



FOR IMMEDIATE RELEASE

BAXTER REPORTS THIRD-QUARTER 2026 RESULTS

- *Third-quarter sales of \$2.98 billion increased 5% on both a reported and organic basis,^{1,2} reflecting growth in all segments and divisions*
- *Third-quarter U.S. GAAP³ diluted earnings per share (EPS) of \$0.57; adjusted diluted EPS of \$0.58¹*
- *Company raises full-year 2026 financial outlook*

DEERFIELD, Ill., OCT. 29, 2026 – Baxter International Inc. (NYSE:BAX), a global medtech leader, today reported results for the third quarter of 2026.

“We delivered a strong third quarter, with growth across all segments and divisions globally,” said Andrew Hider, president and CEO. “We continue to make steady progress stabilizing the business, strengthening the balance sheet and driving continuous improvement. Our results reinforce our confidence in this direction as we build a stronger foundation for sustainable growth and long-term value creation.”

¹ Sales growth on an organic basis and adjusted diluted EPS 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.

² Organic sales growth excludes the impact of the Kidney Care Manufacturing and Supply agreement (Kidney Care MSA) not reflected in reportable segments, impacts associated with business acquisitions or divestitures, and is calculated at constant currency rates.

³ Generally Accepted Accounting Principles

Third-Quarter 2026 Companywide Financial Results

Unless otherwise noted, all financial results reflect continuing operations and exclude Baxter’s former Kidney Care business, which is reported as discontinued operations.

- Worldwide sales in the third quarter totaled approximately \$2.98 billion, increasing 5% on both a reported and organic basis.
- U.S. sales in the third quarter totaled approximately \$1.6 billion, increasing 3% on a reported basis and 5% on an organic basis.
- International sales in the third quarter totaled approximately \$1.4 billion, increasing 7% on a reported basis and 6% on an organic basis.
- On a U.S. GAAP basis, net income totaled \$298 million, or \$0.57 per diluted share.
- On an adjusted basis, net income in the third quarter was \$0.58 per diluted share, decreasing 16% due to a higher effective tax rate, year-over-year.
- Free cash flow was \$448 million in the third quarter and totaled \$705 million year-to-date.
- During the third quarter, the company [completed a \\$600 million cash tender offer](#), retiring \$864 million of debt and accelerating deleveraging while supporting its investment-grade credit objectives.

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

Third-Quarter 2026 Segment Results

Beginning in the second quarter of 2026, Baxter updated its [segment reporting structure](#) to align with changes to the company's operating model.⁴ Previously reported segment results have been recast to conform to the updated reporting structure and are available on the Investor Relations section at www.baxter.com. In the third quarter, growth continued across all segments and divisions.

- **Medical Products & Therapies** sales for the third quarter totaled approximately \$2.1 billion, increasing 6% on both a reported and organic basis. Performance in the quarter reflected strength within the Infusion Therapies & Platforms division, driven primarily by Infusion Systems, Drug Compounding and IV Solutions. This growth was partially offset by reduced sales within Injectables. Continued strong global demand for Advanced Surgery products also contributed to performance.
- **Healthcare Systems & Technologies** sales for the third quarter totaled approximately \$806 million, increasing 4% on both a reported and organic basis. Performance in the quarter reflected strong demand for Care & Connectivity Solutions products, driven by growth in Global Surgical Solutions and Patient Support Systems. Results also reflected growth in Front Line Care.

⁴ The former Pharmaceuticals segment is now reported within the Infusion Therapies & Platforms (ITP) division of the Medical Products & Therapies (MPT) segment. Additionally, sales of products and services provided directly through certain of the company's manufacturing facilities related to ITP that were previously reported in Other, are now reported in the ITP division of its MPT segment. The remaining Other sales not allocated to a segment consist of sales to Vantive Health LLC (Vantive), pursuant to the related Kidney Care MSA.

Full-Year 2026 Financial Outlook

The company raised its full-year financial outlook:

- Reported sales growth from continuing operations: 4% to 5% (previously 3% to 4%)
- Organic sales growth from continuing operations: 3% to 4% (previously 2% to 3%)
- Adjusted earnings from continuing operations per diluted share: \$2.05 to \$2.15 (previously \$1.95 to \$2.15)

See the "Non-GAAP Financial Measures" section for explanations of the company's non-GAAP financial measures.

Earnings Conference Call

Baxter will host a conference call today, Oct. 29, 2026, at 7:30 a.m. CDT to discuss its third-quarter 2026 results and provide an update on the business. The 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. Please see www.baxter.com for more information regarding this and future investor events and webcasts.

Upcoming Webcasted Investor Events (to be made available on www.baxter.com)

- J.P. Morgan Healthcare Conference, January 11-13, 2027

About Baxter

At Baxter, we are everywhere healthcare happens – and everywhere it is going, with essential solutions in the hospital, physician's office and other sites of care. For nearly a century, our customers have counted on us as a vital and trusted partner. And every day, millions of patients and healthcare providers rely on our unmatched portfolio of connected solutions, medical devices, and advanced injectable technologies. Approximately 37,500 Baxter team members live our enduring Mission: to Save and Sustain Lives. Together, we are redefining how care is delivered to make a greater impact today, tomorrow, and beyond. 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.

Organic sales growth is a non-GAAP measure that excludes the impact of the Kidney Care MSA not reflected in reportable segments, impacts associated with business acquisitions or divestitures, and is calculated on a constant currency basis, as if foreign currency exchange rates had remained constant between the prior and current periods.

