

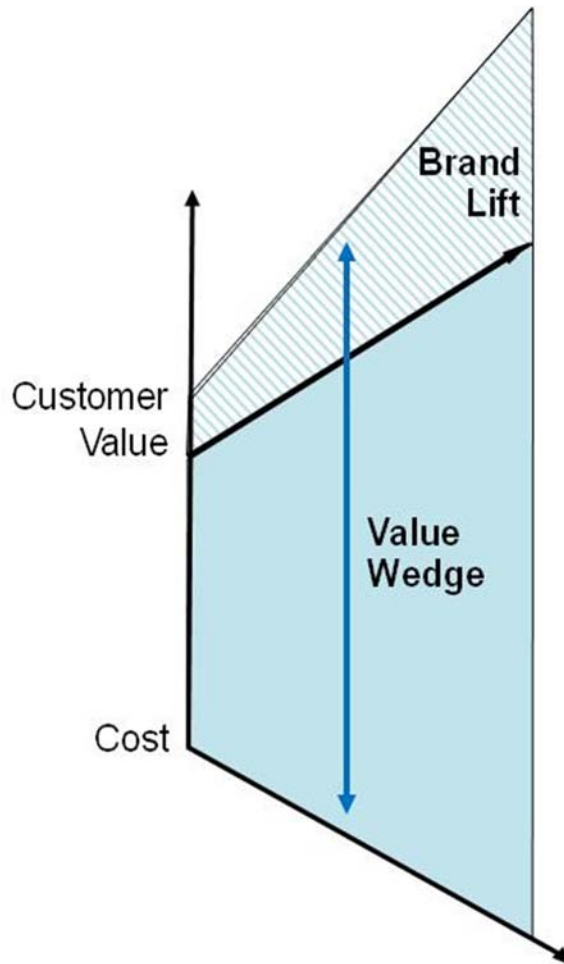
PHILIPS

sense and simplicity

Imaging Systems

Gene Saragnese
EVP and GM Imaging Systems

Imaging Systems Strategy



Drive Customer & Patient Experience

- Quality, reliability and service delivery
- Ease of use, speed, comfort, dose

Deliver customer value to grow

- Winning in Radiology
- Expansion in growth geographies/value portfolio
- Growth through Image Guided Intervention and Therapy (IGIT) leveraging Cardiology leadership
- Drive growth in Oncology and Nuclear Medicine
- Ultrasound portfolio extension
- Women's Healthcare growth

