February 2008

Eurotunnel on Track

Letter to Groupe Eurotunnel SA Shareholders

Special edition: redemption of NRS II

Dear Shareholder,

The exceptional characteristics of your company since the large scale debt reduction, open up, as I have already indicated to you, real prospects for the future.

The paradox of the current crisis in the financial markets is that it makes us even more attractive: those who invest in Groupe Eurotunnel know what they are buying: a long term, profitable infrastructure concession.

The Board of directors of Groupe Eurotunnel SA decided that the requisite conditions were present to proceed with the raising of new funds to enable the **early cash redemption of the NRS II** issued within the framework of the restructuring provided for in the Safeguard Plan.

The objectives of this transaction, which aims to raise the necessary funds for the complete redemption of the NRS II (i.e. approximately €1.7 billion), are as follows:

• to save on the financial costs associated with the NRS II (a saving of approximately €68 million per annum excluding remuneration of SDES - see below) and to create headroom which may allow the company to consider the distribution of its first dividend;

• to reach more rapidly than expected the stage at which the definitive number of shares comprising the share capital is known and stabilised;

• to facilitate the increase in existing shareholders' proportionate share of the company's equity, by completing the early redemption of NRS II, approximately half even before the first period of redemption in shares of part of the NRS I scheduled for July 2008;

• to encourage shareholder loyalty by granting new or existing shares, or their equivalent value in cash, to those who subscribe for securities in connection with either of the two phases discussed below[1] and hold them for three years.

In order to ensure the success of this transaction in an environment characterised by the instability of financial markets, the board of directors decided to split the transaction into two phases:

• First phase: an issue of subordinated deferred equity securities redeemable in shares (SDES) for €800 million. This issue, without pre-emption rights but with a priority subscription period for existing shareholders, is already fully underwritten; the terms and conditions of the first phase are set out in this edition of On Track.

• Second phase: a rights issue launched subsequently to the SDES issue and as soon as possible depending on market conditions, of a maximum amount of approximately €900 million, by way of allotment of free warrants to shareholders.

« We wish to raise €1.7 billion in two tranches to redeem the NRS II.»

The terms of the second phase will be set out at the time of its implementation. Unlike SDES, it will take the form of a classic rights issue: warrants will be attributed to you for free and will enable you to subscribe for GET SA shares at a price that will be fixed at the launch of the second phase.

The SDES will be open for subscription by existing shareholders during the priority period. **The issue will also be the object of a public and private placement in France by a major banking syndicate comprising Citigroup, Lazard-Natixis and Lehman Brothers.**

The subscription of the entirety of the SDES to be issued is fully underwritten by funds specialising in infrastructure linked to the Goldman Sachs Group, Inc.

The proceeds of the issue will be used to finance the early cash redemption of almost half of the NRS II in issue.

All this has been made possible thanks to our remarkable operational performance.

To be able to launch the SDES issue, the Board approved interim consolidated accounts as at 31 October 2007 and the auditors have certified them. You should be aware that as early as 31 October 2007, our EBITDA had almost reached the level forecast in the business plan, at €381 million.

The accounts for the year ended 31 December will be approved later. The EBITDA for 2007 is estimated at €439 million. On that basis, pro forma, that is to say using the hypothesis that the company had been restructured on 1 January 2007 and excluding the exceptional profit from the restructuring, Groupe Eurotunnel should reach break-even (estimated 2007 results). Never seen before!

Today, in the midst of a market crisis, **we are about to raise €800 million and we are working towards raising €900 million in a second phase so as to achieve our clear aim of an early cash redemption of the NRS II.**

By saving the company from bankruptcy in the spring of last year, you have made this possible.

I thank you. Take pride in what you have achieved. Get ready to support the forthcoming rights issue.

