

PHILIPS

sense and simplicity

Philips Research

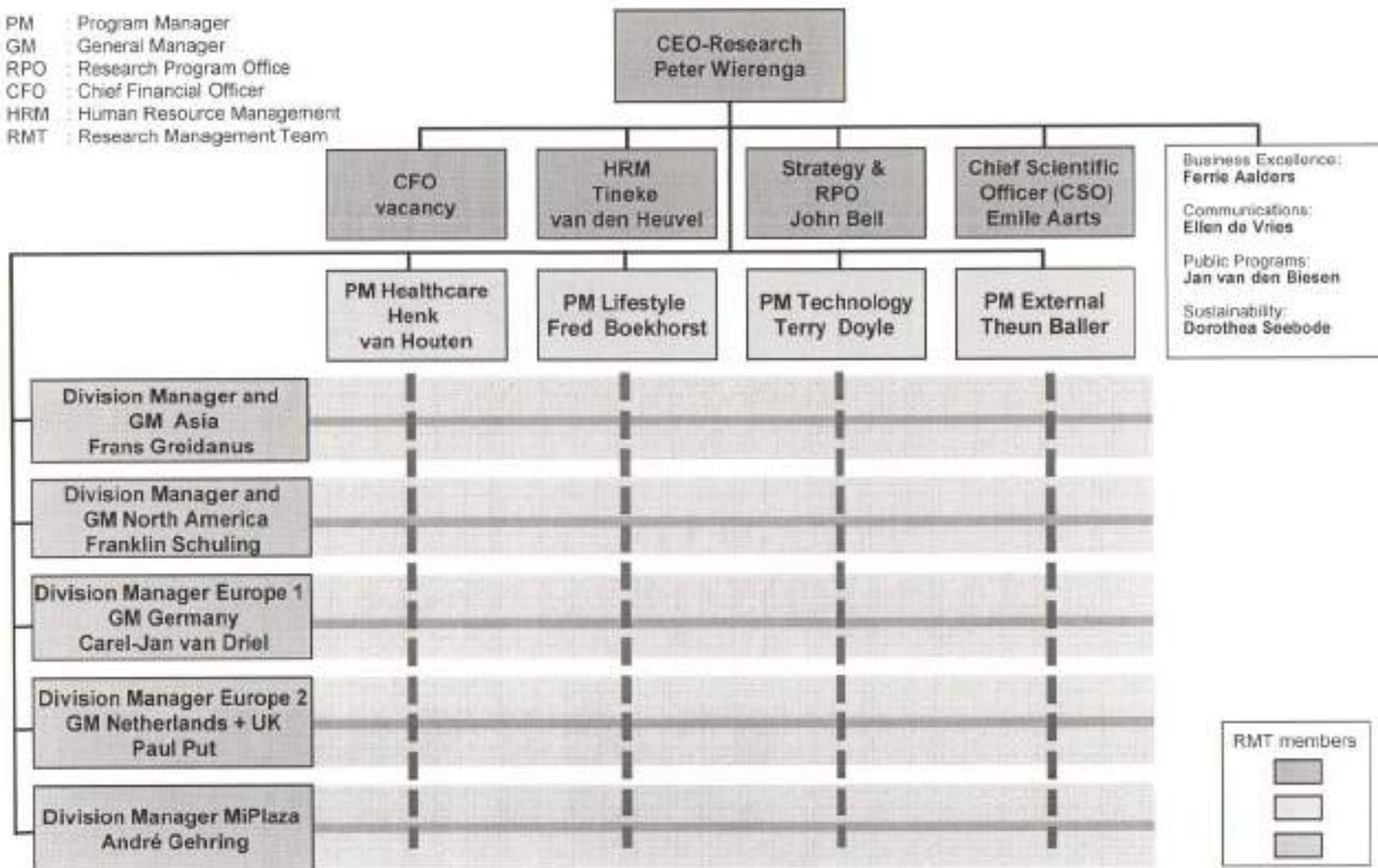
Organization Schemes (new governance)