Drive out costs ... Create capacity

- Leverage and expand global capabilities
- Design to cost, scalable offerings

Driving towards a leadership position in Imaging

Strategy execution proof points

People Focused. Healthcare Simplified



People focused



Dose reduction and awareness • Patient comfort • Emerging market solutions



Care cycle driven



Screening • Diagnosis • Treatment • Clinical collaboration



Care anywhere



Clinical collaboration • Thin Client solutions



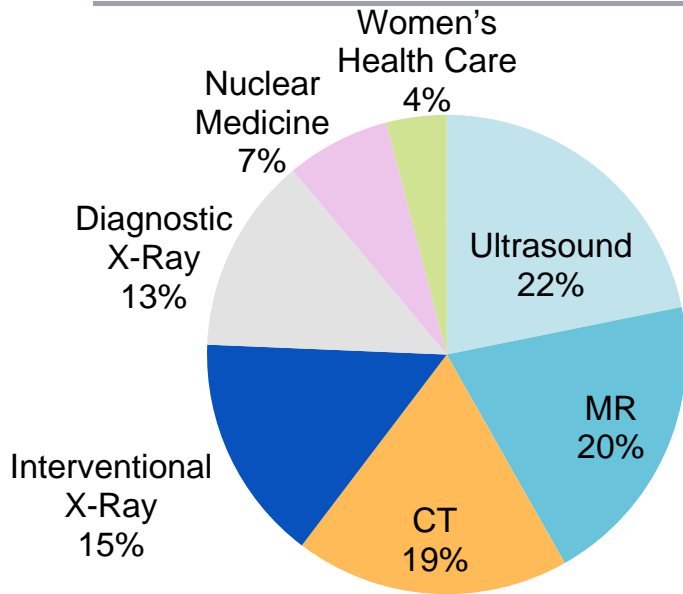
Meaningful innovation



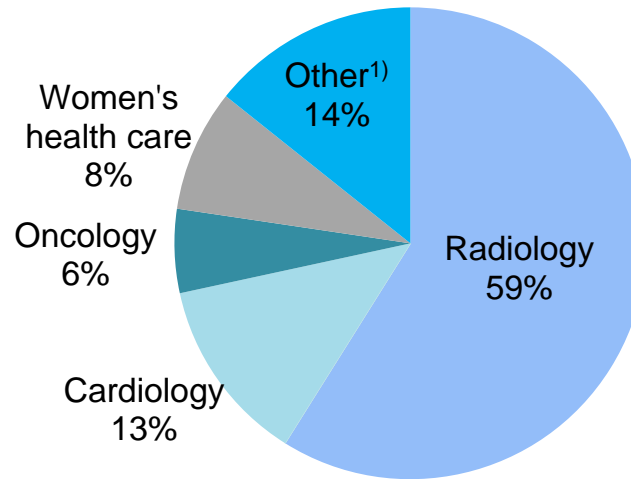
PET/MR • xMatrix
Ultrasound transducers •
Time-of-Flight PET •
Ingenia full digital MR •
Image Guided Intervention
and Therapy

Imaging Market

2010 Imaging Market by Modality



2010 Imaging Market by Care Setting / Application



Philips Growth Drivers

Leveraging our strengths:

- Interventional x-ray
- Premium Segment
- Cardiology imaging
- High-end Ultrasound

Opportunities:

- Radiology
- Value segment
- Image guided therapy

Imaging market of €16B, growing with 3-5%

1) Other includes Surgery, Point of Care, Neurology
Source: Industry reports and Philips analysis

Trends in Imaging

Quantitative Imaging

- From pictures to numbers
- Longitudinal studies of chronic diseases

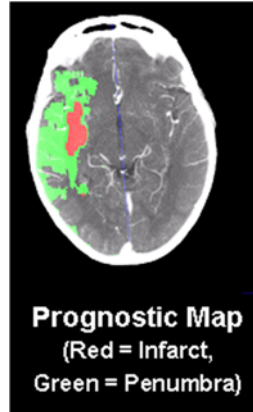
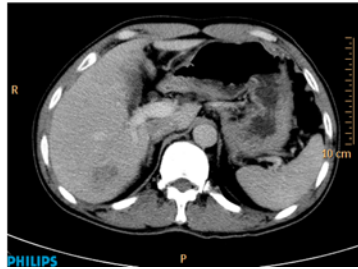


Image Guided Therapies

- Minimal invasive procedures
- Improved outcomes at lower cost



Robotic steering and navigation

Patient & Clinician Environment

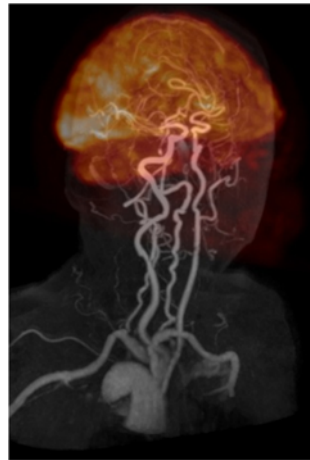
- Dose reduction
- X-Ray and contrast agent
- Ergonomics & ease of use



DoseAware

Hybrid Imaging

- Combine functional and anatomical imaging
- Combining multiple imaging sources in real time
- PET/MR, PET/CT, SPECT/CT and Ultrasound in Cathlab



PET/MR image

Access to Imaging

- Proliferation of imaging in rural areas
- Health care reform in USA
- Demand for easy to use, and lower price products



MX 16

Imaging 2.0 repositions Philips in Radiology

Radiologists need

- More seamless integration
- More collaboration
- Better decision support
- And top-notch relationships



Imaging 2.0

Clinical collaboration and integration

Put Radiology at the center of diagnosis and care (e.g. hybrid modalities, medical networking tools)

Patient focus

Smart, patient adaptive systems for optimal patient comfort and safety.

