



Dear Shareholder,

We have had another excellent quarter: **revenues for the Group have increased by 7% to €343.9M.** The details of the performance are as follows:

## ○ Concession for the Fixed Link

During the summer we beat all of our previous traffic records, setting a new overall traffic record of 16,416 passenger vehicles carried, on 9 August. Traffic growth for the 3<sup>rd</sup> quarter for **cars** was 3% and for **trucks** a very impressive 6%. At the same time, the average yield has continued to improve. Consequently, revenue for Shuttle services increased by +7%. This is in line with our forecasts and the analysis that we made for the market.

The first important factor has been that very strong growth in the UK economy has brought new traffic. By way of an illustration, the number of new vehicles registered in the UK has constantly increased for the past 31 months: this means new potential travellers...

Secondly, the expected increase in fares for maritime crossings following the introduction of Marpol seems to be driving hauliers to the shortest crossings like Dover-Calais. DFDS has abandoned its Southampton-Le Havre route: a clear indicator of this trend.

In this context, our **yield management policy has shown great success** by encouraging customers to travel in the off peak periods. This enables us, at the same time, to manage record levels of traffic and to increase our average load factors. Given the increase in truck traffic, we are considering introducing these useful mechanisms into our contracts with road hauliers: a real revolution to come.

**Good news also for the railways: Eurostar produced a solid 3% growth in passenger numbers.** And, auguring well for the future, the unveiling of the new trains manufactured by Siemens in November will bring new interest in routes from London into Western Europe. The British government is making a clever move by launching **the sale of its 40% stake in Eurostar**, valued at £300M (€375M). It is likely that the acquirer will support the efforts of existing management to open up new destinations and to increase traffic. We should remember that the study that we commissioned earlier this year showed a potential for more than 14 million passengers per year, an increase of 40% on today's levels.

Another reason for satisfaction is **the significant +9% increase in the number of rail freight trains through the Tunnel.** The trains come from various destinations as such as Spain, Italy and Poland, and also from the north of England.

We continue to work to remove the numerous barriers to development that operators encounter on the national rail networks. We are hoping for significant action at a European level on this matter: Eurotunnel is part of the governance body for the European Rail Freight Corridor n°2, which links London, Rotterdam and Antwerp to Lyon and Basle, the goal being to facilitate train movements, something which can only be good for us.

## ○ Rail freight

**The same favourable perspectives apply to Europorte**, with +8% growth. Following the very strong developments in previous months, we are now working on our customer portfolio to position ourselves with long term contracts which are sufficiently diverse to limit risks and to enable efficient operations. Growth is easier in the UK as the market has been open for a long time, with responsible operators and a true understanding of the challenges associated with this mode of transport. In France, however, we are still a long way off. There is, for example, a question over the continuation of secondary routes, that is to say routes with limited traffic that serve industrial sites. We are arguing to ensure that these lines are kept, but that their maintenance is transferred into the private sector: the success of Europorte in the management of tracks at ports around France clearly shows the collective benefit of such an approach.

The changing face of vehicle taxation for trucks in France, which has now been abandoned, will perhaps lead the authorities genuinely to promote rolling motorways, which would be a great opportunity for our Group which is by far the world leader in this activity. **Europorte is now a key player in rail freight in the UK and in France.**

## ○ Maritime activity

**MyFerryLink has delivered an excellent performance this summer:** +20% revenues and +19% cars. However the Competition and Markets Authority has reiterated its opposition to our maritime activity. The appeal hearings are set for the end of November and the decision will be known at the end of the year or the beginning of 2015. At this stage, this is no longer about business, but an issue for governments.

Whatever the outcome of this issue, we can be assured: all the signs are good and we can prepare for the future by investing in the Fixed Link to adapt to a continuous increase in traffic.

Yours faithfully,

**Jacques Gounon**

Chairman and Chief Executive Officer

# In brief...



## 85,400 vehicles

for passengers transported on board Le Shuttle in one week from 11-17 August, the all-time weekly traffic record.

