

TECHNICOLOR WILL LAUNCH A c.€375 MILLION INCREMENTAL TERM LOAN AND A CAPITAL INCREASE OF UP TO €225 MILLION

To finance the acquisitions of Cisco Connected Devices and The Mill

Paris (France), September 15, 2015 – [Technicolor](#) (Euronext Paris: TCH; OTCQX: TCLRY) (“Technicolor” or the “Company”) today announces that it will launch an incremental term loan to partially finance the acquisition of the Connected Devices division of Cisco and The Mill and a capital increase with preferential subscription rights (the “Rights Offering”). The combination of the incremental term loan and of the Rights Offering would allow Technicolor to maintain a healthy balance sheet pro forma for the acquisitions of Cisco Connected Devices and The Mill and appropriate financial flexibility for future growth.

The envisaged financing transactions should result in a pro forma expected leverage (Net Debt to Adjusted EBITDA) of 1.7x at end 2015 and include:

1. An incremental term loan of c.€375 million maturing in 2020 (the “Incremental Term Loan”) fully underwritten by Goldman Sachs, the syndication of which will start in the coming days;
2. A Rights Offering of up to €225 million, which Technicolor will launch after the publication of its Q3 2015 revenues. Banks have been appointed and are committed to underwrite the Rights Offering, subject to customary conditions; and
3. Approximately €100 million of cash-on-hand will also be used to finance the acquisitions.

The Incremental Term Loan: Concurrent with the announcements of the strategic acquisitions of Cisco Connected Devices on July 23, 2015 and of The Mill today, Technicolor will launch an Incremental Term Loan in US\$ and € of c.€375 million equivalent aggregate principal amount, to help fund those transactions in conjunction with the planned Rights Offering and cash on hand. The Incremental Term Loan is being led by Goldman Sachs International as Sole Lead Arranger and Bookrunner.

The Rights Offering: Technicolor will raise up to €225 million of new equity through a capital increase with the issuance of new ordinary shares. Existing shareholders will receive preferential rights to subscribe for new shares. The Rights Offering will be launched post announcement of Q3 2015 revenues on October 21, subject to market conditions and receiving the visa from the French *Autorité des marchés financiers*. The terms of the Rights Offering will be announced at the time of launch. Banks are committed to underwrite the Rights Offering, subject to customary conditions. Upon the launch of the Rights Offering, the Company will publish a prospectus in respect of the Rights Offering, which will be available on the website of the Company.

In addition, it is reminded that, as per the Company’s press release of July 23, 2015, the acquisition of Cisco Connected Devices will be partially financed through the delivery to Cisco of Technicolor newly-issued shares.

Forward Looking Statement

This press release includes forward-looking statements and information about the objectives of Technicolor, in particular, relating to its current or future projects. These statements are sometimes identified by the use of the future tense or conditional mode, as well as terms such as “estimate”, “believe”, “have the objective of”, “intend to”, “expect”, “result in”, “should” and other similar expressions. It should be noted that the realisation of these objectives and forward-looking statements is dependent on the circumstances and facts that arise in the future. Forward-looking statements and information about objectives may be affected by known and unknown risks, uncertainties and other factors that may significantly alter the future results, performance and accomplishments planned or expected by the Company. These factors may include changes in the economic and commercial situation, regulations and those detailed in Chapter 3 of the reference document filed with the Autorité des marchés financiers (the “AMF”) on 18 March 2015 under no. D.15-0152.

Important Information

No communication and no information in respect of this transaction may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been or will be taken in any jurisdiction (other than France) where such steps would be required. The issue, the subscription for or the purchase of Technicolor’s shares may be subject to specific legal or regulatory restrictions in certain jurisdictions. Technicolor assumes no responsibility for any violation of any such restrictions by any person.

This announcement is not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4th, 2003, as amended, in particular by Directive 2010/73/EU to the extent such Directive has been transposed in the relevant member State of the European Economic Area (together, the “Prospectus Directive”).

No securities offering will be opened to the public in France before the delivery of the visa on a prospectus prepared in compliance with the Prospectus Directive, as approved by the French Autorité des marchés financiers.

With respect to the member States of the European Economic Area (each, a “relevant member State”), other than France, no action has been undertaken or will be undertaken to make an offer to the public of the securities requiring publication of a prospectus in any relevant member State. As a result, the new shares of Technicolor may only be offered in relevant member States (i) to qualified investors, as defined by the Prospectus Directive; or (ii) in any other circumstances, not requiring Technicolor to publish a prospectus as provided under Article 3(2) of the Prospectus Directive.

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

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