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GROUPE EUROTUNNEL SA
HALF-YEARLY FINANCIAL REPORT*
FOR THE SIX MONTHS TO 30 JUNE 2012

* *English translation of GET SA's 2012 "*rapport financier semestriel*" for information purposes only.*

Contents

HALF-YEARLY ACTIVITY REPORT AT 30 JUNE 2012

For a better comparison between the two periods, Groupe Eurotunnel SA's consolidated income statement for the first half of 2011 presented in this half-yearly activity report has been recalculated at the exchange rate used for the 2012 half-yearly income statement of £1=€1.22.

Summary

The Eurotunnel Group achieved a strong performance during the first half of 2012. Consolidated **revenues** for the first half of 2012 totalled €473 million, an increase of €60 million (14%) compared to the first half of 2011. This increase reflects organic growth from the activities of the Fixed Link (€33 million) and Europorte (€27 million). **Operating costs** increased by €45 million, €28 million of which resulted from increased Europorte activity. In the first half of 2011, the Group accounted for non-recurrent income totalling €29 million in respect of insurance indemnities following the 2008 fire, of which €9 million in other income related to operating losses and €20 million in other operating income related to rolling stock damage. Excluding the effect of these items, the **operating margin** improved by 8% to €205 million and the **operating profit** improved by €14 million to €129 million.

The **net cost of financing and debt service** amounted to €126 million, the reduction of €9 million (7%) reflecting the effect of the decrease in inflation rates on the index-linked tranche of the debt.

With a profit of €5 million, the Eurotunnel Group SA's **consolidated net result** for the first six months of 2012 was at the same level as in the first half of 2011 (restated at a constant exchange rate). On an equivalent basis excluding the insurance indemnities accounted for in 2011, the net result improved by €29 million.

The **free cash flow** generated in the first half of 2012 amounted to €45 million, compared to €61 million in the first half of 2011 which included receipts of €66 million relating to insurance indemnities. At 30 June 2012, the Group's held balances of cash or cash equivalents of €267 million (€276 million at 31 December 2011) after €61 million of capital expenditure (including a deposit of €6.5 million paid for the acquisition of the SeaFrance group's assets), the payment of dividends of €44 million, €18 million paid for the acquisition of floating rate notes and €11 million spent on the share buy back programme.

On 2 July 2012, the Eurotunnel Group paid the remaining balance of €58.5 million for the acquisition of the SeaFrance group's assets.

Analysis of the result

€ million Exchange rate €/£	30 June 2012 1.220	30 June 2011 restated* 1.220	% change	30 June 2011 1.119
Shuttle services	223	190	+18%	182
Railway network	141	141	=	137
Other revenue	6	6	=	5
Sub-total Fixed Link	370	337	+10%	324
Europorte	103	76	+36%	72
Revenue	**473**	**413**	**+14%**	**396**
Other income	–	9		9
Total turnover	**473**	**422**	**+12%**	**405**
External operating expenses	(160)	(133)	+19%	(129)
Employee benefit expense	(108)	(90)	+20%	(87)
Operating margin (EBITDA)	**205**	**199**	**+3%**	**189**
Depreciation	(76)	(77)		(77)
Trading profit	**129**	**122**	**+6%**	**112**
Net other operating income	–	22		23
Operating profit (EBIT)	**129**	**144**		**135**
Income from cash and cash equivalents	2	2		1
Gross cost of servicing debt	(128)	(137)		(130)
Net cost of financing and debt service	(126)	(135)	-7%	(129)
Other net financial income/(charges) and income tax expense	2	(4)		(4)
Net result: profit	**5**	**5**		**2**
*EBITDA**/ revenue*	*43%*	*46%*	*-3pts*	

* *Restated at the rate of exchange used for the 2012 half-year income statement (£1=€1.22).*

** *EBITDA less other income (€9 million in 2011).*

Revenues

At €370 million, Fixed Link revenues for the first half of 2012 grew by 10% compared to the first half of 2011 at a constant exchange rate. Europorte's revenues increased by €27 million (36%) to €103 million.

Consolidated revenues for the first half of 2012 totalled €473 million, an increase of €60 million (14%) compared to the first half of 2011.

Shuttle services

TRAFFIC	1st quarter (January to March)			2nd quarter (April to June)			1st half (January to June)		
	2012	2011	% change	2012	2011	% change	2012	2011	% change
Truck Shuttle:									
Trucks	364,724	301,074	+21%	366,377	307,558	+19%	731,101	608,632	+20%
Passenger Shuttle:									
Cars(*)	427,739	399,869	+7%	620,980	606,536	+2%	1,048,719	1,006,405	+4%
Coaches	10,615	9,544	+11%	19,444	18,876	+3%	30,059	28,420	+6%

* *Including motorcycles, vehicles with trailers, caravans and motor homes.*

At €223 million, Shuttle Services revenues increased by 18% compared to the first half of 2011.

Truck Shuttles

The Short Straits cross-Channel market for trucks continued to grow, with a growth estimated at 3% in the first half of 2012, but remains nevertheless approximately 10% below 2008 levels. However, compared to the first half of 2011 the number of trucks transported by Eurotunnel increased by 20% during the first half of 2012, and market share increased by approximately 6 points due in part to the cessation of SeaFrance's operations towards the end of 2011.

Passenger Shuttles

The Short Straits cross-Channel car market contracted by approximately 3% in the first half of 2012 compared to the same period in 2011. Despite this trend, Eurotunnel's car traffic continued to grow during the first half of 2012, with a 4% increase in the number of cars transported by the Shuttles due to a 3 point improvement in market share.

