H1 2018 RESULTS

July 24, 2018

H1

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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 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.

H1 2018 KEY FIGURES FROM CONTINUING OPERATIONS

in € million	H1 2017	H1 2018	*Change YoY*	
			At current rate	*At constant rate*
Revenue	2,098	1,769	*(15.7)%*	*(9.3)%*
Adjusted EBITDA	82	57	*(31.0)%*	*(20.0)%*
Free Cash Flow	(109)	(150)	*(37.7)%*	*(38.0)%*

- YoY revenue decrease: in line with expectations
- Adjusted EBITDA at €57 million
- FCF at €(150) million, down by €41 million year-on-year at constant rate reflecting mainly lower adjusted EBITDA, working capital affected by seasonality of DVD services and higher taxes
- Based on first half performance and current assessment of the market (i.e. 15% YoY decline in North American video cable market and no increased supply tightness for components), Technicolor confirms it expects an Adjusted EBITDA from continuing operations broadly stable compared to 2017 at constant exchange rate
- Strength of the balance sheet confirmed and reiteration of the debt reduction objective

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PRODUCTION SERVICES: PROFITABLE GROWTH AND CONTINUED MARGIN IMPROVEMENT

H1 2018: POSITIVE START TO THE YEAR

- **c. 5% YoY revenues growth in H1** driven by:
  - ↳ Movie and advertising strong performance offset partly by unfavorable calendar impact in Animation
- **YoY adjusted EBITDA** improvement driven by high capacity utilization
- **Record order backlog in Film and TV VFX**
- **Strong YoY revenue growth in Advertising VFX**
- **Material new awards in Animation & Games** which will drive revenues mainly in 2019
- Solid level of **Postproduction** activity in the US and in the UK but affected by production schedules

NEXT STEPS

- **Growth**
  - ↳ Accelerate organic capacity expansion in Australia, Canada, France and India for the coming years
- **Margin Improvement**
  - ↳ Further develop back office efficiencies
  - ↳ Continued growth in India
  - ↳ Deployment of new internally developed software tools
  - ↳ Continued optimization of service offering

DVD SERVICES: CONTINUED OPTIMIZATION

KEY H1 HIGHLIGHTS

- **Volumes down c. 13% YoY driven mainly by:**
  - Standard and CD volume decline partly offset by strong Blu-ray™ volume growth and 4K UHD development
- **H1 revenues decline of 9.5% at constant rate in line with expectations reflecting lower volumes partly compensated by favorable product mix**

PERSPECTIVES

- **Key facility/operational restructuring & optimization**
  - Continued consolidation of manufacturing & distribution
- **Contract portfolio review:**
  - Renegotiating customer contracts renewals to implement volume & activity based pricing structures

CONNECTED HOME TRANSFORMATION PROGRAM

CPE A LARGE AND RESILIENT MARKET ($16.4bn in 2018):

- ↳ $6.8bn broadband growing +4% CAGR (increasing home access to the internet and bandwidth upgrades)
- ↳ $9.6bn video declining at (4)% CAGR (notwithstanding rapid OTT growth)

- ▶ Structural decline in video subscribers and significant components challenges are causing massive disruption in marketplace
- ▶ **SCALE** is key to achieve sustainable profitability
- ▶ **ACCELERATED** market consolidation of suppliers is likely

TECHNICOLOR COMMITTED TO MAINTAINING MARKET LEADERSHIP POSITION THROUGH BEST IN CLASS DELIVERY CAPACITIES AND COST STRUCTURE

THE STRENGTH OF THE CONNECTED HOME MANAGEMENT TEAM IS TODAY RECOGNIZED

A THREE YEAR TRANSFORMATION PLAN TO ACHIEVE MARKET SHARE GAINS WHILE IMPROVING PROFITABILITY:

- ▶ Target a best in class operational delivery platform turning suppliers into partners
- ▶ Reduce annual fixed cost structure by 40% versus 2017
- ▶ Expect future cash costs associated with this plan amount to c.€55 million with an average pay-back of less than 15 months.

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KEY

FINANCIAL PERFORMANCE FROM CONTINUING OPERATIONS

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AGENDA

1. **KEY PERFORMANCE FIGURES** — Slides 9 to 11
2. **PERFORMANCE BY DIVISION** — Slides 12 to 17
3. **GROUP FINANCIAL RESULTS** — Slides 18 to 26
4. **APPENDICES TO CONSOLIDATION ACCOUNTS** — Slides 28 to 29
5. **BACK-UP** — Slides 30 to 32

