



22 APRIL 2015



Dear Shareholder,

You will find overleaf the key figures that we have just published for the first quarter of 2015. They show the very clear progress that we have made: revenues from Shuttle Services have increased by 10% and rail freight by 15%.

In March our **Truck Shuttles** established a **new all-time traffic record** by carrying 140,009 trucks through the Channel Tunnel. **The market is now visibly over the effects of the economic crisis.** It has returned to its 2007 level and is growing continuously. We have an **excellent market share** (38.2% in March), even though we have three maritime competitors who benefit substantially from the current reduction in the price of oil.

We believe that **the Short Straits market will continue to grow** to the detriment of other routes. The Dieppe-Newhaven link cannot continue to be subsidised as it is currently: the Seine-Maritime Department has just voted further support as the deficit had reached €35 million per year. This is neither acceptable (we contest this distortion of competition), nor sustainable for the finances of the Department.

There were also good figures for **Le Shuttle**, with daily traffic peaks of over 8,000 vehicles during the Easter holidays. The big event at the start of April was the **introduction of Exit Checks** by the British government (see overleaf) who now requires a check on people leaving the country. We have worked long and hard with the authorities to make this imposition the least disruptive possible for our customers. We have added an **"Advanced Passenger Information" module** to our booking process, which is similar to that used in the airline industry. This technological investment, which collects the necessary passport information together with a broad advance communications exercise and, above all, the engagement of our customers, has enabled us to overcome this major hurdle without difficulty and to maintain the fluidity of our traffic.

Success in the face of all these challenges has been achieved thanks to the commitment of our staff: our French unions have unanimously signed a **"productivity" agreement** which will enable us to manage the ever increasing volumes of traffic and to improve our quality of service. Our Vision 2020 project relies not only on an ambitious investment programme (Terminal 2015, new Truck Shuttles...), but also on a profound transformation of our means of production. This agreement seeks to put in place measures that recognise improvements in efficiency as part of the Vision 2020 project, and according to achievable objectives set for each department across the Concession.

**Eurostar** traffic was stable for the first quarter, despite fears raised by their management following the tragic events in Paris. I have no doubts regarding Eurostar's ability to get back on top of its market with the new destinations from 1<sup>st</sup> May and especially with the arrival of the new e-320 trains at the end of the year.

**Cross-Channel rail freight** also produced excellent results with a growth in tonnes transported of +13%.

**Europorte** provided a similar level of satisfaction, with **revenue growth of +15%** and the signature of exciting new contracts, which we have already mentioned: the port at Verdon (Bordeaux) and the Caledonian Sleeper. In France, Europorte has already signed all the contracts expected for 2016! These new contracts cannot unfortunately commence this year as, in France, we have to ask SNCF for paths one year in advance...compared to just two weeks ahead in the UK. This, of course, slows down our development, but it does not prevent us from being confident of our growth.

**Finally, MyFerryLink.** As a result of the prohibition by the UK Competition and Markets Authority (CMA) on operating a maritime link between Dover and Calais beyond 9 July, we have been forced to put MyFerryLink up for sale. Independent experts have valued the ferries at about €100 million, even though that amount is less than our break even point. We are hoping for offers that take account of our investments and the success we have achieved: revenues increased by a further 37% this quarter!

There are four interested parties who have asked for access to the "data room". Their bids must be in by midnight on 24 April. The CMA has indicated that it intends to monitor the process closely and has reserved the right to intervene if it deems it necessary. The result of the appeal by the SCOP SeaFrance should also be known shortly.

Meanwhile, the SCOP itself is going through a serious crisis of governance, with tensions high between the previous management (*Directoire*) and the Supervisory Committee (*Conseil de surveillance*). We are following these developments closely, in a context where, no matter what, the lease contracts over the ships will end at the latest on 2<sup>nd</sup> July 2015. As the SCOP entered a safeguard process on 10 April, the most significant risk is a cash flow crisis for our contractor. The authorities in both countries are rightly concerned about the situation that could develop as a consequence.

The examination of any bids that are made will take some time and will require a dialogue to confirm details, and as a result we won't know what is to become of MyFerryLink until the end of May. I will, of course, keep you informed.

And as for **Eleclink**, the selection of the subcontractors for the works is reaching a conclusion and we are entering the phase of securing the financial structure of this Tunnel sub-concession.

