



# Baxter 2020

Chew Ah Cheng  
Peritoneal Dialysis Patient  
Woodlands, Singapore

# Investor Conference

**Richard Marritt**

Global Renal Franchise Head

May 9, 2016

***Baxter***

# Renal Product Category Expected To Exceed \$17 Billion By 2021

6%

Global  
Patient  
Growth

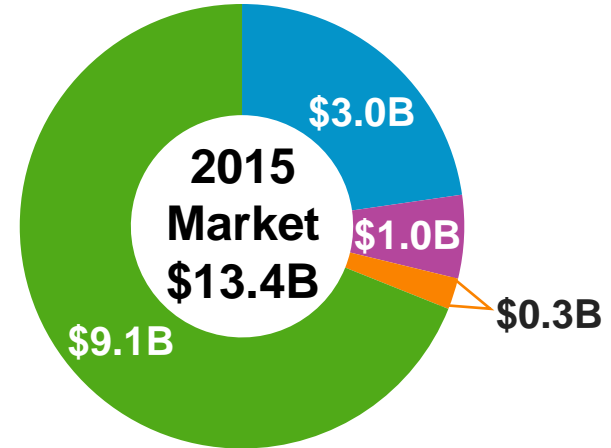


Aging Population With Increase  
In Co-Morbidities

Expanding Access In  
Emerging Markets

Growth In Home  
Therapy Adoption

## Global Renal Product Category



- In-Center Hemodialysis (ICHHD)
- Acute
- Home Hemodialysis (HHD)
- Peritoneal Dialysis (PD)

➤ Renal Category Is Large With Strong Underlying Patient Growth

# A New Approach To Baxter's Renal Business



Home Therapies

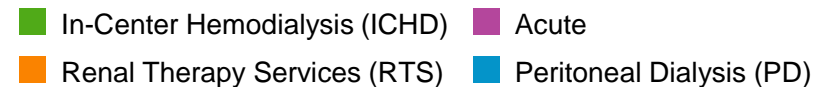
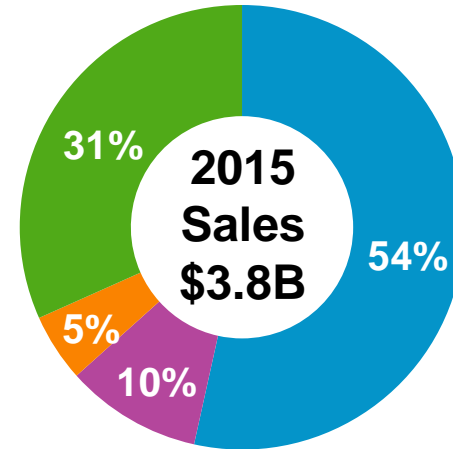


