

FOR IMMEDIATE RELEASE

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VOLUNTARY RECALL OF HYLENEX INITIATED

DEERFIELD, Ill., May 17, 2010 -- Baxter International Inc. (NYSE:BAX) announced today that a voluntary recall of all manufactured lots of HYLENEX recombinant (hyaluronidase human injection) has been initiated as a precautionary measure due to instances of particulate matter observed in a limited number of HYLENEX vials during routine stability testing. Baxter is working with the product's NDA-holder, Halozyme Therapeutics, to investigate the root cause of the issue and appropriately address the situation.

To date, no medical events or customer complaints associated with this issue have been reported. Baxter and Halozyme are committed to quickly and appropriately addressing the situation.

The companies have notified the U.S. Food and Drug Administration, and Baxter will be contacting customers to request the return of product. The company estimates that there are approximately 3,500 vials in the marketplace.

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VOLUNTARY RECALL OF HYLENEX INITIATED – Page 2

The particulate matter has not been found in testing that occurs at the time of product release (that is, immediately following production). Routine stability testing is conducted on samples of commercial products stored under various conditions to verify the quality of the product over time. As part of this stability testing for HYLENEX recombinant, a limited number of vials were observed to contain small, flake-like particles, identified as glass. The companies are continuing to investigate the root cause of this issue.

HYLENEX recombinant is a tissue permeability modifier indicated as an adjuvant in subcutaneous fluid administration for achieving hydration; to increase the dispersion and absorption of other injected drugs; and in subcutaneous urography for improving resorption of radiopaque agents.

Baxter licenses the HYLENEX recombinant technology from Halozyme, which discovered and completed development work to secure FDA approval. Baxter has worldwide exclusive rights to market and sell HYLENEX recombinant, a standalone formulation of recombinant human hyaluronidase. Baxter provides Halozyme with fill/finish services in connection with the manufacture of this product. Baxter and Halozyme launched HYLENEX in October 2009 in the United States for use in pediatric rehydration.

VOLUNTARY RECALL OF HYLENEX INITIATED – Page 3

Baxter International Inc., through its subsidiaries, develops, manufactures and markets products that save and sustain the lives of people with hemophilia, immune disorders, 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 the recall of HYLENEX, including expectations with respect to the root cause of the recall and related matters. 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: ongoing investigation of the matter; continuing dialogue with Halozyme and the Food and Drug Administration; 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.

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