PRESS RELEASE

27 February 2020 at 6:30

Getlink: Robust 2019 Annual Results

- **Revenue stable at €1.085 billion;**
- **EBITDA down 2%[1] to €560 million, in line with announced objectives;**
- **Strong growth of 20% in consolidated net profit to €159 million[2];**
- **A 14% increase in the dividend will be proposed at the next AGM on 30 April 2020, to €0.41 per share, bringing the total amount returned to shareholders, including share-buy-backs, to €1.4 billion since 2008.**

Jacques Gounon, Chairman and Chief Executive of the Group said: *"Getlink has achieved its highest net result since 2007 on a like-for-like basis. The Group performed robustly in 2019, in line with our forecasts and in line with market expectations, despite a changing and complex environment."*

- **2020 financial objectives**
  - 2020 dividend in respect of the 2019 financial year: €0.41 per share subject to approval at the AGM on 30 April 2020, an increase of €0.05 per share;
  - EBITDA[3]: €580million based on taking a prudent view of the current risk from the COVID-19 virus.
- **Confirmed 2022 horizon**
  - EBITDA above €735 million;
  - Dividend increase of €0.05 per share per year.

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1 *All comparisons with the 2018 income statement are based on the average exchange rate for 2019 of £1 = € 1.14.*

2 *Of which €38 million (£33 million) in respect of the settlement agreement between the UK Secretary of State for Transport and Eurotunnel.*

3 *At the rate of £1 = €1.14 and current scope.*

ANNUAL HIGHLIGHTS

➢ Group

- Settlement with the UK Secretary of State for Transport totalling £33 million (€38 million) of which £11 million has been received.
- Change to the governance structure from 1 July 2020, with the appointment of Yann Leriche as Chief Executive Officer and Jacques Gounon as Chairman of the Board of Directors.

➢ Eurotunnel

- In 2019, Eurotunnel Shuttles transported more than 2.6 million passenger vehicles and nearly 1.6 million trucks;
- Yield increase of 3%, in line with the quality of service strategy and premium policy;
- The *Le Shuttle* and *Le Shuttle Freight* services confirmed their position as leading market players on the Short Straits, with market shares of 56.9% for the car activity and 40.4% for the truck activity;
- A new record for Eurostar which carried more than 11 million passengers in 2019. This is driven by the development of the London – Amsterdam service;
- €30 million investment in new infrastructure in preparation for Brexit (Pit-Stops, French e-gates, customs and Sanitary and Phytosanitary control centre (SPS), export parking, Fréthun scanner) and smart border technology.

➢ Europorte

- Europorte recorded good growth in annual revenue, up 4% to €126.5 million, despite the difficult end to the year impacted by SNCF strikes;
- Europorte achieved a substantial EBITDA of €24 million;
- Europorte recorded a positive net profit before tax, confirming the profitability of this activity.

➢ ElecLink

- The IGC has announced that it has received the final dossier, and that it intends to take its final decision on authorising the installation of the cable in the Tunnel in April 2020.

FINANCIAL RESULTS

The Group's consolidated revenue for the 2019 financial year amounts to €1.085 billion, a very slight increase compared to 2018.

Consolidated EBITDA was in line with guidance at €560 million, down €12 million compared to 2018 at a constant exchange rate.

Operating profit was €409 million, up €13 million.

The Group's consolidated net profit for the 2019 financial year was €159 million compared to €132 million in 2018, a strong increase of 20%.

The cost of net financial debt fell by €14 million to €257 million due mainly to the favourable impact of lower British and French inflation rates on the cost of the index-linked tranche of the debt.

Cash held at the end of December 2019 amounted to €525 million.

OBJECTIVES

Confident in the robustness of its economic model and the solid results in 2019, the Group confirms its intention to pursue its dividend policy in the service of its shareholders. Accordingly, it will propose at the AGM to increase the dividend to €0.41 per share for the 2019 financial year, an increase of 14% compared to 2018.

In an economic context that is still uncertain following the UK's exit from the European Union on 31 January 2020 and with possible consequences of the COVID-19 coronavirus crisis, the Group has set a financial target for a 2020 EBITDA of €580 million at an exchange rate of £1=€1.14 and on a like-for-like basis.

