GROUPE EUROTUNNEL SA

2008 Reference Document*

In application of the General Regulations of the *Autorité des marchés financiers* (French market authority), in particular article 212-13 thereof, the *Autorité des marchés financiers* registered this Reference Document under number R. 09-018 on 16 April 2009. This document can only be used to support a financial transaction when accompanied by a securities note endorsed by the *Autorité des marchés financiers.* This Reference Document was prepared by Groupe Eurotunnel SA and is the responsibility of its signatories. In accordance with the provisions of article L. 621-8-1-I of the French Monetary and Financial Code, registration was granted once the *Autorité des marchés financiers* had verified that the document is complete and comprehensible, and the information which it contains is consistent. The registration does not imply any verification by the *Autorité des marchés financiers* of the accounting or financial information presented herein.

Copies of this Reference Document are available free of charge at the registered office of Groupe Eurotunnel SA – 19, Boulevard Malesherbes, 75008 Paris. This Reference Document can also be viewed on the websites of the *Autorité des marchés financiers* (www.amf-france.org) and Groupe Eurotunnel SA (www.eurotunnel.com).

Unless indicated otherwise, all the figures in this Reference Document have been calculated by applying either the euro / sterling exchange rate on 31 December 2008 (£1=€1.050) for balance sheet items, or the average rate for 2008 (£1=€1.216) for elements of the income statement.

In application of article 28-1 of EC Regulation 809/2004 of the European Commission, the following information is included in this Reference Document by reference:

- TNU's combined accounts for the year ended 31 December 2006 prepared in accordance with IFRS and the report of the *Commissaires aux Comptes* and the Auditors thereon, as well as the operating and financial review of TNU for the year ended 31 December 2006, are included in Groupe Eurotunnel SA's Reference Document for 2007 registered by the *Autorité des marchés financiers* on 15 April 2008 under number R. 08-024 on pages 142 to 171, 250 to 251 and 50 to 53 respectively;

- Groupe Eurotunnel SA's consolidated accounts for the year ended 31 December 2007 prepared in accordance with IFRS and the report of the *Commissaires aux Comptes* thereon, as well as Groupe Eurotunnel's operating and financial review for the year ended 31 December 2007, are included in Groupe Eurotunnel SA's Reference Document for 2007 registered by the *Autorité des marchés financiers* on 15 April 2008 under number R. 08-024 on pages 209 to 249, 254 to 255 and 46 to 49 respectively; and

- Groupe Eurotunnel's company accounts for the year ended 31 December 2007 prepared in accordance with French accounting standards and the report of the *Commissaires aux Comptes* thereon are included in Groupe Eurotunnel SA's Reference Document for 2007 registered by the *Autorité des marchés financiers* on 15 April 2008 under number R. 08-024 on pages 266 to 276 and 277 to 278 respectively.

* *This document (the "2008 Reference Document") is an unofficial English-language translation of Groupe Eurotunnel SA's "*Document de Référence 2008*" registered with the* Autorités des marchés financiers *(the French financial markets authority, or AMF) on 16 April 2009 under the number R. 09-018. In the event of any inconsistencies between this document and the original French document, the text of the French document shall be considered authoritative.*

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1. RESPONSIBLE PERSON

1.1 Person responsible for the Reference Document and the financial information

Name and capacity of person responsible: Jacques Gounon, Chairman of the board of directors and Chief Executive of GET SA.

E-mail: PresidentGET@eurotunnel.com

1.2 Declaration by the person responsible for the Reference Document

I declare, having taken all reasonable care to ensure that such is the case, that the information contained in this Reference Document and its annexes is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its significance.

I declare that, to the best of my knowledge: (i) the accounts for Groupe Eurotunnel SA have been prepared in accordance with the applicable accounting standards and represent an accurate view of the assets, financial situation and results of Groupe Eurotunnel SA and of the companies comprised in the consolidation; and (ii) the management report, made up of sections of this Reference Document, as listed in the table of cross references in annex IX of this Reference Document, represents an accurate view of the development of the business, of the results and of the financial situation of Groupe Eurotunnel SA and of the companies comprised in the consolidation, as well as a description of the main risks and uncertainties facing them.

I have been provided with a final report (*lettre de fin de travaux*) from the statutory auditors in which they indicated that they had verified the information relating to the financial situation and to the accounting data contained in this Reference Document and had read the whole document.

This report contains no observations relating to this Reference Document but contains a reminder of the following observations made by the statutory auditors in their report related to the historic financial information:

"*Our report on the consolidated accounts of Groupe Eurotunnel SA for the year ended 31 December 2008 included no observations.*

Our report on the consolidated accounts of Groupe Eurotunnel SA for the year ended 31 December 2007 included the following observation:

Without calling into question the above opinion, we draw attention to notes 2.1.i and 2.3 of the accompanying notes to the consolidated accounts, relating to the principles of preparation and presentation of the consolidated accounts and the pro forma financial information. These two notes highlight, respectively, the accounting treatment of the financial restructuring and the impact of the reduction of the gross cost of servicing debt in the pro forma income statement for the period from 1 January to 31 December 2007, assuming the implementation of the financial restructuring at a theoretical date of 1 January 2007.

Our report on the Eurotunnel combined accounts for the year ended 31 December 2006 included the following observations:

- *Going Concern*

The Eurotunnel combined accounts have been prepared on a going concern basis, which is directly dependent on the successful implementation of the financial restructuring as stated by the Safeguard Plan which was approved by the Paris Commercial Court on 15 January 2007. This implies in particular the success of the Tender Offer, the drawing of the Term Loan, the failure of any legal or administrative actions aimed at blocking the Safeguard Plan and the absence of any significant changes to the implementation of the Safeguard Plan, the nature and impact of which cannot be gauged at this stage.

In the event that all of the elements of the Safeguard Plan are not put in place, Eurotunnel's ability to trade as a going concern would not be assured. The combined accounts would then be subject to certain adjustments, the amounts of which cannot be measured at present. They would relate to the impairment of assets to their net realisable value, the recognition of potential liabilities and the classification of non-current assets and liabilities as current assets and liabilities.

- *Valuation of property, plant and equipment*

Note 6 to the accounts explains that the Eurotunnel Group has not identified any indicator of change in the basis of the value in use of its property, plant and equipment at 31 December 2006 compared to that at 31 December 2005, which was calculated using an implicit discount rate of 8.4%. Even minor changes in the assumptions used would lead to material changes in the valuation of the assets. As an illustration, a change of 0.1% or 0.5% in the implicit discount rate corresponds to a change in the value in use of the assets of £90 million or £489 million, respectively.

Finally, it is our duty to draw your attention to the fact that the financial projections over the remainder of the Concession are, by their very nature, uncertain.

- *Consequences of the implementation of the Safeguard Plan on the combined accounts*

Note 1 to the financial statements sets out the consequences of the implementation of the Safeguard Procedure and the execution of the Safeguard Plan on the 2006 combined accounts.

- *Non approval of the 2005 combined accounts*

Note 1 to the accounts explains that the 2005 combined accounts, which serve as the opening balance sheet for the 2006 accounts, will be submitted to the Annual General Meeting called to approve the combined accounts for 2005 and 2006.''

The 2008 financial information presented in this document has been the subject of reports by the statutory auditors, as found in annexes II and III. The historical financial information and the reports of the statutory auditors thereon, are included in this Reference Document by reference.

2. AUDITORS OF GET SA

2.1 Statutory auditors

KPMG Audit, department of KPMG SA
1 cours Valmy – 92923 Paris La Défense Cedex, France
Appointment date: 9 March 2007
Date appointment will terminate: general meeting called to approve the accounts for the financial year ending on 31 December 2012

Mazars
61 rue Henri Regnault – 92075 Paris La Défense Cedex, France
Appointment date: 9 March 2007
Date appointment will terminate: general meeting called to approve the accounts for the financial year ending on 31 December 2012

2.2 Alternate statutory auditors

Jean-Paul Vellutini
1 cours Valmy – 92923 Paris La Défense Cedex, France
Appointment date: 9 March 2007
Date appointment will terminate: general meeting called to approve the accounts for the financial year ending on 31 December 2012

Patrick de Cambourg
125, rue de Montreuil – 75011 Paris, France
Appointment date: 9 March 2007
Date appointment will terminate: general meeting called to approve the accounts for the financial year ending on 31 December 2012

3. SELECTED FINANCIAL INFORMATION

The tables below are extracted from the consolidated income statements, balance sheets and cash flow statements for Groupe Eurotunnel SA for the financial years ended 31 December 2008 and 2007.

Summary income statements 2007 - 2008

	Year ended 31 December		
		pro forma[1]	
€ million	**2008**	**2007**	**2007**
Exchange rate €/£	1.216	1.437	1.437
Revenue	704	775	402
Other income	44	–	–
Total turnover	**748**	**775**	**402**
Operating expenses	(327)	(336)	(171)
Operating margin (EBITDA)	**421**	**439**	**231**
Depreciation	(160)	(162)	(82)
Trading profit	261	277	149
Other operating income / (charges)	28	(13)	(13)
Operating profit (EBIT)	**289**	**264**	**136**
Net cost of financing and debt service	(249)	(278)	(135)
Profit resulting from the financial restructuring	–	3,323	3,323
Other financial income / (charges), and income tax expense	–	15	(7)
Net result for the year: profit / (loss)	**40**	**3,324**	**3,317**

[1] *The financial information published as at 31 December 2007 took account of the implementation of a new group structure in June 2007, and was prepared in accordance with instruction nº 2007-05 of 2 October 2007 of the Autorité des marchés financiers relating to the presentation of pro forma financial information, which requires that, in the case of a change of structure during a financial year, the pro forma information be provided as if the change had been implemented at the beginning of the period.*

The consolidated pro forma income statement for the period 1 January to 31 December 2007, which presented the impact on the year of the refinancing, as if it had been put in place on the theoretical date of 1 January 2007, included the operational activities of the Eurotunnel Group with effect from 30 June 2007, the date of the Offer.

Summary balance sheets 2007 - 2008

€ million	Year ended 31 December 2008	2007
Exchange rate €/£	1.050	1.364
Property, plant and equipment	6,886	7,013
Other non-current assets	3	4
Total non-current assets	6,889	7,017
Cash and cash equivalents	276	155
Other current assets	116	105
Total current assets	392	260
Total assets	**7,281**	**7,277**
Total equity	3,040	2,739
Total financial liabilities	3,579	4,261
Other liabilities	662	277
Total equity and liabilities	**7,281**	**7,277**

Summary cash flow statements 2007 - 2008

€ million	Year ended 31 December 2008	pro forma[1] 2007	2007
Exchange rate €/£	1.050	1.364	1.364
Net cash inflow from trading	416	398	233
Other operating cash flows and taxation	(1)	(117)	(92)
Net cash inflow from operating activities	**415**	**281**	**141**
Net cash outflow from investing activities	(35)	(37)	(20)
Net cash outflow from financing activities	(241)	(369)	(356)
Increase / (decrease)	**139**	**(125)**	**(235)**[2]

[1] *The financial information published as at 31 December 2007 took account of the implementation of a new group structure in June 2007, and was prepared in accordance with instruction n° 2007-05 of 2 October 2007 of the Autorité des marchés financiers relating to the presentation of pro forma financial information, which requires that, in the case of a change of structure during a financial year, the pro forma information be provided as if the change was implemented at the beginning of the period.*

The pro forma cash flow statement for the year to 31 December 2007 reflected the operating cash flows from the twelve months of operations as well as the financing cash flows from the financial restructuring.

[2] *Excluding €392 million brought by TNU in connection with the business combination under common control at the date of the Offer on 28 June 2007.*

4. RISK FACTORS

Chapter 4 sets out the risks linked to activities of the Eurotunnel Group and to the 2007 Reorganisation.

The Eurotunnel Group has carried out a review of the risks affecting the Group in connection with the procedures described in annex IV of this Reference Document. The main risks that emerge from this review are described below. The procedures to review and manage these risks are outlined in annex IV of this Reference Document. The Eurotunnel Group does not consider itself subject to any significant risks other than those listed below.

4.1 Risks related to the Eurotunnel Group's business

The Eurotunnel Group's revenue depends primarily on the evolution of cross-Channel traffic, which in turn depends on factors over which the Eurotunnel Group has no control in most cases.

The Eurotunnel Group's revenue is closely linked to cross-Channel passenger and goods traffic.

The evolution of Cross-Channel and Tunnel traffic depends on a number of factors over which the Eurotunnel Group has no control in most cases. These include:

- general economic growth, particularly in France, the United Kingdom and Europe, which is affected by the economic downturn and the major financial crisis, the extent and duration of which are hard to gauge accurately;
- the political situation in France, the United Kingdom, Europe and worldwide;
- the occurrence of health or natural disasters in Europe and worldwide;
- competition from traditional airlines, airline alliances and low-cost airlines;
- the appeal of transport services through the Tunnel compared to other forms of cross-Channel transport;
- competition from ferries and a possible escalation of the price war;
- taxation in France and the United Kingdom;
- limits on the number of time slots for trains using the Tunnel; and
- the competitive position and commercial policies of rail operators offering passenger transport (such as Eurostar) and goods transport via the Tunnel.

These factors could have a negative impact on the Eurotunnel Group's revenue, results, financial position and available cash flow.

Moreover, as stated in chapter 6 of this Reference Document, weak economic conditions could disrupt the Group's commercial and operational strategy, despite good results achieved in the last few years.

The Eurotunnel Group faces strong competition

The competitive environment of the Eurotunnel Group (presented in section 6.2 of this Reference Document) could become stronger in all of its business areas. The Eurotunnel Group's business has been and is subject to competition which could further intensify in the near future.

The relative over capacity in cross-Channel transport is leading to strong competition between operators. Prices remain subject to the threat of an economically stronger new market entrant and the further development of regional routes by low-cost airlines.

The Eurotunnel Group is faced with continued competition from airlines which have become major players in the European transport market in recent years, either directly by servicing the usual destinations of the travellers using the Tunnel or by offering customers different alternative holiday and short-break destinations. The price strategies and other competitive initiatives adopted by airlines may have a negative impact on Passenger Shuttle Service volumes. These competitive initiatives may also have a negative effect on Eurostar passenger numbers, if they result in direct competition on the Paris-London and Brussels-London routes. Information relating to Eurostar's market share and the passenger market on the Paris-London and Brussels-London routes is given in paragraph 6.2.2 of this Reference Document.

The Eurotunnel Group is subject to risks inherent in the business of an infrastructure operator

The Eurotunnel Group is exposed to certain risks inherent to the business of an infrastructure operator.

The Eurotunnel Group is subject to a certain number of obligations designed to protect passengers and to reduce risks of accident. There are four main categories of obligations that present risks for the Eurotunnel Group:

- The Eurotunnel Group faces the risk of a temporary disruption to Tunnel operations, resulting in particular from labour disputes, technical failures (IT network breakdowns, power cuts etc.), accidents (collisions, derailment, fire etc.), political events (blockades by demonstrators, illegal immigrants etc.), natural disasters (earthquakes, floods), direct industrial disasters (collapse or accidental destruction), indirect industrial disasters (dispersion of hazardous materials) and other types of disruption. In addition to the impact that such disruption could have on the Eurotunnel Group's results, these events often receive wide media coverage (particularly when passengers suffer major inconveniences or when freight is subject to significant delays). Prolonged disruption could therefore have a significant impact on the Eurotunnel Group's image, results and financial position.

For example, the fires in 1996 and 2008 had the following effects:

  - partial stoppage of activity in a section of the Tunnel for a period of four to eight months;
  - the partial or almost total destruction of a Shuttle;
  - loss of business covered as described in section 6.6 of this Reference Document.

- Like any other company that admits the public onto its premises and transports them, the Eurotunnel Group is required to implement public safety measures. A set of measures already exists to limit risks to public safety, including the design of the System described in paragraph 6.5.1 of this Reference Document and a set of principles, procedures and controls approved by the IGC. In the event that the Eurotunnel Group fails to meet its safety obligations, the IGC may temporarily suspend its authorisation to operate services until the necessary remedial action has been taken. If so decided, a prolonged interruption could therefore have a significant impact on the Eurotunnel Group's image, results and financial position.

Following the Fire in September 2008, and taking into account the numerous conclusions drawn from this accident, the Eurotunnel Group is planning to step up the introduction of new procedures to strengthen safety and security, and carry out feasibility studies for various projects intended to reduce the likelihood and the consequences of such accidents in future.

- The Eurotunnel Group carries out certain activities on behalf of the States. It has to implement health and safety measures along with adapting national programmes (such as the Vigipirate anti-terrorism programme) in accordance with the Concession Agreement. The Eurotunnel Group adapts its business practices to meet these requirements and to deliver the specified quality of service. It is possible that a change in these requirements, particularly in terms of border control, will require a change in business and commercial practices, leading to an increase in operating costs or a deterioration in the quality of service. This could have an adverse effect on the Eurotunnel Group's image, competitive advantage, business, financial position and results. The Eurotunnel Group is continuing to implement measures to prevent intrusions by illegal immigrants into the System, in line with developments in this area.

- The Eurotunnel Group has more than 10 years of experience in maintaining its rolling stock, equipment and infrastructure. Maintenance is dealt with through a light maintenance programme, a heavy long-term maintenance programme and a renewal plan based on this experience and forecasts of equipment usage. However, given the special nature of the equipment and infrastructure used, the intensity of this use and technological progress, it cannot be excluded that these programmes and plans may prove insufficient or unsuitable, particularly in the event of premature obsolescence or an increase in malfunctions. This would lead to unforeseen costs or partial or temporary service interruptions, which could affect the Eurotunnel Group's business, financial position and results.

The risk management procedures related to operations, safety, security and the maintenance of the infrastructure and the rolling stock are described in sections 6.4 and 6.5 of this Reference Document.

The price of certain significant resources used by the Eurotunnel Group fluctuates

The Eurotunnel Group uses electricity as its main source of energy, particularly to power its trains, and has put in place various measures aimed at cutting its consumption and taking advantage of the most attractive tariffs possible. However, the supply of electricity still represents a significant cost to the Eurotunnel Group (in 2008, it represented approximately 10% of total operating expenses). A large and general increase in the cost of primary resources and electricity could have negative repercussions on the results of the Eurotunnel Group.

The Eurotunnel Group is exposed to the risk of terrorism

Like other infrastructure operators, the Eurotunnel Group is exposed to an ongoing risk of terrorist attacks on its own installations or on neighbouring infrastructure required for the circulation of trains and Shuttles. Despite the insurance cover in place (see section 6.6 below) and state responsibilities, if this risk were to materialise, it could have a material adverse impact on the business of the Eurotunnel Group, since cross-Channel traffic could be reduced for an indefinite period. In this situation, the Tunnel, the infrastructure or neighbouring high-speed lines could be completely or partially closed for the time required to assist victims, investigate the circumstances in which the attack was carried out and to rebuild the infrastructure and areas affected. There would also be a risk of victims seeking compensation from the Eurotunnel Group. Safety and security measures could be stepped up following a terrorist attack. This could increase passenger inconvenience due to new safety and security measures, reduce passenger capacity and substantially increase the Eurotunnel Group's safety and security related expenditure.

Risk management procedures related to infrastructure security are described in section 6.5 of this Reference Document.

Labour disputes could have an impact on the Eurotunnel Group's business

Deterioration in employee relations and staff disputes cannot be excluded. Strikes, stoppages, protest movements, or other employee-related problems could disrupt the Eurotunnel Group's business. These strikes, stoppages, protest movements or other labour problems could occur not only within the Eurotunnel Group, but also with respect to its customers, subcontractors or suppliers.

Labour-related risk management procedures are described in section 17.3 of this Reference Document.

The Eurotunnel Group must comply with the specific provisions in the Railway Usage Contract

The Railway Usage Contract regulates the usage of the Tunnel by the Railways. Pursuant to this contract, the Railways must pay annual fixed charges and variable charges depending on the number of passengers and freight units transported. The Railways also have to contribute to the operating costs of the Concessionaires, as described in sections 22.2 and 22.3 of this Reference Document. Any significant breach of the stipulations of the Railway Usage Contract relating to payments due by the Railways would have a negative impact on the Eurotunnel Group's financial position and its outlook.

The Railway Usage Contract is of a much shorter duration than the Concession Agreement and its renewal and terms are not assured

The Railway Usage Contract will come to an end in 2052 although the Concession Agreement continues until 2086. The Railway Usage Contract does not provide for the terms on which it will be renewed or extended, in particular the financial aspects of the contract as described in the previous paragraph. Given the uncertainty surrounding the terms on which the Tunnel will be operated from 2052, it is not possible to determine whether this will have a positive or negative impact.

If the Railway Usage Contract is not renewed or is renewed on terms that are economically unsatisfactory for the Eurotunnel Group, this could have a negative impact on the Eurotunnel Group's financial situation.

The Eurotunnel Group has no control over the business of the Railways

The Tunnel is used by the Eurostar service and by goods trains and the Railways pay fees in return for using the Tunnel. The results of Eurostar and Through Railfreight Services could be affected by events and circumstances that are out of the control of the Eurotunnel Group. The Eurotunnel Group does not operate these services and cannot exert direct influence on the commercial operations of Eurostar or Through Railfreight Services. The performance, quality of service and prices offered by these operators to their customers, along with other factors that may be out of the operators' control, affects the use of their services. In turn, this affects the revenue that the Eurotunnel Group receives from the Railways. Through Railfreight Services suffer from problems relating to co-ordination between national operators and the priority of freight compared to passenger traffic within the European Union. This could make it difficult to achieve significant growth in the volumes transported by Through Railfreight Services and could lead to a substantial decline in traffic. A significant portion of the Eurotunnel Group's revenue therefore depends on the successful operation of these services by entities over which it has no control.

The railway facilities used by the Eurostar service and by the freight trains are outside the Eurotunnel Group's Concession and could be subject to disruption from various sources. This could result in the stoppage or reduction of railway traffic. Such events could have a negative impact upon the earnings of the Eurotunnel Group.

The Eurotunnel Group is exposed to the risk of subcontractors or suppliers failing to meet their obligations

Passenger and Truck Shuttles have been supplied in very small volumes by a very limited number of suppliers, to meet highly specific operating requirements. The Eurotunnel Group believes that if its original suppliers were unable to supply additional or replacement Shuttles for any reason, or were unwilling to do so on acceptable terms, it would be able to obtain suitable Shuttles from other manufacturers. However, its future ability to develop its business may be affected if it were unable to acquire additional or replacement Shuttles at a suitable price or within a suitable timeframe. This could have an adverse impact on the Eurotunnel Group's financial position and prospects. In addition, the Eurotunnel Group relies on subcontractors for parts of its business, particularly relating to security, cleaning (primarily industrial), and vehicle chocking and catering on board the Shuttles. It is possible that some of these subcontractors will fail to fulfil their obligations, which could affect the Eurotunnel Group's results or financial position.

The Eurotunnel Group must comply with the specific terms of the Concession Agreement

The Concession Agreement under which the Eurotunnel Group operates may only be modified, if this were to become necessary, through amendments negotiated with the States. These negotiations could turn out to be long and complex, due to changes in transport policy in France, United Kingdom or Europe, or because of other political constraints on the Eurotunnel Group. If economic, financial or technical developments affecting the Eurotunnel Group were to make rapid changes necessary, the specific terms of the Concession Agreement could limit the Eurotunnel Group's ability to make changes or adjust its business to these developments, which could affect its results and financial position.

4.2 Market risks

The Eurotunnel Group's exchange-rate risk

Around half of the Eurotunnel Group's revenue is in sterling, while a larger proportion of both operating and investment expenditure is in euros. The Term Loan is denominated in sterling (£1.5 billion) and in euros (€1.965 billion).

The Eurotunnel Group has made and will continue to make every effort to closely match the currencies in which its revenues and costs are denominated and will use currency hedging transactions to manage its foreign exchange risk where necessary. However, there is no guarantee that these measures will significantly reduce the risk borne by the Eurotunnel Group in the event of a fall in sterling against the euro, or ensure that the realisation of this risk will not have a material impact on the Eurotunnel Group's financial position and ability to service its debt.

Groupe Eurotunnel SA prepares its consolidated accounts in euros. Fluctuations in the value of the sterling/euro rates have an impact on the value in euros of revenues, costs and financial income and charges, as well as on the Group's assets and liabilities. By way of example and on the basis of accounting information as at 31 December 2008, a reduction in the euro/sterling exchange rate used to consolidate the 2008 income statement of 10% (1.216 to 1.10) would lead to a mechanical change in consolidated revenues from €704 million to €674 million, in consolidated EBITDA from €421 million to €399 million, and in the consolidated net result from €40 million to €32 million.

As at 31 December 2008, the Eurotunnel Group's balance-sheet exposure to trading currencies other than the euro was as follows:

Eurotunnel Group's exchange-rate risk exposure Pound sterling	In billions of euros
Assets	0.1
Liabilities	1.8
Net position before hedging	(1.7)
Off-balance-sheet position	–
Net position after hedging	(1.7)

In GET SA's consolidated accounts, the NRS are equity instruments. As such, and with the exception of the related interest payments, the NRS do not expose the Group to any accounting exchange-rate risk.

The Eurotunnel Group's rate risks

At the balance sheet exchange rate as at 31 December 2008, Groupe Eurotunnel SA's consolidated debt amounted to €3,543 billion, excluding the NRS (nominal amount of €602 million) and the SDES (nominal amount of €800 million). The maturity schedule of assets and debts, and of the NRS and the SDES, is as follows:

In millions of euros	Overnight to 1 year	1 to 5 years	More than 5 years
Financial assets	–	–	–
Financial liabilities	892	554	3,500
Net position before hedging	892	554	3,500
Off-balance-sheet position	–	–	–
Net position after hedging	892	554	3,500

The risk of adverse movements in interest rates during the life of the Term Loan is covered by the fact that (i) two of the tranches are at a fixed-rate, (ii) the two inflation-linked tranches are at a fixed-rate and (iii) the two remaining tranches are at a floating-rate and are covered by a swap converting the floating rate into a fixed rate for the full life of the Term Loan. The floating rate tranches (before hedging) have a nominal value of £350 million and €953 million respectively. The inflation risk affects interest and principal repayments on the two inflation-linked tranches. By way of example, a variation of 1% in the inflation rate would have an impact of €12 million on the amount of the principal of tranches A_1 and A_2.

Furthermore, if Tranches C_1 and C_2 are not refinanced before June 2012, there will be an additional margin of 2% on their nominal amounts. The financial impact on debt service cash flows is estimated at €27 million on an annual basis.

The risk of adverse movements in interest rates during the term of the NRS is covered by the fact that the NRS are at a fixed-rate.

The risk of adverse movements in interest rates during the term of the SDES is covered by the fact that the SDES are at a fixed-rate. In addition, GET SA has already begun to buyback the shares needed to pay the Conditional Additional Return, as stated in chapter 21 of this Reference Document.

The Eurotunnel Group's liquidity risks

The Eurotunnel Group's exposure to liquidity risk is described in note 19.2 to the consolidated accounts in annex II of this Reference Document.

Risks related to retirement benefits

In the UK, GET SA operates two defined benefits pension schemes for the benefit of employees. The valuation of the assets and liabilities is prepared by an independent qualified actuary. The fair value of the schemes' assets which are not intended to be realised in the short term may be subject to significant change. The present value of the schemes' liabilities being derived from cash flow projections over long periods is inherently uncertain.

If a valuation of the schemes' assets and liabilities indicates under-funding, GET SA may be requested to finance the shortfall over a period of up to 10 years.

Management of market risks

GET SA's treasury management procedures are described in paragraph 2.3.3 of annex IV of this Reference Document.

As part of these procedures, GET SA's finance department ensures that changes in rates and the Group's cash position are constantly monitored. Short and medium-term cash flow forecasts are prepared monthly and presented to the treasury risk management committee which is composed of the Chief Financial Officer, the Corporate Finance Director and their main managers. The treasury risk management committee meets each month and receives formal reports on actual and forecast rate trends, as well as on other financial risks to which GET SA is exposed. The treasury risk management committee reports regularly to GET SA's audit committee.

4.3 Risks related to the 2007 Reorganisation and the debt position

Risks related to the Eurotunnel Group's indebtedness

Given the level of the Eurotunnel Group's indebtedness, and despite a significant reduction thereof in 2007:

- the Eurotunnel Group will have to continue paying out a still significant portion of its operating cash flow in the form of interest, which may reduce its ability to finance investments or potential external growth transactions;
- the Eurotunnel Group's debt levels, and the undertakings made as part of the Term Loan, may affect its ability to obtain additional finance in future and limit its ability to respond to changes affecting the businesses or markets in which it operates;

- the Eurotunnel Group could see a weakening in its competitive position with respect to competitors with proportionally lower debt or competitors that took out fixed-rate debt at lower rates than those obtained by the Eurotunnel Group as part of its 2007 Reorganisation; and
- all of the borrowings and finance raised by the Eurotunnel Group as part of the 2007 Reorganisation could become due early in the event of non-compliance with certain contractual obligations or the occurrence or events of defaults described in note 18.1 to the consolidated accounts contained in annex II to this Reference Document.

The Eurotunnel Group must also comply with undertakings and prohibitions under to the Term Loan, set out in paragraph 22.4.1 of this Reference Document.

It is expected that the redemption of the NRS I and the SDES in GET SA Ordinary Shares will have a significant dilutive impact on the shareholders of GET SA, if all of the NRS I and the SDES in circulation were to remain outstanding until their respective maturity dates

Holders of Units who tendered their Units to the Offer held 100% of the GET SA Ordinary Shares as of the settlement delivery date. As part of the 2007 Reorganisation, EGP issued NRS, redeemable in GET SA Ordinary Shares, to certain creditors of TNU.

Notwithstanding the partial repurchases of NRS I in June 2008 and early 2009, and the redemption of the first tranche of NRS I in GET SA Ordinary Shares on 28 July 2008, the redemption in GET SA Ordinary Shares of the whole of the NRS I and the SDES in issue would substantially dilute the interest of GET SA shareholders, should all NRS I and SDES in issue were to remain outstanding until their respective maturity dates.

For more details on the dilutive impact of the redemption of the NRS I and SDES in GET SA Ordinary Shares, please refer to paragraph 21.1.6 of this Reference Document and notes 14 and 16 to the consolidated accounts set out in annex II of this Reference Document.

The Warrants may not reduce the dilutive effect of redemption of the NRS in GET SA Ordinary Shares

The exercise of the Warrants issued as part of the 2007 Reorganisation to Unitholders tendering their Units to the Offer may only occur during a period of six months from the date on which the number of GET SA Ordinary Shares for which the Warrants may be exercised is determined. This number, which is to be determined after 30 June 2011, will primarily depend on level of EBITDA (as defined in the 2007 Securities Note) for the financial years 2008, 2009 and 2010.

No assurance can be given as to the number of GET SA Ordinary Shares which may be subscribed for on exercise of the Warrants.

Certain GET SA board decisions will only be able to be taken with the agreement of certain directors appointed on the recommendation of ENHC

In accordance with the terms of the Safeguard Plan, a qualified majority of eight directors out of eleven is required for the GET SA board of directors to make certain important decisions. For as long as ENHC benefits from the specific corporate governance rights resulting from its holding of the GET SA Preferred Share, these decisions will be subject de facto to the agreement of at least one of the members of the board of directors appointed on the proposal of ENHC.

Improper use of the specific rights attached to the GET SA Preferred Share could prevent the effective functioning of the GET SA board of directors.

Price volatility of GET SA Ordinary Shares, NRS I, Warrants, and SDES

Since the NRS I are redeemable in GET SA Ordinary Shares, redemption of all or part of the NRS I could have a negative impact on the price of GET SA Ordinary Shares, the Warrants, or the SDES.

Similarly, the redemption of the SDES in GET SA Ordinary Shares could also have a negative impact on the price of GET SA Ordinary Shares or on that of the NRS I or the Warrants.

The exercise of Warrants could also have a negative impact on the price of GET SA Ordinary Shares.

As a result, and given the extreme volatility in the main stockmarket indexes against a background of economic downturn, the Eurotunnel Group is unable to predict (i) the effects that redeeming some or all of the NRS I still in issue into GET SA Ordinary Shares will have on the price of GET SA Ordinary Shares or on the prices of the Warrants or SDES, (ii) the effects that redeeming the SDES will have on the price of GET SA Ordinary Shares or on the price of the NRS I or Warrants or (iii) the effects that exercising Warrants will have on the price of GET SA Ordinary Shares.

The achievement of the business plan and of projections based on the duration of the Concession Agreement is dependent on certain factors over which the Eurotunnel Group has no control

The financial forecasts underlying the Safeguard Plan were developed on the basis of a business plan and projections for activity over a very long period reflecting the duration of the Concession Agreement. At the date of this Reference Document, GET SA had no information that called these long-term figures into question. However, certain factors out of GET SA's control could call into question some of the assumptions on which the published financial forecasts are based. This is principally the case for traffic forecasts, variations in tariffs or assumptions for growth in revenue and operating results.

If certain assumptions turn out to be incorrect, or certain uncertainties which are inherent in business plans and projections prepared over such a long period materialise, this could have a material adverse effect on the results of the Eurotunnel Group and its ability to generate sufficient revenues to meet its payment obligations under the Term Loan or, more generally, to meet all of its obligations as a borrower.

The liquidity of the market for GET SA Ordinary Shares, the NRS I, the Warrants and the SDES cannot be guaranteed

Although the GET SA Ordinary Shares, the NRS I and the Warrants are admitted to listing and trading on Euronext Paris and the GET SA Ordinary Shares and the NRS I to trading on the London Stock Exchange, and although the SDES are admitted to listing and trading on the regulated market of the Luxembourg Stock Exchange, the existence of a liquid market for GET SA Ordinary Shares, NRS I, Warrants or SDES cannot be guaranteed. If a liquid market for GET SA Ordinary Shares, NRS I, Warrants or SDES no longer exists, the price of GET SA Ordinary Shares, NRS I, Warrants and SDES could be affected.

SDES are complex financial instruments that require investors to have sufficient financial-market knowledge and experience. As a result, no guarantee can be given as to the value of the New Ordinary Shares that will be issued for the redemption of the SDES and as payment of return on them, as applicable.

The characteristics and terms and conditions of the SDES differ from those of other similar financial instruments in that the value of the New Ordinary Shares that the SDES holder will receive on redemption is not fixed (see chapter 4 ''Information on the securities offered/listed for trading on Euronext Paris'' of the SDES Securities Note). It cannot be guaranteed that the value of the New Ordinary Shares received by the SDES holder in connection with the redemption of the SDES will be equal to or greater than the value as it stood at the date of issue of the SDES.

Similarly, the value of the New Ordinary Shares received, as applicable, by the SDES holder in respect of the payment of the SDES Return in New Ordinary Shares cannot be guaranteed.

If the Eurotunnel Group decides to pay the SDES Return in cash, the cash amount of the return received by the SDES holder may be lower than the amount which the SDES holder might have received in New Ordinary Shares

The SDES Return will be comprised of (i) the issue and allotment to the SDES holder of 3 New Ordinary Shares per SDES, or (ii) at the option of GET SA, the payment in cash of interest calculated at an annual rate of 2% (within the limit of the amount of available cash flow of GET SA, and provided that in the event that this cash flow is insufficient, the SDES Return will be paid in whole or part in the manner described in (i)).

Accordingly, if the Eurotunnel Group chooses to pay the SDES Return in cash, the return received by the SDES holder in cash may be less than the market value of the New Ordinary Shares which the SDES holder might have received.

4.4 Regulatory risks

The Eurotunnel Group operates in a highly regulated environment emanating, inter alia, from the IGC

Operation of the Tunnel is subject to very detailed regulations drawn up by the IGC and the Safety Authority. The Concession Agreement described in section 22.2 of this Reference Document may be terminated by the States in the event of *force majeure*, in particular in the event of war or serious breach by the Concessionaires of their obligations under the Concession Agreement. Furthermore, if the Eurotunnel Group breaches its obligations under the Concession Agreement, the IGC may impose significant daily penalties. The IGC has the power to make decisions, in particular in relation to the distance between trains using the Tunnel that could lead to a reduction in Tunnel capacity. Regulatory authorities may also adopt new measures relating to safety or other matters, which could force the Eurotunnel Group to incur significant additional expenditure to comply with such measures, or impose restrictions on its business activities. Moreover, other measures, not directly regulating the business of the Eurotunnel Group, could nevertheless affect it. By way of example, increased measures to enforce regulations relating to immigration and customs and excise duties could cause delays or affect customer satisfaction levels.

The Eurotunnel Group is subject to a specific regulatory framework

The unique nature of the cross-Channel link and the exceptional conditions in which the construction and the entering into service of the Tunnel and the launch of its operations have been carried out are such that the operation of the Eurotunnel Group's business is subject to a specific legislative and regulatory environment, from which specific arrangements sometimes derogate subject to one-off interpretations. It is not possible to know whether these interpretations will prevail in the future (in particular, the railway transport directives of the European Commission, which have been the subject of constant change since the 1990s).

If the application of certain legislative or regulatory texts relating to the Eurotunnel Group's business were to be modified or if new less favourable legislative or regulatory provisions were to be enacted, this would have a negative impact on the Eurotunnel Group's financial position.

The Eurotunnel Group is exposed to risks in relation to competition regulation

The market, the pricing practices and the behaviour of the Eurotunnel Group are supervised by the French and British competition authorities and the European Commission, which may result in regulatory measures being adopted in relation to prices and penalties, proceedings being brought by third parties for damages and restrictions being imposed on its business activities. The supervision and resulting regulatory or other measures may have a material adverse impact on the financial situation of the Eurotunnel Group, its operating results and its capacity to service its Debt.

The Eurotunnel Group is subject to a number of environmental regulations which could restrict its activities or lead to significant expenditure

The Eurotunnel Group is subject to French, English and European environmental regulations as well as local regulations that require it in particular to either obtain authorisations for the disposal of certain waste materials or to enter into a contract with an accredited company for the removal and destruction of waste materials. Any breach of the environmental regulations will result in fines for pollution. The regulations also provide that the authorities may force the closure of any facility that does not comply with decisions requiring certain environmentally harmful activities to cease or be modified. The Eurotunnel Group is maintaining the environmental protection and sustainable development policy, which is described in section 6.8 of this Reference Document. However there is no certainty that UK, French, European, national or local authorities will not impose new regulations resulting in additional expenditures which could have an adverse impact on the results or financial situation of the Eurotunnel Group.

4.5 Legal risks

In the normal course of its business and in the context of the implementation of the 2007 Reorganisation, the Eurotunnel Group is, and could be, involved in certain administrative or judicial proceedings. The most significant current proceedings are described in section 20.7 of this Reference Document.

More generally, it cannot be excluded that in the future, proceedings, whether or not related to current proceedings, could be launched against any of the Eurotunnel Group's entities, and which, if they were to have an unfavourable outcome, could have an adverse impact on the business, financial situation or results of the Eurotunnel Group.

4.6 Insurance and risk cover

The Eurotunnel Group has put in place an insurance programme described in section 6.6 of this Reference Document that is in line with the current products offered in the insurance market.

In certain circumstances, payments by insurance companies under the existing insurance polices may not be sufficient to cover all of the loss suffered, in particular with respect to third party liability. Losses in excess of the agreed indemnity limits or the application of deductibles or certain exclusion clauses could result in the Eurotunnel Group bearing unforeseen costs or could affect its business, financial situation or results.

In addition, changes to the insurance market, and the occurrence of operational events such as the Fire in September 2008, could lead to an adverse change in the Eurotunnel Group's insurance programme and the terms and conditions of such insurance such as the level of premiums, the level of insurance excess and the extent of any exclusions which could have an adverse impact on the Eurotunnel Group's business, financial situation or results. The terms under which the Eurotunnel Group's insurance contracts were renewed in 2009 are set out in section 6.6 of this Reference Document.

5. INFORMATION ABOUT GET SA

5.1 History and development of GET SA

5.1.1 Company name

Groupe Eurotunnel SA.

5.1.2 Registration place and number

GET SA is registered at the Paris Trade and Companies Registry under registration number 483 385 142.

Its SIRET number is 48338514200011. Its NAF code is 6420Z.

5.1.3 Date of incorporation and duration

GET SA was incorporated on 6 July 2005 and was registered on 3 August 2005 for a fixed period of 99 years from the date of its registration in the Trade and Companies Registry, save for early winding-up or extension, i.e. until 3 August 2104.

5.1.4 Registered office, legal form and applicable law

The registered office of GET SA is at 19 boulevard Malesherbes, 75008 Paris, France.

Telephone: +33 1 55 27 39 59

GET SA is a *société anonyme* (public limited company) with a board of directors, incorporated under French law. It is governed by Part II of the French Commercial Code and decree no. 67-236 of 23 March 1967 regarding commercial companies, codified in the regulatory section of the French Commercial Code.

5.1.5 Important events in the development of the business of GET SA

In 2005, in the light of the TNU's inability to fulfil its future obligations to repay principal and make interest payments, it proved necessary to implement the 2007 Reorganisation.

The main aim of the 2007 Reorganisation was to achieve a major reduction in TNU's debt, to allow it to pursue its business activities, to ensure the company's ongoing development and integrity and to maintain employment.

In order to permit the business to determine, with the agreement of its creditors, the terms and conditions of the 2007 Reorganisation, the Commercial Court of Paris, in accordance with the provisions of Articles L. 620-1 et seq. of the French Commercial Code, launched a safeguard procedure for the benefit of 17 companies within the TNU group, by way of judgments dated 2 August 2006.

The Safeguard Plan was approved on 15 January 2007 by the Commercial Court of Paris, which acknowledged full execution of the plan on 23 December 2008.

At the end of the 2007 Reorganisation, described in the 2007 Reference Document, debt had been reduced by around 54% relative to the amount of the Historical Debt.

On 3 March 2009, the boards of directors of GET SA and TNU authorised the signature of the draft merger agreement relating to the merger of TNU SA into GET SA (the **Merger**). The Merger is subject to approval by the shareholders meetings of TNU SA and GET SA due to be held on 28 April 2009 and 6 May 2009 respectively. The merger will take place once the various intra-group transfers have been completed, in particular the disposal of Units held by EGP to GET SA, of CTG by TNU PLC to TNU SA, and of the amended bond debt by EGP to GET SA, and the de-stapling of TNU SA and TNU PLC shares and the twinning of the shares of FM and CTG. The merger does not involve TNU PLC and thus does not affect TNU's historical travel privileges, which remain tied solely to the holding of TNU PLC shares.

Under the terms of the Merger Agreement (***Traité de Fusion***), dated 10 March 2009 between GET SA and TNU SA, the Merger will be made on the basis of an exchange of 0.001008 of one new ordinary share of GET SA for each share of TNU SA (i.e., a merger ratio of 992 TNU SA shares for 1 new GET SA ordinary share). The TNU SA shares are currently twinned one-for-one with TNU PLC shares as TNU Units. This twinning will be eliminated prior to the Merger, on condition precedent of approval of such elimination by the general meeting of GET SA shareholders. The exchange ratio has been determined in accordance with the work of *Associés en Finance*, the independent expert engaged for this transaction. It corresponds to a value of €146.8 million for TNU SA and €3.4 billion for GET SA. As part of its work, *Associés en Finance* has confirmed the value of the assets of the Eurotunnel Group as described in the consolidated accounts of GET SA as at 31 December 2008, presented in annex II of this Reference Document.

The expert has estimated the value of the Concession at €6.9 billion and that of the amended bond debt at €2.4 billion (92.8% of its nominal value). The Merger and related intra-group transfers are transacted on the basis of these values.

Jean-Pierre Colle and Thierry Bellot, appointed merger appraisers pursuant to a decision of the president of the Paris Commercial Court dated 4 February 2009 have indicated that on the basis of the work carried out to date, they consider the merger ratio (of 0.001008 ordinary shares of GET SA for 1 share of TNU SA leading to the issue of 1 GET SA ordinary share for 992 TNU SA shares) to be fair. The reports of the independent expert *Associés en Finance* and the merger appraisers are available on the site www.eurotunnel.com.

Shareholders of TNU SA holding an insufficient number of TNU SA shares to obtain a whole number of GET SA shares will, if they so wish, have to buy or sell the relevant number of TNU Units on the delisted securities compartment of Euronext Paris prior to 4 May 2009, the date on which the trading of Units on the delisted securities compartment of Euronext Paris will be suspended.

GET SA may sell GET SA shares corresponding to fractional entitlements prior to 28 May 2009. The net sale proceeds will be made available to the relevant TNU SA shareholders on a pro rata basis to the number of TNU SA shares that were not exchanged in the Merger in accordance with applicable laws and regulations.

The Merger will result in the issue of 178,730 new GET SA ordinary shares in exchange for 177,299,763 TNU SA shares, representing 0.68% of the share capital of TNU SA held by minority shareholders, GET SA having waived its entitlement to new shares in respect of its shareholding in TNU SA. The GET SA ordinary shares issued in connection with the Merger will entitle their holders to dividends with effect from 1 January 2009 and therefore holders will not be entitled to the dividend to be paid in respect of the financial year ended on 31 December 2008.

Admission of the new GET SA ordinary shares to settlement operations of Euroclear France will be requested, as will assignment of a provisional ISIN (namely FR 0010744946) to the new GET SA ordinary shares until the dividend detachment date for the financial year ended 31 December 2008. The dividend in respect of that year will be payable on 15 July 2009, but not to holders of the new GET SA ordinary shares issued as a result of the Merger. After the ex-dividend date for the financial year ended 31 December 2008, the new GET SA ordinary shares will be assigned the same ISIN as the existing GET SA ordinary shares (FR 0010533075).

Acquirer	Groupe Eurotunnel SA, *société anonyme* with share capital of €75,936,766.01, whose registered office is at 19, boulevard Malesherbes, 75008 Paris, registered at the Paris Trade and Companies Registry under registration number 483 385 142
Acquiree	TNU SA, *société anonyme* with share capital of €260,105,596.87, whose registered office is at 19, boulevard Malesherbes, 75008 Paris, registered at the Paris Trade and Companies Registry under registration number 334 192 408
Nature of the transaction	Merger by way of acquisition of TNU SA by GET SA

Elements used as the basis of the valuation of Groupe Eurotunnel SA	– GET SA parent company accounts for the year ended 31 December 2008 – GET SA's pro forma balance sheet at 31 December 2008 prepared for the purpose of the Merger on the basis of the GET SA company accounts as at 31 December 2008 restated to take into account the effect of the intra-group transfers made between the 31 December 2008 and the date of completion of the Merger and described in paragraphs 1.2.3 a) to e) of the Merger Agreement (***GET SA's Pro Forma Balance Sheet***)	
Elements used as the basis of the valuation of TNU SA	– TNU SA company accounts for the year ended 31 December 2008 – TNU SA's pro forma balance sheet at 31 December 2008 prepared for the purpose of the Merger on the basis of the GET SA company accounts as at 31 December 2008 restated to take into account the effect of the intra-group transfers made between the 31 December 2008 and the date of completion of the Merger and described in paragraphs 1.2.3 a) to e) of the Merger Agreement (***TNU SA's Pro Forma Balance Sheet***)	
Value of TNU SA assets transferred as per TNU SA's Pro Forma Balance Sheet	Gross value: – Depreciation and provisions: ***Net value:***	€5,126,942,436 €4,504,410,502 ***€622,531,934***
Value of TNU SA liabilities assumed as per TNU SA's Pro Forma Balance Sheet	***Net value:***	***€475,738,015***
Value of TNU SA's net assets tendered as per TNU SA's Pro Forma Balance Sheet	***Net value:***	***€146,793,919***
Merger premium	Portion of net assets tendered by TNU SA corresponding to TNU SA shares not held by GET SA	€1,000,614
	Amount of capital increase to be attributed to shareholders	€71,492
	Merger premium	***€929,122***
Goodwill*	Portion of TNU SA net assets held by GET SA (99.32%) tendered to the merger as indicated above	€145,793,305

* *The net book value of the TNU SA shares held by GET SA at the date of the Merger comprises the net book value of the shares held directly by GET SA as at 31 December 2008, for an amount of €130 million, as shown in note 3 of the GET SA parent company accounts set out in annex III of this Reference Document, and the value of the TNU SA shares received from EGP as part of the simplification transaction, for an amount of €132 million (90.32% of €146.8 million), based on the valuation by the expert.*

The net assets tendered by TNU SA as part of the Merger, for an amount of €146.8 million, correspond to the value of the shares held in the Concessionaires less their indebtedness, including inter-company indebtedness of €2.9 billion.

In the parent company accounts of GET SA as at 31 December 2008, the investments in subsidiary undertakings are valued according to their value in use and a provision for impairment is booked when the value in use is lower than the carrying value (see note 2.2 of the GET SA parent company accounts set out in annex III of this Reference Document).

The analysis of the value in use is based on a global amount comprising the shares in the subsidiary undertakings and the inter-company loans linked to the subordinated debt arising from the agreement between creditors under the auspices of the Safeguard Plan within the framework of the financial restructuring, which, in the specific context of Eurotunnel, represent the full ''investment'' in the Concession. The value of this ''investment'' is compared to the value of the Concession.

As at 31 December 2008, the value in use of the TNU SA shares in the GET SA balance sheet was assessed on the basis of half of the value of the Concession less the external debt, as estimated by the expert, namely €1.5 billion.

The value of GET SA's investment in the Concessionaires after the Merger was assessed on the basis of half of the value of the Concession less the external debt, as estimated by the expert, namely €3.1 billion.

The goodwill arising on the Merger is primarily due to the impact of the inter-company indebtedness in the valuation of the investments in subsidiary undertakings. This goodwill will be recorded as an intangible asset in the GET SA parent company balance sheet. This goodwill will only impact the GET SA parent company accounts, since the Merger and intra-group transfers have no impact on the Group consolidated accounts.

	The net book value of TNU SA shares held by GET SA as per GET SA's pro forma balance sheet included in annex 2 of the Merger Agreement	€262,354,347
	Goodwill	***€116,561,042***
Proposed merger ratio	0.001008 of one GET SA ordinary share for one TNU SA share (i.e. 992 TNU SA shares for one GET SA ordinary share)	
Consideration for the Merger	Creation of 178,730 new fully-paid up GET SA ordinary shares, by way of an increase in the share capital of Groupe Eurotunnel SA of €71,492 in consideration for the contribution of 177,299,763 TNU SA shares, representing 0.68% of TNU SA's share capital held by shareholders outside the Group	
Ownership and dividend rights	The 178,730 new ordinary shares of GET SA issued as consideration for the Merger will be have dividend rights from 1 January 2009 and will thus be entitled to receive any distribution of dividends, interim dividends or reserves (or similar) decided subsequent to their issuance, it being specified that as regards dividends and interim dividends, they will be entitled to receive distributions from profits realised by Groupe Eurotunnel SA with effect from the year ended 31 December 2009, but not from profits realised in the year ended 31 December 2008	
Admission to Euroclear	– admission of the new GET SA ordinary shares to settlement operations of Euroclear France will be requested, as will assignment of a provisional ISIN for the new GET SA ordinary shares until the dividend detachment date for the financial year ended 31 December 2008. The dividend in respect of that year will be payable 15 July 2009, but not to holders of the new GET SA ordinary shares issued as a result of the Merger – after the ex-dividend date for the year ended 31 December 2008, the new GET SA ordinary shares will be assigned the same ISIN as the existing GET SA ordinary shares (FR 0010533075)	
Listing of the new ordinary shares	– admission of the 178,730 new GET SA ordinary shares to trading on compartment B of Euronext Paris will be requested – admission to the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange of the 178,730 new GET SA ordinary shares will be requested	

The intra-group loans that will result from the simplification transactions described above will be as follows:

- A loan of €564 million from EGP to GET SA relating to the transfer of EGP's equity holding in TNU SA and TNU PLC, to GET SA, and a loan of €2,206 million relating to the transfer by EGP of the restated bond facility to GET SA. This loan is partially offset by an existing loan from GET SA to EGP of €1.7 billion as indicated in note 4 of the GET SA parent company accounts set out in annex III of this Reference Document, and in annex VI of this Reference Document.

- A loan of €473 million from TNU PLC to GET SA relating to the transfer of TNU PLC's equity holding in CTG, to TNU SA.

Following the Merger, the Eurotunnel Group will study ways to simplify the structure of these intra-group loans.

Following the Merger, the shareholders of TNU SA and TNU PLC will continue to hold their TNU PLC shares and will have received, in exchange for their TNU SA shares, the number of GET SA shares calculated in accordance with the merger ratio mentioned above.

5.1.6 Recent events

Recent events are described in note 25 to the consolidated accounts contained in annex II of this Reference Document.

5.2 Investments

5.2.1 *Significant investments made by the Eurotunnel Group during the last three years and* significant *current investments*

The total amounts of the Eurotunnel Group's investments in the last three years are, respectively, €19,482,000 for the 2006 financial year, €37,410,000 for the 2007 financial year and €41,770,000 for the 2008 financial year.

In the last three years, the Eurotunnel Group's three main investments were (i) the programme to renovate and upgrade the power of twenty locomotives from 5.6MW to 7MW, costing around €55 million between 2006 and 2008, which means that the Eurotunnel Group in 2009 has a fleet better suited to handling the weight of trucks, (ii) the installation of electricity supply from France for all Tunnel installations (approximately €12 million) and (iii) the acquisition and repair of the ''Class 92'' locomotives (approximately €4 million). Since the start of 2009, expenditure on investments has remained minimal.

5.2.2 Significant future investments

Other than the Term Loan and the other commitments entered into as part of the 2007 Reorganisation and described in this Reference Document, the Eurotunnel Group has not, as at the date of this Reference Document, made any binding commitments to third parties.

The Eurotunnel Group intends to continue ongoing investment programmes. As part of this, the Eurotunnel Group is considering extending the existing renovation programme to eighteen additional locomotives, replacing some equipment that has become worn through intensive use or is about to become obsolete and invite tenders for the replacement of this equipment, including in particular the replacement of its radio-communication system with a GSM-R system. The Eurotunnel Group continues to work on the design of new-generation Truck Shuttles and the preparation of related submissions to the IGC.

Finally, the Eurotunnel Group is considering the installation of specific equipment within certain sections of the Tunnel in order to extinguish any fire more rapidly.

The significant future investments should in principle be self-financed.

6. DESCRIPTION OF THE EUROTUNNEL GROUP'S ACTIVITIES

6.1 Principal activities

6.1.1 Introduction

Following the 2007 Reorganisation, GET SA is the parent company that, with EGP, control, FM and CTG. These two Concessionaires continue to operate the Tunnel in line with the Treaty of Canterbury and the Concession Agreement, which are the two main legal documents governing the construction and operation of the System.

By signing the Treaty of Canterbury on 12 February 1986, the States authorised the construction and operation of the Fixed Link by private concession operators and established the framework of the Concession Agreement, which was signed on 14 March 1986.

Under the terms of the Concession Agreement, the States granted the Concessionaires the right and obligation to design, finance, build and operate the Fixed Link between France and the United Kingdom for an initial period of 55 years. This term was extended by 10 years in 1994 and by a further 34 years in 1999.

The Concession Agreement thus extended will expire in 2086.

The main provisions of the Treaty of Canterbury and the Concession Agreement are described in chapter 22 of this Reference Document.

Accordingly, the Eurotunnel Group operates the System, which links France and the United Kingdom. The System comprises three tunnels, each approximately 50 kilometres long, which run mostly under the Channel, along with the Folkestone terminal in the United Kingdom and the Coquelles terminal in France, the fixed equipment and related installations. Two of the tunnels are single-track rail tunnels, which in normal service are used by trains travelling in one direction only. The third tunnel, which for most of its length lies between the two main rail tunnels, provides a safe means of emergency evacuation and access for maintenance of the Tunnel. There are also four crossing points between the rail tunnels, so that when maintenance work is being done on a section of one tunnel, trains can switch to the other.

The System is directly linked to the British and French motorway networks. The Folkestone and Coquelles terminals are the departure and arrival points for vehicles using the Shuttle Services. Shopping and food service facilities are available to customers at each terminal. Border controls and safety checks take place at the departure terminal, so in principle no checks are required at the arrival terminal. The System is also linked to the French and British railway networks, in particular to their respective high-speed lines. All rail traffic in the System is controlled from railway control centres on the French and British terminals.

Unless otherwise indicated, the information in this chapter originates from sources within the Eurotunnel Group.

6.1.2 Transport activities

The Eurotunnel Group operates and directly markets a Shuttle Service through the Tunnel and also manages the safe and efficient passage of Eurostar trains and of the Through Railfreight Services through the Tunnel infrastructure.

In 2008 the Eurotunnel Group earned 98% of its revenue from two main sources:

- the Shuttle Service for both the carriage of trucks and the carriage of cars, motor homes, caravans, coaches, motorcycles and trailers; and
- payments from the Railways for use of the Tunnel by Eurostar and their Through Railfreight Services.

The breakdown of the Eurotunnel Group's 2008 revenue is as follows:

€ million	2008
Shuttle Services	431
Railways	260
Other revenue	13
Revenue*	**704**

* *Excluding compensation for loss of business following the Fire in September 2008.*

In early 2005, faced with declining traffic and revenue in its Shuttle Service business, the Eurotunnel Group undertook a complete reorientation of its commercial and operating strategy based on the clear differentiation of its product from the offerings of its competitors. This strategy, which focuses on maintaining outstanding service quality and optimal safety levels, mainly involves the following measures:

- constant alignment of supply with demand, ensuring optimal load factors on the Shuttles;
- commercial strategies providing a product offering better suited to customer needs, and ensuring a better control of the Eurotunnel Group's distribution network; and
- cost controls achieved through a programme of optimising maintenance and production management cycles and renegotiating the main sub-contracting agreements (the areas in which the Eurotunnel Group engages sub-contractors are described at paragraph 17.1.3 of this Reference Document).

This economic model for the business still emphasises increasing operating margins and improving profitability rather than seeking to gain volume and market share. For an assessment of the impact of these initiatives, see chapter 9 of this Reference Document.

a) Truck Shuttle Service

- **Introduction**

The Truck Shuttle Service carries trucks between France and the UK on Shuttle trains. On each terminal, drivers pass through dedicated check-in, safety and border control facilities. Other facilities for trucks are located close to the terminals. Drivers and their passengers do not remain in their vehicles on the shuttle, but travel in a separate carriage (''Club Car'') designed for this purpose.

In 2008, the Eurotunnel Group had sixteen Truck Shuttles, each with a capacity of thirty trucks, allowing up to seven departures per hour in each direction. Following the Fire in September 2008, the Eurotunnel Group temporarily has only fifteen Truck Shuttles until the damaged Shuttle is replaced. Since the Reopening of Interval 6, the Eurotunnel Group has provided up to six and a half departures per hour in each direction.

In 2008 the number of trucks transported fell by 11% compared with 2007. For more details, see chapter 9 of this Reference Document.

- **Strategy**
- *Truck service marketing strategy*

The strategy, introduced in 2005 and maintained in 2008, aims to improve the business's operating margins through higher load factors on the Truck Shuttles and a pricing policy that reflects the value of the service provided by the Eurotunnel Group, i.e. speed, ease and reliability.

Throughout the year, the Eurotunnel Group gives priority to customers under contract, only providing carriage to occasional customers as available capacity allows. This policy, based on finely tuned traffic forecasts, has enabled the Eurotunnel Group to:

- optimise load factors on the Truck Shuttles, which have increased from 71% in 2005 to 76% in 2008; and
- increase revenue from the Truck Shuttle Service.

In 2007, as part of a project entitled ''Harmony'', the Eurotunnel Group changed the way it schedules maintenance work cycles on the Tunnel in order to optimise the Tunnel's capacity during peak periods. For example, by shifting work previously done on Friday and Sunday nights to other times during the week, the Eurotunnel Group has been able to schedule additional Truck Shuttle departures on Friday evenings and Monday mornings.

The new approach has also yielded better visibility in terms of traffic forecasting, as some major customers have entered into multi-year contracts with the Eurotunnel Group. Such contracts enable customers to lock in their requirements in terms of the number of crossings and enable the Eurotunnel Group to fine-tune its capacity planning.

- *Distribution network*

Eurotunnel SE markets crossings to small and medium-sized road haulage firms in Continental Europe. This system is supplemented by a small network of exclusive agents and distributors.

b) Passenger Shuttle Service

- **Introduction**

The Passenger Shuttle Service carries cars, motor homes, caravans, coaches, motorcycles and trailers between France and the UK. Tickets can be bought in advance at www.eurotunnel.com, by telephone from the customer service centre, from travel agents and on arrival at check-in. Customers remain in their vehicle throughout the crossing, which normally lasts approximately 35 minutes from platform to platform. Each Passenger Shuttle has two sections: a double-deck section mainly for cars and motorcycles and a single-deck section reserved for vehicles higher than 1.85 metres, mainly coaches, minibuses and cars with roof boxes or towing caravans.

The Eurotunnel Group has nine Passenger Shuttles, each able to carry up to 180 cars or 120 cars and twelve coaches. In light of the commercial strategy, only eight Passenger Shuttles were in service in 2008.

The Passenger Shuttle Service operates up to three departures per hour in each direction when operating normally.

Before the Fire in September 2008, the number of cars carried in the first half compared to the same period in 2007 increased by 4% and the number of coaches carried increased by 5%. This increase was accompanied by a rise in market share. However, the temporary reduction in capacity prevented this level of business being sustained in the second half of the year, and as a result, the number of cars carried fell by 11% in 2008 compared to 2007 and the number of coaches carried by 15%. For more details, see chapter 9 of this Reference Document.

- **Strategy**

Within the framework of the Eurotunnel Group's economic model, the objective is to optimise the load factor on the Passenger Shuttles and increase profit per vehicle transported.

- *Pricing policy (''Dynamic Pricing'')*

In line with recent market developments, the pricing system calculates and adapts ticket prices according to the time of day and load factor of the Shuttle. The implementation of the pricing policy was accompanied by a revamp of the Eurotunnel Group's website. Currently, approximately 70% of the Eurotunnel Group's customers buy their tickets online.

- *Adapting capacity to demand*

In 2005, the capacity of the Passenger Shuttle Service was gradually reduced to improve load factors and reduce costs. In 2006, this strategy was further enhanced with a number of operational changes: better distribution of Passenger Shuttle departures during the day, fewer Shuttles running at off-peak times, with more services during peak times and greater flexibility in managing the train crew.

With this strategy, maintained in 2008, the Eurotunnel Group has been able to:

- increase the load factor on its Passenger Shuttles from 45% in 2004 to 60% in 2008; and
- increase passenger revenue and the average yield for passenger vehicles (cars, motor homes, caravans, motorcycles etc.).

c) Railway Services

In 2008, the Eurotunnel Group earned 37% of its revenue from the use of the Tunnel by Eurostar passenger trains and Through Railfreight Services. The Eurotunnel Group does not operate these trains but manages their safe and efficient passage through the Tunnel infrastructure.

The objectives of the Eurotunnel Group are to monitor and to promote the railway companies' commercial development efforts, to facilitate as far as possible the operation of their trains in the System, and to ensure that these companies continue to use the Tunnel in accordance with railway safety standards.

The Railways' use of the Tunnel is governed by the Usage Contract, which runs until 2052. Under this agreement, the Railways are required to pay the Eurotunnel Group a fixed annual charge as well as variable charges determined by reference to the number of passengers travelling on Eurostar and the freight tonnage passing through the Tunnel. The variable charges are determined according to a toll formula that applies throughout the life of the Railway Usage Contract, and which takes into account the effects of inflation to a certain extent. In addition, the Railways are required to contribute to the operating costs of the System, as well as certain of its investment costs relating to the renewal of equipment.

Until the end of November 2006, the Railways were required to make additional monthly payments under the Railway Usage Contract to bring the Eurotunnel Group's annual revenue up to the guaranteed MUC. Since that date, the Eurotunnel Group's revenue from the Railways has depended solely on variable charges payable on the basis of the number of Eurostar passengers and the freight tonnage transported per train, fixed annual charges and the Railways' contribution to operating costs.

In addition, the new strategy for the relaunching of freight services announced on 23 October 2007 described in paragraph 6.1.2 (c) ''Through Railfreight Services'' below provides a simplified pricing mechanism for goods trains, with a toll per freight train, rather than per tonne of freight.

In 2008, the Eurotunnel Group recorded revenues pursuant to the Railway Usage Contract totalling €260 million.

- **Eurostar**

The Eurostar service is operated jointly by Eurostar (UK) Limited, SNCF and SNCB. Eurostar (UK) Limited is owned by London and Continental Railways Limited. Since 1998, Inter-Capital and Regional Railways Limited, in which SNCF, SNCB, British Airways and National Express Group hold equity interests, has operated Eurostar (UK) Limited under a management contract expiring in 2010.

Since 14 November 2007, when High Speed 1 from the London terminal at St Pancras International opened, the Eurostar service has used a high-speed line between London and the Eurotunnel Group's UK terminal. This line improves service reliability and reduces the transit time between Paris and London or Brussels and London by around twenty minutes. In addition, the refurbished St Pancras station improves rail links with the Midlands and Northern England, due to the proximity of rail services from St Pancras, King's Cross and Euston stations. The station at Ebbsfleet International, located close to the M25 London orbital motorway, also allows Eurostar's operators to expand their catchment area. The construction of the HS1 line was split into two, with the first section connecting the Tunnel with Fawkham Junction in Northern Kent (brought into service in September 2003), and the second linking Fawkham Junction with the new international terminal in central London (brought into service on 14 November 2007).

With the opening of the HS1 line, Eurostar transports passengers via direct train services between Paris and London in about two hours and fifteen minutes and between Brussels and London in about one hour and fifty-one minutes. In 2008, Eurostar had 77% of the Paris-London passenger market and 78% of the Brussels-London passenger market (Sources 2008: BRB, SNCF, CAA).

In 2008, Eurostar scheduled seventeen departures in each direction between Paris and London and ten trains in each direction between London and Brussels on working days, with adjustments at the weekend depending on the day, the season and the destination. Some trains make intermediate stops at Ebbsfleet or Ashford International in the United Kingdom and at Calais-Fréthun or Lille-Europe in France. Eurostar also runs a daily service to Disneyland Paris and a seasonal direct service from London and Ashford to Bourg-Saint-Maurice from December to April and to Avignon from July to September.

Following the Fire in September 2008, and throughout the Tunnel renovation work, Eurostar introduced a new timetable with longer journey times. This timetable remained in place until 23 February 2009, and enabled Eurostar to maintain 93% of its normal service. The plan to increase train frequency in the fourth quarter of 2008, announced by Eurostar in July 2008, has been suspended until further notice.

In 2008, the number of Eurostar passengers going through the Tunnel rose by 10% to 9.1 million compared to 2007 (source Eurostar: press release dated 13 January 2009). For more details, see chapter 9 of this Reference Document.

- **Through Railfreight Services**

The Through Railfreight Service between continental Europe and the United Kingdom is operated by SNCF and DB Schenker (formerly EWS) on behalf of BRB. Three different types of freight train use the Tunnel:

- intermodal trains[1], made up of wagons carrying containers and swap bodies;
- conventional trains carrying palleted goods in enclosed wagons or bulk loads in adapted wagons (tankers, platforms etc.); and
- trains with specialised wagons for transporting new cars.

Rail freight trains are in competition with most modes of freight transport in operation between continental Europe and the United Kingdom. Intermodal train services compete directly with road transport and maritime transport on container ships. Intense competition in the cross-Channel freight market between road haulage companies, especially companies based in continental Europe, puts constant pressure on freight rates, creating more intense competition for the railway companies. The bulk goods transported by freight trains are mainly heavy, low value items for which speed of delivery is a less important consideration.

In order to re-launch cross-Channel railfreight, the Eurotunnel Group announced, on 23 October 2007, a new strategy, which is composed of three elements: (i) a development of open access for all goods train operators, (ii) dealing effectively with border restrictions, and (iii) a simplified and competitive pricing policy:

- an average toll of £3,000/€4,500 per train, for a train travelling at 120km/h during an averagely busy period;
- a simplified pricing structure (toll per train, taking account of speed and peak and off peak transit) allowing operators to optimise their trainloads;
- real and effective open access and the capping of essential cross-Channel service costs at £400/€600 (dealing with border restrictions and specialised Class 92 locomotives); and

(1) *Intermodal: containers or swap bodies carried by train from one terminal to another, then transferred to another mode of transport (boat, road, etc.)*

- competitive total costs compared to the road transport sector in order to encourage railfreight development.

The number of Railfreight trains fell by 4% in 2008 compared to 2007, while the tonnage of goods carried by these trains rose by 2% in 2008 compared to 2007. For more details, see chapter 9 of this Reference Document.

6.1.3 Other revenue

In 2008, €13 million of other revenue was generated by the Eurotunnel Group, representing 2% of the total revenue of the Eurotunnel Group.

The Eurotunnel Group's other revenue consists mainly of (i) revenue from retail businesses in the terminals on both sides of the Tunnel, (ii) revenues in respect of the maintenance of telecommunication lines in the Tunnel, and (iii) revenue from property activities.

a) Retail revenues

The Eurotunnel Group has built facilities for its customers on its two terminals in France and the United Kingdom, including shops and other retail outlets.

Access to the shops, bars and restaurants is available only to customers travelling on the Shuttle Services. They are located inside the terminals, directly after check-in and before border controls. The shops, bars, restaurants and other retail services are operated by third parties under three to ten year concession agreements on the French side and under leases on the British side.

In 1994, a 30-year contract was entered into with Total under which Total operates the three service stations on the two terminals' access and egress roads.

The Eurotunnel Group also earns modest revenues from the rent of advertising space on the two terminals and alongside the egress routes from the terminals.

