

First quarter 2026 results

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Important information

Forward-looking statements and other important information

This document and the related oral presentation, including responses to questions following the presentation, 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. Examples of forward-looking statements include statements made about our strategy, estimates of sales growth, future Adjusted EBITA*, future restructuring and acquisition-related charges and other costs, future developments in Philips' organic business and the completion of acquisitions and divestments. Forward-looking statements can be identified generally as those containing words such as "anticipates", "assumes", "believes", "estimates", "expects", "should", "will", "will likely result", "forecast", "outlook", "projects", "may" or similar expressions. By their nature, these statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these statements.

These factors include, but are not limited to, macro-economic and geopolitical changes – including the war in Ukraine and ongoing tensions in the Middle East – as well as measures such as enacted and proposed tariffs and trade actions introduced in response to rising global tensions; Philips' ability to keep pace with the changing health technology environment; Philips' ability to gain leadership in artificial intelligence and health informatics in response to developments in the health technology industry; integration of acquisitions and their delivery on business plans and value creation expectations; ability to meet expectations with respect to ESG-related matters; securing and maintaining Philips' intellectual property rights, and unauthorized use of third-party intellectual property rights; failure of products and services to meet quality or security standards, adversely affecting patient safety and customer operations; the resilience of our supply chain; challenges in simplifying our organization and our ways of working; attracting and retaining personnel; breach of cybersecurity; challenges in driving operational excellence and speed in bringing innovations to market; treasury and financing risks; tax risks; reliability of internal controls; compliance with regulations and standards involving quality, product safety, (cyber) security and artificial intelligence; and compliance with business conduct rules and regulations including privacy, existing and upcoming ESG disclosure and due diligence requirements. As a result, Philips' actual future results may differ materially from the plans, goals and expectations set forth in such forward-looking statements. For a discussion of factors that could cause future results to differ from such forward-looking statements, see also the Further information chapter included in the Annual Report 2025.

Third-party market share data

Statements regarding market share contained in this document, including those regarding Philips' competitive position, are based on outside sources such as specialized research institutes, as well as industry and dealer panels, in combination with management estimates. Where information is not yet available to Philips, market share statements may also be based on estimates and projections prepared by management and/or based on outside sources of information. Management's estimates of rankings are based on order intake or sales, depending on the business.

Market Abuse Regulation

This presentation contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Use of non-IFRS Information

In presenting and discussing the Philips Group's financial position, operating results and cash flows, management uses certain non-IFRS financial measures. These non-IFRS financial measures should not be viewed in isolation as alternatives to the equivalent IFRS measure and should be used in conjunction with the most directly comparable IFRS measures. Non-IFRS financial measures do not have standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. A reconciliation of these non-IFRS measures to the most directly comparable IFRS measures is contained in this document. Further information on non-IFRS measures can be found in the Annual Report 2025.

Presentation

All amounts are in millions of euros unless otherwise stated. Due to rounding, amounts may not add up precisely to totals provided. All reported data is unaudited. Financial reporting is in accordance with the accounting policies as stated in the Annual Report 2025. Certain prior-year balances have been reclassified to conform to the current period presentation. Per share calculations for all periods presented have been retrospectively adjusted to reflect the issuance of shares in 2025 with respect to the share dividend for 2024.

Key takeaways

Q1 highlights

- Order intake increased 6%, driven by growth in both Diagnosis & Treatment and Connected Care, led by North America
- Comparable sales grew 4%, with growth across all business segments, led by Personal Health
- Adjusted EBITA margin increased 40 bps to 9.0%, driven by sales and underlying gross margin from innovations and productivity, despite higher tariffs and cost inflation
- Disciplined cost management and productivity initiatives delivered EUR 126 million in savings

2026 Outlook

Philips reiterates its full-year 2026 outlook:

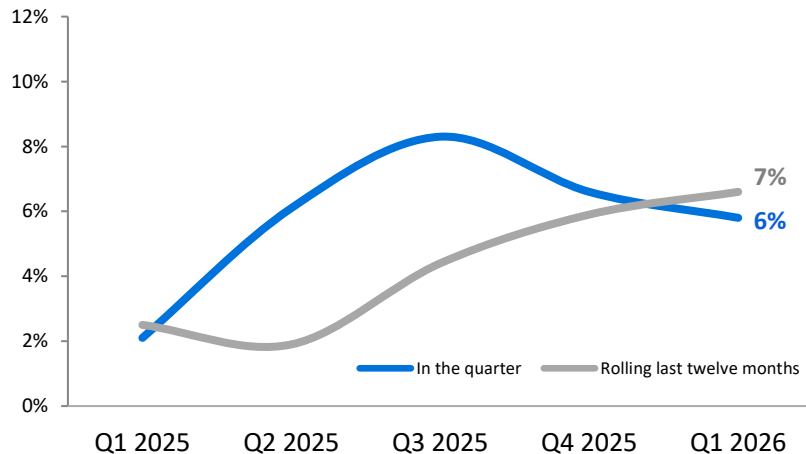
- Comparable sales growth: 3% - 4.5%
- Adjusted EBITA margin: 12.5% - 13.0%
- Free cash flow: EUR 1.3 - 1.5 billion

Note: Philips 2026 outlook includes currently known information, including tariffs, within an uncertain macro environment. It excludes any potential International Emergency Economic Powers Act (IEEPA) tariff refunds. It excludes ongoing Philips Respireonics-related proceedings, including the investigation by the US Department of Justice.



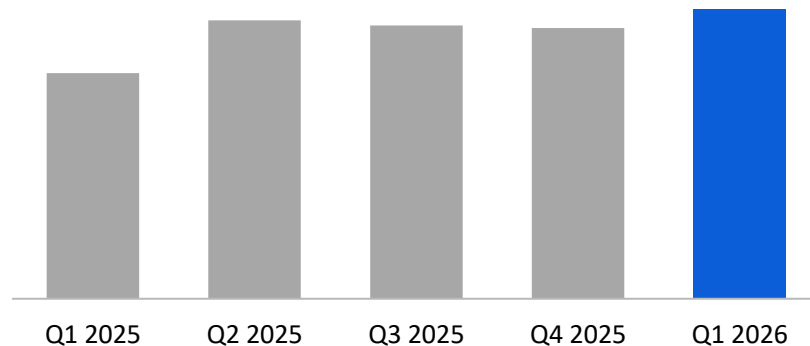
Sustained order intake growth and a solid order book support acceleration of profitable growth in 2026

Comparable equipment order intake growth¹



- Diagnosis & Treatment up mid-single-digit; Connected Care up high-single-digit
- Continued strong performance in North America and International Region

Indexed equipment order book¹ development



- Order book up 4% year-on-year, with inherent quarterly unevenness
- Order book accounts for ~40% of revenue

Accelerating innovations across our portfolio to drive growth; 20 FDA clearances and Premarket approvals in Q1 2026

Computed Tomography



Rembra Wide-bore

Largest-in-class 85 cm bore accommodates diverse patient needs and supports complex interventions



Spectral Verida

World's first AI-powered detector-based spectral CT

Magnetic Resonance



SmartHeart

AI-powered cardiac MR solution that automates complex planning workflow in under 30 seconds

Image Guided Therapy

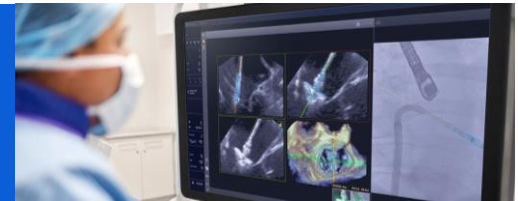


IntraSight plus

Intuitive interventional cardiology platform, streamlining coronary procedures, enabling up to 47% system operation time savings¹

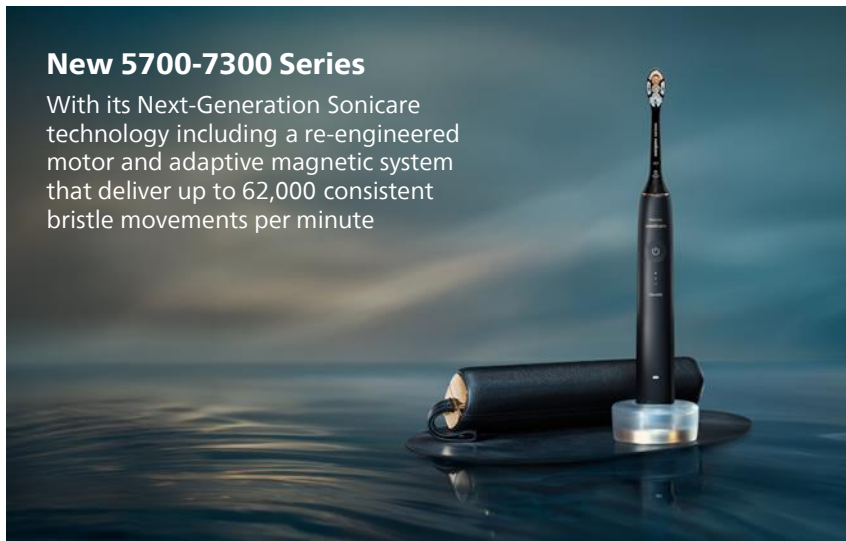
DeviceGuide

AI-powered cardiac solution that tracks and visualizes mitral valve repair devices in real time during minimally invasive procedures