The uncertain short-term environment does not diminish the Group's confidence in the soundness of its various businesses and their growth potential in the medium- and long-term. The Group maintains its objective of exceeding €735 million in EBITDA by 2022 (at £1=€1.14) following the entry into service of the ElecLink electricity interconnector mid-2021 or shortly thereafter.

<u>Dates for your 2020 diary</u>:

23 April 2020: 2020 first quarter revenue and traffic

30 April 2020: AGM

23 July 2020: 2020 half-year results

<u>Additional information</u>:

The Board of Directors at its meeting on Wednesday 26 February 2020 under the chairmanship of Jacques Gounon, approved the financial statements for the year ending 31 December 2019.

The financial analysis of the consolidated financial statements is available on the Group's website: www.getlinkgroup.com

Getlink SE's consolidated and parent company accounts for 2019 have been audited and certified by the statutory auditors.

REVIEW OF THE CONSOLIDATED RESULTS AND FINANCIAL SITUATION THE FOR THE YEAR ENDED 31 DECEMBER 2019

The following information relating to Getlink SE's financial situation and consolidated results must be read in conjunction with the consolidated financial statements set out in section 2.2.1 of the 2019 Universal Registration Document.

Accounting standards applied[4] and presentation of the consolidated results

Pursuant to EC Regulation 297/2008 of 11 March 2008 on the application of international accounting standards, the consolidated financial statements of Getlink SE for the financial year ended 31 December 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2019.

1 ANALYSIS OF CONSOLIDATED INCOME STATEMENT

In order to enable a better comparison between the two years, the 2018 consolidated income statement presented in this section has been recalculated at the exchange rate used for the 2019 income statement of £1=€1.140.

Summary

In 2019, the Group's consolidated revenues amounted to €1,085 million, an increase of €1 million compared to 2018 in a difficult context. The Group estimates that the strike by French customs officials in the spring and the strike action against the pension reform in France in December had a negative impact on the Group's revenue of approximately €18 million in 2019. Operating costs, which include non-recurring costs related in particular to the preparation of Brexit, amounted to €525 million, an increase of €13 million (3%) compared to 2018. EBITDA decreased by €12 million (2%) to €560 million and the trading profit decreased by €20 million €378 million. After accounting for an income of €38 million (£33 million) arising from the settlement agreement between the UK Secretary of State for Transport and Eurotunnel (see note A.3 to the consolidated financial statements in section 2.2.1 to the 2019 Universal Registration Document), the operating profit for 2019 was up by €13 million compared to 2018, to €409 million. Net finance costs decreased by €14 million compared to the previous year mainly due to the favourable impact of lower British and French inflation rates on the cost of the index-linked tranche of the debt. The pre-tax profit for the Group's continuing operations improved by €25 million to €156 million for the 2019 financial year (including €38 million for the settlement agreement referred to above).

After taking into account a tax income of €2 million, the net result for the continuing activities of the Group was a profit of €158 million, up €26 million. The Group's net consolidated result for 2019 was a profit €159 million, an improvement of €27 million.

[4] *The Group has applied IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" to its maritime segment since the cessation of MyFerryLink's operations in the second half of 2015. Accordingly, the net results of these activities for the current and previous financial years are presented as a single line in the income statement called "Net profit from discontinued operations". More information on these transactions is given in note C.2 to the consolidated financial statements in section 2.2.1 to the 2019 Universal Registration Document.*