The Eurotunnel Group's strategy is to offer travellers who choose to stop before continuing their journey a choice and level of services consistent with the overall quality and value of the service that the Eurotunnel Group itself offers. As part of this strategy, the Eurotunnel Group modernised and refurbished some of the retail facilities in 2008.

b) Property activities

The Eurotunnel Group owns and manages plots of land near its French and British terminals.

As an extension of its mission to design, build and operate the Fixed Link, the Eurotunnel Group was also given responsibilities for local land development. The Fixed Link is not only an element of transport infrastructure; it was also conceived as a foundation for the economic development of the Kent and Calais regions.

On the French side, the necessary steps to obtain ownership and control of the required land were conducted jointly for the plots intended for use in constructing the Fixed Link and for the plots intended for activities of secondary importance in support of the main purpose.

With the exception of the land that already belonged to the French State, the relevant land was acquired under a declaration of public utility dated 6 May 1987. The cross-Channel terminal joint development zone (ZAC) was established by an order of the *Préfet* dated 21 February 1990.

The ZAC has focused on developing shopping centres, hotels, a business park and recreational facilities. Since its creation, it has achieved the following results: out of a total of 49 hectares of marketable land, only 3.6 hectares of retail and commercial plots have yet to be sold, representing 7.5% of the initial landholdings.

In 2002, FM initiated a policy of regularising ownership of the landholdings. This has enabled it to gain unencumbered title to land previously acquired by FM in the name and on behalf of the French State (47 hectares of land strategically situated alongside the A16 and 35 hectares in the municipality of Sangatte-Blériot Plage).

The transfer of the plots has made it possible for the Eurotunnel Group, in the context of sustainable development, to restore the site of the former factory where the tunnel lining segments were made, and which was later used as a shelter for illegal immigrants (''Red Cross Centre''). This restoration work has allowed the development of a vast commercial and tourist project to stand alongside the Cité de l'Europe shopping centre in Coquelles. The local groups in the Nord Pas-de-Calais region aim to make the Opal Coast the preparation ground for Olympic teams participating in the London 2012 Olympic Games. The development plans initiated by TNU for the Sangatte district, particularly concerning tourist accommodation, may tie in with this aim.

As part of efforts to strengthen its partnership with the town of Sangatte-Blériot and the *Conseil Général* of the *Pas-de-Calais*, the Eurotunnel Group signed an agreement with the *Conseil Général* of the *Pas-de-Calais* on 6 January 2009 covering measures provided to support this ambitious tourism development project.

Practical measures have already started: preliminary studies, preparation of the submission for the declaration of public utility, the project being included in related town planning documents, the review of the territorial consistency plan and the planned reduction of the scope of the Concession in order to enable the *Conseil Général* of the *Pas-de-Calais* to carry out works to accompany the ''*Operation Grand Site*'' (a major French national programme to renovate the most prestigious and most visited listed sites). All of these steps should enable the start of operations to obtain ownership and control of the land.

c) Europorte 2 Railfreight Services

On 26 November 2007, Europorte 2, the subsidiary freight operator of the Eurotunnel Group, as agreed with SNCF, took over ground operations (coupling and de-coupling, shunting, safety controls, assistance with security controls, administrative management) for cross-Channel traffic at the Calais-Fréthun marshalling yard and for the hauling of goods trains through the Tunnel.

Seven class 92 locomotives required for cross-Channel traction are being upgraded in order to give fresh impetus to traffic through the Tunnel. They will complement the four locomotives of the same type that have already been delivered.

Europorte 2 has rented two Alstom Prima electric locomotives to pull goods trains on the French rail network outside of the Concession. They will help to boost cross-Channel freight by attracting new customers. They will also be used for regional transportation in the *Nord-Pas de Calais* area, linked to cross-Channel traffic or otherwise.

Moreover, the Eurotunnel Group and the *Port Autonome de Dunkerque* concluded a strategic partnership agreement on 13 June 2007 with the intention of sharing rail activities in three main areas:

- the transport of containers unloaded at the dedicated terminal in the port of Dunkirk and subsequently forwarded to the UK by railfreight via the Tunnel;
- the operation of rail links between Dunkirk, the coast and the multimodal platform at Dourges (Pas-de-Calais); and
- the pooling of technical resources, particularly in the field of safety and rail operations.

6.2 Main markets of the Eurotunnel Group

The Eurotunnel Group operates in the surface transport market between continental Europe and the United Kingdom. Eurotunnel Group offers both (i) a Shuttle service that it operates itself between Calais and Folkestone, and which competes directly with ferry operators between Dover and the Continent in the transport of passengers, cars, coaches and trucks, and (ii) infrastructure facilitating a direct rail link for the Eurostar trains and freight trains used by the Railways.

6.2.1 Freight market

Freight traffic between continental Europe and the United Kingdom is commonly divided into four modes:

- Roll-On/Roll-Off accompanied: trucks and trailers crossing the Channel or the North Sea on Shuttles or ferries at the same time as the road tractor and driver, mostly via the Short Straits;
- Roll-On/Roll-Off unaccompanied: trailers crossing the Channel or the North Sea independently of the road tractor, mostly via North Sea routes;
- Railfreight: conventional or intermodal trains through the Tunnel; and
- Lift-On/Lift-Off: moveable containers or swap bodies loaded on Lift-On/Lift-Off container ships, mostly on the North Sea routes.

The market is also commonly divided into three geographic corridors:

- the Short Straits: all the routes from continental Europe to Dover, Folkestone and Ramsgate (including the Tunnel);
- the English Channel: all the routes from continental Europe to ports on the south coast of the United Kingdom to the south-west of Folkestone; and
- the North Sea: all the routes from continental Europe to ports on the east coast of the United Kingdom to the north of Ramsgate (including the Thames estuary).

The modal distribution varies by geographic zone. For accompanied trucks, the long trip across the English Channel or the even longer trip across the North Sea is costly. These routes are more suitable for Roll-On/Roll-Off unaccompanied and Lift-On/Lift-Off solutions.

By contrast, the shorter crossing times of the Short Straits are more appealing to time-sensitive traffic, and attract a much larger share of Roll-On/Roll-Off accompanied traffic.

The freight market between continental Europe and the United Kingdom has seen strong growth in the past fifty years.

A variety of factors have been driving this continued expansion:

- continuing liberalisation of trade and the creation of the single European market, favouring the sourcing of goods from suppliers in different countries and a consequential increase in competition among these suppliers;
- improved quality of service in the transport and distribution industries; and
- growth in consumer purchasing power until 2008.

Activity in 2008 was affected by the deterioration in the global economy, and particularly by the expectation of recession in the UK. After an encouraging first quarter, the Short Straits market contracted relative to 2007. The extent and the duration of this downturn are hard to gauge accurately.

a) Truck Shuttle Service

Evolution of the Short Straits market

In the freight market, the Truck Shuttle Service is in direct competition with the ferry operators for the accompanied road transport business across the Short Straits.

Over the last ten to fifteen years there has been a marked trend towards the use of accompanied trucks in the freight market between continental Europe and the United Kingdom. This reflects a reduction in rates for crossings on the Short Straits in the mid to late 1990s and, more recently, the arrival in the market of hauliers from Eastern Europe offering highly competitive rates. North Sea (unaccompanied) ferry operators have responded by introducing larger

Roll-On/Roll-Off ships and developing a double-stacked mode of container transport, a more cost-effective method than unaccompanied trailers. As a consequence, the trend in favour of accompanied trucks has now come to an end and market shares between the routes are now relatively stable.

However, the factors which underlie the success of the Roll-On/Roll-Off accompanied mode on the Short Straits continue to prevail, as it provides:

- the shortest, fastest and most reliable route across the Channel; and
- more efficient management of loads.

Short Straits' (Truck Shuttles' and ferries') share of the freight market

The increase is explained by several factors:

- the lack of development of cross-Channel railfreight;
- the withdrawal of P&O from routes in the English Channel; and
- capacity increases and changes in pricing policies by the various operators.

Eurotunnel Group's share of the Short Straits market

The Eurotunnel Group estimates that its share of the accompanied truck market on the Short Straits corridor has evolved as follows:

	2008		2007	
	Vehicles(1)	Market share(2)	Vehicles(1)	Market share(2)
Accompanied trucks	1,254,282	35.7%	1,414,709	37.9%

(1) *Number of driver accompanied trucks transported by the Eurotunnel Group.*

(2) *The market share percentages are derived by calculating the Eurotunnel Group's accompanied truck traffic as a proportion of the total of such traffic on the Short Straits corridor as estimated by the Eurotunnel Group on the basis of information provided by IRN Services Ltd.*

The number of trucks transported by the Eurotunnel Group and its market share, which increased in 2007, fell in 2008, mainly because of the Fire in September 2008. For more details, see chapter 9 of this Reference Document.

b) Through Railfreight Services of the Railways

The Railways' Through Railfreight Services compete with most modes of sea and road freight transport between continental Europe and the United Kingdom. Intermodal trains compete with Lift-On/Lift-Off container services and with services for accompanied and unaccompanied road freight offered by ferries and with accompanied road freight offered by the Eurotunnel Group's Truck Shuttle Services. Conventional freight trains compete with other freight transport modes, but often enjoy an advantage in the case of very heavy or large cargoes which can be loaded directly from a production facility. In the market for transportation of new automobiles, competition is from combinations of road, sea and rail modes, which are used to distribute cars to dealers in the United Kingdom and in continental Europe. Lastly, for bulk transport of commodities, railfreight is also in competition with transport by barge.

The freight volume transported by the Through Railfreight Services is summarised below.

	Through Railfreight Services	
	2008	2007
Cross-Channel railfreight[1] (millions of tonnes)	1.24	1.21
Number of crossings[1]	2,718	2,840

(1) *Sources 2007 and 2008: BRB and SNCF.*

Railfreight through the Tunnel continues to register disappointing performances. The weakness of railfreight through the Tunnel is explained by the complexity of developing cross-border rail traffic within Europe, by the successive reorganisations since 1994 of the cross-Channel freight carriers in the United Kingdom (particularly with the privatisation of operators) and operational and commercial difficulties in railfreight in Europe.

In order to relaunch the Freight Train Service, the Eurotunnel Group announced on 23 October 2007 a comprehensive new competitive strategy (described in paragraph 6.1.2 (c) above), aimed at addressing the challenges in the freight market through the implementation of certain measures in respect of open access rail development, border restrictions and competitive pricing policies for freight services.

The agreement between the Eurotunnel Group and *Port Autonome de Dunkerque* on 13 June 2007, along with the new pricing mechanism introduced on 23 October 2007 (as described in paragraph 6.1.2 (c) above), have assisted this strategy, as has the activities of Europorte 2 (also described in paragraph 6.1.2 (c) of this Reference Document) as the Group's freight operator subsidiary.

6.2.2 Passenger market

Until 2008, the international passenger transport market from and to the United Kingdom grew steadily. The expected impact from the current global economic climate is likely to affect this trend. Most of this growth is concentrated on trips to Southern or Eastern Europe, markets in which the Eurotunnel Group is not active. The Short Straits market, the principal market for the Shuttle Services, has been in decline since the benefits of duty-free purchases have no longer been available.

The Passenger Shuttle Service carries passengers travelling with their vehicles between Calais and Folkestone. It is in direct competition with ferry operators on the Short Straits market. The transport services for passengers travelling without their vehicle provided by the airlines and to a lesser extent by Eurostar constitute a marginal and indirect source of competition to the Passenger Shuttle Service.

Eurostar services principally operate on the market for transporting passengers without their vehicle between Paris and London and between Brussels and London. Eurostar's main competitors are the traditional and low-cost airlines.

a) Passenger Shuttle Service

Evolution of the Short Straits market

During the 1990s, the Short Straits market was characterised in particular by a high proportion of day trips, with passengers attracted by duty-free purchases or other economic benefits. These advantages have now largely disappeared, so the number of day trips on the Short Straits route is on a sustained downward trend. However, the volume of long-stay (five days and over) and of short-stay (less than five days) trips has remained relatively stable, and has even increased recently, offsetting the fall in the number of day trips.

This situation is attributable to a number of factors:

- the withdrawal of passenger services on other cross-Channel links, which led to a transfer of traffic to the Short Straits;
- the adoption of dynamic pricing by some operators, in particular the Eurotunnel Group;
- the end of the continuing reduction in air fares; and
- airport disruption and delays.

The Short Straits car market grew in 2006 and 2007, but declined in 2008, due to the deteriorating global economic climate. The extent and the duration of this downturn are hard to predict accurately. The number of coaches transported on the Short Straits market continued to decline over the period.

Eurotunnel Group market share on the Short Straits

The Eurotunnel Group estimates that its shares of the car and coach passenger markets on the Short Straits link were as follows:

	2008		2007	
	Vehicles	**Market share**	**Vehicles**	**Market share**
Cars[(1)]	1,907,484	40.5%	2,141,573	43.3%
Coaches[(2)]	55,751	36.4%	65,331	38.3%

(1) *Number of vehicles transported by the Eurotunnel Group. The market share percentages are calculated by converting the number of vehicles transported into Car Equivalent Units (''CEU'') and determining the Eurotunnel Group's share of total CEU transported on the Short Straits as reported by IRN Services Ltd.*

(2) *Number of vehicles transported by the Eurotunnel Group. The market share percentages are calculated by determining the Eurotunnel Group's share of the total number of coaches transported on the Short Straits as reported by IRN Services Ltd.*

The Eurotunnel Group's share of the passenger car market on the Short Straits showed a year-on-year increase before the Fire in September 2008, which caused business levels to drop.

b) Eurostar

Market evolution

The market for Eurostar services comprises business and leisure passengers travelling between the United Kingdom and continental Europe. The market is geographically diverse and includes passengers travelling between London and Paris or London and Brussels and passengers travelling between other points in the United Kingdom and France, Belgium, Holland and Germany. Eurostar connects London with the centres of Paris and Brussels and competes directly with air travel service providers on travel time, frequency, comfort and price. For short-stay leisure travel, Eurostar also competes with low-cost airlines in terms of price, capacity and choice of destinations. Eurostar operates a direct service to Disneyland Paris, a ski train service to Bourg-Saint Maurice and a summer service to Avignon in Southern France.

Combined data on market growth for Eurostar and the airlines is presented below.

	Paris-London and Brussels-London passenger market			
	2008		2007	
	Passengers (000)	Growth	Passengers (000)	Growth
Air and Eurostar				
Paris-London	8,453	+3.2%	8,194	+1.7%
Brussels-London	3,331	+4.2%	3,197	+4.3%

Sources 2007 and 2008: BRB, SNCF, and CAA.

Total air and Eurostar passenger traffic expressed in numbers of passengers between Paris and London increased by 3.2% between 2007 and 2008. During this same period, Eurostar passenger traffic increased by 9%.

Total air and Eurostar passenger traffic expressed in numbers of passengers between Brussels and London increased by 4.2% between 2007 and 2008. During this same period, Eurostar passenger traffic increased by 14%.

Market share

The data below summarises the growth in Eurostar's share of the passenger market on the Paris-London and Brussels-London routes.

	Eurostar market share			
	2008		2007	
	Passengers (000)(1)	Market share(2)	Passengers (000)(1)	Market share(2)
Paris-London	6,503	76.9%	5,962	72.8
Brussels-London	2,610	78.4%	2,299	71.9

(1) *Sources: SNCF and BRB.*

(2) *Market share percentages are derived by calculating the volume of Eurostar passengers as a proportion of the total volume of air and Eurostar passenger traffic between Paris and London and between Brussels and London as provided by the CAA, BRB and SNCF.*

Eurostar's share of the passenger market on the Paris-London route has increased to 76.9% on average over the 12 months ended 31 December 2008 as compared with 72.8% for the same period in 2007. Its market share on the London-Brussels route increased from 71.9% to 78.4% over the same period.

Eurostar's competitive environment

In the business travel market, Eurostar competes with the traditional and low-cost airlines that offer regular flights between Paris and London on the one hand and between Brussels and London on the other. In the leisure travel market, Eurostar's main competitors are the low-cost airlines, not only on the routes served by Eurostar but also to other destinations. Eurostar has undertaken a number of successful initiatives in terms of marketing and Internet promotions aimed at the leisure travel segment, but the Eurotunnel Group believes there is still growth potential for Eurostar in these markets as well as on the London-Amsterdam market in the future.

6.2.3 Competitive position of the Shuttle Services

The Shuttle Services are in direct competition with the ferry services operated by P&O Ferries, SeaFrance and Norfolkline on the Short Straits. They compete indirectly with the airlines and to a lesser extent with Eurostar.

a) Ferry operators

Following Hoverspeed's withdrawal in October 2005 and that of SpeedFerries in November 2008, the Eurotunnel Group's main competitors for its Truck and Passenger Shuttle Services are the ferry operators P&O, SeaFrance and Norfolkline.

- **P&O**

P&O Ferries (''**P&O**'') is the largest ferry operator on the Short Straits with six vessels. Since it withdrew from the Dover-Zeebrugge route in December 2002 and shut down its English Channel services from Portsmouth in 2005, P&O has been stepping up its activity on the Dover-Calais route. Its direct competition with the Eurotunnel Group in the passenger and freight markets has consequently increased.

In March 2006, P&O Ferries became a subsidiary of DP World, a worldwide operator of port facilities.

- **SeaFrance**

SeaFrance is a subsidiary of SNCF and operates five ferries on the Dover-Calais route. SeaFrance has upgraded its fleet and increased its capacity with two new vessels, the Rodin, which came into service in 2001, and the Berlioz, which came into service in 2005. SeaFrance also acquired a new ferry at the beginning of 2008 from SNCM to replace two of its older ferries. This has not affected the available capacity.

- **Norfolkline**

A subsidiary of AP Moeller-Maersk, a Danish group, Norfolkline operates three vessels transporting cars and trucks on the Dover-Dunkirk route. Norfolkline has renewed its fleet and increased its capacity with new vessels coming into service in 2005 and 2006.

- **SpeedFerries**

SpeedFerries, a British company, launched its fast catamaran service in May 2004, transporting passengers between Boulogne-sur-Mer and Dover, using only one vessel. SpeedFerries went into administration and ceased operating on 7 November 2008.

- **LD Lines**

LD Lines operates a number of ferry routes to France, and has added a new route between Boulogne-sur-Mer and Dover. The new service started in February 2009 and consists of two return crossings per day.

- **Competitive advantages of Eurotunnel Group**

The Eurotunnel Group considers that, under normal operating conditions, its Shuttle Service enjoys the following competitive advantages over ferries:

- speed: the travel time between the French and British motorways is generally much shorter than via the ferries;
- frequency of departures: the Eurotunnel Group's Shuttle Service runs more frequently than any of its competitors; and
- reliability: the Shuttle Service, unlike the ferries, is unaffected by sea conditions and is not dependent on the weather.

b) Airlines

The airlines, and in particular low-cost airlines, also have an indirect impact on the Short Straits market. These companies serve many destinations in continental Europe and so compete with operators in the Short Straits, including the Passenger Shuttle Service in the market for short-stay leisure travel. Furthermore, many destinations in France are now served by low-cost airlines offering an alternative means of transport between France and the United Kingdom.

c) Eurostar

To a lesser extent, Eurostar competes indirectly with the Passenger Shuttle Service in the market for leisure travel.

6.3 Capacity

6.3.1 The System

a) The Tunnel

The number of trains or Shuttles that can run in the Tunnel per hour is limited. The capacity of the Tunnel is expressed in terms of the number of standard paths per hour in each direction. A standard path is defined as the time it takes a Shuttle train operating at 140 km/h to proceed over that portion of the System that, under normal operating conditions, is used by all other trains using the Tunnel.

One of the key factors determining the Tunnel's capacity is the signalling system. At the date of this Reference Document, the System permits 20 standard paths per hour in each direction. Under the Railway Usage Contract, the Railways have the right to use up to 50% of the hourly capacity in each direction. Eurostar and Through Railfreight trains, because of their respectively faster or slower speeds compared to the Eurotunnel Group's Truck and Passenger Shuttles, use more than one standard path to move one of their trains through the Tunnel. At peak times, speeds can be adjusted to maximise the number of trains and Shuttles travelling through the Tunnel. In 2008, the maximum number of standard paths used by the Passenger and Truck Shuttle Services was 9.5 per hour in each direction.

At the date of this Reference Document, the Tunnel's normal capacity does not constitute a significant constraint limiting the development of the different types of traffic.

In the medium or long term, the Eurotunnel Group believes that it will be possible to increase the Tunnel's capacity by the following means:

- setting uniform operating speeds for all trains, which would allow more trains to run on the same number of standard paths. At the date of this Reference Document, Through Railfreight trains operate in the Tunnel at speeds ranging from 100 to 120 km/h, whereas Eurostar trains can reach speeds of 160 km/h. These differences in speed use a large part of the System's capacity, as they require the Eurotunnel Group to operate with longer intervals between trains than would be necessary if all trains ran at a uniform speed. Use of the System's capacity could therefore be improved by shifting slow or infrequent freight trains to off-peak times, and by scheduling trains that travel at speeds higher (160 km/h) or lower (120 km/h) than the standard path (140 km/h) so that they run in flights during peak hours;

- increasing the power of the locomotives pulling the Shuttles to allow the use of longer trains or reduce transit times;

- reducing the distances between trains using the Tunnel (to 2 minutes 30 seconds instead of 3 minutes currently) so as to raise System capacity to 24 standard paths per hour in both directions. This requires an improvement of the fixed equipment; and

- improving the signalling system, in particular with ERTMS.

Some of these measures require approval by the IGC, which has supervisory authority over the Tunnel operation.

b) Terminals

Currently, ten boarding platforms are in service on the French terminal and ten are in service on the British terminal.

Both terminals were designed so that the number of boarding platforms could be increased to sixteen. At the date of this Reference Document, the construction of new platforms is not planned.

The terminals are equipped with self check-in lanes for all customers, along with an automatic number plate recognition system for trucks. These systems improve traffic flow and reduce operating costs.

6.3.2 Rolling Stock

The Eurotunnel Group's current commercial and operating strategy does not require the existing fleet of Shuttles to be adjusted in the near term.

6.3.3 Railway Services

Under the Railway Usage Contract, the Railways are entitled to use up to 50 per cent of the total signalling capacity of the Tunnel that is allowed by the signalling system. This currently amounts to ten standard paths per hour in each direction for Eurostar and Through Railfreight Services. Through Railfreight Services currently carry average loads of approximately 400-500 tonnes on each train, although some trains are capable of transporting 1,000 tonnes of freight, and run at speeds of between 100 and 120 km/h. An increase in the load or the speed of each train would enable the Railways to increase the traffic of goods trains without using extra Tunnel capacity. Similarly, increasing load factors on Eurostar trains and synchronising them so that they run in flights would enable more passengers to be transported without using additional Tunnel capacity. Under the terms of the RUC, the Eurotunnel Group may use any unused excess capacity of the Railways if the Railways have not confirmed their capacity requirement by the previous day. Use of this excess capacity provides the Eurotunnel Group with additional flexibility in optimising the flow of traffic and scheduling Railfreight and Shuttle Service departures.

6.4 System reliability

6.4.1 Tunnel availability and maintenance

The performance and reliability of the System have improved significantly since the Tunnel opened. The lack of reliability of certain elements of the System caused traffic disruption in the past. The situation has greatly improved due to the correction of a number of technical deficiencies and the implementation of a revised programme for the cleaning, monitoring and maintenance of the fixed equipment. Scheduled weekly maintenance of the Tunnel is planned and structured so as to promote efficient use of the Tunnel and cause minimal disruption to commercial operations.

Despite continual traffic growth, the Eurotunnel Group has set an objective of limiting service disruptions due to fixed equipment failures to less than 0.75%. Tunnel availability was maintained at 99.59% (disruption rate of 0.41%) during 2008, except for the period during which the Tunnel was unavailable following the Fire in September 2008, described below.

The Fire in September 2008 started on a Truck Shuttle travelling through the North Tunnel. The fire was contained in less than twenty hours, and after in-depth technical checks on the installations of the South Tunnel and the passage of empty test Shuttles, the Eurotunnel Group restored traffic thirty hours after the fire broke out.

Although part of the North Tunnel (Interval 6) could not be used commercially, traffic gradually started to resume in ''flights'', i.e. in alternate directions. This technique allowed the Tunnel to maintain optimal operating capacity until the full Reopening of the Tunnel.

The Eurotunnel Group signed project management and works contracts for the repair of the North Tunnel's damaged section on 10 October 2008. Preparatory work, including the creation of a remote site and a works site, along with some procurement work, was carried out directly by Group teams.

In accordance with undertakings made by the project manager and the contractors, the Tunnel was fully reopened on 9 February 2009 after authorisation to resume operations was given by the IGC and the Safety Committee, i.e. less than four months after work began on 18 October 2008.

The total cost of the repair work is estimated at less than €60 million. In any event, the financial effect of the Fire in September 2008, i.e. up to €900 million of loss of business and €200 million of liability, is covered by the Eurotunnel Group insurance policies, as set out in section 6.6 of this Reference Document.

The insurance companies who insure the Eurotunnel Group's operating losses have received a claim from the Railways to indemnify them for their own operating losses following the Fire in September 2008. As part of a mutual waiver of recourse between the Eurotunnel Group and the Railways, the Eurotunnel Group has included the latter as additional insured within the policies covering its operating losses and material damage to its infrastructure and Shuttles, so as to cover any consequential losses and material damage that might be caused to the Eurotunnel Group by the Railways.

6.4.2 Rail replacement

Rail replacement is carried out as part of the normal maintenance programme, with no major disruption to commercial services.

6.4.3 Maintenance and availability of the rolling stock

The Eurotunnel Group has also set itself the objective of achieving better utilisation of its transport capacity by improving load factors on its rolling stock. This is in addition to improving the availability of the rolling stock by modifying maintenance procedures in order to optimise periods of operation between maintenance visits.

The repair and maintenance programmes implemented by the Eurotunnel Group have helped to improve the reliability of the electric locomotives and Truck and Passenger Shuttles. In planning its maintenance programmes, the Eurotunnel Group's objectives are the following:

- ensure that safety requirements are met;
- avoid rolling stock being out of service for prolonged periods; and
- maximise the number of Shuttles available at peak hours.

Under current maintenance programmes, light maintenance and safety inspections are carried out every 21 days on average for the locomotives, Truck Shuttles and Passenger Shuttles. Every 600 to 1,000 days, depending on the vehicle and the number of kilometres it has covered, each rail vehicle is taken out of service for two to three weeks and undergoes an extensive preventive maintenance programme.

For the Passenger Shuttle Service, the rate of departures cancelled due to rolling stock failures was 1.13% in 2008, compared with 1.32% in 2007 and 0.96% in 2006. For the Truck Shuttle Service, the rate of departures cancelled due to rolling stock failures was 1.34% in 2008, compared with 1.21% in 2007 and 1.23% in 2006. The Eurotunnel Group is implementing simplification and renovation programmes to further reduce future maintenance requirements and enhance reliability.

The Large Scale Maintenance (LSM) multi-year programme for the renovation of equipment was accelerated considerably during the course of 2008 in order to restore and enhance the reliability of equipment that is now approaching a third or one half of its overall useful service life.

6.4.4 Maintenance strategy

The Eurotunnel Group's application of industrialisation techniques to maintenance based on the anticipation of requirements and the optimal coordination and scheduling of resources (namely, the type of maintenance facility, tools, spares and consumables required, etc.) has yielded a gain in productivity on rolling stock maintenance over recent years.

6.4.5 Projects

Various projects are planned in the short or medium term to further improve System reliability and efficiency, including in particular:

- a complete overhaul of the maintenance information systems;
- replacement of the two main radio systems, one for data transmission between the trains and the control centre and the other for transmission within the area of the System, by an ERTMS system in line with European standards;
- the pilot study for the third-generation Truck Shuttles; and
- a programme of intensive servicing for the recently acquired Class 92 locomotives to bring them up to the standards of performance and reliability of the rest of the Eurotunnel Group fleet.

6.5 Safety and Security

6.5.1 Safety of the System and of the Shuttle Services

Safety and security considerations are central to the overall design and operating procedures of the System. The System was designed under the supervision of the IGC and the Safety Authority (described in paragraph 6.5.3 below). Each phase of the initial design was examined by the IGC and formally acknowledged by way of a non-objection declaration.

The operational safety of the System and of the Shuttle Services is mainly the result of the following design features:

- two separate rail tunnels, a layout that substantially reduces the risk of head-on collisions;
- a service tunnel linked to the rail tunnels by connecting passages situated on average every 375 metres, which provides access for emergency services and allows passengers to be evacuated to a safe environment;
- the infrastructure of the Tunnel. Each tunnel lies at a depth of 25 to 45 metres below the seabed and the walls of the tunnel are enclosed in reinforced concrete (or in some cases in cast iron);
- an advanced signalling system that incorporates automatic train protection, considerably reducing the likelihood of any type of collision;
- fire detection devices in the System and on all the Shuttles, as well as fire-extinguishing equipment in all the Passenger Shuttles (controlled by automated onboard systems) and in the Club Cars of all the Truck Shuttles (manually operated fire extinguishers);
- fire safety doors in all the Passenger Shuttles to prevent fires from spreading;
- a ventilation system that keeps the air in the service tunnel at a slightly higher pressure than in the rail tunnels, which prevents smoke from entering the service tunnel in the event of a fire in a rail tunnel; and
- a prohibition on transporting certain hazardous materials through the Tunnel.

Safety features and procedures are updated regularly and are set out in the Safety Case (described in section 2.2.2 of annex IV) that is required to retain the operating certificate issued by the IGC, in accordance with laws and regulations (act of 5 January 2006 relating to safety and the development of transport and orders of 28 March 2006 and 19 October 2006) resulting from the transposition of the European Union's Railway Safety Directive (2004/49/EC).

This transposition is supplemented by the regulation concerning the safety of the cross-Channel Fixed Link, adopted by the IGC on 24 January 2007 and ratified by Act no. 2008-475 of 22 May 2008. This act, which came into force on 4 July 2008, aims to ensure maximum safety by replacing the previous system of safety studies with a safety management system. The Safety Case will be replaced in July 2009 by a new document called the ''Safety Management System''.

The System has detailed security and policing features meeting the requirements of the UK and French authorities. Examples of the security measures taken for the protection of the System are:

- access control at the perimeter of the terminals;
- surveillance by closed-circuit television cameras; and
- use of advanced techniques for searching vehicles.

Safety and security measures for Eurostar and Through Railfreight Services have been developed by the Railways after discussion with, and the approval of, the States. These safety and security measures, which are the responsibility of the Railways, have been submitted to the IGC by the Eurotunnel Group in connection with the Safety Case. As the infrastructure manager, the Eurotunnel Group is consulted by and cooperates with the Railways in relation to the ongoing development and implementation of these safety measures. The States can require the Eurotunnel Group and the Railways to implement and maintain the security measures that they consider appropriate to meet any perceived threat. In practice, however, the implementation of such measures is worked out in cooperation with the Eurotunnel Group so as not to impair traffic flow.

6.5.2 Safety and security management and monitoring by the Eurotunnel Group

The Eurotunnel Group's Safety and Sustainable Development directorate reports directly to senior management. Its mission is to define company-wide safety objectives, measure safety performance and supervise the application of all safety rules by the various departments. The Director of Safety and Sustainable Development is a member of the executive committee.

A safety, security and environment committee composed of five directors meets every quarter with management to review safety and security issues within the Eurotunnel Group. The committee receives quarterly reports from the relevant departments. It supervises safety documentation, monitors the process of developing operating and safety rules and oversees the safety, security and environmental impact of the Group's activities. The Director of Safety and Sustainable Development has direct access to the chair of the safety, security and environment committee. The composition and operating procedures of the safety, security and environment committee are described in section 16.2.3 of this Reference Document.

The main costs of securing and maintaining the security of the System were approximately €10.6 million in 2008.

6.5.3 Supervision by the States

The IGC was established pursuant to the Treaty of Canterbury and the Concession Agreement to supervise the construction and operation of the System on behalf of the States. This includes all issues relating to the safety, security and environmental impact of the System. Many of the Eurotunnel Group's operating rules must be formally approved or acknowledged by way of a non-objection declaration by the IGC.

The Safety Authority was established under the Treaty of Canterbury and the Concession Agreement to advise and assist the IGC on all matters concerning safety in the construction and operation of the System. The Safety Authority advises the IGC regarding approval of System safety measures (including operating rules and emergency procedures) and compliance of the System with such measures. The Safety Authority has a team of inspectors and is charged with monitoring the implementation of safety measures and practices and ensuring that they comply with applicable national and international laws throughout the term of the Concession Agreement.

For more information on the IGC and the Safety Authority, see chapter 22 of this Reference Document.

6.6 Insurance

The Eurotunnel Group's insurance programme consists primarily of policies covering material damage/business interruption (including terrorism) and third party liability.

The material damage/business interruption (including terrorism) and third party liability policies were renewed on 1 January 2009 for a term of one year. The next renewal date will be 1 January 2010.

The material damage/business interruption policy consists of two lines. For an annual premium of €27 million (2008: €6 million) and a maximum excess of €50 million (2008: €10 million) for any incident in the Tunnel and a maximum of €10 million for any incident outside of the Tunnel, the two lines still provide cover of €900 million. The indemnification period for business interruption is 24 months from the start of the interruption.

The Eurotunnel Group is looking at various measures to reduce its insurance premiums and excesses. To this end, the possibility of using a captive insurance company is being considered, as is the re-inforcement of protection of the infrastructure.

6.7 Dependency

Other than the material agreements described in chapter 22 of this Reference Document, the Eurotunnel Group's business activity is not dependent on any industrial, commercial or financial contract. Furthermore, the Eurotunnel Group's business is not dependent on any patent or licence agreement.

6.8 Environment and sustainable development

The Tunnel and its rail transport system provide certain intrinsic environmental advantages:

- the Tunnel runs entirely underground and does not interfere in any way with the marine environment; and
- the use of electric traction power which produces minimal atmospheric pollution and much lower greenhouse gas emissions than fossil fuels.

However, pursuant to French law no. 76-663 of 19 July 1976, the Coquelles and Sangatte sites are Designated Sites for the Protection of the Environment (*Installation Classée pour la Protection de l'Environnement*) (*DSPE*) due to the dangers and risks that its activities of refrigeration, air-conditioning, storage and use of flammable liquids, workshops and paints etc may pose to the surrounding area and to health, safety, the nature and environment. These activities are set out in a list which, on the basis of the gravity of the dangers or risks that they may represent, requires the Eurotunnel Group to either make a declaration to or request authorisation from the *Prefecture* of the Pas-de-Calais in respect of them. These activities are monitored by the Regional Authority for Industry, Research and the Environment (*DRIRE*).

Similarly, pursuant to the French law in relation to water of 3 January 1992, the Eurotunnel Group must request the authorisation of the relevant administrative authority for any proposed construction, works or activities to be carried out outside of the DSPE area, which may pose a danger to public health and safety, endanger the free flow of water, reduce the availability of water, substantially increase the risk of floods or seriously damage the quality or diversity of the marine environment.

Since 2002, TNU has had in place an environmental management system based on the requirements of the ISO standard 14001, and has put in place trained environment correspondents and internal auditors. An ''Environmental Requirements'' clause has also been introduced into contracts with its sub-contractors.

Every year, targeted audits are carried out in France and the United Kingdom. In 2008, six audits were carried out within the operational divisions and three among sub-contractors, and in particular on waste management.

As well ensuring its compliance with legal and regulatory requirements (a regulatory review is carried out on a monthly basis), and as part of its continued commitment to the environment, the company set up in 2006 a safety and sustainable development directorate. Safety represents an absolute requirement for the Eurotunnel Group.

Combining it with a strong sustainable development policy shows the extent to which these issues are important for the Group.

The Eurotunnel Group is concerned about greenhouse gas emissions (albeit very low) generated by its operating activities. With the help of specialists using the assessment method (*Bilan carbone®*) accredited by ADEME, the French environmental and energy management agency, a carbon footprint review was carried out in September 2006 in France, and then at the end of 2007 in the United Kingdom. This review included emissions generated by electricity used for the traction of Shuttles, of Eurostar trains and of goods trains through the Tunnel; emissions generated by maintenance activities, diesel works trains and vehicles used for staff transport, deliveries and catering. It also includes emissions related to the building of infrastructures since inception and the necessary construction materials.

The Eurotunnel Group's carbon footprint was estimated at 85,184 tonnes of carbon equivalent in 2006, during which 18.5 million tonnes of goods passed through the Tunnel.

This carbon footprint review forms part of the ''*Planète gagnante*'' charter, signed on 20 September 2007 with ADEME and the *Conseil Régional* of the *Nord-pas-de-Calais*. The action plan connected with this charter aims to reinforce certain initiatives and to launch new operations, such as the implementation of a plan to reduce greenhouse gas emissions linked to the transport system by at least a quarter, specifically by making changes to the electricity supply system. In 2008, the implementation of these initiatives has led to a 50% reduction in all greenhouse gas emissions of the Eurotunnel Group, with a carbon footprint estimated in 2008 at 43,000 tonnes of carbon equivalent.

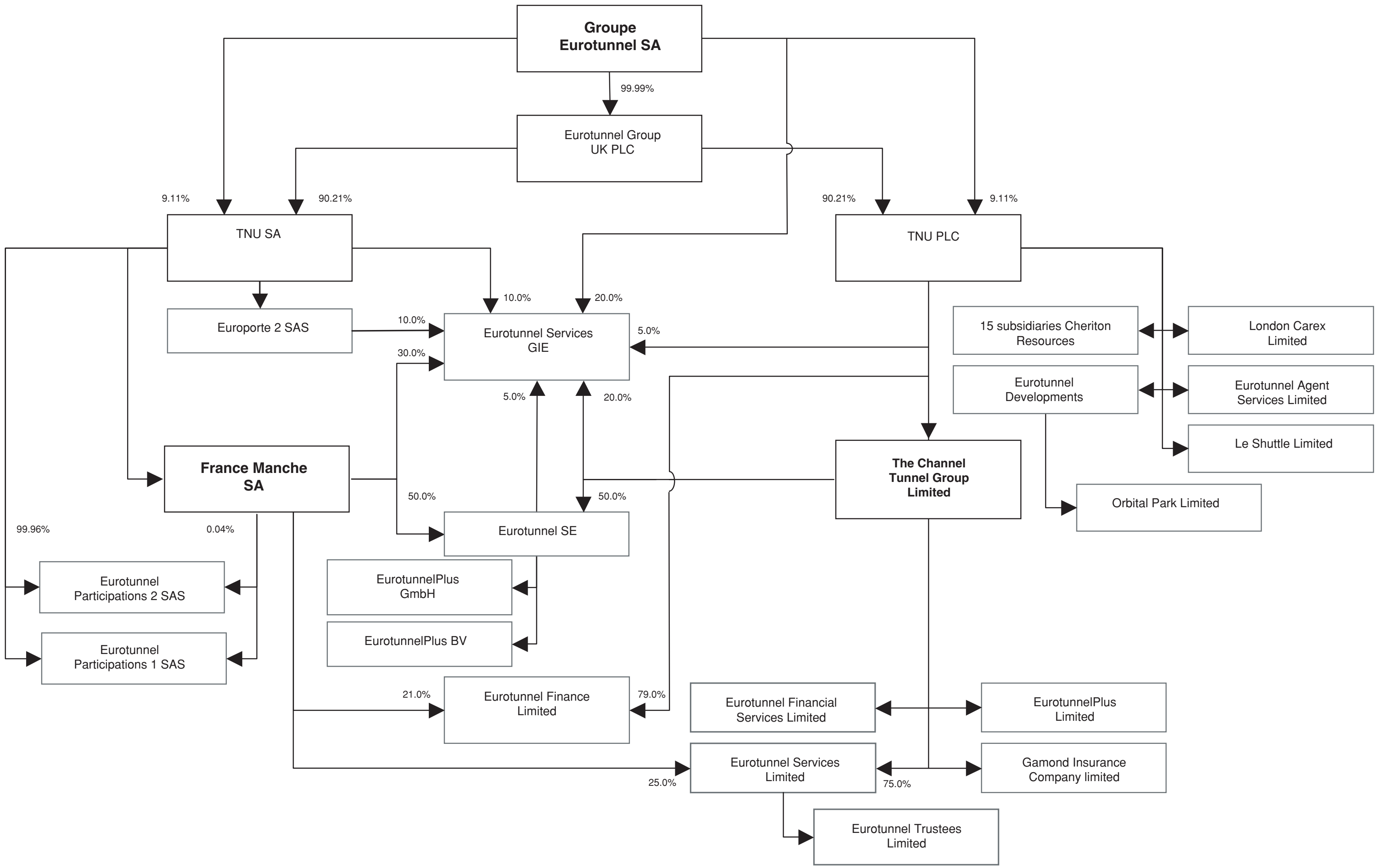
In parallel with this, the Eurotunnel Group has decided to increase the awareness of its personnel as part of its commitment to sustainable development in the following ways:

- carbon footprint and reduction of greenhouse gases;
- since 2005, a programme to reduce levels of electricity and water consumption (examples of measures taken include: installation of sensory light and heating, increase in electricity and water meters, changes in the management of the cooling systems in the Tunnel to reduce the amount of water used in the cooling process (savings of 3,000 m^3 of water per year since the implementation of this programme);
- the optimisation of waste recycling and research into the recycling process, so as to further increase the volume of waste recycling;
- informing and raising the awareness of its customers with regard to global warming and waste management with short films and presentations;
- raising awareness of its employees with regard to environmentally friendly behaviour;
- a multi-year plan to manage natural spaces and species. This is backed by the *Conservatoire des Sites Naturels* and the *Groupe Ornithologique et Naturaliste du Nord*, which have been observing flora and fauna at the Eurotunnel Group's sites for around 10 years now. In England, the Samphire Hoe site was awarded the ''Green Flag'' for excellent ecological quality for the fourth year running; and
- since May 2006, the wind farm project on the Coquelles terminal has been in partnership with Innovent. It is expected to be constructed and brought into service at the end of 2009 or the beginning of 2010. The definitive proposal for this project has been approved by the public authorities and is now in the technical organisation phase.

7. ORGANISATIONAL STRUCTURE

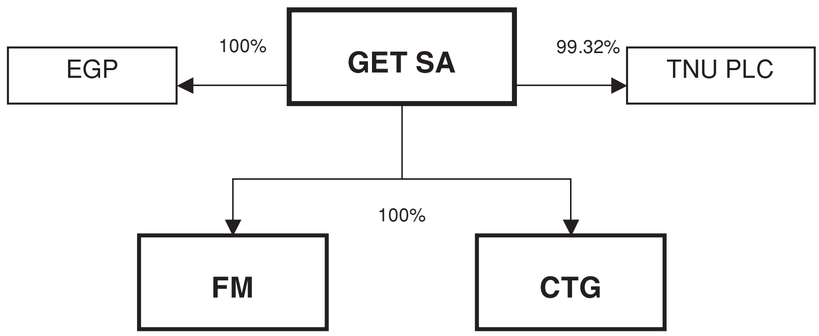
- GET SA is the holding company of the Eurotunnel Group.
- EGP is an English law company wholly-owned by GET SA with the exception of the share held by each of the directors of EGP and the EGP Preferred Share. In accordance with the terms of the Safeguard Plan, on the Closing Date, all of the Tier 3 Debt and the Notes were transferred to EGP in consideration for, in particular, the issue by EGP of the NRS.
- TNU SA and TNU PLC are the companies which hold FM and CTG respectively. Their shares are joined as Units.
- FM and CTG are the Concessionaires of the Tunnel: these two companies have formed a partnership carrying on its business as ''Eurotunnel''. FM and CTG are the borrowing entities under the current bank financing agreements. FM and EFL were the borrowing entities under the former credit agreements.
- Eurotunnel Developments Limited is the entity responsible for the development of all properties in the United Kingdom which are not used in connection with the operation of the System. Its subsidiary Orbital Park Limited is now inactive.
- Gamond Insurance Company Limited is an entity registered in Guernsey and entirely controlled by CTG, whose sole purpose is to provide the Eurotunnel Group with insurance against acts of terrorism. Gamond Insurance Company Limited takes out reinsurance with Pool Re.
- ESGIE and ESL employ and manage the Eurotunnel Group staff. Eurotunnel Trustees Limited is now inactive.
- Two French companies, Eurotunnel Participations 1 SAS and Eurotunnel Participations 2 SAS have not yet begun their operating activities.
- The Cheriton Resources companies are finance or investment companies, mostly inactive.
- Le Shuttle Holidays Limited was a British tour operator which became inactive in 1998. This subsidiary has changed its name to Eurotunnel Financial Services Limited. Since 1 January 2009, it is authorised by the Financial Services Authority to resell insurance products to passengers when they make bookings. CTG acts as the approved representative of Eurotunnel Financial Services Limited for these purposes.
- A Cheriton subsidiary has been renamed London Carex Limited for the purposes of a potential railfreight development project in the UK.
- The EurotunnelPlus companies are distribution entities for the Truck Shuttle Services. As part of the simplification of the Eurotunnel Group structure, all the assets and liabilities of EurotunnelPlus SAS and EurotunnelPlus SL were transferred to EurotunnelPlus Distribution SAS, and then all the assets and liabilities of EurotunnelPlus Distribution SAS were transferred to Eurotunnel SE. For the purposes of this transaction, which led to the subsidiaries involved being wound up on 1 January 2008, FM transferred all of its shares in EurotunnelPlus Distribution SAS to Eurotunnel SE. To complete this initial phase, the assets of EurotunnelPlus GmbH were transferred to Eurotunnel SE on 11 January 2008. EurotunnelPlus B.V. will transfer all of its assets to Eurotunnel SE. The activities of EurotunnelPlus Limited were taken over by CTG on 1 January 2009.
- Europorte 2 holds a rail operator licence.

Simplified organisational structure of the Eurotunnel Group as at 31 December 2008



Unless otherwise indicated, all subsidiaries are 100% owned.

Upon completion of the simplification of the legal structure of the Group described in note 25 of the consolidated accounts for 2008 in annex II of this Reference Document, certain elements of which will be submitted to the combined general meeting on 6 May 2009, the organisational structure will be as follows:



8. PROPERTY, PLANT AND EQUIPMENT

8.1 Eurotunnel Group's property, plant and equipment

At the date of this Reference Document, the Eurotunnel Group owns or uses the following property, plant, equipment and other moveable assets:

Gross value (€000)	2008	2007	2006
Concession property, plant and equipment			
Tunnels	6,549,501	6,549,501	6,549,501
Terminals, and related land and buildings	2,068,081	2,073,547	2,073,030
Fixed equipment and machinery	3,304,976	3,299,870	3,281,210
Rolling stock	1,973,701	1,995,850	1,995,267
Office equipment	96,253	98,291	98,950
Other property, plant and equipment			
Property, plant and equipment	61	61	59
Assets in the course of construction	41,327	24,942	35,447
Total	**14,033,900**	**14,042,062**	**14,033,464**

The net book value of property, plant and equipment is set out in note 7 to the consolidated accounts contained in annex II of this Reference Document. The Eurotunnel Group considers that the trends in the cross-Channel market and their expected long-term consequences, and the changes in interest and discount rates in the financial markets, do not constitute an indication of impairment of its assets at 31 December 2008. This judgment is re-re-inforced, moreover, by the conclusions of the expert's valuation carried out by the firm *Associés en Finance* as part of the simplification of the legal structure of the Group, as set out in paragraph 5.1.5 of this Reference Document.

In France, all immovable property, plant and equipment cited in the Concession Agreement is the property of the French State and will revert to it upon expiry of the Concession period (2086). In the United Kingdom, the government has required CTG to transfer to it the title to freehold land and property acquired for the purpose of construction and operation of the Fixed Link and in exchange has granted leases for the duration of the Concession Agreement.

Upon expiry of the Concession Agreement, the interests of CTG and FM (in their capacity as Concessionaires) in all movable property and intellectual property rights necessary for the operation of the Tunnel pursuant to the Concession Agreement will become, without consideration, the joint property of the two States.

As at 31 December 2008, the Eurotunnel Group's immovable property, plant and equipment comprised the land and works required for the operation of the Tunnel pursuant to the Concession Agreement in France and the United Kingdom.

The Eurotunnel Group's property, plant and equipment also include the railway infrastructure (tunnels, tracks, fixed equipment, rolling stock, roads, networks etc.), the passenger and freight terminals and the office buildings in Coquelles and Folkestone, as well as various maintenance buildings and workshops.

In addition, the Eurotunnel Group owns various plots of land as part of its property development activities, described in chapter 6 of this Reference Document.

For a description of the Eurotunnel Group's main property development projects, refer to paragraph 6.1.3 (b) ''Property development activities'' of this Reference Document.

At 31 December 2008, moveable assets owned by the Eurotunnel Group comprised mainly office equipment and furniture, IT equipment, and vehicles.

The Eurotunnel Group's budgets do not include the acquisition of any other major item of property, plant and equipment, and the Eurotunnel Group does not intend to make any such acquisitions in the near future, with the exception of the investments described in section 5.2 of this Reference Document.

The security interests in the Eurotunnel Group's fixed and moveable property granted in connection with the Term Loan are described in paragraph 22.4.2 of this Reference Document and in notes 18.1i) and 23 to the consolidated accounts in annex II of this Reference Document.

8.2 Environmental constraints

For a description of environmental issues please refer to paragraphs 2 and 7 of section 6.8 of this Reference Document.

9. REVIEW OF FINANCIAL RESULTS

Pursuant to EC Regulation 1606/2002 of 19 July 2002 on the application of international accounting standards, the consolidated financial statements of GET SA for the financial year ended 31 December 2008 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2008.

Pursuant to article 28-1 of EC Regulation 809/2004, the comparison of the results of the Eurotunnel Group for the financial years ended 31 December 2006 and 31 December 2007 as found in chapter 9 of the 2007 Reference Document and the financial statements relating to the years ended 31 December 2006 and 31 December 2007 as found in annexes III and IV of the 2007 Reference Document, are included by way of reference in this Reference Document.

The following information relating to Groupe Eurotunnel SA's financial situation and results must be read in conjunction with the consolidated financial statements as found in annex II of this Reference Document.

9.1 Significant factors that have or could have a material influence on the Group's operating revenue

The main factors with an impact on revenue are described in chapters 4 and 6 of this Reference Document.

The consequences of the Fire in September 2008 are described in section 9.2 of this chapter.

9.2 Comparison of financial years ended 31 December 2007 and 31 December 2008

€ million	2008	2007 pro forma(1) restated(2)	% change	2007 pro forma(1) published
Exchange rate €/£	**1.216**	**1.216**		**1.437**
Shuttle services	431	464	−7%	500
Railways	260	242	+7%	262
Other revenue	13	12	+7%	13
Revenue	**704**	**718**	**−2%**	**775**
Other income	44	–		–
Total turnover	**748**	**718**	**+4%**	**775**
Operating expenses	(200)	(197)	+1%	(210)
Employee benefit expense	(127)	(120)	+6%	(126)
Operating margin (EBITDA)	***421***	***401***	**+5%**	***439***
Depreciation	(160)	(162)	−1%	(162)
Trading profit	261	239	+9%	277
Other operating income/(expenses)	28	(12)	n/a	(13)
Operating profit (EBIT)	**289**	**227**	**n/a**	**264**
Income from cash and cash equivalents	19	13	+42%	14
Gross cost of servicing debt	(268)	(268)	=	(292)
Net cost of financing and debt service	(249)	(255)	−2%	(278)
Result after net cost of financing and debt service	***40***	***(28)***		***(14)***
Profit arising from the financial restructuring	–	3,323		3,323
Other financial income and income tax expenses	–	16		15
Profit for the year	**40**	**3,311**		**3,324**

(1) *The pro forma consolidated income statement for the period 1 January to 31 December 2007 was intended to present the impact on the year of the 2007 financial restructuring as if it had been put in place on the theoretical date of 1 January 2007.*

(2) *In order to enable a better comparison between the two years, the 2007 consolidated pro forma income statement presented above has been recalculated at the exchange rate used for the 2008 income statement (£1=€1.216).*

9.2.1 Key figures: income statement

The Fire in September 2008 significantly affected the revenues, traffic and operating conditions of the Group in 2008. Whilst all services resumed a little over one day after the fire, and in the following weeks operating capacity was progressively optimised after the cleaning and the return to service of the two smoke-affected sections of the Tunnel (Intervals 2 and 4), the fire-damaged section of the Tunnel (Interval 6) remained closed until 9 February 2009 (see paragraph 6.4.1 of this Reference Document). After the initial build up of services at the end of September, the number of Passenger and Truck Shuttle missions operated was just under half the number in the same period in 2007, priority having been given to Eurostar services.

The Eurotunnel Group was insured against operating losses and material damage up to €900 million, and so the financial effect of the fire on the Group's results is limited to €10 million, the amount of the insurance excess. The impact on the 2008 results is described in the commentary below and in the consolidated accounts in annex II of this Reference Document.

- **Summary**

Prior to the Fire in September 2008, the Eurotunnel Group had consolidated its market share for both the Passenger and the Truck Shuttle activities, increasing Shuttle revenues by 11% compared to 2007 for the first six months of the year. However, the significant reduction in capacity available in the last quarter following the fire led to a reduction in full year Shuttle revenues of 7% at a constant exchange rate, to €431 million.

The opening of the second section of the high-speed line in the UK enabled a significant increase in revenues from the Railways of 7% at a constant exchange rate, to €260 million.

Excluding insurance indemnities relating to operating losses resulting from the fire, and despite unfavourable economic conditions particularly in the UK, revenues at €704 million were only 2% below 2007 at a constant exchange rate.

Taking into account insurance indemnities relating to operating losses of €44 million and an increase in operating expenses of 3%, EBITDA improved by 5% at a constant exchange rate to €421 million in 2008.

After net other operating income of €28 million and the net cost of financing and debt service of €249 million (€6 million below 2007 restated), Groupe Eurotunnel SA's consolidated net result for 2008 was a profit of €40 million, compared to a pro forma loss of €12 million in 2007 (recalculated at a constant exchange rate and excluding the €3,323 million profit arising from the financial restructuring).

9.2.2 Revenues

At €704 million in 2008 (excluding compensatory insurance indemnities), revenues reduced by 2% compared to 2007 at a constant exchange rate.

a) Shuttle services

The reduction of approximately 50% in capacity available in the last quarter following the fire had a significant negative impact on traffic. In 2008, Shuttle revenues decreased by 7% at a constant exchange rate compared to the previous year.

- **Truck Shuttle**

During the first half of 2008, Truck traffic increased by 7%. To limit the consequences of the loss of capacity and in order to maintain service quality in the context of the reduced capacity, Eurotunnel focused on its contracted customers. By optimising the use of the available capacity, the decrease in the number of trucks transported during the fourth quarter of 2008 was limited to 45% compared to a capacity reduction of around 50%.

The pricing policy enabled a slight increase in average yields during the year, which partially offset the 11% reduction in traffic in the year.

- **Passenger Shuttle**

Despite an increase in traffic of 4% in the first half of 2008, car activity reduced by 11% for the year as a whole. The reduction of 37% of traffic in the fourth quarter of 2008 was less than the 50% reduction in capacity.

The continued application of dynamic pricing enabled an increase in average car yields during the year, but this was not sufficient to offset the 11% reduction in traffic.

b) Railways

At €260 million for 2008, revenues from the Railways increased by 7% compared to 2007 at a constant exchange rate.

This growth is largely due to the increased number of Eurostar passengers following the opening of the second section of the high-speed line between the Tunnel and London St Pancras. In 2008, Eurostar carried for the first time more than 9 million passengers in one year, an increase of more than 10%.

For rail freight, the declining trend in the number of rail freight trains continued during the first quarter of 2008 (−13%), but the stabilisation seen over the following three quarters limited the decrease in traffic to 4% for the year, with the fourth quarter even showing a slight increase (+6%).

9.2.3 Total turnover

Insurance indemnities received up to 31 December 2008 relating to operating losses following the fire are included in other income for a total of €44 million.

9.2.4 Operating margin (EBITDA)

a) Operating expenses

Operating expenses in 2008 amounted to €200 million, an increase of 1% compared to 2007 at a constant exchange rate.

The cost of repairs following the fire will be offset by a corresponding amount of insurance indemnities, and therefore has no effect on operating expenses, with the exception of the €0.1 million insurance excess.

b) Employee benefit expense

Employee benefit expenses for 2008 totalled €127 million, compared to €120 million in 2007. During the first half of the year, the Group increased its maintenance and operational staffing levels from an average of 2,284 for 2007 to 2,353 for 2008 and did not put any of its staff on short-time working as a result of the Fire in September 2008.

9.2.5 Trading profit

At €261 million, the trading profit improved by 9% compared to 2007.

9.2.6 Operating profit (EBIT)

''Other operating income and expenses'' includes:

- an income of €24 million representing the settlement resulting from the agreement reached with the French government following the disturbances caused to Eurotunnel's business by the intrusion of illegal migrants coming from the Sangatte centre near Calais during the early part of the decade, and
- a net income of €11 million resulting from the insurance indemnity for 17 shuttle wagons declared beyond repair at 31 December 2008 following the Fire in September 2008.

At €289 million in 2008, EBIT was €62 million above 2007 at a constant exchange rate.

9.2.7 Net cost of financing and debt service

The increase of €6 million in income from cash and cash equivalents is mainly due to the short-term investment of the funds from the financial operations carried out during the first half of 2008. Overall, the gross cost of financing and debt service remained stable at €268 million compared to the pro forma 2007 cost recalculated at a constant exchange rate.

9.2.8 Net result

Groupe Eurotunnel SA's consolidated net result for 2008 was a profit of €40 million compared to a net pro forma loss of €12 million for 2007 (recalculated at a constant exchange rate and excluding the €3,323 million profit resulting from the financial restructuring).

10. CASH FLOW AND SHARE CAPITAL

10.1 Information concerning the Eurotunnel Group's share capital

Information concerning the Eurotunnel Group's share capital is set out in note 14 ''Share capital, share premium and 2007 Warrants'' of GET SA's consolidated accounts as found in annex II of this Reference Document.

In the future, GET SA's share capital will be affected by the following:

- redemption in GET SA Ordinary Shares of the remaining NRS I,
- exercise of the Warrants,
- redemption in New Ordinary Shares of the SDES,
- payment terms relating to the SDES Return, and, if applicable, the Conditional Additional Return, and
- allocation of Additional Ordinary Shares.

As indicated in paragraph 21.1.6 of this Reference Document and in note 14.2 of the consolidated accounts contained in annex II of this Reference Document, there are 4,307,026,273 Warrants in circulation at the date of this Reference Document.

The Eurotunnel Group has calculated VT1, VT2 and VT and the exercise ratio of the Warrants as at 31 December 2008, in accordance with the terms and conditions contained in the 2007 Securities Note.

VT1 corresponds to the sum of the amounts received or saved, outside the ordinary course of business, between 23 May 2006 and 30 June 2008, resulting from a decision of a governmental entity and converted into pounds sterling at the exchange rate applicable on the reception or due date.

The elements included in VT1 result from the savings made as a consequence of the indemnity granted by the French government in relation to the Sangatte dispute, the subsidy received to replace the Euroscan, the use of reactivated tax losses and the judgment in the dispute relating to the French business tax (*taxe professionnelle*).

VT2 is calculated on the basis of the actual level of EBITDA between 2008 and 2010 compared to the level of target EBITDA.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) is calculated in accordance with the accounting principles and methods used in the combined accounts of Eurotunnel SA and Eurotunnel P.L.C. as at 31 December 2004 which were not prepared in accordance with IFRS, but rather in accordance with French accounting principles and methods.

Accordingly, the value of VT, post-adjustments, amounts to £301.4 million, compared to the maximum target of £300 million set out in the terms and conditions of the Warrants.

£300 million corresponds to a maximum exercise ratio of 0.03378 of a share per Warrant at the exercise date, as confirmed by the representative of Warrant holders, whose report is in chapter 23 of this Reference Document, rounded to 0.034 in accordance with the terms and conditions of the Warrants.

On the assumption that all Warrants in circulation on the date of this Reference Document are exercised, a maximum of 146,438,893 GET SA Ordinary Shares will be created, as indicated in paragraph 21.1.6 of this Reference Document.

GET SA has consequently decided to consider all available options to enable holders of Warrants to exercise their rights before the exercise period initially provided for(1), in order to enable them to benefit from the fact that the Group's performance is ahead of target.

In 2007, the Moody's credit rating agency assigned a rating of Baa2 to GET SA, putting Eurotunnel in the investment-grade category in recognition of its return to financial stability following the 2007 Reorganisation. This rating remains in effect at the date of this Reference Document.

10.2 Cash flows in 2008 and 2007 financial years

€ million	Year ended 31 December 2008	pro forma 2007
Exchange rate €/£	1.050	1.364
Net cash inflow from trading	416	398
Other operating cash flows and taxation	(1)	(117)
Net cash inflow from operating activities	**415**	**281**
Net cash outflow from investing activities	(35)	(37)
Net cash outflow from financing activities	(241)	(369)
Increase / (decrease) in year	**139**	**(125)**

In total, the net cash inflow in 2008 was €139 million compared to a pro forma net cash outflow of €125 million in 2007.

a) Cash flow from operating activities

Net cash inflow from trading amounted to €416 million in 2008 compared to €398 million in 2007, an increase of €53 million compared to 2007 restated at the balance sheet exchange rate for 2008 (£1=€1.050). Cash from revenues excluding insurance indemnities increased slightly compared to 2007, and cash spent on operating expenses remained fairly stable. Up to 31 December 2008, €44 million of insurance indemnities had been received relating to operating losses following the Fire in September 2008.

b) Cash flow from investing activities

Net cash outflows from investing activities of €35 million related for a large part to the programme to renovate and to upgrade the power of locomotives from 5.6MW to 7MW.

c) Cash flow from financing activities

In 2007, the pro forma cash flows from financing activities related mainly to the implementation of the financial restructuring.

In 2008, cash outflows from financing activities amounted to €241 million and included the following:

- receipts of €1,715 million and payments of €69 million arising from the two financial operations carried out during the first half of the year,
- payments of €1,634 million relating to the redemption and partial buy back of NRS,

(1) See the notice of the combined general meeting of Groupe Eurotunnel SA to be held on 6 May 2009, available on the Group's website: www.eurotunnel.com.

- interest received of €18 million,
- payments of €45 million relating to the purchase of own shares,
- interest paid of €31 million on the NRS, and
- interest paid of €196 million on the Term Loan.

10.3 Borrowing conditions and financing structure of the Eurotunnel Group

The financing structure of the Eurotunnel Group is set out in section 22.4 of this Reference Document.

10.4 Restrictions on the use of capital resources

The restrictions resulting from the financial covenants provided in the Term Loan are described in section 22.4 of this Reference Document.

10.5 Sources of funds for future investments

Significant future investments will be paid for using cash flows from the Eurotunnel Group's activities.

10.6 Debt service cover ratio

Pursuant to the terms of the Term Loan, the Eurotunnel Group is required to meet the following financial covenants: on each reference date, the debt service cover ratio may not be less than 1.20 until the fifth anniversary of the funds being made available under the Senior Facilities and thereafter may not be less than 1.10. For the purposes of this test, the ratio is calculated, on a rolling 12 month period, on a consolidated basis taking into account (i) as regards the calculation of available cash flow for the servicing of debt, the borrowers and guarantors in connection with the Senior Facilities, and (ii) as regards the calculation of debt servicing, the Eurotunnel Group.

The Compliance Certificate at 31 December 2008 issued on 16 March 2009, states that the debt service cover ratio for Groupe Eurotunnel SA at 31 December 2008 was 2.0.

11. RESEARCH AND DEVELOPMENT, TRADEMARKS, PATENTS AND LICENCES

11.1 Research and development

The high traffic volumes (120 million tonnes per year) in the System have led the Eurotunnel Group to focus its research and development strategy on the investigation of materials, designs, tools and systems with the potential to extend track life.

The Group has been actively involved in the ''i-trans'' competitiveness initiative, which brings together leaders from industry, research and training in Northern France in the rail and land transport sectors. The Eurotunnel Group heads the TTSA (*Track Train System Availability)* project, which develops processes and products to increase the availability of a railway infrastructure. This programme is backed by a €6 million budget, to which the Group contributed €240,000.

Groupe Eurotunnel also gives the TTSA project access to testing opportunities in the toughest of real-world operating conditions: a 1,200-metre length of experimental track, itself laid using innovative welding techniques, has been in place since late 2007, and its integrity checked onsite every two months by a team of scientists. The initial results are promising: unlike traditional equipment, which requires frequent grinding, this new track has not needed any such treatment after 18 months of testing.

A new alloy, specially adapted for track crossings, is to be tested in 2009 to replace the manganese steel that has traditionally been used.

In addition, and for its own purposes, the Eurotunnel Group has developed new algorithms to model traffic volume and frequency, using a variety of simulation software tools. These simulation tools can evaluate passenger and freight circulation in the Tunnel and are useful instruments for refining the Eurotunnel Group's economic model and implementing its operational strategy as described in chapter 6 of this Reference Document.

11.2 Trademarks, patents and licences

11.2.1 Trademarks and domain names

The Eurotunnel Group's main trademarks are the nominative, figurative and semi-figurative trademarks that protect the ''Eurotunnel'' name and the design of the logo. The other trademarks used are registered mainly to protect the corporate names of the Eurotunnel Group companies, particularly ''France Manche'' and ''Europorte'', and certain brand names, such as ''Le Shuttle''.

As of the date of this Reference Document, the Eurotunnel Group also owns approximately 150 domain names, including ''eurotunnel.com''.

11.2.2 Patents

The Eurotunnel Group also occasionally files for patents relating to specific aspects of its business.

As of the date of this Reference Document, five aspects of the Eurotunnel Group's business are covered by patents currently in force.

11.2.3 Licences

The Eurotunnel Group has no licence granted by a third party allowing it to use a third party's trademark, nor has it granted any licence to a third party, except for usage rights granted to commercial partners.

12. INFORMATION ON BUSINESS TRENDS

12.1 Recent developments

Following the Fire in September 2008, traffic was affected by capacity constraints resulting from the closure of Interval 6 (as described in paragraph 6.4.1 of this Reference Document). As a consequence, during January and February 2009 traffic was significantly below that of the same period in 2008.

The growth recorded in the first half of 2008 was interrupted following the Fire in September 2008. Reduced capacity and the operation of the Tunnel in alternating directions resulted in reduced frequency and increased waiting times for the Shuttle services as a result of which certain customers of the Eurotunnel Group switched to its competitors. After the fire in 1996, the return to previous levels of truck traffic took over a year, but in an economic climate that was significantly more favourable. The Eurotunnel Group believes that the return of these road haulage customers may occur very gradually owing to annual commitments they may have made with the ferry operators.

The closure of Interval 6 of the Tunnel until 9 February 2009 limited activity in the first quarter of 2009, for which period revenue is significantly below 2008.

Nevertheless, the Eurotunnel Group is insured against operating losses and material damage up to €900 million, and consequently the financial impact of the Fire in September 2008 on the Eurotunnel Group's results should be limited to the €10 million insurance excess for the period 2008-2010, provided there is no difference of opinion with the insurance companies over the level of operating losses.

The main uncertainties pertaining to Groupe Eurotunnel SA's activities are described in chapter 4 of this Reference Document.

12.2 Future prospects

The Eurotunnel Group intends to consolidate its rail freight strategy. The launch of the Europorte 2 subsidiary, which has been cautiously increasing its operating capacity during the current recessionary climate, has reversed the downward trend in Tunnel rail freight for the first time since 2004. This was achieved by taking an active role in the subcontracted haulage of SNCF trains to the UK, combined with an attractive new pricing policy for infrastructure use.

In addition, the Eurotunnel Group's land management policy, which is one of the duties originally assigned to it by the French State, was re-launched through an agreement signed on 6 January 2009 with the *Conseil Général* of the Pas-de-Calais. This agreement identifies 36 projects for which joint research and development work will be done, amongst which, in particular, are projects to make the Pas-de-Calais region an additional area for preparation for the 2012 Olympics Games in London.

As well as pursuing its strategy of boosting competitiveness, the Eurotunnel Group has a longer-term aim of making the most of its skills in infrastructure management, ''piggyback'' transport and for maintenance and major project engineering works:

- The Eurotunnel Group will consider various projects which may draw on its skills in streamlining rail maintenance or in building and managing large tunnels, particularly as part of the infrastructure renewal programme launched by the French government. With regards to infrastructure management, certain private rail networks or rail networks that may be privatised in the future, represent potential development areas. In piggyback transport, the promotion of dedicated major routes may increase traffic passing through the Tunnel at a time of increased environmental pressure.

- The Eurotunnel Group plans to develop these activities in a controlled manner, responding to opportunities that appear while also taking into account the weak economic climate in Western Europe.

13. FORECASTS

The financial forecasts underlying the Safeguard Plan were prepared on the basis of a business plan and activity projections over a particularly long period in order to take into account the duration of the Concession Contract.

The Eurotunnel Group's latest forecasts are those published in the Update to the 2007 Reference Document filed with the *Autorité des Marchés Financiers* under number D.08-242-A01 on 28 April 2008, confirming those published in chapter 13 of the SDES Securities Note of 20 February 2008 which was approved by the *Autorité des Marchés Financiers* under visa no. 08-032.

It is to be remembered that these forecasts which covered the period 2008 to 2010 were updates of those contained in the initial business plan that served as the basis for the forecasts in the Registration Document registered by the *Autorité des Marchés Financiers* on 21 March 2007 under number i.07-021.

They were based on a GDP growth assumption of 1-2% per year in Western Europe (including the UK) and an exchange rate of £1=€1.4.