Improved value

Improve value through expanded service lines, increased uptime, easier upgrades and flexible applications

Imaging 2.0 repositions Philips in Radiology

Significant success at RSNA

- 16% higher traffic at our booth
- 73% more leads for our products
- Philips Healthcare doubled its volume of original RSNA coverage



Imaging 2.0

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Unique offering in Radiology

MR: Ingenia 1.5T and 3.0T

World's first full digital MR

- Breakthrough image quality, patient comfort & workflow simplicity
 - Up to 40% increase in signal to noise translates into better and faster images
 - Up to 30% improvement in workflow
 - Wide bore, available in 1.5T and 3T



CT: Ingenuity

Introducing new CT platform

- Improved image quality & reliability
- New tools to manage x-ray and contrast agent dose
- Up to 25% more patients per day



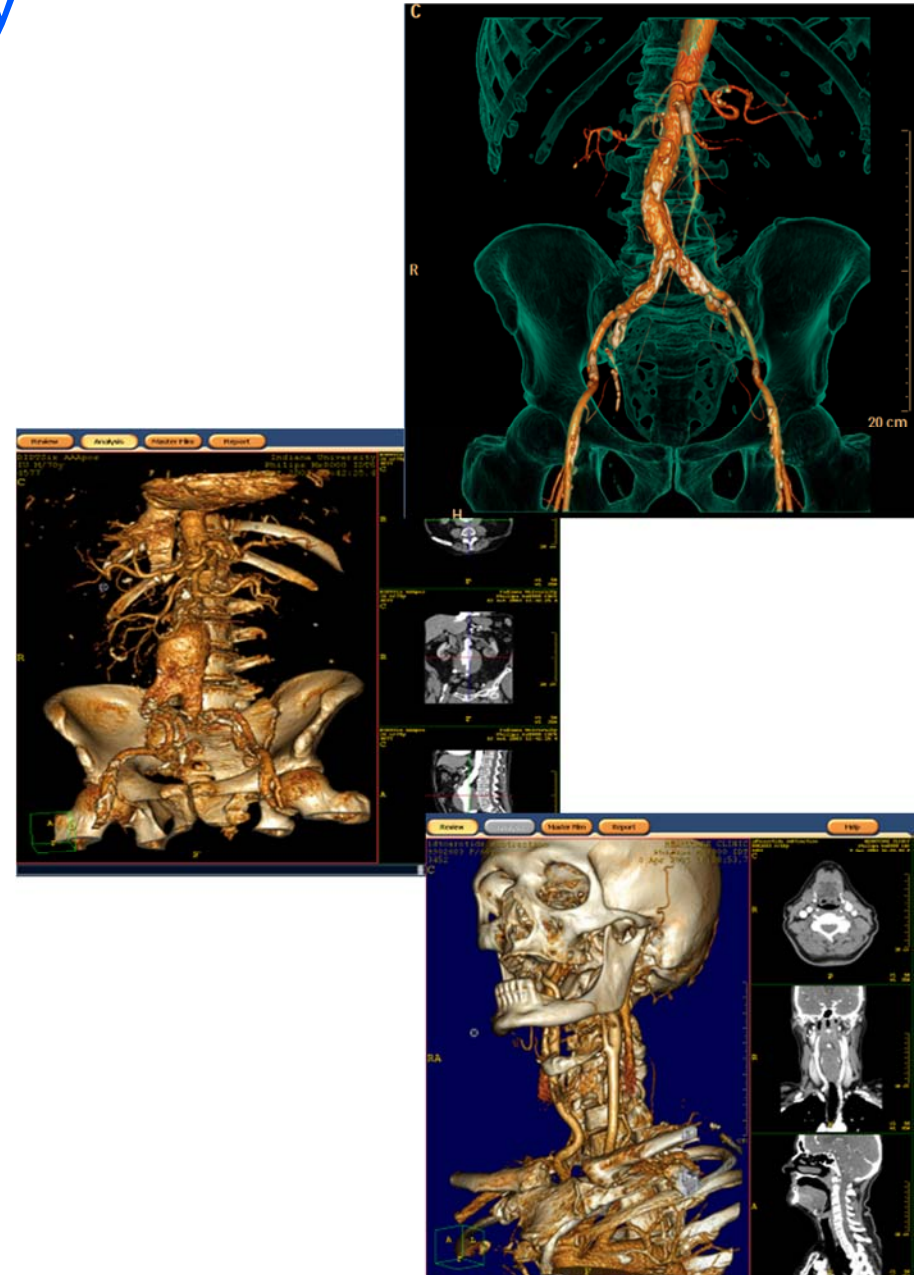
Unique offering in Radiology

