

## PRESS RELEASE

# TECHNICOLOR HAS RECEIVED A BINDING OFFER FOR ITS RESEARCH & INNOVATION ACTIVITY FROM INTERDIGITAL

**Paris (France), 11 February 2019** – [Technicolor](#) (Euronext Paris: TCH; OTCQX: TCLRY) announces it has received a binding offer and entered into exclusive negotiations with **InterDigital** (NASDAQ : IDCC), a mobile technology research and development company, for the sale of its Research & Innovation activity. It is worth highlighting that InterDigital acquired Technicolor's Patent Licensing business in 2018.

**Frederic Rose, Chief Executive Officer of Technicolor, stated:** *"This proposed transaction continues the simplification of the Group's structure while ensuring that its R&I teams join a world class technological organization. As a result, Technicolor will henceforth be able to focus its resources solely on its operating businesses."*

### Deal structure and impact on Technicolor financials

The transaction would be structured as an asset purchase with a concurrent R&I cooperation agreement specifically:

- With InterDigital's acquisition of Technicolor's R&I activity, Technicolor will materially reduce its costs (c. (€21) million of Adjusted EBITDA on 2017 cost basis) starting in 2020, representing a payback of less than 12 months;
- Technicolor's right to receive 42,5% (beyond operating expenses) of the future royalties from InterDigital's licensing activities in the Consumer Electronics field would also be amended. As a result of various adjustments, Technicolor's future cash receipts would be reduced by 50% compared to the previous net present value estimation.

R&I was presented in Corporate and Other segment but will now be classified in the Discontinued operations together with the Patent Licensing business. Corporate and Other segment includes Trademark Licensing activities and Corporate activities.

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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. Our commitment: supporting the delivery of exciting new experiences for consumers in theaters, homes and on-the-go.

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

## **Investor Relations**

Christophe Le Mignan : +33 1 41 86 58 83

[christophe.lemignan@technicolor.com](mailto:christophe.lemignan@technicolor.com)