

Update on the JPMorgan proposed transaction

Paris (France), June 11, 2012 – Following the filing by Vector Capital on May 25 of resolutions to be submitted to the General Shareholders' Meeting to be held on June 20 (the "Vector Resolutions"), Technicolor received on June 8 in the morning a proposal (the "Amended Proposal") submitted by Jesper Cooperatief U.A. ("JPMorgan"), in order to amend the contracts entered into between the two parties on May 2, 2012 (the "JPMorgan Contracts"). The Board of Directors of Technicolor met the same day to review the Amended Proposal.

Under the Amended Proposal, JPMorgan proposed to increase the subscription price of the shares to be issued under the reserved capital increase from €1.6 to €1.9 per share, so that the total capital increase proceeds would have been comprised between €169 million and €179 million, compared to the total proceeds implied by the JPMorgan Contracts comprised between €147 million and €158 million. The Board viewed very favorably JPMorgan's willingness to increase the price of the reserved capital increase.

The Amended Proposal was subject, however, to the introduction of new terms in the JPMorgan Contracts that the Board of Directors deemed unfavorable to the Company and its shareholders.

These new terms, which were not included in the JPMorgan Contracts, included a break-up fee and a new condition making the JPMorgan Resolutions subject to no resolution having an equivalent object (including the Vector Resolutions, as amended, as the case may be) being put to the vote of the General Shareholders' Meeting¹. Given the obligation under French law to put to the vote of the General Shareholders' Meeting the Vector Resolutions or any amendment presented by a shareholder, this condition would have made the JPMorgan commitments under the Amended Proposal less certain than in the original JPMorgan Contracts. As a consequence, the Board concluded that the firm and irrevocable nature of the JPMorgan Contracts was more beneficial to the Company and its shareholders, and that the uncertainty created by the new condition outweighed the benefits of the Amended Proposal.

In compliance with its obligations under the JPMorgan Contracts, the Company will continue to use its reasonable best efforts to obtain the approval of the transaction agreed on May 2 by the General Shareholders' Meeting to be held on June 20. As a reminder, at its May 29, 2012 meeting, the Board of

Directors unanimously resolved to recommend to the Company's shareholders that they vote in favor of the resolutions relating to the implementation of this transaction.

¹This condition is specified as follows in the Amended Proposal: *"no submission nor approval of any resolutions having an equivalent object, including the resolutions A, B, C, D, E, F [the Vector Capital resolutions] as amended, as the case may be"*.



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: supporting the delivery of exciting new experiences for consumers in theaters, homes and on-the-go. Euronext Paris: TCH • www.technicolor.com

Contacts :

Investor Relations: +33 1 41 86 55 95

investor.relations@technicolor.com

Press:

Technicolor: +33 1 41 86 53 93

technicolorpressoffice@technicolor.com

Brunswick: +33 1 53 96 83 83

Marie-Laurence Bouchon • mbouchon@brunswickgroup.com