

**BAXTER INTERNATIONAL INC.**  
**Consolidated Statements of Income**  
**Three Months Ended September 30, 2008 and 2007**  
**(unaudited)**  
**(in millions, except per share and percentage data)**

	Three Months Ended September 30,		
	2008	2007	Change
<b>NET SALES</b>	<b>\$3,151</b>	\$2,750	15%
<b>COST OF GOODS SOLD</b>	<b>1,630</b> <sup>1</sup>	1,374	19%
<b>GROSS PROFIT</b>	<b>1,521</b>	1,376	11%
<i>% of Net Sales</i>	<b>48.3%</b>	50.0%	(1.7 pts)
<b>MARKETING AND ADMINISTRATIVE EXPENSES</b>	<b>681</b>	663 <sup>2</sup>	3%
<i>% of Net Sales</i>	<b>21.6%</b>	24.1%	(2.5 pts)
<b>RESEARCH AND DEVELOPMENT EXPENSES</b>	<b>230</b> <sup>3</sup>	203 <sup>3</sup>	13%
<i>% of Net Sales</i>	<b>7.3%</b>	7.4%	(0.1 pt)
<b>NET INTEREST EXPENSE</b>	<b>20</b>	6	N/M
<b>OTHER EXPENSE, NET</b>	<b>32</b> <sup>4</sup>	21	52%
<b>PRE-TAX INCOME</b>	<b>558</b>	483	16%
<b>INCOME TAX EXPENSE</b>	<b>86</b> <sup>5</sup>	88 <sup>5</sup>	(2%)
<i>% of Pre-Tax Income</i>	<b>15.4%</b>	18.2%	(2.8 pts)
<b>NET INCOME</b>	<b>\$472</b>	\$395	19%
<b>BASIC EPS</b>	<b>\$0.76</b>	\$0.62	23%
<b>DILUTED EPS</b>	<b>\$0.74</b>	\$0.61	21%
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>			
Basic	<b>625</b>	641	
Diluted	<b>638</b>	651	
<b>ADJUSTED PRE-TAX INCOME (excluding specified items)</b>	<b>\$673</b> <sup>6</sup>	\$574 <sup>6</sup>	17%
<b>ADJUSTED NET INCOME (excluding specified items)</b>	<b>\$563</b> <sup>6</sup>	\$458 <sup>6</sup>	23%
<b>ADJUSTED DILUTED EPS (excluding specified items)</b>	<b>\$0.88</b> <sup>6</sup>	\$0.70 <sup>6</sup>	26%

<sup>1</sup> Cost of goods sold in 2008 included a charge of \$72 million (\$65 million on an after-tax basis, or \$0.10 per diluted share) related to COLLEAGUE infusion pumps.

<sup>2</sup> Marketing and administrative expenses in 2007 included a charge of \$56 million (\$34 million on an after-tax basis, or \$0.05 per diluted share) related to the company's Average Wholesale Pricing (AWP) litigation.

<sup>3</sup> Research and development (R&D) expenses in 2008 included an in-process R&D (IPR&D) charge of \$12 million (\$7 million on an after-tax basis, or \$0.01 per diluted share) related to the company's licensing agreement with Innocoll Pharmaceuticals Ltd. (Innocoll) to market and distribute Innocoll's gentamicin surgical implant in the United States. R&D expenses in 2007 included IPR&D charges of \$25 million related to the company's collaboration with HHD, LLC and \$10 million related to the company's in-licensing arrangement with Halozyme Therapeutics, Inc. The after-tax impact of these items was \$29 million, or \$0.04 per diluted share, in 2007.

<sup>4</sup> Other expense, net in 2008 included an impairment charge of \$31 million (\$19 million on an after-tax basis, or \$0.03 per diluted share) associated with the discontinuation of the CLEARSHOT pre-filled syringe program.

<sup>5</sup> Income tax expense included a benefit of \$15 million, or \$0.02 per diluted share, in 2008 and expense of \$15 million, or \$0.02 per diluted share, in 2007, related primarily to the reversal of valuation allowances and tax expense associated with foreign earnings that the company planned to repatriate to the United States.

<sup>6</sup> Refer to page 8 for a description of the adjustments and a reconciliation to GAAP (generally accepted accounting principles) measures.