As indicated in chapter 9 of this Reference Document, prior to the Fire in September 2008, the Eurotunnel Group had consolidated its market share for both the Passenger and Truck Shuttle activities, and in the first half of the year had increased Shuttle revenues by 11% compared to the first half of 2007. Nevertheless, the significant reduction in available capacity during the last quarter following the fire led to a reduction of 7% in Shuttle revenues for full-year 2008 at a constant exchange rate.

By its very nature, the transport industry is highly dependent on other sectors of the economy and, as a consequence, is affected immediately by changes in activity levels in the rest of the economy. The worldwide economic crisis which has resulted in Europe entering into recession and in major exchange-rate movements that affect the cross-Channel market, as indicated in paragraph 6.2.1 of this Reference Document. Furthermore, the effects to come from the massive stimulus and job protection plans launched by governments in both the eurozone and the UK mean that there are no longer any proven economic reference frameworks on which to base forecasts. The situation has been exacerbated by the Fire in September 2008, which disrupted the normal operation of the Short Straits market.

In this context:

- The Eurotunnel Group notes that its 2008 results as contained in annex II of this Reference Document have exceeded its latest published forecasts: EBITDA for 2008, at €421 million, was €11 million above the forecasts published in the Update to the 2007 Reference Document when restated at the exchange rate used for the 2008 income statement.

- Even so, the Eurotunnel Group considers that, taking into account the deterioration over the past few months in the economic outlook with its inherently immediate impact on the transport sector, the volatility in the financial markets (especially changes in exchange and inflation rates), the disruption of the cross-Channel market caused by the Fire in September 2008 and the still-recent nature of the Reopening, and the uncertainties surrounding recovery of the truck activity's market share as mentioned in section 12.1 above, the latest forecasts published in the SDES Securities Note for 2009 and 2010 can no longer be confirmed.

- However, at this stage and in the conditions described in chapter 4 of this Reference Document, the long-term forecasts underlying the Safeguard Plan, as described in the Registration Document registered by the *Autorité des Marchés Financiers* on 21 March 2007 under number i.07-021, continue to be a reasonable target.

14. BOARD OF DIRECTORS, MANAGEMENT AND SUPERVISORY BOARDS

14.1 Board of directors

As at the date of this Reference Document, the members of the board of directors of GET SA are as follows:

Name	Position	Date of Appointment	Expiry
Jacques Gounon	Chairman and Chief Executive	9 March 2007	General meeting called to consider the accounts for the financial year ending 31 December 2009
Bernard Attali	Director	5 June 2008	General meeting called to consider the accounts for the financial year ending 31 December 2009
Pierre Bilger	Director	20 June 2007	General meeting called to consider the accounts for the financial year ending 31 December 2009
Gérard Van Kemmel	Director	5 June 2008	General meeting called to consider the accounts for the financial year ending 31 December 2009
Jean-Pierre Mattéi	Director	5 June 2008	General meeting called to consider the accounts for the financial year ending 31 December 2009
Colette Neuville	Director	9 March 2007	General meeting called to consider the accounts for the financial year ending 31 December 2009
Robert Rochefort	Director	9 March 2007	General meeting called to consider the accounts for the financial year ending 31 December 2009
Henri Rouanet	Director	9 March 2007	General meeting called to consider the accounts for the financial year ending 31 December 2009
Martin Skaanild	Director	5 June 2008	General meeting called to consider the accounts for the financial year ending 31 December 2009
Philippe Vasseur	Director	20 June 2007	General meeting called to consider the accounts for the financial year ending 31 December 2009
Tim Yeo	Director	20 June 2007	General meeting called to consider the accounts for the financial year ending 31 December 2009

On 5 June 2008, GET SA's board of directors appointed Bernard Attali, Jean-Pierre Mattéi, Martin Skaanild and Gérard Van Kemmel as directors who were nominated by ENHC as provided in the Safeguard Plan, replacing the four Eurotunnel subsidiaries which had been appointed directors of GET SA in the period before the nomination of the directors proposed by ENHC. These four subsidiaries (Eurotunnel Participations 1, Eurotunnel Participations 2,

Le Shuttle Holidays Limited and Cheriton Resources 17 Limited) resigned on 5 June 2008. The appointment of these directors was ratified by shareholders at the general meeting held on 27 June 2008.

The table below shows the list of companies, outside the Eurotunnel Group, as at the date of this Reference Document, in which the members of the board of directors of GET SA have held office as a member of a board of directors, or management or supervisory board or in which they have been a partner with unlimited liability during the last five years, and the companies in which they still hold a position of this nature:

Name	Appointments outside the Eurotunnel Group	Company	Dates
Jacques Gounon	Director	Cegelec	2001 to 2005
	Director	Facéo	2001 to 2005
	Director	Aéroports de Paris	2008 to date
Bernard Attali	Director	Aeroplan (Canada)	2005 to 2008
	Director	Jazz	2005 to 2008
	Director	Detroyat	2006 to 2007
	Director	ACE Holding (Canada)	2004 to date
		Air Canada (Canada)	2006 to date
		Baccarat SA	2007 to date
	Director	ENHC	2007 to date
Pierre Bilger	Chairman	Stichting Preference Shares Renault-Nissan Foundation	2002 to date
	Member of the Supervisory Board	Marceau Finance SA	2004 to date
	Member of the Management Board	Sinequa SAS	2006 to date
	Manager	Florimont Projets SARL	2006 to date
	Director	Dimelo SA	2008 to date
Gérard Van Kemmel	*Président* Europe	Novell	2002 to 2004
	Chairman Europe	Novell	2004 to 2006
	Director, member of the Audit Committee and member of the Compensation, Governance and Nomination Committee	Sanofi-Aventis	2003 to date
	Director	ENHC	2007 to date
	Director, member of the Audit Committee	Europacorp	2008 to date
Jean-Pierre Mattéi	Vice-Chairman of the Supervisory Board	Vivarte	2000 to 2003
	Member of the Supervisory Board	Banque Palatine	2003 to 2006
	Chairman	SAS Fimopar	2003 to date
	Manager	SCI LP	2003 to date
	Director	La Gazette du Palais	2004 to date
	Director	Les Petites Affiches	2005 to date
	Director	ENHC	2007 to date
	Director	Groupe Floirat	2008 to date

Name	Other positions held outside the Eurotunnel Group	Company	Dates
Colette Neuville	Founding Chairman	Association de Défense des Actionnaires Minoritaires (ADAM)	1991 to date
	Director	Euroshareholders	2006 to date
	Director	Vie financière	2005 to date
	Director	Faider	2008 to date
	Member of the Supervisory Board	ATOS	2008 to 2009
Robert Rochefort	Chief Executive	CREDOC	1995 to date
	Director	CETELEM	2003 to date
	Director	French Red Cross	2006 to date
Henri Rouanet	Honorary Chairman of the Supervisory Board	SIFRACO	1998 to 2007
	Honorary Chairman	Conseil National de la Protection Civile	1997 to 2005
Martin Skaanild	Director	ENHC	2007 to date
	Chairman of the Board	Dynatest International A/S, (Denmark)	2008 to date
	Chairman of the Board	Dynatest Asia-Pacific Sdn Bhd, (Malaysia)	2008 to date
Philippe Vasseur	Chairman of the Supervisory Board	CMNE France	1999 to 2007
	Censeur	Crédit Mutuel Nord Immobilier	2002 to 2006
	Director	Heineken France	2006 to 2006
	Director	Middenstands Deposito en Kredietkantoor (SCRL)	2005 to 2006
	Member of the Supervisory Board	Saint Louis Sucre	2000 to 2007
	Permanent representative – CFCMNE France (Director)	Groupe des Assurances du Crédit Mutuel	2007 to 2007
	Chairman of the Board of Directors	Caisse Fédérale du Crédit Mutuel Nord Europe	2000 to date
	Permanent representative – CMNE France (Director)	Groupe des Assurances du Crédit Mutuel	2005 to date
	Permanent representative – CMNE France (Director)	Batiroc Normandie	2001 to date
	Member of the Supervisory Board	CIC	2001 to date
	Director	Holder	2005 to date
	Permanent Representative – CFCMNE *(Censeur)*	Losc Lille Métropole	2005 to date
	Director	Bonduelle SA	2008 to date
	Permanent representative – SDRN (Director)	Normandie Partenariat	2008 to date

Name	Other positions held outside the Eurotunnel Group	Company	Dates
	Positions in companies controlled by Crédit Mutuel Nord Europe:		
	Chairman of the Board of Directors	Crédit Professionnel Interfédéral (SCRL)	2000 to 2008
	Permanent Representative – CMNE Belgium (Director)	Crédit Professionnel Interfédéral (SCRL)	2000 to 2008
	Permanent Representative – CMNE Belgium (Director)	BKCP Brabant (SCRL)	2001 to 2008
	Chairman of the Supervisory Board	Banque Commerciale du Marché Nord Europe	2000 to date
	Chairman of the Board of Directors	Caisse de Crédit Mutuel Lille Liberté	2005 to date
	Chairman of the Supervisory Board	Groupe UFG (ex. NEAM)	2006 to date
	Chairman of the Supervisory Board	Nord Europe Assurances	2006 to date
	Chairman of the Board of Directors	Société de Développement Régional de Normandie	2001 to date
	Chairman of the Board of Directors	BKCP Brabant (SCRL)	2001 to date
	Director	BKCP Noord (SCRL)	2006 to date
	Permanent Representative – CMNE Belgium (Director)	BKCP Noord (SCRL)	2006 to date
	Director	BKCP Securities (SA)	2005 to date
	Chairman of the Board of Directors	Crédit Mutuel Nord Europe Belgium (SA)	2000 to date
	Director	Crédit Professionnel SA	2000 to date
	Permanent Representative – CMNE Belgium (Director)	Federale Kas Voor Het Beroepskrediet (SCRL)	2004 to date
	Director	Nord Europe Private Bank (SA)	2003 to date
	Director	BKCP Wallonie (SCRL) ex CP Bank	2008 to date
	Director	Caisse Solidaire du Crédit Mutuel Nord Europe	2005 to date

Name	Other positions held outside the Eurotunnel Group	Company	Dates
Tim Yeo	Director	First London PLC	2008 to date
	Chairman of the Board of Directors	AFC Energy PLC	2006 to date
	Director	Anacol Holdings Limited	1979 to date
	Director	Conservatives for Change Limited	2001 to 2006
	Chairman of the Board of Directors	Eco City Vehicles PLC	2007 to date
	Director	General Securities Register, Limited	1979 to date
	Director	Genus PLC	2001 to 2004
	Director	ITI Energy Limited	2006 to date
	Director	Locana Corporation (London) Limited	1979 to date
	Chairman of the Board of Directors	Univent PLC	1995 to date

For the purposes of their corporate terms of office within the Eurotunnel Group, the professional address of the directors is the registered office of GET SA, 19 boulevard Malesherbes, 75008 Paris.

Biographical details for each of the members of the board of directors of GET SA as of the date of this Reference Document are set out below:

- **Jacques Gounon**

Jacques Gounon, 55, is a graduate of the *Ecole Polytechnique* and Chief Engineer of the *Ponts et Chaussées*. During his career he has held the following positions: Director of major projects at the *Direction Départementale de l'Equipement* (DDE) of Indre-et-Loire (1977-81), Deputy Chief Executive of Syctom, the local waste management authority for the City of Paris (1981-86), Chief Executive of the Comatec group (1986-90), Director of development for the services activities of the Eiffage group (Fougerolle) (1991-93), Industry advisor to the French Minister for Work, Employment and Professional Development (1993-95), Principal Private Secretary to the French Secretary of State for Transport (1995-96), Deputy Chief Executive of Gec-Alsthom (1996), later known as Alstom (1998), Chairman of the companies department and Member of the Executive Committee of Alstom (2000), Deputy Chairman and Chief Executive of Cegelec group (2001). He joined the Joint Board of TNU on 17 December 2004, was appointed Chairman of the Joint Board of TNU on 18 February 2005, and then Chairman and Chief Executive of TNU on 14 June 2005. He has been Chairman and Chief Executive of GET SA since 9 March 2007. He is a director of EGP, CTG, EFL, ESL, Eurotunnel Trustees Limited, London Carex Limited, Eurotunnel Financial Services Limited and Le Shuttle Limited, UK subsidiaries of the Group. He is also chairman of FM and of Europorte 2 and a deputy director of ETSE.

- **Bernard Attali**

Bernard Attali, 65, is a graduate of the French *Ecole Nationale de l'Administration* (ENA), honorary magistrate at the French National Audit Office (*Cour des Comptes*), and senior advisor to TPG Capital. He has held many positions both in the public and private sector, including as Finance Director for Club Méditerranée (1980-1981), member of a French government regional planning commission (DATAR), Chair of the European Committee for Regional Economic Development (1981-1984), Chairman of Groupe des Assurances Nationales-Gan (1984-1986), Chairman of the board of Air France (1988-1993), Chairman of the supervisory board and later Chairman of the partnership (1993-1996) of Arjil bank, Chairman of Bankers' Trust France (1996-1999) and Vice-Chairman of the European Investment Banking arm of Deutsche Bank (1999-2001). He is a director of Air Canada. He is a director of GET SA since 5 June 2008.

- **Pierre Bilger**

Pierre Bilger, 68, is a graduate of *Institut d'Etudes Politiques de Paris* and of the *Ecole Nationale d'Administration*. His is a retired General Inspector of Finance, and spent fifteen years in public service (1967- 1982) mainly working on budget issues. His 21-year industrial career began in 1982 at Compagnie Général d'Electricité (today Alcatel Lucent), whose privatisation he led as joint managing director and finance director. He joined Alsthom in 1987, then Gec Alsthom, where he became Chief Executive Officer on March 1991 before becoming Chairman and Chief Executive Officer of Alstom from the time of its listing in 1998 until the beginning of 2003. Pierre Bilger is currently Chairman of Stichting Preference Shares Renault-Nissan Foundation (Dutch). He is a member of the supervisory board of Marceau Finance SA since 2004 and a member of the management board of Sinequa SAS since 2006. He is one of the advisors at Management Consulting Group plc one of the two managers of Florimont Projets SARL. He is a director of GET SA since 20 June 2007 and a director of Dimelo SA since 2008.

- **Gérard Van Kemmel**

Gérard Van Kemmel, 69, is a graduate from HEC School of Management (Paris) and holder of an MBA from Stanford Business School. He started his career in 1966 with Arthur Andersen. He was head of Arthur Andersen in France from 1976 to 1989 and was also Chairman of Andersen Consulting until 1996. He became chairman of the world-wide board of directors of Andersen (1989-1994). He then joined the cabinet of the French Minister of Finance to whom he was an advisor (1996-1997). He became Chairman of Cambridge Technology Partners in Europe in 1997, and was appointed Chief Operating Officer in Boston (1999-2002), *Président* of Novell Europe (2002-2004) and Chairman Europe (2004-2006). Gérard Van Kemmel is a director and a member of the audit, compensation, governance and nomination committee of Sanofi Aventis. He is a director of GET SA since 5 June 2008 and a director and a member of the audit committee at Europacorp since September 2008.

- **Jean-Pierre Mattéi**

Jean-Pierre Mattéi, 58, is a company director and since 2003 he is Chairman of FIMOPAR SAS (a financial investment advisory company). Jean-Pierre Mattéi's expertise lies in judicial and arbitration proceedings, and he has used these skills in various positions, as director of companies, commercial court judge and later Chairman of the Paris Commercial Court (1996-2000), He is Honorary Chairman since 2007 of the *Collège européen de resolution des conflicts* (Conflict resolution institute, Paris), founding member and Chairman of a French association to promote alternative means of conflict resolution. Jean-Pierre Mattéi is director of *Gazette du Palais and Petites Affiches* (French legal publications). He teaches at HEC School of Management (Paris) and at Paris Institute of Political Studies. He is a director of GET SA since 5 June 2008 and a director of Groupe Floirat since June 2008.

- **Colette Neuville**

Colette Neuville, 72, is a law graduate and a graduate of the Paris Institute of Political Studies, and holds a post-graduate degree in economics and political science. She has worked as an economist for NATO, for the government of Morocco and for the Loire-Bretagne agency. Mrs. Neuville is founding Chairman of ADAM (the French association for the defence of minority shareholders). She is a member of the board of Euroshareholders (the European federation of shareholder associations) and a member of the European Forum on Corporate Governance within the European Commission. She is also a member of the Consultative Commission on Retail Investors and Minority Shareholders of the AMF. She joined the TNU Joint Board on 15 December 2005. She has been a director of GET SA since 9 March 2007.

- **Robert Rochefort**

Robert Rochefort, 53, is a graduate of the French *Ecole Nationale de la Statistique et de l'Administration*, and holds a post-graduate degree in economics and a masters degree in mathematics. He is an economist and sociologist, and has been Chief Executive of CREDOC (Research Centre for the study and observation of living conditions) since 1995. He is director of the French Red Cross and of Cetelem. He joined the TNU Joint Board on 7 April 2004. He has been a director of GET SA since 9 March 2007.

- **Henri Rouanet**

Henri Rouanet, 76, is a graduate of the Paris Institute of Political Studies, *Préfet de Région honoraire* (honorary Regional *Préfet*) and a Commander of the *Légion d'Honneur*. He was Principal Private Secretary to the French Minister for Health and Social Security, and to the French Minister for Work, Employment and Professional Development, *Préfet* of the Limousin region and *Préfet* of the Picardie region, Director of Civil Safety at the Ministry of the Interior and Devolution and Chairman of the French National Council for Civil Protection. He joined the TNU Joint Board on 4 March 2005. He has been a director of GET SA since 9 March 2007.

- **Martin Skaanild**

Martin Skaanild, 64, is of Danish nationality and is a graduate of the Moller Shipping Academy (Denmark), of Columbia University and Stanford University (USA) and INSEAD (France), Martin Skaanild's career has taken him around the world, principally within the shipping industry. Between 1968 and 1999 he worked for Maersk Line, where he was a manager in Hong Kong, Djakarta, Singapore, Tokyo and finally in France. Between 1999 and 2000, he was Chairman of Norasia Line in Fribourg, Switzerland, then between 2000 and 2003, head of APL Italia in Genoa. Since 2004, he has been carrying out advisory project work for various transport companies. Between 1986 and 1992, Martin Skaanild was a member of the Board of Directors of Port of Singapore Authority (PSA). He has been a director of Eurotunnel NRS Holders Company Ltd since November 2007 and Chairman of the board of Dynatest International A/S and Dynatest Asia-Pacific Sdn Bhd since 2008. He has been a director of GET SA since 5 June 2008.

- **Philippe Vasseur**

Philippe Vasseur, 65, former Minister for Agriculture, Fisheries and Food from 1995 to 1997, has been the member of French Parliament for the *Pas-de-Calais* area several times between 1986 and 2000. He has been a member of the Finance Commission for the French Parliament throughout his parliamentary career, regional councillor for the Nord-Pas-de Calais between 1992 and 1998 and mayor of Saint-Pol-sur-Ternoise (Pas-de-Calais). A former economics journalist, he resigned from all his political positions in 2000 in order to return to the private sector in which he holds the position of Chairman of Crédit Mutuel Nord Europe as well as various other positions in companies controlled by Crédit Mutuel Nord Europe (BCMME, Caisse de Lille-Liberté, Groupe UFG, Nord Europe Assurances, SDR Normandie). He is also director of Bonduelle and Chairman of ''*Réseau Alliances*'', which brings together 150 Nord-Pas-de-Calais businesses involved in social and environmental work, and a member of the High Council for Agricultural Cooperation (''*le Haut Conseil de Coopération Agricole*''). He has been a director of GET SA since 20 June 2007.

- **Tim Yeo**

Tim Yeo, 63, is a Member of Parliament in the UK (MP for South Suffolk) and Chairman of the House of Commons Environmental Audit Committee. He was government minister for the environment and rural affairs between 1990 and 1994, and a member of the shadow cabinet between 1998 and 2005, with roles including shadow secretary for Trade and Industry, and Transport and the Environment. Mr Yeo is a director of ITI Energy Limited, Chairman of Univent plc, of AFC Energy plc and of Eco City Vehicles plc. He was also the founding Chairman of The Children's Trust, a charitable organisation which took over the management of a hospital for disabled children. He has been a director of GET SA since 20 June 2007, and has been a director of First London plc since August 2008.

14.2 Composition of the committees of the board of directors

The board of directors has an Audit Committee, a Nominations and Remuneration Committee, a Security, Safety and Environment Committee, as well as a Committee of Chairmen, the composition and terms of reference of which are set out in paragraph 16.2.3 of this Reference Document.

The independent committee of the board of directors, whose composition and operating rules are set out in chapter 21 of this Reference Document, has not yet been established.

14.3 Senior management

Chief Executive

Jacques Gounon, who is also Chairman of the board of directors, is Chief Executive of GET SA.

On 13 May 2008, the board of directors appointed Jean-Pierre Trotignon, formerly Chief Operating Officer, as Deputy Chief Executive for the duration of the Chairman and Chief Executive's term of office, i.e. until the end of the ordinary shareholders' meeting called to approve the accounts for the year ending 31 December 2009. For family reasons, Jean-Pierre Trotignon has chosen to leave the Group on 31 May 2009 and to resign from his duties as an employee and Deputy Chief Executive. His resignation as Deputy Chief Executive was effective on 31 March 2009.

Jean-Pierre Trotignon, 59, is a graduate of Ecole Polytechnique and of the *Ponts et Chaussées* engineering school, and holds a Master of Science degree from the University of Berkeley. He became Deputy Chief Executive Officer of Autoroutes du Sud de la France (1987-1992) and Chief Executive Officer of Compagnie Signature SA from 1992 to 1998. He joined the Caisse des Dépôts Développement (C3D) group in 1998, where he was Chief Executive Officer of Egis Projects S.A (1998-2000), Chairman and Chief Executive Officer of ISIS SA (1998-2001), Chairman of the Port Autonome de Dunkerque (1999-2003 alongside his mandate at C3D and Ubifrance), Amministratore Delegato of Egis Italia S.p.A. (2000-2001) and Managing Director Continental Europe of Transdev SA (October 2001 to January 2003). After two years as Chief Executive Officer of Ubifrance, he joined TNU in August 2005 as Chief Operating Officer of Eurotunnel, where he was responsible for all the Group's commercial, operational and technical departments in France and the UK.

Composition of the executive committee

Name	Position
Jacques Gounon	Chairman and Chief Executive
Jean-Pierre Trotignon*	Deputy Chief Executive
Claude Liénard	Chief Financial Officer
Pascal Sainson	Director of Operations
Jo Willacy	Commercial Director
Christian Maquaire	Industrial Director
Patrick Etienne	Business Services Director

* *Resigned.*

The table below sets out the list of companies, excluding subsidiaries of GET SA, in which the members of the executive committee of GET SA have held office as a member of a management or supervisory board or in which they have been a partner during the last five years, and the companies in which they still hold a position of this nature:

Name	Position	Company	Dates
Jacques Gounon	Jacques Gounon's appointments are set out in section 14.1 of this document		
Jean-Pierre Trotignon	Member of the Supervisory Board	Compagnie Signature SAS	2000 to date
Claude Liénard	–	–	–
Pascal Sainson	Chairman	Calais Développement	2004 to date
Jo Willacy	–	–	–
Christian Maquaire	–	–	–
Patrick Etienne	–	–	–

A professional biography of each of the members of the executive committee is set out below:

- **Jacques Gounon**

Jacques Gounon's biographical details are set out in section 14.1 of this Reference Document.

- **Jean-Pierre Trotignon**

Jean-Pierre Trotignon's biographical details biography are set out in section 14.3 of this Reference Document.

- **Claude Liénard**

Claude Liénard, 61, is a graduate of EDHEC. He was financial controller at DBA and then at ITT Brussels and Paris, and joined TNU in 1986 as head of the Financial Controls Department. After being appointed operational Finance Director of TNU in June 2004, he has been Chief Financial Officer of TNU since April 2005. Claude Liénard is chairman of Eurotunnel Participations 1 and Eurotunnel Participations 2. Claude Liénard is also a director of EurotunnelPlus SE, EurotunnelPlus BV and certain Cheriton companies.

- **Pascal Sainson**

Pascal Sainson, 51, a graduate *Ingénieur des Etudes et de l'Exploitation de l'Aviation Civile*. Having begun his career at the *Direction Générale de l'Aviation Civile* from 1983 to 1986, he was Head of Programming and Development at Air Littoral from January 1987 until August 1988, then Manager of Air Operations and Manager of Programming and Planning at TAT European Airlines. He joined TNU in 1996 as Manager of the Service Delivery Department. Appointed to the management committee in April 2001, he has held successively the positions of Manager of Business Services, Manager of Shuttle Services, Manager of Operations and since 31 March 2009, Director of Operations.

- **Jo Willacy**

Jo Willacy, 45, holds a MA in Modern History and Economics from the University of Oxford. She was Commercial Director of Hummingbird Helicopters from 1992 to 1994 and Managing Partner of Quadrant Consultants Ltd. from 1994 to 2003. She joined TNU in April 2003 as Senior Marketing Manager and was appointed Director of the Commercial Passenger Division in November 2004 and Commercial Director in 2007.

- **Christian Maquaire**

Christian Maquaire, 59, holds an IEG engineering degree from the *Institut National Polytechnique* of Grenoble. After 12 years at the Direction des Mines de Potasse d'Alsace, he successively held the positions of Chief Executive of the Atelier de Construction et de Réparation of Richwiller from 1987 to 1991, Director of Nouvelles Messageries de la Presse Parisienne (NMPP) from 1991 to 1996 and Systems Director at Teleflex Gallet from 1997 to 1999. He joined TNU in 1999 as Director of Rolling Stock and was appointed Technical Director in 2006, and then Industrial Director in 2009.

- **Patrick Etienne**

Patrick Etienne, 48, joined Eurotunnel in 1992 after 10 years at the *Armement Naval SNCF*. Manager of the control of sales systems, from 2000 he managed of the Group's internet development. In 2004, he was appointed Director of the operational restructuring, and then Purchasing Director in 2005, and in 2009 was appointed Business Services Director, regrouping the departments of purchasing, MIS and property services.

Composition of the Management committee

A management committee comprising members of the executive committee, the legal director, the public relations director, the heads of human resources (France and UK), the director of investor relations and the director of security and sustainable development. The committee's purpose is to coordinate the operational services of the Concessionaires.

14.4 Conflicts of interest within the board of directors, the management and supervisory boards and in senior management

To GET SA's knowledge, there are no potential conflicts of interest between the duties owed to GET SA by any of the persons referred to in sections 14.1, 14.2 and 14.3 of this Reference Document, and their private interests or other obligations.

GET SA has put in place measures to prevent potential conflicts of interest between the directors and GET SA described at paragraph 16.2.1 of this Reference Document.

As stated in chapter 4 ''Risk Factors'', a qualified majority of eight directors out of eleven is required for the GET SA board of directors to make certain important decisions. These decisions are subject de facto to the agreement of at least one of the members of the board of directors appointed on the proposal of ENHC. Improper use of the specific rights attached to the GET SA Preferred Share could prevent the effective functioning of the GET SA board of directors.

14.5 Directors' interests in the share capital of GET SA as of the date of this Reference Document

Name	Position	Number of GET SA Ordinary Shares	Number of 2007 Warrants	Number of NRS I	Number of SDES
Jacques Gounon	Chairman and Chief Executive	6,080	100,170	50	N/A
Jean-Pierre Trotignon*	Deputy Chief Executive	624	9,135	25	N/A
Bernard Attali	Member of the board of directors	25	N/A	N/A	N/A
Pierre Bilger	Member of the board of directors	10,000	N/A	N/A	N/A
Gérard Van Kemmel	Member of the board of directors	100	N/A	N/A	N/A
Jean-Pierre Mattéi	Member of the board of directors	25	6,406	N/A	N/A
Colette Neuville	Member of the board of directors	3,142	44,575	26	N/A
Robert Rochefort	Member of the board of directors	3,139[(1)]	44,500	50	N/A
Henri Rouanet	Member of the board of directors	575	10	2	N/A
Martin Skaanild	Member of the board of directors	825	N/A	N/A	N/A
Philippe Vasseur	Member of the board of directors	110	N/A	N/A	N/A
Tim Yeo	Member of the board of directors	25[(2)]	0[(3)]	N/A	N/A

(1) *Robert Rochefort also holds 20 Non-Consolidated Ordinary Shares.*

(1) *Tim Yeo also holds 11,150 share CDIs and his wife Diane Yeo holds 10,309 Share CDIs.*

(3) *Tim Yeo also holds 13,503 Warrant CDI.*

* *Jean-Pierre Trotignon's interests are as at 31 March 2009, date of his resignation as Deputy Chief Executive.*

14.6 Statements regarding directors and officers

At the date of this Reference Document, there are no family connections between any of the members of the board of directors or the executive committee.

In addition, at the date of this Reference Document, no member of the board of directors or executive committee has been:

- convicted of fraud during the past five years;
- implicated in any bankruptcy, receivership or liquidation proceedings during the past five years;

- charged with any offence or any official public sanction by any statutory or regulatory authority during the past five years.

To GET SA's knowledge, no director has been banned by a court to act as a member of a board of director, a management or supervisory board of an issuer or from participating in the management or conducting the business of an issuer during the past five years.

14.7 Concession Coordination Committee

The Concession Coordination Committee, comprising an equal number of members appointed by FM and CTG, took over from the Joint Board in the capacity of joint supervisory body set out in article 18 of the Concession Agreement on 25 June 2007. In accordance with the provisions of the Concession Agreement, the Concession Coordination Committee is responsible in particular for:

- coordinating the operation and maintenance of the Fixed Link; and
- representing the Concessionaires at the IGC with respect to all matters concerning the operation of the Fixed Link.

The members of the Concession Coordination Committee are:

- Jacques Gounon;
- Henri Rouanet;
- Jean-Pierre Trotignon;
- Claude Liénard;
- Pascal Sainson; and
- Jean-Alexis Souvras.

15. REMUNERATION AND BENEFITS

15.1 Remuneration and benefits paid by GET SA and its subsidiaries to directors of GET SA (including all conditional or deferred remuneration)

Having regards to the recommendations issued by *Afep-Medef* on 6 October 2008 concerning directors' remuneration for listed companies, the board of directors of GET SA considered, at its meeting on 4 December 2008, that these recommendations are in line with GET SA's approach to corporate governance. The resulting corporate governance code, as amended, namely the 2008 Afep/Medef Code, is that to which GET SA refers to prepare the report required by Article L. 225-37 of the French commercial code, pursuant to the French law of 3 July 2008 implementing EU Directive 2006/46/EC of 14 June 2006.

- Completeness: all the elements of directors' remuneration are described in this Reference Document.
- Balance between the different elements of the remuneration: on the recommendation of the Nominations and Remuneration Committee, in 2008, the board of directors increased the fixed part of the Chairman and Chief Executive's remuneration.
- Benchmarks: the work of the Nominations and Remuneration Committee and respectively of the board in these matters is based on external studies.
- Consistency: the remuneration of directors is consistent with that of the company's other managers and employees.
- Transparency of rules: rules are simple, fixed and transparent. Performance criteria are in line with the company's targets.
- Measurement: remuneration is calculated to reflect the company's financial, operational and qualitative success and the performance of individual executives.

The principles and rules established by the board of directors for the purpose of determining the remuneration and all benefits in kind received by the directors are described below:

15.1.1 Remuneration of the Chairman and Chief Executive

Jacques Gounon was appointed Chairman and Chief Executive of GET SA by a decision of the board of directors on 9 March 2007.

The remuneration of the Chairman and Chief Executive, determined by the board of directors on the recommendation of the Nomination and Remuneration Committee, is comprised of a fixed part and a variable part.

The annual gross fixed salary of the Chairman and Chief Executive for 2007 remained at a level of €225,000, unchanged from that fixed in 2005 at the time of his appointment to the boards of TNU SA and TNU PLC, payable as to one half by ESL (€112,500), 30% by ESGIE (€67,500) and 20% by Eurotunnel SE (€45,000).

In 2008, in order to take into account the findings of a review of market practice carried out by a specialist consultancy independent of GET SA which showed that the fixed element of the annual remuneration of GET SA's Chairman and Chief Executive was lower than market levels for a company of its size, taking into account the level of responsibility and experience of the director, the board, on the recommendation of the Nomination and Remuneration Committee, increased the fixed part of his remuneration to €450,000 gross per annum with effect from 1 July 2008.

In 2008, the board, on the recommendation of the Nominations and Remuneration Committee, agreed the criteria for determining the variable part of the Chairman and Chief Executive and Deputy Chief Executive's remuneration, by reference to key performance indicators, on the basis of two series of criteria:

- quantitative criteria, (weighted by 70% in 2008), reflecting the evolution of financial performance indicators of GET SA such as, inter alia, the EBITDA (35% weighting) and free cash flow (35%). EBITDA is defined as Earnings Before Interest, Taxes, Depreciation and Amortisation, or operating margin as defined in section 9.2 of this Reference Document, and free cash flow is defined by reference to the Term Loan contract and corresponds to the operation cash flow after investing activities and after financing activities relating to the Term Loan, but before interest payments on the NRS.
- qualitative criteria, (weighted by 30% in 2008), reflecting the ongoing implementation of the industrial plan and measured by reference to service quality (15%) and productivity (15%).

The Chairman and Chief Executive's performance was assessed by comparing results with the targets set by the board for each indicator:

- EBITDA: amount specified in the 2008 budget;
- *Free cash flow:* amount specified in the 2008 budget;
- *Service quality criterion:* criterion used to determine the bonuses of employees;
- *Productivity criterion:* criterion used to calculate payments under incentive plans, the incentive amount being calculated on achieved results compared with targets on the basis of the ratio of the number of vehicles transported to the number of people employed during the reference period.

The target value of the variable remuneration is 50% of the annual fixed remuneration of the Chairman and Chief Executive, i.e. €225,000 as a target value.

At its meeting on 3 March 2009, the board considered the performance of the Chairman and Chief Executive by reference to the result of the application of the key performance indicators above and, having noted that the application of the criteria above would result in a variable remuneration for the 2008 financial year of 83% of the target, it decided to fix such variable remuneration at 90% of the target, taking into account the specific efforts deployed to carry out the reconstruction work and be in a position to carry out the Reopening within the timing and budget fixed. The variable remuneration of the Deputy Chief Executive was fixed for the 2008 financial year at €202,500 gross.

As well as assessing whether the aforementioned criteria have been met, the board had agreed it may grant the Chairman and Chief Executive additional remuneration, in the form of an exceptional bonus, depending on the success of GET SA's capital increase (phases 1 and 2). Therefore, on 16 July 2008, the board of directors, on the recommendation of the Nominations and Remuneration Committee, granted the Chairman and Chief Executive and exceptional bonus of €225,000 gross.

The terms and conditions of Jacques Gounon's remuneration, as described above, relating to his position within the Eurotunnel Group companies, will remain in force until any further decision of the board of directors of GET SA, on the recommendation of the Nominations and Remuneration Committee.

In 2008, Jacques Gounon received an allowance of £540 per month for the use of his personal vehicle, i.e. £6,480 or €7,880 over the year (2007: £6,480 or €9,312).

Jacques Gounon receives directors' fees for his role as a director of GET SA (see the table in section 15.1.2 below).

In the same way as other senior managers employed in France by the Eurotunnel Group, the Chairman and Chief Executive benefits, in respect of the French part of his remuneration, from the same supplementary retirement benefits afforded any other senior manager employed by ESGIE beyond the B tranche of his remuneration, and, in respect of the French and English part of his remuneration, he benefits from the basic retirement benefits and complementary retirement benefits financed by the Eurotunnel Group. In 2008, employee's contributions to these complementary retirement benefits totalled €16,358 (2007: €13,784) and employer's contributions totalled €26,507 (2007: €22,292). In 2008, employee's contributions in respect of the supplementary retirement benefits totalled €799 and employer's contributions totalled €3,195.

The Chairman and Chief Executive is covered by the staff private death/invalidity insurance and the personal accident policy available to employees of GET SA.

Summary of remuneration, stock options and shares

Jacques Gounon, Chairman and Chief Executive

(All amounts are expressed gross in euros unless otherwise indicated)	2008	2007
Remuneration due for the year	834,750.00	481,333.33
Value of options granted during the year	N/A	N/A
Value of performance shares granted during the year	N/A	N/A
TOTAL	**834,750.00**	**481,333.33**

Remuneration summary

Jacques Gounon, Chairman and Chief Executive

(All amounts are expressed gross in euros unless otherwise indicated)	Remuneration for 2008		Remuneration for 2007	
	due	paid	due	paid
– fixed remuneration	337,500	330,686**	225,000	£80,357 and 112,500
– variable remuneration	202,500	202,500	225,000	225,000
– exceptional remuneration	225,000	223,225**	N/A	N/A
– attendance fees	69,750	55,750*	31,333.33	31,333.33
– benefits in kind	7,880	7,880**	9,312**	9,312**
TOTAL	**842,630**	**820,041**	**490,645.33**	**493,618.33**

* *25% tax having been deducted at source.*

** *Amounts partly paid in sterling for which the value in euros is stated at the rate used for this Reference Document.*

Stock options granted during the year

Jacques Gounon

Options granted to each director by the issuer and by any Group company (by name)	Plan date and number	Type of option (existing or shares to be issued)	Value of options based on the method used for the consolidated accounts	Number of options granted during the year	Exercise price	Exercise period
N/A						

Stock options exercised during the year

Jacques Gounon

Options exercised by directors (by name)	Plan date and number	Value of options based on the method used for the consolidated accounts	Number of options granted during the year	Exercise price	Exercise period
N/A					

The amount of ''Cost of share based payments'' in note 6 of the consolidated accounts contained in annex II of the present Reference Document corresponds to the accounting in accordance with IFRS 2 for the theoretical charge relating to share options under the TNU scheme which had expired at 31 December 2007 and from which Jacques Gounon did not benefit.

Performance shares

Jacques Gounon

Performance shares granted during the year to each director by the issuer and by any Group company (by name)	Plan date and number	Number of shares granted during the year	Value of shares based on the method used for the consolidated accounts	Vesting date	End of lock-in period
N/A					

Performance shares reaching the end of the lock-in period during the year

Jacques Gounon

Performance shares reaching the end of the lock-in period for directors (by name)	Plan date and number	Number of shares reaching the end of the lock-in period during the year	Vesting terms	Year of grant
N/A				

15.1.2 Remuneration of the Deputy Chief Executive

Jean-Pierre Trotignon was appointed Deputy Chief Executive of GET SA by the board of directors on 13 May 2008.

The remuneration of the Deputy Chief Executive, determined by the board of directors on the recommendation of the Nomination and Remuneration Committee, is comprised of a fixed part and a variable part.

The fixed remuneration of the Deputy Chief Executive pursuant to his employment contract is €300,000 gross per annum.

The variable part of the remuneration is linked to the achievement of objectives set out by the board of directors, as proposed by the Nomination and Remuneration Committee. The variable portion of the Deputy Chief Executive's remuneration is based on identical criteria and targets as those used to calculate the variable portion of the Chairman and Chief Executive's remuneration, described in section 15.1.1 above. The target amount of the bonus is fixed at 40% of the fixed element of the Deputy Chief Executive's annual remuneration, being a target amount of €120,000.

At its meeting on 3 March 2009, the board considered the performance of the Deputy Chief Executive by reference to the result of the application of the key performance indicators above and, having noted that the application of the criteria above would result in a variable remuneration for the 2008 financial year of 83% of the target, it decided to fix such variable remuneration for 2008 at a gross amount of €99,600. Furthermore, taking into account the specific efforts deployed to carry out the reconstruction work and be in a position to carry out the Reopening within the timing and budget fixed, at its meeting on 3 March 2009, the board resolved to give Jean-Pierre Trotignon an exceptional bonus of €175,000 in respect of 2008, payment of this amount being made during 2009.

The terms and conditions of Jean-Pierre Trotignon's remuneration in respect of positions held in the Eurotunnel Group companies as described above remained applicable until his resignation. In consideration for the early termination of his emplyment contract, the board of directos decided to award Jean-Pierre Trotignon an indemnity of €200,000.

In 2008, Jean-Pierre Trotignon had a company car available to him for private use, representing a benefit in kind of €4,512.

Following the coming into force on 19 January 2009 of the French finance law no. 2003-775 of 21 August 2003, the Deputy Chief Executive benefits from the supplementary retirement benefit available to all senior managers of ESGIE on the amount beyond band B of his remuneration. He benefited in 2008 from the basic retirement benefits and from complementary retirement benefits financed by the Eurotunnel Group. In 2008, the employee's contributions in relation to the complementary retirement benefit totalled €20,445 and the employer's contributions totalled €33,130.

The Deputy Chief Executive is covered by the staff private death/invalidity insurance and the personal accident policy available to employees of GET SA.

Summary of remuneration, stock options and shares

Jean-Pierre Trotignon, Deputy Chief Executive

	2008	**2007**
Remuneration due with respect to the year	542,707	N/A
Value of options granted during the year	N/A	N/A
Value of performance shares granted during the year	N/A	N/A
TOTAL	**542,707**	

Remuneration summary

Jean-Pierre Trotignon, Deputy Chief Executive

(amounts expressed gross in euros)	Remuneration for 2008 due	Remuneration for 2008 paid	Remuneration for 2007 due	Remuneration for 2007 paid
– fixed remuneration	268,107	268,107	N/A	N/A
– variable remuneration	99,600	99,600	N/A	N/A
– exceptional remuneration	175,000	175,000	N/A	N/A
– attendance fees	N/A	N/A	N/A	N/A
– benefits in kind	4,512	4,512	N/A	N/A
TOTAL	**542,707**	**542,707**		

Stock options granted during the year

Jean-Pierre Trotignon

Options granted to each director by the issuer and by any Group company	Plan date and number	Type of option (existing or newly issued shares)	Value of options based on the method used for the consolidated accounts	Number of options granted during the year	Exercise price	Exercise period
			N/A			

Stock options exercised during the year

Jean-Pierre Trotignon

Options exercised by directors	Plan date and number	Value of options based on the method used for the consolidated accounts	Number of options granted during the year	Exercise price	Exercise period
			N/A		

The amount of ''Cost of share based payments'' in note 6 of the consolidated accounts contained in annex II of the present Reference Document corresponds to the accounting in accordance with IFRS 2 for the theoretical charge relating to share options under the TNU scheme which had expired at 31 December 2007 and from which Jean-Pierre Trotignon did not benefit.

Performance shares

Jean-Pierre Trotignon

Performance shares granted during the year to each director by the issuer and by any Group company	Plan date and number	Number of shares granted during the year	Value of shares based on the method used for the consolidated accounts	Vesting date	End of lock-in period
			N/A		

Officers and directors	Employment contract with GET SA		Supplementary retirement benefit scheme		Payments or other benefits owed or likely to be owed upon cessation of service or change of duties		Payments under a non-compete clause	
	Yes	No	Yes[1]	No	Yes[2]	No	Yes	No
J. Gounon Chairman and Chief Executive 2007 to 2010		X	X		X			X
J.P. Trotignon Deputy Chief Executive 2008 to 2009		X		X	N/A	N/A		X

(1) *2008 contributions: €799 employee's contribution, €3,195 employer's*

(2) *ESL: advance notice of one week per year of service, or three*

Performance shares reaching the end of the lock-in period during the year

Jean-Pierre Trotignon

Performance shares reaching the end of the lock-in period for directors (by name)	Plan date and number	Number of shares reaching the end of the lock-in period during the year	Vesting terms	Year of grant
		N/A		

15.1.3 Attendance fees

Since 26 June 2007, the directors of GET SA have received attendance fees.

The rules relating to the allocation of attendance fees were decided by the board of directors. The principles provide that these fees shall consist of a fixed part and a variable part, proportionate to the participation of the director in board meetings and committee meetings, and that the chairman of a committee shall receive an extra fixed fee. Fixed and variable fees are paid monthly.

Attendance fees paid by GET SA to its directors in 2008 totalled €519,416.64 (2007: €204,958.30), as detailed in the table below:

Attendance fees (€)	2008	2007
Jacques Gounon	69,750.00	31,333.33
Bernard Attali	22,416.66	N/A
Pierre Bilger	53,250.00	26,791.66
Gérard Van Kemmel	21,666.66	N/A
Jean-Pierre Mattéi	23,166.66	N/A
Martin Skaanild	23,166.66	N/A
Colette Neuville	66,000.00	32,833.33
Robert Rochefort	68,250.00	32,833.33
Henri Rouanet	69,375.00	31,333.33
Philippe Vasseur	52,500.00	25,291.66
Tim Yeo	49,875.00	24,541.66
Total	**519,416.64**	**204,958.30**

The Eurotunnel Group subsidiaries which were members of the board of GET SA until 5 June 2008 pending the appointment of the directors to be proposed by ENHC, did not receive any attendance fees in their capacity as directors of GET SA.

The increase in aggregate remuneration paid to board members between 2007 and 2008 is in part due to additional board members and in part due to the fact that attendance fees covered a 12-month period in 2008 whereas in 2007 payment of directors' fees only started on 26 June 2007.

In addition, members of the board of GET SA benefit, along with all other persons who act as officers of any Eurotunnel Group company, from directors' and officers' liability insurance.

15.2 Total amount of sums set aside by GET SA and its subsidiaries to pay for pensions, retirement, and other benefits

Jacques Gounon does not benefit from any specific retirement indemnity. He no longer benefits from contributions to supplementary health insurance plans, like all employees, since 1 December 2008.

No share option scheme has been put in place by GET SA for its directors.

16. BOARD AND MANAGEMENT PRACTICES

The introduction below, sections 16.2, 16.3, 16.4, 16.5 and 16.6, the elements likely to have an incidence in the event of a public offer listed under number 25 of the table of cross-references in annex IX of this Reference Document, as well as annex IV of this Reference Document together constitute the report of the Chairman of GET SA pursuant to article L. 225-37 of the French Commercial Code.

On 3 March 2009, in accordance with article L. 225-37 of the French Commercial Code, the Chairman of the board of directors drew up a report covering the following matters: –

- the composition of the board of directors and the terms for the preparation and organisation of its tasks;
- the principles and rules established by the nominations and remuneration committee and the board of directors to determine the remuneration and benefits of any kind granted to directors;
- the internal control and risk management procedures established by GET SA; and
- the limitations, if any, to the powers of the Chief Executive;
- the corporate governance code to which GET SA refers; and
- the specific arrangements relating to the participation of shareholders in general meetings.

The corporate governance code to which GET SA refers is the code for listed companies established in December 2008 by the *Association Française des Entreprises Privées* (AFEP) and the *Mouvement des Entreprises de France* (MEDEF) (the ***2008 Afep*****/*****Medef Code***).

16.1 Senior management

16.1.1 Chief Executive and Deputy Chief Executive

Pursuant to a decision of the board of directors dated 9 March 2007, general management of GET SA is carried out by the Chairman of the board of directors. On 18 February 2009, the board of directors confirmed that the management, with a Chairman also carrying out the role of Chief Executive, remains appropriate to GET SA's current situation and should be maintained. The board of directors sets the term of the Chief Executive's appointment, which may not exceed his term as Chairman.

The Chief Executive is vested with the broadest powers to act in all circumstances in the name of GET SA. The Chief Executive can exercise his powers only within the scope of the objects of the company and subject to the powers conferred by law expressly on the shareholders and the board of directors. The role of the Deputy Chief Executive is to assist the Chief Executive. In relations with third parties, the Deputy Chief Executive is an executive officer on the same basis as the Chief Executive: in accordance with article L. 225-56, II indent 2 of the French Commercial Code, he has the same powers as the Chief Executive.

The Chief Executive represents GET SA in its relations with third parties. In such relations, GET SA is bound by decisions of the Chief Executive that do not fall within its objects, unless it can be proved that the third party knew or should have known that the decision exceeded such objects. However, the publication of the company's by-laws does not alone constitute such proof. Provisions of the by-laws and decisions of the board of directors limiting the powers of the Chief Executive Officer are not binding on third parties.

On 13 May 2008, upon the proposal of the Chief Executive, the board of directors appointed Jean-Pierre Trotignon as Deputy Chief Executive. His mandate was terminated on 31 March 2009. The maximum number of Deputy Chief Executives is three.

The age limit for appointment as Chief Executive or Deputy Chief Executive is 65 years. If the Chief Executive or a Deputy Chief Executive reaches this age limit, he is automatically deemed to have resigned.

The Chief Executive may be removed from office by the board of directors at any time. The Deputy Chief Executives may be removed from office at any time upon a proposal to this effect from the Chief Executive.

If the Chief Executive ceases or is unable to perform his or her duties, the Deputy Chief Executives retain their positions and duties until a new Chief Executive is appointed, unless the board of directors decides otherwise.

16.1.2 Executive committee

GET SA has an executive committee comprised of the persons whose names appear in section 14.3 above. The executive committee is presided by the Chairman of the board of directors. The committee normally meets monthly to monitor the group's performance and results and, if necessary, to adjust the Group's industrial strategy. The executive committee co-ordinates the work of the Group's operating departments and ensures the proper functioning of the Group as a whole.

16.1.3 Management committee

A management committee comprised in accordance with section 14.3 above was put in place at the level of FM and CTG. The management committee is presided by the Chairman of the board of directors of GET SA, or the Deputy Chief Executive of GET SA, upon delegation from the Chairman. It meets regularly and coordinates operational services within the Concessionaires.

16.2 Conditions applicable to the preparation and organisation of the tasks of the board of directors

16.2.1 Composition and organisation of the board of directors

- **Members of the board of directors**

At the date of this Reference Document, the board of directors of GET SA is composed of eleven directors, including one woman. On 5 June 2008, the board of directors of GET SA co-opted the four directors proposed by ENHC in accordance with the Safeguard Plan. The four Eurotunnel subsidiaries (Eurotunnel Participations 1, Eurotunnel Participations 2, Le Shuttle Holidays Limited and Cheriton Resources 17 Limited) that were appointed as directors of GET SA pending the appointment of directors proposed by ENHC in accordance with the Safeguard Plan, resigned from the board on the same day. The proportion of foreign directors was increased to 18%, and the board now contains more directors with an international background. The average age of the directors is 64.

Members of the board of directors are elected, re-elected and removed by the general meeting of shareholders.

Members of the board of directors must each own at least 25 GET SA Ordinary Shares throughout their term of office. If at the time of their election to the board of directors, a director does not own at least 25 GET SA Ordinary Shares or if during their term of office, they cease to own 25 GET SA Ordinary Shares, they are deemed to have resigned if the situation is not remedied within the timeframe set out by statute or regulations. Since joining the board and during periods authorised by the board's code of conduct relating to share transactions, directors have gradually increased their shareholdings in GET SA. As shown in section14.5, some directors now hold a significant number of shares.

The number of physical persons aged 75 years or older serving on the board of directors as individuals or as permanent representatives of legal entities may not exceed one-third (rounded up to the closest whole number, if applicable) of the number of directors serving at the end of each general meeting called to approve the company statutory accounts. If this limit is exceeded, the oldest director is automatically deemed to have resigned. At the date of this Reference Document, only one of the 11 board members is aged over 75.

If one or more seats on the board of directors became vacant, the board of directors may, between two general meetings, make interim appointments to the board of directors in accordance with the provisions of article L. 225-24 of the French Commercial Code. A director appointed to replace another member of the board of directors serves for the remainder of his or her predecessor's term of office.

In accordance with article 12 of the 2008 Afep/Medef Code, directors' terms of office, as set by the Articles of Association, do not exceed four years. The term of office of each member of the board of directors is three years. This term ends at the end of the ordinary general meeting called to approve the accounts of the preceding financial year and that is held during the year in which the director's term of office expires. The board of directors considers that the completeness and the balance in the composition of the board, resulting from the implementation of the Safeguard Plan, are still too recent for GET SA to begin this year to stagger directors' terms of office as envisaged in article 12 of the 2008 Afep/Medef Code.

- **Chairman of the board of directors**

The board of directors appoints one of its members as Chairman. Unless the board of directors sets a shorter term, the person so appointed serves as Chairman throughout his or her term of office as a director. The Chairman must be a individual.

The Chairman of the board of directors represents the board of directors. He directs and organises the work of the board of directors and reports thereon at the general meeting. He ensures that the governing bodies of GET SA operate properly and, in particular, that members of the board of directors are able to perform their duties.

The age limit for the position of Chairman of the board of directors is 70 years. The term of office of Chairman ends on the date of the ordinary general meeting called to approve the accounts of the financial year during which the serving Chairman reaches the age limit. However, the board of directors may maintain or reappoint the serving Chairman for periods of one year at a time, not exceeding five times.

In the event that the Chairman dies or is temporarily unable to serve, the board of directors may appoint a director to serve in his place. In the case of a temporary incapacity to serve, the Chairman's duties are delegated for a limited period, which may be renewed. In the case of death of the incumbent, the replacement remains in office until a new Chairman is appointed.

- **Meetings of the board of directors**

The board of directors meets as frequently as the interests of the company require and at least three times a year. Meetings are called by the Chairman or by any director designated to act in his place. Meetings are held at the registered office or at any other place specified by the person who calls the meeting. However, if the board of directors has not met for more than two months, directors representing at least one-third of the members of the board of directors, and, if applicable, the Chief Executive, may request that the Chairman call a meeting on a specific agenda.

Meetings of the board of directors are conducted in French with an unofficial translation in English. Documents provided to directors for meetings of the board, as well as minutes of the meeting, are prepared in French with a translation for information into English.

- **Quorum**

The presence of at least one-half of the serving directors is required for a meeting of the board of directors to conduct business. The internal rules of the board of directors provide that directors are deemed to be present within the meaning of article L. 225-37 of the French Commercial Code, for the purpose of calculating the quorum and majority when they participate by video-conferencing or other means of telecommunication that enable them to be identified and to participate in the meeting in accordance with applicable laws and regulations. This provision does not apply for decisions referred to in articles L. 232-1 and L. 233-16 of the French Commercial Code.

- **Majority rules**

Decisions are taken by a majority of members present or represented, with the Chairman casting the deciding vote in the event of a tied vote.

By way of exception, until such time as the GET SA Preferred Share is converted into a GET SA Ordinary Share, a qualified majority of eight members of the board of directors of GET SA will be necessary to adopt the following decisions:

- a material change in the business plan, defined for this purpose as any decision to change the business plan that would lead to a reduction of more than £10 million of the EBITDA of GET SA on an annual basis;
- a change in dividend distribution policy (which will be to pay the maximum amount of available cash to shareholders, after full redemption of the NRS in GET SA Ordinary Shares, subject to compliance with financial covenants, minimum working capital requirements and applicable law) or payment of a dividend in circumstances that would be manifestly contrary to that policy;
- any change in the economic provisions of the Railway Usage Contract or in the Concession Agreement other than in the ordinary course of business or in accordance with past practice (save for a change that could give rise to exercise of the Warrants);
- a disposal or acquisition by any entity of the Eurotunnel Group of assets exceeding an aggregate amount equal to the euro equivalent of £20 million in one transaction or in a series of related transactions;
- any change to a material financing contract, or entering into any material new financing agreement (other than a contract referred to in the Safeguard Plan and relating to the financing of £225 million authorised under the terms of the Safeguard Plan in addition to the Term Loan) or voluntary prepayment of any debt by any member of the Eurotunnel Group, when such decision would be likely to (i) result in an increase in the overall debt level of the Eurotunnel Group or (ii) result in an increase in the total all-inclusive annual cost of debt to the Eurotunnel Group (taking into account any early redemption penalty or other prepayment premium) or (iii) have an adverse effect on the business or results of the Eurotunnel Group taken as a whole or be carried out according to terms that are more onerous to the Eurotunnel Group;
- a change in material asset securities granted by any entity of the Eurotunnel Group to senior lenders other than in connection with the granting of the financing of £225 million authorised under the terms of the Safeguard Plan in addition to the Term Loan;
- a tender offer by any entity of the Eurotunnel Group for a third-party entity leading to a financial commitment exceeding £20 million, or a merger and de-merger outside the Eurotunnel Group having an impact of more than £20 million on the enterprise value of GET SA exceeding the equivalent value in euros of 20 million sterling;
- the appointment of the Chairman of the board of directors;
- a proposal of an amendment to the by-laws of GET SA that would lead to a change in the number of directors, a variation or removal of the rights of the GET SA Preferred Share, or changes to the capital structure including the issue of equity (other than by redemption of the NRS in GET SA Ordinary Shares or upon exercise of the Warrants in accordance with the Safeguard Plan) or equity-linked securities granting access to the share capital;
- the appointment of a new statutory auditor who is not from an internationally recognised audit firm;
- a decision to transfer tax losses outside of the scope of the Eurotunnel Group or to complete transactions outside the normal course of business solely to utilise tax losses in an amount exceeding €5 million;
- the settlement of litigation by a member of the Eurotunnel Group that would result in a payment for that member of an amount exceeding the euro equivalent of £10 million (with the exception of settlement of litigation that could give rise to exercise of the Warrants), or a decision to bring a claim against a Governmental Entity for an amount exceeding the euro equivalent of £5 million (with the exception of litigation that could give rise to the exercise of the Warrants);
- a decision relating to the winding-up, reorganisation or restructuring of any Eurotunnel Group company, other than where a licensed insolvency practitioner has advised GET SA that it is necessary to wind up or restructure that company for legal reasons;

- significant changes in the accounting methods and practices of GET SA or any member entity of the Eurotunnel Group, other than pursuant to applicable law or as specifically requested by the Auditors of GET SA or any subsidiary thereof; and

- any decision relating to an amendment of the Articles of Association of EGP.

- **Powers**

The board of directors determines the objectives of GET SA's business and oversees this completion. Subject to the powers expressly granted to shareholders in general meetings and within the limits of GET SA's corporate purpose, the board of directors has the power to consider any matter affecting GET SA and takes decisions in this respect in the interest of all shareholders.

In its relations with third parties, GET SA is bound by decisions of the board of directors that do not fall within its corporate purpose, unless it can prove that the third party knew or should have known that the decision exceeded the corporate purpose. However, the publication of the company's by-laws does not alone constitute such proof.

The board of directors exercises such controls and conducts such reviews as it deems appropriate. Each member of the board of directors receives all the information and documents needed to perform his or her duties in accordance with the conditions set out in the board's internal rules, particularly as regards confidentiality.

The board of directors may decide to establish committees for the purpose of studying issues that it, or its Chairman submits for review. The board of directors determines the composition and functions of the committees, which conduct their business under the responsibility of the board of directors. The board of directors also determines the remuneration of the committee members, if any.

The board of directors sets the annual performance objectives for the Chairman, Chief Financial Officer and Chief Operating Officer.

The board of directors decides or authorises the issue of debt securities pursuant to article L. 228-40 of the French Commercial Code, unless the shareholders' meeting reserves the right to exercise this power.

- **Internal rules**

By a decision dated 20 March 2007, the board of directors adopted a set of internal rules, which was harmonised with the 2008 Afep/Medef Code on 18 February 2009. The purpose of these rules is to define the role and operational arrangements of the board of directors in compliance with applicable law and GET SA's Articles of Association. The internal rules are supplemented by a directors' charter, which sets out directors' rights and duties, along with a code of conduct relating to share transactions.

The main provisions of these internal rules are described below.

Role of the board of directors

As part of its administrative responsibilities, and in compliance with applicable laws and the by-laws of GET SA, the board of directors:

- sets the annual performance objectives of the Chairman, Chief Executive, Chief Financial Officer and Chief Operating Officer;

- appoints or removes the Chairman and Chief Executive decides whether the Chairman and Chief Executive's roles should be combined or split;

- defines strategy and considers on a regular basis the strategy of GET SA and the group of entities that it consolidates in its accounts, its proposed investments, disposals, internal reorganisations, the general human resources policy of the Eurotunnel Group, in particular remuneration and profit sharing policy, conducts an annual appraisal of the performance of the group's management and is consulted in respect of the recruitment of members of executive committee;

- approves any agreement entered into directly or indirectly between a director of GET SA and GET SA or any of its subsidiaries;

- considers major strategic transactions through the acquisition or disposal of equity investments and assets, partnership agreements, alliances of research, development, industrial or commercial cooperation agreements and more generally any transaction or undertaking that could have a significant impact on the financial or operating situation of the Eurotunnel Group;

- is kept informed by its Chairman and its committees of all significant events affecting the business, financial situation and cash flow of GET SA and the Eurotunnel Group; and

- ensures that shareholders and the public are properly informed, in particular by exercising control over the information disclosed by the Group. In this respect, it determines GET SA's communication strategy in respect of the frequency of disclosure of financial information relating to the Eurotunnel Group.

Members of the board of directors

- Each director must devote the time and attention necessary to fulfil his or her duties and participate in the meetings of the board of directors and the committees of which he or she is a member.

- The board of directors must be comprised of directors chosen for their skill and experience relevant to the business of the Eurotunnel Group.

- Members of the board of directors may attend training sessions organised by GET SA on its own initiative or at the request of the board of directors on the specific characteristics of the business and its sector.

- The overall maximum amount of attendance fees was set by the Safeguard Plan. The amount of attendance fees received by each director, in accordance with article 18 of the 2008 Afep/Medef Code, takes into account each director's level of responsibility and includes a variable portion that depends on each director's attendance record. Members of the board of directors receive remuneration in the form provided for in the by-laws of GET SA. The remuneration is divided up by the board of directors and takes into account (i) membership to the board of directors, (ii) each director's actual participation in meetings of the board of directors and board committees, and (iii) chairmanships of committees and other duties that may be assigned to directors.

- Each director is required to notify the *Autorité des marchés financiers* and GET SA within five business days of the date of completion of any acquisition, disposal, subscription or exchange of securities issued by GET SA or any transaction in related securities, in accordance with applicable regulations.

- Directors' obligations are described in the 2008 Afep/Medef Code. In particular, before accepting his or her duties, each director must ensure that he or she is fully aware of the general and particular responsibilities that he or she is assuming. Each director must be aware of all relevant provisions of law, the by-laws of GET SA and the internal rules of the board of directors that apply to him or her.

- Each director has an obligation to disclose to the board of directors every actual or potential conflict of interest between himself or herself and GET SA or the Eurotunnel Group and must abstain from voting on matters considered at meetings of the board of directors to which the conflict of interest relates, unless the conflict of interest arises in connection with an agreement entered into in the ordinary course of business under normal terms and conditions.

- Every director must participate in determining the business strategy of the Eurotunnel Group and overseeing the implementation of such strategy. Every director must perform appropriate supervision of the management of the Eurotunnel Group.
- All materials provided at meetings of the board of directors and all information obtained by the director during or outside of the course of such meetings or otherwise are confidential, without exception and regardless of whether such materials or information have been expressed to be confidential. Each director is bound to secrecy beyond a mere obligation of discretion.
- In addition to this obligation of confidentiality, directors undertake not to make public statements in their capacity as members of the board of directors on any subject concerning the Eurotunnel Group, whether or not related to meetings of the board of directors, without the prior consent of the Chairman.
- Every director must comply with all market regulations against market abuse that would be harmful to the interests and image of the Eurotunnel Group.

Board activities, video or teleconferencing

The annual report includes a section on the activities and operation of the board of directors and its committees during the previous year, in accordance with article 10 of the 2008 Afep/Medef Code.

The internal rules of the board of directors indicate that directors can participate in meetings by video or telephone conferencing by all means authorised by law and the by-laws, including by video or telephone conferencing as long as the video or telephone conferencing facilities (i) enable the transmission of at least the voices of the participants and (ii) satisfy technical requirements enabling the continuous and simultaneous transmission of the proceedings.

Directors' right of information

The chairman or the Chief Executive gives each director the documents and information needed to carry out his or her duties, within the confidentiality obligations described in the internal rules.

Committees

The board of directors may establish temporary or permanent special committees, each consisting of at least three and no more than five directors appointed by the board of directors of GET SA, with one committee member designated by the board of directors as the committee chairman.

The board of directors has established an audit committee, a nomination and remuneration committee, and a safety, security and environment committee and a committee of chairmen as described in section 16.2.3 of this Reference Document.

Independent directors

At least half of the directors must be independent within the meaning of and in accordance with the criteria of the 2008 Afep/Medef Code.

A director is independent if he or she:

- is not an employee or director of GET SA, an employee or director of GET SA's parent company or a company consolidated by GET SA, and has not been in the previous five years;
- is not a director of a company in which GET SA, directly or indirectly, holds the office of director or in which a designated employee or a director of the company (currently or in the past five years) holds the office of director;

- is not, and is not directly or indirectly connected to:
  - a significant client, supplier, investment banker or financier of GET SA or its Group
  - a client, supplier, investment banker or financier for which GET SA or its Group represents a significant portion of its activity;
- does not have any close family connection with a director;
- has not been an auditor of GET SA in the last five years;
- has not been a director of GET SA for more than twelve years.

The board of directors is required to ensure at least once a year that the directors or candidate directors satisfy the independent criteria set out above. At its meeting on 18 February 2009, having regards to the independence criteria set out above, the board of directors confirmed its deliberations of 2008 which recorded that that Martin Skaanild, Gérard Van Kemmel, Jean-Pierre Mattéi and Bernard Attali, who were proposed as directors by EHNC in accordance with the Safeguard Plan, cannot be considered independent.

Collette Neuville, Henri Rouanet, Robert Rochefort, Tim Yeo, Pierre Bilger and Philippe Vasseur are considered to be independent directors.

Thus out of 11 directors, six (54%) were independent as at 31 December 2008. This situation, which ensures a diverse and well balanced set of experience and skills among the directors, is consistent with the requirement of a proportion of at least half of the directors being independent as set out in the 2008 Afep/Medef Code.

16.2.2 Operation of the board of directors

In 2008, the board of directors held sixteen meetings, including six after the appointment of directors nominated by ENHC on 5 June 2008. The results of the board's self-evaluation, which were examined in the 4 December 2008 board meeting, show that the board holds a sufficient number of meetings scheduled at appropriate times to execute tasks within an appropriate timeframe, and that the scheduled length of meetings is sufficient to cover the whole agenda, while leaving enough time for a full discussion of the issues. The frequency and length of board meetings comply with article 10 of the 2008 Afep/Medef Code.

The average attendance rate by directors was more than 88%, and by directors who are natural persons was 96.75% in 2008, and more than 98% for the period since the full complement of board members was reached.

Attendance of the Board at meetings in 2008

Board meetings	Number of meetings	Presence at meeting
Jacques Gounon	16	16
Bernard Attali	6	5
Pierre Bilger	16	16
Gérard Van Kemmel	6	6
Jean-Pierre Mattéi	6	6
Colette Neuville	16	16
Robert Rochefort	16	16
Henri Rouanet	16	16
Martin Skaanild	6	6
Philippe Vasseur	16	16
Tim Yeo	16	13
Eurotunnel Participations 1*	10	4
Eurotunnel Participations 2*	10	9
Le Shuttle Holidays Limited*	10	8
Cheriton Resources 17 Limited*	10	2

* *Resigned on 5 June 2008.*

It should be noted that the participation of the board members was very strong throughout 2008. The frequency of meetings and the attendance rate provide the primary objective means to give the assurance that, in 2008, the board of directors was in a position to fulfil its role and to take the right strategic decisions in relation to the development of GET SA.

In 2008, in addition to financial and legal authorisations, the board's activities dealt mainly with the issues of corporate governance, accounts and strategy.

The board of directors considered several strategic proposals in accordance with its internal rules. Those which were adopted include:

- Two-stage capital increase to finance the early cash redemption of the NRS II issued by EGP as part of the Safeguard Plan:
  - issue of 800,000 SDES with a value of €1,000 each (stage 1);
  - allotment of 59,784,111 warrants free of charge, giving the right to subscribe 104,622,189 New Ordinary Shares at a price of €8.75 per share (70% subscribed at the end of the placing period), with the placing of 31,367,392 New Ordinary Shares corresponding to the unexercised warrants fully subscribed by qualified investors (stage 2).
- Repurchase of a block of 150,000 NRS I by GET SA.
- The board also considered several other major proposals, including work to simplify the Group's structure. The board reviewed the Eurotunnel Group's strategy for developing railfreight.

In 2008, the board directors prepared the company's accounts for the year ended 31 December 2007 and examined the interim accounts for the six months ended 30 June 2008. The board examined the 2009 budget.

As regards corporate governance, the board carried out a self-evaluation process, considered what constitutes independence in respect of directors, considered the Chairman's report on internal control procedures relating to 2007, adopted a code of conduct governing share transactions and finalised its answers to questions asked by shareholders prior to the general meeting of 27 June 2008.

The board also held two extraordinary meetings dedicated to the Fire in September 2008.

Between the start of the year and the date of the finalisation of the accounts for the year ended 31 December 2008 (3 March 2009), the board held two meetings. The average attendance rate was 100%. These meetings dealt mainly with calling the general meeting of shareholders, the agenda for the meeting, the text of the resolutions, the preparation of the parent company and consolidated accounts for the year ended 31 December 2008, approval of the proposed merger of TNU SA into GET SA and approval of the management report and the reports of the board of directors.

Attendance of the Board at meetings during the initial months of the 2009 financial year

Board meetings	Presence at meeting	Number of meetings
Jacques Gounon	2	2
Bernard Attali	2	2
Pierre Bilger	2	2
Gérard Van Kemmel	2	2
Jean-Pierre Mattéi	2	2
Colette Neuville	2	2
Robert Rochefort	2	2
Henri Rouanet	2	2
Martin Skaanild	2	2
Philippe Vasseur	2	2
Tim Yeo	2	2

16.2.3 Committees of the board of directors

Pursuant to the option it has in accordance with article 22 of its by-laws, the board of directors formed an Audit Committee, a Nominations and Remuneration Committee and a Safety, Security and Environment Committee, as well as a Chairmen's Committee, to assist it in the management of GET SA. The operating procedures of these committees are governed by the internal rules of the board of directors and its committees.

