019. Since 2016, the Group has been in constant contact with the French and British authorities and other stakeholders so as to be informed of potential changes to the framework for future cross-border controls and the definition of technological options to facilitate them. As a private company, manager of its own infrastructure and with 25 years of experience in the management of change, the Group remains confident in its ability – once the arrangements have been agreed between the parties – to deliver the solutions required to enable it to guarantee the fluidity of traffic through the Tunnel and to reinforce its position as a vital link in the European economic landscape. It is to be remembered that under the Treaty of Canterbury, the management of frontiers is the joint responsibility of the two States.

Europorte continues its strategy of prioritising the profitability of its operations and the quality of its services. Its performance in the first half of the year, achieved despite the SNCF strikes, reinforces the Group's objective of creating value in rail freight in France through managed growth and a high quality of service.

The ElecLink project is progressing normally and is in line with both budget and timetable except for a small shift in the deployment in the rail tunnel. The various studies and independent expert opinions requested by the IGC in order to give authorisation for the installation of the cable will be completed and delivered in the next few weeks. The objective of a start of operations at the beginning of 2020 remains valid.

Following the completion of its corporate reorganisation in April 2018, the Group continues to work on the optimisation of its financing structure in order to minimise, as market conditions allow, the cost of its debt and to support its strategy to develop its core businesses of infrastructure and transport activities. During the second half of 2018, the Group intends to refinance the EASL external bank loan of £190 million.

With confidence in its future and in light of its first half results, the Group confirms its financial objective as published in its 2017 Registration Document of a consolidated EBITDA of €545 million in 2018 (on the basis of an exchange rate of £1=€1.14 and the current scope of consolidation)*.

The start of ElecLink operations in 2020 will enable a significant step change in the Group's profitability. In total, in the current context, the Group believes it should exceed an EBITDA of €735 million (at £1=€1.14) in 2022*.

The Group confirms its intention to continue with its policy of a regular growth in dividend payments to shareholders with a target increase per share of €0.05 per year.

RISKS

The main risks and uncertainties that the Group may face in the remaining six months of the financial year are identified in the "Risks and Controls" chapter (chapter 3) of the 2017 Registration Document, which contains a detailed description of the risk factors to which the Group is exposed. However, other risks, not identified at the date of publication of this half-year report, may exist.

RELATED PARTIES

In the first half of 2018, the Group did not have any related parties transactions as defined by IAS 24.

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* *These objectives are based on data, assumptions and estimates that are considered to be reasonable. They take particular account of the consequences of the geopolitical context but are however liable to change or to be modified due to uncertainties related in particular to the economic, financial, competitive and regulatory environment. Furthermore, the materialisation of certain risks as described in chapter 3 "Risks and Controls" of the 2017 Registration Document could have an impact on the Group's activities and its capacity to achieve its objectives. The Group does not therefore make any commitments nor does it give any guarantee that the objectives will be met, and the forward looking information contained in this chapter cannot be used to make a forecast of results.*

SUMMARY HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

€'000	Note	1st half 2018	1st half 2017	Full year 2017
Revenue	D.1	510,373	496,993	1,032,978
Operating expenses	D.2	(145,128)	(141,119)	(278,184)
Employee benefits expense	E	(115,169)	(113,682)	(228,550)
Operating margin (EBITDA)	D.1	**250,076**	**242,192**	**526,244**
Depreciation	F	(77,353)	(76,448)	(152,590)
Trading profit		**172,723**	**165,744**	**373,654**
Other operating income	D.3	663	696	1,289
Other operating expenses	D.3	(2,966)	(6,205)	(10,241)
Operating profit		**170,420**	**160,235**	**364,702**
Finance income	G.2	859	565	1,808
Finance costs	G.2	(136,421)	(134,438)	(272,031)
Net finance costs		(135,562)	(133,873)	(270,223)
Other financial income	G.3	9,317	57,064	69,245
Other financial charges	G.3	(7,937)	(47,291)	(112,092)
Pre-tax profit from continuing operations		**36,238**	**36,135**	**51,632**
Income tax expense of continuing operations	I.1	2,961	(5,939)	56,534
Net profit from continuing operations		**39,199**	**30,196**	**108,166**
Net profit from discontinued operations	C.2	4	5,205	5,116
Net profit for the year		**39,203**	**35,401**	**113,282**
Net profit attributable to:				
Group share		39,203	35,460	112,932
Minority interest share		–	(59)	350
Earnings per share (€):	H.3			
Basic earnings per share: Group share		0.07	0.07	0.21
Diluted earnings per share: Group share		0.07	0.07	0.21
Basic earnings per share from continuing operations		0.07	0.06	0.20
Diluted earnings per share from continuing operations		0.07	0.06	0.20

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

€'000	Note	1st half 2018	1st half 2017	Full year 2017
Items that will never be reclassified to the income statement:				
Actuarial gains and losses on employee benefits		(21)	(363)	26,560
Related tax	I	6	93	(300)
Items that are or may be reclassified to the income statement:				
Foreign exchange translation differences		(2,133)	41,960	56,608
Hedging contracts: movement in market value and recycling of the fair value on the partially terminated contracts	G.1	25,780	126,913	126,337
Related tax	I	(7,376)	65,601	50,434
Net income recognised directly in equity		**16,256**	**234,204**	**259,639**
Profit for the period – Group share		39,203	35,460	112,932
Total comprehensive income – Group share		**55,459**	**269,664**	**372,571**
Total comprehensive (expense)/income – minority interest share		–	(59)	650
Total comprehensive income for the period		**55,459**	**269,605**	**373,221**