Non-GAAP Financial Measures: The non-GAAP financial measures contained in this press release (pre-tax income, income tax expense, net income, and diluted EPS, excluding specified items) adjust for factors that are unusual or nonrecurring. Unusual or nonrecurring items can be highly variable, difficult to predict, and of a size that may substantially impact the company's reported operations for a period. Management believes that non-GAAP financial measures can facilitate a fuller analysis of the company's results of operations, particularly in evaluating performance period over period. Management uses these non-GAAP financial measures internally in financial planning, to monitor business unit performance, and in evaluating management performance. Refer to the company's filing on Form 8-K of today's date for additional information.

**BAXTER INTERNATIONAL INC.**  
**Notes to Consolidated Statements of Income**  
**Three Months Ended September 30, 2008 and 2007**  
**Description of Adjustments and Reconciliation of GAAP to Non-GAAP Measures**  
**(unaudited)**  
**(in millions, except per share and percentage data)**

**2008 description of adjustments and reconciliation of GAAP to Non-GAAP**

The company's GAAP results for the three months ended September 30, 2008 included a charge related to COLLEAGUE infusion pumps, an impairment charge associated with the discontinuation of the CLEARSHOT pre-filled syringe program, and an IPR&D charge related to the company's licensing agreement with Innocoll, which impacted the GAAP results as follows:

	Pre-tax Income	Income Tax Expense	Net Income	Diluted EPS
<b>GAAP</b>	<b>\$558</b>	<b>\$86</b>	<b>\$472</b>	<b>\$0.74</b>
COLLEAGUE infusion pump charge (A)	72	7	65	0.10
Impairment charge	31	12	19	0.03
IPR&D charge (B)	12	5	7	0.01
<b>Excluding specified items</b>	<b>\$673</b>	<b>\$110</b>	<b>\$563</b>	<b>\$0.88</b>
<b>Effective tax rate</b>		<b>16.3%</b>		

- (A) Included in the Cost of Goods Sold line within the accompanying consolidated statement of income. Excluding this item, adjusted gross profit was \$1.59 billion and the adjusted gross profit percentage was 50.6%.
- (B) Included in the R&D Expenses line within the accompanying consolidated statement of income. Excluding this item, adjusted R&D expenses were \$218 million, or 6.9% of net sales, which represented a 29.8% increase over 2007 adjusted R&D expenses of \$168 million.

**2007 description of adjustments and reconciliation of GAAP to Non-GAAP**

The company's GAAP results for the three months ended September 30, 2007 included a charge related to the AWP litigation and IPR&D charges related to the company's collaboration with HHD, LLC and the company's in-licensing arrangement with Halozyme Therapeutics, Inc. These charges impacted the GAAP results as follows:

	Pre-tax Income	Income Tax Expense	Net Income	Diluted EPS
<b>GAAP</b>	<b>\$483</b>	<b>\$88</b>	<b>\$395</b>	<b>\$0.61</b>
Litigation-related charge (A)	56	22	34	0.05
IPR&D charges (B)	35	6	29	0.04
<b>Excluding specified items</b>	<b>\$574</b>	<b>\$116</b>	<b>\$458</b>	<b>\$0.70</b>
<b>Effective tax rate</b>		<b>20.2%</b>		

- (A) Included in the Marketing and Administrative Expenses line within the accompanying consolidated statement of income. Excluding this item, adjusted marketing and administrative expenses were \$607 million, or 22.1% of net sales.
- (B) Included in the R&D Expenses line within the accompanying consolidated statement of income. Excluding this item, adjusted R&D expenses were \$168 million, or 6.1% of net sales.

**BAXTER INTERNATIONAL INC.**  
**Consolidated Statements of Income**  
**Nine Months Ended September 30, 2008 and 2007**  
**(unaudited)**  
**(in millions, except per share and percentage data)**

