



Growing our leadership in Image-Guided Therapy

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Key takeaways

- Image-Guided Therapy is a profitable **high-growth market** delivering benefits for health systems and patients
- Philips is a **leading integrator**
 - Gaining market share based on a unique portfolio of **Systems and Devices**
 - **Successful integration** of Volcano
 - Acquisition of **Spectranetics accelerates expansion** into therapy devices
 - **Close customer relationships** to co-create **integrated solutions** to optimize care delivery
- Targeting **7-9% growth** and **17-19% profitability** by 2020

Image-guided therapies enable efficient and effective treatments

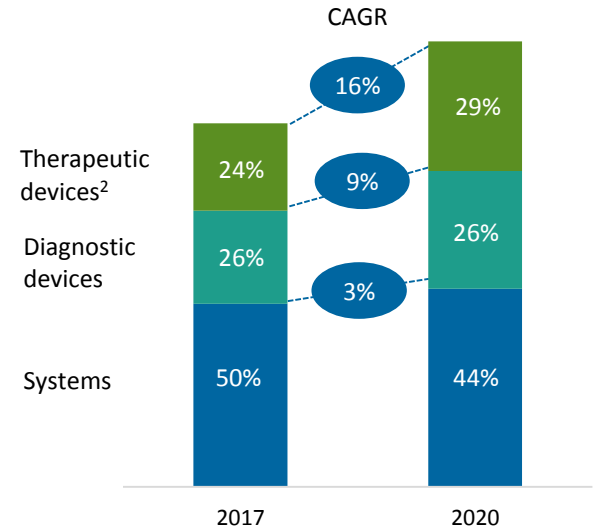
Minimally invasive procedures: strong benefits over open surgery

- Reduced patient trauma and shorter recovery time
- Growth of out-patient treatment in hospitals and office-based labs
- New procedures enabled by continuous innovation in image-guidance and smart devices

Cardiovascular disease is global killer #1, driving strong procedure growth¹

- 18 million people die annually from Cardiovascular Disease, 31% of all global deaths
- 250 million people worldwide suffer from Peripheral Artery Disease
- More than 10 million procedures annually in the US
 - Stroke treatment +23%
 - Structural heart repairs +15%
 - Interventional Oncology +10%
 - Peripheral / Endovascular +6%

EUR 6+ billion IGT addressable market growing at high-single-digit



² Drug-Coated Balloon is the fastest growing segment at >20% to USD 1+ billion in 2020

Unique, market-leading portfolio of integrated solutions

Every second a patient is treated with our Image-Guided Therapy solutions

Systems

- Leadership position in multi-purpose hybrid operating suites, used for broad range of procedures

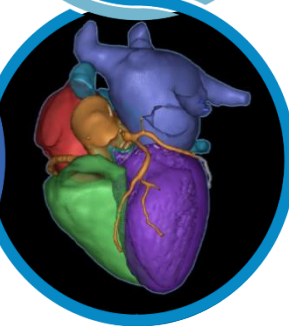


Devices

- Leadership position in smart catheters for diagnosis & therapy assessment (IVUS, FFR, iFR)
- Leading innovator in therapy catheters
- Supported by strong clinical evidence

Services

- Cath Lab managed services
- Maintenance, upgrade, training
- Integration, consultancy, financing



Software

- Disease-specific planning and navigation software: Cardiology, Vascular, Oncology, Neurology, Surgery
- Image and Information Management Systems



100% of the top 20 US hospitals have chosen Philips Image-Guided Therapy¹

Growing our leadership through a strong and consistent strategy

Strengthen leadership

System integration and orchestration of efficient workflows



Azurion - next generation Image-Guided Therapy platform
Launched in 2017

Market share above 40% and growing

Innovate the procedure

Novel navigation and guidance technology



Visualization technologies to enhance procedure efficiency and further reduce X-ray radiation dose

First patients treated successfully with new Surgical Navigation technology

Expand into therapy

Grow therapeutic devices, leveraging strong synergy with imaging



Successful integration of Volcano double-digit growth since the acquisition

Spectranetics accelerates expansion into high-growth therapy devices market



Azurion is setting a new standard of care for interventional suites



Workflow study results in leading interventional department of St. Antonius Hospital in the Netherlands¹:

17%

Reduction in procedure time

28%

Reduction in post-procedure lab time

29%

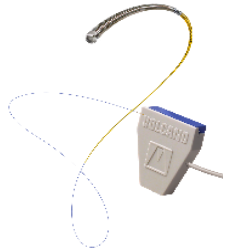
Reduction in staff movement

Ability to treat one more patient per day

Expansion into therapy accelerated by Spectranetics acquisition

Combined Philips IGT Devices and Spectranetics sales to exceed EUR 1 billion by 2020

Physiology



Verrata Plus Wire

Intravascular
Ultrasound



Eagle Eye Platinum

IVUS Guided True
Lumen Re-Entry



Pioneer Plus

Mechanical
Atherectomy



Phoenix

Laser
Atherectomy



Turbo-Elite

Scoring
Balloon



AngioSculpt

Drug-Coated
Balloon



Stellarex

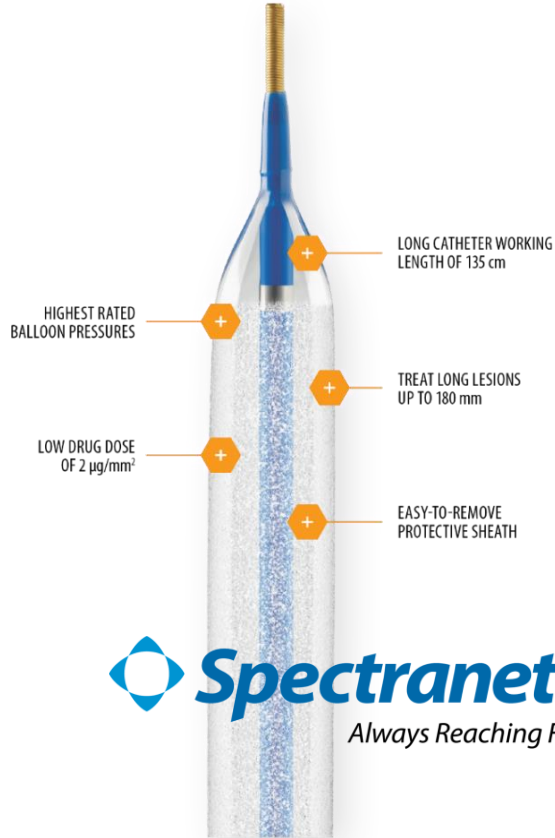


Philips IGT

Spectranetics

Stellarex Drug-Coated Balloon (DCB) is a key growth driver

Top-tier clinical results with low-drug dosage in common to complex patients



World-class clinical trial program

- Top-tier efficacy and safety evidence collected across 6 studies with over 1,500 patients
- Stellarex is the first low-dose DCB to demonstrate a statistically significant treatment effect at 2 years
- Stellarex is the only DCB with proven results in complex disease
- Highest patency rate achieved in comparable, randomized studies



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