

**The following is a roadshow presentation used by Halliburton Company on November 5, 2015.**



**Senior Notes Offering  
November 2015**

[www.halliburton.com](http://www.halliburton.com)

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# Safe Harbor

The statements in this presentation that are not historical statements, including statements regarding future financial performance of the Baker Hughes transaction, 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: with respect to the Baker Hughes acquisition, the timing to consummate the Baker Hughes acquisition, the terms and timing of divestitures undertaken to obtain required regulatory approvals; the risk that conditions to closing of the Baker Hughes acquisition may not be satisfied or the closing of the Baker Hughes acquisition may otherwise not occur; that a regulatory approval that may be required for the Baker Hughes acquisition is not obtained or is obtained subject to conditions that are not anticipated; the diversion of management time on transaction-related issues; the ultimate timing, outcome and results of integrating the operations of Halliburton and Baker Hughes and the ultimate outcome of Halliburton's operating efficiencies applied to Baker Hughes's products and services; the effects of the business combination of Halliburton and Baker Hughes, including the combined company's future financial condition, results of operations, strategy and plans; expected synergies and other benefits from the proposed transaction and the ability of Halliburton to realize such synergies and other benefits; with respect to the Macondo well incident, final court approval of, and the satisfaction of the conditions in, Halliburton's September 2014 settlement, including the results of any appeals of rulings in the multi-district litigation; indemnification and insurance matters; with respect to repurchases of Halliburton common stock, the continuation or suspension of the repurchase program, the amount, the timing and the trading prices of Halliburton common stock, and the availability and alternative uses of cash; changes in the demand for or price of oil and/or natural gas can be significantly impacted by weakness in the worldwide economy; consequences of audits and investigations by domestic and foreign government agencies and legislative bodies and related publicity and potential adverse proceedings by such agencies; protection of intellectual property rights and against cyber-attacks; compliance with environmental laws; changes in government regulations and regulatory requirements, particularly those related to offshore oil and natural gas exploration, radioactive sources, explosives, chemicals, hydraulic fracturing services and climate-related initiatives; compliance with laws related to income taxes and assumptions regarding the generation of future taxable income; risks of international operations, including risks relating to unsettled political conditions, war, the effects of terrorism, foreign exchange rates and controls, international trade and regulatory controls, and doing business with national oil companies; weather-related issues, including the effects of hurricanes and tropical storms; changes in capital spending by customers; delays or failures by customers to make payments owed to Halliburton; execution of long-term fixed price contracts; and structural changes in the oil and natural gas industry; maintaining a highly skilled workforce; availability and cost of raw materials; and integration and success of acquired businesses and operations of joint ventures.

Each of Halliburton's and Baker Hughes's Form 10-K for the year ended December 31, 2014, each of Halliburton's and Baker Hughes's Form 10-Q for the quarter ended September 30, 2015, recent Current Reports on Form 8-K filed by Halliburton and Baker Hughes, and other Securities and Exchange Commission filings by Halliburton and Baker Hughes discuss some of the important risk factors identified that may affect Halliburton's business, results of operations, and financial condition. Halliburton undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it.

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## *Additional information*

This communication does not constitute an offer to buy or sell or the solicitation of an offer to buy or sell any securities or a solicitation of any vote or approval. In connection with the proposed business combination between Halliburton and Baker Hughes, Halliburton has filed with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4, including Amendments No. 1 and 2 thereto, and a definitive joint proxy statement/prospectus of Halliburton and Baker Hughes and other documents related to the proposed transaction. The registration statement was declared effective by the SEC on February 17, 2015 and the definitive proxy statement/prospectus has been mailed to stockholders of Halliburton and Baker Hughes. INVESTORS AND SECURITY HOLDERS OF HALLIBURTON AND BAKER HUGHES ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS, REGISTRATION STATEMENT AND OTHER DOCUMENTS FILED OR THAT MAY BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain free copies of these documents and other documents filed with the SEC by Halliburton and/or Baker Hughes through the website maintained by the SEC at <http://www.sec.gov>. Copies of the documents filed with the SEC by Halliburton are available free of charge on Halliburton's internet website at <http://www.halliburton.com> or by contacting Halliburton's Investor Relations Department by email at [investors@Halliburton.com](mailto:investors@Halliburton.com) or by phone at +1-281-871-2688. Copies of the documents filed with the SEC by Baker Hughes are available free of charge on Baker Hughes' internet website at <http://www.bakerhughes.com> or by contacting Baker Hughes' Investor Relations Department by email at [alondra.oteyza@bakerhughes.com](mailto:alondra.oteyza@bakerhughes.com) or by phone at +1-713-439-8822.

