1966

The first commercial Factor VIII concentrate is produced by Baxter's Hyland division in 1966 to treat haemophilia. *(Baxter Celebrates 50 years as a Pioneer and Leader in the Biotechnology Industry)*

BAXTER CELEBRATES 50 YEARS AS A PIONEER AND LEADER IN THE BIOTECHNOLOGY INDUSTRY

LOS ANGELES, Calif., and DEERFIELD, Ill., Calif., November 10, 2003 - Baxter Healthcare Corporation today marks the 50 th anniversary of both its Los Angeles manufacturing facility, one of the world's largest facilities for the production of biologic therapies, as well as its entry into the biotechnology field, with special ceremonies at this landmark facility.

For fifty years, Baxter has been a leader in the biotechnology industry and a pioneer in developing critical therapies to treat conditions such as hemophilia, immune deficiencies and other blood-related disorders. As one of the first biotechnology companies, Baxter's depth of expertise in recombinant protein manufacturing and plasma fractionation has set the company apart as a pioneer and one of the industry's most significant contributors.

"Many people think of biotechnology as being a relatively new or young area of scientific endeavor," said Thomas Glanzmann, president of Baxter's BioScience business, " The industry's roots actually extend back some 50 years, when Baxter began developing therapies derived from blood and blood components."

In 1952, Baxter acquired Hyland Laboratories, the first company in the United States to market human plasma commercially, and in 1953 built a 177,000 square-foot facility in Los Angeles, California, to begin producing hyperimmune globulin, albumin, and a variety of blood bank, coagulation, and biochemical test products.

In the early 1960s, Dr. Murray Thelin, a scientist at Baxter's Hyland facility, became the company's first hemophilia patient. Dr. Thelin suffered from severe hemophilia, and his life-long struggle with the disease inspired him to develop a treatment to spare others the painful life he had lived. People with hemophilia do not produce adequate amounts of factor VIII, which is necessary to effectively clot blood. Without enough factor VIII, people can experience spontaneous, uncontrolled internal bleeding that is painful, debilitating and damaging to joints. In 1963, through the discovery of freezing and thawing blood plasma to obtain a layer rich in factor VIII, Dr. Thelin began developing the first factor VIII concentrate, which he initially tested by injecting himself. This resulted in the first highly purified dried concentrate of factor VIII, which enabled patients to treat themselves at home. In 1966, Baxter's Hyland division introduced the first commercially produced Factor VIII concentrate to treat hemophilia.

Since introducing the first commercially available plasma-derived factor concentrate almost forty years ago, Baxter has continued its dedication to providing innovative therapies. In the early 1970s, home treatment of hemophilia became widely available, offering people with hemophilia greater independence and reduced hospital stays. In the 1980s Baxter introduced the first heat-treated factor VIII concentrate available in the United States, and later pioneered the first recombinant factor VIII concentrate. In 1992, Baxter introduced this first genetically engineered, non-plasma derived factor VIII concentrate. Most recently, Baxter launched ADVATE, the first and only factor VIII made without any added human or animal plasma proteins and albumin, which is the most advanced factor VIII treatment for hemophilia to date, and provides unsurpassed pathogen

safety.

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Currently, Baxter's Los Angeles facility employs approximately 1,000 people and manufactures critical therapies used in the treatment of immune disorders and hemophilia, as well as for burn, trauma and surgery patients. A new 92,000 square-foot addition is slated to open for production in 2005.

"It has been incredibly exciting to see how Baxter has advanced the technology and treatment of diseases like hemophilia and immune disorders and the profound impact that has had over the years on patients and others," said Harry M. Jansen Kraemer, Jr., chairman and chief executive officer.

Baxter Healthcare Corporation is the principal domestic operating subsidiary of Baxter International Inc. (NYSE: BAX). Baxter International Inc., through its subsidiaries, assists health-care professionals and their patients with treatment of complex medical conditions, including cancer, hemophilia, immune disorders, kidney disease and trauma. The company applies its expertise in medical devices, pharmaceuticals and biotechnology to make a meaningful difference in patients' lives.

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This news release contains forward-looking statements that involve risks and uncertainties, including technological advances in the medical field, the effect of economic conditions, actions by regulatory authorities at any stage of the development and commercialization process, product demand and market acceptance, the impact of competitive products and pricing, and other risks detailed in the company's filings with the Securities and Exchange Commission. These forward looking statements are based on estimates and assumptions made by management of the company and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results or experience could differ materially from the forward-looking statements.

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