

PHILIPS Lighting

Press Release

May 14, 2018

Philips Lighting acquires Chinese urban lighting company LiteMagic Technologies

- *Acquisition adds a complementary portfolio of luminaires and control systems for the mid segment of the city façade lighting market.*
- *Enables Philips Lighting to better capitalize on the large and fast growing urban lighting market in China.*

Shanghai, China – Philips Lighting (Euronext: LIGHT), the world leader in lighting, today announced it has entered into an agreement to acquire Shenzhen LiteMagic Technologies Co., Ltd., a Chinese manufacturer and seller of lighting luminaires and control systems for urban and façade lighting.

With this acquisition, Philips Lighting expands its high-end portfolio of façade lighting with a complementary portfolio of luminaires and control systems to capture growth in the mid segment of the urban market. It also helps the company to better capitalize on the large and fast-growing market for urban lighting in China.

Founded in 2004, LiteMagic Technologies is located in Shenzhen and generated annual sales of approximately EUR 32 million in 2017. Its broad and cost-competitive product portfolio is complementary to that of Philips Lighting. LiteMagic Technologies is able to swiftly implement city-wide lighting projects and customize products to meet its customers' needs. The company will continue to operate in China under the LiteMagic brand name.

“The acquisition is in line with our global strategy to grow both organically and through selected acquisitions,” said Harsh Chitale, Business Group Leader Professional at Philips Lighting. “Urban lighting is a growing and attractive market and with the acquisition of LiteMagic Technologies we are strengthening our leadership position.”

“LiteMagic Technologies has a strong foothold in many cities in China and significant expertise in urban lighting. Together we will bring our complementary and comprehensive portfolio of products, systems and services to the growing number of cities in China looking to turn buildings, bridges and boulevards into beautiful public spaces at night,” said John Wang, Market Group Leader Greater China at Philips Lighting.

“We are excited to become part of Philips Lighting and look forward to working together to add value and increase market share in the fast-growing urban lighting market in China,” said Rick Liu, General Manager of LiteMagic Technologies.

Philips Lighting has been in China since 1920. Currently the company serves professional and consumer markets through its 36 sales offices, more than 300 branded retail stores and 10,000 outlets. Philips Lighting's second largest research and development center is located in China while it also operates five manufacturing sites in the country.

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The transaction, upon filing with Chinese regulatory authorities, is expected to close in the third quarter of 2018 and to be accretive in 2019. Financial details were not disclosed.

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About Philips Lighting

Philips Lighting (Euronext: LIGHT), the world leader in lighting products, systems and services, delivers innovations that unlock business value, providing rich user experiences that help improve lives. Serving professional and consumer markets, we lead the industry in leveraging the Internet of Things to transform homes, buildings and urban spaces. With 2017 sales of EUR 7.0 billion, we have approximately 32,000 employees in over 70 countries. News from Philips Lighting is located at the [Newsroom](#), [Twitter](#) and [LinkedIn](#). Information for investors can be found on the [Investor Relations](#) page.