- **Audit committee**

The audit committee is comprised of three members selected from the directors, excluding the Chairman of the board of directors, at least two of which are independent in accordance with article 14.1 of the 2008 Afep/Medef Code. The board of directors appoint one of the members of the audit committee to be the chairman of the audit committee.

The audit committee was established on 20 June 2007 and 29 August 2007. It is comprised of Robert Rochefort (chairman), Pierre Bilger (deputy chairman) and Colette Neuville, all of whom are independent directors.

The audit committee meets at least four times a year upon notice of its chairman.

The duties of the audit committee are to:

- ensure the relevance and consistency of the accounting standards adopted to prepare the statutory accounts and consolidated accounts, to consider the scope of consolidation and check the relevance of the accounting rules applied to the Eurotunnel Group;

- examine the statutory accounts and consolidated accounts, budgets and forecasts before they are presented to the board of directors;

- monitor the effectiveness of internal control and risk management systems and set the annual programme of internal and external audits, the programme being drawn up in consultation with the Safety, Security and Environment Committee for matters concerning this committee;

- ensure the quality of, and compliance with, procedures and check the information received from management, internal committees of the company and internal and external audits;
- monitor the financial reporting process;
- oversee the selection and reappointment of the Auditors, express an opinion on the level of fees requested by the statutory auditors and submit their conclusions to the board of directors; and
- ensure the independence and objectivity of the statutory auditors and examine the result of their work and the breakdown of their fees.

The audit committee met six times in 2008. The attendance rate was 100%.

In order to finalise the accounts, the audit committee receives a report from the auditors and a presentation of the accounts by the finance department. More detailed presentations are given by other managers or external consultants on certain subjects, including internal control and risk management. The committee also invited the Chairman and Chief Executive and heads of operational or functional entities to speak before it, in accordance with its duties. It reported on its work to the board of directors.

In 2008, the audit committee examined the draft company and consolidated accounts for the year ended 31 December 2007 and the draft interim accounts before they were presented to the board of directors, and expressed its opinion on the draft accounts to the board. As part of this work, it examined the accounting treatment of material transactions during the period, accounting methods, the scope of consolidation and the main financial reporting relating to the accounts. The committee considered executive summaries of the internal audit reports prepared in 2008, it reviewed the activity report of internal audit for 2008 to consider the implementation in 2008 of the recommendations formulated in 2007 by internal auditors. It has reviewed the procedures in place to identify and manage risks as well as internal control procedures. It reviewed risks and analysed the risk map for 2008 and considered any significant financial and operational risks. It considered the 2009 internal audit plan and asked for some additional work to be done.

The audit committee assisted the board of directors by carrying out preparatory work in respect of the 2008 capital increase, and considered the studies carried out concerning the simplification of the legal structure of TNU.

Between the start of the year and 3 March 2009, the audit committee held 2 meetings. The attendance rate at these meetings was 100%. These meetings dealt primarily with statutory auditors’ fees, their independence and the examination of the draft company accounts and consolidated accounts for the year ended 31 December 2008, the accounting treatment of significant transactions during the year, accounting policies, the scope of the consolidation and the principal elements of the financial communication associated with the accounts.

- **Nominations and remuneration committee**

Once the board of directors was fully constituted in June 2008, this committee was joined by Jean-Pierre Mattéi, a director appointed on the proposal of ENHC in accordance with the Safeguard Plan. The quorum required for meetings of the nominations and remuneration committee will be four members when its membership is increased to five.

The nominations and remuneration committee is composed of Colette Neuville (chair), Philippe Vasseur, (vice chairman), Robert Rochefort and Jean-Pierre Mattéi.

Members of the nominations and remuneration committee:

- must not have any personal financial interests in the decisions of the nominations and remuneration committee, other than those of a director and a member of the nomination and remuneration committee; and
- must not have any reciprocal relationship with an executive director of GET SA that could suggest that they reached an agreement to increase their respective salaries.

If the Chairman of the board of directors is a member of the nominations and remuneration committee, he does not take part in proceedings relating to his own remuneration. The Chairman of the board of directors participates in meetings of the nominations and remuneration committee relating to other directors but does not take part in the vote.

The nominations and remuneration committee meets as often as necessary. A meeting may be called by any member on seven calendar days' prior notice to consider the agenda proposed by such member. The nominations and remuneration committee prepares data on the remuneration and benefits of directors, for the board of directors in particular, along with annual performance objectives for the Chairman and Chief Executive, Chief Financial Officer and Chief Operating Officer. It also proposes salary and incentive plans for these individuals.

The committee makes recommendation to the board of directors in respect of the selection of new directors. The nominations and remuneration committee may also propose the appointment or removal of the Chairman, Chief Executive, the Chief Financial Officer or Chief Operating Officer and nominate successors for them.

The nomination and remuneration committee met six times in 2008. The average attendance rate of directors for each meeting was 95.33%.

During these meetings, the nominations and remuneration committee formulated the remuneration of the directors of the company, to be approved by the board of directors. It defined the objective criteria for setting the variable remuneration paid to the Chairman and Chief Executive and to the Deputy Chief Executive, to be approved by the board of directors. It also worked on strategic issues relating to proposed stock option and bonus share plans for employees and managers, a matter still under consideration.

Between the start of the year and the date of this Reference Document, the nominations and remuneration committee held 2 meetings. The attendance rate of members was 100%. The meeting dealt primarily with the review of the Chairman's report, the rules and principles determining remuneration and benefits in kind provided to officers and directors, and determination of the amounts of variable remuneration of the Chief Executive and the Deputy Chief Executive in respect of the 2008 financial year, as indicated in chapter 15 of this Reference Document.

- **Safety, Security and Environment Committee**

The safety, security and environment committee is composed of five directors appointed by the board of directors, including two independent directors. The Chairman of the board of directors, if he is not a member of this committee, and the Chief Operating Officer, operations manager, security and sustainable development manager and maintenance manager, also attend meetings of the safety, security and environment committee. Other executives may be requested to attend depending on the matters to be discussed.

Once the board of directors was fully constituted in June 2008, this committee was joined by Bernard Attali and Martin Skaanild, directors appointed on the proposal of ENHC in accordance with the Safeguard Plan. The committee is now composed of Henri Rouanet (chairman), Tim Yeo (vice-chairman), Jacques Gounon, Martin Skaanild and Bernard Attali.

At its quarterly meetings, the safety, security and environment committee is presented with reports pertaining to its three areas of competence, and reports from operational departments as necessary.

The operations director and the security and sustainable development director may, at their own initiative or upon request from the safety, security and environment committee, meet with the committee without the management of GET SA being present. In addition, by way of a special authorisation from the Chairman of the board of directors, the managers whose functions are related to the work of the safety, security and environment committee, may meet the chairman of the safety, security and environment committee.

The safety, security and environment committee considers all matters relating to safety, security and the environment within the Eurotunnel Group and, more generally, takes any initiative, within its terms of reference, to be submitted to the board of directors designed to improve the current performance levels of the business, in particular by updating risk management strategies. The Committee reports on a regular basis to the board of directors.

The committee met four times in 2008. The average attendance rate was 100%. Since safety and security are key issues for the Eurotunnel Group, the board of directors decided at a meeting held on 5 December 2007 to enable the safety, security and environment committee to strengthen its operating procedures by creating working groups. During 2008, seven working groups were formed, including the Binat working group which is responsible for monitoring the operational documents relating to the emergency rescue within the Concession.

During 2008, the main priorities of the safety, security and environment committee were as follows:

Priorities relating to security:

- Method: setting targets that are reviewed annually, identifying pilot sectors, analysing risks and defining guidelines.
- Targets: managing skills, improving performance through safety authorisations aimed at significantly reducing the accident frequency rate.

The committee co-ordinated work to update emergency planning documents:

- validation of the SMS following implementation by both Governments of the European Railway Safety Directive, and intended to replace the current Safety Case,
- identification of all operational documents, so that each can be updated at least every five years,
- participation in binational exercise (Binat 18) and implementation of its recommendations,
- validation of a new crisis management manual.

In the aftermath of the Fire in September 2008, the committee was active in the process of assessing the rescue measures implemented and in the initial thoughts concerning the improvement to prevention and intervention measures.

Priorities relating to safety:

As regards safety, the committee monitors intrusion attempts by illegal migrants and their consequences for operations, along with changes to state measures.

The committee co-ordinates safety action plans. In 2008, the main improvements in these plans were a new Euroscan system in the French terminal, work to strengthen the UK portal, the reactivation of the French local committee and co-ordination with border police.

Projects under the committee's supervision in 2008 consisted of the programme to replace the badge system with a biometric system, a new system for detecting explosives, a complete review of video surveillance systems and specific measures regarding NRBC risks.

Priorities relating to sustainable development:

As regards the environment, the overall strategy is based on the ADEME agreement, the UK Environment Agency audit, participation in various local or general awareness-raising initiatives and comparative performance studies. The 2006-2008 carbon footprint study shows a 50% reduction in emissions. Eurotunnel's emissions are estimated at 0.15 tonne transported as opposed to 2.6 for ferries. The committee is co-ordinating projects to replace stored or on-board halon gases, to conserve electricity and water, to develop waste sorting and to install three wind turbines.

Between the start of the year and 3 March 2009, the safety, security and environment committee met once. The rate of attendance of its members was 100%. This meeting dealt in particular with the Fire in September 2008.

16.3 Chairmen's committee

Pursuant to its decision dated 5 June 2007, the board of directors of GET SA resolved to establish a chairmen's conference, renamed chairmen's committee by the board of directors on 12 March 2008.

The chairmen's committee is made up of Jacques Gounon and the chairmen of each of the committees, i.e. Robert Rochefort, Colette Neuville and Henri Rouanet.

The chairmen's committee meets as often as is required. Such meetings are called by the Chairman of the board of directors.

The committee's main task is to co-ordinate the work done by the other committees.

In 2008, the chairmen's committee met six times to co-ordinate the work done by the committees relating to the capital increase and to take account of legislative changes that took place during the year.

16.4 Self-evaluation of the board of directors

In accordance with article 9 of the 2008 Afep/Medef Code, the work done by the board of directors and its specialist committees was reviewed in 2008 through an evaluation process overseen by a senior independent director, i.e. the chair of the nominations and remuneration committee. The assessment was based on a detailed anonymous questionnaire concerning the board's roles and skills, its overall operating procedures and the areas of activity covered by the board and its committees. Answers were analysed and then presented to the board at its meeting on 4 December 2008, during which the board discussed its operating procedures.

This evaluation revealed a high level of satisfaction with the board's operating procedures, with the way it prepares its work and conducts debate and with the board's relations with its chairman. Suggested areas for improvement concerned the process for reporting the work done by committees and the scheduling of specific meetings to consider strategy and discuss certain issues in greater depth. The process for strategy development now includes an annual strategy seminar to discuss the company's overall strategic direction and decide the plan of action for the year ahead. However, in its 4 December 2008 meeting, the board decided not to introduce meetings of external board members without the presence of the internal members.

16.5 Principles and rules relating to the determination of remuneration and all benefits of any nature granted to directors

Principles and rules relating to the determination of remuneration and all benefits of any nature to which the directors are entitled are determined by the board of directors on the recommendation of the nomination and remuneration committee in accordance with the Board's set of internal rules.

16.6 Limitations on the powers of the Chief Executive

The Chief Executive is vested with the broadest powers to act in all circumstances in the name of GET SA. The Chief Executive can exercise his powers only within the scope of the objects of the company and subject to the powers conferred by law expressly on the shareholders and the board of directors. He represents GET SA in its relations with third parties.

Neither the provisions of the bye-laws of the company nor any decisions of the board of directors limiting the powers of the Chief Executive can be enforced as against third parties.

To date, the board of directors has imposed no limits on the powers of Jacques Gounon.

16.7 Service contracts between members of the board of directors and management boards and GET SA

To the knowledge of GET SA, there are no service contracts between the members of the board of directors to GET SA that provide for the granting of any particular advantages under the terms of such contracts.

Jean-Pierre Trotignon, Chief Operating Officer since August 2005 and holder of an employment contract in that respect, became a director after a board decision on 13 May 2008 appointing him Deputy Chief Executive. He receives no remuneration for his office as Deputy Chief Executive, but retains his employment contract. For family reasons, Jean-Pierre Trotignon has chosen to leave the Group on 31 May 2009 and to resign from his duties as an employee and Deputy Chief Executive. The Afep/Medef recommendation to terminate the employment contract of an employee who becomes a director is not applicable in Mr Trotignon's case. It would not have applied until his term of office was to be renewed, i.e. at the end of the general meeting of shareholders called to approve the accounts for 2009.

Jacques Gounon has been the Group's Chairman and Chief Executive since 2005 and, due to the binational nature of the Concession, receives half of his remuneration from Eurotunnel Services Limited. GET SA has made no undertakings for Jacques Gounon's benefit. In addition, in the event that Jacques Gounon's role as Chief Executive is terminated, to avoid Eurotunnel Services Limited having to give Jacques Gounon notice in accordance with the Group's rules for senior managers – i.e. one month notice per year of service, capped at 12 months – Jacques Gounon proposed to the nominations and remuneration committee to limit the UK notice period to the legal minimum required by English law, which is one week per year of service, capped at 12 weeks. The proposal was accepted by the board of directors of Groupe Eurotunnel SA. The Afep/Medef recommendation to terminate the employment contract of an employee who becomes a director is not applicable to the Chairman and Chief Executive until Jacques Gounon's term of office is renewed, i.e. at the end of the general meeting of shareholders called to approve the accounts for 2009.

16.8 Securities transactions involving directors

In accordance with article L. 621-18-2 of the French Monetary and Financial Code and Articles 223-22 et seq. of the General Regulations of the *Autorité des Marchés Financiers*, transactions involving GET SA financial instruments carried out by any member of the board of directors, the Chief Executive or any persons to whom they are related must be declared[1].

(1) To the extent the total amount of such transactions carried out by each director exceeds €5,000 per calendar year.

In accordance with article 223-26 of the General Regulations of the *Autorité des marchés financiers*, the table below provides details of the transactions which have been declared by the Chief Executive, the other directors of GET SA or by the persons to whom they were linked during financial year 2008:

Director	Financial instrument	Nature of transaction	Date of transaction	Place of transaction	Unit price	Number	Transaction amount
Jacques Gounon	Ordinary shares	Subscription	04/06/2008	Euronext Paris	€8.75	1,575	€13,781.25
	Ordinary shares	Purchase	22/10/2008	Euronext Paris	€5.44	1,000	€5,440.00
	Ordinary shares	Purchase	06/11/2008	Euronext Paris	€4.96	3,000	€14,880.00
	Warrants	Purchase	25/07/2008	Euronext Paris	€0.25	20,000	€5,000.00
	Warrants	Purchase	22/10/2008	Euronext Paris	€0.13	40,000	€5,200.00
	Warrants	Purchase	06/11/2008	Euronext Paris	€0.12	20,000	€2,400.00
Henri Rouanet	Ordinary shares	Subscription	04/06/2008	Euronext Paris	€8.75	49	€428.75
	Ordinary shares	Purchase	28/07/2008	Euronext Paris	€9.50	500	€4,750.00
Pierre Bilger	Ordinary shares	Subscription	04/06/2008	Euronext Paris	€8.75	1,750	€15,312.50
	Ordinary shares	Purchase	18/07/2008	Euronext Paris	€9.75	7,250	€70,687.50
Colette Neuville	Ordinary shares	Subscription	04/06/2008	Euronext Paris	€8.75	2,002	€17,517.50
Tim Yeo	Ordinary shares	Subscription	04/06/2008	London Stock Exchange	€8.75	7,091 (1)	€62,046.25
Robert Rochefort	Ordinary shares	Subscription	04/06/2008	Euronext Paris	€8.75	2,002	€17,517.50

(1) *Diane Yeo, wife of Tim Yeo, subscribed 6,559 shares on 4 June 2008*

The board of directors has also finalised a code of conduct relating to transactions undertaken by the directors in connection with GET SA financial instruments.

16.9 Concession Coordination Committee

The Concession Coordination Committee described in section 14.7 of this Reference Document replaced the Joint Board.

Meetings of this Committee are conducted in French or in English, and the minutes of the Committee are prepared in French and in English.

16.10 Internal control

A description of the Eurotunnel Group's internal control and risk management procedures is set out in annex IV of this Reference Document.

The statutory auditors' report on the report by the Chairman of the Board of Directors of GET SA, prepared in accordance with article L. 225-235 of the French Commercial Code, considers in particular the internal control and risk management procedures of GET SA in accordance with paragraph 5 of article L. 225-37 of the French

Commercial Code and concerns the internal control procedures relating to the treatment of accounting and financial information. This report is reproduced at annex V of this Reference Document.

16.11 Corporate governance

In its 4 December 2008 meeting, GET SA's board of directors familiarised itself with the Afep/Medef recommendations of 6 October 2008 regarding the remuneration of directors of listed companies. The board took the view that these recommendations fit with the company's corporate governance approach.

As a result, GET SA refers to the Afep-Medef corporate governance code as amended, i.e. the 2008 Afep/Medef Code, in its report required by article L. 225-37 of the Code de Commerce, applying the French law of 3 July 2008 implementing EU directive 2006/48/EC of 14 June 2006. In accordance with article 22 of the Afep/Medef Code, the recommendations of this Code that have not been implemented by the company and the reasons why they have not been implemented is given in the report (paragraph 16.2.1 point 3, 16.2.1 last point, 16.4 last point, 16.7 point 2).

The 2008 Afep/Medef Code is available on www.eurotunnel.com.

16.12 General meeting

The arrangements for participation are described in articles 11, 27 and 29 of GET SA's by-laws, as summarised in paragraph 21.2.6 of this Reference Document.

17. EMPLOYEES

17.1 Human resources policy

The Eurotunnel Group seeks to develop a working environment that promotes the personal development and fulfilment, in order to attract and retain qualified, high-quality people. Its human resources policies have been developed in order to recognise each employee's contribution to the Eurotunnel Group, taking account of that employee's qualifications, level of responsibility, and individual performance.

17.1.1 Headcount

a) Headcount evolution and workforce distribution by category and gender

GET SA does not directly employ any staff. The majority of the Eurotunnel Group's employees are employed by ESGIE in France and by ESL in the United Kingdom. ESGIE and ESL then invoice the Eurotunnel Group companies for their respective personnel costs.

The changes to the Eurotunnel Group's headcount since 2007 and the workforce distribution by type of activity are as follows:

Headcount	At 31 December 2008		At 31 December 2007	
Sector	**France**	**UK**	**France**	**UK**
Operations division	601	502	577	494
Maintenance division	654	169	643	170
Other services	277	157	271	150
Total	**1,532*** (including 10 on fixed-term contracts)	**828** (including 3 on fixed-term contracts)	**1,491** (including 5 on fixed-term contracts)	**814** (including 9 on fixed-term contracts)

* *The employees of the European subsidiaries (seven people) are included in the headcount for France.*

At 31 December 2008, the number of permanent employees, across all countries, was 2,360 (2,305 at 31 December 2007).

Women make up 28% of the Group's workforce. Managerial staff (593 people) make up 25.12% of the workforce.

Headcount *(including staff on fixed-term contracts)*	At 31 December 2008			
	France		**UK**	
	Managerial	**Non-managerial**	**Managerial**	**Non-managerial**
Men	358	771	106	465
Women	83	320	46	211
Total	**441***	**1,091**	**152**	**676**

* *The employees of the European subsidiaries (seven people) are included in the headcount for France.*

The changes to the Eurotunnel Group's average headcount since 2007 and the workforce distribution by type of activity, are as follows:

Average headcount *(including staff on fixed-term contracts)*	**At 31 December 2008**		**At 31 December 2007**	
Sector	**France**	**UK**	**France**	**UK**
Operations division	595	500	578	487
Maintenance division	650	169	630	165
Other services	278	154	271	148
Total	**1,523***	**823**	**1,479**	**800**

* *The employees of the European subsidiaries (seven people) are included in the headcount for France*

b) Recruitment

The recruitment policy aims to equip the Eurotunnel Group with the best skills, in order to support its development.

True to its values, the Eurotunnel Group's recruitment process places great importance on candidates' cultural openness, their ability to work as part of a team, and their desire to self-motivate.

In 2008, a controlled recruitment policy was adopted, adjusting headcount to actual business needs.132 staff were recruited during the year. 51 staff (including 3 on fixed-term contracts) were recruited in the UK and 81 (including 19 on fixed-term contracts) on the Continent.

c) Termination

In 2008, the Eurotunnel Group terminated the employment contracts of fifteen staff: two through voluntary redundancy and thirteen in other ways.

17.1.2 Impact of the Eurotunnel Group's activities in terms of regional employment and development

The Eurotunnel Group maintains close relations with schools and universities in the Nord-Pas De Calais.

Each year, the Eurotunnel Group also offers internship opportunities and apprenticeship contracts.

In 2008, the Eurotunnel Group welcomed thirty-eight interns and three apprentices in France.

More broadly, for almost fourteen years now, the Eurotunnel Group has played an important role in local development in the Kent and Calais regions. The emphasis has been on cross-Channel mobility and sustainable development (see section 6.8 of this Reference Document).

In addition to the 8,000 staff employed when the Tunnel was built, 8,400 jobs have been created since the Tunnel came into service in 1994. Of these, 2,300 have been direct jobs, 1,500 indirect jobs and 4,400 related jobs, including 2,500 in the *Cité de l'Europe* shopping centre in Coquelles.

In line with this ongoing commitment, on 6 January 2009 the Eurotunnel Group signed a partnership agreement with the Pas-de-Calais regional council. The agreement aims:

- to involve Pas-de-Calais and Eurotunnel in promoting the region as an international tourist destination, taking a Euro-regional approach;
- to increase interaction between people living on either side of the Channel, as part of the close partnership with Kent County Council;

- to help the region play a role in the build-up to the London 2012 Olympics, benefiting from the resulting boost in terms of economic activity and profile;
- to preserve the *Deux Caps* site, a major area of natural beauty in France;
- to support local projects which are helping to energise the area and benefit from the example of *Opération Grand Site*, a major French national programme to renovate the most prestigious and most visited beauty spots;.

36 economic, tourism and sports projects have already been adopted as part of the Partnership Agreement signed on 6 January 2009. The projects being carried out by the two partners include: registering the Pas-de-Calais strait as a UNESCO world heritage site, organising an event celebrating 2009 as the centenary of Louis Blériot's Channel crossing, making Sangatte a tourist destination, building facilities for teams participating in the London 2012 Olympics and organising their transport across the Channel.

17.1.3 Organisation of working hours, temporary employees and sub-contractors

In France, the working week can vary over all or part of the year, provided that it does not exceed 35 hours on average during the year, and that no more than 1,600 hours are worked during the year. The average number of hours is calculated on the basis of the statutory workweek, less the number of hours corresponding to statutory holiday entitlement and public holidays. In the United Kingdom, working hours are set by the company, again with a view to optimising service quality. Employment contracts provide that the average working week is 37 hours (or 1,676 hours per year), based on individual contracts and the agreements in place with Unite[(1)].

In 2008, ESGIE staff worked a total of 18,580 hours of overtime and ESL staff worked a total of 31,654 hours of overtime.

Shift work is organised on the basis of a variety of rosters depending on the different operational activities, in order to ensure the flexibility necessary to achieve the best quality of service.

More than 65% of Group employees do shift-work. Around 50 different work rosters are available within the company for both day-workers and shift-workers.

6.6% of employees in France are part-time, with monthly working hours varying between 50% and 93% of full time. 8.5% of employees in the UK are part-time, with monthly working hours varying between 29.33% and 93.33% of full time.

The Eurotunnel Group uses temporary staff mainly to replace staff absent through illness or leave. As a monthly average, ESGIE employs 44.87 temporary staff and ESL 56.05.

The Eurotunnel Group uses sub-contractors to manage activities that are outside its main areas of activity or that require specific knowledge.

The operation of services relating to security, cleaning (particularly industrial cleaning), the chocking of vehicles and catering on board the Shuttles is thus subcontracted to outside service providers.

17.1.4 Absence

Staff absence rates are calculated on the basis of short- and medium-term absences, and exclude absences for periods longer than three months and statutory maternity leave.

[(1)] *Unite is the union formed through the combination of two existing unions: TGWU (Transport and General Workers Union of the United Kingdom) and Amicus.*

Since 2007, absence rates within the Eurotunnel Group have been significantly lower than the average rate of other companies operating in similar fields.

	ESGIE		ESL	
Absence	**2008**	**2007**	**2008**	**2007**
Rate	2.43%	2.68%	2.71%	2.58%

17.1.5 Training

The key focus of the Group's training policy is to give employees the means with which to contribute to the development of the Eurotunnel Group. As far as training is concerned, the Eurotunnel Group' priorities are to strengthen the shared safety culture within the group and to improve the assistance given to employees to help them adapt to their job role.

The education and training review, covering the period from 1 January to 31 December 2008, shows that 1,966 Group employees spent 83,007 hours (or 11,858 days) in training, at a total cost (training and wages) of €2,487,000, representing 2.70% of Group payroll.

Training is intended mainly to improve employees' professional skills in their line of business, but also to make them more versatile and able to take on other functions. 15% of training is on safety. Other common training subjects are customer service, management quality and foreign languages.

75% of training is provided internally. Almost 62% of the hours spent in training were undertaken by employees in the operations division, 30% in the maintenance division and 8% in other departments.

17.1.6 Policies relating to remuneration and career management

The Eurotunnel Group's remuneration policy aims to recognise and to reward fairly every employee's contribution to the Eurotunnel Group's success.

For example, in order to reward the efforts of each employee during a difficult period for the Eurotunnel Group, all ESGIE employees in 2008 benefited from a collective increase in salary and bonuses of 2.10%.

Similarly, against the background of weak economic conditions and the Fire in September 2008, the agreement signed on 19 January 2009 by each of the five French unions (CFDT, CFE-CGC, CFTC, CGT and FO) as part of mandatory annual negotiations, included the following provisions for all ESGIE staff, a 1.60% increase in salaries and bonuses from 1 January 2009, along with a special bonus of €1,000 to reward the efforts of staff in reopening the Tunnel.

In the UK, salaries are reviewed on 1 April. In 2008, an agreement was signed with Unite giving ESL employees a 4% collective increase in wages and bonuses, together with two ''third-layer'' bonuses of £100.

In addition, 408 ESGIE employees received a salary increase over and above the collective increase in 2008: 33 due to a change of position or role within the company, 65 due to individual pay rises and 310 as part of the career development plan. Similarly, 443 ESL employees saw their remuneration progressing in 2008, above the collective increase: 391 as part of the ''rate for the job'' agreement, 7 for promotions and 45 due to individual pay rises.

A bonus system, half based on safety and service quality indicators and half on cash flow performance, enables all Group employees to receive a bonus of up to 6% of annual basic salary. A management bonus is paid to managerial staff, as a percentage of salary, depending on their grade. The indicators used are the same as for the basic bonus, but with greater weight given to financial results.

ESGIE staff have also benefited from performance-related bonuses since January 2007. This plan entitles staff to a twice-yearly bonus depending on their attainment of certain targets regarding operational efficiency, i.e. the ratio of vehicles carried to the number of employees. For the first half of 2008, staff received the maximum performance-related bonus, but in the second half, when performance was affected by the Fire in September 2008, results fell below the bonus trigger level.

Although the performance-related bonus arrangements cannot be transposed to the UK, ESL staff benefit from a collective bonus system based on the same productivity criteria.

Gross annual payroll, excluding the staff of European subsidiaries and social security costs in 2008, was €58,263,353 (2007: €55,535,274) for ESGIE, and £24,174,825 (2007: £22,647,689) for ESL.

For non-managerial staff in France, employment and skills planning is based on a ''career path'' system that takes into account both company targets and employee expectations. The aim is to:

- establish a system which allows for continuous development and advancement throughout an employee's career with the company and provides them with a clear long-term view of their future career;
- offer all employees similar career advancement opportunities by ensuring that every employee is treated fairly;
- open up opportunities across all parts of the company; and
- set up a reliable and controlled evaluation process which ensures fair treatment for all employees.

In the United Kingdom, the remuneration structure is now based on the ''rate for the job'', following an agreement with Unite signed in July 2007.

The main objective of these arrangements is to improve the company's performance by developing the skills and practices of its employees.

17.1.7 Disabled employees

The percentage of persons with disabilities employed by ESGIE in France is 3.15 in 2008 (2007: 3.09%).

In the United Kingdom, even in the absence of legal requirements, the company has in place an equal opportunity policy to ensure equal treatment of all employees and candidates.

In the future, the Eurotunnel Group intends to continue its efforts in integrating disabled persons within its workforce.

17.2 Health and safety

17.2.1 Recent developments

In 2007 and 2008, initiatives to ensure systems and work safety were as follows:

- implementation of an integrated knowledge management system in the operations and maintenance divisions;
- enhanced safety training for managers, mainly newly promoted managers and long-standing managers; and
- new training aimed at improving staff safety practices (''No Percut'' training based on an educational game, aimed mainly at the maintenance division).

17.2.2 Measures put in place

All safety events are recorded and analysed, so that recommendations can be made and action plans drawn up.

For the most serious events, internal investigation reports are passed on to the IGC's Safety Committee.

In addition, safety indicators are monitored constantly to check that overall performance is improving. These include:

- the collective passenger safety indicator;

- the individual passenger safety indicator;
- the work safety indicator.

17.2.3 Work safety performance

Lost-time accidents	2008	2007
Eurotunnel accident frequency rate	4.2	6.7
Contractor accident frequency rate	13.9	10.4

Bringing the safety performance of the Eurotunnel Group contracting partners at least into line with the Group's own performance remains a priority.

17.3 Labour relations and the development of the Eurotunnel Group

17.3.1 Collective agreements

As of 31 December 2008, 1,532 ESGIE employees were subject to collective agreements. In France, employees of ESGIE are represented by five trade union organisations and are covered by a collective agreement as part of a company agreement negotiated with these unions.

In the United Kingdom, on 14 June 2000 ESL signed a voluntary agreement for single trade union representation with Unite. Pursuant to this agreement, all employees of ESL (except for managerial staff) are represented by Unite in collective bargaining negotiations. However, employees are authorised to join a trade union organisation of their choice for the purposes of individual representation.

As part of its labour relations policy, the Eurotunnel Group maintains ongoing dialogue with staff representative bodies (the French works council and the UK company council). In addition, a *European Works Council* meets twice a year to be informed of or consulted on cross-border issues relating to the Eurotunnel Group's business.

In the United Kingdom, an agreement entitled ''Rate for the job'' was ratified by staff representatives, more closely reflecting the British approach to skills management. In particular, it aims to eliminate any risk of professional discrimination.

A company-wide project entitled ''Agora'' was launched during the last quarter of 2007 with a view to motivating the workforce within the framework of the Group's operational and economic revival. This project continued in 2008 through specific initiatives aimed at enhancing the leadership of managers on the ground, and through initiatives to improve working conditions and the treatment of individuals within the company. The project has now reached maturity and has resulted in established management and human resources processes. The project was rolled out in the UK in November 2008, with identical objectives, while taking into account specific national features.

The Group has not experienced any labour disputes in 2008

17.3.2 Labour relations within the Eurotunnel Group

The operational reorganisation resulting from the voluntary redundancy plan no longer has any effect on labour relations within the Eurotunnel Group.

17.4 Shareholdings and stock options

17.4.1 Stock options

As of the date of this Reference Document, GET SA has not put in place a stock option plan, but is considering creating such a plan.

17.4.2 Bonus shares

As of the date of this Reference Document, GET SA has not put in place a bonus share plan, but is studying creating such a plan.

17.5 Employee shareholdings

17.5.1 Employee holdings in the share capital of GET SA and its subsidiaries

The employees of ESGIE have the opportunity to make payments into a company savings scheme composed almost entirely of GET SA Ordinary Shares. These payments are supplemented by a contribution of 25% paid by the company. On 31 December 2008, 63,000 GET SA Ordinary Shares were held under this plan, representing 0.03% of the issued share capital.

17.5.2 Employee profit-sharing schemes

There is no profit sharing scheme for the employees of ESGIE, subsidiary of GET SA, the legal principle being inapplicable as the result of the relevant legal framework. Similarly, there is no profit sharing scheme for the employees of ESL as English legislation does not require such an agreement.

17.6 Staff welfare and charitable activities

The French works council, which receives a contribution from ESGIE equal to 0.8% of its total gross annual salary costs, received €454,858 in 2008 for developing and managing its staff welfare activities. ESGIE also makes a contribution equal to 0.2% of its total gross annual salary costs (€113,714 in 2008) to the operation of the works council.

The UK company council, which receives a contribution from ESL equal to 0.8% of its total gross annual salary costs, received £180,556 in 2008 for developing and managing its staff welfare activities. ESL also makes a contribution equal to 0.2% of its total gross annual salary costs (£45,874 in 2008) to the operation of the company council.

In 2008, the Eurotunnel Group showed its intention to resume charitable activities: on 16 December 2008, with the support of the Eurotunnel Group, the Versailles national museum was able to buy one of six Eugène Disdéri albums, produced to at the time of the celebrations organised by Napoléon III for Queen Victoria on 25 August 1855 at Versailles, in an auction organised by Sotheby's. This philanthropic act fits with the history of the Tunnel, since it was during that state visit that Napoléon III drew Queen Victoria's attention to the proposed under sea tunnel designed by Frenchman Thomé de Gamond and presented in the Exposition Universelle de Paris in 1867.

The Eurotunnel Group plans to follow up this initiative with further charitable actions that correspond with the company's values, particularly as regards sustainable development.

18. MAJOR SHAREHOLDERS

18.1 Major shareholders

As of the date of this Reference Document, the share capital of GET SA is comprised of 189 841 915 GET SA Ordinary Shares and 1 GET SA Preferred Share.

In 2007, SIS SEGAINTERSETTLE AG (central depositary of the shares represented by CDI in the United Kingdom on behalf of Euroclear United Kingdom & Ireland) held 5,61% of the share capital of GET SA. In December 2008, GET SA offered to CDI holders the option to convert their CDI holdings into the underlying shares by registering as shareholders on the register maintained by BNP Paribas Securities Services. 16 653 CDI holders opted to become shareholders on this register.

Following the redemption in GET SA Ordinary Shares of all of the NRS issued under the 2007 Reorganisation and of all of the SDES issued on 6 March 2008, the percentage of GET SA Ordinary Shares held by all holders of NRS and SDES will depend on various factors described in notes 14 and 16 to the consolidated accounts set out in annex II of this Reference Document.

By letter dated 10 March 2009, followed by a letter dated 11 March, M&G Investment Management Limited[(1)] (Laurence Pountney Hill, London EC4R 0HH, United Kingdom), acting on behalf of Prudential Group companies and clients[(2)], disclosed that on 12 September 2008 the 5% holding threshold was exceeded for shares and voting rights of GET SA held by its clients. At that date, those companies and clients held 9,601,766 Ordinary shares GET SA representing 384,070,640 voting rights, or 5.06% of the company's share capital and voting rights[(3)].

M&G Investment Management stated that on 10 March 2009, it held under management 14,065,962 GET SA Ordinary Shares representing 562,638,480 voting rights, or 7.41% of the share capital and voting rights of the company[(3)].

18.2 Control

To GET SA's knowledge, there are no agreements that, if implemented, could bring about a change of control of GET SA at a later date.

The Preferred Share held by ENHC (as described in paragraph 21.2.3 of this Reference Document) will grant certain specific corporate governance rights to ENHC, but will not give ENHC control of GET SA.

Save for the specific rights attached to the GET SA Preferred Share and double voting rights described in paragraph 21.2.6 of this Reference Document, there are no specific voting rights attached to any of GET SA Ordinary Shares.

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(1) *Indirectly controlled by Prudential Plc.*

(2) *M&G Investment Management Limited acts as fund manager.*

(3) *On the basis of share capital consisting of 189,841,915 shares representing 7,593,676,600 voting rights, in application article 223-11, indent 2 of the General Regulation of the AMF. It has been specified that ''until the expiration of the two-year period following the beginning of the consolidation process, fixed by GET SA in the notice published in the BALO (Bulletin des Annonces Légales Obligatoires) in accordance with the resolution passed at the general meeting of 12 June 2007, each non-consolidated A Share will entitle its holder to one vote, and each consolidated A share will entitle its holder to forty votes, such that the number of votes attached to the A shares is proportionate to the amount of share capital that it represents''.*

19. RELATED PARTY TRANSACTIONS

There are no related party transactions within the meaning of IAS 24 to report.

Transactions concluded by GET SA with other Group companies are (i) those set out in the special report of the statutory auditors presented in annex VI of this Reference Document, (ii) those set out in note 6 to the consolidated accounts appearing in annex II of this Reference Document and (iii) the material contracts described in chapter 22 of this Reference Document.

As indicated in the special report of the statutory auditors, which appears in annex VI of this Reference Document, on 26 June 2007 EGP, FM and Law Debenture, with GET SA, TNU SA, TNU PLC, CTG and EurotunnelPlus Limited as guarantors, entered into a Deed of Indemnity in favour of Law Debenture. This agreement indemnifies Law Debenture against any costs Law Debenture might incur in connection with carrying out the Safeguard Plan, which was found to have been performed in full by the Paris Commercial Court on 23 December 2008, and implementing settlement of the 2007 Reorganisation. The Deed of Indemnity was amended on 2 October 2007.

Inasmuch as the directors of GET SA are, directly or indirectly, officers of other Eurotunnel Group companies party to the Deed of Indemnity in favour of Law Debenture, no director could take part in the vote on the authorisation required by article L. 225-40 of the French Commercial Code. The board of directors was consequently unable to conduct a valid deliberation on the Deed of Indemnity in favour of Law Debenture Trustees Limited. In accordance with the provisions of article L. 225-42 of the French Commercial Code, this agreement was ratified by the ordinary general meeting of shareholders on 27 June 2008.

On 28 June 2007, GET SA, FM SA, CTG and EGP entered into a Deed of Indemnity of the Agents for the purpose of indemnifying the agents against all costs and liabilities they might incur in connection with legal actions brought against them relating to the instructions given by them to the Security Trustee to discharge security interests as part of the 2007 Reorganisation. This agreement was approved by the board of directors on 26 June 2007.

20. FINANCIAL INFORMATION CONCERNING EUROTUNNEL'S GROUP ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

20.1 Historical financial information

Due to the 2007 Reorganisation, the financial information presented in this Reference Document (annexes II and III) or included by reference in this document pursuant to article 28-1 of European Commission Regulation (EC) 809-2004 relates to the group which, in respect of the 2006 financial year, had as parents TNU SA and TNU PLC (''TNU'') and, for the 2007 and 2008 financial years, had as parent GET SA, the holding company of EGP, TNU SA, TNU PLC and their subsidiaries.

20.2 Pro forma financial information

GET SA's pro forma financial information for the year ended 31 December 2007, set out in annex IV of the 2007 Reference Document, is included by reference in this Reference Document pursuant to article 28-1 of European Commission Regulation (EC) 809-2004.

20.3 Auditing of historical annual financial information

The reports of the statutory auditors on the annual parent company and consolidated accounts of GET SA for the year ended 31 December 2008 are contained in annexes II and III of this Reference Document. The reports of the statutory auditors on the annual parent company and consolidated accounts of GET SA for the year ended 31 December 2007 (contained in annexes VII and XI of the 2007 Reference Document) and the reports of the statutory auditors on the combined accounts of TNU for the year ended 31 December 2006 (contained in annex V of the 2007 Reference Document) are included by reference in this Reference Document pursuant to article 28-1 of European Commission Regulation (EC) 809-2004.

20.4 Date of latest financial information

The last financial year for which audited financial information is available is the year ended 31 December 2008.

20.5 Interim and other financial information

None.

20.6 Dividend policy

TNU SA and TNU PLC never paid a dividend but one of the objectives of the 2007 Reorganisation was to enable the payment of a dividend to GET SA shareholders.

On 6 May 2009, GET will propose a first dividend payment to shareholders. Shareholders will be asked to vote on the following appropriation of the 2008 profit, which amounted to €41,862,644 euros

Net profit for the financial year	€41,862,644.00
– Appropriation to the legal reserve	€2,093,133.00
– Dividends	€7,593,676.60
– Balance carried forward	**€32,175,834.40**

Shareholders will be asked to approve:

- a dividend of 4 cents of a euro for each GET SA Ordinary Share with a nominal value of €0.40 comprising the share capital and entitled to such dividend by reason of its date of entitlement to dividends;
- a dividend of 1⁄40th of the dividend being distributed in respect of GET SA Ordinary Shares for the GET SA Preferred Share with a nominal value of €0.01 and entitled to such dividend by reason of its date of entitlement to dividends.

The ex-dividend date on Euronext Paris will be 10 July 2009, and the dividend will be payable on 15 July 2009.

If, at the time of payment of the dividend, GET SA should own some of its own Ordinary Shares, the amount of the dividends not paid by reason of the ownership of such treasury shares will be appropriated to the ''earnings carried forward'' account.

Each Non-consolidated Ordinary Share with a nominal value of €0.01, in issue on the date of payment of the dividend, will receive 1⁄40th of the dividend being distributed.

Shareholders are reminded that GET SA has not paid any dividends during the three last financial years.

20.7 Legal and arbitration proceedings

20.7.1 Proceedings relating to the Safeguard Plan

a) Proceedings relating to the opening of the Safeguard Procedure

The judgments of 2 August 2006, by which the Paris Commercial Court opened safeguard proceedings in favour of TNU PLC, Eurotunnel Service Ltd, EurotunnelPlus Ltd, Eurotunnel Finance Limited and CTG, were subject to third-party opposition by Elliot International LP, The Liverpool Limited Partnership, Tompkins Square Park SARL, M.D. Sass Re/Enterprise Partners LP and M.D. Sass Corporate Resurgence Partners III, LP.

These third-party oppositions were rejected by five judgments of the Paris Commercial Court dated 15 January 2007.

The appeal lodged by Elliot International LP, The Liverpool Limited Partnership, Tompkins Square Park SARL, M.D. Sass Re/Enterprise Partners LP and M.D. Sass Corporate Resurgence Partners III LP was rejected by five orders of the Paris Court of appeal (*Cour d'appel de Paris*) delivered on 29 November 2007, and are currently being appealed to the Supreme Court of Appeal (*Cour de cassation*).

b) Proceedings relating to the progress of the Safeguard Procedure

1) By a decision dated 16 November 2006, the *Juge-Commissaire* held that the Noteholders did not constitute a body of Noteholders (*masse*) and the Judicial Administrators of FM and EFL were authorised to convene a meeting of the Noteholders of FM and EFL ''in accordance with applicable law''.

   Elliott International LP, The Liverpool Limited Partnership, Tompkins Square Park, M.D. Sass Re/Entreprise Partners L.P and M.D. Sass Corporate Resurgence Partners III L.P. have challenged this ruling based on the terms of the agreements pursuant to which the Notes were issued, arguing that only Law Debenture Trustees Limited had authority to convene Noteholders' meetings.

   This dispute was heard before the Paris Commercial Court (*Chambre du Conseil*) on 27 April 2007.

   In a judgment of 29 May 2007, the Paris Commercial Court dismissed the claim. This judgment is not final, due to the extension of proceedings.

2) On 7 December 2006, Elliott International LP, The Liverpool Limited Partnership, Tompkins Square Park, M.D. Sass Re/Entreprise Partners L.P and M.D. Sass Corporate Resurgence Partners III L.P., in their capacity as holders of the Resettable Bonds issued by EFL and the Stabilisation Notes issued by FM, brought a claim before the *Juge-Commissaire* for the meetings of the Noteholders of FM and EFL convened by the Judicial Administrators and held on 14 December 2006 to be cancelled.

This claim was principally based on the fact that the Judicial Administrators convened a single meeting for each company having issued the Notes, whereas the English law agreements pursuant to which the Notes were issued, which contained a clause granting the English Courts jurisdiction for the purposes of the agreements, provided for Law Debenture Trustees Limited to convene six meetings, which means one per series of Notes per issuer.

This dispute was heard before the *Juge-Commissaire* on 12 February 2007.

By a decision dated 22 February 2007, the *Juge-Commissaire* stayed the proceedings until the dispute described in paragraph 1 above is resolved.

3) On 12 January 2007, Elliott International LP, The Liverpool Limited Partnership, Tompkins Square Park, M.D. Sass Re/Entreprise Partners L.P and M.D. Sass Corporate Resurgence Partners III L.P. brought a claim in the Paris Commercial Court for the meetings of the Noteholders of FM and EFL which approved the Proposed Safeguard Plan to be declared null and void in respect of the treatment of the Notes of the two issuers.

It was claimed that the meetings should be void because the Judicial Administrators did not have the authority to convene them and because only one meeting was held for each of FM and EFL which was not in accordance with the quorum and majority rules set out in the agreements pursuant to which the Notes were issued.

This initial hearing of the dispute was held on 3 April 2007 before the 7th Chamber of the Paris Commercial Court. It has been sent back to be reconsidered on successive occasions pending decisions in the cases described in sections b)1) and b)2) above.

A full hearing will be held at a later date.

The judgment to be rendered may be appealed.

c) Judgments approving the Safeguard Plan

The judgments of the Paris Commercial Court dated 15 January 2007 approving the Safeguard Plan have been challenged by Elliott International LP, The Liverpool Limited Partnership, Tompkins Square Park, M.D. Sass Re/Entreprise Partners L.P and M.D. Sass Corporate Resurgence Partners III L.P. (the ''Opposing Parties'') based on the terms on which the meetings of the Noteholders were convened and held under the Safeguard Procedure.

The Opposing Parties were holders of Resettable Bonds issued by EFL and Stabilisation Notes issued by FM.

In accordance with article L. 626-33 of the French Commercial Code, the Judicial Administrators convened one meeting of Noteholders per issuer (FM and EFL) which combined the holders of Stabilisation Notes, Resettable Bonds and Participating Loan Notes.

On 14 December 2006 the two meetings of Noteholders convened by the Judicial Administrators approved the Proposed Safeguard Plan by a majority of more than half of the Noteholders in number, representing more than two thirds of the nominal value of the Notes.

The Opposing Parties claim in their objections:

- that the Judicial Administrators did not have the power to convene the meetings; and

- that only one meeting of Noteholders was held for both FM and EFL whereas, in accordance with the agreements pursuant to which the Notes were issued, FM and EFL should each have held one Noteholders' meeting for each series of Note issued (three meetings of Noteholders per company).

According to the Opposing Parties, failure to comply with the agreements pursuant to which the Notes were issued rendered the Noteholders' meeting void pursuant to article L. 626-32 of the French Commercial Code which, according to the Opposing Parties, is equivalent to no meeting of Noteholders having been held, rendering the court decisions of 15 January 2007 which approved the terms of the Safeguard Plan specific to FM and EFL void.

The Opposing Parties also claim that the decisions of the Paris Commercial Court of 15 January 2007 should be void in that they ordered the compulsory sale of the Notes even though article L. 626-32 of the French Commercial Code only authorises ''*a total or partial waiver of claims under debt security instruments*''.

This third party opposition procedure is the continuation of the previous action brought before the Commercial Court of Paris by the same applicants and on the same grounds for the meetings of Noteholders of FM and EFL held on 14 December 2006 to be cancelled.

This hearing was held on 18 June 2007. In a judgment on 22 October 2007, the Paris Commercial Court decided to postpone its decision until the events described in paragraph 20.7.1 (a) of this Reference Document are resolved.

d) Analysis

The conditions in which the meetings of Noteholders of EFL and FM were convened and held were determined by the Judicial Administrators, who considered that in the absence of a body of Noteholders (*masse*), the formal provisions of Article L. 626-3 of the French Commercial Code obliged them to convene the relevant meetings themselves.

Furthermore, although the Judicial Administrators were required to convene the meetings, article L. 626-3 of the Commercial Code does not contain any provisions relating to the quorum or the majority required to approve the business considered by the meeting. The question therefore arose as to whether the applicable law was that governing the agreements pursuant to which the Notes were issued or French law.

Following advice, the Judicial Administrators considered that the provisions of article L. 626-30 of the French Commercial Code should apply.

In light of the facts and the legal analysis carried out by the Eurotunnel Group on the basis of applicable texts, case law and recent interpretation of the safeguard law by legal doctrine and the representative of a parliamentary commission, the Eurotunnel Group believes that it has solid arguments to successfully oppose the claims referred to above.

As regards the litigation brought by the Resurgence group in relation to the opening and conduct of Eurotunnel's Safeguard Procedure, Resurgence formally and irrevocably discontinued its action in 2008 and relinquished its rights with respect to ongoing proceedings with other parties.

e) Interest rate swap agreements

Dresdner Bank AG (''Dresdner'') is challenging its inclusion in the financial creditors' committee for the purposes of the Safeguard Procedure, and is seeking the cancellation of the meeting of the committee of TNU's principal suppliers held on 27 November 2006 on the basis that it should have been included in this committee.

Dresdner entered into a series of interest rate swap agreements (the ''Swap Agreements'') with EFL pursuant to which Dresdner agreed an interest rate cap for EFL in the event of an increase of the floating rate negotiated by EFL with its lending banks. These Swap Agreements are guaranteed by TNU and FM.

On 30 October 2006, the Swap Agreements were terminated by the Judicial Administrators who also notified Dresdner of its inclusion in the financial creditors' committee.

Following the termination of the Swap Agreements, on 30 November 2006 Dresdner made a claim for compensation of €33,012,569.52, which was later altered to €34,481,218, even though the Proposed Safeguard Plan provided that Dresdner's claim will be extinguished by payment of a fixed sum of €2,000,000.

On 27 November 2006, Dresdner brought an action before the *Juge-Commissaire* to contest its inclusion on the financial creditors' committee on the basis that although it is a financial institution, its claim against EFL results from its investment services activity and that, therefore, it should be included in the category of suppliers whose claims will be paid in full in accordance with the Proposed Safeguard Plan within six months of the decision approving the Safeguard Plan.

By a decision on 12 January 2007, the *Juge-Commissaire* rejected Dresdner's claim and held that it had been correctly included in the financial creditors' related committee, the conclusion of the Swap Agreement being an activity related to banking activities.

This decision was appealed and the case, having been heard on various occasions, was heard on 16 May 2008 in the Paris Commercial Court. Dresdner claimed in the alternative that since its debt did not exist until after 2 August 2007, the law did not provide for its inclusion in any committee.

The Paris Commercial Court, in its judgment of 4 July 2008, dismissed all of Dresdner's main and alternative submissions and claims.

Dresdner appealed this decision, and the appeal is currently pending before the Paris Appeal Court, which has set a schedule for proceedings including the conclusion of investigations on 9 April 2009 and a hearing on 17 June 2009.

In addition, Dresdner opposed the judgments of 15 January 2007 regarding the Safeguard Plan of EFL. This hearing, does not affect the validity of the plan, for which Dresdner has confirmed its support.

By a decision on 9 July 2007, the Paris Commercial Court, noting the ''obvious links'' between this third party opposition and the proceedings brought on the same basis, deferred the examination of the third party proceedings until a definitive decision has been given on whether Dresdner belongs to the committee of financial creditors.

These proceedings are distinct from the proceedings to verify the legal status of the receivables and will not influence the potential acceptance of the receivables of Dresdner by the creditor representatives (*mandataires judiciaires*), it being specified that the receivables declared as liabilities of TNU were subject, on 15 March 2007, to challenge by the creditor representatives before the *Juge-Commissaire*.

However, if the Court were to treat Dresdner as a supplier, or as a party outside the committee, this would have financial consequences. Dresdner has declared a claim of €33,012,569.52, subsequently amended to €34,481,218, which is expected, if accepted by the creditor representatives, and if the Court considers it to be the claim of a principal supplier, or one which is outside the committee, to be payable to Dresdner without being limited to €2,000,000.

f) Other actions against the Safeguard Procedure that have been expressly waived

A number of other claims were brought against various decisions and actions taken or to be taken in the context of the Safeguard Procedure before the relevant courts in France and the United Kingdom. Except for the two proceedings currently underway, which are described in paragraph 20.7.1 above, as at the date of this Reference Document all claims made in the context of the Safeguard Procedure have been expressly and irrevocably waived by the applicants.

At the date of this Reference Document and except for the litigation with Dresdner Bank AG, no specified damages claim has been made in connection with the Safeguard Procedure.

20.7.2 Criminal proceedings in France

a) Background to the proceedings

In October 1994, a formal complaint was filed in France for insider dealing and Unit price manipulation alleged to have been committed at the time of the share capital increase in 1994. As a result of this complaint, a criminal investigation was opened in France.

In August 1995, TNU joined these proceedings as a civil party. In this regard, TNU has the benefit of certain rights in the context of the criminal investigation and, primarily, the right to submit its comments and observations to the examining judge.

Moreover, certain shareholders brought an action in 1997 for misuse of corporate assets, presentation and publication of false balance sheets and, principally in relation to the share capital increase referred to above, for public dissemination of false or misleading information and publication of false information with a view to obtaining subscriptions or collecting payments.

In April 2000, the court notified several persons unrelated to TNU that they were under investigation for insider dealing, and informed a former director that he was under investigation for having allegedly revealed confidential information to one of those persons.

Also in April 2000, the magistrate hearing the case informed four former executive directors and two executive directors still in office that they were under investigation, all of them having been directors at the time the alleged facts occurred, for the following alleged offences:

- with respect to all of them, the offence of misuse of corporate assets; and
- with respect to three of them, having in 1993 and 1994 presented false or misleading balance sheets and having during 1993 and 1994 disseminated false or misleading information on TNU's prospects which was likely to affect the price of the Units.

In a press release dated 17 May 2000, the non-executive directors of the Joint Board unanimously rejected the allegations brought against the directors and former directors under investigation and reiterated their full support and confidence in them.

The magistrate hearing the case finally indicted two former TNU directors, Mr. Bénard and Mr. Morton, for dissemination of false or misleading information. TNU joined the proceedings as a civil party to obtain access to the court papers.

The applicants appealed this decision which was upheld by the Court of Appeal and the Supreme Court.

The trial began on 4 April 2007 before the Criminal Court of Paris. Mr. Morton has since died therefore only Mr. Bénard, former chairman of TNU, was being tried.

By a decision dated 4 July 2007, the Criminal Court of Paris acquitted Mr. André Bénard. Since the public prosecution department did not appeal, the case is now definitively closed.

All claims of the parties to the civil proceedings were dismissed. A small number of them have appealed.

Through a judgment on 11 February 2009, the Paris Appeal Court confirmed the judgement given in the first instance. To be prudent, an appeal on points of law has been lodged with the Supreme Court of Appeal (*Cour de cassation*). To date, the Eurotunnel Group does not know if it will be maintained.

b) Implications for TNU SA and TNU PLC

TNU SA and TNU PLC have not themselves been under investigation, and French criminal law prevents them from being investigated in the future. Nor does it allow any of the entities which make up either of them to be found criminally liable for any of these offences.

20.7.3 Impact on the financial situation and profitability of the Eurotunnel Group

As far as it is aware, and subject to the paragraphs above, during the last twelve months GET SA and its subsidiaries have not been involved in any judicial or governmental proceedings or arbitration that is ongoing or suspended, which could have or has had a significant negative effect on its financial situation or profitability.

The total amount of provisions for litigation involving the Eurotunnel Group at 31 December 2008 is €32.3 million.

20.8 Significant changes to the financial or commercial situation

Please refer to note 25 to the consolidated accounts, contained in annex II of this Reference Document.

20.9 Table of GET SA parent company results for the for the last five financial years

GET SA (formerly NICK 42 SARL) Parent company results for the past five financial years					
€	2008	2007	2006	2005	2004
Capital at end of financial year					
Share capital	75,936,766	23,913,644	1,000	1,000	–
Number of existing Ordinary Shares	189,841,915	59,784,111	1,000	1,000	–
Number of existing Preferred Shares	1	1	–	–	–
Maximum number of future Ordinary Shares to be created on exercise of rights of holders of securities giving access to GET SA equity*	409,653,217	553,005,748	–	–	–
Transactions and results for the year					
Revenue excluding tax	12,340,017	5,111,798	–	–	–
Profit / (loss) before tax, employee participation and depreciation and provisions	61,565,650	135,133	(312)	(376)	–
Tax on profits	–	–	–	–	–
Profit / (loss) after tax, employee participation and depreciation and provisions	41,862,644	317,340	(312)	(376)	–
Distributed result	–	–	–	–	–
Earnings per share					
Profit / (loss) after tax, employee participation and before depreciation and provisions	0.32	N/A	N/A	N/A	–
Profit / (loss) after tax, employee participation and depreciation and provisions	0.22	N/A	N/A	N/A	–
Dividend per consolidated share	0.04**	–	–	–	–

* *For details, see note 12 of the consolidated accounts in annex II of this Reference Document.*

** *Subject to approval by the general meeting on 6 May 2009 of the appropriation of the 2008 profit.*

20.10 Statutory auditors' fees

	KPMG				Mazars			
	Amount (pre-tax)		%		Amount (pre-tax)		%	
€000	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**
Audit								
Statutory auditors, certification, examination of the individual and consolidated accounts	2,186	3,539	86%	82%	385	381	62%	93%
Other fees and services directly linked to the duties of the statutory auditors	352	800	14%	18%	232	30	38%	7%
Sub-total	**2,538**	**4,339**	**100%**	**100%**	**617**	**411**	**100%**	**100%**
Other services	–	–	–	–	–	–	–	–
Total	**2,538**	**4,339**	**100%**	**100%**	**617**	**411**	**100%**	**100%**

21. ADDITIONAL INFORMATION

21.1 Share capital

21.1.1 Amount of share capital (article 6 of GET SA's by-laws)

As at 31 December 2008, the share capital of GET SA was €75,936,766.01.

As of the date of this Reference Document, the share capital of GET SA is €75,936,766.01 divided into 189,841,915 GET SA Ordinary Shares having a nominal value of €0.40 each fully paid and a GET SA Preferred Share having a nominal value of €0.01.

The share capital may be increased or reduced by a collective decision of the shareholders in accordance with applicable law and the by-laws of GET SA subject to the requirement that any decision to propose changes to the share capital of GET SA requires a qualified majority of eight directors of GET SA in accordance with the provisions described in paragraph 16.2.1 (''Majority rules'') of this Reference Document.

21.1.2 Form and transfer of shares (articles 9 and 10 of GET SA's by-laws)

Subject to contrary legislative and regulatory provisions, GET SA Ordinary Shares are held in registered or bearer form, at the shareholder's discretion.

GET SA Ordinary Shares can be traded freely. They must be held in a securities account and are transferred by inter-account transfer under the conditions set forth by legislative and regulatory provisions.

The GET SA Preferred Share is held in registered form. It may not be sold.

21.1.3 Securities not representing share capital

As at the date of this Reference Document, there are no securities that do not represent share capital.

21.1.4 GET SA Ordinary Shares held by GET SA or its subsidiaries

As at the date of this Reference Document with the exception of the GET SA Ordinary Shares acquired by GET SA in accordance with the terms and conditions described in paragraph 21.1.9 below, neither GET SA, nor its subsidiaries hold any GET SA Ordinary Shares.

21.1.5 Securities redeemable in shares or securities with subscription warrants attached

The NRS I, the Warrants and the SDES are redeemable in GET SA Ordinary Shares, terms and details of which are given, respectively, in note 1 and in notes 14 and 16 to the consolidated accounts for the year ended 31 December 2008 set out in annex II of this Reference Document.

21.1.6 Authorised but unissued share capital, commitments to share capital increases

As at 31 December 2008, there were 189,841,915 GET SA Ordinary Shares and one GET SA Preferred Share in issue. There were also (i) 6,028,085 NRS I, (ii) 4,307,026,273 Warrants and (iii) 800,000 SDES convertible into shares of GET SA. Between 1 January 2009 and the end of February 2009, GET SA procured the purchase of 198,140 NRS I in order to cancel them.

The exercise and the redemption in GET SA Ordinary Shares of these instruments will in the future give rise to the creation (on the basis of redemption(1) or exercise(2) ratios in force as at date of this Reference Document) of a maximum of (i) 151,695,170 GET SA Ordinary Shares for the NRS I, (ii) 146,438,893 GET SA Ordinary Shares for the Warrants and (iii) 94,888,000 GET SA Ordinary Shares for the SDES.

In addition, a maximum of 2,400,000 New Ordinary Shares may be issued as payment for the SDES Return and a maximum of 4,320,000 Additional Ordinary Shares may be issued as Conditional Additional Return. Furthermore, following the June 2008 capital increase carried out upon exercise of the BSA, a maximum of 4,755,554 Additional Ordinary Shares may be created as Conditional Additional Return in the period to 2011.

The NRS I, in accordance with their terms and conditions in the 2007 Securities Note, are not redeemable in cash at the option of EGP and are automatically redeemed in GET SA Ordinary Shares. The first tranche of NRS I was redeemed in GET SA Ordinary Shares on 28 July 2008 (see note 1.4 to the consolidated accounts in annex II of this Reference Document). The second and third tranches of NRS I will be redeemed on 28 July 2009 and 28 July 2010 respectively.

The Warrants provide a way of subscribing to GET Ordinary Shares in the event of an increase in value of the Eurotunnel Group. The terms and conditions of the Warrants, as published in the 2007 Securities Note, provide that the Warrants will be exercisable in 2011, if conditions permit, on the basis of an exercise ratio calculated in accordance with those terms and conditions, reproduced in note 14.2 to the consolidated accounts in annex II of this Reference Document, and updated as indicated in chapter 23 of this Reference Document. With a view to enabling GET SA to take advantage of market opportunities to offset dilution through one or more transactions, the board of directors will submit for approval by the combined general meeting of shareholders on 6 May 2009 a seventeenth resolution authorising GET SA, for a period of 26 months, to buy back all or part of the Warrants in return for GET SA Ordinary Shares, depending on market conditions and context.

The SDES, in accordance with the terms and conditions of the SDES Securities Note, are redeemable in New Ordinary Shares at the option of the holder at any time between 6 September 2009 and 6 September 2010, but also (i) at the holder's option, upon the occurrence of any of the events listed in section 4.8 (d) of the SDES Securities Note(3) and (ii) as a matter of right, upon the occurrence of any of the events listed in section 4.8 (g) of the SDES Securities Note.

The SDES Return will consist of (i) the issue and allotment to the SDES holder of 3 New Ordinary Shares per SDES, or (ii) at the option of GET SA, payment in cash of interest calculated at an annual rate of 2% (within the limit of the amount of available cash flow of GET SA and provided that, if such cash flow is insufficient, the SDES Return will be paid in whole or part in the manner described in (i)). The Return will be paid in a single instalment on 6 September 2009.

In order to encourage a stable shareholder base, the Conditional Additional Return will likewise be paid in cash or in Additional Ordinary Shares (provided authorisation for this purpose by GET SA shareholders at a general meeting) or in existing shares (at a ratio of 5.4 new or existing Additional Ordinary Shares for each SDES), at the option of GET SA according to the procedures described in section 7.2 of the SDES Securities Note. This Conditional Additional Return will be paid to shareholders that subscribed to SDES during the priority period and to investors that subscribed to SDES at the time of the placing and have kept those SDES and then, until 6 March 2011, kept the New Ordinary Shares issued in redemption of the SDES. As indicated in paragraph 21.1.9 of this Reference Document, GET SA has already purchased the GET SA Ordinary Shares required for the Conditional Additional Return on the SDES.

For further details relating to authorised unissued share capital, please refer to notes 14 and 16 to the consolidated accounts for the year ended 31 December 2008 set out in annex II of this Reference Document.

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(1) *As of the date of this Reference Document, the ratios of redemption in GET SA Ordinary Shares, adjusted to reflect the rights issue on 4 June 2008, are, respectively, 26.02 GET SA Ordinary Shares for the NRS I and 118.61 for the SDES.*

(2) *Following the rights issue on 4 June 2008, the terms of the adjustment to the exercise ratio of the Warrants were published in accordance with the 2007 Securities Note. As an example, and on the assumption that the maximum VT is reached, the exercise ratio of the Warrants as of the date of this Reference Document would be 0.034 Ordinary Shares per Warrant.*

(3) *If redemption were to occur before 6 September 2009, the abovementioned return will be pro-rated accordingly.*

A table is provided below to summarise current authorisations granted to the board of directors by the shareholders' combined general meeting of 23 April 2007 with respect to share capital increases, as well as the use made of such powers during the 2007 and 2008 financial years.

Summary of purpose	Date of general meeting granting the authorisation	Duration of the authorisation	Maximum nominal amount authorised	Use made by the board as of the date of this Reference Document
Delegation of authority granted to the board of directors to issue GET SA Ordinary Shares and securities convertible into GET SA Ordinary Shares or shares of one of its subsidiaries, **with** shareholders' preferential subscription right	23 April 2007	26 months	€110 million €1,620 million (debt instruments)	Issue on 30 April 2008 of 59,784,111 BSA, resulting in the issue on exercise of 104,622,189 GET SA Ordinary Shares (an increase in nominal share capital of €41,848,875.60 as at 4 June 2008)*.
Delegation of authority granted to the board of directors to issue GET SA Ordinary Shares and securities convertible into GET SA Ordinary Shares or shares of one of its subsidiaries, **without** shareholders' preferential subscription right	23 April 2007	26 months	€40 million €1,620 million (debt instruments)	Issue on 6 March 2008 of 800,000 SDES resulting in the issue, between 6 September 2009 and 6 September 2010, of 94,888,000 GET SA Ordinary Shares on redemption of the SDES (an increase in nominal share capital of €37,955,200)**.
Authorisation granted to the board of directors, in the event of a share capital increase with or without shareholders' preferential subscription right (see 1 and 2 above), to increase the number of securities to be issued	23 April 2007	26 months	15% of the initial issue for each issue decided pursuant to the two delegations referred to above	None
Delegation of authority granted to the board of directors to issue GET SA Ordinary Shares and securities convertible into GET SA Ordinary Shares, in the case of a public exchange offer initiated by GET SA	23 April 2007	26 months	€15 million	None

Summary of purpose	Date of general meeting granting the authorisation	Duration of the authorisation	Maximum nominal amount authorised	Use made by the board as of the date of this Reference Document
Overall limit on the authorities referred to above	23 April 2007	26 months	€150 million	
Delegation of authority granted to the board of directors to increase the capital of GET SA by capitalisation of reserves, profits or premiums	23 April 2007	26 months	€25 million	None
Delegation of authority granted to the board of directors to carry out capital increases reserved for employees participating in any company savings plan	23 April 2007	26 months	€2 million	None
Delegation of authority granted to the board of directors to reduce the share capital by cancelling shares	23 April 2007	18 months (expired)	10% of the share capital	None

* *Not taking into account any Additional Ordinary Shares which may be issued to holders as at 6 March 2011, of New Ordinary Shares received on exercise of the BSA or acquired directly from the underwriters of the operation (making a maximum number of 4,755,554 Additional Ordinary Shares).*

** *Not taking into account the numbers of New Ordinary Shares issued, if applicable, as payment of SDES Return (2,400,000 GET SA Ordinary Shares) and Additional Ordinary Shares issued or transferred if applicable, as Conditional Additional Return on the SDES (4,320,000 GET SA Ordinary Shares).*

The said delegations and authorisations expiring at the latest in June 2009, their renewal, in part, will be submitted for approval by the shareholders of GET SA at the forthcoming general meeting for which the agenda and draft resolutions are available on www.eurotunnel.com.

Capital increase with preferential subscription rights

In the twelfth resolution, it is proposed to renew the delegation of authority to the board of directors to decide, within a period of 26 months from the date of the meeting, the issue of ordinary shares or negotiable securities convertible, immediately or in future, into ordinary shares while maintaining preferential subscription rights. The capital increases carried out pursuant to this delegation may be in cash or by offsetting of receivables.

The capital increases which may be carried out while maintaining preferential subscription rights cannot exceed a ceiling of thirty seven million five hundred thousand euros (€37.5 million) in nominal value, corresponding to 50% of the share capital of GET SA at 31 December 2008. This ceiling is less than that approved by the general meeting of 23 April 2007.

Capital increase by way of public offer of securities, without preferential subscription rights

In the thirteenth resolution, it is proposed to renew the delegation of authority to the board of directors to decide, within a period of 26 months from the date of the meeting, the issue of ordinary shares or negotiable securities convertible, immediately or in future, into shares without preferential subscription rights but with a priority subscription period for shareholders.

The maximum amount of share capital that may be issued pursuant to this resolution is fifteen million euros (€15 million) representing 20% of the share capital of GET SA at 31 December 2008. This ceiling is less than that approved by the general meeting of 23 April 2007.

The total amount of all capital increases decided pursuant to this resolution may not exceed the overall ceiling on capital increases proposed to the shareholders in the sixteenth resolution.

In the fourteenth resolution, it is proposed to delegate to the board of directors the power to issue ordinary shares or negotiable securities convertible, immediately or in future, into shares, as part of a private placement as defined in article L. 411-2 II of the French Monetary and Financial Code. Such offer would be restricted to persons supplying fund management to third parties, to qualified investors or a limited number of investors in accordance with the new provision in article L. 225-136 of the French Commercial Code by order no. 2009-80 of 22 January 2009. This option was not available in 2007.

The maximum amount of capital which may be issued pursuant to this resolution is fifteen million euros (€15 million) and may not, in any event, exceed 20% of the capital of GET SA per annum. The total amount of all capital increases decided upon pursuant to this resolution may not exceed the overall ceiling on capital increases proposed to shareholders in the sixteenth resolution.

Capital increase in consideration for contributions in kind to the Company

In the fifteenth resolution, it is proposed that, pursuant to article L. 225-147 of the French Commercial Code, the shareholders delegate to the board of directors the power to decide, within a period of 26 months from the date of this meeting, the issue of ordinary shares or negotiable securities convertible, immediately or in future, into shares in consideration for contributions in kind to GET SA, consisting of equity securities or securities giving access to equity, where the provisions of article L. 225-148 of the French Commercial Code are not applicable.