The accompanying notes form an integral part of these consolidated financial statements. The exchange rates used for the preparation of these financial statements are set out in note B.2 au-dessous.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€'000	Note	30 June 2018	31 December 2017
ASSETS			
Goodwill	F	20,392	20,392
Intangible assets	F	119,955	119,955
Total intangible assets		**140,347**	**140,347**
Concession property, plant and equipment	F	5,960,681	6,013,175
Other property, plant and equipment	F	452,877	339,529
Total property, plant and equipment		**6,413,558**	**6,352,704**
Deferred tax asset	I.2	218,371	217,420
Other financial assets	G.4	341,246	11,697
Total non-current assets		**7,113,522**	**6,722,168**
Inventories		2,123	1,843
Trade receivables		110,669	96,422
Other receivables		62,383	58,781
Other financial assets	G.4	199	–
Cash and cash equivalents		274,297	612,533
Total current assets		**449,671**	**769,579**
Total assets		**7,563,193**	**7,491,747**
EQUITY AND LIABILITIES			
Issued share capital	H.1	220,000	220,000
Share premium account		1,711,796	1,711,796
Other reserves	H.4	(347,687)	(286,106)
Profit for the period		39,203	112,932
Cumulative translation reserve		290,257	292,390
Equity – Group share		**1,913,569**	**2,051,012**
Minority interest share		–	–
Total equity		**1,913,569**	**2,051,012**
Retirement benefit obligations		74,934	73,970
Financial liabilities	G	4,251,674	4,219,528
Other financial liabilities		41,646	52,078
Interest rate derivatives	G.1	718,726	716,371
Total non-current liabilities		**5,086,980**	**5,061,947**
Provisions	D.4	15,805	73,059
Financial liabilities	G	270,038	67,872
Other financial liabilities		4,820	6,885
Trade payables		206,730	197,925
Other payables		65,251	33,047
Total current liabilities		**562,644**	**378,788**
Total equity and liabilities		**7,563,193**	**7,491,747**

The accompanying notes form an integral part of these consolidated financial statements. The exchange rates used for the preparation of these financial statements are set out in note B.2 au-dessous.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€'000	Issued share capital	Share premium account	* Consolidated reserves	Result	Cumulative translation reserve	Group share	Minority interests	Total
1 January 2017	220,000	1,711,796	(555,788)	200,585	235,782	**1,812,375**	(650)	**1,811,725**
Transfer to consolidated reserves	–	–	200,585	(200,585)	–	**–**	–	**–**
Payment of dividend	–	–	(139,005)	–	–	**(139,005)**	–	**(139,005)**
Share based payments	–	–	5,972	–	–	**5,972**	–	**5,972**
Acquisition/sale of treasury shares	–	–	(901)	–	–	**(901)**	–	**(901)**
Result for the year	–	–	–	112,932	–	**112,932**	350	**113,282**
Minority interests	–	–	–	–	–	**–**	300	**300**
Profit/(loss) recorded directly in other comprehensive income:								
▪ Actuarial gains and losses on employee benefits	–	–	26,560	–	–	**26,560**	–	**26,560**
▪ Related tax	–	–	(300)	–	–	**(300)**	–	**(300)**
▪ Movement in fair value of hedging contracts	–	–	96,104	–	–	**96,104**	–	**96,104**
▪ Recycling of the fair value on the partially terminated hedging contracts	–	–	30,233	–	–	**30,233**	–	**30,233**
▪ Related tax	–	–	50,434	–	–	**50,434**	–	**50,434**
▪ Foreign exchange translation differences	–	–	–	–	56,608	**56,608**	–	**56,608**
31 December 2017	**220,000**	**1,711,796**	**(286,106)**	**112,932**	**292,390**	**2,051,012**	**–**	**2,051,012**
Transfer to consolidated reserves	–	–	112,932	(112,932)	–	**–**	–	**–**
Impact of the first application of IFRS 9 (G.1)	–	–	(25,901)	–	–	**(25,901)**	–	**(25,901)**
Related tax	–	–	3,448	–	–	**3,448**	–	**3,448**
Payment of dividend (H.4)	–	–	(160,385)	–	–	**(160,385)**	–	**(160,385)**
Share based payments **	–	–	3,094	–	–	**3,094**	–	**3,094**
Acquisition/sale of treasury shares	–	–	(13,158)	–	–	**(13,158)**	–	**(13,158)**
Result for the period	–	–	–	39,203	–	**39,203**	–	**39,203**
Profit/(loss) recorded directly in other comprehensive income:								
▪ Actuarial gains and losses on employee benefits	–	–	(21)	–	–	**(21)**	–	**(21)**
▪ Related tax	–	–	6	–	–	**6**	–	**6**
▪ Movement in fair value of hedging contracts (G.1)	–	–	(2,635)	–	–	**(2,635)**	–	**(2,635)**
▪ Recycling of the fair value on the partially terminated hedging contracts (G.1)	–	–	28,415	–	–	**28,415**	–	**28,415**
▪ Related tax	–	–	(7,376)	–	–	**(7,376)**	–	**(7,376)**
▪ Foreign exchange translation differences	–	–	–	–	(2,133)	**(2,133)**	–	**(2,133)**
30 June 2018	**220,000**	**1,711,796**	**(347,687)**	**39,203**	**290,257**	**1,913,569**	**–**	**1,913,569**

* *See note H.4 au-dessous.*
** *Of which €1,516,000 is in respect of free shares and €1,578,000 is in respect of preference shares.*

The accompanying notes form an integral part of these consolidated financial statements. The exchange rates used for the preparation of these financial statements are set out in note B.2 au-dessous.

CONSOLIDATED STATEMENT OF CASH FLOWS

€'000	Note	1st half 2018	1st half 2017	Full year 2017
Operating margin (EBITDA) from continuing operations	D.1	250,076	242,192	526,244
Operating margin (EBITDA) from discontinued operations	C.2	(48)	(531)	(681)
Exchange adjustment	*	(904)	(2,216)	(3,397)
Decrease/(increase) in inventories		(279)	124	153
(Increase)/decrease in trade and other receivables		(11,023)	(11,653)	(3,106)
Increase in trade and other payables		33,012	32,996	19,713
Net cash inflow from trading		**270,834**	**260,912**	**538,926**
Other operating cash flows		(3,297)	(3,010)	(5,302)
Taxation paid		(5,373)	4,136	(1,406)
Net cash inflow from operating activities		**262,164**	**262,038**	**532,218**
Payments to acquire property, plant and equipment		(110,604)	(167,691)	(275,240)
Sale of property, plant and equipment		17	6	169
Purchase of shares		–	–	300
Sale of subsidiary		–	(2,338)	(2,338)
Net cash outflow from investing activities		**(110,587)**	**(170,023)**	**(277,109)**
Dividend paid		(160,385)	(139,005)	(139,005)
Exercise of stock options		2,922	1,735	2,365
Purchase of treasury shares		(14,923)	(3,698)	(8,695)
Liquidity contract (net)		(460)	1,725	4,816
Cash received from loans		214,435	1,956,708	1,949,757
Fees paid on new loans		(1,622)	(19,879)	(25,177)
Purchase of inflation-linked bonds		(405,028)	–	–
Fees paid for partial termination of hedging contracts		–	(484,297)	(481,982)
Early repayment of loans		–	(1,351,030)	(1,347,486)
Cash received from redemption of floating rate notes		–	163,995	163,995
Fees paid on loans		(3,546)	(3,435)	(7,151)
Interest paid on loans		(83,656)	(77,639)	(162,954)
Interest paid on hedging instruments		–	(33,786)	(33,703)
Scheduled repayment of loans		(38,998)	(18,681)	(25,968)
Cash received under finance leases		–	119,552	121,807
Interest received on cash and cash equivalents		938	563	2,641
Interest received on other financial assets		–	2,742	2,742
Net cash (outflow)/inflow from financing activities	**	**(490,323)**	**115,570**	**16,002**
(Decrease)/increase in cash in the period		**(338,746)**	**207,585**	**271,111**

