

ETAG

Progress Report from the Steering Committee

24th April 2007

Press Coverage

- The Times, hitherto not over questioning of Eurotunnel's position, reported the Chairman's remark that the Foundation Shareholders were 'crazy' on 17th April; he further reported that their travel rights had been 'killed' by the Court. This has provoked a further flood of new members to the Fighting Fund.
- The Times of 20th April published a letter succinctly setting out ETAG's position.
- The Financial Times, however, has ignored the issue despite it being discussed with its Transport editor.
- The BBC blog has also received vigorous contributions – at 139 one of our members states, "It is comforting to see such practically unanimous sentiments in what has to be one of the most intelligent and interesting blogs I have seen for a long time."
- This blog has raised the issue of 'double votes' for French registered shareholders, which we are looking into.

Fighting Fund

- Letters have been sent out to about 10,000 shareholders on the publically filed register who have shareholdings of 1,000 or 1,500 shares and who thus may be Foundation Shareholders with travel rights – unfortunately only current shareholdings are shown, with no indication of how long they have been held. This is a selection from about 600,000 shareholders. Eurotunnel denied us access to its share register.
- Although efforts have been made to filter out existing contributors, inevitably with the volume involved some will have slipped through and we trust this will not cause undue offence.
- Other than the direct cost of this circularisation, no funds have yet been expended – all action to date has been provided by ETAG members without charge.

Legal Expertise

- A response to the 'Letter before Action' is awaited. A thorough analysis and evaluation of the position is currently in hand, and a meeting with the company's lawyers is planned for next week. We are advised that there are strong grounds for serving an injunction, and the necessary steps are in hand. On the recommendation of our QCs, SJ Berwin LLP have been appointed as ETAG's solicitors to prepare the necessary groundwork.
- A further Progress Report will be posted shortly.

Takeover Panel

- ETAG members will be making a presentation to The Takeover Panel; this is in the course of preparation, as is a further submission to the AMF – the Autorité des Marchés Financiers, its French equivalent.

Current Action – NO ACTION

- We are not able to offer investment advice but **Foundation Shareholders should be aware that if they accept the Offer for shares required to qualify for travel rights they 'will no longer be able to benefit from the travel privileges relating to the programmes put in place by Eurotunnel in 1987 and 1990'** (see paragraph 4.2.1, page 107 of the 'Securities Note' – this stipulates that travel rights '*will not be cancelled as a result of the Offer*', a clause that was inserted as the result of ETAG members' representations to the AMF).
- If an acceptance has been submitted, it may be withdrawn at any time before 4.30pm on 15th May 2007 – see foot of p32 of the 'Offer Document'.
- Should this position change, or any other matter require ETAG Members' urgent attention, we will contact you by email.