

Restated reporting Philips Group

- all amounts in millions of euros unless otherwise stated
- all the data included in this report are unaudited
- financial reporting according to US GAAP unless otherwise stated
- updated to reflect the new sector reporting structure and to reflect changes in accounting policies for pensions under International Financial Reporting Standards (“IFRS”)

US GAAP and IFRS

- As of January 1, 2008, Philips’ activities are organized on a sector basis, with each operating sector, Healthcare, Lighting and Consumer Lifestyle – being responsible for the management of its business worldwide. The Healthcare sector brings together the former Medical Systems division and Home Healthcare Solutions (formerly Consumer Healthcare Solutions) – which has been transferred from Innovation & Emerging Businesses. The former Consumer Electronics and Domestic Appliances and Personal Care divisions have been integrated in the Consumer Lifestyle sector. In addition, key financials of the business Connected Displays, part of the sector Consumer Lifestyle, will be disclosed separately.
- On November 2, 2007, Philips announced that it had decided to proceed with the sale of its approximate 70% ownership interest in MedQuist Inc. Consequently, MedQuist is classified as a discontinued operation, and all information in this press release presents MedQuist as a discontinued operation.

IFRS only

- As of January 1, 2008, Philips changed its pension accounting policy under IFRS. Philips adopted the option available under IAS 19.93A, and will move to the Statement of Recognized Income & Expense (“SoRIE”) approach, under which:
 - * actuarial gains and losses are recorded directly in equity and disclosed in the SoRIE
 - the SoRIE will be introduced in addition to the current profit and loss account, balance sheet and cash flow statement
 - * actuarial gains and losses are immediately and fully recognized on the balance sheet
 - * actuarial gains and losses remain outside the profit and loss account.Philips believes this provides more relevant information.
- Philips will apply IFRIC Interpretation 14 ‘The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction’, which is effective as of 1 January 2008. This interpretation gives guidance, amongst others, on the extent to which differences between defined benefit pension plan assets and liabilities may be recognized as assets.
- The impact of the change in accounting policy and the application of IFRIC 14 has been retrospectively applied on previous reporting periods in accordance with IAS 8.

Updated restatement

Subsequent in-depth review of the figures revealed some minor inconsistencies predominantly in the IFRS data which have been amended and incorporated in this document. This restatement supersedes previous restatement dated March 17, 2008.

Consolidated statements of income - US GAAP

in millions of euros unless otherwise stated

	2006	2007 per quarter				2007
	Jan.-Dec.	1st	2nd	3rd	4th	Jan.-Dec.
Sales	26,682	5,930	6,033	6,465	8,365	26,793
Cost of sales	(18,432)	(3,939)	(3,945)	(4,295)	(5,445)	(17,624)
Gross margin	8,250	1,991	2,088	2,170	2,920	9,169
Selling expenses	(4,655)	(1,112)	(1,183)	(1,181)	(1,504)	(4,980)
General and administrative expenses	(969)	(212)	(193)	(224)	(225)	(854)
Research and development expenses	(1,659)	(403)	(401)	(410)	(415)	(1,629)
Other business income and expenses	234	48	26	38	34	146
Income from operations	1,201	312	337	393	810	1,852
Financial income and expenses	28	681	1,335	18	579	2,613
Income before taxes	1,229	993	1,672	411	1,389	4,465
Income tax expense	(167)	(92)	(112)	(192)	(226)	(622)
Income after taxes	1,062	901	1,560	219	1,163	3,843
Results relating to equity-accounted investees	(157)	(49)	56	128	628	763
Minority interests	(4)	-	(2)	(1)	(2)	(5)
Income from continuing operations	901	852	1,614	346	1,789	4,601
Discontinued operations	4,482	23	(45)	(15)	(396)	(433)
Net income	5,383	875	1,569	331	1,393	4,168
Weighted average number of common shares						
outstanding (after deduction of treasury						
stock) during the period (in thousands):						
• basic	1,174,925	1,100,107	1,099,261	1,081,120	1,064,026	1,086,126
• diluted	1,182,784	1,111,232	1,110,900	1,092,424	1,075,183	1,097,435
Net income per common share in euros:						
• basic	4.58	0.80	1.43	0.31	1.31	3.84
• diluted	4.55	0.79	1.41	0.30	1.30	3.80
Ratios						
Gross margin as a % of sales	30.9	33.6	34.6	33.6	34.9	34.2
Selling expenses as a % of sales	(17.4)	(18.8)	(19.6)	(18.3)	(18.0)	(18.6)
G&A expenses as a % of sales	(3.6)	(3.6)	(3.2)	(3.5)	(2.7)	(3.2)
R&D expenses as a % of sales	(6.2)	(6.8)	(6.6)	(6.3)	(5.0)	(6.1)
EBIT or Income from operations	1,201	312	337	393	810	1,852
as a % of sales	4.5	5.3	5.6	6.1	9.7	6.9
EBITA	1,386	370	386	444	865	2,065
as a % of sales	5.2	6.2	6.4	6.9	10.3	7.7

