

Eurotunnel on Track

April 2007



Letter to shareholders



Special edition: Exchange Tender Offer (“the Offer”)

Dear Shareholders,

It is NOW up to you to act and decide on Eurotunnel's future!

You have until 15 May 2007 to help ensure the success of the Offer which is a cornerstone of the Safeguard Plan for Eurotunnel's rescue. Although it is for you to decide whether to accept the Offer, please note that the Joint Board of Eurotunnel unanimously recommends that unitholders tender their Units to the Offer, as each director will do in respect of their own Units ⁽¹⁾.

You have until 15 May 2007 to decide. **Your choice, irrespective of how many Units you hold, will be vital** for the company and its 2,300 employees. It is essential that the maximum number of unitholders accept the Offer to save the company.

What is the situation? The current company has no future in view of the size of its indebtedness.

How can bankruptcy be avoided? By ratifying the Safeguard Plan, the Paris Commercial Court has put **a definitive end to negotiations with creditors**. The Plan enables a reduction of our current debt by slightly more than one half, thus making it possible for us to service our debt.

What is the solution? As part of the reorganisation, it is necessary to create a new company, Groupe Eurotunnel SA (GET SA), which will become the holding company of the existing Eurotunnel parent companies following completion of the Offer being made by GET SA for all the outstanding Units in the existing Eurotunnel parent companies. This Offer entails exchanging your current Eurotunnel Units for shares and warrants in this new company. For example if you have 100 Units and you accept the Offer, you will receive 100 shares and 100 warrants in GET SA.

In what way does this concern me? **For the Offer to succeed, at least 60% of outstanding Units must be tendered to the Offer.** If insufficient shareholders tender their Units to the Offer, the Safeguard Plan will fail and the only alternative will be the company's liquidation given its negative equity of over €2 billion.

What about our future? Our operational results are excellent: Shuttle traffic registered an increase of 11% for the first quarter 2007 compared to the first quarter 2006. So this is not the time to throw in the towel. For two years now we have been fighting to ensure the continued existence of this great project that is the Channel Tunnel. Throughout these two years we tirelessly negotiated with our financial creditors to reach a balanced and realistic agreement; in the same period our employees have gone all out to improve our competitiveness.

Eurotunnel has real strengths, but too much debt. **This recovery plan is our last chance** to wipe the slate and start anew.

(1) Except in respect of the directors' qualification Units which they are required to keep by law.

Although the decision is yours, we are counting on each and every one of you.

Together, let's save Eurotunnel!

Jacques Gounon,
Chairman and CEO

The Offer Document and the Prospectus have been sent to all UK registered shareholders (together with a Form of Acceptance for UK certificated registered holders) and are available online at: www.groupe-eurotunnel.com and at www.eurotunnel.com and can be obtained from the registered offices of Groupe Eurotunnel SA, Eurotunnel SA and Eurotunnel P.L.C.

It is very important that you read the Offer Document and the Prospectus, and if necessary, take your own advice from an appropriate financial or other adviser before deciding whether to accept the Offer.

Your attention is drawn in particular to the risk factors described in the Prospectus.

The most Frequently Asked Questions

What is involved IN THIS OFFER ?

The financial difficulties experienced by Eurotunnel in view of the size of its current debt are well known. A financial restructuring plan, known as the Safeguard Plan, was approved by

the Paris Commercial Court in January 2007. The Offer is being made, as provided in the Safeguard Plan, as part of the reorganisation described in Chapter 5 of the Registration Document.

The Safeguard Plan provides, among other things, for the creation of a new entity, called Groupe Eurotunnel SA (GET SA). This is the new entity that is making the offer to exchange your existing Eurotunnel Units for new GET SA shares and warrants. For example, **if you currently have 100 Eurotunnel Units and you accept the Offer, you will receive in exchange 100 shares and 100 warrants in GET SA if the Offer is successful.**

For the Offer to succeed, at least 60% of all outstanding Units must be tendered to the Offer. **If insufficient Eurotunnel Unitholders tender their Units to the Offer, the Offer and the Safeguard Plan will fail.**

All of the arrangements for this transaction are detailed in an Offer Document and a Prospectus (comprising a Registration Document and a Securities Note) which have been declared by the French market authority (*Autorités des Marchés Financiers* ("AMF")) as being compliant with the AMF General Regulations.

