

BAXTER INTERNATIONAL INC
Form 11-K
June 23, 2011

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 11-K

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

For the year ended December 31, 2010
OR

o **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

(847) 948-2000

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Financial Statements and Supplemental Schedule
December 31, 2010 and 2009**

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Index
December 31, 2010 and 2009**

| | Page(s) |
|---|----------------|
| Report of Independent Registered Public Accounting Firm | 1 |
| Financial Statements | |
| Statements of Net Assets Available for Benefits as of December 31, 2010 and 2009 | 2 |
| Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2010 and 2009 | 3 |
| Notes to Financial Statements | 4-15 |
| Supplemental Information | |
| Schedule I: Schedule of Assets (Held at End of Year) as of December 31, 2010 | 16-41 |

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 (Plan) as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years ended December 31, 2010 and 2009. 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, 2010 and 2009, and the changes in net assets available for benefits for the years ended December 31, 2010 and 2009, 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 2010 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic 2010 financial statements taken as a whole.

/s/Crowe Horwath LLP
Oak Brook, Illinois
June 22, 2011

Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Statements of Net Assets Available for Benefits
December 31, 2010 and 2009 (in thousands)

| | 2010 | 2009 |
|---|-------------|-------------|
| Assets | | |
| Investments | | |
| Cash and cash equivalents | \$ 616 | \$ 822 |
| Common stock (including securities on loan of \$79 in 2010 and \$350 in 2009) | 8,543 | 9,234 |
| U.S. government and government agency issues (including securities on loan of \$53 in 2010 and \$101 in 2009) | 233 | 174 |
| Corporate and other obligations (including securities on loan of \$35 in 2010 and \$62 in 2009) | 554 | 459 |
| Commingled funds | 7,485 | 6,368 |
| Registered investment companies | 1,059 | 458 |
| Synthetic guaranteed investment contracts (including securities on loan of \$4,995 in 2010 and \$3,929 in 2009) | 16,877 | 14,786 |
| Collateral held on loaned securities | 5,198 | 4,478 |
| Total investments at fair value | 40,565 | 36,779 |
| Receivables | | |
| Participant loans | 3,591 | 3,858 |
| Sponsor contributions | 199 | 160 |
| Accrued interest and dividends | 46 | 44 |
| Due from brokers for securities sold | 8 | 7 |
| | 3,844 | 4,069 |
| Total assets | 44,409 | 40,848 |
| Liabilities | | |
| Accounts payable | 215 | 47 |
| Due to brokers for securities purchased | | 18 |
| Collateral to be paid on loaned securities | 5,255 | 4,550 |
| Total liabilities | 5,470 | 4,615 |
| Net assets available for benefits, reflecting investments at fair value | 38,939 | 36,233 |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | (1,156) | (116) |
| Net assets available for benefits | \$ 37,783 | \$ 36,117 |

The accompanying notes are an integral part of these financial statements

Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2010 and 2009 (in thousands)

| | 2010 | 2009 |
|---|-------------|-------------|
| Additions to net assets attributed to | | |
| Investment income | | |
| Net appreciation in fair value of investments | \$ 473 | \$ 2,730 |
| Interest and dividends | 920 | 719 |
| Net investment income | 1,393 | 3,449 |
| Participant loan interest | 196 | 245 |
| Contributions | | |
| Sponsor | 1,466 | 1,469 |
| Participant | 2,722 | 2,655 |
| | 4,188 | 4,124 |
| Net additions | 5,777 | 7,818 |
| Deductions from net assets attributed to | | |
| Benefits paid | 3,761 | 3,612 |
| Plan expenses | 350 | 220 |
| Total deductions | 4,111 | 3,832 |
| Net increase | 1,666 | 3,986 |
| Net assets available for benefits | | |
| Beginning of year | 36,117 | 32,131 |
| End of year | \$ 37,783 | \$ 36,117 |

The accompanying notes are an integral part of these financial statements

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

1. General Description of the Plan

The following brief description of Baxter Healthcare of Puerto Rico Savings and Investment Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement 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).

General

The Plan is a defined contribution plan which became effective on January 1, 1998. The Plan covers substantially all 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) as of the first day of the month following the completion of thirty days of employment. The Plan was created for the purpose of providing retirement benefits to employees 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.

Contributions

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 2010 and 2009, limited to a maximum of \$9,000 a year in 2010 and 2009, 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.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations 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.

Vesting

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.

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

Participant Loans

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 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.

Investment Options

Upon enrollment in the Plan, a participant may direct contributions into various 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.

Payments of Benefits

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.

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.

New Accounting Standards

In September 2010, the Financial Accounting Standards Board (FASB) amended existing standards with respect to the reporting of participant loans for defined contribution pension plans. The guidance requires that loans issued to participants be reported as receivables, segregated from plan investments, and to be measured at their unpaid principal balances plus accrued but unpaid interest. This guidance was adopted by the Plan effective December 31, 2010 and was applied retrospectively to all periods presented. The adoption of this standard had no effect on the Plan's net assets available for benefits.

In January 2010, the FASB issued a new accounting standard effective for the December 31, 2010 reporting period, which clarified existing fair value disclosures about the level of disaggregation and inputs and valuation techniques used to measure fair value, and required that significant transfers in and out of Levels 1 and 2 of the fair value hierarchy be disclosed. The Plan did not have any transfers between Levels 1 and 2 during 2010. In addition, effective for reporting periods beginning after December 15, 2010, an entity will be required to separately present

information related to purchases, sales, issuances and settlements in the reconciliation of fair value measurements classified as Level 3.

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

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 and international 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. |
| Commingled funds | Value based on net asset values reported by the fund managers as of the 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 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 5 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. See below for more information. |

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

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 6 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 appreciation or depreciation of investments. Purchases and sales of investments are recorded on a trade date basis. Dividends are recorded on the ex-dividend date.

The financial statements reflect the net appreciation in the fair value of the Plan's investments. This net 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 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, corporate and other obligations, and registered investment companies.

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 \$38,076 and \$37,348 at December 31, 2010 and 2009, 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 Statement 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 \$15.7 million and \$14.7 million at December 31, 2010 and 2009, 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 3.5% and 4.2% at December 31, 2010 and 2009, respectively. The average interest rate credited to participants on the synthetic GICs was approximately 4.1% for both years ended December 31, 2010 and 2009. The credit ratings for Aegon Institutional Markets were AA- at both December 31, 2010 and 2009, and the credit ratings for Bank of America N.A. were A+ at both December 31, 2010 and 2009.

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

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

Benefits are recorded when paid.

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.

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. 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.

The Administrative Committee is responsible for the general administration of the Plan and for carrying out the provisions thereof. 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.

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

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

4. 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;

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.

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

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, 2010 | 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 | \$ 616 | \$ | \$ 616 | \$ |
| Common stock: | | | | |
| Healthcare | 4,399 | 4,399 | | |
| Information technology | 967 | 967 | | |
| Financial services | 691 | 691 | | |
| Consumer products | 1,012 | 1,012 | | |
| Industrial services and materials | 735 | 735 | | |
| Energy | 597 | 597 | | |
| Other | 142 | 142 | | |
| Total common stock | 8,543 | 8,543 | | |
| U.S. government and government agency issues | 233 | | 233 | |
| Corporate and other obligations | 554 | | 554 | |
| Commingled funds | 7,485 | | 7,485 | |
| Registered investment companies ⁽¹⁾ | 1,059 | 1,059 | | |
| Synthetic guaranteed investment contracts: | | | | |
| Corporate and other obligations | 6,167 | | 6,167 | |
| U.S. government and government agency issues | 10,180 | | 10,180 | |
| Cash and cash equivalents | 492 | | 492 | |
| Wrapper contracts | 38 | | | 38 |
| Total synthetic guaranteed investment contracts | 16,877 | | 16,839 | 38 |
| Collateral held on loaned securities | 5,198 | | 5,198 | |
| Total assets | \$ 40,565 | \$9,602 | \$30,925 | \$ 38 |

Liability

| | | | | |
|--|----------|--------|----------|----|
| Collateral to be paid on loaned securities | \$ 5,255 | \$ 139 | \$ 5,116 | \$ |
|--|----------|--------|----------|----|

(1) Comprised entirely of Target retirement funds

10

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

| (in thousands) | Balance at December 31, 2009 | 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 | \$ 822 | \$ | \$ 822 | \$ |
| Common stock: | | | | |
| Healthcare | 6,999 | 6,999 | | |
| Information technology | 602 | 602 | | |
| Financial services | 487 | 487 | | |
| Consumer products | 386 | 386 | | |
| Industrial services and materials | 330 | 330 | | |
| Energy | 327 | 327 | | |
| Other | 103 | 103 | | |
| Total common stock | 9,234 | 9,234 | | |
| U.S. government and government agency issues | 174 | | 174 | |
| Corporate and other obligations | 459 | | 459 | |
| Commingled funds | 6,368 | | 6,368 | |
| Registered investment companies ⁽¹⁾ | 458 | 458 | | |
| Synthetic guaranteed investment contracts: | | | | |
| Corporate and other obligations | 6,722 | | 6,722 | |
| U.S. government and government agency issues | 6,399 | | 6,399 | |
| Cash and cash equivalents | 936 | | 936 | |
| Registered investment companies | 683 | 683 | | |
| Wrapper contracts | 37 | | | 37 |
| Other | 9 | | 9 | |
| Total synthetic guaranteed investment contracts | 14,786 | 683 | 14,066 | 37 |
| Collateral held on loaned securities | 4,478 | | 4,478 | |
| Total assets | \$ 36,779 | \$10,375 | \$26,367 | \$ 37 |

Liability

| | | | | |
|--|----------|--------|----------|----|
| Collateral to be paid on loaned securities | \$ 4,550 | \$ 520 | \$ 4,030 | \$ |
|--|----------|--------|----------|----|

(1) Comprised entirely of Target retirement funds

11

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

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, 2008 | \$ 30 |
| Unrealized gains (relating to assets held at end of year) | 7 |
| Purchases, sales, issuances and settlements (net) | |
| Balance at December 31, 2009 | 37 |
| Unrealized gains (relating to assets held at end of year) | 1 |
| Purchases, sales, issuances and settlements (net) | |
| Balance at December 31, 2010 | \$ 38 |

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.

5. Investments

The following presents the Plan's investments that represent five percent or more of the Plan's net assets available for benefits at December 31.

| (values in thousands, except per share) | 2010 | 2009 |
|--|-------------|-------------|
| Baxter common stock, 113,065 shares and 112,317 shares at December 31, 2010 and 2009, respectively | \$5,723 | \$6,591 |
| State Street Global Advisors (SSgA) S&P 500 Flagship Fund | 3,961 | 3,423 |
| SSgA International EAFE Equity Index Fund | * | 1,853 |
| State Street Bank Quality D Short-Term Investment Fund (Collateral held on loaned securities) | * | 4,478 |
| Baxter International Savings Trust Separate Account (Collateral held on loaned securities) | 4,872 | * |

* Does not meet 5% threshold.

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

Investments as of December 31, 2010 and 2009 are segregated into various investment fund options as follows:

| (in thousands) | 2010 | 2009 |
|---|-------------|-------------|
| Cash (available for investment) | \$ 113 | \$ 147 |
| Stable Income Fund | 17,172 | 15,270 |
| Baxter Common Stock Fund | 5,822 | 6,687 |
| Composite Fund | 1,755 | 1,677 |
| General Equity Fund | 1,862 | 1,638 |
| SSgA S&P 500 Flagship Fund | 3,966 | 3,423 |
| SSgA International EAFE Equity Index Fund | 1,831 | 1,853 |
| Edwards Lifesciences Common Stock Fund | 92 | 55 |
| SSgA Small Cap Fund | 1,695 | 1,093 |
| Target Retirement Funds | 1,060 | 458 |
| Collateral held on loaned securities | 5,198 | 4,478 |
| Total investments at fair value | 40,566 | 36,779 |
| Adjustment from fair value to contract value for Stable Income Fund | (1,156) | (116) |
| Total investments | \$ 39,410 | \$ 36,663 |

During 2010 and 2009, the Plan's investments, including gains and losses on investments bought and sold as well as held during the year, appreciated (depreciated) in value as follows:

| (in thousands) | 2010 | 2009 |
|--|-------------|-------------|
| Baxter common stock | \$(892) | \$ 548 |
| Other common stock | 287 | 626 |
| U.S. government and government agency issues | 2 | 2 |
| Corporate and other obligations | 29 | 89 |
| Commingled funds | 944 | 1,317 |
| Registered investment companies | 88 | 64 |
| Collateral held on loaned securities | 15 | 84 |
| | \$ 473 | \$2,730 |

6. 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.

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

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.

As of December 31, 2009, the Plan had securities on loan with a fair market value of \$4.4 million with cash collateral received of \$4.6 million. As of December 31, 2010, the Plan had securities on loan with a fair market value of \$5.2 million, with cash collateral received of \$5.3 million, of which \$4.9 million was redeemed during 2010 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 Custodian to terminate the securities lending program for the securities within the Stable Income Fund. The assets underlying both funds primarily consisted of cash and cash equivalents and asset-backed securities. As of December 31, 2010, the net asset values of the Baxter International Savings Trust Separate Account and State Street Quality D Short-term Investment Fund were \$0.9929 and \$0.9925, respectively, per unit. As of December 31, 2009, the net asset value of the State Street Quality D Short-term Investment Fund was \$0.9842 per unit. As a result of the increase in net asset values, an unrealized gain of \$15,203 is reflected in the 2010 Statement of Changes in Net Assets Available for Benefits compared with an unrealized gain of \$83,903 reported in 2009. As of December 31, 2010 and 2009, the cash collateral received is reflected at its fair value of \$5.2 million and \$4.5 million, respectively, in the 2010 and 2009 Statements of Net Assets Available for Benefits.

Non-cash collateral of \$78,112 and \$139,702 received for securities on loan at December 31, 2010 and 2009, respectively, 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 2010 and 2009 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 \$8,679 and \$732 for 2010 and 2009, respectively. Securities lending income is classified as interest income in the Statements of Changes in Net Assets Available for Benefits.

7. 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.

8. Tax Status of the Plan

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 1, 2003, from the Internal Revenue Service (IRS) stating that the Plan is in compliance with IRS regulations. The Plan has been amended since receiving the determination letter. The Plan Sponsor believes that the Plan is currently designed and being operated in compliance with the applicable tax requirements. Therefore, no provision for income taxes has been included in

the Plan's financial statements.

