

BAXTER INTERNATIONAL INC
Form 11-K
June 27, 2013
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 11-K

x **ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the year ended December 31, 2012

OR

.. **TRANSITION REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 1-4448

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
Baxter Healthcare of Puerto Rico Savings and Investment Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Baxter International Inc.

One Baxter Parkway

Deerfield, IL 60015

(224) 948-2000

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Baxter Healthcare of Puerto Rico

Savings and Investment Plan

Financial Statements and Supplemental Schedule

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Report of Independent Registered Public Accounting Firm

To the Participants and Administrative Committee of

the Baxter Healthcare of Puerto Rico Savings and Investment Plan

Deerfield, Illinois

We have audited the accompanying statements of net assets available for benefits of the Baxter Healthcare of Puerto Rico Savings and Investment Plan (the Plan) as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2012 and 2011, and the changes in net assets available for benefits for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic 2012 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic 2012 financial statements taken as a whole.

/s/ Crowe Horwath LLP
Oak Brook, Illinois
June 26, 2013

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Statements of Net Assets Available for Benefits**

December 31, 2012 and 2011 (in thousands)

| | 2012 | 2011 |
|---|------------------|------------------|
| Assets | | |
| Investments | | |
| Cash and cash equivalents | \$ 910 | \$ 1,072 |
| Common stock (including securities on loan of \$36 in 2012 and \$13 in 2011) | 9,953 | 8,323 |
| U.S. government and government agency issues (including securities on loan of \$104 in 2012 and \$64 in 2011) | 363 | 263 |
| Corporate and other obligations (including securities on loan of \$97 in 2012 and \$85 in 2011) | 517 | 483 |
| Commingled funds | 7,886 | 7,171 |
| Registered investment companies | 2,703 | 1,531 |
| Synthetic guaranteed investment contracts | 20,200 | 18,224 |
| Collateral held on loaned securities | 242 | 166 |
| Total investments at fair value | 42,774 | 37,233 |
| Receivables | | |
| Note receivables from participants | 3,807 | 3,568 |
| Sponsor contributions | 399 | 275 |
| Accrued interest and dividends | 58 | 49 |
| Due from brokers for securities sold | 16 | |
| Total receivables | 4,280 | 3,892 |
| Total assets | 47,054 | 41,125 |
| Liabilities | | |
| Accounts payable | 362 | 277 |
| Collateral to be paid on loaned securities | 242 | 166 |
| Total liabilities | 604 | 443 |
| Net assets available for benefits, reflecting investments at fair value | 46,450 | 40,682 |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | (1,785) | (1,480) |
| Net assets available for benefits | \$ 44,665 | \$ 39,202 |

The accompanying notes are an integral part of these financial statements.

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Statements of Changes in Net Assets Available for Benefits****For the Years Ended December 31, 2012 and 2011** (in thousands)

| | 2012 | 2011 |
|--|-----------|-----------|
| Additions (reductions) to net assets attributed to | | |
| Investment income | | |
| Net appreciation (depreciation) in fair value of investments | \$ 3,706 | \$ (524) |
| Interest | 703 | 690 |
| Dividends | 285 | 227 |
| Net investment income | 4,694 | 393 |
| Participant loan interest | 148 | 160 |
| Contributions | | |
| Sponsor | 1,802 | 1,595 |
| Participant | 3,160 | 2,845 |
| | 4,962 | 4,440 |
| Net additions | 9,804 | 4,993 |
| Deductions from net assets attributed to | | |
| Benefits paid | 3,951 | 3,215 |
| Plan expenses | 390 | 359 |
| Total deductions | 4,341 | 3,574 |
| Net increase | 5,463 | 1,419 |
| Net assets available for benefits | | |
| Beginning of year | 39,202 | 37,783 |
| End of year | \$ 44,665 | \$ 39,202 |

The accompanying notes are an integral part of these financial statements.

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Notes to Financial Statements****December 31, 2012 and 2011****1. General Description of the Plan**

The following description of the Baxter Healthcare of Puerto Rico Savings and Investment Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document and summary plan description for more complete information. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan is a defined contribution plan which became effective on January 1, 1998. The Plan was created for the purpose of providing retirement benefits to employees of Baxter Healthcare S.A. (Puerto Rico Branch), and Baxter Sales and Distribution Corporation (collectively, the Sponsor or the Company), subsidiaries of Baxter International Inc. (Baxter) and to encourage and assist employees in adopting a regular savings program by means of payroll deductions through a plan that qualifies under the applicable laws of the Commonwealth of Puerto Rico and the United States Internal Revenue Code. Plan participants may authorize the Company to make payroll deductions under the Plan ranging from 1% to 50% of their pre-tax monthly compensation in both 2012 and 2011, limited to a maximum of \$13,000 and \$10,000 a year in 2012 and 2011, respectively. Newly hired employees are deemed to have elected to contribute 3% of compensation unless they make a contrary election. The Company matches a participant's savings contributions at the rate of 50 cents for each dollar of a participant's pre-tax contribution, up to a maximum of 6% of a participant's compensation. The Company also contributes an additional non-matching 3% of compensation for employees that are not eligible to participate in the Company's Puerto Rico defined benefit pension plan, which includes all new employees hired on or after January 1, 2008. The Company may make additional discretionary contributions in such amounts as the Company may determine. Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary contributions plus actual earnings thereon is based on years of service. The contributions vest in accordance with the following vesting schedule:

| Years of Service | Vesting % |
|-------------------------|------------------|
| 1 | 20% |
| 2 | 40% |
| 3 | 60% |
| 4 | 80% |
| 5 or more | 100% |

Employees are fully vested in the Company's matching contributions account, regardless of years of service with the Company, upon attaining age 65, upon becoming disabled in accordance with the provisions of the Plan or upon dying while employed by the Company. The Company's additional non-matching contribution becomes fully vested after three years of service. Forfeitures of nonvested accounts are used to reduce future Company contributions.

Participants may borrow from their vested accounts a minimum of \$500 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at the prime rate at the last day of the month prior to loan request, plus one percent. These loans are reported at their unpaid principal balance plus any accrued but unpaid interest, with no allowance for credit losses, as repayments of principal and interest are received through payroll deductions and the notes are collateralized by the participant's account balances.

Plan participants can not request withdrawals from the Plan unless they are at least 59½ years old or incur a financial hardship. On termination of service due to retirement or other reasons, a participant may elect to receive either a lump sum amount equal to their entire vested account balance or installment payments. In the case of a participant termination because of death or disability, the entire vested amount is paid to the person or persons legally entitled thereto.

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Each participant's account is credited with the participant's contribution and an allocation of the Company's contributions and Plan earnings, and is charged with his or her withdrawals and an allocation of Plan-related expenses. Allocations are based on participant earnings or account balances, as defined in the Plan document. The net income of the Plan is posted to the participant's accounts on a daily basis. Each participant directs the investment of his or her account to any of the investment options available under the Plan.

Upon enrollment in the Plan, a participant may direct contributions into any of 17 investment options: Stable Income Fund, Baxter Common Stock Fund, Composite Fund, General Equity Fund, S&P 500 Flagship Fund, International EAFE Equity Index Fund, Small Cap Fund and ten different Target Retirement Funds. However, non-matching contributions may not be invested in the Baxter Common Stock Fund. In addition, certain participants maintain shares in Edwards Lifesciences Corporation. These shares were placed into the Edwards Lifesciences Common Stock Fund in connection with Baxter's 2000 spin-off of its cardiovascular business. Participants are not able to make contributions or transfer existing account balances to the Edwards Lifesciences Common Stock Fund, but may make transfers out of these funds at any time.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting. Accordingly, investment income is recognized when earned and expenses are recognized when incurred.

Valuation of Investments and Collateral

The fair value of Plan investments and collateral is determined as follows:

| | |
|--|--|
| Cash and cash equivalents | These largely consist of a short-term investment fund and a money market fund, the fair value of which is based on the net asset value. The investment objectives for these funds are to provide safety for principal, daily liquidity and a competitive yield by investing in high quality instruments. |
| Common stock | Value based on closing prices on the valuation date in an active market on national securities exchanges. |
| U.S. government and government agency issues | Value based on reputable pricing vendors that typically use pricing matrices or models. |
| Corporate and other obligations | Value based on reputable pricing vendors that typically use pricing matrices or models. |

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| | |
|--|--|
| Commingled funds | Value based on net asset values reported by the fund managers as of the Plan's financial statement dates and recent transaction prices. The investment objectives of these funds are to track the performances of the S&P 500 (S&P 500 Flagship Fund); Europe, Australasia and the Far East (EAFE) (International EAFE Equity Index Fund); or Russell 2000 (Small Cap Fund) indexes. The underlying investments vary, with some holding diversified portfolios of domestic stocks and government agency bonds, and others holding collective investment funds. Each fund provides for daily redemptions by the Plan at reported net asset values per share, with no advance notice requirement. Refer to Note 6 for amounts invested in each of these funds. |
| Registered investment companies | Value based on the last reported sale price from a national security exchange on the valuation date. |
| Synthetic guaranteed investment contracts | Value based on the fair value of the underlying securities in the contract on the valuation date plus the fair value of wrapper contracts, which is calculated using a replacement cost approach. The underlying securities are valued based upon the methodologies described above. See below for more information. |
| Collateral held on loaned securities | Value based upon the net asset value per unit of the short-term investment funds where the collateral is invested. Refer to Note 7 for more information on the securities lending program. |
| Collateral to be paid on loaned securities | Value based on the fair value of the underlying securities loaned on the valuation date, plus an incremental margin. |

Income Recognition

Plan investment return includes dividend and interest income, gains and losses on sales of investments and unrealized depreciation or appreciation of investments. Purchases and sales of investments are recorded on a trade date basis. Dividends are recorded on the ex-dividend date. Interest is earned on an accrual basis.

The financial statements reflect the net depreciation or appreciation in the fair value of the Plan's investments. This net depreciation or appreciation consists of realized gains and losses calculated as the difference between proceeds from a sales transaction and cost determined on a moving average basis, and unrealized gains and losses calculated as the change in the fair value between beginning of the year (or purchase date if later) and the end of the year.

Synthetic Guaranteed Investment Contracts

The Plan holds synthetic guaranteed investment contracts (GICs) as part of the Stable Income Fund. The synthetic GICs provide for a fixed return on principal over a specified time through fully benefit-responsive contracts issued by Transamerica (formerly Aegon Institutional Markets) and Bank of America N.A. The portfolio of assets, overall of investment grade, underlying the synthetic GICs primarily includes cash and cash equivalents, U.S. government and government agency issues and corporate and other obligations.

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The fair value of the synthetic GICs equals the total of the fair value of the underlying assets plus the fair value of the wrapper contracts. The fair value of the wrapper contracts is computed using a replacement cost approach that incorporates a comparison of the current fee rate on similar wrapper contracts to the fee being paid by the Plan. Using this approach, the fair value of the wrapper contracts were a loss of \$26 thousand and a loss of \$8 thousand at December 31, 2012 and 2011, respectively.

While Plan investments are presented at fair value in the Statement of Net Assets Available for Benefits, any material difference between the fair value of the Plan's direct and indirect interests in fully benefit-responsive investment contracts and their contract value is presented as an adjustment line in the Statements of Net Assets Available for Benefits, because contract value is the relevant measurement attribute for that portion of the Plan's net assets available for benefits. Contract value represents contributions, plus earnings, less participant withdrawals and administrative expenses. The wrapper contracts used by the Plan are fully benefit-responsive because the wrapper contract issuers are contractually obligated to make up any shortfall in the event that the underlying asset portfolio has been liquidated and is inadequate to cover participant withdrawals and transfers at contract value. There are currently no reserves against contract values for credit risk of the contract issuers or any other risk. The contract value for the synthetic GICs was \$18.4 million and \$16.7 million at December 31, 2012 and 2011, respectively.

The crediting interest rate, which is reset quarterly, can never fall below zero. The crediting rate formula smoothes the impact of interest rate changes on participant returns by amortizing any difference between market value and book value over a period of years equal to the duration of the portfolio benchmark. The average yield on the synthetic GICs was approximately 2.2% and 2.9% at December 31, 2012 and 2011, respectively. The average interest rate credited to participants on the synthetic GICs was approximately 3.4% and 3.7% for the years ended December 31, 2012 and 2011. The credit ratings for Transamerica were AA- at both December 31, 2012 and 2011, and the credit ratings for Bank of America N.A. were A at both December 31, 2012 and 2011, respectively.

Events that lead to market value withdrawals that exceed 20 percent of the contract value would limit the ability of the Plan to transact at contract value with participants. These events include restructurings, early retirement plans, divestitures, bankruptcies, or legal, tax or regulatory changes. The Plan sponsor believes that the occurrence of any such event is remote.

The wrapper providers can only terminate at a value different than contract value under an event of default (that was not remedied) such as failure to follow the terms of the contract. If a wrapper provider would like to exit the contract for another reason, the Plan can maintain the contract through an extended termination process designed to ensure continued benefit-responsive treatment for withdrawals.

Payment of Benefits and Fees

Benefits are recorded when paid. Loan origination fees associated with notes receivable from participants and the Plan's record keeping and trustee fees are paid by the Plan and are reflected in the financial statements as Plan expenses. Investment management fees are charged to the Plan as a reduction of investment return and included in the investment income (loss) reported by the Plan. All other expenses of the Plan are paid by the Company.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Changes in such estimates may affect amounts reported in future periods.

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Other

Due from or due to brokers for securities sold or purchased, respectively, represent the net cash value of security trades initiated but not yet settled at each respective year-end.

Risks and Uncertainties

The Plan provides for various investment options which invest in any combination of registered investment companies, U.S. government and government agency issues, corporate and other obligations, common stock, commingled funds, synthetic guaranteed investment contracts and short-term investments. Investment securities are exposed to various risks, such as interest rate, market, liquidity and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits and the Statements of Changes in Net Assets Available for Benefits. Individual participants' accounts bear the risk of loss resulting from fluctuations in investment values.

Investments underlying the Plan's synthetic GICs include securities with contractual cash flows, such as asset-backed securities, collateralized mortgage obligations and commercial mortgage-backed securities, including securities backed by subprime mortgage loans. The value, liquidity and related income of these securities are sensitive to changes in economic conditions, including real estate values, delinquencies and/or defaults, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

3. Eligibility Requirements

Employees become eligible to participate in the Plan as of the first day of the month following the completion of thirty days of employment. Eligible employees are those who meet the following requirements:

- A. Puerto Rico employees of the Puerto Rico Branch, or the Company, both subsidiaries of Baxter;
- B. Puerto Rico employees not covered by a collective bargaining agreement unless the agreement provides for coverage under the Plan; and
- C. Puerto Rico employees who are not leased employees.

4. Administration of the Plan

Banco Popular de Puerto Rico (the Trustee) and State Street Bank and Trust Company (the Custodian) serve as trustee and custodian, respectively, for the Plan. ING Institutional Plan Services, LLC serves as recordkeeper for the Plan.

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The Administrative Committee administers the Plan. The Investment Committee has authority, responsibility and control over the management of the assets of the Plan. Members of both committees are appointed by the Board of Directors of Baxter and are employees of Baxter.

Substantially all investment manager, trustee and administrative fees incurred in the administration of the Plan were paid from the assets of the Plan.