You should have received these documents and they can also be viewed online in French and in English at www.groupe-eurotunnel.com (they can also be viewed on Eurotunnel's website at www.eurotunnel.com) or (in French only) at www.amf-france.org.

When will THE OFFER take place and how CAN I TAKE PART ?

The Offer will be open for acceptance between **10 April 2007 and 15 May 2007.**

To accept the Offer, registered unitholders holding their Units in

certificated form (i.e. who have a paper certificate) will have **to complete the Form of Acceptance they have received and return it with the original Unit certificate(s)** (or a form of indemnity if the certificate(s) has been lost) as set out in paragraph 1.1 of Part D of Chapter 6 of the Offer Document.

Holders of Units in CREST (i.e. in uncertificated form) must NOT complete a Form of Acceptance but must instead accept the Offer by sending a TTE Instruction in accordance with the procedure set out in paragraph 1.2 of Part D of Chapter 6 of the Offer Document. If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE Instruction(s) to CRESTCo in relation to your CREST Units.

If you accept the Offer you will receive in exchange of each of your Eurotunnel Unit (comprising one share of Eurotunnel SA and one share of Eurotunnel PLC), one new GET SA ordinary share and one warrant. **For example, if you hold 100 Eurotunnel Units, you will get 100 GET SA ordinary shares and 100 warrants.**

I HAVE RECEIVED a set of documents that I do not understand. PLEASE could you explain to me IN SIMPLE TERMS what they are and what they are for ?

The documents you have received relate to the reorganisation of Eurotunnel to be implemented pursuant to the Safeguard Plan which has been approved by the Paris Commercial Court.

Briefly, **the purpose of the reorganisation is to:**

- substantially reduce the amount of Eurotunnel's current debt to enable Eurotunnel to continue its business;
- ensure the stability of the group and its future development; and
- maintain the existing levels of employment within Eurotunnel.

As part of the reorganisation, it is necessary to create a new company, Groupe Eurotunnel SA (GET SA), which will become the holding company of the existing Eurotunnel parent companies following completion of an Offer being made by GET SA for all the outstanding Units in the existing Eurotunnel parent companies.

This Offer entails exchanging your current Eurotunnel Units for shares and warrants in the new company GET SA.

The documentation you have received comprises:

- an Offer Document which contains details of the Offer terms, and how to accept it;
- a Registration Document and Securities Note, which together comprise a Prospectus containing information about GET SA and its subsidiary Eurotunnel Group UK Plc and the securities they are issuing in connection with the Eurotunnel reorganisation.

If you wish to accept the Offer, the documents you have received contain details of what you need to do.

It is very important that you read the documents, and if necessary, take your own advice from an appropriate financial or other adviser before deciding whether to accept the Offer. You should read in particular the risk factors set out in Chapter 4 of the Registration Document.

Is an INVESTMENT NECESSARY Will I have to pay fees on this TRANSACTION ?

Unitholders accepting the Offer will have no additional investment to make. They will only need to exchange their existing Units for GET SA ordinary shares and warrants.

Please note that there may be costs associated with any indemnity for lost certificates.



Freephone
0808 234 4054

Asked about the Exchange Tender Offer (ETO)

Where can I get the **DOCUMENTS** necessary to take part **IN THE OFFER**



As a UK registered Unitholder, you should have received a copy of the Offer Document and the Prospectus (comprising of the Registration Document

and Securities Note) together, in the case of Certificated Registered Unitholders, with the Form of Acceptance; if not, **please contact Computershare Investor Services plc on 0870 703 0039 to obtain the documentation or ask for assistance on accepting the Offer.** You have until 15 May 2007 to do so. If the Offer is successful, you will have a further period to accept the offer after the Offer has been declared successful. It is currently anticipated that such further period will be from 28 May to 8 June 2007.

