

# PHILIPS

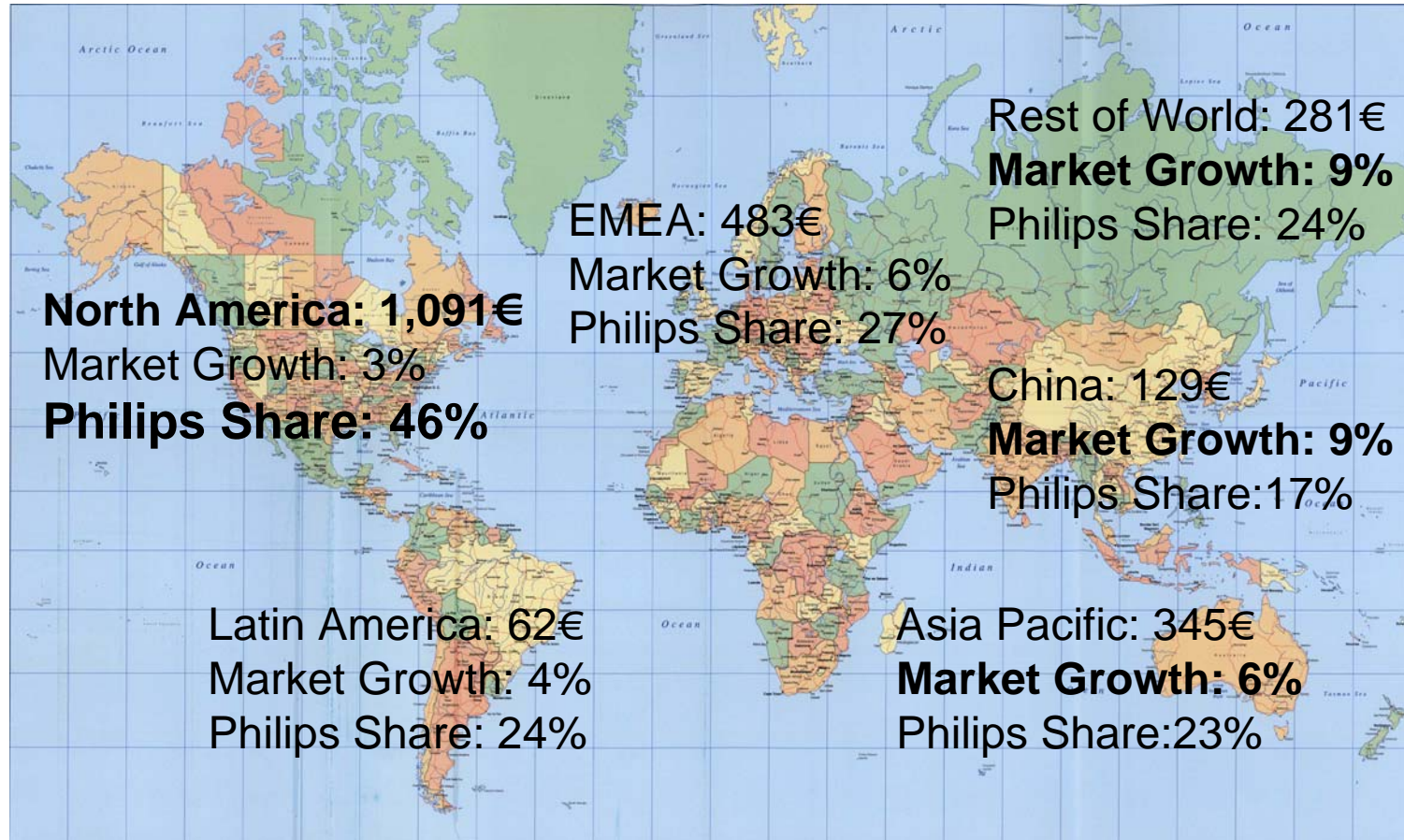
sense and simplicity

## Monitoring Transformation