In a coach market that grew by approximately 3% in the first half of 2012, Eurotunnel increased its traffic by 6%.

Railway network

TRAFFIC	1st quarter(January to March)			2nd quarter(April to June)			1st half(January to June)		
	2012	2011	%change	2012	2011	%change	2012	2011	%change
Eurostar passenger trains:									
Passengers*	2,235,083	2,152,369	+4%	2,607,197	2,553,884	+2%	4,842,280	4,706,253	+3%
Rail freight trains**:									
Tonnes	313,056	305,789	+2%	296,499	404,072	-27%	609,555	709,861	-14%
Trains	589	589	-	565	687	-18%	1,154	1,276	-10%

* *Only passengers using Eurostar to cross the Channel are included in this table, thus excluding journeys between Paris-Calais and Brussels-Lille.*

** *Rail freight services by trains operators (DB Schenker on behalf of BRB, SNCF and its subsidiaries, and Europorte) using the Tunnel.*

The Eurotunnel Group's revenues arising from the use of the Tunnel's railway network by Eurostar passenger trains and the freight train services of the rail companies during the first half of 2012 amounted to €141 million, a level comparable to that of the first half of 2011.

The number of Eurostar passengers travelling through the Tunnel increased by 3% during the first half. The 10% decrease in the number of rail freight trains using the Tunnel in the first half of 2012 to 1,154 is the combined result of the impact of the short-term transportation of the steel during the first half of 2011 and the introduction of the extra toll imposed by Réseau Ferré de France at Frethun on each operator passing through the Tunnel which has slowed the momentum in growth of rail freight traffic.

Europorte

At €103 million, Europorte's revenue for the first half of 2012 increased by €27 million compared to the same period in 2011, driven by the start-up of new contracts and increased activity in existing contracts for GBRf in the UK and for Europorte France.

Total turnover

No other income was accounted for in the first half of 2012. An income of €9 million was accounted for in the first half of 2011 following the payments received from insurers relating to operating losses following the fire in 2008.

Operating margin (EBITDA)

The Group's **operating costs** increased by €45 million (20%) for the first half of 2012.

This increase was mainly due to the growth in Europorte's activity following the start of new contracts, with an increase in staff costs of €9 million (32%) and an increase in other costs of €19 million (40%).

Operating costs of the Fixed Link increased by €17 million reflecting the increased levels of activity of the Shuttle Services in the first six months of 2012.

At €205 million, the Group's **operating margin** for the first half of 2012 improved by €6 million (3%) compared to the first half of 2011. Excluding the insurance indemnities accounted for in 2011, the operating margin improved by 8%. Of the Group's operating margin of €205 million, a profit of €207 million is attributable to the Fixed Link and a loss of €2 million is attributable to Europorte.

Operating profit (EBIT)

Depreciation for the first half of 2012 remained stable.

The **operating profit** for the first half of 2012 was €129 million compared to €144 million for the first half of 2011, a decrease of €15 million. Excluding the insurance indemnities accounted for in 2011, the operating result improved by €14 million.

Net cost of financing and debt service

At €128 million for the first half of 2012, the gross cost of servicing debt reduced by €9 million compared to the first half of 2011 at a constant exchange rate, mainly as a result of lower British inflation rates (estimated at 3% for 2012 at 30 June 2012 compared to 5% for 2011 at 30 June 2011) and its effect on the nominal value of the of the index-linked tranche of the debt.

Net result

Other net financial income and charges in the first half of 2012 included an income of €2 million relating to interest on the floating rate notes acquired by the Group at the end of 2011 and in the first half of 2012.

With a profit of €5 million, the Eurotunnel Group's **consolidated net result** for the first six months of 2012 was at the same level as in the first half of 2011 (restated at a constant exchange rate). On an equivalent basis excluding the insurance indemnities accounted for in 2011, the net result improved by €29 million.

Analysis of cash flows

€ million Exchange rate €/£	30 June 2012 1.239	30 June 2011 1.108
Net cash inflow from trading	198	195
Other operating cash flows and taxation	4	(1)
Net cash inflow from operating activities	**202**	**194**
Net cash outflow from investing activities	(61)	(33)
Net cash outflow from financing activities	(156)	(121)
(Decrease)/increase in cash	**(15)**	**40**

In total, the **net cash outflow** for the first half of 2012 was €15 million, compared to a net cash inflow of €40 million for the same period in 2011 which included receipts of €66 million relating to insurance indemnities relating to the fire in 2008.

At €202 million, net cash inflow from **operating activities** increased by €8 million in 2012 compared to 2011. Excluding the effect of the insurance indemnities relating to operating losses received in the first half of 2011 (€46 million), net cash inflow from operating activities increased by €54 million, principally as a result of a €42 million increase in receipts from Fixed Link revenues mainly from Shuttle Services. Operating expenditure for the Fixed Link and net cash flows for the Europorte companies remained stable.

At €61 million, net cash outflow from **investing activities** increased by €28 million compared to 2011. Excluding the effect of the insurance indemnities relating to rolling stock received in the first half of 2011 (€20 million), net cash outflow from investing activities increased by €8 million. During the first half of 2012, cash flow from investing activities comprised:

- €29 million relating to the Fixed Link (€30 million in the first half of 2011) of which €11 million was spent on the renovation and upgrade of power of locomotives and €6 million on the project to install the GSM-R (digital radio communication system),
- €24 million for Europorte (€23 million in the first half of 2011), mainly for the acquisition of new locomotives as part of Europorte's development plan, and
- a deposit of €6.5 million paid in respect of the acquisition of assets from the SeaFrance group (total offer of €65 million); the balance (€58.5 million) was paid on 2 July 2012.