Intellispace Portal

Multi modality image analysis and unique collaboration tool

- Multi-modality, Multi-vendor
- Thin client – access anywhere
- Integrated social networking tools

Unique
Philips
Offering



PET/MR First new modality in years

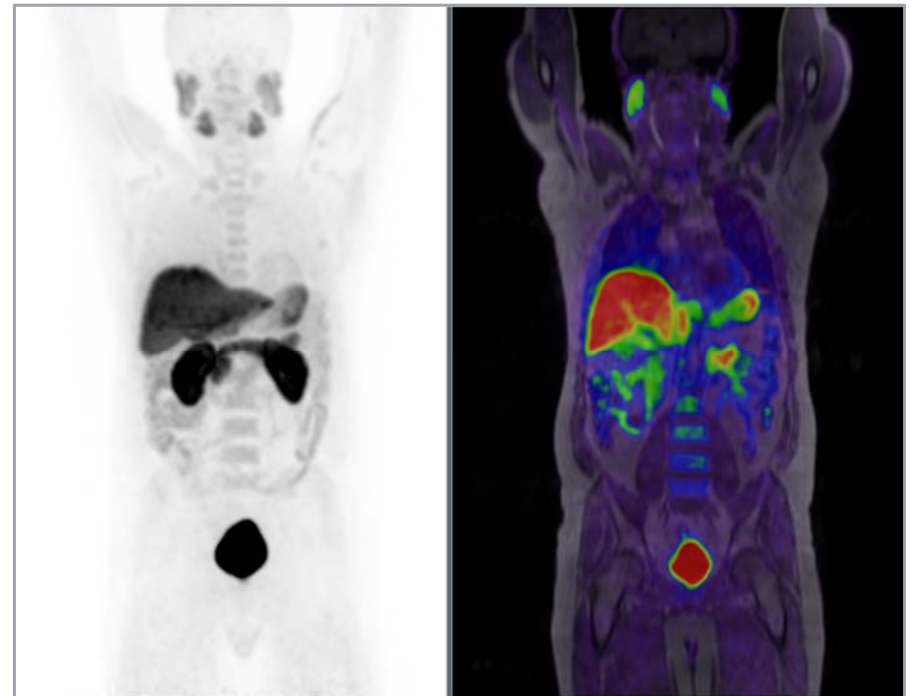
Unique
Philips
Offering

Ingenuity PET/MR

- First whole body PET/MR
- Best of both worlds- Best soft tissue imaging and best functional imaging
- Flexibility- able to perform as a standalone MRI or PET
- Only commercially available PET/MR in the world



> €30M orders
received outside
the US already



510(k) pending. Not available for sale in the USA

Growth in Nuclear Medicine... Driven by Oncology

Ingenuity TF PET/CT

4th Generation Time-of-Flight PET with Premium 128-slice CT

- Simultaneous introduction of new PET and CT platform
- 30% better contrast resolution performance with Astonish TF
- New tools to manage x-ray and contrast agent dose