5. Fair Value of Measurements

The fair value hierarchy under the accounting standard for fair value measurements consists of the following three levels:

Level 1 - Quoted prices in active markets that the Plan has the ability to access for identical assets or liabilities;

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Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuations in which all significant inputs are observable in the market; and

Level 3 - Valuations using significant inputs that are unobservable in the market and include the use of judgment by the Plan's management about the assumptions market participants would use in pricing the asset or liability.

The following tables summarize the bases used to measure the Plan's financial instruments and liabilities that are carried at fair value on a recurring basis.

| (in thousands) | Balance at December 31, 2012 | Basis of Fair Value Measurement | | |
|--|------------------------------------|--|---|--|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Assets | | | | |
| Cash and cash equivalents | \$ 910 | \$ | \$ 910 | \$ |
| Common stock: | | | | |
| Healthcare | 7,567 | 7,567 | | |
| Consumer products | 647 | 647 | | |
| Information technology | 727 | 727 | | |
| Financial services | 385 | 385 | | |
| Industrial services and materials | 377 | 377 | | |
| Energy | 179 | 179 | | |
| Other | 71 | 71 | | |
| Total common stock | 9,953 | 9,953 | | |
| U.S. government and government agency issues | 363 | | 363 | |
| Corporate and other obligations | 517 | | 517 | |
| Commingled funds | 7,886 | | 7,886 | |
| Registered investment companies: | | | | |
| Target retirement funds | 2,668 | 2,668 | | |
| Other | 35 | 35 | | |
| Total registered investment companies | 2,703 | 2,703 | | |
| Synthetic guaranteed investment contracts: | | | | |

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| | | | | |
|---|-----------|-----------|-----------|---------|
| Corporate and other obligations | 11,489 | | 11,489 | |
| U.S. government and government agency issues | 7,640 | | 7,640 | |
| Cash and cash equivalents | 1,097 | | 1,097 | |
| Wrapper contracts | (26) | | | (26) |
| Total synthetic guaranteed investment contracts | 20,200 | | 20,226 | (26) |
| Collateral held on loaned securities | 242 | | 242 | |
| Total assets | \$ 42,774 | \$ 12,656 | \$ 30,144 | \$ (26) |
| Liability | | | | |
| Collateral to be paid on loaned securities | \$ 242 | \$ 37 | \$ 205 | \$ |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Notes to Financial Statements****December 31, 2012 and 2011**

| (in thousands) | Balance at December 31, 2011 | Basis of Fair Value Measurement | | |
|--|------------------------------------|--|---|--|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Assets | | | | |
| Cash and cash equivalents | \$ 1,072 | \$ | \$ 1,072 | \$ |
| Common stock: | | | | |
| Healthcare | 4,498 | 4,498 | | |
| Consumer products | 1,246 | 1,246 | | |
| Information technology | 1,070 | 1,070 | | |
| Financial services | 487 | 487 | | |
| Industrial services and materials | 460 | 460 | | |
| Energy | 370 | 370 | | |
| Other | 192 | 192 | | |
| Total common stock | 8,323 | 8,323 | | |
| U.S. government and government agency issues | 263 | | 263 | |
| Corporate and other obligations | 483 | | 483 | |
| Commingled funds | 7,171 | | 7,171 | |
| Registered investment companies: | | | | |
| Target retirement funds | 1,501 | 1,501 | | |
| Other | 30 | 30 | | |
| Total registered investment companies | 1,531 | 1,531 | | |
| Synthetic guaranteed investment contracts: | | | | |
| Corporate and other obligations | 6,309 | | 6,309 | |
| U.S. government and government agency issues | 11,351 | | 11,351 | |
| Cash and cash equivalents | 572 | | 572 | |
| Wrapper contracts | (8) | | | (8) |
| Total synthetic guaranteed investment contracts | 18,224 | | 18,232 | (8) |
| Collateral held on loaned securities | 166 | | 166 | |
| Total assets | \$ 37,233 | \$ 9,854 | \$ 27,387 | \$ (8) |

Liability

| | | | | | | | |
|--|----|-----|----|----|----|-----|----|
| Collateral to be paid on loaned securities | \$ | 166 | \$ | 14 | \$ | 152 | \$ |
|--|----|-----|----|----|----|-----|----|

There were no transfers from Level 1 to Level 2 investments in 2012 or 2011.

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The following table sets forth a summary of changes in the fair values of the Plan's level 3 financial instruments.

| (in thousands) | Wrapper Contracts |
|--|----------------------|
| Balance at December 31, 2010 | \$ 38 |
| Unrealized losses (relating to assets held at end of year) | (46) |
| Balance at December 31, 2011 | (8) |
| Unrealized losses (relating to assets held at end of year) | (18) |
| Balance at December 31, 2012 | \$ (26) |

The unrealized losses from the wrapper contracts are excluded from the net appreciation (depreciation) reported for the Plan, but are instead reflected in the change in adjustment from fair value to contract value for fully benefit responsive contracts reported on the statements of net assets available for benefits.

See Valuation of Investments and Collateral in Note 2 above for a discussion of the methodologies used to determine the fair values of the Plan's investments and collateral. These methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

6. Investments

Investments representing five percent or more of the Plan's net assets available for benefits at December 31, 2012 and 2011 are summarized as follows:

| (values in thousands, except per share) | 2012 | 2011 |
|--|----------|----------|
| Baxter common stock, 104,186 shares and 115,534 shares at December 31, 2012 and 2011, respectively | \$ 6,945 | \$ 5,717 |
| State Street Global Advisors (SSgA) S&P 500 Flagship Fund | 4,414 | 4,005 |

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Investments as of December 31, 2012 and 2011 are segregated into various investment fund options as follows:

| (in thousands) | 2012 | 2011 |
|---|-------------|-------------|
| Cash (available for investment) | \$ 129 | \$ 150 |
| Stable Income Fund | 20,874 | 18,995 |
| Baxter Common Stock Fund | 6,993 | 5,775 |
| Composite Fund | 1,984 | 1,693 |
| General Equity Fund | 1,908 | 1,703 |
| SSgA S&P 500 Flagship Fund | 4,414 | 4,008 |
| SSgA International EAFE Equity Index Fund | 1,841 | 1,712 |
| Edwards Lifesciences Common Stock Fund | 90 | 74 |
| SSgA Small Cap Fund | 1,631 | 1,457 |
| Target Retirement Funds | 2,668 | 1,500 |
| Collateral held on loaned securities | 242 | 166 |
| | | |
| Total investments at fair value | 42,774 | 37,233 |
| Adjustment from fair value to contract value for Stable Income Fund | (1,785) | (1,480) |
| | | |
| Total investments | \$ 40,989 | \$ 35,753 |

Net appreciation (depreciation) in fair value for each significant class of investment, which includes realized and unrealized gains and losses, is as follows:

| (in thousands) | 2012 | 2011 |
|--|-------------|-------------|
| Baxter common stock | \$ 1,916 | \$ (128) |
| Other common stock | 397 | (214) |
| U.S. government and government agency issues | | 2 |
| Corporate and other obligations | 43 | 30 |
| Commingled funds | 1,157 | (185) |
| Registered investment companies | 193 | (51) |
| Collateral held on loaned securities | | 22 |
| | | |
| | \$ 3,706 | \$ (524) |

7. Securities Lending Transactions

The Plan participates in a securities lending program with the Custodian. The program allows the Custodian to loan securities, which are assets of the Plan, to approved brokers (the Borrowers).

The Custodian requires the Borrowers, pursuant to a security loan agreement, to deliver collateral to secure each loan in an amount that is at least equal to the fair value of the securities loaned. The Plan bears the risk of loss with respect to any unfavorable change in fair value of the invested cash collateral. However, the Borrower bears the risk of loss related to the decrease in the fair value of the non-cash collateral and, therefore, would have to deliver additional securities to maintain the required collateral. In the event of default by the Borrower, the Custodian shall indemnify the Plan by purchasing replacement securities equal to the number of unreturned loaned securities, or, if replacement securities are not able to be purchased, the Custodian shall credit the Plan for the market value of the unreturned securities. In each case, the Custodian would apply the proceeds from the collateral for such a loan to make the Plan whole.

The fair value of the investment of cash collateral received pursuant to securities lending transactions is reflected on the Statements of Net Assets Available for Benefits as an asset and the obligation to return the amount received is reflected as a liability.

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As of December 31, 2010, the Plan had securities on loan with a fair value of \$5.2 million, with cash collateral received of \$5.3 million, which was reflected at its fair value of \$5.2 million. During 2010, \$4.9 million was redeemed from the State Street Quality D Short-Term Investment Fund and held in a separate fund (Baxter International Savings Trust Separate Account) for liquidation due to an agreement between the Plan and the Trustee to terminate the securities lending program for the securities within the Stable Income Fund. As a result of the liquidation of this fund in 2011, a realized gain of \$22 thousand is reflected in the 2011 Statement of Changes in Net Assets Available for Benefits. As of December 31, 2012 and 2011, the Plan had securities on loan with a fair market of \$238 thousand and \$162 thousand, respectively, with cash collateral received of \$242 thousand and \$166 thousand, respectively, which was invested in the State Street Quality D Short-Term Investment Fund. Investments underlying this fund primarily consisted of cash and cash equivalents and asset-backed securities as of both December 31, 2012 and 2011, and the net asset value of this fund was approximately \$1.00 per unit. As of December 31, 2012 and 2011 the cash collateral received is reflected at its fair value of \$242 thousand and \$166 thousand in the 2012 and 2011 Statements of Net Assets Available for Benefits, respectively.

The Plan did not receive any non-cash collateral for securities on loan at December 31, 2012. Non-cash collateral of \$24 thousand received for securities on loan at December 31, 2011, consisted of U.S. government and government agency issues held by the Custodian on behalf of the Plan. Non-cash collateral is not included with the collateral balance on the 2011 Statement of Net Assets Available for Benefits because it may not be sold or repledged. A portion of the income generated upon investment of cash collateral is remitted to the Borrowers, and the remainder is allocated between the Plan and the Custodian in its capacity as a security agent. Securities lending income allocated to the Plan amounted to \$577 and \$688 for 2012 and 2011, respectively. Securities lending income is classified as interest income in the Statements of Changes in Net Assets Available for Benefits.

8. Plan Termination

Although it has not expressed any intent to do so, the Plan sponsor has the right under the Plan to reduce, suspend or discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event the Plan terminates, the interest of each participating employee in the Plan shall become fully vested and such termination of the Plan would not reduce the interest of any participating employee or their beneficiaries accrued under the Plan up to the date of such termination.

9. Tax Status of the Plan

As of August 13, 2012, the Puerto Rico Treasury Department has determined and informed the Plan sponsor that the Plan and the related trust are designed in accordance with applicable sections entitling exemption from income taxes. The Plan sponsor has also obtained a favorable determination letter dated October 22, 2011, from the Internal Revenue Service (IRS) stating that the Plan is in compliance with IRS regulations.

10. Related Parties

Parties-in-interest are defined under Department of Labor regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others.

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At December 31, 2012 and 2011, the Plan held units of participation in certain shares of common stock of State Street Corporation, commingled funds and short-term investment funds of State Street Bank and Trust Company, the Plan's Custodian; shares of common stock and bonds of Baxter, the Plan sponsor's parent; loans with participants; units of registered investment companies managed by Pacific Investment Management Company, an investment manager for the Plan; shares of common stock, bonds, and interest rate wrapper contracts of Bank of America, issuer of the Plan's fully benefit-responsive contracts; and interest rate wrapper

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Baxter Healthcare of Puerto Rico

Savings and Investment Plan

Notes to Financial Statements

December 31, 2012 and 2011

contracts of Transamerica, issuer of the Plan's fully benefit-responsive contracts. These transactions are allowable party-in-interest transactions under ERISA and the regulations promulgated thereunder. Fees paid by the Plan for investment management, recordkeeping and consulting services, also qualify as party-in-interest transactions and are included in Plan expenses in the accompanying financial statements. The Company pays certain expenses for the administration of the Plan. These transactions are exempt from the party-in interest transaction prohibitions of ERISA.

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SUPPLEMENTAL SCHEDULE

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| | Identity of Issue | Description of Investment | Cost (1) | Current Value |
|-----------------------------------|------------------------------|----------------------------|-------------|---------------|
| Cash and Cash Equivalents: | | | | |
| * | State Street Bank & Trust Co | Short-Term Investment Fund | \$ | 910,239 |
| | United States Dollar | Cash | | 159 |
| | Cash and cash equivalents | | \$ | 910,398 |
| ** Common Stock: | | | | |
| | Abbott Laboratories | Common Stock | | 16,437 |
| | ACE Ltd | Common Stock | | 14,941 |
| | Adobe Systems | Common Stock | | 11,939 |
| | AES Corp | Common Stock | | 13,132 |
| | Agilent Technologies | Common Stock | | 9,425 |
| | Alexion Pharmaceuticals | Common Stock | | 26,145 |
| | Allergan Inc. | Common Stock | | 26,466 |
| | Amazon.com Inc. | Common Stock | | 49,929 |
| | American International Group | Common Stock | | 15,340 |
| | American Tower Corp | Common Stock | | 38,236 |
| | Analog Devices | Common Stock | | 2,581 |
| | AON PLC | Common Stock | | 13,996 |
| | Apple Inc. | Common Stock | | 98,135 |
| | Applied Materials Inc. | Common Stock | | 9,141 |
| | ARM Holdings Plc | Common Stock | | 17,163 |
| | Avago Technologies | Common Stock | | 14,599 |
| | Baidu Inc. | Common Stock | | 16,347 |
| * | Bank of America Corp | Common Stock | | 14,905 |
| | Barrick Gold | Common Stock | | 13,680 |
| * | Baxter International Inc. | Common Stock | | 6,945,039 |
| | BB&T Corp | Common Stock | | 12,432 |
| | BCE Inc. | Common Stock | | 14,143 |
| | Biogen | Common Stock | | 25,675 |
| | Blackrock Inc. | Common Stock | | 12,167 |
| | Boeing Co | Common Stock | | 25,399 |
| | Borgwarner Inc. | Common Stock | | 9,172 |
| | BP PLC | Common Stock | | 10,690 |
| | Bristol Myers Squibb | Common Stock | | 21,646 |
| | Bunge Ltd | Common Stock | | 13,382 |
| | Burberry Group | Common Stock | | 6,453 |
| | Canadian Pacific Railway | Common Stock | | 3,194 |
| | Capital One | Common Stock | | 15,671 |