Net cash outflows from **financing activities** in the first half of 2012 amounted to €156 million compared to €121 million in the first half of 2011. During the first half of 2012, cash flow from investing financing comprised:

- €108 million of interest paid on the term loan and associated hedging transactions (€102 million in the first half of 2011),
- €18 million paid for the acquisition of floating rate notes,
- €11 million paid under the share buy back programme,
- €44 million paid in dividends (€21 million 2011),
- €3 million received in respect of the exercise of the 2007 Warrants, and
- €18 million received following the partial refinancing of the locomotives purchased by Europorte in 2011 and 2012.

Debt service cover ratio

Under the terms of the term loan, Groupe Eurotunnel SA is required to meet certain financial covenants as described in paragraph 10.6 of the 2011 Registration Document.

At 30 June 2012, the debt service cover ratio (net operating cash flow less capital expenditure compared to net financial expenses on a rolling 12 month period) and the synthetic debt service cover ratio (calculated on the same basis but taking into account a hypothetical amortisation on the Term Loan) were 1.74 and 1.53 respectively. Thus the financial covenants for the period were respected.

Other financial indicators

Free cash flow

The free cash flow as defined by the Group in paragraph 10.8 of the 2011 Registration Document, is the net cash flow from operating activities less net cash flow from investing activities (excluding investment in subsidiary undertakings) and net cash flow from financing activities relating to the service of the debt (term loan and hedging instruments) plus interest received (on cash and cash equivalents and other financial assets). For the first six months of 2012, free cash flow amounted to €45 million compared to €61 million for the same period in 2011, a decrease of €16 million mainly due to the absence of non-recurrent receipts relating to insurance indemnities received in 2011 (€66 million).

€'000	30 June 2012	30 June 2011	31 December 2011
Exchange rate €/£	**1.239**	**1.108**	**1.197**
Net cash inflow from operating activities	201,947	194,397	415,983
Net cash outflow from investing activities	(60,660)	(33,183)	(77,377)
Investment in subsidiary undertakings	569	–	–
Deposit for the purchase of assets of the SeaFrance group	6,500	–	–
Interest paid on the term loan	(84,242)	(76,476)	(161,525)
Interest paid on hedging instruments	(23,424)	(25,140)	(49,063)
Interest received on cash and cash equivalents	1,926	1,199	3,421
Interest received on other financial assets	2,238	17	698
Free cash flow	**44,854**	**60,814**	**132,137**

Long-term debt to asset ratio

The long-term debt to asset ratio as defined by the Group in paragraph 10.7 of the 2011 Registration Document, is the ratio between long-term financial liabilities less the value of the floating rate notes purchased as a percentage of tangible fixed assets. At 30 June 2012, the ratio remained stable at 57.4% compared to 31 December 2011 restated at the exchange rate used at 30 June 2012.

€'000		30 June 2012	31 December 2011 restated	31 December 2011 published
Exchange rate €/£		**1.239**	**1.239**	**1.197**
Long-term financial liabilities	A	3,947,178	3,939,095	3,871,622
Other financial assets: floating rate notes	B	152,861	134,241	131,931
Long-term financial liabilities less other financial assets	**A-B=C**	**3,794,317**	**3,804,854**	**3,739,691**
Tangible fixed assets: property, plant and equipment	D	6,611,680	6,627,525	6,626,841
Long-term debt to asset ratio	**C/D**	**57.4%**	**57.4%**	**56.4%**

* *Concession fixed assets are converted using historic exchange rates.*

Outlook

The main risks and uncertainties by which the Eurotunnel Group may be confronted in the remaining six months of the year have not evolved significantly compared to those identified in chapter 4 “Risk Factors” of the 2011 Registration Document filed with the *Autorité des marchés financiers* (the French financial markets authority) on 1 March 2012. The economic crisis, and in particular the crisis in public finances in some eurozone countries, make it difficult to assess the economic outlook.

During the first half of the year, the Group has to a certain extent benefited more from a pre-Olympic Games volume uplift, than from a transfer of ex-SeaFrance customers who, being more accustomed to the ferries, have mostly transferred towards the other operators. In this context, Eurotunnel has continued to successfully improve the visibility and the quality of its offer. Faced with increased competition on the cross-Channel market between Le Havre and Dunkirk, Eurotunnel remains confident that its offer, which is based on the quality of its service, remains clearly identifiable by its customers.

During the first half of 2012, the Europorte segment has experienced significant growth in revenues for its rail freight activities in France and the UK. During the second half, the Group plans to continue its development plan for this segment and, as part of this, Europorte continues to invest significantly in rolling stock and recruitment. These initiatives, together with an extensive review of its operating and administrative costs, should enable this segment to continue its progress towards breakeven.

On 2 July 2012, the Group acquired from the company in liquidation SeaFrance the three ships (the *Berlioz*, the *Rodin* and the *Nord Pas-de-Calais*) and entered into contracts with the cooperative company formed by ex-SeaFrance employees which will be responsible for their operation. This new activity should allow the Group to expand its offer on the cross-Channel market. The outlook for this activity in 2012 remains modest, but the structures and the organisation which will be put in place will create the basis for development in the future.

