

Press releases

Baxter and Novation Sign Multi-Year Contract Extension Valued at Over \$200 Million for Medication Delivery Products

Extension Provides Members of University HealthSystem Consortium With Broad Portfolio of IV Products

DEERFIELD, Ill., October 9, 2007 — Baxter International Inc. (NYSE: BAX) announced today that Novation, the University HealthSystem Consortium's (UHC) contracting services company, has signed a new two-year contract extension on behalf of UHC valued at over \$200 million over the contract term. The extension will commence at the conclusion of UHC's previous multi-year agreement in mid-2008.

UHC, which includes most of the prestigious academic hospitals in the U.S., will continue to have access to Baxter's broad portfolio of intravenous (IV) solutions, drug delivery products, nutrition products, IV administration sets and components, and infusion pumps. Baxter received an extended single source award for IV solutions and maintained a previously established multi-source award for infusion pumps and sets.

"We are pleased to have been selected by Novation and UHC to provide life-sustaining drugs and medical devices to their members," said David Bonderud, president of the U.S. Region of Baxter's Medication Delivery business. "The new contract reflects our ongoing commitment to UHC to deliver value with our broad portfolio of Medication Delivery products."

About Novation and UHC

Based in Irving, Texas, Novation is the leading health care contracting services company, delivering unmatched savings and value to nearly 2,500 members of VHA Inc. and the University HealthSystem Consortium (UHC), two national health care alliances and nearly 9,000 members of Provista, LLC (formerly known as Healthcare Purchasing Partners International, LLC (HPPI)). Through its competitive bid process, Novation develops and manages contracts with more than 500 suppliers, both large and small. By combining scale and agility with clinical knowledge and product expertise, Novation offers the most extensive range of advanced contracting services, including: contract development, contract and supplier management, custom contracting, enhanced savings programs, online contract management and analytical tools, order management and online supplier connectivity. VHA, UHC and Provista members used Novation and alliance purchased services contracts to purchase \$31.6 billion in 2006.

The University HealthSystem Consortium (UHC), formed in 1984, is an alliance of 97 academic

medical centers and 153 of their affiliated hospitals representing more than 90% of the nation's non-profit academic medical centers. UHC offers its members specific programs and services to improve clinical, operational and patient safety performance. The mission of the University HealthSystem Consortium is to advance knowledge, foster collaboration, and promote change to help members succeed in their respective markets.

About Baxter

Baxter International Inc., through its subsidiaries, assists healthcare professionals and their patients with treatment of complex medical conditions, including hemophilia, immune disorders, cancer, infectious diseases, kidney disease, trauma and other indications. The company applies its expertise in medical devices, pharmaceuticals, and biotechnology to make a meaningful difference in patients' lives.

This release includes forward-looking statements concerning expectations related to the two-year extension of the current agreement between Novation (on behalf of UHC) and Baxter, including those expectations related to the sale of Baxter products including intravenous (IV) solutions, drug delivery products, nutrition products, IV administration sets and components and infusion pumps to members of UHC. 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: actual purchases of Baxter products by members of UHC; actions of regulatory bodies and other governmental authorities; numerous other matters including economic, business, competitive and other risk factors identified in Baxter International Inc.'s most recent filing on Form 10-Q and other SEC filings, all of which are available on the company's website. Baxter does not undertake any obligation to update its forward-looking statements as a result of new information, future events, changes to assumptions or otherwise and all forward-looking statements speak only as of the time when made.

For More Information

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