KEY

PERFORMANCE FIGURES

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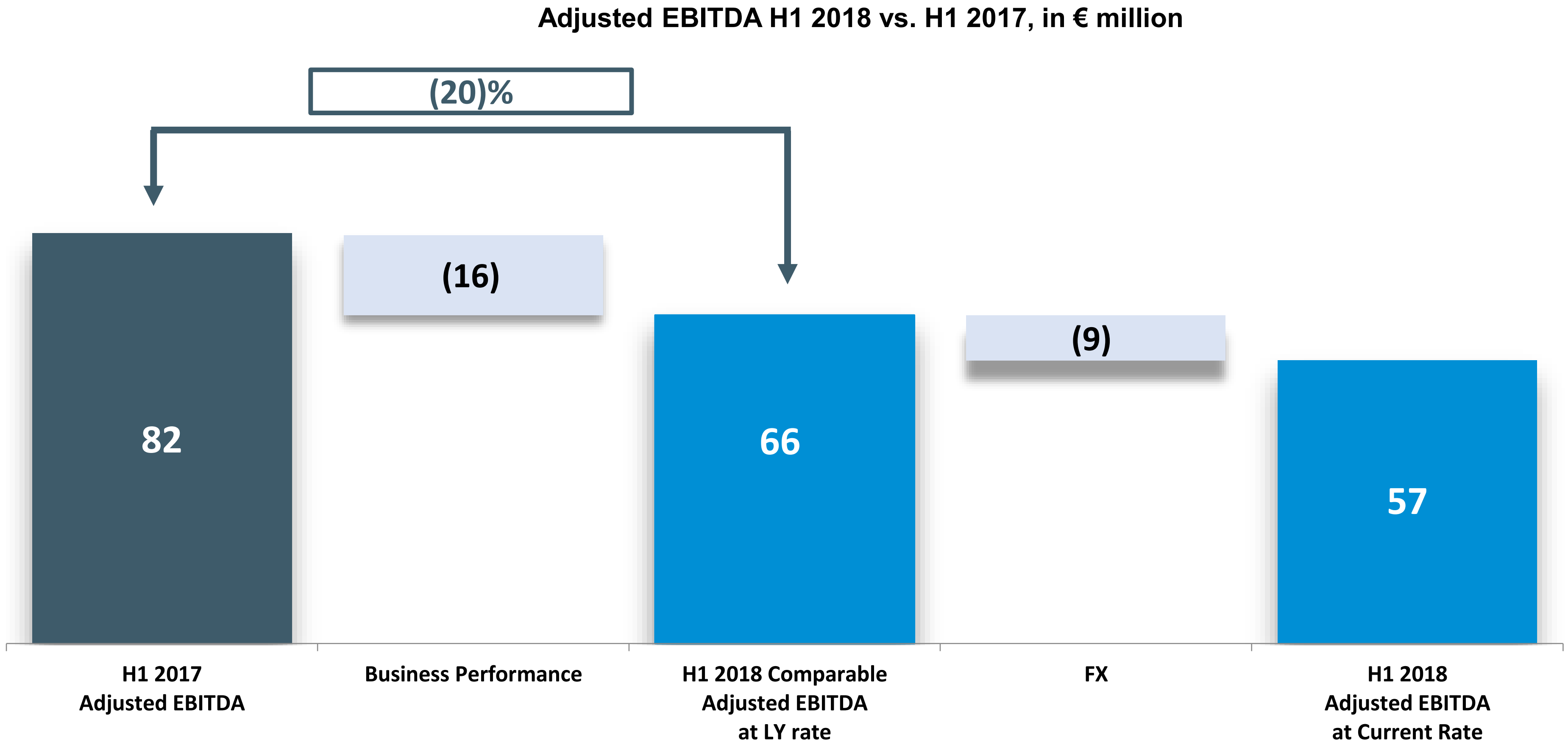
KEY FIGURES – GROUP

H1

(in € million)	2018		2017	vs. LY (a)		Forex impact (b)	vs. LY at constant rate (c=a+b)	
	Current rate	LY Rate	LY Rate	Current rate			LY rate	
Revenues	1,769	1,904	2,098	*(329)*	*(15.7)%*	*+135*	*(194)*	*(9.3)%*
Adjusted EBITDA	57	66	82	*(26)*	*(31.0)%*	*+9*	*(16)*	*(20.0)%*
in % of Revenues	3.2%	3.5%	3.9%					
D&A & Reserves (*) w/o PPA amortization	(82)	(88)	(82)	*+1*	*+0.8%*	*(6)*	*(6)*	*(6.7)%*
PPA amortization	(22)	(24)	(25)	*+3*	*+12.2%*	*(2)*	*+1*	*+4.6%*
Non-recurring EBIT	(59)	(61)	(32)	*(27)*	*(85.4)%*	*(2)*	*(29)*	*(91.2)%*
EBIT	(106)	(107)	(57)	*(49)*	*(85.6)%*	*(1)*	*(50)*	*(87.2)%*
Net Result Continuing	(138)	(141)	(125)	*(14)*	*(11.0)%*	*(2)*	*(16)*	*(12.8)%*
Net Result Discontinued	(14)	(14)	19	*(33)*	*Ns*	*(0)*	*(33)*	*ns*
Net Result Group (Group share)	(152)	(154)	(106)	*(46)*	*(44.0)%*	*(2)*	*(49)*	*(46.2)%*
FCF Continuing	(150)	(150)	(109)	*(41)*	*(37.7)%*	*(0)*	*(41)*	*(38.0)%*
Net Debt (IFRS)	(910)	(906)	(909)	*(1)*	*(0.1)%*			

