



# HALF-YEAR RESULTS 2023

20.07.2023



# SUMMARY

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**H1 2023 HIGHLIGHTS**

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**FINANCIAL RESULTS**

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**OUTLOOK**



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# H1 2023 HIGHLIGHTS



# H1 2023 HIGHLIGHTS

UNPRECEDENTED FINANCIAL RESULTS THANKS TO A MORE DIVERSIFIED PORTFOLIO



## RECORD H1



Highest H1 EBITDA (€496M)  
Highest free cash flow generation (€355M)



## FOCUS ON VALUE



ElecLink: strong operational performance and financial contribution  
Shuttle: focus on value offering for all our customers and yield management  
Eurostar: strong traffic increase  
Europorte: agility confirmed



## CONTINUED COST MANAGEMENT AND INVESTMENT

to support long term  
value creation

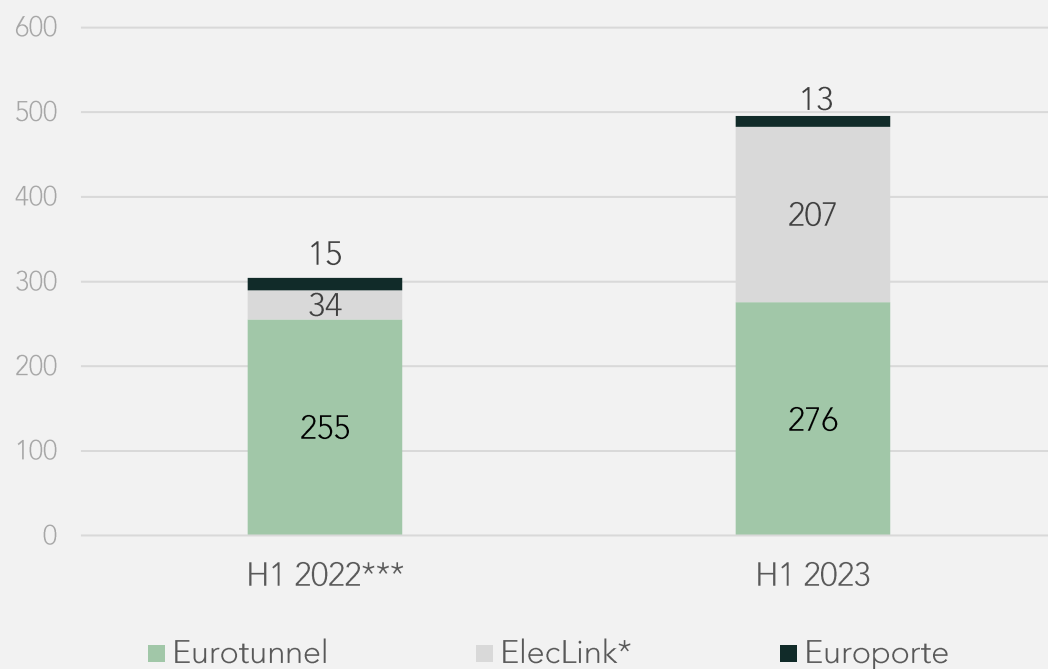


Rigorous cost discipline  
Re-branding to support our market positioning  
Continued improvement of our ESG leadership  
Capex programme on track

# HISTORIC RESULTS FOR THE GROUP

A MORE BALANCED EBITDA GENERATION

## H1 EBITDA GENERATION



\*After deducting a €112M provision for ElecLink profit sharing mechanism in H1 23  
ElecLink opening 25 May 2022

\*\* does not include any payments in relation to the interconnector profit sharing provision

