

# ETAG

## Progress Report from the Steering Committee

18<sup>th</sup> May 2007

This is our final bulletin before the initial Offer period closes on Monday, 21<sup>st</sup> May, as all our initial actions to ensure the continuation of the Foundation Shareholders' travel rights are concluded for the time being.

You will recall that it was Eurotunnel's intention to scrap our rights after the proposed final Settlement Date of 22<sup>nd</sup> June 2007. That has been avoided, but we still need to be on our guard.

The milestones to achieving this have been:

- Persuading the AMF (Autorité des Marchés Financiers) to require an extra clause in the Securities Note stipulating that the travel rights for those not accepting the Offer for qualifying shares would continue
- Persuading The Takeover Panel to require the letter of 5<sup>th</sup> May be circulated to Foundation Shareholders making it clear that there was no **current** intention to withdraw these travel rights, and extending the Offer period to give time for those who had accepted in error to withdraw their acceptance
- Obtaining a letter from Eurotunnel's lawyers, Freshfields, in response to the threatened litigation, to make it clear that the travel rights would continue for the time being, and that the present booking arrangements would continue beyond November his year.

ETAG has been represented at The Takeover Panel hearings and appeals by members Edward Nugee QC, Michael Spencer QC, Russell Ford FCA and John Webley FCA, the last of which concluded this afternoon, all without drawing on ETAG's funds. They have also made the representations to the AMF, and SJ Berwin has dealt with Freshfields.

Today's hearing was an attempt to persuade The Takeover Panel to rule that the shares required to qualify for travel rights constituted a separate class (which would have further reinforced our position), but to no avail. This, however, in no way detracts from the advances that have already been made.

### The next step

This entirely hinges on the outcome of the Offer, which is due to be announced on 31<sup>st</sup> May (although those in the know expect to know a week earlier) and, if the 50% minimum acceptances is reached, the results of the Additional Acceptance Period.

Be assured that ETAG will be there endeavouring to ensure the travel rights continue for the foreseeable future.