



## **FOR IMMEDIATE RELEASE**

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### **BAXTER ANNOUNCES COLLABORATIONS TO DEVELOP LONGER ACTING FORMS OF BLOOD CLOTTING FACTORS**

Deerfield, Ill, September 29, 2005 – Subsidiaries of Baxter International Inc. today announced collaborative research agreements with Nektar Therapeutics (NASDAQ: NKTR), San Carlos, Calif., and Lipoxen Technologies, London, England, aimed at developing longer acting therapeutic forms of blood clotting proteins. These collaborations have been established with the objective of reducing the frequency of injections required to treat blood clotting disorders such as hemophilia A.

#### **Collaboration with Nektar**

“This collaboration with Nektar, the clear leader in PEGylation technology, highlights Baxter’s ongoing commitment to innovation in hemophilia management and to improving the lives of individuals with hemophilia,” said Joy Amundson, president, Baxter’s BioScience business. “In addition, it reflects our strategic approach to gaining access to technologies through targeted partnerships that can expedite and enhance product development.”

Normal biochemical processes may rapidly deactivate therapeutic proteins in the body, such as those used in blood clotting factor replacement therapy. Advances in protein chemistry have led to the availability of technologies that enable subtle modification of therapeutic proteins, rendering them less susceptible to deactivation and therefore prolonging their duration of action. These technologies may decrease the frequency of injections and improve convenience.

The agreement with Nektar is focused on the development of a PEGylated form of Baxter's ADVATE<sup>®</sup> [Antihemophilic Factor (Recombinant), Plasma/Albumin-Free Method], through the application of Nektar's advanced PEGylation technology. PEGylation technology has already been successfully applied to seven marketed products in the United States and Europe. Under the terms of the agreement, Nektar will receive milestone and manufacturing payments for the PEG component, as well as royalties on product sales. Baxter will manage clinical development, product manufacturing and market any products derived from the agreement.

### **Collaboration with Lipoxen**

“Historically, Baxter has been at the forefront of hemophilia care through the development of products such as ADVATE, the first recombinant factor VIII concentrate processed without the addition of animal or human blood components,” said Norbert Riedel, Ph.D., chief scientific officer at Baxter. “Baxter continues to apply its own scientific resources and leverage strategic collaborations with biotechnology companies, in order to improve hemophilia therapy. This latest agreement with Lipoxen reflects our focus on advancing and evaluating promising technologies aimed at extending the duration of action of blood clotting factors.”

Under the terms of the agreement, Lipoxen will apply its PolyXen technology toward the development of modified proteins with extended biological activity in exchange for research funding and the potential for milestone payments and royalties from Baxter.

### **Baxter's Leadership in Hemophilia**

Baxter has a long history of successfully applying innovative science to the development of products and therapies that improve the lives of people with hemophilia. The application of recombinant DNA technology revolutionized the treatment of hemophilia with non-plasma derived replacement protein therapy. Baxter's most recent innovation is ADVATE, the world's first and only recombinant factor VIII therapy processed without the addition of animal or human blood components.

By focusing its own scientific resources and leveraging strategic collaborations, Baxter continues to advance the treatment of hemophilia and blood clotting disorders. Research is focused on extending therapeutic activity, making administration less invasive, and developing protein formulations to reduce the incidence of inhibitors.

### **About Hemophilia A**

People with hemophilia A do not produce adequate amounts of factor VIII, which is necessary for blood to effectively clot. If untreated, patients with severe hemophilia A have a greatly reduced life expectancy. According to the World Health Organization, more than 400,000 people in the world have hemophilia, corresponding to a prevalence of 15 to 20 in every 100,000 males born worldwide.

### **About ADVATE**

ADVATE is indicated in hemophilia A (classical hemophilia) for the prevention and control of bleeding episodes. Infused directly into the bloodstream, ADVATE works by

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temporarily raising the level of factor VIII in the blood, thus allowing the body's blood clotting process to properly function. ADVATE is the only recombinant factor VIII therapy processed without the addition of any human or animal blood components, including albumin or any other plasma proteins.

ADVATE is also indicated in the perioperative management of patients with hemophilia A. ADVATE is not indicated for the treatment of von Willebrand disease.

ADVATE should be administered cautiously in patients with previous hypersensitivity to constituents of factor VIII preparations or known sensitivity to mouse or hamster proteins.

The most common related adverse reactions observed during the ADVATE clinical studies include: strange taste in mouth, headache, dizziness and flushing. The formation of inhibitors has been observed with all factor VIII concentrates, including ADVATE.

For more information about ADVATE, including full prescribing information, visit [www.advate.com](http://www.advate.com).

**About Baxter**

Baxter International Inc. (NYSE:BAX), through its subsidiaries, assists healthcare professionals and their patients with the treatment of complex medical conditions, including cancer, hemophilia, immune disorders, kidney disease and trauma. The company applies its expertise in medical devices, pharmaceuticals and biotechnology to make a meaningful difference in patients' lives.

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