

HALLIBURTON

Bankruptcy Court Approves Final Motions

December 16, 2004

HOUSTON, Dec 16, 2004 /PRNewswire-FirstCall via COMTEX/ -- Halliburton (NYSE: HAL) announced today that the Honorable Judith K. Fitzgerald stated that she would sign four orders approving what Halliburton expects will be the final motions filed by DII Industries, Kellogg Brown & Root and other affected Halliburton subsidiaries in their chapter 11 proceedings. One of the orders was for the approval of another insurance settlement while the other three orders set out processes and procedures for funding the asbestos and silica trusts, for paying claimants, and for the smooth operation of the trusts.

Halliburton expects the Bankruptcy Court's confirmation order and the District Court's affirmation order will become final on December 31, 2004, resolving the company's asbestos liability and leading to the conclusion of the chapter 11 proceedings.

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 and Engineering and Construction Groups. The company's World Wide Web site can be accessed at www.halliburton.com.

NOTE: The statements in this press release that are not historical statements, including statements regarding future financial performance, are forward-looking statements within the meaning of the federal securities laws. These statements are subject to numerous risks and uncertainties, many of which are beyond the company's control, which could cause actual results to differ materially from the results expressed or implied by the statements. These risks and uncertainties include, but are not limited to: legal risks, including the risks of being unable to complete the proposed settlement of asbestos and silica liabilities, the risks that a completed settlement of asbestos and silica liabilities may not address all asbestos and silica exposure, the risks of having material subsidiaries in Chapter 11 proceedings, the risks of audits and investigations of the company by domestic and foreign government agencies and legislative bodies and potential adverse proceedings and findings by such agencies, the risks of judgments against the company's subsidiaries and predecessors in asbestos litigation pending and currently on appeal, the inability of insurers for asbestos exposures to pay claims or a delay in the payment of such claims, future asbestos claims defense and settlement costs, the risks of judgments against the company and its subsidiaries in other litigation and proceedings, including shareholder lawsuits, securities laws inquiries, contract disputes, patent infringements and environmental matters, legislation, changes in government regulations and adverse reaction to scrutiny involving the company; political risks, including the risks of unsettled political conditions, war and the effects of terrorism, foreign operations and foreign exchange rates and controls; liquidity risks, including the risks of potential reductions in debt ratings, access to credit, availability and costs of financing and ability to raise capital; weather-related risks; customer risks, including the risks of changes in capital spending and claims negotiations; industry risks, including the risks of changes that affect the demand for or price of oil and/or gas, structural changes in the industries in which the company operates, risks of fixed-fee projects and risks of complex business arrangements; systems risks, including the risks of successful development and installation of financial systems; and personnel and merger/reorganization/disposition risks, including the risks of increased competition for employees, successful integration of acquired businesses, effective restructuring efforts and successful completion of planned dispositions. Please see Halliburton's Form 10-K/A for the year ended December 31, 2003 and Form 10-Q for the quarter ended September 30, 2004 for a more complete discussion of such risk factors.

SOURCE Halliburton

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