

Third Quarter 2015 Revenues

20 October 2015



Forward looking statements

T **HIS PRESENTATION** 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.

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UCH 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.

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OR a more complete list and description of such risks and uncertainties, refer to Technicolor's filings with the French Autorité des marchés financiers.

Agenda



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**Q3 2015
REVENUE
AND BUSINESS
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**FINANCING
OF THE
ACQUISITIONS**

Q3 2015 REVENUE AND BUSINESS HIGHLIGHTS

Revenue up 7.5% YoY¹ excl. exited activities² in Q3 2015

An increase driven by Technology and Entertainment Services

As expected weak performance in Connected Home mainly due to North America

Two strategic acquisitions and an IP partnership signed in Q3 2015

Financing of the acquisitions on track

Full year 2015 guidance confirmed

¹ Year-on-year change at current currency

² Including legacy (Films Services), Digital Cinema and Media Services activities in the Entertainment Services segment, and IZ-ON in the Other segment

Q3 2015 revenues by segment

(in € million)	Q3 2014	Q3 2015	Change	Δ % Current Currency	Δ % Constant Currency
Technology	116	121	+5	+4.6%	+6.9%
Entertainment Services	330	423	+93	+28.1%	+18.2%
Connected Home	369	332	(37)	(10.0)%	(11.4)%
Group revenues (excl. exited activities)	815	876	+61	+7.5%	+3.2%
Exited activities	28	1	(27)	(96.6)%	(96.2)%
Group revenues	843	877	+34	+4.0%	(0.1)%

Year-to-date revenues by segment

(in € million)	9M 2014	9M 2015	Change	Δ % Current Currency	Δ % Constant Currency
Technology	331	389	+57	+17.2%	+17.5%
Entertainment Services	909	1,075	+165	+18.2%	+5.9%
Connected Home	1,024	984	(40)	(3.9)%	(9.8)%
Group revenues (excl. exited activities)	2,265	2,447	+182	+8.0%	+0.5%
Exited activities	84	51	(32)	(38.7)%	(49.5)%
Group revenues	2,349	2,499	+150	+6.4%	(1.3)%

3 key transactions signed in Q3 2015



Acquisition of a complementary CPE business and strategic agreement with Cisco

Become the n° 2 worldwide in CPE market with strengthened market positions



Acquisition of the worldwide leading VFX studio for Advertising and Brand

Expand Production Services scale and reinforce leadership position in VFX



Joint licensing program for DTV¹ and CDM² leveraging Sony and Technicolor forces

Provide a leaner and more efficient licensing program for the industry

¹ Digital TV
² Computer Display Monitor

Increased scale and reinforced leadership in Production Services

A VFX specialist leveraging 4 strong brands creating compelling content



3 feature animation
secured since acquisition



Working on **22 feature film projects**



Record growth
with a strong TV series pipeline



Leading the **Advertising and Brand market**



Creative and technology leadership

- **More than 40 awards** obtained since January 2015
- Lumiere Award for our **Intelligent Tone Management Plugin**, highest award by *The Advanced Imaging Society*
- **5 nominations for outstanding color and VFX** by *Hollywood Post Alliance's awards*
- **Producing VR content** for Studios and Advertising

Changing size and focus on next gen technology in Connected Home

- Closing of the **Cisco Connected Devices** transaction expected before year-end
- Antitrust clearance obtained in most countries
- Preparation for integration process well on track



Announced new design for our 2016 product range, as part of our strong focus on **User Experience**

Availability of the first Set Top Box integrating our **Prime Single HDR** technology – unveiled at IBC

4K
ULTRA HD



Completed **Docsis 3.1 interoperability tests** with CableLabs

CableLabs[®]

Ready for next generation broadband: part of the **public G.fast trial** in the UK, sponsored by BT



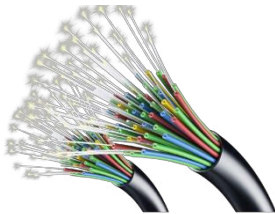
Continued investment in Android OS - appraised official partner by Google for Android TV

 **androidtv**

Securing business on leading-edge technologies



600 thousands FTTH (Fiber-To-The-Home) units deployed to date in 2015



Launching our next generation **LTE Gateway @ Sky Brazil**.
Also awarded by another major Tier 1 operator



More than **1.2 million gateways** migrated to our next **generation middleware**, enabling a brand new set of apps and services