Balance Sheets - US GAAP

in millions of euros unless otherwise stated

	Dec. 31, 2006	March 31, 2007	June 30, 2007	Sept 30, 2007	Dec. 31, 2007
Current assets:					
Cash and cash equivalents	5,886	5,779	6,130	5,042	8,769
Receivables	4,732	4,287	4,448	4,549	4,670
Current assets of discontinued operations	206	206	198	180	169
Inventories	2,880	3,108	3,365	3,759	3,203
Other current assets	1,258	1,341	1,338	1,476	1,020
Total current assets	14,962	14,721	15,479	15,006	17,831
Non-current assets:					
Investments in equity-accounted investees	2,974	2,811	2,891	2,897	1,886
Other non-current financial assets	8,055	6,744	5,006	4,336	3,183
Non-current receivables	214	222	162	141	84
Non-current assets of discontinued operations	225	221	195	175	164
Other non-current assets	3,447	3,520	3,471	3,254	3,726
Property, plant and equipment	3,084	3,144	3,212	3,169	3,180
Intangible assets excluding goodwill	1,813	2,011	2,152	2,230	2,154
Goodwill	3,723	3,945	4,010	4,221	4,135
Total assets	38,497	37,339	36,578	35,429	36,343
Current liabilities:					
Accounts and notes payable	3,443	2,755	2,860	3,206	3,372
Current liabilities of discontinued operations	46	53	53	50	46
Accrued liabilities	3,297	3,347	3,169	3,131	2,984
Short-term provisions	876	684	619	617	377
Other current liabilities	605	561	529	524	509
Dividend payable	-	659	-	-	-
Short-term debt	863	1,006	2,474	2,421	2,345
Total current liabilities	9,130	9,065	9,704	9,949	9,633
Non-current liabilities:					
Long-term debt	3,006	2,928	1,334	1,211	1,212
Long-term provisions	2,417	2,547	2,564	2,515	2,727
Non-current liabilities of discontinued operations	123	116	124	113	111
Other non-current liabilities	784	666	696	790	934
Total liabilities	15,460	15,322	14,422	14,578	14,617
Minority interests	40	48	49	45	42
Stockholders' equity	22,997	21,969	22,107	20,806	21,684
Total liabilities and equity	38,497	37,339	36,578	35,429	36,343
Number of common shares outstanding (after deduction of treasury stock) at the end of period (in thousands)					
	1,106,893	1,097,563	1,087,178	1,063,387	1,064,893
Ratios					
Stockholders' equity, per common share in euros	22,997	21,969	22,107	20,806	21,684
	20.78	20.02	20.33	19.56	20.36
Inventories as a % of sales	10.8	11.7	12.8	14.2	12.0
Net debt (cash): group equity	(10):110	(9):109	(12):112	(7):107	(32):132
Net operating capital	8,518	9,948	10,742	11,320	10,586
Employees at end of period	121,732	117,976	125,834	128,119	123,801
of which discontinued operations	6,640	6,321	6,344	5,995	5,703

Key data - per sector - US GAAP

in millions of euros
updated to reflect the new sector reporting structure

	2006	2007 per quarter				2007
	Jan.-Dec.	1st	2nd	3rd	4th	Jan.-Dec.
Sales by sector						
Healthcare	6,562	1,431	1,625	1,585	1,997	6,638
Lighting	5,466	1,474	1,464	1,496	1,659	6,093
Consumer Lifestyle*	13,108	2,816	2,786	3,238	4,490	13,330
Innovation & Emerging Businesses	1,379	160	110	102	163	535
Group Management & Services	167	49	48	44	56	197
Philips Group	26,682	5,930	6,033	6,465	8,365	26,793
* of which Connected Displays	6,559	1,293	1,258	1,511	2,208	6,270
EBITA by sector						
Healthcare	860	119	218	188	348	873
Lighting	608	186	161	190	185	722
Consumer Lifestyle*	692	141	106	171	430	848
Innovation & Emerging Businesses	(75)	(31)	(36)	(35)	21	(81)
Group Management & Services	(699)	(45)	(63)	(70)	(119)	(297)
Philips Group	1,386	370	386	444	865	2,065
* of which Connected Displays	155	(51)	(69)	(43)	95	(68)
EBIT by sector						
Healthcare	716	73	185	154	312	724
Lighting	577	177	150	178	170	675
Consumer Lifestyle*	683	138	101	166	427	832
Innovation & Emerging Businesses	(76)	(31)	(36)	(35)	20	(82)
Group Management & Services	(699)	(45)	(63)	(70)	(119)	(297)
Philips Group	1,201	312	337	393	810	1,852
* of which Connected Displays	155	(51)	(69)	(43)	95	(68)

	Dec. 31,	March 31,	June 30,	Sept 30,	Dec. 31,
	2006	2007	2007	2007	2007
NOC by sector					
Healthcare	4,745	4,590	4,857	4,751	4,859
Lighting	2,527	3,441	3,578	4,116	3,886
Consumer Lifestyle	910	1,337	1,551	1,507	890
Innovation & Emerging Businesses	128	155	189	217	246
Group Management & Services	208	425	567	729	705
Philips Group	8,518	9,948	10,742	11,320	10,586
* of which Connected Displays	(185)	43	46	(13)	(255)