TruFlight Select

Time-of-Flight technology for the performance segment

- Premium Performance at affordable price
- Addresses 40% of the PET/CT market
- Targets rapidly growing (30% CAGR) underserved market segment



Bringing “Time of Flight” advantages to the masses

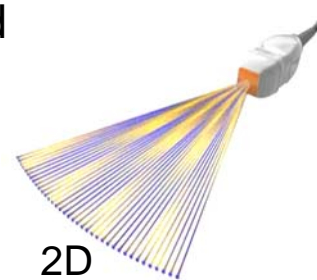
Strengthen our Ultrasound offering

Ultrasound: iU22 xMATRIX

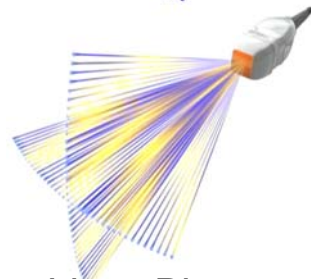
- Unique transducer for 2D and 3D imaging
- View two imaging planes simultaneously, in real time
- 3D imaging in any exam, removing the barriers to volume imaging



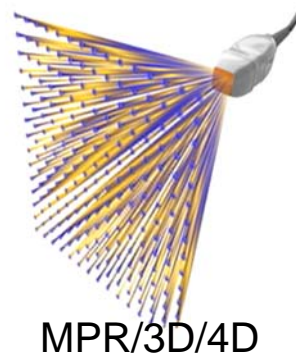
Unique
