

# HALLIBURTON

## Halliburton Reaches Agreement to Request Stay Extension

July 21, 2003

HOUSTON, July 21 /PRNewswire-FirstCall/ -- Halliburton (NYSE: HAL) today announced that an agreement was reached among DII Industries, Harbison-Walker Refractories Company and the Official Committee of Asbestos Creditors that will be presented for the Harbison-Walker bankruptcy court's approval at a Status Conference to be held July 22, 2003 at 1:00 p.m. Oral arguments will not be held as previously scheduled for July 21, 2003.

The agreement provides for the extension, subject to bankruptcy court approval, of the court's temporary restraining order until September 30, 2003. The temporary restraining order will expire if a pre-packaged Chapter 11 filing by Halliburton's subsidiaries DII Industries, Kellogg Brown & Root and certain of their subsidiaries is not made on or prior to September 30, 2003. The parties to the agreement, however, retain the right to request the bankruptcy court to extend the stay beyond September 30, 2003. The court's temporary restraining order, which was originally entered on February 14, 2002, stays more than 200,000 pending asbestos claims against DII Industries.

Other terms of the agreement, which are not subject to bankruptcy court approval, require DII Industries to fund the remaining \$30 million under the existing debtor-in-possession financing to Harbison-Walker by July 31, 2003 and DII Industries to purchase an approximately \$50 million insurance receivable from Harbison-Walker. The agreement requires DII Industries to purchase the insurance receivable on the earliest of the effective date of a Harbison-Walker plan of reorganization, the effective date of a DII Industries plan of reorganization, or December 31, 2003.

In December 2002, Halliburton announced that it had reached an agreement in principle that, if and when consummated, would result in a settlement of asbestos and silica personal injury claims against DII Industries, Kellogg Brown & Root and their current and former subsidiaries with U.S. operations.

Halliburton, founded in 1919, is one of the world's largest providers of products and services to the petroleum and energy industries. The company serves its customers with a broad range of products and services through its Energy Services Group and Engineering and Construction Group business segments. The company's World Wide Web site can be accessed at [www.halliburton.com](http://www.halliburton.com).

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