Yours faithfully

Jacques Gounon
Chairman and Chief Executive

[1] *SDES and shares issued upon redemption of the SDES and new shares to be subscribed for upon exercise of the share warrants during the second phase*

The prospectus related to this transaction is comprised of the prospectus prepared by Groupe Eurotunnel SA and Eurotunnel Group UK Plc which received visa nº 07-113 from the Autorité des marchés financiers on 4 April 2007 and a securities note including, in particular, as annex 1 an update of the information contained in the 4 April 2007 prospectus pursuant to the provisions of Articles 212-24 and 212-25 of the General Regulations of the Autorité des marchés financiers the "Securities Note"). It was approved by visa n° 08-032 dated 20 February 2008 from the Autorité des marchés financiers.

This prospectus is available on the websites of the AMF (www.amf-france.org) and Groupe Eurotunnel SA (www.eurotunnel.com). Copies are also available free of charge at the registered office of Groupe Eurotunnel SA (19 boulevard Malesherbes - 75008 Paris) and from other establishments authorised to receive subscription orders.

Early redemption of NRS II in practice

The early redemption in cash of the NRS II requires the raising of approximately €1.7 billion unless the power to borrow the additional €330 million, already available, is used, as the case may be. This transaction will take place in two phases, the first of which is described in a prospectus which has just received the approval of the French market authority (AMF).

The first phase for an amount of €800 million will be raised through the issue of subordinated deferred equity securities redeemable in shares (SDES). Fully underwritten, the issue must be completed by 10 March 2008 in order to enable the redemption of approximately half of the NRS II as early as April 2008.

The second phase, the rights issue, will be launched as soon as possible after the first phase, depending on market conditions, the aim being to target the NRS II redemption window at the start of July 2008. This second phase will be the object of a new securities note, which will also be subject to AMF approval.

In the interests of complete transparency, the results of phase 1 will be given to you before the start of phase 2 so as to enable you to make your investment decision with all the information available to you.

PHASE 1

Phase 1 : from 21 to 28 February

- **Issue of SDES*** (Subordinated Deferred Equity Securities redeemable in shares) for a nominal amount of €800 million
- **Nominal value**: €1,000 per SDES
- **Return**: three ordinary GET SA shares or payment in cash (at 2% per annum), in one payment on 6 September 2009
- **Listing**: Luxembourg
- **Subscription**: Five and a half trading days with a three days priority period for existing shareholders from 21 to 25 February 2008. A holding of 75 consolidated GET shares enables the subscription of one SDES
- **Encourage shareholder loyalty** by the attribution of new or existing ordinary shares, or their equivalent in cash, to those who subscribe for shares in connection with either of the two phases and who retain them for three years
- **The SDES will be redeemed in ordinary shares of Groupe Eurotunnel SA in 18 months** on the basis of 103.8 shares per SDES**

**NB: SDES are complex financial instruments requiring investors to possess sufficient experience in financial markets, particularly in relation to the level of subordination and the redemption process for the SDES. SDES are instruments redeemable in shares and not in cash.*

***Extendable to 30 months without additional return.*

Subscription requests will be centralised by BNP Paribas Securites Services, Issuer Services, Immeuble Tolbiac, 75450 Paris Cedex 09, France.

PHASE 2

Phase 2 :

- **Rights issue** for a maximum nominal amount of €900 million by the free allotment of warrants to all existing shareholders enabling their holder, on exercise of the warrants, to subscribe to ordinary GET SA shares
- **Price**: to be determined at a later date
- **Listing**: Paris and London
- **Encourage shareholder loyalty** by the attribution of new or existing ordinary shares, or their equivalent in cash, to those who subscribe for shares in connection with either of the two phases and who retain them for three years

NRS II reminder

The Safeguard Plan envisaged the issue of two types of Notes Redeemable in Shares (NRS): NRS I and NRS II, in sterling and in euro*. NRS II only can be redeemed early in cash at the initiative of Groupe Eurotunnel SA, on notice, during the first week of each quarter, at 140% of their nominal value. In the absence of early redemption in cash, NRS II will be redeemed automatically in GET SA ordinary shares on the 37th month following their issue (end of July 2010). NRS II bear interest at 6% per annum.