€ million	2019	2018	Change		2018
Improvement/(deterioration) of result		**restated***	**€M**	**%**	**published**
Exchange rate €/£	1.140	1.140			1.128
Eurotunnel	958	961	(3)	-0%	956
Getlink	1	2	(1)	-50%	2
Europorte	126	121	5	+4%	121
Revenue	**1,085**	**1,084**	**1**	**+0%**	**1,079**
Eurotunnel	(406)	(399)	(7)	-2%	(397)
Getlink	(17)	(16)	(1)	-6%	(16)
Europorte	(102)	(96)	(6)	-6%	(96)
ElecLink	–	(1)	1	+100%	(1)
Operating costs	**(525)**	**(512)**	**(13)**	**-3%**	**(510)**
Operating margin (EBITDA)	**560**	**572**	**(12)**	**-2%**	**569**
Depreciation	(182)	(174)	(8)	-5%	(174)
Trading profit	**378**	**398**	**(20)**	**-5%**	**395**
Other net operating income/(charges)	31	(2)	33		(2)
Operating profit (EBIT)	**409**	**396**	**13**	**+3%**	**393**
Net finance costs	(257)	(271)	14	+5%	(269)
Other net financial income/(charges)	4	6	(2)		5
Pre-tax profit from continuing operations	**156**	**131**	**25**	**+19%**	**129**
Income tax income/(expense)	2	1	1		1
Net profit from continuing operations	**158**	**132**	**26**	**+20%**	**130**
Net profit from discontinued operations	1	–	1		–
Net consolidated profit for the year	**159**	**132**	**27**	**+20%**	**130**

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*

The evolution of the pre-tax result from continuing operations by segment compared to 2018 is presented below:

€ million	Eurotunnel	**Getlink	Europorte	ElecLink	Total Group
Pre-tax result from continuing activities: 2018 restated *	**133**	**-**	**1**	**(3)**	**131**
Improvement/(deterioration) of result:					
Revenue	-3	-1	+5	-	+1
Operating expenses	-7	-1	-6	+1	-13
EBITDA	**-10**	**-2**	**-1**	**+1**	**-12**
Depreciation	-6	-1	-	-1	-8
Trading result	**-16**	**-3**	**-1**	**-**	**-20**
Other net operating income/charges	+33	-	-	-	+33
Operating result (EBIT)	**+17**	**-3**	**-1**	**-**	**+13**
Net financial costs and other	-10	+29	+1	-8	+12
Total changes	**+7**	**+26**	**-**	**-8**	**+25**
Pre-tax result from continuing operations for 2019	**140**	**26**	**1**	**(11)**	**156**

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*
** *Included in the Getlink segment's finance line is €27 million of unrealised intra-Group exchange gains in 2019 compared to €2 million in 2018.*

a) Eurotunnel segment

The Group’s core business is the Eurotunnel segment which operates and directly markets its Shuttle Services and also provides access, on payment of a toll, for the circulation of High-Speed Passenger Trains (Eurostar) and the Train Operators’ Rail Freight Trains through its Railway Network.

€ million			Change	
Improvement/(deterioration) of result	2019	* 2018	M€	%
Exchange rate €/£	1.140	1.140		
Shuttle Services	630	640	(10)	-2%
Railway Network	315	307	8	+3%
Other revenue	13	14	(1)	-7%
Revenue	**958**	**961**	**(3)**	**-0%**
External operating costs	(218)	(219)	1	+0%
Employee benefits expense	(188)	(180)	(8)	-4%
Operating costs	**(406)**	**(399)**	**(7)**	**-2%**
Operating margin (EBITDA)	**552**	**562**	**(10)**	**-2%**
EBITDA/revenue	*58%*	*59%*	*-1pt*	

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*

i) Eurotunnel revenue

Revenue generated by this segment, which in 2019 represented 88% of the Group’s total revenue, is down by 0.3% compared to 2018, to €958 million. Labour unrest in France in 2019 has had a significant negative impact on Eurotunnel's business, with an estimated loss of revenue of around €14 million, of which €10 million is explained by the national work-to-rule movement by French customs officials during the spring which impacted all Eurotunnel traffic (trucks, cars and Eurostar), and €4 million in revenue from Eurostar arising from the impact of national strikes in France from 5 December 2019.

Shuttle Services

Traffic (number of vehicles)	2019	2018	Change
Truck Shuttle	1,595,241	1,693,462	-6%
Passenger Shuttle:			
Cars *	2,601,791	2,660,414	-2%
Coaches	50,268	51,300	-2%

* *Includes motorcycles, vehicles with trailers, caravans and motor homes.*

Despite the decline in cross-Channel markets due to the uncertainty surrounding the Brexit date and the impact of this decline on traffic volumes, Shuttle Services’ revenue of €630 million for 2019 was only down by 1.6% compared to the previous year due to growth in yields which benefit from the strategy of optimising the profitability of its Shuttle business.