In-Center Hemodialysis



Acute

Baxter Revenue



➤ **Baxter's Broad Channel And Advanced Technology Platforms Driving Growth**

# Optimizing Return On Investments In Home Therapies



Home Business:  
Peritoneal Dialysis  
Home Hemodialysis

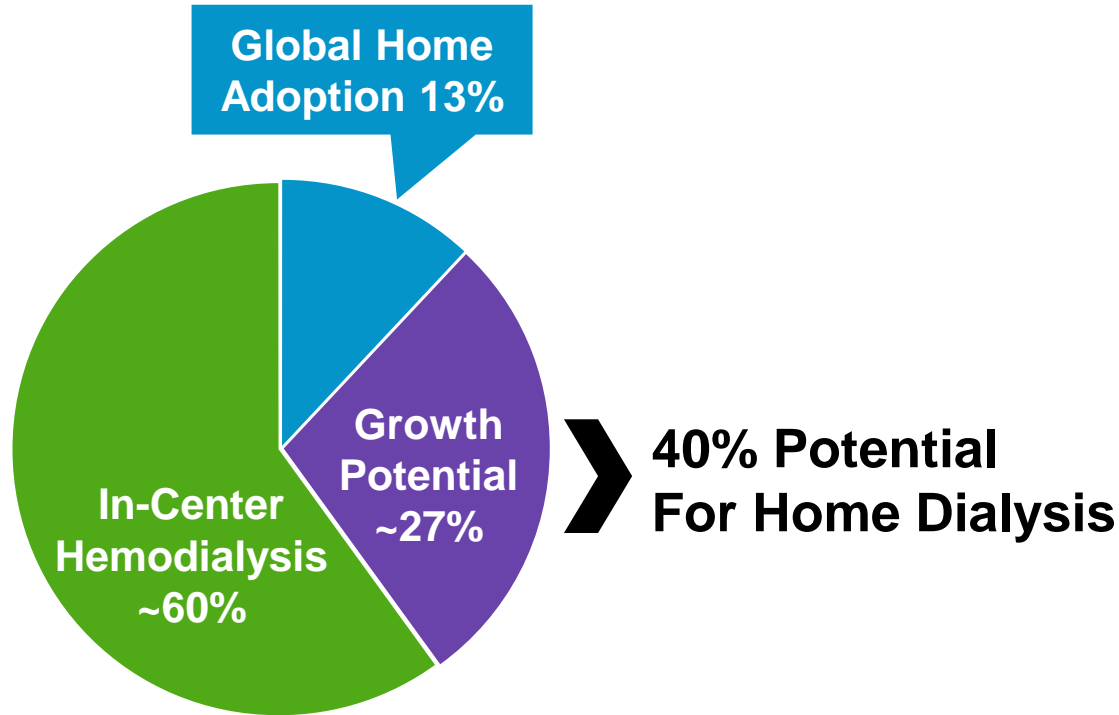


In-Center HD Business

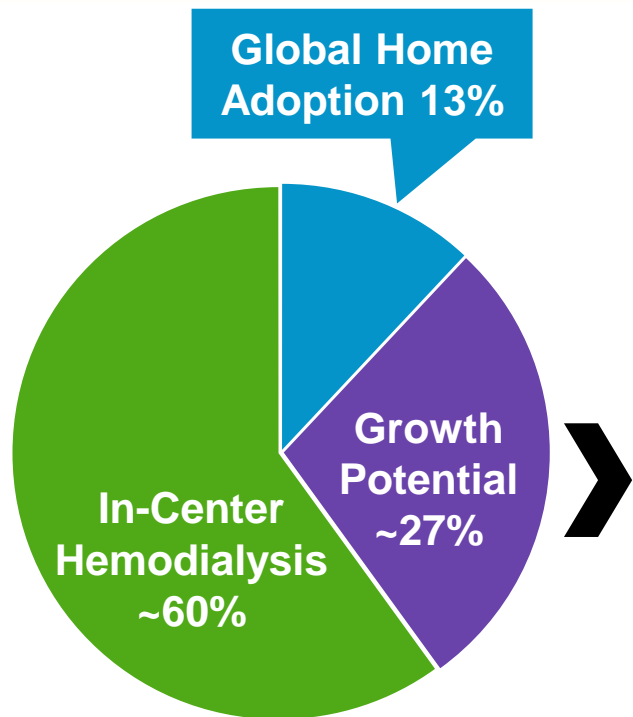


Acute Business

# Significant Potential To Increase Home Dialysis Adoption



# Significant Potential To Increase Home Dialysis Adoption



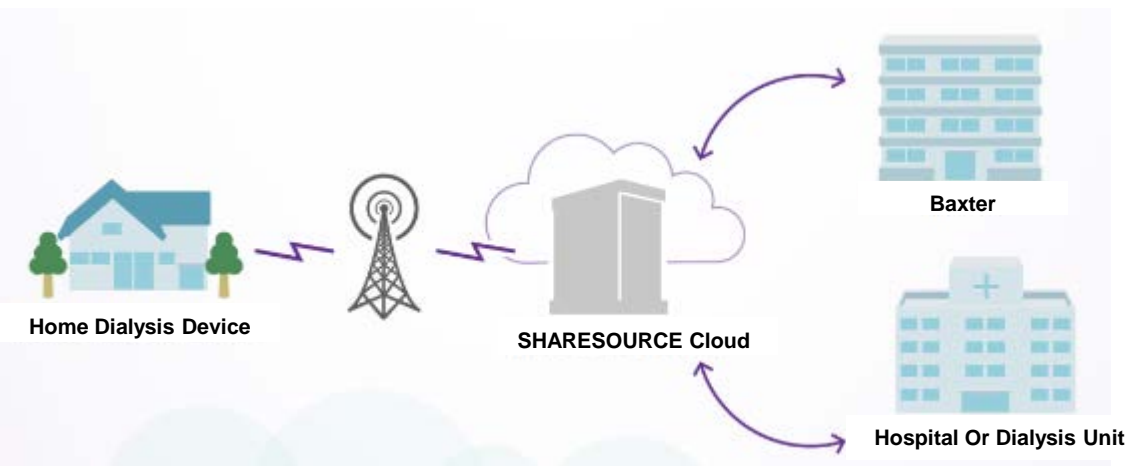
## More Focused Approach To Accelerate PD Adoption

