

PHILIPS

Healthcare Informatics

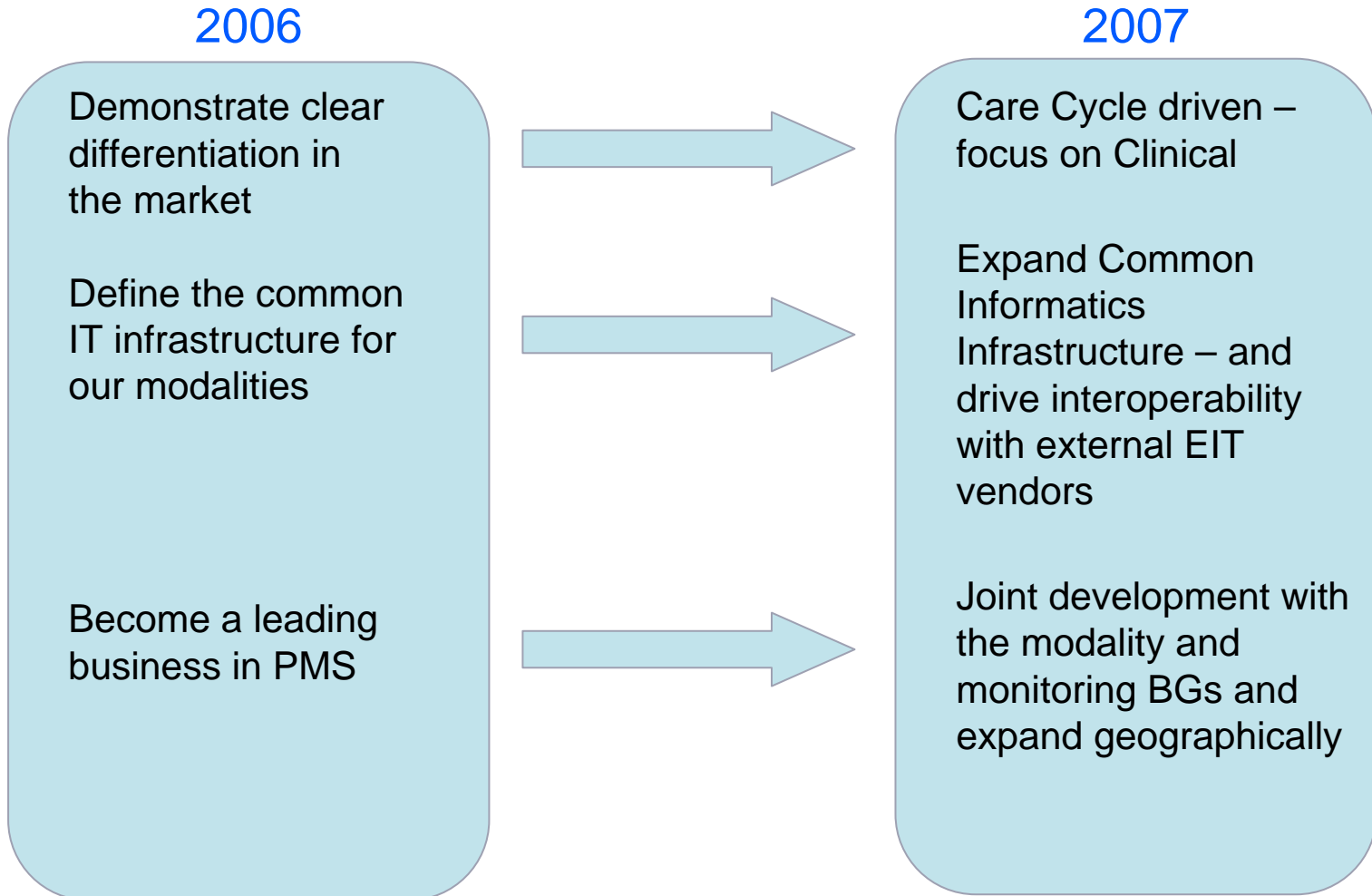
Oran Muduroglu
CEO of Healthcare Informatics
May 31st 2007