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| | | |
|-----------------------------|--------------|--------|
| Capital One Financial Corp | Common Stock | 20,894 |
| Cardinal Health Inc. | Common Stock | 12,893 |
| Cardinal Health Inc. | Common Stock | |
| Charles Schwab Corp | Common Stock | 14,351 |
| Chipotle Mexican Grill Inc. | Common Stock | 21,260 |
| Cisco Systems | Common Stock | 23,477 |
| Citigroup Inc. | Common Stock | 26,753 |
| Citigroup Inc. | Common Stock | 14,813 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|------------------------------|---------------------------|-------------|---------------|
| Coach Inc. | Common Stock | | 22,699 |
| Coca Cola Co | Common Stock | | 5,289 |
| Comcast Corp | Common Stock | | 13,248 |
| Concho Resources | Common Stock | | 21,554 |
| Costco Wholesale Corp | Common Stock | | 37,658 |
| Covidien Plc | Common Stock | | 14,824 |
| Crown Castle Intl | Common Stock | | 19,825 |
| Cummins Inc. | Common Stock | | 12,959 |
| CVS Caremark Corp | Common Stock | | 13,685 |
| Devon Energy Corp | Common Stock | | 13,230 |
| Du Pont | Common Stock | | 13,516 |
| Dunkin Brands Group | Common Stock | | 18,744 |
| Ebay Inc. | Common Stock | | 19,400 |
| Edwards Lifesciences Corp | Common Stock | | 89,110 |
| EMC Corp | Common Stock | | 36,078 |
| Encana Corp | Common Stock | | 9,342 |
| EOG Resources Inc. | Common Stock | | 15,625 |
| Estee Lauder Companies | Common Stock | | 28,291 |
| Express Scripts Inc. | Common Stock | | 27,862 |
| Exxon Mobil Corp | Common Stock | | 25,309 |
| Facebook Inc. | Common Stock | | 19,579 |
| Family Dollar Stores Inc. | Common Stock | | 9,426 |
| Flextronics Ltd | Common Stock | | 13,734 |
| Ford Motor Co | Common Stock | | 7,995 |
| General Electric Co | Common Stock | | 13,748 |
| General Electric Co | Common Stock | | 22,331 |
| Gilead Sciences | Common Stock | | 6,439 |
| Gilead Sciences | Common Stock | | 20,256 |
| Goldman Sachs Group Inc. | Common Stock | | 27,630 |
| Google Inc. | Common Stock | | 14,658 |
| Google Inc. | Common Stock | | 63,830 |
| Halliburton Co | Common Stock | | 14,749 |
| Honeywell International Inc. | Common Stock | | 26,429 |
| IBM | Common Stock | | 31,529 |
| Illumina Inc. | Common Stock | | 3,494 |
| Inditex Unspn | Common Stock | | 38,529 |
| Intuit | Common Stock | | 17,366 |
| Invesco Ltd | Common Stock | | 14,213 |
| Johnson & Johnson | Common Stock | | 25,591 |
| Johnson Controls Inc. | Common Stock | | 17,570 |
| JP Morgan Chase & Co | Common Stock | | 23,376 |

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| | | |
|------------------------|--------------|--------|
| Kansas City Southern | Common Stock | 8,900 |
| Life Technologies Corp | Common Stock | 13,707 |
| Linkedin Corp | Common Stock | 26,732 |
| Lowe's | Common Stock | 4,760 |
| Lowe's | Common Stock | 10,365 |
| Lululemon Athletica | Common Stock | 22,427 |
| Marathon Oil Corp | Common Stock | 13,113 |
| Marsh & McLennan Cos | Common Stock | 12,864 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|-----------------------------|---------------------------|-------------|---------------|
| Mastercard Inc. | Common Stock | | 59,606 |
| McDonalds Corp | Common Stock | | 11,489 |
| McKesson Corp | Common Stock | | 17,243 |
| Metlife Inc. | Common Stock | | 5,837 |
| Microsoft Corp | Common Stock | | 8,653 |
| Microsoft Corp | Common Stock | | 14,428 |
| Mondelez International | Common Stock | | 16,692 |
| Monsanto Co | Common Stock | | 19,795 |
| Monsanto Co | Common Stock | | 38,929 |
| Morgan Stanley | Common Stock | | 19,111 |
| Mosaic Co | Common Stock | | 709 |
| National Oilwell | Common Stock | | 7,832 |
| Newmont Mining | Common Stock | | 6,572 |
| Nike Inc. | Common Stock | | 37,814 |
| Novartis AG | Common Stock | | 14,111 |
| Novartis AG | Common Stock | | 24,852 |
| Novo Nordisk | Common Stock | | 28,542 |
| Occidental Petroleum Corp | Common Stock | | 9,690 |
| Owens Illinois Inc. | Common Stock | | 7,778 |
| Owens Illinois Inc. | Common Stock | | 10,682 |
| Panera Bread Co | Common Stock | | 8,834 |
| Perrigo Co | Common Stock | | 12,764 |
| Pfizer Inc. | Common Stock | | 12,941 |
| Pfizer Inc. | Common Stock | | 30,514 |
| Precision Castparts Corp | Common Stock | | 45,935 |
| Priceline.com Inc. | Common Stock | | 24,475 |
| Procter & Gamble Co | Common Stock | | 11,308 |
| Qualcomm Inc. | Common Stock | | 15,420 |
| Rackspace Hosting | Common Stock | | 15,863 |
| Ralph Lauren Corp | Common Stock | | 27,329 |
| Red Hat Inc. | Common Stock | | 23,951 |
| Republic Service Enterprise | Common Stock | | 11,864 |
| Roper Industries | Common Stock | | 12,011 |
| Salesforce.com Inc. | Common Stock | | 32,610 |
| Sanofi | Common Stock | | 14,300 |
| Schlumberger Ltd | Common Stock | | 16,544 |
| Shire Plc | Common Stock | | 30,656 |
| Southwest Airlines Co | Common Stock | | 12,350 |
| Southwestern Energy Co | Common Stock | | 10,690 |
| Splunk Inc. | Common Stock | | 8,098 |
| Stanley Black & Decker | Common Stock | | 12,460 |

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| | | | |
|---|--------------------------|--------------|--------|
| * | State Street Corp | Common Stock | 15,660 |
| | Sysco Corp | Common Stock | 7,692 |
| | Tencent Holdings Ltd | Common Stock | 8,836 |
| | Teradata Corp | Common Stock | 8,519 |
| | Texas Instruments Inc. | Common Stock | 15,499 |
| | Texas Instruments Inc. | Common Stock | 27,821 |
| | Thermo Fisher Scientific | Common Stock | 11,582 |
| | Time Warner Inc. | Common Stock | 10,662 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|-----------------------------|---------------------------|-------------|---------------|
| Time Warner Inc. | Common Stock | | 33,454 |
| TJX Companies | Common Stock | | 31,384 |
| Union Pacific Corp | Common Stock | | 28,923 |
| United Technologies Corp | Common Stock | | 27,050 |
| UnitedHealth Group | Common Stock | | 14,333 |
| UnitedHealth Group | Common Stock | | 17,086 |
| UnitedHealth Group | Common Stock | | 19,325 |
| Vertex Pharmaceuticals Inc. | Common Stock | | 22,714 |
| Viacom Inc. | Common Stock | | 22,325 |
| Visa Inc. | Common Stock | | 28,985 |
| VMWare Inc. | Common Stock | | 27,405 |
| Vodafone Inc. | Common Stock | | 24,054 |
| Walt Disney | Common Stock | | 22,780 |
| Weatherford Int Ltd | Common Stock | | 10,777 |
| WellPoint Inc. | Common Stock | | 11,291 |
| Wells Fargo & Co | Common Stock | | 13,462 |
| Whole Foods Mkt Inc. | Common Stock | | 30,222 |
| Workday Inc. | Common Stock | | 5,587 |
| Youku.com Inc. | Common Stock | | 3,289 |
| Yum! Brands Inc. | Common Stock | | 25,780 |
| Common Stock | | | \$ 9,953,408 |

**** U.S. Government and Government Agency Issues:**

| | | |
|--------------------------|--------------------|--------|
| Bonos Y Oblig Del Estado | 5.85% 31 Jan 2022 | 5,043 |
| Bonos Y Oblig Del Estado | 5.5% 30 Apr 2021 | 8,372 |
| Fannie Mae | 6.625% 15 Nov 2030 | 17,074 |
| Fed HM LN Pool A58677 | 5.5% 01 Mar 2037 | 4,805 |
| Fed HM LN Pool C09004 | 3.5% 01 Jul 2042 | 12,555 |
| Fed HM LN Pool C48827 | 6.0% 01 Mar 2031 | 124 |
| Fed HM LN Pool C91370 | 4.5% 01 May 2031 | 5,451 |
| Fed HM LN Pool G12334 | 5.0% 01 Sep 2021 | 1,676 |
| FNMA Pool 256398 | 6.0% 01 Sep 2021 | 357 |
| FNMA Pool 581043 | 6.0% 01 May 2016 | 151 |
| FNMA Pool 615005 | 6.0% 01 Dec 2016 | 212 |
| FNMA Pool 694448 | 5.5% 01 Apr 2033 | 3,041 |
| FNMA Pool 725690 | 6.0% 01 Aug 2034 | 2,293 |
| FNMA Pool 748115 | 6.0% 01 Oct 2033 | 946 |
| FNMA Pool 815316 | 5.5% 01 May 2035 | 3,904 |

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| | | |
|------------------|-------------------|--------|
| FNMA Pool 822979 | 5.5% 01 Apr 2035 | 3,550 |
| FNMA Pool 885504 | 6.0% 01 Jun 2021 | 1,646 |
| FNMA Pool 902793 | 6.5% 01 Nov 2036 | 1,686 |
| FNMA Pool AB5236 | 3.0% 01 May 2027 | 5,790 |
| FNMA Pool AH3765 | 4.0% 01 Jan 2041 | 14,496 |
| FNMA Pool AH3979 | 4.0% 01 Feb 20041 | 5,160 |
| FNMA Pool AH4008 | 4.0% 01 Mar 2041 | 6,710 |
| FNMA Pool AH9374 | 4.5% 01 Apr 2041 | 6,776 |
| FNMA Pool AK9780 | 3.5% 01 May 2042 | 642 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|--|---------------------------|-------------|---------------|
| FNMA Pool AL0920 | 5.0% 01 Jul 2037 | | 6,713 |
| FNMA Pool AO3466 | 3.0% 01 Jun 2027 | | 6,556 |
| FNMA Pool AO3540 | 3.0% 01 Jun 2042 | | 2,654 |
| FNMA Pool AO4136 | 3.5% 01 Jun 2042 | | 255 |
| FNMA Pool AO5515 | 3.5% 01 Jul 2042 | | 716 |
| FNMA Pool AO8494 | 2.5% 01 Jun 2027 | | 10,560 |
| FNMA Pool AP6604 | 3.0% 01 Sep 2042 | | 10,501 |
| FNMA Pool MA0734 | 4.5% 01 May 2031 | | 5,337 |
| FNMA Pool MA0918 | 4.0% 01 Dec 2041 | | 14,055 |
| Mexico Bonds | 8.0% 17 Dec 2015 | | 1,480 |
| Mexico Bonds | 6.25% 16 Jun 2016 | | 24,857 |
| Republic of Philippines | 3.9% 26 Nov 2022 | | 3,193 |
| Tennessee Valley Authority | 3.5% 15 Dec 2042 | | 6,420 |
| United Mexican States | 6.05% 11 Jan 2040 | | 6,794 |
| US Treasury N/B | 1.625% 15 Aug 2022 | | 1,070 |
| US Treasury N/B | 2.75% 15 Aug 2042 | | 1,101 |
| US Treasury N/B | 1.75% 15 May 2022 | | 7,667 |
| US Treasury N/B | 0.5% 15 Nov 2013 | | 8,574 |
| US Treasury N/B | 1.0% 30 Jun 2019 | | 17,366 |
| US Treasury N/B | 0.625% 30 Apr 2013 | | 17,385 |
| US Treasury N/B | 3.0% 15 May 2042 | | 36,135 |
| US Treasury N/B | 1.875% 31 Aug 2017 | | 61,144 |
| U.S. Government and Government Agency Issues | | \$ | 362,993 |

**** Corporate and Other Obligations:**

| | | | |
|------------------------|--------------------|--|-------|
| Albertson's Inc. | 6.625% 01 Jun 2028 | | 169 |
| Alcoa Inc. | 5.87% 23 Feb 2022 | | 4,441 |
| Ally Financial Inc. | 5.5% 15 Feb 2017 | | 1,829 |
| Ally Financial Inc. | 6.25% 01 Dec 2017 | | 4,839 |
| American Tower Corp | 4.625% 01 Apr 2015 | | 1,939 |
| American Tower Corp | 4.5% 15 Jan 2018 | | 2,916 |
| Amphenol Corp | 4.75% 15 Nov 2014 | | 4,319 |
| Anadarko Petroleum | 6.375% 15 Sep 2017 | | 5,599 |
| ArcelorMittal | 7.25% 01 Mar 2041 | | 4,406 |
| Associates Corp | 6.95% 01 Nov 2018 | | 2,289 |
| Banco Santander | 3.875% 20 Sep 2022 | | 2,597 |
| Banco Santander Brazil | 4.625% 13 Mar 2017 | | 5,358 |
| * Bank of America | 5.0% 13 May 2021 | | 1,952 |

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| | | | |
|---|--------------------------|--------------------|-------|
| * | Bank of America | 5.625% 01 Jul 2020 | 5,933 |
| * | Bank of America Coml Mtg | 1.0% 10 Apr 2049 | 2,222 |
| | Bear Stearns Coml Mtg | 1.0% 11 Jun 2040 | 2,626 |
| | Braskem America Finance | 7.125% 22 Jul 2041 | 4,400 |
| | Brocade Communications | 6.875% 51 Jan 2020 | 614 |
| | Brocade Communications | 6.625% 15 Jan 2018 | 1,831 |
| | Bunge Limited Finance | 4.1% 15 Mar 2016 | 1,021 |
| | Cablevision Systems | 8.0% 15 Apr 2020 | 3,709 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|------------------------------|---------------------------|-------------|---------------|
| CCO Hldgs LLC | 6.5% 30 Apr 2021 | | 1,435 |
| Celulosa Arauco | 5.0% 21 Jan 2021 | | 3,031 |
| China Resources | 4.5% 05 Apr 2022 | | 2,787 |
| Cielo SA | 3.75% 16 Nov 2022 | | 5,001 |
| CitiGroup Inc. | 4.45% 10 Jan 2017 | | 4,561 |
| Citigroup/Deutsche Bank | 5.322% 11 Dec 2049 | | 6,684 |
| CNPC General Capital | 3.95% 19 Apr 2022 | | 2,739 |
| Comcast Corp | 5.65% 15 Jun 2035 | | 1,353 |
| Commercial Mortgage Passthru | 1.0% 10 Dec 2049 | | 753 |
| Continental Airlines | 5.983% 19 Oct 2023 | | 3,786 |
| Contl Airlines | 4.0% 29 Apr 2026 | | 2,267 |
| Cox Communications | 5.45% 15 Dec 2014 | | 414 |
| Credit Suisse Coml Mtg | 1.0% 15 Jan 2049 | | 4,608 |
| Crown Castle Towers LLC | 3.214% 15 Aug 2035 | | 1,321 |
| DelHaize Group | 4.125% 10 Apr 2019 | | 4,577 |
| Deluxe Group | 6.0% 15 Nov 2020 | | 6,852 |
| Dolphin Energy Ltd | 5.5% 15 Dec 2021 | | 2,955 |
| Dun & Bradstreet | 3.25% 01 Dec 2017 | | 1,792 |
| Embarq Corp | 7.995% 01 Jun 2036 | | 8,815 |
| Energy Transfer Partners | 5.2% 01 Feb 2022 | | 1,228 |
| Energy Transfer Partners | 6.05% 01 Jun 2041 | | 6,197 |
| Enersis SA | 7.375% 15 Jan 2014 | | 2,069 |
| Equifax Inc. | 7.0% 01 Jul 2037 | | 3,113 |
| ERAC USA Fin Co | 6.375% 15 Oct 2017 | | 2,222 |
| FIServ Inc. | 3.5% 01 Oct 2022 | | 3,740 |
| FMC Technologies | 3.45% 01 Oct 2022 | | 1,616 |
| Ford Motor Company | 7.45% 16 Jul 2031 | | 3,861 |
| Ford Motor Credit | 7.0% 01 Oct 2013 | | 1,787 |
| Ford Motor Credit | 5.75% 01 Feb 2021 | | 4,375 |
| Ford Motor Credit | 5.0% 15 May 2018 | | 5,451 |
| Frontier Communications | 8.5% 15 Apr 2020 | | 3,423 |
| Frontier Communications | 7.875% 15 Jan 2027 | | 3,729 |
| GE Equipment Midticket | 0.6% 23 May 2016 | | 8,179 |
| General Elec Cap Corp | 2.95% 09 May 2016 | | 2,535 |
| General Elec Cap Corp | 5.3% 11 Feb 2021 | | 4,411 |
| General Elec Cap Corp | 3.75% 14 Nov 2014 | | 5,677 |
| General Motors | 6.75% 01 Jun 2018 | | 3,415 |
| Georgia Pacific LLC | 8.875% 15 May 2031 | | 95 |
| Georgia Pacific LLC | 7.375% 01 Dec 2025 | | 2,244 |
| Georgia Pacific LLC | 7.75% 15 Nov 2029 | | 3,205 |
| Georgia Pacific LLC | 7.25% 01 Jun 2028 | | 4,229 |