### Global Strategies To Overcome Universal Challenges

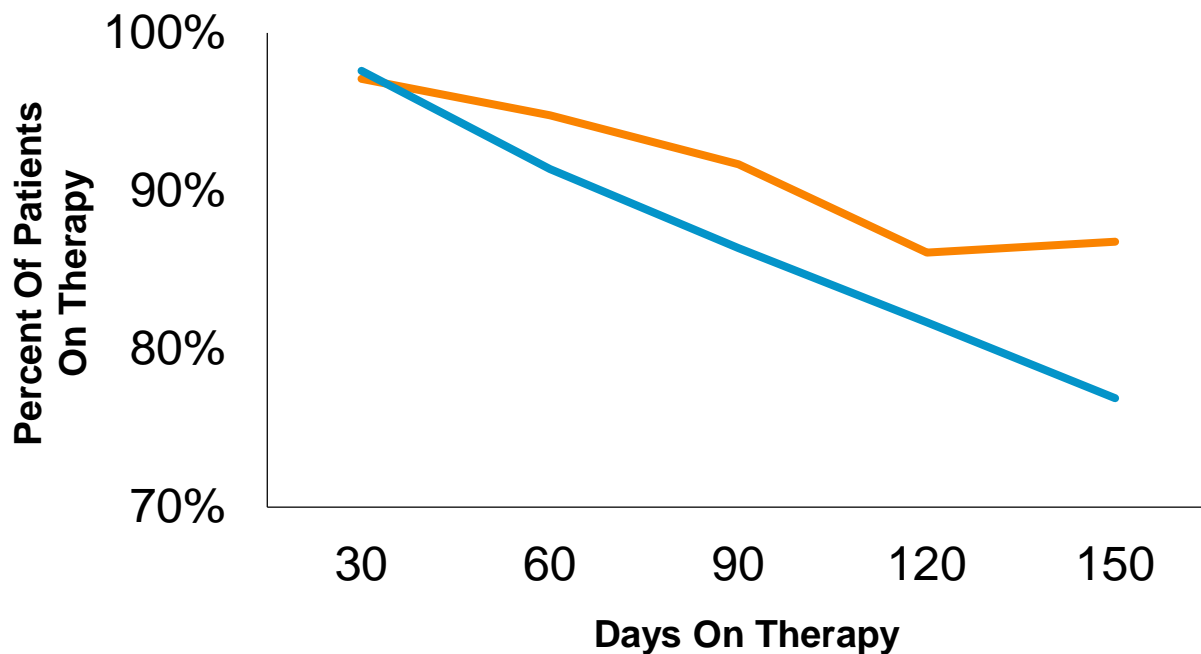
- 1 **Expand Access To Innovation** To Drive Home Therapy Utilization
- 2 **New Technology** Approaches To Generate PD Solutions
- 3 Selectively Expand **Home-Focused Clinic** Footprint

### Local Market Strategies To Establish PD First And Align Reimbursement Policies

# Advancing Innovation To Expand Therapy Utilization



# Early Data On New Patient Drop Out



New Patients Starting APD  
With Two-Way Monitoring

New Patients Starting APD  
Without Monitoring

➤ **Baxter Is Evaluating Data To Drive Increased Time On Therapy For All Patients**