Agenda

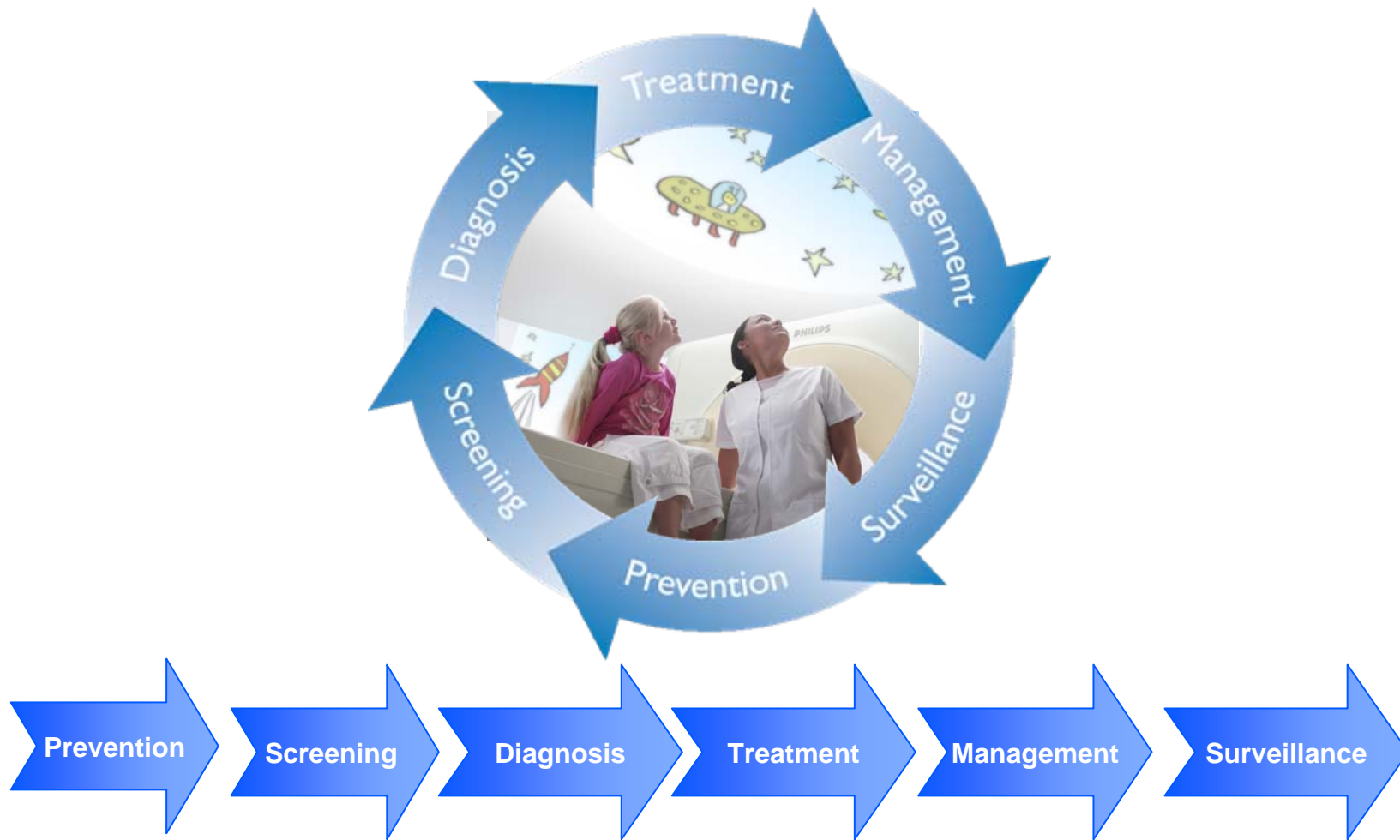
- **Healthcare Informatics**
- Key Clinical Strategy
- Enabling improved outcomes



Update in 2007 – continuing the journey

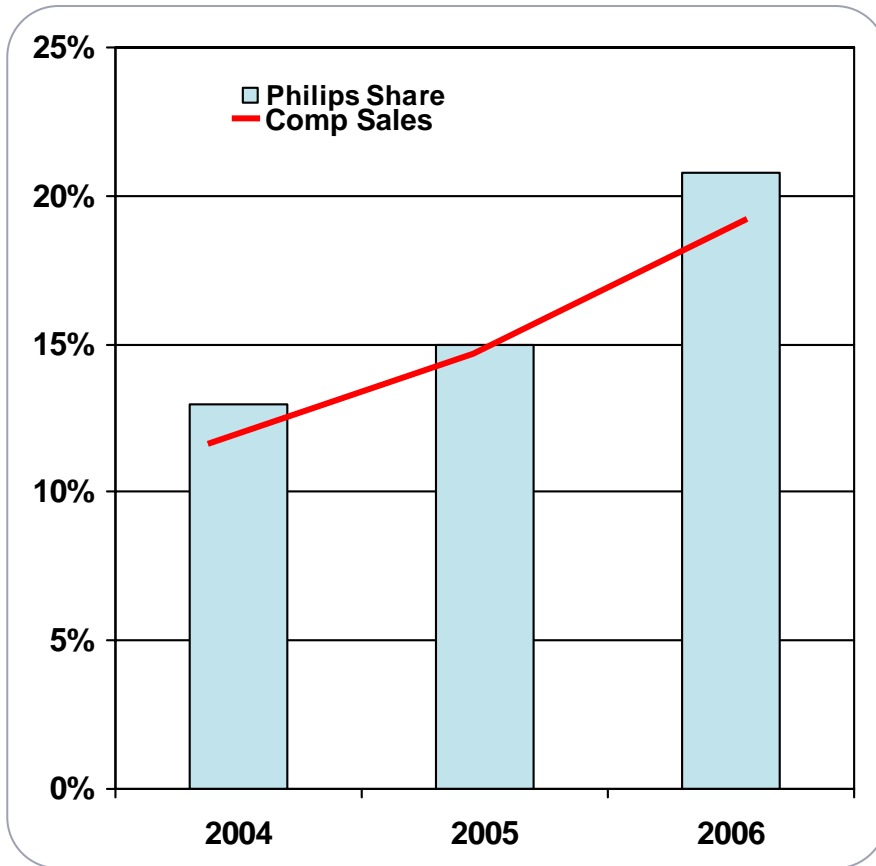


Philips Healthcare Informatics



...which together deliver a full set of Care to a patient with a medical condition

