

PHILIPS

sense and simplicity

Royal Philips Electronics

Consumer Lifestyle

Capital Markets Day

Amsterdam, December 16th, 2009

Agenda of today

09:30 – 10:15	Registration, Coffee & Networking
10:15 – 10:20	Opening Stewart McCrone <i>Head of Investor Relations</i>
10:20 – 11:30	Philips Consumer Lifestyle Journey Andrea Ragnetti <i>CEO Philips Consumer Lifestyle</i>
11:30 – 12:15	Financial Update Paul Verhagen <i>CFO Philips Consumer Lifestyle</i>
12:15 – 12:30	Break
12:30 – 13:00	Product Showcase Caroline Janssen-Clarke <i>Business Unit Leader, Shaving & Beauty</i>
13:00 – 14:15	Lunch

Agenda of today - continued

14:15 – 15:15

**Focus on Growth:
Growing in Emerging Markets**

Elwin de Valk
Cluster Leader, Growth Cluster

Innovating to Grow

Antonio Hidalgo
CTO, Innovation & Development

Supply Chain as a Growth Accelerator

Lee Bennett
CSO Philips Consumer Lifestyle

15:15 – 15:35

Panel Q&A

15:35 – 15:50

Break

15:50 – 16:05

Wrap up

Andrea Ragnetti
CEO Philips Consumer Lifestyle

16:05 – 16:30

Financial and Other Matters

Jan van Leeuwen
Head of Corporate Control

16:30 – 16:35

Closing

Pierre-Jean Sivignon
CFO Royal Philips Electronics

Important information

Forward-looking statements

This document and the related oral presentation, including responses to questions following the presentation contain certain forward-looking statements with respect to the financial condition, results of operations and business of Philips and certain of the plans and objectives of Philips with respect to these items. We caution readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. Examples of forward-looking statements include statements made about our strategy, estimates of future sales growth, future EBITA, future cost savings and future developments in our organic business as well as the benefit of future acquisitions, and our capital position. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

These factors include, but are not limited to, domestic and global economic and business conditions, particularly in light of the ongoing recessionary condition prevailing in many markets, the successful implementation of our strategy and our ability to realize the benefits of this strategy, our ability to develop and market new products, changes in legislation, legal claims, changes in exchange and interest rates, changes in tax rates, pension costs and actuarial assumptions, raw materials and employee costs, our ability to identify and complete successful acquisitions and to integrate those acquisitions into our business, our ability to successfully exit certain businesses or restructure our operations, the rate of technological changes, political, economic and other developments in countries where Philips operates, industry consolidation and competition. As a result, Philips' actual future results may differ materially from the plans, goals, and expectations set forth in such forward-looking statements. Additional risks and factors are identified in our Annual Report for the fiscal year ended December 31, 2008, our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the "SEC"), which is available on the SEC's website at www.sec.gov, and the "Risk and uncertainties" section in our semi-annual financial report for the six months ended June 28, 2009. Readers should consider the disclosures in these reports and any additional disclosures that we have made or may make in documents that we have filed or furnished to the SEC or may file with or furnish to the SEC or other regulatory authorities. Any forward-looking statements made by or on our behalf speak only as of the date they are made. We do not undertake to update forward-looking statements to reflect any changes in expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Third-party market share data

Statements regarding market share, including those regarding Philips' competitive position, contained in this document are based on outside sources such as research institutes, industry and dealer panels in combination with management estimates. Where information is not yet available to Philips, those statements may also be based on estimates and projections prepared by outside sources or management. Rankings are based on sales unless otherwise stated.

IFRS basis of presentation

The financial information included in this document is based on International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union (IFRS), unless otherwise indicated. As used in this document, the term EBIT has the same meaning as Income from operations (IFO).

Use of non-GAAP Information

In presenting and discussing the Philips Group's financial position, operating results and cash flows, management uses certain non-GAAP financial measures like: comparable growth; EBITA; NOC; net debt (cash); free cash flow; and cash flow before financing activities. These non-GAAP financial measures should not be viewed in isolation as alternatives to the equivalent GAAP measures. In our Quarterly report we've included a reconciliation of such non-GAAP financial measures to the most directly related GAAP measures.

Use of fair value measurements

In presenting the Philips Group's financial position, fair values are used for the measurement of various items in accordance with the applicable accounting standards. These fair values are based on market prices, where available, and are obtained from sources that are deemed to be reliable. Readers are cautioned that these values are subject to changes over time and are only valid at the balance sheet date. When observable market data does not exist, fair values are estimated using valuation models, which we believe are appropriate for their purpose. They require management to make significant assumptions with respect to future developments which are inherently uncertain and may therefore deviate from actual developments. Critical assumptions used are disclosed in the financial statements. In certain cases, independent valuations are obtained to support management's determination of fair values.

