



**Signify**  
**Formerly, Philips Lighting**

200 Franklin Square Drive  
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May 13, 2019

Dear Valued Customer:

As an update to our December 7<sup>th</sup>, 2018 communication, the U.S. government has announced that the additional U.S. tariffs on Chinese imported goods previously postponed from March 1<sup>st</sup>, 2019 (which was postponed from January 1<sup>st</sup>, 2019) is now being implemented. This tariff increase went into effect on May 10<sup>th</sup>, 2019. Please see attached GPO Federal Register from May 9, 2019.

This is very short notice for you and for us as well. We do, however, need to maintain our commitment of implementing a price increase to offset the impact of the tariffs, as described in our December 7<sup>th</sup>, 2018 communication. This price increase will take place on May 15<sup>th</sup>, 2019 for all products impacted by this additional action for all customers in all channels. The price increase will be up to 15% across all affected products. Please see the product category details on the next page.

Your updated prices will be available through your existing channels and Sales teams on May 15<sup>th</sup>, 2019.

As part of the U.S government announcement, another set of goods from China totaling \$325B will also receive a 25% tariff after the proposed list is subject to a comment process and a public hearing, as the previous tariffs have. We will also need to react quickly if/when these new tariffs are implemented.

We continue to be proactive in voicing our concerns about the impact these actions will have on our business and our valued customers through industry groups like NEMA and the American Lighting Association, and directly to the U.S. Trade Representatives' office. We have also met with each of the congressional offices where Signify has a footprint to educate them about the impact on our business and to express our concerns.

We value your ongoing business with Signify. Please do not hesitate to reach out to your Signify representative with any questions or concerns. We will continue to update you as more information becomes available.



Our global brands are

**PHILIPS** **interact**

**Product Category Details:**

<b>Category</b>	<b>Average Increase Across All Affected SKUs</b>
<b>Conventional Lamps</b>	8% - 11%
<b>Luminaires</b>	2% - 15%
<b>Light-To-Go</b>	12%
<b>Color Kinetics</b>	12%