9. 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.

**Baxter Healthcare of Puerto Rico
Savings and Investment Plan
Notes to Financial Statements
December 31, 2010 and 2009**

At December 31, 2010 and 2009, the Plan held shares of common stock and bonds of Baxter, the Plan sponsor's parent; units of participation in certain commingled funds and short-term investment funds of State Street Bank and Trust Company, the Plan's Custodian; loans with participants; shares of common stock, bonds, and interest rate wrapper contracts of Bank of America, issuer of the Plan's fully benefit-responsive contracts; interest rate wrapper contracts of Aegon Institutional Markets, issuer of the Plan's fully benefit-responsive contracts; and units of registered investment companies managed by Pacific Investment Management Company, an investment manager for the Plan. 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.

SUPPLEMENTAL SCHEDULE

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| | | |
|------------------------|--------------|--------|
| CF Industries Holdings | Common Stock | 7,008 |
| Charles Schwab Corp | Common Stock | 16,999 |
| Cisco Systems | Common Stock | 37,050 |
| Citigroup Inc | Common Stock | 21,071 |
| Citrix Systems Inc | Common Stock | 20,087 |
| CME Group | Common Stock | 25,102 |
| Coca Cola Co | Common Stock | 11,782 |
| Comcast Corp | Common Stock | 11,418 |
| Comcast Corp | Common Stock | 15,028 |
| Comcast Corp | Common Stock | 15,225 |
| Comerica Inc | Common Stock | 5,476 |
| Commercial Metals Co | Common Stock | 4,008 |

**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

Schedule I

December 31, 2010

| | | |
|----------------------------|--------------|--------|
| ConocoPhilips | Common Stock | 10,112 |
| Constellation Brands Inc | Common Stock | 9,998 |
| Constellation Energy Group | Common Stock | 4,909 |
| Cooper Industries | Common Stock | 34,389 |
| Corning Inc | Common Stock | 3,711 |
| Costco Wholesale Corp | Common Stock | 16,135 |
| Credit Suisse Group | Common Stock | 16,573 |
| CVS Caremark Corp | Common Stock | 15,612 |
| Danaher Corp | Common Stock | 35,364 |
| Deere & Co | Common Stock | 18,694 |
| Dell Inc | Common Stock | 16,224 |
| Delta Air Line | Common Stock | 8,880 |
| Devon Energy | Common Stock | 17,025 |
| Devon Energy Corp | Common Stock | 18,875 |
| Directv | Common Stock | 3,106 |
| Dow Chemical Co | Common Stock | 4,949 |
| Dow Chemical Co | Common Stock | 43,936 |
| Eaton Corp | Common Stock | 9,570 |
| Ebay Inc | Common Stock | 13,742 |
| Edison International | Common Stock | 4,913 |
| Edwards Lifesciences Corp | Common Stock | 90,992 |
| El Paso Corp | Common Stock | 8,416 |
| EMC Corp | Common Stock | 32,361 |
| EnSCO PLC | Common Stock | 12,833 |
| EOG Resources Inc | Common Stock | 12,195 |
| EQT Corp | Common Stock | 16,382 |
| Exelon Corp | Common Stock | 17,716 |
| Express Scripts Inc | Common Stock | 16,364 |
| Fifth Third Bancorp | Common Stock | 7,353 |
| Flextronics Intl | Common Stock | 17,346 |
| Flowserve Corp | Common Stock | 8,297 |
| Ford Motor Co | Common Stock | 8,251 |
| Ford Motor Co | Common Stock | 19,926 |
| Freeport McMoran Copper | Common Stock | 9,305 |
| Gannett Co | Common Stock | 3,877 |
| Gap Inc | Common Stock | 10,150 |
| Garmin Ltd | Common Stock | 6,464 |
| General Electric Co | Common Stock | 9,657 |
| General Motors Co | Common Stock | 2,606 |
| General Motors Co | Common Stock | 12,641 |
| Gilead Sciences | Common Stock | 9,183 |
| Gilead Sciences Inc | Common Stock | 32,100 |
| Goldman Sachs Group | Common Stock | 6,936 |

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| | | |
|---------------------|--------------|--------|
| Goldman Sachs Group | Common Stock | 53,092 |
| Goodrich Corp | Common Stock | 19,383 |
| Google Inc | Common Stock | 73,010 |
| Health Net Inc | Common Stock | 3,216 |
| Hess Corp | Common Stock | 7,487 |
| Hewlett Packard Co | Common Stock | 10,270 |

**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, 2010**

Schedule I

| | | |
|--------------------------|--------------|--------|
| Honeywell International | Common Stock | 14,660 |
| Ingersoll Rand PLC | Common Stock | 14,041 |
| Intel Corp | Common Stock | 17,354 |
| Intl Game Technology | Common Stock | 14,614 |
| Intuit Inc | Common Stock | 6,101 |
| Intuitive Surgical Inc | Common Stock | 7,199 |
| Invesco Ltd | Common Stock | 13,724 |
| Johnson & Johnson | Common Stock | 27,917 |
| Johnson Controls Inc | Common Stock | 26,195 |
| JPMorgan Chase & Co | Common Stock | 29,846 |
| JPMorgan Chase & Co | Common Stock | 73,179 |
| Kimberly Clark Corp | Common Stock | 5,943 |
| KLA Tencor Corp | Common Stock | 7,591 |
| Kohls Corp | Common Stock | 10,631 |
| Kohls Corp | Common Stock | 29,030 |
| Kroger Co | Common Stock | 6,746 |
| Lear Corp | Common Stock | 6,747 |
| Limited Brands Inc | Common Stock | 15,212 |
| Lowe's Co | Common Stock | 6,443 |
| Lowe's Co | Common Stock | 11,202 |
| Lyondellbasell Indu | Common Stock | 14,635 |
| Marathon Oil Corp | Common Stock | 14,881 |
| Marathon Oil Corp | Common Stock | 15,405 |
| Marvell Technology Group | Common Stock | 24,604 |
| Microsoft Corp | Common Stock | 8,851 |
| Microsoft Corp | Common Stock | 19,821 |
| Microsoft Corp | Common Stock | 20,664 |
| Monsanto Co | Common Stock | 5,006 |
| Morgan Stanley | Common Stock | 6,542 |
| Morgan Stanley | Common Stock | 15,200 |
| New Corp Cl | Common Stock | 21,772 |
| Newfield Exploration Co | Common Stock | 8,243 |
| Newmont Mining Corp | Common Stock | 13,393 |
| News Corp Cl | Common Stock | 12,578 |
| Nexen Inc | Common Stock | 9,122 |
| Noble Energy | Common Stock | 28,359 |
| Northrop Grumman Corp | Common Stock | 19,926 |
| Novartis Ag | Common Stock | 12,297 |
| NVR Inc | Common Stock | 6,922 |
| Occidental Petroleum | Common Stock | 23,909 |
| Office Depot Inc | Common Stock | 2,902 |
| Oracle Corp | Common Stock | 31,506 |
| Parker Hannifin Corp | Common Stock | 13,323 |

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| | | |
|--------------------------|--------------|--------|
| Pepisco Inc | Common Stock | 14,906 |
| Pfizer Inc | Common Stock | 20,244 |
| Pfizer Inc | Common Stock | 25,939 |
| Potash Corp of Saskatche | Common Stock | 17,617 |
| Raytheon Company | Common Stock | 3,113 |
| Rovi Corp | Common Stock | 6,745 |

**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, 2010

Schedule I

| | | |
|-----------------------------|--------------|--------------|
| Royal Caribbean Cruises Ltd | Common Stock | 5,650 |
| Safeway Inc | Common Stock | 10,178 |
| Sara Lee Corp | Common Stock | 7,800 |
| Schlumberger Ltd | Common Stock | 70,577 |
| Smithfield Foods Inc | Common Stock | 7,318 |
| Southwest Airlines | Common Stock | 14,593 |
| Southwestern Energy Co | Common Stock | 24,550 |
| Stanley Black & Decker | Common Stock | 14,284 |
| Starbucks Corp | Common Stock | 11,852 |
| * State Street Corp | Common Stock | 15,182 |
| Suncor Energy | Common Stock | 16,802 |
| Sunoco Inc | Common Stock | 14,869 |
| Symantec Corp | Common Stock | 13,987 |
| Target Corp | Common Stock | 8,518 |
| Teva Pharmaceuticals | Common Stock | 26,209 |
| Texas Instruments Inc | Common Stock | 11,452 |
| Time Warner Cable | Common Stock | 16,030 |
| Time Warner Inc | Common Stock | 3,298 |
| Time Warner Inc | Common Stock | 14,976 |
| Travelers Cos | Common Stock | 10,833 |
| Tyco Electronics | Common Stock | 9,011 |
| United Parcel Service | Common Stock | 34,664 |
| Valero Energy Corp | Common Stock | 10,436 |
| Vertex Pharmaceuticals | Common Stock | 12,839 |
| Viacom Inc | Common Stock | 6,582 |
| Visa Inc | Common Stock | 5,234 |
| Visa Inc | Common Stock | 12,193 |
| Vodafone Group | Common Stock | 9,438 |
| Wal Mart Stores Inc | Common Stock | 19,131 |
| Walt Disney Co | Common Stock | 26,655 |
| Wells Fargo & Co | Common Stock | 28,924 |
| XL Group PLC | Common Stock | 4,216 |
| Common Stock | | \$ 8,542,971 |

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

| | | |
|-----------------------|------------------|-------|
| Fed HM LN Pool A37176 | 5.0% 01 Sep 2035 | 7,082 |
| Fed HM LN Pool A46049 | 5.0% 01 Jul 2035 | 5,657 |
| Fed HM LN Pool C48827 | 6.0% 01 Mar 2031 | 148 |
| Fed HM LN Pool G12334 | 5.0% 01 Sep 2021 | 3,425 |

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| | | |
|---------------------|------------------|-------|
| Federal Home LN Mtg | 5.0% 15 Dec 2023 | 41 |
| Federal Home LN Mtg | 5.0% 15 Sep 2018 | 154 |
| Federal Home LN Mtg | 5.0% 15 Mar 2019 | 915 |
| Federal Home LN Mtg | 5.0% 15 Jan 2030 | 1,752 |
| FNMA Pool 256398 | 6.0% 01 Sep 2021 | 742 |
| FNMA Pool 323887 | 6.0% 01 Dec 2013 | 414 |
| FNMA Pool 581043 | 6.0% 01 May 2016 | 272 |
| FNMA Pool 615005 | 6.0% 01 Dec 2016 | 477 |

**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, 2010**

Schedule I

| | | |
|-------------------------|--------------------|--------|
| FNMA Pool 694448 | 5.5% 01 Apr 2033 | 4,898 |
| FNMA Pool 725690 | 6.0% 01 Aug 2034 | 3,614 |
| FNMA Pool 745418 | 5.5% 01 Apr 2036 | 2,195 |
| FNMA Pool 748115 | 6.0% 01 Oct 2033 | 1,099 |
| FNMA Pool 815316 | 5.5% 01 May 2035 | 6,274 |
| FNMA Pool 822979 | 5.5% 01 Apr 2035 | 5,954 |
| FNMA Pool 885504 | 6.0% 01 Jun 2021 | 2,113 |
| FNMA Pool 888102 | 5.5% 01 May 2036 | 343 |
| FNMA Pool 902793 | 6.5% 01 Nov 2036 | 3,031 |
| FNMA Pool AB1149 | 5.0% 01 Jun 2040 | 14,874 |
| Mexico St | 8.0% 17 Dec 2015 | 1,395 |
| United States Treas NTS | 0.875% 28 Feb 2011 | 20,155 |
| United States Treas NTS | 1.125% 15 Dec 2011 | 48,337 |
| US Treasury N/B | 4.375% 15 May 2040 | 7,514 |
| US Treasury N/B | 4.5% 15 Aug 2039 | 7,912 |
| US Treasury N/B | 3.375% 15 Nov 2019 | 8,163 |
| US Treasury N/B | 1.375% 15 Sep 2012 | 36,299 |
| US Treasury N/B | 1.0% 31 Dec 2011 | 38,271 |

U.S Government and Government Agency Issues

\$ 233,520

**** Corporate and Other Obligations:**

| | | |
|--------------------------|--------------------|-------|
| Abu Dhabi Natl Energy | 7.25% 01 Aug 2018 | 4,078 |
| AES Corp | 7.75% 15 Oct 2015 | 1,842 |
| AES Corp | 8.0% 15 Oct 2017 | 2,068 |
| AESP Funding II LLC | 5.68% 20 Feb 2014 | 2,465 |
| Agilent Technologies Inc | 6.5% 01 Nov 2017 | 5,929 |
| Albertson's Inc | 6.625% 01 Jun 2028 | 201 |
| Albertson's Inc | 7.5% 15 Feb 2011 | 2,995 |
| Alcoa Inc | 5.95% 01 Feb 2011 | 1,617 |
| Alcoa Inc | 6.15% 15 Aug 2020 | 3,840 |
| Ally Financial Inc | 6.25% 01 Dec 2017 | 3,221 |
| Alta Wind Holdings | 7.0% 30 Jun 2035 | 2,393 |
| Altria Group Inc | 9.25% 06 Aug 2019 | 826 |
| Altria Group Inc | 9.95% 10 Nov 2038 | 5,674 |
| American Tower Corp | 4.625% 01 Apr 2015 | 1,731 |
| American Tower Corp | 4.5% 15 Jan 2018 | 2,395 |
| Anheuser Busch Cos | 4.95% 15 Jan 2014 | 248 |
| Anheuser Busch Cos | 6.5% 01 May 2042 | 1,674 |
| Anheuser Busch InBev | 4.125% 15 Jan 2015 | 6,604 |
| ArcelorMittal | 3.75% 05 Aug 2015 | 8,120 |

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| | | | |
|---|-----------------------------|-------------------|-------|
| | AT&T Corp | 6.5% 15 Mar 2029 | 240 |
| | Ball Corp | 6.75% 15 Sep 2020 | 1,027 |
| * | Banc Amer Coml Mtg | 1.0% 10 Apr 2049 | 1,803 |
| * | Bank Amer Corp | 4.75% 15 Aug 2013 | 2,571 |
| * | Bank of America Credit Card | 1.0% 15 Jan 2016 | 888 |
| * | Bank of America Credit Card | 1.0% 16 Jun 2014 | 1,078 |
| | Bank One Issuance Trust | 4.77% 16 Feb 2016 | 1,278 |