* *The adjustment relates to the restatement of elements of the income statement at the exchange rate ruling at the period end.*

** *In 2017, the fees paid during the renegotiation of tranche C totalling €25 million were recognised for €18 million as an adjustment to the amount of the debt. The fees paid on the termination of the swaps correspond to the fair value of the instruments (€502 million on the transaction date) after taking into account the discount obtained from the counterparties and the negotiation costs.*

Movement during the period

€'000	1st half 2018	1st half 2017	Full year 2017
Cash and cash equivalents at 1 January	612,533	346,637	346,637
Effect of movement in exchange rate	471	(4,061)	(5,395)
(Decrease)/increase in cash in the period	(338,746)	207,585	271,111
Increase/(decrease) in interest receivable in the period	39	(9)	180
Cash and cash equivalents at the period end	**274,297**	**550,152**	**612,533**

The accompanying notes form an integral part of these consolidated financial statements. The exchange rates used for the preparation of these financial statements are set out in note B.2 au-dessous.

NOTES TO THE FINANCIAL STATEMENTS

Getlink SE, formerly Groupe Eurotunnel SE, is the Group's consolidating entity. Its registered office is at 3 rue La Boétie, 75008 Paris, France and its shares are listed on Euronext Paris and on NYSE Euronext London, The term "Getlink SE" refers to the holding company which is governed by French law. The term "Group" refers to Getlink SE and all its subsidiaries.

The main activities of the Group are the design, financing, construction and operation of the Fixed Link's infrastructure and transport system in accordance with the terms of the Concession (which will expire in 2086), the rail freight activity of the Europorte segment as well as the construction and operation (expected for the beginning of 2020) of the 1,000 MW electricity interconnector in the Tunnel by ElecLink. The maritime activity was discontinued in 2015 (see note C.2 below).

The summary half-year consolidated financial statements for 2018 were prepared under the responsibility of the Board of Directors at its meeting held on 24 July 2018.

A. Important events

A.1 Internal legal reorganisation of the Group

On 23 April 2018, the Group finalised the implementation of its corporate reorganisation. This internal reorganisation concerned its main activity, that of the operation of the Fixed Link which is now in a distinct sub-group, separate from other of the Group's activities which are managed and financed independently from the Fixed Link activity. This releases Getlink SE from its commitments as a guarantor under the Term Loan as described in section 8.1.4 of the 2017 Registration Document and should also enable a more flexible funding structure to be put in place in future that is more suitable for the Group's development needs.

The reorganisation involved the transfer of the companies in Getlink SE's Fixed Link sub-group (including the Concessionaires, France Manche SA and Channel Tunnel Group Ltd) to Eurotunnel Holding SAS which is now the new holding company for the Eurotunnel sub-group and the bearer of the obligations under the Term Loan which previously resided with Getlink SE.

This reorganisation forms part of the Group's long-term strategy to develop its core infrastructure and transport activities.

As this corporate reorganisation has only recently been put in place, it is not reflected in the segment information in note D.1 of the consolidated financial statements at 30 June 2018, but it will be included in the annual consolidated financial statements to 31 December 2018.

A.2 Acquisition of inflation-indexed bonds

On 9 February 2018, Eurotunnel Agent Services Limited (an English subsidiary of Getlink SE), completed the acquisition of the Channel Link Enterprises Finance Plc (CLEF) G2 bonds held by FMS.

The G2 bonds, which have a nominal value of £150 million and are indexed on UK inflation, were acquired for £359 million which was financed in part by an external loan of £190 million and in part by the Group's own funds.

The G2 bonds have been recognised as "Other financial assets" at their fair value at the date of acquisition of £302 million.

Information on the accounting treatment of the transaction is given in note D.4 and G.4 to the notes to the consolidated financial statements at 30 June 2018.

A.3 ElecLink

ElecLink's construction works continued to progress as planned during the period in terms of both cost and timetable. Investment in the project during the first half of 2018 amounted to €116 million, bringing the total investment since the Group took full control of ElecLink in 2016 to €355 million.

B. Principles of preparation, main accounting policies and methods

B.1 Statement of compliance

The summary half-year consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union and applicable on that date. They have been prepared in accordance with IAS 34. Thus, they do not contain all the information required for complete annual financial statements and must be read in conjunction with Getlink SE's consolidated financial statements for the year ended 31 December 2017.

B.2 Basis of preparation and presentation of the consolidated financial statements

The summary half-year consolidated financial statements for Getlink SE and its subsidiaries are prepared as at 30 June.

The summary half-year consolidated financial statements have been prepared using the principles of currency conversion as defined in the 2017 annual financial statements as at 31 December 2017.

The average and closing exchange rates used in the preparation of the 2018 and 2017 half-year accounts and the 2017 annual accounts are as follows:

€/£	30 June 2018	30 June 2017	31 December 2017
Closing rate	1.129	1.137	1.127
Average rate	1.136	1.161	1.140

B.3 Changes in accounting standards as at 30 June 2018

The standards and interpretations used and described in the annual financial statements as at 31 December 2017 have been supplemented by the standards, amendments and interpretations whose application is mandatory for financial years beginning on or after 1 January 2018.

B.3.1 Texts adopted by the European Union whose application is compulsory

The texts adopted by the European Union, the application of which is compulsory for financial years beginning on or after 1 January 2018, are as follows:

- IFRS 15 "Revenue from Contracts with Customers" and its amendments;
- IFRS 9 "Financial Instruments";
- amendments to IFRS 4 "Application of IFRS 9 and IFRS 4";
- amendments to IFRS 2 "Classification and measurement of share-based payment transactions";
- IAS 40 "Transfers of investment property"; and
- interpretation IFRIC 22 "Foreign Currency Transactions and Advance Consideration".