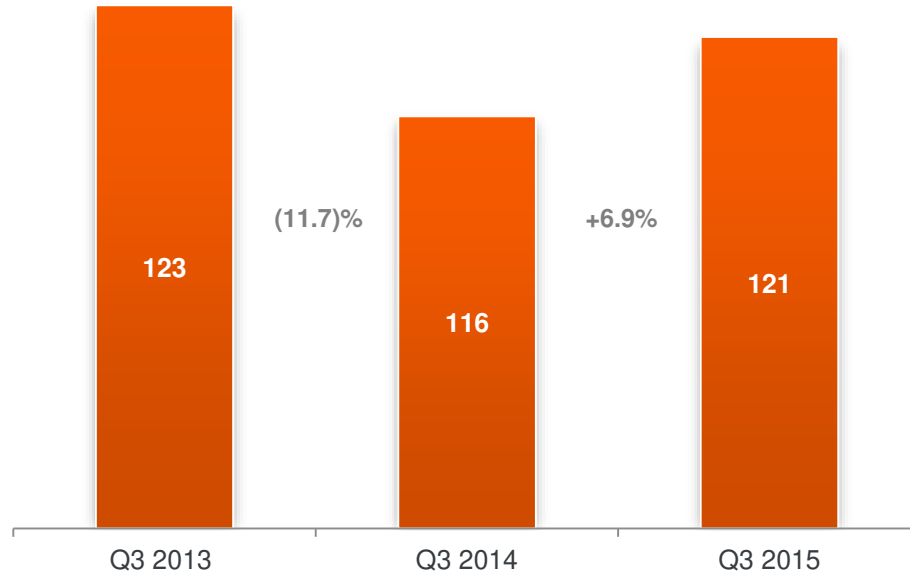


Q3 2015 SEGMENT REVIEW

Technology – Revenue highlights

Revenues (€m)

Change at constant currency (%)



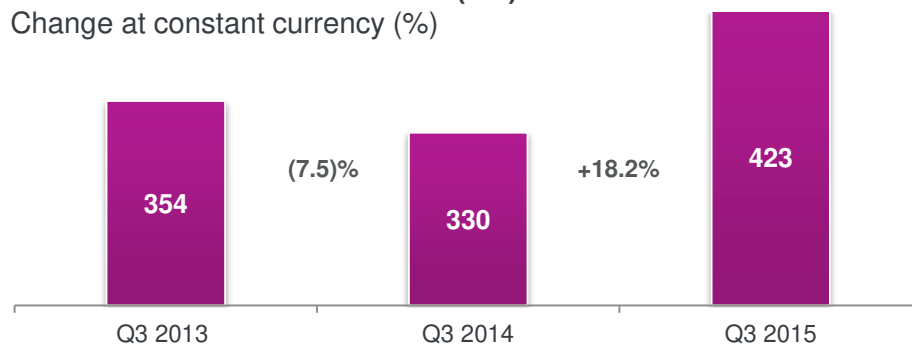
Key Highlights

- **Revenues up 4.6%** at current currency vs. Q3 2014
- **Licensing revenues at €117 million**, up €5 million versus last year
- **Higher revenues generated by the MPEG LA pool**, driven by favorable €/US\$ exchange rate movements
- **Good performance across direct licensing programs** benefitting from new contracts signed in previous quarters
- **Joint licensing agreement signed with Sony** for DTV and CDM

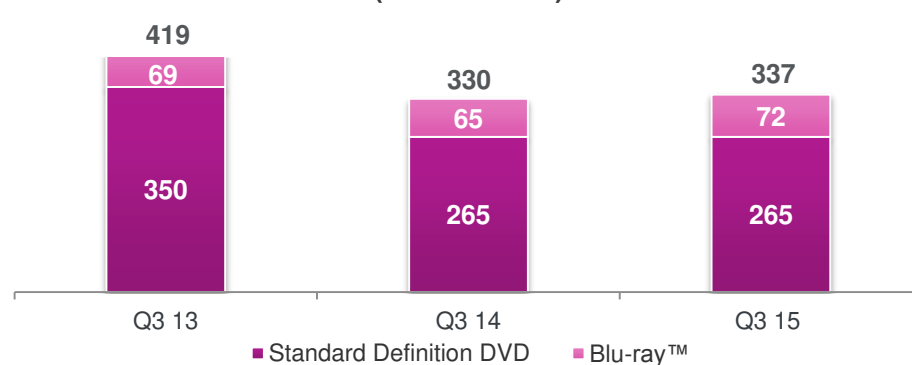
Entertainment Services – Revenue highlights

Revenues excl. exited activities (€m)

Change at constant currency (%)



SD-DVD and BD volumes (million units)



Key Highlights

Revenues up c.28% at current currency in Q3 2015

Production Services

- **Strong revenue growth vs. Q3 2014**, driven by VFX for Feature Film, Advertising and Animation activities
- Reflecting double-digit organic growth as well as the additions of strong brands to the portfolio since 2014

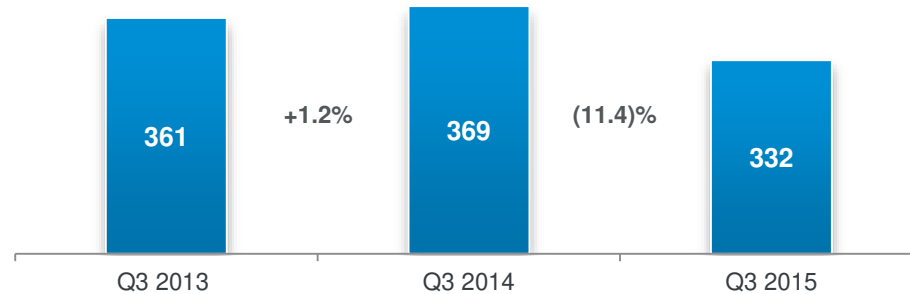
DVD Services

- **Revenue increase in DVD Services** resulting from a strong slate of studio new releases and key Game titles for the Xbox One
- **Overall disc volume increase of 2%** reflecting ongoing consumer demand for packaged media when compelling content is available