**NRS II: total nominal amount issued in euro: 637,088,700; total nominal amount issued in pound sterling 352,527,641.*

Shareholders' attention is drawn to the inherent risks associated with the SDES issue. Those risks are described in Chapter 2 of the Securities note. The Securities Note is available on the websites of the AMF (www.amf-france.org) and of Groupe Eurotunnel SA (www.eurotunnel.com). Shareholders are invited to consult the prospectus before making their investment decision.

QUESTIONS ANSWERS

Why a rights issue and why now?

This option, envisaged in the Safeguard Plan, will enable Groupe Eurotunnel to grow in strength and at the same time to stabilise its capital. In total the operation seeks to raise €1.7 billion in two phases. Exceptional estimated results for Groupe Eurotunnel in 2007 have led the board to launch the first phase now, in order to redeem at least part of the NRS II before the first period of redemption in shares of NRS I in July 2008. This will enable you to benefit from the corresponding increase in value.

What is a « SDES »?

SDES means Subordinated Deferred Equity Securities redeemable in shares. These financial instruments correspond to a deferred share capital increase. They are therefore quasi-equity securities. So as to keep things simple, the SDES will be listed in Luxembourg, thereby avoiding the burden of the London and Paris dual listing. With a nominal value of €1,000, they will be redeemable in 18 months* in Groupe Eurotunnel ordinary shares.

In terms of financial charges, the annual coupon paid on the SDES, three times less than that paid on the NRS II, is limited to 18 months and can be paid in shares.

**Extendable to 30 months without additional return.*

What will the impact of the transaction be on the equity?

One of our objectives is to seek the least dilution for our current shareholders*.

The redemption of NRS II in GET SA ordinary shares would have led to new shares being issued in 37 months' time. With this transaction, such new shares will no longer need to be issued and only the shares which may need to be issued on redemption of the SDES and, as the case may be, on exercise of the warrants, will be issued. The difference, for the first phase is a reduction by approximately 45 million of the number of shares to be issued.

** Detailed illustrations appear in the Securities Note (paragraph C in the summary and Chapter 9)*

Who is underwriting the issue and why have they been chosen?

Generally speaking, the investor has undertaken to subscribe for the SDES which may not have found takers. In that case, it is preferable for Group Eurotunnel that the investor be specialise in infrastructure, understanding the company and its economic model. The amount under consideration (€800 million i.e. over USD1.1 billion*) inevitably limits the number of candidates and our choice was made amongst the strongest: the Goldman Sachs Group, Inc.

The placement banks Citigroup, Lazard-Natixis and Lehman Brothers must identify and convince as many investors as possible in the context of the public and private placement at an underlying share price equivalent to the current share price.

**Approximately (exchange rate: €1 = USD1.47)*

What will happen during the second phase of the transaction and how long will the subscription period last?

The second phase of the transaction will take the form of a rights issue whereby warrants to subscribe for shares will be issued to shareholders. These warrants will entitle their holders to subscribe for new Groupe Eurotunnel SA shares. Additional information will be sent to you in due course so that all shareholders concerned may exercise their warrants and subscribe should they so wish.

Freephone
0808 234 4054

Estimated 2007 results:

SPECTACULAR PROGRESS AHEAD OF THE BUSINESS PLAN

The estimated (unaudited) results of Groupe Eurotunnel for 2007 have never been as good in the recent history of the group, giving us the opportunity to proceed with the early redemption in cash of the NRS II.

So as not to lose three months in the early cash redemption of the NRS II, the first phase of the transaction is being launched ahead of the annual results publication, that is on the basis of interim consolidated accounts approved and certified to this effect as at 31 October 2007. At that date, the projected EBITDA* for the whole of 2007 in the business plan had almost already been achieved.