EBITA to income from operations (or EBIT) - US GAAP

in millions of euros
updated to reflect the new sector reporting structure

	Philips Group	Healthcare	Lighting	Consumer		GMS
				Lifestyle	I&EB	
Full year 2006						
EBITA	1,386	860	608	692	(75)	(699)
Amortization of intangibles (excl. software)	(152)	(111)	(31)	(9)	(1)	-
Write-off of acquired in-process R&D	(33)	(33)	-	-	-	-
Income from operations (or EBIT)	1,201	716	577	683	(76)	(699)
1st quarter 2007						
EBITA	370	119	186	141	(31)	(45)
Amortization of intangibles (excl. software)	(48)	(36)	(9)	(3)	-	-
Write-off of acquired in-process R&D	(10)	(10)	-	-	-	-
Income from operations (or EBIT)	312	73	177	138	(31)	(45)
2nd quarter 2007						
EBITA	386	218	161	106	(36)	(63)
Amortization of intangibles (excl. software)	(49)	(33)	(11)	(5)	-	-
Write-off of acquired in-process R&D	-	-	-	-	-	-
Income from operations (or EBIT)	337	185	150	101	(36)	(63)
3rd quarter 2007						
EBITA	444	188	190	171	(35)	(70)
Amortization of intangibles (excl. software)	(51)	(35)	(11)	(5)	-	-
Write-off of acquired in-process R&D	-	1	(1)	-	-	-
Income from operations (or EBIT)	393	154	178	166	(35)	(70)
4th quarter 2007						
EBITA	865	348	185	430	21	(119)
Amortization of intangibles (excl. software)	(52)	(33)	(15)	(3)	(1)	-
Write-off of acquired in-process R&D	(3)	(3)	-	-	-	-
Income from operations (or EBIT)	810	312	170	427	20	(119)
Full year 2007						
EBITA	2,065	873	722	848	(81)	(297)
Amortization of intangibles (excl. software)	(200)	(137)	(46)	(16)	(1)	-
Write-off of acquired in-process R&D	(13)	(12)	(1)	-	-	-
Income from operations (or EBIT)	1,852	724	675	832	(82)	(297)

Composition of net debt and group equity - US GAAP

in millions of euros unless otherwise stated

	Dec. 31, 2006	March 31, 2007	June 30, 2007	Sept 30, 2007	Dec. 31, 2007
Long-term debt	3,006	2,928	1,334	1,211	1,212
Short-term debt	863	1,006	2,474	2,421	2,345
Total debt	3,869	3,934	3,808	3,632	3,557
Cash and cash equivalents	5,886	5,779	6,130	5,042	8,769
Net debt (cash) (total debt less cash and cash equivalents)	(2,017)	(1,845)	(2,322)	(1,410)	(5,212)
Minority interests	40	48	49	45	42
Stockholders' equity	22,997	21,969	22,107	20,806	21,684
Group equity	23,037	22,017	22,156	20,851	21,726
Net debt and group equity	21,020	20,172	19,834	19,441	16,514
Net debt (cash) divided by net debt (cash) and group equity in %	(10)	(9)	(12)	(7)	(32)
Group equity divided by net debt (cash) and group equity in %	110	109	112	107	132

Reconciliation net operating capital to total assets - US GAAP

in millions of euros
updated to reflect the new sector reporting structure

	Philips Group	Healthcare	Lighting	Consumer Lifestyle	I&E	GMS
December 31, 2006						
Net operating capital (NOC)	8,518	4,745	2,527	910	128	208
Excluding liabilities included in NOC						
- payables/liabilities	8,130	1,688	989	2,939	437	2,077
- intercompany accounts	-	32	50	86	(28)	(140)
- provisions ¹⁾	2,684	229	146	340	79	1,890
Including assets not included in NOC						
- investments in equity-accounted investees	2,974	47	7	9	170	2,741
- other non-current financial assets	8,055	-	-	-	-	8,055
- securities	192	-	-	-	-	192
- deferred tax assets	1,627	-	-	-	-	1,627
- liquid assets	5,886	-	-	-	-	5,886
	38,066	6,741	3,719	4,284	786	22,536
Discontinued operations	431					
	38,497					

1) Provisions on balance sheet EUR 3,293 million excl. deferred tax liabilities EUR 609 million