## *Participants in Solicitation*

Halliburton, Baker Hughes, their respective directors and certain of their respective executive officers may be considered participants in the solicitation of proxies in connection with the proposed transaction. Information about the directors and executive officers of Halliburton is set forth in its Annual Report on Form 10-K for the year ended December 31, 2014, which was filed with the SEC on February 24, 2015, its proxy statement for its 2015 annual meeting of stockholders, which was filed with the SEC on April 7, 2015, and its Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, which was filed with the SEC on October 23, 2015. Information about the directors and executive officers of Baker Hughes is set forth in its Annual Report on Form 10-K for the year ended December 31, 2014, which was filed with the SEC on February 26, 2015, its proxy statement for its 2015 annual meeting of stockholders, which was filed with the SEC on March 27, 2015, and its Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, which was filed with the SEC on October 21, 2015. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, are contained in the proxy statement/prospectus and other relevant materials filed with the SEC.

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# Investment Highlights

- Halliburton's pending combination with Baker Hughes creates a bellwether global oilfield services company
- Exceptional breadth and depth of products and services
- Combined company with a strong cash flow generation profile
- Halliburton positioned well for North American recovery, coupled with diversity from international operations

# Offering Summary

Issuer	Halliburton Company
Securities	Senior Notes
Offering Size	[TBD ]
Ratings	S&P: A / negative Moody's: A2 / on review for downgrade Fitch: A- / stable
Special Mandatory Redemption	If certain events occur, we will be required to redeem certain of the notes at a special mandatory redemption price of 101% of principal
Use of Proceeds	Fund a portion of the cash portion of BHI acquisition and general corporate purposes. If the acquisition of BHI is not consummated, proceeds from the notes not required to be redeemed will be used for general corporate purposes, including payment of fees and expenses related to the termination of the merger agreement
Offering Format	SEC Registered
Active Bookrunners	BofA Merrill Lynch, Credit Suisse, Citi, Mizuho

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# Strategic Financial Objectives

- Maintain strong investment grade ratings
- Maintain adequate liquidity in the form of cash and available credit facilities to fund operations and unexpected events
  - Executed a new credit facility maturing in July 2020
  - Initial capacity of \$3B will increase to \$4.5B upon closing of BHI acquisition and termination of the Baker Hughes credit facility
- Prudent use of debt to reduce weighted-average cost of capital and provide financial flexibility
- Maintain stable dividends of at least 15 – 20% of net income
- Achieve strong return on capital throughout the cycle

## Transaction Overview

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# Key Transaction Details

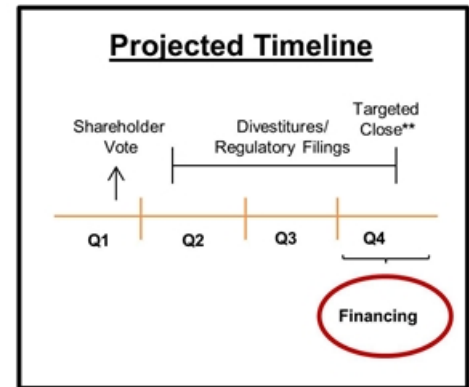
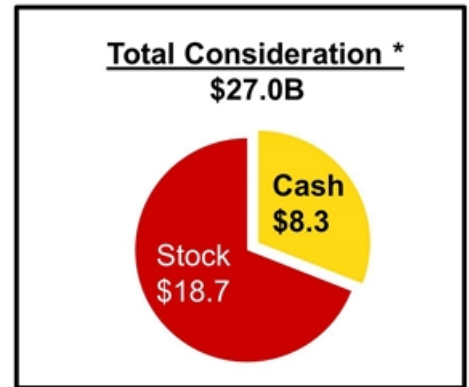
Current purchase consideration is approximately 69% equity / 31% cash

- \$19 and a fixed number of 1.12 Halliburton shares, per share of BHI
- ~\$8.3B cash needed to fund cash consideration

Key objectives:

- Stronger and more diverse organization
- Maintain strong investment grade credit rating
- Balanced maturity profile and financial flexibility

Strong cash flow generation profile for the combined company



\* As of Oct 20, 2015

\*\* The merger agreement provides that the closing can be extended into 2016

**A Compelling Strategic Combination...**

- Exceptional breadth and depth of products and services
- Accelerates Halliburton's strategy in Unconventionals, Deepwater and Mature Fields
- Combined company well-positioned for superior growth, margins and returns
- Expected to be accretive to cash flow by end of year one after close

**Target Acquisition Closing in Late 2015 – Merger Agreement Can Be Extended into 2016**

# Key Additions to HAL Portfolio



- AutoTrak™ rotary steerable
- In-house drilling motor design
- Adds completion products to current offering



- Centrilift XP™ deepwater Electric Submersible Pump(ESP)
- Petrolite™ production chemicals
- Adds to Open Hole logging presence



- Centrilift™ ESP / PCP
- Petrolite™ Eastern Hemisphere footprint

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## Significant Progress Towards Closing

Halliburton and Baker Hughes will market for sale the following businesses in order to permit completion of the acquisition