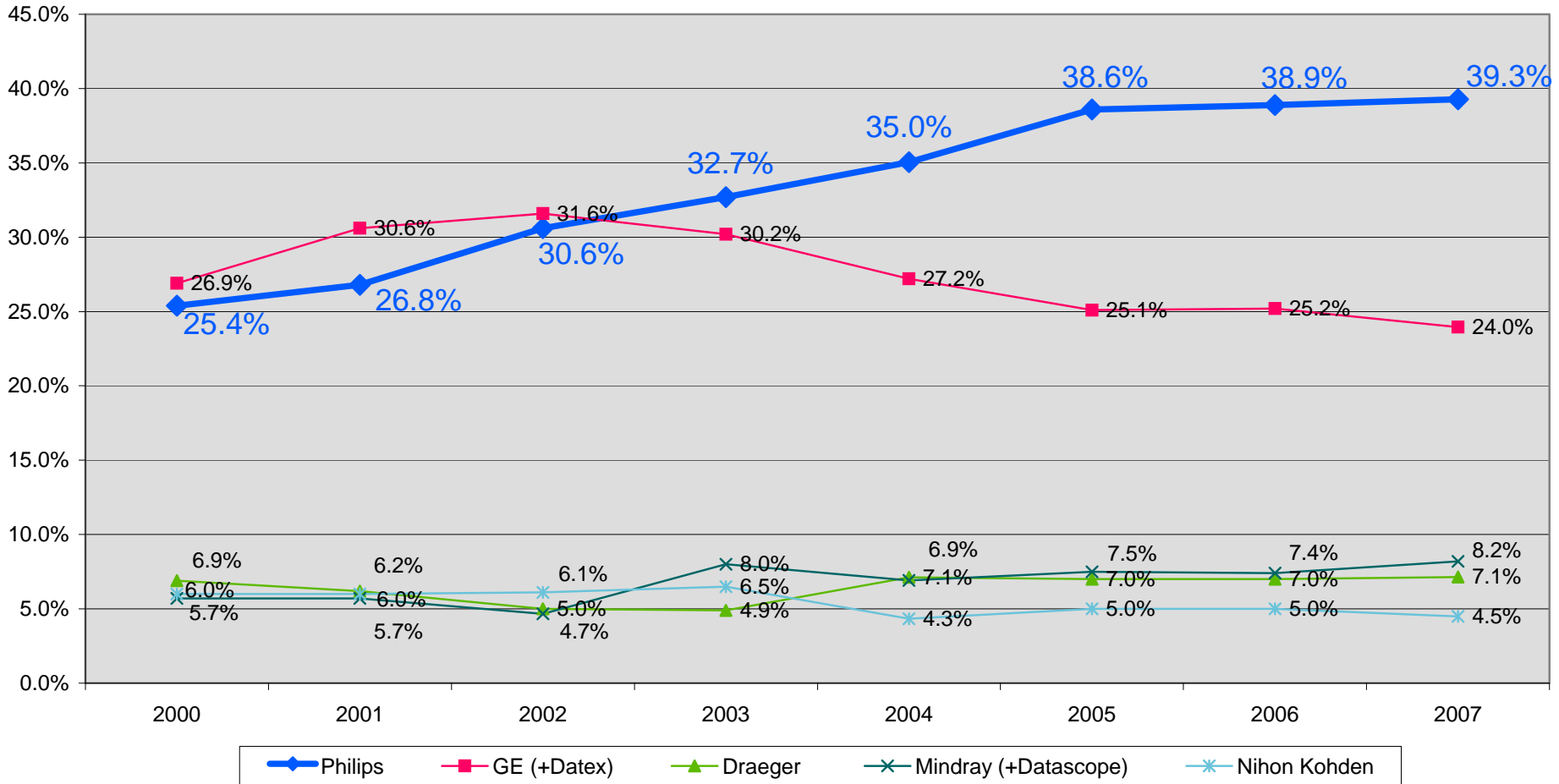
Deborah DiSanzo  
CEO Healthcare Informatics  
May 16, 2008

