PRESS RELEASE

GET 2011/04

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2010 ANNUAL RESULTS

- **Revenues increased substantially[1] to €737 million (+26% at a constant exchange rate[2])**
- **No insurance indemnities for operating losses following the fire in 2008 accounted for in 2010 (€69 million included in 2009)**
- **Trading profit increased to €180 million and, like for like[3], by +80%**
- **Net loss of €57 million due to the absence of insurance indemnities and to a charge of €4.5 million linked to the reconditioning of a Shuttle**
- **Increase in cash to €316 million at 31 December 2010, compared to €251 million at 31 December 2009**
- **Continuation of dividend policy: dividend payment to be put to vote at AGM on 28 April 2011 (4 euro cents)**

The board of directors, chaired by Jacques Gounon has finalised the accounts for the year to 31 December 2010:

Jacques Gounon, Chairman and Chief Executive Officer of the Eurotunnel Group stated:

"Eurotunnel has regained its place as leader in the cross-Channel market and is developing its activities in rail freight, a sector which fits perfectly with the Group's ambitions for sustainable development. As announced previously, the delay in payment of the insurance indemnities has impacted heavily on our net result but the Group is working to rectify this situation. As proof of our confidence, we will propose a dividend payment for 2010 at the AGM."

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[1] NB The Eurotunnel Group acquired 4 new French subsidiaries on 30 November 2009 via its subsidiary Europorte which were consolidated from 1 January 2010 (Europorte France, Europorte Link, Europorte Proximité and Socorail), and acquired a new British subsidiaries GB Railfreight Ltd (GBRf) on 28 May 2010. These companies did not therefore contribute to revenues in 2009, but in 2010 they contributed €96 million to the Group's revenues.

[2] The 2009 consolidated income statement figures have been recalculated at the average exchange rate for 2010 of £1=€1.169 to enable a better comparison between the two years.

[3] In this press release, "like for like" signifies not taking account the €69 million of insurance indemnities for operating losses accounted for in 2009.

KEY EVENTS FROM THE PAST YEAR:

- **Concession for the cross-Channel Fixed Link**

  - **Regained historic Truck Shuttle market share at the end of the year. The cross-Channel truck market has experienced a significant contraction estimated at -16% since 2007, although it did grow by 3% in 2010.**
  - **Growth of 3% in Eurostar passenger numbers to more than 9.5 million in 2010.**
  - **Request from Deutsche Bahn to run direct services between London and major cities in Germany and Holland.**
  - **Groupe Eurotunnel SA, listed in Paris and London, was the only euro zone stock to be included in the MSCI growth index, on 10 February 2010. Groupe Eurotunnel SA was also included in the "CAC Next 20" index on the Paris Bourse from 21 June 2010.**

- **Europorte**

  - **Acquisition of GBRf, the third largest rail freight operator in the UK on 28 May 2010, for £25.7 million (equivalent to €30 million): Eurotunnel Group has become a major player in European rail freight.**
  - **Contribution of almost €100 million to 2010 revenues.**

CURRENT SITUATION and OUTLOOK:

Legal proceedings concerning insurance indemnities for the fire in September 2008

The litigation launched by Eurostar and SNCF in May 2009 against Eurotunnel's first–layer insurers resulted in the freezing of €59 million of indemnities. €11 million of this was released in February 2011. The Group is working to secure a settlement of this issue. No indemnities have been accounted for in turnover in 2010.

Operating performance

The operating margin of €336 million is a small improvement on 2009, even though no additional insurance indemnities for operating losses resulting from the fire in September 2008 have been taken into account. The trading profit increased by €10 million to €180 million in 2010 (+€80 million like for like) largely due to a reduction in depreciation of €8 million.

The operating profit (EBIT) has also improved, by €20 million due to net other operating income of €10 million principally constituted of an amount of €13 million of negative goodwill arising from the acquisition of the companies acquired in November 2009.

Due to the mechanical effect of the increase of inflation in the UK on the indexed element of the debt, gross financial charges have increased by €56 million, to €255 million. Interest charges have returned to levels close to those in 2008 following the reduction in inflation in 2009. The increase in interest charges in 2010 is without impact on cash flow for the year as the indexation of the nominal does not give rise to a cash payment until its reimbursement.

