



Q&YOU

LETTER TO SHAREHOLDERS

25 July 2018

Dear Shareholder,

We have just completed the **9th first-half year of growth** from our activities and in our profitability and here is a summary of our half-year results. What is most important to note is that these were achieved in a difficult context in France, with the rolling strikes by the traditional rail operator, SNCF.

Despite many train cancellations resulting from this, **Eurostar** also achieved a historic traffic record, with almost 5.2 million passengers. **The opening of the London to Amsterdam line** on 4 April has proven to be a real success with already more than 50,000 passengers, despite the difficulties for the return leg caused by the absence of an agreement between the UK and Holland regarding border controls. We hope that this situation can be resolved rapidly. This strengthens our view on the potential for **new high-speed train services**, either in terms of new destinations or through the arrival of new operators, in particular "low cost". As an example, the new high-speed line between Tours and Bordeaux has generated an additional 20% of traffic.

This is why we do not shy away from **taking initiatives** when it comes to pushing projects forward, whether it is for infrastructure, including the harmonisation of railway signalling systems using ERTMS, or via a study into the viability of a low cost line between London and Paris (see overleaf).

On 11 July we published our very impressive **cross-Channel traffic** figures which show that trade between the UK and continental Europe continues to increase.

In the context of the ongoing **Brexit negotiations**, and without commenting the ins and outs of every media article on the subject, growth continues and the hundreds of thousands of jobs which depend upon it should incite those on both sides of the Channel to be pragmatic and to ensure that economic development is the guiding thread for their decisions.

Europorte also continues to grow, even though many trains were prevented from running due to the SNCF strikes leading to disruption to their customers.

In relation to our EBITDA, the rolling SNCF strikes have cost us around €4.5 million. This means that our **net profit of €39 million**, which shows a strong increase of 15%, could have been even better. This is the result of a combination of increased **revenues, +4% to €510 million**, and a real control of operating costs, with only +3%, which is very little for a **service-based activity** like ours.

And the same attention has been paid to **investments** in the Channel Tunnel, at €24 million. Our policy consists of maintaining infrastructure at its optimum performance level, with a cruising speed of €25-€30 million per year, in addition to which there are specific investments to accompany the growth in traffic and to modernise installations and equipment.

Investment in **Eleclink** is increasing as the project makes good progress, to €355 million at 30 June 2018. We will shortly reach an important phase in the project with the **installation of the cable** itself. To obtain the authorisation of the IGC for the laying of the cable, we have responded to their request for an impressive number of studies looking at all types of potential risk which have been supported by a number of independent experts. Although the cost of this has been quite high, we are paying for it as the **safety of people and assets are for us the absolute priorities**.

Summer has started well, so a happy holiday to all!

Yours faithfully,



Jacques Gounon
Chairman & Chief Executive Officer

In brief...

Getlink 2018 diary

23 October: revenue and traffic figures for the 3rd quarter of 2018

Getlink's Investor Day in London



On 19 June at its 2018 Investor Day organised in London, Getlink presented its view on how markets will evolve, its outlook for growth and confirmed its long-term strategy. The 70 investors and financial analysts present welcomed the organisation of the first Getlink event. Jacques Gounon, Chairman & Chief Executive Officer, François Gauthey, Deputy Chief Executive Officer and the senior management team including Michel Boudoussier, Chief Corporate Officer, Jo Willacy, Eurotunnel Commercial Director, Laurent Fortune, Eurotunnel Chief Operating Officer and Steven Moore, Chief Executive Officer for ElecLink, all demonstrated that Getlink is a genuine investment for the future, high-tech, innovative, profitable and generating value from the length of the Fixed Link Concession.

Deployment of the ERTMS on the London-Brussels-Paris lines



Getlink, HS1, SNCF Réseau and Infrabel committed to join forces to coordinate the deployment of the European Rail Traffic Management System (ERTMS) between London, Paris and Brussels through the Channel Tunnel.

Complying with the highest safety standards, it will allow improved interoperability, better punctuality, and will anticipate signal systems obsolescence and traffic increase.

Summary of Getlink's 2018 half-year results

9th consecutive growth for a first-half of the year in revenue and EBITDA which enables Getlink to confirm its 2022 objectives and dividend policy for shareholders.