	Nine Months Ended September 30,		
	2008	2007	Change
<b>NET SALES</b>	<b>\$9,217</b>	\$8,254	12%
<b>COST OF GOODS SOLD</b>	<b>4,689</b> <sup>1</sup>	4,220	11%
<b>GROSS PROFIT</b>	<b>4,528</b>	4,034	12%
<i>% of Net Sales</i>	<i>49.1%</i>	48.9%	0.2 pts
<b>MARKETING AND ADMINISTRATIVE EXPENSES</b>	<b>2,024</b>	1,867 <sup>2</sup>	8%
<i>% of Net Sales</i>	<i>22.0%</i>	22.6%	(0.6 pts)
<b>RESEARCH AND DEVELOPMENT EXPENSES</b>	<b>642</b> <sup>3</sup>	539 <sup>3</sup>	19%
<i>% of Net Sales</i>	<i>7.0%</i>	6.5%	0.5 pts
<b>RESTRUCTURING CHARGE</b>	-	70 <sup>4</sup>	(100%)
<b>NET INTEREST EXPENSE</b>	<b>62</b>	10	N/M
<b>OTHER EXPENSE, NET</b>	<b>36</b> <sup>5</sup>	28 <sup>5</sup>	29%
<b>PRE-TAX INCOME</b>	<b>1,764</b>	1,520	16%
<b>INCOME TAX EXPENSE</b>	<b>319</b> <sup>6</sup>	291	10%
<i>% of Pre-Tax Income</i>	<i>18.1%</i>	19.1%	(1.0 pt)
<b>NET INCOME</b>	<b>\$1,445</b>	\$1,229	18%
<b>BASIC EPS</b>	<b>\$2.30</b>	\$1.90	21%
<b>DILUTED EPS</b>	<b>\$2.26</b>	\$1.87	21%
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>			
Basic	628	647	
Diluted	640	657	
<b>ADJUSTED PRE-TAX INCOME (excluding specified items)</b>	<b>\$1,932</b> <sup>7</sup>	\$1,681 <sup>7</sup>	15%
<b>ADJUSTED NET INCOME (excluding specified items)</b>	<b>\$1,581</b> <sup>7</sup>	\$1,338 <sup>7</sup>	18%
<b>ADJUSTED DILUTED EPS (excluding specified items)</b>	<b>\$2.47</b> <sup>7</sup>	\$2.03 <sup>7</sup>	22%

<sup>1</sup> Cost of goods sold in 2008 included charges totaling \$125 million (\$110 million on an after-tax basis, or \$0.17 per diluted share) related to COLLEAGUE infusion pumps.

<sup>2</sup> Marketing and administrative expenses in 2007 included a charge of \$56 million (\$34 million on an after-tax basis, or \$0.05 per diluted share) related to the company's AWP litigation.

<sup>3</sup> R&D expenses in 2008 included an IPR&D charge of \$12 million (\$7 million on an after-tax basis, or \$0.01 per diluted share) related to the company's licensing agreement with Innocoll to market and distribute Innocoll's gentamicin surgical implant in the United States. R&D expenses in 2007 included IPR&D charges of \$25 million related to the company's collaboration with HHD, LLC and \$10 million related to the company's in-licensing arrangement with Halozyne Therapeutics, Inc. The after-tax impact of these items was \$29 million, or \$0.04 per diluted share, in 2007. Also included in R&D expenses in 2007 was an IPR&D charge of \$11 million (\$7 million on an after-tax basis, or \$0.01 per diluted share) related to the acquisition of MAAS Medical, LLC.

<sup>4</sup> A restructuring charge in 2007 of \$70 million (\$46 million on an after-tax basis, or \$0.07 per diluted share) was primarily for costs and asset impairments associated with the consolidation of certain commercial and manufacturing operations outside of the United States.

<sup>5</sup> Other expense, net in 2008 included an impairment charge of \$31 million (\$19 million on an after-tax basis, or \$0.03 per diluted share) associated with the discontinuation of the CLEARSHOT pre-filled syringe program. Additionally, other expense, net in 2007 included income of \$23 million, reflecting a gain on the sale of the Transfusion Therapies business of \$58 million less related charges of \$35 million. The after-tax impact of these items was \$6 million of income, or \$0.01 per diluted share, in 2007.

<sup>6</sup> Income tax expense in 2008 included a benefit of \$15 million, or \$0.02 per diluted share, related primarily to the reversal of a valuation allowance and tax expense associated with foreign earnings that the company planned to repatriate to the United States.

<sup>7</sup> Refer to page 10 for a description of the adjustments and a reconciliation to GAAP measures.

Non-GAAP Financial Measures: The non-GAAP financial measures contained in this press release (pre-tax income, income tax expense, net income, and diluted EPS, excluding specified items) adjust for factors that are unusual or nonrecurring. Unusual or nonrecurring items can be highly variable, difficult to predict, and of a size that may substantially impact the company's reported operations for a period. Management believes that non-GAAP financial measures can facilitate a fuller analysis of the company's results of operations, particularly in evaluating performance period over period. Management uses these non-GAAP financial measures internally in financial planning, to monitor business unit performance, and in evaluating management performance. Refer to the company's filing on Form 8-K of today's date for additional information.