(*) Risk, litigation and warranty reserves

ADJUSTED EBITDA BRIDGE VS. LY

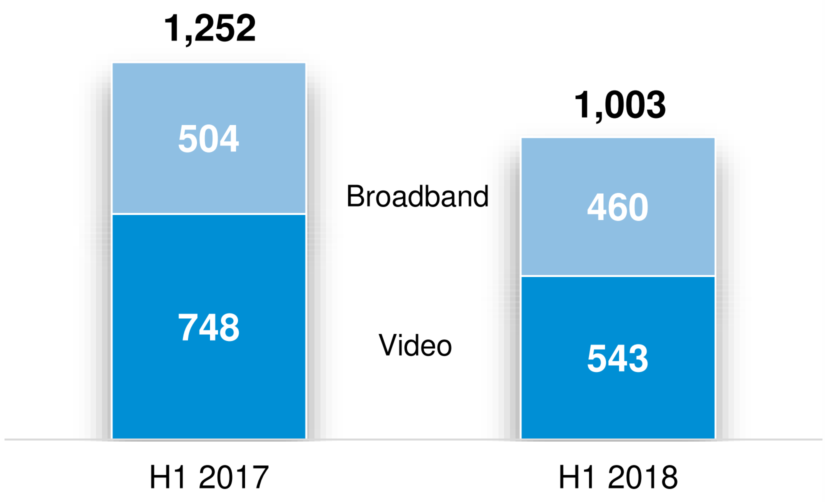


PERFORMANCE BY DIVISION

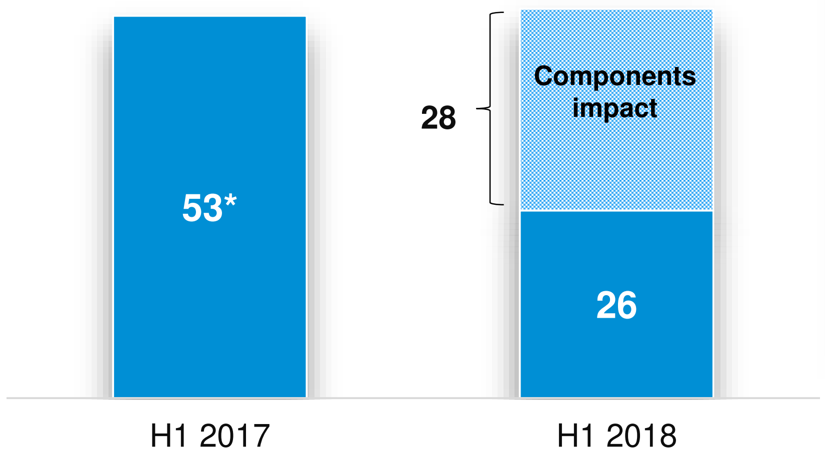
2

CONNECTED HOME H1 2018 PROFITABILITY (1/2)

Revenues (in € million) @ Current rate



Adjusted EBITDA (in € million) @ Current rate



REVENUE HIGHLIGHTS:

- YEAR-ON-YEAR DECLINE DUE TO:
  - unfavorable comparison with prior year when Technicolor benefited from a sole supplier role at Charter for the launch of the WorldBox
  - the implementation of the selectivity customer program
  - c. €210 million revenue delays due to the severe components shortage, mostly MLCC

ADJ. EBITDA HIGHLIGHTS:

- IMPACTED BY COMPONENTS COSTS (28)M€ RESULTING FROM THE INCREASES INCURRED FOR MEMORIES AND MLCCS
- ADDITIONAL COSTS FOR COMPONENTS , WILL NOW BE MOSTLY ASSUMED BY CUSTOMERS
  - Most of the negotiations being finalized
  - Pricing will be adapted in line with future price fluctuations

*Last year proforma following corporate cost reallocation

CONNECTED HOME H1 2018 PROFITABILITY (2/2)

H1

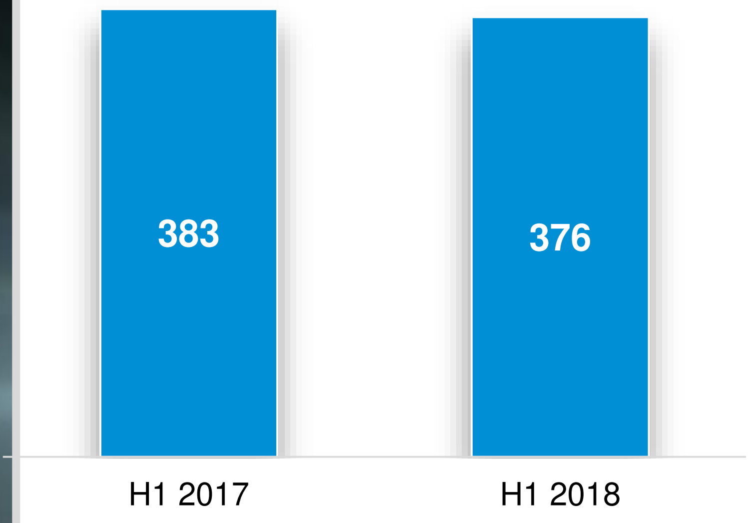
Connected Home In € million	2018		2017 proforma(**)	vs. LY Proforma (a)		Forex impact (b)	vs. LY proforma at constant rate (c=a+b)	
	Current rate	LY Rate	LY Rate	Current rate			LY rate	
Revenues	**1,003**	**1,081**	**1,252**	*(249)*	*(19.9)%*	*+79*	*(170)*	*(13.6)%*
Adjusted EBITDA	**26**	**31**	**53**	*(27)*	*(51.7)%*	*+5*	*(22)*	*(42.1)%*
in % of Revenues	***2.5%***	***2.8%***	***4.2%***					
D&A & Reserves (*) w/o PPA amortization	(28)	(29)	(15)	*(12)*	*(81.3)%*	*(2)*	*(14)*	*(92.3)%*
PPA amortization	(14)	(16)	(15)	*+1*	*+4.0%*	*(1)*	*(1)*	*(4.3)%*
Non-recurring EBIT	(22)	(23)	(11)	*(11)*	*(95.2)%*	*(0)*	*(11)*	*(96.6)%*
EBIT	**(38)**	**(36)**	**12**	*(50)*	*ns*	*+2*	*(48)*	*ns*