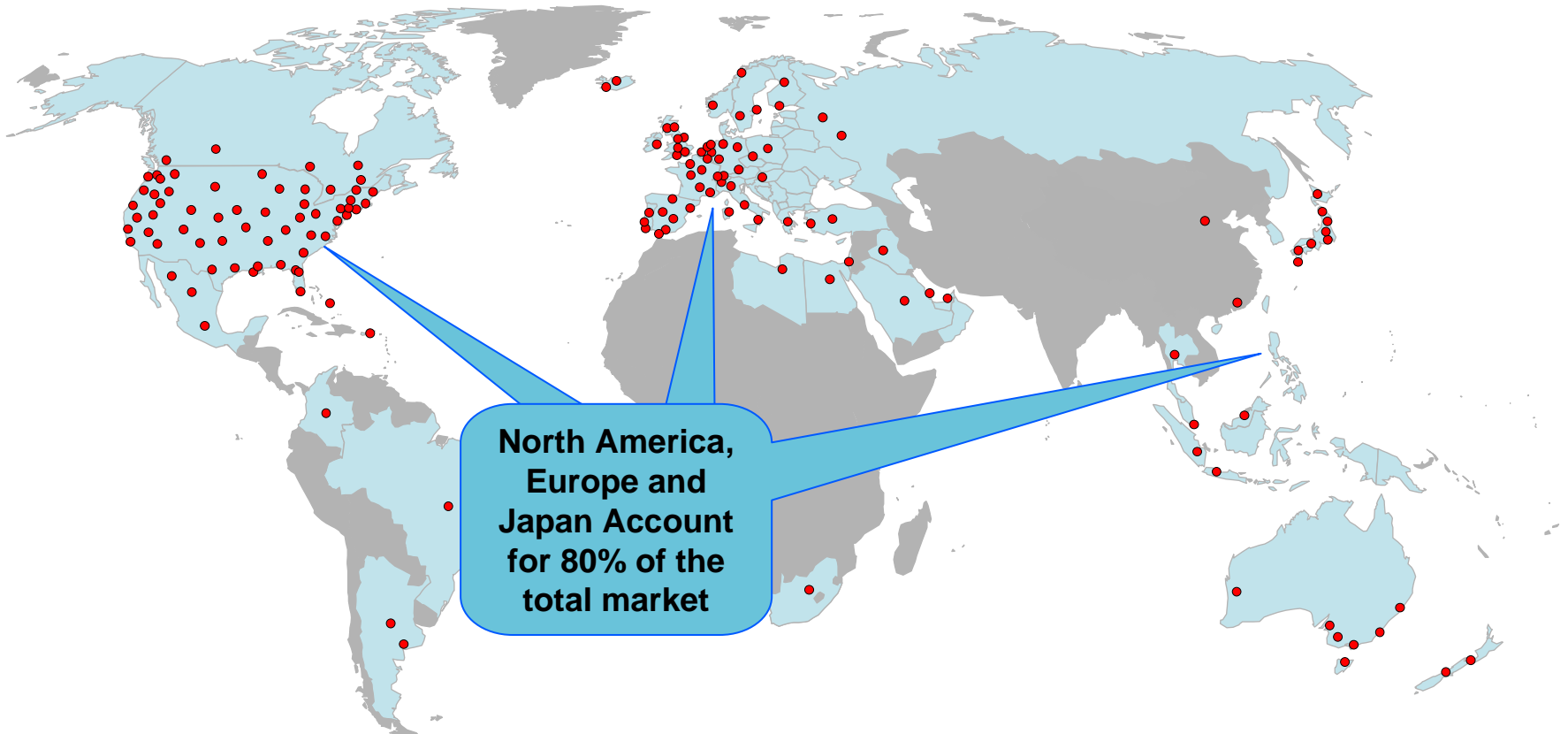
Philips iSite PACS Market Share update



Source: Frost & Sullivan 2006
Philips own research

- Market
 - North America: ~ € 1 billion, and represents ~2/3 of the global market.
 - CAGR:10%
- Market Position North America:
 - Philips occupies #2 KLAS Enterprises position in North America in 2006
 - KLAS Apr '07: Philips is the PACS vendor most often considered for purchase from a field of 17 vendors. Led the pack as the vendor most likely to be considered for purchase over all market segments; Large, Community and Ambulatory.
 - Microsoft MS HUG Technology Leadership Award HIMSS 2006
- Market position Rest of World
 - In 2007 localized iSite products are widely being introduced in the European market
 - First orders and installations in East Asia in 2006

Philips PACS worldwide installed base



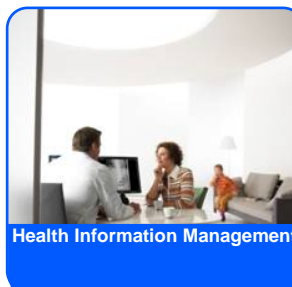
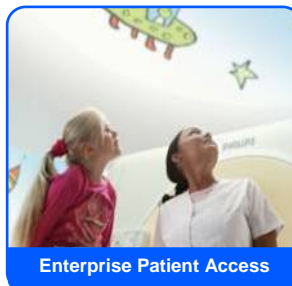
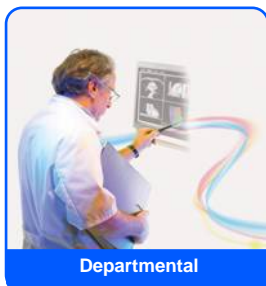
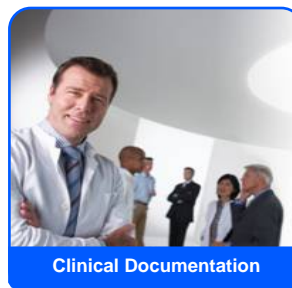
Over 1800 PACS systems for Radiology and/or Cardiology installed worldwide!
Dots give indication of installation of one or more Radio and/or Cardio PACS system

