

PHILIPS

3D Solutions

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Lighting & Innovation analysts' day
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Experience a new dimension

3D without special glasses – a Philips breakthrough with multiple applications



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sense and simplicity



- Philips is the clear leader, with significant intellectual property



- 3D is more immersive
- No-glasses is a key driver for mainstream adoption



- Applications for professional market (e.g. signage and medical) ...
- ... but next also for consumers

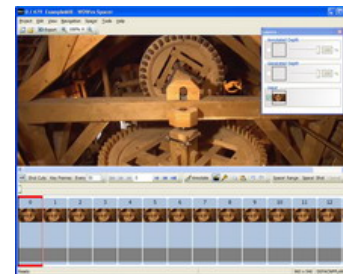
3D products are in the market today



- 42" and 20" professional 3D display offer a great out of screen experience



- 132" 3D WOWzone launched at IFA in Berlin offering a high-impact 3D experience
- WOWzone is valuable brand marketing tool

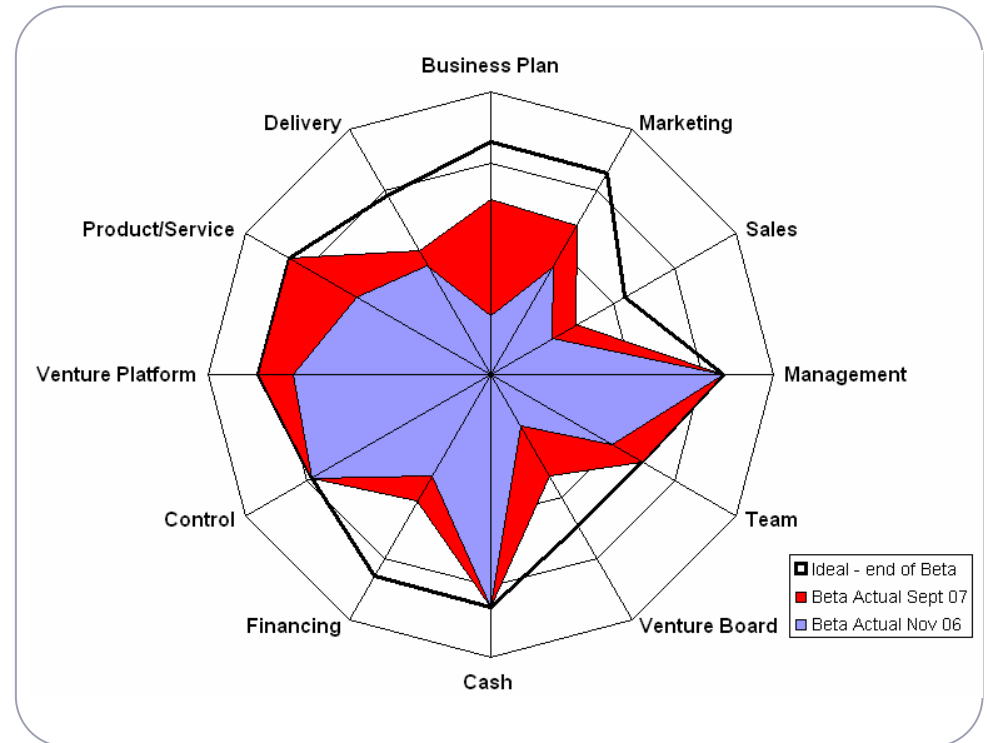


- WOWvx content tools allow existing 2D and 3D content to be displayed

The Team & Bell Mason Spider Web Beta stage

Senior and Balanced Team

- >25 m. Year CEO/COO experience
- >50 m. Year MT experience in breakthrough innovations
- >200 m. Year TV application experience
- CEO/COO/CTO/CMO “lived through” emergence of Digital TV
 - CEO and CTO of Philips Set-Top Boxes
 - COO of Philips Digital Networks division, later CEO of a Philips Industrial plant
 - CEO of Philips Broadcast TV Systems, later Thomson Broadcast Acquisition Products
- COO/CTO responsible for Philips 100Hz breakthrough product development
- Experienced Technical and Operations core team, extended with high potentials



New Business Leveraged through Sectors

3D, a fascinating example of disruptive innovation

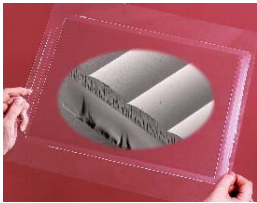


“3D often spontaneously mentioned during consumer groups as an anticipated next step in creating a more immersive and captivating experience.”