Truck Shuttle

In a year marked by the uncertainties surrounding Brexit, the French customs officials strike and the downturn in the automobile market, the Short Straits truck market contracted by approximately 4.9% in 2019 and the Truck Shuttle service’s share of the Short Straits market was slightly down, to 40.4%. The number of trucks transported by Eurotunnel decreased by 6% to 1,595,241.

Passenger Shuttle

In spite of the Short Straits car market being impacted by the uncertainties surrounding Brexit and in decline by 6.2% in 2019, Eurotunnel’s car traffic was down by only 2% as a result of car market share up by 2.3 points to 56.9% compared to the previous year. The Passenger Shuttle’s car activity carried 2,601,791 vehicles.

The Short Straits coach market contracted by approximately 4.0% in 2019 but the Passenger Shuttle’s coach market share increased compared to the previous year, to 40.5%.

Railway Network

Traffic	2019	2018	Change
High-Speed Passenger Trains (Eurostar)			
Passengers *	11,046,608	10,971,650	1%
Train Operators' Rail Freight Services **:			
Number of tonnes	1,390,303	1,301,460	7%
Number of trains	2,144	2,077	3%

* *Only passengers travelling through the Channel Tunnel are included in this table, excluding those who travel between continental stations (such as Brussels-Calais, Brussels-Lille, Brussels-Amsterdam, etc.).*

** *Rail freight services by train operators (DB Cargo for BRB, SNCF and its subsidiaries, GB Railfreight, Rail Operations Group, RailAdventure and Europorte) using the Tunnel.*

The Group earned revenues of €315 million in 2019 from the use of its Railway Network by Eurostar's High-Speed Passenger Trains and by the Train Operators' Rail Freight Services, an increase of 3% compared to 2018.

The 11,046,608 Eurostar passengers using the Tunnel in 2019 represent an all-time record. The growth of 0.7% compared with 2018 is driven by the continued success of the London-Amsterdam service launched in April 2018 with the addition of a third frequency in June 2019, despite the significant impact on Eurostar Paris-London traffic of the work-to-rule by French customs officials in March, April and May and the strikes in France in December 2019.

After a first half of 2019 with a 10% increase in traffic, cross-Channel rail freight was heavily impacted by strikes in France in December, but nevertheless recorded a 3.2% increase in the number of cross-Channel rail freight trains in 2019 compared with the previous year.

ii) Eurotunnel operating costs

In 2019, the Eurotunnel segment's operating charges increased by 2% (€7 million) compared with 2018 to €406 million.

The impact of inflation, both in France and the United Kingdom, amounted to €5.5 million, of which €1 million related to the increase in electricity tariffs over the period. This increase is partly offset by the reduction in the capacity plan, made possible by the relative stability of traffic and the improvement in load factors, for an amount of €2 million.

Continued efforts have been made to improve the quality of service provided to customers which represented additional expenditure of €8 million, split between customer relations for €1 million, digital initiatives for €1.5 million and improvement of service reliability for €5.5 million. The 2019 financial year was also marked by the intensification of preparations for the United Kingdom's exit from the European Union as well as an increase in personnel costs related to free share incentive plans.

The Group implemented a series of cost reduction and productivity initiatives aimed at mitigating the financial impact of external factors (Brexit, the French customs officials strike, strike action against pension reforms in France) which amounted to €10 million.

b) Getlink segment

The Getlink segment includes the activities of the Group's holding company, Getlink SE, as well as its direct subsidiaries including the railway training centre CIFFCO.

For the 2019 financial year, the Getlink segment's operating charges amounted to €17 million.

c) Europorte segment

The Europorte segment covers the entire rail freight transport logistics chain in France and includes notably Europorte France and Socorail.

