

PRESS RELEASE

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TECHNICOLOR ANNOUNCES THE LAUNCH AND THE TERMS AND CONDITIONS OF A CAPITAL INCREASE WITH SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS, FOR AN AMOUNT OF APPROXIMATELY €227 MILLION

- **Subscription ratio: 1 new share for 7 existing shares**
- **Subscription price: €4.70 per new share**
- **Subscription period: from 22 October 2015 to 4 November 2015**

Paris (France), 20 October 2015 – [Technicolor](#) (Euronext Paris: TCH, OTCQX: TCLRY) ("**Technicolor**" or the "**Company**") announces today the launch of a capital increase with preferential subscription rights (the "**Rights Offering**") for a total gross amount of €227,369,479.50, issue premium included.

Purpose of the Rights Offering

As announced on 15 September 2015, the Rights Offering complements the issuance of a €375 million Incremental Term Loan maturing in 2020 to partly finance Technicolor's acquisitions of Cisco Connected Devices division (for \$600 million or €534 million equivalent¹), the customer premises equipment business of Cisco, and The Mill (for €253 million), the world's largest visual effects and content creation studio for Advertising and Brands.

Main terms of the offering

The capital increase will be conducted by way of issuance of preferential subscription rights granted to existing shareholders and will result in the creation of 48,376,485 new shares at a price of €4.70 per share, comprising a nominal value of €1 and an issue premium of €3.70, for total gross proceeds (issued premium included) of €227,369,479.50.

Each shareholder of the Company (as of record date of 21 October 2015) will receive one preferential subscription right per share registered in such holder's account at the close of the accounting day of 21 October 2015, 7 preferential subscription rights allowing such holder to subscribe for 1 new share.

¹ The conversion to euros was done using the €/€ exchange rate of 1.1241 as at 30 September 2015.

By way of an illustration, based on Technicolor's closing share price on the regulated market of Euronext in Paris ("**Euronext Paris**") on 19 October 2015, i.e. €6.508, the theoretical value of one (1) preferential subscription right amounts to €0.226 and the theoretical value of the share ex-right amounts to €6.282.

Subscriptions may also be made on a reducible basis but remain subject to reduction in case of over-allotment. Any shares not subscribed through irrevocable entitlement will be distributed and allocated to the holders having submitted additional subscription orders subject to reduction.

The offer will be open to the public in France only.

Indicative timetable

The subscription period for the new shares will begin on 22 October 2015 and will end on 4 November 2015 inclusive. During this period, the preferential subscription rights will be listed and traded on Euronext Paris under ISIN code FR0012993202. Rights remaining unexercised at the end of the subscription period will expire.

The settlement and delivery as well as the admission to listing of the new shares are expected to take place on 17 November 2015.

Underwriting of the offering

The issuance of the new shares is fully underwritten in accordance with an underwriting agreement dated 20 October 2015 entered into between the Company and a bank syndicate.

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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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Forward Looking Statements

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 or Technicolor S.A. ("**Technicolor**" or the "**Issuer**") may be distributed to the public in any jurisdiction where a registration or approval should be made or obtained. 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 press release does not constitute and shall not be considered as constituting a public offer, an offer to purchase or as an intention to solicit the interest of the public for a public offering of any securities.

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In particular:

This document does not constitute an offer to sell or the solicitation of an offer to buy the securities of Technicolor in the United States. The securities referred to herein may not be offered or sold in the United States unless such securities are registered under, or pursuant to an exemption from registration under, the US Securities Act of 1933, as amended. The Issuer has not registered, and does not intend to register, any of the securities referred to herein in the United States and does not intend to conduct a public offering of the securities in the United States.

This press release does not constitute a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4th, 2003 (the "**Prospectus Directive**"), as amended.

With respect to the Member States of the European Economic Area (each a "**Relevant Member State**"), no action has been undertaken or will be undertaken to make an offer to the public of the securities requiring a publication of a prospectus in any Relevant Member State, other than France. As a result, the new or existing shares of the Issuer may not be offered and will not be offered in any Relevant Member State other than France, except (i) to any legal entity which is a qualified investor as defined under the Prospectus Directive, (ii) to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) as permitted under the Prospectus Directive; or (iii) in any other circumstances not requiring the Issuer to publish a prospectus as provided under Article 3(2) of the Prospectus Directive and/or regulations applicable in the Relevant Member State.

For the purposes of this provision, an "offer to the public" in relation to the new or existing shares of the Issuer in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the new or existing shares of the Issuer to be offered so as to enable an investor to decide to purchase the new or existing shares of the Issuer, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

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*.

In the United Kingdom, this document does not constitute an approved prospectus for the purpose of and as defined in section 85 of the Financial Services and Markets Act 2000 (as amended) (the "**FSMA**"), has not been prepared in accordance with the Prospectus Rules issued by the UK Financial Conduct Authority (the "**FCA**") pursuant to section 73A of the FSMA and has not been approved by or filed with the FCA or any other authority which would be a competent authority for the purposes of the Prospectus Directive. The new and existing shares in the Issuer may not be offered or sold and will not be offered or sold to the public in the United Kingdom (within the meaning of sections 85 and 102B of the FSMA) save in the circumstances where it is to be lawful to do so without an approved prospectus (within the meaning of section 85 of the FSMA) being made available to the public before the offer is made.

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