

TOP 10 BIOPHARMA

Baxter BioScience
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HEADCOUNT	46,500 (total company)	
YEAR ESTABLISHED	1931	
BIOPHARMA REVENUES	\$4,649	+6%
TOTAL REVENUES	\$11,263	+9%
NET INCOME	\$1,707	+22%
R&D BUDGET	\$760	+24%

DRUGS APPROVED/LAUNCHED

Drug	Indication
aralast NP	hereditary emphysema
advate	hemophilia A - dosage
fosphenytoin	seizures
oxytocin	stimulant of uterine contractions and breast milk flow
ceprotin	blood clotting related to congenital protein C deficiency

DRUGS IN PHASE IIB AND BEYOND

Drug	Indication
rAHF-PFM	hemophilia A (antihemophilic factor, recombinant, manufactured protein-free)
immune globulin intravenous (human), 10%	multifocal motor neuropathy
TBE virus antigen	tick-borne encephalitis
influenza vaccine containing H5N1 HA antigen	influenza
w0265 gel	acne
tmc 125	HIV-1

EARLY RESEARCH PROJECTS

Drug	Indication
meningococcal polysaccharide tetanus protein conjugate	meningococcal infection
HuBChE (human butyrylcholinesterase derived from human plasma)	chemical terrorism/warfare

KEY PERSONNEL

Robert L. Parkinson, Jr.
chairman and chief executive officer, Baxter, Inc.
 Joy A. Amundson
corporate vice president, Baxter, Inc., and president, Baxter BioScience

TOP SELLING DRUGS

Drug	Indication	\$	(+/- %)
Recombinants		\$1,714	13%
Plasma Proteins		\$1,015	15%
Antibody Therapy		\$985	25%
Regenerative Medicine		\$346	16%

Account for 87% of total pharma sales, up from 79% in 2006.

BAXTER BIOSCIENCE IS ANOTHER beneficiary of my revised Biopharma definition. BioScience is the biggest of Baxter's three units (the others are Medication Delivery and Renal) and, even though a piece of the BioSciences business comes from hemostatic products rather than strict pharmaceuticals, it's my list and I'll cry if I want to. And before you ask, Heparin is marketed by another division (Medication Delivery), so I'm not covering that product and its manufacturing issues in this profile.

Unfortunately, Baxter doesn't break out BioScience sales by product, instead opting for product categories. The company did point out that Advate, an antihemophilic factor, brought in more than \$1.2 billion of sales for the Recombinant line, which had \$1.7 billion in total 2007 sales. Baxter is also working with Nektar Therapeutics to develop a long-acting version of its recombinant factor IX, for treatment of hemophilia B.

At this point, vaccines are part of "Other" category revenues, but they could become a major contributor in the next few years. Baxter is working with DynPort Vaccine Co. on Phase III trials for a pair of pandemic flu vaccines, which could bring big government money. Baxter has signed sever-

al advance-purchase and stockpiling agreements for an H5N1 vaccine, which it can manufacture with a cell-based technology that whips existing egg-based production times. The company first entered the vaccine field with its purchase of Immuno International in 1997.

The company is working with Halozyme to develop a subcutaneous delivery route for Gammagard Liquid Immune Globulin, which is currently delivered only by IV infusion. Gammagard is an antibody-replacement therapy to treat immune deficiencies.

Interestingly, Baxter is pursuing a Phase III trial of Gammagard as a treatment for mild-to-moderate Alzheimer's disease, based on small studies that showed significant improvement in cognitive function. Six-month Phase II results released in April 2008 showed changes in beta- and alpha-amyloid antibody levels in patients' blood and cerebrospinal fluid. The Phase III trial is co-sponsored by the National Institutes of Health and will tie in 35 U.S. academic centers.

For a new addition to our biopharma ranks with some strongly established lines, Baxter actually has some interesting R&D going on. ■