**BAXTER INTERNATIONAL INC.**  
**Notes to Consolidated Statements of Income**  
**Nine Months Ended September 30, 2008 and 2007**  
**Description of Adjustments and Reconciliation of GAAP to Non-GAAP Measures**  
**(unaudited)**  
**(in millions, except per share and percentage data)**

**2008 description of adjustments and reconciliation of GAAP to Non-GAAP**

The company's GAAP results for the nine months ended September 30, 2008 included charges related to COLLEAGUE infusion pumps, an impairment charge associated with the discontinuation of the CLEARSHOT pre-filled syringe program, and an IPR&D charge related to the company's licensing agreement with Innocoll, which impacted the GAAP results as follows:

	Pre-tax Income	Income Tax Expense	Net Income	Diluted EPS
<b>GAAP</b>	<b>\$1,764</b>	<b>\$319</b>	<b>\$1,445</b>	<b>\$2.26</b>
COLLEAGUE infusion pump charges (A)	125	15	110	0.17
Impairment charge	31	12	19	0.03
IPR&D charge (B)	12	5	7	0.01
<b>Excluding specified items</b>	<b>\$1,932</b>	<b>\$351</b>	<b>\$1,581</b>	<b>\$2.47</b>
<b>Effective tax rate</b>		<b>18.2%</b>		

- (A) Included in the Cost of Goods Sold line within the accompanying consolidated statement of income. Excluding this item, adjusted gross profit was \$4.65 billion and the adjusted gross profit percentage was 50.5%.
- (B) Included in the R&D Expenses line within the accompanying consolidated statement of income. Excluding this item, adjusted R&D expenses were \$630 million, or 6.8% of net sales, which represented a 25.0% increase over 2007 adjusted R&D expenses of \$504 million.

**2007 description of adjustments and reconciliation of GAAP to Non-GAAP**

The company's GAAP results for the nine months ended September 30, 2007 included a restructuring charge, primarily for costs and asset impairments associated with the consolidation of certain commercial and manufacturing operations outside of the United States, a charge related to the AWP litigation, and IPR&D charges related to the company's collaboration with HHD, LLC and the company's in-licensing arrangement with Halozyme Therapeutics, Inc. These charges impacted the GAAP results as follows:

	Pre-tax Income	Income Tax Expense	Net Income	Diluted EPS
<b>GAAP</b>	<b>\$1,520</b>	<b>\$291</b>	<b>\$1,229</b>	<b>\$1.87</b>
Restructuring charge	70	24	46	0.07
Litigation-related charge (A)	56	22	34	0.05
IPR&D charges (B)	35	6	29	0.04
<b>Excluding specified items</b>	<b>\$1,681</b>	<b>\$343</b>	<b>\$1,338</b>	<b>\$2.03</b>
<b>Effective tax rate</b>		<b>20.4%</b>		

- (A) Included in the Marketing and Administrative Expenses line within the accompanying consolidated statement of income. Excluding this item, adjusted marketing and administrative expenses were \$1.81 billion, or 21.9% of net sales.
- (B) Included in the R&D Expenses line within the accompanying consolidated statement of income. Excluding this item, adjusted R&D expenses were \$504 million, or 6.1% of net sales.

**BAXTER INTERNATIONAL INC.**  
**Condensed Consolidated Balance Sheets**  
**(unaudited)**  
**(\$ in millions)**

	<u>September 30, 2008</u>	<u>December 31, 2007</u>
<b><u>Assets</u></b>		
Cash and equivalents	\$2,191	\$2,539
Receivables	2,101	2,026
Inventories	2,520	2,334
Other current assets	625	656
Total current assets	<u>7,437</u>	<u>7,555</u>
Property, plant and equipment, net	4,598	4,487
Other long-term assets	3,174	3,252
Total assets	<u>\$15,209</u>	<u>\$15,294</u>
<b><u>Liabilities and Shareholders' Equity</u></b>		
Short-term debt	\$235	\$425
Other current liabilities	3,089	3,387
Long-term debt	3,185	2,664
Other long-term liabilities	1,641	1,902
Shareholders' equity	7,059	6,916
Total liabilities and shareholders' equity	<u>\$15,209</u>	<u>\$15,294</u>

