PRESS RELEASE

GET 2014/27

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Groupe Eurotunnel SA: Results and traffic up in the first half of 2014

- **Revenues: a further increase to €559 million (+8%[1])**
- **EBITDA progresses by 6% to €216 million.**

➢ **Channel Tunnel Fixed Link Concession:**

- **Revenues increased to €393 million (+5%)**
- **Railway traffic:**
  - Growth in the number of passengers on high-speed trains (+2%)
  - Strong increase in the number of rail freight trains (+15%)

➢ **Europorte:**

- **Continuing growth in revenues (+10 %) to €127 million.**

➢ **MyFerryLink:**

- **Increase in revenues by 31% to €39 million.**

Jacques Gounon, Chairman and Chief Executive Officer of Groupe Eurotunnel SA, stated:
"*All areas of our business are growing. The Fixed Link achieved a record level of operating margin in a very active cross-Channel market. The new environmental constraints which will be imposed on the ferry companies from 1 January 2015 reinforce the attractiveness of the Fixed Link.****"***

[1] All comparisons with the income statement figures for the first half of 2013 are made at the exchange rate used for the first half of 2014: £1=€1.229.

Significant events in the half year

- **The European Commission indicated in April to the French and British governments that it has dropped its objections set out in its reasoned opinion of 20 June 2013 linked to the level of access charges for the Channel Tunnel, thereby validating Eurotunnel's charging structure and economic model.**

- **The Competition and Markets Authority (CMA) has prohibited MyFerryLink from operating the Berlioz and the Rodin from Dover within 6 months from the date of the official order, even though this decision was rejected on appeal in December 2013.**

The Fixed Link: solid growth in a highly competitive environment

During the first half of 2014, revenues from Shuttle Services increased by 6%, by comparison to the first half of 2013. The car activity has been sustained with 1,120,487 vehicles (+5%) and a very strong market share of 54% in a slightly growing cross-Channel market (+1%), Truck traffic has increased by 3% to 698,531 trucks. Eurotunnel continues to benefit from the upturn in the UK economy and to attract customers with its frequent shuttle departures. In a growing market, Eurotunnel has maintained its established market share at 38%.

Revenues from the railway network increased by 3% in the first half year. For Eurostar, this positive trend slowed during in the spring and was affected by the SNCF strikes in June (no Eurostar cancellations, but as connections were not guaranteed, some passengers were dissuaded from taking the train) and limited passenger growth to just 2% compared to the first half of 2013, the 5 million passenger mark has been passed for the first time.

Eurostar has also announced that the arrival of the new Siemens Velaro trains which will significantly increase the comfort and attractiveness of its services.

The rail freight business grew substantially (+15%) due to the commercial impact of the ETICA (Eurotunnel Incentive for Capacity Additions) scheme which provides support for start-ups and despite the impact of the SNCF strike during the month of June which caused major disturbance to traffic.

Europorte: new contracts

Europorte, which comprises the rail freight subsidiaries of Groupe Eurotunnel SA in France and the United Kingdom, continues to see strong growth in revenues (+10%) as a result of new contracts. These require additional start up costs, which explains the 13% increase in operating costs; the SNCF strike which prevented Europorte trains from circulating in France in June also contributed to the deterioration in the operating margin.

GB Railfreight, the third largest freight operator in the UK also continued to grow thanks to the strengthening of growth areas in the United Kingdom particularly where intermodal and bulk transport activities have benefitted from the economic upturn. Amongst the numerous contracts signed, the 11 train per week Sibelco contract to transport silica sand from Kings Lynn in Norfolk to Goole in Yorkshire stands out.

MyFerryLink: a credible alternative in the cross-Channel market

Freight traffic has leapt by 30% despite the series of negative announcements from the CMA, which is a clear indication of customer support for MyFerryLink. For cars, a continuing lack of awareness of MyFerryLink is slowing its progression.

It is on behalf of the customers who are attracted in significant numbers to the quality service offered by this maritime operator that Eurotunnel is appealing the prohibition, decreed by the CMA, from operating out of Dover. This decision, if it is confirmed, would lead immediately to a reduction in consumer choice across the Channel and would probably increase prices for consumers.

A reduction in net finance costs

The consolidated figures for the first half of the year show an increase of €12 million in EBITDA to €216 million despite a highly competitive market. Revenues and the operating result are subject to significant seasonal variations through the year.

For the Fixed Link, this is the fifth year in succession with an increase in EBITDA, which has reached a record level (€221 million).

Operating costs for the Fixed Link have increased by 6% to €172 million, although comparison with the previous year must take into account an exceptional insurance indemnity received in 2013.

For the first six months of the year, net finance costs have reduced by €6 million as a result of the impact of the reduction in the inflation rate in the UK on the cost of the indexed tranche of the debt and of debt repayments.

Free cash flow at the end of June amounted to €215 million.

For the first half of 2014, the Group has recorded a net loss of €11 million. Excluding the losses from MyFerryLink, the consolidated net result for the Group is positive at €3 million.

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REVENUE

First half (January - June)

€ million	1st half 2014	1st half 2013 restated*	% change	1st half 2013 published**
Shuttle Services	236.9	224.4	+6%	219.6
Railway network	149.1	144.3	+3%	141.1
Other revenues	6.6	6.1	+8%	6.0
Sub-total Fixed Link	**392.6**	**374.8**	**+5%**	**366.7**
Europorte	126.9	114.7	+10%	112.1
MyFerryLink	39.1	29.9	+31%	29.8
Revenue	**558.6**	**519.4**	**+8%**	**508.6**

* *Average exchange rate for the first half of 20134: £1=€1.229*

** *Average exchange rate for the first half of 2013: £1=€1.174*

Reminder: first quarter (January - March)

€ million	1st quarter 2014	1st quarter 2013 restated*	% change	1st quarter 2013 published**
Shuttle Services	106.5	101.8	+5%	100.9
Railway network	70.2	68.9	+2%	68.2
Other revenues	3.1	2.6	+20%	2.6
Sub-total Fixed Link	**179.8**	**173.3**	**+4%**	**171.7**
Europorte	62.4	56.0	+11%	55.4
MyFerryLink	18.3	11.2	+64%	11.2
Revenue	**260.5**	**240.5**	**+8%**	**238.3**

* *Average exchange rate for the first quarter of 2014: £1=€1.207*

** *Average exchange rate for the first quarter of 2013: £1=€1.183*

Second quarter (April - June)

€ million	2nd quarter 2014	2nd quarter 2013 restated	% change	2nd quarter 2013 published
Shuttle Services	130.4	122.6	+6%	118.7
Railway network	78.9	75.4	+5%	72.9
Other revenues	3.5	3.5	0%	3.4
Sub-total Fixed Link	**212.8**	**201.5**	**+6%**	**195.0**
Europorte	64.5	58.7	+10%	56.7
MyFerryLink	20.8	18.7	+12%	18.6
Revenue	**298.1**	**278.9**	**+7%**	**270.3**