(*) Risk, litigation and warranty reserves

(**) After new Corporate Transversal Functions allocations

ENTERTAINMENT SERVICES H1 2018 PROFITABILITY (1/3)
PRODUCTION SERVICES

Revenues (in € million) @ Current rate



REVENUE HIGHLIGHTS:

- UP C.5% AT CONSTANT RATE
  - ↳ record-breaking revenue performance in Film & TV Visual Effects ("VFX")
  - ↳ high single digit revenue growth year-over-year in Advertising VFX
  - ↳ solid Postproduction level of activity in the US but lower than last year due to production timing schedules
  - ↳ Key awards in Animation & Games but a little later than expected

ADJ. EBITDA HIGHLIGHTS:

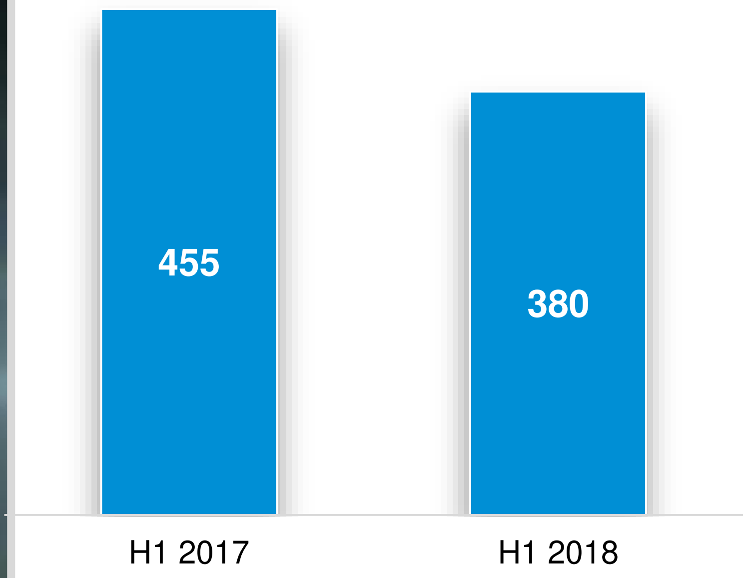
- IMPROVEMENT DRIVEN BY HIGH CAPACITY UTILIZATION AND CONTINUED OPERATIONAL IMPROVEMENTS

H1 2018 KEY DATA

Film & TV VFX	Advertising	Postproduction	Animation & Games
▸ *30 film projects* ▸ *10+ TV and non-theatrical projects*	▸ *2,500 commercials*	▸ *Over 225 TV/OTT series, mini-series and/or pilots*	▸ *+1,500 minutes of animation for TV and Film*

ENTERTAINMENT SERVICES H1 2018 PROFITABILITY (2/3)
DVD SERVICES

Revenues (in € million) @ Current rate



(in million units)	H1 2017	H1 2018	*YoY Change*
DVD	410	338	*(18)%*
Blu-ray™	119	134	*+12%*

REVENUE HIGHLIGHTS:

- DOWN C.10% AT CONSTANT CURRENCY COMPARED TO THE FIRST HALF OF 2017 REFLECTING:
  - Standard Definition DVD volume declined by 18% reflecting the ongoing shift to the Blu-ray
  - 12% increase in Blu-ray™ discs volumes supported by a solid slate of new release titles

ADJ. EBITDA HIGHLIGHTS:

- IN LINE WITH EXPECTATIONS
- NEGATIVELY AFFECTED BY:
  - Sony onboarding costs and selected increases in raw material pricing
  - partially offset by continued cost reduction initiatives and customer product mix

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ENTERTAINMENT SERVICES H1 2018 PROFITABILITY (3/3)

H1

Entertainment Services in € million	2018 Current rate	2018 LY Rate	2017 Proforma(**) LY Rate	vs. LY Proforma (a) Current rate		Forex impact (b)	vs. LY proforma at constant rate (c=a+b) LY rate	
Revenues	**756**	**812**	**838**	*(82)*	*(9.8)%*	*+56*	*(26)*	*(3.1)%*
Ajusted EBITDA	**55**	**59**	**64**	*(10)*	*(14.8)%*	*+4*	*(5)*	*(7.9)%*
in % of Revenues	***7.2%***	***7.3%***	***7.7%***					
D&A & Reserves (*) w/o PPA amortization	(54)	(58)	(63)	*+9*	*+14.9%*	*(5)*	*+5*	*+7.8%*
PPA amortization	(8)	(9)	(11)	*+3*	*+23.8%*	*(1)*	*+2*	*+17.2%*
Non-recurring EBIT	(34)	(35)	(17)	*(17)*	*(97.0)%*	*(2)*	*(18)*	*ns*
EBIT	**(41)**	**(43)**	**(27)**	*(14)*	*(52.9)%*	*(2)*	*(17)*	*(61.9)%*

(*) Risk, litigation and warranty reserves

(**) After new Corporate Transversal Functions allocations

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GROUP FINANCIAL RESULTS

3

H1

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FROM ADJUSTED EBITDA TO EBIT

H1

in € million	2018		2017	vs. LY (a)	Forex impact (b)	vs. LY at constant rate (c=a+b)
	Current rate	LY Rate	LY rate	∆ @ CR		∆ @ LY
Adjusted EBITDA	**57**	**66**	**82**	*(26)*	*+9*	*(16)*
D&A & Reserves (*) w/o PPA amortization	(82)	(88)	(82)	*+1*	*(6)*	*(6)*
PPA amortization	(22)	(24)	(25)	*+3*	*(2)*	*+1*
Impairments & write-off	(3)	(3)	(4)	*+1*	*(0)*	*+1*
Restructuring	(38)	(40)	(22)	*(16)*	*(2)*	*(19)*
Other Non Current	(18)	(18)	(6)	*(12)*	*+0*	*(12)*
EBIT Continuing	**(106)**	**(107)**	**(57)**	*(49)*	*(1)*	*(50)*