Eurotunnel continues to generate a significant operating cash-flow; the net cash inflow for 2010 was €60 million compared to a net cash outflow of €30 million in 2009.

Outlook

- Preparation for the Olympic Games in London in 2012: in order to further increase departure frequency in 2012 the Eurotunnel Group is working to bring back into service the Passenger Shuttle which was withdrawn in 2005. The Group has accounted for a charge of €4.5 million for the write-off of certain elements of this Passenger Shuttle prior to its reconditioning.

- The situation of SeaFrance: Eurotunnel will remain vigilant regarding the conditions for SeaFrance's recapitalisation, as it risks being a major destabilising factor for all the players in the cross-Channel market.

- In the short term there appears to be an increase in activity, which is likely to build up gradually according to the different segments. In the medium term, the Group remains confident in its capacity to generate sustainable growth and through developing its business streams to improve its resistance to economic variations. The Group currently anticipates growth in the freight market of between 4 and 5% in 2011.

- The price of oil remaining above $110 for several months is a serious possibility according to many economists. This increase has already led operators in the airline, maritime and tourist sectors to announce fuel surcharges on to their transport costs. Eurotunnel, however, remains almost unaffected by this phenomenon as its rail services are powered by low-carbon electricity.

- The dynamism amongst the passenger train operators should lead to growth in traffic levels. Deutsche Bahn is preparing to launch direct services between London and major cities in Germany and Holland. Eurostar is preparing to launch new services to Amsterdam, the south east of France and to Switzerland, which could help Eurostar reach the level of 10 million passengers in a year for the first time in their history. Overall, the new destinations represent a market estimated at between 3 and 4 million passengers per year.

REVIEW OF THE FINANCIAL SITUATION AND CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2010

Pursuant to EC Regulation 1606/2002 of 19 July 2002 on the application of international accounting standards, the consolidated financial statements of GET SA for the financial year ended 31 December 2010 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2010.

The following information relating to Groupe Eurotunnel SA's financial situation and consolidated results must be read in conjunction with the consolidated financial statements in paragraph 20.3.1 of the 2010 Reference Document.

1. Comparison of income statement for the financial years ended 31 December 2009 and 31 December 2010

€ million	2010	2009 restated(*)	% change	2009 published
Exchange rate €/£	1.169	1.169		1.119
Shuttle Services	366	319	+15%	311
Railway network	263	255	+3%	250
Other revenue	10	10	-1%	10
Sub-total Concession	**639**	**584**	**+9%**	**571**
Europorte	98	–	+100%	–
Revenue	**737**	**584**	**+26%**	**571**
Other income	–	69	-100%	69
Total turnover	**737**	**653**	**+13%**	**640**
External operating expenses	(235)	(197)	+18%	(195)
Employee benefits expense	(166)	(122)	+36%	(120)
Operating margin (EBITDA)	**336**	**334**	**+1%**	**325**
Depreciation	(156)	(164)	-5%	(164)
Trading profit	**180**	**170**	**+5%**	**161**
Other operating income	10	–		–
Operating profit (EBIT)	**190**	**170**		**161**
Income from cash and cash equivalents	7	3		3
Gross cost of servicing debt	(255)	(199)	+28%	(195)
Net cost of financing and debt service	(248)	(196)	+27%	(192)
Other financial income and income tax expense	1	33		32
Result for the year: (loss)/profit	**(57)**	**7**		**1**

* *In order to enable a better comparison between the two years, the 2009 consolidated income statement presented above has been recalculated at the exchange rate used for the 2010 income statement of £1 = €1.169.*

Key figures: income statement

The Group's new French rail freight subsidiaries (Europorte France, Europorte Link, Europorte Proximité and Socorail) which were acquired on 30 November 2009 have been consolidated with effect from 1 January 2010, and the new British rail freight subsidiary GB Railfreight Ltd (GBRf) has been consolidated from its date of acquisition on 28 May 2010 (i.e. for 7 months of 2010). The total contribution of these entities to the Group's consolidated trading result in 2010 is given in the table below.

