PRESS RELEASE

Third Quarter 2020 results

Technicolor remains on track to meet its full year and 2022 guidance

Paris (France), 5 November 2020 – Technicolor (Euronext Paris: TCH; OTCQX: TCLRY) announces today its results for the third quarter of 2020.

Richard Moat, Chief Executive Officer of Technicolor, stated:

"The Group demonstrated its resilience in facing the Covid-19 crisis during the third quarter. The Group's transformation plan has significantly improved underlying profitability and year on year cash flow generation, even though Technicolor has suffered in terms of sales during this difficult period. We therefore remain confident in meeting our 2020 and 2022 outlook, and delivering profitable growth, cash generation and value creation to our shareholders. Following the completion of our financial restructuring, Technicolor now has the appropriate financial structure, and will benefit from sufficient funding for the foreseeable future to accomplish its transformation and expansion projects."

The Group's activities have continued to demonstrate resilience to the Covid-19 crisis in the third quarter:

- **Connected Home revenues were up 11% at constant rate quarter-to-quarter, with continued strong consumer demand for better broadband and wifi driving the positive performance, particularly in North America (+41% quarter-on-quarter);**
- **Production Services' Film and Episodic Visual Effects and Post Production activities were affected by the cessation of live action shooting. However, resilience in Advertising activities helped mitigate the impact of Covid-19;**
- **DVD Services were hit by the lack of new film releases following cinema closures, but this was partly compensated by strong back catalog demand.**

As a result of these factors, consolidated revenues for the Group were down 19.2% year to date at current rates to €2,230 million. EBITDA of €106 million was down 48% at current rate. However, free cash flow improved by €76 million year-to-date at current rate compared to the prior year primarily thanks to the performance of Connected Home.

Based on business activity for the last 9 months, and despite the challenging context, the Group is confident of achieving the outlook presented in its press release issued on July 30th, 2020, including:

- **Cost savings in excess of €160 million during the year, driven by a reduction in the permanent workforce of almost 30% vs. December 2019;**
- **EBITDA 2020 target of €169 million and EBITDA 2022 target of €425 million;**
- **Continuing free cash flow (before financial results and tax) in the range of €(115) to €(150) million in 2020, and at €259 million in 2022.**

Technicolor's ongoing cultural transformation, aimed at relentlessly focusing on improving operations, profitability and cash generation, continued in the last quarter with the appointments of Christian Roberton as President of Production Services and David Holliday as President of

DVD Services. Christian joined MPC in 2003, where he started as a VFX Production Manager and within 5 years became Managing Director of MPC Film; he has been a member of the Technicolor Executive Committee since 2019. David was appointed in May 2020, bringing a wealth of leadership experience to DVD Services, having spent nearly 40 years overseas in the Middle-East, Europe, Asia, S.E. Asia, Africa and South America – building, leading and restructuring mobile, fixed and broadband telecoms companies in the public and private sectors.

Key indicators from continuing operations end of September 2020

	Third Quarter				YTD September			
In € million	**2019**	**2020**	At current rate	At constant rate	**2019**	**2020**	At current rate	At constant rate
Revenues from continuing operations	995	**798**	(19.9)%	(15.6)%	2 760	**2 230**	(19.2)%	(18.0)%
Adjusted EBITDA from continuing operations	100	**53**	(47.0)%	(44.7)%	203	**106**	(47.9)%	(46.6)%
As a % of revenues	10.1%	**6.7%**			7.4%	**4.7%**		
Adjusted EBITA from continuing operations	43	**2**	(95.0)%	(96.6)%	(2)	**(65)**	ns	ns
EBIT from continuing operations	16	**(17)**	ns	ns	(73)	**(212)**	ns	ns
Free Cash Flow from continuing before Tax & Financial	(132)	**(35)**	(73.4)%	(67.6)%	(343)	**(278)**	+19.0%	+18.7%
Free Cash Flow from continuing operations	(147)	**(48)**	+67.3%	+61.5%	(411)	**(335)**	+18.5%	+18.1%

9-month Group update

- Sales of €2,230 million were down 18.0% at constant rate, including decreases in Production Services (41.2)% DVD Services (21.3)% and Connected Home (4.8)%.
- Adjusted EBITDA of €106 million was down 46.6% at constant rate, reflecting operational and financial improvements across all activities, particularly in Connected Home, and a decline in Film & Episodic Visual Effects mainly driven by cessation of live action shooting and lower business volumes in DVD Services.
- Adjusted EBITA of €(65) million was lower by €(63) million at current rate, mitigated by lower D&A and reserves.
- We made a €71 million impairment charge, mainly related to DVD Services, due to Covid-19 revised assumptions.
- Restructuring costs accounted for €(51) million at current rate, including €(20) million in Production Services on cost streamlining actions, €(17) million in DVD Services, mainly resulting from optimization of distribution sites, €(8) million in Connected Home, pursuant to the three-year transformation plan, and €(5) million for Corporate and Other.
- Free cash flow[1] of €(335) million was higher by €76 million at current rate, with a significant improvement in the third quarter compared to 2019 driven mainly by improved Connected Home operational performance, and the ongoing implementation of our cost transformation program.