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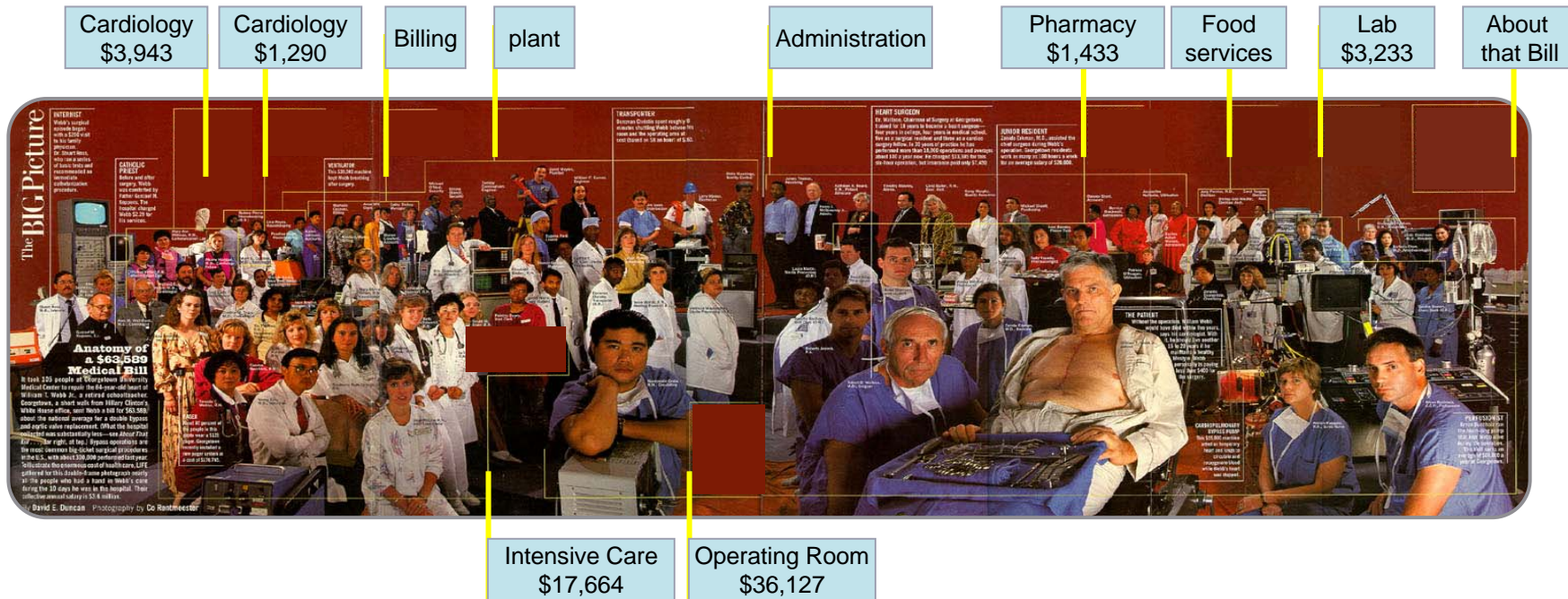


Healthcare IT is becoming more complex



- Increasing utilization of Clinical Decision Support
- Increased clinical interactions
- Genomic and Proteomic data
- Complex data models
- Larger data sets - volumetric data

Challenges in Effective delivery of Care



#1

TREATMENTS, MEDICATIONS, ETC. - 3

FOR ANTIBIOTIC ORDERS CHECK THE APPROPRIATE BOX
 SURGICAL PROPYLAXIS TREATMENT NON-SURGICAL PROPYLAXIS

1. TIME: 2:30 PM DATE: 3/6/07

6am gentamicin
 2q ceftriaxone 1.5g
 2q cefepime 1g
 2q meropenem 1g

PHYSICIAN I.D. NUMBER: SIGNATURE OF PHYSICIAN: SIGNATURE OF TRANSCRIBER: DATE: TIME: SIGNATURE OF NURSE (NOTED): M.D.

#2

TREATMENTS, MEDICATIONS, ETC. - 3

FOR ANTIBIOTIC ORDERS CHECK THE APPROPRIATE BOX
 SURGICAL PROPYLAXIS TREATMENT NON-SURGICAL PROPYLAXIS

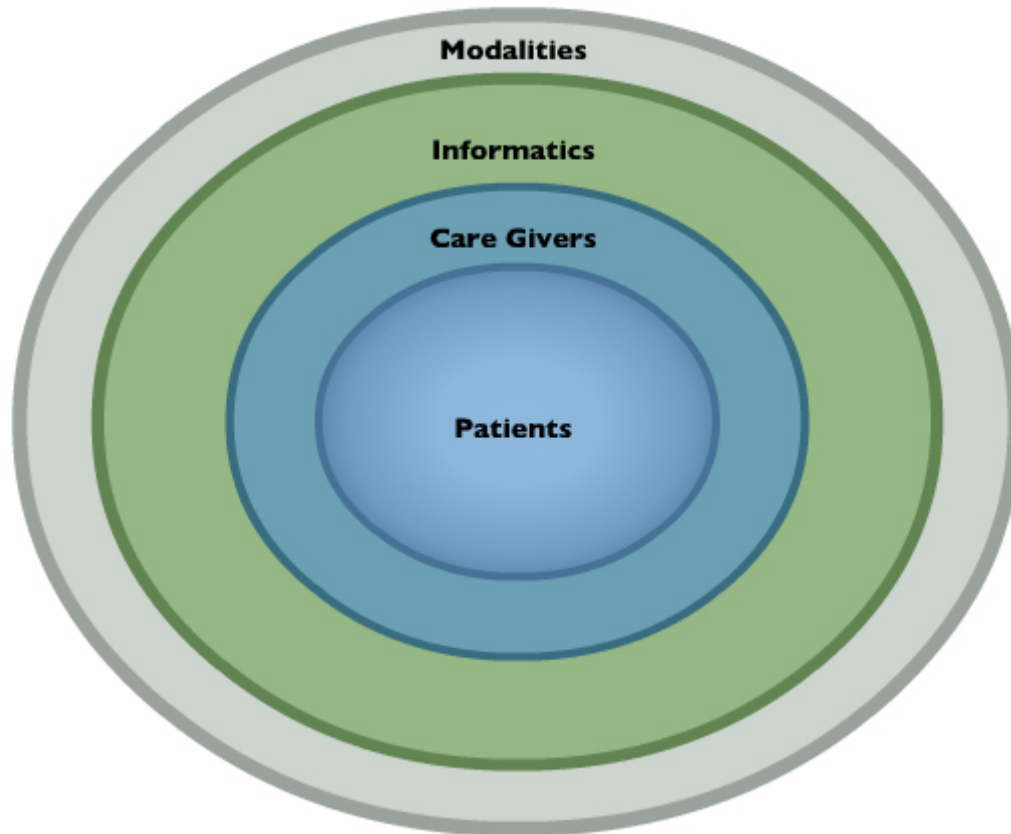
3/6/07 10y penicillin
 call mg 1000
 any time after 12pm
 @ cardiac 2y for 2 Gm

