

## LETTER TO SHAREHOLDERS

23 July 2019

Dear Shareholder,

### 2019 is a particular year in many respects:

- As well as being the 50<sup>th</sup> anniversary of the first man on the moon, it is the **25<sup>th</sup> anniversary of the cross-Channel Fixed Link**. Even if these two anniversaries are not related in any way, it is essential to remember that the Channel Tunnel has profoundly changed the lives of the c.440 million people who have used it since its opening. At its level, it is a major technological feat which links the United Kingdom to continental Europe. We wanted to mark this event in our own way, with the creation of a fresco on the French portal of the Tunnel that you can see on page 3 of this letter: a young girl looking through binoculars to the other side of the Channel. Her eyes, which look into the future, can be seen in Folkestone.

- **And 2019 is quite particular because there will be two "Brexit"s in the same year.** The first, which was originally scheduled on 29 March, led to an unprecedented mobilisation of our teams to be "Brexit ready".

**We are already getting ready for the 2<sup>nd</sup> Brexit.** On behalf of all the employees of the Group, I would like to take the opportunity of this letter to present my warmest congratulations to the new British Prime Minister and wish him every success. We shall continue to work closely with the authorities for the implementation of the new rules. For our part, we will ensure maximal fluidity of our traffic and an increase in yields.

Our half-year results are presented in more detail on page 2 of this letter.

For **Eurotunnel**, after a very busy first quarter, the uncertainties that prevailed in the 2<sup>nd</sup> quarter have resulted in a slowdown in traffic, further compounded by the French Customs work to rule and the negative image of the "yellow jackets" demonstrations. Nonetheless, revenue has held up well (+1%) and EBITDA, which is slightly down (-1%), would have been up had it not been for the impact of the French Customs' strike.

Our rail freight subsidiary **Europorte** has achieved an excellent performance: +10% in revenue to €66M and an EBITDA up to €13M. The commercial environment in France for this activity should be considerably improved next year with the financial responsabilisation of the historical operator, to which we believe we have contributed through our various interventions with the relevant officials.

With regard to **ElecLink**, the future electrical interconnector between the United Kingdom and France, work on the converter stations is completed and we are continuing to produce the studies and expert reports that have been requested by the Intergovernmental Commission (IGC). At this stage, we estimate that these administrative delays will lead to a 3-month delay in the start of operations.

None of the peculiarities of this year, which make it so different from previous years, are of a nature to lead us to change our long-term outlook: our businesses are in total alignment with the evolution of European society which wants more environmentally-friendly transport.

Therefore, **we are confirming our outlook for 2019**, taking as a reference the "no deal" scenario with an EBITDA of €560M (at an exchange rate of £1=€1.128). **Our objective of continued growth in dividend payments is also confirmed, taking into account the increase in our cash flows.** We are definitely ready for this second half of the year!

I wish you all a great summer break.

Yours faithfully,



A stylized, handwritten signature in black ink, consisting of a large 'J' and a long, sweeping line.

**Jacques Gounon**  
Chairman & Chief Executive Officer

## SUMMARY OF GETLINK'S 2019 HALF-YEAR RESULTS: 10<sup>TH</sup> CONSECUTIVE INCREASE IN REVENUE

### Eurotunnel

- Revenue generated by this segment, which represents 87% of the Group's total revenue, reached €456M (+1% compared to the 2018 half-year).
- EBITDA: slight decrease in EBITDA by 1% to €251M due to the impact of the Customs' strike action estimated at €10M.
- Truck Shuttles: 809,621 trucks transported (-4%) and an almost stable market share at 40.4%, in a market contracted by 3%. Impact of the Customs' strike (from March to May), delay in implementation of Brexit and its uncertainties as well as the annual maintenance shutdown of several car factories in the UK in April instead of August.
- Passenger Shuttles: with 1.14 million vehicles transported, car traffic decreased by only 2% thanks to a market share improvement of 2 points to 59.9% in a market contracted by 5.9% affected by the uncertainties surrounding Brexit.
- Eurostar: traffic record for a first-half with 5.3 million passengers, driven by the continuing success of the London-Amsterdam service and the additional 3<sup>rd</sup> service in June, despite the significant impact of the French Customs' work to rule actions.
- Cross-Channel rail freight: 10% growth in traffic compared to H1 2018.

### Europorte

- Revenue increased by 10% to €66M.
- EBITDA up by €1M to €13M, driven by the contribution of new business and increased activity in some sectors as well as by the continuing strategy to sustainably reinforce Europorte's profitability.
- Start to new rail traction contracts and new wagon flows.
- Positive impact of new rail infrastructure management contracts in the Greater East and Hauts-de-France regions.
- Development of the activity of delivering new rolling stock for Alstom Régionalis with the Léman Express project (Switzerland).

### ElecLink

- Validation process of the whole project by the IGC is ongoing.

### Consolidated figures for Getlink in H1 2019

- Growth in revenue by 2% to €523M.
- EBITDA decreased slightly to €255M (-2%) due to the slowdown in the cross-Channel markets in Q2 as well as the French Customs' strike.
- Net finance and other financial costs are down by €9M.
- Group's net consolidated results: a €41M profit up by +5% compared to H1 2018.
- Free Cash Flow: €129M, a €21M increase compared to H1 2018.