The impact of the first-time application of IFRS 9 is set out in note G.1 below. The application of other texts has not had a significant impact on the Group's consolidated financial statements.

B.3.2 Texts adopted by the European Union but not yet mandatory

IFRS 16 "Leases" will be mandatory for financial years beginning on or after 1 January 2019. Under this standard, all leases other than short-term leases and those for low-value assets must be recognised in the lessee's statement of financial position, in the form of a right-of-use asset and in consideration of a financial debt. The Group currently presents operating leases off-balance sheet. The analysis of the potential impact of this standard, which mainly concerns the Europorte segment, is currently being finalised.

The Group does not intend to apply this standard in advance.

B.3.3 Other texts and amendments published by the IASB but not approved by the European Union

The following texts concerning accounting rules and methods specifically applied by the Group have not yet been approved by the European Union:

- interpretation IFRIC 23 "Uncertainty over Income Tax Treatments";
- amendments to IAS 28 "Long-term Interests in Associates and Joint Ventures";
- amendments to IAS 19 "Defined Benefit Plans: Plan Amendment, Curtailment or Settlement"; and
- amendments to IFRS 10 and IAS 28 "Sales or contributions of assets between an investor and its associate/ joint venture".

The potential impact of these other texts will be assessed by the Group in subsequent years.

B.4 Use of estimates and judgements

The preparation of the consolidated financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the period. The Group's management and Board of Directors periodically review its valuations and estimates based on their experience and various other factors considered relevant for the determination of reasonable and appropriate estimates of the assets' and liabilities' carrying value. Accordingly, the estimates underlying the preparation of half-year consolidated financial statements to 30 June 2018 have been established in the context of the decision by the UK to leave the European Union as described below. Depending on the evolution of these assumptions, actual results may differ from current estimates.

The use of estimations concerns mainly the valuation of intangible and tangible property, plant and equipment (see note F), the evaluation of the Group's deferred tax situation (note I), the valuation of the Group's retirement liabilities and certain elements of the valuation of financial assets and liabilities (note G.5).

Brexit: the United Kingdom's exit from the European Union

Following the UK's decision to leave the European Union on 23 June 2016, formal negotiations between the UK government and the European Commission on the terms and mechanisms of the exit which started on 19 June 2017, entered the second phase in December 2017 and are continuing as of the closing date of these accounts.

During the first half of 2018, the Group has not noted any significant impact of this decision on its business but continues its process of active monitoring and detailed follow-up of potential risks that may arise.

The Group has taken account of this situation in the determination of the principal estimates and assumptions used in the preparation of its consolidated financial statements at 30 June 2018 as set out above.

B.5 Seasonal variations

The revenue and the trading result generated in each reporting period are subject to seasonal variations over the year, in particular for the Passenger Shuttle's car activity during the peak summer season. Therefore the results for the first half of the year cannot be extrapolated to the full year.

C. Scope of consolidation

C.1 Changes in the scope of consolidation

The scope of consolidation at 30 June 2018 is the same as that at 31 December 2017.

C.2 Assets held for sale and discontinued operations

The net result per discontinued activity is as below:

€'000	1st half 2018	1st half 2017	Full year 2017
Maritime segment	4	2,316	2,230
GB Railfreight Limited	–	2,889	2,886
Net result from discontinued activities	**4**	**5,205**	**5,116**
Earnings per share from discontinued activities (€):			
Basic	–	0.01	0.01
Diluted	–	0.01	0.01

Maritime segment MyFerryLink

The Group has applied IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations" to its maritime segment since the ending of its maritime activity in the second half of 2015. In 2017, the Group sold its three ferries.

The Group is the subject of a number of legal claims following the cessation of its maritime activity for which provision has been made amounting to €11 million as at 30 June 2018.

Maritime segment's income statement

€'000	1st half 2018	1st half 2017	Full year 2017
Operating costs	(48)	(531)	(681)
Operating margin (EBITDA)	**(48)**	**(531)**	**(681)**
Other operating income/(charges)	48	2,847	2,911
Operating profit/(loss)	**–**	**2,316**	**2,230**
Net financial income/(charges)	4	–	–
Pre-tax profit/(loss)	**4**	**2,316**	**2,230**
Deferred tax	–	15,790	15,790
Income tax expense	–	(15,790)	(15,790)
Net profit/(loss)	**4**	**2,316**	**2,230**

Maritime segment's cash flow statement

€'000	1st half 2018	1st half 2017	Full year 2017
Net cash flow from operating activities	(17)	(331)	(13,371)
Net cash flow from investing activities	12	–	75
Net cash flow from financing activities	–	119,552	121,807
Increase/(decrease) in cash in year	**(5)**	**119,221**	**108,511**

GB Railfreight Limited

In the first half of 2017, the Group recorded an income of €2.9 million in relation to the final price adjustment following the sale of its subsidiary GB Railfreight Limited on 15 November 2016.

D. Operating data

D.1 Segment information

As explained in note A.1 above, the Group put in place a new corporate structure during the first half of 2018, which splits the old "Fixed Link" segment into two new segments: "Eurotunnel" and "Getlink". The Group is therefore now organised around the following four sectors, which correspond to the internal information reviewed and used by the main operational decision makers (the Executive Committee):

- the "Eurotunnel" segment, which includes the Concessionaires' of the cross-Channel Fixed Link and their subsidiaries,
- the "Europorte" segment, the main activity of which is that of rail freight operator,
- the "ElecLink" segment, whose activity is the construction and operation of a 1,000 MW electricity interconnector running through the Channel Tunnel, and
- the "Getlink" segment which includes the Group's corporate services and which, since the Group's corporate reorganisation, is reported separately from the Eurotunnel segment.

As the new organisation has only recently been put in place, the separation between the Eurotunnel and Getlink segments is not presented in this note which uses the old segmentation that regroups Eurotunnel and Getlink in the Fixed Link segment. The new organisation will be reflected in the annual consolidated financial statements to 31 December 2018.