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, 2010****Schedule I**

| | | |
|-------------------------------|--------------------|-------|
| Barclays Bank PLC | 5.0% 22 Sep 2016 | 2,435 |
| Barclays Bank PLC | 5.2% 10 Jul 2014 | 2,485 |
| Bear Stearns Coml Mtg | 1.0% 11 Jun 2040 | 2,148 |
| Bemis Company Inc | 5.65% 01 Aug 2014 | 680 |
| Biomed Realty LP | 6.125% 15 Apr 2020 | 1,093 |
| Bottling Group LLC | 5.125% 15 Jan 2019 | 1,883 |
| BP Capital Markets | 4.5% 01 Oct 2020 | 5,911 |
| Brocade Communications | 6.875% 15 Jan 2020 | 551 |
| Brocade Communications | 6.625% 15 Jan 2018 | 1,695 |
| Camden PPTY Tr | 5.0% 15 Jun 2015 | 304 |
| Camden PPTY Tr | 5.375% 15 Dec 2013 | 308 |
| Cameron Intl Corp | 6.375% 15 Jul 2018 | 140 |
| Cameron Intl Corp | 7.0% 15 Jul 2038 | 490 |
| Canadian Pacific RR Co | 7.25% 15 May 2019 | 1,163 |
| Capital One Multi Asset | 1.0% 15 Jul 2020 | 1,218 |
| Case New Holland Inc | 7.75% 01 Sep 2013 | 742 |
| CBS Corp | 5.75% 15 Apr 2020 | 1,528 |
| CC Holdings GS | 7.75% 01 May 2017 | 2,137 |
| CD | 5.322% 11 Dec 2049 | 6,559 |
| CF Industries Holdings | 6.875% 01 May 2018 | 923 |
| Chesapeake Energy Corp | 6.5% 15 Aug 2017 | 173 |
| Chesapeake Energy Corp | 7.625% 15 Jul 2013 | 1,434 |
| Chevron Phillips Chemical | 7.0% 15 Jun 2014 | 2,191 |
| Cincinnati Bell Inc | 8.75% 15 Mar 2018 | 1,780 |
| CIT Equip Coll | 6.59% 22 Dec 2014 | 1,871 |
| Citibank Credit Card Issuance | 6.3% 20 Jun 2014 | 7,789 |
| Citigroup Coml Mtg | 5.431% 15 Oct 2049 | 614 |
| Citigroup Inc | 5.0% 15 Sep 2014 | 5,058 |
| Citizens Communications Co | 7.875% 15 Jan 2027 | 3,203 |
| Colorado Intst Gas Co | 6.8% 15 Nov 2015 | 199 |
| Colorado Intst Gas Co | 5.95% 15 Mar 2015 | 263 |
| Columbia HCA Healthcare Corp | 7.58% 15 Sep 2025 | 106 |
| Columbia HCA Healthcare Corp | 7.5% 15 Dec 2023 | 264 |
| Columbia HCA Healthcare Corp | 7.69% 15 Jun 2025 | 497 |
| Comcast Corp | 6.45% 15 Mar 2037 | 1,168 |
| Comcast Corp | 6.95% 15 Aug 2037 | 1,900 |
| Comcast Corp | 6.4% 01 Mar 2029 | 1,948 |
| Comcast Corp | 6.4% 15 May 2038 | 2,336 |
| Comcast Corp | 5.65% 15 Jun 2035 | 2,995 |
| Comm Mtg Tr | 1.0% 10 Dec 2049 | 619 |
| Comm Mtg Tr | 5.736% 10 Dec 2049 | 2,796 |
| Contl Airlines | 5.983% 19 Oct 2023 | 3,512 |
| Corning Inc | 6.85% 01 Mar 2029 | 191 |

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| | | |
|-------------------------|--------------------|-------|
| Corning Inc | 7.25% 15 Aug 2036 | 786 |
| Covidien Intl | 6.0% 15 Oct 2017 | 3,033 |
| Credit Suisse Coml Mtg | 1.0% 15 Sep 2040 | 5,434 |
| Credit Suisse NY | 6.0% 15 Feb 2018 | 3,701 |
| Crown Castle Towers LLC | 3.214% 15 Aug 2035 | 1,133 |
| Crown Castle Towers LLC | 4.523% 15 Jan 2035 | 1,255 |

**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, 2010**

Schedule I

| | | |
|-----------------------------|--------------------|--------|
| CSC Hldgs Inc | 8.5% 15 Apr 2014 | 1,580 |
| CSC Hldgs Inc | 7.875% 15 Feb 2018 | 1,984 |
| Delta Air Lines | 1.0% 10 Aug 2022 | 2,775 |
| Deutsche Telekom Int | 4.875% 08 Jul 2014 | 2,782 |
| Discover Card Master Trust | 1.0% 16 Oct 2014 | 3,211 |
| Duke Energy Co | 6.25% 15 Jan 2012 | 364 |
| Eastman Chemical Co | 4.5% 15 Jan 2021 | 2,368 |
| Echostar DBS Corp | 7.0% 01 Oct 2013 | 3,316 |
| Embarq Corp | 7.995% 01 Jun 2036 | 9,924 |
| Enel Fin Intl | 6.25% 15 Sep 2017 | 4,184 |
| EQT Corp | 8.125% 01 Jun 2019 | 1,124 |
| Equifax Inc | 7.0% 01 Jul 2037 | 1,942 |
| ERAC USA Fin Co | 7.0% 15 Oct 2017 | 124 |
| ERAC USA Fin Co | 6.375% 15 Oct 2017 | 7,727 |
| ERP OPER Ltd Partnership | 5.75% 15 Jun 2017 | 441 |
| Expedia Inc | 5.95% 15 Aug 2020 | 2,428 |
| Express Scripts Inc | 7.25% 15 Jun 2019 | 409 |
| Fidelity National Inform | 7.875% 15 Jul 2020 | 547 |
| Florida Gas Transmission Co | 7.9% 15 May 2019 | 626 |
| Ford Motor Company | 7.45% 16 Jul 2031 | 2,958 |
| Ford Motor Company | 7.0% 15 Apr 2015 | 8,036 |
| GCCFC 2006 GG7 | 1.0% 10 Jul 2038 | 628 |
| General Elec Cap Corp | 2.8% 08 Jan 2013 | 3,528 |
| General Elec Cap Corp | 3.75% 14 Nov 2014 | 5,054 |
| Georgia Pac Corp | 8.875% 15 May 2031 | 71 |
| Georgia Pac Corp | 8.0% 15 Jan 2024 | 131 |
| Georgia Pac Corp | 7.375% 01 Dec 2025 | 1,491 |
| Georgia Pac Corp | 7.25% 01 Jun 2028 | 2,304 |
| Georgia Pac Corp | 7.75% 15 Nov 2029 | 2,402 |
| GMAC Inc | 6.875% 28 Aug 2012 | 878 |
| GMAC Inc | 6.625% 15 May 2012 | 1,432 |
| GMAC Inc | 6.875% 28 Aug 2012 | 2,220 |
| Goldman Sachs Group Inc | 6.125% 15 Feb 2033 | 366 |
| Goldman Sachs Group Inc | 5.375% 15 Mar 2020 | 1,248 |
| Goldman Sachs Group Inc | 5.95% 18 Jan 2018 | 2,184 |
| Goldman Sachs Group Inc | 5.625% 15 Jan 2017 | 3,832 |
| Goldman Sachs Group Inc | 6.75% 01 Oct 2037 | 4,646 |
| Greenwich Mtg Tr | 5.444% 10 Mar 2039 | 10,000 |
| Hasbro Inc | 6.125% 15 May 2014 | 749 |
| Hasbro Inc | 6.3% 15 Sep 2017 | 1,173 |
| HCA Inc | 6.5% 15 Feb 2016 | 3,261 |
| Hertz Vehicle Financing LLC | 4.26% 25 Mar 2014 | 4,815 |
| Hess Corp | 7.0% 15 Feb 2014 | 982 |

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| | | |
|----------------------------|--------------------|-------|
| Hewlett Packard Co | 4.75% 02 Jun 2014 | 3,277 |
| Home Depot Inc | 5.4% 01 Mar 2016 | 322 |
| Hospira Inc | 6.05% 30 Mar 2017 | 2,191 |
| Incitec Pivot Fin LLC | 6.0% 10 Dec 2019 | 1,178 |
| Ingersoll Rand Global Hldg | 6.875% 15 Aug 2018 | 2,317 |
| International Paper Co | 7.95% 15 Jun 2018 | 3,080 |

**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, 2010**

Schedule I

| | | |
|------------------------------|--------------------|--------|
| Jabil Circuit Inc | 5.625% 15 Dec 2020 | 1,300 |
| JP Morgan Chase Coml Mtg | 1.0% 12 Feb 2049 | 794 |
| JP Morgan Chase Coml Mtg | 5.44% 12 Jun 2047 | 1,507 |
| JP Morgan Chase Coml Mtg | 1.0% 15 Apr 2045 | 1,510 |
| JP Morgan Chase Coml Mtg | 1.0% 15 Jun 2049 | 2,407 |
| JP Morgan Chase Coml Mtg | 5.42% 15 Jul 2049 | 16,632 |
| JPMorgan Chase & Co | 3.7% 20 Jan 2015 | 7,858 |
| Kraft Foods Inc | 6.5% 01 Nov 2031 | 832 |
| Kraft Foods Inc | 6.5% 11 Aug 2017 | 3,080 |
| Kraft Foods Inc | 2.625% 08 May 2013 | 4,555 |
| LB UBS Coml Mtg | 1.0% 15 Mar 2039 | 4,760 |
| Life Technologies Corp | 4.4% 01 Mar 2015 | 1,375 |
| Lilly Eli & Co | 4.2% 06 Mar 2014 | 3,268 |
| Marathon Oil Corp | 6.5% 15 Feb 2014 | 2,202 |
| MBNA Credit Card Master Note | 1.0% 16 Aug 2021 | 2,694 |
| McDonalds Corp Medium Note | 5.0% 01 Feb 2019 | 755 |
| McKesson Corp | 6.5% 15 Feb 2014 | 1,293 |
| Medco Health Solutions | 4.125% 15 Sep 2020 | 1,391 |
| Merrill Lynch & Co Inc | 5.45% 05 Feb 2013 | 243 |
| Merrill Lynch & Co Inc | 6.875% 25 Apr 2018 | 818 |
| Merrill Lynch & Co Inc | 6.11% 29 Jan 2037 | 1,765 |
| Merrill Lynch & Co Inc | 6.4% 28 Aug 2017 | 4,318 |
| Merrill Lynch & Co Inc | 5.0% 15 Jan 2015 | 5,091 |
| ML CFC Coml Mtg | 1.0% 12 Mar 2051 | 293 |
| ML CFC Coml Mtg | 5.172% 12 Dec 2049 | 2,084 |
| Morgan Stanley | 5.45% 09 Jan 2017 | 1,670 |
| Morgan Stanley | 5.375% 15 Oct 2015 | 1,994 |
| Morgan Stanley | 5.55% 27 Apr 2017 | 2,996 |
| Morgan Stanley | 4.75% 01 Apr 2014 | 7,599 |
| Nabors Industries | 6.15% 15 Feb 2018 | 184 |
| Nabors Industries | 9.25% 15 Feb 2019 | 6,572 |
| Newmont Mining Corp | 5.875% 01 Apr 2035 | 1,383 |
| News Amer Inc | 6.15% 01 Mar 2037 | 3,418 |
| Nextel Communications | 7.375% 01 Aug 2015 | 1,094 |
| Nextel Communications | 6.875% 31 Oct 2013 | 1,442 |
| Nextel Communications | 5.95% 15 Mar 2014 | 2,430 |
| NGN 2010 R3 | 1.0% 08 Dec 2020 | 12,410 |
| NiSource Finance Corp | 5.45% 15 Sep 2020 | 1,363 |
| NiSource Finance Corp | 6.125% 01 Mar 2022 | 1,735 |
| Norfolk Southern Corp | 5.75% 15 Jan 2016 | 3,555 |
| Omnicare Inc | 7.75% 01 Jun 2020 | 1,837 |
| Oneok Partners LP | 8.625% 01 Mar 2019 | 3,158 |
| Oracle Corp | 5.0% 08 Jul 2019 | 4,806 |

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| | | |
|-------------------------|--------------------|-------|
| Owens Corning New | 7.0% 01 Dec 2036 | 1,185 |
| Penny JC Inc | 6.875% 15 Oct 2015 | 1,211 |
| Petrobras Intl Fin | 5.875% 01 Mar 2018 | 9,127 |
| PNC Funding Corp | 3.625% 08 Feb 2015 | 7,554 |
| Pride International Inc | 8.5% 15 Jun 2019 | 1,047 |
| QEP Resources Inc | 6.875% 01 Mar 2021 | 1,993 |