SIGNATURE OF PHYSICIAN: PHYSICIAN I.D. NUMBER: DATE: M.D.

... Drives the need for better IT utilization ...

A market shift

From Modality centric to Patient centric



- **Historically Medical IT at Philips was supporting the Modalities**
 - Clinical applications were developed tactically to support modality sales
 - Value did not follow disease line as clinician
- **Today Healthcare Informatics will differentiate with Clinical Focus and building solutions to improve patient care**

Focusing on patient centric clinical applications will improve outcomes

Three Tiers of software in current healthcare providers

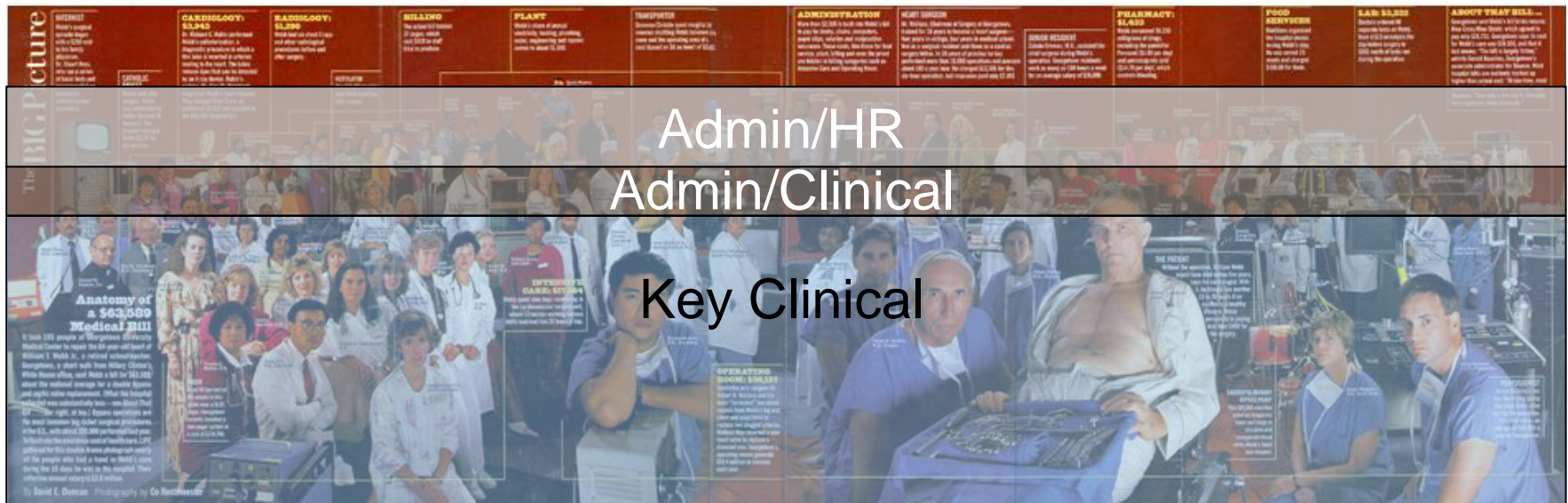


- Key Clinical
 - Physicians/Care givers
 - Rich structured content
 - At the point of care/intervention
 - Best of suite solutions