Information by segment

€'000	Fixed Link	Europorte	ElecLink	Consolidation adjustments	Total of continuing operations	Discontinued operations*	Total
At 30 June 2018							
Revenue	450,604	59,769	–	–	**510,373**	–	**510,373**
EBITDA	248,465	3,813	(926)	(1,276)	**250,076**	–	**250,076**
Trading profit/(loss)	173,997	948	(946)	(1,276)	**172,723**	–	**172,723**
Pre-tax result of continuing operations	38,951	993	(2,430)	(1,276)	**36,238**	–	**36,238**
Net consolidated result					**39,199**	4	**39,203**
Investment in property, plant and equipment	24,238	943	115,816	(1,272)	**139,725**	–	**139,725**
Property, plant and equipment (intangible and tangible)	5,964,018	78,907	511,614	(634)	**6,553,905**	–	**6,553,905**
External financial liabilities	4,508,641	13,071	–	–	**4,521,712**	–	**4,521,712**
At 30 June 2017							
Revenue	437,773	59,220	–	–	**496,993**	–	**496,993**
EBITDA	241,388	2,634	(1,397)	(433)	**242,192**	–	**242,192**
Trading profit/(loss)	167,902	(317)	(1,408)	(433)	**165,744**	–	**165,744**
Pre-tax result of continuing operations	35,741	18	(2,088)	2,464	**36,135**	–	**36,135**
Net consolidated result					**30,196**	5,205	**35,401**
Investment in property, plant and equipment	24,716	1,281	136,572	2,464	**165,033**	–	**165,033**
Property, plant and equipment (intangible and tangible)	6,039,721	81,480	330,977	2,397	**6,454,575**	–	**6,454,575**
External financial liabilities	4,272,350	14,072	–	–	**4,286,422**	–	**4,286,422**
At 31 December 2017							
Revenue	914,531	118,447	–	–	**1,032,978**	–	**1,032,978**
EBITDA	522,058	5,939	(800)	(953)	**526,244**	–	**526,244**
Trading profit/(loss)	375,423	12	(828)	(953)	**373,654**	–	**373,654**
Pre-tax result of continuing operations	53,936	325	(3,329)	700	**51,632**	–	**51,632**
Net consolidated result					**108,166**	5,116	**113,282**
Investment in property, plant and equipment	76,913	3,648	180,964	705	**262,230**	–	**262,230**
Property, plant and equipment (intangible and tangible)	6,015,767	80,829	395,817	638	**6,493,051**	–	**6,493,051**
External financial liabilities	4,273,823	13,577	–	–	**4,287,400**	–	**4,287,400**

* *See note C.2 above.*

D.2 Operating costs

Operating costs are analysed as follows:

€'000	1st half 2018	1st half 2017	Full year 2017
Operations and maintenance: subcontracting and spares	54,470	51,060	104,782
Electricity	14,037	14,349	30,086
Cost of sales and commercial costs	9,637	9,940	16,349
Regulatory costs, insurance and local taxes	25,040	22,960	40,040
General overheads and centralised costs	8,747	8,872	20,166
Sub-total Fixed Link	**111,931**	**107,181**	**211,423**
Europorte	32,619	33,029	66,252
ElecLink	578	909	509
Total	**145,128**	**141,119**	**278,184**

D.3 Other operating income and (expenses)

€'000	1st half 2018	1st half 2017	Full year 2017
Other operating income	663	696	1,289
Sub-total other operating income	**663**	**696**	**1,289**
Net loss on disposal or write-off of assets	(2,196)	(1,419)	(4,733)
Other	(770)	(4,786)	(5,508)
Sub-total other operating expenses	**(2,966)**	**(6,205)**	**(10,241)**
Total	**(2,303)**	**(5,509)**	**(8,952)**

D.4 Provisions

€'000	1 January 2018	Charge to income statement	Release of unspent provisions	Provisions utilised	30 June 2018
Continuing activities	61,059	165	(2,174)	(54,443)	**4,607**
Discontinued maritime activity (see note C.2)	12,000	–	–	(802)	**11,198**
Total	**73,059**	**165**	**(2,174)**	**(55,245)**	**15,805**

The provision of £48 million, which was recorded in 2017 in respect of the indemnity to be paid as part of the acquisition of the inflation-linked bonds, was released in the first half of 2018 following its payment in February 2018 (see note A.2 above).

E. Personnel expenses and benefits

Share-based payments

E.1 Free share plans with no performance conditions

Following the approval by the general meeting of shareholders on 18 April 2018 of the plan to issue existing free shares, Getlink SE's Board of Directors decided on 18 April 2018 to grant a total of 348,700 Getlink SE ordinary shares (100 shares per employee) to all employees of Getlink SE and its related companies with the exception of executive and corporate officers of Getlink SE. The vesting period for these shares is one year and is followed by a three-year lock-up period.

During the first half of 2018, 122,600 free shares issued in 2014 and 237,975 free shares issued in 2017 were acquired by employees.

Movements on the free share plans

Number of shares	2018	2017
In issue at 1 January	573,075	954,550
Granted during the period	348,700	253,800
Renounced during the period	(9,100)	(54,175)
Acquired during the period	(360,575)	(581,100)
In issue at the end of the period	**552,100**	**573,075**

Assumptions used for the fair value measurement on the grant date

Year of grant	2018
Fair value of free shares on grant date (€)	10.82
Share price on grant date (€)	11.55
Number of beneficiaries	3,487
Risk-free interest rate (based on government bonds):	
1 year	-0.46%
4 years	-0.04%

E.2 Preference shares convertible into ordinary shares subject to performance conditions

On 18 April 2018, the general meeting of shareholders authorised the Board of Directors to grant to executives and senior staff of Getlink SE and its subsidiaries preference shares (class D shares) with a nominal value of €0.01 each with no voting rights which are convertible into Getlink SE ordinary shares subject to performance conditions at the end of a three-year period. The total number of preference shares may not give the right to more than 1,500,000 ordinary shares of a nominal value of €0.40 each. Under this scheme, the Board approved on 18 April 2018 the grant of 1,500 preference shares, each convertible at the end of the period into a maximum of 1,000 ordinary shares.