SUMMARY CONSOLIDATED HALF-YEARLY FINANCIAL STATEMENTS AT 30 JUNE 2012

Consolidated income statement

€'000	Note	30 June 2012	30 June 2011	31 December 2011
Revenue	3	472,929	396,175	844,839
Other income		–	9,321	9,322
Total turnover		**472,929**	**405,496**	**854,161**
Operating expenses		(159,398)	(128,780)	(266,496)
Employee benefit expense		(108,273)	(87,358)	(184,431)
Depreciation		(76,658)	(77,206)	(156,089)
Trading profit	**3**	**128,600**	**112,152**	**247,145**
Other operating income	4	136	22,669	27,602
Other operating expenses	4	–	(29)	(2,796)
Operating profit		**128,736**	**134,792**	**271,951**
Income from cash and cash equivalents		1,866	1,475	3,628
Gross cost of servicing debt	5	(127,603)	(130,201)	(267,466)
Net cost of financing and debt service		(125,737)	(128,726)	(263,838)
Other financial income	6	12,752	6,625	16,840
Other financial charges	6	(10,212)	(10,516)	(13,185)
Income tax expense		(302)	(291)	(496)
Result for the period		**5,237**	**1,884**	**11,272**
Result : Group share		5,237	1,884	11,272
Result : minority interest share		–	–	–
Profit per share (€)	7	0.01	N/S	0.02
Profit per share after dilution (€)	7	0.01	N/S	0.02

Consolidated statement of comprehensive income

€'000	Note	30 June 2012	31 December 2011
Foreign exchange translation differences		(58,681)	(49,028)
Movement in fair value of hedging contracts	12	(112,565)	(335,643)
Total items recycled in the net result *		**(171,246)**	**(384,671)**
Net loss recognised directly in equity		**(171,246)**	**(384,671)**
Profit for the period - Group share		5,237	11,272
Total comprehensive income/(expense) - Group share		(166,009)	(373,399)
Total comprehensive income/(expense) - minority interest share		–	–
Total comprehensive income/(expense)		**(166,009)**	**(373,399)**

* *Neither in the first half of 2012 nor in 2011 are there any elements of comprehensive income that cannot be recycled in the net result.*

The notes form part of these financial statements.

Consolidated balance sheet

€'000	Note	30 June 2012	31 December 2011
ASSETS			
Goodwill		17,564	16,965
Intangible assets		11,830	11,971
Total intangible assets		**29,394**	**28,936**
Concession property, plant and equipment	8	6,494,525	6,538,386
Other property, plant and equipment	8	117,155	88,455
Total property, plant and equipment		**6,611,680**	**6,626,841**
Non-current financial assets			
Investment in subsidiary undertakings		10	5
Other financial assets	9	155,272	133,467
Total non-current assets		**6,796,356**	**6,789,249**
Stock		2,906	2,258
Trade receivables		127,257	105,960
Other receivables		47,328	44,575
Other financial assets		130	135
Cash and cash equivalents		267,226	275,522
Total current assets		**444,847**	**428,450**
Total assets		**7,241,203**	**7,217,699**
EQUITY AND LIABILITIES			
Issued share capital	10	224,229	224,229
Share premium account		1,769,795	1,769,895
Other reserves	11	41,656	196,147
Profit for the period		5,237	11,272
Cumulative translation reserve		140,132	198,813
Total equity		**2,181,049**	**2,400,356**
Retirement benefit obligations		22,010	26,187
Financial liabilities	12	3,947,178	3,871,622
Interest rate derivatives	12	840,479	727,914
Total non-current liabilities		**4,809,667**	**4,625,723**
Provisions	14	1,527	2,343
Financial liabilities	12	36,359	5,127
Other financial liabilities		2	7
Trade payables		162,849	159,084
Other payables		49,750	25,059
Total current liabilities		**250,487**	**191,620**
Total equity and liabilities		**7,241,203**	**7,217,699**

The notes form part of these financial statements.

Consolidated statement of changes in equity

€'000	Issued share capital	Share premium account	Consolidated reserves	Other equity and similar instruments	Retained earnings	Cumulative translation reserve	Total
1 January 2011	213,684	1,812,316	606,964	–	(56,800)	244,248	2,820,412
Transfer to non-distributable reserves			(56,800)		56,800		**–**
Payment of dividend			(20,938)				**(20,938)**
Share issue costs		(1,232)					**(1,232)**
Allocation of loyalty shares for 2008 rights issue and adjustment of special reserve	959	30	(989)				**–**
Conditional additional return on SDES		(404)					**(404)**
Exercise of 2007 Warrants	12,986	(4)					**12,982**
Cancellation of treasury share	(3,400)	(40,811)	44,211				**–**
Share based payments			2,170				**2,170**
Acquisition/sale of treasury shares			(39,235)				**(39,235)**
Result of the period					11,272		**11,272**
Input of conversion difference on partial redemption of loan with UK subsidiary			(3,593)			3,593	**–**
Net profit / (loss) recorded directly in equity			(335,643)			(49,028)	**(384,671)**
At 31 December 2011	**224,229**	**1,769,895**	**196,147**	**–**	**11,272**	**198,813**	**2,400,356**
Transfer to non-distributable reserves			11,272		(11,272)		**–**
Payment of dividend (note 11)			(44,105)				**(44,105)**
Share issue costs		(100)					**(100)**
Share based payments			* 2,050				**2,050**
Acquisition/sale of treasury shares			(11,143)				**(11,143)**
Result of the period					5,237		**5,237**
Net profit/(loss) recorded directly in equity			(112,565)			(58,681)	**(171,246)**
30 June 2012	**224,229**	**1,769,795**	**41,656**	**–**	**5,237**	**140,132**	**2,181,049**

* *Of which €1,364,000 in respect of free shares (see note 10.3) and €686,000 in respect of share options.*

The notes form part of these financial statements.