Reconciliation net operating capital to total assets - US GAAP (contd)

in millions of euros
updated to reflect the new sector reporting structure

	Philips Group	Healthcare	Lighting	Consumer Lifestyle	I&EB	GMS
March 31, 2007						
Net operating capital (NOC)	9,948	4,590	3,441	1,337	155	425
Excluding liabilities included in NOC						
- payables/liabilities	7,329	1,716	1,047	2,277	304	1,985
- intercompany accounts	-	46	44	75	(39)	(126)
- provisions ²⁾	2,648	232	152	316	64	1,884
Including assets not included in NOC						
- investments in equity-accounted investees	2,811	42	12	-	129	2,628
- other non-current financial assets	6,744	-	-	-	-	6,744
- deferred tax assets	1,653	-	-	-	-	1,653
- liquid assets	5,779	-	-	-	-	5,779
	36,912	6,626	4,696	4,005	613	20,972
Discontinued operations	427					
	37,339					
June 30, 2007						
Net operating capital (NOC)	10,742	4,857	3,578	1,551	189	567
Excluding liabilities included in NOC						
- payables/liabilities	7,254	1,696	1,019	2,355	260	1,924
- intercompany accounts	-	42	37	75	(10)	(144)
- provisions ³⁾	2,581	223	151	296	41	1,870
Including assets not included in NOC						
- investments in equity-accounted investees	2,891	47	7	-	127	2,710
- other non-current financial assets	5,006	-	-	-	-	5,006
- deferred tax assets	1,581	-	-	-	-	1,581
- liquid assets	6,130	-	-	-	-	6,130
	36,185	6,865	4,792	4,277	607	19,644
Discontinued operations	393					
	36,578					
September 30, 2007						
Net operating capital (NOC)	11,320	4,751	4,116	1,507	217	729
Excluding liabilities included in NOC						
- payables/liabilities	7,652	1,735	1,051	2,967	253	1,646
- intercompany accounts	-	22	28	58	(23)	(85)
- provisions ⁴⁾	2,486	216	140	290	36	1,804
Including assets not included in NOC						
- investments in equity-accounted investees	2,897	50	7	-	118	2,722
- other non-current financial assets	4,336	-	-	-	-	4,336
- securities	18	-	-	-	-	18
- deferred tax assets	1,323	-	-	-	-	1,323
- liquid assets	5,042	-	-	-	-	5,042
	35,074	6,774	5,342	4,822	601	17,535
Discontinued operations	355					
	35,429					
December 31, 2007						
Net operating capital (NOC)	10,586	4,859	3,886	890	246	705
Excluding liabilities included in NOC						
- payables/liabilities	7,799	1,679	1,053	3,061	237	1,769
- intercompany accounts	-	29	48	79	(18)	(138)
- provisions ⁵⁾	2,417	217	137	283	30	1,750
Including assets not included in NOC						
- investments in equity-accounted investees	1,886	52	9	-	111	1,714
- other non-current financial assets	3,183	-	-	-	-	3,183
- deferred tax assets	1,370	-	-	-	-	1,370
- liquid assets	8,769	-	-	-	-	8,769
	36,010	6,836	5,133	4,313	606	19,122
Discontinued operations	333					
	36,343					

2) Provisions on balance sheet EUR 3,231 million excl. deferred tax liabilities EUR 583 million

3) Provisions on balance sheet EUR 3,183 million excl. deferred tax liabilities EUR 602 million

4) Provisions on balance sheet EUR 3,132 million excl. deferred tax liabilities EUR 646 million

5) Provisions on balance sheet EUR 3,104 million excl. deferred tax liabilities EUR 687 million

Reconciliation of net income from IFRS to US GAAP

in millions of euros
updated to reflect changes in IFRS pension accounting policies

	2006		2007 per quarter				2007
	Jan.-Dec.	1st	2nd	3rd	4th	Jan.-Dec.	
Net income as per the consolidated statements							
of income on an IFRS basis	5,155	863	1,724	371	1,923	4,881	
Adjustments to reconcile to US GAAP:							
Reversal of capitalized product development cost	(271)	(46)	(29)	(82)	(77)	(234)	
Reversal of amortization of product development assets	213	47	17	66	75	205	
Pensions and other postretirement benefits	(90)	(15)	(14)	(15)	(30)	(74)	
Reversal of amortization of intangible assets	-	-	12	9	(21)	-	
Provisions	(65)	(2)	(6)	19	(2)	9	
Financial income and expense	1	-	(181)	-	(55)	(236)	
Adjustment of results of equity-accounted investees	(18)	(3)	21	2	(141)	(121)	
Income tax effect on US GAAP adjustments	57	(1)	6	(35)	(7)	(37)	
Discontinued operations	328	-	(1)	1	(295)	(295)	
Other differences in income	73	32	20	(5)	23	70	
Net income in accordance with US GAAP	5,383	875	1,569	331	1,393	4,168	

Reconciliation of stockholders' equity from IFRS to US GAAP

in millions of euros
updated to reflect changes in IFRS pension accounting policies

	Dec. 31,	March 31,	June 30,	Sept 30,	Dec. 31,
	2006	2007	2007	2007	2007
Stockholders' equity as per the consolidated balance sheets on an IFRS basis	23,133	22,098	22,201	20,924	21,783
Adjustments to reconcile to US GAAP:					
Reversal of capitalized product development cost	(535)	(513)	(515)	(518)	(518)
Pensions and other postretirement benefits	84	78	90	84	147
Goodwill amortization (until January 1, 2004)	287	287	310	282	260
Goodwill capitalization (acquisition-related)	30	29	29	24	76
Acquisition-related intangibles	(210)	(201)	(195)	(176)	(162)
Equity-accounted investees	105	100	120	119	69
Reversal of result on recognition of sale and leaseback	(52)	(49)	(45)	(42)	(39)
Provisions	(58)	(55)	(60)	(43)	(18)
Deferred tax effect	225	207	196	157	79
Assets from discontinued operations	3	-	-	-	14
Other differences in equity	(15)	(12)	(24)	(5)	(7)
Stockholders' equity in accordance with US GAAP	22,997	21,969	22,107	20,806	21,684