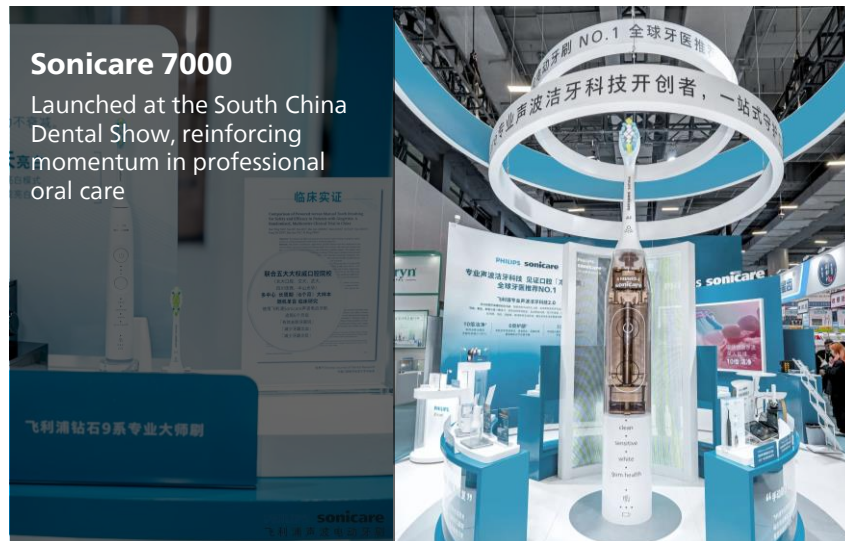


Accelerating innovations across Personal Health to drive growth; launching new Sonicare models in the US and China

US



China



Diagnosis & Treatment

Financial performance

*In millions of EUR
unless otherwise stated*

	Q1 2026	Q1 2025
Sales	1,848	1,965
Comparable sales growth	2%	-4%
Adj. EBITA margin	9.8%	9.5%
Income from operations	194	153

Q1 2026 highlights

- High-single-digit growth in Image Guided Therapy partly offset by a low-single-digit decline in Precision Diagnosis
- Growth led by North America and Europe, partly offset by a decline in China, as anticipated
- Adj. EBITA margin expansion, mainly driven by higher sales, productivity measures, and favorable mix, partly offset by higher tariffs, cost inflation and currency effects



Leading the transition to helium-free operations in MR with BlueSeal

Resilience in MRI now matters as much as performance

Puerto Rico

Restored operations rapidly after major infrastructure disruption

Spain and Portugal

Demonstrated resilience during large-scale power disruption

Middle East

Impact on global helium supply and pricing; BlueSeal removes the need for helium refills over the system lifetime