FIXED LINK TRAFFIC

First half

		1st half 2014	1st half 2013	% change
Truck Shuttles		698,531	677,702	+3%
Passenger Shuttles	Cars*	1,120,487	1,071,164	+5%
	Coaches	33,188	33,723	-2%
High-Speed Passenger Trains (Eurostar)**	Passengers	5,041,375	4,944,655	+2%
Rail freight***	Tonnes	839,753	676,032	+24%
	Trains	1,483	1,287	+15%

Reminder: 1st quarter

		1st quarter 2014	1st quarter 2013	% change
Truck Shuttles		347,021	333,167	+4%
Passenger Shuttles	Cars*	448,481	445,653	+1%
	Coaches	11,963	12,740	-6%
High-Speed Passenger Trains (Eurostar)**	Passengers	2,305,578	2,232,516	+3%
Rail freight***	Tonnes	399,991	323,230	+24%
	Trains	706	624	+13%

Second quarter

		2nd quarter 2014	2nd quarter 2013	% change
Truck Shuttles		351,510	344,535	+2%
Passenger Shuttles	Cars*	672,006	625,511	+7%
	Coaches	21,225	20,983	+1%
High-Speed Passenger Trains (Eurostar)**	Passengers	2,735,797	2,712,139	+1%
Rail freight***	Tonnes	439,762	352,802	+25%
	Trains	777	663	+17%

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

** *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.*

MYFERRYLINK TRAFFIC

First half

	1st half 2014	1st half 2013	% change
Freight	183 913	141 377	+30%
Cars*	108 825	116 606	-7%
Coaches	932	279	+234%

Reminder: 1st quarter

	1st quarter 2014	1st quarter 2013	% change
Freight	91 450	56 795	+61%
Cars*	35 474	30 308	+17%
Coaches	420	15	-

Second quarter

	2nd quarter 2014	2nd quarter 2013	% change
Freight	92 463	84 582	+9%
Cars*	73 351	86 298	-15%
Coaches	512	264	+94%

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

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GROUPE EUROTUNNEL SA
HALF-YEARLY FINANCIAL REPORT*
FOR THE SIX MONTHS TO 30 JUNE 2014

* *English translation of GET SA's 2014 "*rapport financier semestriel*" for information purposes only.*

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HALF-YEARLY ACTIVITY REPORT AT 30 JUNE 2014

To enable a better comparison between the two periods, Groupe Eurotunnel SA's consolidated income statement for the first half of 2013 presented in this half-yearly activity report has been recalculated at the exchange rate used for the 2014 half-yearly income statement of £1=€1.229.

SUMMARY

The Group's consolidated revenues for the first half of 2014 amounted to €559 million, an increase of €40 million or +8% compared to the first half of 2013. Operating costs of €343 million increased by €28 million compared to the first half of 2013 of which €18 million arose from the activities of Europorte and MyFerryLink and €10 million from those of the Fixed Link (including €4 million relating to an insurance indemnity received in 2013). EBITDA improved by €12 million to €216 million, and at €132 million the operating profit improved by €11 million. Net financial costs decreased by €6 million.

For the first half of 2014, the Group recorded a net loss of €11 million (including a loss of €14 million for the MyFerryLink segment) after an income tax charge of €2 million.

Free cash flow generated changed from €17 million in the first half of 2013 to €12 million in the first half of 2014 mainly as a result of increased capital expenditure.

At 30 June 2014, the Group held cash balances of €215 million (€277 million at 31 December 2013) after capital expenditure of €60 million, payment of a dividend of €81 million and €16 million in debt repayments.

€ million Exchange rate €/£	30 June 2014 1.229	30 June 2013 restated * 1.229	Change €M	 %	30 June 2013 published 1.174
Fixed Link	393	374	+19	+5%	367
Europorte	127	115	+12	+10%	112
MyFerryLink	39	30	+9	+31%	30
Revenue	**559**	**519**	**+40**	**+8%**	**509**
Fixed Link	(172)	(162)	+10	+6%	(159)
Europorte	(121)	(107)	+14	+13%	(105)
MyFerryLink	(50)	(46)	+4	+9%	(46)
Operating costs	**(343)**	**(315)**	**+28**	**+9%**	**(310)**
Operating margin (EBITDA)	**216**	**204**	**+12**	**+6%**	**199**
Depreciation	(82)	(82)	–	–	(82)
Trading profit	**134**	**122**	**+12**	**+9%**	**117**
Net other operating charges	(2)	(1)	+1		(2)
Operating profit (EBIT)	**132**	**121**	**+11**	**+9%**	**115**
Net finance cost	(136)	(142)	(6)	-4%	(138)
Other net financial (charges)/income	(5)	7	(12)		7
Pre-tax result: loss	**(9)**	**(14)**	**+5**		**(16)**
Income tax expense	(2)	(2)			(2)
Net result: loss	**(11)**	**(16)**	**+5**		**(18)**

* *Restated at the rate of exchange used for the 2014 half-year income statement (£1=€1.229).*

The evolution of the pre-tax result by segment compared to the first half of 2013 is presented below:

€ million Improvement/(deterioration) of result	Fixed Link	Europorte	MyFerryLink	Total Group
Pre-tax result for the first half of 2013 restated at the 2014 exchange rate	**5**	**–**	**(19)**	**(14)**
Improvement/(deterioration) of result:				
Revenue	+19	+12	+9	**+40**
Operating expenses	(10)	(14)	(4)	**(28)**
EBITDA	**+9**	**(2)**	**+5**	**+12**
Depreciation	(1)	1	–	**–**
Trading result	**+8**	**(1)**	**+5**	**+12**
Net other operating income/charges	(1)	–	–	**(1)**
Operating result (EBIT)	**7**	**(1)**	**+5**	**+11**
Net finance cost	+6	–	–	**+6**
Other net financial charges	(13)	+1	–	**(12)**
Total changes	**–**	**–**	**+5**	**+5**
Pre-tax result for the first half of 2014	**5**	**–**	**(14)**	**(9)**

1. Fixed Link Concession segment

The Group's core business is the Channel Tunnel Fixed Link Concession which operates and directly markets its integrated vehicle transport service (Shuttles) and also manages the circulation of the Train Operators' services through its Railway Network in return for the payment of a toll. This segment also includes the Group's corporate services.

€ million Exchange rate £1=€1.229	30 June 2014	30 June 2014 restated	Change €M	Change %
Shuttle Services	237	224	+13	+6%
Railway Network	149	144	+5	+3%
Other revenue	7	6	+1	+8%
Revenue	**393**	**374**	**+19**	**+5%**
External operating costs	(97)	(89)	+8	+9%
Employee benefits expense	(75)	(73)	+2	+3%
Operating costs	**(172)**	**(162)**	**+10**	**+6%**
Operating margin (EBITDA)	**221**	**212**	**+9**	**+4%**
EBITDA / revenue	*56.2 %*	*56.8 %*		*-0.6pt*

1.1. Fixed Link Concession revenues

Revenue generated by this segment, which represents 70% of the Group's total revenue, increased by 5% to €393 million compared to the first half of 2013.

a) Shuttle Services

Traffic	1st quarter (January to March)			2nd quarter (April to June)			1st half (January to June)		
(number of vehicles)	2014	2013	% change	2014	2013	% change	2014	2013	% change
Truck Shuttle:									
Trucks	347,021	333,167	+4%	351,510	344,535	+2%	698,531	677,702	+3%
Passenger Shuttle:									
Cars*	448,481	445,653	+1%	672,006	625,511	+7%	1,120,487	1,071,164	+5%
Coaches	11,963	12,740	-6%	21,225	20,983	+1%	33,188	33,723	-2%

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

At €237 million, Shuttle Services revenues increased by 6% compared to the first half of 2013.

i) *Truck Shuttles*

The Short Straits cross-Channel market for trucks has continued to grow in 2014, up by an estimated 7% compared to the first half of 2013. During the first half of 2014 the number of trucks transported by the Shuttles increased by 3% compared to the first half of 2013 and the Truck Shuttle's market share was 38%, a decrease of 1.4 points.

ii) *Passenger Shuttles*

The Short Straits cross-Channel car market grew in the first half of 2014 by an estimated 1%. The number of cars transported by the Shuttles increased by 5% and the Passenger Shuttle's share of the car market increased by two points to reach 54.5% for the period.