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, 2010****Schedule I**

| | | |
|---------------------------|--------------------|-------|
| Quest Diagnostics Inc | 4.75% 30 Jan 2020 | 1,297 |
| Qwest Corp | 6.5% 01 Jun 2017 | 8,938 |
| Reynolds Amern Inc | 7.25% 15 Jun 2037 | 3,589 |
| Rowan Companies Inc | 5.0% 01 Sep 2017 | 1,393 |
| Royal BK of Scotland | 4.875% 16 Mar 2015 | 5,472 |
| RPM International Inc | 6.125% 15 Oct 2019 | 1,716 |
| Snap On Inc | 4.25% 15 Jan 2018 | 1,328 |
| Southern Nat Gas | 7.35% 15 Feb 2031 | 1,655 |
| Sprint Capital Corp | 6.875% 15 Oct 2028 | 2,869 |
| Standard Chartered BK | 6.4% 26 Sep 2017 | 1,477 |
| Talisman Energy Inc | 7.75% 01 Jun 2019 | 426 |
| Talisman Energy Inc | 5.85% 01 Feb 2037 | 753 |
| Talisman Energy Inc | 6.25% 01 Feb 2038 | 1,843 |
| Telecom Italia CAP | 5.25% 15 Nov 2013 | 240 |
| Telecom Italia CAP | 6.0% 30 Sep 2034 | 573 |
| Telecom Italia CAP | 6.375% 15 Nov 2033 | 1,669 |
| Telefonica Emisiones | 5.134% 27 Apr 2020 | 1,994 |
| Tennessee Gas Pipeline Co | 7.0% 15 Oct 2028 | 669 |
| Time Warner Cable Inc | 5.85% 01 May 2017 | 1,155 |
| Time Warner Cable Inc | 6.55% 01 May 2037 | 1,848 |
| Time Warner Inc | 6.625% 15 May 2029 | 4,637 |
| Total Capital SA | 3.0% 24 Jun 2015 | 7,870 |
| Treehouse Foods Inc | 7.75% 01 Mar 2018 | 2,182 |
| Tyco International | 4.125% 15 Oct 2014 | 1,769 |
| United Health Group Inc | 6.0% 15 Feb 2018 | 3,526 |
| United Parcel Service | 3.875% 01 Apr 2014 | 2,758 |
| United STS Stl Corp | 6.65% 01 Jun 2037 | 2,851 |
| Unum Group | 5.625% 15 Sep 2020 | 1,617 |
| US Steel Corp | 7.375% 01 Apr 2020 | 1,828 |
| USG Corp | 6.3% 15 Nov 2016 | 1,913 |
| USG Corp | 1.0% 15 Jan 2018 | 3,627 |
| Vale Overseas Limited | 6.875% 21 Nov 2036 | 2,151 |
| Valero Energy Corp | 6.625% 15 Jun 2037 | 7,128 |
| Vodafone Group | 6.15% 27 Feb 2037 | 4,064 |
| WAMU 2005 | 1.0% 25 Mar 2035 | 1,116 |
| Waste Management Inc | 6.375% 11 Mar 2015 | 1,441 |
| WellPoint Inc | 6.0% 15 Feb 2014 | 3,452 |
| Wells Fargo Mtg Bkd | 1.0% 25 Oct 2035 | 4,639 |
| Western Union Co | 5.93% 01 Oct 2016 | 3,224 |
| Willis North America Inc | 7.0% 29 Sep 2019 | 433 |
| Windstream Corp | 8.125% 01 Sep 2018 | 786 |
| World Financial Network | 3.96% 15 Apr 2019 | 5,374 |
| Wyndham Worldwide | 7.375% 01 Mar 2020 | 4,175 |

| | | |
|---------------------------------|------------------|------------|
| Xerox Corp | 6.4% 15 Mar 2016 | 2,126 |
| Corporate and Other Obligations | | \$ 554,237 |

**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, 2010**

Schedule I

**** Synthetic Guaranteed Investment Contracts:**

Cash and Cash Equivalents

| | | |
|------------------------------|-----------------|---------|
| Australian Dollar | Cash | 395 |
| Lehman Bankruptcy | Cash Collateral | (731) |
| State Street Bank & Trust Co | Short-Term | |
| * | Investment Fund | 12,775 |
| State Street Bank & Trust Co | Short-Term | |
| * | Investment Fund | 137,076 |
| State Street Bank & Trust Co | Short-Term | |
| * | Investment Fund | 318,366 |
| State Street Bank & Trust Co | Short-Term | |
| * | Investment Fund | 24,175 |
| | | 492,056 |

U.S. Government and Government Agency Issues

| | | |
|--------------------------|--------------------|---------|
| Australian Government | 6.0% 15 Feb 2017 | 55,250 |
| Australian Government | 4.75% 15 Jun 2016 | 15,833 |
| California St | 5.75% 01 Mar 2017 | 9,816 |
| California St | 5.0% 01 Nov 2037 | 10,237 |
| Erie City NY | 6.0% 01 Jun 2028 | 5,068 |
| Fannie Mae | 1.0% 18 Oct 2012 | 13,661 |
| Fannie Mae | 5.375% 12 Jun 2017 | 26,870 |
| Fannie Mae | 1.0% 17 Sep 2012 | 90,945 |
| Fannie Mae | 2.625% 20 Nov 2014 | 147,119 |
| Fed HM LN Pool 1N1417 | 1.0% 01 Feb 2037 | 4,147 |
| Fed HM LN Pool 1Q0669 | 1.0% 01 Nov 2037 | 3,903 |
| Fed HM LN Pool G03205 | 5.5% 01 Jul 2035 | 6,368 |
| Fed HM LN PC Pool 1J1214 | 1.0% 01 Sep 2035 | 645 |
| Fed HM LN PC Pool A34902 | 5.5% 01 May 2035 | 29,799 |
| Fed HM LN PC Pool A92628 | 5.5% 01 Jun 2040 | 10,008 |
| Fed HM LN PC Pool A93561 | 5.5% 01 Aug 2040 | 16,716 |
| Fed HM LN PC Pool A94320 | 3.5% 01 Oct 2040 | 67,312 |
| Fed HM LN PC Pool A95312 | 3.5% 01 Dec 2040 | 9,063 |
| Fed HM LN PC Pool C03580 | 3.5% 01 Oct 2040 | 53,943 |
| Fed HM LN PC Pool E01343 | 5.0% 01 Apr 2018 | 9,913 |
| Fed HM LN PC Pool E01377 | 4.5% 01 May 2018 | 18,858 |
| Fed HM LN PC Pool G01843 | 6.0% 01 Jun 2035 | 33,224 |

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| | | |
|--------------------------|--------------------|-----------|
| Fed HM LN PC Pool G12743 | 5.5% 01 Aug 2022 | 10,275 |
| Fed HM LN PC Pool G18268 | 5.0% 01 Aug 2023 | 38,928 |
| Fed Republic of Brazil | 8.25% 20 Jan 2034 | 11,832 |
| Federal Farm Credit Bank | 1.0% 12 Oct 2012 | 27,311 |
| Federal Farm Credit Bank | 1.0% 26 Jun 2013 | 56,900 |
| Federal Farm Credit Bank | 1.0% 13 Nov 2012 | 61,434 |
| Federal Farm Credit Bank | 1.0% 20 Sep 2012 | 68,293 |
| Federal Farm Credit Bank | 1.0% 26 Apr 2013 | 120,853 |
| Federal Home Ln Mtg Corp | 4.875% 13 Jun 2018 | 93,192 |
| Federal Natl MTG Assn | 1.0% 25 May 2030 | 38,346 |
| FHLMC TBA Jan 30 | 3.5% 01 Dec 2099 | (130,183) |
| FICO Strip | 0.01% 08 Aug 2015 | 9,011 |

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, 2010****Schedule I**

| | | |
|------------------|-------------------|---------|
| Financing Corp | 0.01% 06 Oct 2015 | 4,065 |
| Financing Corp | 0.01% 27 Dec 2018 | 5,729 |
| Financing Corp | 0.01% 07 Mar 2019 | 6,090 |
| Financing Corp | 0.01% 26 Sep 2019 | 7,056 |
| Financing Corp | 10.7% 06 Oct 2017 | 8,042 |
| Financing Corp | 9.8% 06 Apr 2018 | 11,583 |
| Financing Corp | 0.01% 26 Sep 2014 | 15,430 |
| Financing Corp | 0.01% 11 May 2013 | 17,795 |
| Financing Corp | 0.01% 27 Dec 2012 | 41,206 |
| Financing Corp | 0.01% 03 Feb 2017 | 54,723 |
| Financing Corp | 0.01% 30 Nov 2017 | 55,238 |
| FNMA Pool 125420 | 5.5% 01 May 2011 | 17 |
| FNMA Pool 254088 | 5.5% 01 Dec 2016 | 1,515 |
| FNMA Pool 254140 | 5.5% 01 Jan 2017 | 4,403 |
| FNMA Pool 254693 | 5.5% 01 Apr 2033 | 13,431 |
| FNMA Pool 254722 | 5.5% 01 May 2018 | 11,733 |
| FNMA Pool 255364 | 6.0% 01 Sep 2034 | 11,345 |
| FNMA Pool 255765 | 5.0% 01 Jul 2020 | 3,246 |
| FNMA Pool 256101 | 5.5% 01 Feb 2036 | 38,379 |
| FNMA Pool 256269 | 5.5% 01 Jun 2036 | 33,014 |
| FNMA Pool 256925 | 6.0% 01 Oct 2037 | 38,207 |
| FNMA Pool 323348 | 8.5% 01 Jun 2012 | 4 |
| FNMA Pool 343347 | 5.5% 01 Apr 2011 | 161 |
| FNMA Pool 545904 | 5.5% 01 Sep 2017 | 7,968 |
| FNMA Pool 555541 | 1.0% 01 Apr 2033 | 1,654 |
| FNMA Pool 722999 | 5.0% 01 Jul 2018 | 24,385 |
| FNMA Pool 725027 | 5.0% 01 Nov 2033 | 6,948 |
| FNMA Pool 725222 | 5.5% 01 Feb 2034 | 16,116 |
| FNMA Pool 725423 | 5.5% 01 May 2034 | 11,761 |
| FNMA Pool 725424 | 5.5% 01 Apr 2034 | 5,895 |
| FNMA Pool 725690 | 6.0% 01 Aug 2034 | 4,298 |
| FNMA Pool 725946 | 5.5% 01 Nov 2034 | 15,281 |
| FNMA Pool 735141 | 5.5% 01 Jan 2035 | 22,490 |
| FNMA Pool 735224 | 5.5% 01 Feb 2035 | 29,428 |
| FNMA Pool 743132 | 5.0% 01 Oct 2018 | 22,730 |
| FNMA Pool 745275 | 5.0% 01 Feb 2036 | 52,514 |
| FNMA Pool 745275 | 5.0% 01 Feb 2036 | 100,230 |
| FNMA Pool 745327 | 6.0% 01 Mar 2036 | 7,879 |
| FNMA Pool 756363 | 1.0% 01 Dec 2033 | 4,281 |
| FNMA Pool 831540 | 6.0% 01 Jun 2036 | 27,846 |
| FNMA Pool 837220 | 4.5% 01 Aug 2020 | 61,042 |
| FNMA Pool 841068 | 1.0% 01 Nov 2034 | 10,885 |
| FNMA Pool 844444 | 5.0% 01 Dec 2035 | 38,321 |

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| | | |
|------------------|------------------|--------|
| FNMA Pool 848647 | 5.5% 01 Jan 2036 | 22,183 |
| FNMA Pool 871117 | 5.5% 01 Dec 2036 | 31,978 |
| FNMA Pool 871288 | 6.0% 01 May 2036 | 12,957 |
| FNMA Pool 880611 | 5.5% 01 Mar 2036 | 14,586 |
| FNMA Pool 880611 | 5.5% 01 Mar 2036 | 32,786 |
| FNMA Pool 880626 | 5.5% 01 Apr 2036 | 55,299 |

**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, 2010**

Schedule I

| | | |
|------------------|--------------------|---------|
| FNMA Pool 881655 | 1.0% 01 Mar 2036 | 3,205 |
| FNMA Pool 888521 | 1.0% 01 Mar 2034 | 7,974 |
| FNMA Pool 888789 | 5.0% 01 Jul 2036 | 7,625 |
| FNMA Pool 889004 | 5.073% 01 Aug 2037 | 14,789 |
| FNMA Pool 889040 | 5.0% 01 Jun 2037 | 17,226 |
| FNMA Pool 889190 | 6.0% 01 Mar 2038 | 2,779 |
| FNMA Pool 889361 | 6.0% 01 Mar 2038 | 21,427 |
| FNMA Pool 889369 | 6.0% 01 Feb 2038 | 27,049 |
| FNMA Pool 889544 | 5.5% 01 May 2038 | 21,592 |
| FNMA Pool 889579 | 6.0% 01 May 2038 | 6,110 |
| FNMA Pool 889750 | 6.0% 01 May 2038 | 8,968 |
| FNMA Pool 902397 | 1.0% 01 Nov 2036 | 3,309 |
| FNMA Pool 929841 | 6.0% 01 Aug 2038 | 1,142 |
| FNMA Pool 930612 | 4.5% 01 Feb 2039 | 8,546 |
| FNMA Pool 931745 | 5.0% 01 Aug 2024 | 124,356 |
| FNMA Pool 935873 | 5.5% 01 Apr 2040 | 21,729 |
| FNMA Pool 965306 | 6.0% 01 Sep 2038 | 21,151 |
| FNMA Pool 970966 | 5.5% 01 Jan 2039 | 16,028 |
| FNMA Pool 981043 | 6.5% 01 Apr 2038 | 59,830 |
| FNMA Pool 983284 | 5.5% 01 May 2038 | 41,932 |
| FNMA Pool 984773 | 5.5% 01 Jun 2038 | 8,347 |
| FNMA Pool 987094 | 5.5% 01 Sep 2038 | 24,374 |
| FNMA Pool 995018 | 5.5% 01 Jun 2038 | 93,362 |
| FNMA Pool 995051 | 6.0% 01 Mar 2037 | 51,268 |
| FNMA Pool AA4302 | 4.0% 01 Apr 2039 | 12,897 |
| FNMA Pool AA6450 | 4.5% 01 Sep 2040 | 60,536 |
| FNMA Pool AB1388 | 4.5% 01 Aug 2040 | 8,982 |
| FNMA Pool AC8568 | 4.5% 01 Jan 2040 | 70,186 |
| FNMA Pool AD4384 | 5.5% 01 May 2040 | 11,579 |
| FNMA Pool AD4855 | 5.5% 01 Apr 2040 | 13,721 |
| FNMA Pool AD5026 | 4.0% 01 Sep 2040 | 6,834 |
| FNMA Pool AD5329 | 5.5% 01 Jun 2040 | 10,532 |
| FNMA Pool AD6374 | 5.0% 01 May 2040 | 60,408 |
| FNMA Pool AD6876 | 4.5% 01 Sep 2040 | 4,562 |
| FNMA Pool AD7112 | 5.5% 01 Jul 2040 | 19,865 |
| FNMA Pool AD8326 | 5.5% 01 Jul 2040 | 29,186 |
| FNMA Pool AD8529 | 4.5% 01 Aug 2040 | 27,391 |
| FNMA Pool AD8817 | 5.5% 01 Jun 2040 | 16,951 |
| FNMA Pool AD9172 | 5.5% 01 Aug 2040 | 18,685 |
| FNMA Pool AE0440 | 6.5% 01 Jun 2039 | 39,559 |
| FNMA Pool AE0480 | 6.0% 01 Jul 2039 | 6,171 |
| FNMA Pool AE1428 | 4.5% 01 Aug 2040 | 45,626 |
| FNMA Pool AE4705 | 4.0% 01 Sep 2040 | 7,821 |

