

# Winning in Europe

Bas Verhoef, President Market Group EMEA, Philips Healthcare



# Key takeaways

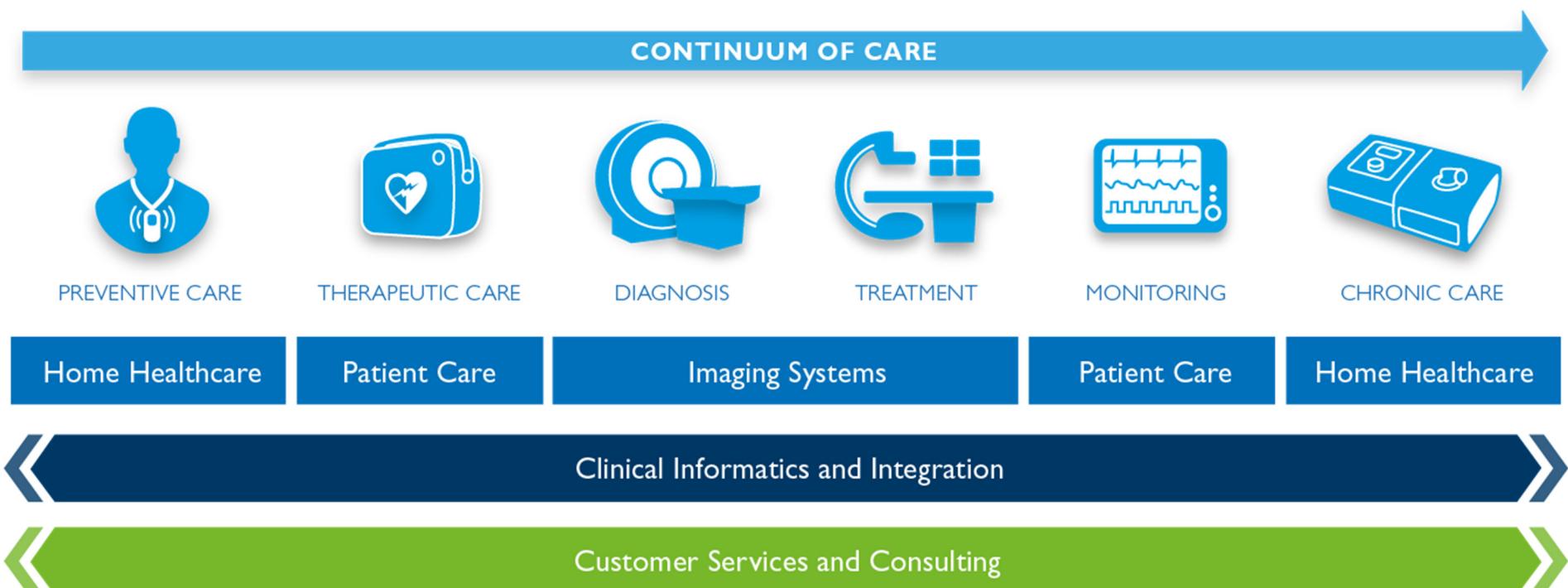
- We have strengthened our market position in a declining market
- Demographics will drive medium-term demand, although short-term market outlook is stable
- Health care industry dynamics drives demand for innovative solutions
- Long-term partnerships, innovation capabilities, large installed base and strong position in Home Healthcare Solutions will drive future growth



# Philips Healthcare Guiding Statement

We are dedicated to creating the future of health care and saving lives.

We develop innovative solutions across the continuum of care in partnership with clinicians and our customers to improve patient outcomes, provide better value and expand access to care.



# Market trends



## Health care trends

- Life expectancy increased by six years since 1980
- Future shortage of health care professionals
- Growth in health care spend has slowed or fallen in many European countries
- Care is shifting from hospital to lower cost settings, including the home

## Health care industry dynamics drives demand for innovative solutions

- Adoption of minimally invasive interventions
- Home care to avoid hospital (re-)admissions for chronically ill people
- Multi-year partnerships with customers
- Improve equipment utilization, workflow and clinical integration



