

BAXTER INTERNATIONAL INC  
Form SC 13D/A  
August 06, 2015

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

**SCHEDULE 13D**  
**Under the Securities Exchange Act of 1934**  
**(Amendment No. 1)\***

**Baxter International Inc.**

**(Name of Issuer)**

**Common stock, par value \$1.00 per share**

**(Title of Class of Securities)**

**071813109**

**(CUSIP Number)**

**Joshua L. Targoff**

**Third Point LLC**

**390 Park Avenue, 19th Floor**

**New York, NY 10022**

**(212) 715-3880**

**(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)**

**August 5, 2015**

**(Date of Event which Requires Filing of this Statement)**

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Section 240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 071813109

**1** NAME OF REPORTING PERSONS

Third Point LLC

**2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)  (b)

**3** SEC USE ONLY

**4** SOURCE OF FUNDS

AF

**5** CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

**6** CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

**7** SOLE VOTING POWER

NUMBER OF

SHARES **8** 0 SHARED VOTING POWER

BENEFICIALLY

OWNED BY **9** 52,500,000 (see Item 5) SOLE DISPOSITIVE POWER  
EACH

REPORTING

PERSON **10** 0 SHARED DISPOSITIVE POWER

WITH

52,500,000 (see Item 5)

**11** AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

52,500,000 (see Item 5)

**12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

**13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.6%

**14** TYPE OF REPORTING PERSON

OO

CUSIP No. 071813109

**1** NAME OF REPORTING PERSONS

Daniel S. Loeb

**2** CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)  (b)

**3** SEC USE ONLY

**4** SOURCE OF FUNDS

AF

**5** CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

**6** CITIZENSHIP OR PLACE OF ORGANIZATION

United States

**7** SOLE VOTING POWER

NUMBER OF

SHARES **8** 0 SHARED VOTING POWER

BENEFICIALLY

OWNED BY **9** 52,500,000 (see Item 5) SOLE DISPOSITIVE POWER  
EACH

REPORTING

PERSON **10** 0 SHARED DISPOSITIVE POWER

WITH

52,500,000 (see Item 5)

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**12** CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

**13** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.6%

**14** TYPE OF REPORTING PERSON

IN

This Amendment No. 1 to Schedule 13D (this Amendment No. 1 ) relates to the common stock, par value \$1.00 per share (the Common Stock ), of Baxter International Inc., a Delaware corporation (the Issuer ) and amends the Schedule 13D filed on August 5, 2015 (the Original Schedule 13D and, together with this Amendment No. 1, the Schedule 13D ). Capitalized terms used and not defined in this Amendment No. 1 have the meanings set forth in the Original Schedule 13D.

This Amendment No. 1 is being filed to amend Item 3, Item 5 and Item 6 of the Schedule 13D as follows:

**Item 3. Source and Amount of Funds or Other Consideration**

Item 3 of the Schedule 13D is amended and restated to read as follows:

The Funds expended an aggregate of approximately \$2,122,774,805 of their own investment capital to acquire the 52,500,000 shares of Common Stock held by them.

The Reporting Persons and Funds may effect purchases of shares of Common Stock through margin accounts maintained for them with brokers, which extend margin credit as and when required to open or carry positions in their margin accounts, subject to applicable federal margin regulations, stock exchange rules and such firms' credit policies. Positions in shares of Common Stock may be held in margin accounts and may be pledged as collateral security for the repayment of debit balances in such accounts. Such margin accounts may from time to time have debit balances. In addition, since other securities may be held in such margin accounts, it may not be possible to determine the amounts, if any, of margin used to purchase shares of Common Stock.

**Item 5. Interest in Securities of the Issuer**

Item 5 of the Schedule 13D is amended and restated as follows:

(a) As of 4:00 p.m., New York City time, on the date of this Amendment No. 1, the Reporting Persons beneficially own an aggregate of 52,500,000 shares of Common Stock held by the Funds (the Shares ). The Shares represent 9.6% of the Issuer's Common Stock outstanding. Percentages of the Common Stock outstanding reported in this Schedule 13D are calculated based upon the 544,254,211 shares of Common Stock outstanding as of April 30, 2015, as reported in the Issuer's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015, filed by the Issuer with the Securities and Exchange Commission on May 6, 2015.

(b) Each of the Reporting Persons shares voting and dispositive power over the shares of Common Stock held directly by the Funds.

(c) Set forth on Schedule I hereto are all transactions in the securities of the Issuer effected during the past sixty days by the Reporting Persons, inclusive of any transactions effected through 4:00 p.m., New York City time, on August 6, 2015.