# New Technology Approaches To Generate PD Solutions



## Point Of Care Solution For PD Reducing Solution Volume Through "On Demand" Preparation



**Removes Patient  
Barrier To Adoption**



**Reduces Baxter's  
Cost To Serve**



**Agile And Flexible Model  
Enables Baxter To  
Serve More Patients**

# Selectively Expand Home-Focused Provider Footprint



Service Model  
That Focuses  
On Patient  
Independence

Unique  
Connected Health  
Platform  
(SHARESOURCE)

International  
Channel And  
Relationships  
Worldwide

Clinic Model  
Supports  
Patient  
Choice

Baxter Renal Therapy Services Clinics Currently Average 40% Home Adoption

➤ Ability To Deliver Exceptional Clinical And Economic Outcomes To Payers

# Advancing Adoption Of New Platforms



CLARIA And SHARESOURCE  
Geographic Expansion



2016

AMIA US Launch



2017

KAGUYA (Japan)  
(With Auto-Connect System)



AMIA Canadian  
Launch



2018

Regulatory Filing  
For Point Of Care

VIVIA – US  
Clearance



➤ Strong Pipeline Facilitates Adoption Of Home Therapies Worldwide

# Maintain Our In-Center HD Business



Home Business:  
Peritoneal Dialysis  
Home Hemodialysis



**In-Center HD Business**



Acute Business



## Strengthen Competitiveness And Reliability

- 1 Focus On Countries Where We Can Sustain Advantage By Having Full Range Of Therapies (PD, ICHD, HHD)
- 2 Capitalize On Usability And Cost Effectiveness Of AK98 In Emerging Markets And Self-Care / Outpatient HD Centers
- 3 Simplify Portfolio To Drive Sustainability Of Business

➤ Targeted Portfolio Management To Improve Profitability Of ICHD Business



## THERANOVA

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### Performance Of Hemodiafiltration (HDF) With The Simplicity Of Conventional HD<sup>1</sup>

- Creates a new, differentiated therapy option as part of Baxter's HD portfolio
- No special staff, equipment or ultrapure fluids needed to perform therapy
- Accelerating global launch in 2017 in parallel with expanded clinical evidence generation

# Invest For Growth In Our Acute Business



Home Business:  
Peritoneal Dialysis  
Home Hemodialysis



In-Center HD Business



Acute Business

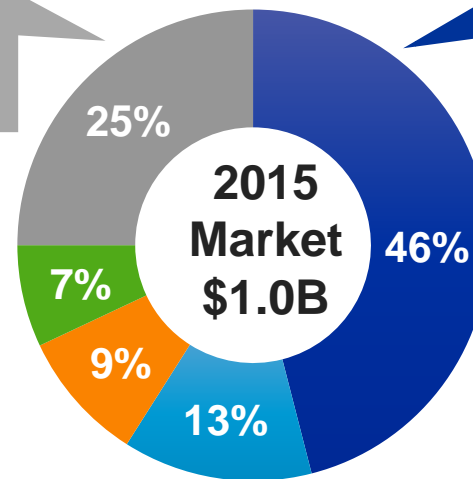
# Global Leadership In Acute Therapies In The ICU