A final important detail regarding vote by post for the General Meeting on 29 April (see overleaf): on the voting form, you must put a tick for each resolution. If you do not do this, your vote will not be counted.

Yours faithfully,

**Jacques Gounon**  
Chairman and Chief Executive Officer



**Warning, last message before the General Meeting**

**Reminder: if you vote by post, the layout of the voting form has changed this year**

→ Do not forget to tick the box of your choice for each resolution:  
**Yes / No / Abstain**

# In brief...



## Dates for your diary

- 29 April:** Combined General Meeting of Groupe Eurotunnel SE in Coquelles
- 22 July:** Results for the 1<sup>st</sup> half of 2015



## General Meeting of Groupe Eurotunnel SE

The deferred webcast of the presentation made to the General Meeting will be available on the Eurotunnel Group website from the next day, 30 April.



## Eurotunnel at Multimodal in Birmingham

From 28 to 30 April, in Birmingham (UK), the Eurotunnel Shuttle Freight teams will meet our current and prospective customers at our display stand at Multimodal, the UK's leading freight transport and logistics exhibition.

# Focus on the first quarter of 2015

### ○ Cross-Channel Fixed Link

Revenues from the Eurotunnel core business (transport of trucks and passenger vehicles on board the Shuttles) grew by 10% to €124.6M due to an increase in volumes and in yield. The advantages of Eurotunnel premium service continue to make a difference by combining speed, reliability, ease, frequency of departures and respect for the environment. In total, the Fixed Link segment recorded a growth of 6% in revenues to €202.7M.

### ○ Europorte: rail freight

At €77M, revenues for the rail freight subsidiaries recorded a 15% increase. Europorte continues to develop and grow over the period and strengthen its activity in the UK and France.

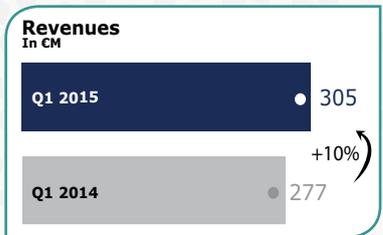
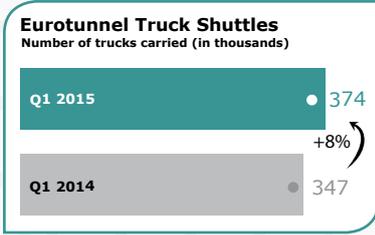
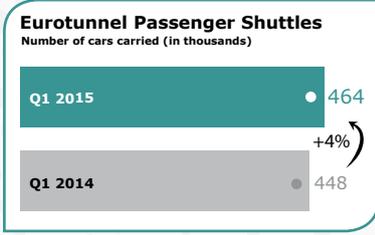
### ○ MyFerryLink: maritime

The freight traffic increased by 29% and car traffic by 21%. Revenue grew by 37% to €25M.

### ○ Eurotunnel Group

The consolidated revenues for the Eurotunnel Group reached €305M, an increase of 10% compared to 2014.

More information on the traffic volumes, revenues and key events of the 1<sup>st</sup> quarter on the [press release](#) published on 22 April 2015 on the Group's website.



\* All comparisons with 2014 have been made using the exchange rate for the first quarter of 2015: £1 = €1.375.

## Eurotunnel Truck Shuttles : a new extranet to further improve daily relations with hauliers

In March, the Eurotunnel Shuttle Freight service launched its new extranet for account-holding hauliers. Tailored to our various types of customers and services offered, the homepages have been redesigned to be more intuitive and display much more information. The pre-set default settings for customers and their vehicles enable them to speed up their Shuttle booking process. The simplification of the booking module, the improvement of the management and monitoring of crossings and the translation into 5 languages of services offered, such as the advantages of the new communications interface, are already highly appreciated by our customers.



## Exit Checks at Eurotunnel

The British government now requires ports and airports to conduct Exit Checks on the identity of passengers leaving the UK.

To comply with this new legislation since 8 April, Eurotunnel is running a communication programme to explain to our customers the new Exit Checks and specifically to encourage them to complete the Advance Passenger Information (API) at the time of booking online, to have their passports ready and open at the right page before arrival at border control and to turn up at the right time for their booked departure.

To continue to ensure a smooth flow of vehicles (for cars, coaches and trucks) through our Folkestone terminal, Eurotunnel has also recruited 50 new staff to manage the process, altered road layouts, modified buildings and traffic management processes.

