

Press Information

November 27, 2007

PHILIPS OPENS FIRST LUXEON® POWER LED PRODUCTION FACILITY IN ASIA

Singapore – Royal Philips Electronics (NYSE:PHG, AEX:PHI) announced today the opening of its first LUXEON high power LED production facility outside of Silicon Valley. This new facility will extend Philips Lighting's LED leadership, while accelerating the growth of the solid state lighting industry. Today's official opening marks that the site has become operational in less than a year since the company's site selection was finalized. High volume production for the LUXEON range of LEDs began in Q1 2007 with a workforce of 150 employees. This workforce will expand to 900 employees when the facility is operating at full capacity.

The opening is part of Philips Lighting's strategy to strengthen its leadership position in the fast growing and rapidly emerging power LED market. LUXEON LEDs are used in city beautification lighting, LCD displays, camera flash for mobile phones, automotive applications and various other applications.

Theo van Deursen, CEO of Philips Lighting and member of Philips' Board of Management, comments: "As our industry shifts towards solid-state lighting, we have done EUR 2 billion in strategic acquisitions to establish a leadership position in solid-state lighting across the value chain from a component level with Lumileds to delivering total solutions with Color Kinetics. This new facility in Singapore; will not only double the production capacity of our LUXEON power LEDs, it will also strengthen our number one position in this field, and fuel our growth ambitions in lighting that we outlined in Philips Vision 2010."

Philips Lighting is focusing on the power LED market, which is expected to grow strongly over the coming years. The long-lasting LUXEON® range of power LEDs matches the brightness of conventional light sources and for the first time, will make it possible to replace incandescent, halogen and fluorescent bulbs in many products with smaller, longer-lasting and more energy efficient LEDs.

Welcoming the new investment by Philips, Mr Lim Siong Guan, Chairman of Singapore Economic Development Board, said: "Philips Lumileds is a leader in LED lighting, an environmentally sound application which meets the needs of energy and climate concerns. We are very pleased to be chosen in their expansion strategy to reinforce their complex manufacturing presence here."

Solid-state lighting is seen as the biggest revolution in lighting technology since Thomas Edison invented the incandescent bulb. Although it has been a niche solution for general lighting markets in the past, the creation of white-light LEDs a few years ago has transformed its potential. Over time, solid-state lighting is expected to revolutionize the lighting industry. Philips Lighting's applications can already be found in all kinds of applications, such as for shops, city beautification and in homes, enabling users to create atmospheres in the way that suits them best.



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About Royal Philips Electronics

Royal Philips Electronics of the Netherlands (NYSE: PHG, AEX: PHI) is a global leader in healthcare, lighting and consumer lifestyle, delivering products, services and solutions through the brand promise of “sense and simplicity”. Headquartered in the Netherlands, Philips employs approximately 128,000 employees in more than 60 countries worldwide. With sales of EUR 27 billion in 2006, the company is a market leader in medical diagnostic imaging and patient monitoring systems, energy efficient lighting solutions, personal care and home appliances, as well as consumer electronics. News from Philips is located at www.philips.com/newscenter.

Forward-looking statements

This release may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Philips and certain of the plans and objectives of Philips with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.