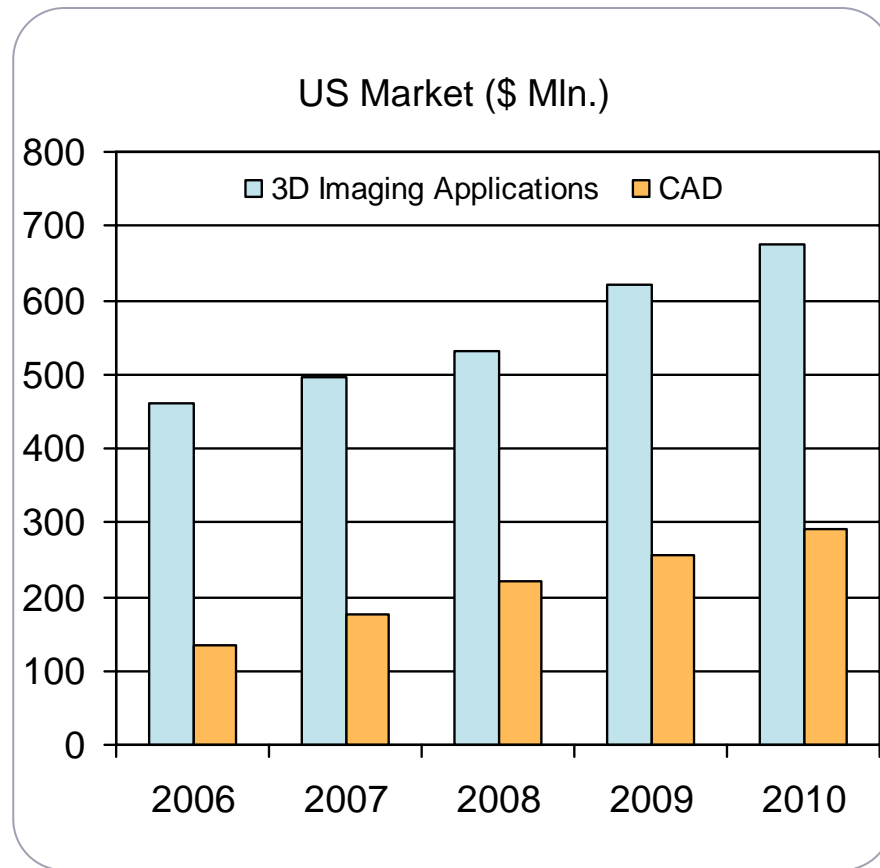
- Administrative/clinical
(Enterprise IT)
 - EMR, ADT, general CPOE etc

- Administrative
 - Facilities
 - Accounts receivable
 - Human Resources etc...

Episode of Care Stakeholders



Trend towards Advanced Image Processing in the Workflow



- Clinical image processing applications historically used close to the imaging equipment
- Multi modality applications requiring image fusion and workflow support
- Over 60% of all clinical applications will be sold integrated with PACS by 2010
- Computer Aided Detection (CAD) is a new class of application:
 - Mammography: Breast Lesions
 - Lung Imaging: Nodules
 - Virtual Colonoscopy: Polyps

CAGR ~10%

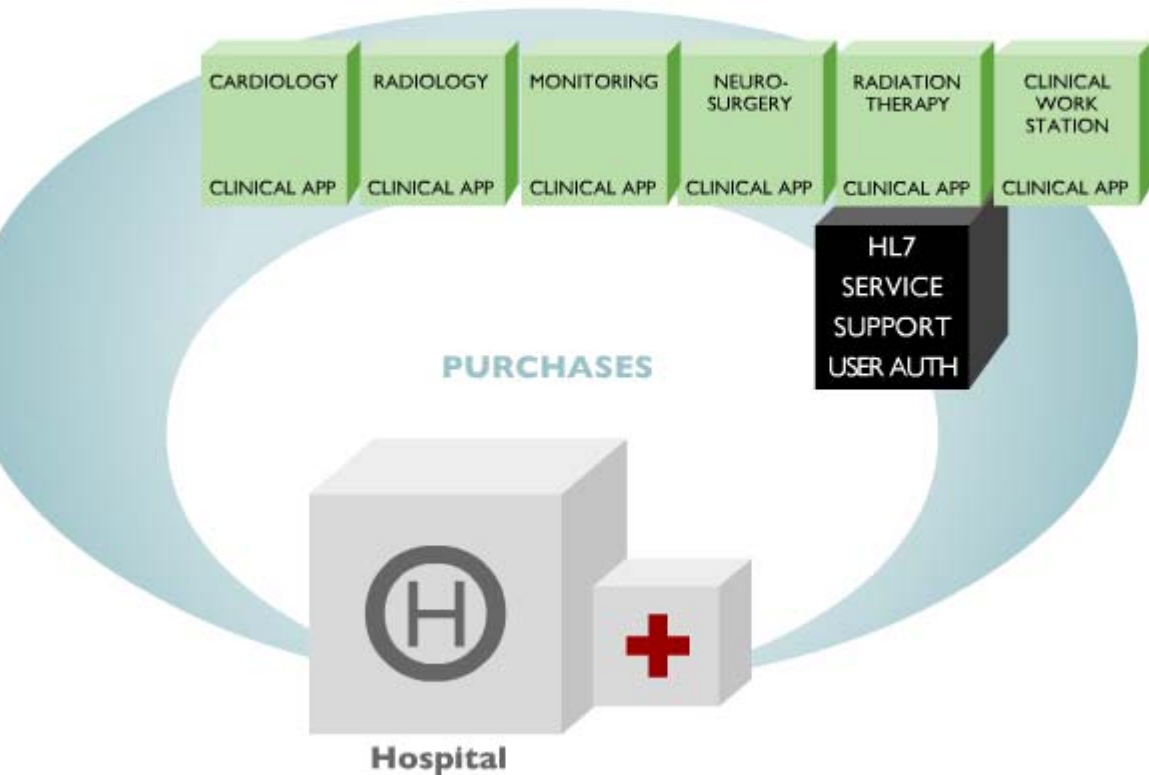
Source: Frost and Sullivan, Philips own market intelligence, 2004

Agenda

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Clinical Applications – Fragmented and Disconnected