### Group revenue

In €M



+2%

### EBITDA

In €M



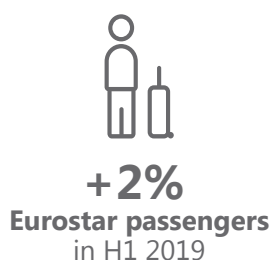
-2%

### Net consolidated result

In €M



+5%



More information  
in [the press release](#)  
published on  
23 July 2019 on  
Getlink's website.



# EUROTUNNEL CELEBRATES ITS 25<sup>TH</sup> ANNIVERSARY

## A monumental work of art and a wall of words

To celebrate 25 years of service, Eurotunnel unveiled to the world, on 4 July, a fresco on the French entrance to the Channel Tunnel and on the seafront in Folkestone. Created by the Franco-British street artist YZ, this fresco in Coquelles, which extends to over 50m wide and 17m high, shows the face of a young girl looking through binoculars to the other side of the Channel and in Folkestone, her eyes have been painted at the Sunny Sands Beach in Folkestone.



To make this link on both sides of the Channel a reality, YZ and Eurotunnel decided to involve two classes of 10-year-old pupils from Sangatte and Folkestone who took full ownership of the project and wrote their own words and drawings at the Tunnel entrance. From a technological feat, Eurotunnel has transformed the Tunnel in just 25 years into a Vital Link. YZ's fresco, which reflects this achievement, celebrates the strength of the link between the United Kingdom and France and focuses on these two transversal gazes which highlight the humanity underlying the revolutionary construction of the Channel Tunnel.



### The fresco in figures

- 850 m<sup>2</sup> of art
- 13 nights of work
- 125 litres of paint
- 50 children from Folkestone and Sangatte schools involved.



### The artist at a glance

YZ ("eyes") is a street artist guided by a desire of humanity. Committed to stringent level of quality, she handles a broad spectrum of projects. Without pretention, she paints, glues and sprays subjects from female figures from the 1900s to logotypic faces which stare at passersby and striking portraits which support the fight for civil rights.

## Happy Birthday Eurotunnel Le Shuttle!

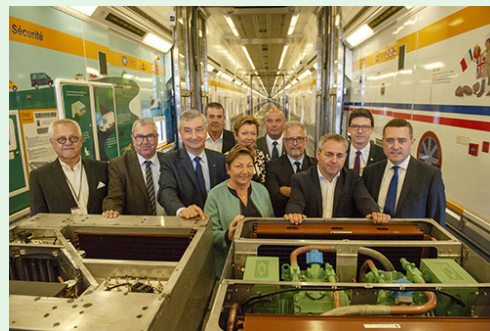


The marketing team of Le Shuttle has launched a "Many Happy Returns" campaign, which has featured on British media (radio, TV, cinema), on social media and on the digital advertising boards in railway stations and on motorways. Entertainment and themed activities will be organised on our terminals and in the Flexiplus lounges during the summer season.



## The partnership between Eurotunnel and Bombardier will create jobs

On 28 May, Jacques Gounon welcomed onto the Coquelles terminal Xavier Bertrand, President of the regional council of Hauts-de-France, a delegation of local elected officials and Laurent Boyer, President of Bombardier Transportation France. He commended the new industrial jobs that the renovation contract of the Passenger Shuttles will create over the next seven years. A team of 15 employees are already working on the technical studies at Bombardier, this will be followed by an additional 35 engineers in 2020 and between 2022 and 2026, there will be 150 employed in total. The first Bombardier working area was officially opened on the Coquelles site at the occasion of the equipping of the first wagons with the new air conditioning system prototypes just before the summer period. This strategic investment will enable Eurotunnel to maintain its quality of service at the highest level and its leadership on the cross-Channel market.



## Europorte: an innovative approach to predictive maintenance and use of big data



Europorte, the rail freight subsidiary of Getlink and the leading private operator in the sector, has partnered with the French *Ecole Polytechnique* and the company Railnova to design and use algorithms for the maintenance of its locomotives. It will allow Europorte to increase the availability of its rolling stock and the reliability of its locomotive fleet and ultimately to continue to even better meet customers' needs as well as to consolidate its position as the leading private operator for quality of service.

Based on the analysis of data collected by Europorte and entered into the Railnova system, the algorithms will constitute a research subject within the framework of the *Ecole Polytechnique* Executive Master programme.

## Eurotunnel Le Shuttle Freight at Multimodal 2019

For the 8<sup>th</sup> consecutive year, the Shuttle Freight commercial team has taken part in Multimodal 2019, the UK's leading freight transport and logistics exhibition, which was held in June in Birmingham. In the context of Brexit, it was even more important for Eurotunnel to be present this year to reassure its customers and explain to them in detail the new terminal facilities, our Agile Border and future procedures. John Keefe, UK Public Affairs Director, took part as a speaker at a conference on the preparations for Brexit and drew considerable interest from the many professional attendees. The commercial team promoted its services for the transport of trucks and vans, strengthened its business relations with existing customers and developed contacts with potential new clients.



## 2019 CALENDAR

**23 October 2019**  
Revenue and traffic figures  
for the 3<sup>rd</sup> quarter of 2019

## Registered shareholders: opt for the e-notices and e-vote

As part of its digitalisation strategy, Getlink offers its registered shareholders the option of receiving by email their account statements and notice of meeting. Log in to the E-services section of your personal information on the [Sharinbox](#) platform of Société Générale Securities Services.