

Eurotunnel on Track

January 2008



Letter to Groupe Eurotunnel SA
shareholders



Dear shareholders,

In keeping with the best traditions, I would first of all like to wish you and those close to you an excellent year in 2008.

You may perhaps consider these best wishes to be out of step with the current stock market crisis we are experiencing, the most serious since the events of 11 September 2001.

Even if Groupe Eurotunnel cannot escape this context, impacting all the more mid-cap companies like ours, I would like to stress just how **excellent our fundamentals are**. Business in 2007 was remarkable and should come through very positively in our financial results:

- Our revenue is €775 million, an increase of 6% on a comparable basis¹;
- Our Shuttle business has reached the symbolic threshold of €500 million, +8%;
- Better still, our truck shuttle traffic has increased by 9% and our car traffic by 6%;
- Eurostar carried more than 8.2 million passengers, an increase of 5%. The opening of services on the new high speed line between the Tunnel and London and of the new St Pancras International station, in November 2007, should bring us good growth in these revenues;
- Europorte 2, our rail subsidiary, is now operational and pulling SNCF freight trains between Calais Frethun and the UK. The slow decline in rail freight should now stop and the return of growth in this sector also bring us additional revenue.

We have sought to raise the profile of the Group in the financial markets:

- By communicating in the financial press in France;
- By being included from 1st January in Euronext's "Next 150" index which represents the mid and large capitalisation segment of shares listed on Euronext regulated markets.

It is interesting to compare Groupe Eurotunnel SA not only to indices, including the CAC 40, but also to other infrastructure stocks: Vinci, Eiffage, Aéroports de Paris, Autoroutes Paris Rhin-Rhône. Today, everyone is suffering and our development is not out of line in such a context.

After the consolidation, it is obvious that some rationalised their holdings. This movement whilst anticipated has continued and has in fact intensified for a different reason: some fund managers have had to seek liquidity in order to satisfy their clients' demands.

Such exits leads to an influx of shares which given the low volumes traded, immediately translates into a reduction in the GET share and warrant prices. Once conditions start to improve, things should go back to normal and the quality of our performance should be appreciated at its true value.

With all this movement in the share price, you may well ask: **who actually holds Eurotunnel's shares?**

At the start of January, we initiated in France a "TPI" study: a request to financial intermediaries to identify bearer shareholders. As soon as the results are known, I will communicate them to you.

They will enable us, in particular, to know the number of Groupe Eurotunnel shareholders, the average size of holdings, the main shareholders and other useful information, especially in view of the likely future rights issue.

The stock market conditions, no matter how bad, should not make us forget **our objectives**:

- To increase the value of the group: the forthcoming 2007 results will enable you to see that this is truly the case;
- To enable the exercise of the highest possible number of warrants in 2011, in order to allow you to benefit from the positive change in our circumstances. I will give my initial estimates at the announcement of the 2007 results;
- To simplify the financial instruments in issue, by buying back all or part of the NRS II, thereby seeking to stabilise the capital structure by introducing larger shareholders;
- To get to a position that would further the payment of dividends.

All this should reinforce in your mind the fact that we must all be patient in the face of the current crisis and that there is no reason not to back Eurotunnel's future.

These are the reasons why I have no hesitation in wishing you, once again, all the best for 2008.

Yours faithfully,

A handwritten signature in black ink, appearing to be "J. Gounon".

Jacques Gounon,
Chairman and Chief Executive

¹ At a constant exchange rate and excluding the guaranteed payments from the railways (MUC) which ceased contractually at the end of November 2006

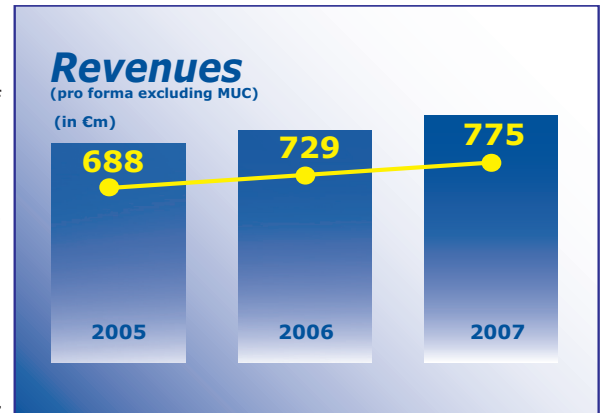
Business in 2007: a remarkable year

In 2007, Eurotunnel has experienced very good progress in its activity. The Group continues to grow with a notable increase in revenues on a comparable basis, for the third year in a row. Traffic also increased markedly.

