

PHILIPS

sense and simplicity

Patient Care and Clinical Informatics

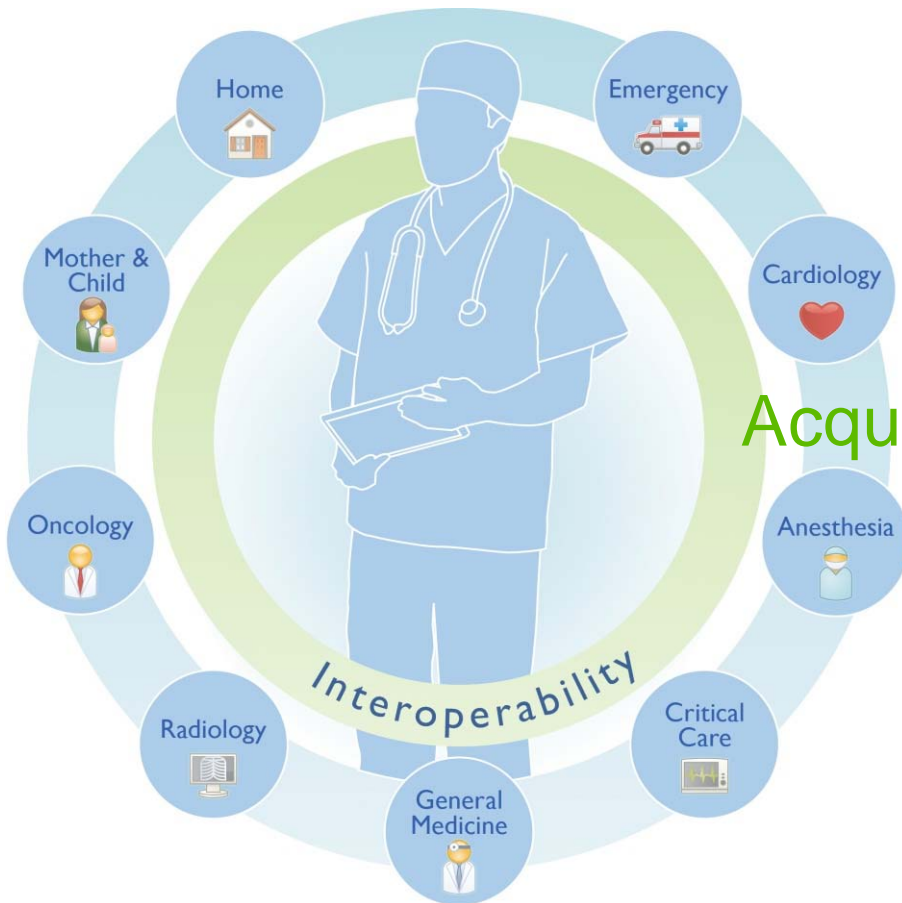
Deborah DiSanzo, a.i. CEO Healthcare Patient Care and Clinical Informatics

Patient Care and Clinical Informatics focus

- Our strategy is consistent and working
- We continue to gain share and leadership
- We continue to grow profitability and increase value for Philips



PCCI strategic intent



Acquire. Analyze. Interpret. Present.

We provide clinical informatics and patient care solutions that simplify clinician workflow, improve financial outcomes, and help improve and save lives

PCCI businesses



Measurements and monitors
Market size: €1.5B Growth: 6%



Patient monitoring systems and
enterprise patient informatics
Market size: €1B Growth: 4%



Enterprise imaging and
cardiology informatics
Market size: €2.5B Growth: 4%



Therapeutic care
Market size: €3B Growth: 4%



Specialty and emerging
markets
Market size: €0.5B Growth: 7%



Mother and child care
Market size: €1B Growth: 5%

Market share and industry strength

Worldwide	Market position	Market share	May 2011	Healthcare Informatics Top 100
Patient Monitoring	#1	46% ↑	1	McKesson
Cardiology Informatics	#1	32% ↑	2	Dell Inc.
Defibrillators	#1	29%	3	CareFusion
Hospital Respiratory Care (Mechanical Ventilation)	#2	21% ↑	4* ↑	Philips
Enterprise Imaging Informatics	#2	14% ↑	5	Cerner
			6	Siemens
			7	Keane
			8	CSC
			9	Pulse Systems
			10	Cognizant

