



PRESS RELEASE

TECHNICOLOR ACQUIRES VISUAL EFFECTS LEADER IN ADVERTISING THE MILL FOR €259 MILLION

Technicolor to achieve its Drive 2020 Adjusted EBITDA objective by 2017

Paris (France), September 15, 2015 – [Technicolor](#) (Euronext Paris: TCH; OTCQX: TCLRY) announces today the acquisition of London-based The Mill, the world's largest visual effects and content creation studio for the advertising industry, for €259 million on a debt-free basis.

Founded in 1990, The Mill is consistently recognized by peers and clients as a premier visual effects provider for both advertising agencies and brands, and has earned in excess of 1,000 industry awards. It has operations in the key markets of London, New York, Los Angeles and Chicago.

This acquisition accomplishes many objectives set out in Technicolor's Drive 2020 strategic roadmap:

- Establishes leadership positions for visual effects and digital creation across all segments of high-end content, including cinema, TV and advertising;
- Reinforces Technicolor's strong portfolio of brands including MPC, Mr. X and Mikros Image servicing a broad range of customers across 10 global locations;
- Brings significant talent and expertise around emerging technologies such as virtual reality content that will enable Technicolor's to enhance its technology platform across the entire industry;
- Adds significant financial contribution with a business that has grown revenues at a 16% CAGR since 2009 to reach €135 million in 2014 while delivering EBITDA margins of approximately 20%;
- Allows Production Services to better balance its portfolio through increased exposure to advertising and strengthens the financial profile of the Entertainment Services segment. With this acquisition Production Services accounting for approximately 40% of Entertainment Services revenues.

"In acquiring The Mill, we are executing on our Drive 2020 strategic objective of enhancing our market position in visual effects while improving profitability and revenue growth concurrently with accelerating deployment of emerging technologies," said Technicolor CEO, Frederic Rose. "In The Mill, we have found a company that aligns with our focus on excellence in talent, technology and operational performance. It is a perfect fit."

With these two transactions, the Adjusted EBITDA floor that Technicolor has set for 2020 (at least €500 million) as part of its Drive 2020 strategic roadmap will be achieved by 2017 while maintaining a strong cash flow generation. The transaction combined with the acquisition of Cisco Connected Devices will translate into high double digit EPS accretion for the full year 2016. The Company will update its Drive 2020 financial objectives concurrent with its full year 2015 results.

Frederic Rose, CEO, and Esther Gaide, CFO, will hold a conference call and an audio webcast today, Tuesday September 15th, 2015 at 6:30pm (CEST).

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. www.technicolor.com

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Technicolor shares are on the NYSE Euronext Paris exchange (TCH) and traded in the USA on the OTCQX marketplace (OTCQX: TCLRY).

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