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 (loss); adjusted other income (expense), net; adjusted income (loss) from continuing operations before income taxes; adjusted income tax expense (benefit); 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, 2026 and 2025, 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, certain legal matters, investment impairments, product-related items, business transformation costs, the gain on debt extinguishment, the gain on the sale of the Kidney Care business, Hurricane Helene costs, 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 upcoming periods. 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 organic sales growth represents the company's targeted future sales growth excluding sales to Vantive under the Kidney Care MSA not reflected in reportable segments, reflects impacts associated with business acquisitions or divestitures, and assumes foreign currency exchange rates remain constant in future periods. Additionally, 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 organic sales growth guidance and 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 adjusted EPS guidance to forward-looking GAAP EPS guidance 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, separation-related costs, business transformation costs, asset impairments and unusual gains and losses, 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 updated outlook for full-year 2026) and certain product development 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: there is substantial competition in the product markets in which the company operates and the risk of declining demand and pricing pressures could adversely affect the company's business, results of operations, financial condition and cash flows; the company may be unable to successfully introduce or monetize new and existing products or services or keep pace with changing consumer preferences and needs or advances in technology; global economic conditions, including inflation, have adversely affected, and could continue to adversely affect, the company's operations; the company is subject to risks associated with doing business globally, including changes in tariffs and trade policies and treaties (including with respect to the validity of previously issued tariffs and the availability of any related refunds) as well as the ongoing Iran conflict and other geopolitical events; the company may not achieve its financial goals; the company's operating results and financial condition have fluctuated and may in the future continue to fluctuate; the company is exposed to risks as a result of its previously completed strategic actions; the company may not achieve the anticipated benefits of its significant transactions, including the sale of its Kidney Care business and its acquisition of Hill-Rom Holdings, Inc.; the company may not be successful in achieving expected operating

efficiencies and sustaining or improving operating expense reductions; the company has experienced and may continue to experience issues with quality management or product quality, including with respect to the Novum IQ large volume pump and a recently issued U.S. Food and Drug Administration Warning Letter; the company has experienced disruptions in its supply chain and may experience additional disruptions in the future; the company has experienced and may continue to experience manufacturing, sterilization, supply, or distribution difficulties; the company may be unable to obtain sufficient components or raw materials on a timely basis or for a cost-effective price; the company's significant indebtedness requires it to use a substantial amount of its cash flow for debt service and constrains the company's ability to pursue growth strategies and advance its R&D capabilities; continued consolidation in the health care industry or additional governmental controls exerted over pricing and access in key markets could lead to increased demands for price concessions or limit or eliminate the company's ability to sell to certain of its significant market segments; segments of the company's business are significantly dependent on major contracts with group purchasing organizations, integrated delivery networks, and certain other distributors and purchasers; management transition creates uncertainties, and the company may experience difficulties in managing such transitions, including attracting and retaining key employees; changes in foreign currency exchange rates and interest rates have had, and may in the future have, an adverse effect on the company's results of operations, financial condition, cash flows, and liquidity; future material impairments in the value of the company's goodwill, intangible assets, and other long-lived assets would negatively affect the company's operating results; the company has experienced and may in the future experience breaches and other incidents affecting its information technology systems or protected information, including from obsolescence, cyber security breaches and data leakage; the company is exposed to risks associated with incorporating artificial intelligence (AI), machine learning and other emerging technologies into our products, services and operations; a portion of the company's workforce is unionized, and the company could face labor disruptions that would interfere with its operations; the effects of climate change, including evolving legal, regulatory, or market measures related to climate change and other sustainability topics, could adversely affect the company's business, results of operations, financial condition, and cash flows; the company's goals, activities, and disclosures related to sustainability and corporate responsibility matters, and the perception of the company's activities in these areas, may fail to satisfy the differing expectations of key stakeholders on these matters; the company is subject to laws and regulations globally, and its failure to comply with rapidly changing and increasingly divergent expectations of regulators in different jurisdictions could adversely impact the company; if reimbursement or other payment for our current or future products is reduced or modified in the U.S. or in foreign countries, or there are changes to policies with respect to pricing, taxation, or rebates, the company's business could suffer; increasing regulatory focus on, and expanding laws relating to, privacy, AI, and cybersecurity could impact the company's business and expose it to increased liability; the company is party to a number of pending lawsuits and other disputes which may adversely impact it; changes in tax laws or exposure to additional income tax liabilities may have a negative impact on the company's operating results; the company could be subject to fines or damages and possible exclusion from participation in federal or state healthcare programs if it fails to comply with the laws and regulations applicable to its business; if the company is unable to protect or enforce its patents or other proprietary rights, or if the company becomes subject to claims or litigation alleging

infringement of the patents or other proprietary rights of others, the company's competitiveness and business prospects may be materially damaged; the company's Amended and Restated Bylaws could limit its stockholders' ability to choose their preferred judicial forum for disputes with the company or its directors, officers, or employees; the company decreased its quarterly dividend to \$0.01 per share and cannot guarantee that it will increase the amount of dividends it pays, or that it will not cease paying dividends, in the future; the company's common stock price has fluctuated significantly and may continue to do so; and other risks discussed 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.

Baxter is a trademark of Baxter International Inc.