No common Infrastructure

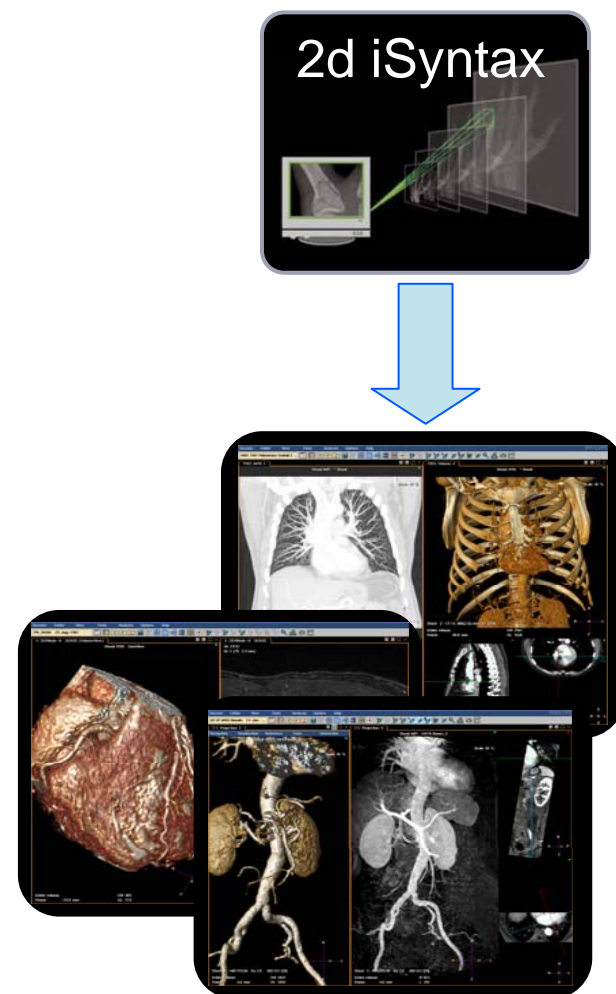
- Products historically sold separately
- Independent applications with no common infrastructure

Philips Informatics Infrastructure

- Creates platform for key Clinical Applications
- Provides lower cost of delivery for our customers
- Provides a single infrastructure for best of suite solutions
- Platform for Interoperability with 3rd party vendors

iSyntax unique enabling technology for distributing 3D volumetric data

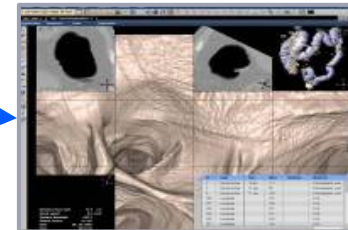
- Philips' unique iSyntax technology enables fast and scalable distribution of 2D and 3D volumetric data
- iSite's Advanced Visualization tools:
 - Truly integrated 3D capabilities
 - Speeds-up the reading process for large and complex CT and MR cases, helping to manage the data explosion
 - Enables enterprise wide use of clinical advanced applications.
 - Supporting decision support and CAD



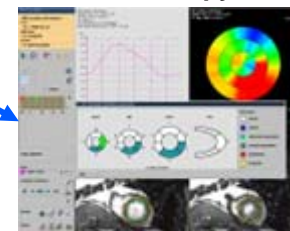
iSite – the platform for Advanced Clinical Applications across the Care Cycle