€ million	2010
Revenue	96
External operating expenses	(56)
Employee benefits expense	(40)
Operating margin (EBITDA)	–
Depreciation	(4)
Trading loss	**(4)**

Summary

Whilst reading this section, it must be remembered that the section of the Tunnel that was damaged by the fire on 11 September 2008 remained closed until 9 February 2009. This closure, as well as its consequences on the commercial activity after re-opening, had a negative impact on Shuttle Services revenues in 2009, and to a lesser extent, on the revenues arising from the use of the railway network for that same period. The activity in 2010 continued to be affected by the consequences of the fire. Operating losses resulting from the fire were covered by insurance until September 2010. Nevertheless, in the context described in note A to the 2010 consolidated financial statements in paragraph 20.3.1 of the 2010 Reference Document, no additional indemnities for operating losses were accounted for during 2010.

In 2010, Eurotunnel recorded organic growth in its revenues of 9 % at a constant exchange rate. Including the contribution of Europorte's new rail freight subsidiaries of €96 million in 2010, total consolidated revenues increased by 26% to €737 million.

At €366 million in 2010, Shuttle revenues improved by 15% reflecting the gradual recovery in market share since the full re-opening of the Tunnel in February 2009. Revenues arising from the use of the railway network increased by 3%. Excluding the €96 million additional operating expenses of the newly-acquired companies, operating expenses decreased by €14 million at a constant exchange rate and scope of consolidation, of which €11 million is due to a reduction in insurance premiums.

The operating margin of €336 million increased slightly compared to 2009 despite the fact that no additional insurance indemnities relating to operating losses following the fire in September 2008 were accounted for in 2010, whilst in 2009 €69 million was recorded. After taking into account a reduction of €8 million in depreciation charges, and an increase in net other operating income of €10 million, the 2010 operating profit amounted to €190 million, an improvement of €20 million compared to 2009.

The gross cost of servicing debt increased by €56 million at a constant exchange rate, the result of the mechanical impact of increased inflation rates on the index-linked tranche of the debt. Taking into account this increase in financial charges and the release of a €29 million provision in 2009, Groupe Eurotunnel SA's consolidated net result for 2010 was a loss of €57 million compared to a profit of €7 million (restated) for the 2009 financial year.

1.1 Revenues

Revenues arising from the activities grouped within the Tunnel Concession segment amounted to €639 million in 2010, an organic growth of 9% compared to 2009 at a constant exchange rate and scope of consolidation.

In total, revenue in 2010 amounted to €737 million, of which €96 million was realised by the new rail freight subsidiaries consolidated for the first time in 2010. Revenues for 2009 were €584 million restated at the 2010 exchange rate. The Eurotunnel Group's total consolidated revenues for 2010 amounted to €737 million, an increase of 26% compared to 2009.

a) Tunnel Concession revenues

i) Shuttle Services

Traffic		**2010**	**2009**	**% change**
Truck Shuttle		1,089,051	769,261	+42%
Passenger Shuttle	Cars(*)	2,125,259	1,916,647	+11%
	Coaches	56,507	54,547	+4%

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

Compared to 2009, Shuttle Services revenues increased by 15% in 2010, to €366 million.

Truck Shuttle

The cross-Channel truck market continued to be affected by the economic situation, with a market contraction of approximately 16% in 2010 compared to 2007. The market did however grow by more than 3% in 2010 compared to 2009.

Eurotunnel's Truck Shuttle traffic increased by 42% compared to 2009, and its market share, which had been affected by the consequences of the fire in September 2008, recovered well during the course of 2010 to regain its pre-fire levels during the last quarter of the year. The number of trucks transported nevertheless remained below 2007, reflecting the continued sluggishness of the market.

Passenger Shuttle

In 2010, the cross-Channel car market grew by approximately 6% compared to 2009, returning to a level just above that of the period prior to the fire. This growth is explained mainly by the continuation of the transfer from air travel to more flexible and cheaper travel by car, and in 2010 specifically by the consequences of the eruption of the Icelandic volcano on air travel in the spring.