\*\*\* 2022 figures restated at H1 2023 average exchange rate of £1 = €1.146

## HISTORIC LEVELS OF EBITDA



€496M\*

Group

€207M\*

ElecLink

€276M

Eurotunnel

€13M

Europorte

## RECORD LEVEL OF FREE CASH FLOW GENERATION



€355M\*\*

Free cash flow



1

# EUROTUNNEL: PASSENGER TRAFFIC RECOVERY IS GATHERING PACE, TRUCK TRAFFIC STILL IMPACTED BY UK ECONOMY AND OVERCAPACITY



## STRONG PASSENGER TRAFFIC RECOVERY



1,010k vehicles  
**+16% vs 2022** | Car market share: 65%

## EUROSTAR TRAFFIC CLOSE TO PRE-COVID



5,092k passengers  
**+54% vs 2022**

## A CHALLENGING TRUCK MARKET



624k trucks  
**-19% vs 2022** | Market share: **37%**

## PASSENGER SHUTTLE

### Solid traffic increase

Strong demand at peak periods

**Focus on higher yielding segments and ongoing marketing initiatives**

## EUROSTAR

**Traffic increase underpinned by a strong leisure segment (~at 2019 level in Q2)**

## TRUCK SHUTTLE

### Challenging environment

Softening of UK economy

Competitive ferry market / Restart of P&O operations end April 2022

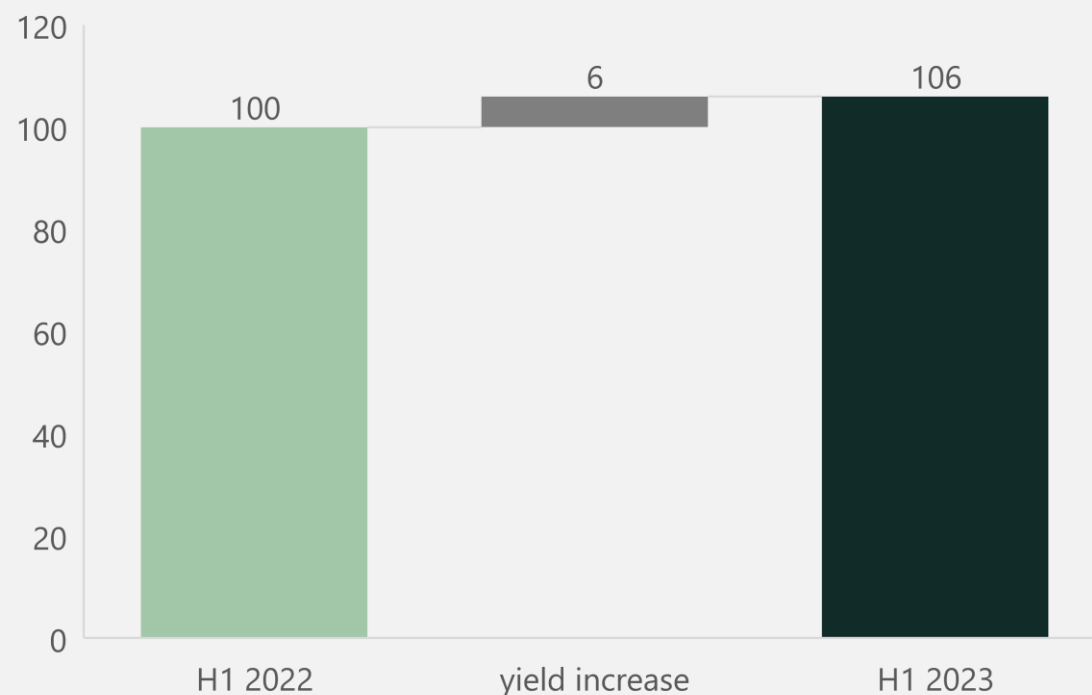
### Focus on quality of service

Speed, reliability, frequency, services dedicated to customers

# EUROTUNNEL: QUALITY OF SERVICE AND VALUE OPTIMISATION REMAIN OUR PRIORITIES

6% INCREASE IN AVERAGE SHUTTLE YIELD VS H1 2022

## SHUTTLE YIELD H1 2022 – H1 2023



## TRUCKS

Energy surcharge (EVA) raised to €38 in January (vs €20 since July 22) to compensate for electricity price increase

Inflation price increases maintained

## CARS

Normalisation of booking patterns but mix skewed towards premium & flexible tickets

