

PRESS RELEASE

Technicolor Announces Grass Valley Reorganization Plan

Paris, 31 March 2010 - Technicolor (Euronext Paris 18453 ; NYSE : TCH) today announced a reorganization plan to enable its Grass Valley business to adapt to a strongly deteriorated business climate. Grass Valley, currently being divested, is not within Technicolor's strategic re-focusing, centered upon services for content creators and distributors.

The worldwide market for professional broadcast equipment, where Grass Valley does business, has been in sharp decline - about 30% since the end of 2008 - mainly as a result of declining broadcaster budgets and advertizing expenses. Like all companies in the sector, Grass Valley faces serious economic difficulties, as evidenced by a 31% decline in revenues between 2008 and 2009 and losses totaling 87m€¹ in 2009.

The reorganization plan, which involves all major Grass Valley sites worldwide (Germany, Japan, the Netherlands, USA, France) will be presented to duly-designated personnel representatives in the countries involved.

Towards this end, since the beginning of this week, Group affiliates have held meetings with works councils in the Netherlands and Germany as well as French (*Comité Central d'Entreprise*) and European (*Comité d'Entreprise Européen du Groupe*) works councils. The meetings were held in order to present a reorganization plan needed to enable Grass Valley to return to the break-even point in the current economic context. The plan was based upon Grass Valley's reorganization into three distinct activities: broadcast, head-ends and transmission. It would include a 25% reduction in Grass Valley headcount by eliminating 625 jobs worldwide.

¹ Loss before tax and net finance costs and before impairment losses.



The company reiterates its desire to implement the plan in a responsible fashion; it seeks to engage in a dialog with employees, while taking each individual's situation into account, consistent with the company's human resources policy.

Technicolor is a company listed on NYSE Euronext Paris and NYSE stock exchanges, and this press release contains certain statements that constitute "forward-looking statements" within the meaning of the "safe harbor" of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted or implied by such forward-looking statements. For a more complete list and description of such risks and uncertainties, refer to Technicolor's filings with the U.S. Securities and Exchange Commission and its filings with the French Autorité des marchés financiers.

About Technicolor

With more than 95 years of experience in entertainment innovation, Technicolor serves an international base of entertainment, software, and gaming customers. The company is a leading provider of production, postproduction, and distribution services to content creators and distributors. Technicolor is one of the world's largest film processors; the largest independent manufacturer and distributor of DVDs (including Blu-ray Disc); and a leading global supplier of set-top boxes and gateways. The company also operates an Intellectual Property and Licensing business unit. For more information: www.technicolor.com

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