[1] Free cash flow defined as: *Adj. EBITDA – (net capex + restructuring cash expenses + change in pension reserves + change in working capital and other assets & liabilities + cash impact of other non-current result + net financial interests + exchange result + other financial results and income tax)*

- Net debt at nominal value amounts to €1,044 million and IFRS net debt amounts to €955 million. The difference mainly relates to the mark-to-market debt valuation on issuance and will be reversed through non-cash interest charges over the life of the debt.

- The Group is now targeting a total of €325 million in run-rate cost savings by 2022, an increase of €25 million compared to our previous announcement. At the end of September 2020 the Group had already realized €109 million of these cost savings, and as previously stated anticipates achieving more than €160m savings during 2020 as a whole.

Outlook

- Adjusted continuing EBITDA of €169 million and Adjusted continuing EBITA of €(64) million in 2020.
- Adjusted continuing EBITDA of €425 million and Adjusted continuing EBITA of €202 million in 2022.
  - It should be noted that more than €15 million of Covid-19 related costs will be included in the Group's EBITDA in 2020.

- Continuing free cash flow (before financial results and tax) is anticipated to be in a range of €(115) to €(150) million in 2020 and will improve to €259 million in 2022. Following the entry into the SFA procedure, a faster than expected reduction of payment terms was requested by suppliers, which will lead to some payments advanced from 2021 to 2020. This will impact 2020 and 2021, but mitigating factors will help 2021 remain in line with the strategic plan. The positive side of these changes is that the Group's ambition to very significantly reduce payment terms by 2022 will be achieved as early as the beginning of 2021. As these are timing adjustments, the Group's liquidity needs remain unchanged overall.

Continuing Operations – post IFRS 16

€m, FYE Dec post IFRS-16	**2019a**	**2020e**	**2022e**
Adjusted EBITDA from continuing operations	324	**169**	**425**
Adjusted EBITA from continuing operations	42	**(64)**	**202**
Continuing FCF before financial results and tax	(8)	**(115)-(150)**	**259**

Management update

- To continue pushing the boundaries of what entertainment can be, and the Group's transformation, Technicolor has announced the appointment of Christian Roberton as President of the Production Services Business Division.

Board composition

- The Board of Directors has appointed Gauthier Reymondier as Board Observer. Gauthier Reymondier is currently Managing Director, European Portfolio Manager, at Bain Capital Credit based in London, and previously held several similar observer positions on boards of companies in which Bain Capital Credit had invested. Prior to this role, he was a member of the private equity practice at Bain & Company. As of 30 September, Bain Capital Credit held 8.197% of the share capital and voting rights.

Successful Completion, announced on 22 September 2020, of the final steps of the financial restructuring of the Company

- **Implementation of the reinstated Debt Facilities**: Technicolor finalized and executed the contractual documentation implementing the reinstatement of 46.5% of the previous RCF and term loan facilities (the "Debt Facilities") into new term loans in an amount equivalent to €574 million in principal, maturing on 31 December 2024.
- **Repayment and equitization of the non-reinstated Debt Facilities:** the significant reduction of the Group's indebtedness, in an amount of c. €660 million, was finalized as part of the definitive completion of the capital increase with shareholders' preferential subscription rights and the capital increase with cancellation of the shareholders' preferential subscription rights in favor of the creditors of the Debt Facilities. The non-reinstated Debt Facilities were therefore repaid in cash for an amount of €59,716,580.58 and equitized for an amount of €600,283,419.22.
- **Closing of Chapter 15:** Technicolor announced that, on 11 September 2020, the U.S. Bankruptcy Court presiding over Technicolor's Chapter 15 proceedings ordered the closing of such proceedings. This marks the final step of the Company's proceedings in the United States of America.

Rating Agencies

- At the end of September, S&P upgraded their rating to "CCC+" (corporate rating) and to "B" (new debt) with stable outlook and Moody's upgraded their rating to "Caa2" (corporate rating), and to "Caa1" (new debt), with stable outlook.
- These rating actions reflect the successful completion of the Group's financial restructuring, through which it has obtained €420 million (net of fees) of new financing, and has deleveraged via the equitization of €660 million of debt. As previously stated, Technicolor now has a significantly strengthened balance sheet, with a liquidity buffer sufficient to meet its business plan needs and potential additional requirements.