* Improved from #10 in 2010

Patient care solutions are pervasive, wireless and connected



Wireless,
wearable,
mobile

- New** MX40 wearable monitor
- New** IntelliVue Guardian Solution
- New** HeartStart FR3 Automated External Defibrillator (AED)



Monitoring
everywhere

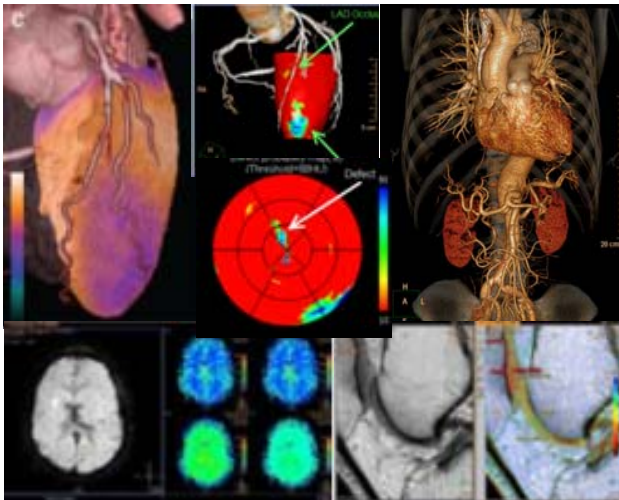
- New** and expanded IntelliVue portfolio
- New** SureSigns VS4, VS2, VS2+
- New** Xper Flex Cardio System
- New** XLR8 monitor/defibrillator
- New** Goldway G10/20, G50/60, CTG7



Clinical decision support,
information management

- New** PIIC iX
- New** CoolRepeat
- New** NM3 with VentAssist

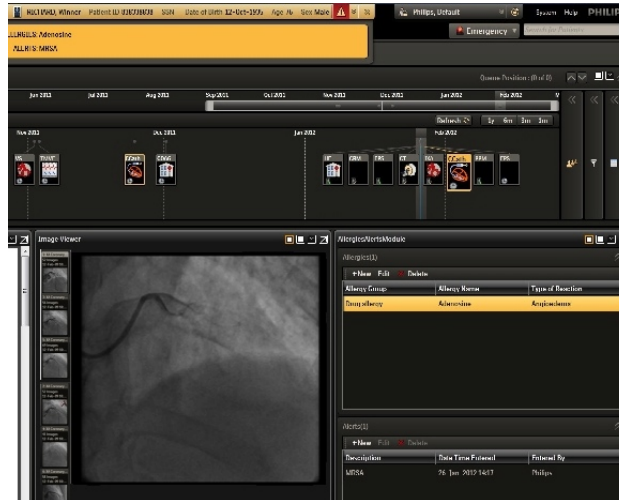
Clinical informatics solutions transform health care