Revenue for 2007 (see the last On Track) is ahead of forecast by €41million (before recalculating the exchange rate). The estimated level of EBITDA for 2007 is €439 million. Not taking account the exceptional profit from the restructuring of €3,323 million, **the estimated net pro forma result for 2007 should be break even**.

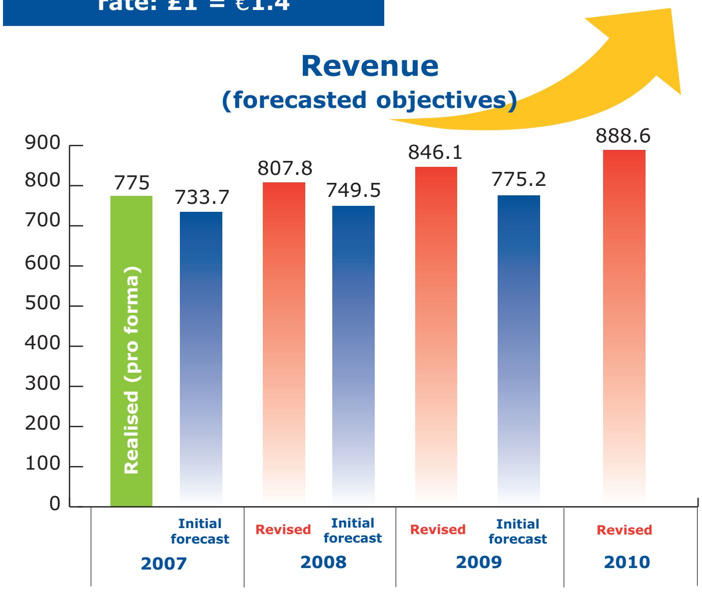
Forecasts for 2008-2009 reviewed upwards

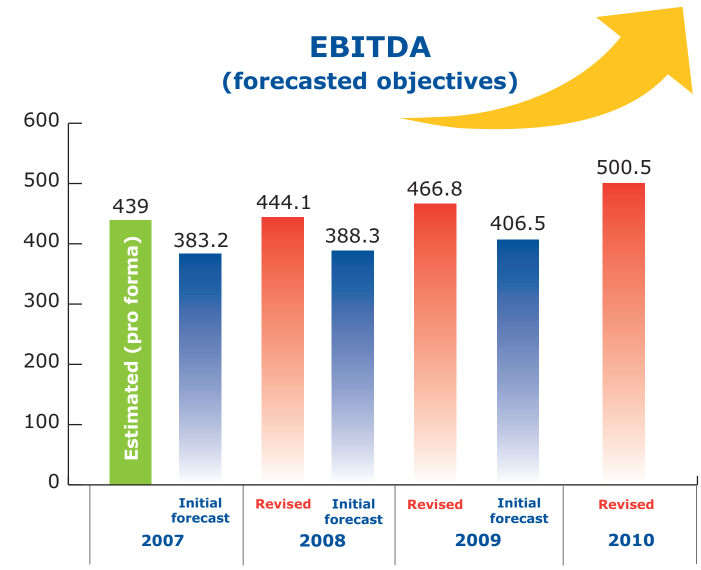
Being so far ahead of the business plan leads us to raise our forecasts for 2008 to 2010. The provisional revenue for 2008 is, notably, now €58 million ahead of that initially forecast in the business plan; the provisional EBITDA is itself set at €444 million, a growth of 14% compared to the original business plan.

Note: the actual and estimated figures for 2007 are at an average exchange rate for 2007 (£1 = €1.437)

*EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)

in € million, at the exchange rate: £1 = €1.4





Note: As a reminder, the unaudited financial data of GET SA as at 31 December 2007, which includes the group's operating activities since 1 July 2007, are 402 million euros for the total revenue and 231 million euros in EBITDA.

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To contact Shareholder Information Centre

Shareholder Information Centre
Terminal UK - Ashford Road - Folkestone - Kent CT18 8XX

@ shareholder.info@eurotunnel.com

www.eurotunnel.com

Tel: 0808 234 4054