Information on the preference share plans

Date of grant / main staff concerned	Number of shares	Conditions for acquiring rights	Vesting period
Preference shares granted to key executives and senior staff on 18 April 2018 (D shares)	1,500	Staff must remain as employees of the Group. Internal performance condition for 50% of the attributable volume: based on the Group's long-term economic performance measured by reference to the average rate of achievement of the EBITDA targets announced to the market for the years 2018, 2019 and 2020. External performance condition (TSR) for 40% of the attributable volume: based on the stock market performance of the Getlink SE share compared to the performance of the GPR Getlink SE index (dividends included) over a 3-year period. CSR internal performance condition for 10% of attributable volume: based on the performance of the 2020 Composite CSR index.	3 years

Assumptions used for the fair value measurement of preference shares on the grant date

The fair value on grant date of the rights granted to staff as part of the plan was calculated by using the Monte Carlo valuation model. The assumptions used to measure the fair value of the plan on grant date were as follows:

	D shares
Fair value on grant date (€)	7.69
Share price on grant date (€)	11.55
Number of beneficiaries	53
Risk-free interest rate (based on government bonds):	
1 year	-0.32%
2 years	-0.20%
3 years	0.08%

E.3 Charges to income statement

€'000	1st half 2018	1st half 2017	Full year 2017
Free shares with no performance conditions	1,551	2,250	3,731
Preference shares and free shares with performance conditions	1,492	894	2,028
Total	**3,043**	**3,144**	**5,759**

F. Intangible and tangible property, plant and equipment

The goodwill of €20,392,000 was recorded as part of the acquisition of ElecLink in 2016.

Other property, plant and equipment consists mainly of the Europorte subsidiaries' rolling stock fleet and ElecLink's construction works.

Fixed asset additions during the first half of 2018 relate mainly to construction works on the ElecLink project.

The Group has not identified any indication of impairment in either the tangible or intangible assets of its Eurotunnel or Europorte activities or of the ElecLink project.

G. Financing and financial instruments

G.1 Financial liabilities

The movements in financial liabilities during the period were as follows:

€'000	31 December 2017 published	31 December 2017 restated*	Adjustment IFRS 9**	Reclass-ification	Drawdown	Repayment	Interest, indexation and fees	30 June 2018
Term Loan	4,206,973	4,209,860	25,929	(23,738)	–	–	27,598	4,239,649
Europorte loans	12,555	12,555	–	(530)	–	–	–	12,025
Total non-current financial liabilities	**4,219,528**	**4,222,415**	**25,929**	**(24,268)**	**–**	**–**	**27,598**	**4,251,674**
Term Loan	61,766	61,814	–	23,738	–	(38,492)	944	48,004
EASL loan	–	–	–	–	214,435	–	–	214,435
Europorte loans	1,022	1,022	–	530	–	(506)	–	1,046
Accrued interest on loans	5,084	5,088	–	–	–	–	1,465	6,553
Total current financial liabilities	**67,872**	**67,924**	**–**	**24,268**	**214,435**	**(38,998)**	**2,409**	**270,038**
Total	**4,287,400**	**4,290,339**	**25,929**	**–**	**214,435**	**(38,998)**	**30,007**	**4,521,712**

* *The financial liabilities at 31 December 2017 (calculated at the year-end exchange rate of £1=€1.127) have been recalculated at the exchange rate at 30 June 2018 (£1=€1.129) in order to facilitate comparison.*
** *Amount at the exchange rate on 30 June 2018.*

Adjustment relating to IFRS 9 : Financial Instruments

IFRS 9, which is applicable from 1 January 2018, establishes new principles for the classification and measurement of financial assets and liabilities and notably modifies the treatment of debt restructurings which renegotiate debt.

The renegotiation of the A tranches of the Term Loan in December 2015 is the only one of the Group's transactions which requires retreatment in accordance with IFRS 9. In accordance with IAS 39, the debt was maintained in the balance sheet with an adjustment of the effective interest rate and the spreading of the cash flow differential over the residual maturity of the debt. In accordance with IFRS 9, this difference is now recognised in the income statement as at the renegotiation date.

Application of IFRS 9 is retrospective, by recognising the cumulative transition effect as an adjustment to opening debt and equity at 1 January 2018. As a consequence, the restatement has the effect of increasing the carrying value of the Group's financial liabilities by approximately €26 million at 1 January 2018 through a reduction in opening retained earnings.

The other changes made by this new standard, in particular as regards the impairment of trade receivables and the treatment of hedging contracts, did not have a significant impact on the Group's consolidated financial statements as of 30 June 2018.

EASL loan

The line "EASL" loan in the table above of €214 million at 30 June 2018 corresponds to a bank loan of €190 million taken out by the English Getlink SE subsidiary, Eurotunnel Agent Services Limited, as part of the transaction completed on 9 February 2018 to acquire the G2 loans (see note A.2 above).

This loan bears a variable rate of interest, initially at LIBOR +1% with a progressively increasing margin to 3% at its final maturity on 30 November 2018.

Hedging instruments

In 2007, the Group put in place hedging contracts in place to cover its floating rate loans (tranches C1 and C2) in the form of swaps for the same duration and for the same value (EURIBOR against a fixed rate of 4.90% and LIBOR against a fixed rate of 5.26%). The nominal value of hedging swap is €953 million and £350 million.

These derivatives were partially terminated as part of the refinancing of tranche C in June 2017 as set out in note G.1.1.a) of the Group's annual consolidated financial statements at 31 December 2017.

These derivatives have been measured at their fair value as a liability on the statement of financial position as follows:

€'000	31 December 2017	* Changes in market value	Exchange difference	30 June 2018
Contracts in euros	503,517	17,845	–	521,362
Contracts in sterling	212,854	(15,774)	284	197,364
Total	**716,371**	**2,071**	**284**	**718,726**

* *Recorded directly in equity.*

The amount of negative reserves for hedging instruments changed as follows:

€'000	31 December 2017	Recycling of partial termination June 2017	Changes in market value	Exchange difference	30 June 2018
Contracts in euros	796,458	(20,797)	17,845	–	793,506
Contracts in sterling	386,190	(7,618)	(15,774)	564	363,362
Total	**1,182,648**	**(28,415)**	**2,071**	**564**	**1,156,868**

These derivatives generated a net charge to the income statement of €28 million for the first half of 2018 (€34 million for the first half of 2017).

G.2 Net finance costs

€'000	1st half 2018	1st half 2017	Full year 2017
Finance income	859	565	1,808
Total finance income	**859**	**565**	**1,808**
Interest on loans before hedging	(85,687)	(80,205)	(163,761)
Interest on hedging instruments	–	(33,740)	(31,706)
Amortisation of hedging costs	(28,415)	–	(30,326)
Capitalisation of interest on the ElecLink project	6,370	5,114	9,444
Effective rate adjustment	(3,742)	(3,519)	(7,715)
Sub-total	**(111,474)**	**(112,350)**	**(224,064)**
Inflation indexation of the nominal	(24,947)	(22,088)	(47,967)
Total finance costs after hedging	**(136,421)**	**(134,438)**	**(272,031)**
Total net finance costs after hedging	**(135,562)**	**(133,873)**	**(270,223)**

The inflation indexation of the loan principal estimated at 30 June 2018 reflects the estimated effect of annual French and British inflation rates on the principal amount of the A tranches of the Term Loan as described in note G.1.1.b) of the annual consolidated financial statements at 31 December 2017.