Philips Research

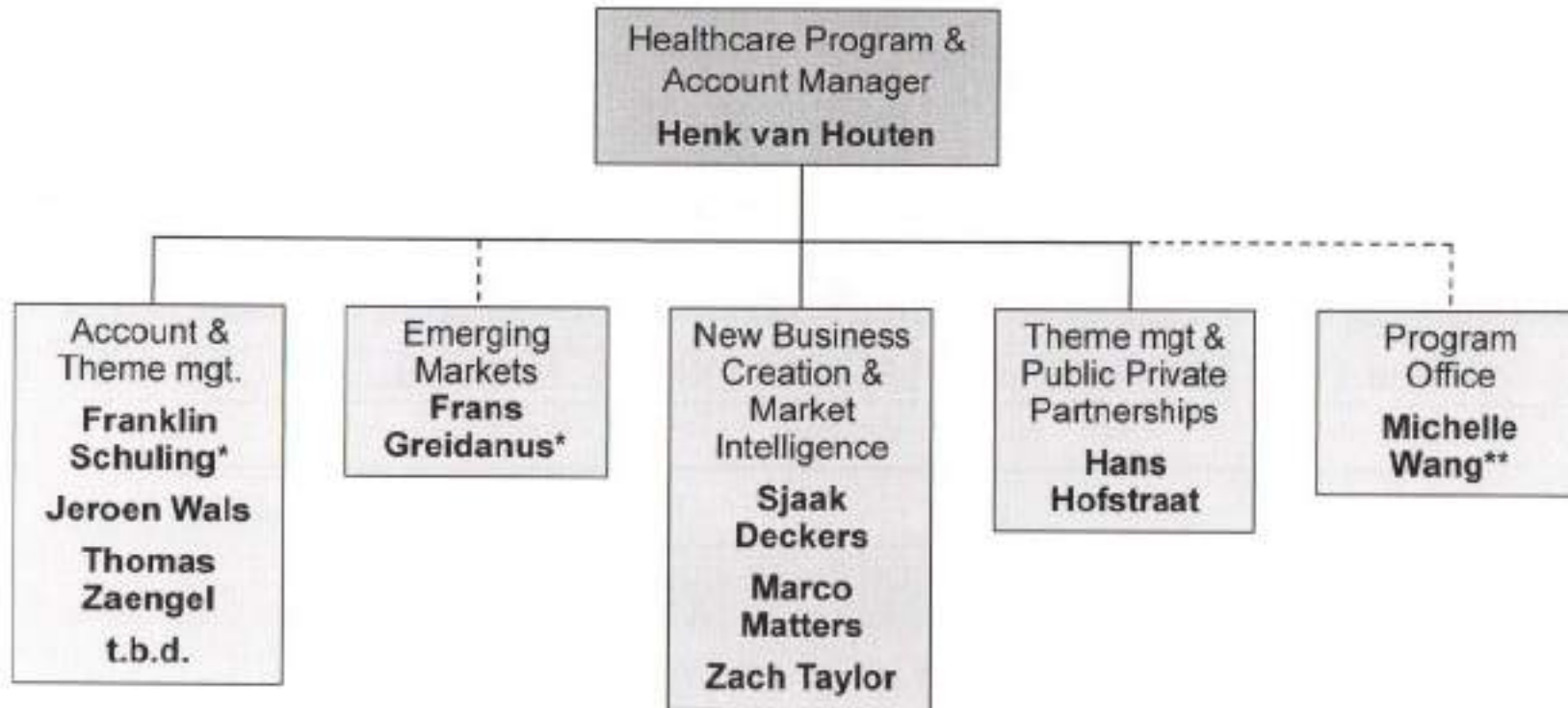
Aug 1, 2009

Philips Research

- PM : Program Manager
- GM : General Manager
- RPO : Research Program Office
- CFO : Chief Financial Officer
- HRM : Human Resource Management
- RMT : Research Management Team