The maximum nominal amount of capital that may be issued pursuant to this resolution may not exceed 10% of the capital, or €7.5 million, and the total nominal amount of all capital so issued may not exceed the overall ceiling of thirty seven million five hundred thousand euros (€37.5 million) authorised pursuant to the sixteenth resolution.

The seventeenth resolution is intended to enable the company, during 26 months, to buyback, as the case may be, depending on market conditions and circumstances, all or part of the warrants issued in 2007 by the company (the Warrants) and/or the notes redeemable in shares issued by EGP (the NRS), as described in section 21.1, by allocation of ordinary shares in the company to holders of such Warrants or NRS.

This resolution, which follows the same logic as the 2008 capital increase undertaken to permit early cash redemption of the NRS II, is intended not to raise funds on the market but to enable GET SA, in line with its desire to simplify its capital structure, to take advantage of market opportunities to make one or more transactions to offset dilution. This resolution would enable GET SA to issue ordinary shares of GET SA, or negotiable securities convertible into shares of GET SA, in consideration for the tender of securities such as the Warrants and the NRS within the framework of an exchange tender offer made by GET SA in France or a similar transaction abroad in accordance with local rules.

The maximum nominal amount of capital which may be issued for all issues carried out pursuant to this resolution is €115 million. The use made of this delegation by the board of directors is framed by strict limits to guarantee the accretive aspect of the transactions that may be carried out pursuant to this resolution. The total number of shares issued pursuant to this delegation cannot exceed the total number of ordinary shares that holders of securities subject to the offer initiated in France or a similar transaction abroad would have been entitled to upon exercise, conversion or redemption in shares of those securities.

The use made of this delegation will thus have no impact in terms of additional dilution for shareholders of the GET SA. As a result, the ceiling in terms of nominal amount of any capital increase resulting from all issues pursuant to this resolution is fixed separately from the ceiling on capital increase resulting from the issue of shares or negotiable securities convertible into shares authorised by the thirteenth resolution of this meeting and is fixed independently from the overall ceiling set out in the sixteenth resolution of this meeting.

Capital increase reserved for employees

The extraordinary general meeting is being asked to consider delegations of authority or powers leading to increases in the capital of the company, therefore, in accordance with the provisions of article L. 225-129-6 of the French Commercial Code, a nineteenth resolution is proposed to the shareholders relating to capital increases reserved for employees within the framework of the provisions of articles L. 443-1 and L. 443-5 of the French Labour Code relating to shareholding by employees and article L. 225-138-1 of the French Commercial Code 2008 subject to a maximum nominal amount of €2 million, representing 2.63% of the share capital as at 31 December 2008.

21.1.7 Share capital subject to options

To GET SA's knowledge, as at the date of this Reference Document, no options have been granted over its share capital.

21.1.8 History of the share capital over the last three years

Share capital prior to settlement of the Offer. The share capital of GET SA, prior to settlement of the Offer on 28 June 2007, comprised of 22,500,000 shares of which 21,300,000 were held by Eurotunnel Participations 1 SAS and 1,200,000 were held by the directors and individuals who were the initial shareholders of GET SA[(4)].

Share capital after settlement of the Offer. Following settlement of the Offer on 28 June 2007, GET SA's share capital comprised of 2,391,364,450 class A Ordinary Shares each with a nominal value of €0.01. With the exception of (i) the GET SA Ordinary Shares held by Eurotunnel Participations 1 SAS and by the directors and individuals who were the initial shareholders of GET SA and (ii) the GET SA Preferred Share which was issued to ENHC, the full amount of the share capital of GET SA was held by the holders of the Units who tendered them to the Offer.

The shares held by Eurotunnel Participations 1 SAS and those held by the directors (with the exception of qualification shares required to be held by directors pursuant to GET SA's by-laws) and the other initial shareholders of GET SA were acquired by GET SA in accordance with the terms set out in paragraph 21.1.9 of this Reference Document.

The GET SA Ordinary Shares were admitted to trading on Euronext Paris and the subject of a secondary listing on the Official List of the United Kingdom Listing Authority and were admitted to trading on the London Stock Exchange. As a result, the initial shareholder base of GET SA, being the holders of Units who tendered such Units to the Offer, has evolved. For more details on GET SA's shareholder base see chapter 18 of this Reference Document.

Share capital following the 40:1 consolidation of the GET SA Ordinary Shares. On 12 November 2007 a 40:1 consolidation was carried out by GET SA in accordance with the Safeguard Plan. 2,391,364,440[(5)] GET SA Ordinary Shares with a nominal value of €0.01 each were subject to this consolidation.

As a result of the consolidation, the share capital of GET SA comprised of 59,784,111 GET SA Ordinary Shares of €0.40 nominal value each and one GET SA Preferred Share of €0.01 nominal value. As at 31 December 2008, 3,758,160 Non-consolidated Ordinary Shares (0.049% of the share capital), are yet to be consolidated.

On expiry of a two-year period from the start of the share consolidation process, at which point a notice is to be published in two national financial newspapers of the intention to sell the GET SA Ordinary Shares unclaimed by the persons entitled to them, i.e. on 12 November 2009, the said unclaimed GET SA Ordinary Shares will be sold on the stock market and the net proceeds of sale will be held for the benefit of the persons so entitled for a ten-year period in a blocked account opened with BNP Paribas Securities Services. At the end of the said ten-year period, any sums owed to any person so entitled either (i) who had not requested the exchange, before 12 November 2009, of their Non-consolidated Ordinary Shares for GET SA Ordinary Shares, or (ii) who had not requested a cash payment between 12 November 2009 and 12 November 2019, will be transferred to the *Caisse des dépôts et consignations* subject to the 30-year limitation period for the benefit of the French State.

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(4) Jacques Gounon, Colette Neuville, Henri Rouanet, Robert Rochefort, Jean-Pierre Trotignon, Claude Liénard.

(5) One GET SA shareholder decided against the consolidation of 10 of its non-consolidated shares.

Until 12 November 2009, any request to exchange Non-consolidated Ordinary Shares for GET SA Ordinary Shares should be made to BNP Paribas Securities Services, Service aux Emetteurs, Immeuble Tolbiac, 25 quai Panhard et Levassor, 75450 Paris Cedex 09 France.

Share capital following the exercise of the BSA. In connection with the early cash redemption of the whole of the NRS II at 140% of their nominal value, and the payment of accrued interest as at the date of redemption together with the fees related to these transactions, 104,622,189 New Ordinary Shares were issued on 4 June 2008 following the exercise of the BSA allocated for free to GET SA Shareholders on 30 April 2008 (representing an increase in nominal share capital of €41,848,875.60). This transaction complemented the issue, on 6 March 2008, of 800,000 SDES at a nominal value of €1,000 each.

Share capital following the redemption of the NRS I T1. On 28 July 2008, in accordance with the terms and conditions relating to the NRS I as set out in the 2007 Securities Note, 537,532 NRS I T1 denominated in euros and 440,013 NRS I T1 denominated in sterling, were redeemed by the issue of 13,986,490 GET SA Ordinary Shares and 11,449,125 GET SA Ordinary Shares respectively, on the basis of a redemption ratio for the NRS I of 26.02 as adjusted following the rights issue of 4 June 2008, making a total of 25,435,615 GET SA Ordinary Shares after rounding.

21.1.9 Acquisition by GET SA of its own shares

The ordinary general meeting of 27 June 2008 approved the sixth resolution relating to the cancellation and the replacement of the share buyback authority given to GET SA by the combined general meeting of 23 April 2007.

a) Description of the 2008 share buyback programme

The characteristics of the new buyback programme were determined by the board of directors on 27 June 2008 and published pursuant to article 241-2 of the General Regulations of the *Autorité des marchés financiers*. Pursuant to the buyback programme, GET SA is authorised, for a period of eighteen months to purchase, or to procure the purchase of, its own shares under the conditions set out in articles L. 225-209 *et seq*. of the French Commercial Code, in the General Regulations of the *Autorité des marchés financiers* and in EC Regulation 2273/2003 of 22 December 2003.

The following applies in respect of the programme:

- the purchase price per share cannot exceed €15, it being provided that the board of directors will be able to adjust this purchase price should transactions occur giving rise to an increase in the nominal value of shares or the creation and allotment of free shares, as well as a decrease of the nominal value of the shares or any other transaction affecting shareholders' funds in order to reflect the impact of such transaction on the value of the shares;
- the total amount of funds to be used to carry out share buybacks cannot exceed €50 million;
- share buybacks carried out by GET SA pursuant to the buyback programme, cannot result in GET SA, at any time, holding, directly or indirectly, more than 10% of its own shares;
- the acquisition or the transfer of shares can be carried out at any time, including during a public offer period, provided such acquisition or transfer is made for a cash consideration, within the conditions and limits, in particular as to volume and price, set out by law at the time of the transaction being considered, by any means, whether in the market or over the counter, including by way of acquisition or transfer of blocks of shares, using, by way of derivative financial instruments traded on a regulated market or privately, within the conditions set out by the market authorities, and at any time determined by the board of directors or any person acting on the authority of the board of directors;
- where share are transferred within applicable laws and regulations, the transfer price cannot be less than €8,75 with the exception of transfers of shares to employees within the scope of articles L. 3332-19 and L. 3332-21 of the French Labour Code where the transfer price shall be set in accordance with the terms of the said articles.

The transactions carried out by GET SA within the scope of the 2008 buyback programme may be effected with a view to any allocation permissible by law or that may become permissible by the law, in particular for the following purposes:

- to carry out any market practices allowed by the *Autorité des marchés financiers*, such as (i) the purchase of GET SA Ordinary Shares, to be retained then transferred or exchanged at a later date as part of external growth transactions, provided that the maximum number of shares acquired with a view to their use in the event of a merger, demerger or exchange must not exceed 5% of the share capital of the company at the time of the acquisition; or (ii) the sale or purchase of shares under a liquidity facility concluded with an entity qualified as an investment services provider and complying with the ethics code recognised by the *Autorité des marchés financiers*; as well as (iii) any market practice which may become permissible by the *Autorité des marchés financiers* or by law;

- to enter into or comply with obligations and, in particular, to transfer shares on exercise of securities convertible, immediately or in future, into GET SA Ordinary Shares, as well as implement hedging transactions in respect of the obligations of GET SA (or those of any of its subsidiaries) linked to these securities, within the conditions set out by the market authorities and a any time determined by the board of directors or any person acting on the authority of the board of directors;

- to cover any stock option plans set up by in accordance with articles L. 225-177 et seq. of the French Commercial Code, to be allocated to employees or directors of GET SA or any related company or group linked to GET SA within the meaning of article L. 255-180 of the French Commercial Code, pursuant to authorities to be granted;

- to allocate GET SA Ordinary Shares for free in accordance with articles L. 225-197-2 of the French Commercial Code, to employees or directors of GET SA or any other company or group linked to GET SA within the meaning of article L. 255-197-1 of the French Commercial Code, pursuant to authorities to be granted;

- to offer employees the possibility to acquire shares, in particular within the framework of a company savings scheme, in accordance with articles L. 3332-1 et seq. of the French Labour Code, pursuant to authorities to be granted; or

- to reduce the capital pursuant to authorities to be granted.

b) Summary of transactions carried out by GET SA on its own securities under the buyback programme approved by the ordinary general meeting of 27 June 2008.

As part of the 2008 share buyback programme, GET SA maintained the liquidity facility agreement entered into on 3 December 2007 with Exane BNP Paribas as amended on 17 January 2008 and 24 June 2008. Under this agreement, GET SA appointed Exane BNP Paribas to act on its behalf on the market with a view to improving liquidity in trading and stability in the price of GET SA Ordinary Shares, as well as to avoid variations in the share price not justified by market trends. Pursuant to the said liquidity agreement, Exane BNP Paribas' intervention may not, in any event, exceed a maximum of €3,000,000 (which, on the basis of a hypothetical share price of €5 per share, represents 0.32% of the share capital of GET SA currently in issue[(6)]).

Between 27 June 2008 and 31 December 2008, pursuant to the 2008 buyback programme, GET SA procured the purchase of 5,500,000 GET SA Ordinary Shares, at an average price per share of €7.843, for a total nominal value of €2,200,000[(7)]. These shares have been earmarked to fulfil exercise of rights attached to composite securities (such as the Conditional Additional Return on the SDES) or to cover stock option plans under consideration.

Total transaction costs amounted to €77,384.22.

(6) *Based on the number of GET SA Ordinary Shares currently constituting the share capital of GET SA, it being specified that this number does not take into account the GET SA Ordinary Shares which could be issued in respect of the redemption in shares of the NRS I or the SDES and the exercise of the Warrants.*

(7) *Not including the shares acquired by Exane BNP Paribas in the context of the liquidity facility agreement (347,212 GET SA Ordinary Shares, including transactions conducted on 31 December 2008 settled afterwards), nor those held by the Eurotunnel company FCPE (employee shareholding vehicle) (63,000 GET SA Ordinary Shares) and the Eurotunnel Trustees Limited (1,463 GET SA Ordinary Shares).*

As at 31 December 2008, including purchases made in accordance with the previous share buyback programme, GET SA held 6,062,400 own shares, with a view, in particular, to transferring shares at such a time as the rights attached to equity-linked securities are exercised (such as the Conditional Additional Return on SDES) or to cover stock option plans, under consideration. These shares represent 7.95% of the share capital of GET SA, with a nominal value of €2,424,960 and a market value, estimated on the basis of the average purchase price (€7.37), of €43,359,805.

Summary as at 31 December 2008	
Percentage of share capital held by GET SA	7.95%
Number of shares cancelled over the preceding 24 months	None
Number of shares in the portfolio	6,062,400
Book value of the portfolio	€24,431,472
Market value of the portfolio	€23,340,240
Positions opened/closed on derivatives	None

The 2008 share buyback programme expires in December 2009. Implementation of a new share buyback programme will be submitted for approval by the shareholders of GET SA at the forthcoming general meeting for which the agenda and draft resolutions are available on the website www.eurotunnel.com.

21.2 Constitutional document and by-laws

21.2.1 Objects (article 2 of GET SA's by-laws)

GET SA's objects are to:

- acquire equity interests by way of the purchase, subscription, transfer or exchange of corporate rights, shares, partnership interests or otherwise, with any co-contracting party, French or foreign, in any company whose purpose is directly or indirectly related to the operation of the Tunnel between France and the United Kingdom or any other fixed links;
- participate in any manner whatsoever, directly or indirectly, in any transactions connected with its objects via the creation of new companies, the contribution, subscription or purchase of securities or corporate rights, merger or otherwise, creation, acquisition, leasing, lease management of all businesses or establishments; taking, acquiring, operating or selling any procedures or patents relating to its activities; and
- generally, all industrial, commercial, financial, civil, personal or real property transactions, directly or indirectly related to any of the objects referred to above or any similar or connected objects, including in particular, any transport business.

21.2.2 Members of the board of directors and management bodies

The provisions relating to the board of directors and management bodies of GET SA are described in sections 14.1 and 16.2 of this Reference Document.

21.2.3 Rights and obligations attached to the shares (articles 11 and 37 of GET SA's by-laws)

Ownership of one GET SA Ordinary Share or the GET SA Preferred Share implies acceptance of the terms of the by-laws of GET SA and of all decisions taken in general meetings of shareholders of GET SA.

- **GET SA Ordinary Shares**

In addition to voting rights, each GET SA Ordinary Share grants the right to a share in the ownership of the company's assets, profits and liquidation proceeds, in proportion to the fraction of the share capital that it represents.

- **GET SA Preferred Share – GET SA Preferred Share Committee**

The GET SA Preferred Share grants its holder specific rights relating to the corporate governance of GET SA as described in paragraph 16.2.1 (''Majority Rules'') of this Reference Document. The GET SA Preferred Share does not grant its holder any specific rights.

Pursuant to the Safeguard Plan, Eurotunnel NRS Holders Company Limited (ENHC) (company referred to as ''XCo'' in the Safeguard Plan), consolidates the interests of former creditors of the Eurotunnel Group who received or subscribed for NRS as part of the 2007 Reorganisation. It was incorporated on 3 April 2007 in the form of an English law private company under number 6178578.

The purpose of ENHC is to group the former Eurotunnel creditors having received or subscribed for NRS as part of the 2007 Reorganisation, and to hold the GET SA Preferred Share and the EGP Preferred Share. The conditions relative to conversion of the GET SA Preferred Share into a GET SA Ordinary Share are described at paragraph 21.2.5 of this Reference Document.

A GET SA Preferred Share Committee comprising five representatives of the GET SA Preferred Share holder may be formed by ENHC after the appointment to the board of four directors proposed by ENHC, in accordance with article 37 of the by-laws of GET SA and the provisions of the Safeguard Plan.

The Chairman of the board of directors, and any other employee whose presence he deems necessary in light of the items on the agenda, may attend all GET SA Preferred Share Committee meetings.

The GET SA Preferred Share Committee may demand to be provided, on a regular and strictly confidential basis, with the following Information Documents relating to the Eurotunnel Group:

- the consolidated Eurotunnel Group accounts including an income statement, balance sheet and cash flow statement prepared in accordance with applicable accounting standards, and an explanation of any variations compared to the budget and a breakdown of the key balances;
- the principal consolidated monthly operational Eurotunnel Group performance indicators (primarily including reports on customer service, asset quality, punctuality, etc.);
- a quarterly statement of commercial and operational prospects, primarily including earnings, costs, assets (for example, yield strategy, business development, headcount, etc.);
- a half yearly report confirming compliance with the contractual obligations in the Term Loan described in paragraph 22.4.1 of this Reference Document;
- the audited consolidated Eurotunnel Group financial statements prepared in accordance with generally accepted accounting principles within 120 days of the end of the financial year, together with the GET SA reports of the Auditors;
- the Eurotunnel Group consolidated half yearly financial statements prepared in accordance with generally accepted accounting principles within 90 days of the end of the first six months; and
- the annual report on internal controls.

The GET SA Preferred Share Committee (i) assists ENHC in its capacity as holder of the GET SA Preferred Share in exercising its decision-making powers as described in paragraph 16.2.1 (''Majority Rules'') of this Reference Document, (ii) analyses the information contained in the Information Documents listed above, (iii) examines and discusses such Information Documents with the Chairman of the board of directors or any other employee summoned at the request of the Chairman of the board of directors, (iv) oversees the implementation of the business plan and more generally monitor the performance of GET SA and the Eurotunnel Group and (v) examines proposals for the modification of the business plan and the budget.

The GET SA Preferred Share Committee meets on a monthly basis and its meetings, unless the members decide otherwise, are held in English.

In addition, the boards of directors of FM and CTG each include a director appointed by the holder of the GET SA Preferred Share.

21.2.4 Allocation of profits (article 31 of GET SA's by-laws)

The following deductions are made from the profits of each financial year, minus prior losses if any, in the order set out below:

- five per cent at least to constitute the reserve account required by law;
- the amounts determined by general meeting to constitute such reserves for which it determines the distribution and use; and
- the amounts that the general meeting decides to carry forward.

The balance, if any, shall be distributed among all of the shareholders in proportion to the number of shares held by each of them.

If the balance sheet prepared during or at the end of the financial year and certified by the Auditors indicates that GET SA, since the end of the previous financial year, after any necessary depreciation and reserves and after deducting any previous losses and amounts required to constitute the necessary reserves pursuant to applicable law or the by-laws, has made a profit, interim dividends may be distributed before the accounts for the financial year have been approved. The amount of the interim dividend may not exceed the amount of profit as defined above.

The conditions for the payment of dividends in cash are set by the shareholders' general meeting, or failing that, by the board of directors.

Payment of dividends in cash must be carried out within a maximum period of nine months following the end of the financial year, unless extended by a court authorisation.

21.2.5 Modifications of shareholders' rights

The modification of the by-laws requires the approval of an extraordinary general meeting with the quorum and majority required by applicable laws and regulations.

In accordance with article 37 of the by-laws of GET SA, any proposal to amend the by-laws of GET SA leading to changes to or a cancellation of the rights of the GET SA Preferred Share requires a qualified majority decision of eight members of the board of directors of GET SA.

The specific rights attached to the GET SA Preferred Share shall lapse:

- if all of the NRS have been redeemed; or

- if the creditors of TNU SA, TNU PLC and their subsidiaries who received or subscribed for NRS under the terms of the 2007 Reorganisation at any time together hold less than 30% of the initial number of ENHC Ordinary Shares[(8)], and if no creditor of TNU SA, TNU PLC or their subsidiaries who received or subscribed for NRS under the terms of the 2007 Reorganisation, alone, holds more than 20% of the initial amount of ENHC Ordinary Shares[(9)].

If the specific rights attached to the GET SA Preferred Share lapse, the GET SA Preferred Share shall automatically become a GET SA Ordinary Share. The effective date of entitlement, or the separation of such entitlement to the temporary specific rights attached to the GET SA Preferred Share shall be approved by the GET SA board of directors.

21.2.6 General meetings

- **Notice of meeting (article 27 of GET SA's by-laws)**

General meetings are convened in accordance with applicable laws and regulations.

- **Venue of meetings (article 27 of GET SA's by-laws)**

General meetings are held at the registered office of GET SA or at any other place referred to in the notice of the meeting.

- **Attendance at general meetings (article 27 of the by-laws of GET SA)**

Any shareholder may attend general meetings in person or by proxy, regardless of the number of shares held, upon providing proof of identity and proof of ownership of the shares, by registering the shares in the shareholders' name or in the name of the intermediary registered on his behalf pursuant to the seventh paragraph of article L. 228-1 of the French Commercial Code by midnight, Paris time, on the third business day prior to the meeting, either in the registered accounts, held by GET SA, or in the bearer's form accounts held by the authorised intermediary in accordance with the provisions of article R. 225-85 of the French Commercial Code.

- **Use of electronic means of communication (article 27 of GET SA's by-laws)**

If the board so decides at the time the meeting is convened, all shareholders may participate and vote at general meetings by video conference or any other electronic means of communication in accordance with applicable laws and regulations.

For the purposes of calculating the quorum and majority, shareholders participating in the meeting by video conference or another form of electronic communication enabling them to be identified, and the nature and conditions of application of which are set in accordance with applicable laws and regulations, are deemed to be present.

- **Representation at general meetings (article 27 of GET SA's by-laws)**

Shareholders may only be represented at meetings by their spouse or by another shareholder. For this purpose the proxy must prove his authority in accordance with article L. 225-106 of the French Commercial Code. In addition, owners of securities referred to in the 3rd paragraph of article L. 228-1 of the French Commercial Code may be represented by a registered intermediary in accordance with the provisions of article L. 228-3-2 of the French Commercial Code.

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(8) Minus the number of ENHC Ordinary Shares converted into ENHC Deferred Shares in the event of (i) redemption of the NRS for GET SA Ordinary Shares, or (ii) redemption in cash by EGP of the NRS II or (iii) purchase by EGP of the NRS on the market.

(9) Minus the number of ENHC Ordinary Shares converted in to ENHC Deferred Shares in the event of (i) redemption of the NRS for GET SA Ordinary Shares, or (ii) redemption in cash by EGP of the NRS II or (iii) purchase by EGP of the NRS on the market.

Legal representatives of shareholders without legal capacity and individuals representing corporate shareholders may participate in general meetings, whether or not they are shareholders.

Authority to act as a proxy may be given for one meeting only and shall be in respect of the agenda of such meeting. The authorisation must specify the agenda of the meeting for which it is granted and provide necessary information to identify the shares. Authority may however be given for two meetings, one ordinary and the other extraordinary, held on the same day or within a period of fifteen days. The authority given for one meeting shall be valid for all successive meetings convened with the same agenda. The proxy named in person on the proxy form may not substitute any other person.

All documents required by applicable laws and regulations must be attached to all proxy forms sent to shareholders.

The proxy form must be signed by the shareholder being represented and provide the last name, the first name, his address, the number of shares he owns and the number of votes attached to those shares. Only proxy forms which have been received two days prior to the meeting will be taken into account by GET SA.

The intermediary referred to in article L. 228-1 of the French Commercial Code may, pursuant to a securities management general mandate, send votes or powers of attorney on behalf of a shareholder as defined in article L. 228-1 of the French Commercial Code for the purposes of a general meeting.

- **Exercise of voting rights (article 27 of GET SA's by-laws)**

All shareholders may vote by postal ballot under the conditions and within the time limits provided for by law by using a form prepared by GET SA and sent to shareholders requesting the form and provided such forms reach GET SA two days prior to the general meeting.

- **Chairmanship of general meetings (article 27 of GET SA's by-laws)**

General meetings of shareholders are chaired by the Chairman of the board of directors or, in his absence, by the most senior director present at the meeting. If the meeting has been convened by the statutory auditors, by a court appointed representative or by a liquidator, the general meeting shall be chaired by the person, or one of those persons, who called the meeting.

- **Quorum and majority at general meetings (articles 28 and 29 of GET SA's by-laws)**

Ordinary, extraordinary, combined or special general meetings shall be subject to the quorum and majority conditions provided by applicable laws and regulations governing such meetings and shall exercise the powers conferred them by law.

- **Voting rights and double voting rights (article 11 of GET SA's by-laws)**

Subject to the provisions set forth below, each member of a general meeting is entitled to as many voting rights and casts as many votes as the number of fully paid-up GET SA Ordinary Shares he owns or is representing.

Until the expiration of the two-year period following the beginning of the consolidation process, fixed by GET SA in the notice published in the *Bulletin des Annonces Légales Obligatoires* in accordance with the resolution passed at the general meeting of 20 June 2007, each Non-consolidated Ordinary Share will entitle its holder to one (1) vote and each GET SA Ordinary Share will entitle its holder to forty (40) votes, such that the number of votes attached to the GET SA Ordinary Shares is proportionate to the amount of capital represented by the GET SA Ordinary Shares.

However, each fully paid-up GET SA Ordinary Share which has been held by the same shareholder in registered form for two years (starting from the admission of GET SA shares to trading on a regulated market) will carry a double voting right in accordance with applicable laws and regulations.

In the event of a share capital increase by incorporation of reserves, profits or share premiums, this double voting right is conferred from their date of issue to GET SA Ordinary Shares held in registered form and allocated for free to a shareholder by virtue of the existing GET SA Ordinary Shares from which he derived this right.

A merger or demerger of GET SA has no effect on the double voting right that may be exercised at shareholder meetings of the surviving companies if the by-laws of such companies so provide.

Any GET SA Ordinary Share converted into bearer form or which is transferred shall lose the double voting right conferred on it as described in the preceding three paragraphs. However, the double voting right is not lost and the time proceeds are not affected by a transfer by inheritance, liquidation of assets held jointly by spouses or *inter vivos* gifts in favour of a spouse or relative entitled to inherit.

21.2.7 Clauses that could possibly have an impact on the control of GET SA

Subject to the provisions relating to the GET SA Preferred Share, there are no provisions in the by-laws that could have the effect of delaying, deferring or preventing a change of control of GET SA.

The provisions relating to the GET SA Preferred Share that could to have an impact on the control of GET SA are set out in paragraph 21.2.6 above and in paragraph 16.2.1 (''Majority Rules'') of this Reference Document.

21.2.8 Identification of shareholders (article 14 of GET SA's by-laws)

GET SA has the right to request the securities clearing house for information relating to the identification of its shareholders in accordance with applicable laws and regulations (articles L. 228-2 *et seq.* of the French Commercial Code) as follows: their name or in the case of legal entities, their company name, nationality, address, number of shares held by each of them, any restrictions affecting the shares, the year of birth of the holder, or in the case of a legal entity, the date of its incorporation.

21.2.9 Non-compliance with the thresholds

The rules relating to the obligation to declare any cases of non-compliance with thresholds pertain to the legislative and regulatory provisions in force, since there are no provisions in the Articles of Association fixing a threshold above which declarations must be made.

21.2.10 Modifications of share capital

Subject to the decisions in respect of which a qualified majority of eight members of the board of directors of GET SA is required as described in paragraph 16.2.1 (''Majority Rules'') of this Reference Document, the share capital may be modified in accordance with applicable laws and regulations.

21.3 Dilutive effect of the NRS, the Warrants and the SDES

For a full description of the dilutive effect of the NRS I, the Warrants and the SDES, please refer to paragraph 21.1.6 of this Reference Document and notes 14 and 16 to the consolidated accounts at annex II of this Reference Document.

21.4 Travel privileges

GET SA offers its shareholders a programme of advantageous fares for Shuttle crossings as described in annex VII. This programme offers a 30% reduction on the standard fare up to a limit of six one-way tickets (equivalent to three round-trip tickets) per year. Shareholders holding at least 750 GET SA Ordinary Shares continuously for more than three months are eligible for the programme.

22. MATERIAL CONTRACTS

22.1 The Treaty of Canterbury

The principal purpose of the Treaty of Canterbury is to authorise the construction and operation of the Fixed Link by private concessionaire companies, without the need to resort to requesting government funds.

Under the terms of the Treaty of Canterbury, the States guarantee FM and CTG, as Concessionaires, under national and EU law, freedom to determine their commercial policy, tariffs and the nature of the services they offer to customers.

The Treaty of Canterbury also includes various other provisions relating to the Fixed Link such as:

- the establishment of the IGC, to deal with all issues relating to the construction and operation of the Fixed Link in the name of the States and by express delegation of their authority;
- the establishment of the Safety Authority to advise and assist the IGC on all issues relating to the safety of the construction and operation of the Fixed Link. The Safety Authority also assists in drawing up regulations applicable to the safety of the Fixed Link and monitors compliance of such regulations with applicable national or international rules and regulations. The members of the Safety Authority are appointed on an equal basis by each of the States;
- the establishment of an arbitration tribunal to settle disputes between the States and the Concessionaires relating to the Concession Agreement;
- the taxation by the two States of profits and earnings generated by the construction and operation of the Fixed Link is governed by applicable legislation, including any double taxation treaties for the prevention of tax evasion in force between the two States and relating to direct taxes, together with any related protocols;
- compliance by the two States with the principle of non-discrimination with respect to taxes relating to charges payable by customers of other directly competing modes of crossing the Channel;
- the absence of any withholding tax by the two States on the transfer of funds and financial payments required for the operation of the Fixed Link, either between the two States, or coming from or going to other countries, other than the general taxation of payments represented by such transfers or financial payments; and
- the commitment of the States to cooperate in a number of areas, including defence, safety, policing, border controls, interpretation or application of the Treaty of Canterbury and the Concession Agreement.

22.2 The Concession Agreement

The Concession Agreement was signed on 14 March 1986 between the States and the Concessionaires, pursuant to the Treaty of Canterbury.

Initially entered into for a period of 55 years, the Concession Agreement was extended by 10 years and then 34 years by successive amendments dated, respectively, 29 June 1994 and 29 March 1999, duly ratified by legislative provisions in France and the United Kingdom. The term of the Concession Agreement was therefore extended first from 55 to 65 years, then from 65 to 99 years and expires in 2086.

Pursuant to the terms of the Concession Agreement, the Concessionaires have the right and the obligation, jointly and severally, to design, finance, construct and operate the Fixed Link, and the Concessionaires do so at their own risk and without any government funds or state guarantees whatever risks may materialise during the performance of the Concession Agreement. In particular, the Concessionaires are solely liable for any loss or damage caused to users of the Fixed Link or third parties resulting from its operation.

Accordingly, the principal obligations of the Concessionaires under the Concession Agreement are:

- to operate and maintain the Fixed Link and employ all means necessary to permit the continuous and fluid flow of traffic in safe and convenient conditions; and
- to comply with applicable laws and regulations in relation to the operation of the System and in particular in relation to customs, immigration, safety, sanitary and road transport controls and rescue services.

22.2.1 Tariffs and commercial policy

The Concessionaires are free to set their fares. National laws relating to price and fare controls by public authorities do not apply to the Fixed Link. However, these provisions are without prejudice to the application of national or EU rules relating to competition and abuse of dominant positions. The Concessionaires must not discriminate between users of the Fixed Link, notably with respect to their nationality or direction of travel. They may however adjust tariffs in accordance with normal commercial practices.

22.2.2 Role of the IGC

The IGC, established by the Treaty of Canterbury, was created to monitor, on behalf and with the authority of the States, all issues relating to the construction and operation of the System. The IGC is made up of representatives of each of the States on an equal basis.

The IGC acts as concession authority *vis-à-vis* the Eurotunnel Group on behalf of the States and its duties in this regard are:

- to supervise the construction and operation of the System;
- to take decisions on behalf of the States in relation to the performance of the Concession Agreement, including the right to impose penalties on the Concessionaires in the event of a breach of their obligations under the Concession Agreement;
- to approve the proposals of the Safety Authority;
- to prepare or participate in the preparation of all regulations applicable to the System and monitor their application, including those in relation to maritime and environmental matters;
- to issue advice and recommendations concerning the States and the Concessionaires.

22.2.3 Penalties

Any failure by the Concessionaires to perform their obligations under the Concession Agreement shall entitle the States to impose penalties, but no other measure under the Concession Agreement.

If a breach is identified by the IGC, it shall inform the Concessionaires in writing, specifying the nature and subject of the breach. After the Concessionaires have been heard, the IGC may issue a formal notice to remedy the breach within a sufficiently long time period which may not be less than thirty days.

If at the end of such period, the Concessionaires have not remedied the breach identified by the IGC, it may impose a penalty on the basis of a fixed initial daily sum of between 10,000 and 100,000 ecus at 1986 values (changed to euros at a rate of one to one on 1 January 1999) and proportionate to the seriousness of the breach giving rise to the penalty.

22.2.4 Early termination of the Concession Agreement and compensation

Each party to the Concession Agreement may request the arbitration tribunal, established pursuant to the Treaty of Canterbury, to declare the termination of the Concession Agreement in exceptional circumstances, such as war, invasion, nuclear explosion or natural disaster. In such cases, in principle, no compensation is owed to the

Concessionaires. However, the States may pay the Concessionaires an amount representing the financial benefits, if any, that they may derive from such termination.

Each of the States may terminate the Concession for reasons of national defence. In such case, the Concessionaires may claim compensation under the conditions laid down in the Treaty of Canterbury. The Treaty of Canterbury specifies that such compensation shall be governed by the law of the relevant State.

Each of the States may terminate the Concession Agreement in the event of a fault committed by the Concessionaires. The Concession Agreement defines a fault as a breach of a particularly serious nature of the obligations under the Concession Agreement or ceasing to operate the Fixed Link. The States may issue a formal notice to the Concessionaires giving them a period of three months, which may be extended up to a maximum period of six months, to remedy the breach. This formal notice is also sent to the lenders which financed the construction and operation of the Fixed Link. If, within such period, the Concessionaires have not remedied the breaches complained of, the States may terminate the Concession Agreement, subject to giving prior notice to the Lenders of their right of substitution.

Any termination of the Concession Agreement by the States, other than in a situation described above, gives the Concessionaires the right to payment of compensation. Such compensation shall be for the entire direct and certain loss actually suffered by the Concessionaires and attributable to the States, within the limits of what can reasonably be estimated at the date of the termination, including the damage suffered and operating losses. To calculate this compensation, account is taken of the share of liability of the Concessionaires, if any, in the events which led to the termination.

22.2.5 Assignment and Substitution by Lenders

The Concession Agreement provides that each of the Concessionaires has the right to transfer the Concession Agreement or the rights it confers, with the agreement of the States.

In addition, upon the occurrence of one of the events set out below, and for as long as the effects of the event are ongoing, or any other action or intention that could lead to the termination of the Concession Agreement, the lenders, approved as such by the States pursuant to the Concession Agreement (the ‘‘*Lenders*’’) may request to the States that substitution be operated in favour of entities controlled by them (the ‘‘*Substituted Entities*’’) if: (i) the Concessionaires fail to pay, within any contractual grace period, any sum due and payable under the terms of the finance documents, (ii) the Concessionaires do not have and cannot procure sufficient funds to finance the forecast operating costs of the Fixed Link, and the related finance charges, (iii) it appears that the date of full and final payment of all claims of the Lenders must be postponed for a significant length of time (iv) if the Fixed Link is abandoned, suspension of payments, liquidation, enforcement of security by other creditors or similar events.

The Substituted Entities must prove to the States, at the time of the substitution, that they have sufficient technical and financial capacity to continue performance of the Concession Agreement.

The amendment to the Concession Agreement dated 29 March 1999 granted an extension to the term of the Concession Agreement for the sole benefit of the Concessionaires, such that the extension would not apply if the Lenders exercised their Substitution Right.

In accordance with Article 32 of the Concession Agreement, the lenders of the Term Loan have been approved by the States as Lenders able to benefit from the Substitution Right on the terms set out in the Concession Agreement.

22.2.6 Taxation and sharing of profits

Taxation and customs matters are decided by the States in accordance with the provisions of the Treaty of Canterbury. If it appears that changes in tax or customs legislation have a discriminatory effect on the Fixed Link, the relevant State will examine the issue with the Concessionaires. Furthermore, in accordance with Article 19 of the Concession Agreement, as a matter of principle the Concessionaires share equally between CTG and FM at cost price, all expenses and all revenues from the Fixed Link for the period during which they operate it. To this end, the consequences of any indirect taxation on the supply of goods or services levied only on one of the Concessionaires will be taken into account in the costs to be shared. Any equalising payment made between FM and CTG will be treated as a capital expense or a revenue payment as determined by the relevant legislation of the two States.

With respect to the period between 2052 and 2086, the Concessionaires will be obliged to pay to the States a total annual sum, including all corporate taxes of any kind whatsoever, equal to 59% of all pre-tax profits.

22.2.7 Disputes

Disputes relating to the application of the Concession Agreement must be submitted to an arbitration tribunal which will apply the relevant provisions of the Treaty of Canterbury and the Concession Agreement. Provisions of French or English law may, if necessary, be applied, if this is dictated by the performance of specific obligations under French or English law. Relevant principles of international law and, if the parties so agree, the principles of equity may be applied.

22.3 Railway Usage Contract

The Railways Usage Contract was entered into on 29 July 1987 between the Concessionaires and the Railways. It sets out the basis on which the Railways undertake and are authorised to use the Fixed Link until the expiry of the Railways Usage Contract in 2052.

The Railways Usage Contract specifies the conditions under which the Concessionaires allow the trains of the Railways to use the Fixed Link from the date the Railways Usage Contract came into force until 2052, and the conditions under which the Railways shall supply certain railway infrastructure to the Concessionaires.

The Railways Usage Contract also sets out the obligations of the Railways, with respect to the railway infrastructure and the rolling stock utilised to ensure a sufficient level and quality of traffic in the Tunnel.

Likewise, the Concessionaires subscribe to a number of commitments relating to maintenance of the Fixed Link.

Pursuant to the Railways Usage Contract, the Railways are authorised to use up to 50% of the capacity of the Fixed Link per hour and in each direction, up until 2052.

Under the terms of the Railways Usage Contract, the Railways are obliged to pay the Concessionaires fixed annual charges and variable charges depending on the number of passengers travelling on Eurostar and the freight tonnage carried through the Fixed Link. Adjustment mechanisms for annual charges are included in the event that the Fixed Link is unavailable.

Until the end of November 2006, the Railways also made additional monthly payments in order to bring TNU's annual turnover under the Railways Usage Contract (excluding contributions to operating cost) to a guaranteed minimum amount equal to the Minimum Usage Charge (for details of the consequences of the end of the Minimum Usage Charge, see paragraph 6.1.2 (c) of this Reference Document). Finally, under the Railways Usage Contract, the Railways have to pay a contribution to the Concessionaires' operating costs. To this end, the Railways make monthly provisional payments to the Concessionaires against operating costs for the current period. Payments are subsequently adjusted to take account of real operating costs, with the final amount of the contribution determined in accordance with the formula set out in the Railways Usage Contract.

In addition, the new strategy for the relaunching of freight services announced on 23 October 2007 described at paragraph 6.1.2 (c) ''Through Railfreight Services'' of this Reference Document offers a simplified pricing structure mechanism for rail freight trains, with a toll per freight train rather than per tonne of freight.

A substantial majority of the Eurotunnel Group's revenues emanating from the Railway Services, which were €260 million in 2008, is made up of the annual fixed and variable charges as referred to above.

The Railways and the Concessionaires regularly exchange information for the purpose of preparing traffic forecasts. Under the terms of the Railways Usage Contract, the Railways provide the Eurotunnel Group each year with traffic forecasts for six years.

Since the signing of the Railways Usage Contract, the Railways and the Concessionaires have been in regular contact through working and management groups, comprised of representatives of the Railways and the Concessionaires.

The Railways Usage Contract is governed by French law.

In the context of the privatisation of the British railways, BRB entered into back-to-back contracts with certain entities, including Network Rail, DB Schenker (formerly EWS) and Eurostar UK Ltd, under the terms of which BRB delegated to them operational execution of some of the obligations it owes to the Concessionaires. As part of the agreement with the British and French governments regarding the extension of the Concession Agreement until 2086, Groupe Eurotunnel undertook, under certain conditions, to work with the entities to which execution of these obligations had been delegated, to ensure the development of the passenger train services and the goods train services.

22.4 The Term Loan and ancillary agreements

For the purposes of the 2007 Reorganisation, on 20 March 2007 FM and CTG entered into the Term Loan (as modified by the amendments dated 27 June 2007, 20 August 2007, 30 November 2007, and 31 January 2008), under which credit facilities in a principal amount of £1,500 million and €1,965 million (the ''*Senior Facilities*'') were made available on 28 June 2007 to FM and CTG by Goldman Sachs Credit Partners L.P. and Deutsche Bank A.G. (London Branch) (together, the ''*Initial Lenders*'') in order to (i) reimburse the outstanding Historical Debt in respect of the Senior Debt, the Fourth Tranche Debt, the Tier 1A Debt, the Tier 1 Debt and the Tier 2 Debt, (ii) finance the cash payments provided for in the Safeguard Plan to the holders of the Tier 3 Debt and the Noteholders and (iii) pay the costs and expenses of the 2007 Reorganisation and certain interest due in respect of the Historical Debt.

The financing of the Senior Facilities has been arranged by Goldman Sachs International and Deutsche Bank AG (London Branch) (the ''*MLAs*'').

For the purposes of the management of the Senior Facilities, these loans were securitised on 20 August 2007.

22.4.1 Principal provisions of the Term Loan

- **Summary of the tranching and the financial conditions of the Term Loan**

The Senior Facilities made available in connection with the Term Loan offer a more flexible financing package for the Eurotunnel Group than the Historical Debt and consist of:

- a tranche A1 loan denominated in sterling, bearing interest at a fixed rate linked to inflation in the United Kingdom;
- a tranche A2 loan denominated in euros, bearing interest at a fixed rate linked to inflation in France;
- a tranche B1 loan denominated in sterling, bearing interest at a fixed rate;
- a tranche B2 loan denominated in euros, bearing interest at a fixed rate;
- a tranche C1 loan denominated in sterling, bearing interest at a variable rate; and
- a tranche C2 loan denominated in euros, bearing interest at a variable rate.

The weighted average interest rate applicable to the Term Loan, including commission, calculated on the basis of interest and commission payable in respect of the Term Loan and the fee letter relating to the commitment letter of the MLAs dated 25 November 2006 (as amended and accepted on 16 December 2006) is estimated to be 6.36% per annum (taking into account for these purposes applicable rates as of the date of this Reference Document).

Expenditure relating to the servicing of debt under the Term Loan is expected to be approximately €210 million per annum during the first years of the loans (on the basis of current interest rates), with principal repayments under the loans commencing only in June 2013.

The borrowings denominated in sterling have been made available to CTG and those in euros have been made available to FM.

- **Repayment of the Term Loan**

The funds borrowed under the Term Loan will be repayable in accordance with their respective repayment schedules.

Repayment of the tranche A1 and tranche A2 loans will begin 11 years after the start of availability of such loans and will be completed at least 35 years after the date of signature of the Term Loan.

The repayment of tranche B1 and B2 will begin six years after the date on which the Term Loan was signed.

Repayment of the tranche C1 and C2 loans will begin respectively 39 and 34 years after the date on which such loans become available and will be completed on 30 June 2050.

- **Prepayment of the Term Loan**

The amounts borrowed under the Term Loan may be voluntarily prepaid at the instigation of the relevant borrower, subject to the payment of certain market standard prepayment premia.

The amounts borrowed under the Term Loan may also be subject to mandatory prepayment, under certain conditions and in certain proportions, in particular from funds arising from insurance proceeds, permitted asset transfers, expropriation of such assets, compensation under the Concession Agreement and, in certain instances, excess cash flow. The total amounts borrowed under the Senior Facilities are subject to mandatory prepayment if a person (or a group of persons acting together) should come to hold GET SA Ordinary Shares representing over 50% of the capital of GET SA or carrying over 50% of the voting rights at general meetings. The threshold of 50% is based on the total diluted capital after the redemption or issue of any financial instrument granting access to this capital.

If the Eurotunnel Group does not meet certain financial targets, excess cash flow must (i) during the first years following drawdown on the Term Loan, be paid into a secured account set up for prepayment of amounts lent under the Term Loan and (ii) subsequently to be used directly for such prepayment until Eurotunnel once again meets the above-mentioned financial targets.

- **Undertakings and prohibitions under the Term Loan**

The Term Loan includes certain undertakings and prohibitions which are customary for a loan of its nature, in particular restrictions relating to:

- the creation or maintenance of liens over the assets of the Eurotunnel Group;
- the sale or transfer of Eurotunnel assets and the acquisition by the Eurotunnel Group of new assets; and
- the granting of loans or guarantees for the benefit of third parties.

In addition, pursuant to the terms of the Term Loan, the Eurotunnel Group is required to meet the following financial covenants: on each reference date, the debt service cover ratio may not be less than 1.20 until the fifth anniversary of the funds being made available under the Senior Facilities and thereafter may not be less than 1.10. For the purposes of this test, the ratio is calculated, on a rolling 12 month period, on a consolidated basis taking into account (i) as regards the calculation of available cash flow for the servicing of debt, the borrowers and guarantors in connection with the Senior Facilities, and (ii) as regards the calculation of debt servicing, the Eurotunnel Group. GET SA has respected the debt service cover ratio for 2008.

While the Senior Facilities restricts any increase in the financial indebtedness of the Eurotunnel Group, it permits, subject to certain conditions, (i) the borrowing of revolving facilities up to a maximum amount of €75 million (the ‘‘*Revolving Credit Facility*’’), also permitted under the Historical Debt, and (ii) the borrowing of a structurally subordinated loan up to a maximum of £225 million (or the equivalent in euros) in order to redeem a portion of the NRS II in cash.

The Term Loan permits to the Eurotunnel Group to pay dividends, provided that such dividends are paid out of excess cash flow (as defined in the Term Loan) or funds arising from an permitted disposal under the Term Loan (to the extent such funds are not required to be used for a mandatory early repayment), or to place the excess cash flow or above-mentioned funds in a special account set up to pay interest in connection with the NRS (the ''*NRS Reserve Account*'') on the condition that no default is continuing under the Term Loan and that the debt service cover ratio is not less than 1.25. For the purposes of this test, the ratio is calculated on the basis of a rolling 12 month period, on a consolidated basis such consolidation to include (i) as regards the calculation of available cash flow for the servicing of debt, the borrowers and guarantors in connection with the Senior Facilities and (ii) as regards the calculation of debt service, the Eurotunnel Group (with amortisation being calculated by reference to the greater of (a) the hypothetical amortisation of the loan based on an annuity and (b) the contractual amortisation). If these conditions are not met on an interest repayment date in connection with the Term Loan, the excess cash flow and funds will be placed into an account dedicated to so-called ''capex'' expenditure. These amounts will only again become part of available excess cash flow capable (among other purposes) of being used to fund interest payments on the NRS when the conditions described above are met. Amounts on the NRS Reserve Account will be able to be used to service the NRS interest at any time.

- **Event of default and acceleration**

The Term Loan contains a number of events of default which, in certain instances subject to grace periods, enable the lenders to declare the Term Loan immediately due and payable, to enforce the liens described below or to demand the start of the substitution mechanism provided for under the terms of the Concession Agreement and described in paragraph 22.2.5 of this Reference Document.

The events of default include in particular:

- any failure to pay under the Term Loan;
- a failure to comply with any provision of the Term Loan, the Intercreditor Agreement or related documents;
- the occurrence of a cross default under any other indebtedness (greater than a certain amount) of any of the companies within the Eurotunnel Group (other than GET SA);
- the inability of any borrower or guarantor to pay its debts as they fall due, the insolvency or the opening of any legal proceedings in relation to any borrower or guarantor under the Term Loan;
- the illegality or invalidity of the Term Loan, any related liens or the subordination created under the Intercreditor Agreement;
- Eurotunnel becoming permanently unable to carry on the business of operating the Tunnel, or the destruction of the Tunnel;
- any act or omission of France or the United Kingdom which renders a borrower or guarantor under the Term Loan incapable of performing its obligations under the Term Loan and related documents; and
- the occurrence of litigation (or similar proceedings) against any the Eurotunnel Group member or its assets, which is reasonably likely (i) to be adversely determined against the relevant company and (ii) to have a substantial adverse effect on the financial position of FM, CTG or the Eurotunnel Group.

The Term Loan also provides that no event of default may be deemed to have occurred because of (i) the Safeguard Procedure having been initiated for the benefit of certain TNU group companies or the implementation of the Safeguard Plan, (ii) the commencement or continuation of any litigation (including any appeal thereof) prior to the closing date for the Term Loan disputing the validity of the Safeguard Procedure or the Safeguard Plan, (iii) any act or omission of any TNU group company under the Safeguard Procedure which is required by the legal provisions relating to the Safeguard Plan or which is made for the purpose of implementing the Safeguard Plan, and (iv) any failure by any TNU group company to make a payment when due where such payment has not been made solely because that company is prevented from making such payment by the legal provisions relating to the Safeguard Plan.

a) Hedging arrangements in respect of the Term Loan

FM and CTG, prior to the drawdown under the Term Loan, each entered into various hedging arrangements in order to hedge their respective exposure to interest rate fluctuation in connection with their payment obligations under the Term Loan.

b) Intercreditor Agreement

Prior to drawdown under the Term Loan, the Eurotunnel Group entered into an inter-creditor deed with its bank lenders and its intra-group creditors (the ''*Intercreditor Deed''*) pursuant to which the claims of all intra-group creditors are subordinated to the claims of the bank lenders. Payments to EGP in connection with the intra-group debt described in section 22.5 of this Reference Document, which result in particular from the transfer of the Tier 3 Debt and the Notes to EGP as part of the Safeguard Plan and which, along with the amounts paid by GET SA to EGP pursuant to the NRS Relationship Agreement, will enable EGP to pay interest due under the NRS will therefore be subordinated to the amounts due under the Term Loan and the Revolving Credit Facility.

The Intercreditor Deed also provides for the security and the guarantees described below to be held by a ''Security Trustee'' for the benefit of the lenders under the Term Loan, and, ultimately once in existence, the Revolving Credit Facility.

22.4.2 Guarantees and security relating to the Term Loan

- **Guarantees**

Under the Intercreditor Deed, GET SA, EGP, TNU SA, TNU PLC, FM, EFL, CTG, ESGIE, Eurotunnel SE, EurotunnelPlus Distribution SAS (now absorbed into Eurotunnel SE as described in chapter 7 of this Reference Document), Eurotunnel Services Limited and EurotunnelPlus Limited (the ''*Initial Guarantors''*) each jointly and severally guarantee the commitments made by FM and CTG, in their capacity as borrowers under the Term Loan *vis-à-vis* the Initial Lenders, the arrangers, the Agents and the hedging counterparties of the Term Loan.

The Term Loan provides that, following its execution, certain of the Eurotunnel Group companies (other than the Original Guarantors) will be required also to become guarantors of the Term Loan if, in particular, their contribution to the EBITDA, gross value of assets or turnover of the Eurotunnel Group increases above a specified pre-determined threshold.

In order to guarantee their obligations as borrowers under the Term Loan and guarantors under the Intercreditor Deed, the Initial Guarantors have granted security the terms and scope of which, unlike the security granted in connection with Historical Debt, will take into account the operational needs of the business of the Eurotunnel Group. Compared with the Historical Debt, these functional changes will facilitate the day to day management of the Term Loan.

- **Security granted by the Eurotunnel Group under French law**

To secure their obligations as borrower under the Term Loan or guarantor under the Intercreditor Deed, the Initial Guarantors owning French assets have granted the following security:

i) assignment of trade receivables by way of guarantee under which FM assigns, on the one hand, its trade receivables owed by the freight transporters and coach operators and, on the other hand, members of the Eurotunnel Group assign certain receivables arising out of contracts ancillary to the operation of the Tunnel, such as receivables arising out of the Railway Usage Contract and out of insurance policies;

ii) unregistered mortgages over their main real estate assets belonging to companies that are part of the Eurotunnel Group that are not the subject of short or medium term development projects;

iii) a non-possessory lien over rolling stock;

iv) a lien on all bank accounts open in France in the name of any borrower or guarantor under the Term Loan;

v) a lien on shares in the Eurotunnel Group members (with the exception of Europorte 2) held by the borrowers or guarantors under the Term Loan; and

vi) a lien on the main Eurotunnel trademarks.

- **Security granted by the Eurotunnel Group under English law**

To secure their obligations as borrower under the Term Loan or guarantor under the Intercreditor Deed, the Initial Guarantors owning English assets have each granted security over all of their assets held at the date of execution of the Term Loan as well as over their future assets.

- **Security over the other assets of the Eurotunnel Group**

All of the shares of members of the Eurotunnel Group that are not subject to security as described above (with the exception of Europorte 2) have been pledged by way of security for the obligations of the borrowers under the Term Loan and guarantors under the Intercreditor Deed.

22.5 NRS Relationship Agreement

On 20 March 2007, GET SA and EGP entered into a contract under English law relating to the issue of the NRS (the ''*NRS Relationship Agreement*''), pursuant to which EGP agreed to issue the NRS, upon request by GET SA, up to a specified amount, upon the terms and conditions of the NRS specified in the 2007 Securities Note. This agreement was amended and restated on 28 June 2007, and was the subject of letter of clarification dated 10 April 2008 and 29 January 2009 with effect from the date of the NRS Relationship Agreement, 28 June 2007.

In accordance with its commitments on the Closing Date, EGP sold to GET SA a portion of the intra-group debt owed to EGP by TNU SA and TNU PLC resulting from the implementation of the 2007 Reorganisation, in consideration of an amount which was left outstanding, thus giving rise to a debt owed by GET SA to EGP. In the event of bankruptcy or liquidation, GET SA's obligations in connection with this intra-group receivable are subordinated to the prior repayment of all senior debt of GET SA. The receivable accrues interest at the same rates as the intra-group debt owed to EGP by TNU SA and TNU PLC mentioned above, and may be repaid by the issue by GET SA of GET SA Ordinary Shares to EGP or to holders of NRS by GET SA, in the latter case on behalf of EGP.

The GET SA Ordinary Shares to be issued on redemption of the NRS will be paid up by means of set-off against the receivable owed to EGP by GET SA created by way of the transfer of the TNU SA and TNU PLC intra-group debt referred to above.

In the event that the amount of the receivables sold by EGP to GET SA in accordance with the terms of the NRS Relationship Agreement is not sufficient to pay up all of the GET SA Ordinary Shares to be issued upon redemption of the NRS in shares, EGP has undertaken to sell further amounts of intra-group debt to EGP by TNU SA and TNU PLC, or, if applicable, other assets.

Under the terms of the agreement, GET SA has undertaken not to pay any dividends while any Deferred Interest remains due in respect of the NRS.

23. INFORMATION RECEIVED FROM THIRD PARTIES, STATEMENTS OF EXPERTS AND INTERESTED PARTIES

REPORT ON THE VALUES OF VT1, VT2, VT AND THEIR EXERCISE RATIO AS AT 31 DECEMBER 2008

To the Warrant holders of Groupe Eurotunnel SA

At the request of Groupe Eurotunnel SA, in my capacity as Warrant holders' Representative, I have reviewed the calculation of VT1, VT2 and VT, as well as that of the Exercise Ratio, as defined in the Registration Document dated 21 March 2007.

The main conditions, which are detailed on pages 178 to 181 of Annex 1 of the Registration Document, are as follows:

Method of calculating VT1:

- VT1 is ''equal to the arithmetic sum of the Lump Sums received between 23 May 2006 and 30 June 2008''.
- ''Lump Sum'' means any sum received or saved outside the normal course of business (defined by reference to previous practices), including (i) the payment of a cash sum or (ii) the realisation of a saving, resulting from a decision of a Government Entity.
- In the case of a saving, the date on which it is realised will be deemed to be the date on which the payment which has been wholly or partly avoided would have been due.
- All the amounts of the Lump Sums will be converted into pounds sterling at the exchange rate in effect on the date on which the Lump Sum in question is realised.

Method of calculating VT2:

- VT2 is calculated on the basis of the actual EBITDA for the each of the 2008, 2009 and 2010 financial years compared to a Reference EBITDA defined in the Registration Document (point 2 page 169), from which will be deducted (i) any exceptional elements and (ii) any Lump Sum taken into account for the calculation of VT1.
- EBITDA means the consolidated Earnings Before Interest, Taxes, Depreciation and Amortisation (*Excédent Brut d'Exploitation*) of GET SA (calculated using accounting principles and methods consistent with those used for the preparation of the combined audited accounts of ESA and EPLC at 31 December 2004).
- The 2004 combined audited accounts were prepared using French accounting principles and methods.
- The ''Difference'' (point 4 page 169) between the EBITDA and the Adjusted Reference EBITDA expressed in pounds sterling (point 3 page 169) for each of the financial years is ''Adjusted'' and then ''Weighted'' by applying the rules defined in points 5 and 6 on page 169 of the Registration Document.
- VT2 is equal to the arithmetic sum of the Weighted Differences calculated for each of the financial years.

Conformity of VT1

Groupe Eurotunnel management provided me, for each of the sums received or saved, with the appropriate explanations and supporting documentation. Furthermore I was able to confirm with the Group's statutory auditors that the sums in question were recorded in the Group's accounting records and that they has been verified as part of the annual audits of the financial statements for the years ended 31 December 2006, 2007and 2008.

For the specific period 1 January 2008 to 30 June 2008, for which full audited accounts were not produced, none of the cumulative French tax losses were used since France Manche recorded an accounting loss for the period and a tax loss for financial year ended 31 December 2008.

The value of VT1, calculated at £152.83 million, and the resulting Exercise Ratio of 50.9%, conform to the terms of the Registration Document dated 21 March 2007.

Conformity of VT2:

Groupe Eurotunnel management provided with me the details of the calculation of the 2008 EBITDA restated under the French accounting principles and methods applicable at the time of the preparation of the combined accounts as at 31 December 2004.

The insurance deductibles relating to the September 2008 fire and amounting to €10.1 million, are considered as falling within the definition of ''exceptional elements'' such as it appears in the Registration Document, and have been reincorporated into the restated EBITDA.

The value of VT2, calculated at £148.6 million, and the resulting Exercise Ratio of 49.5%, conform to the terms of the Registration Document dated 21 March.

Conformity of VT:

VT, the arithmetic sum of VT1 and VT2, an amount of £301.4 million, gives an Exercise Ratio of 100.4%, capped at 100%, on the basis of the objective of £300 million, in accordance with the terms of the Registration Document of 21 March 2007.

Paris, 2 April 2009

Pierre-Bernard ANGLADE

24. DOCUMENTS AVAILABLE TO THE PUBLIC

24.1 Location of the documents and information that can be consulted regarding GET SA

All of the corporate documents of GET SA to be made available to shareholders are accessible, depending on the document in question, on GET SA's website (www.eurotunnel.com), or paper copies may be consulted during normal office hours at the registered office of GET SA (19 boulevard Malesherbes, 75008 Paris).

In particular, the following may be consulted:

a) the by-laws of GET SA;

b) all reports, letters and other documents, or historical financial information of which any part is included or referred to in this Reference Document; and

c) historical financial information of GET SA for each of the two financial years prior to the publication of this Reference Document.

24.2 Annual document created pursuant to article 222-7 of the General Regulations of the *Autorité des marchés financiers*

Pursuant to Article 222-7 of the General Regulations of the *Autorité des marchés financiers,* the table below was prepared by GET SA listing all public information, or information made public by GET SA, from 1 January 2008, in satisfaction of the legislative and regulatory requirements concerning financial instruments, issuers of financial instruments and markets for financial instruments.

All of the information contained in the table below can be obtained from:

a) GET SA's website (www.eurotunnel.com) for press releases, financial presentations and documents relating to the Reorganisation;

b) the website of the *Autorité des marchés financiers* (www.amf-france.org);

c) the website dedicated to the storage of regulated information, published by the ''*direction des journaux officiels*'' (French direction of official journals), in application of the Transparency Directive (http://www.info-financiere.fr);

d) the website of legal and required official announcements (*Bulletin des annonces légales obligatoires*) (www.journal-officiel.gouv.fr/balo/) for information published by way of such announcement;

e) the ''Infogreffe'' website (www.infogreffe.fr) for information submitted to the registry of the Commercial Court of Paris

DATES	INFORMATION(1)
11/01/2008	Filing of minutes of Board meeting of meeting held on 20 June 2007
11/01/2008	Filing of minutes of Board meeting of meeting held on 5 October 2007
11/01/2008	Filing of minutes of Board meeting of meeting held on 30 October 2007
11/01/2008	Filing of minutes of Board meeting of meeting held on 5 December 2007
11/01/2008	Filing of Articles of Associations as at 5 December 2007
14/01/2008	The securities issued by GET SA are henceforth the only securities listed on the Euronext Paris regulated market
15/01/2008	Eurotunnel 2007 Traffic and Revenue figures: a remarkable year
25/01/2008	Monthly information relating to the total number of shares and voting rights which form the share capital
25/01/2008	Liquidity agreement – implementation and six-monthly return
01/02/2008	Terms of adjustment of ratio applicable to the exercise of BSA
06/02/2008	Filing of minutes of Board meeting of meeting held on 5 December 2007
06/02/2008	Filing of Articles of Associations as at 5 December 2007
13/02/2008	Filing of minutes of Board meeting of meeting held on 5 December 2007
13/02/2008	Filing of Articles of Associations as at 5 December 2007
15/02/2008	Consolidated turnover for the group (excluding tax) for third and fourth quarters of 2007
20/02/2008	Securities note approved under n° 08-032 by the *Autorité des marches financiers*
20/02/2008	Launch of the early cash redemption of the NRS II
21/02/2008	Summary note of the prospectus approved under n° 08-032 by the *Autorité des marchés financiers* on 20 February 2008
21/02/2008	Filing with court registry: recapitalisation of TNU
22/02/2008	Issue and admission to listing of SDES
04/03/2008	Successful first phase fundraising for Groupe Eurotunnel SA
25/03/2008	Notice of the early cash partial redemption of the NRS II
25/03/2008	Notice of the early cash partial redemption of the NRS II
08/04/2008	2007 Pro Forma Results – Groupe Eurotunnel: a profitable Group
10/04/2008	Early cash redemption of the NRS II (first part)
15/04/2008	2008 first quarter revenue and traffic: a first quarter which confirms the growth in activity
17/04/2008	Reference Document for Groupe Eurotunnel SA f registered by the *Autorité des marches financiers* under number R. 08-024
28/04/2008	Securities note approved under n° 08-077 by the *Autorité des marches financiers*
28/04/2008	Update to Reference Document 2007 filed by the *Autorité des marches financiers* under n° D.08-242-A01
28/04/2008	Suspension of trading in GET SA securities
29/04/2008	Groupe Eurotunnel launches a fully underwritten €915.4million rights issue from 30 April to 29 May 2008

Dates	Information[1]
30/04/2008	Summary note of the prospectus approved under nº 08-077 by the Autorité des marchés financiers on 28 April 2008
30/04/2008	Issue and admission to listing of BSA
02/05/2008	Terms of adjustment of ratio applicable to the redemption of NRS I, NRS II, SDES and the exercise of warrants
14/05/2008	Jean-Pierre Trotignon appointed as Deputy Chief Executive
16/05/2008	Groupe Eurotunnel recognised for Best Financial Deal of the Year 2007 by the « Club des Trente »
23/05/2008	Notice of holding of the general meeting
27/05/2008	Share capital increase of Groupe Eurotunnel SA (GET SA) – Great success of the public placement: BSA exercise rate of 70%
29/05/2008	Share capital increase of Groupe Eurotunnel SA (GET SA) – New success: Private Placement over-subscribed within several hours
05/06/2008	Board of directors of Groupe Eurotunnel SA: four directors appointed
09/06/2008	Notice of Meeting of the ordinary general meeting
18/06/2008	Filing of minutes of Board meeting of meeting held on 25 April 2008
18/06/2008	Filing of Decision of Chairman on 27 April 2008
18/06/2008	Filing of minutes of Board meeting of meeting held on 17 May 2008
18/06/2008	Filing of Decision of Chairman on 4 June 2008
18/06/2008	Filing of the certificate of the bank attestation on 4 June 2008
18/06/2008	Filing of Articles of Associations as at 4 June 2008
20/06/2008	Monthly information relating to the total number of shares and voting rights which form the share capital
23/06/2008	Notice of the early cash redemption of the remaining NRS II
23/06/2008	Notice of the early cash redemption of the remaining NRS II
24/06/2008	Buyback of a block of NRS I
24/06/2008	Stabilisation and liquidity facility agreement
24/06/2008	Adjustment notice
25/06/2008	Publication of the annual accounts
27/06/2008	Terms of adjustment of ratio applicable to the redemption of NRS I and SDES
27/06/2008	Terms of adjustment of ratio applicable to the exercise of warrants
27/06/2008	Groupe Eurotunnel SA General Meeting
30/06/2008	Half-yearly financial report
01/07/2008	Notice published pursuant to article 241-2 of the General Regulations of the French market authority (*Autorité des marchés financiers*)
07/07/2008	Six-monthly return relating to liquidity contract for Groupe Eurotunnel
10/07/2008	Early cash redemption of the remaining NRS II
15/07/2008	Share buy back weekly report – Week 7 to 11 July 2008
17/07/2008	Groupe Eurotunnel: a satisfactory first half-year delivers a net profit of €26 million
21/07/2008	Share buy back weekly report – Week 14 to 18 July 2008
28/07/2008	Approval of the statutory and consolidated annual accounts by the ordinary general meeting
28/07/2008	Share buy back weekly report – Week 21 to 25 July 2008

Dates	Information(1)
28/07/2008	Redemption in shares of the NRS I
01/08/2008	Share buy back programme – Monthly report on transactions for July 2008
04/08/2008	Share buy back weekly report – Week 28 July to 1 August 2008
08/08/2008	Consolidated turnover for the group (excluding tax) for first and second quarters of 2008
11/08/2008	Share buy back weekly report – Week 4 to 8 August 2008
18/08/2008	Share buy back weekly report – Week 11 to 15 August 2008
25/08/2008	Share buy back weekly report – Week 18 to 22 August 2008
01/09/2008	Share buy back weekly report – Week 25 to 29 August 2008
01/09/2008	Share buy back programme – Monthly report on transactions for August 2008
08/09/2008	Share buy back weekly report – Week 1 to 5 September 2008
12/09/2008	Channel Tunnel traffic suspended
13/09/2008	Channel Tunnel traffic resumes
14/09/2008	Restart of Passenger Shuttle services Sunday 14 September
15/09/2008	Share buy back weekly report – Week 8 to 12 September 2008
15/09/2008	Filing of minutes of Board meeting of meeting held on 5 June 2008
21/09/2008	Increase in traffic through Channel Tunnel follows opening of 17km section of North Tunnel
22/09/2008	Share buy back weekly report – Week 15 to 19 September 2008
29/09/2008	Further increase in traffic capacity in the Channel Tunnel
29/09/2008	Share buy back weekly report – Week 22 to 26 September 2008
01/10/2008	Share buy back programme. Monthly report on transactions for September 2008
01/10/2008	Removal of the first third of the Shuttle damaged in September
03/10/2008	Share buy back weekly report – Week 29 September to 3 October 2008
08/10/2008	Groupe Eurotunnel Traffic and Revenues for third quarter 2008: Excellent performance despite recent incident in North Tunnel
13/10/2008	Share buy back weekly report – Week 6 to 10 October 2008
14/10/2008	Contracts agreed for the renovation of the Channel Tunnel. Works begin
20/10/2008	Share buy back weekly report – Week 13 to 17 October 2008
26/10/2008	Share buy back weekly report – Week 20 to 24 October 2008
03/11/2008	Share buy back weekly report – Week 27 to 31 October 2008
03/11/2008	Share buy back programme – Monthly report on transactions for October 2008
06/11/2008	Eurotunnel: October's traffic considerably greater than expected
10/11/2008	Share buy back weekly report – Week 3 to 7 November 2008
17/11/2008	Filing of minutes of Board meeting of meeting held on 2 October 2008
17/11/2008	Filing of Articles of Associations as at 2 October 2008

Dates	Information[1]
17/11/2008	Share buy back weekly report – Week 10 to 14 November 2008
01/12/2008	Share buy back programme – Monthly report on transactions for November 2008
05/12/2008	AFEP-MEDEF recommendations
11/12/2008	Monthly information relating to the total number of shares and voting rights which form the share capital
06/01/2009	Eurotunnel and the *Conseil Général* of the Pas-de-Calais, partners in promoting the region and its tourist development
15/01/2009	Eurotunnel 2008 traffic and revenue figures
19/01/2009	Filing of Decision of Chairman on 4 December 2008
19/01/2009	Filing of Articles of Associations as at 4 December 2008
19/01/2009	Six-monthly return relating to liquidity contract
19/01/2009	Channel Tunnel back to full capacity during night of 9-10 February
05/02/2009	Order relating to the appointment of the merger commissionners *(commissaires à la fusion)*
09/02/2009	Eurotunnel fully open to traffic. Secretary of State for Transport, Geoff Hoon, gives departure signal for inaugural train
04/03/2009	2008 Results
06/03/2009	Simplification of Eurotunnel Group Structure including the merger of TNU SA into GET SA
10/03/2009	Notification of the crossing of shareholding thresholds
11/03/2009	Notice of holding of the combined general meeting
11/03/2009	Combined General Meeting of Groupe Eurotunnel SA is to be held on Wednesday 6 May 2009 at Salle Calquella, Chemin Rouge Cambre, 62231 Coquelles, France
24/03/2009	Jean-Pierre Trotignon to step down from his position of Deputy Chief Executive of Eurotunnel
25/03/2009	Filing of Draft merger agreement
27/03/2009	Notice of proposed merger
01/04/2009	Eurotunnel signs Service Level Agreement with UK Border Agency
06/04/2009	Notice of meeting of the combined general meeting
08/04/2009	Groupe Eurotunnel SA announces that is has already met the financial targets set out in the terms and conditions of the Share Warrants (Bons de Souscription d'Actions) issued in 2007 for the maximum exercise of the Share Warrants

[1] *In accordance Article 222-7 of the General regulations of the Autorité des marchés financiers, public information or information made public by GET SA from the 1 January to the 8 April 2008 included have already been the subject of a description in the summary table relating in the 2007 Reference Document.*

24.3 Other information

Analysts and investors

Contact: Mr. Michael Schuller
Telephone: + 44 (0) 1303 28 87 19
Email: michael.schuller@eurotunnel.com

Individual Shareholders

Telephone: 0845 7 697 397 (United Kingdom)
0810 627 627 (France)
Email: shareholder.info@eurotunnel.com

General questions

Email: CommunicationInternet@eurotunnel.com

25. INFORMATION ON SHAREHOLDINGS

A table of shareholdings as at the date of this Reference Document is presented in annex I of this Reference Document.