Philips
Offering



2D



Live xPlane



MPR/3D/4D

Growth in Compact

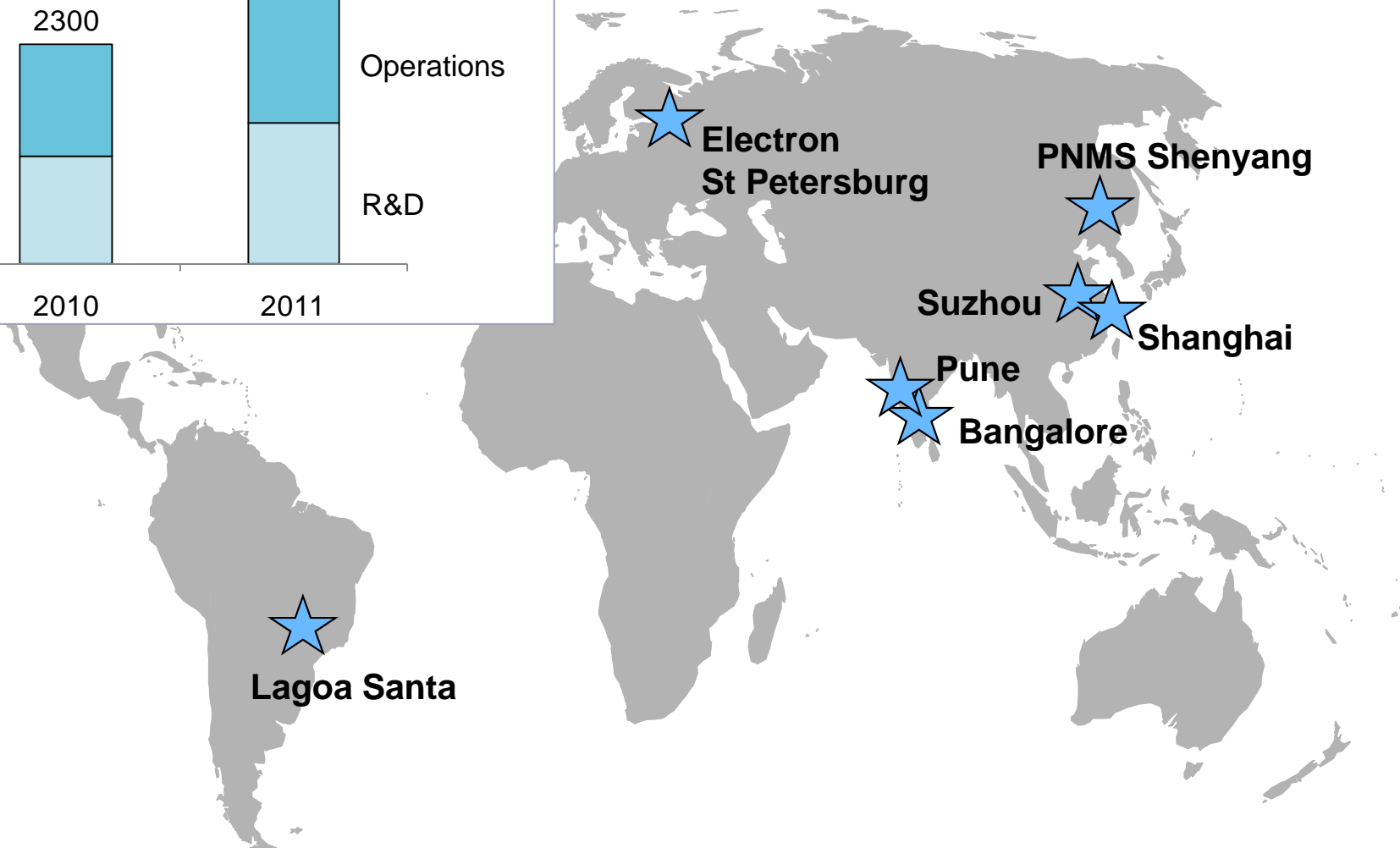
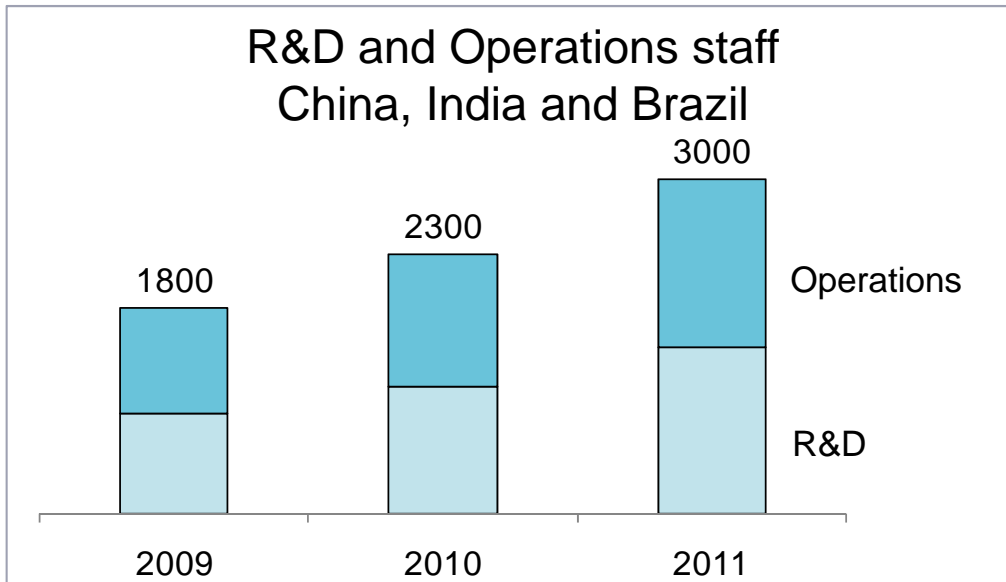
- Originally launched in Cardiology ('08); no.1 in Cardiac Compact in NA
- Followed by launch in General Imaging ('09)
- Introduced Point of Care version in '10
- Growth in both traditional and new segments
- Built on a scalable platform

CX50





Investing in growth geographies





Continue to grow our base in growth geographies

Investments continue

- China**
- Suzhou campus construction
 - APEX - mid/low end transducers
 - Staff¹⁾ 1400, 50% increase vs '09, with >30% R&D

