Press releases

Baxter Announces Acquisition of All Hemophilia-related Assets of Archemix and an Exclusive License of its Anti-TFPI Aptamer Technology

Lead Product ARC19499 Is Potential Subcutaneous Hemophilia Therapy Currently In Phase I Clinical Development

DEERFIELD, Ill., November 19, 2010 - Baxter International Inc. (NYSE: BAX) announced today that it has entered into a definitive agreement to acquire all of the hemophilia-related assets of a privately-held biopharmaceutical company, Archemix, and entered into an exclusive license agreement for certain related intellectual property assets.

The lead product associated with the arrangement is ARC19499, a synthetic, subcutaneously-administered hemophilia therapy currently in a Phase I clinical trial in the UK. ARC19499 blocks Tissue Factor Pathway Inhibitor (TFPI) activity, thereby augmenting and improving blood clotting, potentially reducing replacement factor therapy for patients with hemophilia A and B.

"Baxter is committed to optimizing hemophilia care and improving the lives of people living with hemophilia around the world," said Hartmut Ehrlich, M.D., vice president, global research and development and medical affairs, for Baxter's BioScience business. "This anti-TFPI program is an important addition to other Baxter hemophilia development programs focusing on longer-acting rFVIII and rFIX and non-intravenous therapies."

Baxter expects to record a special pre-tax in-process research and development charge of approximately $30 million in the fourth quarter of 2010 relating to an upfront payment associated with the transaction. In the future, Baxter may also make milestone-related payments to Archemix of up to $285 million. Subject to regulatory approvals and other conditions, the companies expect to complete the transaction by year-end.

About ARC19499
ARC19499 is part of a new therapeutic class referred to as "aptamers." As an aptamer is smaller than a protein or biologic, these molecules have the potential to be developed for subcutaneous administration. The Phase I clinical trial for ARC19499 was initiated by Archemix in the UK

in August 2010 and continues to enroll patients. Currently there is one aptamer approved by the U.S. FDA and available to patients today: Macugen®, for the treatment of age-related macular degeneration.

About Hemophilia

Hemophilia is a rare genetic blood clotting disorder that primarily affects males.[1] People living with hemophilia do not have enough of, or are missing, one of the blood clotting proteins naturally found in blood.[1] Two of the most common forms of hemophilia are A and B.[1] In people with hemophilia A, clotting factor VIII is not present in sufficient amounts or is absent.[1] Without enough FVIII, people with hemophilia can experience spontaneous, uncontrolled internal bleeding that is painful, debilitating, damaging to joints and potentially fatal.[1] People with hemophilia B (also called Christmas disease) do not have sufficient amounts of clotting factor IX.[1] In about 30 percent of cases, there is no family history of hemophilia and the condition is the result of a spontaneous gene mutation.[1] According to the World Federation of Hemophilia, more than 400,000 people in the world have hemophilia.[2] All races and economic groups are affected equally.[2]

About Baxter International Inc.

Baxter International Inc., through its subsidiaries, develops, manufactures and markets products that save and sustain the lives of people with hemophilia, immune disorders, cancer, infectious diseases, kidney disease, trauma and other chronic and acute medical conditions. As a global, diversified healthcare company, Baxter applies a unique combination of expertise in medical devices, pharmaceuticals and biotechnology to create products that advance patient care worldwide.

This release includes forward-looking statements concerning agreements entered into between the company and Archemix, including expectations with respect to the closing of the transaction and the efficacy of ARC19499. 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-looking statements: satisfaction of regulatory and other requirements; additional clinical trial results demonstrating the safety and effectiveness of ARC19499; actions of regulatory bodies and other governmental authorities; changes in laws and regulations; product quality or patient safety issues; failure to obtain the necessary consents or to satisfy other closing conditions; 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 the company's website. The company does not undertake to update its forward-looking statements.

References

1. Frequently Asked Questions About Hemophilia. World Federation of Hemophilia. Accessed on: 18 February 2010. Available at: http://www.wfh.org/2/1/1_1_1_FAQ.htm .
2. What is Hemophilia? World Federation of Hemophilia. Accessed on: 18 February 2010. Available at: www.wfh.org/2/1/1_1_Hemophilia.htm .