Consolidated statements of income - IFRS

in millions of euros unless otherwise stated
updated to present the changes in IFRS pension accounting policies

	2006	2007 per quarter				2007
	Jan.-Dec.	1st	2nd	3rd	4th	Jan.-Dec.
Sales	26,682	5,930	6,033	6,465	8,365	26,793
Cost of sales	(18,399)	(3,945)	(3,945)	(4,311)	(5,456)	(17,657)
Gross margin	8,283	1,985	2,088	2,154	2,909	9,136
Selling expenses	(4,660)	(1,112)	(1,184)	(1,183)	(1,496)	(4,975)
General and administrative expenses	(907)	(197)	(173)	(210)	(206)	(786)
Research and development expenses	(1,556)	(395)	(398)	(395)	(413)	(1,601)
Other business income and expenses	179	17	21	36	30	104
Income from operations	1,339	298	354	402	824	1,878
Financial income and expenses	29	679	1,512	16	642	2,849
Income before taxes	1,368	977	1,866	418	1,466	4,727
Income tax expense	(224)	(91)	(118)	(157)	(219)	(585)
Income after taxes	1,144	886	1,748	261	1,247	4,142
Results relating to equity-accounted investees	(139)	(46)	35	128	767	884
Minority interests	(4)	-	(3)	(2)	(2)	(7)
Income from continuing operations	1,001	840	1,780	387	2,012	5,019
Discontinued operations	4,154	23	(56)	(16)	(89)	(138)
Net income	5,155	863	1,724	371	1,923	4,881
Weighted average number of common shares						
outstanding (after deduction of treasury						
stock) during the period (in thousands)						
• basic	1,174,925	1,100,107	1,099,261	1,081,120	1,064,026	1,086,126
• diluted	1,182,784	1,111,232	1,110,900	1,092,424	1,075,183	1,097,435
Net income per common share in euros:						
• basic	4.39	0.78	1.57	0.34	1.81	4.49
• diluted	4.36	0.78	1.55	0.34	1.79	4.45
Ratios						
Gross margin as a % of sales	31.0	33.5	34.6	33.3	34.8	34.1
Selling expenses as a % of sales	(17.5)	(18.8)	(19.6)	(18.3)	(17.9)	(18.6)
G&A expenses as a % of sales	(3.4)	(3.3)	(2.9)	(3.2)	(2.5)	(2.9)
R&D expenses as a % of sales	(5.8)	(6.7)	(6.6)	(6.1)	(4.9)	(6.0)
EBIT or Income from operations	1,339	298	354	402	824	1,878
as a % of sales	5.0	5.0	5.9	6.2	9.9	7.0
EBITA	1,531	353	410	462	880	2,105
as a % of sales	5.7	6.0	6.8	7.1	10.5	7.9

Balance Sheets - IFRS

in millions of euros unless otherwise stated
updated to present the changes in IFRS pension accounting policies

	Dec. 31	March 31,	June 30,	Sept 30,	Dec. 31,
	2006	2007	2007	2007	2007
Current assets:					
Cash and cash equivalents	5,886	5,779	6,130	5,042	8,769
Receivables	4,732	4,287	4,448	4,549	4,670
Current assets of discontinued operations	185	206	198	180	149
Inventories	2,880	3,108	3,365	3,759	3,203
Other current assets	770	697	679	816	622
Total current assets	14,453	14,077	14,820	14,346	17,413
Non-current assets:					
Investments in equity-accounted investees	2,869	2,711	2,771	2,779	1,817
Other non-current financial assets	8,055	6,744	5,006	4,336	3,183
Non-current receivables	206	214	155	136	78
Non-current assets of discontinued operations	242	218	179	158	170
Other non-current assets	2,213	2,484	2,503	2,548	2,610
Deferred tax assets	1,486	1,571	1,445	1,259	1,271
Property, plant and equipment	3,102	3,159	3,228	3,183	3,194
Intangible assets excluding goodwill	2,558	2,725	2,862	2,923	2,835
Goodwill	3,406	3,633	3,701	3,929	3,800
Total assets	38,590	37,536	36,670	35,597	36,371
Current liabilities:					
Accounts and notes payable	3,443	2,755	2,860	3,206	3,372
Current liabilities of discontinued operations	46	53	53	50	46
Accrued liabilities	3,280	3,329	3,139	3,119	2,975
Short-term provisions	755	689	608	610	382
Other current liabilities	605	561	529	524	509
Dividend payable	-	659	-	-	-
Short-term debt	871	1,012	2,479	2,427	2,350
Total current liabilities	9,000	9,058	9,668	9,936	9,634
Non-current liabilities:					
Long-term debt	3,007	2,929	1,335	1,212	1,213
Long-term provisions	1,868	1,902	1,907	1,829	2,021
Deferred tax liabilities	693	707	663	737	667
Non-current liabilities of discontinued operations	32	29	38	33	32
Other non-current liabilities	722	673	718	796	894
Total liabilities	15,322	15,298	14,329	14,543	14,461
Minority interests*	135	140	140	130	127
Stockholders' equity	23,133	22,098	22,201	20,924	21,783
Total liabilities and equity	38,590	37,536	36,670	35,597	36,371
Number of common shares outstanding (after deduction of treasury stock) at the end of period (in thousands)					
	1,106,893	1,097,563	1,087,178	1,063,387	1,064,893
Ratios					
Stockholders' equity per common share in euros	20.9	20.1	20.4	19.7	20.5
Inventories as a % of sales	10.8	11.7	12.8	14.2	12.0
Net debt (cash): group equity	(9):109	(9):109	(12):112	(7):107	(31):131
Net operating capital	9,002	10,398	11,180	11,741	10,859
Employees at end of period	121,732	117,976	125,834	128,119	123,801
of which discontinued operations	6,640	6,321	6,344	5,995	5,703