The number of coaches transported by the Fixed Link during the half-year decreased by 2% and its market share was at 41%.

b) Railway network

Traffic	1st quarter (January to March)			2nd quarter (April to June)			1st half (January to June)		
	2014	2013	% change	2014	2013	% change	2014	2013	% change
High-Speed Passenger Trains Eurostar:									
Passengers*	2,305,578	2,232,516	+3%	2,735,797	2,712,139	+1%	5,041,375	4,944,655	+2%
Train Operators' Rail Freight Services**:									
Tonnes	399,991	323,230	+24%	439,762	352,802	+25%	839,753	676,032	+24%
Trains	706	624	+13%	777	663	+17%	1,483	1,287	+15%

* *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.*

For the first half of 2014, revenues arising from the use of the Tunnel's railway network by Eurostar high-speed trains and rail freight trains increased by 3% to €149 million.

The number of Eurostar passengers travelling through the Tunnel increased by 2% compared to the first half of 2013, reaching 5.0 million.

The number of rail freight trains increased by 15%, primarily as a result the ETICA (Eurotunnel Incentive for Capacity Additions) programme launched by Eurotunnel to support the start-up of new rail freight services through the Channel Tunnel.

1.2. Fixed Link Concession operating costs

At €172 million, the Fixed Link's operating costs for the first half of 2014 increased by 6% compared to the first half of 2013. Excluding the impact of a one-off €4 million insurance indemnity received in 2013, operating costs increased by 3.5%.

2. Europorte Segment

The Europorte segment covers the entire rail freight transport logistics chain in France and the UK. It includes GBRf in the UK, and Europorte France and Socorail in France.

€ million Exchange rate £1=€1.229	**30 June 2014**	**30 June 2013 restated**	**Change €M**	**Change %**
Revenue	127	115	+12	+10%
External operating costs	(75)	(66)	+9	+14%
Employee benefits expense	(46)	(41)	+5	+12%
Operating costs	**(121)**	**(107)**	**+14**	**+13%**
Operating margin (EBITDA)	**6**	**8**	**(2)**	**-21%**

2.1. Europorte revenues

The increase of €12 million (10%) in Europorte's revenue was mainly generated by new contracts starting in the first half of 2014. Europorte France's activity was affected significantly by the SNCF strike in June 2014 (estimated impact of €1 million).

2.2. Europorte operating costs

Operating costs increased by 13% reflecting the increase in activity as well as the additional costs generated by the start-up of several new contracts during the first half of 2014.

3. MyFerryLink segment

The Eurotunnel Group's maritime subsidiaries "MyFerryLink" lease their ships to the SCOP (an operating company outside the Eurotunnel Group) and sell cross-Channel crossings for freight and tourist vehicles. The three ferries operate in the Short Straits cross-Channel market between Dover and Calais.

€ million	**30 June 2014**	**30 June 2013**	**Change €M**	**Change %**
Revenue	39	30	+9	+31%
Operating costs	(50)	(46)	+4	+9%
Operating margin (EBITDA)	**(11)**	**(16)**	**+5**	**+31%**

3.1. MyFerryLink revenues

Traffic	**1st quarter (January to March)**			**2nd quarter (April to June)**			**1st half (January to June)**		
(number of vehicles)	**2014**	**2013**	**% change**	**2014**	**2013**	**% change**	**2014**	**2013**	**% change**
Freight	91,450	56,795	+61%	92,463	84,582	+9%	183,913	141,377	+30%
Cars(*)	35,474	30,308	+17%	73,351	86,298	-15%	108,825	116,606	-7%
Coaches	420	15	ns	512	264	+94%	932	279	+234%

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

The segment generated revenues of €39 million during the first half of 2014, including €6 million from leasing the ferries, an increase of 31% compared to the first half of 2013. MFL's freight activity has increased its market share compared to the first half of 2013 to 9.8% and the market share for its car activity was 5.4%.

3.2. MyFerryLink operating costs

Operating costs of €50 million for the period comprise mainly the purchase of crossings from the SCOP, port fees linked to traffic transported (€8 million) and commercial and administrative costs.

The segment's operating margin improved by €5 million (31%) in the first half of 2014 compared to the same period last year, reflecting the improved load factors.

4. Operating margin (EBITDA)

EBITDA by business segment compared to the first half of 2013 evolved as follows:

€ million	Fixed Link	Europorte	MyFerryLink	Total Group
EBITDA 1st half 2013	212	8	(16)	**204**
Change in revenue	+19	+12	+9	**+40**
Change in operating costs	(10)	(14)	(4)	**(28)**
EBITDA 1st half 2014	**221**	**6**	**(11)**	**216**

At €216 million, the Group's consolidated operating margin improved by €12 million compared to the first half of 2013.

5. Operating profit (EBIT)

Depreciation charges remained stable at €82 million for the first half of 2014.

The operating profit for the first half of 2014 was €132 million compared to €121 million for the first half of 2013.

6. Net finance costs

At €136 million for the first half of 2014, net finance costs decreased by €6 million compared to the first half of 2013 at a constant exchange rate, mainly as a result of the impact of lower UK inflation rates on the index-linked tranche of the debt and of the first contractual debt repayments in 2013.

"Other net financial income and charges" during the period included net exchange losses of €8 million compared to net exchange gains of €4 million in the first half of 2013 (an unfavourable variance of €12 million) principally arising from unrealised exchange differences generated on the revaluation of intra-group balances in sterling held by French subsidiaries These intra-group balances arise primarily from funding flows between the Concessionaires and GET SA. "Other net financial income and charges" also includes interest receivable on the floating rate notes of €3 million (2013: €3 million).

7. Net result

After a tax charge relating to the dividend tax of €2 million in the first half of 2014, the Group recorded a net loss of €11 million.

ANALYSIS OF CASH FLOWS

€ million Exchange rate €/£	30 June 2014 1.248	30 June 2013 1.167
Net cash inflow from trading	211	202
Other operating cash flows and taxation	(3)	(2)
Net cash inflow from operating activities	**208**	**200**
Net cash outflow from investing activities	(60)	(48)
Net cash outflow from financing activities	(216)	(241)
Decrease in cash	**(68)**	**(89)**

The net cash outflow for the first half of 2014 was €68 million, compared to a net cash outflow of €89 million for the same period in 2013. At €208 million, net cash inflow from operating activities improved by €8 million compared to the first half of 2013.