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| | | |
|------------------------------|--------------------|-------|
| Goldman Sachs | 5.25% 27 Jul 2021 | 3,394 |
| Goldman Sachs | 6.15% 01 Apr 2018 | 3,720 |
| Greenwich Capital Commercial | 5.736% 10 Dec 2049 | 1,792 |
| GS Mortgage Securities | 1.0% 10 Aug 2045 | 6,718 |
| Hana Bank | 4.25% 14 Jun 2017 | 3,514 |
| HCA Inc. | 7.5% 15 Feb 2022 | 5,439 |
| Hutch Whampoa Ltd | 4.625% 13 Jan 2022 | 6,641 |
| Hyundai Capital Services | 3.5% 13 Sep 2017 | 2,675 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|----------------------------|---------------------------|-------------|---------------|
| Intl Lease Finance Corp | 6.25% 15 May 2019 | | 8,904 |
| Ipalco Enterprises Inc. | 5.0% 01 May 2018 | | 464 |
| IPIC GMTN Ltd | 6.875% 01 Nov 2041 | | 4,599 |
| JPMorgan Chase & Co | 4.25% 15 Oct 2020 | | 634 |
| JPMorgan Chase & Co | 4.625% 10 May 2021 | | 1,011 |
| JPMorgan Chase & Co | 3.7% 20 Jan 2015 | | 1,734 |
| JPMorgan Chase & Co | 4.5% 24 Jan 2022 | | 3,511 |
| Kia Motors Corporation | 3.625% 14 Jun 2016 | | 2,656 |
| Kinder Morgan | 6.0% 15 Jan 2018 | | 3,899 |
| Korea Development Bank | 4.0% 09 Sep 2016 | | 4,383 |
| Korea National Oil | 3.125% 03 Apr 2017 | | 5,715 |
| Lotte Shopping Co | 3.375% 09 May 2017 | | 8,804 |
| Merrill Lynch & Co Inc. | 6.4% 28 Aug 2017 | | 2,678 |
| Methanex Corp | 3.25% 15 Dec 2019 | | 1,593 |
| Methanex Corp | 5.25% 01 Mar 2022 | | 3,583 |
| Mexichem SAB De CV | 6.75% 19 Sep 2042 | | 3,128 |
| ML CFC Coml Mtg | 1.0% 12 Mar 2051 | | 1,315 |
| Morgan Stanley | 5.375% 15 Oct 2015 | | 895 |
| Morgan Stanley | 5.5% 26 Jan 2020 | | 2,345 |
| Morgan Stanley | 5.55% 27 Apr 2017 | | 3,511 |
| Morgan Stanley | 5.5% 24 Jul 2020 | | 4,133 |
| Mortgage Stanley Capital I | 5.569% 15 Dec 2044 | | 8,802 |
| Mortgage Stanley Capital I | 1.0% 12 Apr 2049 | | 9,085 |
| Myriad Int Holding | 6.375% 28 Jul 2017 | | 1,857 |
| Nabors Industries | 6.15% 15 Feb 2018 | | 223 |
| Nabors Industries | 9.25% 15 Feb 2019 | | 5,125 |
| NewField Exploration Co | 5.75% 30 Jan 2022 | | 3,066 |
| Nextera Energy Capital | 4.5% 01 Jun 2021 | | 4,293 |
| Oil States Intl | 5.125% 15 Jan 2023 | | 1,669 |
| Olin Corp | 5.5% 15 Aug 2022 | | 990 |
| OshKosh Corp | 8.5% 01 Mar 2020 | | 2,175 |
| Parker Drilling Co | 9.125% 01 Apr 2018 | | 1,217 |
| Perkinelmer Inc. | 5.0% 15 Nov 2021 | | 3,090 |
| Petrobras Intl Fin | 6.75% 27 Jan 2041 | | 4,575 |
| Phillips 66 | 4.3% 01 Apr 2022 | | 2,265 |
| PKO FIN AB | 4.63% 26 Sep 2022 | | 3,200 |
| Plains Exploration | 6.875% 15 Feb 2023 | | 4,559 |
| Post Holdings Inc. | 7.375% 15 Feb 2022 | | 3,192 |
| Qtel International | 7.875% 10 Jun 2019 | | 4,564 |
| Reynolds American Inc. | 7.25% 15 Jun 2037 | | 6,977 |
| Rock Tenn Co | 4.0% 01 Mar 2023 | | 1,737 |

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| | | |
|------------------------|--------------------|-------|
| Roman Companies | 5.0% 01 Sep 2017 | 3,377 |
| RPM International Inc. | 6.125% 15 Oct 2019 | 3,372 |
| RR Donnelley & Sons | 8.25% 15 Mar 2019 | 962 |
| RR Donnelley & Sons | 7.25% 15 May 2018 | 1,222 |
| Santader Drive Auto | 2.7% 15 Aug 2018 | 1,505 |
| Santader Drive Auto | 1.94% 15 Mar 2018 | 1,836 |
| Santader Drive Auto | 1.94% 15 Dec 2016 | 6,220 |
| Sealed Air Corp | 6.5% 01 Dec 2020 | 1,231 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|---------------------------------|---------------------------|-------------|---------------|
| Sidewinder Drilling Inc. | 9.75% 15 Nov 2019 | | 1,400 |
| SK Telecom Co | 2.125% 01 May 2018 | | 2,547 |
| SK Telecom Co | 6.625% 20 Jul 2027 | | 3,268 |
| SLM Corp | 6.25% 25 Jan 2016 | | 12,261 |
| SM Energy Co | 6.5% 01 Jan 2023 | | 2,236 |
| Sprint Capital Corp | 6.875% 15 Nov 2028 | | 6,456 |
| Telefonica Emisiones | 5.462% 16 Feb 2021 | | 135 |
| Telefonica Emisiones | 5.134% 27 Apr 2020 | | 1,998 |
| Telefonica Emisiones | 3.992% 16 Feb 2016 | | 2,504 |
| Telemar Norte Leste SA | 5.5% 23 Oct 2020 | | 3,491 |
| Tencent Holdings Ltd | 4.625% 12 Dec 2016 | | 4,501 |
| Time Warner Cable Inc. | 5.85% 01 May 2017 | | 1,347 |
| Time Warner Cable Inc. | 6.55% 01 May 2037 | | 2,351 |
| Time Warner Cable Inc. | 4.125% 15 Feb 2021 | | 3,052 |
| Toyota Motor Credit Corp | 1.75% 22 May 2017 | | 10,962 |
| Transalta Corp | 4.75% 15 Jan 2015 | | 3,423 |
| Transocean Inc. | 6.5% 15 Nov 2020 | | 6,904 |
| US Steel Corp | 7.375% 01 Apr 2020 | | 1,826 |
| USG Corp | 9.75% 15 Jan 2018 | | 2,295 |
| Valeant Pharmaceuticals | 6.375% 15 Oct 2020 | | 1,087 |
| Votorantim Cimentos SA | 7.25% 05 Apr 2041 | | 2,838 |
| VPI Escrow Corp | 6.375% 15 Oct 2020 | | 4,348 |
| Western Union Co | 2.375% 10 Dec 2015 | | 1,082 |
| Whirlpool Corp | 4.7% 01 Jun 2022 | | 3,097 |
| Willis North America Inc. | 7.0% 29 Sep 2019 | | 5,986 |
| Windstream Corp | 8.125% 01 Sep 2018 | | 900 |
| Windstream Corp | 7.5% 01 Apr 2023 | | 2,400 |
| Wolvering World Wide | 6.125% 15 Oct 2020 | | 732 |
| World Financial Network | 3.14% 17 Jan 2023 | | 8,914 |
| World Financial Network | 1.76% 17 May 2021 | | 8,965 |
| Corporate and Other Obligations | | \$ | 516,621 |

**** Synthetic Guaranteed Investment Contracts:**

| Cash & Cash Equivalents | | | |
|------------------------------------|----------------------------|--|--------|
| Australian Dollar | Cash | | 451 |
| * State Street Bank & Trust Co | Short-Term Investment Fund | | 8,048 |
| * State Street Bank & Trust Co | Short-Term Investment Fund | | 31,875 |
| * State Street Bank & Trust Co | Short-Term Investment Fund | | 35,367 |

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| | | |
|---|----------------------------|-----------|
| * State Street Bank & Trust Co | Short-Term Investment Fund | 1,020,993 |
| | | 1,096,734 |
| U.S. Government and Government Agency Issues | | |
| Australian Government | 4.75% 15 Jun 2016 | 19,646 |
| Australian Government | 5.25% 15 Mar 2019 | 41,611 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|--------------------------|---------------------------|-------------|---------------|
| Australian Government | 6.0% 15 Feb 2017 | | 68,198 |
| California St | 5.75% 01 Mar 2017 | | 11,915 |
| California St | 5.0% 01 Nov 2037 | | 13,950 |
| Fannie Mae | 1.0% 25 May 2030 | | 15,932 |
| Fannie Mae | 0.875% 20 Dec 2017 | | 120,804 |
| Fannie Mae | 2.625% 20 Nov 2014 | | 164,712 |
| Fed HM LN Note | 0.16% 15 Apr 2013 | | 331,664 |
| Fed HM LN PC Pool 1J1214 | 4.0% 01 Mar 2025 | | 617 |
| Fed HM LN PC Pool 1L1358 | 1.0% 01 May 2036 | | 25,786 |
| Fed HM LN PC Pool E02697 | 4.0% 01 Jun 2025 | | 829 |
| Fed HM LN PC Pool E02783 | 4.0% 01 Sep 2025 | | 861 |
| Fed HM LN PC Pool E02883 | 4.0% 01 Apr 2026 | | 10,385 |
| Fed HM LN PC Pool E09016 | 3.0% 01 Nov 2027 | | 38,164 |
| Fed HM LN PC Pool E99842 | 4.0% 01 Oct 2013 | | |
| Fed HM LN PC Pool G01843 | 6.0% 01 Jun 2035 | | 20,478 |
| Fed HM LN PC Pool G01890 | 4.0% 01 Nov 2013 | | 7,568 |
| Fed HM LN PC Pool G03737 | 6.5% 01 Nov 2037 | | 26,783 |
| Fed HM LN PC Pool G08084 | 4.0% 01 Apr 2026 | | 16,592 |
| Fed HM LN PC Pool G08443 | 4.5% 01 Apr 2041 | | 18,251 |
| Fed HM LN PC Pool G12743 | 5.5% 01 Aug 2022 | | 5,069 |
| Fed HM LN PC Pool G14093 | 4.5% 01 Oct 2035 | | |
| Fed HM LN PC Pool G18385 | 1.0% 01 Sep 2035 | | 1,121 |
| Fed HM LN PC Pool J11872 | 4.0% 01 Mar 2026 | | 841 |
| Fed HM LN PC Pool J14641 | 4.0% 01 Mar 2025 | | 18,405 |
| Fed HM LN PC Pool J15157 | 4.0% 01 Apr 2026 | | 635 |
| Fed HM LN PC Pool J17969 | 3.0% 01 Feb 2027 | | 66,614 |
| Fed HM LN PC Pool Q03572 | 4.0% 01 Sep 2041 | | 92,651 |
| Fed HM LN PC Pool Q03681 | 4.0% 01 Oct 2041 | | 100,350 |
| Fed HM LN PC Pool Q03780 | 4.0% 01 Oct 2017 | | 1,404 |
| Fed HM LN Pool 1Q0669 | 1.0% 01 Nov 2037 | | 2,123 |
| Fed HM LN Pool 1Q1159 | 1.0% 01 May 2038 | | 17,865 |
| Fed HM LN Pool A89385 | 4.5% 01 Oct 2039 | | 89,436 |
| Fed HM LN Pool G03205 | 5.5% 01 Jul 2035 | | 3,973 |
| Fed HM LN Pool G04731 | 5.5% 01 Apr 2038 | | 36,448 |
| Federal Farm Credit Bank | 1.0% 29 Sep 2014 | | 21,793 |
| Federal Farm Credit Bank | 1.0% 26 Jun 2013 | | 63,353 |
| Federal Farm Credit Bank | 1.0% 26 Apr 2013 | | 134,540 |
| FHLMC TBA | 4.5% 01 Dec 2099 | | (27,178) |
| FHLMC TBA | 4.0% 31 Dec 2099 | | (21,416) |
| FHLMC TBA | 4.5% 01 Dec 2099 | | |
| FICO Strip | 0.01% 27 Dec 2018 | | |