Cross-modality, clinical enterprise workflow

New IntelliSpace Picture Archive and Communication System (PACS) 4.4

New Anywhere Viewer



Advanced clinical decision support applications

New IntelliSpace Cardiovascular

New IntelliSpace Critical Care and Anesthesia

New IntelliSpace Perinatal



Clinical transformation and consulting

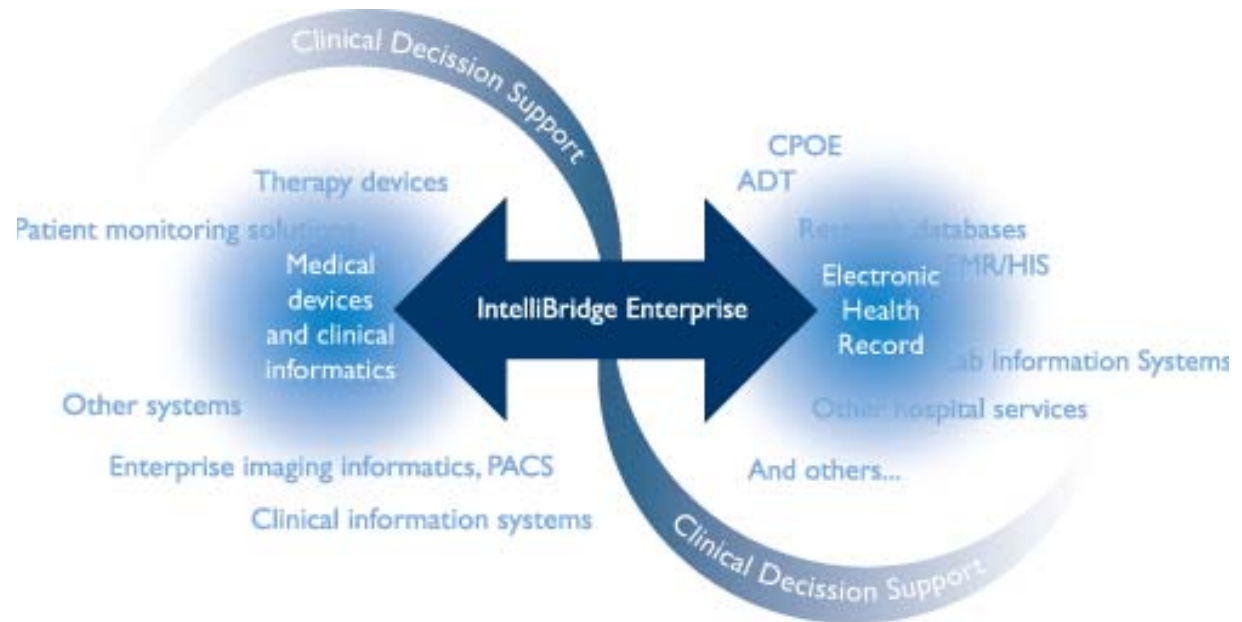
New IntelliSpace Event Management

New eICU smart alerts and prompts

Advancing interoperability and standards

One integration point for all hospital devices and systems

- **New** IntelliBridge Enterprise
- Devices and clinical systems interface to the Electronic Health Record
- Engineering team holds positions on over 20 industry standards committees



Gaining share in key business/market combinations



Middle East



India



Brazil



North America

Patient Care

- **#1 in patient monitoring**
- Leader: 50% share, gained 7 share points
- Cleveland Clinic Abu Dhabi

- **#1 in patient monitoring**
- Leader: 50% share, gained 6 share points
- Tamil Nadu Medical Services prestigious medical schools

- **#1 in patient monitoring**
- Leader: 71% share, gained 2 share points
- Won €11+M Ministry of Education for anesthesia and ventilation

- **#1 in patient monitoring**
- Leader: 51% share, gained 0.5 share point
- West Virginia University

Clinical Informatics

- **#1 for Radiology Informatics**
- Strong, consistent growth since 2007
- Ministry of Health, public sector leader in Saudi Arabia

- **Cardiology Informatics 24% market share**
- Launched local solution in 2011
- Organic growth EMR, radiology, cardiology,
- 2,500+ person, highly skilled team in Bangalore

- **#1 in Clinical Informatics**
- Major deal with DASA, global imaging center conglomerate
- Highly skilled 650-person local team

- **#1 in Cardiology Informatics**
- Gained 2 share points in cardiology
- Gained 3 share points in radiology
- Miami Baptist, Fairview Health System, University of Rochester, Carolinas Health System

Winning in China

- Gained 12 market share points in patient monitoring since 2008
- Sold more high-end IntelliVue MX800 in China than any other market
- Broadened Goldway R&D to include defibrillators and global value solution monitoring platform
- Expanded Goldway value solution channel team
- Relocated diagnostic ECG business to Shanghai
- Established Shanghai-based, dedicated clinical informatics team
- Expanded clinical informatics channel team
- Increased in investment in resources in China : 2011: 75% growth