Continuous yield optimisation

1

# EUROTUNNEL: QUALITY OF SERVICE AND VALUE OPTIMISATION REMAIN OUR PRIORITIES

**WE REINFORCE OUR  
KEY COMPETITIVE  
ADVANTAGES**

**WE LAUNCH NEW  
DEDICATED OFFERS  
AND SERVICES**



## DELIGHT HAULIERS

A new one-stop shop  
offering for a smart  
efficient and fast border

*Commercial launch  
in October 23*



## DELIGHT TRUCK DRIVERS

New loyalty programme



# 1 EUROTUNNEL: "DELIGHT OUR PASSENGER CUSTOMERS"

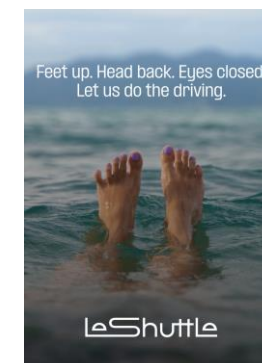
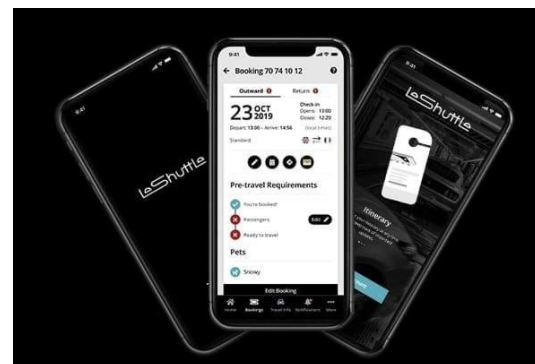
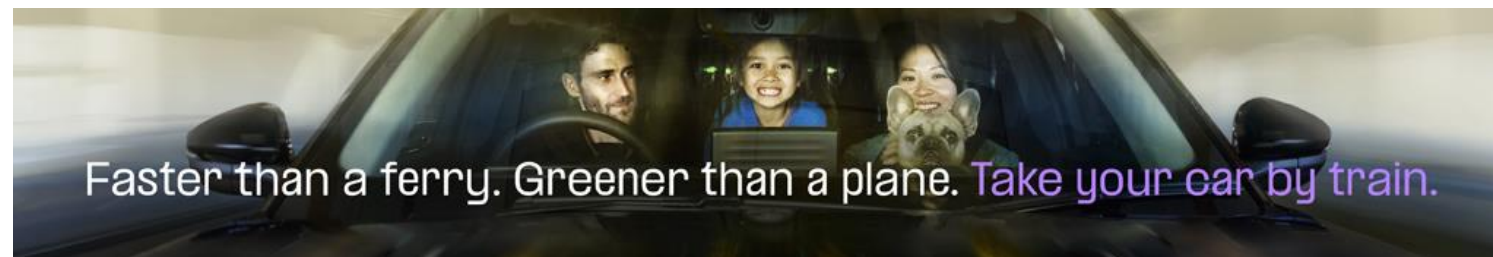
ROLL OUT OF OUR NEW IDENTITY TO SUPPORT OUR LESHUTTLE BUSINESSES

RE-BRANDING AND  
NEW ADVERTISING  
CAMPAIGN

EMPLOYEE TRAINING:  
QUALITY OF SERVICE...

REFURBISHMENT OF OUR  
PASSENGER SHUTTLES

LeShuttle



# ELECLINK: A VERY SUCCESSFULL FIRST YEAR

## KEY ASSET FOR ENERGY MARKET SECURITY

### EXCELLENT OPERATIONAL PERFORMANCE

**Safe and reliable asset performance since May 2022**

**Excellent availability (94%)**

**>6 TWH** transported between 25.05.2022 and 30.06.2023

A capacity equivalent to the consumption of 1.6m inhabitants

Daily short-term product auctions alongside a total of 43 long-term products auctions

**Clients mostly spread across Europe**

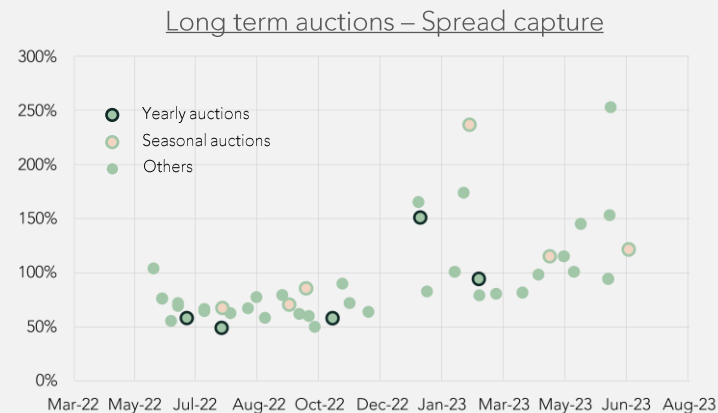


### REVENUES: 2 MAIN COMPONENTS

#### AUCTIONS revenues:

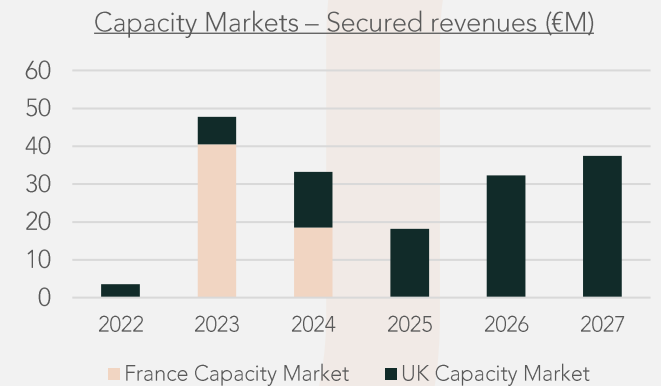
ElecLink sells its capacity through its various products via auctions. Auction prices are mainly driven by the electricity price differential between France and UK