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| | | |
|------------|-------------------|--------|
| FICO Strip | 0.01% 06 Oct 2015 | 4,957 |
| FICO Strip | 0.01% 07 Mar 2019 | 8,241 |
| FICO Strip | 0.01% 26 Sep 2019 | 9,676 |
| FICO Strip | 0.01% 08 Aug 2015 | 10,924 |
| FICO Strip | 0.01% 26 Sep 2014 | 18,190 |
| FICO Strip | 0.01% 11 May 2013 | 20,349 |
| FICO Strip | 0.01% 03 Feb 2017 | 69,777 |
| FICO Strip | 0.01% 30 Nov 2017 | 72,433 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost ⁽¹⁾ | Current Value |
|-------------------|---------------------------|---------------------|---------------|
| Financing Corp | 10.7% 06 Oct 2017 | | 8,765 |
| Financing Corp | 9.8% 06 Apr 2018 | | 12,860 |
| FNMA Pool 254693 | 5.5% 01 Apr 2033 | | 7,316 |
| FNMA Pool 255364 | 6.0% 01 Sep 2034 | | 6,567 |
| FNMA Pool 256925 | 6.0% 01 Oct 2037 | | 17,903 |
| FNMA Pool 555541 | 1.0% 01 Apr 2033 | | 1,376 |
| FNMA Pool 725027 | 5.0% 01 Nov 2033 | | 3,773 |
| FNMA Pool 725222 | 5.5% 01 Feb 2034 | | 9,298 |
| FNMA Pool 725423 | 5.5% 01 May 2034 | | 6,889 |
| FNMA Pool 725424 | 5.5% 01 Apr 2034 | | 3,272 |
| FNMA Pool 725690 | 6.0% 01 Aug 2034 | | 2,755 |
| FNMA Pool 725946 | 5.5% 01 Nov 2034 | | 8,646 |
| FNMA Pool 735141 | 5.5% 01 Jan 2035 | | 12,719 |
| FNMA Pool 735224 | 5.5% 01 Feb 2035 | | 16,949 |
| FNMA Pool 735667 | 5.0% 01 Jul 2035 | | 58,540 |
| FNMA Pool 735676 | 5.0% 01 Jul 2035 | | 16,818 |
| FNMA Pool 743132 | 5.0% 01 Oct 2018 | | 16,982 |
| FNMA Pool 745275 | 5.0% 01 Feb 2036 | | 28,457 |
| FNMA Pool 745275 | 5.0% 01 Feb 2036 | | 54,314 |
| FNMA Pool 745327 | 6.0% 01 Mar 2036 | | 4,634 |
| FNMA Pool 756363 | 1.0% 01 Dec 2033 | | 3,810 |
| FNMA Pool 770946 | 5.0% 01 Apr 2034 | | 11,730 |
| FNMA Pool 776971 | 5.0% 01 Apr 2034 | | 13,971 |
| FNMA Pool 831540 | 6.0% 01 Jun 2036 | | 16,494 |
| FNMA Pool 837220 | 4.5% 01 Aug 2020 | | 29,674 |
| FNMA Pool 841068 | 4.5% 01 Feb 2039 | | 8,980 |
| FNMA Pool 844444 | 5.0% 01 Dec 2035 | | 22,842 |
| FNMA Pool 848647 | 5.5% 01 Jan 2036 | | 13,035 |
| FNMA Pool 880611 | 5.5% 01 Apr 2036 | | 12,190 |
| FNMA Pool 888340 | 5.0% 01 Aug 2036 | | 15,073 |
| FNMA Pool 888521 | 1.0% 01 Mar 2034 | | 6,577 |
| FNMA Pool 888789 | 5.0% 01 Jul 2036 | | 4,702 |
| FNMA Pool 889004 | 1.0% 01 Aug 2037 | | 10,617 |
| FNMA Pool 889361 | 6.0% 01 Mar 2038 | | 10,080 |
| FNMA Pool 889369 | 6.0% 01 Feb 2038 | | 12,893 |
| FNMA Pool 889544 | 5.5% 01 May 2038 | | 9,967 |
| FNMA Pool 889579 | 6.0% 01 May 2038 | | 14,197 |
| FNMA Pool 889750 | 6.0% 01 May 2038 | | 3,894 |
| FNMA Pool 914789 | 5.0% 01 Apr 2037 | | 29,869 |
| FNMA Pool 931745 | 5.0% 01 Aug 2024 | | 64,305 |
| FNMA Pool 932586 | 4.5% 01 Mar 2040 | | 43,334 |
| FNMA Pool 986148 | 5.5% 01 Jan 2038 | | 46,553 |

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| | | |
|------------------|------------------|--------|
| FNMA Pool 995018 | 5.5% 01 Jun 2038 | 29,485 |
| FNMA Pool 995051 | 6.0% 01 Mar 2037 | 29,533 |
| FNMA Pool AA6450 | 4.5% 01 Sep 2040 | 38,795 |
| FNMA Pool AB1600 | 4.0% 01 Oct 2025 | 15,906 |
| FNMA Pool AB1609 | 3.5% 01 Dec 2040 | 3,436 |
| FNMA Pool AB5236 | 3.0% 01 May 2027 | 7,410 |
| FNMA Pool AD8529 | 4.5% 01 Aug 2040 | 17,795 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|---------------------|---------------------------|-------------|---------------|
| FNMA Pool AE0061 | 6.0% 01 Feb 2040 | | 6,844 |
| FNMA Pool AE0349 | 6.0% 01 Apr 2040 | | 23,089 |
| FNMA Pool AE0368 | 3.5% 01 Dec 2025 | | 2,069 |
| FNMA Pool AE0392 | 5.5% 01 Dec 2039 | | 7,207 |
| FNMA Pool AE0480 | 6.0% 01 Jul 2039 | | 2,883 |
| FNMA Pool AE1016 | 3.5% 01 Oct 2025 | | 17,036 |
| FNMA Pool AE1332 | 4.0% 01 Aug 2025 | | 4,277 |
| FNMA Pool AE3771 | 3.5% 01 Jan 2026 | | 665 |
| FNMA Pool AE9449 | 3.5% 01 Dec 2025 | | 13,792 |
| FNMA Pool AH1105 | 3.5% 01 Dec 2025 | | 10,902 |
| FNMA Pool AH1882 | 3.5% 01 Jan 2027 | | 309 |
| FNMA Pool AH2815 | 3.5% 01 Mar 2026 | | 49,528 |
| FNMA Pool AH2857 | 3.5% 01 Jan 2026 | | 5,597 |
| FNMA Pool AH8702 | 3.5% 01 May 2026 | | 4,667 |
| FNMA Pool AH9523 | 4.5% 01 Aug 2041 | | 15,491 |
| FNMA Pool AH9706 | 3.5% 01 Jan 2026 | | 20,491 |
| FNMA Pool AI3654 | 4.5% 01 May 2042 | | 18,530 |
| FNMA Pool AJ7689 | 4.0% 01 Dec 2041 | | 148,946 |
| FNMA Pool AK2989 | 3.0% 01 May 2027 | | 44,383 |
| FNMA Pool AK9780 | 3.5% 01 May 2042 | | 10,533 |
| FNMA Pool AL0139 | 1.0% 01 Feb 2039 | | 20,632 |
| FNMA Pool AL030 | 4.5% 01 Jun 2026 | | 62,731 |
| FNMA Pool AL0920 | 5.0% 01 Jul 2037 | | 37,102 |
| FNMA Pool AO5515 | 3.5% 01 Jul 2042 | | 12,109 |
| FNMA Pool MA0614 | 4.0% 01 Jan 2041 | | 25,728 |
| FNMA Pool MA0649 | 4.0% 01 Apr 2026 | | 4,712 |
| FNMA Pool MA0694 | 4.5% 01 Jun 2041 | | 5,495 |
| FNMA TBA | 3.5% 01 Dec 2099 | | (80,607) |
| FNMA TBA | 3.5% 01 Dec 2099 | | |
| FNMA TBA | 4.0% 01 Dec 2099 | | |
| FNMA TBA | 4.0% 01 Dec 2099 | | |
| FNMA TBA | 4.5% 01 Dec 2099 | | 54,722 |
| FNMA TBA | 3.0% 01 Dec 2099 | | 63,896 |
| FNMA TBA Single Fam | 6.0% 01 Dec 2102 | | 1,383 |
| FNMA TBA Single Fam | 4.5% 01 Dec 2100 | | 31,059 |
| FNMA TBA Single Fam | 3.0% 01 Dec 2099 | | 90,636 |
| FNMA TBA Single Fam | 4.5% 01 Dec 2101 | | 101,646 |
| FNMA TBA Single Fam | 3.5% 01 Dec 2099 | | 108,019 |
| Freddie Mac | 1.0% 15 Dec 2029 | | 763 |
| Freddie Mac | 0.15% 03 Apr 2013 | | 5,064 |
| Freddie Mac | 2.375% 13 Jan 2022 | | 60,199 |

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| | | |
|--------------------------|--------------------|---------|
| Freddie Mac | 4.875% 13 Jun 2018 | 111,912 |
| Freddie Mac | 0.16% 21 May 2013 | 167,071 |
| GNMA TBA | 3.0% 01 Dec 2099 | 53,849 |
| Honolulu City & Cnty | 5.0% 01 Nov 2025 | 15,719 |
| Illinois St | 4.95% 01 Jun 2023 | 45,734 |
| Illinois St | 3.321% 01 Jan 2013 | 55,725 |
| Irvine Ranch CA | 2.605% 15 Mar 2014 | 36,373 |
| Japan Treasury Disc Bill | 0.01% 12 Feb 2013 | 90,799 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost ⁽¹⁾ | Current Value |
|-------------------------------|---------------------------|---------------------|---------------|
| Kentucky ST Property | 5.373% 01 Nov 2025 | | 8,864 |
| NC State Education | 1.0% 25 Jul 2025 | | 36,690 |
| New York City Transitional | 4.725% 01 Nov 2023 | | 2,970 |
| New York City Transitional | 4.905% 01 Nov 2024 | | 3,016 |
| New York City Transitional | 5.075% 01 Nov 2025 | | 3,056 |
| Overseas Private Inv Corp | 0.01% 12 Jul 2016 | | 90,044 |
| Province of Ontario | 4.0% 07 Oct 2019 | | 55,680 |
| Province of Quebec | 4.6% 26 May 2015 | | 33,084 |
| Republic of Poland | 6.375% 15 Jul 2019 | | 1,263 |
| Republic of Poland | 3.875% 16 Jul 2015 | | 11,709 |
| Resolution Funding Strip | 0.01% 15 Jan 2014 | | 9,585 |
| Resolution Funding Strip | 0.01% 15 Apr 2015 | | 21,787 |
| Resolution Funding Strip | 0.01% 15 Jan 2017 | | 24,615 |
| RFSCP Strip Principal | 0.01% 15 Jul 2020 | | 96,158 |
| Russian Foreign Bond | 1.0% 31 Mar 2030 | | 5,517 |
| Small Business Administration | 7.06% 01 Nov 2019 | | 1,626 |
| Small Business Administration | 7.19% 01 Dec 2019 | | 2,915 |
| Small Business Administration | 5.68% 01 Jun 2028 | | 19,973 |
| South Carolina St Public Svc | 1.0% 02 Jun 2014 | | 38,069 |
| State of Qatar | 4.5% 20 Jan 2022 | | 8,138 |
| Tobacco Settlement | 5.875% 15 May 2039 | | 7,781 |
| Treasury Bill | 0.19% 22 Aug 2013 | | 48,072 |
| Treasury Bill | 0.01% 31 Jan 2013 | | 101,037 |
| Treasury Bill | 0.01% 12 Dec 2013 | | 111,301 |
| Treasury Bill | 0.19% 14 Nov 2013 | | 149,228 |
| Treasury INFL IX N/B | 0.625% 15 Jul 2021 | | 26,596 |
| Treasury INFL IX N/B | 0.125% 15 Apr 2017 | | 41,437 |
| Treasury INFL IX N/B | 0.125% 15 Jul 2022 | | 85,742 |
| Treasury INFL IX N/B | 1.125% 15 Jan 2021 | | 106,962 |
| Treasury INFL IX N/B | 0.125% 15 Jan 2022 | | 126,505 |
| US Treasury N/B | 6.125% 15 Nov 2027 | | 3,763 |
| US Treasury N/B | 7.875% 15 Feb 2021 | | 3,812 |
| US Treasury N/B | 1.875% 30 Sep 2017 | | 8,024 |
| US Treasury N/B | 1.0% 31 Mar 2017 | | 10,313 |
| US Treasury N/B | 3.825% 15 Feb 2013 | | 13,994 |
| US Treasury N/B | 2.375% 31 Jul 2017 | | 16,798 |
| US Treasury N/B | 0.875% 30 Apr 2017 | | 20,128 |
| US Treasury N/B | 2.75% 15 Feb 2019 | | 22,437 |
| US Treasury N/B | 1.375% 15 Jan 2013 | | 23,313 |
| US Treasury N/B | 1.25% 31 Jan 2019 | | 25,789 |
| US Treasury N/B | 3.125% 15 May 2021 | | 28,723 |
| US Treasury N/B | 0.50% 31 Jul 2017 | | 30,968 |

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| | | |
|-----------------|--------------------|--------|
| US Treasury N/B | 0.875% 31 Jan 2017 | 31,441 |
| US Treasury N/B | 6.25% 15 Aug 2023 | 32,685 |
| US Treasury N/B | 2.75% 15 Nov 2042 | 34,165 |
| US Treasury N/B | 1.75% 15 May 2022 | 40,879 |
| US Treasury N/B | 0.625% 30 Nov 2017 | 41,906 |
| US Treasury N/B | 1.875% 31 Aug 2017 | 42,804 |
| US Treasury N/B | 1.75% 15 May 2022 | 49,693 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|--|---------------------------|-------------|---------------|
| US Treasury N/B | 0.25% 15 Oct 2015 | | 50,544 |
| US Treasury N/B | 0.75% 15 Dec 2013 | | 50,928 |
| US Treasury N/B | 2.5% 31 Mar 2015 | | 51,182 |
| US Treasury N/B | 1.0% 30 Sep 2016 | | 51,625 |
| US Treasury N/B | 2.0% 15 Feb 2022 | | 60,247 |
| US Treasury N/B | 0.375% 31 Jul 2013 | | 63,413 |
| US Treasury N/B | 1.875% 30 Jun 2015 | | 68,014 |
| US Treasury N/B | 0.625% 31 May 2017 | | 69,258 |
| US Treasury N/B | 1.625% 15 Aug 2022 | | 70,583 |
| US Treasury N/B | 1.75% 15 Apr 2013 | | 85,379 |
| US Treasury N/B | 1.375% 31 Dec 2018 | | 85,762 |
| US Treasury N/B | 2.625% 15 Nov 2020 | | 88,957 |
| US Treasury N/B | 1.625% 15 Nov 2022 | | 93,822 |
| US Treasury N/B | 0.625% 31 Aug 2017 | | 115,015 |
| US Treasury N/B | 0.25% 31 Aug 2014 | | 118,448 |
| US Treasury N/B | 0.875% 30 Nov 2016 | | 130,365 |
| US Treasury N/B | 3.625% 15 Feb 2020 | | 131,998 |
| US Treasury N/B | 1.5% 30 Jun 2016 | | 136,529 |
| US Treasury N/B | 2.375% 31 Jul 2017 | | 158,013 |
| US Treasury N/B | 1.625% 15 Aug 2022 | | 161,674 |
| US Treasury N/B | 1.375% 28 Feb 2019 | | 166,124 |
| US Treasury N/B | 2.625% 15 Aug 2020 | | 170,506 |
| US Treasury N/B | 1.875% 30 Apr 2014 | | 186,369 |
| US Treasury N/B | 1.75% 31 May 2016 | | 218,952 |
| US Treasury N/B | 2.0% 15 Nov 2021 | | 220,830 |
| US Treasury N/B | 2.5% 30 Apr 2015 | | 245,434 |
| US Treasury N/B | 0.625% 31 Jan 2013 | | 246,046 |
| US Treasury N/B | 1.125% 15 Aug 2021 | | 279,591 |
| US Treasury N/B | 1.0% 31 Aug 2016 | | 456,363 |
| US Treasury N/B | 0.125% 31 Jul 2014 | | 520,912 |
| US Treasury N/B | 2.125% 31 May 2015 | | 962,633 |
| | | | 11,489,581 |
| Corporate and Other Obligations | | | |
| ACE Ina Hldg Inc. | 5.6% 15 May 2015 | | 5,202 |
| Actavis Inc. | 3.25% 01 Oct 2022 | | 4,706 |
| Actavis Inc. | 3.25% 01 Oct 2022 | | 10,472 |
| ADT Corp | 3.5% 15 Jul 2022 | | 2,020 |
| Agilent Technologies Inc. | 6.5% 01 Nov 2017 | | 15,463 |