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| | | |
|------------------|------------------|--------|
| FNMA Pool AE4995 | 4.0% 01 Nov 2040 | 13,613 |
| FNMA Pool AE6984 | 4.0% 01 Oct 2040 | 9,787 |
| FNMA Pool AE7223 | 4.0% 01 Dec 2040 | 45,344 |
| FNMA Pool AE7573 | 4.0% 01 Nov 2040 | 1,954 |
| FNMA Pool AE8032 | 4.0% 01 Nov 2040 | 8,552 |
| FNMA Pool MA0006 | 4.0% 01 Mar 2039 | 6,559 |

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****Schedule I****December 31, 2010**

| | | |
|-------------------------------|--------------------|----------|
| FNMA TBA Feb30 YR | 4.0% 01 Dec 2099 | 112,915 |
| FNMA TBA Jan 15 | 4.0% 01 Dec 2099 | 187,579 |
| FNMA TBA Jan 30 | 5.0% 01 Dec 2099 | |
| FNMA TBA Jan 30 | 5.5% 01 Dec 2099 | |
| FNMA TBA Jan 30 | 6.0% 01 Dec 2099 | |
| FNMA TBA Jan 30 | 4.5% 01 Dec 2099 | 93,476 |
| FNMA TBA Single Fam | 6.0% 01 Dec 2099 | (37,696) |
| FNMA TBA Single Fam | 6.0% 01 Dec 2099 | 15,449 |
| FNMA TBA Single Fam | 4.0% 01 Dec 2099 | 32,612 |
| Freddie Mac | 1.0% 15 Dec 2029 | 982 |
| Freddie Mac | 3.75% 27 Mar 2019 | 99,106 |
| GNMA I TBA Jan 30 | 6.5% 01 Dec 2099 | |
| Illinois St | 4.421% 10 Jan 2015 | 11,484 |
| Illinois St | 4.421% 01 Jan 2015 | 11,484 |
| Illinois St | 3.321% 01 Jan 2013 | 50,216 |
| Irvine Ranch California | 2.605% 15 Mar 2014 | 32,494 |
| Kentucky ST PPTY | 5.373% 01 Nov 2025 | 6,439 |
| New York NY City Transitional | 4.905% 01 Nov 2024 | 2,148 |
| New York NY City Transitional | 4.725% 01 Nov 2023 | 2,152 |
| New York NY City Transitional | 5.075% 01 Nov 2025 | 2,153 |
| Ontario Prov CDA | 4.1% 16 Jun 2014 | 20,536 |
| Ontario Prov CDA | 4.5% 03 Feb 2015 | 29,847 |
| Quebec Prov CDA | 4.6% 26 May 2015 | 29,740 |
| Republic of Peru | 7.125% 30 Mar 2019 | 14,012 |
| Republic of Poland | 6.375% 15 Jul 2019 | 1,020 |
| Republic of Poland | 3.875% 16 Jul 2015 | 9,974 |
| Resolution FDG FBE | 0.01% 15 Jan 2014 | 8,265 |
| Resolution FDG FBE | 0.01% 15 Apr 2015 | 18,129 |
| Resolution FDG FBE | 0.01% 15 Jan 2017 | 19,289 |
| Russian FedN | 1.0% 31 Mar 2030 | 5,150 |
| Small Business Admin | 7.06% 01 Nov 2019 | 2,697 |
| Small Business Admin | 7.19% 01 Dec 2019 | 5,048 |
| Small Business Admin | 5.68% 01 Jun 2028 | 21,802 |
| Tobacco Settlement Fin Corp | 5.875% 15 May 2039 | 6,509 |
| Tobacco Settlement Iowa | 6.5% 01 Jun 2023 | 1,872 |
| United States Treasury NTS | 2.75% 15 Feb 2019 | 19,777 |
| United States Treasury NTS | 4.875% 31 Jul 2011 | 94,564 |
| United States Treasury | 0.01% 16 Jun 2011 | 2,275 |
| United States Treasury | 0.179% 26 May 2011 | 20,476 |
| United States Treasury | 0.133% 13 Jan 2011 | 38,705 |
| United States Treasury | 0.01% 17 Mar 2011 | 86,486 |
| United States Treasury | 0.01% 13 Jan 2011 | 757,916 |
| United States Treasury BDS | 8.125% 15 Aug 2019 | 38,064 |

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| | | |
|------------------------------|--------------------|--------|
| United States Treasury BDS | 8.75% 15 Aug 2020 | 49,888 |
| United States Treasury Bills | 0.174% 02 Jun 2011 | 2,275 |
| United States Treasury Bills | 0.01% 31 Dec 2030 | 4,552 |
| United States Treasury Bills | 0.119% 06 Jan 2011 | 13,661 |
| United States Treasury Bills | 0.186% 02 Jun 2011 | 47,776 |
| United States Treasury Bills | 0.01% 20 Jan 2011 | 77,392 |

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, 2010****Schedule I**

| | | |
|----------------------------|--------------------|---------|
| United States Treasury N/B | 2.75% 30 Nov 2016 | 53,450 |
| United States Treasury N/B | 3.25% 31 Dec 2016 | 76,318 |
| United States Treasury N/B | 3.125% 15 May 2019 | 112,739 |
| United States Treasury N/B | 3.375% 15 Nov 2019 | 151,078 |
| United States Treasury NTS | 2.75% 15 Feb 2019 | 2,247 |
| United States Treasury NTS | 3.75% 15 Nov 2018 | 7,265 |
| United States Treasury NTS | 2.375% 31 Mar 2016 | 27,667 |
| United States Treasury NTS | 3.0% 31 Aug 2016 | 30,727 |
| United States Treasury NTS | 1.875% 31 Aug 2017 | 34,775 |
| United States Treasury NTS | 2.625% 29 Feb 2016 | 359,857 |
| United States Treasury NTS | 2.75% 15 Feb 2019 | 320,710 |
| US Treasury BDS | 6.125% 15 Nov 2027 | 2,860 |
| US Treasury N/B | 7.875% 15 Feb 2021 | 3,176 |
| US Treasury N/B | 1.0% 30 Apr 2012 | 24,329 |
| US Treasury N/B | 4.375% 15 Nov 2039 | 25,063 |
| US Treasury N/B | 3.375% 15 Nov 2019 | 39,513 |
| US Treasury N/B | 1.875% 31 Aug 2017 | 56,292 |
| US Treasury N/B | 2.75% 31 May 2017 | 60,411 |
| US Treasury N/B | 5.375% 15 Feb 2031 | 68,172 |
| US Treasury N/B | 2.250% 31 Jan 2015 | 68,248 |
| US Treasury N/B | 2.5% 31 Mar 2015 | 76,591 |
| US Treasury N/B | 2.375% 31 Aug 2014 | 97,057 |
| US Treasury N/B | 1.75% 31 Jul 2015 | 97,135 |
| US Treasury N/B | 4.875% 31 May 2011 | 115,782 |
| US Treasury N/B | 0.75% 31 May 2012 | 166,427 |
| US Treasury N/B | 1.75% 15 Apr 2013 | 181,436 |
| US Treasury N/B | 3.625% 15 Feb 2020 | 213,604 |
| US Treasury N/B | 1.125% 30 Jun 2011 | 251,944 |
| US Treasury N/B | 1.0% 31 Aug 2011 | 254,226 |
| US Treasury N/B | 3.625% 15 Feb 2020 | 286,145 |
| US Treasury N/B | 2.125% 31 May 2015 | 298,388 |
| US Treasury N/B | 1.375% 15 Sep 2012 | 817,317 |
| US Treasury NTS | 1.125% 15 Dec 2011 | 10,093 |
| US Treasury NTS | 3.0% 15 Jul 2012 | 42,065 |
| WI Treasury Sec | 1.875% 30 Sep 2017 | 6,504 |
| WI Treasury Sec | 1.25% 15 Jul 2020 | 42,081 |
| WI Treasury Sec | 2.125% 31 Dec 2015 | 51,500 |
| WI Treasury Sec | 0.875% 31 May 2011 | 83,911 |
| WI Treasury Sec | 0.01% 27 Jan 2011 | 100,150 |
| WI Treasury Sec | 1.375% 15 Feb 2013 | 152,072 |

10,180,477

Corporate and Other Obligations

| | | |
|--------------------------|-------------------|-------|
| ACE Ina Hldg Inc | 5.6% 15 May 2015 | 4,641 |
| Aetna Inc | 6.0% 15 Jun 2016 | 3,245 |
| AFLAC Inc | 3.45% 15 Aug 2015 | 1,850 |
| Agilent Technologies Inc | 5.0% 15 Jul 2020 | 1,664 |

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****Schedule I****December 31, 2010**

| | | |
|-------------------------------|--------------------|--------|
| Agilent Technologies Inc | 6.5% 01 Nov 2017 | 12,744 |
| Alcoa Inc | 6.75% 15 Jul 2018 | 3,101 |
| Alcoa Inc | 6.15% 15 Aug 2020 | 17,535 |
| Allied Waste North Amer Inc | 7.125% 15 May 2016 | 3,375 |
| Allied World Assurn Co | 7.5% 01 Aug 2016 | 4,159 |
| Allstate Corp | 5.0% 15 Aug 2014 | 11,188 |
| Allstate Life GBL FDG | 5.375% 30 Apr 2013 | 13,264 |
| Altria Group Inc | 9.25% 06 Aug 2019 | 9,805 |
| Altria Group Inc | 9.7% 10 Nov 2018 | 18,773 |
| Altria Group Inc | 9.7% 10 Nov 2018 | 28,684 |
| Amer Express Credit Co | 5.125% 25 Aug 2014 | 6,260 |
| Ameren Corporation | 8.875% 15 May 2014 | 5,380 |
| America Movil SAB | 5.0% 30 Mar 2020 | 9,703 |
| America Movil SAB | 3.625% 30 Mar 2015 | 16,739 |
| American Express Bk | 5.5% 16 Apr 2013 | 6,135 |
| American Express Bk | 5.55% 17 Oct 2012 | 9,741 |
| American Express Centurion Bk | 5.55% 17 Oct 2012 | 14,003 |
| American Express Co | 7.25% 20 May 2014 | 6,355 |
| American Express Co | 5.5% 12 Sep 2016 | 8,879 |
| American Express Co | 6.15% 28 Aug 2017 | 13,987 |
| American Express Cr Corp | 7.3% 20 Aug 2013 | 11,674 |
| American Intl Group | 3.65% 15 2014 | 12,505 |
| American Tower Corp | 5.05% 01 Sep 2020 | 8,620 |
| American Tower Corp | 4.5% 15 Jan 2018 | 21,441 |
| American Transmission | 5.25% 15 Jan 2022 | 4,201 |
| Ameriprise Financial Inc | 5.3% 15 Mar 2020 | 5,749 |
| Amvescap PLC | 5.375% 15 Dec 2014 | 3,675 |
| Anadarko Petroleum Corp | 5.95% 15 Sep 2016 | 1,883 |
| Anglo American Capital | 9.375% 08 Apr 2019 | 10,872 |
| Anheuser Busch Cos | 5.05% 15 Oct 2016 | 34,526 |
| Aon Corp | 3.5% 30 Sep 2015 | 11,048 |
| ArcelorMittal | 6.125% 01 Jun 2018 | 8,976 |
| ArcelorMittal USA | 6.5% 15 Apr 2014 | 4,962 |
| Asciano Finance | 3.125% 23 Sep 2015 | 10,616 |
| Assurant Inc | 5.625% 15 Feb 2014 | 4,907 |
| AT&T Corp | 7.3% 15 Nov 2011 | 10,823 |
| AT&T Inc | 5.8% 15 Feb 2019 | 10,507 |
| AT&T Inc | 5.8% 15 Feb 2019 | 37,672 |
| Autozone Inc | 5.75% 15 Jan 2015 | 12,777 |
| Baker Hughes Inc | 6.5% 15 Nov 2013 | 4,535 |
| Banc Coml Mtg | 5.334% 10 Sep 2045 | 15,298 |
| Banc Coml Mtg | 5.414% 10 Sep 2047 | 40,151 |
| * Bank Amer Coml Mtg | 5.492% 10 Feb 2051 | 15,241 |

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| | | | |
|---|----------------------|--------------------|--------|
| * | Bank Amer Corp | 5.75% 01 Dec 2017 | 26,062 |
| * | Bank Amer FDG Corp | 5.65% 01 May 2018 | 3,141 |
| * | Bank Amer FDG Corp | 1.0% 25 May 2035 | 5,597 |
| * | Bank Amer FDG Corp | 5.65% 01 May 2018 | 21,751 |
| * | Bank Amer NA | 6.1% 15 Jun 2017 | 7,612 |
| * | Bank of America Corp | 7.625% 01 Jun 2019 | 4,457 |

