

Press Information

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PHILIPS TACKLES ENERGY CRISIS WITH UNPRECEDENTED LIGHTING AUDIT AND UPGRADE PROGRAM

First-of-its-kind program guarantees economic payback, reduced carbon footprint and increased light quality for overwhelmingly inefficient buildings

NEW YORK – LIGHTFAIR INTERNATIONAL 2009 – Philips today announced a new commercial energy audit and lighting upgrade program, aimed at replacing inefficient lighting systems currently found in 85% of existing buildings. With facility management budgets shrinking, this program guarantees building owners – in writing – a reduction in expenses and energy use, while improving the quality of light throughout their facilities.

A key element to the program, being led by the Philips Lightolier Energy Services Group, is a guarantee that the energy audit will deliver measurable energy cost reduction, defined projected return on investment, and itemized economic payback, among other benefits.

Philips takes a holistic responsibility from inception to completion of the entire upgrade process – from initial site analysis, to selection and installation of sustainable lighting solutions, to the paperwork required for tax and utility incentives. It's also differentiated by a contractually-guaranteed economic payback and an extensive portfolio of high-quality lighting options that suit virtually every application.

With significant lighting acquisitions since 2005, including the acquisition of Genlyte in 2008, Philips has amassed an exceptional breadth of well-respected brands, including Lightolier, which today make up the world's largest integrated lighting solutions provider. With an extensive portfolio of interior, exterior and site lighting combined with a global commitment to sustainability, this lighting audit and upgrade program was the next logical step.

“The majority of existing building space was completed before 1986, and yet tremendous strides have been achieved in energy-saving lighting methods since that time, but especially in the last five years,” said Zia Eftekhari, CEO, Philips Lightolier. “At the same time, building owners are being impacted by an ever-growing number of government regulations, energy codes, tax incentives and utility rebates that either encourage or require the use of more efficient sources.”

“In short, there are now more financial and environmental incentives to own and run a green building than ever before. This program takes the time and complexity out of the process.”

There are three significant areas in which building owners can invest to improve energy efficiency; lighting, HVAC systems, and the building envelope – roof, walls. While the latter two options typically require a significant overhaul, Philips can dramatically reduce

lighting-related energy use with relative ease and in a seamless, turn-key fashion, immediately addressing 30%-50% of a commercial building's electricity.

"It's important to note that we are improving the quality of light at the same time as helping a building become more energy efficient," Eftekhar continued. "We know that reducing energy use and operational costs cannot come at the expense of properly illuminating the facility, and we believe we are in the unique position to deliver both efficiencies and quality of light."

The Philips Lightolier Energy Services Group has established a strategic alliance with firms that specialize in various aspects of services offered, including its Electrical Wholesale Distributor partners. The services offered by the program include:

- A lighting energy analysis of the facility
- Benchmarking of the current lighting system performance
- An investment-grade audit
- Selection of sustainable lighting systems and controls
- Implementation of lighting system retrofits and/or replacements
- Lamp replacement and maintenance
- Qualification for tax and utility incentives
- Measurement of results for guaranteed payback
- Energy Star benchmarking to qualify for the label

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About Royal Philips Electronics

Royal Philips Electronics of the Netherlands (NYSE: PHG, AEX: PHI) is a diversified Health and Well-being company, focused on improving people's lives through timely innovations. As a world leader in healthcare, lifestyle and lighting, Philips integrates technologies and design into people-centric solutions, based on fundamental customer insights and the brand promise of "sense and simplicity". Headquartered in the Netherlands, Philips employs approximately 116,000 employees in more than 60 countries worldwide. With sales of \$38 billion in 2008, the company is a market leader in cardiac care, acute care and home healthcare, energy efficient lighting solutions and new lighting applications, as well as lifestyle products for personal well-being and pleasure with strong leadership positions in flat TV, male shaving and grooming, portable entertainment and oral healthcare. News from Philips is located at www.philips.com/newscenter.