At €60 million, net cash outflow from investing activities increased by €12 million compared to the first half of 2013. During the first half of 2014, cash flow from investing activities comprised:

- €18 million relating to the Fixed Link (€21 million in the first half of 2013) of which €5 million was spent on the replacement of rails in the Tunnel,
- €38 million for Europorte (€16 million in the first half of 2013), mainly in respect of the acquisition of new locomotives in the United Kingdom and in France to support the development of this activity. It is intended that this investment will be refinanced, and
- €3 million of investment in subsidiary undertakings in ElecLink Limited.

Net cash outflows from financing activities in the first half of 2014 amounted to €216 million compared to €241 million in the first half of 2013. During the first half of 2014, cash flow from financing comprised:

- €122 million of interest paid on the Term Loan and associated hedging transactions (at the same level as for the first half of 2013),
- €16 million paid in respect of the scheduled repayment of the Term Loan (€30 million in the first half of 2013),
- €81 million paid in dividends (2013: €65 million), and
- €4 million of interest received of which €3 million related to floating rate notes owned by the Group (2013: €4 million of which €3 million was for floating rate notes).

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 2013 Registration Document.

At 30 June 2014, the debt service cover ratio (net operating cash flow less capital expenditure compared to debt service costs 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 1.66 and 1.66 respectively. 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 2013 Registration Document, is the net cash flow from operating activities less net cash flow from investing activities (excluding the initial investment in new activities and the acquisition of shareholdings in subsidiary undertakings) and net cash flow from financing activities relating to the service of the debt (loans and hedging instruments) plus interest received (on cash and cash equivalents and other financial assets).

For the first six months of 2014, free cash flow amounted to €12 million compared to €17 million for the same period in 2013, a decrease of €5 million mainly due to higher capital expenditure.

€ million	**30 June 2014**	**30 June 2013**	**31 December 2013**
Exchange rate €/£	**1.248**	**1.167**	**1.199**
Net cash inflow from operating activities	208	200	453
Net cash outflow from investing activities	(60)	(48)	(49)
Adjustment for investment in subsidiary undertakings*	–	7	–
Adjustment for the acquisition and rehabilitation of maritime assets	–	5	6
Interest paid on loans and hedging contracts	(122)	(121)	(242)
Scheduled debt repayments	(18)	(30)	(47)
Interest received	4	4	8
Free cash flow	**12**	**17**	**129**

* *As ElecLink Limited was consolidated for the first time at 31 December 2013, advances made to it by the Group are treated as normal investment activity.*

Long-term debt to asset ratio

The long-term debt to asset ratio as defined by the Group in paragraph 10.7 of the 2013 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 58.7% at 30 June 2014, the ratio remained stable compared to 31 December 2013 restated at the exchange rate used at 30 June 2014.

€ million		**30 June 2014**	**31 December 2013 restated**	**31 December 2013 published**
Exchange rate €/£		**1.248**	**1.248**	**1.199**
Long-term financial liabilities	A	3,966	3,968	3,890
Other financial assets: floating rate notes	B	154	154	151
Long-term financial liabilities less other financial assets	**A-B=C**	**3,812**	**3,814**	**3,739**
Tangible fixed assets: property, plant and equipment*	D	6,493	6,530	6,529
Long-term debt to asset ratio	**C/D**	**58.7%**	**58.4%**	**57.3%**

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

OUTLOOK

During the first half of the year, the Group's Shuttle Services have increased their share of the car market and the outlook for traffic for the peak summer season confirms this trend. In a cross-Channel truck market boosted by the upturn in the UK economy, and to a lesser extent by that of the Euro Zone, the number of trucks supported by Shuttles increased by 3% in the first half of the year in a market which remains highly competitive. Building on its core advantages of speed, frequency, safety and quality of service, the Group has launched significant new capital investment projects relating to the extension of its two terminals and the acquisition of three new Truck Shuttles, in order to support long-term performance and value creation.

During the first half of 2014, the Group announced initiatives relating to the development of cross-Channel rail freight, in particular the extension of the ETICA programme (Eurotunnel Incentive for Capacity Additions) to support the launch of new rail freight services and the reduction of certain tariffs for the passage of rail freight trains through the Tunnel at off-peak times. In addition, the Group continues to work actively with the rail operators on the development of new high-speed passenger rail services.

For the Europorte segment, the first half of 2014 was marked by the consolidation of its activities in France with a number of new developments in the cereals sector and in the transport of hazardous materials, and by the pursuit of its growth in the United Kingdom where the intermodal and bulk transport activities have benefitted from the economic upturn. The Group is continuing with its plans to extend and improve the reliability of its rolling stock fleet in order to support the development of its rail freight activity.

During the first half of 2014, the Group's maritime activity, which operates under the MyFerryLink name, continued to strengthen its position in the Short Straits cross-Channel market despite difficult market conditions. The future of this activity remains uncertain following the final decision published by the UK's Competition and Markets Authority at the end of June prohibiting it to operate in and out of the port of Dover. The Group disputes this decision and has decided to appeal.

In this context, the Group confirms its financial target published in its 2013 annual report of a consolidated EBITDA of €460 million for the 2014 financial year. This target is based on data, assumptions and estimations considered reasonable but which may nevertheless change or be modified due to uncertainties relating to the economic, financial, competitive or regulatory environments.

The main risks and uncertainties which the Eurotunnel Group may face in the remaining six months of the year are identified in chapter 4 "Risk Factors" of the 2013 Registration Document filed with the *Autorité des marchés financiers* (the French financial markets authority) on 21 March 2014. In respect of recent events see note 1 to the summary consolidated financial statements below.

SUMMARY CONSOLIDATED HALF-YEARLY FINANCIAL STATEMENTS AT 30 JUNE 2014

CONSOLIDATED INCOME STATEMENT

€'000	Note	30 June 2014	30 June 2013	31 December 2013
Revenue	3	558,600	508,623	1,091,986
Operating expenses		(221,777)	(197,718)	(411,698)
Employee benefit expense		(121,091)	(112,369)	(231,227)
Depreciation		(81,838)	(81,818)	(166,149)
Trading profit	3	**133,894**	**116,718**	**282,912**
Other operating income		881	739	4,207
Other operating expenses		(2,881)	(2,437)	(2,122)
Operating profit		**131,894**	**115,020**	**284,997**
Share of result of equity-accounted companies		(125)	–	(1,220)
Operating profit after share of result of equity-accounted companies		**131,769**	**115,020**	**283,777**
Finance income		1,196	972	1,918
Finance costs	4	(136,803)	(139,272)	(271,399)
Net finance costs		**(135,607)**	(138,300)	(269,481)
Other financial income	5	12,659	17,056	14,894
Other financial charges	5	(17,399)	(9,898)	(8,762)
Pre-tax result for the period: (loss)/profit		**(8,578)**	**(16,122)**	**20,428**
Income tax expense	6	(2,448)	(2,034)	80,934
Result for the period: (loss)/profit		**(11,026)**	**(18,156)**	**101,362**
Result: Group share		(10,877)	(18,156)	101,361
Result: minority interest share		(149)	–	1
(Loss)/profit per share (€)	7	(0.02)	(0.03)	0.19
(Loss)/profit per share after dilution (€)	7	(0.02)	(0.03)	0.19

