

ETAG

Annual Accounts

to 31st March 2008

The Steering Committee presents its accounts for the first year of operation of the **Eurotunnel Foundation Shareholders' Action Group**, known as ETAG.

ETAG was formed in order to protect Foundation Shareholders' travel rights when it became clear that Eurotunnel intended to abolish them as part of the 2007 Exchange Tender Offer process.

Following the constitution of the ETAG Steering Committee on 31st March 2007 over 1200 Foundation Shareholders joined the action group and contributed a total of £133,606 as the first of two equal instalments. About two-thirds of those who joined are entitled to unlimited 'free' travel.

As you will see from the accounts, the major cost incurred was in respect of legal fees. These were paid to S J Berwin, lawyers appointed to represent ETAG in dealings with Eurotunnel's legal advisers, Freshfields. In addition, costs were incurred in respect of an exercise undertaken to extract shareholder information from Eurotunnel's annual return and notify as many Foundation Shareholders as possible of the threat to their travel rights. This was a costly operation, undertaken by a third party, since we were not granted access by Eurotunnel to its share register.

The action group has not incurred any cost in respect of the time and expenses incurred by the members of the Steering Committee and other participating ETAG members. It should also be noted that no costs were incurred in respect of the various Takeover Panel hearings.

As you will be aware, Eurotunnel's reorganisation is as yet to be concluded, and ETAG is on standby to ensure its members' position is safeguarded. We currently have reserves of nearly £80,000, and the potential to call a further £132,000 should there be further threats to our position, not to mention members' insurance cover which could run to £2m or more.

However, all being well, this will not be required, and when the Steering Committee is satisfied that the travel rights are safe for the foreseeable future any surplus then remaining will be returned to contributors *pro rata*.

ETAG

Income & Expenditure Account

for the year ended 31st March 2008

Income		£
Contributions		133,606
Interest (net)		2,858
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		136,464
 Expenditure		
Legal fees	47,915	
Stationery & post	9,303	
	<hr/>	57,218
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		79,246
 Surplus for the year		<hr/>

Balance Sheet

as at 31st March 2008

Asset		
Cash at bank		79,961
 Liability		
Income tax due		715
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 Accumulated Fund as at 31 st March 2008		79,246
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Notes

1. ETAG is entitled to call a further £132,654 from contributors should the need arise.
2. The Steering Committee and other participating ETAG members provided their services free.

P J Fox Hon Treasurer 2nd April 2008

Auditor's Report

I certify that the above financial statements are in accordance with the books and records presented to me.

K M Nock FCA Hon Auditor 29th April 2008