Consolidated statement of cash flows

* *The adjustment relates to the restatement of elements of the income statement at the exchange rate ruling at the period end*

€'000	Note	30 June 2012	30 June 2011	31 December 2011
Result for the period: profit		5,237	1,884	11,272
Income tax expense		302	291	496
Other financial (income) and expenses		(2,540)	3,891	(3,655)
Net cost of financing and debt service		125,737	128,726	263,838
Other net operating income		(136)	(22,640)	(24,806)
Depreciation		76,658	77,206	156,089
Trading profit before depreciation		**205,258**	**189,358**	**403,234**
Exchange adjustment*		2,026	(1,047)	10,377
Increase in inventories		(639)	(634)	(833)
(Increase)/decrease in trade and other receivables		(16,679)	1,388	260
Increase in trade and other payables		8,411	6,460	4,781
Net cash inflow from trading		**198,377**	**195,525**	**417,819**
Other net operating cash flows		3,742	(922)	(1,630)
Taxation		(172)	(206)	(206)
Net cash inflow from operating activities		**201,947**	**194,397**	**415,983**
Payments to acquire property, plant and equipment		(61,563)	(53,070)	(97,503)
Sale of property, plant and equipment		1,472	7	246
Investment in subsidiary undertakings		(569)	–	–
Receipt of compensation for rolling stock		–	19,880	19,880
Net cash outflow from investing activities		**(60,660)**	**(33,183)**	**(77,377)**
Dividend paid		(44,105)	(20,938)	(20,938)
Share issue costs		(460)	(780)	(1,167)
Acquisition of floating rate notes		(18,400)	–	(128,258)
Draw down of bank loan	12	18,500	–	–
Payments relating to equity operations		–	(403)	–
Share buy back programme		(11,477)	–	(39,217)
Exercise of 2007 Warrants		2,932	–	9,892
Interest paid on Term Loan		(84,242)	(76,476)	(161,525)
Interest paid on hedging instruments		(23,424)	(25,140)	(49,063)
Interest received on cash and cash equivalents		1,926	1,199	3,421
Other interest received		2,238	17	698
Net proceeds from sale of treasury shares		332	1,001	(489)
Net cash outflow from financing activities		**(156,180)**	**(121,520)**	**(386,646)**
Increase in cash in period		**(14,893)**	**39,694**	**(48,040)**

Movements during the period

€'000	30 June 2012	30 June 2011	31 December 2011
Cash and cash equivalents at 1 January	275,522	316,323	316,323
Increase in cash in the period	(14,893)	39,694	(48,040)
Increase in interest receivable in the period	(133)	245	214
Effect of movement in exchange rate	6,730	(10,495)	7,025
Cash and cash equivalents at the end of the period	**267,226**	**345,767**	**275,522**

The notes form part of these financial statements.

Notes to the summary financial statements

Groupe Eurotunnel SA (GET SA) refers to the holding company governed by French law, whose registered office is at 3 rue La Boétie, 75008 Paris, France. GET SA is the consolidating entity of the Group and its shares are listed on Euronext Paris and the London Stock Exchange. The shares will be admitted to trading on NYSE Euronext London on 19 July 2012 and their listing on the London Stock Exchange will cease on 20 July 2012.

The term "Group" or "Eurotunnel Group" refers to Groupe Eurotunnel SA and all its subsidiaries.

The principal activities of the Group are the design, financing, construction and operation of the Fixed Link in accordance with the terms of the Concession, and rail freight activity. The Concession will expire in 2086.

1 Important events

On 11 June 2012, the Paris Commercial Court decided to accept the offer made by the Eurotunnel Group for the acquisition of the assets of the SeaFrance group in liquidation which constitute mainly of the ships the *Berlioz*, the *Rodin* and the *Nord Pas-de-Calais*, for a total of €65 million. The transfer of ownership of these assets occurred on 2 July 2012 and as a consequence, these assets were not accounted for in Groupe Eurotunnel SA's financial statements at 30 June 2012 (see note 16 below for significant post balance sheet events).

2 Basis of preparation and significant accounting policies

2.1 Statement of compliance

The half-year summary consolidated financial statements have been prepared in accordance with IAS 34 and accordingly do not contain all the information necessary for complete annual financial statements and must be read in conjunction with Groupe Eurotunnel SA's consolidated financial statements for the year ended 31 December 2011.

The half-year summary consolidated financial statements for 2012 were drawn up by the board of directors on 20 July 2012.

2.2 Scope of consolidation

The half-year summary consolidated financial statements for Groupe Eurotunnel SA and its subsidiaries are prepared as at 30 June. The basis of consolidation at 30 June 2012 is the same as that used for Groupe Eurotunnel SA's annual financial statements to 31 December 2011.

2.3 Basis of preparation and presentation of the consolidated financial statements

The half-year summary consolidated financial statements have been prepared using the principles of currency conversion as defined in the 2011 annual financial statements.

The average and closing exchange rates used in the preparation of the 2012 and 2011 half-year accounts and the 2011 annual accounts are as follows:

€/£	30 June 2012	30 June 2011	31 December 2011
Closing rate	1.239	1.108	1.197
Average rate	1.220	1.119	1.148

2.4 Principal accounting policies

The half-year summary consolidated financial statements have been prepared in accordance with IFRS. The accounting principles and bases of calculation used for these half-year summary consolidated financial statements are consistent in all significant aspects with those used for GET SA's 2011 annual consolidated financial statements, with the exception of the amendment to IAS 1 relating to the presentation of other comprehensive income (see the Consolidated statement of comprehensive income on page 7) which is compulsory for periods beginning on or after 1 July 2012 and which the Eurotunnel Group has decided to apply in advance at 30 June 2012.

