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BAXTER RAISES QUARTERLY DIVIDEND

DEERFIELD, Ill., May 3, 2016 – Baxter International Inc. (NYSE:BAX) announced today that its Board of Directors has declared a 13 percent increase in the company’s quarterly dividend rate, from the previous rate of \$0.115 per Baxter common share to \$0.13 per share. The dividend is payable on July 1, 2016 to stockholders of record as of June 3, 2016.

“Our capital allocation strategy balances reinvestment in the business to deliver sustainable growth along with returning value to our stockholders,” said José (Joe) E. Almeida, chairman and chief executive officer. “This new rate supports this objective and is aligned with our targeted dividend payout ratio of approximately 35 percent of adjusted net income.”

Baxter will be hosting an investor conference on Monday, May 9, 2016 in New York City. The investor conference will feature an innovation hall displaying product and therapy advancements from Baxter’s pipeline beginning at 11:00 a.m. EDT and presentations by members of the Baxter executive team will begin at 1:00 p.m. EDT. To register for the conference and for more information, click [here](#). A live webcast and replay of Baxter's investor conference, along with the accompanying slides, can be accessed from Baxter’s website at www.baxter.com beginning May 9. The webcast will be recorded by Baxter and is copyrighted material, which cannot be recorded or rebroadcast without Baxter’s permission.

Please see www.baxter.com for more information regarding this and future investor events and webcasts.

Baxter provides a broad portfolio of essential renal and hospital products, including home, acute and in-center dialysis; sterile IV solutions; infusion systems and devices; parenteral nutrition; biosurgery products and anesthetics; and pharmacy automation, software and services. The company's global footprint and the critical nature of its products and services play a key role in expanding access to healthcare in emerging and developed countries. Baxter's employees worldwide are building upon the company's rich heritage of medical breakthroughs to advance the next generation of healthcare innovations that enable patient care.

This release includes forward-looking statements concerning Baxter's dividend. 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: continued strength in the company's financial position, including cash flows; future decisions of the board of directors of the company to continue payments to stockholders in the form of a dividend on a quarterly or other basis relative to alternative uses of funds, including business expansion; 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 Baxter's website. Baxter does not undertake to update its forward-looking statements.

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