

BAXTER INTERNATIONAL INC.
SG&A Analysis of Significant Items
(unaudited)

(\$ in millions)	Three months ended <u>December 31,</u>	Year ended <u>December 31,</u>
2002 Reported SG&A	\$412	\$1,562
Special Items:		
Litigation receivable recoveries in 2002	36	60
Vacation policy change	10	16
Base "run rate"	458	1,638
Incremental F/X translation impact	30	110
Restructuring benefits (SG&A component only)	(10)	(17)
Marketing and other increases	3	65
2003 Reported SG&A	\$481	\$1,796

Growth Rates:		
Reported	17%	15%
From base "run rate" to 2003 actual	5%	10%
Excluding F/X translation impact	(1%)	3%

% of Sales:		
2003	19.0%	20.1%
2002	18.2%	19.3%