75%

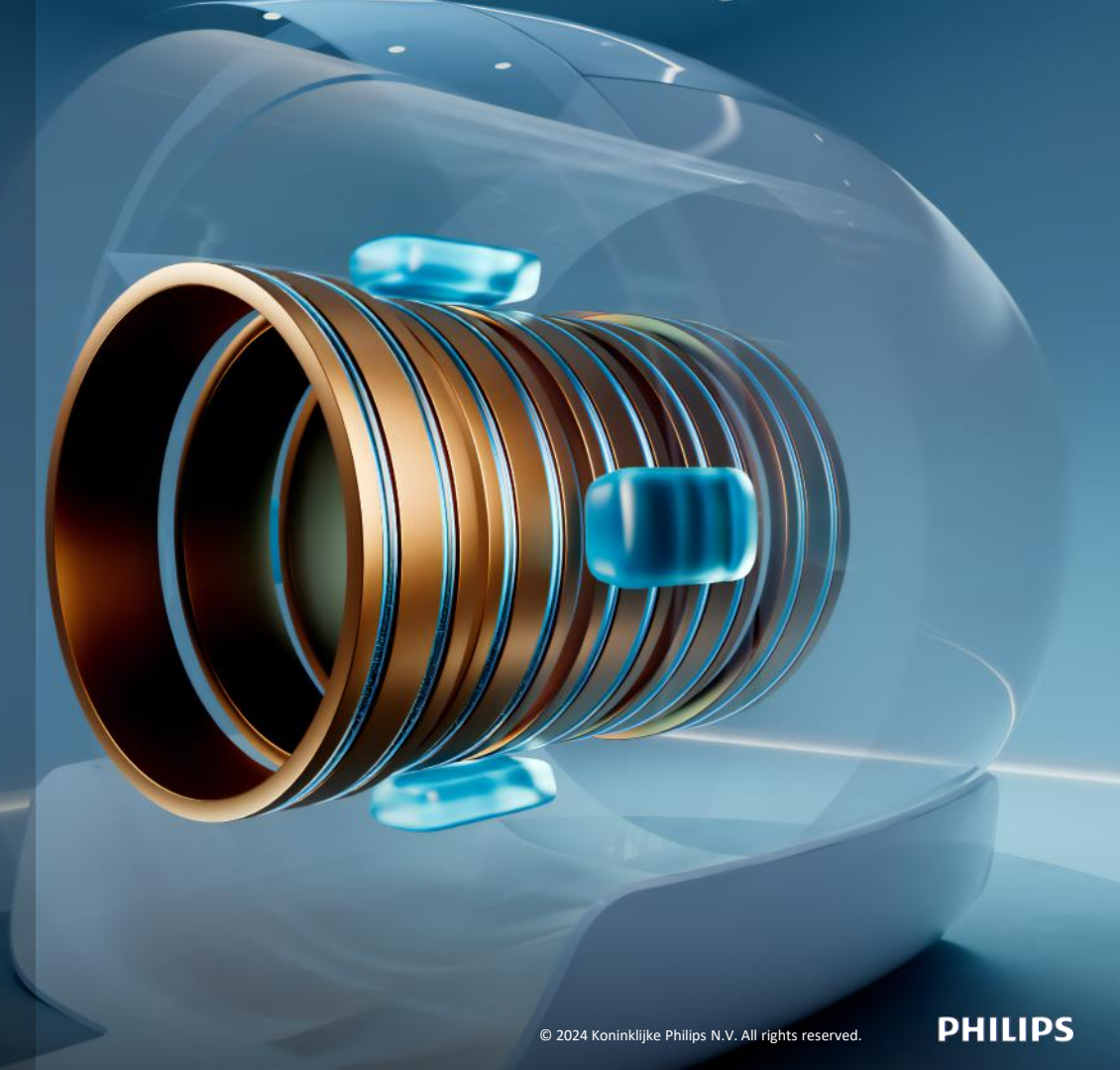
of MR systems shipped in 2025 were helium-free

>2.2k

installed base

>6m liters

of helium saved



Spectral CT Verida

Initial orders secured in Europe

Industry's first AI-enabled detector-based spectral CT

First clinical installation in Madrid in Q1 2026



"The Verida Spectral CT allows us to naturally integrate spectral imaging into our daily work without disrupting the reading workflow or adding operational burden"

Dr. Eliseo Vaño
Head of the radiology service
Nuestra Señora del Rosario
University Hospital

Connected Care

Financial performance

*In millions of EUR
unless otherwise stated*

	Q1 2026	Q1 2025
Sales	1,062	1,182
Comparable sales growth	3%	0%
Adj. EBITA margin	2.9%	3.5%
Income from operations	-54	-81

Q1 2026 highlights

- Mid-single-digit growth in Monitoring and low-single-digit growth in Sleep & Respiratory Care, partly offset by a low-single-digit decline in Enterprise Informatics
- Growth led by Europe and supported by North America
- Adj. EBITA margin declined as sales growth and productivity measures were more than offset by higher tariffs, cost inflation, lower cost absorption and currency effects



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Personal Health

Financial performance

*In millions of EUR
unless otherwise stated*

	Q1 2026	Q1 2025
Sales	818	811
Comparable sales growth	9%	1%
Adj. EBITA margin	15.8%	15.2%
Income from operations	124	116

Q1 2026 highlights

- All three businesses grew. Growth was broad-based, led by North America and the International Region, with a modest contribution from China on an easier comparison base
- Adj. EBITA margin expansion mainly driven by higher sales and productivity measures. This favorability was partly offset by higher tariffs, advertising and promotions spend, cost inflation and currency effects



