

Technicolor Receives Binding Offer from Francisco Partners to Acquire Grass Valley Broadcast & Professional Business

Nevada City, Calif., July 26, 2010 – Francisco Partners, a San Francisco, California-based private equity firm focused on investments in technology-based companies, has made a binding offer to Technicolor (Euronext Paris: 18453; NYSE: TCH) for the acquisition of the Grass Valley Broadcast & Professional business activities.

With nearly \$5 billion of capital under management, Francisco Partners is one of the world's largest technology-focused private equity funds. The firm was founded to pursue structured investments in technology and technology-based companies with a strong foundation and secure market position. Francisco Partner targets investments in private companies, with transaction values ranging from \$30 million to \$2 billion. Since its inception, Francisco Partners has invested in excess of \$4 billion of equity capital in over 50 technology companies.

“We are excited about this opportunity, as Grass Valley’s market leadership is clearly evident,” said David Golob, Partner at Francisco Partners. “The business has an unrivalled brand identity and company heritage, a long history of innovation, team members that are dedicated to their customers' success, and an impressive product portfolio. We are looking forward to the opportunity to work closely with Grass Valley’s management to create a company that leverages the strong entrepreneurial spirit within Grass Valley, allowing them to achieve even greater success.”

The binding offer from Francisco Partners is for 100 percent ownership of the current Grass Valley Broadcast & Professional business, which would operate as "Grass Valley" going forward. This includes the camera, content repurposing, editing, master control, modular, news production, production automation, routing, servers, storage, and switching product lines including their entire product portfolios, the R&D centers and factories around the world, the Sales & Systems activities and Customer Support organization worldwide, as well as the management and administrative support functions dedicated to the business. This business perimeter and associated product lines for which the offer was made by Francisco Partners represent the core of what the market historically knows as Grass Valley products.

“This is positive news for the company and our customers,” said Jeff Rosica, Senior Vice President and head of the Grass Valley Broadcast & Professional business. “We are encouraged that we are taking a major step towards completing the divestiture process with this binding offer from Francisco Partners. The opportunity to be part of Francisco Partner’s portfolio gives Grass Valley a solid foundation to continue to work tirelessly to maintain our core values of innovation, performance, and passion that have benefitted our customers throughout the years. Our customers worldwide will continue to receive the high quality and service that they have come to expect from Grass Valley, with continued focus on raising the bar in our industry.”

The Transmission and Headend businesses, which are in the process of being separated from the Grass Valley Broadcast & Professional business, are not included in the offer received. Technicolor will continue the planned divestiture of these businesses separately. These businesses plan to operate individually going forward.

Subject to final agreement, regulatory approval, and applicable notification requirements and, when it is requested, the prior consultation of staff representatives, it is expected that the transaction can be completed before the end of 2010.

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About Grass Valley

With a rich history serving the broadcast and professional video industries, the Grass Valley name is synonymous with innovation, leadership, and performance. With a full range of products and services supporting many of the world's most high-profile television events, Grass Valley offers the most comprehensive portfolio of flexible and cost-effective digital technologies and systems available. Customers deploying Grass Valley solutions include most of the world's leading broadcast and teleproduction facilities, independent video professionals, as well as emerging content creators and distributors providing broadband, telecommunications, and transmission services. When you're watching news, sports, or entertainment programming, whether on a TV, the Web, or a mobile phone, you're watching Grass Valley at work.

For information about Grass Valley products, please visit www.grassvalley.com

For additional information about Francisco Partners, please visit www.franciscopartners.com

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