PRESS RELEASE

17 July 2008

Groupe Eurotunnel:

A satisfactory first half-year delivers a net profit of €26 million

- **Revenues significantly increased (+11%[1])**
- **Strong improvement in operating margin (+16%[1])**

⇨ **Traffic growth for both Eurotunnel and Eurostar services**
- Trucks (+7%), cars (+4%), coaches (+5%)
- Strong increase in the number of Eurostar passengers through the Tunnel (+18%)
- Decline in rail freight (-7%)

⇨ **Revenues (€386 million) increased by 11% compared to the first half of 2007 at a constant exchange rate[2]**
- Shuttle revenues up by 10%
- Railway revenues up 13%

⇨ **Strong growth in operating margin (EBITDA) at €221 million, up 16% at a constant exchange rate**
- Operating expenses 6% higher, reflecting the growth in traffic and the increase in costs linked to new maintenance cycles
- Operating margin improved by 16% with a ratio of operating margin to revenue of 57%

⇨ **Operating profit (EBIT) at €163 million, an increase of €52 million compared to the first half of 2007 at a constant exchange rate**

⇨ **Net profit of €26 million, compared to a pro forma[2] profit of €1 million for the first half of 2007 recalculated at a constant exchange rate**

Jacques Gounon, Chairman and Chief Executive of Groupe Eurotunnel declared, *"In the first half of 2008, Groupe Eurotunnel has continued its two-figure growth for both revenues and operating margin.*

The success of the capital increases initiated by the group during the first half of the year have enabled a significant reduction in the group's financial interest payments, a very positive event in the current uncertain economic situation.

With a significant growth in net profit, Groupe Eurotunnel is ahead of its forecasts and enters the second half of 2008 in a position of strength."

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[1] At a constant exchange rate.

[2] The comparable figures for 2007 used in the financial analysis of the first half of 2008 are drawn from the consolidated pro forma income statement for the first half of 2007, which shows the impact on that period of the new financing as if it had been put in place on the theoretical date of 1 January 2007. In order to enable a better comparison between the two periods, they have been recalculated at the exchange rate used for the results of the first half of 2008, £1=€1.259.

ANNEX 1

Activity in the first half of 2008

Eurotunnel Shuttle Services traffic

All traffic using the Shuttles (trucks, cars and coaches) has shown significant progress, in particular during the first quarter, which benefited from exceptional favourable circumstances (storms, disruptions at the ports, and the effect of the leap year).

		First half 2008	First half 2007	Change 2008/2007
Truck Shuttles		757,423	707,422	+7%
Passenger Shuttles	Cars*	992,777	955,510	+4%
	Coaches	33,971	32,500	+5%

* *Including motorcycles, vehicles with trailers, caravans and camper vans.*

Railways' traffic

Eurostar recorded a spectacular growth in its passenger numbers following the opening of the second phase of the high speed line in the United Kingdom and the opening of the new St Pancras international station at the end of 2007.
Rail freight (now measured by using the number of trains using the Tunnel rather than the number of tonnes transported, reflecting the new pricing structure launched in October 2007) is still in decline although more slowly than in 2007. During the second quarter of the year, the traffic has been affected by several strikes in France, Belgium and Italy.

		First half 2008	First half 2007	Change 2008/2007
Eurostar*	Passengers	4,628,825	3,913,283	+18%
Rail freight (EWS/SNCF)	Trains	1,488	1,602	-7%

** Only Eurostar passengers travelling through the Channel Tunnel are included in this table. This excludes journeys made between Paris-Calais and Brussels-Lille.*

ANNEX 2

FINANCIAL RESULTS FOR THE FIRST HALF OF 2008

SUMMARY

Groupe Eurotunnel SA achieved significant revenue growth for the first half of 2008, up 11% compared to the first half of 2007 at constant exchange rates. Operating costs increased by 6% reflecting both traffic growth and planned increased expenditure on new maintenance cycles. EBITDA improved by 16% to reach €221 million. The result after taking into account the net cost of financing and debt service of €134 million, was a profit of €29 million for the first half of 2008, compared to a loss of €19 million pro forma for the first half of 2007. GET SA's net consolidated result for the first half of 2008 was a profit of €26 million, compared to a pro forma profit of €1 million for the same period in 2007 excluding the profit arising from the financial restructuring.