Market volatility and development of intermittent energy production create optionality



#### CAPACITY MARKETS revenues:

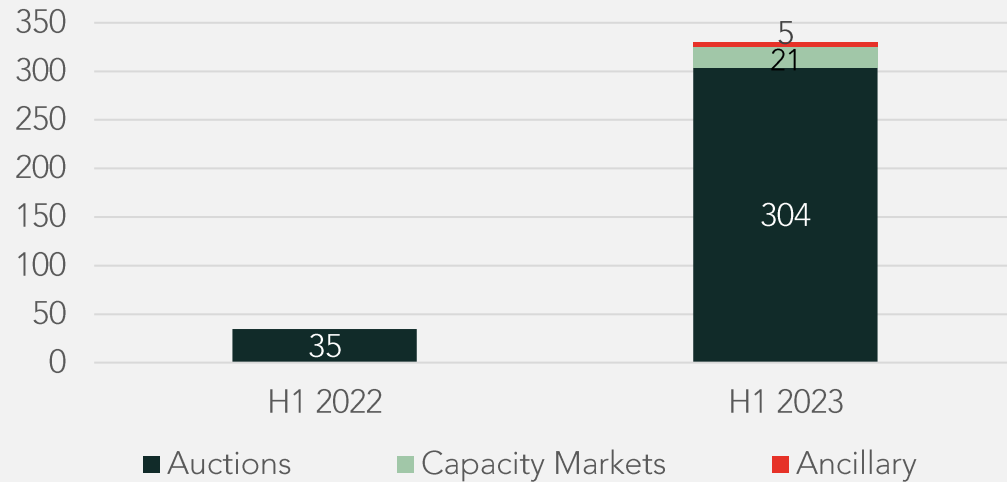
Interconnectors are remunerated, alongside generators and other capacity providers, for their contribution to security of supply either through the sale of capacity certificates to energy suppliers in France or through annual capacity agreements awarded through auctions in Great Britain.





## 2 ELECLINK: STRONG PERFORMANCE IN H1

SOLID OPERATING PERFORMANCE IN H1 AND VISIBILITY FOR H2 AND 2024

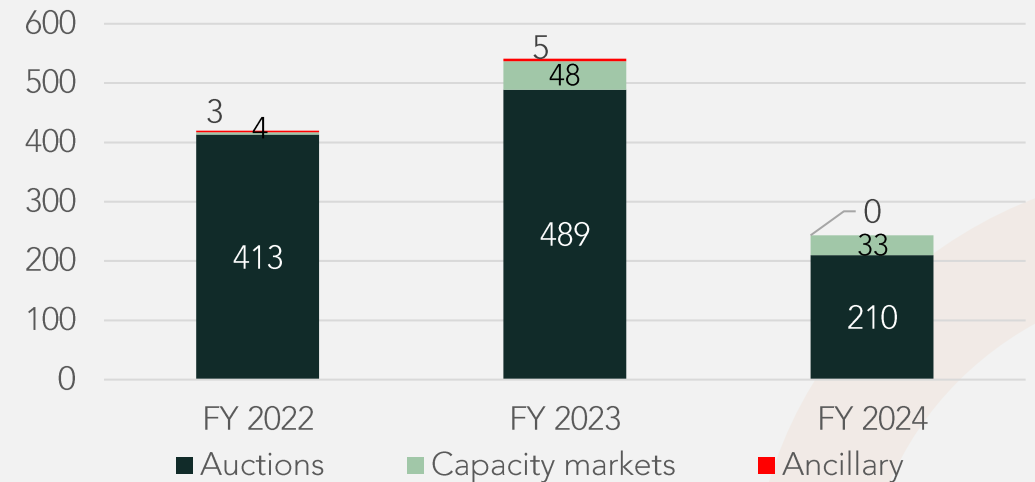


### STRONG OPERATING PERFORMANCE IN H1 2023

- €330M sales o/w €304M auction revenues

### ON-GOING DISCUSSIONS WITH THE REGULATOR ON THE PROFIT-SHARING MECHANISM

- €112M provision in H1 for profit-sharing mechanism, in line with 2022 approach



### ALREADY €541M OF REVENUES SECURED FOR 2023 AND €243M FOR 2024

- Auctions: 84% of 2023 capacity sold, 45% for 2024
- Capacity market: €48M for 2023 and €33M for 2024

## EUROPORTE: GOOD PERFORMANCE DESPITE FRENCH NETWORK OPERATOR STRIKES



**€73M REVENUE**

(+7% vs H1 22)

