

Press Information

January 3, 2007

Philips announces first spinout from Incubator Group

Technology Capital SA of Luxemburg invests in Polymer Vision Ltd.

Eindhoven, The Netherlands - Royal Philips Electronics today announced the first spinout from its Technology Incubator group, formed four years ago to transform innovative Philips' technologies into viable business opportunities.

Philips' Incubator activity Polymer Vision will become an independent company – Polymer Vision Ltd., focusing on products for the rollable display market. Technology Capital has invested €21 million in the company and will become the major shareholder. Philips will retain a 20% stake in the new company.

The transaction will allow Polymer Vision to push ahead with its commercialization plans to meet strongly growing market demand from the mobile device industry. Volume production of its 5-inch monochrome rollable display will start this year in cooperation with existing partners. The company will continue to operate from its location at the High Tech Campus Eindhoven, the Netherlands.

Polymer Vision has developed the world's first rollable electronic-display and at IFA2005 in Germany, demonstrated the READIUS™. This first prototype proves the integration capability of the rollable display technology in a hand-held mobile device. Ever since, there has been growing market interest in this breakthrough display technology. The paper-like display can be rolled out to a greater size than the actual device itself. It is easy to read, even in bright sunlight, and has significantly lower power requirements than an LCD display with backlight. Once the user has finished reading, the display can simply be rolled back into the device. This makes the rollable display ideal for mobile applications such as mobile phones, document readers and personal navigation systems.

"With a solid investment partner in Technology Capital and a first-rate team of people in Polymer Vision we can now focus on commercializing the first step of our journey to getting a rollable display into every mobile device." says Karl McGoldrick, CEO of Polymer Vision.

The Philips Technology Incubator was formed four years ago to create new business opportunities based on promising new technologies from Philips R&D. For example, Philips Incubator venture Handshake Solutions has revolutionized IC design with its clockless Handshake Technology, which is now used in over 80% of ePassports globally. Another venture, Philips 3D Solutions, sells 3D displays in the professional market to experience amazing out-of-screen 3D effects without the need to wear special glasses.



Polymer Vision's READIUS™ uses a display that can be unrolled for comfortable viewing.

More information: www.polymervision.com

Media inquiries please contact:
Philips Corporate Technologies
Hans Driessen
Tel.: +31 40 2746692
Mobile: +31 610610417
E-mail: hans.driessen@philips.com

About Royal Philips Electronics

Royal Philips Electronics of the Netherlands (NYSE: PHG, AEX: PHI) is a global leader in healthcare, lifestyle and technology, delivering products, services and solutions through the brand promise of “sense and simplicity”. Headquartered in the Netherlands, Philips employs approximately 126,000 employees in more than 60 countries worldwide. With sales of EUR 30.4 billion in 2005, 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.