**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

Schedule I

December 31, 2010

| | | |
|-----------------------------|--------------------|--------|
| * Bank of America Corp | 5.42% 15 Mar 2017 | 6,769 |
| * Bank of America Corp | 7.375% 15 May 2014 | 12,148 |
| * Bank of America Corp | 5.49% 15 Mar 2019 | 19,988 |
| * Bank of America Corp | 5.625% 01 Jul 2020 | 25,301 |
| * Bank of America Credit | 1.0% 16 Dec 2013 | 23,233 |
| Barclays Banks PLC | 5.125% 08 Jan 2020 | 11,626 |
| Barclays Banks PLC | 5.0% 22 Sep 2016 | 18,311 |
| BayView Fincl Secs Co | 5.208% 28 Apr 2039 | 7,475 |
| BayView Finl Secs | 1.0% 28 Dec 2035 | 1,152 |
| Bear Stearns | 5.3% 30 Oct 2015 | 19,766 |
| Bear Stearns Alt A | 1.0% 25 Jan 2047 | 3,243 |
| Bear Stearns ARM | 1.0% 25 Aug 2033 | 3,383 |
| Bear Stearns Coml Mtg | 1.0% 11 Sep 2038 | 6,335 |
| Bear Stearns Coml Mtg | 1.0% 11 Jun 2040 | 24,657 |
| Bear Stearns Coml Mth Secs | 5.518% 11 Sep 2041 | 3,104 |
| Bear Stearns Coml Mth Secs | 5.533% 12 Oct 2041 | 5,023 |
| Bear Stearns Coml Mth Secs | 4.24% 13 Aug 2039 | 5,336 |
| Bear Stearns Coml Mth Secs | 1.0% 11 Sep 2038 | 5,505 |
| Bear Stearns Coml Mth Secs | 1.0% 12 Apr 2038 | 9,774 |
| Bear Stearns Coml Mth Secs | 1.0% 11 Sep 2042 | 9,859 |
| Bear Stearns Cos | 5.55% 22 Jan 2017 | 8,107 |
| Bear Stearns Cos Inc | 7.25% 01 Feb 2018 | 44,519 |
| Bear Stearns Tr | 5.540% 11 Sep 2041 | 16,738 |
| Berkshire Hathaway Fin Corp | 5.4% 15 May 2018 | 14,487 |
| BHP Fin USA Ltd | 7.25% 01 Mar 2016 | 6,484 |
| Boeing Co | 5.125% 15 Feb 2013 | 11,213 |
| Boston PPTYs Ltd | 6.25% 15 Jan 2013 | 1,812 |
| Boston PPTYs Ltd | 5.625% 15 Apr 2015 | 3,237 |
| Boston PPTYs Ltd | 5.0% 01 Jun 2015 | 4,151 |
| BP Capital Markets | 3.125% 01 Oct 2015 | 25,141 |
| BP Capital Markets | 4.5% 01 Oct 2020 | 15,899 |
| BP Capital Markets | 3.125% 01 Oct 2015 | 22,752 |
| Bunge Ltd | 5.875% 15 May 2013 | 2,803 |
| Bunge Ltd | 8.5% 15 Jun 2019 | 6,701 |
| Burlington North Santa Fe | 7.0% 01 Feb 2014 | 7,676 |
| Canadian PAC Ry Co | 6.5% 15 May 2018 | 1,580 |
| Capital One Bank | 8.8% 15 Jul 2019 | 14,283 |
| Capital One Financial | 7.375% 23 May 2014 | 15,156 |
| Capital One FNL Corp | 5.25% 21 Feb 2017 | 9,010 |
| Capital One Multi Asset | 1.0% 15 Mar 2017 | 12,951 |
| Capital One Multi Asset | 5.05% 15 Feb 2016 | 17,877 |
| Carmax Auto Owner Trust | 1.410% 16 Feb 2016 | 21,029 |
| Carolina PWR & LT | 6.5% 15 Jul 2012 | 15,768 |

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| | | |
|-----------------------|--------------------|--------|
| Caterpillar Financial | 7.15% 15 Feb 2019 | 12,039 |
| CBS Corp | 4.3% 15 Feb 2021 | 1,513 |
| CBS Corp | 5.75% 15 Apr 2020 | 3,508 |
| CBS Corp | 8.875% 15 May 2019 | 9,309 |
| CBS Corp | 8.875% 15 May 2019 | 14,895 |
| CD MTG | 5.322% 11 Dec 2049 | 33,039 |

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****Schedule I****December 31, 2010**

| | | |
|---------------------------|--------------------|--------|
| Cellco Part/Veri Wireless | 5.55% 01 Feb 2014 | 9,289 |
| Chase Issuance Trust | 1.0% 16 Jun 2014 | 29,392 |
| Chubb Corp | 5.75% 15 May 2018 | 10,119 |
| Cigna Corp | 5.125% 15 Jun 2020 | 3,658 |
| Cincinnati Finl Corp | 6.125% 01 Nov 2034 | 2,685 |
| Cincinnati Finl Corp | 6.920% 15 May 2028 | 14,894 |
| Cisco Systems | 2.9% 17 Nov 2014 | 36,134 |
| Citigroup Inc | 6.01% 15 Jan 2015 | 44,834 |
| Citibank Credit Card | 2.25% 23 Dec 2014 | 25,020 |
| Citifinancial Mtg Secs | 3.36% 25 Jan 2033 | 1,624 |
| Citigroup Coml MTG | 5.431% 15 Oct 2049 | 5,593 |
| Citigroup Inc | 5.5% 11 Apr 2013 | 4,849 |
| Citigroup Inc | 5.3% 07 Jan 2016 | 6,769 |
| Citigroup Inc | 6.5% 19 Aug 2013 | 7,000 |
| Citigroup Inc | 5.5% 15 Feb 2017 | 12,364 |
| Citigroup Inc | 5.5% 11 Apr 2013 | 12,961 |
| Citigroup Inc | 5.375% 09 Aug 2020 | 15,897 |
| Citigroup Inc | 5.85% 02 Jul 2013 | 26,048 |
| Citigroup Inc | 1.0% 05 May 2011 | 56,011 |
| Citigroup Inc | 6.125% 21 Nov 2017 | 64,873 |
| Citigroup Mtg Ln | 1.0% 25 May 2037 | 576 |
| Cleveland Elec Illum Co | 5.7% 01 Apr 2017 | 9,745 |
| Clorox Co | 5.95% 15 Oct 2017 | 12,066 |
| CNH 2010 A | 2.49% 15 Jan 2016 | 29,681 |
| CNH 2010 B | 1.74% 17 Jan 2017 | 23,623 |
| Comcast Corp | 4.95% 15 Jun 2016 | 4,047 |
| Comcast Corp | 6.5% 15 Jan 2017 | 4,593 |
| Comcast Corp | 5.15% 01 Mar 2020 | 9,805 |
| Comcast Corp | 6.3% 15 Nov 2017 | 12,252 |
| Comcast Corp | 4.95% 15 Jun 2016 | 15,822 |
| Comcast Corp | 5.85% 15 Nov 2015 | 24,057 |
| Comm Mtg Tr | 1.0% 10 Dec 2049 | 18,250 |
| Consolidated Edison Co | 5.3% 01 Dec 2016 | 20,454 |
| Constellation Energy | 5.15% 01 Dec 2020 | 8,742 |
| Consumers Energy Co | 5.375% 15 Apr 2013 | 7,619 |
| Corning Inc | 4.25% 15 Aug 2020 | 13,153 |
| Courtywide Finl Corp | 6.25% 15 May 2016 | 1,704 |
| Coventry Health Care | 6.125% 15 Jan 2015 | 711 |
| Coventry Health Care | 5.95% 15 Mar 2017 | 1,968 |
| Coventry Health Care | 6.3% 15 Aug 2014 | 6,251 |
| Cox Communications | 5.45% 15 Dec 2014 | 24,438 |
| Credit Suisse Coml Mtg | 5.311% 15 Dec 2039 | 8,063 |
| Credit Suisse | 5.4% 14 Jan 2020 | 23,252 |

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| | | |
|--------------------------------|--------------------|--------|
| Credit Suisse Coml Mtg | 5.467% 15 Sep 2039 | 18,148 |
| Credit Suisse Coml Mtg | 5.467% 15 Sep 2039 | 32,475 |
| Credit Suisse First Boston Mtg | 1.0% 15 Feb 2038 | 7,258 |
| Credit Suisse Mtg | 1.0% 15 Jan 2037 | 7,632 |
| Credit Suisse NY | 6.0% 15 Feb 2018 | 10,620 |
| CSMC 2006 C3 | 1.0% 15 Jun 2038 | 14,276 |

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****Schedule I****December 31, 2010**

| | | |
|----------------------------|--------------------|--------|
| CVS Caremark Corp | 6.6% 15 Mar 2019 | 13,462 |
| CWABS Inc | 4.615% 25 Feb 2035 | 7,124 |
| Cwalt Inc | 1.0% 25 Dec 2035 | 1,936 |
| Daimler Chrysler NA | 7.3% 15 Jan 2012 | 12,095 |
| Delta Air Lines | 7.75% 17 Jun 2021 | 18,708 |
| Deutsche Bank AG | 5.375% 12 Oct 2012 | 9,543 |
| Devon Energy | 5.625% 15 Jan 2014 | 16,859 |
| Diaego Cap PLC | 4.828% 15 Jul 2020 | 26,066 |
| Diageo Cap PLC | 7.375% 15 Jan 2014 | 8,174 |
| Directv Holdings | 4.75% 01 Oct 2014 | 3,518 |
| Discover Card Master Trust | 1.0% 16 Oct 2014 | 13,502 |
| Discover Card Master Trust | 1.0% 15 Sep 2015 | 3,524 |
| Discover Card Master Trust | 1.0% 15 Dec 2014 | 3,691 |
| Discover Card Master Trust | 1.0% 17 Feb 2015 | 4,044 |
| Discover Financial Svc | 10.25% 15 Jul 2019 | 11,276 |
| Dominion Res Inc | 5.7% 17 Sep 2012 | 10,780 |
| Donnelley RR & Sons | 4.95% 01 Apr 2014 | 2,099 |
| Donnelley RR & Sons | 5.5% 15 May 2015 | 8,028 |
| Dow Chemical Co | 8.55% 15 May 2019 | 9,844 |
| Dow Chemical Co | 8.55% 15 May 2019 | 14,838 |
| Duke CAP LLC | 5.668% 15 Aug 2014 | 16,941 |
| Duke Energy Carolinas | 5.1% 15 Apr 2018 | 12,504 |
| Duke Energy Corp | 5.65% 15 Jun 2013 | 31,252 |
| Duke Realty LP | 6.75% 15 Mar 2020 | 1,606 |
| Duke Realty LP | 8.25% 15 Aug 2019 | 7,511 |
| Eastman Chemical Co | 4.5% 15 Jan 2021 | 11,716 |
| Embarq Corp | 7.082% 01 Jun 2016 | 9,442 |
| Embarq Corp | 7.995% 01 Jun 2036 | 15,786 |
| Encana Corp | 6.5% 15 May 2019 | 11,469 |
| Energy Transfer Partners | 6.7% 01 Jul 2018 | 17,487 |
| Energy Transfer Partners | 6.0% 01 Jul 2013 | 16,731 |
| Enterprise Prods | 5.6% 15 Oct 2014 | 12,069 |
| EQT Corp | 8.125% 01 Jun 2019 | 5,563 |
| EQT Corp | 8.125% 01 Jun 2019 | 8,212 |
| ERP Oper Ltd Partnership | 5.75% 15 Jun 2017 | 4,615 |
| ERP Oper Ltd Partnership | 5.25% 15 Sep 2014 | 10,304 |
| ESA 2010 ESHA | 2.95% 05 Nov 2027 | 20,683 |
| Eastman Chemical Co | 5.5% 15 Nov 2019 | 6,756 |
| European Investment Bank | 5.125% 30 May 2017 | 8,094 |
| Exelon Generation Co | 4.0% 01 Oct 2020 | 9,375 |
| Expedia Inc | 5.95% 15 Aug 2020 | 12,699 |
| Express Scripts Inc | 6.25% 15 Jun 2014 | 2,418 |
| Federal Rlty Inv Tr | 6.0% 15 Jul 2012 | 3,020 |

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| | | |
|----------------------|--------------------|--------|
| Federal Rlty Invt Tr | 5.65% 01 Jun 2016 | 6,856 |
| Federal Rlty Invt Tr | 5.4% 01 Dec 2013 | 15,812 |
| Fifth UN Natl Bk | 6.663% 12 Jan 2043 | 1,078 |
| FHMS K008 | 2.746% 25 Dec 2019 | 22,215 |
| Ford Credit Auto | 5.8% 15 Feb 2013 | 2,381 |
| Fortune Brands | 4.875% 01 Dec 2013 | 4,092 |

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, 2010****Schedule I**

| | | |
|-------------------------|--------------------|--------|
| Fortune Brands | 5.375% 15 Jan 2016 | 4,120 |
| FPL Group CAP | 1.0% 09 Nov 2012 | 17,497 |
| FPL Group Capital | 5.625% 01 Sep 2011 | 14,080 |
| GAZ Capital SA | 6.212% 22 Nov 2016 | 15,493 |
| GE Coml Mtg Corp | 3.915% 10 Nov 2038 | 1,419 |
| General Dynamics Corp | 5.25% 01 Feb 2014 | 20,683 |
| General Elec Cap Corp | 4.375% 16 Sep 2020 | 9,971 |
| General Elec Cap Corp | 4.8% 01 May 2013 | 30,061 |
| General Elec Cap Corp | 5.5% 08 Jan 2020 | 38,473 |
| General Elec Cap Corp | 5.5% 08 Jan 2020 | 55,640 |
| General Mills | 5.25% 15 Aug 2013 | 4,254 |
| Genworth Finl Inc | 6.515% 22 May 2018 | 7,983 |
| Goldman Sachs Group | 6.75% 01 Oct 2037 | 4,656 |
| Goldman Sachs Group | 6.25% 01 Sep 2017 | 5,779 |
| Goldman Sachs Group | 6.0% 15 Jun 2020 | 7,627 |
| Goldman Sachs Group | 7.5% 15 Feb 2019 | 10,619 |
| Goldman Sachs Group | 5.7% 01 Sep 2012 | 12,029 |
| Goldman Sachs Group | 6.15% 01 Apr 2018 | 14,542 |
| Goldman Sachs Group | 6.25% 01 Sep 2017 | 22,613 |
| Goodrich Corp | 4.875% 01 Mar 2020 | 18,422 |
| Greenwich Capital Comm | 5.444% 10 Mar 2039 | 11,154 |
| Greenwich Capital Comm | 5.444% 10 Mar 2039 | 27,106 |
| GS MTG Secs Corp | 1.0% 06 Mar 2020 | 3,341 |
| GS MTG Secs Corp | 4.751% 10 Jul 2039 | 18,007 |
| GSMS 2004 GG2 | 1.0% 10 Aug 2038 | 8,926 |
| Guardian Life Insurance | 7.375% 30 Sep 2039 | 5,168 |
| Hanover Ins Group | 7.625% 15 Oct 2025 | 3,081 |
| Hartford Finl Svcs Grp | 4.0% 30 Mar 2015 | 1,826 |
| Hartford Finl Svcs Grp | 5.5% 30 Mar 2020 | 8,800 |
| Health Care PPTY | 5.95% 15 Sep 2011 | 7,874 |
| Healthcare Rlty Tr | 8.125% 01 May 2011 | 6,751 |
| Healthcare Rlty Tr | 5.125% 01 Apr 2014 | 7,748 |
| Healthcare Rlty Tr | 5.125% 01 Apr 2014 | 4,220 |
| Heinz HJ | 6.0% 15 Mar 2012 | 7,936 |
| Hess Corp | 7.0% 15 Feb 2014 | 5,053 |
| Hess Corp | 8.125% 15 Feb 2019 | 9,924 |
| Hess Corp | 8.125% 15 Feb 2019 | 11,678 |
| Household Fin Corp | 7.0% 15 May 2012 | 15,024 |
| HRPT PPTYS | 1.0% 16 Mar 2011 | 3,140 |
| HSBC Fin Corp | 6.75% 15 may 2011 | 19,192 |
| Humana Inc | 7.2% 15 Jun 2018 | 4,887 |
| International Paper Co | 7.95% 5 Jun 2018 | 5,690 |
| International Paper Co | 5.3% 01 Apr 2015 | 7,358 |