- Combined YTD revenue of \$3.2B and operating income of \$291MM\*

Halliburton	Baker Hughes	Marketing Process
<ul style="list-style-type: none"><li>▪ Fixed Cutter and Roller Cone Drill Bits</li><li>▪ Directional Drilling and Logging-While-Drilling (LWD) / Measurement-While-Drilling (MWD)</li><li>▪ Expandable liner hangers business</li></ul>	<ul style="list-style-type: none"><li>▪ Core completions business</li><li>▪ Sand control business in Gulf of Mexico</li><li>▪ Offshore cementing business in Australia, Brazil, the Gulf of Mexico, Norway, and United Kingdom</li></ul>	<ul style="list-style-type: none"><li>▪ Negotiations started</li><li>▪ Marketing process started</li><li>▪ Sales to be completed contingent on the merger</li></ul>

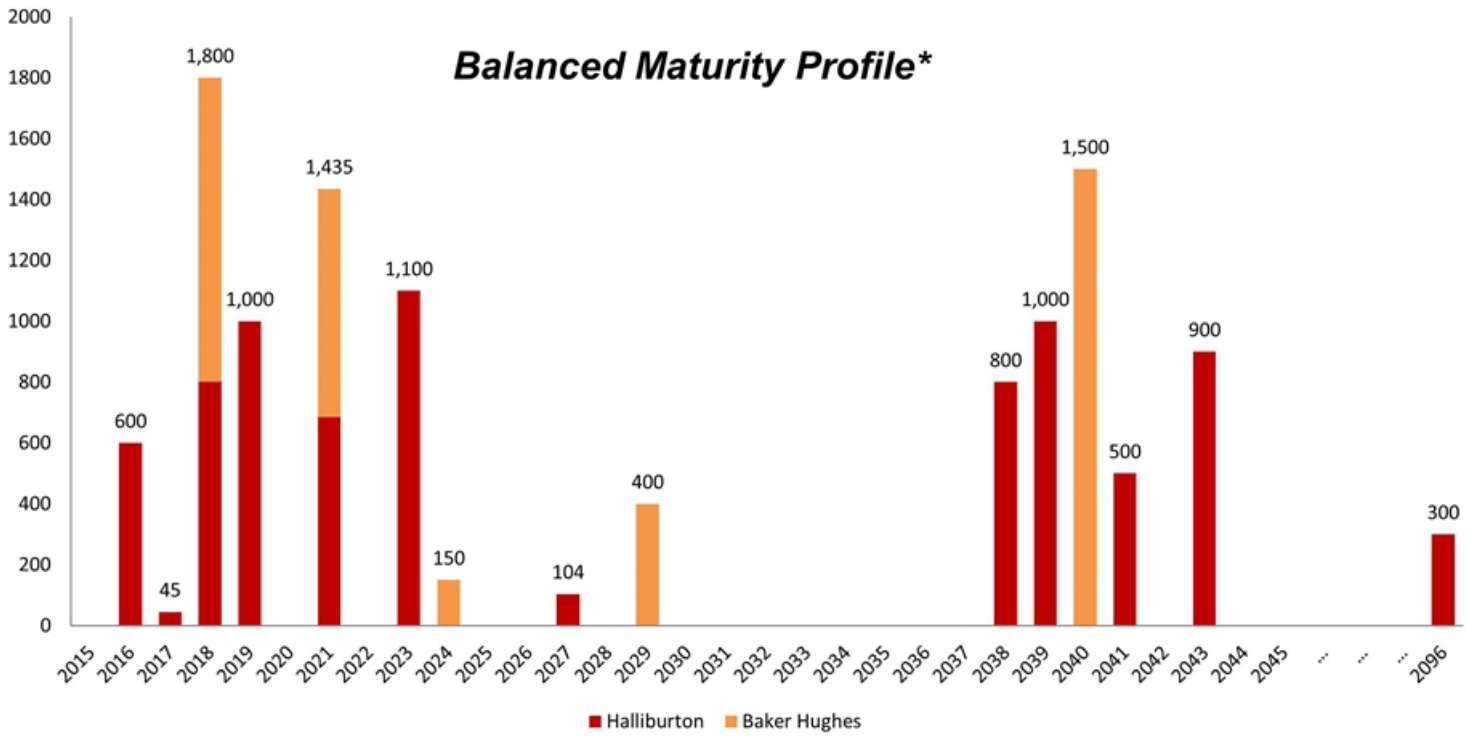
### Regulatory Approval

- Entered into a timing agreement with the U.S. Department of Justice
- Expect to resubmit European Union filing in the coming weeks

\* Operating Income includes certain assumptions on cost-related decisions which have not yet been finalized and therefore are subject to change