Eurotunnel's car traffic increased by 11% in 2010 compared to 2009, and its market share, which had already returned to pre-fire levels during the last quarter of 2009, improved by almost 2 points to 43% for 2010.

The coach market grew by approximately 4% compared to 2009, but was nonetheless almost 8% below 2008. Eurotunnel's coach traffic also increased by 4% in 2010 compared to the previous year, and its market share remained stable.

ii) Railway network

Traffic		**2010**	**2009**	**% change**
Passenger trains (Eurostar)	Passengers(*)	9,528,558	9,220,233	+3%
Rail freight trains (**).................	Number of tonnes	1,128,079	1,181,089	-4%
	Number of trains	2,097	2,403	-13%

* *Only passengers travelling through the Channel Tunnel are included in this table, excluding those who travel between Paris-Calais and Brussels-Lille.*

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

In 2010, the Eurotunnel Group earned revenues of €263 million from the use of the Tunnel's railway network by Eurostar's passenger trains and by rail operators' rail freight services, an increase of 3% compared to 2009 as a result of the increased number of Eurostar passengers travelling through the Tunnel.

The increase in Eurostar passenger numbers during the first half of 2010 eased off slightly in the second half to give an increase of 3% for the year as a whole.

The increase in the number of rail freight trains during the first quarter gave way to a sharp decline over the remainder of the year, in particular due to the numerous national strikes and to the ending of wagonload services. Nevertheless, several new inter-modal and train load services were launched during the year.

b) Europorte revenues

In 2010, Europorte's revenues of €98 million were generated by the activities of Europorte and its French subsidiaries (Europorte Channel and the companies acquired on 30 November 2009), of GBRf (for the 7 months from its acquisition on 28 May 2010) and of the management of the rail freight zone at the port of Dunkirk. The contribution of the newly-acquired companies to the consolidated Group revenues for the 2010 financial year was €96 million.

1.2 Total turnover

Other income corresponds to insurance indemnities relating to operating losses following the fire in 2008. In the light of the situation as described in note A to the 2010 consolidated financial statements in paragraph 20.3.1 of the 2010 Reference Document, no additional indemnities for operating losses have been accounted for during 2010. Insurance indemnities of €69 million were accounted for in 2009.

1.3 Operating margin (EBITDA)

a) External operating expenses

In 2010, external operating expenses totalled €235 million, an increase of €38 million compared to 2009. At a constant exchange rate and scope of consolidation, these costs decreased by €18 million of which

€11 was due to the reduction in insurance premiums following the substantial increase in 2009 resulting from the fire in 2008, and a €5 million reimbursement of local rates in England.

b) Employee benefits expense

Total employee benefits expense in 2010 amounted to €166 million, an increase of €44 million compared to 2009 of which €40 million resulted from the change in scope of consolidation. At 31 December 2010, the Group employed 3,280 staff, 954 of whom were employed by the newly-acquired companies. At a constant exchange rate and scope of consolidation, employee benefits expense increased by 3% in 2010.

The operating margin of €336 million in 2010 improved slightly (1%) compared to 2009 despite the fact that no insurance indemnity for operating losses following the fire in September 2008 was accounted for in 2010.

1.4 Operating profit (EBIT)

Depreciation charges decreased by €8 million in 2010 mainly as a result of the end of depreciation of assets amortised over a period of 15 years and the accelerated depreciation of certain equipment accounted for in 2009.

Net other operating income of €10 million in 2010 consisted mainly of negative goodwill of €13 million arising from the first consolidation of the companies acquired on 30 November 2009 (see note D of the 2010 financial statements in paragraph 20.3.1 of the 2010 Reference Document), partially offset by a charge of €4.5 million for the write-off of some equipment on a Passenger Shuttle prior to its rehabilitation.

The operating profit for 2010 was €190 million, an increase of €20 million compared to 2009.

1.5 Net cost of financing and debt service

Income from cash and cash equivalents increased by €4 million mainly corresponding to the interest received on a re-imbursement of VAT in the UK.