(*) Risk, litigation and warranty reserves

FROM EBIT TO NET RESULT GROUP

H1

In € million	2018		2017	vs. LY (a)	Forex impact (b)	vs. LY at constant rate (c=a+b)
	Current rate	LY Rate	LY rate	∆ @ CR		∆ @ LY
EBIT Continuing	**(106)**	**(107)**	**(57)**	*(49)*	*(1)*	*(50)*
Net Interest Expense	(19)	(19)	(24)	*+5*	*(0)*	*+5*
Others Financial	(2)	(2)	(38)	*+35*	*+1*	*+36*
Profit before tax	**(127)**	**(128)**	**(119)**	*(8)*	*(1)*	*(9)*
Tax	(11)	(12)	(6)	*(5)*	*(1)*	*(6)*
Net Result Continuing	**(138)**	**(141)**	**(125)**	*(13)*	*(2)*	*(16)*
Net Result Discontinued	**(14)**	**(14)**	**19**	*(33)*	*(0)*	*(33)*
Net Result Group (Group share)	**(152)**	**(154)**	**(106)**	*(46)*	*(2)*	*(49)*

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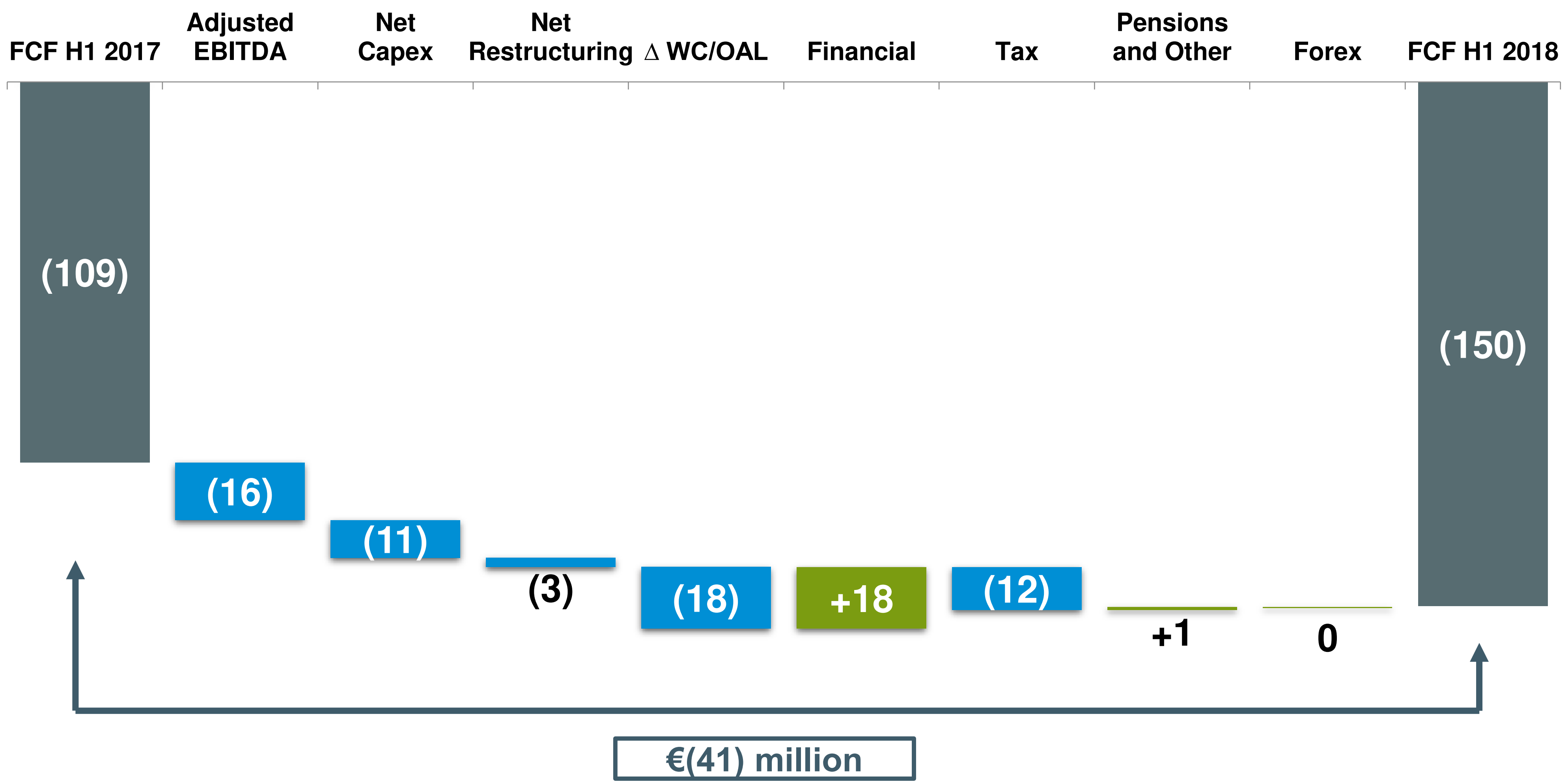
FREE CASH FLOW FROM CONTINUING OPERATIONS H1 18 VS. H1 17