G.3 Other financial income and (charges)

€'000	1st half 2018	1st half 2017	Full year 2017
Financial income arising from financial transactions:			
Discount realised on the partial termination of the hedging contracts	–	15,473	15,304
Remaining discount on the floating rate notes held by the Group	–	14,316	14,057
Sub-total	**–**	**29,789**	**29,361**
Unrealised exchange gains *	3,293	20,320	27,164
Interest received on bonds owned by the Group	4,124	2,655	2,607
Other exchange gains	1,762	4,275	9,042
Other	138	25	1,071
Other financial income	**9,317**	**57,064**	**69,245**
Financial charges arising from financial transactions:			
Unamortised costs on the old C1 and C2 tranches	–	(20,663)	(20,547)
Costs of the operation	(7)	(7,071)	(7,361)
Cost of the partial termination of the hedging contracts	–	(3,371)	(3,344)
Cost of acquisition of bonds (see note A.2)	(2,779)	–	(54,720)
Sub-total	**(2,786)**	**(31,105)**	**(85,972)**
Unrealised exchange losses *	(3,710)	(11,540)	(15,510)
Other exchange losses	(1,422)	(4,628)	(10,575)
Other	(19)	(18)	(35)
Other financial charges	**(7,937)**	**(47,291)**	**(112,092)**
Total	**1,380**	**9,773**	**(42,847)**
Of which net unrealised exchange (losses)/gains	*(417)*	*8,780*	*11,654*

* *Mainly arising from the re-evaluation of intra-group debtors and creditors.*

G.4 Other financial assets

€'000	31 June 2018	31 December 2017
Inflation-linked bonds (see note G.1)	336,429	–
Other	4,817	11,697
Total non-current	**341,246**	**11,697**
Accrued interest on bonds	199	–
Total current	**199**	**–**

Acquisition of inflation-linked bonds

As mentioned in notes A.2 and G.1 above, on 9 February 2018 Eurotunnel Agent Services Limited (an English subsidiary of Getlink SE) completed the acquisition of the CLEF inflation-linked bonds held by FMS.

The G2 bonds have been recorded at their fair value at the date of acquisition of €302 million. The fair value of these bonds on the date of their acquisition was determined by the Group using its own financial model and corroborated by estimates provided by an external expert.

The bonds, which have a nominal value of €150 million and are indexed on UK inflation, correspond to the securitisation of tranche A2 of the Group's debt and have the same characteristics in terms of interest and maturity as the A2 tranche (see note G.1 to the Group's annual financial statements at 31 December 2017).

The difference of £49 million between the fair value of the bonds at their acquisition date and their purchase price, which corresponds to the indemnity paid in respect of a contribution to the fees incurred by FMS, has been recorded in the income statement in the first half of 2018 under "Other financial charges". The provision of £48 million recorded at 31 December 2017 in respect of this indemnity was released on the acquisition of the G2 bonds (see note D.4 above).

The difference between the fair value of the G2 bonds at their acquisition date and their nominal value indexed at the same date will be amortised to the income statement over the remaining term until their final maturity.

G.5 Matrix of class of financial instrument and recognition categories and fair value

The table below presents the carrying amount and fair value of financial instruments. The different levels of fair value are defined in note G.7 to the consolidated financial statements at 31 December 2017.

At 30 June 2018

€'000		Carrying amount							Fair value			
Class of financial instrument	**Note**	**Assets at fair value through profit and loss**	**Financial assets at fair value through equity**	**Securities at amortised costs**	**Loans and receivables**	**Hedging instruments**	**Liabilities at amortised cost**	**Total net carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value												
Other non-current financial assets		–	–	–	–	–	–	**–**	–	–	–	**–**
Financial assets not measured at fair value												
Other current and non-current financial assets	G.4	–	–	341,445	–	–	–	**341,445**	–	–	337,273	**337,273**
Trade receivables		–	–	–	110,669	–	–	**110,669**	–	–	–	**–**
Cash and cash equivalents		274,297	–	–	–	–	–	**274,297**	274,297	–	–	**274,297**
Financial liabilities measured at fair value												
Interest rate derivatives	G.1	–	–	–	–	718,726	–	**718,726**	–	718,726	–	**718,726**
Financial liabilities not measured at fair value												
Financial liabilities	G.1	–	–	–	–	–	4,521,712	**4,521,712**	–	–	5,529,329	**5,529,329**
Other financial liabilities		–	–	–	–	–	46,466	**46,466**	–	–	–	**–**
Trade payables		–	–	–	–	–	206,730	**206,730**	–	–	–	**–**

At 30 June 2018, information relating to the fair value of the financial liabilities remains as described in note G.6 to the annual consolidated financial statements at 31 December 2017 and taking into account the evolution of the yield curve at 30 June 2018.

H. Share capital and earnings per share

H.1 Changes in share capital

€	30 June 2018	31 December 2017
550,000,000 fully paid-up ordinary shares each with a nominal value of €0.40	220,000,000.00	220,000,000.00
Category B fully paid-up preference shares each with a nominal value of €0.01	0.28	2.78
Category C fully paid-up preference shares each with a nominal value of €0.01	6.92	6.92
Total	**220,000,007.20**	**220,000,009.70**

During the first half of 2018, 250 category B preference shares issued under the 2014 programme of preference shares convertible into ordinary shares were cancelled.

The programmes of preference shares convertible into ordinary shares are described in note E.5 to the consolidated financial statements at 31 December 2017.

H.2 Treasury shares

The movements in the number of own shares held during the period were as follows:

	Share buyback programme	Liquidity contract	Total
At 1 January 2018	15,499,726	280,000	**15,779,726**
Share buyback programme	1,290,000	–	**1,290,000**
Shares transferred to staff (free share scheme)	(1,468,150)	–	**(1,468,150)**
Exercise of stock options	(340,250)	–	**(340,250)**
Net purchase/(sale) under liquidity contract	–	51,848	**51,848**
At 30 Jun 2018	**14,981,326**	**331,848**	**15,313,174**

Treasury shares held as part of the share buyback programme renewed by the general meeting of shareholders and implemented by decision of the Board of Directors on 18 April 2018 are allocated, in particular, to cover share option plans and the grant of free shares, as approved by the general meetings of shareholders in 2010, 2011, 2013, 2014, 2015, 2016, 2017 and 2018.