The following amendment, published by the IASB and adopted by the European Union has not been applied in advance by the Eurotunnel Group:

- the amendment to IAS19 "Employee Benefits".

The main texts published by the IASB but not yet in force (not adopted by the European Union) and which therefore have not been applied early by the Group are as follows:

- IFRS 9 "Financial Instruments: Classification and measurement of financial assets and liabilities".

- IFRS 10 “Consolidated Financial Statements” which will replace IAS 27 “Consolidated and Separate Financial Statements” for the part related to consolidated financial statements as well as the interpretation SIC 12 “Consolidation – Special Purpose Entities”.
- IFRS 11 “Joint Arrangements” which will replace IAS 31 “Interests in Joint Ventures” as well as the interpretation SIC 13 “Jointly Controlled Entities - Non-monetary Contributions by Venturers”.
- IFRS 12 “Disclosure of Interests in Other Entities”.
- IFRS 13 “Fair Value Measurement”.
- Amendment to IAS 28 “Investments in Associates and Joint Ventures”.

The analysis of the impacts of these standards on the financial statements of the Group is currently being studied, in particular those resulting from the revision of IAS 19 whose main consequence is the removal of the corridor method currently used by the Group leading to the correction of the provision and the opening equity for unrecognised actuarial differences.

3 Segment reporting

The Group is structured around the following two activities which correspond to the internal information reviewed and used by the main operational decision makers (the Executive Committee):

- the segment “Concession for the cross-Channel Fixed Link”, and
- the segment “Europorte” which includes the activities of Europorte SAS and its subsidiaries (Europorte Channel, Europorte France, Europorte Proximité, Socorail, Eurosco and GBRf).

	At 30 June 2012		At 30 June 2011		At 31 December 2011	
€'000	**Revenue**	**Trading result**	**Revenue**	**Trading result**	**Revenue**	**Trading result**
Fixed Link	369,729	134,619	323,782	116,427	686,964	255,643
Europorte	103,200	(6,019)	72,392	(4,275)	157,875	(8,498)
Total	**472,929**	**128,600**	**396,175**	**112,152**	**844,839**	**247,145**

4 Other operating income and (expenses)

€'000	**30 June 2012**	**30 June 2011**	**31 December 2011**
Net profit on disposal or write-off of assets	44	19,890	19,333
Other	92	2,779	8,269
Other operating income	**136**	**22,669**	**27,602**
Other	–	(29)	**(2,796)**
Other operating charges	**–**	**(29)**	**(2,796)**
Total	**136**	**22,640**	**24,806**

In 2011, the net profit on disposal or write-off of assets included €19.9 million relating to the final compensation for the rolling stock considered irreparable following the fire in September 2008 and written off during 2008 and 2009.

5 Gross cost of servicing debt

€'000	30 June 2012	30 June 2011	31 December 2011
Interest on loans before hedging	83,423	76,829	158,568
Adjustments relating to hedging instruments	23,536	25,069	48,193
Effective rate adjustment	470	414	878
Sub-total	**107,429**	**102,312**	**207,639**
Inflation indexation of the nominal	20,174	27,889	59,827
Total gross cost of servicing debt after hedging	**127,603**	**130,201**	**267,466**

With effect from 28 June 2012, interest on loans before hedging includes the additional margin of 2% on the nominal value of tranches C1 and C2.

At the end of June, the inflation indexation of the nominal reflects the estimated effect of annual French and British inflation rates on the nominal amount of tranches A1 and A2 of the Term Loan as described in note U.1i of the annual consolidated financial statements at 31 December 2011.

6 Other financial income and (charges)

€'000	30 June 2012	30 June 2011	31 December 2011
Unrealised exchange gains*	8,431	5,767	13,769
Realised exchange gains	1,845	858	2,166
Interest received on floating rate notes	2,381	–	836
Other	95	–	69
Other financial income	**12,752**	**6,625**	**16,840**
Unrealised exchange losses*	(9,083)	(9,631)	(12,060)
Realised exchange losses	(1,129)	(885)	(1,125)
Other financial charges	**(10,212)**	**(10,516)**	**(13,185)**
Total	**2,540**	**(3,891)**	**3,655**

* *Resulting from the re-evaluation of intra-group debtors and creditors. 30 June 2012: net loss of €652,000 (30 June 2011: net loss of €3,864,000, 31 December 2011: net gain of €1,709,000).*

7 Earnings per share

		30 June 2012	30 June 2011	31 December 2011
Weighted average number:				
- of issued ordinary shares		560,572,129	531,602,705	535,886,473
- of treasury shares		(9,226,383)	(8,219,714)	(6,531,074)
Number of shares used to calculate the result per share (A)		**551,345,746**	**523,382,991**	**529,355,399**
- conversion of 2007 Warrants		–	35,588,160	–
- share options	i	–	125,591	54,658
- free shares	ii	1,737,307	664,600	651,698
Potential number of ordinary shares (B)		**1,737,307**	**36,378,351**	**706,356**
Number of shares used to calculate the diluted result per share (A+B)		**553,083,053**	**559,761,342**	**530,061,755**
Profit (€'000) (C)		5,237	1,884	11,272
Profit per share (€) (C/A)		**0.01**	**N/S**	**0.02**
Profit per share after dilution (€) (C/(A+B))		**0.01**	**N/S**	**0.02**

The calculations were made on the following bases:

(i) on the assumption of the exercise of the maximum number of options issued on 16 July 2010 and 21 July 2011 and remaining in issue at 30 June 2012 (when the average price of the share during the period exceeds the exercise price of options). The exercise of these options is conditional on attaining the targets described in note S of the consolidated financial statements at 31 December 2011; and

(ii) on the assumption of the acquisition of the maximum number of free shares issued to staff (see note 10.3 below).