# European market outlook is stable

| Market         | Actual Market 2012                  | 2013 remarks   | Market outlook 2013  |
|----------------|-------------------------------------|--|--|
| Germany        | <span style="color:red;">●</span>   | Delayed decisions in 2012                                  | <span style="color:yellow; border:1px solid green; border-radius:50%; padding:2px;">●</span> |
| Nordics        | <span style="color:green;">●</span> | Stable in 2013<br>Growth expected in 2014/2015             | <span style="color:yellow;">●</span>   |
| Benelux        | <span style="color:green;">●</span> | Overall stable   | <span style="color:yellow; border:1px solid green; border-radius:50%; padding:2px;">●</span> |
| UK and Ireland | <span style="color:green;">●</span> | Moderate growth in interventional X-ray and defibrillators | <span style="color:yellow; border:1px solid green; border-radius:50%; padding:2px;">●</span> |
| France         | <span style="color:red;">●</span>   | New authorizations to increase number of MR/CT scanners    | <span style="color:yellow;">●</span>   |
| Iberia         | <span style="color:red;">●</span>   | 2013 will remain difficult                                 | <span style="color:red;">●</span>  |
| Italy          | <span style="color:red;">●</span>   | New government. Uncertainty. Tenders postponed             | <span style="color:red;">●</span>  |
| Greece         | <span style="color:red;">●</span>   | 2013 will remain difficult                                 | <span style="color:red;">●</span>  |

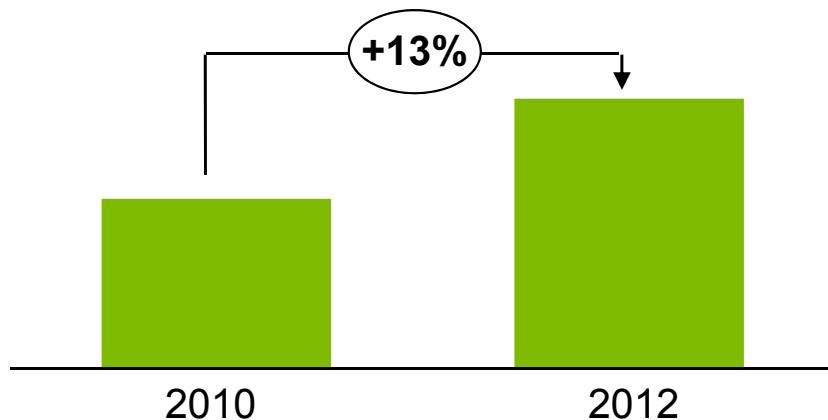
● Market growth

● Market flat

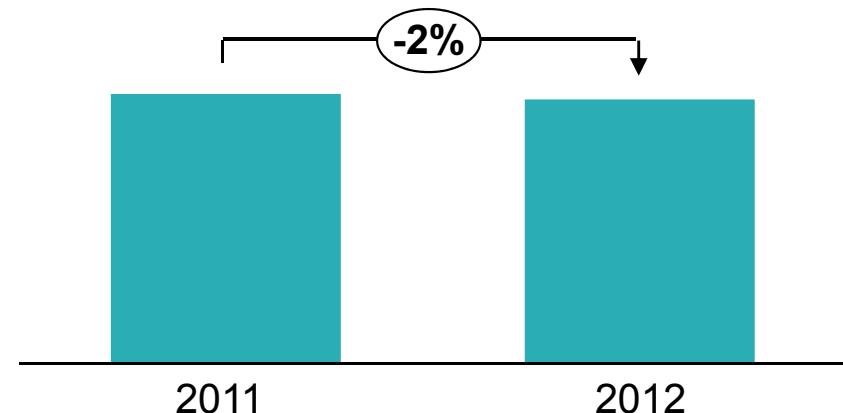
● Market decline

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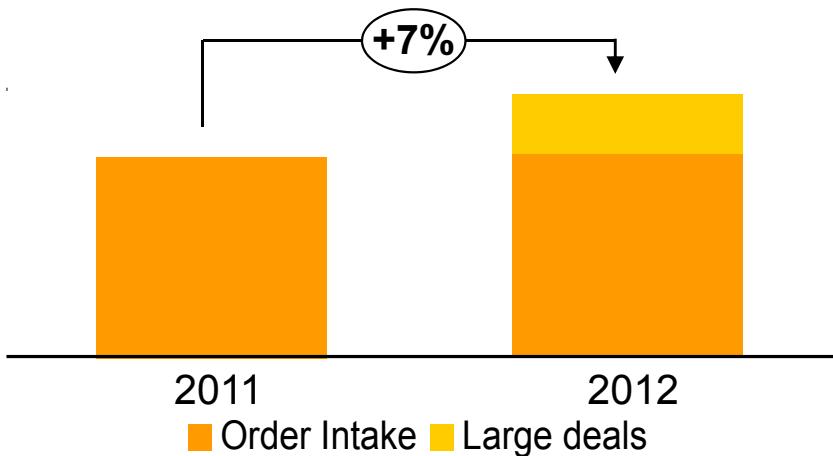
Customer satisfaction trend