The figures used for 2007 as a comparative to analyse 2008's first-half results are GET SA's consolidated pro forma income for the first-half of 2007, which present the impact on this period of the new financing as if it had been put in place on the theoretical date of 1 January 2007. In order to enable a better comparison between the two periods, the consolidated pro forma income statement for the first half of 2007 presented in this Half-yearly activity report has been recalculated at the exchange rate used for the 2008 half-yearly income statement of £1=€1.259. Excluding differences arising from the use of different exchange rates to combine the results, GET SA's pro forma consolidated accounts and TNU's combined accounts for the first half of 2007 are identical up to the operating profit as can be seen from the combined income statement.

ANALYSIS OF RESULT

€ million	**GET SA 30 June 2008**	GET SA 30 June 2007 pro forma restated*	% change	TNU 30 June 2007 published
Exchange rate €/£	1.259	1.259		1.478
Shuttle services	246	224	+10%	240
Railways	133	117	+13%	127
Other revenue	7	6	+17%	6
Revenue	**386**	**347**	**+11%**	**373**
Operating expenses	(102)	(96)	+6%	(102)
Employee benefit expense	(63)	(60)	+6%	(63)
EBITDA (operating margin)	***221***	***191***	***+16%***	***208***
Depreciation	(80)	(80)		(80)
Trading profit	141	111	+27%	128
Other operating income / (expenses)	22	-		-
EBIT (operating profit)	**163**	**111**		**128**
Income from cash and cash equivalents	11	8		9
Gross cost of servicing debt	(145)	(138)		(190)
Net cost of financing and debt service	(134)	(130)		(181)
Result after net cost of financing and debt service	***29***	***(19)***		***(53)***
Profit arising from the financial restructuring	-	3,323		-
Other financial (charges)/income and income tax expenses	(3)	20		21
Net result: profit / (loss)	**26**	**3,324**		**(32)**
EBITDA/revenue	*57%*	*55%*	*+2pts*	*56%*

* *Restated at the rate of exchange used for the preparation of the 2008 half-year income statement (£1=€1.259).*

Revenues

Shuttle revenues continued to improve in the first half of 2008, due to an increase in both traffic volumes and average yields for all three Shuttle activities (truck, car and coach), and to growth in the truck and car markets. During the first months of 2008, Shuttle traffic benefited from particularly favourable circumstances, including storms in the Channel, disrupted traffic at the ports (fishermen and ferry company strikes) and the effect of the leap year. At €246 million for the first half of 2008, Shuttle revenues increased by 10% compared to the same period in 2007 at a constant exchange rate.

Revenue from the **Railways** for the first half of 2008 increased by 13% compared to the same period in 2007, to €133 million, mainly as a result in the increase in Eurostar passenger numbers (+18%) following the opening of the new international station at St Pancras and the second section of the new high-speed line in the UK.

In total, at €386 million, **revenues** for the first half of 2008 increased by 11% compared to €347 million for the first half of 2007 restated.

EBITDA (operating margin)

EBITDA improved by 16% to €221 million for the first half of 2008 compared to €191 million for the same period in 2007. The EBITDA/revenue ratio has increased from 55% for the first half of 2007 restated to 57% for the first half of 2008.

In order to meet the higher levels of traffic and maintenance activities, the Group has increased staffing levels (from an average of 2,264 for the first half of 2007 to 2,340 for the first half of 2008), contributing to higher **employee benefit expense**, up 6% from €60 million for the first half of 2007 to €63 million for the first half of 2008.

As expected, **operating costs** have increased in 2008. At €102 million for the first half of 2008, operating costs excluding employee benefit expense are €6 million higher than in the first half of 2007 restated. The main increases are in Shuttle services operating costs and rolling stock and infrastructure maintenance costs, which are €4 million higher reflecting the increased traffic activity and increased costs of the new maintenance cycles begun at the end of 2007.

Trading profit

At €141 million, the **trading profit** has improved by 27% compared to the first half of 2007.

EBIT (operating profit)

EBIT for the first six months of 2008 reached €163 million, up €52 million compared to the first half of 2007 at a constant rate of exchange.