8 Property, plant and equipment

At 30 June 2012, the Eurotunnel Group has not identified any indication of impairment.

Intangible assets are mainly composed of the rolling stock owned by the subsidiaries of Europorte.

9 Other financial assets

€'000	30 June 2012	31 December 2011
Floating rate notes	152,861	131,931
Other	2,411	1,536
Total non-current	**155,272**	**133,467**
Accrued interest on floating rate notes	130	135
Other	–	–
Total current	**130**	**135**

Other financial assets consist mainly of floating rate notes. As in 2011, during the first half of 2012, the Group acquired notes issued by Channel Link Enterprises Finance (CLEF), the structure that securitised the Group's debt in 2007. These purchases, carried out by way of private transactions for €18 million, related to floating rate notes with a nominal value of €20 million, representing an average discount of approximately 8%. These notes correspond to the securitisation of tranche C of the Group's debt and have the same characteristics in terms of maturity and interest as described in note P.2 of the consolidated financial statements to 31 December 2011.

The accounting value of the floating rate notes is made up as follows:

€'000	Notes in £	Notes in €	Total
Nominal value	75,090	94,650	169,740
Discount (net of acquisition costs)	(7,264)	(9,615)	(16,879)
Accounting value	**67,826**	**85,035**	**152,861**
Maturity	20/06/2046 -20/06/2050	20/06/2041 -20/06/2050	
Interest rate	(*) Libor +3.25%	(*) Euribor +3.25%	

* *1.25% prior to 28 June 2012.*

10 Share capital

10.1 Share capital evolution

At 30 June 2012 and 31 December 2011, the issued share capital of GET SA amounted to €224,228,851.60 divided into 560,572,129 fully paid-up GET SA ordinary shares with a nominal value of €0.40 each.

10.2 Treasury shares

Movements in the number of treasury shares during the period were as follows:

	Share buyback programme	Liquidity contract	Total
At 1 January 2012	8,827,660	337,399	**9,165,059**
Share buyback programme	1,867,709	–	**1,867,709**
Net purchase/(sale) under liquidity contract	–	(41,399)	**(41,399)**
At 30 June 2012	**10,695,369**	**296,000**	**10,991,369**

Treasury shares held as part of the share buy back programme renewed by the general meeting of shareholders and implemented by decision of the board of directors on 26 April 2012 are allocated, in particular, to cover share option plans and the grant of free shares, whose implementation was approved by the general meetings of shareholders in 2010 and 2011.

10.3 Free shares

Following the approval by the general meeting of shareholders on 28 April 2011 of a plan to issue free shares, the board of directors of GET SA proceeded on 26 April 2012 to a second grant for a total of 1,102,360 GET SA ordinary shares (310 shares per employee) to all employees of GET SA and companies which are linked to it (with the exception of executive and corporate officers). The definitive acquisition of these shares by the employees is subject to them remaining in employment with the Group for a minimum period of 4 years.

	Number of shares
In issue at 1 January 2012	644,400
Granted during the year	1,102,360
Cancelled during the year	(20,230)
Exercised during the year	–
Expired during the year	–
In issue at 30 June 2012	**1,726,530**
Exercisable at 30 June 2012	**–**

The assumptions used to measure the fair value of the free shares were as follows:

Fair value of free shares and assumptions	**2012 plan**	**2011 plan**
Fair value of free shares on grant date (€)	5.89	6.62
Share price on grant date (€)	6.26	7.232
Number of beneficiaries	3,556	3,302
Risk-free interest rate (based on government bonds)	1.05%	2.25%

A charge of €1,379,000 (at the exchange rate used to calculate the income statement) relating to the free shares was made in the half year accounts to 30 June 2012.

11 Changes in equity

Dividend

On 26 April 2012, Groupe Eurotunnel SA's shareholders' general meeting approved the payment of a dividend relating to the financial year ended 31 December 2011, of 8 cents of a euro per share. This dividend was paid on 25 May 2012 for a total of €44.1 million.

12 Financial liabilities

The movements in financial liabilities during the period were as follows:

€'000	**31 December 2011 published**	**31 December 2011 restated***	**Draw down of loan**	**Reclass-ification**	**Interest, indexation and fees**	**30 June 2012**
Non-current financial liabilities						
Term loan	3,871,622	3,939 095	–	(30,500)	20,896	**3,929,491**
Other loans	–	–	17,687	–	–	**17,687**
Total non-current financial liabilities	**3,871,622**	**3,939 095**	**17,687**	**(30,500)**	**20,896**	**3,947,178**
Current financial liabilities						
Term Loan	–	–	–	30,500	–	**30,500**
Accrued interest on term loan	5,127	5,214	–	–	(172)	**5,042**
Other loans	–	–	813	–	4	**817**
Total current financial liabilities	**5,127**	**5,214**	**813**	**30,500**	**(168)**	**36,359**
Total	**3,876,749**	**3,944,309**	**18,500**	**–**	**20,728**	**3,983,537**

* *The financial liabilities at 31 December 2011 (calculated at the year end exchange rate of £1=€1.197) have been recalculated at the exchange rate at 30 June 2012 (£1=€1.239) in order to facilitate comparison.*

"Other loans" in the table above represent a bank loan of €18.5 million taken out in June 2012 by Europorte SAS as part of the refinancing of the acquisition of certain locomotives by its subsidiaries. This loan carries a fixed rate of interest of 4.14% and is repayable over seven years.