**BAXTER INTERNATIONAL INC.**  
**Cash Flows from Operations and Changes in Net Debt**  
(unaudited)  
(\$ in millions)

<b>Cash Flows from Operations</b>				
(Brackets denote cash outflows)				
	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
Net income	\$472	\$395	\$1,445	\$1,229
Adjustments				
Depreciation and amortization	165	141	481	428
Deferred income taxes	54	14	164	32
Stock compensation	38	36	111	99
Restructuring and infusion pump charges	72	-	125	70
Impairment charge	31	-	31	-
Litigation-related charge	-	56	-	56
IPR&D charges	12	35	12	46
Other	4	27	27	53
Changes in balance sheet items				
Receivables	7	40	(86)	(114)
Inventories	(52)	(91)	(207)	(261)
Accounts payable and accrued liabilities	18	6	(236)	(85)
Restructuring payments	(9)	(14)	(35)	(20)
Other	1	(37)	63	21
<b>Cash flows from operations</b>	<b>\$813</b>	<b>\$608</b>	<b>\$1,895</b>	<b>\$1,554</b>
<b>Changes in Net Debt</b>				
Increase (decrease)				
	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
<b>Net debt, beginning of period</b>	<b>\$1,087</b>	<b>\$231</b>	<b>\$550</b>	<b>\$316</b>
Cash flows from operations	(813)	(608)	(1,895)	(1,554)
Capital expenditures	251	166	615	424
Dividends	136	109	411	598
Proceeds from sale of Transfusion Therapies business	-	-	-	(421)
Proceeds and excess tax benefits from stock issued under employee benefit plans	(302)	(72)	(547)	(500)
Purchases of treasury stock	589	827	1,522	1,641
Acquisitions of and investments in businesses and technologies	12	40	73	83
Payments relating to settlements of cross-currency swaps	241	49	542	196
Other, including the effect of exchange rate changes	28	10	(42)	(31)
<b>Increase in net debt</b>	<b>142</b>	<b>521</b>	<b>679</b>	<b>436</b>
<b>Net debt, September 30</b>	<b>\$1,229</b>	<b>\$752</b>	<b>\$1,229</b>	<b>\$752</b>
<b>Key statistics, September 30:</b>				
Days sales outstanding	55.6	58.7	55.6	58.7
Inventory turns	2.4	2.3	2.4	2.3

**BAXTER INTERNATIONAL INC.**  
**Net Sales**  
**Periods Ending September 30, 2008 and 2007**  
**(unaudited)**  
**(\$ in millions)**

	Q3 2008	Q3 2007	% Growth @ Actual Rates	% Growth @ Constant Rates	YTD 2008	YTD 2007	% Growth @ Actual Rates	% Growth @ Constant Rates
<b>BioScience<sup>1</sup></b>								
United States	\$617	\$556	11%	11%	\$1,754	\$1,572	12%	12%
International	737	543	36%	23%	2,195	1,789	23%	10%
<b>Total</b>	<b>\$1,354</b>	<b>\$1,099</b>	<b>23%</b>	<b>17%</b>	<b>\$3,949</b>	<b>\$3,361</b>	<b>17%</b>	<b>11%</b>
<b>Medication Delivery</b>								
United States	\$527	\$528	0%	0%	\$1,555	\$1,578	(1%)	(1%)
International	630	519	21%	12%	1,831	1,498	22%	11%
<b>Total</b>	<b>\$1,157</b>	<b>\$1,047</b>	<b>11%</b>	<b>6%</b>	<b>\$3,386</b>	<b>\$3,076</b>	<b>10%</b>	<b>5%</b>
<b>Renal</b>								
United States	\$95	\$96	(1%)	(1%)	\$290	\$288	1%	1%
International	498	464	7%	(1%)	1,459	1,350	8%	(2%)
<b>Total</b>	<b>\$593</b>	<b>\$560</b>	<b>6%</b>	<b>(1%)</b>	<b>\$1,749</b>	<b>\$1,638</b>	<b>7%</b>	<b>(1%)</b>
<b>Baxter excluding Transfusion Therapies</b>								
United States	\$1,239	\$1,180	5%	5%	\$3,599	\$3,438	5%	5%
International	1,865	1,526	22%	12%	5,485	4,637	18%	7%
<b>Total</b>	<b>\$3,104</b>	<b>\$2,706</b>	<b>15%</b>	<b>9%</b>	<b>\$9,084</b>	<b>\$8,075</b>	<b>12%</b>	<b>6%</b>
<b>Transfusion Therapies<sup>1</sup></b>								
United States	\$33	\$31	6%	6%	\$93	\$108	(14%)	(14%)
International	14	13	8%	8%	40	71	(44%)	(48%)
<b>Total</b>	<b>\$47</b>	<b>\$44</b>	<b>7%</b>	<b>7%</b>	<b>\$133</b>	<b>\$179</b>	<b>(26%)</b>	<b>(27%)</b>
<b>Baxter International Inc.</b>								
United States	\$1,272	\$1,211	5%	5%	\$3,692	\$3,546	4%	4%
International	1,879	1,539	22%	12%	5,525	4,708	17%	6%
<b>Total</b>	<b>\$3,151</b>	<b>\$2,750</b>	<b>15%</b>	<b>9%</b>	<b>\$9,217</b>	<b>\$8,254</b>	<b>12%</b>	<b>5%</b>

