

First Quarter 2012 Revenues



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Forward Looking Statements

This 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 and include any statement which does not directly relate to a historical fact or current fact. 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".

Key Takeaways

Revenues of €800 million in Q1 2012 versus €812 million in Q1 2011

Technology: continued strength in Licensing revenues, impacted by unfavorable comparison with exceptionally strong Q1 2011

Entertainment Services: resilient performance almost entirely compensating rapid decline in photochemical

Digital Delivery: stabilization of Connected Home activity with stable revenues YoY*

* YoY: Year-on-Year

Confirmation of FY 2012 objectives

Adj. EBITDA in the range of €475-500M, reflecting :

- continued strength in Technology and Entertainment Services
- a return to Adj. EBITDA breakeven in Connected Home
- an increase in operating expenses to support growth businesses
- an uncertain macro environment

Positive Free Cash Flow despite higher restructuring cash out and investments in growth businesses

The group will operate well within its covenants and maintain its focus on debt reduction

Q1 2012: Connected Home, a trusted partner in growth markets



Single supplier of gateways for a major Mexican operator, enabling this operator to introduce Wi-Fi 2x2 technology to its broad customer base



Further increase in market shares in Latin America, in particular in Brazil and in Argentina by strengthening relationships with existing customers and winning new clients



Exclusive provider of High Definition PVR set-top boxes for Israeli cable operator HOT, reinforcing footprint in the Middle-East region



Major contract from Tata Sky for High Definition set-top boxes, in addition to the 5 million Standard Definition set-top boxes already delivered

Connected Home: drivers of return to Adj. EBITDA breakeven

Adjusted EBITDA bridge 2012/2011: Key drivers
(€ million)



Implementation of top line actions to generate additional revenues compared with FY 2011

Confirmation of objective to return to Adjusted EBITDA breakeven in 2012

Q1 2012: update on Connected Home turnaround plan

EBITDA drivers to return to breakeven	Actions	Q1 2012 achievements
Additional Revenues 26%	Top line growth and product roadmap	<ul style="list-style-type: none">• Revenue mix impacted by the HDD supply issue in North America• Strong revenue growth in LatAm• Revenue decline YoY in Europe• New customer and award wins
Gross Margin improvement 44%	Product cost improvement Improvement in operations	<ul style="list-style-type: none">• Non quality costs flat YoY in Q1, reduction plan fully implemented• Fixed costs down by 8% in Q1 in Manaus facility (representing 10% of the facility costs)• Manufacturing exit from Angers facility by the summer• Restructuring plans outside of Western Europe implemented
Other operating cost reduction initiatives 30%	R&D rationalization Streamlining of global functions	<ul style="list-style-type: none">• Transfer of R&D capabilities from contractors in the US and Europe to China/India on track• G&A cost reduction initiatives in line with plan• First improvements in S&M spendings• Transversal costs reduction well on track

Another quarter of sustained activity for feature films:

- *Wrath of the Titans* (Digital Production, Postproduction)
- *Dark Shadows* (Digital Production)
- *Prometheus* (Digital Production)
- *Superman* (Digital Production)
- *American Union* (Postproduction)
- *Mirror Mirror* (Postproduction)
- *Hunger Games* (Postproduction)
- ...



A large range of services provided to support the success of *Hunger Games*:

- production's digital-dailies
- pre-grading visual effects plate photography
- digital intermediate color-timing
- editorial conform
- final grading work
- digital cinema & mastering for the film's "day-N-date" release

Q1 2012: Innovation, alignment of research orientations with Amplify 2015

Put the consumers at the centre of the media experience:

- Simplify their Digital Life
- Secure and personalize their data
- Deliver & render personalized and interactive content

Provide dynamically targeted content for all stakeholders:

- Creators: target content to markets
- Distributors: personalize & adapt recommendations
- Advertisers: optimize monetization opportunities

INNOVATION
align research
orientations with
Amplify 2015

Deploy online collaborative capabilities in content creation:

- Maximize access to talent diversity
- Leverage high added-value content enrichment services
- Ensure quality & consistency of content

Empower creativity and systematize production:

- Narrow the gap between the Set and Postproduction
- Flexibilize the digital workflow
- Maintain creative fidelity from 'scene' to 'screen'

Geographic and service expansion in Creation Services

Binding agreement with Ericsson for the disposal of Broadcast Services activity

Net financial debt up compared with December 2011 reflecting a gross debt decrease driven by mandatory prepayments and excess cash flow allocation offset by a net cash decrease

Amendment signed to improve terms and conditions of the \$125 million Wells Fargo credit facility, extended until 2016

SEGMENT REVIEW

Q1 2012 Revenues by Division

(€ million)	Q1 2011	Q1 2012	Δ % Current Currency	Δ % Constant Currency
Technology	130	121	(6.4)%	(8.7)%
Entertainment Services	405*	395*	(2.3)%	(5.6)%
Digital Delivery	277	284	+2.4%	+0.3%
<i>o/w Connected Home</i>	238	242	+1.5%	(0.8)%
Other	1	0	-	-
Total from continuing operations	812	800	(1.5)%	(4.2)%

Resilient performance:

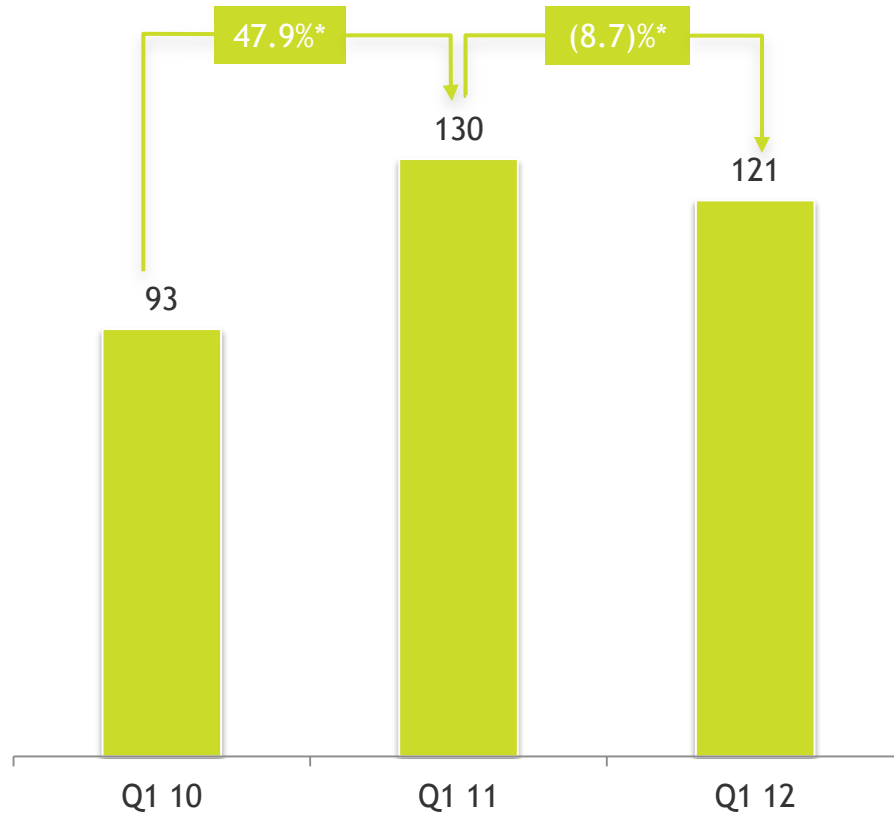
- Another quarter of strong Licensing revenues
- Resilient performance in Entertainment Services almost entirely compensating rapid decline in photochemical
- Stabilization at Connected Home level

* Transfer of Media Services to Creation Services, within the Entertainment Services segment (Media Services revenues amounted to €15 million in Q1 2012)

