



FOR IMMEDIATE RELEASE

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**BAXTER NAMES CHIEF FINANCIAL OFFICERS FOR NEW BIOPHARMACEUTICAL
SPIN-OFF AND BAXTER INTERNATIONAL INC.**

DEERFIELD, Ill., JULY 7, 2014 – Baxter International Inc. (NYSE:BAX) announced that upon completion of the tax-free distribution of the company's biopharmaceuticals business, Robert J. Hombach, currently chief financial officer for Baxter International Inc., will be appointed chief financial officer and will assume additional operational responsibilities for the independent biopharmaceuticals company. Hombach will report to Ludwig N. Hantson, PhD., who will serve as the new company's CEO. James K. Saccaro will rejoin Baxter August 4, 2014, and will assume the role of chief financial officer of Baxter International Inc., reporting to Robert L. Parkinson, Jr., Baxter's chairman and CEO, following completion of the transaction in 2015.

"Both businesses require disciplined financial management of our global operations, including an intense focus on driving performance and enhancing value for our shareholders," said Parkinson. "I've had the honor of working directly with Bob and Jay for many years, and both are extraordinary executives who bring deep knowledge of the businesses, financial experience and leadership as we advance our work to create two separate, independent healthcare companies."

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Hombach joined Baxter in 1989 and has served in a number of finance positions with increasing responsibility in financial planning, manufacturing, operations and treasury. Prior to assuming his current role in 2010, he served as corporate vice president and treasurer. Hombach also served as vice president of finance, Europe, and vice president of corporate planning, where he led several enterprise-wide initiatives and served as a member of the Baxter strategy team.

Hombach earned his master's degree in business administration from Northwestern University's Kellogg Graduate School of Management, and his bachelor's degree in finance, cum laude, from the University of Colorado.

Saccaro joined Baxter in 2002 and held a number of positions of increasing responsibility in both finance and operations for the company's Medical Products and BioScience businesses. He was elected corporate vice president and treasurer in 2011. Saccaro rejoins Baxter from Hill-Rom Corporation, where he served as senior vice president and chief financial officer.

Prior to joining Baxter, Saccaro started his career with the Walt Disney Company in strategic planning, and earned his master's degree in engineering economic systems and a bachelor's degree in economics, both from Stanford University.

The biopharmaceuticals business, with 2013 annual revenues of approximately \$6 billion, consists of a diverse portfolio of recombinant and plasma-based proteins to treat hemophilia and other bleeding disorders, and plasma-based therapies to treat immune deficiencies, alpha-1 antitrypsin deficiency, burns and shock, and other chronic and acute blood-related conditions. This business's strategy is aimed at improving diagnosis, treatment and standards of care across a wide range of bleeding disorders and chronic diseases,

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enhancing capacity to meet growing demand for biotherapeutics, leveraging expertise into new emerging therapeutics through acquisitions and collaborations, and developing a robust new product pipeline focused on new and effective treatments that address unmet medical needs.

The medical products business, with 2013 annual sales of more than \$9 billion, offers a broad portfolio of intravenous (IV) solutions and nutritional therapies, drug delivery systems and administration sets, premixed and other injectable drugs, as well as inhalation anesthetics and hospital-based biosurgery products. This business is also integrating the Gambro AB acquisition, which complements Baxter's existing renal therapies franchise and provides customers a comprehensive portfolio of products and services to treat end-stage renal disease across the full continuum of care. The medical products company will focus on strengthening its market leadership through geographic expansion and increased penetration, leveraging its extensive hospital presence and global footprint, developing comprehensive solutions to improve patient outcomes and safety, and enhancing profitability through a more streamlined and flexible cost structure.

Baxter International Inc., through its subsidiaries, develops, manufactures and markets products that save and sustain the lives of people with hemophilia, immune disorders, cancer, infectious diseases, kidney disease, trauma and other chronic and acute medical conditions. As a global, diversified healthcare company, Baxter applies a unique combination of expertise in medical devices, pharmaceuticals and biotechnology to create products that advance patient care worldwide.

This release includes forward-looking statements concerning the planned separation of Baxter's biopharmaceutical and medical products businesses and the expected leadership of the two resulting companies after the separation. The statements are based on assumptions about many important factors, including the following, which could cause actual results to differ materially from those in the forward-looking statements: the ability to successfully separate the businesses on the terms or timeline currently contemplated, if at all, and achieve the intended results, and other risks identified in Baxter's most

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recent filing on Form 10-K and other Securities and Exchange Commission filings, all of which are available on Baxter's website. Baxter does not undertake to update its forward-looking statements.