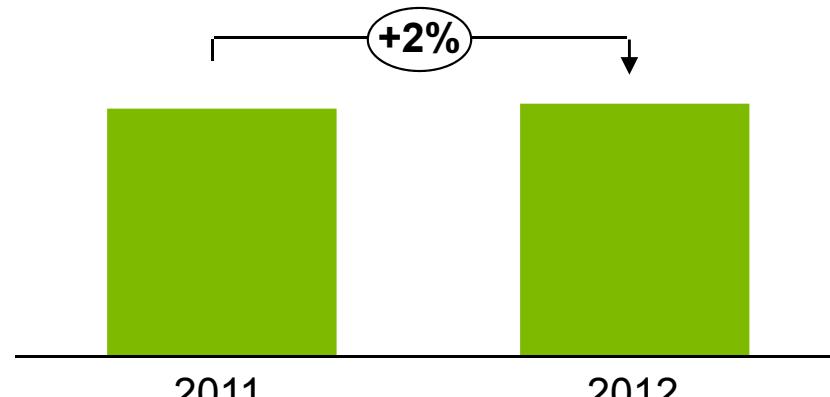
Market size trend



Philips order intake

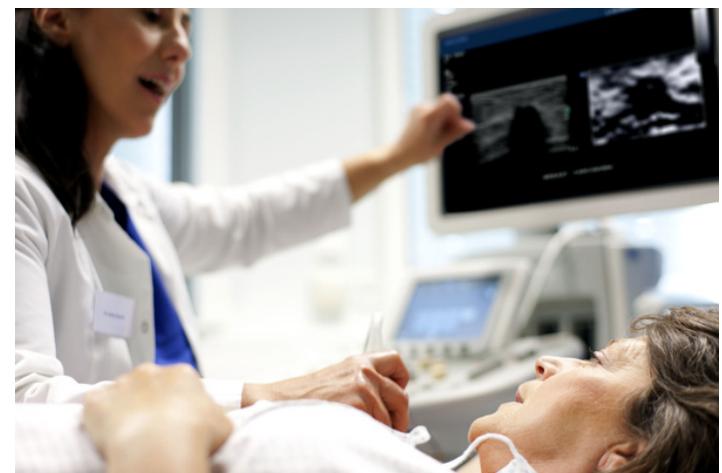
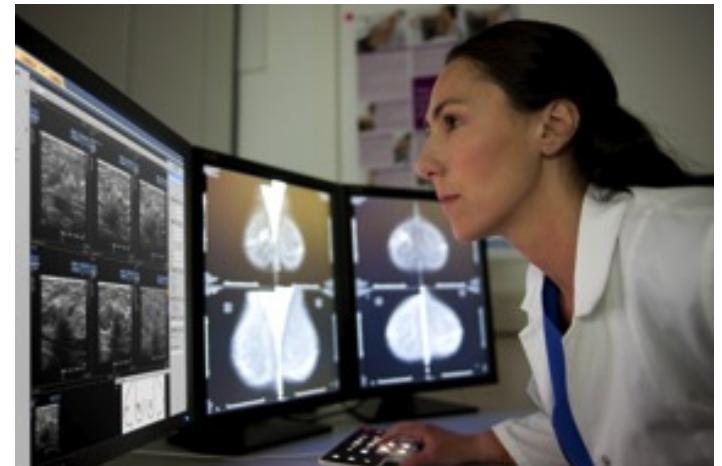


Philips market share



# Why we win

- Customer centric organization delivering three consecutive years of improved customer satisfaction
- Large installed base across Europe driving recurring revenues and upgrade business
- Research collaboration with our customers leveraging strong innovation infrastructure in Europe
- Strong position in Home Healthcare Solutions supporting continued growth
- Long-term strategic partnerships delivering efficient and affordable health care and improving patient outcomes



# Long-term partnerships driving growth

More than 30 long-term partnerships in Europe



Fundación  
Centro Nacional de  
Investigaciones  
**Cardiovasculares**  
Carlos III



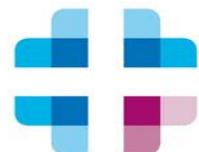
Sint Maartenskliniek  
NIJMEGEN



**LaFe**  
Hospital  
Universitari  
i Politècnic



Wolverhampton  
New Cross, UK



Rijnstate



medisch en zorgconcern



**Sant Pau**



Isala Klinieken awards Philips Partnership contract  
in 2012

- Multi-year collaboration to improve patient care
- Joint research program to innovate for diagnosis and treatment of cardiovascular disease and cancer



*"There is an urgent need to partner with a shared purpose to guarantee improved medical care for our patients."*

Mrs. Marjanne Sint, CEO

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