Segment Review – Third Quarter 2020 Results Highlights

Production Services In € million	**Third Quarter** 2019	2020	**Change QtQ** Reported	At constant rate	**YTD September** 2019	2020	**Change YoY** Reported	At constant rate
Revenues	**240**	**111**	*(53.7)%*	*(51.6)%*	**668**	**390**	*(41.6)%*	*(41.2)%*
Adj. EBITDA	**49**	**(2)**	*ns*	*ns*	**129**	**0**	*ns*	*ns*
As a % of revenues	+20.5%	(1.5)%			+19.2%	+0.1%		
Adj. EBITA	**15**	**(24)**	*ns*	*ns*	**33**	**(75)**	*ns*	*ns*
As a % of revenues	+6.3%	(21.1)%			+5.0%	(19.2)%		

- **Production Services revenues** amounted to €111 million in the third quarter of 2020, down 51.6% at constant rate and down 53.7% at current rate year-on-year, driven by the previously anticipated (pre-Covid-19) delays in awards coming from one key client, and by the subsequent pandemic-related impacts on production around the world.
- **Adjusted EBITDA** amounted to €(2) million in the third quarter, down €50 million year-on-year at constant rate. The Adjusted EBITDA reduction was mainly due to Film & Episodic VFX.This negative evolution has impacted Adjusted EBITA compared to the prior year, mitigated by lower render costs. As already mentioned, the Advertising service line has continued to implement cost actions to improve profitability.
- **Business Highlights**
  - Film & Episodic Visual Effects: revenues were significantly lower year-on-year, mainly due to the impact of the pandemic on live action film shoots and shifting release dates.
    - VFX teams worked on 7 theatrical films from the major studios, including projects like *Cruella* (Disney), *The Little Mermaid* (Disney), *Mortal Kombat* (Warner Bros.), *Snake Eyes: G.I. Joe Origins* (Paramount), and *Top Gun: Maverick* (Paramount).
    - And over 20 Episodic and/or Non-Theatrical (i.e., Streaming/OTT) projects, including *American Gods* season 3 (Fremantle/Starz), *Jupiter's Legacy* (Netflix), *Raised by Wolves* (HBO Max), *WandaVision* (Marvel/Disney+), and *The Wheel of Time* (Amazon).
    - During the quarter, Mr. X won the Emmy Award for Outstanding Special Visual Effects in a Supporting Role for its work on History's *Vikings*, a series the team has worked on for all six seasons.

  - Advertising: revenues were lower compared to the prior year due to the impact of Covid-19 on client spend and live action production shoots during the second and third quarters. Quarter-on-quarter, however, Advertising revenues improved significantly as client spend began to recover, particularly in the U.S.
    - Technicolor's Advertising businesses continued to receive numerous industry accolades, including MPC's Nikola Stefanovic winning Best Colorist for his work on the 90th anniversary campaign for Durex *'Step Forward'* at the Golden Lion Advertising Awards in Shanghai.
    - Highlight projects delivered during the third quarter include EA Sports *'FIFA 21'* reveal trailer, Epic Games *'Unreal For All Creators',* Hennessy *'Maurice Ashley & The Black Bear School*', Stella *'You're Never Too Far From The Life Artois'*,

and HBO *'Lovecraft Country: Sanctum'*— a groundbreaking three-part social VR experience for the highly acclaimed series.

- Animation & Games: revenues were relatively flat versus prior year.
  - In the third quarter, Mikros Animation was in production on 3 features, including Spin Master's *PAW Patrol: The Movie* and Paramount's *The Tiger's Apprentice*.
  - In episodic animation, Technicolor continues to work on multiple projects for clients including Disney, DreamWorks Animation, France Télévisions, M6, Nickelodeon, TF1, and Wild Canary.
  - Technicolor Games during the quarter completed its work on *EA Sports UFC 4*.

- Post Production: lower revenues compared to the prior year, driven primarily by the pandemic's impact on productions.
  - During the third quarter, Post Production worked on projects like *Bridgerton* (produced by Shonda Rhimes for Netflix), *The Good Lord Bird* (Showtime), *Perry Mason* (HBO), and *Borat Subsequent Moviefilm* (Amazon).
  - Technicolor also won two Emmy Awards for Outstanding Sound Mixing for a Limited Series or Movie and for Outstanding Sound Editing for a Limited Series, Movie or Special - both for its work on HBO's *Watchmen*.

