

EUROTUNNEL ON TRACK

LETTER TO GROUPE EUROTUNNEL SE SHAREHOLDERS

22 JANUARY 2016



Dear Shareholder,

Despite all the recent pessimistic prognoses, your Group has just announced a **further increase in revenue for 2015 to €1.222 billion**. This represents growth of **+5%, like for like**, and of **+10%** if the comparison is made without correcting for the Sterling/Euro exchange rate. **Europorte did even better, with a +9% increase in revenue**, without allowing for exchange rate correction.

We could also have included the €52 million of revenues from MyFerryLink in the first half of the year, but we have not: **the decision by the Supreme Court to reinstate the prohibition order by the Competition and Markets Authority**

has brought an end to this affair. We have already announced that the freight ferry, Nord-Pas-de-Calais, will be put up for sale. This means that maritime capacity will be reduced in 2016 by comparison to the past and that the two remaining competitors (P&O and DFDS) will attract sufficient volumes without having to launch a senseless price war.

Over the page you will find the 2015 figures for the Channel Tunnel Fixed Link. The highlight is the **performance of the Truck Shuttles, which transported 1,483,741 trucks, an all-time record**. We are now getting close to the total traffic carried through the port of Calais, which only grew slightly to reach 1,846,512 trucks last year. Our market share for the year was close to our usual position, at 37.3%, but what is especially interesting is that this **market share reached 42.8% in December**.

The reason is simple: **since the end of October 2015, there has been no disruption to services from migrant activity**. This is the result of an unprecedented level of reaction by the company, its staff and the two governments. **Eurotunnel is not responsible for border security or border control**. We were the first to raise the issue of the developing problems that were seen this summer. We were the first to react and to take measures based on our experiences from 2000-2003. You already know that in the middle of the summer holiday season, on 20 August, the two Home Secretaries, Theresa May and Bernard Cazeneuve came to our site to announce the powerful steps that we immediately put in place.

The result can be seen clearly for trucks, but is also visible for **passenger traffic**: in a market which has continued to decrease

slightly over the year, the port of Calais saw its car traffic decline by 14.4% in 2015 whilst we maintained our target with a small decrease of 1%, thereby outperforming the market.

We still have to find a long term solution for the **rail freight trains** through the Tunnel (not to be confused with the activities of Europorte). The rare attempts by migrants to break into our site are now mostly via the station and freight yard operated by SNCF at Fréthun. For those responsible for the security of these 750 metre long trains, which travel at very low speed, on tracks accessible to the public, ensuring that migrants do not get aboard is not an easy job. Our part of the task is to get this traffic through the Tunnel, even if it is only a minor part of our overall activity.

Eurostar traffic was more sensitive than Le Shuttle to the attacks in Paris in January and November but nevertheless has remained stable for the year as a whole. **The progressive introduction of the new, larger and more comfortable e320 trains**, from the end of November, will certainly add to the attraction of the London-Paris and London-Brussels routes and soon London-Amsterdam too.

With **21 million passengers** transported across the Channel in complete safety via the Tunnel in 2015, of which 10.4 million were on Eurostar trains, Eurotunnel has proven the vital nature of its role at the heart of Europe.

The UK economy is doing well and France is reducing its deficit. Freight flows are growing. Despite the tragedies that marked 2015, the Group has shown its resilience and its capacity to hold its course, something that cannot be said of all businesses.

We enter 2016 determined but vigilant. Our staff are united and aware of the challenges ahead. **Our three priorities are: safety, security and quality of service**, for the benefit of our customers and our shareholders.

So it is with confidence that I wish you all, your families and those who are dear to you, an excellent 2016.

Yours faithfully,

Jacques Gounon
Chairman and Chief Executive Officer

In brief...