Connected Home – Revenue highlights

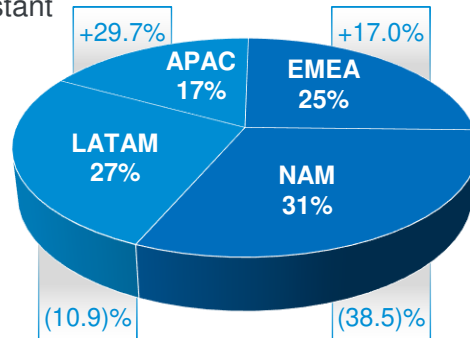
Revenues (€m)

Change at constant currency (%)



Revenues breakdown by region (%)

Change at constant currency (%)



Key Highlights

- Revenues down 10% at current currency in Q3 2015
- Solid mix improvement
- Double-digit growth in EMEA, driven by the ramp up of new products
- Double-digit revenue growth in APAC benefitting from digitization program resumption in India and increased activity with China Telecom
- Continued weakness in North America as expected particularly driven by the ongoing industry consolidation and its impact on product orders
- Revenue decline in Latin America driven by tougher macroeconomic conditions in Brazil
- New awards and customers wins that will lead to strong revenue growth in Q4 2015

2015 GUIDANCE

Confirming 2015 objectives before any impact of Cisco CD acquisition

DRIVE 2020

Adjusted EBITDA between €560 million and €590 million

Free Cash Flow of at least €230 million

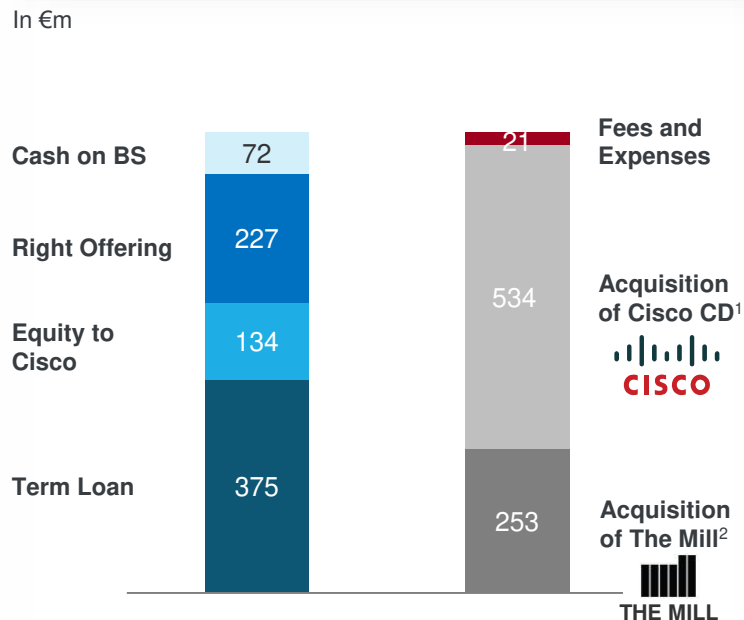
Drive 2020 long-term objectives to be updated as part of the Group's full year 2015 result release



FINANCING OF THE ACQUISITIONS

Financing CCD & The Mill acquisitions while maintaining a sound financial profile

FINANCING OF THE TWO ACQUISITIONS



APPROPRIATE FINANCIAL FLEXIBILITY FOR FUTURE GROWTH

- Successful syndication of a €375 million incremental term loan maturing in 2020
 - \$200 million/€197 million
 - Pricing: Libor/Euribor + 400bps, subject to a 1% Libor/Euribor floor
 - Terms aligned with existing term loans with 2020 maturity
- Credit rating outlook improved to positive by Moody's and confirmed at stable by S&P
- Expected leverage (Net Debt to Adjusted EBITDA) below 1.7x at end 2015

COMPANY EQUITY REINFORCED BY UP TO C.€360M

- Bpifrance Participations to fully subscribe to the rights issue offering
- Cisco to become the 2nd largest shareholder (c.5.2% stake)

¹ For Cisco Connected Devices transaction, the €/US\$ exchange rate at end September 2015 has been applied

² Final purchase price paid by Technicolor for the acquisition of The Mill

Financial situation at end September 2015

(in € million)	At end September 2015 (includes funds borrowed for the acquisition of The Mill)
Cash	303
Nominal Gross Debt	1,249
<i>IFRS Gross Debt</i>	<i>1,178</i>
Nominal Net Debt	946
<i>IFRS Net Debt</i>	<i>875</i>