# Philips is the world leader in Patient Monitoring

2007 World Share: 39.3%      Philips 2007 Growth 8%



# Philips is the world leader in Patient Monitoring



Source: F&S Market Research Report 2000 – 2007

Selected Countries = US, Canada, France, Germany, Italy, Spain, UK, Belgium, Netherlands, Russia, Brazil, Mexico, Japan, China, India, Australia & Malaysia = 88% Market

Does not include Goldway and Dixtel

# Share growth is driven by Monitors everywhere, and an extensive direct field team of over 1600

Solutions in every area of care with intuitive user interfaces

## Acute Care Monitors

SureSigns Monitors



IntelliVue Monitors



## Fetal and Maternal Monitors



## Clinical Measurements



## Specialty Monitors

Invivo MR Monitor



MRx Monitor Defibrillator



Telemetry



## Goldway and Dixtal extend Monitors everywhere in emerging markets

### Goldway (China)

- Closing expected May 2008
- Goldway is the second largest Chinese PM firm
- Provides low cost industrial solution
- Focus on emerging markets: small and medium hospitals, and general care areas
- Products that are low cost, highly featured, and appropriate for target customers

### Dixtal (Brazil)

- Estimated closing date in Q2 2008
- Dixtal is the market leader in Brazil
- Focus on growth in Brazil and Latin America
- Gains immediate cost advantages over global competitors by having local manufacturing



# The Patient Monitoring paradigm is changing

- For 20 years, patient monitoring technology has remained relatively stable
- It is based on the paradigm that critically ill patients are immobile in their beds and that critical care nurses are available to respond to alarms



Bedside monitors connected via proprietary network to a dedicated central station

# Demographics/technology are driving the change

- Patient are older and sicker and moving out of critical care areas.
  - Infection control is a major concern
  - Prevention of patient adverse events mean that alarms must be timely and relevant
  - Shortages of clinicians means alarms must get to clinicians wherever they are
  - Increased healthcare access in emerging markets is driving the need for monitoring
- 
- Wireless technology is pervasive in healthcare institutions
  - Improved clinician workflow can be achieved with information technology
  - 84% of CIOs agree or strongly agree that providing nurses with information technology is an increasing focus (Health Data management '2007 CIO Survey')



# Monitors everywhere is accelerating



The growth rate for wireless and the remote monitors is 24%.  
Kalorama Market Research on High Tech Patient Monitoring Market 2008

“The number of beds in a hospital that are using multiparameter monitors is on the rise...products that specifically address lower acuity situations, with greater focus on efficiency and ease of use, can be developed. The company that provides the most elegant solution in this space is likely to benefit from the high growth currently experienced by this area.”

North American Patient Monitoring Equipment Markets, Frost and Sullivan F847-56, 2008

**“We are about to open an acute care facility with over 200 beds....all of which will be continuously monitored.”**

Michael DeVita, MD, Associate Professor Critical Care Medicine and Internal Medicine, UPMC Presbyterian Hospital, Pittsburgh, Pennsylvania speaking at “Deteriorating Patient Workshop”, Portsmouth, England, September 2007

Small, wireless, sensors acquire physiological information

## Monitoring is much more than ECG and SpO<sub>2</sub>

### VISICU eICU

Monitoring 9% of adult ICU beds

Improved Patient Outcomes:

- ↓ Mortality 20-30%
- ↓ Length of ICU stay by 10-30%

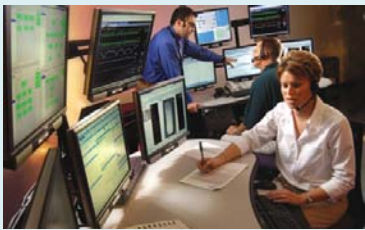
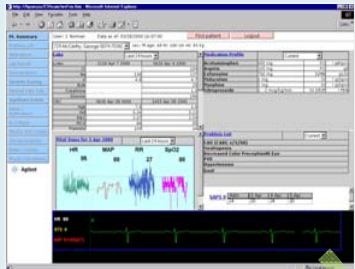
Streamlined Hospital Costs:

- ↓ Case costs 25%
- ↑ Improved case margins 56%

Increased Hospital Revenues:

- eICU Program improved throughput permitting ICUs to generate > \$3M over 6 months