- **Covid-19 situation update**
  - During the third quarter, film and episodic productions began to restart, initially in the Asia Pacific and certain European territories, followed by Canadian and limited U.S. productions during the latter half of the quarter. The major U.S. studios reached an agreement in late September with all the key Hollywood unions, and the industry expects production activity to accelerate.

  - Production Services is now in negotiations on major VFX tentpole projects that were delayed during the first half from one key client.

  - A number of countries like Canada, France and the U.K. have launched or will launch production insurance/indemnity schemes that will provide pandemic-related coverage, which is also anticipated to stimulate production activity for producers who cannot afford to self-insure like the major U.S. studios.

  - Overall, Production Services is observing an increasing level of bidding activity for projects, particularly for streaming/OTT distribution.

- **Management and strategic changes**
  - To continue pushing the boundaries of what entertainment can be and the Group's transformation, Technicolor has announced the appointment of Christian Roberton as President of the Production Services Business Division. He has successfully built organically one of the largest and most effective VFX agencies in the world. His division has won multiple accolades over the years, including several Oscars, while growing sales from c. €50 million up to under €900 million. His focus on technology and creativity, combined with cost efficiency, rigorous management and client focus will drive Production Services to operate as a client-focused, technology-driven and profitable global studio. Building up on the success of Advertising, Animation & Games, and Post Production, his mission is to drive their respective growth and margin enhancementby cross fertilizing all current Production Services creative knowledge and by adapting our client servicing to the post-Covid era, marked by an increased need for technological solutions and "digital production expertise".

- This announcement is also part of Technicolor's ongoing cultural transformation aimed at relentlessly focusing on improving profitability and streamlining operations in this Covid-19 unfavorable context.
- The business organization will be as follows:
  - Film & Episodic VFX will continue to be led by Christian Roberton, on an acting basis;
  - Advertising will be led by David Patton;
  - Animation & Games will be led by Greg Mandel, also on an acting basis;
  - Post Production will be led by Sherri Potter; and
  - Nathan Wappet, as Production Services COO, will lead Technology and Operations.

- The main objectives assigned to this team are:
  - Defining an ambitious strategy for Production Services to become the worldwide leader in each of its activities;
  - Developing our portfolio of brands;
  - Enhancing our cutting edge technologies; and
  - Streamlining operations to drive profitability and cash generation.

###

DVD Services In € million	**Third Quarter** 2019	2020	**Change QtQ** Reported	At constant rate	**YTD September** 2019	2020	**Change YoY** Reported	At constant rate
Revenues	**258**	**193**	*(25.4)%*	*(22.7)%*	**633**	**495**	*(21.8)%*	*(21.3)%*
Adj. EBITDA	**31**	**27**	*(11.2)%*	*(10.1)%*	**42**	**29**	*(31.8)%*	*(31.2)%*
As a % of revenues	+11.9%	+14.1%			+6.7%	+5.8%		
Adj. EBITA	**11**	**15**	*+40.2%*	*+36.6%*	**(20)**	**(14)**	*+27.6%*	*+27.6%*
As a % of revenues	+4.2%	+7.8%			(3.1)%	(2.9)%		

- **DVD Services revenues** totaled €193 million in the third quarter 2020, down 22.7% at constant rate and 25.4% at current rate compared to the third quarter 2019, due predominately to lower volumes across all formats as a result of the negative impact of COVID-19 which has exacerbated the structural decline trend. Total combined replication volumes reached 260 million discs in the third quarter, down 23% year-on-year. David Holliday, the newly appointed President of the DVD Services Business Division, has been tasked with the in-depth transformation of the business. In a very short period of time he has already achieved the acceleration of the DVD Services transformation with further sites closures, review of internal processes and cost management, and a very disciplined approach to contract negotiations.

- **Adjusted EBITDA** amounted to €27 million at current rate in the third quarter, or 14.1% of revenue, better than expectations given stronger than anticipated disc volumes and acceleration of certain cost saving actions. The margin also includes the benefit of other ongoing cost savings and positive impact from contracts renegotiated in 2019. Lower D&A and renewal contracts have helped to deliver an Adj. EBITA of €15 million.

- **Business Highlights**
  - Standard Definition DVD volumes were down 13% in the third quarter reflecting the lack of new release content, but overall results were better than expected given the continued aggressive studio and major retailer catalog promotional activity.

  - Blu-ray™ volumes were down 41% in the third quarter; heavily impacted by the lack of new release content, and without the mitigating benefit of catalog promotions (which in general are focused on value priced DVD content).
  - CD volumes were down 42% year-on-year on a combination of expected structural declines and Covid-19 retail impacts.