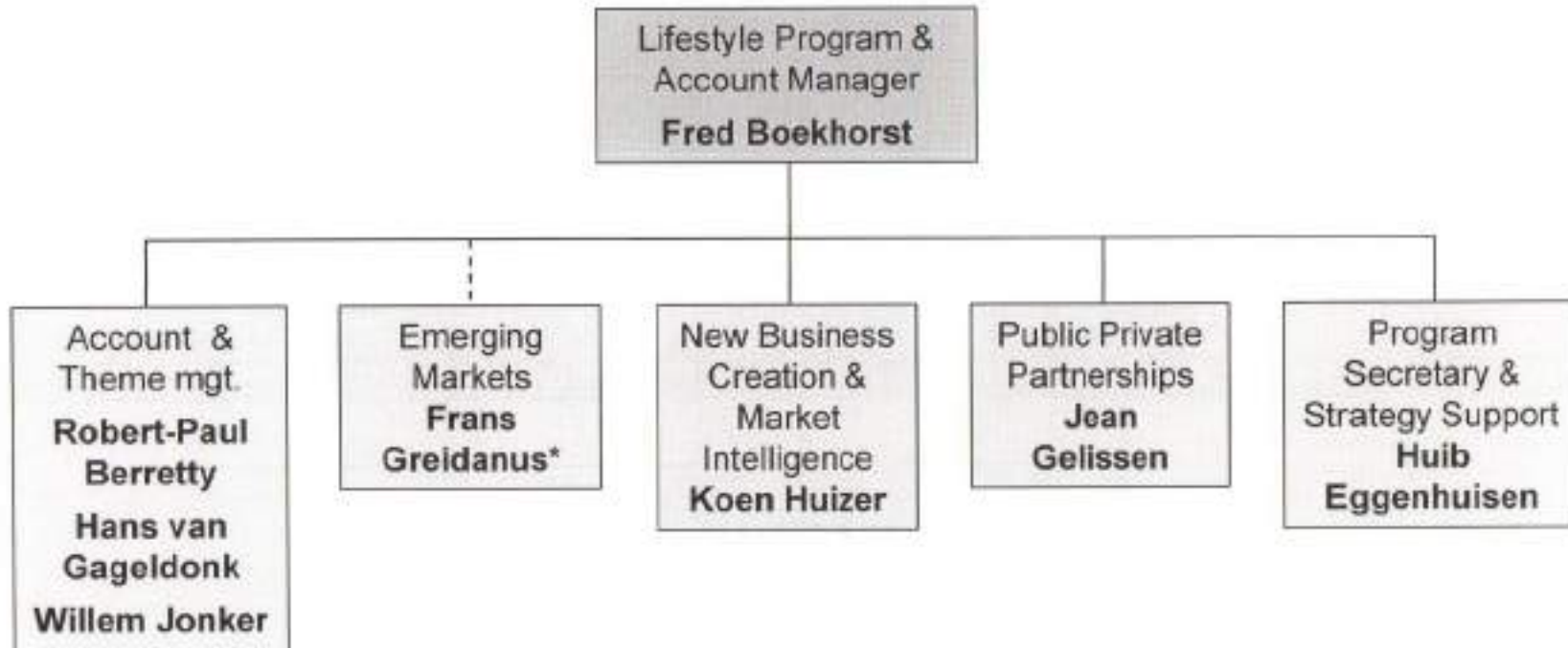
Healthcare Program Staff



*: reports to CEO of Research

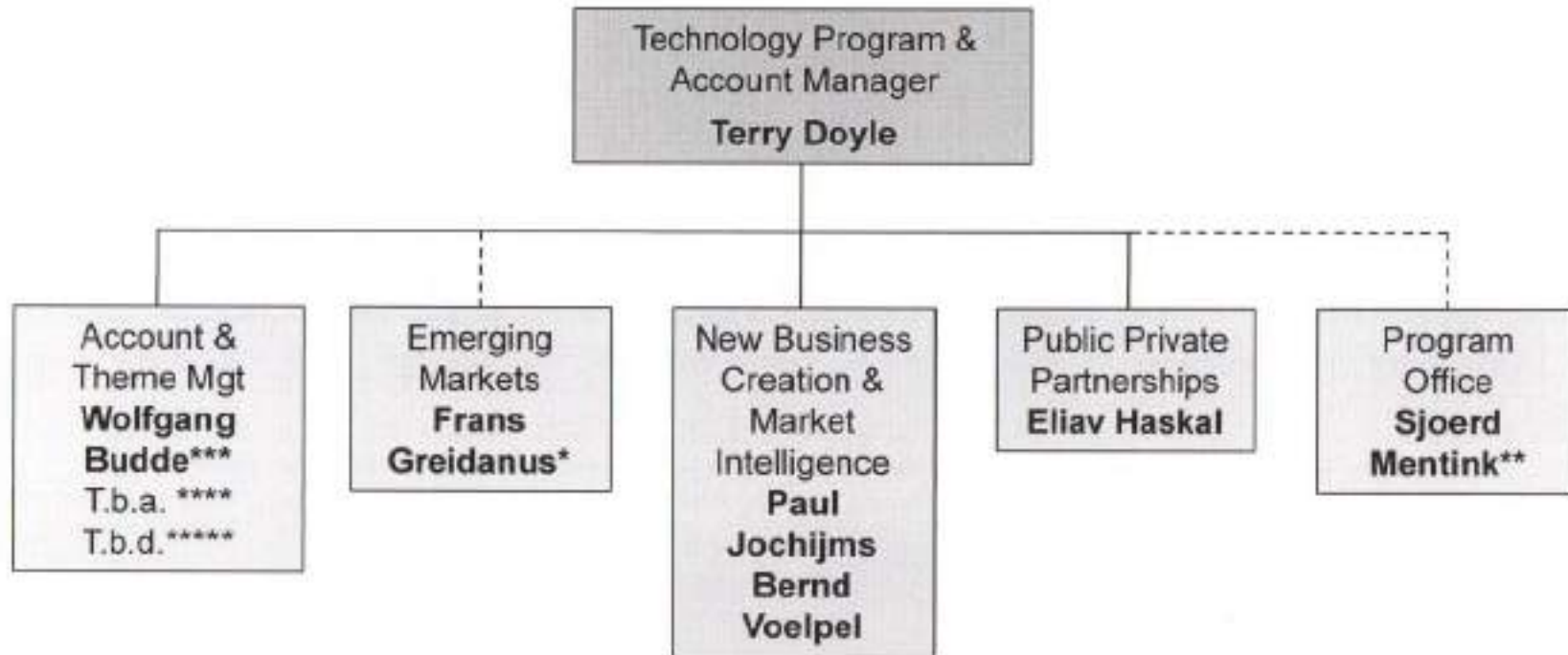
**: reports to RPO Manager

Lifestyle Program Staff



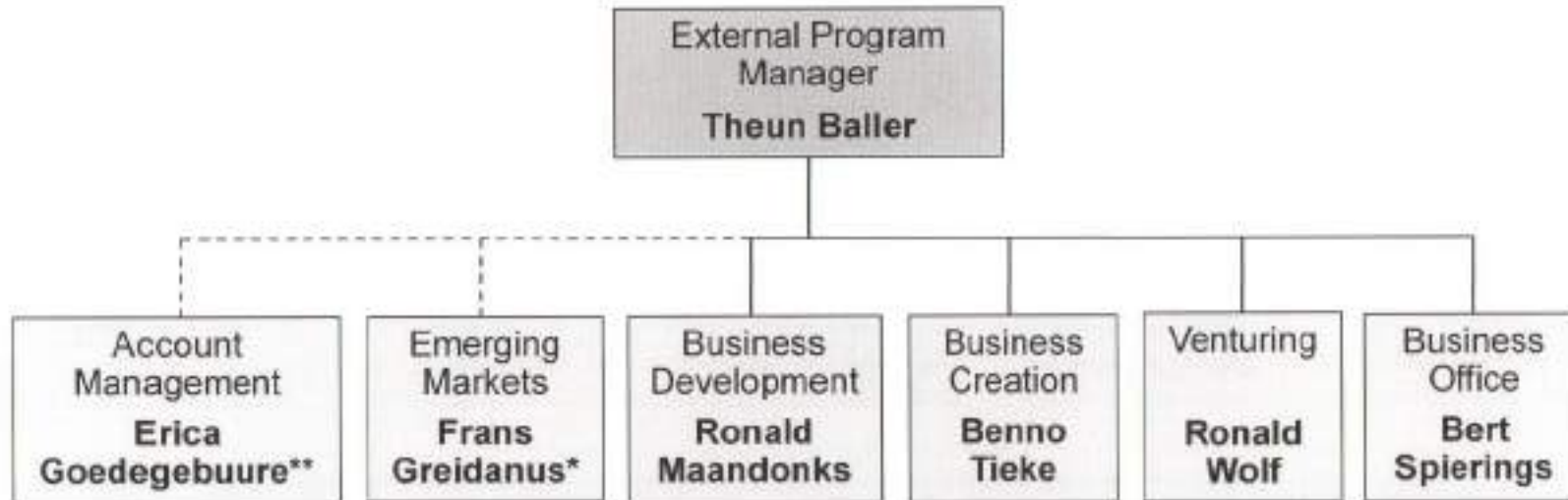
*: reports to CEO of Research

Technology Program Staff



*: reports to CEO of Research
**: reports to RPO Manager
***: A gradual transition of appr. 6 months into this position is foreseen
****: To be announced on October 1, 2009
*****: To be decided