(d) Other than the Funds that directly hold the securities of the Issuer, and except as set forth in this Item 5, no other person is known to have the right to receive, or the power to direct the receipt of, dividends from or proceeds from the sale, of the Shares.

(e) Not applicable.



**Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.**

Item 6 of the Schedule 13D is amended and restated as follows:

Pursuant to Rule 13d-1(k) promulgated under the Exchange Act, the Reporting Persons have entered into a Joint Filing Agreement, a copy of which was previously filed with the Original Schedule 13D as Exhibit 1, with respect to the joint filing of this Schedule 13D and any amendment or amendments thereto.

The Funds may, from time to time, enter into and dispose of cash-settled equity swap, stock-settled equity swap, option or other derivative transactions with one or more counterparties that are based upon the value of shares of Common Stock, which transactions may be significant in amount. The profit, loss and/or return on such contracts may be wholly or partially dependent on the market value of the shares of Common Stock.

Certain of the Funds have entered into swaps with respect to the Common Stock. Under the terms of the swaps, (i) the relevant Fund will be obligated to pay to the counterparty any negative price performance of the specified notional number of shares of Common Stock subject to the swaps as of the expiration date of such swaps, plus interest rates set forth in the applicable contracts, and (ii) the counterparty will be obligated to pay the relevant Fund any positive price performance of the specified notional number of shares of Common Stock subject to the swaps as of the expiration date of the swaps. Any dividends received by the counterparty on such notional Shares during the term of the swaps will be paid to the relevant Funds. The swaps do not give the Reporting Persons direct or indirect voting, investment or dispositive control over any securities of the Issuer and do not require the counterparty thereto to acquire, hold, vote or dispose of any securities of the Issuer. Accordingly, the Reporting Persons disclaim any beneficial ownership of any shares that may be referenced in the swap contracts or shares or other securities or financial instruments that may be held from time to time by any counterparty to the contracts. The number of shares of Common Stock specified in such swaps as of 4:00 p.m. New York City time on the date hereof is 1,350,000.

As of 4:00 p.m. New York City time on the date hereof, the Funds have sold put options referencing an aggregate of 4,500,000 shares of Common Stock at an exercise price of \$37.50 per share, which expire on November 20, 2015. As of 4:00 p.m. New York City time on the date hereof, the Funds have purchased call options referencing an aggregate of 8,500,000 shares of Common Stock at an exercise price of \$39.00 per Share, which expire on August 21, 2015.

Other than as described herein, there are no contracts, arrangements, understandings or relationships (legal or otherwise) between the Reporting Persons and any other person with respect to the securities of the Issuer.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

THIRD POINT LLC

Date: August 6, 2015

By: /s/ William Song  
Name: William Song  
Title: Attorney-in-Fact

DANIEL S. LOEB

Date: August 6, 2015

By: /s/ William Song  
Name: William Song  
Title: Attorney-in-Fact

**SCHEDULE I**

This Schedule sets forth information with respect to each purchase and sale of Shares which was effectuated by a Reporting Person during the past sixty days, inclusive of any transactions effected through 4:00 p.m., New York City time, on August 6, 2015. Unless otherwise indicated, all transactions were effectuated in the open market through a broker.