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

€'000	Note	30 June 2014	30 June 2013	31 December 2013
Items not recyclable to the income statement:				
Actuarial gains and losses on employee benefits		–	–	7,515
Related tax		–	–	2,086
Items recyclable to the income statement:				
Foreign exchange translation differences		(61,838)	79,936	36,799
Movement in fair value of hedging contracts	12	(188,374)	156,201	229,092
Related tax		2,372	–	42,388
Net (loss)/profit recognised directly in other comprehensive income		(247,480)	236,137	317,880
(Loss)/profit for the period - Group share		(10,877)	(18,156)	101,361
Total comprehensive (expense)/income - Group share		(258,357)	217,981	419,241
Total comprehensive (expense)/income) - minority interest share		(148)	–	5
Total comprehensive (expense)/income		**(258,505)**	**217,981**	**419,246**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€'000	Note	30 June 2014	31 December 2013
ASSETS			
Goodwill		17,680	16 997
Intangible assets		9,641	9 814
Total intangible assets		**27,321**	**26 811**
Concession property, plant and equipment	8	6,269,526	6 333 187
Other property, plant and equipment	8	223,219	195 858
Total property, plant and equipment		**6,492,745**	**6 529 045**
Investment in subsidiary undertakings		1,086	880
Deferred tax asset		130,259	127 496
Other financial assets	9.2	163,013	157 259
Total non-current assets		**6,814,424**	**6 841 491**
Stock		3,519	3 622
Trade receivables		143,450	130 600
Other receivables		49,280	30 280
Other financial assets		193	207
Cash and cash equivalents		215,249	276 725
Total current assets		**411,691**	**441 434**
Total assets		**7,226,115**	**7 282 925**
EQUITY AND LIABILITIES			
Issued share capital	10	220,000	220 000
Share premium account		1,711,796	1 711 796
Other reserves	11	90,178	252 328
(Loss)/profit for the period		(10,877)	101 361
Cumulative translation reserve		133,242	195 080
Equity – Group share		**2,144,339**	**2 480 565**
Minority interest share		(143)	5
Total equity		**2,144,196**	**2 480 570**
Retirement benefit obligations		44,279	43 203
Financial liabilities	12	3,965,939	3 889 951
Interest rate derivatives	12	815,299	626 925
Total non-current liabilities		**4,825,517**	**4 560 079**
Provisions		772	907
Financial liabilities	12	40,936	39 527
Trade payables		154,287	170 837
Other payables		60,407	31 005
Total current liabilities		**256,402**	**242 276**
Total equity and liabilities		**7,226,115**	**7 282 925**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€'000	Issued share capital	Share premium account	Consolidated reserves	Result	Cumulative translation reserve	Group Share	Minority interests	Total
1 January 2013	220,000	1,711,796	32,339	31,719	158,281	**2,154,135**	–	**2,154,135**
Transfer to consolidated reserves			31,719	(31,719)		**–**		**–**
Payment of dividend			(65,189)			**(65,189)**		**(65,189)**
Share based payments			5,390			**5,390**		**5,390**
Acquisition/sale of treasury shares			(33,012)			**(33,012)**		**(33,012)**
Result for the period				101,361		**101,361**	1	**101,362**
Net profit / (loss) recorded directly in other comprehensive income			281,081		36,799	**317,880**	4	**317,884**
31 December 2013	**220,000**	**1,711,796**	**252,328**	**101,361**	**195,080**	**2,480,565**	**5**	**2,480,570**
Transfer to consolidated reserves			101,361	(101,361)		**–**		**–**
Payment of dividend (note 11)			(80,886)			**(80,886)**		**(80,886)**
Share based payments(*)			2,594			**2,594**		**2,594**
Acquisition/sale of treasury shares			423			**423**		**423**
Result for the period				(10,877)		**(10,877)**	(149)	**(11,026)**
Profit / (loss) recorded directly in other comprehensive income:								
▪ Movement in fair value of hedging contracts			(188,374)			**(188,374)**		**(188,374)**
▪ Related tax			2,732			**2,732**		**2,732**
▪ Minority interests						**–**	1	**1**
▪ Foreign exchange translation differences					(61,838)	**(61,838)**		**(61,838)**
30 June 2014	**220,000**	**1,711,796**	**90,178**	**(10,877)**	**133,242**	**2,144,339**	**(143)**	**2,144,196**

* *Of which €1,308,000 in respect of free shares, €1,026,000 in respect of share options and €260,000 in respect of free preference shares.*

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

€'000	30 June 2014	30 June 2013	31 December 2013
Result for the period: (loss)/profit	(11,026)	(18,156)	101,362
Tax expense	2,448	2,034	(80,934)
Net other financial charges/(income)	4,740	(7,158)	(6,132)
Net finance costs	135,607	138,300	269,481
Share of result of equity-accounted companies	125	–	1,220
Other operating expenses/(income)	2,000	1,698	(2,085)
Depreciation	81,838	81,818	166,149
Trading profit before depreciation	**215,732**	**198,536**	**449,061**
Exchange adjustment*	2,131	(739)	3,019
Increase in inventories	117	(252)	(371)
Increase in trade and other receivables	(26,299)	(8,738)	2,847
Increase in trade and other payables	19,664	13,328	4,457
Net cash inflow from trading	**211,345**	**202,135**	**459,013**
Other operating cash flows	(1,254)	(2,451)	(4,487)
Taxation (paid)/received	(2,447)	32	(1,943)
Net cash inflow from operating activities	**207,644**	**199,716**	**452,583**
Payments to acquire property, plant and equipment	(57,336)	(42,376)	(74,937)
Sale of property, plant and equipment	9	1,307	31,235
Change in loans and advances	(3,014)	(7,190)	(4,858)
Net cash outflow from investing activities	**(60,341)**	**(48,259)**	**(48,560)**
Dividend paid	(80,886)	(65,265)	(65,189)
Purchase of treasury shares	–	(29,418)	(35,447)
Interest paid on Term Loan	(90,199)	(88,084)	(177,756)
Interest paid on hedging instruments	(31,599)	(31,184)	(63,086)
Scheduled repayment of Term Loan	(16,166)	(29,573)	(45,835)
Interest paid on other loans	(662)	(693)	(1,374)
Repayment of other loans	(603)	(623)	(1,443)
Interest received on cash and cash equivalents	1,195	979	1,864
Interest received on other financial assets	3,178	3,095	6,217
Net payments on liquidity contract	424	790	2,304
Net cash outflow from financing activities	**(215,318)**	**(239,976)**	**(379,745)**
(Decrease)/increase in cash in period	**(68,015)**	**(88,519)**	**24,278**

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

Movement during the year **€'000**	**30 June 2014**	**30 June 2013**	**31 December 2013**
Cash and cash equivalents at 1 January	276,725	256,228	256,228
Effect of movement in exchange rate	6,471	(8,720)	(3,838)
(Decrease)/increase in cash in the period	(68,015)	(88,519)	24,278
(Decrease)/increase in interest receivable in the period	68	(7)	57
Cash and cash equivalents at the end of the period	**215,249**	**158,982**	**276,725**

The accompanying notes form an integral part of these consolidated financial statements.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

Groupe Eurotunnel SA is the consolidating entity of the Eurotunnel Group, whose registered office is at 3 rue La Boétie, 75008 Paris, France and whose shares are listed on Euronext Paris and on NYSE Euronext London. The term "Groupe Eurotunnel SA" or "GET SA" refers to the holding company which is governed by French law. The term "Group" or "the Eurotunnel Group" refers to Groupe Eurotunnel SA and all its subsidiaries.