Technology - Q1 2012 Highlights

Technology Revenues, €m

* Change at constant rates

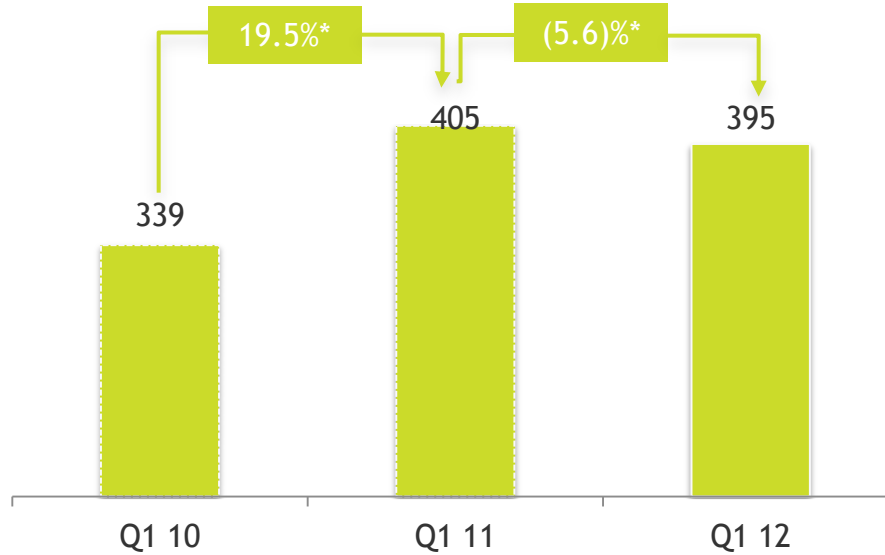


- Continued strength despite unfavorable base effect
- Optical media storage device (OMSD) program first contribution to revenues
- Extension of the trademark program to new countries and new product categories

Entertainment Services - Q1 2012 Highlights

Entertainment Services Revenues, €m

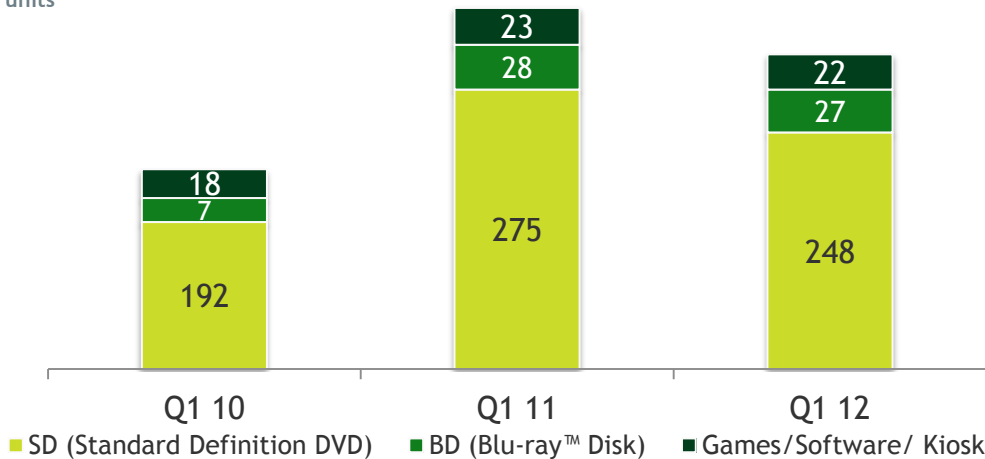
* Change at constant rates



- Creation Services: reinforced leadership in solutions for content creators
- Theatrical Services: shift to digital near completion in Europe and the US
- DVD Services volumes:
 - Stable at a high level in North America
 - Europe weaker due to title release slate