External Program Staff



*: reports to CEO of Research

** : reports to RPO Manager

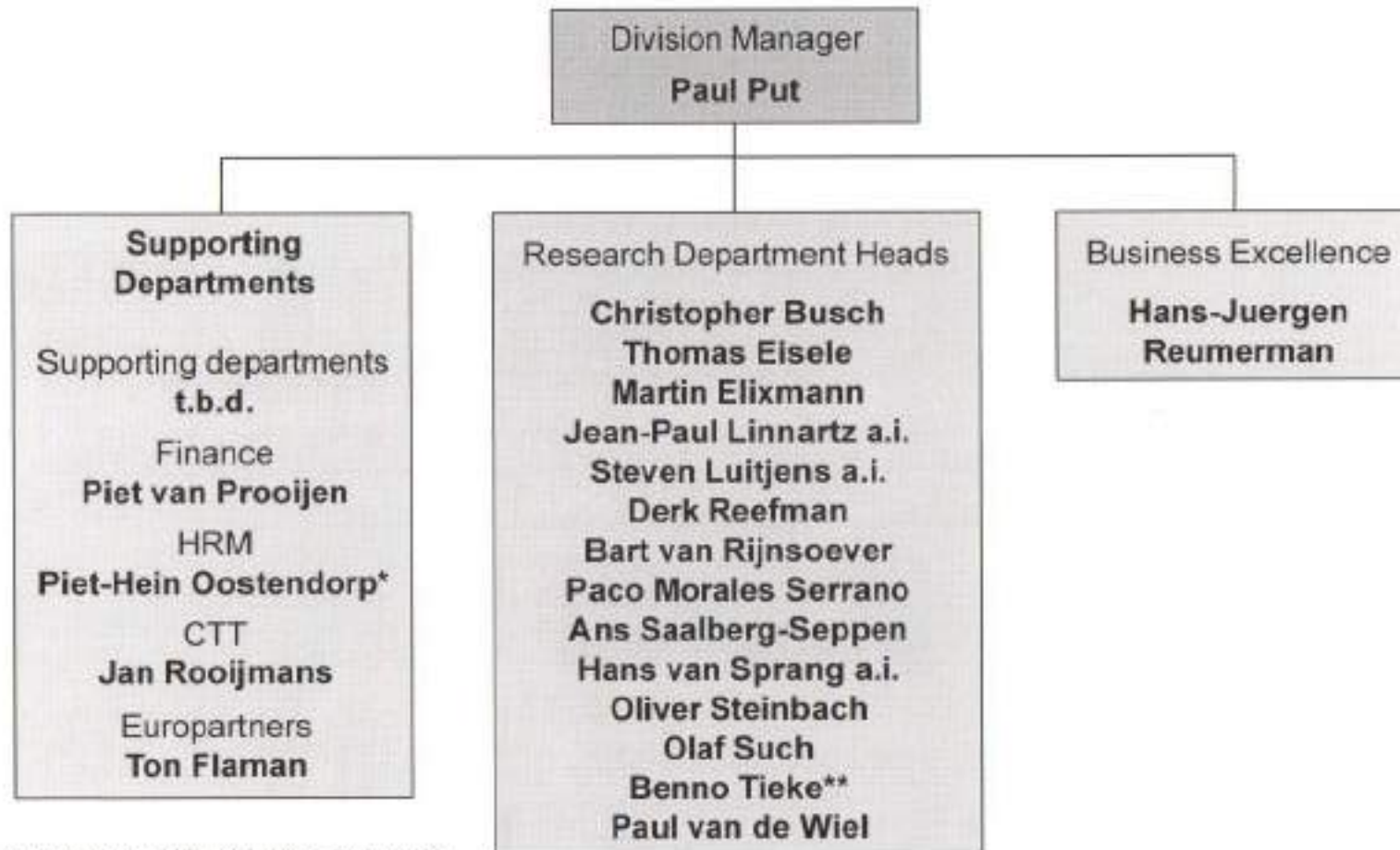
Division Europe 1



*: A gradual transition of appr. 6 months into the staff of the Technology Program staff is foreseen

** : until September 1, 2009

Division Europe 2



*: reports to HR-manager Research

** : After handing-over to Hans Huiberts, transition into new position in External Program staff

Local Management Team Aachen

Members:

- Carel-Jan van Driel General Manager *Chairman*
- Rolf Tabellion Operations Germany
- Ralf Raue Strategy and Information

PHILIPS

Local Management Team Hamburg

Members:

- Carel-Jan van Driel General Manager *Chairman*
- Gerhard Krohn Human Resource Management
- Dye Jensen Research Group Tomographic Imaging
- Günter Zeitler Research Group Digital Imaging

Local Management Team UK (Cambridge)

Members:

- Paul Put General Manager *Chairman*
- Mrag McLeod Human Resource Management
- Brian Lugg Finance
- Hans Huiberts Research department (per Sept. 1)