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| | | |
|-----------------------------|-------------------|--------|
| Alcoa Inc. | 6.15% 15 Aug 2020 | 9,959 |
| Allied World Assurance | 7.5% 01 Aug 2016 | 4,938 |
| Allstate Corp | 5.0% 15 Aug 2014 | 12,190 |
| Ally Auto Receivables Trust | 0.45% 15 Jul 2015 | 7,725 |
| Ally Auto Receivables Trust | 0.8% 16 Jun 2014 | 7,817 |
| Ally Master Trust | 1.54% 15 Sep 2019 | 31,902 |
| Altria Group | 2.85% 09 Aug 2022 | 24,563 |
| Amazon.com | 0.65% 27 Nov 2015 | 37,845 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|------------------------------------|---------------------------|-------------|---------------|
| America Movil SAB | 3.625% 30 Mar 2015 | | 19,203 |
| American Express | 0.59% 15 May 2018 | | 15,072 |
| American Express | 0.68% 15 Mar 2018 | | 27,316 |
| American International Group | 3.8% 22 Mar 2017 | | 5,757 |
| American International Group | 4.875% 01 Jun 2022 | | 8,675 |
| American Intl Group | 3.65% 15 Jan 2014 | | 11,637 |
| American Intl Group | 4.875% 15 Sep 2016 | | 14,874 |
| American Tower Corp | 5.05% 01 Sep 2020 | | 10,936 |
| Americredit Auto Receivables | 1.39% 08 Sep 2015 | | 8,862 |
| Americredit Auto Receivables | 1.55% 08 Jul 2016 | | 23,465 |
| Americredit Automobile | 0.76% 08 Oct 2015 | | 10,952 |
| Americredit Automobile Receivables | 1.19% 08 Aug 2015 | | 3,191 |
| Americredit Automobile Receivables | 0.92% 09 Mar 2015 | | 3,674 |
| Americredit Automobile Receivables | 0.96% 09 Jan 2017 | | 15,162 |
| Americredit Automobile Receivables | 0.49% 08 Apr 2016 | | 15,458 |
| Anadarko Petroleum Corp | 5.95% 15 Sep 2016 | | 14,491 |
| Anglogold Holdings Plc | 5.375% 15 Apr 2020 | | 8,104 |
| Aon Corp | 3.5% 30 Sep 2015 | | 12,938 |
| Apache Corp | 2.625% 15 Jan 2023 | | 25,029 |
| ArcelorMittal | 10.35% 01 Jun 2019 | | 14,582 |
| Asciano Finance | 3.125% 23 Sep 2015 | | 12,583 |
| AT&T Inc. | 5.8% 15 Feb 2019 | | 12,743 |
| AT&T Inc. | 1.4% 01 Dec 2017 | | 16,594 |
| AT&T Inc. | 5.8% 15 Feb 2019 | | 45,688 |
| Autozone Inc. | 3.7% 15 Apr 2022 | | 9,853 |
| Baidu Inc. | 2.25% 28 Nov 2017 | | 5,174 |
| Banc of America Funding Corp | 1.0% 25 May 2035 | | 4,639 |
| * Bank Amer NA | 6.1% 15 Jun 2017 | | 9,340 |
| * Bank of America | 5.75% 01 Dec 2017 | | 32,476 |
| * Bank of America | 1.0% 30 Jan 2014 | | 48,528 |
| * Bank of America Corp | 5.7% 24 Jan 2022 | | 1,066 |
| * Bank of America Corp | 3.875% 22 Mar 2017 | | 3,296 |
| * Bank of America Corp | 5.65% 01 May 2018 | | 3,978 |
| * Bank of America Corp | 5.625% 01 Jul 2020 | | 5,255 |
| * Bank of America Corp | 7.625% 01 Jun 2019 | | 5,510 |
| * Bank of America Corp | 5.42% 15 Mar 2017 | | 8,324 |
| * Bank of America Corp | 1.03% 15 Dec 2016 | | 10,108 |
| * Bank of America Corp | 3.75% 12 Jul 2016 | | 12,049 |
| * Bank of America Corp | 5.65% 01 May 2018 | | 20,334 |
| * Bank of America Corp | 5.49% 15 Mar 2019 | | 25,323 |
| * Bank of America Corp | 5.625% 01 Jul 2020 | | 25,377 |

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| | | | |
|---|----------------------------|--------------------|--------|
| * | Bank of America Corp | 5.7% 24 Jan 2022 | 26,043 |
| | Bank of Montreal | 1.4% 11 Sep 2017 | 17,162 |
| | Barclays Bank | 5.125% 08 Jan 2020 | 10,818 |
| | Barclays Bank Plc | 2.375% 13 Jan 2014 | 43,787 |
| * | Baxter International Inc. | 1.85% 15 Jan 2017 | 5,742 |
| | Bear Stearns Coml Mth Secs | 1.0% 11 Sep 2038 | 4,008 |
| | Bear Stearns Coml Mth Secs | 5.533% 12 Oct 2041 | 4,436 |
| | Bear Stearns Coml Mth Secs | 1.0% 12 Jan 2045 | 21,686 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|----------------------------------|---------------------------|-------------|---------------|
| Bear Stearns Commercial Mortgage | 1.0% 11 Sep 2038 | | 7,394 |
| Bear Stearns Commercial Mortgage | 1.0% 11 Jun 2040 | | 30,454 |
| Bear Stearns Cos | 5.3% 30 Oct 2015 | | 22,456 |
| Bear Stearns Cos | 7.25% 01 Feb 2018 | | 23,963 |
| Bear Stearns Cos | 6.4% 02 Oct 2017 | | 30,421 |
| Bear Stearns Cos | 5.55% 22 Jan 2017 | | 9,569 |
| Bears Sterns Adjustable Rate | 1.0% 25 Aug 2033 | | 2,919 |
| Berkshire Hathaway | 1.6% 15 May 2017 | | 17,427 |
| Berkshire Hathaway Fin Corp | 5.4% 15 May 2018 | | 17,672 |
| Boeing Co | 5.125% 15 Feb 2013 | | 11,589 |
| Boston PPTYS Ltd | 3.7% 15 Nov 2018 | | 7,292 |
| BP Capital Markets | 1.375% 06 Nov 2017 | | 22,183 |
| BP Capital Markets | 1.846% 05 May 2017 | | 24,599 |
| BP Capital Markets | 4.5% 01 Oct 2020 | | 20,434 |
| BP Capital Markets | 3.125% 01 Oct 2015 | | 26,889 |
| British Telecom | 5.95% 15 Jan 2018 | | 3,693 |
| British Telecom | 2.0% 22 Jun 2015 | | 9,895 |
| Bunge Limited | 5.875% 15 May 2013 | | 2,965 |
| Bunge Limited | 8.5% 15 Jun 2019 | | 8,180 |
| Burlington North Santa Fe | 5.75% 15 Mar 2018 | | 8,274 |
| Cameron Intl Corp | 1.0% 02 Jun 2014 | | 24,609 |
| Canadian Natl Railway | 1.45% 15 Dec 2016 | | 24,479 |
| Capital One Bank | 8.8% 15 Jul 2019 | | 17,492 |
| Capital One Financial | 5.25% 21 Feb 2017 | | 10,973 |
| Capital One Financial | 7.375% 23 May 2014 | | 16,119 |
| Capital One Financial | 2.125% 15 Jul 2014 | | 25,011 |
| Capital One Multi Asset | 1.0% 15 Mar 2017 | | 14,585 |
| Carmax Auto Owner Trust | 0.89% 15 Sep 2016 | | 12,623 |
| Carmax Auto owner Trust | 1.410% 16 Feb 2016 | | 24,119 |
| Carmax Auto Trust | 0.84 % 15 Mar 2017 | | 41,185 |
| Caterpillar | 1.25% 06 Nov 2017 | | 14,554 |
| CBS Corp | 8.875% 15 May 2019 | | 5,808 |
| CBS Corp | 5.75% 15 Apr 2020 | | 7,736 |
| CD Commercial Mortgage Trust | 5.322% 11 Dec 2049 | | 40,678 |
| Cellco Part/Veri Wireless | 8.5% 15 Nov 2018 | | 11,848 |
| Centerpoint Energy | 4.5% 15 Jan 2021 | | 2,881 |
| Chase Issuance Trust | 0.54% 16 Oct 2017 | | 12,522 |
| CIT Equipment Trust | 1.1% 22 Aug 2016 | | 6,869 |
| Citigroup Commercial Mtg | 1.0% 10 Dec 2049 | | 11,937 |
| Citigroup Inc. | 6.5% 19 Aug 2013 | | 5,110 |
| Citigroup Inc. | 5.5% 11 Apr 2013 | | 5,118 |

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| | | |
|-------------------------------|--------------------|--------|
| Citigroup Inc. | 5.375% 09 Aug 2020 | 11,820 |
| Citigroup Inc. | 5.375% 09 Aug 2020 | 12,835 |
| Citigroup Inc. | 6.125% 21 Nov 2017 | 15,073 |
| Citigroup Inc. | 4.5% 14 Jan 2022 | 20,856 |
| Citigroup Inc. | 6.01% 15 Jan 2015 | 23,665 |
| Citigroup Inc. | 4.5% 14 Jan 2022 | 52,705 |
| Citigroup Mortgage Loan Trust | 1.0% 25 Jan 2033 | 1,653 |
| Citigroup/Deutsche Bank Comm | 5.431% 15 Oct 2049 | 6,685 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|--------------------------------|---------------------------|-------------|---------------|
| Cleveland Elec Illum Co | 5.7% 01 Apr 2017 | | 11,444 |
| Clorox Company | 5.95% 15 Oct 2017 | | 14,312 |
| CNH 2010 A | 2.49% 15 Jan 2016 | | 24,081 |
| CNH 2010 B | 1.74% 17 Jan 2017 | | 26,742 |
| CNH Equipment Trust | 0.94% 15 May 2017 | | 9,810 |
| Cobalt CMBS | 1.0% 15 Apr 2047 | | 49,919 |
| Coca Cola Co | 3.3% 01 Sep 2021 | | 39,092 |
| Comcast Corp | 4.95% 15 Jun 2016 | | 4,711 |
| Comcast Corp | 6.5% 15 Jan 2017 | | 5,346 |
| Comcast Corp | 6.3% 15 Nov 2017 | | 14,604 |
| Comcast Corp | 5.15% 01 Mar 2020 | | 15,011 |
| Comm Mortgage Trust | 3.147% 15 Aug 2045 | | 6,549 |
| Cons Edison Co | 5.3% 01 Dec 2016 | | 23,331 |
| Constellation Energy | 5.15% 01 Dec 2020 | | 2,519 |
| Consumers Energy Co | 6.125% 15 Mar 2019 | | 8,713 |
| Countrywide Asset Backed | 1.0% 25 Feb 2035 | | 5,304 |
| Countrywide Finl Corp | 6.25% 15 May 2016 | | 2,030 |
| Coventry Health Care Inc. | 6.125% 15 Jan 2015 | | 830 |
| Coventry Health Care Inc. | 5.95% 15 Mar 2017 | | 2,503 |
| Coventry Health Care Inc. | 6.3% 15 Aug 2014 | | 7,114 |
| Cox Communications | 5.45% 15 Dec 2014 | | 8,619 |
| Credit Based Asset Servicing | 1.0% 25 Jan 2033 | | 3,725 |
| Credit Suisse Mortgage | 1.0% 15 Jun 2038 | | 16,677 |
| Credit Suisse Mortgage | 5.467 15 Sep 2039 | | 21,855 |
| Credit Suisse Mortgage Capital | 5.467% 15 Sep 2039 | | 39,110 |
| CS First Boston Mortgage | 1.0% 15 Jan 2037 | | 7,919 |
| CS First Boston Mortgage | 1.0% 15 Feb 2038 | | 8,185 |
| CVS Caremark Corp | 2.75% 01 Dec 2022 | | 17,670 |
| DelHaize Group | 4.125% 10 Apr 2019 | | 18,825 |
| Delta Airlines | 7.75% 17 Jun 2021 | | 16,905 |
| Diageo Capital Plc | 7.375% 15 Jan 2014 | | 8,398 |
| Directv Holdings | 4.75% 01 Oct 2014 | | 3,922 |
| Directv Holdings | 3.8% 15 Mar 2022 | | 6,272 |
| Directv Holdings | 4.6% 15 Feb 2021 | | 6,855 |
| Discover Bank | 7.0% 15 Apr 2020 | | 12,581 |
| Discover Card Master Trust | 1.0% 15 Sep 2015 | | 3,905 |
| Discover Card Master Trust | 0.86% 15 Nov 2017 | | 6,909 |
| Discover Card Master Trust | 0.81% 15 Aug 2017 | | 7,911 |
| DNB Bank ASA | 3.2% 03 Apr 2017 | | 13,354 |
| Dominion Resources | 1.95% 15 Aug 2016 | | 24,469 |
| Dow Chemical Co | 8.55% 15 May 2019 | | 8,173 |

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|-----------------------|--------------------|--------|
| Dow Chemical Co | 4.125% 15 Nov 2021 | 8,880 |
| Dow Chemical Co | 2.5% 15 Feb 2016 | 11,973 |
| Dow Chemical Co | 4.125% 15 Nov 2021 | 12,210 |
| DryRock Issuane Trust | 0.64% 15 Aug 2018 | 14,936 |
| Duke Energy Carolinas | 5.1% 15 Apr 2018 | 15,138 |
| Duke Realty LP | 8.25% 15 Aug 2019 | 4,858 |
| Embarq Corp | 7.995% 01 Jun 2036 | 17,765 |
| Encana Corp | 3.9% 15 Nov 2021 | 14,994 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost ⁽¹⁾ | Current Value |
|------------------------------|----------------------------------|----------------------------|----------------------|
| ENEL Finance Intl | 6.25% 15 Sep 2017 | | 35,761 |
| Energy Transfer Partners | 6.7% 01 Jul 2018 | | 15,016 |
| Energy Transfer Partners | 6.0% 01 Jul 2013 | | 17,503 |
| Ensco Plc | 3.25% 15 Mar 2016 | | 23,636 |
| Enterprise Products | 5.2% 01 Sep 2020 | | 7,710 |
| Enterprise Products | 6.5% 31 Jan 2019 | | 13,808 |
| Enterprise Products | 1.25% 13 Aug 2015 | | 25,103 |
| EQT Corp | 8.125% 01 Jun 2019 | | 4,390 |
| ERAC USA Finance | 2.25% 10 Jan 2014 | | 43,499 |
| ERAC USA Finance | 2.25% 10 Jan 2014 | | 24,436 |
| Ericsson LM | 4.125% 15 May 2022 | | 13,162 |
| ERP Operating LP | 5.25% 15 Sep 2014 | | 11,292 |
| Exelon Generation Co | 4.0% 01 Oct 2020 | | 23,565 |
| Express Scripts | 6.25% 15 Jun 2014 | | 2,591 |
| Express Scripts | 3.125% 15 May 2016 | | 24,568 |
| Federal Realty Invs Trust | 5.4% 01 Dec 2013 | | 17,008 |
| Federal Rlty Invt Tr | 5.65% 01 Jun 2016 | | 7,979 |
| FHLMC Multifamily Structured | 1.655% 25 Nov 2016 | | 24,146 |
| FHLMC Multifamily Structured | 2.086% 25 Mar 2019 | | 24,603 |
| FHLMC Multifamily Structured | 2.746% 25 Dec 2019 | | 24,724 |
| FHLMC Multifamily Structured | 2.412% 25 Aug 2018 | | 32,157 |
| FHLMC Multifamily Structured | 3.154% 25 Feb 2018 | | 38,514 |
| FHLMC Multifamily Structured | 2.130% 25 Jan 2019 | | 69,285 |
| FHLMC Multifamily Structured | 1.883% 25 May 2019 | | 85,646 |
| FHLMC Multifamily Structured | 3.23% 25 Jul 2021 | | 103,266 |
| Fifth Third Bancorp | 3.5% 15 Mar 2022 | | 5,017 |
| FirstEnergy Solutions | 6.050% 15 Aug 2021 | | 13,191 |
| For Motor Credit Co | 5.0% 15 May 2018 | | 21,521 |
| Ford Credit Auto | 1.0% 15 Jan 2016 | | 25,415 |
| Ford Credit Auto | 4.2% 15 Feb 2017 | | 35,354 |
| Ford Credit Auto Lease Trust | 0.74% 15 Sep 2013 | | 2,416 |
| Ford Credit Auto Lease Trust | 0.68% 15 Jan 2014 | | 4,279 |
| Ford Credit Auto Lease Trust | 1.0% 15 Sep 2017 | | 8,316 |
| Ford Credit Auto Lease Trust | 0.54% 15 Nov 2014 | | 13,814 |
| Ford Motor Credit Co | 8.125% 15 Jan 2020 | | 25,641 |
| Ford Motor Credit Co | 5.875% 02 Aug 2021 | | 26,547 |
| Gazprom | 6.212% 22 Nov 2016 | | 8,681 |
| GCCGC Commercial Mortgage | 5.444% 10 Mar 2039 | | 26,255 |
| GDF Suez | 1.625% 10 Oct 2017 | | 4,508 |
| GE Capital | 1.76% 15 Sep 2022 | | 11,954 |
| GE Capital | 1.36% 17 Aug 2020 | | 13,943 |
| GE Equipment Midticket LLC | 1.0% 24 Aug 2015 | | 5,180 |

