

Thomson says it has reached deal with creditors

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Struggling French media technology group Thomson said Friday it had reached a deal with its creditors that would allow for a 45 percent reduction in its debt.

Under the accord, Thomson's debt of 2.83 billion euros will be reduced to 1.55 billion euros (2.2 billion dollars). In exchange, creditor banks and bond holders will receive shares and bonds convertible to shares.

In April, the former electronics giant said its creditors had given it until mid-June to pay back its [debt](#), a deadline that was then extended to July 24.

A former linchpin of French industry, Thomson gave up its main line of household electrical goods in the face of stiff Asian competition, switching to technology for media.

But it has struggled to make any headway.

Without an accord, Thomson, which employs 23,000 people around the world, would had to have sought bankruptcy protection while it restructured its business.

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