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BAXTER INTERNATIONAL INC. Consolidated Statements of Income (Loss) (unaudited) (in millions, except per share and percentage data)				
	Three Months Ended September 30,			
	2026	2025	Change	
NET SALES	\$ 2,976	\$ 2,835	5%	
COST OF SALES	1,982	1,885	5%	
GROSS MARGIN	994	950	5%	
% of Net Sales	33.4 %	33.5 %	(0.1) pts	
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	730	708	3%	
% of Net Sales	24.5 %	25.0 %	(0.5) pts	
RESEARCH AND DEVELOPMENT EXPENSES	125	118	6%	
% of Net Sales	4.2 %	4.2 %	0.0 pts	
OTHER OPERATING INCOME, NET	(86)	(48)	79%	
OPERATING INCOME	225	172	31%	
% of Net Sales	7.6 %	6.1 %	1.5 pts	
INTEREST EXPENSE, NET	61	58	5%	
OTHER (INCOME) EXPENSE, NET	(253)	(7)	NM	
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	417	121	NM	
INCOME TAX EXPENSE (BENEFIT)	119	172	(31)%	
% of Income (loss) from Continuing Operations Before Income Taxes	28.5 %	142.1 %	(113.6) pts	
INCOME (LOSS) FROM CONTINUING OPERATIONS	298	(51)	NM	
INCOME (LOSS) FROM DISCONTINUED OPERATIONS, NET OF TAX	(4)	5	NM	
NET INCOME (LOSS)	294	(46)	NM	
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—	—	NM	
NET INCOME (LOSS) ATTRIBUTABLE TO BAXTER STOCKHOLDERS	\$ 294	\$ (46)	NM	
INCOME (LOSS) FROM CONTINUING OPERATIONS PER COMMON SHARE				
Basic	\$ 0.58	\$ (0.10)	NM	
Diluted	\$ 0.57	\$ (0.10)	NM	
INCOME (LOSS) FROM DISCONTINUED OPERATIONS PER COMMON SHARE				
Basic	\$ (0.01)	\$ 0.01	NM	
Diluted	\$ 0.00	\$ 0.01	NM	
INCOME (LOSS) PER COMMON SHARE				
Basic	\$ 0.57	\$ (0.09)	NM	
Diluted	\$ 0.57	\$ (0.09)	NM	
WEIGHTED-AVERAGE NUMBER OF SHARES OUTSTANDING				
Basic	517	514		
Diluted	520	514		
ADJUSTED OPERATING INCOME (excluding special items) ¹	\$ 432	\$ 423	2%	
ADJUSTED INCOME (LOSS) FROM CONTINUING OPERATIONS (excluding special items) ¹	\$ 303	\$ 353	(14)%	
ADJUSTED INCOME (LOSS) FROM DISCONTINUED OPERATIONS (excluding special items) ¹	\$ (4)	\$ 2	NM	
ADJUSTED NET INCOME ATTRIBUTABLE TO BAXTER STOCKHOLDERS (excluding special items) ¹	\$ 299	\$ 355	(16)%	
ADJUSTED DILUTED EPS FROM CONTINUING OPERATIONS (excluding special items) ¹	\$ 0.58	\$ 0.69	(16)%	
ADJUSTED DILUTED EPS FROM DISCONTINUED OPERATIONS (excluding special items) ¹	\$ 0.00	\$ 0.00	NM	
ADJUSTED DILUTED EPS (excluding special items) ¹	\$ 0.58	\$ 0.69	(16)%	

¹ Refer to page 10 for a description of the adjustments and a reconciliation to U.S. GAAP measures.

NM - Not Meaningful

BAXTER INTERNATIONAL INC.
Description of Adjustments and Reconciliation of U.S. GAAP to Non-GAAP Measures
(unaudited, in millions)

The company’s U.S. GAAP results for the three months ended September 30, 2026 included special items which impacted the U.S. GAAP measures as follows:

	Gross Margin	Selling, General and Administrative Expenses	Research and Development Expenses	Other Operating Income, Net	Operating Income (Loss)	Other (Income) Expense, Net	Income (Loss) From Continuing Operations Before Income Taxes	Income Tax Expense (Benefit)	Income (Loss) From Continuing Operations	Net Income (Loss)	Net Income (Loss) Attributable to Baxter Stockholders	Diluted Earnings Per Share from Continuing Operations	Diluted Earnings Per Share
Reported	\$ 994	\$ 730	\$ 125	\$ (86)	\$ 225	\$ (253)	\$ 417	\$ 119	\$ 298	\$ 294	\$ 294	\$ 0.57	\$ 0.57
Reported percent of net sales (or effective tax rate for income tax expense (benefit))	33.4 %	24.5 %	4.2 %	(2.9)%	7.6 %	(8.5)%	14.0 %	28.5 %	10.0 %	9.9 %	9.9 %		
Intangible asset amortization	95	(50)	—	—	145	—	145	34	111	111	111	0.21	0.21
Business optimization items ¹	45	(15)	(1)	—	61	—	61	15	46	46	46	0.09	0.09
European medical devices regulation ²	3	—	—	—	3	—	3	1	2	2	2	0.00	0.00
Hurricane Helene costs ³	3	—	—	—	3	—	3	—	3	3	3	0.01	0.01
Separation-related costs ⁴	—	(1)	(1)	—	2	—	2	—	2	2	2	0.00	0.00
Business transformation ⁵	(1)	(16)	(5)	—	20	—	20	5	15	15	15	0.03	0.03
Legal matters ⁶	—	(11)	—	38	(27)	—	(27)	(7)	(20)	(20)	(20)	(0.04)	(0.04)
Gain on debt extinguishment ⁷	—	—	—	—	—	253	(253)	(58)	(195)	(195)	(195)	(0.38)	(0.38)
Tax matters ¹¹	—	—	—	—	—	—	—	(41)	41	41	41	0.08	0.08
Adjusted	\$ 1,139	\$ 637	\$ 118	\$ (48)	\$ 432	\$ —	\$ 371	\$ 68	\$ 303	\$ 299	\$ 299	\$ 0.58	\$ 0.58
Adjusted percent of net sales (or effective tax rate for income tax expense (benefit))	38.3 %	21.4 %	4.0 %	(1.6)%	14.5 %	0.0 %	12.5 %	18.3 %	10.2 %	10.0 %	10.0 %		

The company’s U.S. GAAP results for the three months ended September 30, 2025 included special items which impacted the U.S. GAAP measures as follows:

	Gross Margin	Selling, General and Administrative Expenses	Research and Development Expenses	Other Operating Income, Net	Operating Income (Loss)	Income (Loss) From Continuing Operations Before Income Taxes	Income Tax Expense (Benefit)	Income (Loss) From Continuing Operations	Income (Loss) From Discontinued Operations, Net of Tax	Net Income (Loss)	Net Income (Loss) Attributable to Baxter Stockholders	Diluted Earnings Per Share from Continuing Operations	Diluted Earnings Per Share from Discontinued Operations	Diluted Earnings Per Share
Reported	\$ 950	\$ 708	\$ 118	\$ (48)	\$ 172	\$ 121	\$ 172	\$ (51)	\$ 5	\$ (46)	\$ (46)	\$ (0.10)	\$ 0.01	\$ (0.09)
Reported percent of net sales (or effective tax rate for income tax expense (benefit))	33.5 %	25.0 %	4.2 %	(1.7)%	6.1 %	4.3 %	142.1 %	(1.8)%	0.2 %	(1.6)%	(1.6)%			
Intangible asset amortization	96	(51)	—	—	147	147	34	113	—	113	113	0.22	0.00	0.22
Business optimization items ¹	25	(10)	(3)	—	38	38	10	28	—	28	28	0.05	0.00	0.05
European medical devices regulation ²	5	—	—	—	5	5	1	4	—	4	4	0.01	0.00	0.01
Hurricane Helene costs ³	8	—	—	—	8	8	2	6	—	6	6	0.01	0.00	0.01
Separation-related costs ⁴	1	(12)	—	—	13	13	3	10	—	10	10	0.02	0.00	0.02
Product-related items ⁸	32	—	—	—	32	32	8	24	—	24	24	0.05	0.00	0.05
Acquisition and integration items ⁹	—	(6)	—	(2)	8	8	2	6	—	6	6	0.01	0.00	0.01
Gain on Kidney Care sale ¹⁰	—	—	—	—	—	—	—	37	37	37	37	0.00	0.07	0.07
Tax matters ¹¹	—	—	—	—	—	—	(213)	213	(40)	173	173	0.41	(0.07)	0.34
Adjusted	\$ 1,117	\$ 629	\$ 115	\$ (50)	\$ 423	\$ 372	\$ 19	\$ 353	\$ 2	\$ 355	\$ 355	\$ 0.69	\$ 0.00	\$ 0.69
Adjusted percent of net sales (or effective tax rate for income tax expense (benefit))	39.4 %	22.2 %	4.1 %	(1.8)%	14.9 %	13.1 %	5.1 %	12.5 %	0.1 %	12.5 %	12.5 %			

Weighted-average diluted shares as reported	514
Effect of dilutive securities that were anti-dilutive to dilutive EPS as reported	1
Weighted-average diluted shares as adjusted	515

1

The company's results of continuing operations in 2026 and 2025 included costs related to programs to optimize its organization and cost structure. These restructuring and business optimization costs in 2026 included costs primarily related to its initiatives to reduce its cost structure following the sale of its former Kidney Care business and the cessation of production of certain products at one of its specialty injectables manufacturing facilities. These restructuring and business optimization costs in 2025 included costs primarily related to its initiatives to reduce its cost structure following the sale of its former Kidney Care business and costs related to the exit of a product line at one of its manufacturing facilities.

2

The company’s results of continuing operations in 2026 and 2025 included incremental costs to comply with the European Union’s medical device regulations for previously registered products, which primarily consisted of contractor costs and other direct third-party costs. The company considers the adoption of these regulations to be a significant one-time regulatory change and believes that the costs of initial compliance for previously registered products over the implementation period are not indicative of its core operating results.

3

The company's results of continuing operations in 2026 and 2025 included charges related to Hurricane Helene which primarily consisted of remediation, air freight and other costs.

4

The company’s results of continuing operations in 2026 and 2025 included separation-related costs primarily related to external advisors supporting its activities related to the sale of its former Kidney Care business.

5

The company's results of continuing operations in 2026 included business transformation costs which include external expenses incurred in connection with discrete, recently launched enterprise-wide initiatives to modernize and simplify systems, redesign operating models, and enhance process efficiency and digital capabilities. These costs are distinct from restructuring-related charges (which are included in footnote 1 above as Business Optimization items) and are excluded to provide investors with greater comparability of underlying operating performance.

6

The company's results of continuing operations in 2026 included a net benefit related to certain legal matters. This included a gain recognized primarily from the settlement of certain patent infringement claims, partially offset with a loss recognized from the settlement of certain patent infringement claims and related fees associated with these matters.

7

The company's results of continuing operations in 2026 included a gain on the early extinguishment of debt.

8

The company's results of continuing operations in 2025 included charges related to estimates of warranty and remediation activities arising from field corrective actions across its infusion pump category and a revised estimate of warranty and remediation activities arising from a field corrective action on certain of its infusion pumps initially recorded in 2022.

9

The company’s results of continuing operations in 2025 included integration-related items comprised of Hill-Rom Holdings, Inc. (Hillrom) acquisition and integration expenses.

10

The company's results of discontinued operations in 2025 included the final settlement of certain net working capital adjustments reducing the gain on sale of its former Kidney Care business made in accordance with the terms of the related Equity Purchase Agreement (Kidney Care EPA).

11

The company's results of continuing operations in 2026 included income tax expense primarily related to the application of intraperiod tax allocation to it adjusted results in an interim period. The company's results of continuing operations in 2025 included an income tax expenses primarily related to an increase in reserves for uncertain tax positions and a step-up in Swiss valuation allowances, partially offset by the release of valuation allowances on foreign tax credits. The company's results of discontinued operations in 2025 included an income tax benefit attributable to the allocation of reserves for uncertain tax positions to discontinued operations and indirect impacts of the carryback of the tax benefits generated by the sale of its former Kidney Care business to prior years.

For more information on the company's use of non-GAAP financial measures, please see the Non-GAAP Financial Measures section of this press release.

