



June 13, 2016

Full Exercise of Philips Lighting Over-Allotment Option

Amsterdam, the Netherlands – Koninklijke Philips N.V. (“Royal Philips”) and Philips Lighting N.V. (“Philips Lighting” or the “Company”) today announced that the Underwriters have exercised in full the over-allotment option.

As part of the initial public offering of Philips Lighting on Euronext Amsterdam (the “IPO” or the “Offering”) and as described in the prospectus dated 16 May 2016 and the pricing statement dated 26 May 2016, Royal Philips granted the Underwriters the option to acquire up to 5.625 million additional issued ordinary shares of Philips Lighting (“Shares”) at the price of €20.00 per Share. With today’s full exercise of the over-allotment option pursuant to which an additional 5.625 million Shares have been sold in the Offering, the total number of offered Shares amounts to 43.125 million Shares, which represents 28.75% of the Shares and an aggregate amount of €862.5 million in Shares sold in the Offering.

Following the full exercise of the over-allotment option, Royal Philips holds 71.25% of the Shares. Royal Philips and Philips Lighting are subject to a lock-up of 180 days after 31 May 2016, the date of settlement of the IPO, and the members of the Philips Lighting Board of Management are subject to a lock-up of 360 days after 31 May 2016, subject to certain customary exceptions. Royal Philips aims to sell all of its remaining shares over the next several years as Royal Philips will focus on its HealthTech businesses.

Goldman Sachs International, acting as the Stabilization Manager, has informed the Company that no stabilization was undertaken by the Stabilization Manager.

The Offering was made only by means of a prospectus. Copies of the prospectus, subject to applicable securities law restrictions, can be obtained on the Philips Lighting website at www.lighting.philips.com/main/company. The prospectus can also be found on the Netherlands Authority for the Financial Markets (“AFM”) website at www.afm.nl and the Euronext Amsterdam N.V. website at www.euronext.com.

Earlier announcements related to the Offering

On 3 May 2016, Royal Philips and Philips Lighting announced the intention to launch an initial public offering and listing of Philips Lighting on Euronext Amsterdam. On 16 May 2016, Royal Philips and Philips Lighting announced the indicative price range and offer size of the planned IPO of Philips Lighting and publication of the prospectus. On 26 May 2016, Royal Philips and Philips Lighting announced the pricing of the IPO and publication of the pricing statement. Philips Lighting announced its listing and trading on Euronext Amsterdam on 27 May 2016. Settlement of the IPO took place on 31 May 2016. The press releases, the prospectus and the pricing statement are available on the Philips Lighting website (www.lighting.philips.com/main/company).

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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. 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. Headquartered in the Netherlands, Philips' health technology portfolio generated 2015 sales of EUR 16.8 billion and employs approximately 69,000 employees with sales and services in more than 100 countries.

About Philips Lighting

Philips Lighting (Euronext Amsterdam ticker: LIGHT) is a global leader in lighting products, systems and services. Our understanding of how lighting positively affects people coupled with our deep technological know-how enable us to deliver digital lighting innovations that unlock new business value, deliver rich user experiences and help to improve lives. Serving professional and consumer markets, we sell more energy efficient LED lighting than any other company. We lead the industry in connected lighting systems and services, leveraging the Internet of Things to take light beyond illumination and transform homes, buildings and urban spaces. In 2015, we had sales of EUR 7.5 billion and have approximately 36,000 employees in over 70 countries.

Important Information

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Securities Act. Any sale in the United States of the securities mentioned in this communication will be made solely to “qualified institutional buyers” as defined in, and in reliance on, Rule 144A under the Securities Act.

The Company has not authorized any offer to the public of Shares in any Member State of the European Economic Area other than the Netherlands. With respect to any Member State of the European Economic Area, other than the Netherlands, and which has implemented the Prospectus Directive (each a “Relevant Member State”), no action has been undertaken or will be undertaken to make an offer to the public of Securities requiring publication of a prospectus in any Relevant Member State. As a result, the Shares may only be offered in that Relevant Member State (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive; or (ii) in any other circumstances falling within Article 3(2) of the Prospectus Directive. For the purpose of this paragraph, the expression “offer of securities to the public” means the communication in any form and by any means of sufficient information on the terms of the offer and the Shares to be offered so as to enable the investor to decide to exercise, purchase or subscribe for the Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

This document does not constitute a prospectus within the meaning of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht) and does not constitute an offer to acquire securities. Any offer to acquire Shares has been made, and any investor should make his investment, solely on the basis of information that is contained in the prospectus made generally available in the Netherlands in connection with such offering. Copies of the prospectus may be obtained at no cost from the Company or through the website of the Company.

In the United Kingdom, this communication is only being distributed to, and is only directed at “qualified investors” (as defined in section 86(7) of the Financial Services and Markets Act 2000) who are (i) investment professionals falling within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (ii) persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Order (all such persons together being referred to as “relevant persons”). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Any person who is not a relevant person should not take any action on the basis of this communication and should not act or rely on it or any of its contents.

Forward-looking Information

This document contains forward looking statements that reflect Royal Philips’ and the Company’s intentions, beliefs, or current expectations about and targets for the Company’s future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates, including with respect to the sell down of the majority holding of Royal Philips. Forward-looking statements involve all matters that are not historical facts. Philips Lighting has tried to identify forward-looking statements by using words as “may”, “will”, “would”, “should”, “expects”, “intends”, “estimates”, “anticipates”, “projects”, “believes”, “could”, “hopes”, “seeks”, “plans”, “aims”, “objective”, “potential”, “goal” “strategy”, “target”, “continue”, “annualized” and similar expressions or negatives thereof or other

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variations thereof or comparable terminology, or by discussions of strategy that involve risks and uncertainties. The forward-looking statements are based on the Company's beliefs, assumptions and expectations regarding future events and trends that affect the Company's future performance, taking into account all information currently available to the Company, and are not necessarily indicative or guarantees of future performance and results. These beliefs, assumptions and expectations can change as a result of possible events or factors, not all of which are known to the Company or are within the Company's control. If a change occurs, the Company's business, financial condition, liquidity, results of operations, anticipated growth, strategies or opportunities may vary materially from those expressed in, or suggested by, these forward-looking statements. In addition, the forward-looking estimates and forecasts reproduced in this document from third-party reports could prove to be inaccurate. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing the Company, and its subsidiaries. Investors or potential investors should not place undue reliance on the forward-looking statements in this document. In light of the possible changes to the Company's beliefs, assumptions and expectations, the forward-looking events described in this document may not occur. Additional risks currently not known to the Company or that the Company has not considered material as of the date of this document could also cause the forward-looking events discussed in this document not to occur. Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. The Company undertakes no duty to and will not necessarily update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law. The prospectus also contains a detailed description of risks related to investing in Philips Lighting shares.