* of which discontinued operations was EUR 79 million at December 31, 2007, EUR 85 million at September 30, 2007, EUR 91 million at June 30, 2007, EUR 85 million at March 31, 2007 and EUR 91 million at December 31, 2006.

Consolidated statements of recognized income and expenses - IFRS

in millions of euros
updated to reflect the changes in IFRS pension accounting policies

	2006	2007 per quarter				2007
	Jan.-Dec.	1st	2nd	3rd	4th	Jan.-Dec.
Actuarial gains (losses) on pension plans						
Net current period change (net of income tax)	(130)	5	(4)	(11)	68	58
Currency translation differences:						
Net current period change - continuing operations	(515)	(116)	2	(340)	(306)	(760)
Net current period change - discontinued operations	-	(3)	(2)	(10)	(7)	(22)
Income tax on net current period change	(72)	(2)	-	(4)	(4)	(10)
Reclassification into income	(10)	1	10	-	(78)	(67)
Available-for-sale securities:						
Net current period change	4,768	(169)	194	(511)	(132)	(618)
Reclassification into income	(98)	(765)	(1,377)	(42)	(686)	(2,870)
Revaluation reserve						
Release revaluation reserve	-	(8)	(9)	(8)	(9)	(34)
Reclassification into retained earnings	-	8	9	8	9	34
Reclassification into income	(95)	-	-	-	-	-
Cash flow hedges:						
Net current period change	72	5	9	(24)	29	19
Income tax on net current period change	(15)	(1)	(1)	3	(4)	(3)
Reclassification into income	(20)	(1)	(7)	14	(2)	4
Net income recognised directly in equity	3,885	(1,046)	(1,176)	(925)	(1,122)	(4,269)
Net income for the period	5,155	863	1,724	371	1,923	4,881
Total recognized income for the period	9,040	(183)	548	(554)	801	612
Attributable to:						
Stockholders	9,258	(188)	548	(544)	804	620
Minority interests	(218)	5	-	(10)	(3)	(8)
Total recognized income for the period	9,040	(183)	548	(554)	801	612

Key data - per sector - IFRS

in millions of euros
updated to present the new sector reporting structure
updated to reflect the changes in IFRS pension accounting policies

	2006	2007 per quarter				2007
	Jan.-Dec.	1st	2nd	3rd	4th	Jan.-Dec.
Sales by sector						
Healthcare	6,562	1,431	1,625	1,585	1,997	6,638
Lighting	5,466	1,474	1,464	1,496	1,659	6,093
Consumer Lifestyle*	13,108	2,816	2,786	3,238	4,490	13,330
Innovation & Emerging Businesses	1,379	160	110	102	163	535
Group Management & Services	167	49	48	44	56	197
Philips Group	26,682	5,930	6,033	6,465	8,365	26,793
* of which Connected Displays	6,559	1,293	1,258	1,511	2,208	6,270
EBITA by sector						
Healthcare	884	115	223	194	340	872
Lighting	620	185	148	195	183	711
Consumer Lifestyle*	714	136	115	181	421	853
Innovation & Emerging Businesses	(92)	(55)	(34)	(33)	18	(104)
Group Management & Services	(595)	(28)	(42)	(75)	(82)	(227)
Philips Group	1,531	353	410	462	880	2,105
* of which Connected Displays	151	(54)	(67)	(47)	97	(71)
EBIT by sector						
Healthcare	773	80	188	160	307	735
Lighting	549	168	131	176	162	637
Consumer Lifestyle*	705	133	111	175	418	837
Innovation & Emerging Businesses	(93)	(55)	(34)	(34)	19	(104)
Group Management & Services	(595)	(28)	(42)	(75)	(82)	(227)
Philips Group	1,339	298	354	402	824	1,878
* of which Connected Displays	151	(54)	(67)	(47)	97	(71)