Dates for your diary in 2016

18 February: 2015 annual results

27 April: General Meeting



Groupe Eurotunnel SE shareholder information

Starting on 1st March 2016, Société Générale Securities Services (SGSS) will take over management of the registered shares and the general securities services management, and will centralise financial services for dividend payment to shareholders and financial operations for Groupe Eurotunnel SE. If you hold your GET shares in a direct registered form, your account, which is currently held at BNP Paribas Securities Services (BPSS), will be transferred to SGSS on that date without incidence on either the amount of your holding or on its availability.

Before the transfer, BPSS will continue to handle all your requests, including sell orders up to and including 29 February 2016. Beyond this date, all of your requests should be addressed to Société Générale Securities Services Nomilia Customer Relationship Centre:

- Dedicated telephone line:
+33 (0)2 51 85 67 89
- Sharinbox website available
24/7 at

www.sharinbox.societegenerale.com



You will receive in due course by post all the information you will need, including your user name and password to access the Sharinbox website.

2015 activity figures for the Eurotunnel Group

The Group

The consolidated revenues reached €1.222 billion, excluding MyFerryLink¹, a +5% increase compared to 2014.

Channel Tunnel Fixed Link Concession: Eurotunnel

- Eurotunnel Le Shuttle: 2.5 million cars mark exceeded in a market down by 2.7% in 2015
- Truck Shuttle: traffic up by 3% and a record of 1.48 million trucks transported, in a 2015 market up 4.4%
- Eurostar: traffic remains stable at 10.4 million passengers in 2015 despite the terrorist attacks in Paris
- Decline in number of rail freight trains as a result of the migrant activity on the SNCF Réseau yard at Calais-Frethun during the 2nd half of 2015
- Fixed Link total revenue grew by 3% to €915.4M, including a 5% increase in Shuttle revenue to €579.7M.

Rail freight: Europorte

Continuing growth in revenues of +9% to €306.6M.

¹All comparisons with 2014 are at the 2015 exchange rate: £1=€1.375

Le Shuttle for passengers

In millions (number of cars carried)

2015	2.56	-1%
2014	2.57	
2013	2.48	

Truck Shuttle

In millions (number of trucks carried)

2015	1.48	+3%
2014	1.44	
2013	1.36	

Eurostar - In millions

(number of Eurostar passengers through the Tunnel)

2015	10.4	=
2014	10.4	
2013	10.1	

Rail freight trains

(number of trains through the Tunnel)

2015	2,421	-17%
2014	2,900	
2013	2,547	

Group Revenue¹ in €M

2015	1,222	+5%
2014	1,168	
2013	1,099	

¹ Following the ending of the activities of MyFerryLink and in application of IFRS 5, this activity has been excluded from the revenue of 2015 and the comparative periods.

More information in the [press release](#) published on 21 January 2016

on the Group's website.

Securing the Coquelles Terminal: effective and ongoing



The project to secure the site in Coquelles, which started in July 2015 and includes 37km of high security fencing, more than 500 cameras, the doubling of security personnel and the presence of both French and British authorities around the perimeter has proven its value: attempted intrusions are now a rarity and the zone has regained its usual level of protection. These measures have enabled Eurotunnel to achieve historic traffic levels, particularly at the end of the year. The ongoing plan to increase security, currently under review with the Authorities, will continue in 2016 with:

- Raising the water level in the drainage ditches and marshes and planting defensive natural hedges around the perimeter of the site
- Installing scanners for cars and small vans on both terminals, with a third at Frethun to inspect rail freight trains
- Using a railway siding situated before the entrance to the Channel Tunnel to enable vehicles to be searched without disturbing traffic flow.

Together, these measures will contribute to further reinforcing the quality of service offered to our passenger and freight customers, for whom security is an important issue.

Success for the railway MOOC: more than 4,500 signed up

Launched by CIFFCO, the Eurotunnel Group's training subsidiary, the MOOC (Massive Open Online Course) "The track to employment", opened on 11 January 2016, has already registered 4,500 participants. Completely free, this training programme in French enables users to plunge into the daily life of train drivers and ground staff through a « serious game » interface. It is still possible to register and explore the world of railway skills. More information is available at: <https://mooc.eurotunnelgroup.com>