| <b>Date of Transaction</b> | <b>Number of Shares Purchased (Sold)</b> | <b>Price per Share (\$)</b> |
|----------------------------|--|-----------------------------|
| 6/17/2015                  | 205,000                                  | 68.29                       |
| 6/17/2015                  | 500,000                                  | 68.25                       |
| 6/18/2015                  | 921,200                                  | 69.08                       |
| 6/18/2015                  | 600,000                                  | 69.35                       |
| 6/18/2015                  | 5,000                                    | 68.57                       |
| 6/19/2015                  | 100,000                                  | 69.69                       |
| 6/19/2015                  | 218,800                                  | 69.44                       |
| 6/22/2015                  | 100,000                                  | 70.26                       |
| 6/22/2015                  | 100,000                                  | 70.23                       |
| 6/22/2015                  | 225,000                                  | 70.12                       |
| 6/23/2015                  | 200,000                                  | 70.06                       |
| 6/24/2015                  | 300,000                                  | 71.75                       |
| 6/24/2015                  | 300,000                                  | 71.72                       |
| 6/25/2015                  | 50,000                                   | 71.69                       |
| 6/25/2015                  | 125,000                                  | 71.95                       |
| 7/1/2015 <sup>1</sup>      | 900,600                                  | 37.99                       |
| 7/6/2015                   | 274,400                                  | 37.94                       |
| 7/9/2015                   | 100,000                                  | 37.00                       |
| 7/14/2015                  | 75,000                                   | 37.68                       |
| 7/15/2015                  | 250,000                                  | 37.70                       |
| 7/16/2015                  | 350,000                                  | 37.75                       |
| 7/17/2015                  | 150,000                                  | 37.75                       |
| 7/20/2015                  | 75,000                                   | 37.55                       |
| 7/20/2015                  | 250,000                                  | 37.53                       |
| 7/20/2015                  | (1,200,000)                              | 37.50                       |
| 7/20/2015                  | 200,000                                  | 37.50                       |
| 7/21/2015                  | 10,000                                   | 37.75                       |
| 7/21/2015                  | 225,000                                  | 37.78                       |
| 7/21/2015                  | 500,000                                  | 37.77                       |
| 7/21/2015                  | (850,000)                                | 37.60                       |
| 7/21/2015                  | 200,000                                  | 37.80                       |
| 7/22/2015                  | 500,000                                  | 37.71                       |
| 7/22/2015                  | 50,000                                   | 37.71                       |
| 7/23/2015                  | 200,000                                  | 37.99                       |
| 7/23/2015                  | 100,000                                  | 37.97                       |
| 7/23/2015                  | 150,000                                  | 38.00                       |

<sup>1</sup> Trade represents the when-issued shares described in the table below becoming listed shares.

| <b>Date of Transaction</b> | <b>Number of Shares Purchased (Sold)</b> | <b>Price per Share (\$)</b> |
|----------------------------|--|-----------------------------|
| 7/23/2015                  | 600,000                                  | 37.99                       |
| 7/24/2015                  | 290,000                                  | 37.70                       |
| 8/4/2015                   | 1,000,000                                | 40.50                       |
| 8/4/2015                   | 2,000,000                                | 40.50                       |
| 8/4/2015                   | 2,000,000                                | 40.50                       |
| 8/4/2015                   | 1,575,000                                | 40.49                       |
| 8/4/2015                   | 1,000,000                                | 40.47                       |
| 8/4/2015                   | 2,000,000                                | 40.49                       |
| 8/4/2015                   | 2,000,000                                | 40.49                       |
| 8/4/2015                   | 3,000,000                                | 40.42                       |
| 8/4/2015                   | 2,000,000                                | 40.49                       |
| 8/4/2015                   | 4,000,000                                | 40.50                       |
| 8/4/2015                   | 2,000,000                                | 40.48                       |
| 8/4/2015                   | 2,000,000                                | 40.49                       |
| 8/4/2015                   | 1,000,000                                | 40.50                       |
| 8/4/2015                   | 2,000,000                                | 40.47                       |
| 8/4/2015                   | 3,000,000                                | 40.50                       |
| 8/5/2015                   | 2,000,000                                | 41.44                       |
| 8/5/2015                   | 2,000,000                                | 41.48                       |
| 8/5/2015                   | 2,000,000                                | 41.45                       |
| 8/5/2015                   | 1,500,000                                | 41.45                       |
| 8/5/2015                   | 1,500,000                                | 41.46                       |
| 8/5/2015                   | 3,000,000                                | 41.44                       |
| 8/6/2015                   | 1,000,000                                | 42.08                       |
| 8/6/2015                   | 1,000,000                                | 42.07                       |
| 8/6/2015                   | 575,000                                  | 42.07                       |

When-Issued Market Trades

| <b>Date of Transaction</b> | <b>Number of Shares Purchased (Sold)</b> | <b>Price per Share (\$)</b> |
|----------------------------|--|-----------------------------|
| 6/18/2015                  | 75,000                                   | 36.61                       |
| 6/19/2015                  | 100,000                                  | 37.75                       |
| 6/22/2015                  | 6,150                                    | 38.27                       |
| 6/22/2015                  | 25,000                                   | 38.23                       |
| 6/22/2015                  | 18,850                                   | 38.23                       |
| 6/22/2015                  | 25,000                                   | 38.29                       |
| 6/23/2015                  | 160,000                                  | 38.16                       |
| 6/24/2015                  | 25,000                                   | 38.50                       |
| 6/24/2015                  | 42,000                                   | 38.53                       |
| 6/25/2015                  | 420,000                                  | 39.00                       |
| 6/25/2015                  | 3,600                                    | 38.97                       |