The repayment of tranche B of the term loan will begin on 20 June 2013 (see notes U and V of the Group's consolidated financial statements at 31 December 2011) with a payment of €30.5 million.

At 30 June 2012, the Group has not identified any new factors that would modify the information relating to the fair value of the financial liabilities as described in note W.2 of the annual consolidated financial statements to 31 December 2011.

Interest rate exposure

The Eurotunnel Group has hedging contracts in place to cover its floating rate loans (tranches C1 and C2) 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 the swaps is €953 million and £350 million.

These derivatives generated a net charge of €23,536,000 during the first six months of 2012 which has been accounted for in the income statement (a net charge of €25,069,000 during the first six months of 2011).

These derivatives have been measured at their fair value on the balance sheet as follows:

€'000	Market value of hedging contracts 30 June 2012	31 December 2011	*Changes in market value
Contracts in euros	Liability of 617 553	Liability of 516 568	(100 985)
Contracts in sterling	Liability of 222 926	Liability of 211 346	(11 580)
Total	**Liability of 840 479**	**Liability of 727 914**	**(112 565)**

* *Recorded directly in equity.*

13 Litigation for which no provision has been made

The judgments of 2 August 2006, by which the Paris Commercial Court opened safeguard procedures in favour of TNU PLC, Eurotunnel Services Limited, EurotunnelPlus Limited, Eurotunnel Finance Limited and CTG, were subject to third-party opposition by certain Elliot companies. These third-party proceedings were rejected by the Paris Commercial Court in five judgments dated 15 January 2007. The appeal lodged by the Elliot companies in relation to this first series of decisions was rejected by five orders of the Paris Court of Appeal (Cour d'appel de Paris) delivered on 29 November 2007 (see paragraph 20.7.1 of the 2008 Reference Document). On 30 June 2009, the Supreme Court of Appeal (Cour de cassation) quashed the five orders of the Paris Court of Appeal in so far as they related to the admissibility of this appeal and referred the matter back to the Paris Court of Appeal.

On 26 June 2012, the Supreme Court of Appeal, within the limited scope of the appeal brought before it, rejected Elliott's claims and declared inadmissible the appeal on the ground of the alleged lack of knowledge of the legal basis on which the safeguard procedure was opened. The Paris Court of Appeal has confirmed its judgment of 15 January 2007 in respect of the following five companies: TNU PLC (now merged with GET SA), Eurotunnel Services Limited, EurotunnelPlus Limited, Eurotunnel Finance and CTG.

This procedure has not challenged the validity of the safeguard plan and its result is consistent with the assessment which had been made by the Group.

14 Provisions

€'000	1 January 2012	Charge to income statement	Release of unspent provisions	Provisions utilised	30 June 2012
Restructuring	539				**539**
Other	1,804	37		(853)	**988**
Total	**2,343**	**37**	**–**	**(853)**	**1,527**

15 Related party transactions

15.1 Eurotunnel Group subsidiaries

All Eurotunnel Group subsidiaries were fully consolidated at 30 June 2012.

15.2 Other related parties

During the financial restructuring in 2007, the Eurotunnel Group concluded interest rate hedging contracts with financial institutions, in the form of swaps (see note 12 above). Goldman Sachs International was one of the counterparties to these hedging contracts, and at 30 June 2012 held 2.6% of the contracts, representing a charge of €0.6 million in the first half of 2012 and a liability of €22 million at 30 June 2012.

Two of Goldman Sachs's infrastructure funds (GS Global Infrastructure Partners I, L.P., and GS International Infrastructure Partners I, L.P., together known as GSIP) hold approximately 16% of GET SA's share capital at 30 June 2012 and 26% of voting rights.

16 Post balance sheet events

On 2 July 2012, the Eurotunnel Group acquired the assets of the SeaFrance group for a total of €65 million. These assets consisted mainly of the ships the *Berlioz*, the *Rodin* and the *Nord Pas-de-Calais*.

DECLARATION BY THE PERSON RESPONSIBLE FOR THE HALF-YEARLY FINANCIAL REPORT AT 30 JUNE 2012

I declare that, to the best of my knowledge, these summary half-year consolidated financial statements have been prepared in accordance with applicable accounting standards and present fairly the assets, financial situation and results of Groupe Eurotunnel SA and of all the companies included in the consolidation, and that this half-yearly financial report presents fairly the important events of the first six months of the financial year, their effect on the summary half-year consolidated financial statements, the main transactions between related parties, and a description of the main risks and uncertainties for the remaining six months of the financial year.

Jacques Gounon,
Chairman and Chief Executive Officer of Groupe Eurotunnel SA,
20 July 2012

STATUTORY AUDITORS' REPORT
ON THE 2012 HALF-YEARLY FINANCIAL INFORMATION

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers.

This report should be read in conjunction with, and is construed in accordance with, French Law and professional auditing standards applicable in France.

To the Shareholders,

Following our appointment as statutory auditors by your Annual General Meeting and in accordance with article L. 451-1-2 III of the French Monetary and Financial Law ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of Groupe Eurotunnel SA for the six-month period ended 30 June 2012, as attached to the present report ;
- the verification of the information contained in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the board of directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared in all material respects in accordance with IAS 34 – the standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II. Specific verification

We have also verified the information given in the half-year management report on the condensed half-year consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-year consolidated financial statements.

The statutory auditors

Paris La Défense, 20 July 2012

KPMG Audit
Department of KPMG S.A.

Philippe Cherqui
Partner

Courbevoie, 20 July 2012

Mazars

Jean-Marc Deslandes
Partner