DVD Services continued to progress its previously announced structural division-wide initiatives to adapt distribution and replication operations, and related customer contract agreements in response to continued volume reductions. Multiple successful contract renegotiations were announced in 2019, and similar efforts with other customers are ongoing. Following protracted negotiations, the Paramount replication / manufacturing contract will expire in mid-2021 and will not be renewed, while the associated distribution contract remains with Technicolor. The impact of this will be mitigated by the accelerated actions of DVD Services in respect to its business transformation plans.

		Third Quarter			September YTD		
In million units		**2019**	**2020**	*% Change*	**2019**	**2020**	*% Change*
Total Combined Volumes		338.6	**260.2**	*(23.2)%*	784.5	**586.4**	*(25.2)%*
By Format	SD-DVD	218.8	**189.3**	*(13.5)%*	518.0	**409.4**	*(21.0)%*
	Blu-ray™	103.6	**61.5**	*(40.6)%*	221.2	**150.0**	*(32.2)%*
	CD	16.2	**9.4**	*(42.1)%*	45.3	**27.0**	*(40.4)%*
By Segment	Studio/Video	307.3	**240.1**	*(21.9)%*	709.8	**537.5**	*(24.3)%*
	Games	12.1	**7.7**	*(36.1)%*	21.2	**14.0**	*(34.0)%*
	Music & Software	19.2	**12.4**	*(35.4)%*	53.4	**34.9**	*(34.7)%*

- **Covid-19 situation update**
  - Theatrical new release activity continues to remain very limited with many key title release dates getting pushed out into 2021, which in most cases results in the home entertainment release being delayed as well, directly impacting DVD Services revenue / volume activity.

  - Most major retailers have re-opened, but the level of sales activity remains below normal. Without new release content, some retailers are increasing allocation of shelf space for DVD catalog / library content, which has helped support higher than expected DVD replication volumes.

  - Some production facilities continued to experience temporary staffing shortages, but the overall impact was low.

  - The level of impact throughout 2020 and beyond will be dependent on the extent and duration of ongoing restrictions (driven by rate of new Covid case growth). The specific timing and extent of the reopening of movie theaters will impact the level of new disc release activity. DVD Services has accelerated certain aspects of its future restructuring plans in an effort to adapt to these impacts.

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Connected Home In € million	Third Quarter 2019	Third Quarter 2020	Change QtQ Reported	Change QtQ At constant rate	YTD September 2019	YTD September 2020	Change YoY Reported	Change YoY At constant rate
Revenues	**468**	**488**	*+4.2%*	*+10.6%*	**1422**	**1 327**	*(6.6)%*	*(4.8)%*
Adj. EBITDA	**3**	**31**	*ns*	*ns*	**28**	**85**	*ns*	*ns*
As a % of revenues	+0.6%	+6.3%			+1.9%	+6.4%		
Adj. EBITA	**0**	**15**	*ns*	*ns*	**(17)**	**35**	*ns*	*ns*
As a % of revenues	(0.0)%	+3.0%			(1.2)%	+2.7%		

- **Connected Home** revenues totaled €488 million in the third quarter 2020, up 10.6% quarter-to-quarter at constant rate and 4.2% at current rate. The division experienced demand slowdown and supply constraints in Eurasia, which were partially offset by increased demand from the North American cable division, but is maintaining its market leadership in the broadband segment and in the video Android based segment. Connected Home's overall results are remarkable as the division managed to achieve its original 2020 budget targets, set prior to the arrival of the Covid-19 crisis. Strategic choices to focus on gateway broadband access and to transform operations to increase efficiency have proven so far successful in the Covid-19 era. Year-to-date 2020 results are validating the solidity and future of the Connected Home business model.

- **Adjusted EBITDA** amounted to €31 million in the third quarter 2020, or 6.3% of revenue. Adjusted EBITA of €15 million, increased by €15 million compared to prior year at current rate. This positive evolution in profitability is the result of the transformation plan launched 2 years ago, increasing the division's performance and drastically improving productivity.

- **Business highlights**
    - *North America*: Revenues remained strong, driven by increased demand from cable customers for upgrades to higher-power broadband.

    - *Latin America*: The difficult macroeconomic situation in the region continued driving demand down, particularly in Brazil.

    - *Europe, Middle East & Africa*: Sales were flat YoY both for video and broadband. Reduction in legacy video was offset by continued growth in the Android TV segment.