The activities of the Group are the design, financing, construction and operation of the Fixed Link in accordance with the terms of the Concession (which will expire in 2086), as well as rail freight and maritime activities.

1 Important events

1.1 Maritime activity: procedure before the UK Competition and Markets Authority

In 2012, the Eurotunnel Group created the company Euro-TransManche Holding SAS as part of the project to acquire certain assets of the SeaFrance group in liquidation, including notably the ferries the *Berlioz*, the *Rodin* and the *Nord Pas-de-Calais*. The transfer of ownership of these assets occurred on 2 July 2012 (with a clause prohibiting the transfer of the ferries for a period of five years imposed by the French Tribunal de Commerce). The ferries are owned by three subsidiaries of Euro-TransManche Holding SAS. The commercial activity is carried out by another subsidiary of Euro-TransManche Holding SAS, MyFerryLink SAS.

Following the appeal by Groupe Eurotunnel SA and SCOP SeaFrance, the Competition Appeal Tribunal issued its judgement on 4 December 2013. This judgement quashed the decision by the UK Competition Commission of 6 June 2013 which prohibited Groupe Eurotunnel SA (or any connected party) from operating ferry services out of the port of Dover, either directly or indirectly, for a period of ten years using the ferries the Berlioz and the Rodin, and for a period of two years for any other ship.

The Tribunal considered that the Competition Commission (which has since become the Competition and Markets Authority), having failed to demonstrate that Groupe Eurotunnel SA had acquired an enterprise and not just individual assets, had not justified that it had jurisdiction in the matter. The Tribunal therefore remitted to the Competition Commission the question of whether the Eurotunnel Group had acquired an enterprise.

On 27 June 2014, the Competition Commission confirmed that it had jurisdiction in the matter as it considered that the Eurotunnel Group had acquired SeaFrance giving rise to a merger under the UK's merger regime, and concluded that MyFerryLink must cease activities within six months from the date of the official order which the Competition and Markets Authority must publish for its decision to be effective.

The Eurotunnel Group will lodge its appeal of this decision before the Competition Appeals Tribunal before the deadline of 24 July.

The Eurotunnel Group confirms its determination to continue its maritime activity and maintains its position that the acquisition of the ferries from the former SeaFrance, nine months after it ceased operations, does not constitute the acquisition of an enterprise that would fall within the Competition and Markets Authority's jurisdiction. The Eurotunnel Group believes that the performance of MyFerryLink increases competition in a cross-Channel market which has evolved significantly since the cessation of SeaFrance's activities. Furthermore, the Group underlines the disproportionate character of the remedies imposed by the UK Competition and Markets Authority as well as their inconsistency with those required by the French competition authority, the Group's compliance with which is monitored by an independent trustee.

In this context, the Group's financial statements at 30 June 2014 have been prepared on the basis that the maritime business will continue.

1.2 Reasoned opinion issued by the European Commission on the implementation of the first railway package

During the first half of 2014, the European Commission announced that it had dropped the objections set out in the "reasoned opinion" issued to the French and British governments on 20 June 2013 concerning the track access charges for railway operators using the Channel Tunnel.

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 2013.

The half-year summary consolidated financial statements for 2014 were prepared under the responsibility of the meeting of the Board of Directors which was held on 21 July 2014.

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 2014 is the same as that used for Groupe Eurotunnel SA's annual financial statements to 31 December 2013.

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 2013 annual financial statements.

The average and closing exchange rates used in the preparation of the 2014 and 2013 half-year accounts and the 2013 annual accounts are as follows:

€/£	30 June 2014	30 June 2013	31 December 2013
Closing rate	1.248	1.167	1.199
Average rate	1.229	1.174	1.187

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 2013 annual consolidated financial statements, with the exception of the following standards published by the IASB and adopted by the European Union and which became applicable to the Group on 1 January 2014:

- The amendments to IAS 32 "Offsetting Financial Assets and Financial Liabilities", IAS 36 "Recoverable Amount Disclosures for Non-Financial Assets" and IAS 39 "'Novation of Derivatives and Continuation of Hedge Accounting".
- IFRS 10 "Consolidated Financial Statements" which will replace IAS 27 "Consolidated and Separate Financial Statements" for the part relating to consolidated financial statements as well as 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 Involvement with Other Entities".
- Revision to IAS 27 renamed "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures".

No significant impact resulting from the initial application of these standards has been identified.

The interpretation IFRIC 21 "levies imposed by governments" published by the IASB has been adopted by the European Union for mandatory application for accounting periods commencing on or after 1 January 2015. This interpretation states that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. The Group does not expect any significant effect to arise from the application of this standard.

The main texts which may be applicable to the Group that have been published by the IASB but are not yet in force (not adopted by the European Union) are:

- IFRS 9 "Financial Instruments: Classification and measurement of financial assets and liabilities". Subject to its being adopted by the European Union, this standard will be mandatory for accounting periods commencing on or after 1 January 2018 following the decision by the IASB in February 2014,
- IFRS 15 "Revenue from Contracts with Customers" for accounting periods commencing on or after 1 January 2017,
- revision to IFRS 11 "Joint Arrangements" for accounting periods commencing on or after 1 January 2016,
- revision to IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets" for accounting periods commencing on or after 1 January 2016.

The other standards, interpretations and amendments to existing standards are not applicable to the Group.

2.5 Seasonal variations

The revenue and the trading result generated in each reporting period are subject to seasonal variations over the year, in particular for the Passenger Shuttle and MyFerryLink's car activities during the peak summer season. Therefore the results for the first half of the year cannot be extrapolated to the full year.

3 Segment reporting

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

- the "Concession for the cross-Channel Fixed Link" segment which includes the Group's corporate services and ElecLink Limited,
- the "Europorte" segment the main activity of which is that of rail freight operator, and
- the "MyFerryLink" segment, the main activity of which is the lease of ferries and the sale of cross-Channel crossings. The ferries are leased to SCOP SeaFrance which is an operating company outside the Eurotunnel Group.