# Existing Debt Maturity Schedule – Combined Company

\$ millions



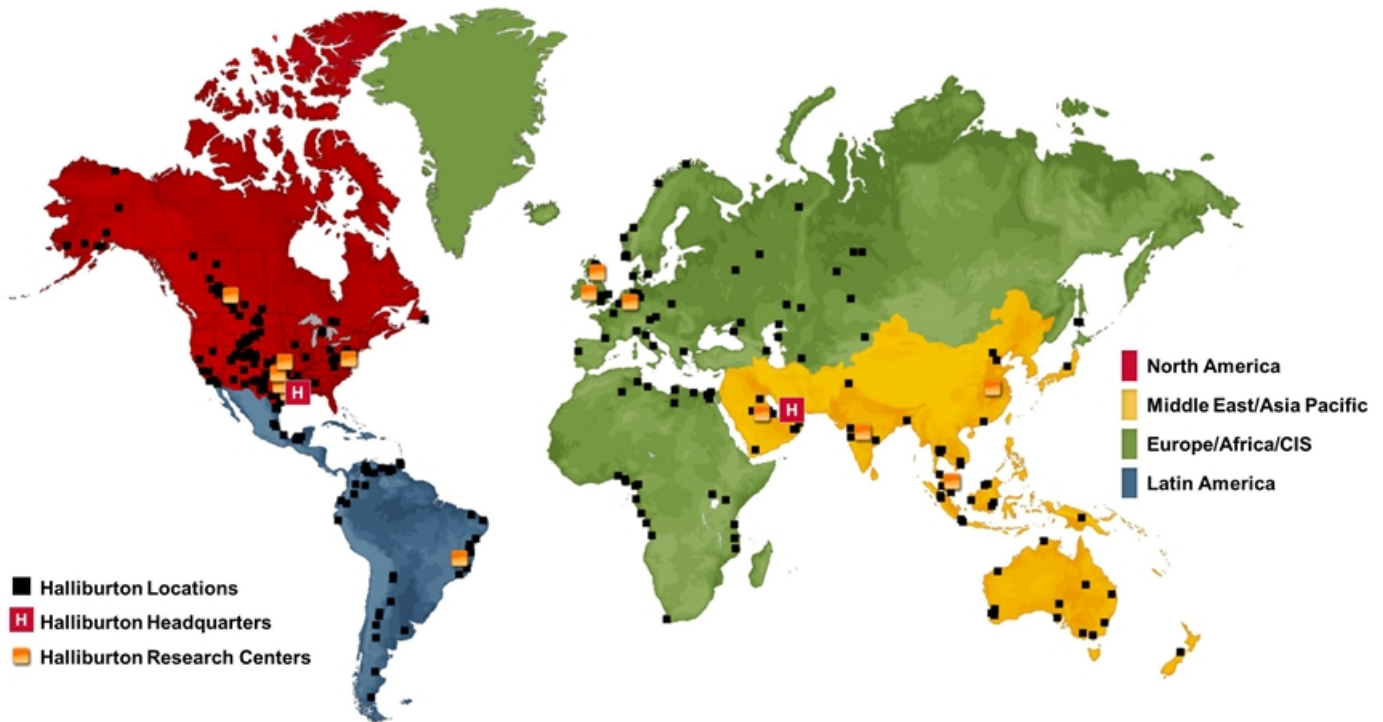
\* Pro Forma as of 9/30/2015. Schedule reflects principal amount of notes outstanding. Does not include credit facility debt. Credit facility undrawn as of 9/30/2015

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# Halliburton Overview

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# Halliburton Global Franchise