H1

BALANCE SHEET STRUCTURE

In € million

Type	Curr.	Rate Formula	Maturity	Nominal Rate	IFRS Rate	June 30, 2018 Nominal	June 30, 2018 IFRS	December 31, 2017 Nominal	December 31, 2017 IFRS
Term Loan	USD	Libor w/ floor of 0% + 2.75%	Dec-23	5.06%	5.18%	254	253	249	248
Term Loan	EUR	Euribor w/ floor of 0% + 3.00%	Dec-23	3.00%	3.11%	275	273	275	273
Term Loan	EUR	Euribor w/ floor of 0% + 3.50%	Dec-23	3.50%	3.63%	450	447	450	447
EIB Loan	EUR	Fixed rate	Jan-23	2.54%	2.54%	90	90	90	90
Mainly capital leases and accrued interest				3.55%	3.55%	44	44	39	39
					Total Debt:	**€1,113m**	**€1,107m**	**€1,103m**	**€1,097m**
					Cash:	197	197	319	319
					Net Debt:	**€916m**	**€910m**	**€784m**	**€778m**
					Avg. int. rate:	3.66%	3.76%	3.45%	3.56%

COMMENTS:

Interest rate hedging operations put in place in May 2018 to protect against rising LIBOR and EURIBOR

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DEBT MATURITY CONDITIONS

Debt/Credit line	Financial Covenant	Covenant Testing	Maturity
Term Loans	None	NA	December 2023 (bullet except for $3m/year of amortization)
EIB Loan	Group IFRS Debt / Group EBITDA ≤ 4.00	At June 30 and Dec 31	January 2023 (bullet)
Revolving Credit Facility (RCF)	Group IFRS Debt / Group EBITDA ≤ 4.00	At June 30 and Dec 31 only if ≥ €100m drawn	December 2021
Wells Fargo receivables backed RCF	Group IFRS Debt / Group EBITDA ≤ 4.00	At June 30 and Dec 31 only if ≤ $20m availability on line	September 2021
RCF with Crédit Agricole	Group IFRS Debt / Group EBITDA ≤ 4.00	At December 31	May 2019

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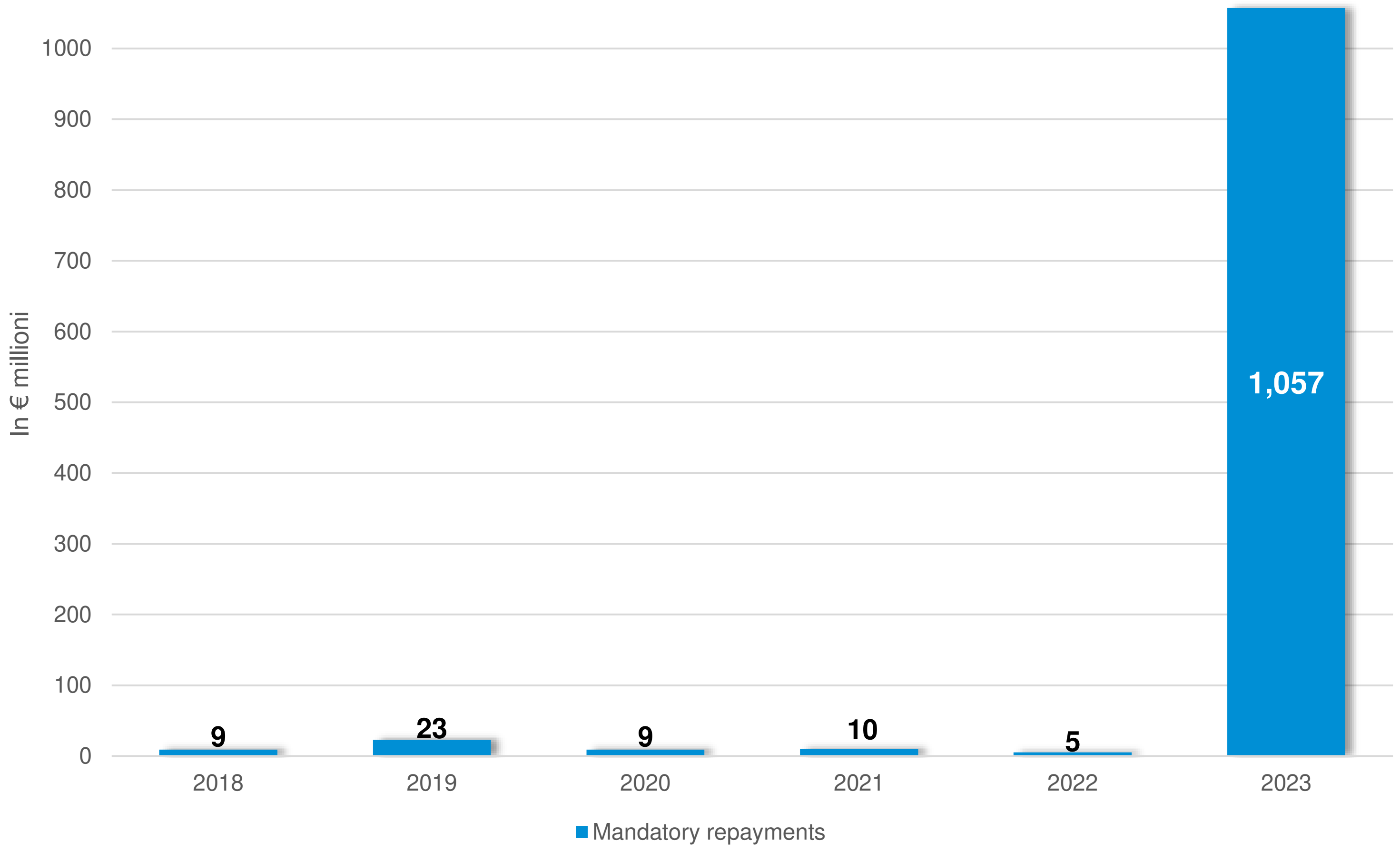
DEBT MATURITY SCHEDULE AT JUNE 30, 2018