H.3 Earnings per share

H.3.1 Number of shares

	1st half 2018	1st half 2017	Full year 2017
Weighted average number:			
– of issued ordinary shares	550,000,000	550,000,000	550,000,000
– of treasury shares	(15,870,291)	(16,076,590)	(15,806,980)
Number of shares used to calculate the result per share (A)	**534,129,709**	**533,923,410**	**534,193,020**
– effect of share options	371,498	446,694	447,642
– effect of free shares	2,913,188	3,191,971	3,072,091
– effect of preference shares	1,118,774	1,063,055	1,303,457
Potential number of ordinary shares (B)	**4,403,460**	**4,701,720**	**4,823,190**
Number of shares used to calculate the diluted result per share (A+B)	**538,533,169**	**538,625,130**	**539,016,210**

The calculations were made on the following bases:

- on the assumption of the exercise of all the options issued and still in issue at 30 June 2018. The exercise of these options is conditional on the criteria described in note E.5.1 to the consolidated financial statements at 31 December 2017;
- on the assumption of the acquisition of all the free shares allocated to staff. During the first half of 2018, 360,575 of the free shares issued in 2014 and 2017 were acquired by staff and 348,700 new free shares were granted (see note E.1 above). Details of free shares are given in note E.5.2 to the consolidated financial statements at 31 December 2017; and
- on the assumption of the acquisition of all the preference shares allocated to staff and still in issue at 30 June 2018. Conversion of these preference shares is subject to achieving certain targets and remaining in the Group's employment as described in note E.5.3 to the consolidated financial statements at 31 December 2017.

H.3.2 Earnings per share

	1st half 2018	1st half 2017	Full year 2017
Group share: profit/(loss)			
Net result (€'000) (C)	39,203	35,460	112,932
Basic earnings per share (€) (C/A)	**0.07**	**0.07**	**0.21**
Diluted earnings per share (€) (C/(A+B))	**0.07**	**0.07**	**0.21**
Continuing operations: profit/(loss)			
Net result (€'000) (D)	39,199	30,196	108,166
Basic earnings per share (€) (D/A)	**0.07**	**0.06**	**0.20**
Diluted earnings per share (€) (D/(A+B))	**0.07**	**0.06**	**0.20**
Discontinued operations: profit/(loss)			
Net result (€'000) (E)	4	5,205	5,116
Basic earnings per share (€) (E/A)	**0.00**	**0.01**	**0.01**
Diluted earnings per share (€) (E/(A+B))	**0.00**	**0.01**	**0.01**

H.4 Detail of consolidated reserves by origin

€'000	30 June 2018	31 December 2017
Hedging contracts	(1,156,868)	(1,182,648)
Share options, free and preference shares and treasury shares	(106,078)	(96,011)
Retirement liability	(28,060)	(28,039)
Deferred tax	99,855	107,224
Retained earnings	843,464	913,368
Total	**(347,687)**	**(286,106)**

Dividend

On 18 April 2018, Getlink SE's shareholders' general meeting approved the payment of a dividend relating to the financial year ended 31 December 2017, of 0.30€ per share. This dividend was paid on 26 May 2018 for a total of €160 million.

I. Income tax expense

I.1 Tax accounted for through the income statement

€'000	1st half 2018	1st half 2017	Full year 2017
Current tax:			
Income tax	(1,913)	(469)	(2,724)
Tax on dividends	–	(4,170)	8,889
Total current tax	**(1,913)**	**(4,639)**	**6,165**
Deferred tax	4,874	(1,300)	50,369
Total	**2,961**	**(5,939)**	**56,534**

The tax charge is determined by applying to the half year's result the estimated effective tax rate based on internal forecasts for the full year. The effective tax rate at 30 June 2018 was -8.2% (30 June 2017: 4.9% excluding dividend tax) as a result of the impact of the activation of deferred tax in respect of tax losses.

I.2 Changes to deferred tax during the period

			2018 impact on:			
€'000	At 31 December 2017 published	At 31 December 2017 restated	income statement	statement of financial position	other compre-hensive income	At 30 June 2018
Tax effects of temporary differences related to:						
Property, plant and equipment	167,957	167,669	(9,365)	–	–	**158,304**
ElecLink goodwill	(20,392)	(20,392)	–	–	–	**(20,392)**
Deferred taxation of restructuring profit	(352,353)	(352,353)	–	–	–	**(352,353)**
Hedging contracts	104,251	104,251	–	–	(7,376)	**96,875**
Other	3,884	3,848	72	3,448	6	**7,374**
Tax losses	314,073	314,396	14,167	–	–	**328,563**
Net tax assets/(liabilities)	**217,420**	**217,419**	**4,874**	**3,448**	**(7,370)**	**218,371**

The impact of the first-time application of IFRS 9 is presented in the line “Other” in the table above.

J. Events after the reporting period

None.

STATUTORY AUDITORS' REVIEW REPORT ON THE 2018 HALF-YEAR FINANCIAL INFORMATION

This is a free translation into English of the statutory auditors' review report on the half-year financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-year management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by annual general meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

the review of the accompanying summary half-year consolidated financial statements of Getlink SE, for the period from 1 January to 30 June 2018,

the verification of the information presented in the half-yearly management report.

These summary half-year consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying summary half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to note "G.1 Financial liabilities - Adjustment relating to IFRS 9: Financial Instruments" to the summary half-year consolidated financial statements related to the first application of IFRS 9 – Financial instruments.

II. Specific verification

We have also verified the information presented in the half-year management report on the summary half-year consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the summary half-year consolidated financial statements.

Statutory auditors, 24 July 2018

Paris La Défense	Courbevoie
KPMG Audit *A division of KPMG S.A.*	Mazars

French original signed by

Fabrice Odent *Partner*	**Francisco Sanchez** *Partner*

DECLARATION BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT AT 30 JUNE 2018

I declare that, to the best of my knowledge, these summary half-year consolidated financial statements have been prepared in accordance with applicable accounting standards and present fairly the assets, financial situation and results of Getlink SE and of all the companies included in the consolidation, and that this half-year financial report presents fairly the important events of the first six months of the financial year, their effect on the summary half-year consolidated financial statements, the main transactions between related parties, and a description of the main risks and uncertainties for the remaining six months of the financial year.

Jacques Gounon
Chairman and Chief Executive Officer of Getlink SE
24 July 2018

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