    - *Asia-Pacific*: The video satellite business experienced weakness, especially in India, due to lower demand, supply constraints from some large customers and a high comparison point last year. The broadband business suffered some slowdown driven by a sluggish demand in Australia where commercial deployments were impacted by Covid-19.

The division continues to focus on selective investments in key customers, platform-based products and partnerships that will lead to improved margins over the year.

- **Revenue Breakdown for Connected Home**

In € million		Third Quarter 2019	Third Quarter 2020	Third Quarter % Change*	September YTD 2019	September YTD 2020	September YTD % Change*
Total revenues		468	**488**	*+10.6%*	1,422	**1,327**	*(4.8)%*
By region	North America	209	**282**	*+41.2%*	607	**745**	*+23.7%*
	Europe, Middle East and Africa	98	**92**	*(1.5)%*	358	**246**	*(30.9)%*
	Latin America	64	**45**	*(15.0)%*	226	**157**	*(22.9)%*
	Asia-Pacific	98	**69**	*(25.9)%*	231	**179**	*(21.3)%*
By product	Video	192	**187**	*+3.2%*	568	**505**	*(8.7)%*
	Broadband	276	**302**	*+15.6%*	853	**823**	*(2.2)%*

(*) Change at constant rate

- **Covid-19 situation update**
  - Connected Home is operational due to the early adoption of a remote work model that successfully moved half of all employees off site to ensure key engineering facilities remain safe and open.
  - The Covid-19 impact is now limited for its Asian-based manufacturing and supply chain, but is still impacting capacity in Latin America for manufacturing and back-end operations.

###

Corporate & Other In € million	Third Quarter 2019	Third Quarter 2020	Change QtQ Reported	Change QtQ At constant rate	YTD September 2019	YTD September 2020	Change YoY Reported	Change YoY At constant rate
Revenues	**28**	**5**	*(81.1)%*	*(81.1)%*	**37**	**18**	*(51.9)%*	*(51.9)%*
Adj. EBITDA	**18**	**(3)**	*ns*	*ns*	**5**	**(8)**	*ns*	*ns*
As a % of revenues	+63.5%	(58.4)%			+12.8%	(46.1)%		
Adj. EBITA	**18**	**(4)**	*ns*	*ns*	**2**	**(11)**	*ns*	*ns*
As a % of revenues	+62.5%	(77.3)%			+4.6%	(62.4)%		

- **Corporate & Other** includes the Trademark Licensing business.

  Corporate & Other recorded revenues of €5 million in the third quarter 2020, decreasing compared to last year due to a high comparison point last year with some retained patent licensing revenues. Adjusted EBITDA amounted to €(3) million and Adjusted EBITA at €(4) million.

Summary of consolidated results for the third quarter of 2020

In € million	Third Quarter 2019	Third Quarter 2020	Change*	YTD September 2019	YTD September 2020	Change*
Revenues from continuing operations	**995**	**798**	**(19.9)%**	**2 760**	**2 230**	**(19.2)%**
Change at constant currency (%)			(15.6)%			(18.0)%
o/w *Production Services*	240	111	(53.7)%	668	390	(41.6)%
DVD Services	258	193	(25.4)%	633	495	(21.8)%
Connected Home	468	488	+4.2%	1 422	1 327	(6.6)%
Corporate & Other	28	5	(81.1)%	37	18	(51.9)%
Adjusted EBITDA from continuing operations	**100**	**53**	**(47.0)%**	**203**	**106**	**(47.9)%**
Change at constant currency (%)			(44.7)%			(46.6)%
As a % of revenues	+10.1%	+6.7%	(340)bps	+7.4%	+4.7%	(260)bps
o/w *Production Services*	49	(2)	ns	129	0	ns
DVD Services	31	27	(11.2)%	42	29	(31.8)%
Connected Home	3	31	ns	28	85	ns
Corporate & Other	18	(3)	ns	5	(8)	ns
Adjusted EBITA from continuing operations	**43**	**2**	**(95.0)%**	**(2)**	**(65)**	**ns**
Change at constant currency (%)			(96.6)%			ns
As a % of revenues	+4.3%	+0.3%	(410)bps	(0.1)%	(2.9)%	(290)bps
Adjusted EBIT from continuing operations	**29**	**(7)**	**ns**	**(43)**	**(96)**	**ns**
Change at constant currency (%)			ns			ns
As a % of revenues	+2.9%	(0.9)%	(390)bps	(1.6)%	(4.3)%	(270)bps
EBIT from continuing operations	**16**	**(17)**	**ns**	**(73)**	**(212)**	**ns**
Change at constant currency (%)			ns			ns
As a % of revenues	+1.7%	(2.2)%	(380)bps	(2.7)%	(9.5)%	(680)bps
Financial result	(10)	172	-	(57)	105	-
Income tax	(2)	(1)	-	(9)	(5)	-
Share of profit/(loss) from associates	0	0	-	(1)	0	-
Profit/(loss) from continuing operations	**4**	**154**	**-**	**(140)**	**(111)**	**-**
Profit/(loss) from discontinued operations	(5)	(9)	-	(1)	(10)	-
Net income	**(1)**	**144**	**-**	**(141)**	**(121)**	**-**

