



Technicolor Receives a Binding Offer from PARTER Capital Group for Grass Valley Transmission Business

Paris (France), December 23, 2010 – **Technicolor** (Euronext Paris: TCH; NYSE: TCH) has received a fully documented binding offer from PARTER Capital Group, a private equity investment consultancy firm based in Germany, focused on traditional technology driven industries, for the acquisition of the Transmission business, operating under the Thomson Broadcast brand.

As announced early 2010, the Grass Valley perimeter has been reorganized in three distinct activities: broadcast, transmission and head-end, and is undergoing a restructuring launched end of March 2010. With regard to the Broadcast activity, the sale to Francisco Partners was announced on July 26, 2010.

The Transmission activity provides transmission products for terrestrial television and radio. With 291 employees operating in 5 countries, this activity recorded revenues of about 43 million Euros in 2009. In 2009, before restructuring, the Transmission activity accounted for 11% of the total Grass Valley perimeter revenues and 26% of the operating loss.

Key Elements of the Offer

- The scope of the offer includes all assets and employees of the Transmission Business. This comprises the entire product portfolio: television and radio transmitter product lines, antennas, and scientific applications, as well as the associated R&D centers and sites worldwide. The offer also comprises sales and customer support organizations around the world, systems activities, and the various management and support functions.
- PARTER Capital Group will also enter a trademark agreement with Technicolor for the use of the Thomson trademark.
- The offer values the Transmission business for a non-material amount.
- Based on the book value of the assets, the Group expects to register a non-cash loss for this disposal in its 2010 financial statements.
- Given the structure of the offer, Technicolor will not receive cash proceeds from this disposal which can be applied to the company's Disposal Proceeds Notes, maturing 31 December 2010.



The transaction is expected to close in the first quarter of 2011, subject to the relevant customary regulatory administrative approvals and consultations.

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

Technicolor is home to industry-leading creative and technology professionals committed to the creation, management and delivery of entertainment content to consumers around the world. Propelled by a culture of innovation and underpinned by a dedicated research organization, the company's thriving licensing business possesses an extensive intellectual property portfolio focused on imaging and sound technologies. Serving motion picture, television, and other media clients, the company is a leading provider of high-end visual effects, animation, and postproduction services. In support of network service providers and broadcasters globally, Technicolor ranks among the worlds' leading suppliers of digital content delivery services and home access devices, including set-top boxes and gateways. The company also remains a large physical media service provider, being one of the world's largest film processors and independent manufacturers and distributors of DVDs and Blu-ray™ discs.

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