BAXTER INTERNATIONAL INC. Consolidated Statements of Income (Loss) (unaudited) (in millions, except per share and percentage data)				
	Nine Months Ended September 30,			
	2026	2025	Change	
NET SALES	\$ 8,637	\$ 8,270	4%	
COST OF SALES	5,720	5,468	5%	
GROSS MARGIN	2,917	2,802	4%	
% of Net Sales	33.8 %	33.9 %	(0.1) pts	
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	2,193	2,129	3%	
% of Net Sales	25.4 %	25.7 %	(0.3) pts	
RESEARCH AND DEVELOPMENT EXPENSES	393	392	0%	
% of Net Sales	4.6 %	4.7 %	(0.1) pts	
OTHER OPERATING INCOME, NET	(177)	(140)	26%	
OPERATING INCOME	508	421	21%	
% of Net Sales	5.9 %	5.1 %	0.8 pts	
INTEREST EXPENSE, NET	191	180	6%	
OTHER (INCOME) EXPENSE, NET	(252)	(10)	NM	
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	569	251	NM	
INCOME TAX EXPENSE (BENEFIT)	153	116	32%	
% of Income from Continuing Operations Before Income Taxes	26.9 %	46.2 %	(19.3) pts	
INCOME (LOSS) FROM CONTINUING OPERATIONS	416	135	NM	
INCOME (LOSS) FROM DISCONTINUED OPERATIONS, NET OF TAX	(11)	36	NM	
NET INCOME (LOSS)	405	171	NM	
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—	—	NM	
NET INCOME (LOSS) ATTRIBUTABLE TO BAXTER STOCKHOLDERS	\$ 405	\$ 171	NM	
INCOME (LOSS) FROM CONTINUING OPERATIONS PER COMMON SHARE				
Basic	\$ 0.81	\$ 0.26	NM	
Diluted	\$ 0.80	\$ 0.26	NM	
INCOME (LOSS) FROM DISCONTINUED OPERATIONS PER COMMON SHARE				
Basic	\$ (0.03)	\$ 0.07	NM	
Diluted	\$ (0.02)	\$ 0.07	NM	
NET INCOME (LOSS) PER COMMON SHARE				
Basic	\$ 0.78	\$ 0.33	NM	
Diluted	\$ 0.78	\$ 0.33	NM	
WEIGHTED-AVERAGE NUMBER OF SHARES OUTSTANDING				
Basic	516	513		
Diluted	518	514		
ADJUSTED OPERATING INCOME (excluding special items) ¹	\$ 1,150	\$ 1,238	(7)%	
ADJUSTED INCOME FROM CONTINUING OPERATIONS (excluding special items) ¹	\$ 781	\$ 942	(17)%	
ADJUSTED INCOME FROM DISCONTINUED OPERATIONS (excluding special items) ¹	\$ (11)	\$ 9	NM	
ADJUSTED NET INCOME ATTRIBUTABLE TO BAXTER STOCKHOLDERS (excluding special items) ¹	\$ 770	\$ 951	(19)%	
ADJUSTED DILUTED EPS FROM CONTINUING OPERATIONS (excluding special items) ¹	\$ 1.51	\$ 1.83	(17)%	
ADJUSTED DILUTED EPS FROM DISCONTINUED OPERATIONS (excluding special items) ¹	\$ (0.02)	\$ 0.02	NM	
ADJUSTED DILUTED EPS (excluding special items) ¹	\$ 1.49	\$ 1.85	(19)%	

¹ Refer to page 12 for a description of the adjustments and a reconciliation to U.S. GAAP measures.

NM - Not Meaningful

BAXTER INTERNATIONAL INC.
Description of Adjustments and Reconciliation of U.S. GAAP to Non-GAAP Measures
(unaudited, in millions)

The company’s U.S. GAAP results for the nine months ended September 30, 2026 included special items which impacted the U.S. GAAP measures as follows:

	Gross Margin	Selling, General and Administrative Expenses	Research and Development Expenses	Other Operating Income, Net	Operating Income (Loss)	Other (Income) Expense, Net	Income (Loss) From Continuing Operations Before Income Taxes	Income Tax Expense (Benefit)	Income (Loss) From Continuing Operations	Net Income (Loss)	Net Income (Loss) Attributable to Baxter Stockholders	Diluted Earnings Per Share From Continuing Operations	Diluted Earnings Per Share
Reported	\$ 2,917	\$ 2,193	\$ 393	\$ (177)	\$ 508	\$ (252)	\$ 569	\$ 153	\$ 416	\$ 405	\$ 405	\$ 0.80	\$ 0.78
Reported percent of net sales (or effective tax rate for income tax expense (benefit))	33.8 %	25.4 %	4.6 %	(2.0)%	5.9 %	(2.9)%	6.6 %	26.9 %	4.8 %	4.7 %	4.7 %		
Intangible asset amortization	284	(152)	—	—	436	—	436	103	333	333	333	0.64	0.64
Business optimization items ¹	59	(61)	(16)	—	136	—	136	31	105	105	105	0.20	0.20
European medical devices regulation ²	11	—	—	—	11	—	11	3	8	8	8	0.02	0.02
Product-related items ³	(12)	—	—	—	(12)	—	(12)	(3)	(9)	(9)	(9)	(0.02)	(0.02)
Hurricane Helene costs ⁴	9	—	—	—	9	—	9	2	7	7	7	0.01	0.01
Separation-related costs ⁵	3	(31)	(1)	—	35	—	35	8	27	27	27	0.05	0.05
Business transformation ⁶	3	(39)	(9)	(3)	54	—	54	13	41	41	41	0.08	0.08
Legal matters ⁷	—	(11)	—	38	(27)	—	(27)	(7)	(20)	(20)	(20)	(0.04)	(0.04)
Investment impairments ⁸	—	—	—	—	—	(5)	5	1	4	4	4	0.01	0.01
Gain on debt extinguishment ⁹	—	—	—	—	—	253	(253)	(58)	(195)	(195)	(195)	(0.38)	(0.38)
Tax matters ¹²	—	—	—	—	—	—	—	(64)	64	64	64	0.12	0.12
Adjusted	\$ 3,274	\$ 1,899	\$ 367	\$ (142)	\$ 1,150	\$ (4)	\$ 963	\$ 182	\$ 781	\$ 770	\$ 770	1.51	1.49
Adjusted percent of net sales (or effective tax rate for income tax expense (benefit))	37.9 %	22.0 %	4.2 %	(1.6)%	13.3 %	0.0 %	11.1 %	18.9 %	9.0 %	8.9 %	8.9 %		