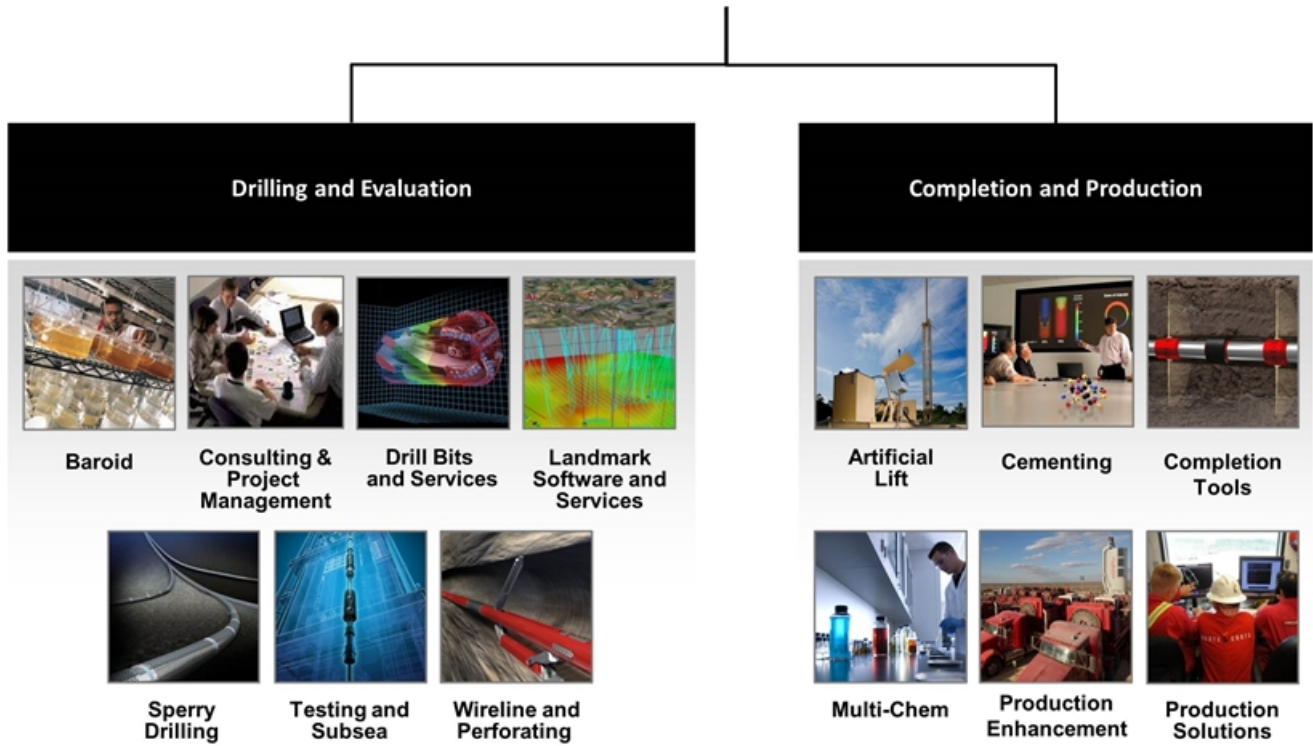


**2015  
FAST  
FACTS**

<b>Founded</b>	<b>Employees</b>	<b>Operational Countries</b>	<b>Research Centers</b>	<b>Corporate Headquarters</b>	<b>Customers</b>
1919	Approx. 65,000	80	16	Houston Dubai	National, International and Independent entities worldwide

# Service Offerings

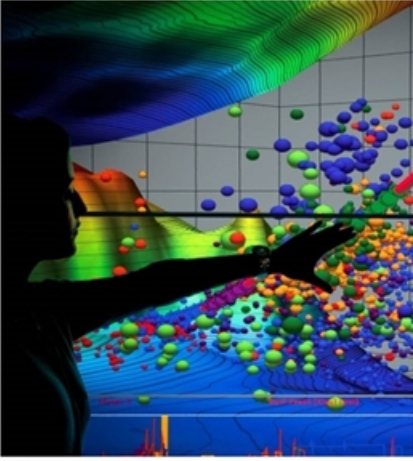


## HALLIBURTON



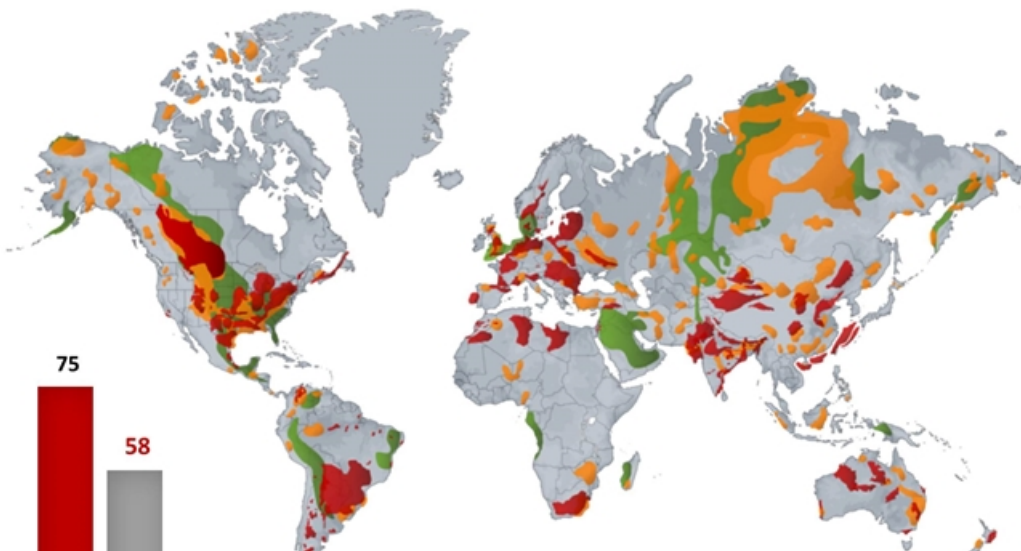


# Strategic Market Objectives

We **collaborate**, **execute** and **innovate** to create value for our customers.