Growth, share gains, and momentum in Personal Health driven by category growth and channel expansion

Increased distribution points



Increased listing with key global retail partners



Solid start to the year in an uncertain macro-environment; delivered strong order intake, comparable sales growth and margin expansion

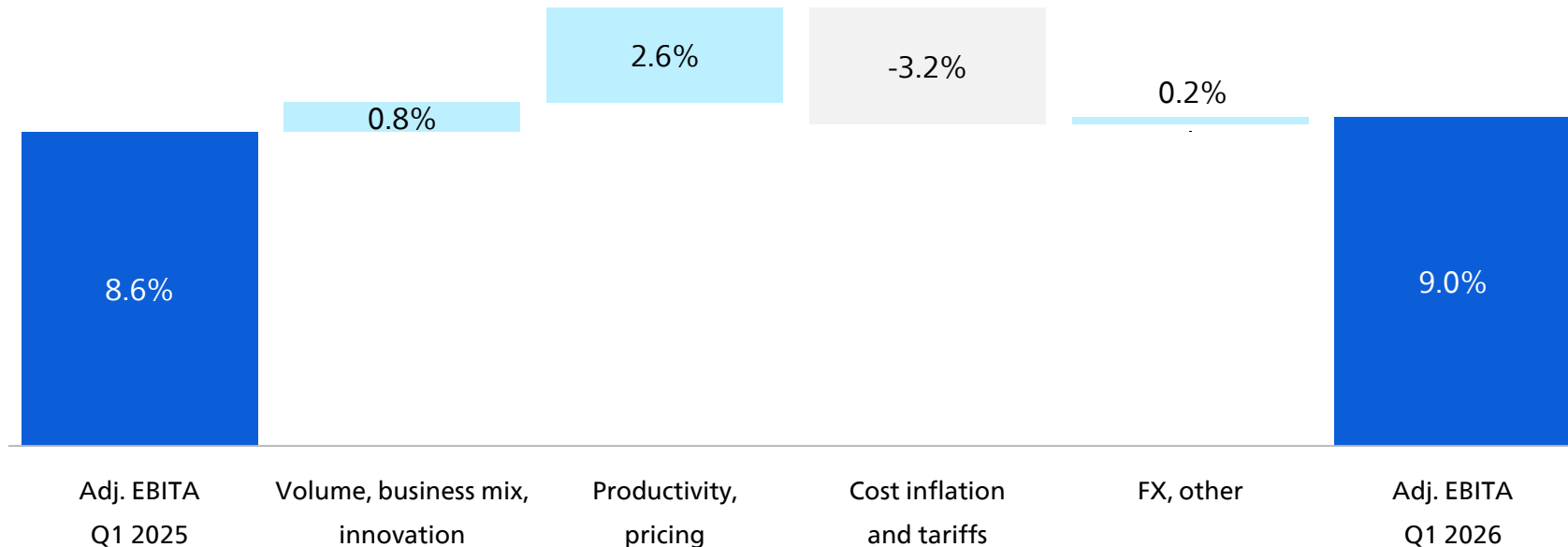
Q1 2026 vs Q1 2025
In millions of EUR unless otherwise stated

Sales	Adjusted EBITA	Free Cash Flow
3,905	353	28
Comparable Sales Growth 4%	Adjusted EBITA margin 9.0%, +40 bps	Year-on-year excluding US Respireonics recall-related settlement +94

- Growth across all three segments, led by Personal Health
- 5% growth in North America and 7% growth in Western Europe
- Improvement driven by sales and underlying gross margin from innovations and productivity, despite higher tariffs and cost inflation
- Improvement driven by higher earnings, improved working capital, and lower adjusting items
- Leverage ratio¹ improved from 2.2x to 1.8x

Adjusted EBITA margin expansion driven by sales growth, favorable mix effects and productivity measures, partly offset by tariffs and cost inflation

Group Adj. EBITA margin¹ Q1 2026



Productivity initiatives delivered EUR 126 million in Q1; on track to deliver our EUR 1.5 billion program in 2028

Productivity initiatives savings¹

In millions of EUR unless otherwise stated

		2026-2028	Q1 2026
Cost competitiveness Project Synchronize	<ul style="list-style-type: none">• Platform & SKU optimization• Lower costs and unlock R&D capacity• Improve quality & supply chain reliability	EUR 1,500 million	EUR 126 million
Lean enabling functions Simplify to Perform	<ul style="list-style-type: none">• Lean central functions, operating at best-in-class cost benchmark levels• AI-enabled efficiencies in Marketing, R&D, Services		
Tariff mitigation	<ul style="list-style-type: none">• Currently known tariff impact fully mitigated by end of 2028• Accelerate targeted regionalization• Supplier and network optimization		

1. Gross productivity initiatives and re-investments, before inflation, expected in 2026 -2028

Note: Philips 2026 outlook includes currently known information, including tariffs, within an uncertain macro environment. It excludes any potential International Emergency Economic Powers Act (IEEPA) tariff refunds. It excludes ongoing Philips Respireonics-related proceedings, including the investigation by the US Department of Justice.