Other operating income and expenses in the first half of 2008 include an income of €24 million relating to the settlement resulting from the agreement reached with the French government following the disturbances caused to Eurotunnel's business by the intrusion of illegal migrants coming from the Sangatte centre near Calais during the early part of the decade.

Net result

The €3 million increase in **income from cash and cash equivalents** is mainly due to the short-term investment of the proceeds from the two financial operations completed during the first half of the year. The **gross cost of servicing debt** increased by €7 million to €145 million compared to €138 million pro forma in the first half of 2007. This increase is mainly due to the revaluation of the inflation index-linked tranche of the Term Loan.

GET SA's consolidated **net result** for the first half of 2008 is a profit of €26 million, compared to a pro forma profit of €1 million for the same period in 2007 excluding the profit arising from the financial restructuring.

CASH FLOW

€ million	**GET SA** **30 June 2008**	TNU 30 June 2007
Exchange rate €/£	1.262	1.484
Net cash inflow from trading	229	189
Other operating cash flows and taxation	(1)	(33)
Net cash inflow from operating activities	**228**	**156**
Net cash flow from investing activities	(23)	(18)
Net cash flow from financing activities	694	(269)
Increase/(decrease) in cash	**899**	**(131)**

Net cash inflow from trading was €229 million for the first half of 2008 compared to €189 million for the same period in 2007 (€172 million restated at the balance sheet exchange rate at 30 June 2008 of £1=€1.262). This significant improvement is in part the result of improved receipts from Shuttle and Railways activities despite slightly higher operating expenses, and also due to the fact that payments amounting to approximately €30 million from the period prior to the opening of the Safeguard Plan in 2006 were made in the first half of 2007.

Included in **other operating cash flows** in the first half of 2008 is €9 million received from the French government relating to the agreement that was reached following the disruptions caused by the illegal immigrants between 2000 and 2002.

Cash flow from financing activities for the first half of 2007 related mainly to the financial restructuring in June 2007. In the first half of 2008, cash flow from financing activities amounted to an inflow of €694 million, including:

- proceeds of €1,715 million and costs of €51 million arising from the two financial operations completed during the period,
- €876 million paid relating to the first partial redemption of the NRS II on 10 April and the partial buy back of the NRS I on 23 June 2008,
- interest received of €10 million, and
- net interest payments of €106 million on the Term Loan.

The **net cash inflow** during the first half of 2008 was €899 million, compared to a net outflow of €131 million in the same period of 2007. €776 million was paid on 10 July 2008 to redeem the remainder of the NRS II.

OUTLOOK

The results for the first half of 2008 indicate that the Group is ahead of its forecasts described in the Update to the 2007 Reference Document dated 28 April 2008, and include:

- particularly favourable circumstances especially in the first months of the year, and
- the agreement to compensate for damages resulting from the intrusions by the illegal migrants between 2000 and 2002, the full amount of which has been recorded in the income statement for the first half of 2008 under Other operating income.

During the second half of 2008, the rate of growth of revenues may be below that of the first half of the year as a result of:

- the prospect of an economic slowdown, and
- the weakness of sterling compared to the euro, which has a mechanical effect on the Group's consolidated accounts which are reported in euros.

Notes

1 IMPORTANT EVENTS

Listing of the TNU Units ceased in London on 30 July 2007, in Brussels on 10 September 2007, and in Paris on 14 January 2008.

1.1 Early cash redemption of NRS II

In order to finance the early cash redemption of all NRS II, the Board of directors of GET SA decided, on 5 February 2008 and 14 February 2008, to issue (i) the subordinated deferred equity shares (the "SDES") and (ii) New Ordinary Shares upon exercise of share warrants (the "BSA"), allotted for free to all GET SA shareholders.

i. During the first phase of the transaction, GET SA issued 800,000 SDES at a nominal value of 1,000 euros each on 6 March 2008, the terms and conditions of which are described in the Securities Note approved by the *Autorité des marchés financiers* (AMF) under visa number 08-032 on 20 February 2008. On 10 April 2008, the proceeds of the issue of SDES, being a total principal amount of €800,000,000, were used to finance the early redemption in cash of 6,011,109 of the 11,539,914 NRS II issued on 28 June 2007 at 140% of their nominal value, for a total of £258,999,907 and €461,790,000.

ii. During the second phase of the transaction, GET SA allocated 59,784,111 free BSA to its shareholders on 30 April 2008, giving them the right to subscribe for 104,622,189 New Ordinary Shares at a price of €8.75 per share. This rights issue was fully underwritten by a banking syndicate, and the terms and conditions of this transaction are described in the Securities Note approved by the AMF under visa number 08-077 on 28 April 2008. The New Ordinary Shares resulting from this transaction were issued on 4 June 2008, and the proceeds amounting to €915,444,153.75 were principally used to redeem the remaining NRS II at 140% of their nominal value on 10 July 2008.