Unconventionals	Deep Water	Mature Fields
		
<b>Lowest Cost per BOE</b>	<b>Lowest Cost per Foot Reservoir Delivery</b>	<b>Incremental Barrels and Maximum Recovery</b>
<ul style="list-style-type: none"><li>▪ Surface Efficiency</li><li>▪ Customized Chemistry</li><li>▪ Subsurface Insight</li></ul>	<ul style="list-style-type: none"><li>▪ Reduced Uncertainty</li><li>▪ Increased Reliability</li></ul>	<ul style="list-style-type: none"><li>▪ Immediate Impact Interventions</li><li>▪ Optimized Reservoir Management</li><li>▪ New Pay Zones</li></ul>

# Global Unconventional Opportunity



## Unconventional Challenges

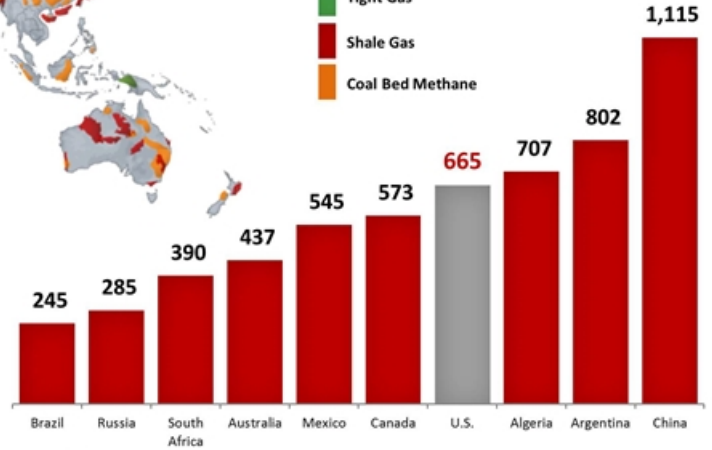
- Geology
- Infrastructure
- Regulatory Environment
- Economic Viability

## Unconventional Basins

- Tight Gas
- Shale Gas
- Coal Bed Methane



**Shale Oil - Technically Recoverable Resources**  
(billion barrels)



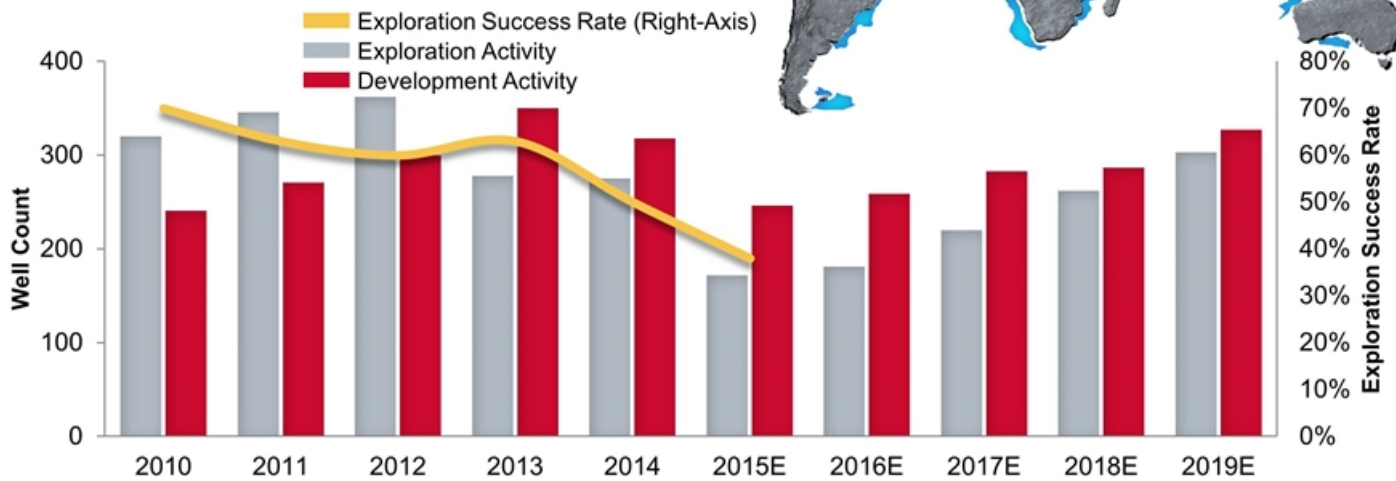
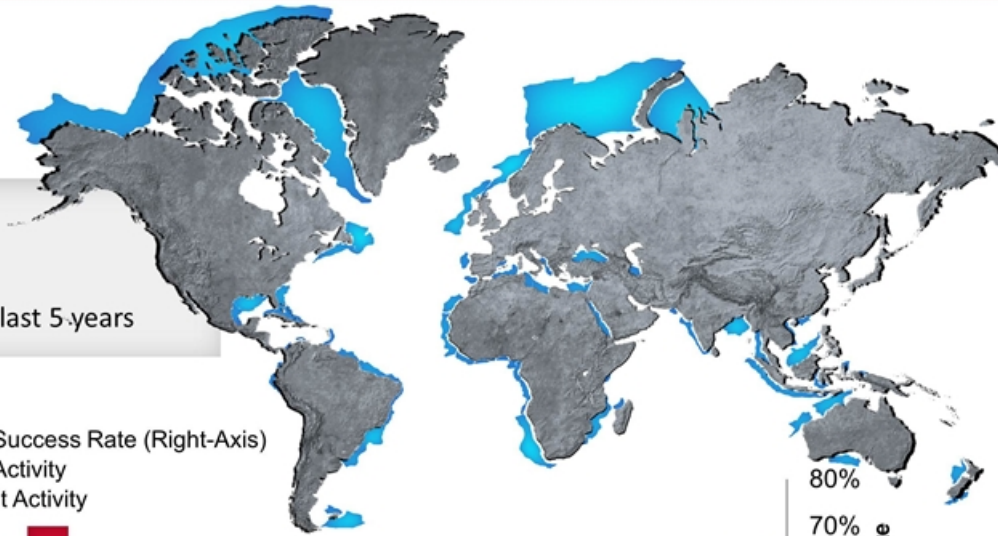
**Shale Gas - Technically Recoverable Resources**  
(trillion cubic feet)

