Eurotunnel Group Summary* Combined Accounts

_Balance sheet

£'000	31 December 2003	31 December 2002
ASSETS		
Total fixed assets	7,444,063	8,848,530
Total current assets	823,022	946,178
Prepaid expenses	52,592	43,080
Total assets	**8,319,677**	**9,837,788**
SHAREHOLDERS' FUNDS AND LIABILITIES		
Total shareholders' funds	1,099,187	2,419,325
Provisions	99,508	86,393
Total creditors	7,098,298	7,307,867
Deferred income	22,684	24,203
Total shareholders' funds and liabilities	**8,319,677**	**9,837,788**
Exchange rate €/£	1.419	1.537

_Profit and loss account

£'000	year ended 31 December 2003	year ended 31 December 2002
Total turnover	583,944	581,146
Total operating expenditure	414,160	386,971
Operating profit	**169,784**	**194,175**
Total financial income	43,005	22,542
Total financial charges	362,143	342,490
Financial result	**(319,138)**	**(319,948)**
Exceptional result	**(1,184,847)***	**428,289**
Taxation	**24**	**29**
Result		
(Loss) / profit for the year	**(1,334,225)**	**302,487**
(Loss) / earnings per Unit		
Basic	**(56.5)p**	**13.6p**
Pre-exceptional result	**(6.3)p**	**(5.7p)**
Fully diluted	**(53.3)**p**	**13.1p**
Exchange rate €/£	1.435	1.573

* Including an excetpional impairment of £1,300 million.
**Including Stabilisation Notes conversion, and excluding consequences of future financial restructuring

_Cash Flow Statement

£'000	year ended 31 December 2003	year ended 31 December 2002
Net cash inflow from operating activities	314,304	348,059
Returns on investments and servicing of finance	(277,878)	(245,567)
Capital expenditure	(24,717)	(41,118)
Other non-operating cash flows and taxation	20,367	8,612
Cash inflow before financing	**32,076**	**69,986**
Financing	**(68,100)**	**11,340**
(Decrease) / increase in cash in the period	**(36,024)**	**81,326**
Exchange rate €/£	1.419	1.537

_Notes

1. The Summary Balance Sheet, Profit and Loss Account and Cash Flow Statement are extracted from the Annual Report of Eurotunnel which was approved by the Board on 8 February 2004.

2. The Group Balance Sheet, Profit and Loss Account and Cash Flow Statement consist of the combination of the consolidated accounts of Eurotunnel plc together with Eurotunnel SA and its subsidiaries, applying exchange rates as described in the Annual Report and Accounts. The accounts have been prepared in accordance with the accounting principles applicable in France, under the historical cost convention and on the going concern basis. The accounting principles and bases of calculation used for the interim accounts are identical to those used for the Group's full accounts for the year ended 31 December 2003.

3. Eurotunnel owns nine leasing companies in the UK which had a total outstanding debt at 31 December 2003 of £542 million. This debt is fully secured on lease receivables due to the companies. During the year, the interest receivable and similar income arising in to the leasing companies amounts to £36 million. This is matched by an equivalent amount in interest payable.

4. (Loss) / earnings per Unit

The basic loss per Unit for the year is calculated using the weighted average number of Units in issue during the year of 2,363,089,041 (2002: 2,216,918,185) and the loss for the year of £1,334,225,000 (2002 profit: £302,487,000).
The pre-exceptional loss per Unit is calculated using the above weighted average number of Units in issue, but using the loss of £149,378,000 (2002 loss: £125,802,000) before crediting the exceptional loss of £1,184,847,000 (2002 profit: £428,289,000).
The fully diluted loss per Unit for the year, excluding consequences of future financial restructuring, is calculated using the fully diluted number of Units including Stabilisation Notes conversion of 2,503,070,356 (2002: 2,400,114,202) and the adjusted loss for the year of £1,334,225,000 (2002 profit: £313,589,000).

5. The Eurotunnel Group accounts comply with French generally accepted accounting principles ("GAAP") which differ in certain aspects from UK GAAP. The significant differences, which affect the profit before taxation and shareholders' funds and are described in detail in note 22 of the Group's full accounts for the year ended 31 December 2003, arise in the treatment of the consolidation of quasi-subsidiaries and of equity issue costs. Had the Combined Accounts been prepared under UK GAAP, profit before tax would have decreased by £3 million (2002 : increase of £1 million) and shareholders' funds at 31 December 2003 would have increased by £77 million (2002 : increase of £80 million).

6. As previously indicated in the financial analysis, the going concern basis is dependent on the group's ability to put in place a refinancing plan or if not to obtain an agreement from the lenders within the existing arrangements prior to 2007. If such plans were not successful and the Group's ability to trade as a going concern was not assured, certain adjustments would need to be made to the accounts. Those adjustments would relate to the impairment of assets to their net realisable value and the recognition of contingent liabilities. Such amounts cannot be measured at present.
The banks would be entitled within the French and British legal frameworks to exercise their right to repayment included in the Concession agreement and the securities over assets set out in the Credit Agreements.

7. An impairment charge on the fixed assets has been recorded in the accounts at 31 December 2003. This is described in detail in the financial analysis.

8. The Auditors and Commissaires aux Comptes have reported on the Combined Accounts. Their report was not qualified, but contained two matters of emphasis, one on going concern in absence of refinancing plan before 2007 (see Note 6 above) and one on asset valuation (see Note 7 above and the financial analysis).

*The full Annual Accounts are available on the internet site www.eurotunnel.com or by request to the Shareholders Information Centre: 08457 697 397.