

FOR IMMEDIATE RELEASE

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BAXTER DECLARES QUARTERLY DIVIDEND

DEERFIELD, Ill., July 19, 2016 – Baxter International Inc. (NYSE:BAX) today declared a quarterly dividend of \$0.13 per Baxter common share. This cash dividend is payable on October 3, 2016 to shareholders of record as of September 2, 2016.

In May 2016, Baxter increased its quarterly dividend rate by 13 percent, reflecting the company's commitment to returning value to shareholders while also balancing reinvestment in the business. The company has targeted an annual dividend payout ratio of approximately 35 percent of adjusted net income.

Baxter provides a broad portfolio of essential renal and hospital products, including home, acute and in-center dialysis; sterile IV solutions; infusion systems and devices; parenteral nutrition; biosurgery products and anesthetics; and pharmacy automation, software and services. The company's global footprint and the critical nature of its products and services play a key role in expanding access to healthcare in emerging and developed countries. Baxter's employees worldwide are building upon the company's rich heritage of medical breakthroughs to advance the next generation of healthcare innovations that enable patient care.

This release includes forward-looking statements concerning Baxter's dividend. 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-

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looking statements: continued strength in the company's financial position, including cash flows; future decisions of the board of directors of the company to continue payments to shareholders in the form of a dividend on a quarterly or other basis relative to alternative uses of funds; and other risks identified in the company's most recent filing on Form 10-K and other SEC filings, all of which are available on Baxter's website. Baxter does not undertake to update its forward-looking statements.

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