**€13M EBITDA**

(-13% vs H1 22)

**H1 heavily impacted by French Rail Network operator strikes, generating additional costs**

Solid profitability despite high energy prices showing robustness of business model

Success of the Flex Express network in Germany and Belgium

Signature of an innovative partnership with Socofer to develop hybrid motor solutions to replace internal combustion locomotives



## 4 IMPROVING OUR ESG LEADERSHIP

WE CONTINUE TO INNOVATE AND SHARE OUR CONVICTIONS

### "THE DECARBONISED MARGIN":

the missing link between financial and extra-financial performance

	2022	EBITDA
Exchange rate €/£	1.168	
Carbon price (€/tonne CO <sub>2</sub> e)	€197	
Consolidated EBITDA	€886M	100%
Carbon emissions Scopes 1+2 (tonnes CO <sub>2</sub> e)	49,038	
Carbon invoice Scopes 1+2	€10M	1.1%
Decarbonised margin on Scopes 1+2	€876M	
Scopes 1+2+3 carbon emissions (tonnes CO <sub>2</sub> e)	149,279	
Carbon invoice Scopes 1+2+3	€29M	3.3%
Decarbonised margin on Scopes 1+2+3	€857M	97%

### GETLINK INITIATIVES



- Getlink organised its first "Climate Meeting" on 5 April
- "When ESG rating flaws undermine the effectiveness of corporate climate action"
- Next meeting scheduled in October



Axylia grades companies from A to F according to their ability to pay their virtual carbon bill



The background image shows a close-up of high-voltage electrical equipment. It features several vertical stacks of white, ribbed ceramic insulators. Black cables are connected to the top of these insulators. In the background, there are also stacks of dark brown, ribbed components. The scene is brightly lit, suggesting an outdoor or well-lit industrial environment.

**2**

**FINANCIAL  
RESULTS**



# EUROTUNNEL IN H1 2023

## SHUTTLE TRAFFIC

### TRUCK VEHICLES

(K)

—

### PASSENGERS VEHICLES

(K)



### TRUCK TRAFFIC

**-19%**

Penalised by a tough comparison basis (P&O temporary interruption of operations) and a relative slowdown in British household consumption

### PASSENGER TRAFFIC

**+16%**

High efficiency of our border control processes

# EUROTUNNEL IN H1 2023

## RAILWAY NETWORK TRAFFIC

### EUROSTAR PASSENGERS

(K)

—

### NUMBER OF RAIL FREIGHT TRAINS

3 303

H1 22

5 092

H1 23

754

H1 22

733

H1 23



### EUROSTAR PASSENGERS

**+54%**



### RAIL FREIGHT TRAINS

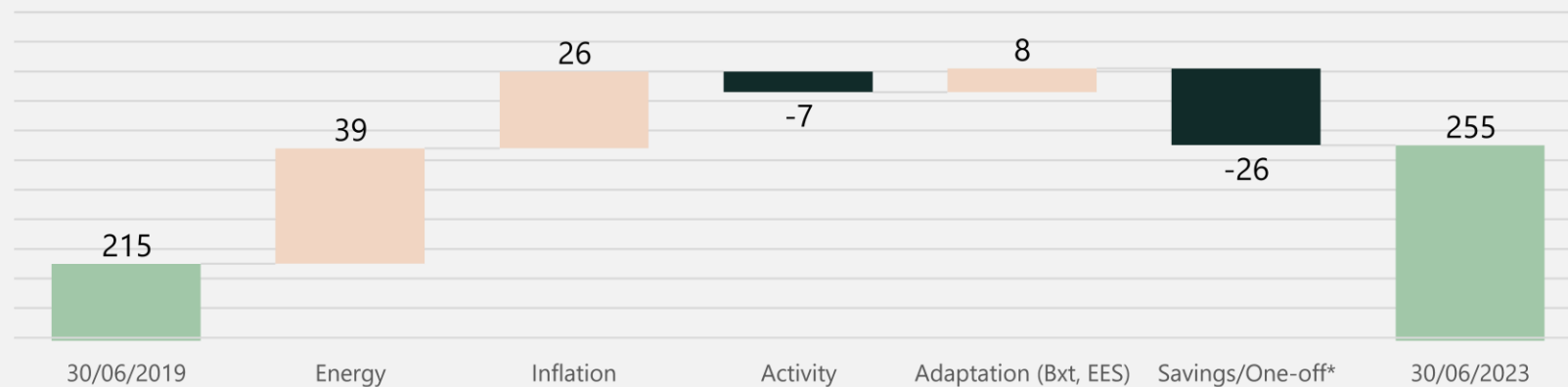
**-3%**



# EUROTUNNEL IN H1 2023

€26M OF SAVINGS VS 2019 OPEX

## CONTINUOUS FOCUS ON COST DISCIPLINE TO MITIGATE ENERGY AND INFLATION



### INFLATION INCLUDES €39M OF ENERGY PRICE EFFECT (x3 ENERGY BILL VS 2019) MANAGED THROUGH:

EVA\*\* passthrough mechanism for trucks (+€22M) and integrated in marketing strategy for Passenger Shuttle