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| | | |
|---------------------------|--------------------|--------|
| General Electric Cap Corp | 4.65% 17 Oct 2021 | 5,636 |
| General Electric Cap Corp | 4.375% 16 Sep 2020 | 12,580 |
| General Electric Cap Corp | 2.3% 27 Apr 2017 | 17,991 |
| General Electric Cap Corp | 4.65% 17 Oct 2021 | 25,867 |
| General Electric Cap Corp | 5.5% 08 Jan 2020 | 29,233 |
| General Electric Cap Corp | 5.625% 01 May 2018 | 32,336 |
| General Electric Cap Corp | 1.76% 15 Sep 2022 | 36,753 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|------------------------------|---------------------------|-------------|---------------|
| General Mills Inc. | 5.25% 15 Aug 2013 | | 4,431 |
| Glaxosmithkline | 1.5% 08 May 2017 | | 23,642 |
| Goldman Sachs | 6.15% 01 Apr 2018 | | 22,020 |
| Goldman Sachs Group | 6.75% 01 Oct 2037 | | 5,741 |
| Goldman Sachs Group | 6.0% 15 Jun 2020 | | 9,330 |
| Goldman Sachs Group | 5.75% 24 Jan 2022 | | 9,732 |
| Goldman Sachs Group | 7.5% 15 Feb 2019 | | 12,748 |
| Goldman Sachs Group | 6.25% 01 Sep 2017 | | 26,891 |
| Goldman Sachs Group Inc. | 5.75% 24 Jan 2022 | | 13,924 |
| Goldman Sachs Group Inc. | 5.25% 27 Jul 2021 | | 21,368 |
| Greenwich Capital Commercial | 5.444% 10 Mar 2039 | | 32,965 |
| GS Mortgage Securities Corp | 1.0% 06 Mar 2020 | | 4,065 |
| GS Mortgage Securities Corp | 1.0% 10 Aug 2038 | | 9,769 |
| GS Mortgage Securities Corp | 2.773% 10 Nov 2045 | | 17,899 |
| GS Mortgage Securities Corp | 4.751% 10 Jul 2039 | | 20,489 |
| Guardian Life Insurance | 7.375% 30 Sep 2039 | | 5,072 |
| Hanover Ins Group | 7.625% 15 Oct 2025 | | 4,243 |
| Harley Davidson Motorcycle | 0.68% 15 Apr 2017 | | 9,528 |
| Hartford Finl Svcs | 4.0% 30 Mar 2015 | | 2,141 |
| Hartford Finl Svcs | 5.125% 15 Apr 2022 | | 5,845 |
| Hartford Finl Svcs | 5.5% 30 Mar 2020 | | 7,034 |
| HCP Inc. | 5.375% 01 Feb 2021 | | 14,797 |
| Health Care Inc. | 2.25% 15 Mar 2018 | | 15,438 |
| Healthcare Realty Trust | 5.125% 01 Apr 2014 | | 4,691 |
| Healthcare Realty Trust | 5.25% 15 Jan 2022 | | 14,385 |
| Healthcare Reit | 2.25% 15 Mar 2018 | | 9,617 |
| Healthcare Rlty Tr | 5.125% 01 Apr 2014 | | 8,614 |
| Hess Corp | 7.0% 15 Feb 2014 | | 5,282 |
| Hewlett Packard Co | 4.65% 09 Dec 2021 | | 5,569 |
| Hewlett Packard Co | 4.3% 01 Jun 2021 | | 6,649 |
| Hewlett Packard Co | 1.0% 30 May 2014 | | 22,840 |
| Hewlett Packard Co | 1.0% 24 May 2013 | | 45,461 |
| Honda Auto Receivables | 0.7% 16 Feb 2016 | | 12,988 |
| Honda Auto Receivables | 0.56% 15 May 2016 | | 22,442 |
| HSBC | 5.1% 05 Apr 2021 | | 6,880 |
| HSBC | 4.0% 30 Mar 2022 | | 14,282 |
| HSBC | 2.375% 13 Feb 2015 | | 23,449 |
| HSBC Holdings | 4.0% 30 Mar 2022 | | 18,858 |
| Humana Inc. | 7.2% 15 Jun 2018 | | 13,587 |
| Huntington Auto Trust | 1.01% 15 Jan 2016 | | 7,742 |
| Huntington Auto Trust | 1.18% 15 Jun 2017 | | 29,568 |

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|--------------------------|--------------------|--------|
| Hutch Whampoa | 2.0% 08 Nov 2017 | 18,350 |
| Hyundai Auto Receivables | 1.65% 15 Feb 2017 | 18,988 |
| Hyundai Capital Services | 4.375% 27 Jul 2016 | 13,620 |
| ING Bank NV | 2.0% 25 Sep 2015 | 13,014 |
| Intel Corp | 1.35% 15 Dec 2017 | 25,196 |
| INTL BK Recon & Develop | 9.25% 15 Jul 2017 | 4,303 |
| Intl Paper Co | 7.95% 15 Jun 2018 | 6,877 |
| Intl Paper Co | 4.75% 15 Feb 2022 | 8,598 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|------------------------------------|---------------------------|-------------|---------------|
| JPMorgan Chase Coml Mtg | 4.302% 15 Jan 2038 | | 592 |
| JPMorgan Chase Coml Mtg | 1.0% 12 Dec 2044 | | 2,948 |
| JPMorgan Chase Coml Mtg | 5.198% 15 Dec 2044 | | 5,462 |
| JPMorgan Chase Comm Mtg | 2.749% 15 Nov 2043 | | 10,562 |
| JPMorgan Chase Comm Mtg | 2.84% 15 Dec 2047 | | 23,237 |
| JPMorgan Chase & Co | 4.35% 15 Aug 2021 | | 4,390 |
| JPMorgan Chase & Co | 4.5% 24 Jan 2022 | | 6,304 |
| JPMorgan Chase & Co | 4.4% 22 Jul 2020 | | 8,149 |
| JPMorgan Chase & Co | 4.75% 01 May 2013 | | 9,122 |
| JPMorgan Chase & Co | 6.0% 15 Jan 2018 | | 12,130 |
| JPMorgan Chase & Co | 3.45% 01 Mar 2016 | | 13,450 |
| JPMorgan Chase & Co | 4.5% 24 Jan 2022 | | 25,072 |
| JPMorgan Chase & Co | 6.0% 15 Jan 2018 | | 26,989 |
| JPMorgan Chase & Co | 3.7% 20 Jan 2015 | | 34,670 |
| JPMorgan Chase & Co | 5.125% 15 Sep 2014 | | 35,155 |
| JPMorgan Chase Bank | 6.0% 01 Oct 2017 | | 11,994 |
| JPMorgan Chase Commercial Mortgage | 5.42% 15 Jan 2049 | | 39,843 |
| JPMorgan Chase Commercial Mortgage | 1.0% 12 Dec 2044 | | 6,690 |
| JPMorgan Chase Commercial Mortgage | 5.552% 12 May 2045 | | 15,276 |
| JPMorgan Chase Commercial Mortgage | 1.0% 12 Jun 2043 | | 20,088 |
| Kazmunaygas National | 7.0% 05 May 2020 | | 6,465 |
| Kinder Morgan Energy | 4.15% 01 Mar 2022 | | 5,379 |
| Kinder Morgan Energy | 3.95% 01 Sep 2022 | | 10,156 |
| Kinder Morgan Energy | 6.85% 15 Feb 2020 | | 19,786 |
| Kohls Corporation | 3.25% 01 Feb 2023 | | 5,116 |
| Korea Finance Corp | 2.25% 07 Aug 2017 | | 23,079 |
| Korea National Oil Corp | 3.125% 3 Apr 2017 | | 13,154 |
| Kroger Co | 3.4% 15 Apr 2022 | | 9,483 |
| Lab Corp | 2.2% 23 Aug 2017 | | 1,404 |
| LB UBS Commercial Mortgage | 1.0% 15 Jun 2029 | | 4,979 |
| LB UBS Commercial Mortgage | 5.3% 15 Nov 2038 | | 8,849 |
| LB UBS Commercial Mortgage | 1.0% 15 Jun 2038 | | 20,620 |
| Liberty PPTY Ltd | 6.625% 01 Oct 2017 | | 1,209 |
| Liberty PPTY Ltd | 5.5% 15 Dec 2016 | | 2,014 |
| Lincoln National | 4.3% 15 Jun 2015 | | 3,815 |
| Lincoln National Corp | 8.75% 01 Jul 2019 | | 3,455 |
| LSI Open Position | 0.01% 31 Dec 2060 | | 360 |
| MacQuarie Bank | 5.0% 22 Feb 2017 | | 2,576 |
| MacQuarie Group Ltd | 4.875% 10 Aug 2017 | | 5,251 |
| Macys Retail Holdings | 3.875% 15 Jan 2022 | | 13,094 |
| Manufacturers & Traders Tr | 1.0% 28 Dec 2020 | | 6,422 |

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|-------------------------|--------------------|--------|
| Marathon Petroleum Corp | 3.5% 01 Mar 2016 | 1,618 |
| Marathon Petroleum Corp | 5.125% 01 Mar 2021 | 9,330 |
| Marriott International | 3.0% 01 Mar 2019 | 11,549 |
| McKesson Corp | 0.95% 04 Dec 2015 | 5,200 |
| McKesson Corp | 6.5% 15 Feb 2014 | 6,470 |
| McKesson Corp | 3.25% 01 Mar 2016 | 28,101 |
| Merrill Lynch Mortgage | 1.0% 25 Aug 2036 | 1,612 |
| Merrill Lynch Mortgage | 4.96 12 Jul 2038 | 9,520 |

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| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|------------------------------------|---------------------------|-------------|---------------|
| Merrill Lynch/Countrywide Mortgage | 1.0% 12 Jun 2046 | | 11,088 |
| Merrill Lynch/Countrywide Mortgage | 5.7% 12 Sep 2049 | | 21,981 |
| Merrill Lynch/Countrywide Mortgage | 1.0% 12 Jul 2046 | | 22,356 |
| Merrill Lynch & Co | 6.875% 25 Apr 2018 | | 4,580 |
| Merrill Lynch & Co | 6.05% 16 May 2016 | | 11,293 |
| Merrill Lynch & Co | 6.4% 28 Aug 2017 | | 32,518 |
| Merrill Lynch & Co | 6.875% 25 Apr 2018 | | 36,640 |
| Merrill Lynch/Countrywide Comm | 1.0% 12 Mar 2051 | | 32,879 |
| Merrill Lynch/Countrywide Comm | 1.0% 12 Feb 2039 | | 49,962 |
| Methanex Corp | 3.25% 15 Dec 2019 | | 6,114 |
| Metlife Inc. | 7.171% 15 Feb 2019 | | 3,918 |
| Metlife Inc. | 6.75% 01 Jun 2016 | | 9,150 |
| Metlife Inc. | 6.817% 15 Aug 2018 | | 11,806 |
| Microsoft Corp | 0.875% 15 Nov 2017 | | 5,039 |
| Mid State Trust | 8.33% 01 Apr 2030 | | 6,608 |
| Mondelez International | 6.5% 11 Aug 2017 | | 7,734 |
| Mondelez International | 6.125% 01 Feb 2018 | | 26,351 |
| Morgan Stanley | 6.25% 28 Aug 2017 | | 2,899 |
| Morgan Stanley | 5.55% 27 Apr 2017 | | 5,757 |
| Morgan Stanley | 5.5% 28 Jul 2021 | | 8,973 |
| Morgan Stanley | 5.625% 23 Sep 2019 | | 9,167 |
| Morgan Stanley | 5.5% 24 Jul 2020 | | 14,248 |
| Morgan Stanley | 1.0% 29 Apr 2013 | | 17,771 |
| Morgan Stanley | 3.45% 02 Nov 2015 | | 17,814 |
| Morgan Stanley | 5.95% 28 Dec 2017 | | 19,935 |
| Morgan Stanley | 1.0% 15 Oct 2015 | | 34,361 |
| Morgan Stanley | 6.625% 01 Apr 2018 | | 38,062 |
| Morgan Stanley | 6.625% 01 Apr 2018 | | 38,809 |
| Morgan Stanley | 5.5% 28 Jul 2021 | | 13,804 |
| Morgan Stanley Capital I | 1.0% 12 Aug 2041 | | 4,414 |
| Morgan Stanley Capital I | 1.0% 11 Jun 2042 | | 15,897 |
| Morgan Stanley Capital I | 4.989% 13 Aug 2042 | | 29,057 |
| Morgan Stanley Capital I | 4.89% 12 Jun 2047 | | 34,477 |
| Morgan Stanley Capital I | 5.325% 15 Dec 2043 | | 5,040 |
| Motel 6 Trust | 1.948% 05 Oct 2025 | | 13,015 |
| Murphy Oil Corp | 2.5% 01 Dec 2017 | | 12,106 |
| Nabors Industries | 9.25% 15 Jan 2019 | | 24,445 |
| Nabors Industries Inc. | 9.25% 15 Jan 2019 | | 10,013 |
| National Grid Plc | 6.3% 01 Aug 2016 | | 14,695 |
| NBC Universal Media | 5.15% 30 Apr 2020 | | 12,161 |
| NBC Universal Media | 4.375% 01 Apr 2021 | | 14,227 |

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| | | |
|-----------------------|--------------------|--------|
| NCUA Guaranteed Notes | 2.9% 29 Oct 2020 | 19,170 |
| NCUA Guaranteed Notes | 1.0% 07 Oct 2020 | 24,106 |
| NCUA Guaranteed Notes | 1.0% 08 Dec 2020 | 79,130 |
| Nevada PWR Co | 6.5% 01 Aug 2018 | 7,956 |
| News America Inc. | 9.25% 01 Feb 2013 | 5,989 |
| News America Inc. | 4.5% 15 Feb 2021 | 11,141 |
| Nextera Energy | 1.611% 01 Jun 2014 | 13,697 |
| Niagara Mohawk power | 3.553% 01 Oct 2014 | 9,934 |

