FOR IMMEDIATE RELEASE

BAXTER REPORTS THIRD-QUARTER 2024 RESULTS

- *Baxter third-quarter 2024 sales totaled $3.85 billion[1]*
- *Third-quarter total Baxter U.S. GAAP[2] diluted earnings per share (EPS) were $0.27[1]; adjusted total Baxter diluted EPS were $0.80[1], exceeding the company's previously issued guidance*
- *Third-quarter sales from continuing operations of $2.70 billion increased 4% on both a reported and constant currency basis[3], reflecting growth across all segments[4]*
- *Third-quarter U.S. GAAP diluted EPS from continuing operations were $0.12; adjusted continuing operations EPS were $0.49*
- *Baxter continues to make significant progress restoring production at its North Cove facility following the unprecedented impact of Hurricane Helene in western North Carolina; production has now restarted on the facility's highest-throughput IV solutions manufacturing line*

DEERFIELD, Ill., NOV. 8, 2024 – Baxter International Inc. (NYSE:BAX), a global medtech leader, today reported results for the third quarter of 2024.

"Baxter delivered positive performance in the third quarter of 2024, as the company continues to execute against its strategic transformation," said José (Joe) E. Almeida, chair, president and chief executive officer. "The pending sale of our Kidney Care business represents another defining milestone in our ongoing transformation journey. We are also making substantial progress advancing hurricane recovery efforts at our North Cove, North Carolina, facility, thanks to the inspirational commitment and resilience of our Baxter team, in coordination with government agencies. While the hurricane's aftermath is expected to have an impact on our near-term financial

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[1] Includes discontinued operations from Kidney Care business.

[2] Generally Accepted Accounting Principles

[3] Sales growth at constant currency rates and adjusted diluted EPS, as well as forecasts of those items on a forward-looking basis, are non-GAAP financial measures. See the "Non-GAAP Financial Measures" section below for information about the non-GAAP financial measures included in this release and see the accompanying tables to this press release for reconciliations of those non-GAAP measures to the corresponding U.S. GAAP measures.

[4] Continuing operations include Baxter's Medical Products & Therapies, Healthcare Systems & Technologies and Pharmaceuticals segments.

outlook, we remain confident in Baxter's outlook and growth trajectory following completion of the pending Kidney Care sale."

Third-Quarter Financial Results

Note that Baxter's third-quarter and updated full-year 2024 guidance was issued on Aug. 6, 2024, prior to the announcement of the pending sale of the Kidney Care segment to Carlyle. Following the announcement, Baxter's Kidney Care business met the conditions to be reported as a discontinued operation. Accordingly, the Kidney Care business is now reported in discontinued operations, and the company's prior-period results have been adjusted to reflect the discontinued operations presentation. Restated historical results reflecting the Kidney Care segment as a discontinued operation for the prior six quarters can be found on Baxter's website in the Investor Relations section. Discontinued operations for 2023 also include Baxter's former BioPharma Solutions (BPS) business, which was divested at the end of the third quarter of 2023. Continuing operations now reflect the results of Baxter's Medical Products & Therapies, Healthcare Systems & Technologies and Pharmaceuticals segments.

Total Baxter worldwide sales for Q3 2024 were $3.85 billion, which include continuing operations sales of $2.70 billion and discontinued operations sales of $1.15 billion. Excluding Q3 2023 BPS sales of $191 million, and including sales of Kidney Care in both periods, worldwide Baxter sales grew 4% on both a reported and constant currency basis, in line with the company's prior guidance. Including discontinued operations from the BPS business, total Baxter third-quarter 2024 sales decreased 1% on both a reported and constant currency basis.

On a continuing operations basis, Baxter's sales of $2.70 billion increased 4% on both a constant currency and reported basis, with all segments contributing to this performance. Medical Products & Therapies sales grew high single digits, reflecting strong demand across the portfolio, including the successful U.S. launch of the **Novum IQ** large volume infusion pump with **Dose IQ** Safety Software. Healthcare Systems & Technologies sales grew low single digits, as strong performance in the U.S. Care & Connectivity Solutions (CCS) division was partially offset by declines internationally in CCS and lower sales in the U.S. Front Line Care division related to ongoing market dynamics in the U.S. primary care market, as well as a difficult comparison to the prior-year period following backlog reduction efforts. Pharmaceuticals sales also grew at low single digits, as double-digit growth in the Drug Compounding division was partially offset by a high single-digit decline in the

Injectables & Anesthesia division. Third-quarter sales of Injectables & Anesthesia were impacted by the timing of certain orders shifting to the fourth quarter and supply constraints impacting international performance. The Injectables team continues to enhance its new product launch capabilities and is focused on successfully driving the commercial launches of several new injectables in 2024 and beyond.