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| | | |
|-------------------------|--------------------|--------|
| Intl BK Recon & Develop | 9.25% 15 Jul 2017 | 3,891 |
| Jeffries Group Inc | 6.875% 15 Apr 2021 | 4,448 |
| JP Morgan Chase | 6.0% 01 Oct 2017 | 12,620 |
| JP Morgan Chase | 3.7% 20 Jan 2015 | 30,631 |
| JP Morgan Chase & Co | 5.75% 02 Jan 2013 | 12,829 |
| JP Morgan Chase & Co | 5.125% 15 Sep 2014 | 15,626 |

**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, 2010**

Schedule I

| | | |
|--------------------------|--------------------|--------|
| JP Morgan Chase & Co | 6.0% 15 Jan 2018 | 21,104 |
| JP Morgan Chase Coml | 5.42% 15 Jan 2049 | 32,205 |
| JP Morgan Chase Coml Mtg | 4.302% 15 Jan 2038 | 2,458 |
| JP Morgan Chase Coml Mtg | 1.0% 12 Dec 2044 | 4,614 |
| JP Morgan Chase Coml Mtg | 1.0% 12 Dec 2044 | 5,701 |
| JP Morgan Chase Coml Mtg | 5.198% 15 Dec 2044 | 10,109 |
| JP Morgan Chase Coml Mtg | 5.437% 12 Dec 2044 | 12,456 |
| JP Morgan Chase Coml Mtg | 5.552% 12 May 2045 | 12,771 |
| JP Morgan Chase Coml Mtg | 5.429% 12 Dec 2043 | 15,326 |
| JP Morgan Chase Coml Mtg | 1.0% 12 Jun 2043 | 16,964 |
| JP Morgan Chase Coml Mtg | 1.0% 15 Jun 2049 | 21,082 |
| JPMCC 2010 Cntr | 3.299% 05 Aug 2032 | 30,353 |
| JP Morgan Chase & Co | 4.75% 01 May 2013 | 8,654 |
| JP Morgan Chase & Co | 4.4% 22 Jul 2020 | 12,437 |
| Kellogg Co | 5.125% 03 Dec 2012 | 16,227 |
| Kinder Morgan Ener Part | 5.3% 15 Sep 2020 | 9,929 |
| Kinder Morgan Ener Part | 6.85% 15 Feb 2020 | 16,174 |
| KMG Finance Sub | 7.0% 05 May 2020 | 4,854 |
| Kraft Foods Inc | 6.0% 11 Feb 2013 | 2,992 |
| Kraft Foods Inc | 6.5% 11 Aug 2017 | 6,626 |
| Kraft Foods Inc | 6.125% 23 Aug 2018 | 18,613 |
| Kraft Foods Inc | 6.125% 01 Feb 2018 | 22,237 |
| Kroger Co | 6.4% 15 Aug 2017 | 3,006 |
| Kroger Co | 6.4% 15 Aug 2017 | 3,790 |
| Kroger Co | 6.2% 15 Jun 2012 | 6,471 |
| Kroger Co | 6.75% 15 Apr 2012 | 9,358 |
| LaFarge SA | 6.15% 15 Jul 2011 | 3,901 |
| LB UBS Coml Mtg | 1.0% 15 Jun 2029 | 4,513 |
| LB UBS Coml Mtg | 5.424% 15 Feb 2040 | 9,922 |
| LB UBS Coml Mtg | 5.3% 15 Nov 2038 | 15,103 |
| LB UBS Coml Mtg | 1.0% 15 Jun 2038 | 17,370 |
| LB UBS Coml Mtg | 5.372% 15 Sep 2039 | 17,417 |
| LB UBS Coml Mtg | 4.647% 15 Jul 2030 | 19,678 |
| LB UBS Coml Mtg | 1.0% 15 Nov 2030 | 20,381 |
| Liberty PPTY Ltd | 6.625% 01 Oct 2017 | 1,032 |
| Liberty PPTY Ltd | 5.5% 15 Dec 2016 | 1,725 |
| Life Technologies Corp | 4.4% 01 Mar 2015 | 10,174 |
| Lilly Eli & Co | 4.2% 06 Mar 2014 | 19,893 |
| Limited Inc | 6.9% 15 Jul 2017 | 1,064 |
| Limited Inc | 5.25% 01 Nov 2014 | 7,541 |
| Lincoln Natl Corp | 4.3% 15 Jun 2015 | 3,284 |
| Lincoln Natl Corp | 8.75% 01 Jul 2019 | 2,905 |
| Lincoln Natl Corp | 6.25% 15 Feb 2020 | 19,620 |

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| | | |
|-----------------------|--------------------|--------|
| Lloyds TSB Bank | 4.375% 12 Jan 2015 | 10,129 |
| LSI Open Position | 0.01% 31 Dec 2060 | 583 |
| M&I Marshall & Ilsley | 6.375% 01 Sep 2011 | 7,476 |
| Mack Cali Rlty LP | 5.25% 15 Jan 2012 | 4,672 |
| Mack Cali Rlty LP | 5.125% 15 Jan 2015 | 4,770 |
| MacQuarie Group Ltd | 4.875% 10 Aug 2017 | 10,727 |

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, 2010****Schedule I**

| | | |
|------------------------------|--------------------|--------|
| Manufacturers & Traders Tr | 1.0% 28 Dec 2020 | 5,499 |
| Marathon Oil Corp | 7.5% 15 Feb 2019 | 4,722 |
| Marathon Oil Corp | 6.5% 15 Feb 2014 | 4,998 |
| Markel Corp | 7.125% 30 Sep 2019 | 4,722 |
| Master Asset Backed Secs | 1.0% 25 Aug 2036 | 6,579 |
| MBNA Credit Card note | 1.0% 15 Jun 2015 | 3,398 |
| MBNA Credit Card note | 1.0% 16 Aug 2021 | 12,220 |
| McKesson Corp | 6.5% 15 Feb 2014 | 6,139 |
| Medco Health Solutions | 2.75% 15 Sep 2015 | 21,234 |
| Merrill Lynch & Co | 6.4% 28 Aug 2017 | 7,944 |
| Merrill Lynch & Co | 6.875% 25 Apr 2018 | 29,899 |
| Merrill Lynch & Co | 6.050% 16 May 2016 | 9,500 |
| Merrill Lynch & Co | 6.875% 25 Apr 2018 | 18,687 |
| Merrill Lynch Mtg | 1.0% 25 Aug 2036 | 3,824 |
| Merrill Lynch Mtg | 1.0% 12 Nov 2037 | 8,332 |
| Merrill Lynch Mtg Tr | 5.403% 12 Jul 2034 | 168 |
| Merrill Lynch Mtg Tr | 1.0% 12 Nov 2037 | 2,145 |
| MetLife Inc | 7.717% 15 Feb 2019 | 3,298 |
| MetLife Inc | 6.75% 01 Jun 2016 | 8,055 |
| MetLife Inc | 5.0% 15 Jun 2015 | 16,274 |
| MetLife Inc | 4.75% 08 Feb 2021 | 20,573 |
| Metropolitan Life Global FDG | 5.125% 10 Apr 2013 | 8,212 |
| Mid St TR IV | 8.33% 01 Apr 2030 | 8,765 |
| MidAmerican FDG | 6.75% 01 Mar 2011 | 10,346 |
| ML CFC Coml Mtg | 1.0% 12 Jun 2046 | 9,468 |
| ML CFC Coml Mtg | 5.7% 12 Sep 2049 | 17,583 |
| ML CFC Coml Mtg | 1.0% 12 Feb 2039 | 67,590 |
| Mohawk Corp | 1.0% 15 Jan 2016 | 9,401 |
| Morgan Stanley | 5.45% 09 Jan 2017 | 2,715 |
| Morgan Stanley | 5.45% 09 Jan 2017 | 7,319 |
| Morgan Stanley | 5.95% 28 Dec 2017 | 16,742 |
| Morgan Stanley | 5.95% 28 Dec 2017 | 17,947 |
| Morgan Stanley | 5.5% 24 Jul 2020 | 20,127 |
| Morgan Stanley | 3.45% 02 Nov 2015 | 14,983 |
| Morgan Stanley | 1.0% 15 Oct 2015 | 29,885 |
| Morgan Stanley Cap I | 1.0% 11 Jun 2042 | 10,384 |
| Morgan Stanley Cap I | 1.0% 11 Jun 2042 | 13,104 |
| Morgan Stanley Cap I | 5.569% 15 Dec 2044 | 14,377 |
| Morgan Stanley Cap I | 1.0% 12 Aug 2041 | 16,018 |
| Morgan Stanley Cap I | 1.0% 11 Jun 2042 | 16,442 |
| Morgan Stanley Cap I | 4.989% 13 Aug 2042 | 25,314 |
| Morgan Stanley Cap I | 4.89% 12 Jun 2047 | 30,136 |
| Morgan Stanley Capitoll | 5.325% 15 Dec 2043 | 6,015 |

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| | | |
|--------------------------|--------------------|--------|
| Morgan Stanley Group | 6.25% 28 Aug 2017 | 2,452 |
| Morgan Stanley Group | 6.625% 01 Apr 2018 | 32,107 |
| Morgan Stanley Group Inc | 5.55% 27 Apr 2017 | 4,863 |
| Morgan Stanley Group Inc | 6.75% 15 Apr 2011 | 8,565 |
| Nabors Industries | 9.25% 15 Jan 2019 | 10,157 |
| National Grid PLC | 6.3% 01 Aug 2016 | 12,996 |

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****Schedule I****December 31, 2010**

| | | |
|---------------------------|--------------------|--------|
| Nationwide Health PPTYS | 6.5% 15 Jul 2011 | 7,369 |
| Natl City Bank | 6.25% 15 Mar 2011 | 6,441 |
| NBC Universal | 3.65% 30 Apr 2015 | 9,458 |
| Nevada PWR Co | 6.5% 01 Aug 2018 | 6,572 |
| New York Life | 3.0% 04 May 2015 | 11,155 |
| Newell Rubbermaid Inc | 5.5% 15 Apr 2013 | 3,675 |
| News Amer Hldgs | 9.25% 01 Feb 2013 | 5,379 |
| News Amer Hldgs | 7.7% 30 Oct 2025 | 10,180 |
| News Amer Inc | 6.4% 15 Dec 2035 | 2,079 |
| News Amer Inc | 6.65% 15 Nov 2037 | 9,961 |
| NGN 2010 C1 | 2.9% 29 Oct 2020 | 15,717 |
| NGN 2010 R1 | 1.0% 07 Oct 2020 | 31,780 |
| NGN 2010 R3 | 1.0% 08 Dec 2020 | 83,681 |
| Niagara Mohawk PWR | 3.553% 01 Oct 2014 | 8,872 |
| NiSource Fin Corp | 5.25% 15 Sep 2017 | 8,371 |
| Nisource Fin Corp | 6.8% 15 Jan 2019 | 9,747 |
| Nisource Finance Corp | 6.125% 01 Mar 2022 | 8,954 |
| Nissan Auto Receivables | 5.05% 17 Nov 2014 | 6,560 |
| Noble Energy | 8.25% 01 Mar 2019 | 9,872 |
| Noble Holding Intl | 4.9% 01 Aug 2020 | 871 |
| Norfolk Southern Corp | 6.75% 15 Feb 2011 | 3,320 |
| Norfolk Southern Corp | 5.75% 01 Apr 2018 | 5,013 |
| Orange & Rockland Utils | 2.5% 15 Aug 2015 | 37,908 |
| Orix Corp | 4.710% 27 Apr 2015 | 8,923 |
| Owens Corning | 6.5% 01 Dec 2016 | 5,040 |
| Packaging Corp | 5.75% 01 Aug 2013 | 855 |
| Penny JC Inc | 7.95% 01 Apr 2017 | 5,832 |
| Petro CDA | 9.25% 15 Oct 2021 | 14,139 |
| Petrobras Intl Fin | 5.75% 20 Jan 2020 | 14,174 |
| Petrobras Intl Fin | 5.75% 20 Jan 2020 | 19,489 |
| Petronas Capital Ltd | 5.25% 12 Aug 2019 | 9,667 |
| Philip Morris Intl | 5.65% 16 May 2018 | 16,942 |
| Plains All Amer Pipeline | 5.75% 15 Jan 2020 | 10,428 |
| Principal Financial Group | 7.875% 15 May 2014 | 7,476 |
| Principal Financial Group | 7.875% 15 May 2014 | 21,640 |
| Prudential Financial | 5.1% 14 Dec 2011 | 2,376 |
| Prudential Financial | 4.75% 17 Sep 2015 | 13,369 |
| Prudential Finl Inc | 5.15% 15 Jan 2013 | 4,857 |
| Prudential Finl Inc | 7.375% 15 Jun 2019 | 9,261 |
| Questar Corp | 2.75% 01 Feb 2016 | 12,426 |
| Qwest Corp | 8.875% 15 Mar 2012 | 3,200 |
| Qwest Corp | 7.5% 01 Oct 2014 | 7,905 |
| Raytheon Corp | 3.125% 15 Oct 2020 | 20,049 |

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| | | |
|------------------------|--------------------|--------|
| Reed Elsevier Capital | 8.625% 15 Jan 2019 | 4,487 |
| Reed Elsevier Capital | 8.625% 15 Jan 2019 | 17,947 |
| Regency Centers LP | 5.25% 01 Aug 2015 | 1,449 |
| Regency Centers LP | 5.875% 15 Jun 2017 | 3,520 |
| RenaissanceHome Equity | 1.0% 25 Nov 2034 | 6,429 |
| Republic Services | 5.0% 01 Mar 2020 | 8,529 |