How will the new **GET SA** shares be registered Will I retain my **PAPER CERTIFICATE** What are **CDIs**



Eurotunnel is keen to ensure that the new holding company for the group, GET SA, whilst a French company, retains a listing

in London. As it is not possible to transfer and settle non-UK securities (i.e. GET SA ordinary shares and warrants) within the UK CREST system, UK registered unitholders who accept the Offer will receive CDIs (Crest Depository Interests represent the underlying GET SA shares and warrants). Individual unitholders (who are not CREST members themselves) **will be able to hold CDIs through a corporate nominee facility** provided by a subsidiary of Eurotunnel's current UK Registrar, Computershare Investor Services plc.

Instead of holding CDIs you may choose to become a direct shareholder/warrantholder in GET SA by being entered on the register being kept by GET SA's registrars, BNP Security Services (BNP2S). Although such register is kept in France, BNP2S are able to provide information in English.

In all cases, please note both GET SA Ordinary Shares and Warrants (as well as the CDI representing them) are in **dematerialised** form i.e. they are represented by book entries and not physical certificates.

Opting for CDIs during the Offer does not preclude you from deciding to transfer your holding into French registered form (or vice versa) at a later date although there will be costs associated with such transfer. Similarly, provided you have a suitable Euroclear intermediary, you may choose to hold in French bearer form at a later date. Again, there may be costs involved and you will need to take advice from your chosen intermediary.

Please note that only shareholders whose name appear in the French register will be able to benefit from double voting rights after the required two years (see paragraph 3.2 of Part D of chapter 6 of the Offer Document).

For full details please refer to the relevant parts of the Offer Document and Prospectus.

What travel privileges **ARE OFFERED**



These privileges are described in paragraph 22.1.4 of the Registration Document and paragraph 4.2.1 of the Securities Note.

What are **NRS** I'd like to subscribe for **NRS** How do I go about that and how many can I get



The NRS are notes **redeemable in GET SA shares on the basis of 911 shares per NRS.** A percentage of the NRS 61.7% may be redeemed in cash at a price equal to 140% of their par value (or they can be bought in

the market at the market price at the relevant time). **The NRS that are not redeemed in cash will be redeemed in GET SA ordinary shares** over a period of 3 years starting from the 13th month after their issue and ending no later than **37 months after their issue.**

Up to €88 million in NRS are reserved to unitholders who subscribe, during the Initial Offer Period, proportionally to the number of Units tendered to the Offer compared to the total number of Units tendered.

Unitholders subscribing for €15,000 in NRS, will be entitled to approximately 136,650 shares upon redemption of all of the NRS in shares. NRS subscribed by unitholders will comprise a mix of NRS redeemable in cash and of NRS not redeemable in cash, in each case in euros and in pounds sterling as described in section 2.5.1 (F) of the Securities Note.

If oversubscribed, a scaling down mechanism will be applied to individual subscriptions. If undersubscribed, the remaining NRS will be allocated to the creditors who have subscribed or who are entitled to the remaining NRS issued. The NRS will be issued on the settlement date, currently envisaged to be on 22 June 2007.

The NRS subscription form can be obtained by contacting Computershare Investor Services plc on: 0870 703 0039.

The duly completed form must be returned to Computershare and received by them no later than 15 May 2007.

The form can only be used by Eurotunnel unitholders who hold their Units in UK registered form (i.e. paper certificates or CREST) and who are tendering their Units to the current ETO.

I hold less than **100 UNITS.** Is there really any point in my taking **PART IN THE OFFER**



In deciding whether to accept this Offer, you should refer to the Offer Document and the Prospectus (comprising of the Registration Document and the Securities Note) and, if necessary, take your own advice from an appropriate financial or other adviser.

However, please note that the **Joint Board of Eurotunnel has formally recommended to all unitholders that they should tender their Units to the Offer** and each of them will tender their own Units (see Chapter 5 of the Offer Document).