€ million			Change	
Improvement/(deterioration) of result	2019	2018	€M	%
Revenue	**126**	**121**	**5**	**+4%**
External operating costs	(51)	(48)	(3)	-6%
Employee benefits expense	(51)	(48)	(3)	-6%
Operating costs	**(102)**	**(96)**	**(6)**	**-6%**
Operating margin (EBITDA)	**24**	**25**	**(1)**	**-4%**

In 2019, Europorte's revenues increased by 4% despite a difficult end to the year with activity very strongly impacted by the SNCF strike action which is estimated to have lost the business an estimated €4 million in revenues. This increase is the result of growth in cement and petrochemicals transportation activities and the winning of new logistics contracts for industrial sites. Impacted by the strike in December, EBITDA decreased by €1 million compared to 2018.

d) ElecLink segment

ElecLink's activity is the construction and operation of a 1GW electricity interconnector between the UK and France. Construction works began in the second half of 2016 and the interconnector is expected to be in commercial operation mid-2021 or shortly thereafter.

Costs directly attributable to the project are capitalised as assets under construction. Investment on the project during 2019 amounted to €136 million.

e) Operating margin (EBITDA) and trading profit

EBITDA by business segment evolved as follows:

€ million	**Eurotunnel**	**Getlink**	**Europorte**	**ElecLink**	**Total Group**
EBITDA 2018 restated *	562	(14)	25	(1)	**572**
Improvement/(deterioration):					
Revenue	(3)	(1)	5	–	**1**
Operating costs	(7)	(1)	(6)	1	**(13)**
Total changes	**(10)**	**(2)**	**(1)**	**1**	**(12)**
EBITDA 2019	**552**	**(16)**	**24**	**–**	**560**

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*

At €560 million in 2019, the Group's operating margin decreased by €12 million (-2%) compared to 2018, impacted by social movements in 2019 as described above.

Depreciation charges increased by €8 million compared to 2018 to €182 million as a result of the capital investment projects completed in 2018 and 2019.

The trading profit in 2019 decreased by €20 million (5%) compared to 2018, to €378 million.

f) Operating profit (EBIT)

At 31 December 2019, net other operating income included €38 million (£33 million) in respect of the settlement agreement between the UK Secretary of State for Transport and Eurotunnel (see note A.3 to the Group's financial statements in section 2.2.1 of the 2019 Universal Registration Document).

After taking into account this one-off income, the operating profit for the 2019 financial year was up by €13 million (3%) compared to 2018, to €409 million.

g) Net financial charges

At €257 million for 2019, net finance costs were down by €14 million compared to 2018 at a constant exchange rate. Lower inflation rates in the UK and France had a favourable effect on the cost of the indexed tranche of the debt (€20 million) and the capitalisation of interest related to the financing of ElecLink increased by €7 million. These reductions were partially offset by the full-year impact of the increase in interest expense resulting from the issuance of the Senior Secured Notes in October 2018 (€12 million).

h) Net result from continuing operations

The Group's pre-tax result for continuing operations for the 2019 financial year was a profit of €156 million, an improvement of €25 million compared to 2018 at a constant exchange rate.

In 2019, net income tax was a credit of €2 million (2018: credit of €1 million).

The Group's post-tax result for continuing operations for the 2019 financial year was a profit of €158 million, an improvement of €26 million at a constant exchange rate, including the non-recurring income of €38 million.

i) Net result from discontinued operations

Information on discontinued activities is set out in note C.2 to the Group's consolidated financial statements in section 2.2.1 of the 2019 Universal Registration Document.

j) Net consolidated result

The net consolidated result for the Group for the 2019 financial year was a profit of €159 million compared to a profit of €132 million (restated at an equivalent exchange rate) for 2018.

2 ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ million	31 December 2019	31 December 2018
Exchange rate €/£	1.175	1.118
Fixed assets	6,734	6,657
Other non-current assets	613	569
Total non-current assets	**7,347**	**7,226**
Trade and related receivables	77	97
Other current assets	83	65
Cash and cash equivalents	525	607
Total current assets	**685**	**769**
Total assets	**8,032**	**7,995**
Total equity	1,639	2,006
Total financial liabilities	4,998	4,907
Interest rate derivatives	1,055	748
Other liabilities	340	334
Total equity and liabilities	**8,032**	**7,995**

The table above summarises the Group's consolidated statement of financial position as at 31 December 2019 and 31 December 2018. The main elements and changes between the two dates, presented at the exchange rate for each period, are as follows:

- At 31 December 2019, fixed assets include property, plant and equipment and intangible assets amounting to €5,877 million for the Eurotunnel segment, €747 million for the ElecLink segment and €101 million for the Europorte segment. The increase between 31 December 2018 and 31 December 2019 results mainly from investment in the ElecLink project (€136 million in 2019).
- Other non-current assets at 31 December 2019 include the G2 inflation-linked notes held by the Group amounting to €348 million and a deferred tax asset of €205 million.
- At 31 December 2019, cash and cash equivalents amounted to €525 million after payment of the €193 million dividend, net capital expenditure of €246 million, €255 million in debt service costs (net interest, repayments and fees).
- Equity decreased by €367 million as a result of the impact of the dividend payment (€193 million), the recycling to the income statement of the fair value and the change in the mark-to-market valuation of the partially terminated hedging contracts (€264 million) and the impact of the evolution of the cumulative translation reserve (€82 million). These decreases have been partially offset by the impact of the net profit for the year (€159 million), changes in share-based payments (€11 million) and the purchase of treasury shares (€6 million).
- Financial liabilities have increased by €91 million compared to 31 December 2018 as a result of the impact of the increase in the exchange rate on the sterling-denominated debt (€114 million) and the increase of €38 million arising from of the evolution of inflation indexation and costs. These increases have been partially offset by the effect of the €60 million of contractual debt repayments and by the €4 million decrease in lease liabilities under IFRS 16.
- Interest rate derivatives increased by €307 million as a result of the impact of the decrease in long-term rates on the market value of the hedging instruments that were partially terminated in 2017.
- Other liabilities include €242 million of trade and other payables and provisions, as well as retirement liabilities of €98 million.

3 ANALYSIS OF CONSOLIDATED CASH FLOWS

a) Consolidated cash flows

€ million	2019	2018
Exchange rate €/£	1.175	1.118
Continuing activities:		
Net cash inflow from trading	589	588
Other operating cash flows and taxation	8	(14)
Net cash inflow from operating activities	**597**	**574**
Net cash outflow from investing activities	(246)	(269)
Net cash outflow from financing activities	(442)	(422)
Net cash inflow from financing operations	–	115
Decrease in cash in year from continuing activities	**(91)**	**(2)**
Discontinued activities *:		
Increase/(decrease) in cash in year from discontinued activities	1	(1)
Total decrease in cash in year	**(90)**	**(3)**

* *Maritime segment, see note C.2 to the consolidated accounts at 31 December 2019.*

At €589 million in 2019, net cash generated from trading by continuing operations improved by €1 million compared to 2018:

- a reduction of €2 million in the Eurotunnel and Getlink segments to €561 million (2018: €563 million),
- an increase of €2 million in Europorte's cash flows to €29 million (2018: €27 million), and
- ElecLink's operating expenditure remained stable.

The positive variance of €22 million in "Other operating cash and taxation" between the two years is principally due to a change in tax payments (net receipts of €4 million in 2019 compared to net payments of €10 million in 2018) and to the receipt of £11 million (€13 million) in respect of the settlement agreement between the UK Secretary of State for Transport and Eurotunnel (see note A.3 to the consolidated financial statements at 31 December 2019).

At €246 million in 2019, net cash payments for investing activities are down by €23 million compared to 2018. In 2019, these comprised mainly:

- €104 million relating to Eurotunnel and Getlink (2018: €74 million). The main expenditure was €25 million on preparations for Brexit (such as the Pit-Stops to regroup the different security controls and inspections, the SIVEP zone for customs, veterinary and phytosanitary controls and e-gates with facial recognition for coach passengers), €26 million on rolling stock (including €15 million on the start of the mid-life maintenance work on the Passenger Shuttles), €27 million on infrastructure (including €18 million on catenary and power supply) and €16 million on computing and digital projects, and
- payments of €141 million in the ElecLink project (€194 million in 2018).