Kidney Care sales, which are now reported as discontinued operations, increased mid-single digits over the prior year period and were driven by positive demand and pricing for acute therapies and peritoneal dialysis products.

Please see the attached schedules accompanying this press release for additional details on sales performance in the quarter, including breakouts by Baxter's segments.

For the third quarter, total net income attributable to Baxter on a U.S. GAAP basis was $140 million, or $0.27 per diluted share. These results include special items totaling $271 million, primarily related to intangible amortization, separation-related costs and business optimization costs, among other factors. On an adjusted basis, excluding the impact of special items, total net income attributable to Baxter was $0.80 per diluted share, exceeding the company's original guidance of $0.77 to $0.79 per diluted share, driven by top-line strength in Medical Products & Therapies and Kidney Care as well as continued improvements in integrated supply chain and disciplined management of operating expenses.

Hurricane Helene Recovery at North Cove Facility

On Sept. 27, 2024, western North Carolina was devastated by the impact of Hurricane Helene, which was unprecedented for the region. Among its effects, the rain and storm surge resulted in flooding at Baxter's North Cove manufacturing facility, causing a temporary production shutdown. Since then, Baxter has been focused on bringing the North Cove facility back online, working to ensure ongoing supply continuity for patients, and supporting employees in impacted communities.

As announced last week, Baxter has now restarted North Cove's highest-throughput IV solutions manufacturing line. At its peak operation (prior to Hurricane Helene), this line represented approximately 25% of the site's total production and approximately 50% of the site's production of one-liter IV solutions, the most commonly used size by hospitals and clinics. Baxter's current expectation is that new product from North Cove could begin shipping to distributors and customers

by the end of November, ahead of its original expectations, which is a testament to the dedication, diligence and resilience of Baxter colleagues in North Cove and beyond.

"I want to recognize the tireless efforts of our North Cove team as well as the countless other Baxter colleagues globally who have committed themselves to site restoration and helping address supply continuity amid this crisis," said Almeida. "I also offer Baxter's gratitude to ASPR, FDA, the State of North Carolina and HHS, all of whom continue to provide their steadfast support as we work to bring North Cove back to full production. And, of course, we are deeply appreciative of our customers' patience and partnership as our progress continues at the site."

Baxter does not yet have a timeline for when North Cove production will be fully restored to pre-hurricane levels. Assessment, equipment repair, and phased testing continue at a rapid pace across all other North Cove production lines, and Baxter will continue to work in close coordination with FDA to resume operations in phases.

Additional information on the restoration effort, including plant recovery, supply continuity, and how Baxter is making a difference for its employees and the community, can be found on the Hurricane Helene Updates page on Baxter.com. The company intends to provide further updates regarding its progress on this page.

Kidney Care Separation Update

On Aug. 13, 2024, Baxter and certain affiliates of global investment firm Carlyle announced a definitive agreement under which Carlyle is to acquire Baxter's Kidney Care segment, to be known as Vantive, for $3.80 billion. Baxter expects to receive approximately $3.50 billion in cash with net after-tax proceeds currently estimated to be in the range of $3.15 to $3.25 billion, exceeding original expectations. The transaction is a vital step in Baxter's ongoing strategic transformation and will establish Vantive as a global leader in kidney care.

Baxter continues to expect the sale to close in late 2024 or early 2025, subject to receipt of customary regulatory approvals and satisfaction of other closing conditions.

In light of the reporting change moving Kidney Care business results to discontinued operations, corporate costs that had previously been allocated to the Kidney Care segment, which will not convey with the Kidney Care business in the sale, are now reported in unallocated corporate costs. These stranded costs (or dis-synergies) are expected to be mitigated in 2025 through income

to be received from Vantive under transition service agreements (TSAs) as well as cost-containment initiatives the company is in the process of undertaking. Baxter currently expects to fully offset the impact of these stranded costs and loss of TSA income in 2027.