Source: EIA, "Technically Recoverable Shale Oil and Shale Gas Resources", June, 2013

# Deepwater Opportunity

## Deepwater accounts for...

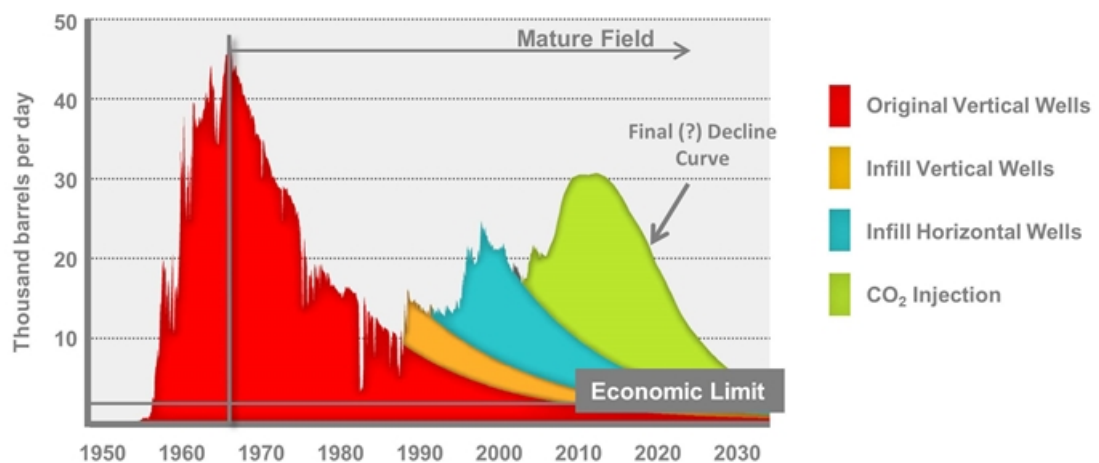
- 11% of current global production
- 66% of discoveries, by volume, in the last 5 years



Source: Quest Offshore, Wood Mackenzie, IHS Upstream Competition and NOC Strategy Services

# Mature Fields - Impacting the Decline Curve

- Collaborate with our customers
- Grow through consulting-led mature field projects
- Deploy multi-lateral and infill drilling technologies
- Penetrate intervention segment by focusing on key markets
- Mature fields an underserved market



# Navigating The Downturn

## CONTROL WHAT WE CAN CONTROL

- Partner with suppliers
- Leverage logistics infrastructure
- Right size the business to current activity levels
- Live within cash flow



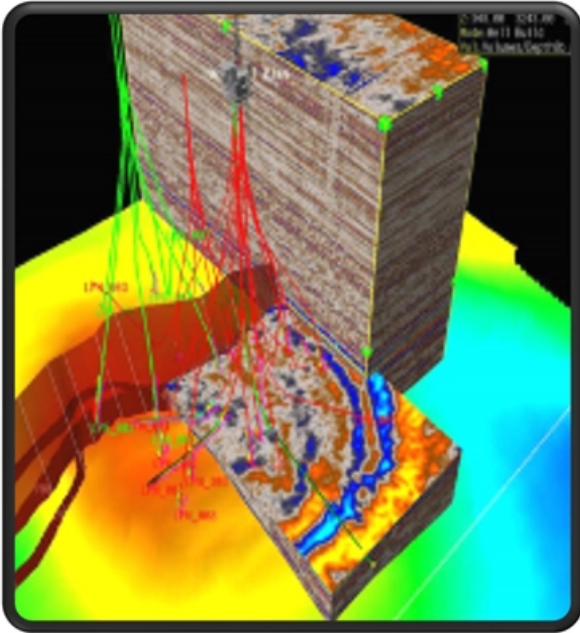
## LOOK BEYOND THE CYCLE

- Frac of the Future – Q10 pump fleet
- Continue strategic initiatives
- Utilize technology to make better wells and reduce cost/BOE



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# Investment Highlights



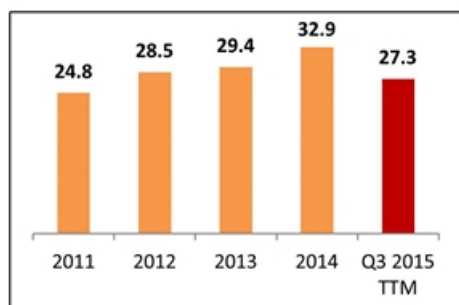
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# Appendix