At €255 million in 2010, the gross cost of servicing debt increased by €56 million compared to 2009 at a constant exchange rate as a result of the impact of increased inflation rates on the nominal value of the index-linked tranche of the debt. Interest charges have returned to a level close to that seen in 2008 before the significant fall in inflation rates in 2009. The increase in interest charges in 2010 had no impact on cash flows for the period as the impact of the indexation on the nominal gives rise to cash payments only upon repayment of the debt.

In 2009, net other financial income of €33 million included a release of provision for risk of €29 million.

1.6 Net result

Groupe Eurotunnel SA's consolidated net result for the 2010 financial year was a loss of €57 million compared to a net profit of €7 million in 2009 (restated at the 2010 exchange rate). Despite the €20 million improvement in the operating profit, the €64 million deterioration in the net result is mainly due to the €52 million increase in net financing costs and to the impact of the €29 million release of provision accounted for in 2009 (these two element having no impact on cash flows of the period).

2. Cash flows in 2010 and 2009

€ million	**Year ended 31 December 2010**	**Year ended 31 December 2009**
Exchange rate €/£	**1.162**	**1,126**
Net cash inflow from trading	353	276
Other operating cash flows and taxation	3	5
Net cash inflow from operating activities	**356**	**281**
Net cash outflow from investing activities	(70)	(50)
Net cash outflow from financing activities	(226)	(261)
Increase/(decrease) in cash in year	**60**	**(30)**

In total, the net cash inflow in 2010 was €60 million compared to a net cash outflow of €30 million in 2009.

2.1 Cash flow from operating activities

At €356 million the net cash inflow from operating activities increased by €75 million in 2010 compared to 2009. This increase is mainly explained by:

- an increase in Concession revenue receipts of €44 million, mainly for Shuttle Services,
- a decrease in Concession operating expenditure of €43 million (of which €11 million was for lower insurance premiums, €5 million for a reimbursement on UK rates, and €20 million due to additional payments in 2009 relating to maintenance operations in 2008),
- an increase of €5 million for the net cash inflow from the new companies' trading;
- a reduction in net insurance indemnities following the fire in 2008 of €22 million compared to 2009, and
- a €5 million increase due to the change in exchange rate used to consolidate the two exercises.

2.2 Cash flow from investing activities

At €70 million in 2010 cash flow from investing activities, which increased by €20 million compared to 2009, comprised:

- a payment of €30 million for the acquisition of GBRf on 28 May 2010 and €2 million relating to the contractual price adjustment on the purchase of the subsidiaries acquired at the end of 2009 (in addition to the €19 million paid in 2009),
- €4 million cash brought by the newly-acquired subsidiaries on entry into the scope of consolidation,
- a receipt of €6 million relating to compensation for rolling stock destroyed during the fire (€10 million already received in 2009),
- €50 of capital expenditure (€41 million in 2009) of which €5 million was spent by the new subsidiaries, and
- receipts of €2 million from sales of assets.

2.3 Cash flow from financing activities

In 2010, cash outflows from financing activities amounted to €226 million, a reduction of €35 million compared to 2009 mainly as a result of the absence of cash spent on the financial operations carried out during 2009. Cash flows from financing activities in 2010 principally comprised:

- €206 million interest paid on the Term Loan and associated hedging transactions (€201 million in 2009), the effect of the indexation of the nominal giving rise to cash payments only on its repayment),
- €6 million interest paid on the NRS (€18 million in 2009),
- €18 million paid in dividends (€7 million paid in 2009),
- net payments totalling €3 million relating to treasury share transactions,
- €2 million of payments of costs charged to share premium, and
- interest received of €9 million.

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Forthcoming events in 2011

18 April 2011: traffic and revenues for first quarter of 2011
28 April 2011: AGM Groupe Eurotunnel SA

Additional information

The Eurotunnel Group has registered its annual financial report for the year ended 31 December 2010 with the AMF (the French market authority). Groupe Eurotunnel SA's consolidated and company accounts at 31 December 2010 were finalised by the board of directors on 3 March 2011.

Status of the accounts for the 2010 financial year as regards to the audit: accounts certified.

This press release and the Reference Document containing Groupe Eurotunnel SA's annual accounts at 31 December 2010 will be available on our website, www.eurotunnelgroup.com, on the "regulated information" page.