Financial Outlook

Given the unprecedented impact of Hurricane Helene on the company's North Cove operations and related production, Baxter is adjusting its full-year 2024 financial outlook to reflect the estimated impact of the hurricane on its fourth-quarter results. As a result of the hurricane, Baxter expects total company fourth-quarter sales to be negatively impacted by approximately $200 million, including an estimated $40 to $50 million impact on Kidney Care sales and approximately $150 to $160 million impact on Medical Products & Therapies sales. Total company adjusted diluted EPS (including discontinued operations) are expected to be negatively impacted by $0.15 to $0.20 per share.

Guidance provided below includes the impact of Kidney Care discontinued operations and excludes the impact of BPS discontinued operations. In addition, the company's updated guidance reflects the anticipated fourth-quarter negative impact of Hurricane Helene.

For full-year 2024: Baxter now expects total company sales growth of 1% to 2% on a reported basis and approximately 2% on a constant currency basis. The company expects total company adjusted earnings, before special items, of $2.90 to $2.94 per diluted share.

For fourth-quarter 2024: The company expects sales to decline low single digits on both a reported basis and constant currency basis. The company expects total adjusted earnings, before special items, of $0.77 to $0.81 per diluted share.

Following Kidney Care divestiture: Baxter reaffirms the preliminary financial expectations set when it announced its agreement to sell Kidney Care to Carlyle in August 2024. Following the completion of the pending sale of Kidney Care, Baxter is targeting operational sales growth[5] of 4% to 5% annually. The company also anticipates a full-year 2025 adjusted operating margin of

[5] Operational sales growth excludes the impact of the Kidney Care manufacturing supply agreement (to be entered into at closing) and is calculated on a constant currency basis.

approximately 16.5% on a continuing operations basis, which reflects an anticipated 100 basis point negative impact due to stranded costs, net of anticipated TSA income, and the manufacturing supply agreement (MSA) the company plans to enter into with Vantive upon the completion of the sale of the Kidney Care segment. The company currently expects to fully offset these stranded costs and loss of TSA income in 2027 through cost-containment initiatives, some of which are already underway, to further support the company's objective of delivering annual adjusted operating margin expansion.

A webcast of Baxter's third-quarter 2024 conference call for investors can be accessed live from a link in the Investor Relations section of the company's website at www.baxter.com beginning at 7:30 a.m. CST on Nov. 8, 2024. Please see www.baxter.com for more information regarding this and future investor events and webcasts.

About Baxter

Every day, millions of patients, caregivers and healthcare providers rely on Baxter's leading portfolio of diagnostic, critical care, nutrition, kidney care, hospital and surgical products used across patient homes, hospitals, physician offices and other sites of care. For more than 90 years, we've been operating at the critical intersection where innovations that save and sustain lives meet the healthcare providers who make it happen. With products, digital health solutions and therapies available in more than 100 countries, Baxter's employees worldwide are now building upon the company's rich heritage of medical breakthroughs to advance the next generation of transformative healthcare innovations. To learn more, visit www.baxter.com and follow us on X, LinkedIn and Facebook.

Non-GAAP Financial Measures

Non-GAAP financial measures may enhance an understanding of the company's operations and may facilitate an analysis of those operations, particularly in evaluating performance from one period to another. Management believes that non-GAAP financial measures, when used in conjunction with the results presented in accordance with U.S. GAAP and the company's reconciliations to corresponding U.S. GAAP financial measures (which are included in the tables accompanying this release), may enhance an investor's overall understanding of the company's past financial performance and prospects for the future. Management uses these non-GAAP measures internally in financial planning, to monitor business unit performance, and, in some cases, for purposes of determining incentive compensation. This information should be considered in addition to, and not as substitutes for, information prepared in accordance with U.S. GAAP.

Net sales growth on a constant currency basis is a non-GAAP financial measure that provides information on the percentage change in net sales growth as if foreign currency exchange rates had remained constant between the prior and current periods. Operational sales growth excludes the impact of the Kidney Care MSA (to be entered into at closing) and is calculated on a constant currency basis.