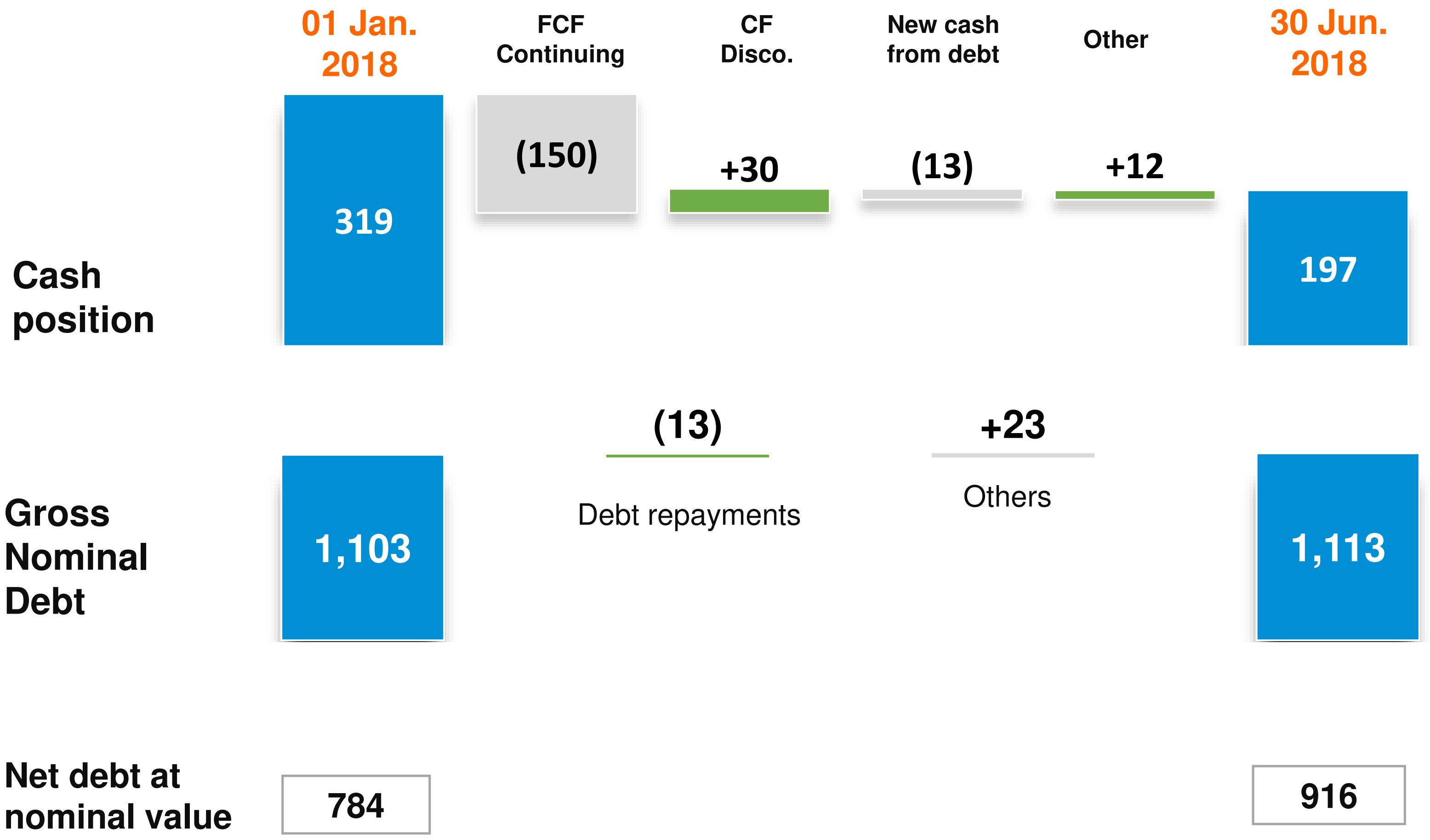
COMMENTS:

No significant mandatory debt repayments until December 2023

H1

NET DEBT EVOLUTION (NON IFRS)

in € million



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H1

STRONG LIQUIDITY

Liquidity at June 30, 2018	Amount (in € million)
Cash on hand at June 30, 2018	197
Committed credit facilities:	
Technicolor SA Revolving Credit Facility (€250m matures Dec 2021)	250
Crédit Agricole credit line (€35m matures May 2019)	35
Wells Fargo credit line ($125m matures September 2021)	107
LIQUIDITY	**€589m**

- **Working capital and operating needs met by cash and credit lines**
- **Cash on hand of 197m€**
- **Committed Credit lines of 392m€ (undrawn at June 30)**
- **In addition uncommitted credit lines (for borrowings) of 60m$**

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CONNECTED HOME: TRANSFORMATION PLAN DETAILS

SAVINGS

in € million	Yearly 2018	Incremental 2019 – 2021	FY Run Rate 2021
Total	45	95	140