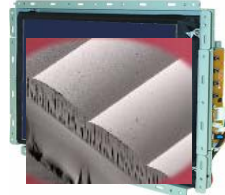
- Philips 3D consumer research

... that does not disrupt today's supply chain
"Ride the 2D supply chain wave"

Component
Suppliers



LCD panel
suppliers



CE companies



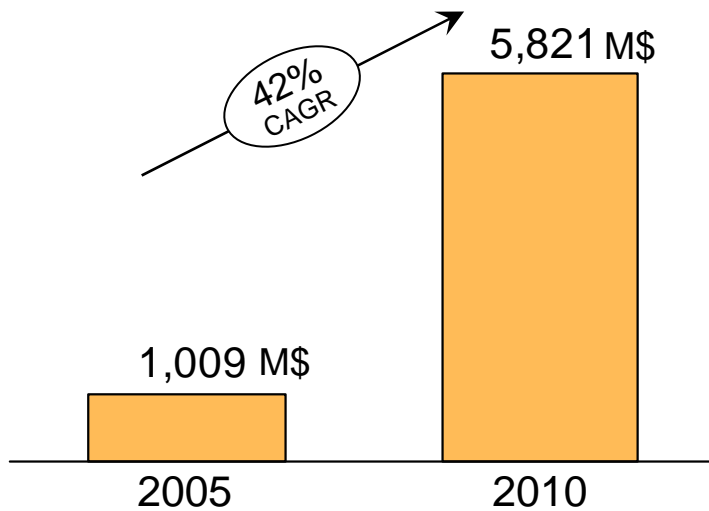
Technology
Licensing

**Philips
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Initial go-to-market in Digital Signage ...

Signage is a booming market



Source: iSuppli Signage and Prof Displays Mkt Tracker Q42006

Signage is the perfect entry point



- 3D has “stopping power” ...
- ... and provides a differentiator for customers in Digital Signage (shopping malls, casinos, bars, airports, ...)
- Content can be easily created in 3D

... towards Consumer applications



Hollywood creating awareness in theaters

- Influencers taking the lead
- 3D theaters generate 3x more revenue for the first weekends



Content tools being developed

- Conversion of 2D and Stereo content to 3D by using "BlueBox"
- "RedBox" for real-time conversion



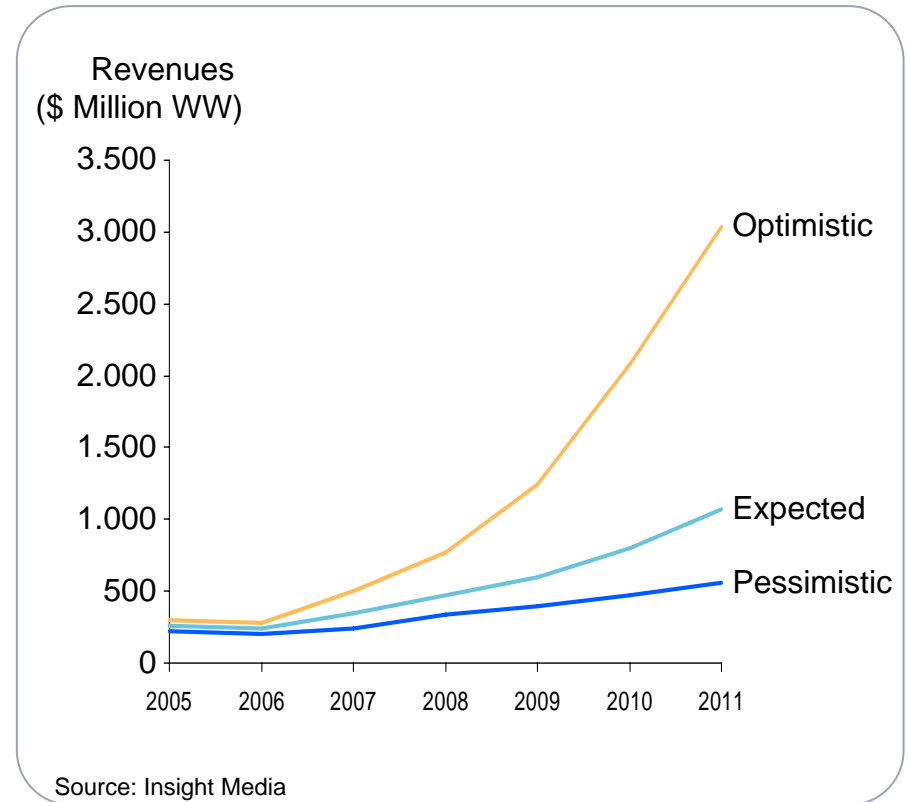
Games can be easily implemented

- Content is already in 3D

3D display market expected to become multi-billion USD after 2010

According to independent researchers

- 3D enables an enhanced viewing experience, anticipated as next innovation by consumers
- 3D content availability is facilitated via low-threshold content creation solutions
- 3D displays without special glasses can leverage the existing 2D LCD supply chain
- Philips is well positioned to create sustainable value from 3D



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