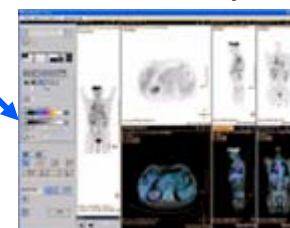
iSite Advanced Visualization



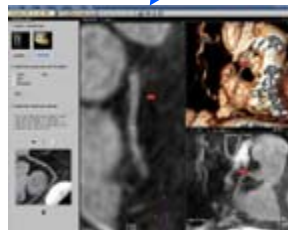
CT Colonoscopy



Cardiac MR Analysis



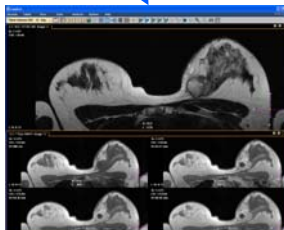
PET-CT Fusion



Coronary MR

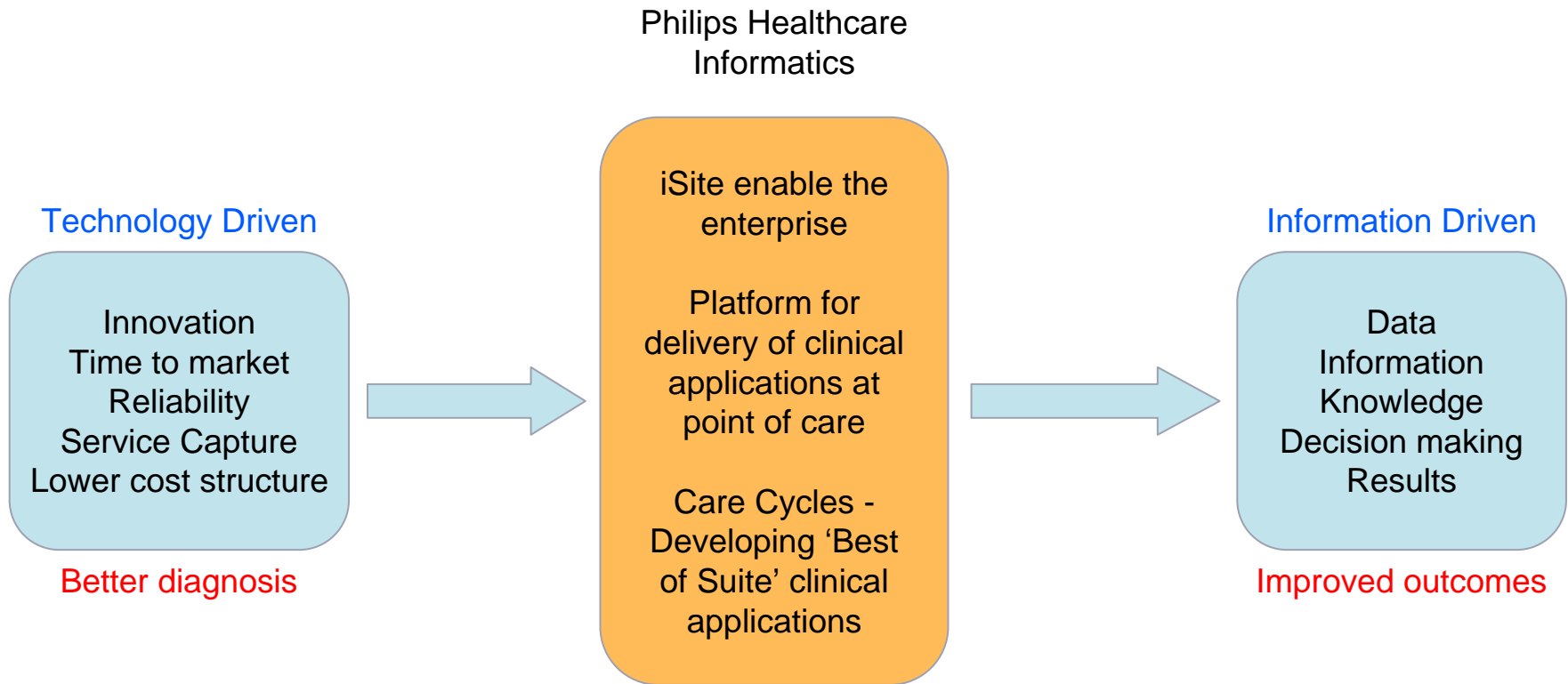


Vascular MR



MR Breast

Philips Healthcare Informatics uniquely positioned to enable improved outcomes



Direction for 2007 and 2008

- Deployment of Key Clinical Strategy Globally

USA

Stable and mature enterprise-wide IT

Focus on Key Clinical and create interfaces with leading enterprise players

Europe

Enterprise-wide IT is not yet mature

Expand Key Clinical portfolio with enterprise-enabled clinical suites



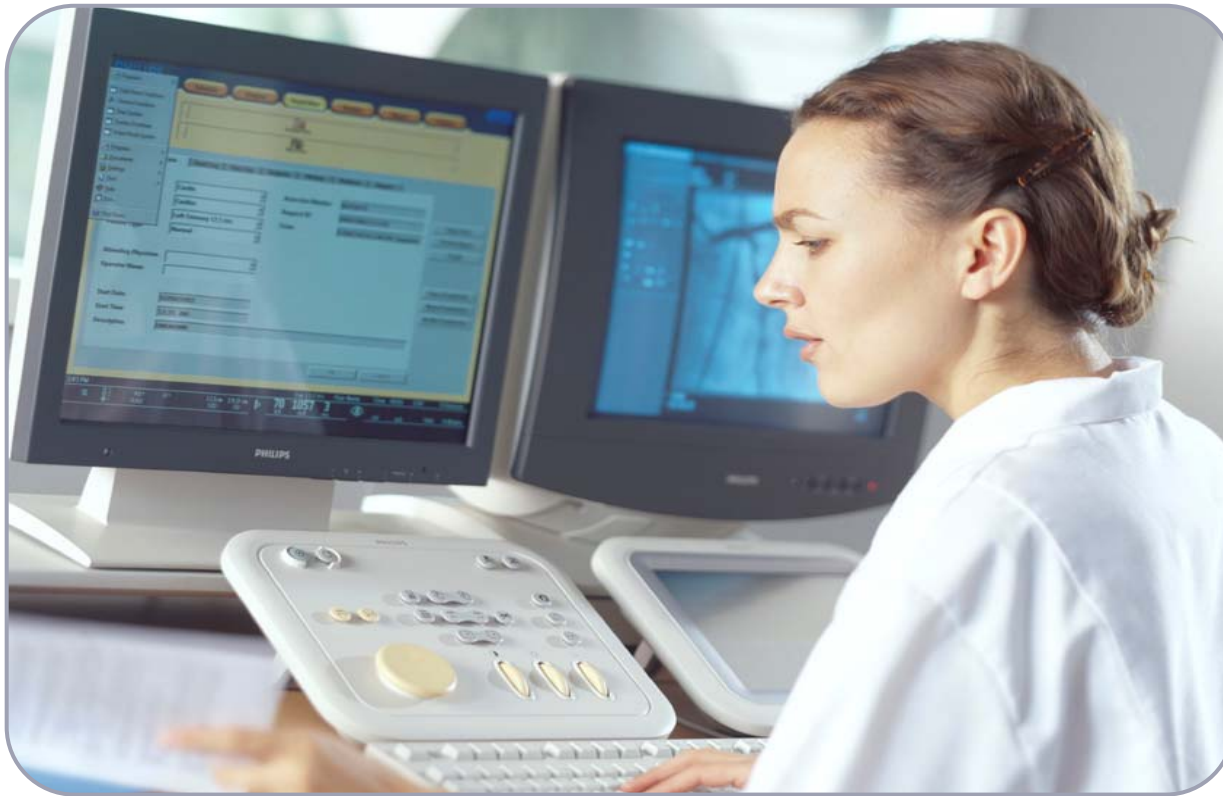
Rest of the World

Just starting with IT in healthcare

Look for low cost entry points into the enterprise leveraging clinical assets

Philips Healthcare Informatics:

Taking the complexity out of healthcare



Thank you