Following the redemption of all the NRS II, the amount of interest to be paid on the NRS has been reduced to €129 million in 2008, €18 million in 2009 and €15 million in 2010 (at an exchange rate of £1=€1.4).

1.2 Partial cash buy back of NRS I

On 23 June 2008, Groupe Eurotunnel carried out a buy back of 150,000 NRS I, at a price below that of the underlying market price.

1.3 Arbitration

Following the disturbances caused to its business by the intrusion of illegal migrants coming from the Sangatte centre between 2000 and 2002, Eurotunnel petitioned the international ad hoc Tribunal at the International Court of Justice on 17 December 2003, to seek compensation for damages suffered. In its ruling of 30 January 2007 published on 23 February 2007, the ad hoc Arbitration Tribunal recognised Eurotunnel's right to compensation, the amount of which to be determined by the Tribunal at a later date.

Following this decision, Eurotunnel entered into negotiations with the French government, and an agreement was reached whereby the French government will make a full and final settlement of €24 million, payable over three years. This agreement has now been ratified by the French government and the settlement was accounted for in the first half of 2008. Following this agreement, Eurotunnel will withdraw its claim against the French government.

The British government has also accepted the principle of an amicable agreement to the litigation, and negotiations should begin shortly.

1.4 Litigations

The implementation of the Safeguard Plan continued during the period, under the supervision of the Commissioners for the Execution of the Plan, as did certain legal proceedings. Concerning the proceedings instigated in Paris by the Resurgence Group relating to the opening and conduct of Eurotunnel's Safeguard Procedure, Resurgence has formally and irrevocably withdrawn its claims and actions and renounced its rights in relation to these proceedings. However, these proceedings continue with other parties. They are not considered likely to challenge the validity, the continuation and the completion of the Safeguard Plan. Should the outcome of certain of these proceedings be unfavourable, they could result in the payment of damages and interest. Eurotunnel remains confident of a favourable outcome to these claims, and for this reason, has not forecast that any payments will be made in relation to them.

1.5 Post balance sheet events

On 10 July 2008, GET SA completed the early cash redemption of the remaining NRS II with the proceeds from the second phase of the rights issue. 5,528,805 NRS II were redeemed at 140% of their nominal value for a total amount of £234,538,790.64 and €430,134,180.

ANNEX 3

► 2008 SECOND QUARTER REVENUE (April-June)

€ million	2nd quarter 2008	2nd quarter 2007 restated *	% Change	2nd quarter 2007 published **
Shuttles Services	125.5	119.2	+ 5%	128.3
Railways	68.4	61.6	+ 11%	66.8
Other revenue	4.2	3.5	+ 20%	3.7
Revenue	**198.1**	**184.3**	**+ 8%**	**198.8**

* *Average exchange rate for the first half of 2008: 1£=€1.259*
** *Average exchange rate for the first half of 2007: £1=€1.478*

► 2008 SECOND QUARTER TRAFFIC (April-June)

		SECOND QUARTER 2008		
		2nd quarter 2008	2nd quarter 2007	Change
Truck shuttles	Trucks	372,278	358,063	+ 4%
Passenger shuttles	Cars [1]	538,701	545,898	- 1%
	Coaches	20,108	19,580	+ 3%
Eurostar [2]	Passengers	2,453,783	2,120,634	+ 16%
Rail freight (EWS/SNCF)	Trains	744	749	- 1%

[1] *Including motorcycles, vehicles with trailers, caravans and camper vans. Easter 2008 fell during the first quarter*

[2] *Only Eurostar passengers travelling through the Channel Tunnel are included in this table. This excludes journeys made between Paris-Calais and Brussels-Lille.*