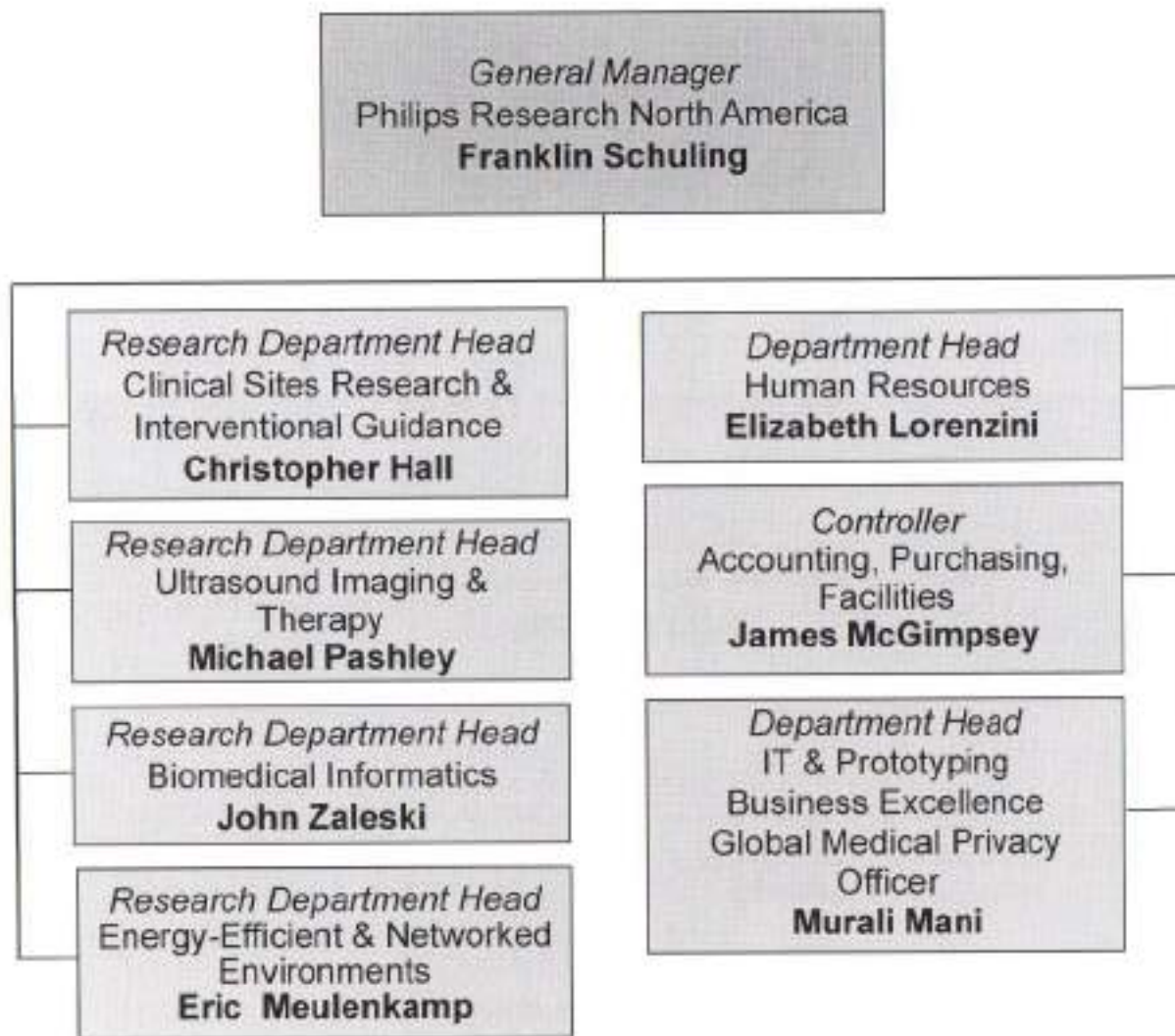
Local Management Team Eindhoven

Members:

- Paul Put General Manager *Chairman*
Research Groups Eindhoven Division Europe 2
- Piet-Hein Oostendorp Human Resource Management
- Carel-Jan van Driel Research Groups Eindhoven Division Europe 1
- André Gehring MiPlaza
- Piet van Prooijen Finance



Philips Research North America



Philips Research Asia

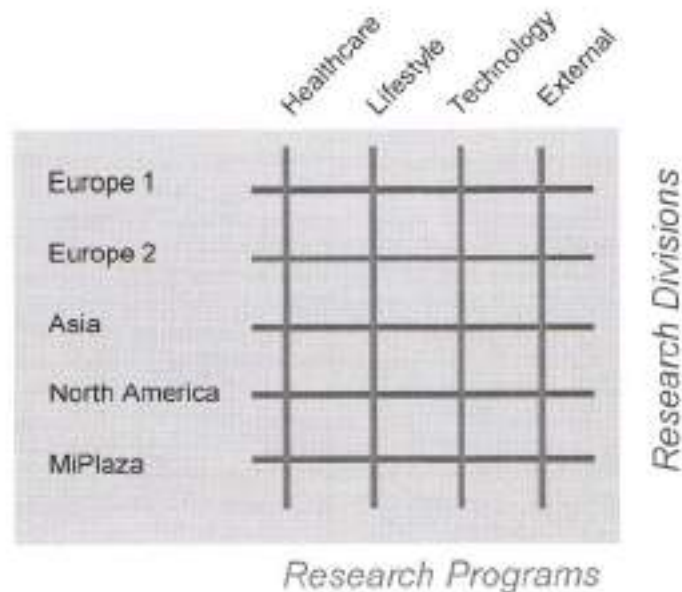


*) Reporting to Manager Systems Creation MiPlaza

■ Shanghai, China
■ Bangalore, India

New governance structure essentials

PHILIPS



The main characteristics of the new governance structure listed:

- A matrix organization with two equal axes:
 - a. five divisions: Europe 1, Europe 2, Asia, North America, and MIPlaza
 - b. four programs: Healthcare, Lifestyle, Technology and External
- The Management Team has a single reporting line to the CEO of Research.
- The new External Program serves accounts outside Philips.
- The division staffs manage people and competencies.
- Program staffs are responsible for themes and accounts.
- Technical realization groups in the Labs will become part of MIPlaza.
- Each site will have a local Management Team.
- The Emerging Markets portfolio stays intact.