## Acute Segment<sup>1</sup>

Local CRRT  
And TPE<sup>2</sup>  
Competitors

Baxter  
Participation  
In Key  
Segments



Acute Category Is Fragmented, High Value And Growing Double Digits



# Opportunities To Enhance CRRT Adoption

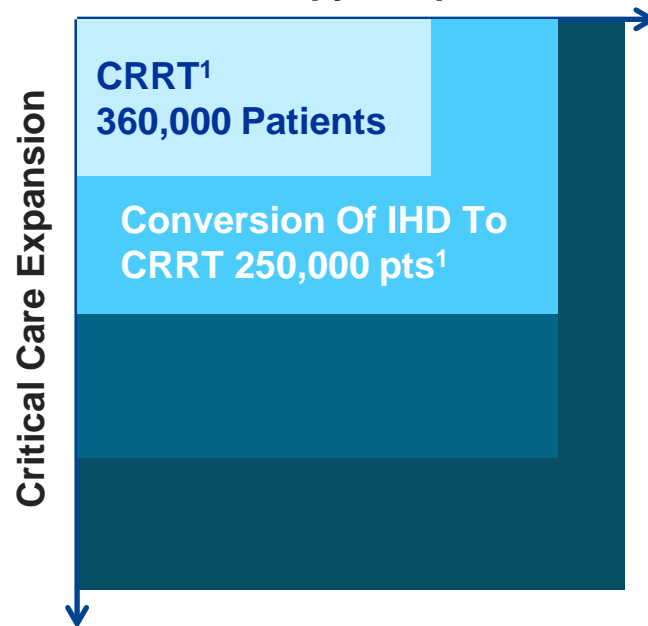


CONTINUOUS  
RENAL  
REPLACEMENT  
THERAPY  
(CRRT)



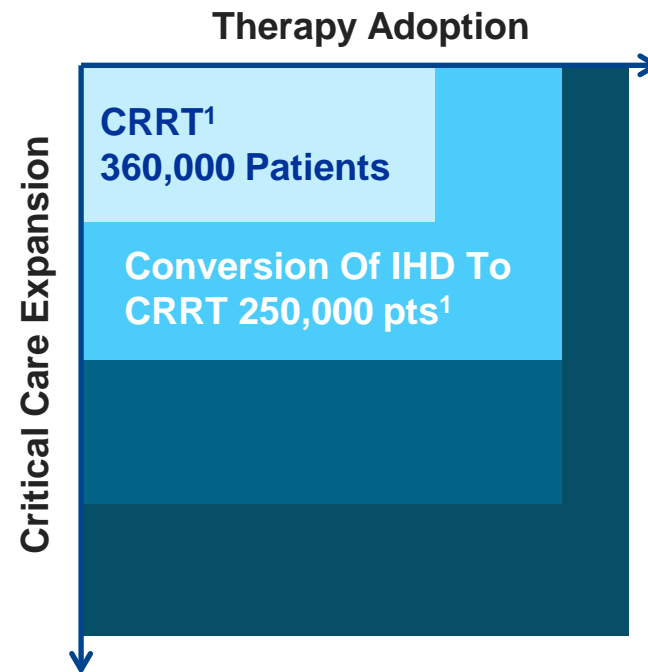
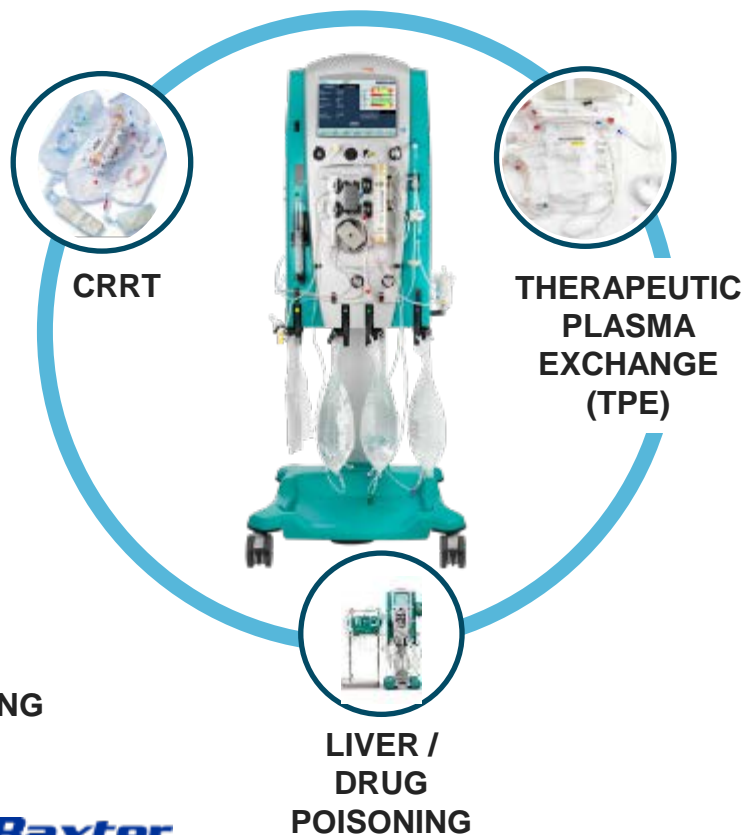
## \$500M Therapy Adoption Opportunity