Revenues

Revenue reached €775 million, an increase of almost €50 million compared to 2006 on a comparable basis¹. At a constant exchange rate and excluding the sums guaranteed by the Railways under the Minimum Usage Charge (MUC), which ceased contractually at the end of November 2006, Eurotunnel's revenues increased by 6% in 2007. The end of the MUC has therefore largely been compensated for by the development of Shuttle activities. As a reminder, Eurotunnel received €95 million under the MUC in 2006. Revenues from the railways increased by 3% on a comparable basis¹.

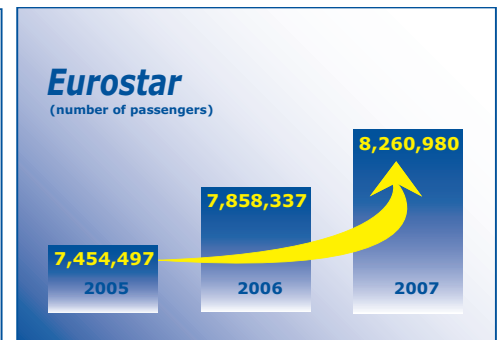
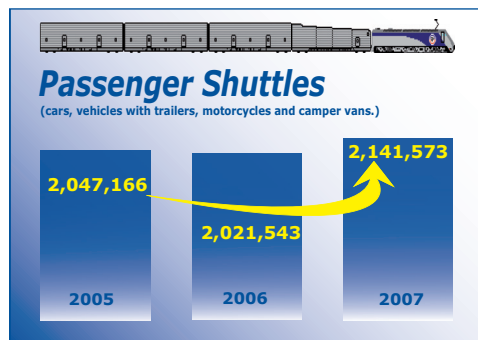
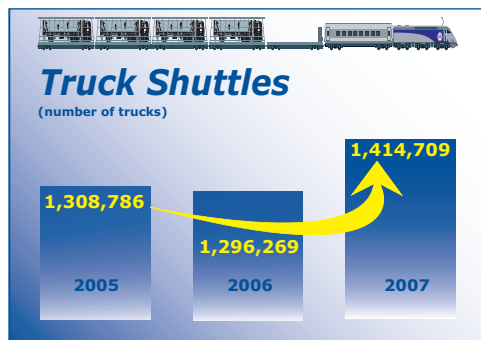
Operating the Eurotunnel Shuttles, which transport trucks and passenger vehicles between Folkestone and Coquelles, is the principal driver of this growth, resulting in an 8% increase in revenue this year. Shuttle Services, Eurotunnel's core activity, now represents 65% of the Group's revenues with the transport of trucks representing the larger part of this.



¹ At a constant exchange rate and without the payments from the Railways guaranteed under the Minimum Usage Charge (MUC) which ceased contractually at the end of November 2006.

Traffic

Eurotunnel Shuttle traffic increased by more than 9% for trucks and 6% for cars, whilst the number of passengers travelling through the Channel Tunnel by Eurostar² increased by 5%. The traffic growth seen in 2007 is proof that millions of customers appreciate the Group's constant efforts to improve the quality of its service as well as speed, reliability and its environmentally considerate transport system.



² Excluding Paris-Calais and Brussels-Lille.

Advice to TNU shareholders

Groupe Eurotunnel SA and its subsidiary Eurotunnel Group UK PLC between them hold 99.32% of the capital of TNU SA and TNU PLC following the recapitalisation of these two companies, decided in accordance with the Safeguard plan, approved by a 99.9% majority at the Extraordinary General Meetings held on 21 December 2007 and implemented on the same day. Delisting of TNU Units in Paris took effect on 14 January 2008.

Eurotunnel on Track will only be distributed to shareholders in Groupe Eurotunnel SA. From now all requests for information concerning TNU should be made in writing, either by email to tnu@eurotunnel.com or by letter to TNU, Shareholders, BP 69, 62904 Coquelles Cedex, France. No requests will be dealt with by telephone.

Help us protect the planet and cut costs

If you would like to take part in Eurotunnel's commitment to sustainable development and to the reduction of costs:

There is one simple thing to do!

Request Eurotunnel on Track by email. Send your request to shareholder.info@eurotunnel.com stating the email address to which you would like On Track to be sent, your full name and postal address and your shareholder reference, whether you are registered or bearer.

Three benefits!

- Together we can save paper
- The information will reach you faster than by post
- We reduce our printing and postage costs.

To contact the Shareholder Relations Centre



Shareholder Relations Centre - Groupe Eurotunnel
Terminal UK - Ashford Road - Folkestone - Kent CT18 8XX



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