(*) Change at current rate

- Restructuring costs accounted for €(51) million at current rate, including €(20) million in Production Services on cost streamlining actions, €(17) million in DVD Services, mainly resulting from optimization of distribution sites, €(8) million in Connected Home, pursuant to the three-year transformation plan, and €(5) million for Corporate and Other.

- The EBIT from continuing operations amounts to a loss of €(212) million in 2020.

- The financial result totaled €105 million in 2020 compared to €(57) million in 2019, reflecting:
  - Net interest costs of €(54) million, slightly up from last year (at €(48) million) primarily due to the interest rates on the bridge loan in place from March to July;

- Other financial income amounted to €159 million in 2020 compared to €(9) million in 2019 mostly explained by a non-cash gain on the equity and debt initial valuations, in application of IFRS Standards, following the financial restructuring process.

- Income tax amounted to €(5) million, compared to €(9) million in 2020 year-to-date.

- Group net income therefore amounted to a loss of €(121) million at current rate in 2020 compared to the €(141) million loss in 2019.

An analyst audio webcast hosted by Richard Moat, CEO and Laurent Carozzi, CFO will be held today, 5 November 2020 at 7:30pm CET.

Link to the audio webcast:
http://www.technicolor.com/webcastnovember2020

The presentation slides will be made available on our website prior to the webcast.
The replay will be available at the latest by 10:30pm (CET) on November 5th, 2020

Financial calendar

FY 2020 Results	11 March 2021

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Warning: Forward Looking Statements

This press release contains certain statements that constitute "forward-looking statements", including but not limited to statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions or which do not directly relate to historical or current facts. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted or implied by such forward-looking statements. For a more complete list and description of such risks and uncertainties, refer to Technicolor's filings with the French Autorité des marchés financiers.

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About Technicolor: www.technicolor.com

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

Investor Relations

Christophe le Mignan: +33 1 88 24 32 83

Christophe.lemignan@technicolor.com

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UNAUDITED CONSOLIDATED STATEMENT OF OPERATIONS

(€ in million)	9 months ended September 30, 2020	2019
CONTINUING OPERATIONS		
Revenues	2,230	2,760
Cost of sales	(2,040)	(2,469)
Gross margin	**190**	**291**
Selling and administrative expenses	(214)	(245)
Research and development expenses	(72)	(89)
Restructuring costs	(51)	(20)
Net impairment gains (losses) on non-current operating assets	(71)	(1)
Other income (expense)	6	(9)
Earnings before Interest & Tax (EBIT) from continuing operations	**(212)**	**(73)**
Interest income	0	1
Interest expense	(54)	(49)
Other financial income (expense)	159	(9)
Net financial income (expense)	**105**	**(57)**
Share of gain (loss) from associates	0	(1)
Income tax	(5)	(9)
Profit (loss) from continuing operations	**(111)**	**(140)**
DISCONTINUED OPERATIONS		
Net gain (loss) from discontinued operations	(10)	(1)
Net income (loss)	**(121)**	**(141)**
Attribuable to :		
- Equity holders	*(121)*	*(141)*
- Non-controlling interest	*0*	*0*

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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ in million)	September 30, 2020	June 30, 2020	December 31, 2019
ASSETS			
Goodwill	748	777	851
Intangible assets	576	607	632
Property, plant and equipment	155	168	191
Right-of-use assets	216	248	285
Other operating non-current assets	26	30	32
TOTAL OPERATING NON-CURRENT ASSETS	**1,721**	**1,830**	**1,991**
Non-consolidated investments	16	16	17
Other non-current financial assets	42	43	22
TOTAL FINANCIAL NON-CURRENT ASSETS	**58**	**58**	**39**
Investments in associates and joint-ventures	1	1	1
Deferred tax assets	55	45	52
TOTAL NON-CURRENT ASSETS	**1,835**	**1,935**	**2,082**
Inventories	207	197	243
Trade accounts and notes receivable	570	486	507
Contract assets	78	78	79
Other operating current assets	233	230	184
TOTAL OPERATING CURRENT ASSETS	**1,088**	**991**	**1,013**
Income tax receivable	34	34	36
Other financial current assets	17	16	13
Cash and cash equivalents	241	63	65
Assets classified as held for sale	1	1	-
TOTAL CURRENT ASSETS	**1,380**	**1,105**	**1,127**
TOTAL ASSETS	**3,216**	**3,040**	**3,210**