	Dec. 31,	March 31,	June 30,	Sept 30,	Dec. 31,
	2006	2007	2007	2007	2007
NOC by sector					
Healthcare	4,686	4,536	4,811	4,711	4,815
Lighting	2,817	3,718	3,836	4,354	4,059
Consumer Lifestyle*	1,126	1,548	1,770	1,734	1,113
Innovation & Emerging Businesses	171	175	210	238	270
Group Management & Services	202	421	553	704	602
Philips Group	9,002	10,398	11,180	11,741	10,859
* of which Connected Displays	(133)	91	96	32	(208)

Sales growth composition (in %) - US GAAP and IFRS

updated to present the new sector reporting structure

	comparable growth	currency effects	consolidation changes	nominal growth
1st quarter 2007 versus 1st quarter 2006				
Healthcare	3.7	(6.0)	5.3	3.0
Lighting	7.8	(4.4)	6.2	9.6
Consumer Lifestyle	(2.2)	(3.2)	1.9	(3.5)
Innovation & Emerging Businesses	39.8	(3.6)	(95.7)	(59.5)
Group Management & Services	96.0	(7.2)	(7.3)	81.5
Philips Group	2.8	(4.2)	(1.0)	(2.4)
2nd quarter 2007 versus 2nd quarter 2006				
Healthcare	3.8	(4.5)	2.6	1.9
Lighting	6.4	(2.6)	9.2	13.0
Consumer Lifestyle	(6.2)	(1.4)	0.0	(7.6)
Innovation & Emerging Businesses	36.6	(2.3)	(103.9)	(69.6)
Group Management & Services	61.4	(1.8)	(26.3)	33.3
Philips Group	0.1	(2.5)	(1.9)	(4.3)
3rd quarter 2007 versus 3rd quarter 2006				
Healthcare	4.1	(3.8)	2.5	2.8
Lighting	1.9	(1.8)	9.1	9.2
Consumer Lifestyle	10.3	(1.4)	(0.4)	8.5
Innovation & Emerging Businesses	37.8	(1.3)	(104.5)	(68.0)
Group Management & Services	72.7	(3.0)	(18.0)	51.7
Philips Group	7.4	(2.3)	(1.6)	3.5
4th quarter 2007 versus 4th quarter 2006				
Healthcare	3.3	(6.3)	1.1	(1.9)
Lighting	8.0	(3.9)	9.9	14.0
Consumer Lifestyle	10.5	(3.1)	(0.2)	7.2
Innovation & Emerging Businesses	38.6	(4.2)	(80.6)	(46.2)
Group Management & Services	(19.9)	(1.7)	(3.7)	(25.3)
Philips Group	8.3	(4.1)	(0.4)	3.8
Jan.-Dec. 2007 versus Jan.-Dec. 2006				
Healthcare	3.7	(5.2)	2.7	1.2
Lighting	6.0	(3.1)	8.6	11.5
Consumer Lifestyle	3.8	(2.4)	0.3	1.7
Innovation & Emerging Businesses	38.4	(3.1)	(96.5)	(61.2)
Group Management & Services	30.8	(2.3)	(10.5)	18.0
Philips Group	4.9	(3.3)	(1.2)	0.4

EBITA to income from operations (or EBIT) - IFRS

in millions of euros
updated to present the new sector reporting structure
updated to reflect the changes in IFRS pension accounting policies

	Philips Group	Healthcare	Lighting	Consumer Lifestyle	I&E	GMS
Annual 2006						
EBITA	1,531	884	620	714	(92)	(595)
Amortization of intangibles (excl. software)	(192)	(111)	(71)	(9)	(1)	-
Income from operations (or EBIT)	1,339	773	549	705	(93)	(595)
1st quarter 2007						
EBITA	353	115	185	136	(55)	(28)
Amortization of intangibles (excl. software)	(55)	(35)	(17)	(3)	-	-
Income from operations (or EBIT)	298	80	168	133	(55)	(28)
2nd quarter 2007						
EBITA	410	223	148	115	(34)	(42)
Amortization of intangibles (excl. software)	(56)	(35)	(17)	(4)	-	-
Income from operations (or EBIT)	354	188	131	111	(34)	(42)
3rd quarter 2007						
EBITA	462	194	195	181	(33)	(75)
Amortization of intangibles (excl. software)	(60)	(34)	(19)	(6)	(1)	-
Income from operations (or EBIT)	402	160	176	175	(34)	(75)
4th quarter 2007						
EBITA	880	340	183	421	18	(82)
Amortization of intangibles (excl. software)	(56)	(33)	(21)	(3)	1	-
Income from operations (or EBIT)	824	307	162	418	19	(82)
Annual 2007						
EBITA	2,105	872	711	853	(104)	(227)
Amortization of intangibles (excl. software)	(227)	(137)	(74)	(16)	-	-
Income from operations (or EBIT)	1,878	735	637	837	(104)	(227)

Composition of net debt and group equity - IFRS

in millions of euros unless otherwise stated
updated to present the changes in IFRS pension accounting policies