The company’s U.S. GAAP results for the nine months ended September 30, 2025 included special items which impacted the U.S. GAAP measures as follows:

	Gross Margin	Selling, General and Administrative Expenses	Research and Development Expenses	Other Operating Income, Net	Operating Income (Loss)	Other (Income) Expense, Net	Income (Loss) From Continuing Operations Before Income Taxes	Income Tax Expense (Benefit)	Income (Loss) From Continuing Operations	Income (Loss) From Discontinued Operations, Net of Tax	Net Income (Loss)	Net Income (Loss) Attributable to Baxter Stockholders	Diluted Earnings Per Share From Continuing Operations	Diluted Earnings Per Share From Discontinued Operations	Diluted Earnings Per Share
Reported	\$ 2,802	\$ 2,129	\$ 392	\$ (140)	\$ 421	\$ (10)	\$ 251	\$ 116	\$ 135	\$ 36	\$ 171	\$ 171	\$ 0.26	\$ 0.07	\$ 0.33
Reported percent of net sales (or effective tax rate for income tax expense (benefit))	33.9 %	25.7 %	4.7 %	(1.7)%	5.1 %	(0.1)%	3.0 %	46.2 %	1.6 %	0.4 %	2.1 %	2.1 %			
Intangible asset amortization	301	(152)	—	—	453	—	453	106	347	—	347	347	0.68	0.00	0.68
Business optimization items ¹	44	(51)	(5)	—	100	—	100	25	75	—	75	75	0.15	0.00	0.15
European medical devices regulation ²	15	—	—	—	15	—	15	3	12	—	12	12	0.02	0.00	0.02
Product-related items ³	61	—	—	—	61	—	61	16	45	—	45	45	0.09	0.00	0.09
Hurricane Helene costs ⁴	123	—	—	—	123	—	123	31	92	6	98	98	0.18	0.01	0.19
Separation-related costs ⁵	2	(38)	—	—	40	—	40	9	31	31	62	62	0.06	0.06	0.12
Legal matters ⁷	11	—	—	—	11	—	11	2	9	—	9	9	0.02	0.00	0.02
Investment impairments ⁸	—	—	—	—	—	(9)	9	2	7	—	7	7	0.01	0.00	0.01
Acquisition and integration items ¹⁰	—	(12)	—	(2)	14	(5)	19	4	15	—	15	15	0.03	0.00	0.03
Gain on Kidney Care sale ¹¹	—	—	—	—	—	—	—	—	—	(74)	(74)	(74)	0.00	(0.14)	(0.14)
Tax matters ¹²	—	—	—	—	—	—	—	(174)	174	10	184	184	0.34	0.02	0.36
Adjusted	\$ 3,359	\$ 1,876	\$ 387	\$ (142)	\$ 1,238	\$ (24)	\$ 1,082	\$ 140	\$ 942	\$ 9	\$ 951	\$ 951	\$ 1.83	\$ 0.02	\$ 1.85
Adjusted percent of net sales (or effective tax rate for income tax expense (benefit))	40.6 %	22.7 %	4.7 %	(1.7)%	15.0 %	(0.3)%	13.1 %	12.9 %	11.4 %	0.1 %	11.5 %	11.5 %			

¹ The company's results of continuing operations in 2026 and 2025 included costs related to programs to optimize its organization and cost structure. These restructuring and business optimization costs in 2026 included costs primarily related to its initiatives to reduce its cost structure following the sale of its former Kidney Care business and the cessation of production of certain products at one of its specialty injectables manufacturing facilities. These restructuring and business optimization costs in 2025 included costs primarily related to its initiatives to reduce its cost structure following the sale of its former Kidney Care business and costs related to the exit of a product line at one of its manufacturing facilities.

² The company’s results of continuing operations in 2026 and 2025 included incremental costs to comply with the European Union’s medical device regulations for previously registered products, which primarily consist of contractor costs and other direct third-party costs. The company considers the adoption of these regulations to be a significant one-time regulatory change and believes that the costs of initial compliance for previously registered products over the implementation period are not indicative of its core operating results.

³ The company's results of continuing operations in 2026 included a benefit related to a revised estimate of warranty and remediation activities from field corrective actions across our infusion pump category initially recorded in 2025. The company's results of continuing operations in 2025 included charges related to estimates of warranty and remediation activities arising from field corrective actions across its infusion pump category and a revised estimate of warranty and remediation activities arising from a field corrective action on certain of its infusion pumps initially recorded in 2022.

⁴ The company's results of continuing operations in 2026 and 2025 included charges related to Hurricane Helene, which consisted of remediation, air freight and other costs. The company's results of discontinued operations in 2025 included charges related to Hurricane Helene, which consisted of air freight and other costs.

⁵ The company's results of continuing operations in 2026 and 2025 included separation-related costs primarily related to external advisors supporting its activities related to the sale of its former Kidney Care business. The company's results of discontinued operations in 2025 included separation-related costs related to external advisors supporting its activities related to the sale of its former Kidney Care business.

⁶ The company's results of continuing operations in 2026 included business transformation costs which include external expenses incurred in connection with discrete, recently launched enterprise-wide initiatives to modernize and simplify systems, redesign operating models, and enhance process efficiency and digital capabilities. These costs are distinct from restructuring-related charges (which are included in footnote 1 above as Business Optimization items) and are excluded to provide investors with greater comparability of underlying operating performance.

⁷ The company's results of continuing operations in 2026 included a net benefit related to certain legal matters. This included a gain recognized primarily from the settlement of certain patent infringement claims, partially offset with a loss recognized from the settlement of certain patent infringement claims and related fees associated with these matters. The company's results of continuing operations in 2025 included charges related to matters involving alleged injury from environmental exposure.

⁸ The company's results of continuing operations in 2026 and 2025 included investment impairments which include losses from noncash impairment write-downs of investments.

