



Cancellation of general meetings on 27 July 2006

Dear Shareholder,

At the very moment when a solution to the recurrent debt problem was to be presented to you during the general meetings on 27 July, a small group of subordinated creditors have opposed it.

Due to the blocking minority they hold, they are preventing the consensual implementation of the envisaged restructuring.

As a result, as I have said on many occasions, they have obliged us to seek the protection of the courts. At my suggestion, **the Joint Board of Eurotunnel decided unanimously on 13 July to place the company under the protection of the Paris commercial court. In consequence, the forthcoming general meetings no longer have a purpose and there is no reason to hold them.**

What is the situation today?

- The operational side of the business is not in any way affected: our customers can continue to use our services and their bookings will still be valid, our suppliers will be paid as normal,
 - once the safeguard procedure is implemented, the forthcoming debt repayments will be frozen,
 - shareholders' travel privileges will be unaffected,
 - negotiations can continue between the creditors and, for my part, I will recommence as soon as possible, assisted by the judicial administrator(s), nominated by the Paris commercial court.
- So I can say to all our shareholders that there is no reason to despair.
- The operational turnaround has been a success: the results of the first half year speak for themselves. There remain margins for improvement and a potential for development.

- the staff are fully aware of the situation and have given me their support. The service level they provide for our customers is irreproachable.
 - the majority creditors are respecting their commitments: they have indicated to us that, as far as they are concerned, the preliminary restructuring agreement signed on 23 May is still valid.
- I am keeping the final proposal that I made, during the night of 12-13 July, to bring the positions of the different creditors closer together, open to signature, whilst also preserving your interests.

The only thing which is causing disagreement is time: after 15 months of intense negotiations which have given rise to agreement, some would like to start all over again and negotiate until... Christmas, or even beyond.

They have forgotten **that the 2005 accounts cannot be approved and that the shares have been suspended for more than two months.** In fact they are ignoring Eurotunnel and its shareholders who have demonstrated a remarkable amount of patience.

To save the company, we must first protect it from those who put personal interest before the greater good for all: this is what we have just done.

Next, reason must return and an agreement be reached between all the stakeholders. I will continue to push for this to be achieved.

The Joint Board and I would have preferred to appear before you at the general meetings to give an account of our actions. This will just have to be put back. But I wanted to keep you informed of recent events straight away, through this open letter, including if necessary at your holiday location.

We are going to save Eurotunnel. Thank you for your confidence.

Jacques Gounon
Chairman and Chief Executive



Shareholders who have already purchased their ticket to attend to the general meetings can be reimbursed by calling the Shareholder Information Center

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