## 1,200 visitors

discovered the behind the scenes of the Channel Tunnel and Le Shuttle transport system during the European Heritage Open Days which took place on 13 September in Folkestone and on 20 September in Coquelles.



CIFFCO, the Opal Coast international railway training centre, has been notified by the EPSF, the French public railway safety Authority, of the renewal for a 5-year period of its accreditation as a training centre. An innovative leader in the sector, CIFFCO has become a key player in railway training!



Terminal 2015 in Folkestone: start of the preparatory work to the construction of 5 new check-in lanes for the Truck Shuttle service (22 September 2014).

## Focus on the third quarter of 2014

In the 3<sup>rd</sup> quarter, Eurotunnel set new traffic records and this momentum is continuing. The vitality in the UK economy and the application of the Marpol environmental regulations to the ferry companies from January 2015, strengthen the Eurotunnel Group's competitive advantages.

### O Cross-Channel Fixed Link

Revenue for Shuttle services up +7% at €160.3M and revenues from the Railway network up 2% at €80.8M.

### O Europorte

Continued revenue growth (+8%) to €67.8M.

### O MyFerryLink

Impressive progress with a 20% increase to €30.3M.

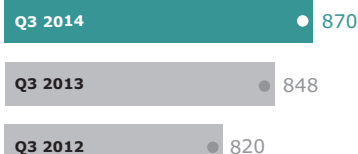
Group revenues grew by 7 % to €343.9M for the third quarter of 2014. Following the same momentum, total revenues for the Group show an increase of 7% to €902.5M for the first nine months of 2014.

For more information on the traffic volumes, revenues and key events for the third quarter and for the first nine months of 2014, please read the [press release](#) published on 22 October.

Comparisons with 2012 and 2013 are made at the average exchange rate for the first 9 months of 2014 of: £1 = €1.250

### Le Shuttle

In thousands (number of passenger vehicles carried)



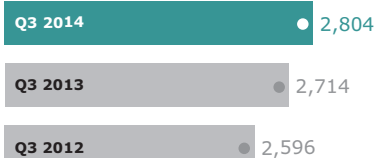
### Le Shuttle Freight

In thousands (number of trucks carried)



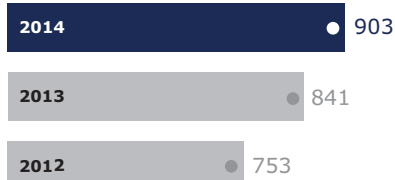
### Eurostar

In thousands (number of Eurostar passengers in the Tunnel)



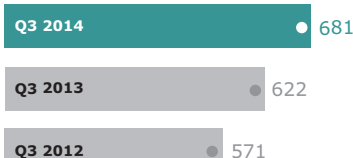
### Revenue for the first 9 months 2014 (January-September)

In CM



### Rail Freight traffic

(number of train in the Tunnel)



## Partnership between Le Shuttle and Sanef Tolling

Eurotunnel Le Shuttle has teamed up with Sanef, the French toll motorway manager, to offer our British customers its Liber-t automatic toll payment service, allowing them to save time, beat motorway queues and aid stress-free driving. There is no need for toll tickets or searching for loose change, just a simple direct debit payment. To date, **almost 20,000 of our British customers have signed up for a Liber-t tag**. More information on the toll tag in a click on [Eurotunnel Le Shuttle](#).

During the summer from 18 July to 17 August, this new partnership also brought holidaymakers the opportunity to visit the "Eurotunnel 20 Years" anniversary exhibition at the Assevillers service station on the A1 motorway between Lille and Paris. With 50,000 visitors per day, this is one of the busiest on the network. People of all nationalities were able to discover the unique history of the Channel Tunnel and the Eurotunnel transport system as well as the many challenges overcome since the opening in 1994. Take the opportunity to **visit the exhibition currently on display in the Calais Town Hall, until November!**



### Change of postal or email address?

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