26. DEFINITIONS

2007 Reference Document	means the reference document relating to GET SA registered by the *Autorité des marches financiers* on 15 April 2008 under number R. 08-024;
2007 Reorganisation	means all of the transactions associated with the reorganisation of TNU and the restructuring of the Historical Debt in accordance with the provisions of the Safeguard Plan which took place in 2007;
2007 Securities Note	means the securities note relating to the GET SA Ordinary Shares, the NRS and the Warrants issued as part of the 2007 Reorganisation approved by the *Autorité des marchés financiers* on 4 April 2007 under number 07-113;
2008 Afep/Medef code	means the corporate governance code for listed companies published in December 2008 by the *Association française des entreprises privées* (Afep) and the *Mouvement des entreprises de France* (Medef);
Additional Ordinary Shares	means the new or existing ordinary shares of GET SA to be transferred or issued, as applicable, to those investors who have held until 6 March 2011: (i) Ordinary Shares subscribed for upon Exercise of the BSA or acquired directly from the Underwriters of the operation as describe in the BSA Securities Note, and (ii) SDES, until they are redeemed in New Ordinary Shares and then of the New Ordinary Shares issued in redemption of the SDES.
BRB	means the British Railways Board;
BSA	means the share warrants free allocated to the GET SA shareholders, which have been listed and admitted on *Euronext Paris* and on the London Stock Exchange in accordance to the BSA Securities Note;
BSA Securities Note	means the securities note relating to the SDES approved by the *Autorité des marches financiers* on 28 April 2008 under number 08-077.
CDI	means the Crest Depositary Interests representing GET SA Ordinary Shares or, if applicable, Warrants;
Closing Date	means 28 June 2007, the date on which all of the transactions required to complete the implementation of the 2007 Reorganisation had been completed;
Concession	means the concession forming the subject-matter of the Concession Agreement;
Concession Agreement	means the concession agreement dated 14 March 1986 between the States and the Concessionaires, under which the States granted to the Concessionaires the right and the obligation to design, finance, construct and operate the Tunnel for the duration of the Concession Agreement, and its amendments dated 29 June 1994 and 29 March 1999;
Concession Coordination Committee	means the joint body made up of members appointed by the Concessionaires and established by the Concessionaires on 25 June 2007;
Concessionaires	means FM and CTG pursuant to the Concession Agreement;

Conditional Additional Return	means conditional additional return to be paid to the initial SDES subscribers who will have held their SDES until their redemption in New Ordinary Shares and such New Ordinary Shares issued upon redemption of their SDES until 6 March 2011 and which, at the option of GET SA, will be payable either (i) in cash based on the equivalent value of 5.4 Additional Ordinary Shares calculated on the basis of a value per Additional Ordinary Share equal to the volume weighted average price per GET SA Ordinary Share (as published on Bloomberg) during the last 20 trading days on Euronext Paris during which the GET SA Ordinary Shares are listed prior to 6 March 2011, or (ii) by delivery of 5.4 Additional Ordinary Shares;
Crossover Junction	means one of the two rail junctions allowing trains and Shuttles to switch from one tunnel to the other, particularly during maintenance or renovation works. The two crossover junctions divide the rail tunnels into three sections each;
CTG	means The Channel Tunnel Group Limited, an English law company wholly-owned by TNU PLC;
Debt	means the debt owed on the Term Loan;
Deferred Interests	means all unpaid interest on a NRS I on a given interest payment date;
EFL	means Eurotunnel Finance Limited, an English law company owned 79% by TNU PLC and 21% by FM;
EGP	means Eurotunnel Group UK PLC, an English law company wholly-owned by GET SA, with the exception of the EGP Preferred Share;
EGP Preferred Share	means the preferred share of EGP held by ENHC, with a nominal value of £1;
ENHC	means Eurotunnel NRS Holders Company Limited, an English company, referred to as XCo in the Safeguard Plan, that was incorporated in order to group the interests of creditors of TNU who received or subscribed for NRS in connection with the 2007 Reorganisation, and that holds the GET SA Preferred Share and the EGP Preferred Share;
ENHC Deferred Shares	means the shares with restricted economic rights that were issued by ENHC as described in chapter 21 of this Reference Document;
ENHC Ordinary Shares	means the class A ordinary shares of ENHC which are held by creditors of TNU who received or subscribed for NRS;
ERTMS	means the European Rail Traffic Management System;
ESGIE	means Eurotunnel Services GIE;
ESL	means Eurotunnel Services Limited;
Eurostar	means the brand name used by SNCF, Eurostar UK Ltd and SNCB for the joint operation of the high speed passenger rail services which they operate between the United Kingdom and continental Europe;
Eurotunnel Group/The Group	means the group of companies comprising GET SA and its subsidiaries (including EGP, TNU SA and TNU PLC) following the implementation of the 2007 Reorganisation;
EWS	means the English Welsh & Scottish Railways;
Fire in September 2008	means the fire which broke out on 11 September 2008 on a Truck Shuttle in the northern rail tunnel;

Fixed Link	means the fixed link across the Channel;
FM	means France Manche SA, a French law company which is wholly-owned by TNU SA;
GET SA	means Groupe Eurotunnel SA;
GET SA Ordinary Shares	means the class A ordinary shares of GET SA admitted to listing and trading on the Euronext Paris stock exchange;
GET SA Preferred Share	means the class B preferred share of GET SA held by ENHC;
GET SA Preferred Share Committee	means the committee made up of representatives of ENHC in its capacity as holder of the GET SA Preferred Share which will be set up to assist ENHC in the exercise of its voting rights and to follow the implementation of the Safeguard Plan and the different elements thereof;
Governmental Entity	means any supra-national, national, state, municipal or local government or authority (including any subdivision, court, administrative agency or commission or other body) or any quasi-governmental or private body exercising any regulatory, tax, customs or other governmental or quasi-governmental authority, in each case of France, the United Kingdom or emanating from European Union authorities;
High Speed 1 /HS1	means the 108-kilometre long high-speed rail link from London to the British end of the Tunnel, the construction of which was split into two sections: the first connecting the Tunnel with Fawkham Junction in Northern Kent (brought into service in September 2003), and the second linking Fawkham Junction with the new international terminal in central London (brought into service on 14 November 2007);.
Historical Debt	means the total financial debt of TNU SA, TNU PLC and their subsidiaries before the implementation of the 2007 Reorganisation described in chapter 5 of this Reference Document of a principal amount as at 30 September 2006 of €9,073 billion;
IGC	means the intergovernmental commission, to which the British and French governments appoint an equal number of members and which is established pursuant to the Treaty of Canterbury and the Concession Agreement in order to supervise the construction and operation of the System on behalf of the States;
Information Documents	means the set of English language documents to be provided to the members of the GET SA Preferred Share Committee;
Interval	means the sections of each rail tunnel between the entry portal and a Crossover Junction or between the two Crossover Junctions;
Joint Board	means the joint board of directors of CTG, FM, TNU SA and TNU PLC formed in accordance with the provisions of a Partnership Agreement dated 13 August 1986 and made up of directors of TNU SA and of directors of TNU PLC, which was replaced by the Concession Coordination Committee on 25 June 2007;
Judicial Administrators	means Mr. Laurent Le Guernevé and Mr. Emmanuel Hess;
Lift-On/Lift-Off	means the top-loading method using a crane (for mobile containers and crates);
MUC	means the additional monthly payments that the Railways were obliged to pay to the Eurotunnel Group until November 2006 under the terms of the Railways Usage Contract;

New Ordinary Shares	means the new ordinary shares of GET SA (i) to be issued upon exercise of the BSA or (ii) that must be issued in redemption of the SDES and, if applicable, with respect to the payment of the SDES Return;
Non-consolidated Ordinary Shares	means the ordinary shares of GET SA which have not been consolidated since the start of the consolidation process which begun on 12 November 2007;
Noteholders	means the holders of the Notes;
Notes	means the Resettable Bonds, the Participating Loan Notes and the Stabilisation Notes;
NRS	means the notes redeemable in GET SA Ordinary Shares issued by EGP pursuant to the Safeguard Plan which have been admitted on *Euronext Paris* and on the London Stock Exchange, in accordance with the to the 2007 Securities Note;
NRS I	means the first series of NRS divided into three tranches: T1, T2 and T3 as described in note 16 to the consolidated accounts of GET SA appearing in annex II;
NRS II	means the second series of NRS comprising one single tranche as described in note 16 to the consolidated accounts of GET SA appearing in annex II;
Offer	means the offer made by GET SA in 2007 to holders of Units to exchange their Units for GET SA Ordinary Shares and Warrants;
Offer Document	means the joint offer document of GET SA, TNU SA and TNU PLC relating to the Offer approved by the *Autorité des marchés financiers* on 4 April 2007 under number 07-112;
Participating Loan Notes	means the debt securities issued by FM and EFL on 7 April 1998, pursuant to the Participating Loan Note Constituting Trust Deed dated the same date;
Passenger Shuttle Services	means the Eurotunnel Group's passenger service, which provides for the transport of cars, caravans, coaches, motorcycles and trailers on Shuttles between the United Kingdom and France;
Passenger Shuttles	means the Shuttles used by the Eurotunnel Group for the Passenger Shuttle Services;
Proposed Safeguard Plan	means the proposed safeguard plan sent to the creditors of TNU on 31 October 2006 together with the *Addendum* dated 24 November 2006;
Railway Services	means the services provided by the Eurotunnel Group to other railway companies, such as Eurostar, SNCF and DB Schenker (formerly EWS);
Railway Usage Contract	means the railway usage contract dated 29 July 1987 between the Concessionaires and the Railways, governing the relationship between the Eurotunnel Group and the Railways and setting out the basis upon which the Railways will use the System until the expiry of the Railway Usage Contract in 2052;
Railways	means, together, SNCF and BRB;
Reference Document	means this reference document relating to GET SA;
Registration Document	means the registration document registered by the *Autorité des marchés financiers* on 21 March 2007 under number i.07-021;

Reopening	means the return to service of Interval 6 which occurred in the night of 9 to 10 September 2009 by the reinstatement of the Tunnel following the Fire in September 2008
Resettable Bonds	means the debt securities issued by FM and EFL on 15 May 2006 pursuant to the Resettable Bond Constituting Trust Deed dated the same date;
Roll-On/Roll-Off	means the method of horizontal loading (for trucks and trailers);
Safeguard Plan	means the Proposed Safeguard Plan approved by the financial creditors committees and the suppliers committees of TNU on 27 November 2006, by the Noteholders on 14 December 2006 and by the Commercial Court of Paris on 15 January 2007; the latter having recorded its complete implementation on 23 December 2008;
Safeguard Procedure	means the safeguard procedure opened in respect of 17 TNU group companies on 2 August 2006. For the avoidance of doubt, companies with no trading activity, non-operating companies and companies which were not guarantors under the credit agreements in place at that time were not included in the Safeguard Procedure;
Safety Authority	means the authority established pursuant to the Treaty of Canterbury and the Concession Agreement to advise and assist the IGC on all matters concerning the safety of the construction and operation of the System;
SDES	means the subordinated deferred equity shares issued by GET SA which have been admitted to official listing and trading on the regulated market of the Luxembourg Stock Exchange, in accordance with the SDES Securities Note;
SDES Return	means the return on the SDES which will be payable in one instalment on 6 September 2009 and will be comprised of (i) the issue and allocation to SDES holders of three New Ordinary Shares per SDES, or (ii) at the option of GET SA, the payment in cash of interest calculated at an annual rate of 2% (within the limit of the amount of available cash flow within GET SA, provided that should such cash flow be insufficient, the return on the SDES will be paid in whole or in part in the manner specified in (i) above);
SDES Securities Note	means the securities note relating to the SDES approved by the *Autorité des marchés financiers* on 20 February 2008 under number 08-032;
Short Straits	means any passenger or freight link connecting Dover, Folkestone or Ramsgate to Calais, Boulogne-sur-Mer, Ostende or Dunkirk;
Shuttle Services	means the Truck Shuttle Services and the Passenger Shuttle Services;
Shuttles	means the shuttles used by the Eurotunnel Group for the Truck Shuttle Services and the Passenger Shuttle Services;
SMS	means Safety Management System;
SNCB	means *Société Nationale des Chemins de Fer Belges*;
SNCF	means *Société Nationale des Chemins de Fer Français*;
Stabilisation Notes	means the debt securities issued by FM and EFL in July 2002, December 2003, January 2004 and May 2006 pursuant to the Stabilisation Note Constituting Trust Deed dated 7 April 1998;
States	means the French Republic and the United Kingdom of Great Britain and Northern Ireland;

Substitution Right	means the substitution right described in paragraph 22.2.5 of this Reference Document;
System	means the system made up of the Tunnel together with the related terminals, fixed equipment and annex buildings;
Term Loan	means the term loan entered into as part of the Safeguard Plan, the principle terms of which are described in paragraph 22.4.1 of this Reference Document;
Through Railfreight Services	means the freight services between the United Kingdom and continental Europe operated by railway companies such as SNCF and DB Schenker (formerly EWS);
TNU	means the group of companies comprising TNU SA, TNU PLC and their respective subsidiaries as at the date of this Reference Document;
TNU PLC	means TNU PLC, formerly Eurotunnel P.L.C.;
TNU SA	means TNU SA, formerly Eurotunnel SA;
Treaty of Canterbury	means the Treaty between France and the United Kingdom, signed on 12 February 1986 and ratified on 29 July 1987, authorising the construction and operation by private concessionaires of the Fixed Link;
Truck Shuttle Services	means the Eurotunnel Group's freight service, which provides for the transport of trucks on Shuttles between the United Kingdom and France;
Truck Shuttles	means the Shuttles used by the Eurotunnel Group for the Truck Shuttle Services;
Tunnel	means the two rail tunnels and the service tunnel under the English Channel;
Units	means the Units each comprising one share in TNU SA and one share in TNU PLC;
Warrants	means the warrants to subscribe for GET SA Ordinary Shares which were admitted on *Euronext Paris*, in accordance with the 2007 Securities Note.

ANNEX I TABLE OF SHAREHOLDINGS AS AT 31 DECEMBER 2008

Over the course of financial year 2008, GET SA did not acquire shareholdings in any French company.

Company name	Registered office	Country	Activities	% of capital and voting rights held by: Holding company(1)	% of capital and voting rights held by: Subsidiaries(1)	TOTAL(1)
Cheriton Leasing Limited	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Financing		99.32	99.32
Cheriton Resources 1 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Cheriton Resources 2 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Cheriton Resources 3 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Cheriton Resources 6 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Cheriton Resources 7 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Cheriton Resources 8 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Cheriton Resources 9 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Cheriton Resources 10 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32

Company name	Registered office	Country	Activities	% of capital and voting rights held by: Holding company(1)	Subsidiaries(1)	TOTAL(1)
Cheriton Resources 11 Limited	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Cheriton Resources 12 Limited	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Financing		99.32	99.32
Cheriton Resources 13 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Financing		99.32	99.32
Cheriton Resources 14 Limited	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Financing		99.32	99.32
Cheriton Resources 15 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Financing		99.32	99.32
Cheriton Resources 16 Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Europorte 2 SAS	37 rue des Mathurins 75008 Paris France	France	Railways operator		99.32	99.32
Eurotunnel Agent Services Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Financing		99.32	99.32
Eurotunnel Developments Limited(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Property development		99.32	99.32
Eurotunnel Finance Limited	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Structured finance		99.32	99.32
Eurotunnel Financial Services Limited (formerly Le Shuttle Holidays Limited)(2)	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Eurotunnel Group UK PLC	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Financing		100	100

Company name	Registered office	Country	Activities	% of capital and voting rights held by Holding company[1]	Subsidiaries[1]	TOTAL[1]
Eurotunnel SE[3]	13 Rue Lens 1000 Brussels Belgium	Belgium	Centralising, management, development and sale of freight tickets		99.32	99.32
Eurotunnel Services GIE	19 boulevard Malesherbes 75008 Paris France	France	Management of staff in France		99.32	99.32
Eurotunnel Services Limited	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Management of UK staff		99.32	99.32
Eurotunnel Trustees Limited[2]	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
EurotunnelPlus BV[3]	Parklaan 32 3016BC Rotterdam Netherlands	Netherlands	Purchase, sale, distribution and marketing of the Eurotunnel Group tickets		99.32	99.32
EurotunnelPlus Limited[3]	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Purchase, sale, distribution and marketing of the Eurotunnel Group tickets		99.32	99.32
France Manche SA	19 boulevard Malesherbes 75008 Paris France	France	Operation of the Fixed Link		99.32	99.32
Gamond Insurance Company Limited	Maison Trinity Trinity Square St Peter Port Guernsey Channel Islands	Guernsey	Insurance		99.32	99.32
Le Shuttle Limited (formerly Cheriton Resources 17 Limited)[2]	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kindgom	None		99.32	99.32
London Carex Limited[2]	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	None		99.32	99.32
Orbital Park Limited[2]	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Property development		99.32	99.32
The Channel Tunnel Group Limited	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Operation of the Channel Tunnel		99.32	99.32

Company name	Registered office	Country	Activities	% of capital and voting rights held by		TOTAL[1]
				Holding company[1]	Subsidiaries[1]	
TNU PLC	UK Terminal Ashford Road Folkestone Kent CT18 8XX United Kingdom	United Kingdom	Parent of concessionaire companies	9.11	90.21	99.32
TNU SA[4]	19 boulevard Malesherbes 75008 Paris France	France	Parent of concessionaire companies	9.11	90.21	99.32

(1) *Excluding shares held by directors.*

(2) *These companies did not undertake any significant activities in 2008.*

(3) *As part of the simplification of the structure of the Eurotunnel Group, all the assets and liabilities of EurotunnelPlus SAS and EurotunnelPlus SL were transferred to EurotunnelPlus Distribution SAS. This was followed by a transfer of all assets and liabilities from EurotunnelPlus Distribution SAS to Eurotunnel SE. For the purposes of these transactions, which resulted in the aforementioned subsidiaries being wound up on 1 January 2008, FM transferred all shares in EurotunnelPlus Distribtuion SAS to Eurotunnel SE. To complete this initial phase of transactions, the assets and liabilities of EurotunnelPlus GmbH were transferred to Eurotunnel SE on 11 January 2008. EurotunnelPlus B.V. will transfer all of its assets to Eurotunnel SE. The business of EurotunnelPlus Limited was transferred to CTG on 1 January 2009.*

(4) *In the process of being restructured.*

ANNEX II CONSOLIDATED ACCOUNTS OF GET SA FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2008 AND STATUTORY AUDITORS' REPORT

Statutory auditors' report on the consolidated accounts

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English-speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Following our appointment as statutory auditor by your Annual General Meeting, we hereby report to you, for the year ended 31 December 2008, on:

- the audit of the consolidated financial statements of Groupe Eurotunnel SA attached to this report;
- the justification of our assessments;
- the specific verifications required by law.

These consolidated financial statements have been approved by the board of directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

1 Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis or any other methods of selection, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that the elements obtained are sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities, of the financial position of the Group as at 31 December 2008 and of the results of its operations for the year then ended in accordance with IFRS as adopted by the EU.

2 Justification of our assessments

As indicated in note 2.1 iii of the consolidated financial statements, the estimations underlying the preparation of the annual financial statements at 31 December 2008 were made in a context in a context of uncertainty of economic outlook and of high volatility in the financial markets. It is in this uncertain context that in accordance with the requirements of article L. 823-9 of the French Commercial Code (''Code de commerce'') relating to the justification of our assessments, we bring to your attention our own assessments:

Valuation of assets

The note 7 of the consolidated financial statements presents the global criteria and approach to evaluate assets in accordance with IAS 36 and indicates that the taking into account of the events of 2008 does not modify the value of the assets. We ensured of the appropriateness of the information given in that note on the Group's position regarding the valuation of its assets.

Attention is however drawn to the fact that these financial projections over the reminder of the Concession are, by their very nature, uncertain, reinforced by the specific context of the preparation of the 2008 consolidated accounts as stated above.

Effect of the fire in September 2008

Note 1.1 of the consolidated financial statements presents the effect of the September 2008 fire on the group consolidated income statement for this year and indicates the accounting treatments used, especially for the recording of indemnities for operating losses and destroyed rolling stock. We ensured the consistency of the accounting treatments used with insurance contracts and reports issued by the experts and their appropriateness with IFRS. We also checked the pertinence of the information given in that note relating to this fire.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

3 Specific verification

In accordance with French law, we have also verified the information given in the group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Statutory auditors

Paris La Défense, 3 March 2009

KPMG Audit
Deparment of KPMG SA

Fabrice Odent
Partner

Paris La Défense, 3 March 2009

Mazars

Thierry de Bailliencourt
Partner

Consolidated income statement

(€'000)	Note	31 December 2008	PRO FORMA* 31 December 2007	31 December 2007(1)
Revenue	3	703,881	774,882	401,762
Other income	4	43,942	–	–
Total turnover		**747,823**	**774,882**	**401,762**
Operating expenses		(200,127)	(209,691)	(107,926)
Employee benefit expense	5,6	(127,040)	(126,039)	(62,729)
Depreciation	7	(159,622)	(161,956)	(82,016)
Trading profit		**261,034**	**277,196**	**149,091**
Other operating income/(expenses)	8	28,260	(12,922)	(13,229)
Operating profit		**289,294**	**264,274**	**135,862**
Income from cash and cash equivalents		18,588	13,863	5,410
Gross cost of servicing debt	9	(267,579)	(291,377)	(140,406)
Net cost of financing and debt service		(248,991)	(277,514)	(134,996)
Other financial income	10	36,224	48,770	22,666
Other financial charges	10	(36,255)	(33,668)	(28,724)
Profit arising from the financial restructuring		–	3,322,803	3,322,803
Income tax expense	11	(545)	(318)	(318)
Profit for the year		**39,727**	**3,324,347**	**3,317,293**
Group share: profit:		43,595	3,325,087	3,317,834
Minority interest share: loss	2.1i	(3,868)	(740)	(541)
Profit per share (€)	12	0.34	55.64	55.52
Profit per share after dilution (€)	12	0.08	5.43	5.41

* *See 2.3i below.*

Consolidated statement of recognised income and expense

(€'000)	31 December 2008	31 December 2007(1)
Foreign exchange translation differences	462,404	224,050
Impact of exchange differences on overseas investment	–	(26,991)
Movement in fair value of hedging contracts*	(387,471)	(64,586)
Net income recognised directly in equity	74,933	132,473
Profit for the year – Group share	43,595	3,317,834
Recognised income and expense – Group share	**118,528**	**3,450,307**
Recognised income and expense – minority interest share	**(1,340)**	**962**
Total recognised income and expense	**117,188**	**3,451,269**

* *Including accrued interest.*

The notes on pages 157 to 197 form part of these consolidated accounts.

(1) *The consolidated income statement and statement of recognised income and expense include the Group's activities with effect from 1 July 2007.*

Consolidated balance sheet

(€'000)	Note	31 December 2008	31 December 2007
ASSETS			
Property, plant and equipment			
Concession property, plant and equipment	7	6,886,309	7,012,773
Other property, plant and equipment	7	19	29
Non-current financial assets			
Shares	13,19	77	115
Other financial assets	13,19	2,673	3,420
Total non-current assets		**6,889,078**	**7,016,337**
Inventories		–	60
Trade receivables	13,19	48,346	78,377
Other receivables	13,19	67,459	26,268
Other financial assets	13,19	390	602
Cash and cash equivalents	13,19	275,908	154,983
Total current assets		**392,103**	**260,290**
Total assets		**7,281,181**	**7,276,627**
EQUITY AND LIABILITIES			
Issued share capital	14	75,937	23,914
Share premium account	15	1,136,128	218,127
Other reserves	15	148,253	(2,216,031)
Other equity and similar instruments	15,16	1,226,319	1,472,678
Retained earnings	15	–	(26,991)
Profit for the year	15	43,595	3,317,834
Cumulative translation reserve	2.1ii, 15	407,697	(54,707)
Equity – Group share		**3,037,929**	**2,734,824**
Minority interest share	2.1i	2,700	4,040
Total equity		**3,040,629**	**2,738,864**
Retirement benefit obligations	17	15,912	15,699
Financial liabilities	13,18	3,557,247	4,120,310
Other financial liabilities	13,19	2,326	3,089
Interest rate derivatives	13,18	455,159	65,033
Total non-current liabilities		**4,030,644**	**4,204,131**
Provisions	21	43,890	49,258
Financial liabilities	13,18	22,065	140,229
Other financial liabilities	13,19	419	602
Trade payables	13,22	121,985	115,026
Other payables	13,22	21,549	28,517
Total current liabilities		**209,908**	**333,632**
Total equity and liabilities		**7,281,181**	**7,276,627**

The notes on pages 157 to 197 form part of these consolidated accounts.

Consolidated cash flow statement

(€'000)	31 December 2008	PRO FORMA** 31 December 2007	31 December 2007[(2)]
Result for the year: profit	39,727	3,324,347	3,317,293
Income tax expense	545	318	318
Profit arising from the financial restructuring	–	(3,322,803)	(3,322,803)
Other financial charges and (income)	31	(15,102)	6,058
Net cost of financing and debt service	248,991	277,514	134,996
Other operating (income) and expenses	(28,260)	12,922	13,229
Depreciation	159,622	161,956	82,016
Trading profit before depreciation	**420,656**	**439,152**	**231,107**
Exchange adjustment*	(31,123)	(12,523)	(3,813)
Decrease/(increase) in trade and other receivables	7,825	(4,370)	7,540
Increase/(decrease) in trade and other payables	18,900	(24,652)	(2,004)
Net cash inflow from trading	**416,258**	**397,607**	**232,830**
Other operating cash flows	(679)	(116,147)	(91,775)
Taxation	(483)	(318)	(318)
Net cash inflow from operating activities	**415,096**	**281,142**	**140,737**
Payments to acquire property, plant and equipment	(37,887)	(38,618)	(20,776)
Sale of property, plant and equipment	3,196	1,133	863
Net cash outflow from investing activities	**(34,691)**	**(37,485)**	**(19,913)**
Issue of SDES	800,000	–	–
Issue costs of SDES	(28,791)	–	–
Capital increase	915,444	225	225
Share issue costs	(40,393)	(17,789)	(10,595)
Redemption and partial buy back of NRS	(1,549,032)	–	–
Interest paid on redeemed NRS	(84,787)	–	–
Drawdown of Term Loan	–	4,010,408	4,010,408
Repayment of old financial instruments	–	(3,914,237)	(3,914,237)
Interest paid on old financial instruments	–	(286,801)	(286,801)
Fees paid for Term Loan	–	(66,145)	(51,476)
Interest paid on old hedging instruments	–	(3,000)	(3,000)
Interest received on cash and cash equivalents	17,646	13,345	4,574
Interest received on new hedging instruments	5,521	2,032	2,032
Other interest received	173	235	113
Interest paid on Term Loan	(201,789)	(104,052)	(104,052)
Interest paid on NRS	(31,039)	–	–
Interest paid on new hedging instruments	–	(2,225)	(2,225)
Proceeds from sale of own shares	1,230	–	–
Purchase of own shares	(45,448)	(714)	(714)
Net cash outflow from financing activities	**(241,265)**	**(368,718)**	**(355,748)**
Increase/(decrease) in cash in year (note 13.3)	**139,140**	**(125,061)**	**(234,924)**

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

** *See 2.3ii below.*

The notes on pages 157 to 197 form part of these consolidated accounts.

(2) *The cash flow statement includes the Group's activities from 1 July 2007.*

Notes to the accounts

Groupe Eurotunnel SA (GET SA) is the holding company of EGP and the TNU Group and its subsidiaries, which have as their principal purposes the design, financing, construction and operation of the Fixed Link, in accordance with the terms of the Concession.

1. Important events

1.1 Fire in September 2008

The Fire on 11 September 2008 significantly affected the Group's revenues, traffic and operating conditions for 2008. Whilst services resumed a little over one day after the fire, and in the following weeks operating capacity was progressively optimised after the cleaning and the return to service of the two smoke-affected sections of the Tunnel, the fire-damaged section of the Tunnel remained closed until 9 February 2009 (see section 6.4 of this Reference Document). After the initial build up of services at the end of September, the number of missions run by the Passenger and Truck Shuttle services was just under half the number in the same period in 2007, whilst priority was given to Eurostar services.

The Eurotunnel Group is insured against operating losses and damage to material up to €900 million, and so the effect of the fire on the Group's results for 2008 is limited.

Effect on the 2008 consolidated income statement:

- As provided for by the insurance contracts, indemnities for operating losses have given rise to the receipt of advances from insurers.
- The Group has accounted in other income for all advances received by the year end totalling €44 million, representing indemnities of €54 million, less the excess of €10 million.
- The cost of repairs resulting from the fire has been offset by insurance indemnities for a corresponding amount, and therefore has no effect on the income statement except for the excess of €0.1 million.
- The indemnity relating to the destroyed rolling stock is made on the basis of a contractually agreed value. Examinations by experts are currently underway. Nevertheless, 17 wagons have been declared beyond repair at 31 December 2008 by all experts, and on this basis, the Eurotunnel Group has accounted for a net profit of approximately €11 million in 2008. The examinations by experts continue on other parts of the shuttle that was involved in the fire in order to determine whether or not they are repairable and to fix definitively the amount of the indemnity. The insurance excess is €0.4 million.

1.2 Early cash redemption of NRS II

In order to finance the early cash redemption of all NRS II, the board of directors of GET SA decided, on 5 February 2008 and 14 February 2008, to increase capital in two phases by the issue of (i) the subordinated deferred equity shares (the ''SDES'') and (ii) New Ordinary Shares upon exercise of share warrants (the ''BSA''), allotted for free to all GET SA shareholders.

i. During the first phase of the transaction, GET SA issued 800,000 SDES at a nominal value of 1,000 euros each on 6 March 2008 (see note 16.2 below), the terms and conditions of which are described in the Securities Note approved by the *Autorité des marchés financiers* (AMF) under visa number 08-032 on 20 February 2008. On 10 April 2008, the proceeds of the issue of the SDES, being a total principal amount of €800,000,000, were used to finance the early redemption in cash of 6,011,109 of the 11,539,914 NRS II issued on 28 June 2007 at 140% of their nominal value, for a total of £258,999,907 and €461,790,000.

ii. During the second phase of the transaction, GET SA allocated 59,784,111 free BSA to its shareholders on 30 April 2008, giving them the right to subscribe for 104,622,189 New Ordinary Shares at a price of €8.75 per share. This rights issue was fully underwritten by a banking syndicate, and the terms and conditions of this transaction are described in the Securities Note approved by the AMF under visa number 08-077 on 28 April 2008. The New Ordinary Shares resulting from this transaction were issued on 4 June 2008, and the proceeds amounted to €915,444,153.75. On 10 July 2008, Eurotunnel Group completed the early cash redemption of the remaining NRS II with the proceeds from this transaction: 5,528,805 NRS II were redeemed at 140% of their nominal value for a total amount of £234,538,790.64 and €430,134,180.

1.3 Partial cash buy back of NRS I

On 23 June 2008, the Eurotunnel Group carried out a buy back of 150,000 NRS I (see notes 15 and 16.1i below).

Following the redemption of all the NRS II and the partial buy back of the NRS I, the amount of interest to be paid on the NRS has been reduced to €16 million in 2009 and €13 million in 2010 (at the exchange rate at 31 December 2008 of £1=€1.050).

1.4 Contractual redemption of NRS I Tranche I

On 28 July 2008, the Eurotunnel Group carried out the contractual redemption of the first tranche of the NRS I with GET SA shares. This transaction resulted in the redemption of 977,545 NRS I and the issue of 25,435,615 GET SA ordinary shares (see note 16.1i below).

1.5 Arbitration

Following the disturbances caused to its business by the intrusion of illegal migrants coming from the Sangatte centre between 2000 and 2002, Eurotunnel petitioned the international ad hoc Tribunal at the International Court of Justice on 17 December 2003, to seek compensation for damages suffered. In its ruling of 30 January 2007 published on 23 February 2007, the ad hoc Arbitration Tribunal recognised Eurotunnel's right to compensation, the amount of which to be determined by the Tribunal at a later date.

Following this decision, Eurotunnel entered into negotiations with the French government, and an agreement was reached whereby the French government would make a full and final settlement of €24 million, payable over three years. This agreement was ratified by the French government and the settlement accounted for in 2008. Following this agreement, Eurotunnel has withdrawn its claim against the French government.

The British government has also accepted the principle of an amicable agreement to the litigation, and negotiations are underway.

1.6 Safeguard Plan

The Safeguard Plan for the TNU group companies was approved on 15 January 2007 by the Paris Commercial Court, who on 23 December 2008 recognised the complete execution of the Plan.

1.7 Litigation

The implementation of the Safeguard Plan continued during the period, under the supervision of the Commissioners for the Execution of the Plan, as did certain legal proceedings. Concerning the proceedings instigated in Paris by the Resurgence Group relating to the opening and conduct of Eurotunnel's Safeguard Procedure, Resurgence has formally and irrevocably withdrawn its claims and actions and renounced its rights in relation to these proceedings. However, these proceedings continue with other parties. They are not considered likely to challenge the validity, the continuation and the completion of the Safeguard Plan. Should the outcome of certain of these proceedings be unfavourable, they could result in the payment of damages and interest. Eurotunnel remains confident of a favourable outcome to these claims.

2. Basis of preparation and significant accounting policies

Statement of compliance

The consolidated accounts have been prepared in accordance with those IFRS standards as adopted by the European Union up to 31 December 2008. Standards and interpretations published by the IASB for which the application is not obligatory in 2008, have not been anticipated in the 2008 accounts and will not have a significant impact on GET SA's financial statements.

2.1 Basis of preparation and presentation

The consolidated accounts consist of the consolidation of the accounts of GET SA and its subsidiaries as set out in the table on page 160.

Eurotunnel has control over the nature and price of the services it provides, and therefore does not meet the criteria set out in IFRIC 12 relating to concession contracts. GET SA applies IAS 16 on property, plant, and equipment, and IAS 37 on provisions.

i. Basis of consolidation

The accounting periods of Eurotunnel companies run from 1 January to 31 December. Companies acquired or formed during the year are consolidated as from their date of acquisition or formation. Two subsidiaries of GET SA with no activity during 2008 have not been consolidated. These companies had no contingent liabilities.

For the purposes of consolidation, GET SA comprises the following companies at 31 December 2008:

	Country of registration or incorporation	% interest	% control
Groupe Eurotunnel SA (GET SA)	France	Holding company	Holding company
Eurotunnel Group UK PLC (EGP)	England	100	100
Sub-Group TNU SA/TNU PLC (TNU Group):			
TNU SA (formerly Eurotunnel SA)	France	99.32	100
TNU PLC (formerly Eurotunnel P.L.C.)	England	99.32	100
France Manche SA (FM, the French concessionaire)	France	99.32	100
The Channel Tunnel Group Limited (CTG, the British concessionaire)	England	99.32	100
Europorte 2 SAS	France	99.32	100
Eurotunnel Finance Limited (EFL)	England	99.32	100
Eurotunnel SE (ETSE)	Belgium	99.32	100
Eurotunnel Services GIE (ESGIE)	France	99.32	100
Eurotunnel Services Limited (ESL)	England	99.32	100
EurotunnelPlus BV	Netherlands	99.32	100
EurotunnelPlus GmbH(1)	Germany	99.32	100
EurotunnelPlus Limited	England	99.32	100
Gamond Insurance Company Limited (GICL)	Guernsey	99.32	100
Cheriton Leasing Limited, Cheriton Resources 1, 2, 3, 6, 7, 8, 9, 10, 11, 13, 15, 16, Limited(1)	England	99.32	100
Cheriton Resources 12 and 14 Limited	England	99.32	100
Eurotunnel Agent Services Limited(1)	England	99.32	100
Eurotunnel Developments Limited (EDL)(1)	England	99.32	100
Eurotunnel Trustees Limited (ETRL)(1)	England	99.32	100
Eurotunnel Financial Services Limited(1),(3)	England	99.32	100
Le Shuttle Limited(2)	England	99.32	100
London Carex Limited(1)	England	99.32	100
Orbital Park Limited (OPL)(1)	England	99.32	100

(1) *These companies had no significant activity during 2008.*

(2) *On 19 December 2008, Cheriton Resources 17 Limited changed its name to Le Shuttle Limited.*

(3) *On 13 November 2008, Le Shuttle Holidays Limited changed its name to Eurotunnel Financial Services Limited.*

All the companies listed above are fully consolidated.

As part of the simplification of the group, all the assets and liabilities of EurotunnelPlus SAS and EurotunnelPlus SL were transferred to EurotunnelPlus Distribution SAS, followed by the transfer of all EurotunnelPlus Distribution SAS's assets and liabilities to Eurotunnel SE. As a consequence of these operations, the aforementioned subsidiaries were dissolved.

ii. Exchange rates

GET SA and EGP's company accounts and GET SA's consolidated accounts are prepared in euros.

TNU PLC and its subsidiaries' accounts are prepared in sterling and have been converted into euros as follows:

- Share capital, share premium account, retained reserves brought forward, Concession property, plant and equipment and depreciation at historical rates.
- All other assets and liabilities at the rate ruling at the balance sheet date.
- Income statement items, with the exception of depreciation, at an average rate for the year.
- Exchange differences arising from the application of the above are included in the cumulative translation reserve in the balance sheet.
- The closing and average €/£ exchange rates for 2008 and 2007 are as follows:

€/£	2008	2007
Closing rate	1.050	1.364
Average rate	1.216	1.437

iii. 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 Board periodically reviews its valuations and estimates based on its experience and various other factors considered relevant for the determination of reasonable and appropriate estimates of the assets' and liabilities' carrying value. The estimations underlying the preparation of the annual accounts at 31 December 2008 were made in a context of uncertainty in the economic outlook and of high volatility in the financial markets.

The actual results could differ significantly from these estimates depending on different conditions and hypotheses. The use of estimations concerns mainly the valuation of property, plant and equipment (see note 7), the provisions for restructuring (see note 21), the evaluation of the tax situation (see note 11) and certain elements of the valuation of financial instruments (see note 20).

iv. Segment reporting

The Group operates a single asset which is common to all its activities. This asset and the operating costs arising from it cannot be directly allocated to these activities. Consequently, the Group presents its activities as one reportable segment within the meaning of IAS 14.

2.2 Significant accounting policies

i. Cost and revenue sharing

The Concession requires that the Group's concessionaires (CTG and FM) share equally the cost price of the Project and all revenues and costs relating to the operation of the Fixed Link between the British and French companies.

- Concession property, plant and equipment is shared equally between the concessionaires.
- Operating revenues and costs are accounted for in the income statement of the partnership and are shared equally between the concessionaires. Revenues and costs which do not relate to the operation of the Concession are not subject to these sharing arrangements.

ii. Property, plant and equipment, and depreciation

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Property, plant and equipment are depreciated on a systematic basis in order to write down the costs of assets over their expected useful lives as follows:

Tunnels	Concession*
Terminals and related land	10 years – life of Concession*
Fixed equipment and machinery	5 years – life of Concession*
Rolling stock	5 – 60 years
Freehold land	not depreciated
Office equipment	3 – 10 years

* *The Concession expires in 2086.*

The expected useful lives of the assets are kept under review and revised when necessary, according to experience.

Non-renewable Concession property, plant and equipment is depreciated over the life of the Concession on a straight line basis. Depreciation on renewable assets is calculated on a straight line basis.

As all property, plant and equipment will be written down to £nil at the end of the Concession, depreciation of the final renewal cost of renewable assets will be based on the residual duration of the Concession.

iii. Impairment of property, plant and equipment

The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of assets is the greater of their net selling price and their value in use. In assessing value in use, the estimated future cash flows of the Concession considered as a whole are discounted to the present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

iv. Retirement liabilities

The Group provides for its contractual obligations for retirement indemnities of employees under French contracts, and for the defined benefit retirement schemes of employees under UK contracts operated by the TNU PLC Group. The current service cost of the period, determined by the projected unit of credit method, is accounted for in operating costs. Actuarial differences are dealt with using the ''corridor'' approach, with any excess or shortfall outside the corridor being amortised over the average remaining working lives of the beneficiaries, and are shown in operating costs.

v. Provisions

Provisions are recognised when there exists a legal or constructive obligation stemming from a past event and when the future cash flows can be reliably estimated.

vi. Financial instruments

Financial assets

In accordance with IAS 39, the Group's financial assets have been classified in one of the following four categories:

- financial assets at fair value through profit and loss;
- loans and receivables;

- held-to-maturity investments;
- available-for-sale financial assets.

The classification defines the accounting treatment of these instruments. The classification is designated by the Group at the date of initial recognition depending on the purpose for which the assets were acquired. The purchase and sale of financial assets are accounted for on the transaction date, being the date on which the Group has contracted for the purchase or sale of the asset.

- **Financial assets at fair value through profit and loss**

These are financial assets held by the Group for the purpose of generating a short-term profit, or assets designated to this category at inception.

These assets are measured at their fair value with changes in the carrying amount being taken to the income statement.

These financial instruments include short-term treasury investments which are classified as current assets in cash equivalents.

- **Loans and receivables**

Loans and receivables are financial assets with fixed or determinable payments that are not listed on an active market and that are not held for trading purposes and are not available for sale.

These assets are initially measured at their fair value and subsequently at their amortised cost using the effective interest method. For short-term receivables that do not have a contractual rate of interest, the fair value is assimilated to the original invoiced amount except where the effective interest rate has a significant impact.

These assets are subject to impairment tests if there is an indication of impairment losses. An impairment loss is recognised whenever the carrying amount exceeds the estimated recoverable amount.

Receivables arising on shares and trade receivables are included in this category. They are shown as financial assets and as trade receivables.

- **Held-to-maturity investments**

Held-to-maturity investments are financial assets, other than loans and receivables, with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold to maturity. At the balance sheet date, the Group has not designated any financial asset to this category.

- **Available-for-sale financial assets**

All financial assets that are not classified in another category are classified as available-for-sale. They are measured at their fair value. Unrealised gains and losses are recognised in equity until the asset's sale or derecognition. However when there is objective evidence that an available-for-sale asset may be impaired, the cumulative net loss is recognised in the income statement. Impairments on equity securities cannot be reversed in subsequent accounting periods.

Fair value, for listed securities, equates to the market price. For unlisted securities, the fair value is determined by reference to recent transactions or by using valuation techniques incorporating reliable and observable market data. However, when no reliable estimate of the fair value of a security can be made, it is measured at historical cost. These assets are subject to impairment tests to establish their recoverability.

This category includes shares in non-consolidated subsidiaries.

Financial liabilities

Financial liabilities include, in accordance with IAS 39:

- loans and bank overdrafts;
- derivative liabilities.

Borrowings

Borrowings are recognised initially at fair value less transaction costs, and subsequently at amortised cost according to the effective interest rate method.

For financial liabilities that are at a fixed interest rate indexed to inflation, the future cash flows are periodically re-estimated to take account of actual fluctuations in the inflation rate, thereby changing the effective interest rate.

Finance (debt servicing) costs are recognised at a constant interest rate until maturity of the debt using the effective interest rate method. The effective interest rate is the interest rate that exactly discounts all of the contractual cash flows due on the debt until its maturity. The effective interest rate is calculated on the basis of the estimated cash flows due on each instrument constituting the debt. The calculation takes into account the transaction-related costs and all other premiums and discounts.

Interest rate hedging instruments

All the derivative instruments are designed to hedge exposure to interest rate risk. They are measured at market value and are used as cash flow hedges.

Cash flow hedges: the derivative instruments designed to hedge the floating rate element of the debt are accounted for as cash flow hedges. The portion of the gains and losses arising from changes in the fair value that is deemed to be an effective hedge is taken directly to equity until the underlying transaction is recognised in the Group's financial statements. The portion deemed ineffective is accounted for in the income statement for the period. The gains and losses included in equity are recycled to the income statement in the period when the hedged item affects the income statement. The new interest rate hedging instruments described in note 18 on financial liabilities, meet the criteria set out in IAS 39 and are therefore accounted for as cash flow hedges.

vii. Notes redeemable in shares (NRS)

The compound financial instruments issued by the Group include the notes redeemable in shares (redemption against a predetermined number of shares). The NRS will be redeemed automatically in GET SA shares. Holders have no right to request redemption in cash.

The ''liability'' component of the compound financial instrument is initially recognised at the fair value of a similar liability redeemable in cash. The initial recognition of the ''equity'' component corresponds to the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Directly attributable transaction costs are allocated to the liability and equity components pro-rata to their initial carrying value.

Subsequent to its initial recognition, the ''liability'' component of the compound financial instrument is measured at amortised cost using the effective interest rate method. The accretion expense of the discounted coupon payments is taken to the income statement. The ''equity'' component of the compound financial instrument is not revalued after its initial recognition.

viii. 2007 Warrants

The Warrants are recognised in the financial statements at their issue value insofar as their exercise is triggered by non-financial criteria that are specific to the issuer.

ix. Subordinated Deferred Equity Securities (SDES)

The SDES which were issued on 6 March 2008 will be redeemed against a predetermined number of GET SA shares, without any possibility of them being redeemed in cash at the request of their holders.

The coupon on the SDES will be paid either by the issue of GET SA shares, or, at the option of GET SA, in cash. In the absence of any contractual obligation to pay the interest in cash, the whole nominal issue value of the SDES has been accounted for as an equity instrument, and will not be re-valued after its initial recognition.

Costs directly attributable to the issue of the SDES have been offset against equity.

x. Own shares

Parent company shares held by GET SA are accounted for at cost as a reduction in equity. Subsequent disposals are taken directly to equity and no profit or loss is recognised in the income statement.

xi. Foreign exchange

Transactions in foreign currencies are converted into the reporting currency of each individual company at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies other than those mentioned in note 2.1ii above are translated at the rate ruling at the balance sheet date. Exchange differences are dealt with in the income statement.

xii. Share based payments

Eurotunnel accounts for share options in accordance with IFRS 2. The options are valued at the date on which they are granted using the Binomial model. Any variations in value occurring after the grant date are not taken into account. The value is charged to employee benefit expenses on a straight line basis between the date of the grant and the maturity date (the vesting period), with an equal and opposite entry directly to equity.

xiii. Revenue recognition

Revenue comprises the value of sales of services and goods receivable in the normal course of business. Revenue is recognised on the date the service is rendered. The Group's activity is the provision of transportation services between the UK and France and activities ancillary thereto, including development activities.

xiv. Net gains or net losses on each category of financial instrument

Interest income and charges recognised in the income statement include:

- Interest on the financial assets and liabilities accounted for at amortised cost using the effective interest rate method. The calculation of the effective interest rate includes all commissions and margins payable or receivable between the contracting parties which are an integral part of the effective interest rate, and all transaction costs and all other premiums and discounts. The transaction costs are the marginal costs directly attributable to the acquisition, issue or disposal of a financial asset or liability.

- Changes in the fair value of derivatives categorised as hedges (for the ineffective portion).

xv. Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

2.3 Accounting principles and presentation used for the preparation of pro forma financial information for 2007

i. GET SA's pro forma income statement to 31 December 2007

GET SA's pro forma income statement for the year to 31 December 2007 has been prepared as follows:

- 1 January 2007 to 30 June 2007: TNU's combined income statement up to the operating result, and calculation of the gross cost of financing and debt service on the hypothetical basis that the financial restructuring was implemented on 1 January 2007. No other elements of TNU's income statement for the period have been retreated.
- 1 July 2007 to 31 December 2007: GET SA's consolidated income statement.

ii. Get SA's pro forma cash flow statement to 31 December 2007

The pro forma cash flow statement for the year to 31 December 2007 reflects the operating cash flows from the twelve months of operations as well as the financing cash flows from the financial restructuring.

3. Revenue

Revenue is analysed as follows:

(€'000)	2008	PRO FORMA 2007	2007
Shuttle services	431,274	499,936	260,216
Railways	259,357	261,686	134,676
Other revenues	13,250	13,260	6,870
Total	**703,881**	**774,882**	**401,762**

4. Other income

Other income relates to indemnities relating to operating losses resulting from the fire received from insurers at 31 December 2008 amounting to €44 million (after deduction of the whole of the €10 million insurance excess).

5. Employee numbers and employee benefit expense

	2008	PRO FORMA 2007	2007
Number of persons employed at year end[1]	2,370	2,311	2,311
Average number of persons employed[1]	2,353	2,284	2,304
Employee benefit expense (in €'000)[2]	127,040	126,039	62,729

(1) *Including directors.*

(2) *Including employment costs and directors' remuneration.*

6. Remuneration of members of the boards of directors and senior executives

6.1 The total remuneration from all Group companies to members of the boards of directors who served during 2008 was €1,285,059 (2007: €793,544) before pension contributions. This comprises entirely current employment benefits.

6.2 The total remuneration for members of the Management Committee (excluding board directors) is detailed in the table below. There were 11 members of the Management Committee at 31 December 2008 (11 at 31 December 2007), 3 of whom were members of a UK pension scheme as described in note 17 (3 at 31 December 2007).

(€'000)	2008	PRO FORMA 2007	2007
Current employment benefits	2,123	2,127	922
Post employment benefits	43	55	28
Other long term benefits	–	–	–
Payments in respect of termination of service	–	104	39
Cost of share based payments	–	103	–
Total	**2,166**	**2,389**	**989**

7. Property, plant and equipment

(€'000)	Concession property, plant and equipment: Assets in course of construction	Tunnels	Terminals and related land	Fixed equipment and machinery	Rolling stock	Office equipment	Other property, plant and equipment	Total
Cost								
At 1 January 2008	24,942	6,549,501	2,073,547	3,299,870	1,995,850	98,291	61	14,042,062
Additions	30,253	–	2,189	4,822	1,021	3,484	1	41,770
Transfers	(13,868)	–	747	3,051	9,486	584	–	–
Disposals	–	–	(8,402)	(2,767)	(32,656)	(6,106)	(1)	(49,932)
At 31 December 2008	**41,327**	**6,549,501**	**2,068,081**	**3,304,976**	**1,973,701**	**96,253**	**61**	**14,033,900**
Depreciation								
At 1 January 2008	–	2,863,173	990,145	1,930,850	1,162,896	82,164	32	7,029,260
Charged in the year	–	46,810	20,517	45,594	43,412	4,029	10	160,372
Released on disposals	–	–	(5,633)	(2,654)	(27,671)	(6,102)	–	(42,060)
At 31 December 2008	**–**	**2,909,983**	**1,005,029**	**1,973,790**	**1,178,637**	**80,091**	**42**	**7,147,572**
Net book value								
At 1 January 2008	24,942	3,686,328	1,083,402	1,369,020	832,954	16,127	29	7,012,802
At 31 December 2008	**41,327**	**3,639,518**	**1,063,052**	**1,331,186**	**795,064**	**16,162**	**19**	**6,886,328**
Cost								
At 1 January 2007	35,447	6,549,501	2,073,030	3,281,210	1,995,267	98,950	59	14,033,464
Additions	18,672	–	303	10,279	5,611	2,543	2	37,410
Transfers	(29,177)	–	486	8,842	18,277	1,572	–	–
Disposals	–	–	(272)	(461)	(23,305)	(4,774)	–	(28,812)
At 31 December 2007	**24,942**	**6,549,501**	**2,073,547**	**3,299,870**	**1,995,850**	**98,291**	**61**	**14,042,062**
Depreciation								
At 1 January 2007	–	2,816,362	970,437	1,885,646	1,137,000	82,583	22	6,892,050
Charged in the year	–	46,811	19,834	45,550	45,397	4,354	10	161,956
Released on disposals	–	–	(126)	(346)	(19,501)	(4,773)	–	(24,746)
At 31 December 2007	**–**	**2,863,173**	**990,145**	**1,930,850**	**1,162,896**	**82,164**	**32**	**7,029,260**
Net book value								
At 1 January 2007	35,447	3,733,139	1,102,593	1,395,564	858,267	16,367	37	7,141,414
At 31 December 2007	**24,942**	**3,686,328**	**1,083,402**	**1,369,020**	**832,954**	**16,127**	**29**	**7,012,802**

In France, all immovable property, plant and equipment within the Concession area is the property of the French State and will revert to it on the expiry of the Concession period (2086). In the UK, the Government has required CTG to transfer to it the title to freehold land and property acquired for the purpose of construction and operation of the Project and in exchange has granted leases for the duration of the Concession. On the expiry of the Concession, the interest of the concessionaires in all movable property and intellectual property rights necessary for the operation of the Concession will become, without payment, the joint property of the two States.

The total depreciation charge for 2008 of €160,372,000 includes €750,000 charged to the income statement in ''other operating expenses''.

At 31 December 2008, Eurotunnel no indication of impairment was identified.

The valuation of assets is carried out in accordance with IAS 36, which defines the recoverable value of an asset as the greater of its net selling price and value in use. The value in use results from the discounted forecast future operating cash flows (after capital expenditure). At the end of 2007, the calculations showed that the recoverable value of assets was significantly higher than their accounting value. The taking into account the events of 2008, in particular the evolution of the economic outlook and the euro/sterling exchange rate, does not modify the value of the assets.

8. Other operating income and (expenses)

(€'000)	2008	PRO FORMA 2007	2007
Financial restructuring and Safeguard Procedure	(9,344)	(14,643)	(14,643)
Settlement from French government	24,000	–	–
Other	13,604	1,721	1,414
Total	**28,260**	**(12,922)**	**(13,229)**

Following the agreement reached with the French government relating to the intrusion of illegal migrants (see 1.5 above), an income of €24 million was accounted for in the 2008 income statement.

''Other'' includes €11 million corresponding to the net profit from the indemnity for the 17 wagons destroyed in the Fire in September 2008 and declared beyond repair at 31 December 2008 (see note 1.1 above).

9. Gross cost of servicing debt

(€'000)	2008	PRO FORMA 2007	2007
Accretion expense of the NRS	8,781	15,097	9,213
Interest on loans	263,403	275,456	131,052
Effective rate adjustment	658	650	322
Total interest charged on financial liabilities at amortised cost	272,842	291,203	140,587
Charges relating to hedging instruments	(5,263)	174	(181)
Total gross cost of servicing debt after hedging	**267,579**	**291,377**	**140,406**

Information relating to financial liabilities and hedging instruments is presented in note 18, and information relating to the NRS is presented in note 16.

10. Other financial income and (charges)

(€'000)	2008	PRO FORMA 2007	2007
Unrealised exchange gains[1]	34,165	19,782	17,375
Realised exchange gains	697	3,810	410
Release of provision for depreciation and risks[2]	–	18,274	–
Other	1,362	6,904	4,881
Sub-total financial income	**36,224**	**48,770**	**22,666**
Unrealised exchange losses	(33,056)	(25,110)	(26,054)
Realised exchange losses	(1,857)	(8,281)	(2,557)
Other	(1,342)	(277)	(113)
Sub-total financial charges	**(36,255)**	**(33,668)**	**(28,724)**
Total	**(31)**	**15,102**	**(6,058)**

(1) Resulting from the re-evaluation of intra-group debtors and creditors.

(2) The provision for risks was made to cover the risks associated with certain financial contracts within the framework of the financial restructuring.

11. Income tax expense

11.1 Current taxation

In March 2007, GET SA opted for the French tax consolidation regime with EGP as a consolidated subsidiary as from 1 January 2007.

On 5 May 2008, GET SA opted for the enlargement of the consolidated tax group of which it is the parent company, to include TNU SA, FM, Eurotunnel Participations 1 SAS, Eurotunnel Participations 2 SAS and Europorte 2 SAS, with effect from the financial year from 1 January 2008.

Cumulative tax losses of the consolidated GET SA tax group (including TNU SA, EGP, FM, Eurotunnel Participation 1 SAS, Eurotunnel Participation 2 SAS and Europorte 2 SAS) which can be carried forward indefinitely amount to €2,256 million at 31 December 2008 (31 December 2007: €1 million before the enlargement of the consolidated tax group).

Included in the €2,256 million above is €1,988 million from the old TNU SA consolidated tax group (including FM, Eurotunnel Participation 1 SAS, Eurotunnel Participation 2 SAS and Europorte 2 SAS) which can only be used against the profits of these companies (31 December 2007: €1,988 million).

In the UK at 31 December 2008, the tax losses carried forward for the TNU PLC Group amounted to £2,684 million (31 December 2007: £2,415 million). At 31 December 2008, the TNU PLC Group had capital allowances available for future offset against profits of £1,437 million (31 December 2007: £1,424 million) and industrial buildings allowances of £646 million (31 December 2007: £697 million). The Finance Act 2008 enacted the phased abolition of industrial buildings allowances by end of 2011, and thus the majority of these allowances will be lost at that date.

Factors affecting the tax charge for the year

(€'000)	2008	PRO FORMA 2007	2007
Profit for the year	39,727	3,324,347	3,317,293
Expected tax at national rates	35,109	1,113,443	1,111,740
Effects of:			
– non-tax deductible items	16	101	75
– difference between consolidated result and taxable result for the year	(186,101)	(999,712)	(996,859)
– unrecognised tax credits used in year	(17,706)	(200,290)	(186,476)
Unrecognised tax losses	169,227	86,776	71,838
Current tax charge for the year	**545**	**318**	**318**

The difference between the consolidated result and the result used for the calculation of taxes in 2008 corresponds mainly to the redemption premium on the NRS II accounted for in equity (see note 15 below).

11.2 Deferred taxation

During 2008, GET SA continued work aimed at, in the near future, simplifying the legal structure of the Eurotunnel Group and at optimising its tax position, mainly in regard to French and British legislation and financial contracts in place (see note 25 below). At 31 December 2008, the work in progress did not enable it to determine whether a deferred tax asset arises within the meaning of IAS 12.

12. Profit/(loss) by share

	2008	PRO FORMA 2007	2007
Weighted average number:			
– of issued Ordinary Shares	130,719,347	59,784,111	59,784,111*
– of own shares	(2,348,913)	(28,148)	(28,148)
Number of shares used to calculate the result per share (A)	**128,370,434**	**59,755,963**	**59,755,963**
Weighted average number of Ordinary Shares:			
– conversion of NRS	156,850,770	425,697,537	425,697,537
– conversion of 2007 Warrants	146,438,893	127,308,211	127,308,211
– conversion of SDES	94,888,000	–	–
– return on SDES	2,400,000	–	–
– conditional additional return on SDES	4,320,000	–	–
– conditional additional return on rights issue	4,755,554	–	–
Potential number of Ordinary Shares (B)	**409,653,217**	**553,005,748**	**553,005,748**
Number of shares used to calculate the diluted result per share (A+B)	**538,023,651**	**612,761,711**	**612,761,711**
Profit (€'000) **(C)**	43,595	3,325,087	3,317,834
Profit per share (€) (C/A)	**0.34**	**55.64**	**55.52**
Profit per share after dilution (€) (C/(A+B))	**0.08**	**5.43**	**5.41**
Excluding the profit arising from the 2007 financial restructuring:			
Adjusted profit/(loss) (€'000) **(D)**	43,595	2,284	(4,969)
Adjusted profit/(loss) per share (€) (D/A)	**0.34**	**0.04**	**(0.08)**
Adjusted profit/(loss) per share after dilution (€) (D/(A+B))	**0.08**	**n/s**	**n/s**

* *The number of shares used to calculate the result per share corresponds to the number of Ordinary Shares in issue following the GET SA share consolidation (see note 14.1 below).*

The calculations were made on the following basis:

- on the assumption of a conversion of the maximum number of NRS I remaining in circulation at 31 December 2008 (see 16.1i below), 2007 Warrants (see 14.2 below), and SDES (see 16.2 below), after adjustment to the rights of holders of these instruments following, in particular, the rights issue described in note 1.2ii above;
- on the assumption that the return on the SDES will be paid by the issue of 3 shares per SDES held (see 16.2 below);
- on the assumption that the conditional additional return will be paid on all SDES, by the issue of 5.4 new or existing Additional Ordinary Shares per SDES held (see 16.2 below); and

- on the assumption that the maximum number of Additional Ordinary Shares will be attributed as part of the exercise of the BSA. Persons having held until 6 March 2011 the New Ordinary Shares for which they have subscribed upon exercise of the BSA or which they have acquired directly from the Underwriters on the settlement delivery date shall receive one Additional Ordinary Share for 22 New Ordinary Shares subscribed for upon exercise of the BSA or acquired in connection with the Share Placement.

13. Financial assets and liabilities

13.1 Matrix of class of financial instrument and recognition categories

i. At 31 December 2008

		Recognition categories						
(€'000) Class of financial instrument	**Note**	**Financial assets at fair value through profit and loss**	**Available-for-sale financial assets**	**Loans and receivables**	**Hedging instruments**	**Liabilities at amortised cost**	**Total net carrying value**	**Fair value**
Shares in non-consolidated companies			77				**77**	77
Other financial assets				2,673			**2,673**	2,673
Non-current financial assets		**–**	**77**	**2,673**	**–**	**–**	**2,750**	**2,750**
Trade receivables	13.2i			48,346			**48,346**	48,346
Other receivables	13.2ii			67,459			**67,459**	67,459
Other financial assets				390			**390**	390
Cash and cash equivalents	13.3	275,908					**275,908**	275,908
Current financial assets		**275,908**	**–**	**116,195**	**–**	**–**	**392,103**	**392,103**
Financial liabilities	18					3,557,247	**3,557,247**	*
Other financial liabilities				2,326			**2,326**	2,326
Interest rate derivatives					455,159		**455,159**	455,159
Non-current financial liabilities		**–**	**–**	**2,326**	**455,159**	**3,557,247**	**4,014,732**	**n/a**
Financial liabilities	18					22,065	**22,065**	22,065
Other financial liabilities				419			**419**	419
Trade payables	22			121,985			**121,985**	121,985
Other payables	22			21,549			**21,549**	21,549
Current financial liabilities		**–**	**–**	**143,953**	**–**	**22,065**	**166,018**	**166,018**

* *See note 20 below.*

ii. At 31 December 2007

(€'000) Class of financial instrument	Note	Recognition categories: Financial assets at fair value through profit and loss (trading)	Available-for-sale financial assets	Loans and receivables	Hedging instruments	Liabilities at amortised cost	Total net carrying value	Fair value
Shares in non-consolidated companies			115				**115**	115
Other financial assets				3,420			**3,420**	3,420
Non-current financial assets		–	115	3,420	–	–	3,535	3,535
Trade receivables	13.2i			78,377			**78,377**	78,377
Other receivables	13.2ii			26,268			**26,268**	26,268
Other financial assets				602			**602**	602
Cash and cash equivalents	13.3	154,983					**154,983**	154,985
Current financial assets		154,983	–	105,247	–	–	260,230	260,232
Financial liabilities	18					4,120,310	**4,120,310**	4,120,310
Other financial liabilities				3,089			**3,089**	3,089
Interest rate derivatives					65,033		**65,033**	65,033
Non-current financial liabilities		–	–	3,089	65,033	4,120,310	4,188,432	4,188,432
Financial liabilities	18					140,229	**140,229**	140,229
Other financial liabilities				602			**602**	602
Trade payables	22			115,026			**115,026**	115,026
Other payables	22			28,517			**28,517**	28,517
Current financial liabilities		–	–	144,145	–	140,229	284,374	284,374

13.2 Loans and receivables

i. Trade receivables

The maximum credit risk exposure on trade receivables by type of customer at the balance sheet date is as follows:

(€'000)	31 December 2008	31 December 2007
Road haulage companies	26,876	53,138
National railways	21,050	21,624
Other	4,953	7,600
Gross value	**52,879**	**82,362**
Allowance for impairment	4,533	3,985
Net value	**48,346**	**78,377**

The age profile of trade receivables at the balance sheet date is as follows:

(€'000)		Not yet due	Past due for less than 30 days	Past due for between 30 and 90 days	Past due for more than 90 days
At 31 December 2008	Gross	42,348	5,859	991	3,681
	Allowance for impairment	–	–	898	3,635
At 31 December 2007	Gross	58,076	19,462	1,575	3,249
	Allowance for impairment	–	38	989	2,958

Where a trade receivable is considered doubtful, an impairment allowance is made for the full amount due except in a small number of cases where the Group considers that recovery is possible.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(€'000)	2008	2007
Balance at 1 January	3,985	4,259
Impairment loss recognised	1,448	326
Impairment loss recovered	(634)	(486)
Exchange difference	(266)	(114)
Balance at 31 December	**4,533**	**3,985**

ii. Other receivables

(€'000)	31 December 2008	31 December 2007
Suppliers	6,945	424
State debtors	19,703	20,314
Prepayments	2,596	3,058
Other	38,215	2,472
Total	**67,459**	**26,268**

The category ''suppliers'' includes an amount of €6.5 million at 31 December 2008 relating to advances paid to the group of companies working on the Tunnel renovations following the Fire in September 2008.

At 31 December 2008, the category ''other'' includes indemnities to be received from the insurers totalling €10 million for Tunnel repairs and €16 million for rolling stock (see note 8 above), and from the French government totalling €11 million relating to the intrusion of illegal migrants (see 1.5 above).

13.3 Assets at fair value through profit and loss

i. Cash and cash equivalents

"Cash equivalents" represent short-term investments, primarily certificates of deposit and deposit accounts, all of which have a maturity of less than 3 months at 31 December 2008.

(€'000)	31 December 2008	31 December 2007
Investments in €	197,264	63,429
Investments in £	67,574	76,839
Sub-total: cash equivalents	**264,838**	**140,268**
Cash at bank and in hand	11,070	14,715
Total	**275,908**	**154,983**

ii. Movement during the year

(€'000)	2008	2007
Cash and cash equivalents at 1 January	154,983	–
Cash from the TNU Group	–	391,870
Increase/(decrease) in cash in year	139,140	(234,924)
(Decrease)/increase in interest receivable in year	(607)	589
Bank overdrafts	(12)	–
Effect of movement in exchange rate	(17,596)	(2,552)
Cash and cash equivalents at 31 December	**275,908**	**154,983**

14. Share capital, share premium and 2007 Warrants

14.1 Share capital

(€'000)		
At 1 January 2007	1,000 shares of €1 each	1
Share capital reduction on 9 March 2007	Cancellation of 775 shares of €1 each	(1)
Share capital increase on 9 March 2007	Issue of 224,775 shares of €1 each	225
Transformation into a *société anonyme* and division of the nominal value of the shares on 9 March 2007	22,500,000 Ordinary Shares of €0.01 each	–
Share capital increase resulting from the ETO on 28 June 2007	2,368,864,450 Ordinary Shares of €0.01 each and 1 Preferred Share of €0.01	23,689 –
Share consolidation on 12 November 2007	Exchange of 2,391,364,450 Ordinary Shares of €0.01 for 59,784,111 Ordinary Shares of €0.40	–
At 31 December 2007	**59,784,111 Ordinary Shares of €0.40 and 1 Preferred Share of €0.01**	**23,914**
Share capital increase on 4 June 2008	104,622,189 New Ordinary Shares of €0.40 each	41,849
Share capital increases following redemption of NRS I Tranche I	25,435,615 New Ordinary Shares of €0.40 each	10,174
At 31 December 2008	**189,841,915 Ordinary Shares of €0.40 and 1 Preferred Share of €0.01**	**75,937**

At 31 December 2008, the issued share capital of GET SA amounted to €75,936,766.01, divided into 189,841,915 fully paid-up GET SA Ordinary Shares (Class A shares) with a nominal value of €0.40 each, and one GET SA Preferred Share (Class B share) with a nominal value of €0.01.

The GET SA Preferred Share confers on its holder specific corporate governance rights of GET SA as described in section 21.2.3 of the 2008 Reference Document. There are no specific economic rights attached to the GET SA Preferred Share.