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2026 outlook

Philips reiterates its full-year 2026 outlook

Full-year 2026

Comparable sales growth

3%-4.5%

- All business segments growing within the range: Diagnosis & Treatment at the lower end; Connected Care and Personal Health at the upper end
- Growth led by North America and International Regions; Greater China sales expected to be stable
- All four quarters expected to be within the full-year range

Adj. EBITA margin

12.5%-13.0%

- Expansion driven by sales growth, innovation, favorable mix effects and productivity
- Annualized tariffs¹ and input cost inflation, with mitigation over the course of the year through supply chain optimization, cost discipline, and selective pricing

Free Cash Flow

EUR 1.3-1.5 billion

- Higher earnings and lower adjusting items, partly offset by a targeted increase in capital expenditure related to selective localization, multi-modality manufacturing, and tax

1. Annualized tariffs include currently known tariffs, which are more favorable than assumed in February 2026; February 2026 outlook assumed annualized tariffs of EUR 250–300 million, net of substantial mitigations.

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Restructuring, acquisition-related charges and other items

Full-year 2026

Restructuring costs
~80 bps

- Cost competitiveness (Project Synchronize)
- Lean enabling functions (Simplify to Perform)

Other items
~120 bps

- Mainly related to the Consent Decree, other quality action-related charges, and acquisition-related charges

Q2 2026

**Restructuring costs,
other items**

- EUR 110 million: Diagnosis & Treatment 20 million, Connected Care 75 million, Personal Health 5 million, segment Other 10 million

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Latest FX, below the line items and segment Other outlook

	Q2 2026	Full year 2026
FX, consolidation and deconsolidation impact on sales ¹	-5%	-3%
Diagnosis & Treatment	-3%	-2%
Connected Care (including divestment of Emergency Care ²)	-10%	-8%
Personal Health	-4%	-2%
Effective tax rate		24-26%
Financial income and expense (EUR million)		-250 to -270
Segment Other (EUR million)		
Sales	~160	650 – 680 ³
Adj. EBITA	~5	~0
EBITA	~ -5	~ -70