Realizing hospital to home solutions

Coordinating care across traditional boundaries

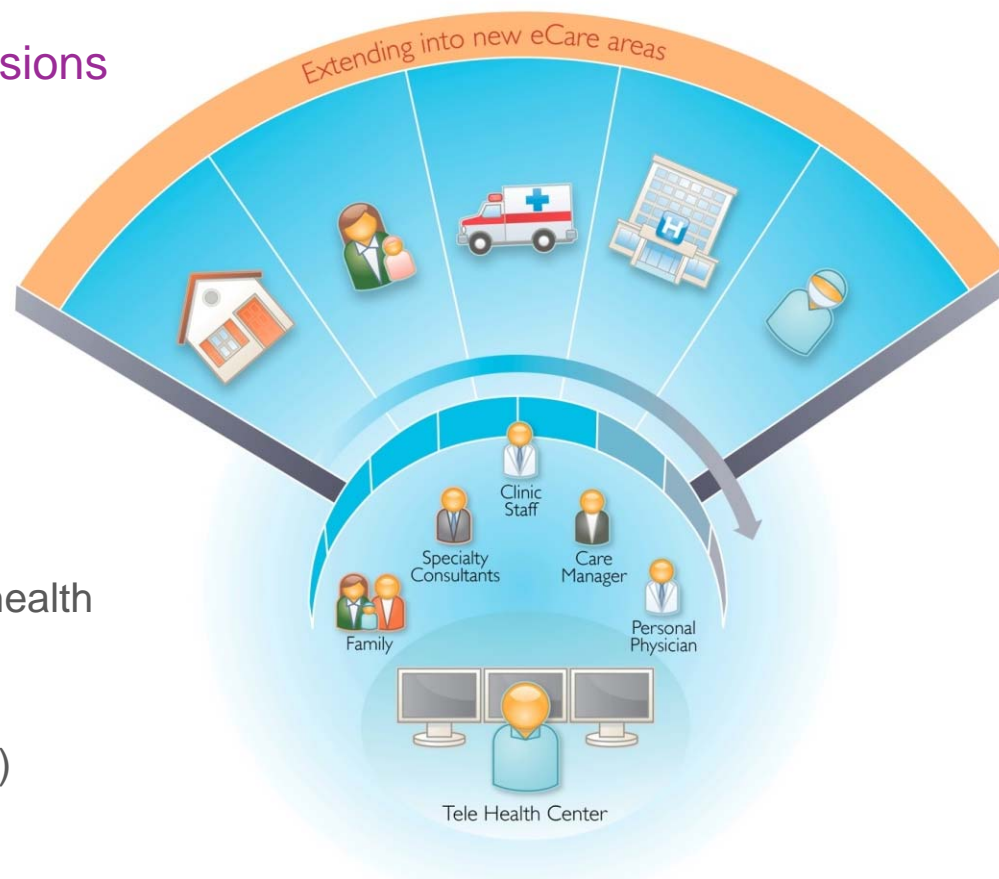
- Enabling a smaller pool of clinicians to care for a larger number of patients – across multiple care settings

Reducing length of stay and hospital readmissions through care coordination

- Empowering patients and their families to stay connected with each other and their health care team outside the clinical setting
- Adding value for Accountable Care Organizations (ACOs)

Phase I trial – Banner Health

- Reducing hospital readmissions with remote telehealth platform and monitored home
- Patient readmission rate: 3.8%*
- National average (24.8% CHF, 18.4% pneumonia)
- Hospital @ Home Phase II - planned expansion



*Early results

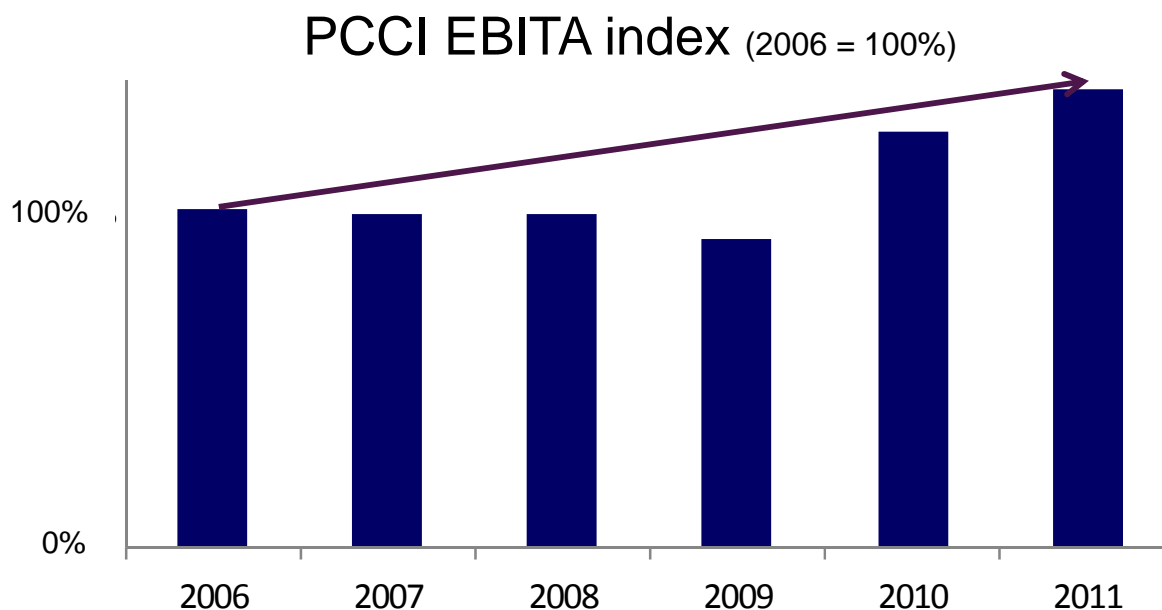
Innovating the personal healthbook

Helping patients connect with their care community and manage hospital discharge effectively