**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, 2010**

Schedule I

| | | |
|-----------------------------|--------------------|--------|
| Republic Svcs Inc | 6.75% 15 Aug 2011 | 7,991 |
| Residential Asset Sec Mtg | 1.0% 25 May 2033 | 224 |
| Reynolds American Inc | 7.25% 01 Jun 2012 | 2,556 |
| Reynolds American Inc | 7.625% 01 Jun 2016 | 7,938 |
| Rio Tinto Fin USA | 6.5% 15 Jul 2018 | 14,997 |
| Rowan Companies | 5.0% 01 Sep 2017 | 8,153 |
| Royal Bk Scotland | 4.875% 16 Mar 2015 | 17,933 |
| Royal Bk Scotland Group | 5.0% 01 Oct 2014 | 13,141 |
| Royal Bk Scotland PLC | 5.0% 01 Oct 2014 | 7,885 |
| Royal Bk Scotland PLC | 2.625% 11 May 2012 | 18,179 |
| Royal Bk Scotland PLC | 1.45% 20 Oct 2011 | 27,360 |
| RPM International Inc | 6.125% 15 Oct 2019 | 8,962 |
| RSHB Cap SA | 7.75% 29 May 2018 | 8,996 |
| Ryder Svs Inc | 7.2% 01 Sep 2015 | 3,891 |
| Salomom Bros Mtg Secs | 1.0% 25 Jan 2033 | 4,920 |
| Saxon Asset Secs | 1.0% 25 Aug 2032 | 21 |
| SCSLC 2010 | 1.0% 25 Jul 2025 | 50,401 |
| Sempra Energy | 6.5% 01 Jun 2016 | 7,797 |
| Simon Property Group | 4.2% 01 Feb 2015 | 15,355 |
| Simon Property Group | 4.375% 01 Mar 2021 | 11,700 |
| SLH Open Position Net Asset | 0.01% 31 Dec 2060 | 25 |
| SLM Corp | 5.0% 01 Oct 2013 | 2,283 |
| SLM Corp | 5.125% 27 Aug 2012 | 4,183 |
| SLM Corp | 8.45% 15 Jun 2018 | 9,466 |
| SLM Corp | 5.375% 15 Jan 2013 | 9,521 |
| Snap On Inc | 4.25% 15 Jan 2018 | 7,315 |
| Societe Generale | 2.5% 15 Jan 2014 | 11,031 |
| Southern CA Edison | 5.75% 15 Mar 2014 | 11,054 |
| Southern CA Edison | 5.75% 15 Mar 2014 | 17,279 |
| Southern Co | 1.0% 21 Oct 2011 | 13,932 |
| Southwest Airlines | 5.75% 15 Dec 2016 | 3,616 |
| Southwest Airlines | 5.25% 01 Oct 2014 | 4,430 |
| Southwest Elec PWR Co | 5.875% 01 Mar 2018 | 18,999 |
| Sovereign BK | 5.125% 15 Mar 2013 | 8,065 |
| Spectra Energy Capital | 8.0% 01 Oct 2019 | 9,708 |
| Sprint Capital Corp | 6.875% 15 Nov 2028 | 4,582 |
| Staples Inc | 9.75% 15 Jan 2014 | 7,588 |
| Statoil ASA | 3.125% 17 Aug 2017 | 38,328 |
| Steel Capital | 9.75% 29 Jul 2013 | 3,550 |
| Swaption 317U374B6 | IRO USD 10Y | (33) |
| Swaption 317U428B2 | IRO USD 10Y | (2) |
| Talisman Energy Inc | 5.85% 01 Feb 2037 | 1,146 |
| Talisman Energy Inc | 7.75% 01 Jun 2019 | 3,514 |

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| | | |
|------------------------|--------------------|--------|
| Talisman Energy Inc | 6.25% 01 Feb 2038 | 5,714 |
| Teck Resources Limited | 10.75% 15 May 2019 | 17,315 |
| Teco Finance Inc | 4.0% 15 Mar 2016 | 11,376 |
| Telecom Italia Cap | 5.25% 15 Nov 2013 | 7,116 |
| Telecom Italia Capital | 6.175% 18 Jun 2014 | 7,869 |
| Telecom Italia Capital | 4.95% 30 Sep 2014 | 16,795 |

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, 2010****Schedule I**

| | | |
|-------------------------|--------------------|--------|
| Telefonica Emisiones | 7.045% 20 Jun 2036 | 3,028 |
| Telefonica Emisiones | 4.949% 15 Jan 2015 | 16,153 |
| Thomson Reuters Corp | 5.95% 15 Jul 2013 | 17,313 |
| TIAAS 2007 C4 | 1.0% 15 Aug 2039 | 5,256 |
| Time Warner Cable | 5.0% 01 Feb 2020 | 7,381 |
| Time Warner Cable | 7.5% 01 Apr 2014 | 8,878 |
| Time Warner Cable Inc | 5.85% 01 May 2017 | 4,573 |
| Time Warner Cable Inc | 6.75% 01 Jul 2018 | 6,662 |
| Time Warner Inc | 4.7% 15 Jan 2021 | 9,852 |
| Time Warner Inc | 5.875% 15 Nov 2016 | 10,793 |
| Time Warner Inc | 4.7% 15 Jan 2021 | 11,475 |
| Time Warner Inc | 8.25% 14 Feb 2014 | 16,650 |
| Toll Bros Fin Corp | 6.875% 15 Nov 2012 | 241 |
| Total Capital SA | 3.0% 24 Jun 2015 | 18,131 |
| Total Capital SA | 3.0% 24 Jun 2015 | 32,544 |
| Trans Canada Pipelines | 3.4% 01 Jun 2015 | 6,860 |
| Transcapital Invest Ltd | 8.7% 07 Aug 2018 | 11,276 |
| Travelers Cos | 5.75% 15 Dec 2017 | 9,366 |
| TXU Australia Hldgs | 6.15% 15 Nov 2013 | 6,181 |
| Tyco International | 4.125% 15 Oct 2014 | 8,209 |
| Tyco Intl | 8.5% 15 Jan 2019 | 4,663 |
| UBS AG Stamford | 4.875% 04 Aug 2020 | 9,149 |
| UBS AG Stamford | 5.875% 20 Dec 2017 | 12,520 |
| UBS AG Stamford | 5.875% 15 Jul 2016 | 13,108 |
| UBS AG Stamford | 1.0% 23 Feb 2012 | 22,960 |
| UFJ Fin Aruba | 6.75% 15 Jul 2013 | 3,935 |
| Unicredit Luxembourg | 6.0% 31 Oct 2017 | 5,121 |
| Union BK Calif | 5.95% 11 May 2016 | 7,028 |
| Union Elec Co | 6.7% 01 Feb 2019 | 1,062 |
| Union Pac Corp | 5.45% 31 Jan 2013 | 11,190 |
| Union Pac Corp | 5.75% 15 Nov 2017 | 17,767 |
| United Health Group | 5.25% 15 Mar 2011 | 8,610 |
| United Health Group | 6.0% 15 Feb 2018 | 7,753 |
| Universal Health Svcs | 7.125% 30 Jun 2016 | 6,788 |
| Unum Group | 5.625% 15 Sep 2020 | 8,684 |
| US Cellular Corp | 6.7% 15 Dec 2033 | 8,957 |
| Valero Energy | 6.125% 01 Feb 2020 | 2,829 |
| Valero Energy | 6.875% 15 Apr 2012 | 7,632 |
| Valero Energy | 9.375% 15 Mar 2019 | 18,935 |
| Valero Energy Corp | 6.125% 01 Feb 2020 | 9,189 |
| Veolia Environment | 6.0% 01 Jun 2018 | 5,992 |
| Verizon Communications | 6.35% 01 Apr 2019 | 4,861 |
| Verizon Global FDG Corp | 6.875% 15 Jun 2012 | 9,747 |

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| | | |
|------------------------|--------------------|--------|
| Viacom Inc | 5.625% 15 Sep 2019 | 12,269 |
| Virginia Elec & Pwr Co | 5.4% 30 Apr 2018 | 4,061 |
| Virginia Elec & Pwr Co | 5.1% 30 Nov 2012 | 7,341 |
| Virginia Elec & Pwr Co | 5.95% 15 Sep 2017 | 9,160 |
| Virginia Elec & Pwr Co | 5.1% 30 Nov 2012 | 16,395 |
| VNO 2010 VNO | 2.969% 13 Sep 2028 | 9,124 |

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, 2010****Schedule I**

| | | |
|--------------------------|--------------------|--------|
| Vodafone Group PLC | 5.5% 15 Jun 2011 | 6,514 |
| Vodafone Group PLC | 5.35% 27 Feb 2012 | 15,160 |
| Vulcan Matls Co | 5.6% 30 Nov 2012 | 7,703 |
| Wachovia Bk | 1.0% 15 Mar 2016 | 6,399 |
| Wachovia Bk | 4.8% 01 Nov 2014 | 9,683 |
| Wachovia Bk Coml Mtg | 5.509% 15 Apr 2047 | 17,178 |
| Wachovia Bk Coml Mtg | 1.0% 15 Jun 2049 | 17,313 |
| Wachovia Bk Coml Mtg | 1.0% 15 Jul 2045 | 17,757 |
| Wachovia Corp | 4.875% 15 Feb 2014 | 2,637 |
| Wachovia Corp | 5.35% 15 Mar 2011 | 6,896 |
| Wachovia Corp | 5.5% 01 May 2013 | 8,300 |
| Walt Disney Co | 5.7% 15 Jul 2011 | 22,708 |
| WAMU Mtg | 1.0% 25 Oct 2045 | 509 |
| Waste Management Inc | 6.375% 11 Mar 2015 | 5,572 |
| Waste Mgmt Inc | 7.375% 15 May 2029 | 1,317 |
| Waste Mgmt Inc | 7.375% 11 Mar 2019 | 8,403 |
| Waste Mgmt Inc | 4.75% 30 Jun 2020 | 9,804 |
| Weatherford Intl Ltd | 6.0% 15 Mar 2018 | 1,348 |
| Weatherford Intl Ltd | 5.15% 15 Mar 2013 | 3,140 |
| WellPoint Inc | 5.875% 15 Jun 2017 | 891 |
| WellPoint Inc | 7.0% 15 Feb 2019 | 2,278 |
| WellPoint Inc | 4.35% 15 Aug 2020 | 9,149 |
| Wellpoint Inc | 6.0% 15 Feb 2014 | 18,093 |
| Wellpoint Inc | 4.35% 15 Aug 2020 | 19,541 |
| Wells Fargo & Company | 4.95% 16 Oct 2013 | 7,315 |
| Wells Fargo & Company | 5.625% 11 Dec 2017 | 9,579 |
| Wells Fargo Bank | 3.625% 15 Apr 2015 | 11,214 |
| Wells Fargo Bank | 4.75% 09 Feb 2015 | 12,077 |
| Williams Cos Inc | 7.875% 01 Sep 2021 | 5,321 |
| Willis North Amer Inc | 7.0% 29 Sep 2019 | 4,390 |
| Willis North Amer Inc | 6.2% 28 Mar 2017 | 7,370 |
| Willis North America Inc | 7.0% 29 Sep 2019 | 1,898 |
| World Savings Bank | 1.0% 22 Mar 2011 | 27,326 |
| WPP Fin UK | 5.875% 15 Jun 2014 | 4,305 |
| Wyndham Worldwide Corp | 6.0% 01 Dec 2016 | 9,768 |
| Xerox Corp | 5.5% 15 May 2012 | 3,006 |
| Xerox Corp | 5.65% 15 May 2013 | 4,442 |
| Xerox Corp | 8.25% 15 May 2014 | 5,847 |
| Xerox Corp | 6.4% 15 Mar 2016 | 7,528 |
| Xerox Corp | 8.25% 15 May 2014 | 8,239 |
| Xerox Corp | 4.25% 15 Feb 2015 | 18,463 |
| XL Cap Ltd | 5.25% 15 Sep 2014 | 7,859 |
| XTO Energy Inc | 4.9% 01 Feb 2014 | 17,464 |

6,166,616

40

**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, 2010

Schedule I

Benefit Responsive Interest Rate Wrapper Contracts

| | | | |
|---|--|---------------------|---------------|
| * | Aegon Institutional Markets | Open Ended Maturity | 11,376 |
| * | Bank of America NT & SA | Open Ended Maturity | 26,700 |
| | | | 38,076 |
| | Synthetic Guaranteed Investment Contracts (contract value equals \$15,721,542) | | \$ 16,877,225 |

Commingled Investments:

| | | | |
|---|------------------------------------|------------------------|--------------|
| * | Daily EAFE Fund | Commingled Investments | 1,830,545 |
| * | S&P 500 Flagship Fund | Commingled Investments | 3,961,113 |
| * | US Small CAP Index Futures FD CMT4 | Commingled Investments | 1,693,065 |
| | Commingled Investments | | \$ 7,484,723 |

Registered Investment Companies:

| | | |
|---------------------------|-------------------------------|---------|
| Target Retirement 2010 Fd | Registered Investment Company | 49,795 |
| Target Retirement 2020 Fd | Registered Investment Company | 31,153 |
| Target Retirement 2025 Fd | Registered Investment Company | 141,321 |
| Target Retirement 2030 Fd | Registered Investment Company | 40,041 |
| Target Retirement 2035 Fd | Registered Investment Company | 130,815 |
| Target Retirement 2040 Fd | Registered Investment Company | 126,195 |
| Target Retirement 2045 Fd | Registered Investment Company | 124,185 |
| Target Retirement 2050 Fd | Registered Investment Company | 84,197 |
| Vanguard Chester Fds | Registered Investment Company | 129,400 |
| Target Retirement 2015 Fd | Registered Investment Company | 202,391 |

Registered Investment Companies \$ 1,059,493

* **Participant Loans:** Interest rates range from 4.25% to 9.25% \$ 3,590,721

Collateral Held on Loaned Securities:

| | | | |
|---|---|----------------------------|-----------|
| * | Baxter International Savings Trust Separate Account | Short-Term Investment Fund | 4,871,785 |
| * | Quality D Short-term Investment Fund | Short-Term Investment Fund | 326,027 |

Collateral Held on Loaned Securities \$ 5,197,812

Total Investments and Participant Loans \$44,156,295

* 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.

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 23, 2011

By: /s/ Robert J. Hombach

Robert J. Hombach
Member of the Administrative Committee