Contribution of Railways to energy and other costs

Focus on productivity and cost management discipline

Strict purchasing strategy

\* One-off includes -€0,4M linked to the variation in exceptional items (mainly energy certificates received in 2019 & 2023 as well as one-off expenses)

\*\* Electricity Value Adjustment

# EUROTUNNEL IN H1 2023

## REVENUE AND EBITDA



## STRONG REVENUE PERFORMANCE

### EUROTUNNEL

€M	H1 2023	H1 2022 <sup>(1)</sup>	CHANGE
<b>Revenue</b>	<b>531</b>	<b>468</b>	<b>+13%</b>
Shuttle Services	339	330	+3%
Railway Network	179	128	+40%
Other	13	10	+30%
Operating costs	<b>(255)</b>	<b>(213)</b>	<b>+20%</b>
<b>EBITDA</b>	<b>276</b>	<b>255</b>	<b>+8%</b>

(1) Restated at H1 23 exchange rate: £1 = €1.146

# ELECLINK IN H1 2023

STRONG PERFORMANCE



**SIGNIFICANT  
REVENUES & PROFITS  
IN CONTEXT OF  
EXCEPTIONAL MARKET  
CONDITIONS**

## ELECLINK

€M	H1 2023	H1 2022*
<b>Revenue</b>	<b>330</b>	<b>35</b>
Operating costs	(11)	(1)
<b>EBITDA pre-profit sharing provision</b>	<b>319</b>	<b>34</b>
Interconnector profit sharing provision*	(112)	(12)
<b>EBITDA post-profit sharing</b>	<b>207</b>	<b>22</b>

\* Provision in respect of profit-sharing under the Eleclink exemption for H1 2023. H1 2022 adjusted for a pro forma €12M provision



# EUROPORTE IN H1 2023

## REVENUE AND EBITDA



## PROFITABILITY IMPACTED BY SNCF STRIKES

### EUROPORTE

€M	H1 2023	H1 2022	CHANGE
<b>Revenue</b>	<b>73</b>	<b>68</b>	<b>+7%</b>
Operating costs	(60)	(53)	+13%
<b>EBITDA</b>	<b>13</b>	<b>15</b>	<b>-13%</b>

# GETLINK IN H1 2023

## CONSOLIDATED P&L

€M	H1 2023	H1 2022 <sup>(1)</sup>	CHANGE
Revenue	<b>934</b>	571	+64%
Operating costs	<b>(326)</b>	(267)	+22%
Provision for profit sharing ElecLink	<b>(112)</b>	-	na
EBITDA	<b>496</b>	304	+63%
EBIT	<b>374</b>	217	+72%
Net finance costs	<b>(188)</b>	(173)	+9%
Net consolidated result	<b>159</b>	50	<b>+218%</b>