\* Peer-reviewed clinical study comparing Apache® predicted to observed



Measurements and other clinical information are combined in algorithms to support clinical decisions

## Alarms must be accurate, relevant, and secure

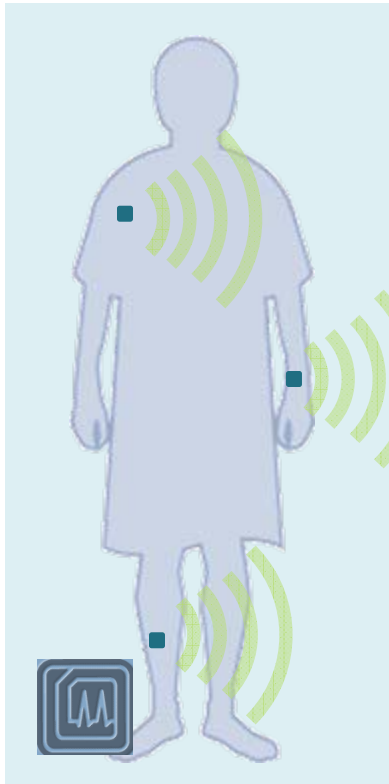


### Emergin Alarm Management

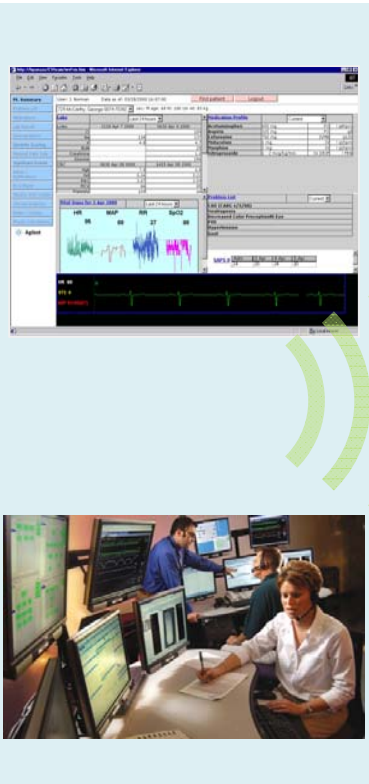
- 1,000 Healthcare Organizations
- 5 Malcolm Baldrige Quality Award Recipients
- 35 of the 100 Most Wired Hospitals
- 50% of the Top-50 Leapfrog USA Hospitals
- 6 of the Top-10 Heart Hospitals

Smart alerts and alarms are sent across the wired and wireless customer-supplied infrastructure to the caregiver

# Monitors everywhere transforms Philips to monitoring information solutions



Small, wireless, sensors acquire physiological information



Measurements and other clinical information is combined in algorithms to support clinical decisions



Smart alerts and alarms are sent across the wired and wireless customer-supplied infrastructure



An intuitive presentation of supportive knowledge is available anywhere the clinicians are



Integrate to the Electronic Medical Record

# Healthcare Informatics Vision 2010-15

## Hospital Enterprise



Enterprise  
Imaging



Cardiology



Critical Care



Oncology  
Home Health  
Others.....

Decision Support/  
Clinical Applications

Philips Advanced Clinical Intelligence (CDSS)

Reporting

Care Cycle specific Integrated Solutions

Workflow

Enterprise (HIS/EMR) integration

Storage

Philips Common Platform

Data Acquisition



CT  
MR  
X-Ray  
NM



US  
C/V  
X-Ray  
DECG



Monitoring

### Data Sources

- Lab systems
- EMR
- Meds System
- Other departments - ED

# Philips is well positioned

- Philips is the world leader in Patient Monitoring
- Patient Monitoring market is moving to information solutions
- Philips is well positioned with small, mobile, sensors and monitors, clinical decision support, secure smart alarms, and integration
- Philips is well positioned in emerging markets with the Goldway and Dixtal acquisitions as well as our extensive sales and service network
- Patient Monitoring sales growth and margins are higher than the Philips Healthcare average, and Patient Monitoring is a strong contributor to Vision 2010

