Royal Philips sells 26.0 million shares in Philips Lighting for total proceeds of EUR 608 million

Amsterdam, the Netherlands - Today, Koninklijke Philips N.V. ("Royal Philips") announced that it has successfully completed the accelerated bookbuild offering to institutional investors of 26.0 million shares in Philips Lighting N.V. ("Philips Lighting") at a price of EUR 23.40 per share (the "Offering"), realizing total proceeds of EUR 608 million. The transaction was upsized from the original announced offering of 22.25 million shares. This transaction reduces Royal Philips' stake in Philips Lighting's outstanding share capital from 71.225% to approximately 53.892%.

As part of this transaction, Philips Lighting will repurchase 3.5 million Shares in the Offering and intends to cancel these Shares. After cancellation of the 3.5 million Shares that Philips Lighting has acquired in the Offering, Royal Philips' shareholding in Philips Lighting is expected to represent 55.180% of Philips Lighting’s outstanding share capital. Philips Lighting will not receive any proceeds from the Offering.

The transaction is expected to settle on 13 February 2017. Royal Philips has agreed to a lock-up in respect of its remaining stake in Philips Lighting until 21 April 2017 (subject to limited exceptions and the Joint Bookrunners’ right to waive the lock-up restrictions).

The transaction is in line with Royal Philips' stated objective to fully sell down its stake in Philips Lighting over the next several years.

Citi, Goldman Sachs International, ING and J.P. Morgan acted as Joint Bookrunners for the transaction. Rothschild acted as financial adviser to Royal Philips in connection with the transaction.

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About Royal Philips
Royal Philips (NYSE: PHG, AEX: PHIA) is a leading health technology company focused on improving people's health and enabling better outcomes across the health continuum from healthy living and prevention, to diagnosis, treatment and home care. Philips leverages advanced technology and deep clinical and consumer insights to deliver integrated solutions. Headquartered in the Netherlands, the company is a leader in diagnostic imaging, image-guided therapy, patient monitoring and health informatics, as well as in consumer health and home care. Philips' health technology portfolio generated 2016 sales of EUR 17.4 billion and employs approximately 71,000 employees with sales and services in more than 100 countries. News about Philips can be found at www.philips.com/newscenter.

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includes any relevant implementing measure in each relevant member state of the EEA) (the "Qualified Investors");

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