

McGillivray Bruce  
Form 4  
August 29, 2008

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
McGillivray Bruce

2. Issuer Name and Ticker or Trading Symbol  
BAXTER INTERNATIONAL INC  
[BAX]

5. Relationship of Reporting Person(s) to Issuer  
  
(Check all applicable)

(Last) (First) (Middle)  
  
ONE BAXTER PARKWAY  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
08/28/2008

\_\_\_\_ Director  
 Officer (give title below)  
\_\_\_\_ 10% Owner  
\_\_\_\_ Other (specify below)  
Corporate Vice President

DEERFIELD, IL 60015

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, \$1 par value	08/28/2008		M <sup>(1)</sup>		19,305	A	\$ 30.06
Common Stock, \$1 par value	08/28/2008		M <sup>(1)</sup>		19,305	A	\$ 27.13
Common Stock, \$1 par value	08/28/2008		M <sup>(1)</sup>		20,000	A	\$ 34.85
Common Stock, \$1	08/28/2008		M <sup>(1)</sup>		43,500	A	\$ 129,040
							41.34

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par value

Common Stock, \$1 par value 08/28/2008 M<sup>(1)</sup> 30,000 A \$ 41.34 159,040 D

Common Stock, \$1 par value 08/28/2008 S<sup>(1)</sup> 132,110 D \$ 68.4<sup>(2)</sup> 26,930 D

Common Stock, \$1 par value 08/28/2008 M<sup>(1)</sup> 1,400 A \$ 41.34 28,330 D

Common Stock, \$1 par value 08/28/2008 M<sup>(1)</sup> 8,400 A \$ 41.34 36,730 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Stock Option (Right to Buy)	\$ 30.06	08/28/2008		M <sup>(1)</sup>	19,305	11/17/2005 11/16/2012	Common Stock, \$1 par value 19,305
Stock Option (Right to Buy)	\$ 27.13	08/28/2008		M <sup>(1)</sup>	19,305	11/18/2006 11/18/2014	Common Stock, \$1 par value 19,305
Stock Option (Right to Buy)	\$ 34.85	08/28/2008		M <sup>(1)</sup>	20,000	03/14/2008 03/13/2015	Common Stock, \$1 par value 20,000
	\$ 41.34	08/28/2008		M <sup>(1)</sup>	44,900	11/13/2003 11/12/2010	44,900

Stock Option (Right to Buy)								Common Stock, \$1 par value	
Stock Option (Right to Buy)	\$ 41.34	08/28/2008	M <sup>(1)</sup>	30,000	12/31/2001	11/12/2010	Common Stock, \$1 par value	30,000	
Stock Option (Right to Buy)	\$ 41.34	08/28/2008	M <sup>(1)</sup>	8,400	11/13/2003	11/12/2010	Common Stock, \$1 par value	8,400	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
McGillivray Bruce ONE BAXTER PARKWAY DEERFIELD, IL 60015			Corporate Vice President	

## Signatures

/s/ John M. O'Connor, Attorney-in-Fact for Bruce  
McGillivray

08/29/2008

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Transaction effected pursuant to a Rule 10b5-1 trading plan
- (2) Price reflects weighted average sales price. Range of prices for transaction is \$68.18 through \$68.69. Full information regarding the number of shares sold at each separate price will be provided by the issuer upon request.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.  
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