⁹ The company's results of continuing operations in 2026 included a gain on the early extinguishment of debt.

¹⁰ The company’s results of continuing operations in 2025 included integration-related items comprised of Hillrom acquisition and integration expenses consisting of third-party consulting costs and the recognition of a noncash impairment of property, plant and equipment related to integration activities.

¹¹ The company's results of discontinued operations in 2025 included a gain from the sale of its former Kidney Care business, partially offset by the final settlement of certain net working capital adjustments made in accordance with the Kidney Care EPA.

¹² The company's results of continuing operations in 2026 included income tax expense primarily related to differences arising from the use of a forecasted effective tax rate to compute income tax expense during the period, partially offset by the settlement of certain income tax audits and adjustments to the U.S. valuation allowance. The company's results of continuing operations in 2025 included an income tax expense primarily related to an increase in reserves for uncertain tax positions and a step-up in Swiss valuation allowances, partially offset by the release of valuation allowances on foreign tax credits and a tax benefit primarily driven by an entity classification election that it made for U.S. tax purposes, which resulted in a capital loss. The company's results of discontinued operations in 2025 included indirect impacts of the carryback of tax benefits generated by the sale of its former Kidney Care business to prior years and an income tax benefit attributable to the allocation of reserves for uncertain tax positions to discontinued operations.

For more information on the company's use of non-GAAP financial measures, please see the Non-GAAP Financial Measures section of this press release.

BAXTER INTERNATIONAL INC.
Sales by Operating Segment
(unaudited)
(\$ in millions)

The Medical Products & Therapies segment includes sales of our sterile IV solutions, infusion systems, administration sets, parenteral nutrition therapies and surgical hemostat, sealant and adhesion prevention products, specialty injectable pharmaceuticals, inhaled anesthesia, drug compounding and sales of products and services provided directly through certain of our manufacturing facilities. The Healthcare Systems & Technologies segment includes sales of our connected care solutions and collaboration tools, including smart bed systems, connected monitoring systems, formerly known as patient monitoring systems, and diagnostic technologies, respiratory health devices and advanced equipment for the surgical space, including operating room integration technologies, precision positioning devices and other accessories. Other sales not allocated to a segment includes sales to Vantive, pursuant to the Kidney Care Manufacturing and Supply Agreement (Kidney Care MSA).

	Three Months Ended September 30,		% Change @ Actual Rates	% Change @ Organic Sales Growth	Nine Months Ended September 30,		% Change @ Actual Rates	% Change @ Organic Sales Growth
	2026	2025			2026	2025		
Infusion Therapies & Platforms	\$ 1,760	\$ 1,671	5 %	4 %	\$ 5,121	\$ 4,910	4 %	2 %
Advanced Surgery	342	306	12 %	12 %	977	870	12 %	11 %
Medical Products & Therapies	2,102	1,977	6 %	6 %	6,098	5,780	6 %	3 %
Care & Connectivity Solutions	498	473	5 %	5 %	1,435	1,374	4 %	4 %
Front Line Care	308	300	3 %	3 %	877	870	1 %	0 %
Healthcare Systems & Technologies	806	773	4 %	4 %	2,312	2,244	3 %	2 %
Other	68	85	(20)%	0 %	227	246	(8)%	0 %
Total - Continuing Operations	\$ 2,976	\$ 2,835	5 %	5 %	\$ 8,637	\$ 8,270	4 %	3 %

Organic sales growth is a non-GAAP measure. For more information on the company’s use of non-GAAP financial measures, please see the Non-GAAP Financial Measures section of this press release.

BAXTER INTERNATIONAL INC.
Segment Operating Income
(unaudited)
(\$ in millions)

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026		2025		2026		2025	
Medical Products & Therapies	\$	439	\$	411	\$	1,189	\$	1,258
<i>% of Segment Net Sales</i>		20.9 %		20.8 %		19.5 %		21.8 %
Healthcare Systems & Technologies		139		122		401		400
<i>% of Segment Net Sales</i>		17.2 %		15.8 %		17.3 %		17.8 %
Other		10		5		23		17
Total		588		538		1,613		1,675
Unallocated corporate costs		(156)		(115)		(463)		(437)
Intangible asset amortization expense		(145)		(147)		(436)		(453)
Legal matters		27		—		27		(11)
Business optimization items		(61)		(38)		(136)		(100)
Acquisition and integration items		—		(8)		—		(14)
Separation-related costs		(2)		(13)		(35)		(40)
European Medical Devices Regulation		(3)		(5)		(11)		(15)
Product-related items		—		(32)		12		(61)
Business transformation		(20)		—		(54)		—
Hurricane Helene costs		(3)		(8)		(9)		(123)
Total operating income (loss)		225		172		508		421
Interest expense, net		61		58		191		180
Other (income) expense, net		(253)		(7)		(252)		(10)
Income (Loss) from continuing operations before income taxes	\$	417	\$	121	\$	569	\$	251

BAXTER INTERNATIONAL INC.
Operating Segment Sales by U.S. and International
(unaudited)
(\$ in millions)

	Three Months Ended September 30,						% Growth		
	2026			2025					
	U.S.	International	Total	U.S.	International	Total	U.S.	International	Total
Infusion Therapies & Platforms	\$ 768	\$ 992	\$ 1,760	\$ 740	\$ 931	\$ 1,671	4 %	7 %	5 %
Advanced Surgery	186	156	342	168	138	306	11 %	13 %	12 %
Medical Product & Therapies	954	1,148	2,102	908	1,069	1,977	5 %	7 %	6 %
Care & Connectivity Solutions	362	136	498	348	125	473	4 %	9 %	5 %
Front Line Care	239	69	308	229	71	300	4 %	(3)%	3 %
Healthcare Systems & Technologies	601	205	806	577	196	773	4 %	5 %	4 %
Other	40	28	68	59	26	85	(32) %	8 %	(20) %
Total - Continuing Operations	\$ 1,595	\$ 1,381	\$ 2,976	\$ 1,544	\$ 1,291	\$ 2,835	3 %	7 %	5 %