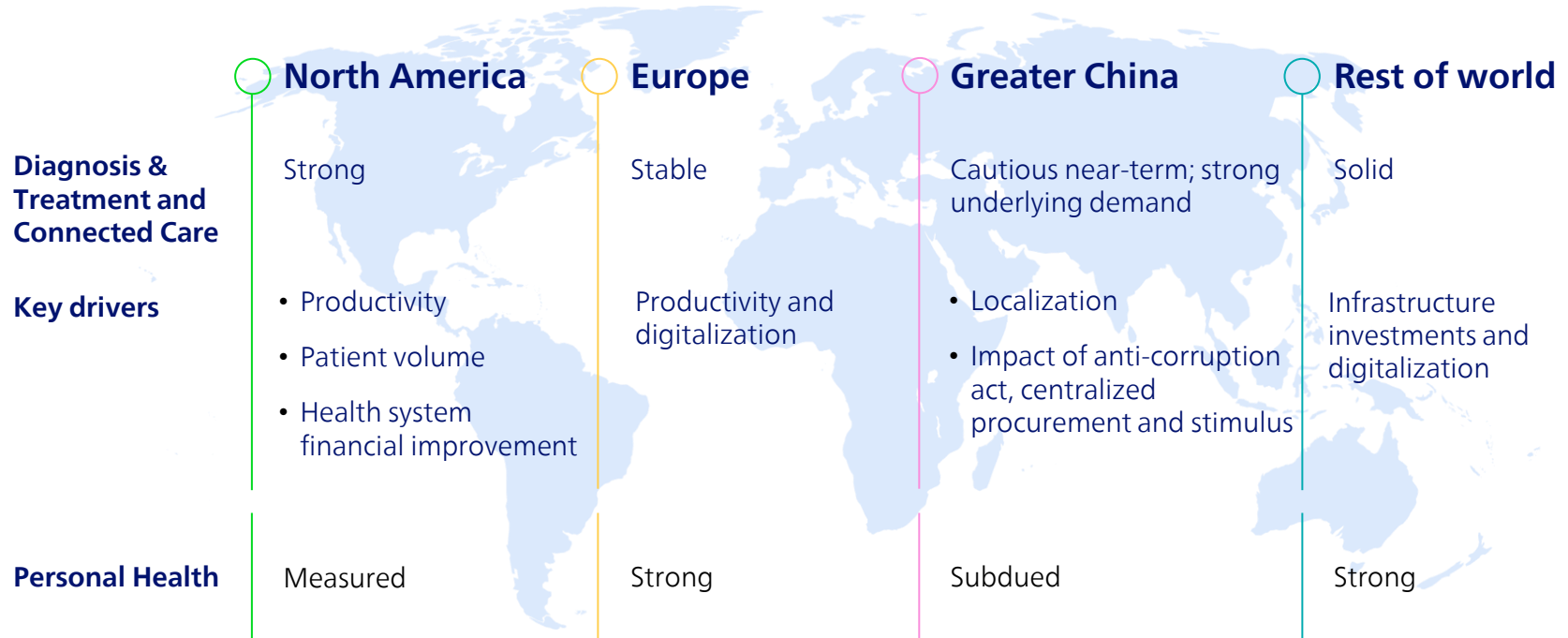
1. Based on March 2026 FX rate. Final impact subject to change based on FX movements and geographic sales mix | 2. Completed in Q4 2025 and represented ~5% of Connected Care sales in 2026 and a low margin profile. The divestment is expected to be slightly accretive to Adjusted EBITA margins, with no expected impact on Comparable Sales Growth | 3. Segment Other sales outlook increased from EUR 570–600 million previously to EUR 650–680 million, mainly reflecting divestment-related activities that are excluded from comparable sales growth and contribute only a negligible amount to Adjusted EBITA

Note: Philips 2026 outlook includes currently known information, including tariffs, within an uncertain macro environment. It excludes any potential International Emergency Economic Powers Act (IEEPA) tariff refunds. It excludes ongoing Philips Respireonics-related proceedings, including the investigation by the US Department of Justice.

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Global hospital demand and consumer sentiment



Disciplined execution across evolving demand and geopolitical dynamics — including the Middle East

