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BAXTER PRECLINICAL DATA OF LONGER-ACTING FACTOR VIII FOR HEMOPHILIA A PRESENTED AT INTERNATIONAL CONGRESS

Preclinical data on new partially humanized hemophilia A mouse model and characterization of investigational recombinant therapy for von Willebrand disease also shared

Istanbul, Turkey, June 4, 2008 – Baxter International Inc. (NYSE: BAX) announced data on three key areas of preclinical research in hemophilia: a releasable PEG conjugate for recombinant factor VIII (rFVIII), a potential longer-acting alternative therapy candidate for hemophilia A; a new partially humanized mouse model for hemophilia A; and preclinical characterization of an investigational recombinant blood-free von Willebrand factor (VWF). Preclinical data presented in both oral presentations and poster sessions were part of the scientific forum at the XXVIII International Congress of the World Federation of Hemophilia (WFH) held June 1-4.

“The data presented possibly lay the groundwork for extending our recombinant portfolio to include novel therapies to potentially improve the lives of people with rare blood disorders,” said Hartmut Ehrlich, M.D., vice president of Global Research and Development for Baxter’s BioScience business. “We are proud to utilize our heritage in hemophilia to pioneer the next generation of therapies, which may allow for less frequent infusions and provide improved convenience for patients.”

Oral Presentation of Longer-Acting Hemophilia A Preclinical Data

Baxter researchers presented early data on a new “pro-drug concept” to optimize the pharmacokinetics and prolong the survival of the rFVIII molecule through the modification of rFVIII with releasable polyethylene glycol (PEG)-based polymers. Applying this concept to rFVIII may lead to the development of a longer-acting therapy with potentially fewer infusions for the management of hemophilia A.

Upon intravenous administration in animal models, the “pro-drug concept” works by enabling partially inactive precursor-rFVIII molecules to regain biological activity. Results showed that modified rFVIII in preclinical studies were found to have a statistically significant longer half-life compared to unmodified rFVIII as well as non-releasable, PEG rFVIII conjugates. The innovative releasable PEG conjugate is being developed in collaboration with Nektar Therapeutics (Nasdaq: NKTR).

Oral Presentation on New Partially Humanized Hemophilia A Mouse Model

Data presented by Baxter illustrates that, for the first time, a partially humanized mouse model for hemophilia A has been developed that contains essential elements of the human immune system. This will support Baxter researchers in identifying the immunogenicity profile of product candidates, focus development on the best candidates for patients with hemophilia A and help minimize the risk of inhibitor development.

Preclinical Characterization of Investigational rVWF Therapy

Data from multiple poster presentations were discussed on the preclinical characterization of the investigational recombinant von Willebrand Factor (VWF), suggesting that rVWF as a protein candidate has similar properties to plasma-derived VWF, the current standard of care for treating Type 3 von Willebrand disease patients.

By applying Baxter’s proprietary plasma-albumin free manufacturing technology, Baxter researchers have developed an rVWF with the goal of eliminating the potential risk of blood-borne pathogen transmission for people with von Willebrand disease. The molecule has not yet been tested in humans.

Preclinical studies evaluate safety and efficacy in animal models and are not necessarily predictive of human experience.

About von Willebrand Disease

Von Willebrand disease is the most common inherited bleeding disorder and occurs in one-to-two percent of the population, affecting both men and women. People with this

disease may have low levels of VWF, a clotting protein necessary for proper blood coagulation. There are three types of von Willebrand disease, but the majority of cases are Type I, a mild version of the disease. More severe cases, as seen in Type 2 and Type 3, may require infusion of vWF concentrate to increase the amount of circulating VWF in order to prevent the breakdown of platelet plugs involved in the initial stage of clotting. There is currently no cure for von Willebrand disease.

About Hemophilia A

People with hemophilia A do not produce adequate amounts of factor VIII, which is necessary for blood to effectively clot. If untreated, people with severe hemophilia A have a greatly reduced life expectancy. According to the World Health Organization, more than 400,000 people in the world have hemophilia, corresponding to a prevalence of 15 to 20 in every 100,000 males born worldwide.

Baxter Hemophilia Research and Development

Baxter is a global leader in hemophilia therapy, with innovations that span 40 years. Through its own scientific expertise and strategic collaborations, Baxter is applying novel technologies that will pioneer the next generation of hemophilia therapies. The company is investigating ways to provide less invasive dosing techniques, longer acting therapies that require less frequent infusions, and reduce the potential for inhibitor formation to help improve the lives of people with hemophilia.

About Baxter

Baxter International Inc. (NYSE: BAX), through its subsidiaries, assists healthcare professionals and their patients with the 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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