Your choice, irrespective of how many Units you hold, will be **vital for the company and its 2,300 employees. You should note that if the Offer fails**, the Safeguard Plan and the reorganisation will likewise fail. For the Offer to be successful at least 60% of the outstanding Units must be tendered to the Offer. Please refer to paragraph 1.2 of Chapter 1 of the Offer Document which describes the consequences of such failure. You should also, in particular, refer to the risk factors in Chapter 4 of the Registration Document.

What are these **WARRANTS** How many will I receive



This is an instrument that gives you the right – but not the obligation – to subscribe for additional shares in GET SA at a specified time on specified terms. Please refer

to the Offer Document and the Prospectus for further details regarding the Warrants.

Every unitholder exchanging their Units pursuant to the Offer will receive Warrants (on the basis of one warrant for every Unit tendered to the Offer).

A description of the principal characteristics of the Warrants is set out in Annex IC of the Registration Document. Please also refer to the Securities Note for the terms and conditions governing the issue of warrants.

This document is important and requires your immediate attention. If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Units, please forward this document together with the Offer Document and the Prospectus you have previously received as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. This document should not, however, be mailed or otherwise sent into Italy, Canada or Japan or any other jurisdiction if to do so would constitute a violation of the laws of such jurisdiction. If you have sold or otherwise transferred only part of your holding of Units, you should retain this document.

This document should be read in conjunction with the Offer Document and the Prospectus (consisting of the Registration Document and the Securities Note) which were sent to shareholders on or around 10 April 2007. Copies, in both French and English, of this document, the Offer Document and the Prospectus are available free of charge at the registered offices of Groupe Eurotunnel SA, 19, Boulevard Malesherbes, 75008 Paris, of Eurotunnel SA, 19, Boulevard Malesherbes, 75008 Paris, and of Eurotunnel P.L.C., UK Terminal, Ashford Road, Folkestone, Kent, CT18 8XX, UK. This document, the Offer Document and the Prospectus can also be viewed on the website of the AMF (www.amf-france.org) and, in English and French, of Groupe Eurotunnel SA (www.groupe-eurotunnel.com).

As at 19 April 2007 (being the latest practicable date prior to the posting of this document), the GET SA Directors and the Eurotunnel Directors are not aware of any material

change in the information contained in the Offer Document and the Prospectus and in particular to the information set out in Chapter 8 of the Offer Document in relation to: (i) interests and dealings; (ii) Directors' service contracts; and (iii) material contracts.

The GET SA Directors, whose names are set out in Chapter 15 of the Registration Document, accept responsibility for the information contained in this document (and in the Offer Document and the Prospectus which is specifically referred to in this document), other than information relating to ESA, EPLC, Eurotunnel and the Eurotunnel Directors and their immediate families, related trusts and controlled companies, for which the Eurotunnel Directors accept responsibility. To the best of the knowledge and belief of the GET SA Directors (who have taken all reasonable care to ensure that such is the case), the information for which they accept responsibility as referred to above is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Eurotunnel Directors, whose names are set out in Chapter 8 of the Offer Document, accept responsibility for the information contained in this document (and in the Offer Document and the Prospectus which is specifically referred to in this document), relating to ESA, EPLC, Eurotunnel and themselves and their immediate families, related trusts and controlled companies. To the best of the knowledge and belief of the Eurotunnel Directors (who have taken all reasonable care to ensure that such is the case), the information for which they accept responsibility as referred to above is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Directors confirm that the forecasts set out in Chapter 14 of the Registration Document remain valid for the purpose of the Offer. KPMG and Mazars et Guérard confirmed in writing that it has no objection to its letter included in the Registration Document relating to the forecasts as set out in Chapter 14 of the Registration Document continuing to apply.



Freephone
0808 234 4054

INDICATIVE TIMETABLE

- **10 April: Offer opened for acceptance**
- **15 May: Offer closes**
- **25 May: Publication of the results of the Offer**
- **28 May: Automatic reopening of the Offer for 10 days if Offer is successful**
- **22 June: Settlement date**