



Technicolor to sell its Broadcast Services activity to Ericsson

Paris (France), March 13, 2012 – Technicolor (Euronext Paris: TCH) today announces that it has received a binding offer from Ericsson (NASDAQ:ERIC), the world leader in communication technologies and services, for the acquisition of its Broadcast Services activity.

The offer includes a purchase price of €19 million and a potential earn-out based on 2015 revenues of the Broadcast Services activity of up to €9 million.

Technicolor's Broadcast Services activity provides play-out services, live production support and media asset management services. With approximately 900 employees (as of January 2012), it provides services in 3 countries: France, United Kingdom and The Netherlands. Ericsson is the world leader in communication technologies and services, which currently increases its focus on broadcast business. By being divested to Ericsson, for which managed services is one of the core areas, the Broadcast Services activity will be in a better position to seize new market opportunities.

For Technicolor, this transaction will contribute to the Group's ongoing efforts to leverage its existing portfolio, optimize its investments allocation and free cash flow generation, as outlined in its 2012-2015 strategic roadmap presented on February 24, 2012. The transaction will also contribute to Technicolor's focus on reducing its debt level and allocating capital investments to its other activities.

Frederic Rose, CEO of Technicolor, declared: *"This transaction is consistent with Technicolor's strategy to focus on media monetization solutions, new growth businesses, and strengthen its balance sheet. For Ericsson, managed services are a core business and after completion of this divesture, the Broadcast Services activity will benefit from the company's know-how and global scale necessary to remain a key player in the worldwide Broadcast industry"*.

"As the TV industry is undergoing fundamental changes with the transition to multi-platform, on-demand television, teaming up with a trusted partner enables broadcasters to meet the increasing commercial and technological complexity and competition in the TV market", said Magnus Mandersson, Executive Vice President and Head of Business Unit Global Services, Ericsson. *"We combine our service and technology leadership with strategic investments in payout operations, broadcast capability and competence."*

Net disposal proceeds of the transaction before potential earn-out will be applied to the prepayment of the reinstated debt. The FY 2012 outlook provided on February 24 is not affected by this transaction.



The transaction is expected to close around mid 2012 and is subject to the relevant customary regulatory administrative approvals and consultations.

About Technicolor

Technicolor, a worldwide technology leader in the media and entertainment sector, is at the forefront of digital innovation. Our world class research and innovation laboratories enable us to lead the market in delivering advanced video services to content creators and distributors. We also benefit from an extensive intellectual property portfolio focused on imaging and sound technologies, based on a thriving licensing business.

Our commitment: Enhance media experience on any screen, in theaters, at home and on the go.

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About Ericsson

Ericsson is the world's leading provider of communications technology and services. We are enabling the Networked Society with efficient real-time solutions that allow us all to study, work and live our lives more freely, in sustainable societies around the world.

Our offering comprises services, software and infrastructure within Information and Communications Technology for telecom operators and other industries. Today more than 40 percent of the world's mobile traffic goes through Ericsson networks and we support customers' networks servicing more than 2 billion subscribers.

We operate in 180 countries and employ more than 100,000 people. Founded in 1876, Ericsson is headquartered in Stockholm, Sweden. In 2011 the company had revenues of SEK 226,9 billion (USD 35.0 billion). Ericsson is listed on NASDAQ OMX, Stockholm and NASDAQ, New York stock exchanges.

www.ericsson.com