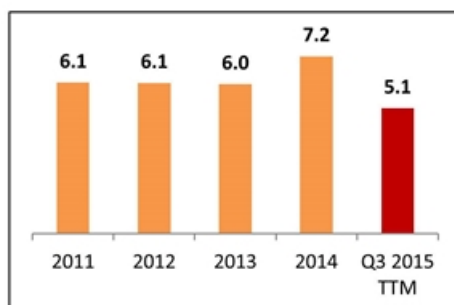
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# Key Financial Metrics - HAL

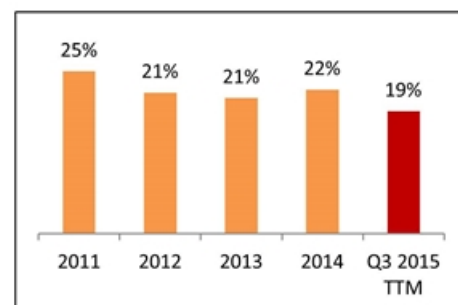
Revenue (\$B)



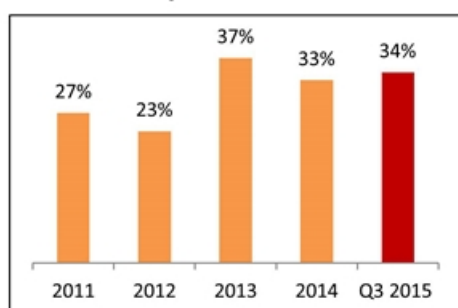
EBITDA\* (\$B)



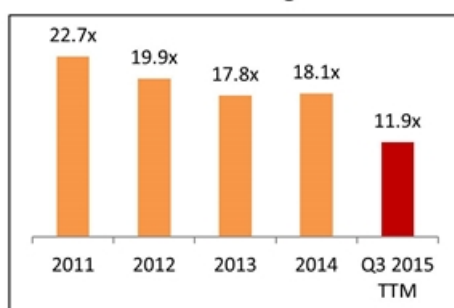
EBITDA\* Margin



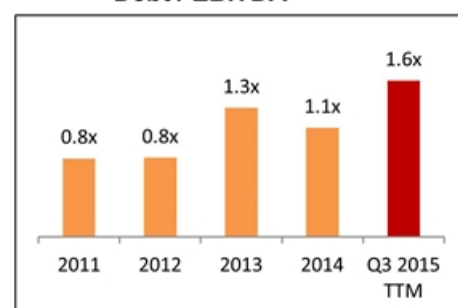
Debt / Capital Ratio\*



Interest Coverage\*



Debt / EBITDA\*



\* Refer to the next slide for definition; Macondo and Impairment charges not included; see reconciliation on slide 23



# Definitions

EBITDA <sup>1</sup>	Reported Income from continuing operations attributable to company plus provision for income taxes, depreciation, depletion, and amortization, interest expense, and other, net, adjusted for special items.
Debt/Capital Ratio	(Long-term debt + current portion of Long-term debt )divided by shareholders' equity plus debt
Interest Coverage <sup>1</sup>	EBITDA divided by interest expense
Debt/EBITDA <sup>1</sup>	(Long-term debt + current portion of Long-term debt )divided by EBITDA
EBITDA <sup>1</sup> Margin	EBITDA divided by Revenue

<sup>1</sup> EBITDA is a non-GAAP financial measure (as defined under SEC Regulation G). The following slide includes a reconciliation of this non-GAAP measure to the comparable GAAP measure.

# Reconciliation to GAAP Measure

## EBITDA RECONCILIATION

(\$ millions)	Year Ended December 31			YTD	YTD	TTM	
	2011	2012	2013	2014 9/30/2014	9/30/2015	9/30/2015	
Reported Income from continuing operations attributable to company	3,005	2,577	2,106	3,436	2,536	(638)	262
<i>Macondo Adjustment</i>	-	191	637	(124)	(124)	-	-
<i>Impairments and other charges</i>	-	-	-	90	-	1,338	1,428
Adjusted Income from continuing operations attributable to company	3,005	2,768	2,743	3,402	2,412	700	1,690
<i>Plus</i>							
Reported provision for income taxes	1,439	1,235	648	1,275	939	(207)	129
<i>Tax effect of adjustments</i>	-	109	363	(32)	(71)	557	596
Adjusted provision for income taxes	1,439	1,344	1,011	1,243	868	350	725
<i>Plus</i>							
Depreciation, Depletion, and amortization	1,359	1,628	1,900	2,126	1,569	1,433	1,990
Interest Expense, net	263	298	331	383	283	311	411
Other, net *	25	39	43	2	43	281	240
<b>EBITDA</b>	<b>6,091</b>	<b>6,077</b>	<b>6,028</b>	<b>7,156</b>	<b>5,175</b>	<b>3,075</b>	<b>5,056</b>

\* Includes Foreign Exchange losses

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