<sup>1</sup> The results of operations of the Transfusion Therapies (TT) business were previously reported in the BioScience business. The TT business was sold on February 28, 2007. The TT totals above include sales of TT products through the date of divestiture, as well as revenues associated with manufacturing, distribution and other services provided by the company to the buyer of the TT business post-divestiture.

**BAXTER INTERNATIONAL INC.**  
**Key Product Line Sales**  
**Periods Ending September 30, 2008 and 2007**  
**(unaudited)**  
**(\$ in millions)**

	Q3	Q3	% Growth @	% Growth @	YTD	YTD	% Growth @	% Growth @
	2008	2007	Actual Rates	Constant Rates	2008	2007	Actual Rates	Constant Rates
<b>BioScience</b>								
Recombinants	\$516	\$432	19%	14%	\$1,460	\$1,251	17%	11%
Plasma Proteins	338	246	37%	26%	889	714	25%	16%
Antibody Therapy	307	245	25%	22%	908	705	29%	25%
Regenerative Medicine <sup>1</sup>	104	82	27%	21%	307	251	22%	16%
Other <sup>2</sup>	89	94	(5%)	(13%)	385	440	(13%)	(22%)
<b>Total BioScience <sup>3</sup></b>	<b>\$1,354</b>	<b>\$1,099</b>	<b>23%</b>	<b>17%</b>	<b>\$3,949</b>	<b>\$3,361</b>	<b>17%</b>	<b>11%</b>
<b>Medication Delivery</b>								
IV Therapies	\$403	\$346	16%	10%	\$1,182	\$1,012	17%	9%
Global Injectables	403	372	8%	5%	1,164	1,114	4%	0%
Infusion Systems	235	207	14%	11%	684	624	10%	6%
Anesthesia	112	111	1%	(1%)	333	296	13%	9%
Other	4	11	(64%)	(82%)	23	30	(23%)	(33%)
<b>Total Medication Delivery</b>	<b>\$1,157</b>	<b>\$1,047</b>	<b>11%</b>	<b>6%</b>	<b>\$3,386</b>	<b>\$3,076</b>	<b>10%</b>	<b>5%</b>
<b>Renal</b>								
PD Therapy	\$480	\$448	7%	0%	\$1,404	\$1,310	7%	(1%)
HD Therapy	113	112	1%	(5%)	345	328	5%	(3%)
<b>Total Renal</b>	<b>\$593</b>	<b>\$560</b>	<b>6%</b>	<b>(1%)</b>	<b>\$1,749</b>	<b>\$1,638</b>	<b>7%</b>	<b>(1%)</b>
<b>Baxter excluding Transfusion Therapies</b>	<b>\$3,104</b>	<b>\$2,706</b>	<b>15%</b>	<b>9%</b>	<b>\$9,084</b>	<b>\$8,075</b>	<b>12%</b>	<b>6%</b>
<b>Transfusion Therapies <sup>3</sup></b>	<b>\$47</b>	<b>\$44</b>	<b>7%</b>	<b>7%</b>	<b>\$133</b>	<b>\$179</b>	<b>(26%)</b>	<b>(27%)</b>
<b>TOTAL BAXTER</b>	<b>\$3,151</b>	<b>\$2,750</b>	<b>15%</b>	<b>9%</b>	<b>\$9,217</b>	<b>\$8,254</b>	<b>12%</b>	<b>5%</b>

<sup>1</sup> Previously referred to as BioSurgery.

