

Technicolor's General Shareholders' Meeting approves the capital increases proposed by Vector Capital

Paris (France), June 20, 2012 - The General Shareholders' Meeting of Technicolor (Euronext: TCH) met today under the Chairmanship of Denis Ranque, Chairman of the Board, and in the presence of Frederic Rose, CEO, and members of the Board of Directors.

The shareholders approved by a large majority the resolutions relating to the transaction proposed by Vector Capital Corporation ("Vector") in its offer dated May 25 and amended on June 13.

The transaction, agreed by the General Shareholders' Meeting of shareholders, will take place in two steps:

- Technicolor will issue 47 471 506 shares through a reserved capital increase to Petalite Investments S.à r.l., an investment vehicle controlled by Vector, at a price of €2.00 per share (the "Reserved Capital Increase");
- Technicolor will issue 61 643 316 shares in a capital increase with preferential subscription rights at a price of €1.56 per share (the "Rights Issue"). Vector has irrevocably committed to subscribe up to 75% of the amount of the Rights Issue to ensure its success.

The level of participation of existing shareholders in the Rights Issue will determine Vector's final stake in Technicolor. Following the Rights Issue, Vector will hold between 18% and 29.94% of Technicolor's share capital.

These capital increases, of an amount comprised between €167 million and €191 million will allow Technicolor to strengthen its balance sheet and enhance its capabilities to implement its "Amplify 2015" strategic roadmap, which aims to make Technicolor a leader in innovation in media monetization solutions by:

- Expanding its innovation pipeline and Licensing business;
- Developing innovative solutions to address expanding digital media markets;
- Consolidating its activities and expanding geographically to gain scale or access to broader ecosystems.



These capital increases will also contribute to stabilizing Technicolor's shareholder base, which will benefit from Vector's expertise in technology. Vector publicly expressed its long-term commitment to the Company.

As a result of the resolutions approved by the General Meeting, two Vector representatives, Alexander R. Slusky and David L. Fishman, will sit on Technicolor's Board immediately upon completion of the Reserved Capital Increase.

Technicolor will file a prospectus with the Autorité des marchés financiers (AMF) relating to the capital increases, describing the characteristics of the Reserved Capital Increase Reserved and Rights Issue as well as Vector's commitments regarding governance. This transaction is also subject to the approval of relevant competition authorities.

The timetable of the transaction will be specified in the prospectus submitted to the AMF.



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.

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About Vector Capital

Vector Capital is a leading global private equity firm located in San Francisco specializing in the technology sector. Founded in 1997, Vector Capital manages over \$2 billion in equity capital from a variety of investors, including the world's most respected university endowments, foundations, financial institutions, and family offices. Vector Capital has a highly focused investment strategy that emphasizes technology companies with a high degree of intellectual property that are in a state of transformation. Since inception, Vector Capital has made more than 35 investments in public and private companies with an aggregate value of more than \$2.5 billion, across sectors including digital media, infrastructure software, and internet services.

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