- India**
- New factory Pune
 - Bangalore software center
 - Staff¹⁾ 1300, 80% increase since '09, with >900 of in R&D

- Brazil**
- Full portfolio of locally manufactured products: DXR, iXR, CT, MR and Mammo

Output – rapid growth

- Suzhou - 1500 subsystems and systems ('11), 18 months after start
- >25,000 transducers ('11), 50% up from '10
- PNMS - 3500 systems in 2010, 20% up

- Production >1200 systems planned for 2011, 50% increase in 2 years

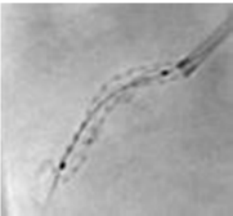

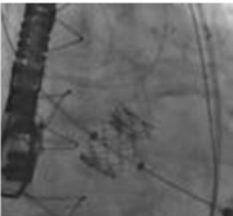
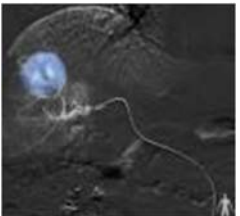
- Production in '11 increasing by >50% compared to '09



1) Industrial and R&D ,planned for end 2011

Leadership in fast growing Image Guided Intervention and Therapy (IGIT) market

Rapid growth in IGIT

Percutaneous Coronary Intervention	Atrial Fibrillation
 <p>In-body imaging 12% CAGR</p>	 <p>Procedures 13% CAGR</p>
Structural Heart Disease	Interventional Oncology
 <p>Procedures 50% CAGR</p>	 <p>Procedures 18% CAGR</p>

Imaging equipment for interventional growing 2X diagnostic

Philips Leadership

Leverage leadership

- From X-Ray systems to Disease-centric interventional suite solutions



#1

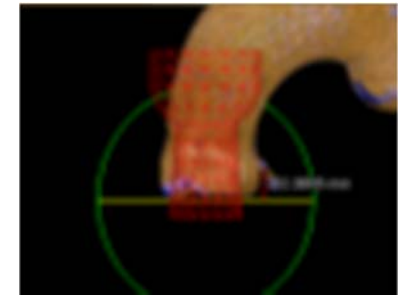
System integration

- More information seamlessly available



Procedure Innovation

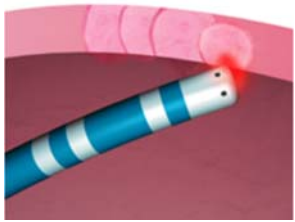
- Real time feedback and guidance to optimize therapy
- Enable more advanced and novel therapies



Continue leadership and expand offering

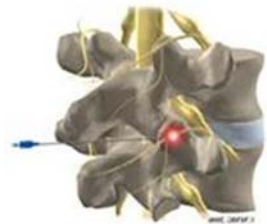
Key collaborations fueled by unique technologies

Philips pipeline of unique technologies



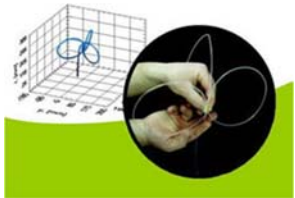
Ablation monitoring

See real time progression of treatment using Ultrasound on catheter



Photonic Needle

Optical tissue characterization in pain management



Fiber Optical Shape Sensing and Localization

Real time shape in 3D

Key collaborations

- CR Bard – joint marketing and revenue sharing
- Hansen Medical – IP deal, joint development, marketing, and revenue sharing
- Corindus – joint development, marketing and minority stake
- Volcano
- Boston Scientific, St. Jude Medical, Biosense (J&J)

Well positioned to capture growth of new procedures

Key takeaways

Building momentum

- Product portfolio
- Imaging 2.0
- Emerging market footprint
- Cardiovascular & interventional leadership
- Product cost

Ready to accelerate growth

- Leadership and extension in IGIT
- Radiology
- Portfolio expansion