BAXTER INTERNATIONAL INC.
Operating Segment Sales by U.S. and International
(unaudited)
(\$ in millions)

	Nine Months Ended September 30,						% Growth		
	2026			2025					
	U.S.	International	Total	U.S.	International	Total	U.S.	International	Total
Infusion Therapies & Platforms	\$ 2,248	\$ 2,873	\$ 5,121	\$ 2,279	\$ 2,631	\$ 4,910	(1)%	9 %	4 %
Advanced Surgery	533	444	977	471	399	870	13 %	11 %	12 %
Medical Products & Therapies	2,781	3,317	6,098	2,750	3,030	5,780	1 %	9 %	6 %
Care & Connectivity Solutions	1,038	397	1,435	1,005	369	1,374	3 %	8 %	4 %
Front Line Care	663	214	877	652	218	870	2 %	(2)%	1 %
Healthcare Systems & Technologies	1,701	611	2,312	1,657	587	2,244	3 %	4 %	3 %
Other	143	84	227	163	83	246	(12) %	1 %	(8) %
Total - Continuing Operations	\$ 4,625	\$ 4,012	\$ 8,637	\$ 4,570	\$ 3,700	\$ 8,270	1 %	8 %	4 %

BAXTER INTERNATIONAL INC.
Reconciliation of Non-GAAP Financial Measure
Operating Cash Flow to Free Cash Flow
(unaudited)
(\$ in millions)

	Three Months Ended September 30, 2026	
Cash flows from (used in) operations - continuing operations	\$	558
Cash flows from (used in) investing activities - continuing operations		(110)
Cash flows from (used in) financing activities		(620)
Cash flows from (used in) operations - continuing operations	\$	558
Capital expenditures - continuing operations		(110)
Free cash flow - continuing operations	\$	448

	Nine Months Ended September 30,			
	2026		2025	
Cash flows from (used in) operations - continuing operations	\$	1,068	\$	355
Cash flows from (used in) investing activities - continuing operations		(360)		(350)
Cash flows from (used in) financing activities		(662)		(4,069)
Cash flows from (used in) operations - continuing operations	\$	1,068	\$	355
Capital expenditures - continuing operations		(363)		(373)
Free cash flow - continuing operations	\$	705	\$	(18)

Free cash flow is a non-GAAP measure. For more information on the company’s use of non-GAAP financial measures, please see the Non-GAAP Financial Measures section of this press release.

BAXTER INTERNATIONAL INC.
Reconciliation of Non-GAAP Financial Measure
Change in Net Sales Growth As Reported to Organic Sales Growth
From the Three Months Ended September 30, 2025 to the Three Months Ended September 30, 2026
(unaudited)

	Net Sales Growth As Reported	Kidney Care MSA	FX	Organic Sales Growth*
Infusion Therapies & Platforms	5 %	0 %	(1)%	4 %
Advanced Surgery	12 %	0 %	0 %	12 %
Medical Products & Therapies	6 %	0 %	(0)%	6 %
Care & Connectivity Solutions	5 %	0 %	0 %	5 %
Front Line Care	3 %	0 %	0 %	3 %
Healthcare Systems & Technologies	4 %	0 %	0 %	4 %
Other	(20)%	21 %	(1)%	0 %
Total - Continuing Operations	5 %	1 %	(1)%	5 %

*Totals may not add across due to rounding

Organic sales growth is a non-GAAP measure. For more information on the company’s use of non-GAAP financial measures, please see the Non-GAAP Financial Measures section of this press release.

BAXTER INTERNATIONAL INC.
Reconciliation of Non-GAAP Financial Measure
Change in Net Sales Growth As Reported to Organic Sales Growth
From The Nine Months Ended September 30, 2025 to The Nine Months Ended September 30, 2026
(unaudited)

	Net Sales Growth As Reported	Kidney Care MSA	FX	Organic Sales Growth*
Infusion Therapies & Platforms	4 %	0 %	(2)%	2 %
Advanced Surgery	12 %	0 %	(1)%	11 %
Medical Products & Therapies	6 %	0 %	(3)%	3 %
Care & Connectivity Solutions	4 %	0 %	(0)%	4 %
Front Line Care	1 %	0 %	(1)%	0 %
Healthcare Systems & Technologies	3 %	0 %	(1)%	2 %
Other	(8)%	10 %	(2)%	0 %
Total - Continuing Operations	4 %	1 %	(2)%	3 %

*Totals may not add across due to rounding

Organic sales growth is a non-GAAP measure. For more information on the company’s use of non-GAAP financial measures, please see the Non-GAAP Financial Measures section of this press release.

BAXTER INTERNATIONAL INC.
Reconciliation of Non-GAAP Financial Measures
Projected Full Year 2026 U.S. GAAP Sales Growth to Projected Organic Sales Growth and
Projected Full Year 2026 Adjusted Earnings Per Share
(unaudited)

Sales Growth Guidance	FY 2026*
Sales growth - U.S. GAAP	4% - 5%
Kidney Care MSA	~30 bps
Foreign Exchange	(~100 bps)
Organic sales growth	3% - 4%
Adjusted Earnings Per Share Guidance	FY 2026
Adjusted diluted EPS	\$2.05 - \$2.15

*Totals may not foot due to rounding

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 organic sales growth represents the company’s targeted future sales growth excluding the impact of the Kidney Care MSA not reflected in reportable segments, impacts associated with business acquisitions or divestitures, and is calculated on a constant currency basis, as if foreign currency exchange rates had remained constant between the prior and current periods. Additionally, 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 organic sales growth guidance and 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 adjusted EPS guidance to forward-looking GAAP EPS guidance because the company is unable to predict with reasonable certainty the impact of legal proceedings, future business optimization actions, separation-related costs, business transformation-related costs, asset impairments and unusual gains and losses, 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.