

PRESS RELEASE

22 December 1999

Althin Medical joins forces with Baxter - The Board recommends the offer

Baxter announced today a public offer to the shareholders of Althin Medical to acquire their shares in the company. The Board of Directors of Althin Medical recommends the shareholders to accept Baxter's offer.

Through its Swedish subsidiary, Baxter Sweden AB, Baxter International Inc. has today announced a public offer to the shareholders of Althin Medical AB to acquire their shares in the company. The offer, concerning the Althin Medical series B shares, is SEK 100 in cash per share. Compared to the last closing price on December 20, 1999 of SEK 68 the offer represents a premium of approximately 47 percent. Compared to the average closing price of the Althin Medical series B shares during the last thirty trading days, the offer represents a premium of 74 percent.

In a separate transaction Baxter and Baxter Sweden have agreed to purchase the shares in Althinvest International AB from Anders Althin and members of his family. Althinvest International controls 56.0 percent of the shares and 82.6 percent of the votes in Althin Medical. The price offered for Althinvest International corresponds to a price of SEK 100 per Althin Medical series B share and SEK 110 per series A share.

The Board of Directors of Althin Medical has reviewed the terms of the offer and is recommending the shareholders to accept Baxter's offer.

During the last five years, the dialysis industry has experienced major restructuring, involving both customers and dialysis product manufacturers. The customers have merged into larger dialysis chains and in some cases integrated vertically with dialysis product manufacturers. This has led to fewer and larger customers that buy larger quantities at lower prices. At the same time, the manufacturers of dialysis products have merged or formed alliances. These trends are likely to continue, making it more difficult for small and mid-sized technology-based companies to remain competitive in the long-term.

"Joining forces with Baxter is the right step for Althin Medical. Considering the ongoing trends in the industry and in the market place, we regard Baxter's offer to the Althin Medical shareholders as attractive. This transaction will also provide a base for further positive development of our business", says Hans Larsson, Chairman of Althin Medical.

Facility:

Althin Medical AB
Fridhemsvägen 15
372 21 Ronneby
Sweden

Phone
+46 457-759 00

Telefax
+46 457-173 95

”Through this transaction, Althin Medical will be given additional resources for product development and marketing, which will open up opportunities for increased production and global sales”, says Anders Althin, President and CEO, and founder of Althin Medical. ”Our customers will benefit from a wider product range and increased services through Baxter’s global distribution and service network”.

”Althin Medical is an excellent complement to our existing renal franchise”, says Harry M. Jansen Kraemer, Jr., Baxter’s Chairman and CEO. ”The addition of Althin Medical’s portfolio will allow us to expand our hemodialysis business worldwide”.

Arthur Andersen Global Corporate Finance acts as financial advisor to the Board of Directors of Althin Medical in this transaction.

Ronneby 22 December, 1999

Althin Medical AB (publ.)
The Board of Directors

For further information, please contact:

Anders Althin, President and CEO, Althin Medical +1 305 987 6211
Neville Jeharajah, Vice President Investor Relations, Baxter International Inc.
+1 847 948 2875

A prospectus is expected to be made public and distributed to the shareholders of Althin Medical on or about January 13, 2000.

Althin Medical is an international medical technology group with its core business in the area of hemodialysis, which accounts for approximately 85 percent of all dialysis care world-wide. The company has production facilities in Sweden and the USA. Althin Medical has a proprietary membrane technology and is specialized in the development and manufacture of dialysis membranes, dialyzers and state-of-the-art dialysis machines. Althin Medical has recently developed and introduced a new polysulphone membrane with unique performance characteristics. The product will be launched on the market during 2000. Althin Medical sells its products via its own companies and through distributors in about 70 countries. Althin Medical has a total turnover of approximately SEK 1 billion and currently employs some 730 people.

Baxter International Inc. is a global medical products and services company that focuses on providing critical therapies for people with life-threatening conditions. Baxter’s products and services in blood therapies, cardiovascular medicine, medication delivery and renal therapy are used by health-care providers and their patients in 112 countries. In 1998 Baxter generated sales of USD 6.6 billion, or approximately SEK 52.5 billion, and employed on average approximately 45,000 people.