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| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|------------------------------|---------------------------|-------------|---------------|
| NiSource Finance Corp | 5.25% 15 Sep 2017 | | 10,140 |
| NiSource Finance Corp | 6.8% 15 Jan 2019 | | 11,500 |
| Nissan Auto Lease Trust | 0.45% 15 Jun 2015 | | 6,484 |
| Nissan Auto Lease Trust | 0.68% 15 Jul 2014 | | 10,418 |
| Noble Energy | 8.25% 01 Mar 2019 | | 11,520 |
| Noble Holding Intl | 4.9% 01 Aug 2020 | | 1,054 |
| Nordea Bank AB | 1.0% 14 Jan 2014 | | 20,410 |
| Nordea Bank AB | 4.875% 14 Jan 2021 | | 35,262 |
| Norfolk Southern Corp | 5.75% 01 Apr 2018 | | 5,899 |
| Occidental Petroleum | 1.75% 15 Feb 2017 | | 25,065 |
| Omnicom Group | 3.625% 01 May 2022 | | 4,407 |
| Oneok Inc. | 4.25% 01 Feb 2022 | | 13,348 |
| Oracle | 1.2% 15 Oct 2017 | | 37,853 |
| Orange & Rockland Utility | 2.5% 15 Aug 2015 | | 44,328 |
| Orix Corp | 4.71% 27 Apr 2015 | | 7,971 |
| Owens Corning Inc. | 6.5% 01 Dec 2016 | | 5,949 |
| Penarth Master | 1.0% 18 Dec 2014 | | 14,087 |
| Pernod Richard SA | 4.25% 15 Jul 2022 | | 12,665 |
| Petrobras Intl | 5.75% 20 Jan 2020 | | 10,380 |
| Petronas Capital Ltd | 5.25% 12 Aug 2019 | | 11,875 |
| Phillips 66 | 4.3% 01 Apr 2022 | | 14,010 |
| Phillips 66 | 4.3% 01 Apr 2022 | | 31,134 |
| PNC Bank | 6.875% 01 Apr 2018 | | 13,447 |
| PNC Financial Services | 1.0% 09 Nov 2022 | | 6,369 |
| Precision Castparts Corp | 1.25% 15 Jan 2018 | | 18,141 |
| Prudential Financial | 4.5% 16 Nov 2021 | | 25,638 |
| Prudential Financial | 5.375% 21 Jun 2020 | | 35,385 |
| Prudential Financial | 4.5% 15 Nov 2020 | | 8,032 |
| Questar Corp | 2.75% 01 Feb 2016 | | 14,618 |
| Rabobank | 3.95% 09 Nov 2022 | | 14,136 |
| Rabobank | 4.5% 11 Jan 2021 | | 28,470 |
| Rabobank | 3.95% 09 Nov 2022 | | 6,588 |
| Raytheon Co | 3.125% 15 Oct 2020 | | 25,735 |
| Regency Centers LP | 5.25% 01 Aug 2015 | | 1,685 |
| Regency Centers LP | 5.875% 15 Jun 2017 | | 4,248 |
| Renaissance Home Equity | 1.0% 25 Nov 2034 | | 5,365 |
| Republic Services Inc. | 3.8% 15 May 2018 | | 362 |
| Republic Services Inc. | 5.0% 01 Mar 2020 | | 10,457 |
| Residential Asset Securities | 1.0% 25 May 2033 | | 217 |
| Reynolds American Inc. | 3.25% 01 Nov 2022 | | 5,903 |
| Rio Tinto | 1.625% 21 Aug 2017 | | 8,335 |

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| | | |
|---------------------------------|--------------------|--------|
| Rio Tinto | 3.5% 02 Nov 2020 | 12,754 |
| Rowan Companies Inc. | 5.0% 01 Sep 2017 | 9,989 |
| Royal Bank Scotland | 2.55% 18 Sep 2015 | 14,517 |
| Royal BK Scotland Plc | 5.0% 01 Oct 2014 | 9,369 |
| Royal BK Scotland Plc | 6.125% 11 Jan 2021 | 11,935 |
| Santander | 3.724% 20 Jan 2015 | 37,531 |
| Santander Drive Auto Receivable | 0.47% 15 Sep 2015 | 5,700 |
| Santander Holdings | 4.625% 19 Apr 2016 | 3,443 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|--------------------------|---------------------------|-------------|---------------|
| Santander Holdings | 0.62% 15 Jul 2016 | | 10,513 |
| Saxon Assets | 1.0% 25 Aug 2032 | | 6 |
| SCSLC 2010 | 1.0% 25 Jul 2025 | | 57,363 |
| Sempra Energy | 6.5% 01 Jun 2016 | | 8,760 |
| Shell International | 1.125% 21 Aug 2017 | | 12,724 |
| SLH Open Position | 0.01% 31 Dec 2060 | | 103 |
| SLM Corp | 5.0% 01 Oct 2013 | | 2,593 |
| SLM Corp | 5.375% 15 Jan 2013 | | 3,799 |
| SLM Corp | 7.25% 25 Jan 2022 | | 8,378 |
| SLM Corp | 8.45% 15 Jun 2018 | | 11,854 |
| SLM Student Trust | 1.0% 25 Sep 2019 | | 33,963 |
| Smart Trust | 1.22% 14 Nov 2013 | | 2,103 |
| Smart Trust | 0.67% 14 Jun 2015 | | 8,613 |
| Smart Trust | 1.25% 14 Aug 2018 | | 27,677 |
| Snap On Inc. | 4.25% 15 Jan 2018 | | 9,071 |
| Societe Generale | 2.5% 15 Jan 2014 | | 6,141 |
| Southern CA Edison | 5.5% 15 Aug 2018 | | 12,389 |
| Southern Cal Edison | 5.75% 15 Mar 2014 | | 18,283 |
| Southern Co | 1.95% 01 Sep 2016 | | 24,537 |
| Southwest Airlines Co | 5.75% 15 Dec 2016 | | 4,297 |
| Southwest Airlines Co | 5.25% 01 Oct 2014 | | 4,987 |
| Southwestern Elec Power | 5.875% 01 Mar 2018 | | 22,854 |
| Spectra Energy Capital | 8.0% 01 Oct 2019 | | 11,708 |
| Spectra Energy Capital | 5.668% 15 Aug 2014 | | 18,345 |
| Spectra Energy Partners | 2.95% 15 Jun 2016 | | 11,602 |
| SPI Electricity | 6.15% 15 Nov 2013 | | 6,548 |
| Staples Inc. | 9.75% 15 Jan 2014 | | 7,573 |
| Stryker Corp | 2.0% 30 Sep 2016 | | 24,793 |
| Talent Yield Investments | 4.5% 25 Apr 2022 | | 13,635 |
| Teck Resources | 3.75% 01 Feb 2023 | | 17,796 |
| Teck Resources | 4.5% 15 Jan 2021 | | 18,189 |
| Telecom Italia | 7.175% 18 Jun 2019 | | 7,202 |
| Telecom Italia | 6.999% 04 Jun 2018 | | 32,136 |
| Telefonica Emisiones | 5.462% 16 Feb 2021 | | 4,456 |
| Telefonica Emisiones | 5.462% 16 Feb 2021 | | 38,621 |
| Thomson Reuters Corp | 5.95% 15 Jul 2013 | | 17,839 |
| Time Warner Cable Inc. | 5.0% 01 Feb 2020 | | 9,290 |
| Time Warner Inc. | 7.5% 01 Apr 2014 | | 9,332 |
| Time Warner Inc. | 4.7% 15 Jan 2021 | | 12,255 |
| Time Warner Inc. | 3.4% 15 Jun 2022 | | 12,286 |
| Time Warner Inc. | 4.7% 15 Jan 2021 | | 14,274 |

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|--------------------------|--------------------|--------|
| Time Warner Inc. | 4.875% 15 Mar 2020 | 15,385 |
| Total Capital SA | 4.45% 24 Jun 2020 | 25,379 |
| Total Capital SA | 3.0% 24 Jun 2015 | 37,456 |
| Toyota Motor Credit Corp | 2.0% 15 Sep 2016 | 24,685 |
| Trans Canada Pipelines | 3.4% 01 Jun 2105 | 7,801 |
| Transocean Inc. | 2.5% 15 Oct 2017 | 9,215 |
| Travelers Cos | 5.75% 15 Dec 2017 | 11,382 |
| Tyson Foods | 4.5% 15 Jun 2022 | 13,984 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost (1) | Current Value |
|----------------------------|---------------------------|-------------|---------------|
| UBS AG | 2.25% 28 Jan 2014 | | 10,278 |
| UBS AG | 5.875% 20 Dec 2017 | | 15,074 |
| UBS AG | 1.0% 28 Jan 2014 | | 15,291 |
| UBS AG | 5.875% 15 Jul 2016 | | 15,120 |
| UFJ Finance Aruba | 6.75% 15 Jul 2013 | | 4,050 |
| Unicredito Luxem Fin | 6.0% 31 Oct 2017 | | 5,946 |
| Union Bank NA | 1.0% 06 Jun 2014 | | 17,880 |
| Unum Group | 5.625% 15 Sep 2020 | | 10,998 |
| US Bancorp | 2.95% 15 Jul 2022 | | 15,481 |
| US Bancorp | 2.2% 15 Nov 2016 | | 25,072 |
| US Cellular Corp | 6.7% 15 Dec 2033 | | 5,315 |
| Valero Energy | 6.125% 01 Feb 2020 | | 8,100 |
| Verizon Communications | 2.45% 01 Nov 2022 | | 25,211 |
| Vesey Street | 1.0% 09 Jan 2016 | | 49,198 |
| Vesey Street Investment | 1.0% 01 Sep 2016 | | 4,592 |
| Viacom Inc. | 5.625% 15 Sep 2019 | | 1,968 |
| Wachovia Bank | 4.8% 01 Nov 2014 | | 7,313 |
| Wachovia Corp | 5.5% 01 May 2013 | | 8,626 |
| Wachovia Corp | 5.5% 01 May 2013 | | 46,351 |
| Walgreen Co | 1.0% 13 Mar 2015 | | 20,407 |
| Waste Mgmt Inc. | 7.375% 15 May 2029 | | 1,672 |
| Waste Mgmt Inc. | 4.75% 30 Jun 2020 | | 12,150 |
| Weatherford Bermuda | 6.0% 15 Mar 2018 | | 637 |
| Weatherford Bermuda | 5.125% 15 Sep 2020 | | 13,259 |
| Well Fargo & Company | 1.0% 15 Jun 216 | | 12,870 |
| Well Fargo & Company | 1.5% 16 Jan 2018 | | 16,111 |
| Wellpoint Inc. | 3.3% 15 Jan 2023 | | 4,704 |
| Wellpoint Inc. | 1.25% 10 Sep 2015 | | 16,339 |
| Wellpoint Inc. | 6.0% 15 Feb 2014 | | 19,168 |
| Wells Fargo & Company | 5.625% 11 Dec 2017 | | 11,480 |
| Wells Fargo & Company | 2.1% 08 May 2017 | | 24,223 |
| Wells Fargo Commercial Mtg | 2.918% 15 Oct 2045 | | 37,151 |
| Western Union Co | 2.375% 10 Dec 2015 | | 2,036 |
| Westpac Banking | 1.125% 25 Sep 2015 | | 17,767 |
| WF RBS Commercial Mortgage | 1.0% 15 Nov 2044 | | 33,304 |
| Williams Companies | 3.7% 15 Jan 2023 | | 8,406 |
| Williams Partners LP | 4.0% 15 Nov 2021 | | 9,211 |
| Williams Partners LP | 3.35% 15 Aug 2022 | | 14,036 |
| Willis North America Inc. | 7.0% 29 Sep 2019 | | 2,388 |
| Willis North America Inc. | 7.0% 29 Sep 2019 | | 5,522 |
| Willis North America Inc. | 6.2% 28 Mar 2017 | | 9,084 |

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| | | |
|-------------------------|--------------------|--------|
| World Financial Network | 1.76% 17 May 2021 | 8,323 |
| World Financial Network | 3.14% 17 Jan 2023 | 39,488 |
| World Omni Auto | 0.93% 16 Nov 2015 | 7,392 |
| WPP Finance | 4.75% 21 Nov 2021 | 5,322 |
| Xerox Corp | 5.625% 15 Dec 2019 | 11,886 |
| Xerox Corporation | 8.25% 15 May 2014 | 2,045 |

Table of Contents**Baxter Healthcare of Puerto Rico****Savings and Investment Plan****Schedule H, Line 4i Schedule of Assets (Held at End of Year)****Employer Identification Number: 66-0678126 and Plan Number 024****December 31, 2012**

| Identity of Issue | Description of Investment | Cost ⁽¹⁾ | Current Value |
|--|-------------------------------------|---------------------|---------------|
| XL Group Plc | 5.25% 15 Sep 2014 | | 9,036 |
| | | | \$ 7,639,692 |
| Benefit Responsive Interest Rate Wrapper Contracts | | | |
| * Transamerica | Open Ended Maturity | | (12,867) |
| * Bank of America NT & SA | Open Ended Maturity | | (12,890) |
| | | | (25,757) |
| Synthetic Guaranteed Investment Contracts (contract value equals \$18,415,108) | | | \$ 20,200,250 |
| Commingled Investments: | | | |
| * SSgA Daily EAFE Fund | Commingled Investments | | 1,840,933 |
| * SSgA S&P 500 Flagship Fund | Commingled Investments | | 4,414,448 |
| * SSgA US Small CAP Index Futures FD CMT4 | Commingled Investments | | 1,630,838 |
| Commingled Investments | | | \$ 7,886,219 |
| Registered Investment Companies: | | | |
| Ishares Russell 1000 Growth | Registered Investment Company | | 35,057 |
| Vanguard Target Retirement 2010 Fund | Registered Investment Company | | 50,107 |
| Vanguard Target Retirement 2015 Fund | Registered Investment Company | | 252,613 |
| Vanguard Target Retirement 2020 Fund | Registered Investment Company | | 333,051 |
| Vanguard Target Retirement 2025 Fund | Registered Investment Company | | 193,481 |
| Vanguard Target Retirement 2030 Fund | Registered Investment Company | | 354,514 |
| Vanguard Target Retirement 2035 Fund | Registered Investment Company | | 269,472 |
| Vanguard Target Retirement 2040 Fund | Registered Investment Company | | 335,939 |
| Vanguard Target Retirement 2045 Fund | Registered Investment Company | | 246,139 |
| Vanguard Target Retirement 2050 Fund | Registered Investment Company | | 281,586 |
| Vanguard Target Retirement Income | Registered Investment Company | | 350,612 |
| Registered Investment Companies | | | \$ 2,702,571 |
| * Note Receivables from Participants | Interest ranges from 4.25% to 8.25% | | \$ 3,806,939 |

Collateral Held on Loaned Securities

* State Street Bank & Trust Co Quality D Short-term Investment Fund \$ 242,369

Total Investments and Note Receivables from Participants \$ 46,581,768

* Party-in-interest

** These investments include securities that were loaned to brokers under the securities lending program with the Trustee.

(1) Cost information not required for participant-directed investments.

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SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

BAXTER HEALTHCARE of PUERTO RICO SAVINGS
AND INVESTMENT PLAN

Date: June 26, 2013

By: /s/ Robert J. Hombach
Robert J. Hombach
Member of the Administrative Committee