- Pilot: Patient discharge and **usability study** at First Health of the Carolinas
- Connecting patients and care givers to **enable better care at home**
- Enabling patients to seamlessly **manage key clinical and therapeutic protocols**
- Connecting to **providers via telehealth solutions** as needed, e.g., Lifeline and the eICU



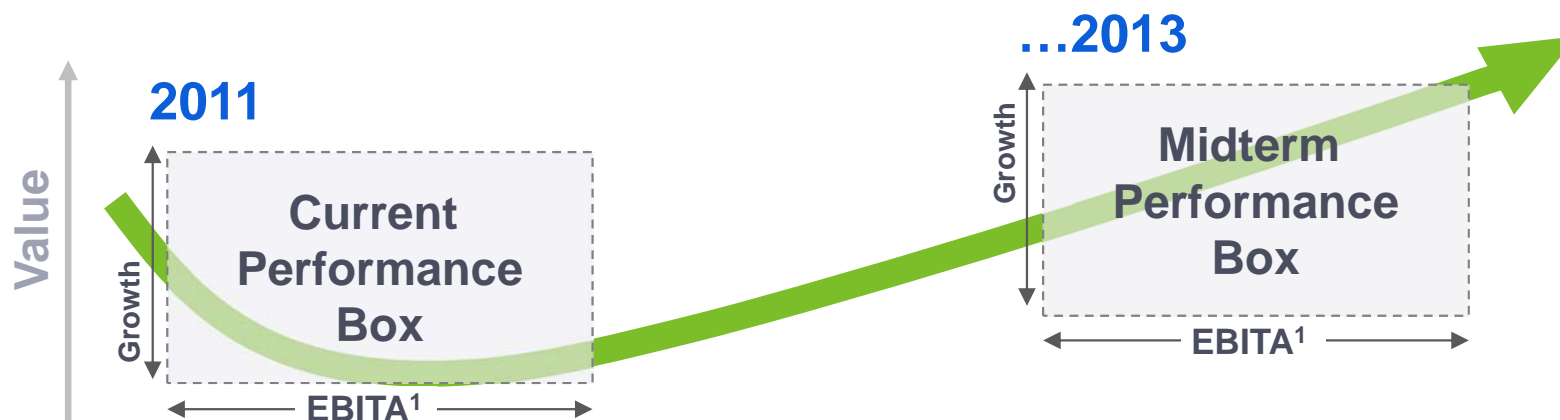
Acquired companies adding value



2006	2007	2008	2009	2010	2011
Stentor ●	XIMIS ●	Visicu ●	Innercool ●	Tecso Informatica ●	Dameca ●
Witt Biomedical ●	Emergin ●	Goldway ●		CDP Medical ●	
Invivo monitors ●		TOMCAT ●		Wheb Sistemas ●	
		Respironics Hospital ●			
		Dixtal ●			

● Green = Met targets ● Red = Did not meet targets, represents < 0.5% of PCCI revenue

Path to Value: Patient Care and Clinical Informatics



Building on track record of value creation

- Double-digit order intake and sales growth
- Highest margins in the industry
- Investing in R&D and introduced 40 new solutions
 - 10% increase in investment 2011
 - 10% increase in investment 2012
- Investing in growth geographies, adding resources
 - 50% increase in investment 2011
 - 200% increase in investment, 2012, China, clinical informatics, therapy devices

Accelerate! strategy

- Gain share and extend leadership positions
- Expand leadership in patient monitoring, clinical informatics, therapy; launching 38 new solutions
- Accelerate seamless interoperability
- Deliver return on investment in R&D and customer facing resources
- Deliver value from past acquisitions
- Invest in End2End IT landscape to better serve our software and solutions businesses

¹ as reported, i.e. including restructuring and acquisition related charges