The 104,622,189 New Ordinary Shares issued on 4 June 2008 by GET SA upon the exercise of the BSA are of the same class as the Ordinary Shares already listed. They bear dividend rights as of the date of the start of the current financial year, i.e. 1 January 2008, and were listed on Euronext Paris, the Official List of the United Kingdom Listing Authority and the London Stock Exchange from 4 June 2008.

In accordance with the terms of the NRS I, all the 977,545 NRS I Tranche I were redeemed during the second half of 2008 by the issue of 25,435,615 GET SA Ordinary Shares.

On 31 December 2008, the company GET SA held, as part of the share buy back programme authorised by the general meeting of shareholders on 27 June 2008 the implementation of which was authorised by the board of directors on 27 June 2008, 6,062,400 shares purchased by the company and a net amount of 347,962 shares purchased by Exane BNP Paribas under the liquidity agreement (including transactions conducted on 31 December 2008 which were settled after this date).

14.2 2007 Warrants

On 28 June 2007, GET SA issued 4,307,026,273 Warrants which entitle their holders to subscribe for GET SA Ordinary Shares provided that there has been an increase in the value of the Eurotunnel Group. The Warrants were admitted to listing and trading on Euronext Paris on 2 July 2007. The detailed characteristics of the Warrants are set out in chapter 3 of the Securities Note dated 4 April 2007.

The total number of new GET SA Ordinary Shares to which the Warrants will together entitle their holders to subscribe (''**N**'') will be calculated according to the following formula:

$$N = 2 \times U \times \frac{VT}{300{,}000{,}000}$$

where:

- ''**U**'' is the total number of Units on the Closing Date (i.e. 2,546,164,213 on 28 June 2007);
- ''**VT**'' is the arithmetic sum of VT1 and VT2, where (i) VT is capped at £300 million, and (ii) ''**VT1**'' is the arithmetic sum of all of the Lump Sums received between 23 May 2006 and 30 June 2008 calculated in accordance with the terms described in the section entitled ''Method of calculating VT1'' in chapter 3 of the Securities Note of April 2007, and ''**VT2**'' comprises any improvements in the EBITDA of GET SA during the 2008, 2009 and 2010 financial years compared to the Reference EBITDA calculated in accordance with the terms described in the section entitled ''Method of calculating VT2'' in chapter 3 of the Securities Note of April 2007.

As part of the consolidation of shares on 12 November 2007, the rights of holders of securities which may be converted into GET SA equity (including the Warrants) were adjusted.

As part of the rights issued described in 1.2ii above, the terms of the adjustment of the exercise ratio of the Warrants were adjusted in accordance with the Securities Note issued in April 2007. As an example, and on the hypothetical assumption of the maximum VT being reached, the exercise ratio of the 2007 Warrants would be 0.034 shares per Warrant.

Method of calculating VT1

''Lump Sum'' means any sum received or saved outside the normal course of business (defined by reference to previous practices), including (i) the payment of a cash sum or (ii) the realisation of a saving, resulting from a decision of a Governmental Entity or of a company or of any other entity controlled by a Governmental Entity (including as a result of an enforceable court decision, an arbitration, a settlement or a decision to grant a subsidy) for the benefit of GET SA, TNU PLC, TNU SA, EFL, FM, CTG and their respective consolidated subsidiaries, provided that (y) any sum received or saved in the ordinary course of business (defined with reference to previous practices) and (z) any sum received from the French or English tax authorities as part of the financial restructuring will not be considered to be a Lump Sum.

Method of calculating VT2

In order to calculate VT2, the following elements will successively be calculated or taken into account:

1. ''**EBITDA**'' means the consolidated Earnings Before Interest, Taxes, Depreciation and Amortisation of GET SA (calculated using accounting principles and methods consistent with those used for the preparation of the combined audited accounts of TNU SA and TNU PLC at 31 December 2004) for each of the 2008, 2009 and 2010 financial years, from which will be deducted (i) any exceptional elements and (ii) any Lump Sum taken into account for the calculation of VT1.

2. ''**Reference EBITDA**'', means the following EBITDA amounts:

	Financial year		
(£ million)	**2008**	**2009**	**2010**
Reference EBITDA	277	288	303

The Reference EBITDA for each of the 2008, 2009 and 2010 financial years has been determined on the basis of (i) a euro/pound sterling exchange rate of 1.4 and (ii) a pound sterling/euro apportionment of EBITDA of 51% / 49%.

3. ''**Adjusted Reference EBITDA**'' means the Reference EBITDA for each of the 2008, 2009 and 2010 financial years, adjusted so that the 49% euro component is, for each of these financial years, converted into pounds sterling on the basis of the euro/pound sterling exchange rate used to prepare the audited consolidated accounts for the relevant financial year (the ''**Effective euro/pound sterling Exchange Rate**'').

4. ''**Difference**'' means, for each of the 2008, 2009 and 2010 financial years, the result of the difference between (i) the EBITDA derived from the consolidated accounts of GET SA for the financial year in question and (ii) the Adjusted Reference EBITDA for that financial year, provided that if this result is negative, it will be deemed to be equal to zero.

5. ''**Adjusted Difference**'' means, for each of the 2008, 2009 and 2010 financial years, the amount corresponding to 50% of the fraction of the Difference up to £7.5 million and 70% of the fraction of the Difference between £7.5 million and the amount of the Difference.

6. ''**Weighted Difference**'' means, for each of the 2008, 2009 and 2010 financial years, the result of the product of the Adjusted Difference multiplied by (i) 14.5 and then (ii) 0.3 for the 2008 financial year, 0.6 for the 2009 financial year and 0.1 for the 2010 financial year (the ''Annual Weighting Factor'').

7. VT2 will be equal to the arithmetic sum of the Weighted Differences calculated for each of the 2008, 2009 and 2010 financial years.

15. Movement in equity

(€'000)	Issued share capital	Share premium account	Consolidated reserves	Other equity and similar instruments	Retained earnings	Cumulative translation reserve***	Group share	Minority interest share	Total
At 1 January 2007	1	–	–	–	–	–	**1**	–	**1**
Increase in capital	224						**224**		**224**
Exchange Tender Offer	23,689	236,176	(1,973,514)			(301,987)	**(2,015,636)**	(150,862)	**(2,166,498)**
Costs of capital increase		(18,049)					**(18,049)**		**(18,049)**
Recapitalisation of TNU			(177,170)			23,230	**(153,940)**	153,940	**–**
Issue of NRS				1,869,554			**1,869,554**		**1,869,554**
Discounted value of NRS coupon payments				(279,571)			**(279,571)**		**(279,571)**
Issue costs of NRS				(117,305)			**(117,305)**		**(117,305)**
Acquisition of own shares			(761)				**(761)**		**(761)**
Result for the year					3,317,834		**3,317,834**	(541)	**3,317,293**
Net profit/(loss) recorded directly in equity			(64,586)		(26,991)	224,050	**132,473**	1,503	**133,976**
At 31 December 2007	**23,914**	**218,127**	**(2,216,031)**	**1,472,678**	**3,290,843**	**(54,707)**	**2,734,824**	**4,040**	**2,738,864**
Issue of SDES				800,000			**800,000**		**800,000**
Cost of SDES issue				(28,611)			**(28,611)**		**(28,611)**
Increase in capital	41,849	873,595					**915,444**		**915,444**
Cost of capital increase		(41,272)					**(41,272)**		**(41,272)**
Creation of special reserve*		(1,902)	1,902				**–**		**–**
Partial redemption and buy back of NRS in cash and payment of coupon (see below)			(492,647)	(924,320)			**(1,416,967)**		**(1,416,967)**
Partial redemption and buy back of NRS in shares	10,174	87,580	(4,326)	(93,428)			**–**		**–**
Acquisition of own shares			(44,017)				**(44,017)**		**(44,017)**
Result for the year					43,595		**43,595**	(3,868)	**39,727**
Transfer to non-distributable reserves			3,290,843		(3,290,843)		**–**		**–**
Net profit/(loss) recorded directly in equity			(387,471)			462,404	**74,933**	2,528	**77,461**
At 31 December 2008	**75,937**	**1,136,128**	**148,253**	**1,226,319**	**43,595**	**407,697**	**3,037,929**	**2,700****	**3,040,629**

* *A specific non-distributable reserves account amounting to €1,902,000 has been set up, which will be used to issue the Additional Ordinary Shares in respect of the conditional additional return on the rights issue of 4 June 2008.*

** *The minority interest corresponds to the minority shareholders' interest in the result and equity of TNU.*

*** *See note 2.1ii above.*

Partial redemption and buy back of NRS

The line ''Partial redemption and buy back of NRS in cash and payment of coupon'' includes the adjustments to equity resulting from the redemption of the NRS II on 10 April and 10 July 2008 (see note 1.2), the partial buy back of 150,000 NRS I on 23 June 2008 (see note 1.3), and the payment of the coupon on the NRS 1 on 28 July 2008. The consideration paid for the redemption and the buy back has been allocated to the debt and equity components of the NRS by applying the same method as used for the initial recognition. As a consequence:

- ''Other equity and similar instruments'' have been reduced by €948,814,000, of which €935,093,000 relates to the redemption of the NRS II and €13,721,000 to the partial buy back of the NRS I, partially offset by an increase of €24,494,000 relating to the payment of the coupon on the NRS I.

- ''Consolidated reserves'' have been reduced by €492,647,000, which is broken down as follows:
  - €449,068,000 relating to the partial redemption of the NRS II (€435,962,000 of redemption premium, €83,624,000 of interest write-back corresponding to the amount paid on the date of redemption, and an exchange gain of €70,518,000 on the redemption of the sterling-denominated NRS II),
  - €20,758,000 relating to the partial buy back of the NRS I (€20,255,000 of redemption premium and €573,000 of interest write-back corresponding to the amount paid on the date of redemption, and an exchange gain of €70,000 on the partial buy back of the sterling-denominated NRS I), and
  - €22,821,000 relating to the payment of the coupon on the NRS I.

Financial liabilities (see note 18) have been reduced by €258,211,000, of which €232,429,000 relates to the partial redemption of the NRS II, €1,371,000 to the partial buy back of the NRS I, and €24,411,000 to the interest payment on the NRS I on 28 July 2008.

16. Other equity and similar instruments

16.1 Notes Redeemable in Shares (NRS)

The NRS were issued by EGP on 28 June 2007. Initially divided into two series, the NRS I and the NRS II, the NRS II were redeemed early in cash in 2008 as detailed in note 16.1ii below. At 31 December 2008, only 6,028,085 NRS I remained in circulation, which are traded on Euronext Paris and on the London Stock Exchange. The detailed characteristics of the NRS are set out in chapter 2 of the Securities Note issued in April 2007.

Transaction costs directly attributable to the NRS have been allocated in full to the equity component, and no allocation to the liability component has been made due to the fact that the impact of this was not considered material.

As part of the consolidation of shares in November 2007, and the rights issue referred to in 1.2ii above, the redemption ratio of the NRS has been adjusted to 26.02 shares per NRS.

i. NRS I

The NRS I were issued on 28 June 2007. They carry interest at a rate of 3% per annum, and are not reimbursable in cash. The evolution in the number of NRS I in circulation and the effect of the redemption are given in the following table:

	Tranche I	Tranche II	Tranche III	Total
Issued on 28 June 2007:				
Number of notes	977,545	977,545	5,200,540	7,155,630
Nominal value in £	30,008,886.60	30,008,886.60	158,496,936.40	218,514,709.60
Nominal value in €	53,753,200.00	53,753,200.00	287,653,800.00	395,160,200.00
Buy back on 23 June 2008:				
Number of notes		(60,000)	(90,000)	(150,000)
Nominal value in £		(3,633,082.20)	(4,483,127.00)	(8,116,209.20)
Nominal value in €		(672,900.00)	(2,426,500.00)	(3,099,400.00)
Redeemed on 28 July 2008:				
Number of notes	(977,545)			(977,545)
Nominal value in £	(30,008,886.60)			(30,008,886.60)
Nominal value in €	(53,753,200.00)			(53,753,200.00)
Number of ordinary shares created	(25,435,615)			(25,435,615)
In issue on 31 December 2008:				
Number of notes	–	917,545	5,110,540	6,028,085
Nominal value in £	–	26,375,804.40	154,013,809.40	180,389,613.80
Nominal value in €	–	53,080,300.00	285,227,300.00	338,307,600.00
Date of contractual redemption		28 July 2009	28 July 2010	
Maximum number of GET SA ordinary shares resulting from redemption*	–	23,874,520	132,976,250	156,850,770

* *After adjustment (see above).*

ii. NRS II

All NRS II were redeemed during 2008 (see note 1.2 above):

	Issued on 28 June 2007	Redeemed on 10 April 2008	Redeemed on 10 July 2008
Number of notes	11,539,914	6,011,109	5,528,805
Nominal value in £	352,527,641.40	184,999,933.80	167,527,707.60
Nominal value in €	637,088,700.00	329,850,000.00	307,238,700.00

The main characteristics of the NRS II as issued on 28 June 2007 were as follows:

- they were redeemable in cash at a price equal to 140% of their nominal value;
- they carried interest at a rate of 6% per annum;
- they would have been redeemable contractually in GET SA ordinary shares on 28 July 2010 if they had not already been redeemed in cash.

16.2 Subordinated Deferred Equity Securities (SDES)

Issue

On 20 February 2008, GET SA launched the issue of 800,000 SDES with a nominal value of €1,000 each, for a total amount of €800 million. The characteristics of this issue are described in the Securities Note of 20 February 2008. The SDES were admitted to listing and trading on the regulated market of the Luxembourg Stock Exchange starting on their issue date, 6 March 2008.

Redemption

Each SDES will entitle its holder to receive 118.61 Ordinary Shares (initially 103.8 Ordinary Shares, prior to the adjustment made following the rights issue). The SDES will be redeemable in New Ordinary Shares at the discretion of their holders at any time between 6 September 2009 and 6 September 2010. In addition, the SDES may be redeemed in ordinary shares in advance of this date at the option of SDES holders in certain conditions.

The number of New Ordinary Shares issued on redemption of the SDES will be 94,888,000 (83,040,000 before adjustment), giving rise to an increase in capital of €37,955,200 (€33,216,000 before adjustment).

Return

The return on the SDES will comprise (i) the issue and allotment to SDES holders of 3 New Ordinary Shares per SDES or (ii) at the option of GET SA, the payment in cash of interest calculated at an annual rate of 2%. The return will be payable in one instalment on 6 September 2009.

The number of shares that may be issued in respect of the return will be 2,400,000 New Ordinary Shares.

Conditional additional return

A conditional additional return will be paid to initial SDES subscribers who hold their SDES until the date of their redemption in New Ordinary Shares then the New Ordinary Shares issued upon redemption of SDES, until 6 March 2011. The conditional additional return will be paid, at the option of GET SA and in accordance with the terms described in section 7.2 of the Securities Note, either in cash, or in new or existing Additional Ordinary Shares (on the basis of 5.4 new or existing Additional Ordinary Shares per SDES initially subscribed).

The maximum number of new Additional Ordinary Shares that may be issued in respect of the conditional additional return will be 4,320,000.

17. Retirement benefits

17.1 UK employee defined benefit obligations

In the UK, GET SA operates two pension schemes (The Channel Tunnel Group Pension Fund and The Channel Tunnel Group Senior Executives Pension Fund) providing defined benefits based on final pensionable pay, the assets of which are held separately form those of Eurotunnel. The characteristics of these two schemes are similar and the assets of each are held in separate trustee-administered funds.

The valuation has been prepared by an independent qualified actuary to take account of the requirements of IAS 19 in order to assess the liabilities and assets of the scheme as at 31 December 2008. Scheme assets are stated at their fair value as at 31 December 2008.

Set out below is a summary of the overall IAS 19 defined benefit pension schemes' liabilities. The fair value of the schemes' assets, which are not intended to be realised in the short term and may be subject to significant change, and the present value of the schemes' liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

(€'000)	31 December 2008	31 December 2007	31 December 2006	31 December 2005	31 December 2004
Analysis of plan assets:					
Equities	63,606	102,775	104,135	86,508	64,111
Gilts	24,137	33,122	20,109	31,817	21,686
Bonds	6,884	9,447	22,555	8,295	5,713
Other	8,917	6,757	421	932	941
Fair value of plan assets	**103,544**	**152,101**	**147,220**	**127,552**	**92,451**
Present value of funded obligations	118,582	168,643	179,033	172,874	125,666
Present value of net obligations	**15,038**	**16,542**	**31,813**	**45,322**	**33,215**
Unrecognised actuarial gains and (losses)	(4,909)	(6,113)	(14,801)	(25,518)	(6,699)
Recognised liability for defined benefit obligations (see below)	**10,129**	**10,429**	**17,012**	**19,804**	**26,516**

Assumptions

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	31 December 2008	31 December 2007
Expected return on plan assets:		
Equities	8.2%	7.7%
Gilts	3.9%	4.8%
Bonds	5.7%	5.8%
Other	3.9%	4.2%
Discount rate	6.1%	5.5%
Future salary increases	4.4%	4.7%
Inflation rate	3.1%	3.2%
Future pension increases	3.1%	3.2%

Movements in the present value of defined benefit obligations

(€'000)	2008	2007
Opening liability at 1 January	168,643	179,033
Current service costs	4,992	5,564
Interest on obligation	8,224	8,574
Contributions received from employees	1,919	2,011
Benefits paid	(1,735)	(2,484)
Actuarial gain/(loss) on plan assets and curtailment	(26,441)	(8,258)
Exchange rate adjustment	(37,020)	(15,797)
Closing liability at 31 December	**118,582**	**168,643**

Movements in the fair value of plan assets

(€'000)	2008	2007
Fair value of plan assets at 1 January	152,101	147,220
Contributions received from employer	2,708	9,727
Contributions received from employees	1,919	2,011
Benefits paid	(1,735)	(2,484)
Expected return on plan assets	9,330	8,958
Actuarial gain/(loss) on plan assets	(27,930)	(933)
Exchange rate adjustment	(32,849)	(12,398)
Fair value of plan assets at 31 December	**103,544**	**152,101**

Movements in the net liability for defined benefit obligations recognised in the balance sheet

(€'000)	2008	2007
Opening net liability at 1 January	10,429	17,012
Company contributions paid	(2,708)	(9,727)
Cost of benefits	5,177	4,822
Exchange rate adjustment	(2,769)	(1,678)
Closing net liability at 31 December	**10,129**	**10,429**

Expense recognised in the income statement

(€'000)	2008	PRO FORMA 2007	2007
Current service costs	4,992	5,564	2,079
Interest on obligation	8,224	8,574	3,204
Expected return on plan assets	(9,330)	(9,438)	(3,527)
Effect of asset ceiling	2,805	(39)	(14)
Recognised actuarial (profit)/loss	(1,514)	–	–
Amortisation of unrecognised actuarial differences	–	161	60
Total	**5,177**	**4,822**	**1,802**

In accordance with the corridor method, no charge for the amortisation of the excess of unrecognised actuarial differences beyond 10% of the gross value of the obligation which had not been accounted for in previous periods was made to the income statement in 2008 (2007: €161,000). All costs in relation to the benefit are included in ''Employee benefit expense''.

17.2 UK defined contribution scheme

On 1 October 2006, Eurotunnel put in place a defined contribution pension scheme (the Eurotunnel Defined Contribution Pension Scheme) which has been open to all new ESL employees since this date. The charge to the income statement in 2008 relating to this scheme was €111,000 (2007 pro forma: €61,000).

17.3 French employee defined benefit obligations

In France, employees receive a lump sum payment on retirement in accordance with contractual requirements. The provision for unfunded French obligations at 31 December 2007 was €5,783,000 (31 December 2007: €5,270,000).

All costs in relation to this benefit are included in the income statement in ''Employee benefit expense'' comprising current service cost of €341,000 (2007: €379,000) and the unwinding of the discount of €194,000 (2007: €182,000).

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages) are as follows:

	31 December 2008	31 December 2007
Discount rate	4.5%	4.7%
Future salary increases	2.1%	2.1%
Inflation rate	2.0%	2.0%

18. Financial liabilities

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

(€'000)	31 December 2007 published	31 December 2007 recalculated*	Redemption and buy back of NRS	Interest and indexation	31 December 2008
Non-current financial liabilities					
Liability component of the NRS	157,039	157,039	(142,603)		14,436
Term Loan	3,963,271	3,496,723		46,088	3,542,811
Total non-current financial liabilities	**4,120,310**	**3,653,762**	**(142,603)**	**46,088**	**3,557,247**
Current financial liabilities					
Overdrafts	12	12		(12)	–
Liability component of the NRS	131,745	131,745	(115,608)	838	16,975
Accrued interest on Term Loan	8,472	7,425		(2,335)	5,090
Total current financial liabilities	**140,229**	**139,182**	**(115,608)**	**(1,509)**	**22,065**
Total	**4,260,539**	**3,792,944**	**(258,211)**	**44,579**	**3,579,312**

* *The financial liabilities at 31 December 2007 (calculated at the year end exchange rate of £1=€1.364) have been recalculated at the exchange rate of 31 December 2008 (£1=€1.050) in order to facilitate comparison. The liability component of the NRS is accounted for at the historic rate.*

18.1 Description of the loans

i. Term Loan

The long term loans effective from 28 June 2007 (collectively known as the ''Term Loan'') comprise the following elements:

(in millions)	Currency	Amount in currency	Amount in euro	Effective interest rate	Contractual interest rate
Tranche A_1*	GBP	750	788	6.22%	3.49%
Tranche A_2*	EUR	367	367	5.86%	3.98%
Tranche B_1	GBP	400	420	6.77%	6.63%
Tranche B_2	EUR	645	645	6.33%	6.18%
Tranche C_1	GBP	350	367	7.63%**	LIBOR +1.39%
Tranche C_2	EUR	953	953	5.81%**	EURIBOR +1.39%
Total Term Loan			**3,540**	**6.36%**	

* *Linked to inflation (see notes a) and b) below).*

** *Excluding hedging and additional margin.*

The transaction costs used for the determination of the effective interest rate correspond to the issue costs for the Term Loan, amounted to €69 million (1.6% of the nominal value). These costs include mainly those relating to financing and to legal and bank fees.

a) Tranche A_1

The tranche A_1 loan amounts to £750 million, and bears interest at a fixed rate until its maturity, of 3.49%, and is linked to the UK All Items Retail Price Index inflation index as published by the United Kingdom's Office for National Statistics. Repayment of this tranche will begin on 20 June 2018 to end on 20 June 2042. Repayments of capital and payments of interest will fall every six months on 20 June and 20 December of each year.

b) Tranche A_2

The tranche A_2 loan amounts to €367 million, and bears interest at a fixed rate until its maturity, of 3.98%, and is linked to the *indice des prix à la consommation hors tabac* inflation index as published by *l'Institut National de la Statistique et des Etudes Economiques*. Repayment of this tranche will begin on 20 June 2018 to end on 20 June 2041. Repayments of capital and payments of interest will fall every six months on 20 June and 20 December of each year.

c) Tranche B_1

The tranche B_1 loan amounts to £400 million, and bears interest at a fixed rate of 6.63% until its maturity. Repayment of this tranche will begin on 20 June 2013 to end on 20 June 2046. Repayments of capital and payments of interest will fall every six months on 20 June and 20 December of each year.

d) Tranche B_2

The tranche B_2 loan amounts to €645 million, and bears interest at a fixed rate of 6.18% until its maturity. Repayment of this tranche will begin on 20 June 2013 to end on 20 June 2041. Repayments of capital and payments of interest will fall every six months on 20 June and 20 December of each year.

e) Tranche C_1

The tranche C_1 loan amounts to £350 million, and bears interest at a floating rate (LIBOR) plus a margin of 1.39% which is entirely hedged by a fixed/floating interest rate swap for which Eurotunnel pays a fixed rate of 5.2135% and receives a floating rate (LIBOR). Repayment of this tranche will begin on 20 June 2046 to end on 20 June 2050. Repayments of capital and payments of interest will fall every six months on 20 June and 20 December of each year.

f) Tranche C_2

The tranche C_2 loan amounts to €953 million, and bears interest at a floating rate (EURIBOR) plus a margin of 1.39% which is entirely hedged by a fixed/floating interest rate swap for which Eurotunnel pays a fixed rate of 4.853% and receives a floating rate (EURIBOR). Repayment of this tranche will begin on 20 June 2041 to end on 20 June 2050. Repayments of capital and payments of interest will fall every six months on 20 June and 20 December of each year.

If Tranches C_1 and C_2 are not refinanced before June 2012, there will be an additional margin of 2% on their nominal amounts. The financial impact on debt service cash flows is estimated at €27 million on an annual basis.

Voluntary prepayment of long term loans

Clause 7.2 of the credit agreements provide for voluntary prepayments to be made on the long term loans for a minimum amount of £5 million or €7.5 million, without penalties but subject to the payment of certain market standard prepayment premia.

Guarantees and security relating to the Term Loan

- *Guarantees:*

Under the Intercreditor Deed, the main companies in the Group each jointly and severally guarantee the obligations of FM and CTG as borrowers of the Term Loan vis-à-vis the lenders, the arrangers and the hedging counterparties of the Term Loan.

- *Security granted by Eurotunnel Group under French law:*

(i) assignment of trade receivables by way of security under which, on the one hand, FM assigns its trade receivables relating to the freight transporters and coach operators and, on the other hand, members of Eurotunnel Group assign certain receivables arising out of contracts accessory to the operation of the Tunnel, such as receivables arising out of the Railway Usage Contract and the insurance policies;

(ii) unregistered mortgages over their main real estate assets that are not the subject of short or medium term development projects;

(iii) a registered pledge over rolling stock;

(iv) a charge over all bank accounts open in France under the name of any borrower or guarantor;

(v) a charge over shares in Eurotunnel Group members (with the exception of Europorte 2) held by the borrowers or guarantors of the Term Loan; and

(vi) a charge over the main Eurotunnel trademarks.

- *Security granted by Eurotunnel Group under English law:*

The main companies in the Group grant security over all of their assets held at the date of execution of the Term Loan as well as over their future assets and over certain of their contractual rights.

- *Security over the other assets of Eurotunnel Group:*

All of the shares of member companies of Eurotunnel Group that are not subject to security as described above (with the exception of Europorte 2) are pledged by way of security for the obligations of the borrowers under the Term Loan and guarantors under the Intercreditor Deed.

Event of default and acceleration

The Term Loan contains a number of events of default which, in certain instances subject to grace periods, permit the lenders to declare the Term Loan immediately due and payable, to enforce the security, and/or to demand the implementation of the substitution mechanism provided for under the terms of the Concession.

The events of default include:

- any non-payment under the Term Loan;

- a failure to comply with any provision of the Term Loan, the Intercreditor Deed or related documents. These provisions impose restrictions on, among other things, indebtedness, acquisitions, disposals and other transfers, mergers, borrowings, and the granting of guarantees and new security by the companies of the Eurotunnel Group, and include, in particular:

  (a) a financial covenant which requires GET SA to ensure that at each six-monthly test date after 31 December 2007, a ratio of operating cash flow to total debt service on the Term Loan is not less than 1.20 until 28 June 2012 and not less than 1.10 thereafter, such ratio being calculated by reference to a rolling 12 month period preceding the testing date; and

  (b) certain undertakings and representations relating to the tax treatment of the Eurotunnel Group to the extent that a breach is reasonably likely to have a materially adverse effect on the financial position of FM, CTG or Eurotunnel Group;

- a representation or warranty is made or deemed to have been made by a Borrower or a guarantor under the terms of the Term Loan, or any related finance document or any other document delivered by or on behalf of a Borrower or an Obligor under the terms of the finance documents (which contain representations and warranties that are customary for this type of document), which proves to have been incorrect or misleading at the time at which it was made or deemed to have been made;

- the occurrence of a cross default under any other indebtedness in excess of a specified amount of any of the companies within Eurotunnel Group (other than Groupe Eurotunnel SA);

- the inability of any borrower or guarantor to pay its debts as they fall due, the insolvency or the opening of any legal proceedings in relation to any borrower or guarantor under the Term Loan;

- the illegality or invalidity of the Term Loan, any related security or the subordination created under the Intercreditor Deed;

- Eurotunnel becoming permanently unable to carry on the business of operating the Tunnel, the destruction of the Tunnel, or the cessation of a material part of its business by a borrower or a guarantor;

- a borrower or a guarantor ceasing to be a wholly-owned subsidiary of Groupe Eurotunnel SA;

- any act or omission of France or the United Kingdom which renders a borrower or guarantor under the Term Loan incapable of performing its obligations under the Term Loan and associated documents; and

- the occurrence of litigation (or similar proceedings) against any Eurotunnel Group member or its assets, which is reasonably likely (i) to be adversely determined against the relevant company and (ii) to have a material adverse effect on the financial condition of FM, CTG or Eurotunnel Group.

The Term Loan also includes other events of default which are customary for this type of financing.

ii. Interest rate exposure

The Group concluded hedging contracts with financial institutions to cover its floating rate loans (tranches C_1 and C_2) in the form of swaps for the same duration and for the same value (EURIBOR against a fixed rate of 4.85% and LIBOR against a fixed rate of 5.2%). No premiums were paid to obtain these contracts. The nominal value of hedging swap is €953 million and £350 million.

These derivatives generated charges of €553,000 and income of €5,816,000 in 2008, which have been accounted for in the income statement (28 June to 31 December 2007: charges of €2,225,000 and income of €2,400,000).

In accordance with IAS 39, these derivatives have been measured at their fair value on the balance sheet as a liability of €302 million for the euro contracts and as a liability of £146 million for the sterling contracts (31 December 2007: liability of €9 million for the euro contracts and as a liability of £41 million for the sterling contracts).

The following table indicates the periods in which the cash flows associated with the derivatives are expected to occur, and the periods in which the amounts initially recognised in equity are expected to impact the income statement.

At 31 December 2008

(in millions)	Accounting value	Contractual cash flow	12 months or less	1-5 years	5-10 years	10-20 years	20-30 years	30-40 years	More than 40 years
Covered flows									
Sterling guaranteed bank loans									
Tranche C_1 – £	350*	(1,132)	(19)	(74)	(99)	(197)	(197)	(405)	(141)
Euro guaranteed bank loans									
Tranche C_2 – €	953*	(2,824)	(53)	(199)	(248)	(497)	(497)	(1,135)	(195)
Total in £	**350**	**(1,132)**	**(19)**	**(74)**	**(99)**	**(197)**	**(197)**	**(405)**	**(141)**
Total in €	**953**	**(2,824)**	**(53)**	**(199)**	**(248)**	**(497)**	**(497)**	**(1,135)**	**(195)**
Sterling interest rate swaps used for hedging									
Asset	–	–	–	–	–	–	–	–	–
Liability	(55)	(141)	(4)	(18)	(17)	(34)	(34)	(32)	(2)
Euro interest rate swaps used for hedging									
Asset	–	–	–	–	–	–	–	–	–
Liability	(148)	(365)	(6)	(39)	(49)	(98)	(98)	(72)	(3)
Total in £	**(55)**	**(141)**	**(4)**	**(18)**	**(17)**	**(34)**	**(34)**	**(32)**	**(2)**
Total in €	**(148)**	**(365)**	**(6)**	**(39)**	**(49)**	**(98)**	**(98)**	**(72)**	**(3)**

* *The accounting values for tranches C_1 and C_2 presented in the above table correspond to the accounting values before adjustments for effective interest rate.*

At 31 December 2007

(in millions)	Accounting value	Contractual cash flow	12 months or less	1-5 years	5-10 years	10-20 years	20-30 years	30-40 years	More than 40 years
Covered flows									
Sterling guaranteed bank loans									
Tranche C_1 – £	350*	(1,400)	(25)	(103)	(128)	(257)	(257)	(389)	(241)
Euro guaranteed bank loans									
Tranche C_2 – €	953*	(3,195)	(58)	(232)	(291)	(581)	(581)	(1,123)	(329)
Total in £	**350**	**(1,400)**	**(25)**	**(103)**	**(128)**	**(257)**	**(257)**	**(389)**	**(241)**
Total in €	**953**	**(3,195)**	**(58)**	**(232)**	**(291)**	**(581)**	**(581)**	**(1,123)**	**(329)**
Sterling interest rate swaps used for hedging									
Asset	–	–	–	–	–	–	–	–	–
Liability	41	104	3	10	13	25	25	25	3
Euro interest rate swaps used for hedging									
Asset	–	–	–	–	–	–	–	–	–
Liability	9	(54)	(1)	(6)	(7)	(14)	(14)	(11)	(1)
Total in £	**41**	**104**	**3**	**10**	**13**	**25**	**25**	**25**	**3**
Total in €	**9**	**(54)**	**(1)**	**(6)**	**(7)**	**(14)**	**(14)**	**(11)**	**(1)**

* *The accounting values for tranches C_1 and C_2 presented in the above table correspond to the accounting values before adjustments for effective interest rate.*

The maturity profile of the contractual cash flows is based on the spot exchange rate at the balance sheet date.

19. Financial risks

19.1 Exchange rate exposure

Approximately half of the Eurotunnel Group's revenues are denominated in sterling, whereas more than half of its operating expenses and capital expenditure are in euros. The Term Loan is denominated in sterling for a total of £1.5 billion and in euros for a total of €1.965 billion. All the financial instruments are denominated either in sterling (for TNU PLC) or in euros (for TNU SA). As a result, no exchange gain or loss can arise on revaluation of the external financial instruments. The residual foreign exchange risk relates to the revaluation of intra-Group balances, the residual value of which at 31 December 2008 is €33 million; a 10% change in the euro/sterling parity would result in unrealised exchange gains or losses of approximately €3 million.

The Eurotunnel Group has and will continue to make every effort to closely match the currencies in which its revenues and costs are denominated and will use currency hedging transactions to manage its foreign exchange risk where necessary. Groupe Eurotunnel SA prepares its consolidated accounts in euros. Fluctuations in the value of the sterling/euro rates have an impact on the value in euros of revenues, costs and financial income and costs, as well as on elements of the Group's assets and liabilities. By way of example and all else being equal and on the basis of accounting information at 31 December 2008, a reduction in euro/sterling exchange rate used to consolidate the 2008 income statement of 10% (1.216 to 1.10) would lead to a mechanical change in consolidated revenues from €704 million to €674 million, in consolidated EBITDA from €421 million to €399 million, and in the consolidated net result from €40 million to €32 million.

19.2 Liquidity risk

The contractual cash flow takes into account the effects of the 2007 financial restructuring and confirms that Eurotunnel is able to meet its liquidity risks.

The contractual maturity profile of the financial liabilities (including interest payments and excluding the impact of offset agreements) is as follows:

At 31 December 2008

(in millions)	Accounting value	Contractual cash flow	12 months or less	1-5 years	5-10 years	10-20 years	20-30 years	30-40 years	More than 40 years
Non-derivative financial liabilities									
Guaranteed sterling bank loans	1,526	(4,781)	(74)	(320)	(471)	(1,116)	(1,428)	(1,231)	(141)
*Tranche A_1 – £**	*770*	*(2,497)*	*(28)*	*(120)*	*(201)*	*(686)*	*(1,001)*	*(461)*	–
Tranche B_1 – £	*406*	*(1,152)*	*(27)*	*(126)*	*(171)*	*(233)*	*(230)*	*(365)*	–
*Tranche C_1 – £***	*350*	*(1,132)*	*(19)*	*(74)*	*(99)*	*(197)*	*(197)*	*(405)*	*(141)*
Guaranteed euro bank loans	1,987	(5,330)	(108)	(445)	(611)	(1,282)	(1,386)	(1,303)	(195)
*Tranche A_2 – €**	*375*	*(1,023)*	*(15)*	*(64)*	*(102)*	*(321)*	*(431)*	*(90)*	–
Tranche B_2 – €	*653*	*(1,483)*	*(40)*	*(182)*	*(261)*	*(464)*	*(458)*	*(78)*	–
*Tranche C_2 – €***	*959*	*(2,824)*	*(53)*	*(199)*	*(248)*	*(497)*	*(497)*	*(1,135)*	*(195)*
Notes redeemable in shares in £	10	(11)	(6)	(5)	–	–	–	–	–
NRS I – T_3 – £	*9*	*(10)*	*(5)*	*(5)*	–	–	–	–	–
NRS I – T_2 – £	*1*	*(1)*	*(1)*	–	–	–	–	–	–
Notes redeemable in shares in €	18	(20)	(11)	(9)	–	–	–	–	–
NRS I – T_3 – €	*16*	*(18)*	*(9)*	*(9)*	–	–	–	–	–
NRS I – T_2 – €	*2*	*(2)*	*(2)*	–	–	–	–	–	–
Suppliers and other creditors in £	22	(22)	(22)	–	–	–	–	–	–
Suppliers and other creditors in €	99	(99)	(99)	–	–	–	–	–	–
Derivative financial liabilities									
Sterling interest rate swaps used for hedging	(55)	(141)	(4)	(18)	(17)	(34)	(34)	(32)	(2)
Euro interest rate swaps used for hedging	(148)	(365)	(6)	(39)	(49)	(98)	(98)	(72)	(3)
Total in £	**1,503**	**(4,955)**	**(106)**	**(343)**	**(488)**	**(1,150)**	**(1,462)**	**(1,263)**	**(143)**
Total in €	**1,956**	**(5,814)**	**(224)**	**(493)**	**(660)**	**(1,380)**	**(1,484)**	**(1,375)**	**(198)**

* *Tranches A_1 and A_2 are indexed with inflation, and are presented in the liquidity table on the basis of an inflation rate crystallised as at the balance sheet date.*

** *Tranches C_1 and C_2 are at a variable rate of interest, and are presented in the liquidity table on the basis of a long-term interest rate at the balance sheet date, excluding the additional margin.*

At 31 December 2007

(in millions)	Accounting value	Contractual cash flow	12 months or less	1-5 years	5-10 years	10-20 years	20-30 years	30-40 years	More than 40 years
Non-derivative financial liabilities									
Guaranteed sterling bank loans	1,475	(5,112)	(80)	(326)	(487)	(1,167)	(1,453)	(1,358)	(241)
*Tranche A_1 – £**	*738*	*(2,535)*	*(28)*	*(117)*	*(166)*	*(676)*	*(966)*	*(582)*	–
Tranche B_1 – £	*393*	*(1,177)*	*(27)*	*(106)*	*(193)*	*(234)*	*(230)*	*(387)*	–
*Tranche C_1 – £***	*344*	*(1,400)*	*(25)*	*(103)*	*(128)*	*(257)*	*(257)*	*(389)*	*(241)*
Guaranteed euro bank loans	1,932	(5,746)	(114)	(454)	(652)	(1,360)	(1,453)	(1,384)	(329)
*Tranche A_2 – €**	*361*	*(1,028)*	*(14)*	*(63)*	*(85)*	*(315)*	*(413)*	*(138)*	–
Tranche B_2 – €	*634*	*(1,523)*	*(42)*	*(159)*	*(276)*	*(464)*	*(459)*	*(123)*	–
*Tranche C_2 – €***	*937*	*(3,195)*	*(58)*	*(232)*	*(291)*	*(581)*	*(581)*	*(1,123)*	*(329)*
Notes redeemable in shares in £	88	(96)	(43)	(53)	–	–	–	–	–
NRS II – £	*70*	*(76)*	*(34)*	*(42)*	–	–	–	–	–
NRS I – T_3 – £	*16*	*(17)*	*(7)*	*(10)*	–	–	–	–	–
NRS I – T_2 – £	*2*	*(2)*	*(1)*	*(1)*	–	–	–	–	–
NRS I – T_1 – £	*1*	*(1)*	*(1)*	–	–	–	–	–	–
Notes redeemable in shares in €	160	(175)	(80)	(95)	–	–	–	–	–
NRS II – €	*127*	*(137)*	*(61)*	*(76)*	–	–	–	–	–
NRS I – T_3 – €	*29*	*(31)*	*(14)*	*(17)*	–	–	–	–	–
NRS I – T_2 – €	*4*	*(4)*	*(2)*	*(2)*	–	–	–	–	–
NRS I – T_1 – €	*2*	*(3)*	*(3)*	–	–	–	–	–	–
Suppliers and other creditors in £	21	(21)	(21)	–	–	–	–	–	–
Suppliers and other creditors in €	87	(87)	(87)	–	–	–	–	–	–
Overdraft in €	12	(12)	(12)	–	–	–	–	–	–
Derivative financial liabilities									
Sterling interest rate swaps used for hedging	41	104	3	10	13	25	25	25	3
Euro interest rate swaps used for hedging	9	(54)	(1)	(6)	(7)	(14)	(14)	(11)	(1)
Total in £	**1,625**	**(5,125)**	**(141)**	**(369)**	**(474)**	**(1,142)**	**(1,428)**	**(1,333)**	**(238)**
Total in €	**2,200**	**(6,074)**	**(294)**	**(555)**	**(659)**	**(1,374)**	**(1,467)**	**(1,395)**	**(330)**

* *Tranches A_1 and A_2 are indexed with inflation, and are presented in the liquidity table on the basis of an inflation rate crystallised as at the balance sheet date.*

** *Tranches C_1 and C_2 are at a variable rate of interest, and are presented in the liquidity table on the basis of a long-term interest rate at the balance sheet date, excluding the additional margin.*

The maturity profile of the contractual cash flows is based on the spot exchange rate at the balance sheet date.

Furthermore, the credit agreements allow, on the condition that the debt service cover ratio is not less than 1.25, to apply for (i) a renewable credit line of up to €75 million, and (ii) a structurally subordinated additional credit line of up to £225 million (or equivalent in euros).

19.3 Rate risk exposure

The risk of an unfavourable movement in rates during the duration of the Term Loan is covered by the fact that tranches B_1 and B_2 are at a fixed rate of interest, tranches A_1 and A_2 which are indexed on inflation are at a fixed rate of interest, and tranches C_1 and C_2 are at a variable rate of interest but are covered by fixed/variable rate hedging contracts. The NRS also carry a fixed rate of interest. Short-term receivables and debts are not at risk from interest rate exposure.

The inflation risk relates to the interest and the repayments of principal on the two indexed tranches (A_1 and A_2). By way of example, a variation of 1% in the inflation rate would have an impact of €12 million on the amount of the principal of these two tranches.

19.4 Credit risks

Credit risk represents the risk of financial loss to the Group in the event that a customer or counterparty to a financial instrument fails to honour their contractual obligations.

i. Trade receivables

The Group's credit risk exposure on trade receivables is principally in the freight road transport market.

The Group applies a credit policy which requires that every new customer is subject to a credit check before being able to benefit from the Group's standard credit terms. The Group's credit risk exposure to account customers is managed by means of continuous monitoring of their financial situation and of their outstanding debt in regard to their credit limits and payment terms.

ii. Investments

The Group limits its credit risk exposure by only investing in i) short-term deposits and certificates of deposit with a maximum term of 6 months with counterparties with a minimum rating of P-1 from Moodys or ii) in monetary SICAVs (the French equivalent of mutual funds) and money market funds with a minimum rating of Aaa from Moodys.

Funds invested by the Group in any one monetary SICAV or money market fund should not exceed 5% of the total fund or SICAV size. Investments in short term deposits or certificates of deposit should not exceed €100 million with any one counterparty in France or £75 million with any one counterparty in the UK.

iii. Credit risk exposure

The carrying value of the financial assets represents the maximum credit risk exposure. The maximum credit risk exposure at the balance sheet date is as follows:

(€'000)	31 December 2008	31 December 2007
Available-for-sale financial assets	77	115
Trade receivables	48,346	78,377
Cash and cash equivalents	275,908	154,983
Total	**324,331**	**233,475**

At 31 December 2008, the Group held guarantees for a value of €1 million (31 December 2007: €5 million) covering the credit risk on trade receivables.

20. Fair value of financial assets and liabilities

On 28 June 2007, Eurotunnel acquired a long-term loan totalling €3,540 million (nominal value at the balance sheet rate on 31 December 2008), from a banking consortium comprising Goldman Sachs International and Deutsche Bank AG, for a spread of 139 basis points.

The Term Loan is not quoted on the financial markets. For this reason, the Eurotunnel Group must evaluate its debt on the basis of a model using market parameters.

In the context of the crisis in the financial markets, it is particularly difficult to accurately evaluate the margin which the Eurotunnel Group would have had if the Term Loan had been concluded on 31 December 2008.

As an example, if the rate (including the margin) on 31 December 2008 had been 100 basis points above that obtained on 28 June 2007, the fair value of the Term Loan would have been approximately €810 million below its amortised cost value.

21. Provisions

(€'000)	1 January 2008	Charge to income statement	Release of unspent provisions	Provisions utilised	Exchange difference	31 December 2008
Restructuring	44,849	3,400		(2,390)	(3,563)	42,296
Other	4,409	1,500	(3,151)	(1,164)		1,594
Total	**49,258**	**4,900**	**(3,151)**	**(3,554)**	**(3,563)**	**43,890**

The provision for restructuring corresponds to the estimated remaining cost of the Group's commitments in relation to the operational restructuring, as well as certain specific risks associated with the execution of the Safeguard Plan.

22. Trade and other payables

(€'000)	31 December 2008	31 December 2007
Trade cash advances	679	728
Trade creditors and accruals	74,269	72,535
Taxation, social security and staff	37,388	34,729
Property, plant and equipment creditors and accruals	12,649	7,034
Trade payables (current)	**121,985**	**115,026**
Deferred income	18,451	23,842
Other	3,098	4,675
Other payables (current)	**21,549**	**28,517**
Total	**143,534**	**143,543**

23. Commitments and contingent liabilities

GET SA, EGP, TNU SA, TNU PLC, FM, EFL, CTG, ESGIE, Eurotunnel SE, ESL and EurotunnelPlus Limited each jointly and severally guarantee the obligations of FM and CTG in relation to the Term Loan. In order to guarantee these obligations, these companies have granted security as described in note 18.1 above.

24. Auditors' fees

In application of decree number 2008-1487 dated 30 December 2008, the table below presents the auditors' fees for the financial years ended 31 December 2008 and 2007 for all Eurotunnel Group companies.

(€'000)	2008	2007
Auditorship, certification and examination of individual and consolidated accounts	2,571	3,920
Other fees and services directly linked to the duties of the auditors	584	830
Total	**3,155**	**4,750**

25. Post balance sheet events

25.1 Simplification of the Group's legal structure

On 3 March 2009, the board of directors decided to submit a proposal for the simplification of the Group's legal structure to the shareholders' general meetings on 6 May 2009, the main features of which are as follows:

- the disposal by TNU PLC of CTG to TNU SA;
- the disposal of EGP's interest in TNU SA and TNU PLC to GET SA; and
- the merger of TNU SA into GET SA.

25.2 Purchases of NRS I

During January and February 2009, Groupe Eurotunnel SA repurchased a total of 198,140 NRS I Tier 3 representing 5.2 million shares for a total cost of €18.2 million.

The events described in this note have no effect on the 2008 consolidated accounts.

ANNEX III GROUPE EUROTUNNEL SA PARENT COMPANY ACCOUNTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2008 AND STATUTORY AUDITORS' REPORT(1)

General report of the statutory auditors regarding the parent company accounts for the financial year ending 31 December 2008

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English-speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Following our appointment as statutory auditor by your Annual General Meeting, we hereby report to you, for the year ended 31 December 2008, on:

- the audit of the financial statements of Groupe Eurotunnel SA attached to this report;
- the justification of our assessments;
- the specific verifications required by law.

These financial statements have been approved by the board of directors. Our role is to express an opinion on these financial statements based on our audit.

1 Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis or any other methods of selection, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that the elements obtained are sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the company's financial position and its assets and liabilities as of 31 December 2008, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

2 Justification of our assessments

As indicated in note 2.1 iii of the financial statements, the estimations underlying the preparation of the annual accounts at 31 December 2008 were made in a context of uncertainty of economic outlook and of high volatility in the financial markets. It is in this uncertain context that in accordance with the requirements of article L. 823-9 of the

(1) Groupe Eurotunnel SA's company accounts are prepared in accordance with French accounting standards.

French Commercial Code (''Code de commerce'') relating to the justification of our assessments, we bring to your attention our own assessments:

NRS Relationship Agreement

The notes 4 and 1.2 iv of the financial statements presents respectively the content of the NRS Relationship Agreement ratified on 20 March 2007 between Groupe Eurotunnel SA and its subsidiary Eurotunnel Group UK PLC and the main effects resulting from its application on the 2008 financial statements. We ensured from the consistency of the accounting treatments used with the content of this contract and the appropriateness of the information given in notes 4 and 1.2 iv.

Subordinated Deferred Equity Securities (SDES)

The note 8 of the financial statements presents the main characteristics relating to the issue, the redemption and the principle of the return of SDES issued by Groupe Eurotunnel SA in February 2008. We checked the appropriateness of the accounting treatment of this instrument and the related information given in note 8.

These assessments were made in the context of our audit of the financial statements taken as a whole and therefore contributed to the opinion we formed which is expressed in the first part of this report.

3 Specific verifications and information

We have also performed the specific verifications required by law.

We have no matters to report as to:

- the fair presentation and consistency with the financial statements of the information given in the management report of the board of directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements;
- the fair presentation of the information given in the management report of the board of directors in respect of remunerations and benefits granted to the relevant directors and any commitments given to them in connection with, or after, their appointment, termination or change in function.

In accordance with French law, we ascertained that the information relating to the acquisition of shares and controlling interests and the identity of shareholders were given in the management report of the board of directors.

Statutory auditors

Paris La Défense, 3 March 2009

KPMG Audit
A division of KPMG SA

Fabrice Odent
Partner

Paris La Défense, 3 March 2009

Mazars

Thierry de Bailliencourt
Partner

Balance sheet

(in euros)	Note	Gross	Impairment	31 December 2008 Net	31 December 2007 Net
ASSETS					
Financial fixed assets					
Investments in subsidiary undertakings	3	259,938,197	–	259,938,197	259,937,897
Other financial assets					
Loans	4	1,729,120,619	–	1,729,120,619	33,686,745
Own shares	5	43,359,805	18,928,333	24,431,472	–
Other		1,000	–	1,000	–
Fixed assets		**2,032,419,621**	**18,928,333**	**2,013,491,288**	**293,624,642**
Trade receivables	4	3,257,185	–	3,257,185	5,367,914
Receivables from Government and other public bodies		713,597	–	713,597	3,525,662
Group and associates	4	44,029,495	–	44,029,495	182,207
Other financial assets	4	1,315,614	–	1,315,614	4,757,690
Investments in securities	6	78,544,825	774,673	77,770,152	1,205,419
Cash and cash equivalents	6	48,766	–	48,766	6,639
Current assets		**127,909,482**	**774,673**	**127,134,809**	**15,045,531**
Prepaid expenses		294,756	–	294,756	–
Total assets		**2,160,623,859**	**19,703,006**	**2,140,920,853**	**308,670,173**
LIABILITIES					
Share capital	7.1			75,936,766	23,913,644
Share premium	7.2			1,136,127,864	218,126,611
Legal reserve	7.3			317,340	–
Special reserve and other reserves	7.2			1,902,309	87
Retained earnings				–	–
Result for the year				41,862,644	317,340
Equity				**1,256,146,923**	**242,357,682**
Quasi-equity	8			800,000,000	–
Total shareholders' funds				**2,056,146,923**	**242,357,682**
Financial liabilities				1,869	11,525
Group and associates	4			79,361,251	62,066,183
Trade payables				4,740,873	3,329,030
Tax and social security liabilities				618,937	871,503
Other liabilities				51,000	34,250
Debts*				**884,773,930**	**66,312,491**
Total liabilities				**2,140,920,853**	**308,670,173**

* *More than one year: none (2007: none).*

The notes form an integral part of the annual accounts.

Income statement

(in euros)	Note	2008	2007
Operating revenue			
Revenue from sale of services	9	12,340,017	5,111,798
Total operating revenue		**12,340,017**	**5,111,798**
Operating expenses			
Purchases and external costs	10	40,041,783	4,804,705
Salaries and charges		334,846	51,523
Taxes		99,466	51
Other expenses		516,916	204,958
Total operating expenses		**40,993,011**	**5,061,237**
Operating result		**(28,652,994)**	**50,561**
Financial income			
Interest and similar income	12	46,414,007	4,757,690
Net income on sales of investments		5,668,434	1,918
Exchange gains	11	64,312,194	115,638
Total financial income		**116,394,635**	**4,875,246**
Financial charges			
Depreciation and provisions	5,6	19,703,006	–
Interest and similar charges	12	27,022,222	4,757,690
Exchange losses		8,574	–
Total financial charges		**46,733,802**	**4,757,690**
Financial result		**69,660,833**	**117,556**
Exceptional result	13	**854,805**	**(32,984)**
Tax: group relief income	14	–	(182,207)
Net result for the year		**41,862,644**	**317,340**

The notes form an integral part of the annual accounts.

Notes to the accounts

Group Eurotunnel SA (GET SA), the Eurotunnel Group's holding company, manages relations with shareholders on behalf of the concessionaires. GET SA includes in its income statement the cost of staff services relating to its activities which have been charged to it by Group companies ESGIE and ESL. GET SA charges the concessionaires for its shareholder relations services and other services provided, which amounted to €12 million in 2008.

As part of the implementation of the financial restructuring and pursuant to the terms of the Safeguard Plan, the chairman of the board of directors of ESA and EPLC acquired on 30 January 2007 a non-trading company designated to become GET SA. Following the exchange tender offer (ETO) which took place in May and June 2007, all of the share capital of GET SA was held by the former shareholders of ESA and EPLC who tendered their Units to the offer. As 93.04% of the Units in issue were tendered to the offer, GET SA consequently became a shareholder of ESA and EPLC to this same percentage. On 27 July 2007, the AGMs of ESA and EPLC, subsidiaries of GET SA since the ETO, adopted the resolutions to change the names of ESA and EPLC to TNU SA and TNU PLC respectively.

The main purpose of TNU SA and TNU PLC is to invest in companies directly or indirectly involved in the construction and operation of the cross-Channel Fixed Link. They hold 100% of FM and CTG, the two concessionaires of the Fixed Link. In addition, in 1986, TNU SA and TNU PLC signed agreements with FM and CTG which i) provided for the set-up of Eurotunnel, a partnership between FM and CTG, and ii) a corporate structure agreement which provided for, in particular, arrangements for the ''twinning'' of shares in TNU SA and TNU PLC in the form of ''Units''. Under the terms of these agreements, all expenses and revenues relating to the design, financing, construction and operation of the Fixed Link are shared between the French and UK companies.

As a result of the financial restructuring, GET SA holds 100% of the shares of Eurotunnel Group UK PLC (EGP). In accordance with the terms of the Safeguard Plan, all the Tier 3 debt and notes were transferred to EGP in return, in particular, for the issue of the NRS by EGP.

1. Important events

1.1 Fire in September 2008

The Fire on 11 September 2008 significantly affected the Group's revenues, traffic and operating conditions for 2008. Whilst services resumed a little over one day after the fire, and in the following weeks operating capacity was progressively optimised after the cleaning and the return to service of the two smoke-affected sections of the Tunnel, the fire-damaged section of the Tunnel remained closed until 9 February 2009 (see section 6.4 of this Reference Document). After the initial build up of services at the end of September, the number of missions run by the Passenger and Truck Shuttle services was just under half the number in the same period in 2007, whilst priority was given to Eurostar services.

The Eurotunnel Group is insured against operating losses and damage to material up to €900 million, and so the effect of the fire on the Group's results for 2008 is limited.

1.2 NRS transactions

i. Early cash redemption of NRS II

In order to finance the early cash redemption of all NRS II, the board of directors of GET SA decided, on 5 February 2008 and 14 February 2008, to increase capital in two phases by the issue of (i) the subordinated deferred equity shares (the ''SDES'') and (ii) New Ordinary Shares upon exercise of share warrants (the ''BSA''), allotted for free to all GET SA shareholders.

a) During the first phase of the transaction, GET SA issued 800,000 SDES at a nominal value of 1,000 euros each on 6 March 2008 (see note 8 below), the terms and conditions of which are described in the Securities Note approved by the *Autorité des marchés financiers* (AMF) under visa number 08-032 on 20 February 2008. On 10 April 2008, the proceeds of the issue of the SDES, being a total principal amount of €800,000,000, were used to finance the early redemption in cash of 6,011,109 of the 11,539,914 NRS II issued on 28 June 2007 at 140% of their nominal value, for a total of £258,999,907 and €461,790,000.

b) During the second phase of the transaction, GET SA allocated 59,784,111 free BSA to its shareholders on 30 April 2008, giving them the right to subscribe for 104,622,189 New Ordinary Shares at a price of €8.75 per share. This rights issue was fully underwritten by a banking syndicate, and the terms and conditions of this transaction are described in the Securities Note approved by the AMF under visa number 08-077 on 28 April 2008. The New Ordinary Shares resulting from this transaction were issued on 4 June 2008, and the proceeds amounted to €915,444,153.75. On 10 July 2008, Eurotunnel Group completed the early cash redemption of the remaining NRS II with the proceeds from this transaction: 5,528,805 NRS II were redeemed at 140% of their nominal value for a total amount of £234,538,790.64 and €430,134,180.

ii. Partial cash buy back of NRS I

On 23 June 2008, the Eurotunnel Group carried out a buy back of 150,000 NRS I (see note 7.5 below).

Following the redemption of all the NRS II and the partial buy back of the NRS I, the amount of interest to be paid on the NRS has been reduced to €16 million in 2009 and €13 million in 2010 (at the exchange rate at 31 December 2008 of £1=€1.050).

iii. Contractual redemption of NRS I Tranche I

On 28 July 2008, the Eurotunnel Group carried out the contractual redemption of the first tranche of the NRS I with GET SA shares. This transaction resulted in the redemption of 977,545 NRS I and the issue of 25,435,615 GET SA ordinary shares (see notes 7.1 and 7.5 below).

iv. Application of the NRS Relationship Agreement

These transactions have been taken into account in GET SA's financial statements in accordance, notably, with the stipulations of the NRS Relationship Agreement described in note 4 below. The main effects which arise from this are as follows:

- a loan of €1.6 billion made to EGP in order for it to finance these transactions (see note 4 below),
- an exchange gain of €64 million resulting from the redemption in cash of sterling-denominated NRS II (see note 11 below),
- a €20 million redemption premium paid in connection with the buy back of the NRS I (see note 12 below), and
- a loan receivable from FM transferred to EGP for €34 million (restated bond facility, see note 4 below).

1.3 Safeguard Plan

The Safeguard Plan for the TNU group companies was approved on 15 January 2007 by the Paris Commercial Court, who on 23 December 2008 recognised the complete execution of the Plan.

1.4 Litigation

The implementation of the Safeguard Plan continued during the period, under the supervision of the Commissioners for the Execution of the Plan, as did certain legal proceedings. Concerning the proceedings instigated in Paris by the Resurgence Group relating to the opening and conduct of Eurotunnel's Safeguard Procedure, Resurgence has formally and irrevocably withdrawn its claims and actions and renounced its rights in relation to these proceedings. However, these proceedings continue with other parties. They are not considered likely to challenge the validity, the continuation and the completion of the Safeguard Plan. Should the outcome of certain of these proceedings be unfavourable, they could result in the payment of damages and interest. Eurotunnel remains confident of a favourable outcome to these claims.

1.5 Result for the year

The net result for the year was a profit of €41,862,644.

2. Accounting methods and policies

2.1 Use of estimates

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 Board periodically reviews its valuations and estimates based on its experience and various other factors considered relevant for the determination of reasonable and appropriate estimates of the assets' and liabilities' carrying value. The estimations underlying the preparation of the annual accounts at 31 December 2008 were made in a context of uncertainty in the economic outlook and of high volatility in the financial markets.

The actual results could differ significantly from these estimates depending on different conditions and hypotheses. The use of estimations concerns mainly the valuation of investments in subsidiary undertakings.

2.2 Investments in subsidiary undertakings

Investments in subsidiary undertakings are valued according to their value in use. A provision for impairment is booked when the value in use is lower than the carrying value.

2.3 Investments in securities

Investments are stated in the balance sheet at cost. If the market value is lower than the purchase cost, a provision for depreciation is booked for the difference. ''Investments in securities'' and ''Cash and cash equivalents'' include any accrued interest due thereon.

2.4 Own shares

GET SA holds own shares acquired as part of a share buy back programme and a liquidity contract.

In the absence of an explicit allocation to staff or to a share capital reduction, the shares purchased as part of the buy back programme are accounted for at cost in financial fixed assets.

Shares acquired as part of the liquidity contract, the aim of which is to reduce the excessive volatility in GET SA's shares, are accounted for at cost in investments and the gain or loss on sale of these shares is calculated on a FIFO basis.

At the end of the financial year, these shares are valued on the average share price during the last month. A provision is made if this valuation is below the book value.

2.5 Tax integration convention

Under the terms of the tax integration convention, tax charges are recognised in the individual financial statements of consolidated companies, on a stand-alone basis. Any tax savings or losses realised by the Group are recognised immediately in the parent company's income statement for the period.

2.6 Provisions

Provisions are recognised when there exists a legal or constructive obligation stemming from a past event and when the future cash flows can be reliably estimated.

3. Investments in subsidiary undertakings

At 31 December 2008, shares are analysed as follows:

	TNU SA (in euros)	TNU PLC (in sterling)	EGP (in euros)	ESGIE (in euros)
Equity				
Share capital	260,105,597	260,105,597	73,472	1,500
Other equity (excluding result for the year)	110,458,037	(251,522,987)	(6,532,010)	–

Percentage of share capital held:	**TNU SA**	**TNU PLC**	**EGP**	**ESGIE**
Directly	9.11%	9.11%	100%	20%
Directly and indirectly	99.32%	99.32%	100%	100%

Carrying value of shares (in euros)	**TOTAL**	**TNU SA**	**TNU PLC**	**EGP**	**ESGIE**
Gross:	**259,938,197**	129,932,215	129,932,215	73,467	300
Net:	**259,938,197**	129,932,215	129,932,215	73,467	300
Security and guarantees given by the company		*	*	*	*

* *This information is provided in note 17 below.*

The value in use of the investments in subsidiary undertakings has been estimated taking into account the most recent valuation of the Concession.

4. Group and associates

(in euros)	31 December 2008	31 December 2007
Other non-current financial assets		
Eurotunnel Group UK PLC (EGP)	1,695,433,874	–
France Manche SA (FM)	33,686,745	33,686,745
Total	**1,729,120,619**	**33,686,745**
Trade receivables		
FM	3,257,185	5,317,953
TNU PLC Group	–	49,961
Total	**3,257,185**	**5,367,914**
Loans and advances – Group and associates		
EGP	44,029,495	182,207
Total	**44,029,495**	**182,207**
Other current financial assets		
FM	1,315,614	4,757,690
Total	**1,315,614**	**4,757,690**
Debts – Group and associates		
EGP	35,002,360	38,444,435
TNU SA	–	19,995,871
TNU PLC Group	–	73,466
FM	43,362,329	1,000,000
Channel Tunnel Group Limited	996,562	2,552,411
Total	**79,361,251**	**62,066,183**

Intra-group loan

Amounts receivable from EGP and accounted for in non-current other financial assets comprise a principal of €1,658,876,385 and accrued interest of €36,557,488 in respect of the intra-group loan made to finance the redemption and buy back of the NRS I and NRS II during the year (see note 1.2iv above). This loan carries interest with effect from 1 August 2008 at EONIA + 1%.

NRS Relationship Agreement

On 20 March 2007, GET SA and EGP entered into a contract under English law relating to the issue of the NRS (the ''NRS Relationship Agreement''), pursuant to which EGP agreed to issue the NRS, upon request by GET SA, up to a specified amount, upon the terms and conditions of the NRS specified in paragraph 22.5 of the 2008 Reference Document.

In accordance with its commitments EGP sold to GET SA a portion of the intra-group debt owed to EGP by TNU SA and TNU PLC resulting from the implementation of the financial restructuring, in consideration of an amount which was left outstanding, thus giving rise to a debt owed by GET SA to EGP. The receivable accrues interest at the same rates as the intra-group debt owed to EGP by TNU SA and TNU PLC mentioned above, and may be repaid by the issue by GET SA of GET SA Ordinary Shares to EGP or to holders of NRS by GET SA, in the latter case on behalf of EGP.

Under the terms of the agreement, GET SA has undertaken not to pay any dividends while any deferred interest remains due in respect of the NRS.

Amounts due from FM and recognised in other financial assets correspond to a principal of €33,686,745 and accrued interest of €1,315,614 in respect of the amended loan note transferred from EGP to GET SA in accordance with the terms of the NRS Relationship Agreement. In exchange for this transfer in accordance with the terms of the NRS Relationship Agreement, a debt of €33,686,745 and accrued interest of €1,315,614 was recognised between GET SA and EGP. Amounts owed to EGP and recognised as debts and similar correspond to principal and interest due in respect of this loan.

Other inter-company accounts

The other inter-company loans mentioned above do not bear interest.

5. Own shares

At 31 December 2008, Groupe Eurotunnel SA held 6,062,400 of its own shares which had been acquired as part of the share buy back programme authorised by the general meeting of shareholders on 27 June 2008. At 31 December 2008, a charge of €18,928,333 was made to financial charges for the depreciation in value of these shares.

6. Investments in securities and cash and cash equivalents

This includes mainly short-term investments, primarily certificates of deposit and deposit accounts, all of which have a maturity of less than 3 months at 31 December 2008.

(€'000)	31 December 2008	31 December 2007
Own shares	1,402,287	728,288
Investments in £	76,367,865	477,131
Sub-total	**77,770,152**	**1,205,419**
Cash at bank and in hand	48,766	6,639
Total	**77,818,918**	**1,212,058**

At 31 December 2008, GET SA held 347,962 of its own shares purchased by Exane BNP Paribas under the liquidity contract. At 31 December 2008, a charge of €774,673 was made to financial charges for the depreciation in value of these shares.

7. Equity and Warrants

7.1 Movements in share capital

(in euros)	
Share capital (ordinary shares)	
At 1 January 2007: 1,000 shares at €1	1,000
Capital reduction: 775 shares at €1	(775)
Reduction in the nominal value of shares from €1 to €0.01	–
Capital increase: 22,477,500 shares at €0.01	224,775
Capital increase: 2,368,864,450 shares at €0.01	23,688,644
Consolidation of 40 old shares for 1 new share	–
At 31 December 2007: 59,784,111 shares at €0.40 and 1 share at €0.01	**23,913,644**
Capital increase on 4 June 2008: 104,622,189 shares at €0.40	41,848,876
Capital increases following the redemption of ORA I Tranche I: 25,435,615 shares at €0.40	10,174,246
At 31 December 2008 : 189,841,915 shares at €0.40 and 1 share at €0.01	**75,936,766**

At 31 December 2008, the issued share capital of GET SA amounted to €75,936,766.01, divided into 189,841,915 fully paid-up GET SA Ordinary Shares (Class A shares) with a nominal value of €0.40 each, and one GET SA Preferred Share (Class B share) with a nominal value of €0.01.

The GET SA Preferred Share confers on its holder specific corporate governance rights of GET SA as described in section 21.2.3 of the 2008 Reference Document. There are no specific economic rights attached to the GET SA Preferred Share.

The 104,622,189 New Ordinary Shares issued on 4 June 2008 by GET SA upon the exercise of the BSA are of the same class as the Ordinary Shares already listed. They bear dividend rights as of the date of the start of the current financial year, i.e. 1 January 2008, and were listed on Euronext Paris, the Official List of the United Kingdom Listing Authority and the London Stock Exchange from 4 June 2008.

In accordance with the terms of the NRS I, all the 977,545 NRS I Tranche I were redeemed during the second half of 2008 by the issue of 25,435,615 GET SA Ordinary Shares.

7.2 Share premium and special reserve

(in euros)	
At 1 January 2007	–
Capital increase	236,175,786
Cost of capital increase	(18,049,175)
At 31 December 2007	**218,126,611**
Increase in share capital 4 June 2008	873,595,320
Increases in share capital following the redemption of NRS I Tranche I	87,580,212
Cost of capital increase	(41,272,057)
Transfer to non-distributable reserves account*	(1,902,222)
Total at 31 December 2008	**1,136,127,864**

* *A specific non-distributable reserves account amounting to €1,902,000 has been set up. This will be used to issue the Additional Ordinary Shares in respect of the conditional additional return on the rights issue of 4 June 2008, corresponding to a maximum of 4,755,554 shares.*

7.3 Legal reserve

The net profit for the 2007 financial year was appropriated to the legal reserve in accordance with the decision of the general meeting of shareholders on 27 June 2008.

7.4 2007 Warrants

On 28 June 2007, GET SA issued 4,307,026,273 Warrants which entitle their holders to subscribe for GET SA Ordinary Shares provided that there has been an increase in the value of the Eurotunnel Group. The Warrants were admitted to listing and trading on Euronext Paris on 2 July 2007. The detailed characteristics of the Warrants are set out in chapter 3 of the Securities Note dated 4 April 2007.

The total number of new GET SA Ordinary Shares to which the Warrants will together entitle their holders to subscribe (''**N**'') will be calculated according to the following formula:

$$N = 2 \times U \times \frac{VT}{300{,}000{,}000}$$

where:

- ''**U**'' is the total number of Units on the Closing Date (i.e. 2,546,164,213 on 28 June 2007);
- ''**VT**'' is the arithmetic sum of VT1 and VT2, where (i) VT is capped at £300 million, and (ii) ''**VT1**'' is the arithmetic sum of all of the Lump Sums received between 23 May 2006 and 30 June 2008 calculated in accordance with the terms described in the section entitled ''Method of calculating VT1'' in chapter 3 of the Securities Note of April 2007, and ''**VT2**'' comprises any improvements in the EBITDA of GET SA during the 2008, 2009 and 2010 financial years compared to the Reference EBITDA calculated in accordance with the terms described in the section entitled ''Method of calculating VT2'' in chapter 3 of the Securities Note of April 2007.