Net financing payments in 2019 amounted to €442 million compared to €422 million in 2018. During 2019, cash flow from financing comprised:

- capital transactions with an outflow of €187 million consisting of:
  - €193 million paid in dividends (2018: €160 million), and
  - €3 million net receipts in respect of the liquidity contract (€1 million paid in 2018) and receipts of €3 million in respect of the exercise of stock options (€3 million in 2018);
- net debt service costs of €255 million:
  - €189 million of interest paid on the Term Loan and on other borrowings (€174 million in 2018), the increase of €15 million being mainly due to interest paid on the Senior Secured Notes issued by Getlink SE in October 2018 (€20 million in 2019 and €5 million in 2018),
  - €52 million paid in respect of the scheduled repayment of the Term Loan and other borrowings (€63 million in 2018),
  - €5 million received in respect of the contractual repayment of the G2 notes held by the Group (€7 million in 2018),
  - €21 million paid in relation to leasing contracts (€19 million in 2018),
  - €7 million paid in relation to the operation to simplify the debt completed in 2015 (€7 million in 2018), and
  - net receipts of €10 million from interest received on investments and on the G2 notes held by the Group (2018: €8 million in 2018).

b) Free Cash Flow

The Group's Free Cash Flow represents the cash generated by its current activities in the normal course of its business. It can be used to distribute dividends to shareholders and to make strategic investments in the Group's development in order to add value for all stakeholders. The Group defines it as net cash flow from its current activities excluding extraordinary or exceptional cash movements in respect of the equity-related cash flows, financial transactions such as the raising of new debt to help finance new activities, debt refinancing, renegotiation or early repayment as well as investment in new activities or the divestment of activities and related assets.

€ million	2019	2018
Exchange rate €/£	1.175	1.118
Net cash inflow from operating activities	598	573
Net cash outflow from investing activities	(105)	(75)
Net debt service costs (interest paid/received, fees and repayments)	(255)	(249)
Other receipts	3	3
Free Cash Flow	**241**	**252**
Dividend paid	(193)	(160)
Purchase of treasury shares and net movement on liquidity contract	3	(16)
ElecLink: project expenditure	(141)	(194)
Refinancing operations	–	115
Use of Free Cash Flow	**(331)**	**(255)**
Decrease in cash in the year	**(90)**	**(3)**

At €241 million in 2019, Free Cash Flow has decreased by €11 million compared to 2018 for the reasons out in section a) above.

4 DEBT COVER RATIOS

a) Getlink ratios

EBITDA to finance cost ratio

The ratio of the Group's consolidated EBITDA to its finance costs (excluding interest received and indexation) is 2.4 at 31 December 2019 (2018 restated: 2.5).

€ million	2019	2018 * restated
Exchange rate €/£	1.140	1.140
EBITDA	**560**	**572**
Finance cost	259	273
Indexation	(26)	(46)
Finance cost excluding indexation	**233**	**227**
EBITDA / finance cost excluding indexation	**2.4**	**2.5**

* *Restated at the rate of exchange used for the 2019 income statement (£1=€1.140).*

Net debt to EBITDA ratio

The Group defines its net debt to EBITDA ratio as the ratio between financial liabilities less the indexed nominal value of the G2 notes held by the Group and cash and cash equivalents, and consolidated EBITDA. At 31 December 2019, the ratio was 7.6 compared to 7.2 at 31 December 2018.

€ million	31 December 2019	31 December 2018
Non-current financial liabilities	4,853	4,759
Current financial liabilities	61	55
Other non-current liabilities	50	57
Other current liabilities	34	36
Total financial liabilities	**4,998**	**4,907**
Inflation-indexed notes (G2)	(232)	(222)
Cash and cash equivalents	(525)	(607)
Net debt	**4,241**	**4,078**
EBITDA	560	569
Net debt / EBITDA	**7.6**	**7.2**
Statement of financial position exchange rate €/£	*1.175*	*1.118*
Income statement exchange rate €/£	*1.140*	*1.128*

b) Eurotunnel ratios

Financial covenants in respect of the Term Loan

The debt service cover ratio and the synthetic service cover ratio on the Term Loan apply to the Eurotunnel Holding SAS sub-group. These ratios are described in note G.1.2.b) to the consolidated financial statements contained in section 2.2.1 of the 2019 Universal Registration Document.

At 31 December 2019, Eurotunnel has respected its financial covenants under the Term Loan with a debt service cover ratio and a synthetic service cover ratio of approximately 2.