

# PHILIPS

Date: 26 February 2015

Subject: General price increase Philips Lighting Europe

Dear customer,

We would hereby like to inform you about a general price increase that Philips Lighting will implement per 1<sup>st</sup> April 2015 in Europe. The reason for the price increase is the sudden and high dollar inflation. The rapidity of the currency increase is such that it is impossible to be fully compensated by cost optimization and technology improvements (EUR-USD rate increased 16% in the last 4 months).

The price impact on each product depends on where it is assembled, where the components are manufactured and how it is shipped to you.

On average prices will be increased between 5% and 10% across markets.

Implementation of the price increases will be dealt with locally taking existing contractual arrangements into account.

Thank you for understanding.

Kind regards,

Maria Letizia Mariani  
Commercial Leader Europe