### Therapy Adoption



○ EXISTING

# Going Beyond Renal Therapies

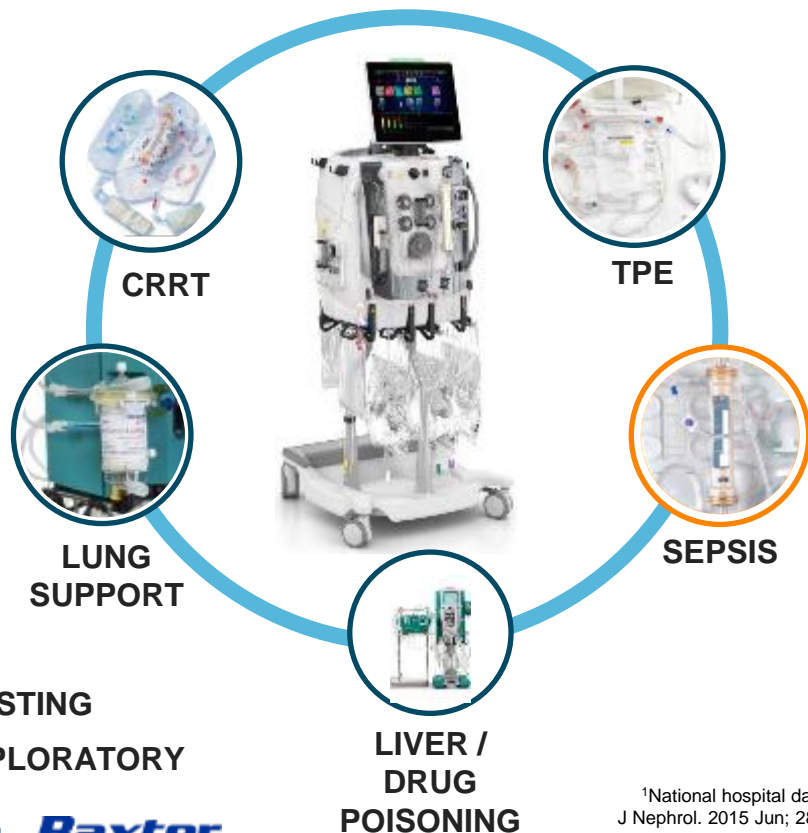
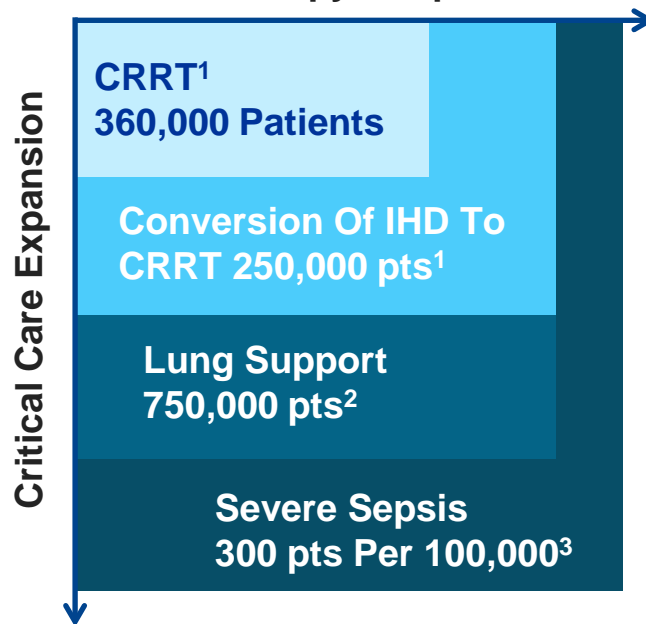