	Dec. 31, 2006	March 31, 2007	June 30, 2007	Sept. 30, 2007	Dec. 31, 2007
Long-term debt	3,007	2,929	1,335	1,212	1,213
Short-term debt	871	1,012	2,479	2,427	2,350
Total debt	3,878	3,941	3,814	3,639	3,563
Cash and cash equivalents	5,886	5,779	6,130	5,042	8,769
Net debt (cash) (total debt less cash and cash equivalents)	(2,008)	(1,838)	(2,316)	(1,403)	(5,206)
Minority interests	135	140	140	130	127
Stockholders' equity	23,133	22,098	22,201	20,924	21,783
Group equity	23,268	22,238	22,341	21,054	21,910
Net debt and group equity	21,260	20,400	20,025	19,651	16,704
Net debt (cash) divided by net debt (cash) and group equity in %	(9)	(9)	(12)	(7)	(31)
Group equity divided by net debt (cash) and group equity in %	109	109	112	107	131

Reconciliation net operating capital to total assets - IFRS

in millions of euros
 updated to present the new sector reporting structure
 updated to reflect the changes in IFRS pension accounting policies

	Philips Group	Healthcare	Lighting	Consumer Lifestyle	I&EB	GMS
December 31, 2006						
Net operating capital (NOC)	9,002	4,686	2,817	1,126	171	202
Excluding liabilities included in NOC						
- payables/liabilities	8,050	1,676	964	2,938	419	2,053
- intercompany accounts	-	32	50	86	(28)	(140)
- provisions	2,623	229	146	340	79	1,829
Including assets not included in NOC						
- investments in equity-accounted investees	2,869	48	6	9	170	2,636
- other non-current financial assets	8,055	-	-	-	-	8,055
- securities	192	-	-	-	-	192
- deferred tax assets	1,486	-	-	-	-	1,486
- liquid assets	5,886	-	-	-	-	5,886
	38,163	6,671	3,983	4,499	811	22,199
Discontinued operations	427					
	38,590					

Reconciliation net operating capital to total assets - IFRS

in millions of euros
 updated to present the new sector reporting structure
 updated to reflect the changes in IFRS pension accounting policies

	Philips Group	Healthcare	Lighting	Consumer Lifestyle	I&EB	GMS
March 31, 2007						
Net operating capital (NOC)	10,398	4,536	3,718	1,548	175	421
Excluding liabilities included in NOC						
- payables/liabilities	7,318	1,706	1,024	2,275	300	2,013
- intercompany accounts	-	46	44	75	(39)	(126)
- provisions	2,591	232	153	316	64	1,826
Including assets not included in NOC						
- investments in equity-accounted investees	2,711	43	11	-	129	2,528
- other non-current financial assets	6,744	-	-	-	-	6,744
- deferred tax assets	1,571	-	-	-	-	1,571
- liquid assets	5,779	-	-	-	-	5,779
	37,112	6,563	4,950	4,214	629	20,756
Discontinued operations	424					
	37,536					
June 30, 2007						
Net operating capital (NOC)	11,180	4,811	3,836	1,770	210	553
Excluding liabilities included in NOC						
- payables/liabilities	7,246	1,687	997	2,355	256	1,951
- intercompany accounts	-	42	37	75	(10)	(144)
- provisions	2,515	223	151	296	41	1,804
Including assets not included in NOC						
- investments in equity-accounted investees	2,771	48	6	-	127	2,590
- other non-current financial assets	5,006	-	-	-	-	5,006
- deferred tax assets	1,445	-	-	-	-	1,445
- liquid assets	6,130	-	-	-	-	6,130
	36,293	6,811	5,027	4,496	624	19,335
Discontinued operations	377					
	36,670					
September 30, 2007						
Net operating capital (NOC)	11,741	4,711	4,354	1,734	238	704
Excluding liabilities included in NOC						
- payables/liabilities	7,645	1,731	1,031	2,967	250	1,666
- intercompany accounts	-	22	28	58	(23)	(85)
- provisions	2,439	216	140	290	36	1,757
Including assets not included in NOC						
- investments in equity-accounted investees	2,779	51	6	-	118	2,604
- other non-current financial assets	4,336	-	-	-	-	4,336
- securities	18	-	-	-	-	18
- deferred tax assets	1,259	-	-	-	-	1,259
- liquid assets	5,042	-	-	-	-	5,042
	35,259	6,731	5,559	5,049	619	17,301
Discontinued operations	338					
	35,597					
December 31, 2007						
Net operating capital (NOC)	10,859	4,815	4,059	1,113	270	602
Excluding liabilities included in NOC						
- payables/liabilities	7,750	1,680	1,034	3,060	232	1,744
- intercompany accounts	-	29	48	79	(18)	(138)
- provisions	2,403	223	138	283	31	1,728
Including assets not included in NOC						
- investments in equity-accounted investees	1,817	54	8	-	111	1,644
- other non-current financial assets	3,183	-	-	-	-	3,183
- deferred tax assets	1,271	-	-	-	-	1,271
- liquid assets	8,769	-	-	-	-	8,769
	36,052	6,801	5,287	4,535	626	18,803
Discontinued operations	319					
	36,371					