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BAXTER TO EXPAND ADVANCED SURGERY PORTFOLIO WITH ACQUISITION OF SEPRAFILM ADHESION BARRIER

- *Delivers on Baxter's strategy to acquire products that are a strong fit with the company's leading hemostat and sealant portfolio*
- *Plans to support the product through Baxter's dedicated surgery salesforce*

DEERFIELD, Ill., DECEMBER 2, 2019 – Baxter International Inc. (NYSE:BAX), a leading global medical products company, today entered into a definitive agreement to acquire Seprafilm Adhesion Barrier and related assets from Sanofi. The agreement is the latest example of Baxter's continued focus on acquiring products and technologies that have a strong strategic fit with the company's leading portfolio across the hospital, including in the operating room. The transaction contemplates a cash purchase price at closing of $350 million and is expected to close no later than the first quarter of 2020, following satisfaction of closing conditions.

"Seprafilm will be a strong complement to our leading hemostat and sealant portfolio, helping us continue to advance the art of healing with optimized patient care in the operating room," said Wil Boren, general manager, Baxter's Advanced Surgery business. "While Seprafilm is clinically recognized among surgeons globally, we plan to provide commercial support for the product through our dedicated surgery salesforce and pursue opportunities for expansion in certain countries."

Adhesion prevention products, hemostats and sealants are important tools surgeons use to manage intraoperative bleeding and reduce adhesions. Adhesions can occur in any surgery[1] when scar tissue develops and binds to nearby tissue. Adhesions can be a source of major post-surgical complications and often require revision, or a second surgery to remove the adhesions. Up to 93% of patients have been shown to develop adhesions following laparotomy,[2] a large, surgical incision into

the abdominal cavity. Approximately 20% of abdominal surgery patients return for adhesion-related complications, with annual surgical costs of more than $2 billion in the U.S. alone.[3]

Seprafilm currently has a global commercial presence including sales in the U.S., Japan, China, South Korea and France, among others. Sales of the proposed acquired products are expected to be approximately $100 million in the 12 months following close.

Important Safety Information

Seprafilm Adhesion Barrier is indicated for use in patients undergoing abdominal or pelvic laparotomy as an adjunct intended to reduce the incidence, extent and severity of postoperative adhesions between the abdominal wall and the underlying viscera such as omentum, small bowel, bladder, and stomach, and between the uterus and surrounding structures such as tubes and ovaries, large bowel, and bladder.

Important Risk Information

Seprafilm Adhesion Barrier is contraindicated in patients with a history of hypersensitivity to Seprafilm and/or to any component of Seprafilm. Seprafilm Adhesion Barrier is contraindicated for use wrapped directly around a fresh anastomotic suture or staple line; as such use increases the risk of anastomotic leak and related events (fistula, abscess, leak, sepsis, peritonitis). The number of sheets used should be just adequate to cover the under surface of the abdominal wall or uterine incision in a single layer. In patients who have ovarian, primary peritoneal or fallopian tube malignancies, Seprafilm use has been reported to have an increased risk of intra-abdominal fluid collection and/or abscess, particularly when extensive debulking surgery was required. The safety and effectiveness of Seprafilm Adhesion Barrier has not been evaluated in clinical studies for the following: Patients with frank infections in the abdominopelvic cavity; patients with abdominopelvic malignancy; device placement in locations other than directly beneath an abdominal wall incision following laparotomy, or directly on the uterus following open myomectomy (not laparoscopic); patients with ongoing local and/or systemic inflammatory cell responses; device use in the presence of other implants, e.g. surgical mesh; patients requiring re-operation within four weeks of Seprafilm placement – during anticipated time of peak adhesion formation. Foreign body reactions have occurred with Seprafilm Adhesion Barrier.

About Baxter

Every day, millions of patients and caregivers rely on Baxter's leading portfolio of critical care, nutrition, renal, hospital and surgical products. For more than 85 years, we've been operating at the critical intersection where innovations that save and sustain lives meet the healthcare providers that make it happen. With products, technologies 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 Twitter, LinkedIn and Facebook.

This release includes forward-looking statements concerning a definitive agreement entered into by Baxter to acquire Seprafilm *Adhesion Barrier from Sanofi, including expectations regarding the financial impact and other benefits of such acquisition for Baxter. 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: the ability of Baxter and Sanofi to obtain required regulatory approvals and satisfy closing conditions; Baxter's ability to close the transaction, successfully integrate the product and realize the benefits of the acquisition, including with respect to expansion activities; continued strength in Baxter's financial position, including cash flows; demand for and market acceptance of existing products; the ability of Baxter to develop, manufacture and commercialize, as applicable, new and existing products; product quality or patient safety concerns; actions of regulatory bodies and other governmental authorities; changes in laws and regulations; and other risks identified in Baxter's most recent filing on Form 10-K and other SEC filings, all of which are available on its website. Baxter does not undertake to update its forward-looking statements.*

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[1] DeWilde R, Trew G. Postoperative abdominal adhesions and their prevention in gynaecological surgery. Expert consensus position. Part 2-steps to reduce adhesions. Gynecological Surgery. 2007;4(243-253).

[2] Becker JM, Dayton MT, Fazio VW, et al. Prevention of postoperative abdominal adhesions by a sodium hyaluronate-based bioresorbable membrane: a prospective, randomized, double-blind multicenter study. *J Am Coll Surg*. 1996;183(4):297-306.

[3] Sikirica V, Bapat B, Candrilli SD, Davis KL, Wilson M, Johns A. The inpatient burden of abdominal and gynecological adhesiolysis in the US. BMC Surg. 2011;11:13.