(1) Restated at H1 23 exchange rate: £1 = €1.146

# GETLINK IN H1 2023

## OUTSTANDING OPERATING CASH FLOW

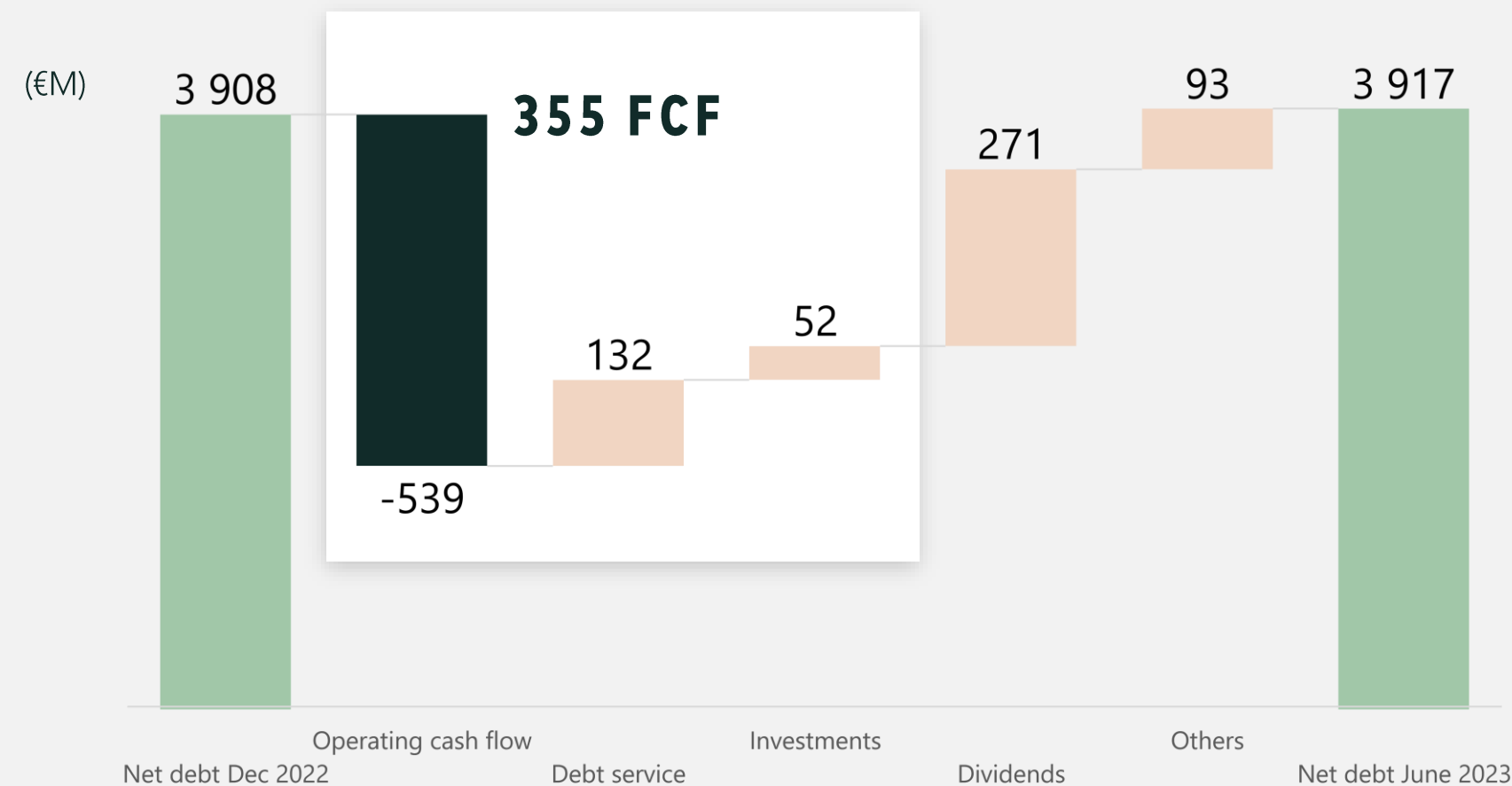
€M	H1 2023	H1 2022	CHANGE
Operating cash flow	<b>539</b>	283	256
Capex (excl. ElecLink)	<b>(52)</b>	(59)	(7)
Debt service	<b>(132)</b>	(134)	(2)
<b>FCF * &amp; **</b>	<b>355</b>	<b>90</b>	<b>265</b>

\* Operating cash flow - Eurotunnel & Europorte investments - debt service (including debt repayments of €37M in H1 2023 and €32M in H1 2022)

\*\* FCF does not include any payments in relation to the interconnector profit sharing provision



# STABLE NET DEBT LEVEL AFTER DIVIDEND PAYMENT



## FREE CASH FLOW

**€355M**

(after €37M scheduled debt repayment)

## NET DEBT

**€3 917M**

## IMPROVING CREDIT METRICS

S&P upgraded its outlook to Positive (vs Negative previously)

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OUTLOOK



# WE ARE PREPARING FOR THE FUTURE

WE ADAPT OUR INFRASTRUCTURE FOR FUTURE GROWTH AND TO ENHANCE OUR KEY DIFFERENTIATION FACTORS

1

## TERMINALS THROUGHPUT

### EES

- Same throughput thanks to journey digitalisation

### Customs formalities

- Smart border offer: Sherpass



2

## READINESS FOR NEW GENERATION OF TRAINS

### Statcom (2022)

- Successful upgrade of the network
- Powerful and qualitative signal required by high-speed locomotives

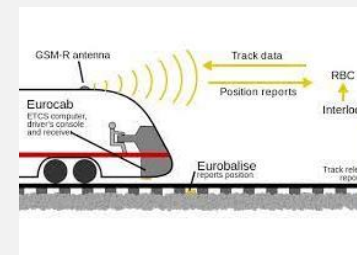


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## AND LATER ON SIGNALLING

### ERTMS (2030)

- New European rail traffic management system enabling frequency increase





# POSITIVE STEPS FOR OUR REGULATORY ENVIRONMENT

## NEW FORTHCOMING OPPORTUNITIES FOR GETLINK



### SEAFARERS' WAGES BILLS

- Adopted in UK (royal assent received on 23 March)
- Voted in Senate in France on 21 June (Assemblée Nationale final adoption expected in H2)