RESTRUCTURING COST

in € million	At end H1 2018	H2 2018	2019 - 2021	Total
Total	35	15	40	90

PAYBACK

< 15 MONTHS

CASH/NON CASH

MAINLY CASH

APPENDICES TO CONSOLIDATED ACCOUNTS

4

H1

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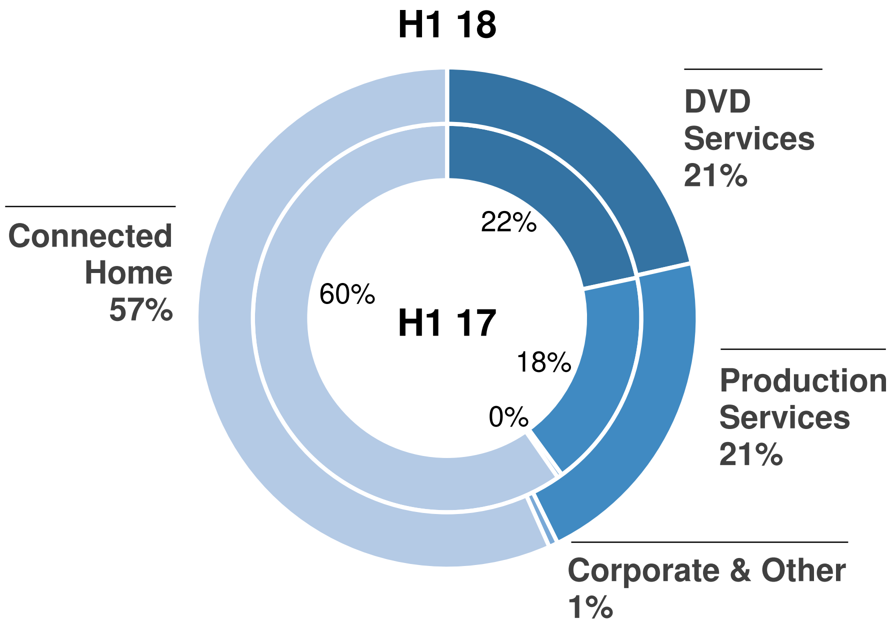
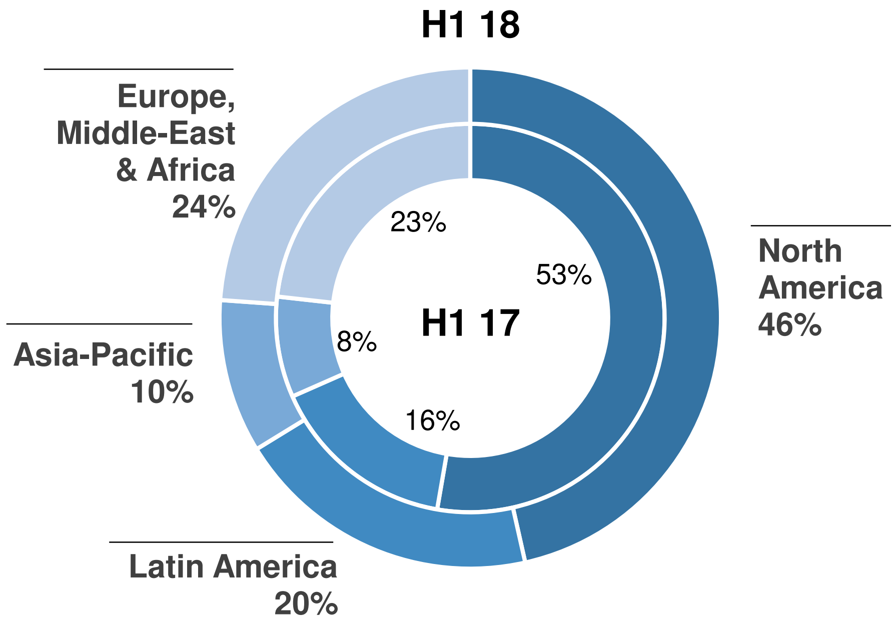
GROUP PROFILE – REVENUE

H1 2018 REVENUES BY SEGMENT



H1 2018 REVENUES BY REGION



BACK-UP

5

ADJUSTED EBITDA CONTINUING PROFORMA

2017 PROFORMA FOLLOWING CORPORATE COST REALLOCATION AS FOLLOWS:

In € million	H1 2017		H2 2017		FY 2017	
	As published	Proforma	As published	Proforma	As published	Proforma
Entertainment Services	72	64	159	152	230	216
Connected Home	57	53	80	75	137	128
Corporate and Other	(47)	(35)	(30)	(18)	(76)	(53)
Adjusted EBITDA Continuing	**82**	**82**	**209**	**209**	**291**	**291**

Corporate cost reallocation does not impact discontinued operations

ADJUSTED EBIT CONTINUING PROFORMA

2017 PROFORMA FOLLOWING CORPORATE COST REALLOCATION AS FOLLOWS:

In € million	H1 2017		H2 2017		FY 2017	
	As published	Proforma	As published	Proforma	As published	Proforma
Entertainment Services	(2)	(10)	78	71	76	61
Connected Home	28	24	33	28	61	52
Corporate and Other	(51)	(39)	(33)	(21)	(84)	(60)
Adjusted EBIT Continuing	**(25)**	**(25)**	**78**	**78**	**53**	**53**

Corporate cost reallocation does not impact discontinued operations

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