<sup>2</sup> Principally includes vaccines, sales of plasma to third parties, and recombinant FIX (BeneFIX). Sales of BeneFIX ceased as of June 30, 2007.

<sup>3</sup> The results of operations of the TT business were previously reported in the BioScience business. The TT business was sold on February 28, 2007. The TT totals above include sales of TT products through the date of divestiture, as well as revenues associated with manufacturing, distribution and other services provided by the company to the buyer of the TT business post-divestiture.



**BAXTER INTERNATIONAL INC.**  
**Key Product Line Sales by US and International**  
**Three-Month Periods Ending September 30, 2008 and 2007**  
**(unaudited)**  
**(\$ in millions)**

	Q3 2008			Q3 2007			% Growth @ Actual Rates		
	US	International	Total	US	International	Total	US	International	Total
<b>BioScience</b>									
Recombinants	\$220	\$296	\$516	\$205	\$227	\$432	7%	30%	19%
Plasma Proteins	108	230	338	101	145	246	7%	59%	37%
Antibody Therapy	217	90	307	178	67	245	22%	34%	25%
Regenerative Medicine <sup>1</sup>	55	49	104	44	38	82	25%	29%	27%
Other <sup>2</sup>	17	72	89	28	66	94	(39%)	9%	(5%)
<b>Total BioScience <sup>3</sup></b>	<b>\$617</b>	<b>\$737</b>	<b>\$1,354</b>	<b>\$556</b>	<b>\$543</b>	<b>\$1,099</b>	<b>11%</b>	<b>36%</b>	<b>23%</b>
<b>Medication Delivery</b>									
IV Therapies	\$115	\$288	\$403	\$109	\$237	\$346	6%	22%	16%
Global Injectables	209	194	403	217	155	372	(4%)	25%	8%
Infusion Systems	133	102	235	123	84	207	8%	21%	14%
Anesthesia	70	42	112	75	36	111	(7%)	17%	1%
Other	0	4	4	4	7	11	(100%)	(43%)	(64%)
<b>Total Medication Delivery</b>	<b>\$527</b>	<b>\$630</b>	<b>\$1,157</b>	<b>\$528</b>	<b>\$519</b>	<b>\$1,047</b>	<b>0%</b>	<b>21%</b>	<b>11%</b>
<b>Renal</b>									
PD Therapy	\$73	\$407	\$480	\$69	\$379	\$448	6%	7%	7%
HD Therapy	22	91	113	27	85	112	(19%)	7%	1%
<b>Total Renal</b>	<b>\$95</b>	<b>\$498</b>	<b>\$593</b>	<b>\$96</b>	<b>\$464</b>	<b>\$560</b>	<b>(1%)</b>	<b>7%</b>	<b>6%</b>
<b>Baxter excluding Transfusion Therapies</b>	<b>\$1,239</b>	<b>\$1,865</b>	<b>\$3,104</b>	<b>\$1,180</b>	<b>\$1,526</b>	<b>\$2,706</b>	<b>5%</b>	<b>22%</b>	<b>15%</b>
<b>Transfusion Therapies <sup>3</sup></b>	<b>\$33</b>	<b>\$14</b>	<b>\$47</b>	<b>\$31</b>	<b>\$13</b>	<b>\$44</b>	<b>6%</b>	<b>8%</b>	<b>7%</b>
<b>TOTAL BAXTER</b>	<b>\$1,272</b>	<b>\$1,879</b>	<b>\$3,151</b>	<b>\$1,211</b>	<b>\$1,539</b>	<b>\$2,750</b>	<b>5%</b>	<b>22%</b>	<b>15%</b>

<sup>1</sup> Previously referred to as BioSurgery.

<sup>2</sup> Principally includes vaccines and sales of plasma to third parties.

<sup>3</sup> The results of operations of the TT business were previously reported in the BioScience business. The TT business was sold on February 28, 2007. The TT totals above include sales of TT products through the date of divestiture, as well as revenues associated with manufacturing, distribution and other services provided by the company to the buyer of the TT business post-divestiture.