# Expanding Into Additional Extracorporeal Critical Care Therapies



**\$500M Segment Development Opportunity**

**Therapy Adoption**

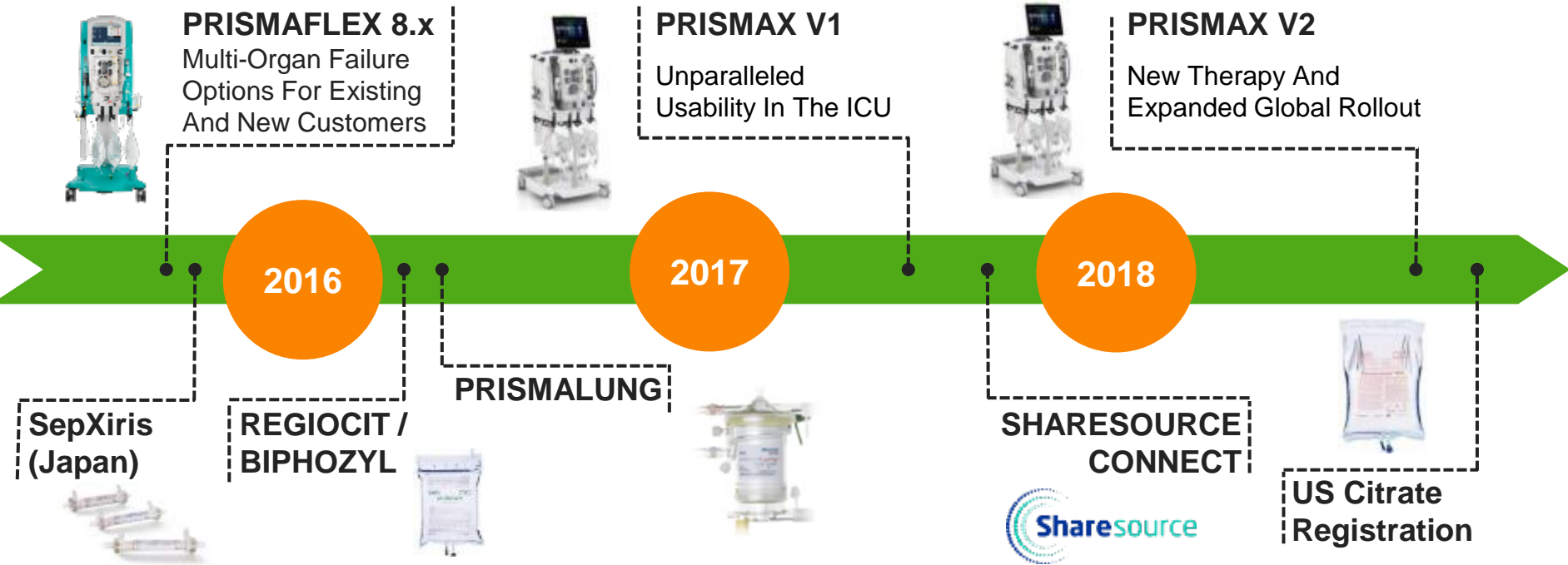


○ EXISTING  
○ EXPLORATORY



<sup>1</sup>National hospital data base, Hsu R., et al., JASN 2012; Schiff H., et al., Clin Kidney J. 2012 Aug; 5(4):297-302; Fagugli RM, et al., J Nephrol. 2015 Jun; 28(3):339-49; Metcalfe W., et al., QJM. 2002 Sep;95(9):579-83 <sup>2</sup>ARDS and Acute Exacerbated COPD patients that could benefit from extracorporeal lung support <sup>3</sup>Gaieski et al, Crit Care Med. 2013 May; 41(5):1167-74

# Demonstrated Ability To Deliver Continuous Innovation



➤ Robust Near-Term Pipeline To Sustain Leadership And Expand Category

# Accelerating Growth And Returns

**Strong Opportunity** For Continued Growth In Renal Category

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**Innovative Technologies** Will Help Baxter Accelerate Therapy Adoption Across Home, In-Center HD And Acute

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**Fundamentally Working Differently** To Drive Results



# **Baxter**

# **2020**



# **Investor Conference**

New York City, New York

May 9, 2016

***Baxter***