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ in million)	September 30, 2020	June 30, 2020	December 31, 2019
EQUITY AND LIABILITIES			
Common stock *(2 183 121 shares at September 30, 2020 with nominal value of 0.01 euro per share)*	2	0	414
Subordinated Perpetual Notes	500	500	500
Additional paid-in capital & reserves	213	(409)	(540)
Cumulative translation adjustment	(414)	(366)	(339)
Shareholders equity attributable to owners of the parent	**301**	**(275)**	**36**
Non-controlling interests	0	0	0
TOTAL EQUITY	**301**	**(275)**	**36**
Retirement benefits obligations	336	345	342
Provisions	37	37	30
Contract liabilities	3	3	3
Other operating non-current liabilities	23	26	25
TOTAL OPERATING NON-CURRENT LIABILITIES	**400**	**410**	**400**
Borrowings	943	1	979
Lease liabilities	172	201	224
Other non-current liabilities	1	1	1
Deferred tax liabilities	36	22	27
TOTAL NON-CURRENT LIABILITIES	**1,552**	**635**	**1,631**
Retirement benefits obligations	32	33	33
Provisions	54	59	70
Trade accounts and notes payable	742	678	825
Accrued employee expenses	141	139	134
Contract liabilities	29	29	40
Other current operating liabilities	243	236	302
TOTAL OPERATING CURRENT LIABILITIES	**1,241**	**1,174**	**1,404**
Borrowings	6	1,382	8
Lease liabilities	75	80	87
Income tax payable	40	44	41
Other current financial liabilities	2	0	2
TOTAL CURRENT LIABILITIES	**1,362**	**2,679**	**1,542**
TOTAL LIABILITIES	**2,915**	**3,314**	**3,173**
TOTAL EQUITY & LIABILITIES	**3,216**	**3,040**	**3,210**

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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

(€ in million)	Nine months ended September 30, 2020	2019
Net income (loss)	**(121)**	**(141)**
Income (loss) from discontinuing activities	(10)	(1)
Profit (loss) from continuing activities	**(111)**	**(140)**
Summary adjustments to reconcile profit from continuing activities to cash generated from continuing operations		
Depreciation and amortization	210	240
Impairment of assets	74	(1)
Net changes in provisions	(9)	(30)
Gain (loss) on asset disposals	13	11
Interest (income) and expense	54	49
Other non-cash items (including tax)	(194)	4
Changes in working capital and other assets and liabilities	(241)	(356)
Cash generated from continuing activities	**(203)**	**(224)**
Interest paid on lease debt	(15)	(15)
Interest paid	(30)	(33)
Interest received	0	0
Income tax paid	(4)	(12)
Net operating cash generated from continuing activities	**(252)**	**(285)**
Net operating cash used in discontinued activities	(12)	(7)
NET OPERATING CASH GENERATED FROM CONTINUING ACTIVITIES (I)	**(252)**	**(285)**
Acquisition of subsidiaries, associates and investments, net of cash acquired	(7)	(2)
Proceeds from sale of investments, net of cash	9	(0)
Purchases of property, plant and equipment (PPE)	(25)	(57)
Proceeds from sale of PPE and intangible assets	0	1
Purchases of intangible assets including capitalization of development costs	(58)	(71)
Cash collateral and security deposits granted to third parties	(26)	(13)
Cash collateral and security deposits reimbursed by third parties	0	5
NET INVESTING CASH USED IN CONTINUING ACTIVITIES (II)	**(107)**	**(138)**
Increase of Capital	60	-
Proceeds from borrowings	757	292
Repayments of lease debt	(64)	(69)
Repayments of borrowings	(158)	(4)
Fees paid linked to the debt and capital operations	(41)	(1)
Other	5	5
NET FINANCING CASH USED IN CONTINUING ACTIVITIES (III)	**557**	**223**
NET CASH FROM DISCONTINUED ACTIVITIES (IV)	**(12)**	**(28)**
CASH AND CASH EQUIVALENTS AT THE BEGINING OF THE PERIOD	**65**	**291**
Net increase (decrease) in cash and cash equivalents (I+II+III+IV)	**186**	**(228)**
Exchange gains / (losses) on cash and cash equivalents	(10)	(6)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**241**	**57**