€'000	Fixed Link	Europorte	MyFerryLink	Total
At 30 June 2014				
Revenue	392,592	126,869	39,139	**558,600**
EBITDA	220,811	6,153	(11,232)	**215,732**
Trading profit/(loss)	146,613	887	(13,606)	**133,894**
Net result before taxation	5,957	(63)	(14,472)	**(8,578)**
Investment in property, plant and equipment	12,277	32,884	331	**45,493**
Property, plant and (intangible and tangible)	6,270,594	179,434	70,038	**6,520,066**
At 30 June 2013				
Revenue	366,669	112,093	29,861	**508,623**
EBITDA	207,294	7,475	(16,233)	**198,536**
Trading profit/(loss)	133,423	1,943	(18,648)	**116,718**
Net result before taxation	3,174	1	(19,297)	**(16,122)**
Investment in property, plant and equipment	14,463	16,262	4,023	**34,748**
Property, plant and (intangible and tangible)	6,386,176	164,748	74,993	**6,625,917**
At 31 December 2013				
Revenue	779,188	238,493	74,305	**1,091,986**
EBITDA	452,212	19,241	(22,392)	**449,061**
Trading profit/(loss)	303,780	8,324	(29,192)	**282,912**
Net result before taxation	43,715	7,215	(30,502)	**20,428**
Investment in property, plant and equipment	37,442	31,445	5,495	**74,382**
Property, plant and (intangible and tangible)	6,334,257	149,519	72,080	**6,555,856**

4 Finance costs

€'000	30 June 2014	30 June 2013	31 December 2013
Interest on loans before hedging	90,007	88,836	178,157
Adjustments relating to hedging instruments	31,416	31,209	62,868
Effective rate adjustment	563	509	1,034
Sub-total	**121,986**	**120,554**	**242,059**
Inflation indexation of the nominal	14,817	18,718	29,340
Total finance costs after hedging	**136,803**	**139,272**	**271,399**

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 V of the annual consolidated financial statements at 31 December 2013.

5 Other financial income and (charges)

€'000	30 June 2014	30 June 2013	31 December 2013
Unrealised exchange gains*	8,041	12,934	6,112
Other exchange gains	1,078	754	1,856
Interest received on floating rate notes	3,378	3,293	6,689
Other	162	75	221
Other financial income	**12,659**	**17,056**	**14,878**
Unrealised exchange losses*	(16,291)	(9,155)	(7,278)
Other exchange losses	(1,108)	(743)	(1,468)
Other financial charges	**(17,399)**	**(9,898)**	**(8,746)**
Total	**(4,740)**	**7,158**	**6,132**
Of which net unrealised exchange gains/(losses)	*(8,250)*	*3,779*	*(1,166)*

* *Mainly arising from the re-evaluation of intra-group debtors and creditors.*

6 Income tax expense

€'000	30 June 2014	30 June 2013	31 December 2013
Current tax:			
Income tax	(21)	(78)	(133)
Tax on dividends	(2,427)	(1,956)	(1,956)
Total current tax	**(2,448)**	**(2,034)**	**(2,089)**
Deferred tax	–	–	83,023
Total	**(2,448)**	**(2,034)**	**80,934**

The current tax charge relates to amounts paid or to be paid in the short term to the tax authorities in relation to the period in accordance with the rules in force in the different countries and specific conventions. In the first half of 2014, income tax for the period relates to taxes to be paid outside France and the UK.

At 30 June 2014, in view of the result for the period and the prospect of a profit for the 2014 financial year, the Eurotunnel Group has not accounted for charges in relation to its income tax positions in France or the UK. In light of the forecasts set out in its business plan the Group still considers the deferred tax asset recognised at 31 December 2013 to be recoverable.

7 Earnings per share

		30 June 2014	30 June 2013	31 December 2013
Weighted average number:				
- of issued ordinary shares		550,000,000	550,000,000	550,000,000
- of treasury shares		(11,195,296)	(6,652,243)	(9,038,787)
Number of shares used to calculate the result per share (A)		**538,804,704**	**543,347,757**	**540,961,213**
- impact of share options	i	706,057	–	–
- impact of free shares	ii	1,138,855	1,544,610	1,398,503
Potential number of ordinary shares (B)		**1,844,912**	**1,544,610**	**1,398,503**
Number of shares used to calculate the diluted result per share (A+B)		**540,649,616**	**544,892,367**	**542,359,716**
(Loss)/profit (€'000) (C)		(10,877)	(18,156)	101,362
(Loss)/profit per share (€) (C/A)		**(0.02)**	**(0.03)**	**0.19**
(Loss)/profit per share after dilution (€) (C/(A+B))		**(0.02)**	**(0.03)**	**0.19**

The calculations were made on the following bases:

(i) on the assumption of the exercise of all the options issued and still in issue at 30 June 2014 when the average share price during the period exceeds the exercise price of the options (which was not the case in 2013). The exercise of these options is conditional on attaining the targets described in note T of the consolidated financial statements at 31 December 2013; and

(ii) on the assumption of the acquisition of:

- all the free shares issued to staff. During the first half of 2014, 667,430 of the free shares issued in 2012 were acquired by staff. Details of the free shares are described in note T.2 of the consolidated financial statements at 31 December 2013, and
- free preference shares issued and still in issue at 30 June 2014 in accordance with the applicable terms of conversion as described in note 10.3i below and taking into account average share price over the period. Conversion of these preference shares is subject to achieving certain targets and remaining in the Group's employment.

8 Property, plant and equipment

"Other property, plant and equipment" consists mainly of the rolling stock owned by the subsidiaries of Europorte and the ferries owned by the maritime companies.

In relation to its maritime assets, the Eurotunnel Group confirms that their recoverable amount at 30 June 2014 remains higher than their net accounting value. The recoverable amount was estimated using the studies by independent experts as at 31 December 2013.

The Group has not identified any indication of impairment in either the tangible or intangible assets of its Concession and Europorte activities.

9 Financial assets and liabilities

9.1 Hierarchy of fair value

The table below analyses the financial instruments which are accounted for at their fair value, according to their method of valuation. The different levels are defined in note B.4 to the consolidated financial statements at 31 December 2013.

€'000	Carrying amount						Fair value			
Class of financial instrument	Assets at fair value through profit and loss	Available-for-sale financial assets	Loans and receivables	Hedging instruments	Liabilities at amortised cost	Total net carrying value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Other non-current financial assets	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Financial assets not measured at fair value										
Other current and non-current financial assets			163,206			**163,206**	na	na	na	**na**
Trade receivables			143,450			**143,450**	na	na	na	**na**
Cash and cash equivalents	215,249					**215,249**	215,249			**215,249**
Financial liabilities measured at fair value						,				
Interest rate derivatives			,	815,299		**815,299**		815,299		**815,299**
Financial liabilities not measured at fair value						,				
Financial liabilities					4,006,875	**4,006,875**			4,883,834	**4,883,834**
Trade payables					154,287	**154,287**	na	na	na	**na**

Other financial assets which are not measured at fair value consist mainly of floating rate notes.

At 30 June 2014, the information relating to the fair value of the financial liabilities remains as described in note W of the annual consolidated financial statements at 31 December 2013, the reduction being the nominal debt repaid during the period.

9.2 Other financial assets

€'000	30 June 2014	31 December 2013
Floating rate notes	154,237	151,357
Other	8,776	5,902
Total non-current	**163,013**	**157,259**
Accrued interest on floating rate notes	193	207
Total current	**193**	**207**

10 Share capital

10.1 Share capital evolution

At 30 June 2014, the issued share capital of GET SA amounted to €220,000,000.00 divided into 550,000,000 fully paid-up GET SA ordinary shares with a nominal value of €0.40 each, unchanged compared to 31 December 2013.