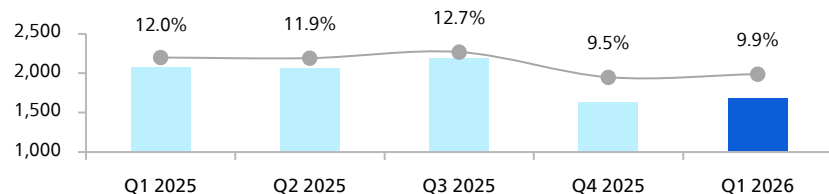
Financial appendix

Working capital and inventories

Group working capital¹

In millions of EUR unless otherwise stated

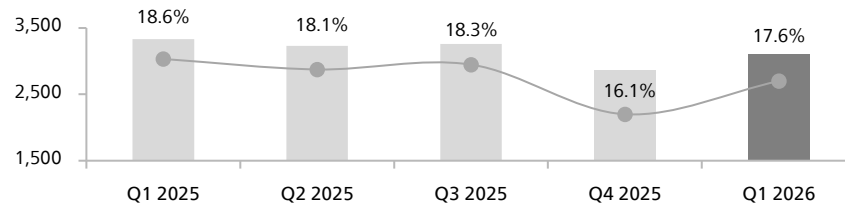
— as % of last twelve months sales²



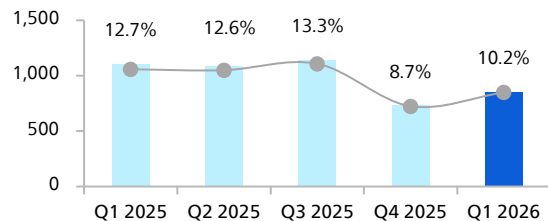
Group inventories

In millions of EUR unless otherwise stated

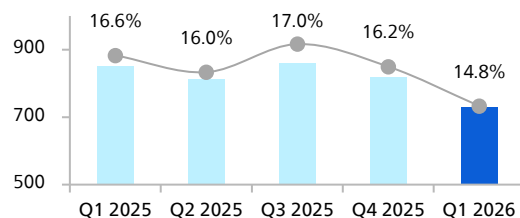
— as % of last twelve months sales²



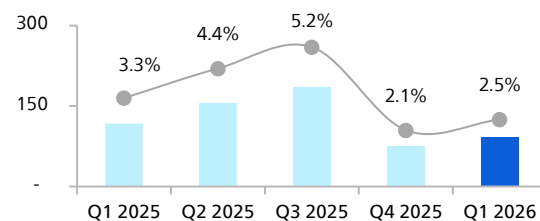
Diagnosis & Treatment



Connected Care



Personal Health



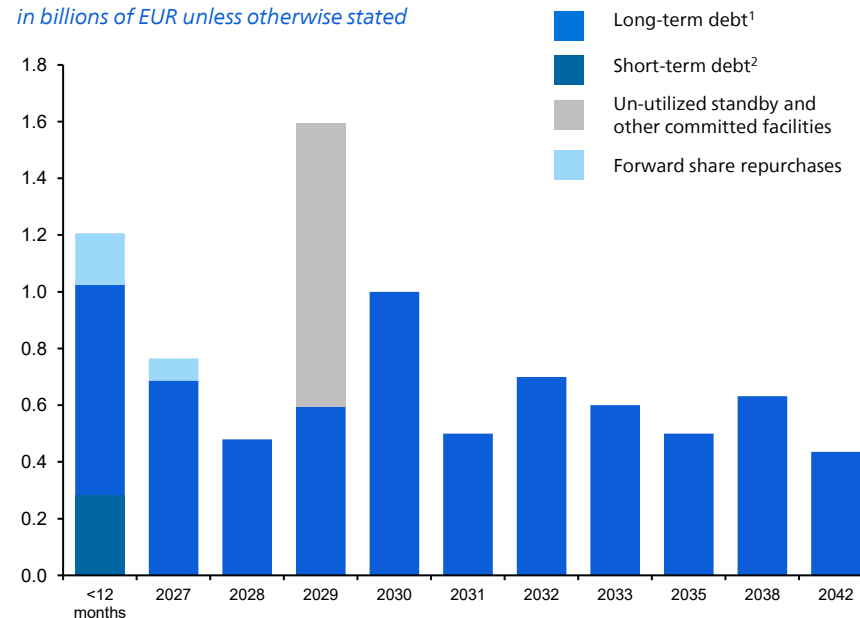
Debt maturity profile and liability management

Long-term debt profile and liability management

- Total net debt position of EUR 5.5 billion
- Maturities up to 2042
- Average tenor of long-term debt is 5.6 years³
- No financial covenants
- EUR 1 billion of committed credit facilities

Debt maturity profile as per March 31, 2026

in billions of EUR unless otherwise stated



1. Excluding long-term operating leases | 2. Short-term debt includes local credit facilities that are being rolled forward on a continuous basis as well as Commercial Paper | 3. Based on long-term debt only

Net capital expenditures, depreciation and amortization

<i>In millions of EUR unless otherwise stated</i>	Q1 2026	Q1 2025
Net capital expenditures	-160	-158
Depreciation	-148	-151
Amortization and impairment:	-117	-125
of acquired intangible assets	-50	-57
of other intangible assets	-67	-68

Restructuring, acquisition-related charges and other items

In millions of EUR unless otherwise stated

	Q1 2026	Q1 2025	Q2 2025	Q3 2025	Q4 2025	FY 2025
Restructuring and acquisition-related charges						
Diagnosis & Treatment	(34)	14	15	6	8	43
Connected Care	23	15	17	33	60	126
Personal Health	2	3	5	4	4	17
Segment Other	30	34	8	13	19	74
Philips Group	22	67	46	57	91	260
Other items						
Diagnosis & Treatment	4	-	21 ¹⁾	22 ¹⁾	33 ¹⁾	77
Connected Care	35 ¹⁾²⁾³⁾	76 ¹⁾²⁾³⁾	20 ¹⁾²⁾³⁾⁴⁾	36 ¹⁾²⁾³⁾	56 ¹⁾²⁾³⁾⁴⁾	188
Personal Health	-	-	-	-	-	-
Segment Other	-	-	-	7	(2)	5
Philips Group	39	76	41	65	88	270
Restructuring, acquisition-related charges & other items						
Restructuring	61	61	43	52	86	242
Acquisition-related charges	(39)	6	3	5	5	19
Other items	39	76	41	65	88	270
Philips Group	61	143	86	122	179	531

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