Other non-GAAP financial measures included in this release and the accompanying tables (including within the tables that provide the company's detailed reconciliations to the corresponding U.S. GAAP financial measures) are: adjusted gross margin, adjusted selling, general, and administrative expenses, adjusted research and development expenses, adjusted other operating income, net, adjusted operating income, adjusted other expense, net, adjusted income from continuing operations before income taxes, adjusted income tax expense, adjusted income (loss) from continuing operations, adjusted income (loss) from discontinued operations, adjusted net income (loss), adjusted net income (loss) attributable to Baxter stockholders, adjusted diluted earnings per share from continuing operations, adjusted diluted earnings per share from discontinued operations and adjusted diluted earnings per share. Those non-GAAP financial measures exclude the impact of special items. For the quarters and nine-month periods ended September 30, 2024 and 2023, special items for one or more periods included intangible asset amortization, business optimization charges, acquisition and integration costs, separation-related costs, expenses related to European medical devices regulation, product warranty reserves, legal matters, Hurricane Helene costs, a goodwill impairment, long-lived asset impairments, investment impairments, and certain tax matters. These items are excluded because they are highly variable or unusual and of a size that may substantially impact the company's reported operations for a period. Additionally, intangible asset amortization is excluded as a special item to facilitate an evaluation of current and past operating performance and is consistent with how management and the company's Board of Directors assess performance.

This release and the accompanying tables also include free cash flow, a non-GAAP financial measure that Baxter defines as operating cash flow less capital expenditures. Free cash flow is used by management and the company's Board of Directors to evaluate the cash generated from Baxter's operating activities each period after deducting its capital spending.

This release also includes forecasts of certain of the aforementioned non-GAAP measures on a forward-looking basis as part of the company's financial outlook for the remainder of 2024. Baxter calculates forward-looking non-GAAP financial measures based on forecasts that omit certain amounts that would be included in GAAP financial measures. For instance, forward-looking annual operational sales growth represents the company's targeted future sales growth excluding sales to Vantive under the related MSA and assuming foreign currency exchange rates remain constant in future periods. Additionally, forward-looking full year 2025 adjusted operating margin guidance and forward-looking adjusted diluted EPS guidance excludes potential charges or gains that would be reflected as non-GAAP adjustments to earnings. Baxter provides forward-looking annual operational sales growth guidance, forward-looking full year 2025 adjusted operating margin guidance, and forward-looking adjusted diluted EPS guidance because it believes that these measures provide useful information for the reasons noted above. Baxter has not provided reconciliations of forward-looking annual operational sales growth guidance to forward-looking GAAP reported sales growth guidance, forward-looking full year 2025 adjusted operating margin guidance to forward-looking GAAP operating margin guidance, and forward-looking adjusted EPS guidance to forward-looking GAAP EPS guidance for the fourth quarter and full year 2024 because the company is unable to predict with reasonable certainty the impact of legal proceedings, future business optimization actions, separation-related costs, integration-related costs, asset impairments, unusual gains and losses, and changes in foreign currency exchange rates, and the related amounts are unavailable without unreasonable efforts (as specified in the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K). In addition, Baxter believes that such reconciliations would imply a degree of

precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of financial performance.

