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sense **and** simplicity

Conclusions

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Philips Healthcare Summary



- The short-term outlook for the Healthcare market is challenging
 - Accelerated actions to save cost and protect margins
 - Actively managing cash flow
- Our home healthcare, customer service, and emerging markets businesses will grow
 - Expect to gain share in 2009
 - Carefully monitoring market demand
- We will continue to broaden our product portfolios (notably value products) and drive operational improvement
 - Leveraging acquisitions
 - Optimizing supply base
 - Improving service operations
 - Optimizing market approach
- Demographic changes, the growing prevalence of chronic disease, and the US movement to universal coverage continue to increase demand and place cost pressure on healthcare
 - The Philips Healthcare strategy - including our patient - centric care cycles and expanding home healthcare business - is more relevant than ever

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