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 2014	11,215,450	220,000	**11,435,450**
Shares transferred to staff (free share plan)	(667,430)		**(667,430)**
Net purchase/(sale) under liquidity contract		(37,500)	**(37,500)**
At 30 June 2014	**10,548,020**	**182,500**	**10,730,520**

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 29 April 2014 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, 2011, 2013 and 2014.

10.3 Share-based payments

i. Preference shares convertible into ordinary shares

Preference share plan (treated as an equity instrument)

On 29 April 2014, the general meeting of shareholders authorised the board of directors to grant to executives and senior staff of GET SA and its subsidiaries preference shares with a nominal value of €0.01 each with no voting rights which are convertible into GET SA ordinary shares subject to performance conditions at the end of a four-year period. The total number of preference shares may not give the right to more than 1,500,000 ordinary shares of a nominal value of €0.40 each. Under this scheme, the board of directors approved on 29 April 2014 the grant of 300 preference shares, each convertible at the end of the four-year period into a maximum of 5,000 ordinary shares.

Characteristics and conditions of the preference share plan

Date of grant / main staff concerned	Number of preference shares	Conditions for acquiring rights	Vesting period
Preference shares granted to key executives and senior staff on 29 April 2014	300	Staff must remain as employees of the Group. Market performance condition: calculated on a tapering scale corresponding to the percentage achievement of the target share-price increase after a period of four years with a minimum target of an average price of €9.335 and a maximum target of an average price of €11.50.	4 years

Information on the preference share plan

	2014
In issue at 1 January	–
Granted during the period	300
Renounced during the period	–
Exercised during the period	–
Expired during the period	–
In issue at 30 June 2014	**300**
Exercisable at 30 June 2014	–

Assumptions used for the fair value measurement on the grant date

The fair value on grant date of the rights granted to staff as part of the plan (the 1,500,000 ordinary shares on conversion of the preference shares) was calculated by using the Monte Carlo valuation model. The assumptions used to measure the fair value of the plan on grant date were as follows:

Fair value of shares and assumptions	2014 plan
Fair value on grant date (€)	2.68
Share price on grant date (€)	9.68
Number of beneficiaries	36
Risk-free interest rate (based on government bonds)	0.5831%

ii. Grant of free shares

Following the approval by the general meeting of shareholders on 29 April 2014 of the plan to issue existing free shares, GET SA's board of directors decided on 29 April 2014 to grant a total of 369,100 GET SA Shares (100 shares per employee) to all employees of GET SA and its related companies with the exception of executive and corporate officers. The definitive acquisition of these shares by the employees is subject to their remaining in employment with the Group and they cannot be sold for a minimum period of 4 years.

On 26 April 2014, 667,430 free shares issued in 2012 were acquired by employees.

Number of shares	2014	2013
In issue at 1 January	1,254,090	1,700,470
Granted during the period	369,100	–
Renounced during the period	(15,840)	(35,070)
Acquired during the period	(667,430)	(411,310)
Expired during the period	–	–
In issue at 30 June 2014	**939,920**	**1,254,090**

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

Fair value of free shares and assumptions	2014 grant
Fair value of free shares on grant date (€)	9.28
Share price on grant date (€)	9.68
Number of beneficiaries	3,691
Risk-free interest rate (based on government bonds)	0.33%

A charge of €2,621,000 was made for the first half of 2014 relating to the free shares, stock options and preference shares (first half of 2013: €2,832,000).

11 Changes in equity

Changes in equity during the period including the movement in the fair value of hedging contracts (see note 12) and the payment of the dividend are set out in the consolidated statement of changes in equity on page 11.

Dividend

On 29 April 2014, Groupe Eurotunnel SA's shareholders' general meeting approved the payment of a dividend relating to the financial year ended 31 December 2013, of €0.15 per share. This dividend was paid on 28 May 2014 for a total of €80.9 million (before 3% tax on dividends amounting to €2.4 million).

12 Financial liabilities

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

€'000	31 December 2013 published	31 December 2013 (*)recalculated	Reclassification	Repayment	Interest, indexation and costs	30 June 2014
Term Loan	3,868,491	3,946,253	(17,078)		15,580	3,944,755
Other loans	16,401	16,401	(447)			15,954
Finance leases	5,059	5,262	(32)			5,230
Total non-current financial liabilities	**3,889,951**	**3,967,916**	**(17,557)**	**–**	**15,580**	**3,965,939**
Term Loan	32,582	33,246	17,078	(16,166)		34,158
Other loans	867	867	447	(429)		885
Finance leases	559	581	32	(174)		439
Accrued interest on Term Loan	5,519	5,627			(173)	5,454
Total current financial liabilities	**39,527**	**40,321**	**17,557**	**(16,769)**	**(173)**	**40,936**
Total	**3,929,478**	**4,008,237**	**–**	**(16,769)**	**15,407**	**4,006,875**

* *The financial liabilities at 31 December 2013 (calculated at the year end exchange rate of £1=€1.199) have been recalculated at the exchange rate at 30 June 2014 (£1=€1.248) in order to facilitate comparison.*

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 4.90% and LIBOR against a fixed rate of 5.26%). The nominal value of the swaps is €953 million and £350 million.

These derivatives generated a net charge of €31,416,000 during the first six months of 2014 which has been accounted for in the income statement (a net charge of €31,209,000 during the first six months of 2013).

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

	Market value of hedging contracts		
€'000	**30 June 2014**	**31 December 2013**	***Changes in market value**
Contracts in euros	Liability of 627,529	Liability of 466,061	161,468
Contracts in sterling	Liability of 187,770	Liability of 160,864	26,906
Total	**Liability of 815,299**	**Liability of 626,925**	**188,374**

* *Recorded directly in other comprehensive income.*

13 Related party transactions

13.1 Eurotunnel Group subsidiaries

All Eurotunnel Group subsidiaries were fully consolidated at 30 June 2014 except for ElecLink as described in note P to the annual consolidated financial statements at 31 December 2013.

13.2 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 2014 held 2.7% of the contracts, representing a charge of €0.8 million in the first half of 2013 and a liability of €22 million at 30 June 2014.

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 (on the basis of the last declaration of threshold crossing in September 2011) approximately 15.5% of GET SA's share capital at 30 June 2014.

14 Events after the reporting period

Nothing to report.

DECLARATION BY THE PERSON RESPONSIBLE FOR THE HALF-YEARLY FINANCIAL REPORT AT 30 JUNE 2014

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,
21 July 2014

STATUTORY AUDITORS' REPORT ON THE 2014 HALF-YEARLY FINANCIAL INFORMATION

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your general assembly and in accordance with the requirements of article L.451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Groupe Eurotunnel SA, for the period from 1 January 2014 to 30 June 2014,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly 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-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II. Specific verification

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

The statutory auditors

Paris La Défense, 21 July 2014	Courbevoie, 21 July 2014
KPMG Audit *Department of KPMG S.A.*	Mazars
Fabrice Odent *Partner*	Jean-Marc Deslandes *Partner*

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