Eurotunnel: Fixed Link Concession

- 845,132 trucks transported (+2.7%), a traffic record
- 1.16 million cars transported (+2.2%)
- 5.2 million Eurostar passengers (+3%), a record
- +2% growth in cross-Channel rail freight trains
- +4 % increase in revenue to €450M and in EBITDA to €247M

Europorte: rail freight

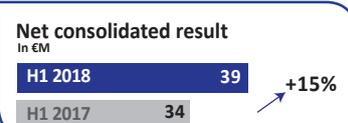
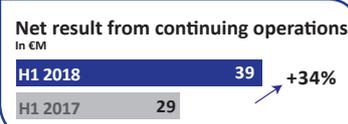
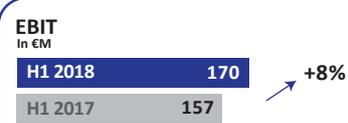
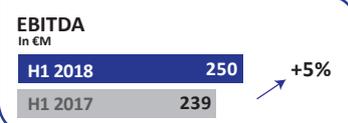
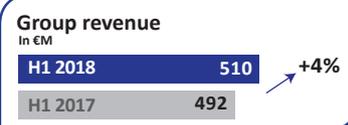
- Growth in revenue (+2 %) and EBITDA to €4M

ElecLink: electricity interconnector

- €116M investment

Consolidated figures for Getlink in H1 2018

- Growth in revenue by +4% to €510M
- EBITDA up +5% to €250M
- EBIT up +8% to €170M
- Strong growth in consolidated net result to €39M (+15%) despite the impact of the SNCF strikes in Q2 2018.



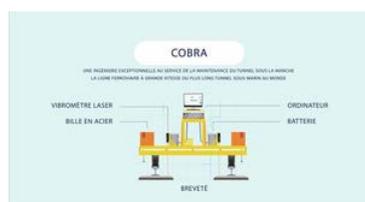
More information in the [press release](#) published on 25 July 2018 on Getlink's website.

*All comparisons with H1 2017 are made at H1 2018 exchange rate: £1 = €1.136.

A British-French agreement on digitalisation

In early July, Matthew Hancock, UK's Secretary of State for Digital and his French counterpart Mounir Mahjoubi, signed a series of framework agreements on digitalisation and artificial intelligence, including one between the UK's Alan Turing Institute and the French institute DatalA. This partnership, which aims to foster a digital Europe to compete with the American and Chinese technological giants, is a good example of cooperation unrelated to Brexit. In concrete terms, it enables the opening of a 3rd digital path at the European research level, through cross-checking information, developing bilateral research programmes, facilitating exchanges of students and researchers and undertaking joint initiatives.

Renewal of the Chair in "Railway Transport Science"



At the beginning of July, Eurotunnel and the *Ecole des Ponts ParisTech* renewed for a further 5 years their partnership signed in 2013 through the Chair of "Railway Transport Science". It has already led to advanced modelling for optimising Channel Tunnel capacity, to digital investment and to the patenting of a major innovation for predictive maintenance: the Cobra robot (see the [animated video](#) in French). Cobra, which is entering the industrial phase, allows the screening of the track sleeper blocks using resonance and vibration to detect potential cracks and when necessary replacing them as a preventive measure, while increasing productivity and Tunnel availability. Looking ahead, scientific challenges aim to optimise the mechanical, aerodynamics and thermal behaviour of the Tunnel and to develop a predictive approach to maintenance with the view to equipping the infrastructure as a "Tunnel 3.0". Eurotunnel confirms its corporate social commitment through this outstanding cooperation between the industrial world of business company and that of academic research.

Low-cost trains London-Paris



Getlink announced recently that it is working on the possibility of a Paris-London low-cost rail service between the peripheral stations in Stratford (east of London) and Roissy-Charles-de-Gaulle (north-east of Paris), based on a study conducted by the Roland Berger consulting firm. The use of these stations as well as the use of more basic rolling stock than Eurostar's would enable a reduction in operating costs of 25% to 30% and have a journey time of around 3 hours instead of 2h20. Potentially, this offer could attract around 2 million passengers a year.