As part of the consolidation of shares on 12 November 2007, the rights of holders of securities which may be converted into GET SA equity (including the Warrants) were adjusted.

As part of the rights issued described in 1.2i above, the terms of the adjustment of the exercise ratio of the Warrants were adjusted in accordance with the Securities Note issued in April 2007. As an example, and on the hypothetical assumption of the maximum VT being reached, the exercise ratio of the Warrants would be 0.034 shares per Warrant.

Method of calculating VT1

''Lump Sum'' means any sum received or saved outside the normal course of business (defined by reference to previous practices), including (i) the payment of a cash sum or (ii) the realisation of a saving, resulting from a decision of a Governmental Entity or of a company or of any other entity controlled by a Governmental Entity (including as a result of an enforceable court decision, an arbitration, a settlement or a decision to grant a subsidy) for the benefit of GET SA, TNU PLC, TNU SA, EFL, FM, CTG and their respective consolidated subsidiaries, provided that (y) any sum received or saved in the ordinary course of business (defined with reference to previous practices) and (z) any sum received from the French or English tax authorities as part of the financial restructuring will not be considered to be a Lump Sum.

Method of calculating VT2

In order to calculate VT2, the following elements will successively be calculated or taken into account:

1. ''**EBITDA**'' means the consolidated Earnings Before Interest, Taxes, Depreciation and Amortisation of GET SA (calculated using accounting principles and methods consistent with those used for the preparation of the combined audited accounts of TNU SA and TNU PLC at 31 December 2004) for each of the 2008, 2009 and 2010 financial years, from which will be deducted (i) any exceptional elements and (ii) any Lump Sum taken into account for the calculation of VT1.

2. ''**Reference EBITDA**'', means the following EBITDA amounts:

	Financial year		
(£ million)	**2008**	**2009**	**2010**
Reference EBITDA	277	288	303

The Reference EBITDA for each of the 2008, 2009 and 2010 financial years has been determined on the basis of (i) a euro/pound sterling exchange rate of 1.4 and (ii) a pound sterling/euro apportionment of EBITDA of 51% / 49%.

3. ''**Adjusted Reference EBITDA**'' means the Reference EBITDA for each of the 2008, 2009 and 2010 financial years, adjusted so that the 49% euro component is, for each of these financial years, converted into pounds sterling on the basis of the euro/pound sterling exchange rate used to prepare the audited consolidated accounts for the relevant financial year (the ''**Effective euro/pound sterling Exchange Rate**'').

4. ''**Difference**'' means, for each of the 2008, 2009 and 2010 financial years, the result of the difference between (i) the EBITDA derived from the consolidated accounts of GET SA for the financial year in question and (ii) the Adjusted Reference EBITDA for that financial year, provided that if this result is negative, it will be deemed to be equal to zero.

5. ''**Adjusted Difference**'' means, for each of the 2008, 2009 and 2010 financial years, the amount corresponding to 50% of the fraction of the Difference up to £7.5 million and 70% of the fraction of the Difference between £7.5 million and the amount of the Difference.

6. ''**Weighted Difference**'' means, for each of the 2008, 2009 and 2010 financial years, the result of the product of the Adjusted Difference multiplied by (i) 14.5 and then (ii) 0.3 for the 2008 financial year, 0.6 for the 2009 financial year and 0.1 for the 2010 financial year (the ''Annual Weighting Factor'').

7. VT2 will be equal to the arithmetic sum of the Weighted Differences calculated for each of the 2008, 2009 and 2010 financial years.

7.5 Notes Redeemable in Shares (NRS)

The NRS were issued by a subsidiary of GET SA, EGP, on 28 June 2007. Initially divided into two series, the NRS I and the NRS II, the NRS II were redeemed early in cash in 2008 as detailed in note 1.2i above. At 31 December 2008, only 6,028,085 NRS I remained in circulation, which are traded on Euronext Paris and on the London Stock Exchange. The detailed characteristics of the NRS are set out in chapter 2 of the Securities Note issued in April 2007.

As part of the consolidation of shares in November 2007, and of the rights issue referred to in 1.2i above, the redemption ratio of the NRS has been adjusted to 26.02 shares per NRS.

GET SA has made a commitment to issue and then to deliver to its subsidiary EGP the Ordinary Shares mentioned above as redemption for the NRS I.

i. NRS I

The NRS I were issued on 28 June 2007. They carry interest at a rate of 3% per annum, and are not redeemable in cash. The evolution in the number of NRS I in circulation and the effect of the redemption are given in the following table:

	Tranche I	Tranche II	Tranche III	Total
Issued on 28 June 2007:				
Number of notes	977,545	977,545	5,200,540	7,155,630
Nominal value in £	30,008,886.60	30,008,886.60	158,496,936.40	218,514,709.60
Nominal value in €	53,753,200.00	53,753,200.00	287,653,800.00	395,160,200.00
Buy back on 23 June 2008:				
Number of notes		(60,000)	(90,000)	(150,000)
Nominal value in £		(3,633,082.20)	(4,483,127.00)	(8,116,209.20)
Nominal value in €		(672,900.00)	(2,426,500.00)	(3,099,400.00)
Redeemed on 28 July 2008:				
Number of notes	(977,545)			(977,545)
Nominal value in £	(30,008,886.60)			(30,008,886.60)
Nominal value in €	(53,753,200.00)			(53,753,200.00)
Number of ordinary shares created	(25,435,615)			(25,435,615)
In issue on 31 December 2008:				
Number of notes	–	917,545	5,110,540	6,028,085
Nominal value in £	–	26,375,804.40	154,013,809.40	180,389,613.80
Nominal value in €	–	53,080,300.00	285,227,300.00	338,307,600.00
Date of contractual redemption		28 July 2009	28 July 2010	
Maximum number of GET SA ordinary shares resulting from redemption*	–	23,874,520	132,976,250	156,850,770

* *After adjustment (see above).*

ii. NRS II

- All NRS II were redeemed during 2008 (see note 1.2i above):

	Issued on 28 June 2007	Redeemed on 10 April 2008	Redeemed on 10 July 2008
Number of notes	11,539,914	6,011,109	5,528,805
Nominal value in £	352,527,641.40	184,999,933.80	167,527,707.60
Nominal value in €	637,088,700.00	329,850,000.00	307,238,700.00

The main characteristics of the NRS II as issued on 28 June 2007 were as follows:

- they were redeemable in cash at a price equal to 140% of their nominal value;
- they carried interest at a rate of 6% per annum;
- they would have been redeemable contractually in GET SA ordinary shares on 28 July 2010 if they had not already been redeemed in cash.

8. Quasi-equity: Subordinated Deferred Equity Securities (SDES)

Issue

On 20 February 2008, GET SA launched the issue of 800,000 SDES with a nominal value of €1,000 each, for a total amount of €800 million. The characteristics of this issue are described in the Securities Note of 20 February 2008. The SDES were admitted to listing and trading on the regulated market of the Luxembourg Stock Exchange starting on their issue date, 6 March 2008.

Redemption

Each SDES will entitle its holder to receive 118.61 Ordinary Shares (initially 103.8 Ordinary Shares, prior to the adjustment made following the rights issue). The SDES will be redeemable in New Ordinary Shares at the discretion of their holders at any time between 6 September 2009 and 6 September 2010. In addition, the SDES may be redeemed in ordinary shares in advance of this date at the option of SDES holders in certain conditions.

The number of New Ordinary Shares issued on redemption of the SDES will be 94,888,000 (83,040,000 before adjustment), giving rise to an increase in capital of €37,955,200 (€33,216,000 before adjustment).

Return

The return on the SDES will comprise (i) the issue and allotment to SDES holders of 3 New Ordinary Shares per SDES or (ii) at the option of GET SA, the payment in cash of interest calculated at an annual rate of 2%. The return will be payable in one instalment on 6 September 2009.

The number of shares that may be issued in respect of the return will be 2,400,000 New Ordinary Shares.

Conditional additional return

A conditional additional return will be paid to initial SDES subscribers who hold their SDES until the date of their redemption in New Ordinary Shares then the New Ordinary Shares issued upon redemption of SDES, until 6 March 2011. The conditional additional return will be paid, at the option of GET SA and in accordance with the terms described in section 7.2 of the Securities Note, either in cash, or in new or existing Additional Ordinary Shares (on the basis of 5.4 new or existing Additional Ordinary Shares per SDES initially subscribed).

The maximum number of new Additional Ordinary Shares that may be issued in respect of the conditional additional return will be 4,320,000.

9. Revenues from sale of services

This item comprises revenues from services charged to the concessionaires.

10. Purchases and external costs

This item comprises primarily costs relating to services charged by ESGIE and ESL, as well as costs incurred on behalf of the concessionaires.

11. Exchange gains

This item mainly comprises the exchange gain of €64.1 million resulting from the redemption in cash of the sterling-denominated NRS II on 10 April 2008 and 10 July 2008, as well as the unrealised exchange gains resulting from the revaluation of intra-group debts at 31 December 2008.

12. Interest, and related income and charges

(in euros)	2008	2007
Interest and related income		
Accrued interest received from EGP on the intra-group loan	36,557,488	–
Interest due from FM on the amended loan note	6,766,775	4,757,690
Bank interest	3,089,744	–
Total	**46,414,007**	**4,757,690**
Interest and related charges		
Interest due to EGP under the NRS Relationship Agreement	6,766,775	4,757,690
Premium on purchase of NRS I	20,255,447	–
Total	**27,022,222**	**4,757,690**

13. Exceptional result

This item comprises gains and losses recognised on the sale of own shares held under the liquidity contract, as well as the income from the sale of BSA allocated to own shares as part of the capital increase on 4 June 2008.

14. Result and tax situation

In March 2007, GET SA opted for the French tax consolidation regime with EGP as a consolidated subsidiary as from 1 January 2007.

On 5 May 2008, GET SA opted for the enlargement of the consolidated tax group of which it is the parent company, to include TNU SA, FM, Eurotunnel Participations 1 SAS, Eurotunnel Participations 2 SAS and Europorte 2 SAS, with effect from the financial year from 1 January 2008.

Cumulative tax losses of the consolidated GET SA tax group (including TNU SA, EGP, FM, Eurotunnel Participation 1 SAS, Eurotunnel Participation 2 SAS and Europorte 2 SAS) which can be carried forward indefinitely amount to €2,256 million at 31 December 2008 (31 December 2007: €1 million before the enlargement of the consolidated tax group).

Included in the €2,256 million above is €1,988 million from the old TNU SA consolidated tax group (including FM, Eurotunnel Participation 1 SAS, Eurotunnel Participation 2 SAS and Europorte 2 SAS) which can only be used against the profits of these companies (31 December 2007: €1,988 million).

GET SA's taxable result, excluding integration, was a profit of €49 million (31 December 2007: €1.7 million loss).

15. Directors

Details of directors' remuneration are provided in chapter 15 of the 2008 Reference Document.

16. Shares held by directors

Shares held by directors are described in chapter 14 and directors' remuneration is described in chapter 15 of the 2008 Reference Document.

17. Commitments and contingent liabilities

GET SA, EGP, TNU SA, TNU PLC, FM, EFL, CTG, ESGIE, Eurotunnel SE, ESL and EurotunnelPlus Limited jointly and severally guarantee the obligations of FM and CTG in respect of the Term Loan. In order to guarantee these obligations, these companies have granted security as described in note 18 of GET SA's consolidated accounts.

18. Post balance sheet events

18.1 Simplification of the Group's legal structure

On 3 March 2009, the board of directors decided to submit a proposal for the simplification of the Group's legal structure to the shareholders' general meetings on 6 May 2009, the main features of which are as follows:

- the disposal by TNU PLC from CTG to TNU SA;
- the disposal of EGP's interest in TNU SA and TNU PLC to GET SA; and
- the merger of TNU SA into GET SA.

18.2 Purchases of NRS I

During January and February 2009, Groupe Eurotunnel SA repurchased a total of 198,140 NRS I Tier 3 representing 5.2 million shares for a total cost of €18.2 million.

The events described in this note have no effect on the 2008 company accounts.

ANNEX IV INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

1. INTRODUCTION

The legal framework

French legislation sets out the responsibilities of company directors in respect of internal control.

The French law of 3 July 2008 (*loi portant diverses dispositions d'adaptation du droit des sociétés au droit communautaire*, known as DDAC) requires the Chairman of the board of Groupe Eurotunnel SA (GET SA) to report on the internal control and risk management procedures in place within the company in a specific report which forms part of the annual report (article L. 225-37 para. 6 of the French Commercial Code).

Under article L. 225-235 of the French Commercial Code, the company's auditors are required to present, in a separate report annexed to the annual report, their observations on that part of the Chairman's report which covers the internal control procedures for accounting and financial reporting and in particular to affirm that information regarding risk management is produced.

In January 2007 the *Autorité des marches financiers* (AMF), published an internal control framework; this document includes the general principles of internal control and is completed by detailed guidelines relating to the internal control system for accounting and financial reporting. The objective of the document as a whole is to provide French quoted companies with a tool for designing and implementing internal control systems. The new French internal control framework is compatible with the framework established by the Committee of Sponsoring Organisations (COSO) in the United States.

On 9 January 2008, the AMF extended this system by adopting the conclusions published in November 2007 by the working party chaired by Yves Mansion on mid-cap and small-cap stocks. Those companies which are not included in Compartment A of Euronext Paris are therefore invited by the AMF to use a simplified version of the general principles and implementation guide in respect of their internal control procedures.

GET SA's internal control procedures

GET SA continues to apply internal control procedures in accordance with the Combined Code[1], while at the same time ensuring that they conform to the new French internal control framework, by applying the procedures recommended by the Turnbull Committee[2]. These procedures have been in place throughout the year and continue to be so.

Responsibilities of the GET SA Board of directors for Internal Control

The GET SA Board of directors is responsible for ensuring (i) that the significant risks facing Eurotunnel, and the effectiveness of the system of internal control in managing those risks, are assessed at least annually; (ii) that potential failures of internal control are identified and taken into account; (iii) and that internal control and risk management are an integral part of Eurotunnel's operations. To this end, in accordance with Article L. 225-37 para 10 of the French Commercial Code, the GET SA board of directors approved the special report drawn up by its Chairman.

(1) *The Combined Code refers to the ''Combined Code on Corporate Governance'', the UK standard on corporate governance published by the Financial Reporting Council (first published in 1998). Eurotunnel's statement of compliance with the internal control provisions of the Combined Code has appeared in the group's corporate governance report since 1999. The Combined Code is available on the website of the Financial Reporting Council*: www.frc.org.uk/corporate/combinedcode.cfm.

(2) *The linkage between the Combined Code and the AMF framework is provided by the ''Turnbull Guidance''. This guide to applying the internal control requirements of the Combined Code is cited among the ''best practices'' reference sources consulted in the preparation of the AMF framework. The Turnbull Guidance is available on the website of Financial Reporting Council*: www.frc.org.uk/corporate/internalcontrol.cfm.

This document provides a description of the system of internal control and risk management which operates within the Eurotunnel Group.

2. INTERNAL CONTROL PROCEDURES

For the purposes of describing the internal control procedures, this report contains:

- a definition of internal control and its main components;
- an overview of the main control mechanisms in place within Eurotunnel; and
- specific details of the controls over the accounting and financial reporting processes.

2.1 DEFINITION OF INTERNAL CONTROL

The system of internal control is a process defined by the executive management under the auspices of the GET SA Board of Directors. It is put into operation by the management and staff of the group with the purpose of providing reasonable assurance as to the achievement of the following objectives:

- the effectiveness and efficiency of operations;
- the safeguarding of assets;
- the reliability of financial and management information; and
- compliance with applicable laws and regulations.

The system of internal control should ensure the identification and effective management of the principal risks to which the Eurotunnel Group is exposed, including operational and financial risks, and risks associated with the correct application of the policies and procedures in force within the company.

The Eurotunnel Group adopts an approach based on the five internal control components defined by the COSO framework and the new framework recommended by the AMF:

- ***Control environment and organisation***

The control environment sets the tone of the organisation, influencing the control consciousness of the people who work for it. Control environment factors include the integrity, ethical values and competence of the entity's personnel; management's philosophy and operating style; the way management assigns authority and responsibility, and develops its people; the organisation and procedures put in place by management; and the attention and direction provided by the board of directors.

- ***Risk assessment***

Risk assessment is the identification and analysis of relevant risks to the achievement of the entity's objectives, forming a basis for determining how these risks should be managed. Because economic, industry, regulatory and operating conditions will continue to change, mechanisms are needed to identify and deal with the special risks associated with change.

- ***Control activities***

Control activities are the policies and procedures that help ensure management directives are carried out and that necessary actions are taken to address risks to achievement of the entity's objectives. Control activities occur throughout the organisation, at all levels and in all functions. They include a range of activities as diverse as approvals, authorisations, verifications, reconciliations, reviews of operating performance, security of assets and segregation of duties.

- ***Information and communication***

Pertinent information must be identified, captured and communicated in a form and timeframe that enable people to carry out their responsibilities. This covers both the effectiveness and integrity of entity's information systems and effective communication in a broader sense, flowing down, across and up the organisation as well as with external parties, such as customers, suppliers, regulators and shareholders.

- ***Monitoring***

Monitoring is assessment of the quality of the performance of the system of internal control over time. This is accomplished through ongoing monitoring activities, including regular management and supervisory activities, as well as the work carried out by the audit functions. Internal control deficiencies should be reported upstream, with serious matters reported to top management and the board.

It should be recognised that any system of internal control cannot provide absolute assurance as to the achievement of the objectives set out above.

2.2 THE SYSTEM OF INTERNAL CONTROL OF THE EUROTUNNEL GROUP

This section summarises the main elements of the system of internal control of the Eurotunnel Group[3].

2.2.1 Control environment

a) Organisation and responsibilities

- Organisational structure
  - the GET SA Board of directors, comprising 11 members, of which a majority are non-executive directors;
  - the GET SA Board of directors has put in place three Board committees:
    - the audit committee;
    - the safety, security and environment committee;
    - the nominations and remuneration committee.

    The audit committee and the safety, security and environment committee meet at least four times a year. The nominations and remuneration committee meets at least twice a year and whenever necessary at the request of one of its members;

    The GET SA board of directors has also put in place a committee of chairmen, composed of Jacques Gounon and the chairmen of the three aforementioned committees. This committee meets as often as the interest of the company requires;
  - the GET SA executive committee, chaired by the Chairman of the board of directors of GET SA and comprising the Chief Operating Officer, the Finance director and the directors of the operational divisions, normally meets on a monthly basis. The committee's task is to monitor the Group's performance and results and, if necessary, to adjust the Group's industrial strategy. The executive committee co-ordinates the work of the Group's operating departments and ensures the proper functioning of the Group as a whole;
  - within the Concessionaires, a management committee, chaired by the Chairman of the board of directors of GET SA, or by delegation, the chief operating officer, and comprising the members of the GET SA executive committee and the directors of the main support functions within the Concessionaires, meets regularly;

(3) The internal control procedures described in this report cover all companies included in the scope of consolidation of the Group.

- within the Concessionaires, specific operational committees have responsibility for particular areas:
  - safety committees;
  - treasury risk management committee;
  - financial operations committee;
  - cost committees;
  - IT development committee;
  - IT security committee.
- a formal delegation of authority and authorisation limits, approved by the GET SA board of directors, are in place in key areas including capital and operational expenditure, treasury, truck customer pricing, revenue contract approval etc.;
- a formal delegation of authority is in place for operational responsibilities;
- a company-wide organisation chart is published on the company intranet and sets out the management structure and reporting lines. Formal job descriptions are in place in most areas.

b) Policies and procedures

- Formal policies and procedures are in place for the main areas of the Group's activities.
- The Human Resources policies set out the Group's values and operating principles, as well as the main measures in relation to working conditions and practices, staff development and training and the code of behaviour.
- The corporate code of ethics is an integral part of the Group's Human Resources policies, and specific ethical guidelines are in place for the purchasing function.
- Financial control is managed by a formal process of monthly reporting against budget and of quarterly re-forecasts.

2.2.2 Risk assessment

- The strategic plan, approved by the GET SA executive committee is presented annually to the GET SA board of directors. It defines the medium and long-term objectives of the group and, taking account of the associated risks, sets out the strategies for achieving them.
- The annual budget sets out the key operational and commercial objectives for each of the company's main areas of activity, as well as the budgeted financial results. This is presented to the GET SA board of directors.
- Performance criteria in the form of key performance indicators (KPIs) are set for the main identified risk areas, including safety, commercial performance and operational reliability. These indicators are reported on a weekly basis to the Executive committee and monthly to the GET SA board of directors.
- An annual corporate risk assessment is carried out and the results reported to the GET SA audit committee and to the GET SA board of directors. This process covers the major risks throughout the company, and is described in more detail in section 3 of this annex.

- Specific risk assessment exercises are carried out in particular areas:

  – ***Safety risk***: a formal document entitled ''the Eurotunnel Safety Case'' is updated every three years by the safety and sustainable development directorate. This document identifies the major risks to which the company's customers, employees, sub-contractors and visitors are exposed, and the measures in place to manage them. The Safety Case is formally approved by the Safety Authority of the IGC.

  – The safety and sustainable development directorate ensures that the documentation relating to emergency planning and to the individual and collective risk analysis programmes in the different areas of operations are kept up to date. These programmes are reviewed regularly by the safety, security and environment committee.

  – ***Insurance risk***: a full insurance risk assessment is carried out every three years to assess the adequacy of the group's insurance cover. It is reviewed at the time of policy renewals.

  – ***Financial control risk***: the annual internal audit plan is based on an assessment of the risks and controls in the major audit areas of the company's activities.

  – ***Treasury risk***: interest rate and foreign exchange risks are reviewed on a regular basis by the treasury risk management committee.

2.2.3 Control activities

The main control activities are set out in paragraph 2.3.3 of this annex.

2.2.4 Information and communication

In addition to the annual budget referred to above, the GET SA board of directors receives a monthly report setting out the financial results and performance, as well as a summary of operational and commercial performance.

At each of their meetings, the GET SA safety and audit committees receive reports relating to the areas for which they have responsibility. The Chairmen of these committees keep the GET SA board of directors informed of the work of their committees.

The following documents are transmitted on a regular basis to the members of the Executive and Management committees:

- a financial reporting pack giving details of financial results and performance against budget; and
- a KPI report which compares actual performance against budget and targets in the main areas of activity: safety; commercial performance and market share; productivity, operational reliability and service quality; employee numbers and statistics; and financial results against budget and latest forecast.

The members of the Executive and Management committees also receive a weekly report of key data relating to safety, human resources, operations, and to commercial and financial performance.

The group's intranet, ETNet, provides regular information to all staff on the main policies, procedures and activities of the group. A weekly internal newsletter and the management forum, which takes place at least twice-yearly, are further means of providing regular communication with staff.

2.2.5 Monitoring

- The corporate risk assessment process is under the full-time responsibility of a senior manager (see section 3 of this annex below).

- The GET SA audit committee monitors the effectiveness of internal control by means of regular reports from internal audit, whose work is planned so as to ensure an appropriate coverage of the main areas of risk. A formal process exists for the correction of weaknesses highlighted in internal audit reports. The status of internal audit recommendations is reviewed by the Executive committee every two months. During 2008 and up to the date of this Reference Document, GET SA has not identified any major failure of its internal control system.

- Internal audit consults the safety, security and environment committee on an annual basis to identify audit requirements in these areas.

- The GET SA safety, security and environment committee monitors performance in these areas by means of quarterly reports from the Safety and Security directorates. These include the reporting of safety performance against target, the results of safety evaluations and an update on security matters. The committee also periodically reviews the environmental impact of Eurotunnel's operations.

- The safety, security and environment committee has created two sub-groups, one responsible for emergency planning and the BINAT exercises and the other for security issues.

- Specific steering groups monitor the progress of major projects (e.g. large scale maintenance, e-borders, ERTMS etc.).

- The Treasury Risk Management committee monitors foreign exchange and interest rate trends on a monthly basis.

- The Financial Operations committee monitors cash flow, liquidity and banking covenant compliance on a monthly basis.

2.3 CONTROLS OVER ACCOUNTING AND FINANCIAL REPORTING

The controls over accounting and financial reporting are summarised under three main headings:

2.3.1 Organisation and IT systems

- Accounting and financial reporting management is centralised within the Finance directorate, which has responsibility for financial accounting, accounts payable and receivable, operational treasury and cash flow management, budgetary control and the production of management and financial reporting. This centralised responsibility covers all the accounting entities of the group, both in the United Kingdom and France, as well as the distribution activities in Spain, Belgium and the Netherlands.

- A single integrated accounting system, SAP R3, is used across all accounting entities. This system is integrated with other SAP modules managing freight sales, purchasing, inventory control, treasury, payroll and fixed assets. This ensures the automated transmission of transaction and accounting data relating to these activities.

- For systems outside the integrated SAP environment – principally in the areas of passenger sales and invoicing – there is automated upload of accounting data. Reconciliation and verification controls are in place to ensure the completeness and accuracy of these interfaces.

- Formal written procedures are in place to cover the operations of the Finance function.

2.3.2 Financial reporting

- There are formal monthly closings including a detailed verification of the main revenue and expenditure accounts by the budget controllers. There are also formal reconciliations of the main balance sheet accounts carried out by the financial accountants.

- The half-year and year end accounts are prepared on the basis of data extracted from the centralised SAP accounting system.

- Controls are in place to verify the main asset and liability accounts:
  - ***Stocks***: a programme of cyclical stock counts is in place and a full stock count is carried out at the end of the financial year. The results are updated in SAP and the corresponding accounting entries generated automatically.
  - ***Fixed assets***: specific verification procedures are in place for major tangible assets; reparable spares are controlled via the inventory management system.
  - ***Current assets***: integrated accounts receivable and treasury management systems are in place; daily banking operations are reconciled automatically by the system. Formal monthly bank reconciliations are carried out and are reviewed by management. Treasury operations are controlled by the back office.
  - ***Loans***: debt related operations are controlled by the back office and the cash manager.
  - ***Creditors and accruals***: an integrated SAP accounts payable system is in place; accruals are calculated and validated by budget controllers; deferred revenue is reconciled to ticket liability records.
- The consolidated accounts are prepared on the basis of the individual company trial balances extracted from the SAP accounting system.
- Accounting adjustments in the consolidation processes are controlled and approved by the appropriate level of management.
- There is an inherent consistency between combined financial and management accounts which are prepared using the same source data.
- The GET SA audit committee plays a key role in the supervision of financial reporting:
  - any changes to accounting policies are reviewed by the audit committee;
  - the Finance directorate submits a quarterly report to the audit committee on major accounting and reporting issues;
  - the committee reviews the half-year and full-year financial accounts at a meeting at least 4 days before their presentation to the GET SA board of directors; at these meetings,
  - the Finance directorate and the external auditors submit formal reports to the Committee, and the external auditors attend the meetings.

2.3.3 Controls over operations having an impact on accounting data

It is important to ensure that adequate controls are in place over operations which ultimately result in accounting entries, to ensure that such entries are both complete and accurate.

Revenue operations

- Formal procedures are in place to cover the recording and reconciliation of sales and receipts at each point of sale (check-in, pre-sales, internet).
- There is an adequate segregation of duties in the principal areas of sales recording, control and accounting.
- Procedures are in place to control the completeness of invoicing and the reconciliation of data between the front-end sales systems and the accounting system.
- Procedures are in place for invoicing and accounting for revenue from the Railways.
- There is a formal group-wide credit policy and procedures for the approval of revenue contracts.

Purchases

- All major purchases are centralised through the group Procurement department.
- Formal procedures and a delegation of authority approved by the GET SA board of directors are in place for the management and approval of all purchases.
- There is an adequate segregation of duties between all stages of the procurement process (request, approval, execution, receipt and payment).
- The SAP system performs an automated control of expenditure approval and of the matching of order/receipt/invoice.
- All third-party payments are centralised through the Finance directorate and mandates are in place with the banks for the signature of all payment instruments.

Staff costs

- There is an adequate segregation of duties in the key stages of the payroll process (approval and maintenance of salary data, processing of variable pay elements, payroll processing and payment).
- The SAP system performs the automated calculation of the payroll and its associated elements.
- Accounting entries and payment files are generated and interfaced automatically within the SAP system.

Asset management

- Stock and fixed asset (spare parts) movements are accounted for automatically by the SAP system.
- Accounting and control procedures are in place for acquisitions and disposals of fixed assets.
- There is a periodic physical verification of stocks (cyclical and year-end counts) and of major fixed assets.

Treasury management

- The treasury policies and procedures are approved by the GET SA board of directors on an annual basis.
- There is an adequate segregation of duties between front and back offices; the back office ensures an independent control of treasury operations.
- A formal delegation of authority and bank mandates are in place for all treasury operations.

IT systems

- Controls are in place to ensure the physical security of hardware and software, the integrity of data and the continuity of operation of the major computer systems, including the SAP system.
- Each application has a sponsor who is a member of the GET SA executive committee or of the Management committee; the sponsor is the sole authority for changes and for granting access to the application.
- Logical access controls based on individually-defined user rights and passwords are in place for all systems; access rights reflect the responsibilities of users and the segregation of duties. The administration of user accesses is centralised within the IT department.
- Adequate controls are in place to protect the company's information systems against unauthorised access from outside the company. The adequacy of these controls is monitored on a regular basis.

3. RISK MANAGEMENT PROCEDURES

The objective of the corporate risk management process is to provide senior management and the GET SA board of directors of with:

- a complete, consistent and structured view of the major risks, of all types, to which the company is exposed; and
- an appreciation of the appropriateness of the mitigating measures put in place by those responsible for managing each of the risks in the light of their potential impact on the company's strategic objectives.

The process comprises a formal risk review, the conclusions of which are presented to the GET SA board at the end of the year and which serves as the basis for the internal control report in the Group's annual report.

The risk reviews are based on the strategic plan. They are co-ordinated by the Corporate Risk Manager, and they seek to identify and quantify the risks facing the company and to identify and assess the appropriateness and the effectiveness of the controls in place to manage those risks.

The process consists primarily of discussions with senior management across the company, and comprises two parallel approaches:

- a top-down approach, consisting in the identification of the key strategic risks both in the core business and in the new initiatives undertaken during the year (both from the point of view of their mitigating effect on the main core business risks and the fact that they generate new risks of their own) and changes in the company's business and economic environment; and
- the traditional ''bottom-up'' approach which seeks to identify risks in each of the main business areas (Commercial, Technical/operational, Financial, Staff, Safety and Security, Environment, and Corporate Governance).

Identification of new risks is based on the systematic review of external sources of information (global conditions, benchmarking, trade bodies, etc.) and internal information (developments within the company, interviews and lobbying of the management team).

The risk register distinguishes between strategic and operational risks, and contains, for each risk, the following information:

- A description of the risk and of the strategic objectives it is likely to impact.
- An assessment of the inherent risk on the basis of the probability of it materialising and of its potential impact:
  - the probability and impact are calculated on the basis of the assumptions in the annual budget;
  - the criteria used include the financial impact and the impact on the company's reputation with its customers, its stakeholders and the media;
  - a distinction is made between one-off and recurrent probabilities and impacts; and
  - the capacity of the company to influence the source of the risk (i.e. an internal or external source) is also taken into account.
- A description of the measures in place to manage each risk, which are identified in four categories (monitoring, probability mitigation, impact mitigation and reporting).
- An assessment of the residual risk, taking account of these mitigating measures, and calculated on the same basis as that of the inherent risk.
- Identification of the person responsible for managing the risk.

The risks are classified in descending order and in five categories from major to minor risk.

As an integral part of the corporate risk assessment, internal audit carries out an assessment of appropriateness and effectiveness of the measures in place to manage the risks.

The results of the corporate risk assessment and the Internal Audit review are presented to the GET SA audit committee. An audit plan based on the findings of this review is presented to the audit committee at the same time so as to ensure that the measures taken to eliminate or contain major risks are monitored and are the subject of a report to this committee during the following year.

The Corporate Risk Manager and Internal Audit monitor, on an on-going basis, the evolution of the major risks and the emergence of new risks. Any significant changes are reported to the Executive committee and to the GET SA audit committee.

ANNEX V STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE (*CODE DE COMMERCE*), ON THE REPORT PREPARED BY THE CHAIRMAN ON THE BOARD OF DIRECTORS OF GROUPE EUROTUNNEL SA

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and the relevant professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of Groupe Eurotunnel SA, and in accordance with Article L. 225-235 of the French Commercial Code (''Code de commerce''), we hereby report on the report prepared by the Chairman of your company in accordance with L. 225-37 of the French Commercial Code for the year ended 31 December 2008.

It is the chairman's responsibility to prepare, and submit to the board of directors for approval, a report on the internal control and risk management procedures implemented by the company and containing the other disclosures required by Article L. 225-37 particularly in terms of the corporate governance measures.

It is our responsibility:

- to report to you on the information contained in the chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information, and
- to attest that this report contains the other disclosures required by Article L. 225-37 of the French Commercial Code (''Code de commerce''), it being specified that we are not responsible for verifying the fairness of these disclosures.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control procedures relating to the preparation and processing of accounting and financial information

These standards require that we perform the necessary procedures to assess the fairness of the information provided in the chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the internal control procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the chairman's report is based and existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the chairman of the board in accordance with Article L. 225-37 of the French Commercial Code (''Code de Commerce'').

Other disclosures

We hereby attest that the chairman's report includes the other disclosures required by Article L. 225-37 of the French Commercial Code (''Code de commerce'').

Statutory auditors

Paris La Défense, 3 March 2009

KPMG Audit
A division of KPMG SA

Fabrice Odent
Partner

Paris La Défense, 3 March 2009

Mazars

Thierry de Bailliencourt
Partner

ANNEX VI SPECIAL REPORT OF THE AUDITORS ON THE REGULATED AGREEMENTS AND UNDERTAKINGS

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Ladies and gentlemen,

In our capacity as the statutory auditors of your company, we hereby submit to you our report dealing with regulated agreements and undertakings.

As provided for by section L. 225-40 of the French code of commercial law, we have been duly informed of the regulated agreements and undertakings which have been subject to prior authorisation by your board of directors.

We are responsible, not for searching to identify any other regulated agreements and undertakings, but for communicating to you, based on the information with which we have been provided, the essential characteristics of those agreements and undertakings of which we have been informed, without expressing any opinion as to their justification or utility. As provided for by section R. 225-31 of the French code of commercial law, you are then free to judge as to the usefulness of those agreements and undertakings before deciding whether to approve them.

We have performed our examination in accordance with the professional standards applicable in France (and issued by the *Compagnie nationale des commissaires aux comptes*), which require that we verify the agreement of the information provided to us with the source documents on which it is based.

Agreements and undertakings authorised during the year

- **Intra-Group Loan**

Following the share capital increase performed in two stages during 2008 by Groupe Eurotunnel SA (GET SA) in order to fund the early cash redemption of the Group's NRS II issue of notes redeemable in shares, GET SA agreed to lend its 100% subsidiary Eurotunnel Group UK PLC (EGP), in order to enable it, as the issuer of the NRS, to redeem both the NRS II and part of the NRS I issue, the following amounts:

- €461,790,000 and £258,999,908, or the equivalent amount in euros, following the first stage of the share capital increase and in order to fund the redemption of part of the NRS II issue on 10 April 2008,
- €430,134,180 and £234,538,791, or the equivalent amount in euros, following the second stage of the share capital increase and in order to fund the redemption of the balance of the NRS II issue on 10 July 2008,
- €35,255,447 in order to fund the redemption of a block of 150,000 NRS I.

The total Intra-Group Loan by GET SA to EGP thus amounted to €1,658,876,385.

The loan has been subject to interest, since 1 August 2008, at the rate of EONIA +1 point.

The proposed Intra-Group Loan was submitted for the prior approval of the company's directors, and at the board meeting of GET SA held on 7 April 2008 the directors voted in favour of the loan, but as all the directors of GET SA were also directors of EGP they were not in a position to vote in respect of the authorisation required in accordance with the provisions of section L. 225-40 of the French code of commercial law.

As required by section L. 225-42 of the French code of commercial law, the terms of the Intra-Group Loan must therefore be submitted for ratification by shareholders at their meeting of 6 May 2009.

During 2008, GET SA recognised €36,557,488 of loan interest receivable. At the end of December 2008 the total amount receivable by GET SA, including accrued interest, amounted to €1,695,433,874.

Agreements and undertakings previously approved and which remained in force

As required by section R. 225-30 of the French code of commercial law, we were informed that the following agreements and undertakings, approved during prior years, remained in force during the current year.

- **Deed of indemnity in favour of Law Debenture Trustees Limited**

On 26 June 2007 EGP, France Manche SA (FM) and Law Debenture as principals, and GET SA, TNU SA, TNU PLC, Channel Tunnel Group (CTG) and Eurotunnel Plus Limited as guarantors, entered into a deed of indemnity for the benefit of Law Debenture in respect of any expenditure liable to be incurred by Law Debenture within the framework of the recovery plan (which the Paris commercial court declared to have been completed on 23 December 2008) and associated transactions in securities. The deed of indemnity was modified by an addendum signed on 2 October 2007.

As the directors of GET SA were all, directly or indirectly, directors of the other Eurotunnel Group companies subscribing to the deed of indemnity for the benefit of Law Debenture, none of them were able to vote in respect of the authorisation required in accordance with the provisions of section L. 225-40 of the French code of commercial law and the board was thus not able to take a valid decision in respect of the said deed of indemnity. As required by section L. 225-42 of the French code of commercial law, the terms of the deed of indemnity were therefore ratified by shareholders at their meeting of 27 June 2008.

This agreement did not have any impact on GET SA's financial statements for 2008.

- **Deed of indemnity for the benefit of CALYON, HSBC Bank Plc and Clemet SAS**

On 28 June 2007, GET SA, FM, CTG and EGP entered into a deed of indemnity for the benefit of the abovementioned Agents in order to relieve them from any liability in the event of actions brought against them as a result of their instructing the Security Trustees to relinquish certain sureties.

The agreement was authorised by the board of directors at its meeting on 26 June 2007. It had no impact on GET SA's financial statements for 2008.

- **NRS Relationship Agreement between GET SA and EGP**

On 20 March 2007, GET SA and EGP entered into an agreement governed by English law, relating to the issue of NRS (the ''NRS Relationship Agreement''), under which EGP undertook to issue NRS as directed by GET SA. As agreed EGP, on the stipulated date of performance, transferred to GET SA part of its receivables owed by TNU SA and TNU PLC, arising in the context of the recovery plan, for consideration which was not immediately paid and which therefore resulted in the recognition of an amount receivable by EGP from GET SA. In the event of receivership or liquidation proceedings, GET SA's payment obligation in respect of this intra-group amount is subordinated to the prior repayment of all of GET SA's senior debt. The amount is subject to the same rates of interest as EGP's receivables owed by TNU SA and TNU PLC already mentioned, and it may be repaid by GET SA by remitting ordinary shares in GET SA to EGP or to the bearers of NRS, in which latter case GET SA would be deemed to be acting on behalf of EGP.

The GET SA ordinary shares to be issued at the time of repayment of the NRS will be paid for by offset against the abovementioned amount receivable by EGP from GET SA.

In the event of the amount of the receivables already transferred by EGP to GET SA, in accordance with the abovementioned agreement, proving inadequate to pay for the total number of GET SA ordinary shares to be issued at the time of repayment in shares of the NRS, EGP has undertaken to transfer to GET SA additional receivables owed to it by TNU SA and TNU PLC and arising from the reorganisation or, if necessary, other assets.

Finally, this agreement also stipulates that GET SA has undertaken not to pay any dividend for so long as any deferred interest (as defined by the NRS Relationship Agreement) remains payable in respect of the NRS.

As required by the provisions of section L. 225-42 of the French code of commercial law, the terms of the NRS Relationship Agreement were submitted for ratification by shareholders at their annual general meeting of 23 April 2007.

For the purposes of the closing of the abovementioned agreement, and given the various contracts restructuring intra-group debt which were authorised as regulated agreements in June 2007, the NRS Relationship Agreement was amended and re-signed on 28 June 2007 i.e. on the actual closing date. The agreement had previously been subject to a letter of clarification dated 10 April 2008 which took effect on the closing date.

As, at the Board meeting of 7 April 2008, all the directors of GET SA were also directors of EGP, the other party to the amended and re-signed NRS Relationship Agreement and to the letter of clarification, none of them were able to vote in respect of the authorisation required in accordance with the provisions of section L. 225-40 of the French code of commercial law. As required by section L. 225-42 of the French code of commercial law, the terms of the NRS Relationship Agreement were therefore ratified by shareholders at their meeting of 27 June 2008.

The receivables transferred by EGP to GET SA, under these agreements and in respect of the amended bond issue, amount to €33,686,745. As at 31 December 2008, the corresponding accrued interest amounted to €1,315,614.

- **Agreement between Creditors**

The Term Loan provided for GET SA to enter into an Agreement between Creditors, namely an agreement with both GET SA's bank and intra-group creditors. Under this agreement, GET SA was required to counter-guarantee both the obligations of the borrowers under the Term Loan and those of the guarantors in respect of the Agreement between Creditors, up to the amounts due or liable to be due in principal, interest, interest for late payment, commissions, fees, compensation and incidental or other costs of whatever nature. The Agreement between Creditors further provides that the said counter-guarantee accrues to the Security Trustee for its own benefit and for that of the lenders, the arrangers, the Credit Agent and the parties to any hedging arrangements for the Term Loan. GET SA has also undertaken to pay the Security Trustee all amounts due by GET SA as a guarantor of the Creditor Documents and under its other commitments towards the other Secured Creditors (namely for the Parallel Debt). The Agreement between Creditors further provides for the intra-group creditors to be subordinated to the bank creditors. GET SA, EGP, TNU SA, TNU PLC, FM, Eurotunnel Finance Limited, Eurotunnel Services GIE, Eurotunnel Plus Limited and Eurotunnel Services Limited (with GET SA, the initial guarantors) have all provided counter-guarantees under the Agreement between Creditors.

This agreement was ratified by shareholders at the annual general meeting held on 20 June 2007. It did not have any impact on GET SA's financial statements for 2008.

Drawn up in Courbevoie and La Défense on 3 March 2009,

Statutory auditors

KPMG Audit *A division of KPMG SA*	Mazars
Fabrice Odent *Partner*	Thierry de Bailliencourt *Partner*

ANNEX VII GET SA TRAVEL PRIVILEGES SCHEME

TERMS AND CONDITIONS

INTRODUCTION

The Safeguard Plan approved by the Paris Commercial Court on 15th January 2007 provided for travel privileges on Eurotunnel shuttle crossings to be offered to future Groupe Eurotunnel SA shareholders meeting the eligibility criteria set out below:

CLAUSE 1 – DEFINITIONS

1.1 **Groupe Eurotunnel SA**: means Groupe Eurotunnel SA a company incorporated in France whose registered office is situated at 19, boulevard Malesherbes, 75008 Paris, registered on the Paris Company and Trade Register under number 483 385 142.

1.2 **TNU SA**: means TNU SA (previously Eurotunnel SA) a company incorporated in France whose registered office is situated at 19, boulevard Malesherbes, 75008 Paris, registered on the Paris Company and Trade Register under number 334 192 408.

1.3 **TNU PLC**: means TNU PLC (previously Eurotunnel P.L.C.) a company incorporated under English law whose registered office is situated at UK Terminal, Ashford Road, Folkestone, Kent, CT18 8XX, registered in England under number 1960271.

1.4 **Units**: means the units representing shares of TNU SA and TNU PLC, each Unit comprising one share in TNU SA and one share in TNU PLC.

1.5 **Exchange Tender Offer**: means the exchange tender offer made by Groupe Eurotunnel SA to Unit holders to exchange their Units for ordinary shares and warrants in Groupe Eurotunnel SA.

1.6 **CDI**: means a CREST Depository Interest issued by CREST Depository Limited representing an entitlement to a Groupe Eurotunnel SA ordinary share or, as the case may be, a warrant.

CLAUSE 2 – ELIGIBILITY

2.1 *Shareholders of Groupe Eurotunnel SA who have tendered all of their Units to the Exchange Tender Offer*

2.1.1 The cumulative criteria to be met in order to benefit from travel privileges are, <u>at the time of booking</u>:

- to be a individual holding shares in his own name and registered with Groupe Eurotunnel SA's registrars (BNP Paribas Securities Services) or holding CDIs through Computershare Company Nominees Limited.

  Consequently no legal entities can benefit from, or have their members or shareholders benefit from, travel privileges.

- to have held continuously for at least three months as at 15 May 2006, at least 1000 Units registered with the registrars of TNU SA (CACEIS Corporate Trust) or TNU PLC (Computershare Investor Services PLC);

- to have tendered <u>all</u> their Units to the Exchange Tender Offer and to continue to hold in registered form as at the date of the booking at least 1,000 unconsolidated Groupe Eurotunnel SA shares or CDIs or 25 Groupe Eurotunnel SA consolidated shares of CDIs.

2.1.2 Bookings for crossings benefiting from the travel privileges set out in this Clause 2.1 can be made with effect from 1st August 2007.

2.2 *Shareholders of Groupe Eurotunnel SA not meeting the criteria set out in Clause 2.1 above*

2.2.1 The cumulative criteria to be met in order to benefit from travel privileges are, at the time of booking:

- to be an individual holding shares in his own name and registered with Groupe Eurotunnel SA's registrars (BNP Paribas Securities Services) or holding CDIs through Computershare Company Nominees Limited.

  Consequently no legal entities can benefit from, or have their members or shareholders benefit from, travel privileges.

- to hold in registered form 30,000 Groupe Eurotunnel SA unconsolidated shares or CDIs or 750 Groupe Eurotunnel SA consolidated shares or CDIs;

- to have held this number of shares or CDI in a single account continuously for at least 3 months as at the date of booking; and

- to no longer benefit from any travel privilege schemes offered by TNU SA/TNU PLC.

2.2.2 Bookings for crossings benefiting from the travel privileges set out in this Clause 2.2 can be made with effect from 1st October 2007.

2.3 In the event of share consolidation or any other transaction affecting the share capital of Groupe Eurotunnel SA, travel privileges will be calculated pro rata to the shares previously held.

Clause 3: General Terms and Conditions for Travel Privileges

3.1 The eligible person in whose name the booking was made must be present in the car when travelling.

3.2 The right to travel privileges is personal and non-transferable under any circumstances.

3.3 For joint accounts, a single reference number will be assigned to the account to the first-named account holder; such reference will be used to check eligibility and to calculate the number of bookings made using travel privileges.

3.4 However, in the event of the death of the first-named joint holder, travel privileges will be transferred to the second-named joint holder.

3.5 Where shares or CDIs are held on behalf of another person, only the legal owner (usufruitier) can benefit from these travel privileges.

3.6 Travel privileges apply to the standard fare prevailing on the date of booking for the type of vehicle travelling; they cannot be used in conjunction with any other promotion or discount. They are not applicable to the costs associated with the transport of pets or to any additional services purchased at the time of booking (e.g. Insurance).

3.7 These standard conditions are subject to the Standard Conditions of Sale and Carriage which apply to each booking.

3.8 These standard terms and conditions are subject to French law and this translation is provided for information purposes only.

Clause 4: Travel Privileges

Persons fulfilling the eligibility criteria in Clause 2.1 or 2.2 above will benefit from a 30% reduction on regular fares for 6 (six) single journeys per calendar year.

Clause 5: Exclusions

5.1 Only persons who have booked in advance in accordance with the conditions of Clause 6 will be allowed to benefit from travel privileges.

5.2 Consequently, persons seeking to ''turn up and go'' at the tolls without having booked will not be able to benefit from travel privileges.

5.3 Groupe Eurotunnel reserves the right to withdraw travel privileges in the following cases:

5.3.1 In the event of fraudulent breach of these terms and conditions or the Ticket Terms

5.3.2 or any behaviour by the holder of these travel privileges which might be prejudicial to the interests of Groupe Eurotunnel

CLAUSE 6: BOOKINGS

6.1 The reference number that must be used for each booking is sent directly to the eligible person.

6.2 Bookings can be made directly on-line on www.eurotunnel.com (Passenger travel section) or by telephoning the call centre for your area at the time of booking (see annex 1). The call centre is available to answer queries on the travel privilege scheme and eligibility conditions. For any other questions, please contact the shareholder relations centre on 08457 697 397 (local rate call) or by e-mail to shareholder.info@eurotunnel.com.

6.3 No other booking method can be used.

6.4 Eligibility for travel privileges will be automatically checked each time a booking is made.

6.5 In the event that our transport system is exceptionally overloaded, Groupe Eurotunnel reserves the right to postpone crossings booked using travel privileges without thereby conferring any entitlement to indemnity or compensation.

CLAUSE 7: DURATION AND CHANGES

7.1 This travel privileges scheme is guaranteed until 31 December 2010.

7.2 It will then be renewed annually unless otherwise decided by Groupe Eurotunnel SA, such decision being announced by press release at least three months before the renewal date.

These terms and conditions were updated following the share consolidation on 12 November 2007.

ANNEX VIII REFERENCE DOCUMENT CHECKLIST

The numbers of the chapters, sections or paragraphs containing the information relating to each heading in Annex I of the EC Regulation 809/2004 of the European Commission of 29 April 2004 in the Reference Document are set out in the following table.

N°	NAME OF THE HEADING IN THE EC REGULATION	CHAPTER(S)/SECTION(S)
1	**Persons responsible**	chapter 1
1.1	Persons responsible for the information contained in the Reference Document	section 1.1
1.2	Declaration by those responsible for the Reference Document	section 1.2
2	**Statutory auditors**	chapter 2
2.1	Names and addresses of the issuer's statutory auditors	sections 2.1 and 2.2
2.2	If statutory auditors have resigned or have been removed during the period covered	not relevant
3	**Selected financial information**	chapter 3
3.1	Selected historical financial information	chapter 3
3.2	Selected financial information for the interim periods, and comparative data covering the same period in the prior year	chapter 3
4	**Risk factors**	chapter 4
5	**Information on the issuer**	chapter 5
5.1	History and development of the issuer	section 5.1
5.1.1	*Legal and commercial name of the issuer*	paragraph 5.1.1
5.1.2	*Place of registration and registration number of the issuer*	paragraph 5.1.2
5.1.3	*Date of incorporation and duration of the issuer*	paragraph 5.1.3
5.1.4	*Domicile and legal form of the issuer, legislation under which it operates, country of incorporation, address and telephone number of its registered office*	paragraph 5.1.4
5.1.5	*Important events in the development of the issuer's business*	paragraph 5.1.5
5.2	Investments	section 5.2
5.2.1	*Principal investments made by the issuer for each financial year for the period covered by the historical financial information*	paragraph 5.2.1
5.2.2	*Current principal investments of the issuer*	paragraph 5.2.1
5.2.3	*Information concerning the principal investments which the issuer plans to make in the future to which it has already made firm commitments*	paragraph 5.2.2
6	**Business overview**	chapter 6
6.1	Principal activities	section 6.1
6.1.1	*Nature of the operations and principal activities performed by the issuer*	paragraph 6.1.1 paragraph 6.1.2 paragraph 6.1.3
6.1.2	*Significant new products and/or services introduced into the market*	none

N°	Name of the heading in the EC Regulation	chapter(s)/section(s)
6.2	Principal markets	section 6.2
6.3	Exceptional factors which have influenced the information provided in accordance with points 6.1 and 6.2	not relevant
6.4	Extent of the issuer's dependence on patents and licenses, industrial, commercial or financial contracts, or new manufacturing processes	section 6.7
6.5	Elements on which all declarations of the issuer concerning its competitive position are based	sections 6.1 and 6.2
7	**Organisational structure**	chapter 7
7.1	Description of the Group and the place occupied by the issuer	chapter 7
7.2	List of the issuer's significant subsidiaries	chapter 7 / annex I
8	**Property, plants and equipment**	chapter 8
8.1	Information regarding any existing or planned material tangible fixed assets, including leased properties	section 8.1
8.2	Environmental issues that may influence the use of its tangible fixed assets by the issuer	sections 6.8 and 8.2
9	**Operating and financial review**	chapter 9
9.1	The issuer's financial condition, the changes in this financial condition, and the results of the operations conducted during each financial year and interim period for which historical financial information is required	Chapter 3 and section 9.2[(1)]
9.2	Operating results	section 9.2
9.2.1	*Significant factors including unusual or infrequent events or new developments materially influencing the issuer's operating income*	paragraph 9.1
9.2.2	*Material changes in net sales or revenues*	section 9.2
9.2.3	*Strategy or governmental, economic, fiscal, monetary or political factors that have substantially influenced or could substantially influence the issuer's operations*	chapter 4
10	**Capital resources**	chapter 10
10.1	Information on the issuer's capital resources (short and long-term)	section 10.1
10.2	Sources and amounts of the issuer's cash flows	section 10.2
10.3	Information on the loan conditions and the structure of the financing of the issuer	sections 22.4 and 10.3
10.4	Information on any restriction on the use of capital resources	section 10.4
10.5	Information concerning the sources of expected financing	section 10.5
11	**Research and Development, patents and licences**	chapter 11
	Description of the material research and development policies applied by the issuer and the cost of the research and development activities sponsored by the issuer	
12	**Trend information**	chapter 12
12.1	Significant trends that have affected production, sales and inventories, costs and selling prices since the end of the last financial year up to the date of the registration document	section 12.1

(1) *In application of Article 28-1 of Regulation 809/2004/EC of the European Commission, the operating and financial reviews for financial years 2006 and 2007 have been incorporated by reference in this Reference Document. They appear on pages 50-53 and 46-49 respectively of the 2007 Reference Document.*

N°	NAME OF THE HEADING IN THE EC REGULATION	CHAPTER(S)/SECTION(S)
12.2	Known trends, uncertainty or demand or any commitment or event that might be reasonably likely to have a material effect on the issuer's prospects, for at least the current financial year	section 12.2
13	**Profit forecasts or estimates**	chapter 13
13.1	Statement explaining the principal assumptions on which the issuer based its forecast or estimate	not relevant
13.2	Report prepared by independent accountants or auditors stating that, in the opinion of the independent accountants or auditors, the forecast or estimate has been properly compiled on the basis stated, and that the accounting used for such profit forecast or estimate is consistent with the accounting policies of the issuer	not relevant
14	**Administrative, management and supervisory bodies and senior management**	chapter 14
14.1	Information on the activities, absence of convictions and the roles of: – members of the administrative, management or supervisory bodies and senior management; and – any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business	section 14.1 section 14.3 section 14.6
14.2	Conflicts of interest at the level of the administrative, management and supervisory bodies and senior management	section 14.4
	Arrangements or understandings concluded with the major shareholders, customers, suppliers or other parties under which any of the persons described in point 14.1 has been selected as a member of an administrative, management or supervisory board or as a member of senior management	not relevant
	Restriction accepted by the persons described in point 14.1 concerning the sales, within a certain period of time, of their holdings in the securities of the issuer	not relevant
15	**Remuneration and benefits of persons described in point 14.1**	chapter 15
15.1	The amount of remuneration paid and benefits-in-kind granted by the issuer and its subsidiaries	section 15.1
15.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide pension, retirement or similar benefits	section 15.2
16	**Board Practices**	chapter 16
16.1	The expiry date of the current term of office of the members of the administrative, management or supervisory bodies	section 14.1
16.2	Information about service contracts relating to the members of the administrative, management or supervisory bodies	section 16.5
16.3	Information about the issuer's audit committee and remuneration committee	paragraph 16.2.3
16.4	Statement indicating whether or not the issuer is in compliance with its country's of incorporation corporate governance regime(s)	section 16.10

N°	Name of the heading in the EC Regulation	chapter(s)/section(s)
17	**Employees**	chapter 17
17.1	Number of employees at the end of the period covered by the historical financial information or the average for each financial year of this period and breakdown of the employees	section 17.1
17.2	Equity interests and stock options: For each person mentioned in section 14.1, information concerning their shareholding in the issuer and all options relating the issuer's shares	sections 17.4 and 17.5
17.3	Arrangements for involving the employees in the capital of the issuer	section 17.3
18	**Major shareholders**	chapter 18
18.1	Identity of any person other than a member of an administrative, management or supervisory bodies who holds, directly or indirectly, an interest in the capital or voting rights in the issuer which is notifiable under the applicable national laws governing the issuer	section 18.1
18.2	The existence of different voting rights	section 18.2
18.3	Ownership or control of the issuer and the measures taken to ensure that such control is not abused	section 18.2
18.4	Arrangements, the operation of which may result in a change in control of the issuer	section 18.2
19	**Related party transactions**	chapter 19, chapter 22, note 6 of annex II and annex VI
20	**Financial information concerning the issuer's assets and liabilities, financial position and profit and losses**	chapter 20
20.1	Historical financial information	section 20.1 and annexes II and III
20.2	Pro forma financial information and description of the impact of the restructuring	section 20.2
20.3	Financial statements (company accounts and consolidated accounts)	section 20.1 and annexes II and III
20.4	Auditing of historical annual financial information	section 20.3
20.4.1	*Statement that the historical financial information has been audited*	annexes II et III
20.4.2	*Other information contained in the registration document that has been audited by the auditors*	annex V and VI
20.4.3	*Where financial information contained in the registration document is not taken from the issuer's audited financial statements, state the source and state that the data is an unaudited*	not relevant
20.5	Date of the latest audited financial information	section 20.4
20.6	Interim and other financial information	section 20.5
20.7	Dividend distribution policy	section 20.6
20.7.1	*Dividend per share*	section 20.6
20.8	Legal and arbitration proceedings	section 20.7
20.9	Any significant change in the financial or trading position of the group which has occurred since the end of the last financial year	section 20.8

N°	NAME OF THE HEADING IN THE EC REGULATION	CHAPTER(S)/SECTION(S)
21	**Additional information**	chapter 21
21.1	Share capital	section 21.1
21.1.1	*The amount of share capital subscribed for, the number of shares issued, their nominal value and difference between the number of shares in circulation at the beginning of the financial year and at the end*	paragraph 21.1.1
21.1.2	*Shares not representing capital*	paragraph 21.1.3
21.1.3	*The number, book value and nominal value of the shares held by the issuer or its subsidiaries*	paragraph 21.1.4
21.1.4	*Convertible or exchangeable securities or securities with warrants*	paragraphs 21.1.5, 21.1.6 and notes 14 and 16 of the consolidated accounts at annex II
21.1.5	*Information about and terms of any right of acquisition and/or any obligation attached to the capital subscribed but not paid up, or an undertaking to increase the capital*	paragraph 21.1.6
21.1.6	*Information on the capital of any member of the group that is subject to an option or to an agreement providing for the capital to be subject to an option*	paragraph 21.1.7
21.1.7	*History of the share capital for the period covered by the historical financial information*	paragraph 21.1.8
21.2	Memorandum and Articles of Association	section 21.2
21.2.1	*Description of the issuer's objects and corporate purpose*	paragraph 21.2.1
21.2.2	*Members of the administrative, management and supervisory bodies*	paragraph 21.2.2
21.2.3	*Rights, preferences and restrictions attached to each class of existing shares*	paragraphs 21.2.3, 21.2.4, 21.2.5
21.2.4	*Number of shares required to modify the rights of the shareholders*	paragraph 21.2.5
21.2.5	*Conditions for admission to, and calling of annual general meetings and special meetings of shareholders*	paragraph 21.2.6
21.2.6	*Provisions that could have the effect of delaying, deferring or preventing a change of control*	paragraph 21.2.7
21.2.7	*Provisions fixing the minimum thresholds for disclosure of shareholder ownership*	paragraph 21.2.9
21.2.8	*Provisions modifying the capital, where such conditions are more strict than those required by law*	paragraph 21.2.10
22	**Material contracts**	chapter 22
23	**Third party information and statement by experts and declarations of any interest**	chapter 23
24	**Documents on display**	chapter 24
25	**Information on holdings**	
	Information concerning companies in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses	annex I

ANNEX IX TABLE OF CROSS-REFERENCES

This Reference Document includes all the elements of the management report of GET SA required by Articles L. 225-100 et seq., L. 232-1, II and R. 225-102 of the French Commercial Code. It also contains all the information from the annual financial report required by Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the General Regulation of the *Autorité des marchés financiers*.

In order to make it easier to read the management and annual financial reports mentioned above, the following table of cross-references identifies the sections which make up those reports. The table of cross-references also covers the other reports of the board of directors and of the auditors.

Nº	Information	Reference
I	Management report	
1	Situation and business of GET SA during the current financial year and, if applicable, of its subsidiaries and the companies it controls	chapter 6, paragraphs 5.1.5, 5.1.6, 5.2.1, sections 9.1, and 9.2, note 1 of consolidated accounts contained in annex II
2	Amendments made to the way in which the accounts were presented or evaluated since previous years	note 2 of the consolidated accounts contained in annex II
3	Results from business activities for GET SA, its subsidiaries and those companies it controls	sections 9.2, 20.1, 20.2 and 20.9
4	Key financial performance indicators	chapter 3
5	Analysis of the development of the business, of its results and of its financial situation	sections 9.2
6	Progress made and difficulties encountered	sections 9.2, 20.1 and 20.2
7	Description of the main risks and uncertainties facing GET SA (including GET SA's exposure to financial risks)	chapter 4
8	Indications concerning the use of financial instruments, and objectives and policies of GET SA relating to the management of financial risks	chapters 4 and 10
9	Important events that have occurred since the end of the financial year	section 5.1.5 note 25 of the consolidated accounts contained in annex II
10	Anticipated developments concerning GET SA and prospects for the future	chapter 12
11	Research and development activities	chapter 11
12	List of offices and functions carried out within the companies by each director during the past financial year	sections 14.1

N°	Information	Reference
I	Management report	
13	Total remuneration and benefits of any nature paid to each director during the past financial year[(1)]	chapter 15
14	Commitments of any nature, made by GET SA to the directors relating to elements of remuneration, indemnities or advantages owed or that could become due at the time of, or following the removal, transfer or change of their functions	chapter 15
15	Transactions carried out by executives with respect to GET SA securities	section 16.4
16	Key environmental and social indicators	chapter 17 and sections 6.8, 8.2
17	Workforce Information:	chapter 17
	• Total headcount, employment (fixed term and permanent contracts), potential recruitment difficulties, dismissals and reasons for dismissal, overtime hours, workforce external to GET SA;	paragraphs 17.1.1 and 17.1.3
	• If applicable, information relating to the reduction of the employee base and job saving plans, reemployment and accompanying measures;	paragraph 17.3.2
	• Organisation of working hours, amount of hours worked by both full-time and part-time employees, absences;	paragraphs 17.1.3 and 17.1.4
	• Remuneration and development, social security costs, application of the provisions of the French Labour Code, relating to performance-related bonuses, company savings scheme, professional equality between men and women;	paragraphs 17.1.6 and 17.3.1, sections 17.4 and 17.5
	• Professional relations and summary report of collective agreements;	paragraph 17.3.1
	• Health and safety conditions;	section 17.2
	• Training;	paragraph 17.1.5
	• Employment and integration of disabled employees;	paragraph 17.1.7
	• Pro bono activities;	section 17.6
	• Importance of sub-contracting and manner in which GET SA recruits sub-contractors and ensures compliance of its subsidiaries with the provisions of the fundamental conventions of the International Labour Organisation;	paragraph 17.1.3
	• Manner in which GET SA takes into account the territorial impact of its activities in terms of employment and regional development;	section 17.1.2
	• Relations between GET SA and charitable organisations for integration, educational establishments, organisations for the protection of the environment, organisations representing consumers, and local residents;	sections 6.8 and 17.6, paragraph 17.1.2
	• Manner in which the foreign subsidiaries of GET SA take into account the impact of their activities on regional development and local populations.	section 6.8
18	Employees' shareholdings	section 17.5

[(1)] *This includes the remuneration and benefits allocated by GET SA and its subsidiaries, including by allocation of shares, debt or entitlements to shares. It is appropriate to distinguish the fixed, variable and exceptional elements making up the remuneration and benefits as well as the circumstances under which they are granted and the criteria according to which they are calculated.*

N°	Information	Reference
I	Management report	
19	Environmental information: • Consumption of water, raw materials and energy resources and, if applicable, the measures taken to improve energy efficiency, the use of renewable energy, conditions of use of soil, discharge of waste products into the air, the water or the ground, thereby seriously affecting the environment, auditory or olfactory nuisances, waste;	sections 6.8 and 8.2
	• Measures taken to limit the impact on the biological equilibrium, the ecosystem, and on endangered animal or vegetable species;	section 6.8
	• Evaluation or certification measures taken with respect to the environment;	section 6.8
	• Measures taken, wherever applicable, to ensure that GET SA's business activities comply with the legislative and regulatory provisions in this domain;	section 6.8
	• Spending on measures to prevent any harm that GET SA's activity could have on the environment;	section 6.8
	• Existence of an internal department dedicated to environmental services management, training and the supply of information to employees about the environment, the means adopted for reducing environmental risks, the procedures put in place for dealing with polluting accidents which impact areas beyond GET SA premises;	paragraph 6.5.2 and annex IV
	• Amount of provisions and guarantees set aside for environmental risks(2);	Not relevant
	• Amount of the indemnities paid during the financial year pursuant to court decisions concerning the environment and relating to the actions taken to repair the damage caused;	Not relevant
	• Environmental objectives that GET SA assigns to its foreign subsidiaries	Not relevant
20	Information on the policies concerning the prevention of technological accidents, the capacity of GET SA to cover all third party liabilities risks it faces with respect to goods or persons in light of its classified facilities, and the financial means with which it expects to ensure the management of the indemnification of victims, should a technological accident occur for which GET SA is found liable	sections 4.6, 6.5 and 6.6
21	Shareholdings in companies having their registered office in France, and representing more than 1/20, 1/10, 1/5, 1/3, 1/2 or 2/3 of the share capital or the voting rights of those companies	chapter 21 and note 2.1 (i) of the consolidated accounts contained in annex II
22	Disposals of shares for the purpose of regulating cross-holdings.	Not relevant
23	Natural or legal persons directly or indirectly holding more than 1/20, 1/10, 3/20, 1/5, 1/4, 1/3, 1/2, 2/3 or 19/20 of the share capital or the voting rights of GET SA at shareholders' meetings.	sections 18.1 and 18.2

(2) *Except where the information is of such a nature as to cause serious prejudice to the company in ongoing litigation.*

N°	Information	Reference
I	Management report	
24	Injunctions or fines for anti-competitive practices	Not relevant
25	Elements likely to have an impact on a public offer:	
	• Structure of the capital of GET SA;	sections 18.1 and paragraph 21.1.1
	• Statutory restrictions on the exercise of voting rights, transfers of shares, and clauses of agreements that are brought to the attention of GET SA pursuant to Article L. 233-11 of the French Commercial Code;	paragraphs 21.1.2, 21.2.3, 21.2.6 and 21.2.7
	• Direct or indirect shareholdings in GET SA, that it is aware of in accordance with Articles L. 233-7 and L. 233-12 of the French Commercial Code;	section 18.1
	• List of holders of all securities bearing special rights of control and a description of those rights;	paragraph 16.2.1, section 18.2 and paragraph 21.2.5
	• Control mechanism in any system of staff shareholdings, when control over the shares is not exercised by employees;	Not relevant
	• Agreements between shareholders that GET SA is aware of and which involve restrictions on the transfer of shares and the exercise of voting rights;	Not relevant
	• Rules applicable to the nomination and the replacement of members of the board of directors, as well as the amendment of the Articles of Association of GET SA;	paragraphs 16.2.1 and 21.2.5
	• Powers of the board of directors, in particular the issue or buy-back of shares;	paragraphs 16.2.1 and 21.1.6
	• Agreements concluded by GET SA which are modified or are coming to an end when a change of control occurs;	paragraph 22.4.1
	• Agreements providing for indemnities to be paid to the members of the board of directors or the employees if they resign or are dismissed without an appropriate and serious reason or if their job position is no longer needed following the public offer.	None
26	Senior management of GET SA (only in case of modification)	Not relevant
27	Elements for the calculations and results of the adjustment of the basis of conversion or exercise of securities giving access to the share capital and options to subscribe for or purchase shares.	section 20.9
28	Information on the share buy-back programmes(3)	paragraph 21.1.9
29	Summary table listing the authorisations currently in effect concerning the increase in share capital	paragraph 21.1.6
30	Table of results of GET SA over the course of the past 5 financial years	section 20.9
31	Amount of dividends distributed over the last 3 financial years	section 20.6

(3) *This information includes average rates of sales and purchases, the total amount of negotiation fees, the number of shares registered in the name of GET SA at the end of the financial year and their estimated market value as well as their nominal value, reasons for the acquisitions made and the fraction of capital they represent.*

N°	INFORMATION	REFERENCE
II	**ANNUAL FINANCIAL REPORT**	
1	Company accounts	annex III
2	Consolidated accounts	annex II
3	Report of the auditors on the company accounts	annex III
4	Report of the auditors on the consolidated accounts	annex II
5	Management report including at least the information mentioned in articles L. 225-100, L. 225-100-2, L. 225-100-3 and L. 225-211 paragraph 2 of the French Commercial Code	please refer to the management report mentioned in (1) above and, in particular, headings 4, 5, 7, 8, 25, 28 et 29
	Declaration of the persons assuming responsibility for the management report	chapter 1
6	Auditors' fees	section 20.10
7	Chairman's report on the conditions for the preparation and organisation of the board's duties and responsibilities, as well as the internal control and risk management procedures in place within GET SA	sections 16.2, 16.3, 16.4, 16.5, 16.6 and annex IV
8	Report of the auditors on the internal controls	annex V
9	List of all the information published by GET SA or made public over the course of the last 12 months	section 23.2
III	**OTHER REPORTS**	
1	Special report of the auditors on the regulated agreements	annex VI

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