Forward-Looking Statements

This release includes forward-looking statements concerning the company's financial results (including the outlook for fourth-quarter and full-year 2024, and full-year 2025) and business development and regulatory activities. These forward-looking 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: the company's ability to execute and complete strategic initiatives, asset dispositions and other transactions and development activities, including the pending sale of the company's Kidney Care business, the company's plans to simplify its manufacturing footprint, the timing for such transactions and risks associated with a consolidated manufacturing footprint, the ability to satisfy any applicable conditions and the expected proceeds, consideration and realization of anticipated benefits; failure to accurately forecast or achieve the company's short- and long-term financial performance and goals (including with respect to the company's strategic initiatives and other actions, including Hurricane Helene recovery efforts and cost-containment initiatives) and related impacts on its liquidity; the company's ability to execute on its capital allocation plans, including the company's debt repayment plans, the timing and amount of any dividends, share repurchases and divestiture proceeds; the company's ability to successfully integrate acquisitions; the impact of global economic conditions (including, among other things, inflation levels, interest rates, financial market volatility, banking crises, the potential for a recession, the war in Ukraine, the conflict in the Middle East, tensions amongst China, Taiwan and the U.S., and the potential for escalation of these conflicts, the related economic sanctions being imposed globally in response to the conflicts and potential trade wars and global public health crises, pandemics and epidemics or the anticipation of any of the foregoing, on the company's operations and on the company's employees, customers, suppliers, and foreign governments in countries in which the company operates; downgrades to the company's credit ratings or ratings outlooks, or withdrawals by rating agencies from rating us and the company's indebtedness, and the impact on the company's funding costs and liquidity; the impact of any goodwill, intangible asset or other long-lived asset impairments on the company's operating results; product development risks, including satisfactory clinical performance and obtaining and maintaining required regulatory approvals (including as a result of evolving regulatory requirements or the withdrawal or resubmission of any pending applications), the ability to manufacture at appropriate scale and the general unpredictability associated with the product development cycle; regulatory agency inspections, product quality or patient safety issues leading to product recalls, withdrawals, labeling changes, launch delays, warning letters, import bans, denial of import certifications, sanctions, seizures, litigation or declining sales, including the focus on evaluating product portfolios for the potential presence or formation of nitrosamines; future actions of, or failures to act or delays in acting by, FDA, the European Medicines Agency or any other regulatory body or government authority (including the SEC, Department of Justice or the Attorney General of any State) that could delay, limit or suspend product development, manufacturing or sale or result in seizures, recalls, injunctions, monetary sanctions or criminal or civil liabilities; demand and market acceptance risks for, and competitive pressures related to, new and existing products, challenges with the company's ability to accurately predict changing consumer preferences and future expenditures and inventory levels, and challenges with the company's ability to monetize new and existing products and services, the impact of those products on quality and patient safety concerns and the need for ongoing training and support for our products; breaches, including by cyber-attack,

data leakage, unauthorized access or theft, or failures of or vulnerabilities in, the company's information technology systems or products; the continuity, availability and pricing of acceptable raw materials and component parts, the company's ability to pass some or all of these costs to the company's customers through recent price increases or otherwise, and the related continuity of the company's manufacturing and distribution and those of the company's suppliers; inability to create additional production capacity in a timely manner or the occurrence of other manufacturing, sterilization or supply difficulties, including as a result of natural disaster, war, terrorism, global public health crises and epidemics/pandemics, regulatory actions or otherwise (including the impact of the physical effects of climate change such as severe storms and storm related events); the company's ability to finance and develop new products or enhancements on commercially acceptable terms or at all; loss of key employees (including those involved with any key strategic actions), the occurrence of labor disruptions (including as a result of labor disagreements under bargaining agreements or national trade union agreements or disputes with works councils) or the inability to attract, develop, retain and engage employees; failures with respect to the company's quality, compliance or ethics programs; future actions of third parties, including third-party payers and the company's customers and distributors (including GPOs and IDNs); changes to legislation and regulation and other governmental pressures in United States and globally, including the cost of compliance and potential penalties for purported noncompliance thereof, including new or amended laws, rules and regulations as well as the impact of healthcare reform and its implementation, suspension, repeal, replacement, amendment, modification and other similar actions undertaken by the United States or foreign governments, including with respect to pricing, reimbursement, taxation and rebate policies; the outcome of pending or future litigation; the impact of competitive products and pricing, including generic competition, drug reimportation and disruptive technologies; global regulatory, trade and tax policies; the ability to protect or enforce the company's patents or other proprietary rights (including trademarks, copyrights, trade secrets and know-how) or where the patents of third parties prevent or restrict the company's manufacture, sale or use of affected products or technology; fluctuations in foreign exchange and interest rates; any changes in law concerning the taxation of income (whether with respect to current or future tax reform); actions by tax authorities in connection with ongoing tax audits; and other risks identified in Baxter's most recent filings on Form 10-K and Form 10-Q and other SEC filings, all of which are available on Baxter's website. Baxter does not undertake to update its forward-looking statements unless otherwise required by the federal securities laws.

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