DVD volumes in Q1 2010, Q1 2011, and Q1 2012

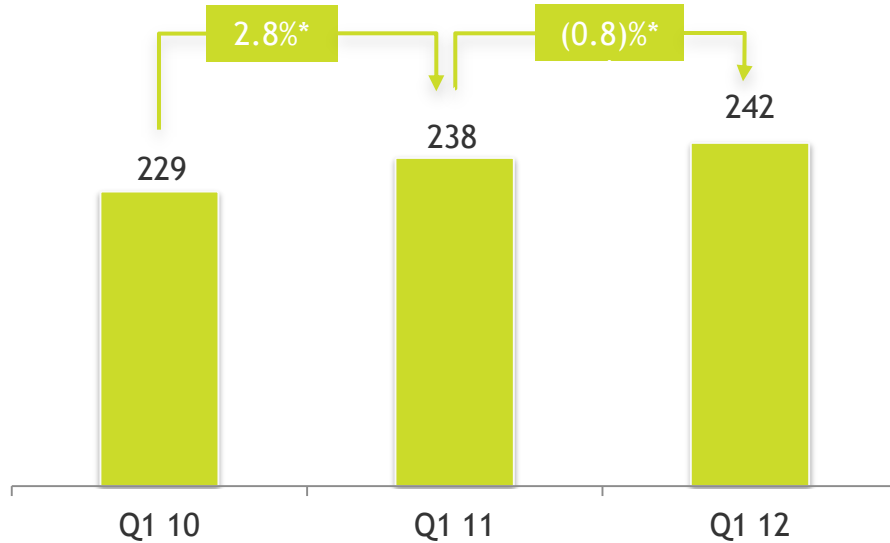
In million units



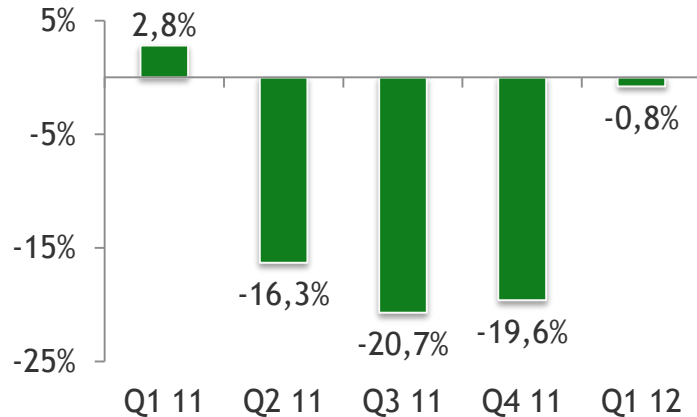
Connected Home- Q1 2012 Highlights

Connected Home Revenues, €m

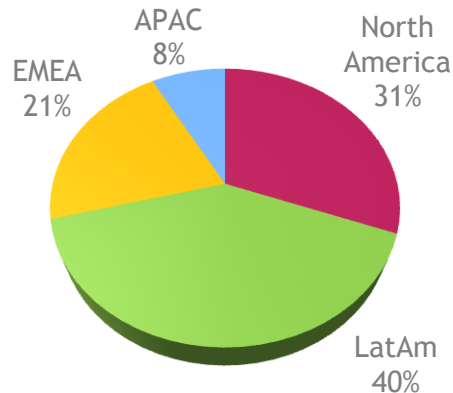
* Change at constant rates



YoY* change in Connected Home Revenues, at constant rate



Connected Home Products by Region (volumes)



- Overall improved trend
- Growth in volumes, driven by Americas Region
- Latin America #1 market in Q1 12 both in volumes & value
- HDD supply shortage affecting revenue mix
- Turnaround plan well on track

* YoY: Year-on-Year

Key conclusions

Q1 2012, a solid first quarter performance

Licensing: continued organic strength of Licensing revenues

Entertainment Services: resilient performance driven by growth of digital services

Connected Home: revenue stabilization and first improvements generated by the turnaround plan

Confirmation of FY 2012 objectives

APPENDIX

Current nomenclature