### FRET SNCF

- EU Commission investigations into French support measures in favour of French SNCF



### EU ETS

- Applicable to maritime sector early 2024



**End of social dumping**  
on the Short Straits

**Level playing field**  
between SNCF and  
competitors

**Additional competitive  
advantage** thanks  
to green credentials

# 2023 OUTLOOK

2023 SET TO BE A RECORD YEAR

## STRONG CONFIDENCE IN OUR ENHANCED BUSINESS PORTFOLIO AND OUR AGILITY...

- ElecLink: 84% capacity already secured
- Eurostar promising performance
- EES postponed to 2024
- UK Business rates increase limited to +€5m/year
- Active yield management policy



## ... WITH CAUTION ON SHORT TERM LESHUTTLE VOLUMES

- Limited visibility on UK economic backdrop
- Passengers summer booking recently impacted by French riots

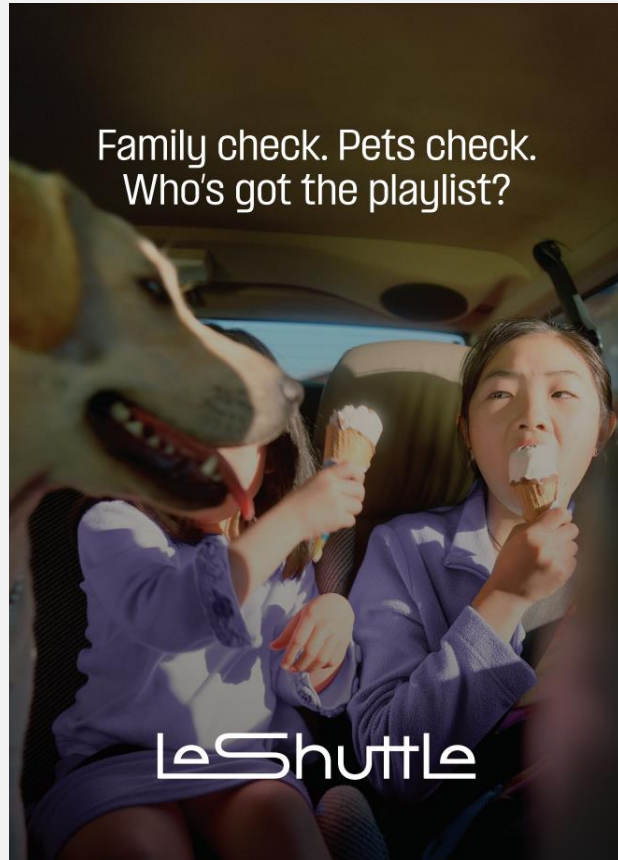


\* With the exception of the above clarifications, the assumptions underpinning the EBITDA objective detailed in the 2022 URD remain valid including the calculation method for provision for the future profit sharing of ElecLink and exchange rate (£1= €1.15)

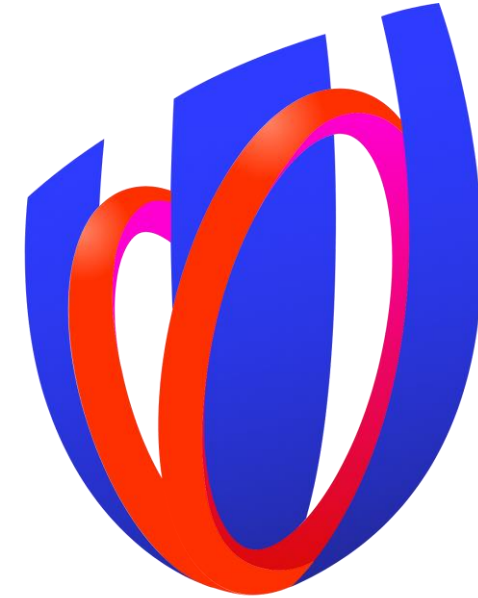
**=> REINFORCED CONFIDENCE IN SURPASSING €910M EBITDA IN 2023**

# OUR FOCUS: CUSTOMERS AND OPERATIONAL EXCELLENCE

THROUGHOUT SUMMER...



... AND BEYOND



**COUPE DU MONDE  
RUGBY  
FRANCE 2023**





## CONTACTS

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