

HALLIBURTON

First Quarter 2020 Update

Investor Relations Contacts

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NYSE Stock Symbol: HAL

Common Dividend: \$0.18 in the first quarter 2020

Shares Outstanding: 877 million as of 04/17/2020

Safe Harbor

The statements in this presentation 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: the severity and duration of the COVID-19 pandemic, related economic repercussions and the resulting negative impact on demand for oil and gas; the current significant surplus in the supply of oil and the ability of the OPEC+ countries to agree on and comply with supply limitations; the duration and magnitude of the unprecedented disruption in the oil and gas industry currently resulting from the impact of the foregoing factors, which is negatively impacting our business; operational challenges relating to the COVID-19 pandemic and efforts to mitigate the spread of the virus, including logistical challenges, protecting the health and well-being of our employees, remote work arrangements, performance of contracts and supply chain disruptions; the continuation or suspension of our stock 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; potential catastrophic events related to our operations, and related indemnification and insurance matters; protection of intellectual property rights and against cyber-attacks; compliance with environmental laws; changes in government regulations and regulatory requirements, particularly those related to 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 sanctions, 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 us and the resulting impact on our liquidity; execution of long-term, fixed-price contracts; structural changes and infrastructure issues in the oil and natural gas industry; maintaining a highly skilled workforce; availability and cost of raw materials; agreement with respect to and completion of potential dispositions, acquisitions and integration and success of acquired businesses and operations of joint ventures. Halliburton's Form 10-K for the year ended December 31, 2019, Form 10-Q for the quarter ended March 31, 2020, recent Current Reports on Form 8-K and other Securities and Exchange Commission filings 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.



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Agenda

- Company Overview
- Strategic Market Focus Areas
 - Unconventionals – Shale
 - Mature Fields
 - Deep Water
 - Digital
- Financial Review

HALLIBURTON



Company Overview

We collaborate and engineer solutions to maximize asset value for our customers

Halliburton Global Footprint



- Locations
- TC Technology Centers
- ★ Corporate Headquarters

Founded
1919

Employees
50,000*
140+ Nationalities

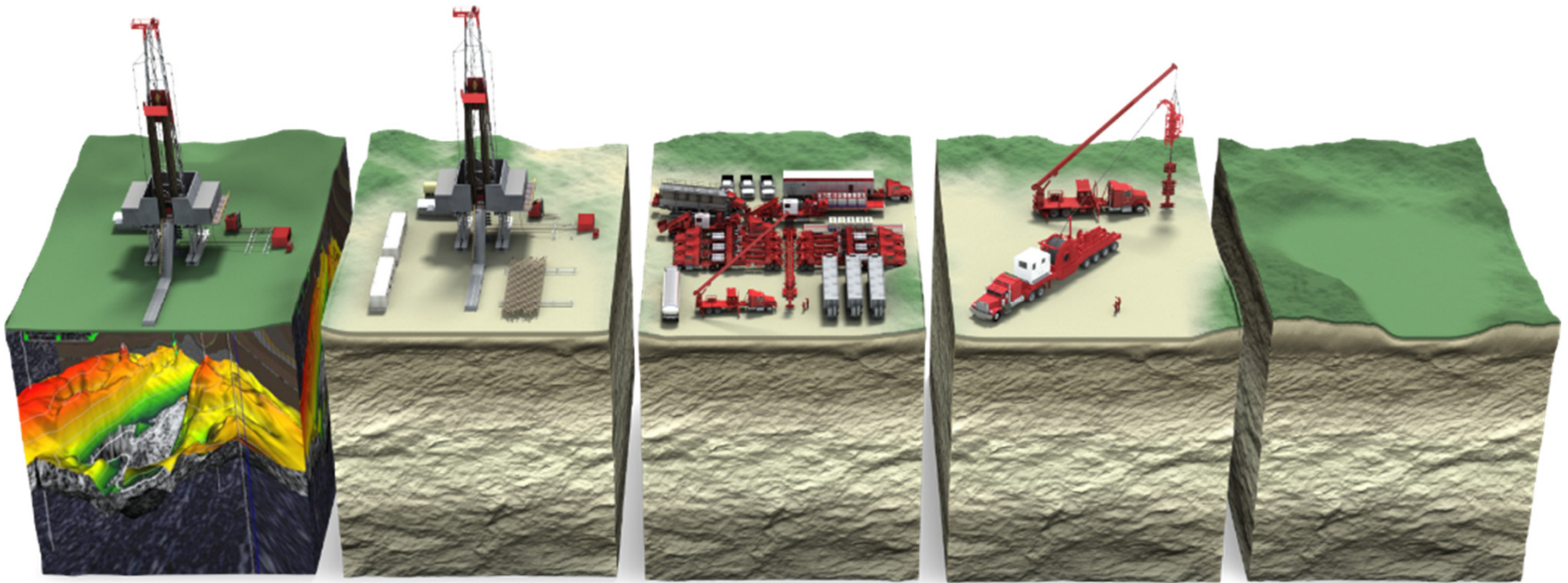
Operational Countries
80

Research Centers
12

Corporate Headquarters
Houston

**approximate estimate*

Halliburton Participates in Every Stage of Oilfield Life Cycle



Exploration

Well Construction

Completions

Production

Abandonment

Product Service Lines

HALLIBURTON

Drilling and Evaluation



Baroid



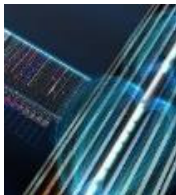
Drill Bits
& Services



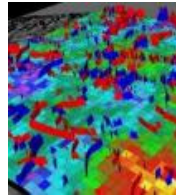
Sperry
Drilling



Testing
& Subsea



Wireline
& Perforating



Landmark



Project
Management

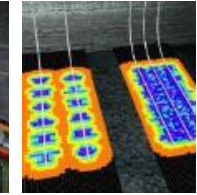
Completion and Production



Cementing



Completion
Tools



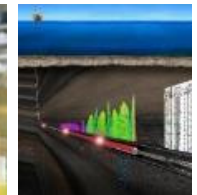
Production
Enhancement



Artificial
Lift



Multi-Chem



Production
Solutions

Returns-focused Strategy

Deliver strong cash flow and industry-leading returns **for our shareholders** by collaborating and engineering solutions that **improve efficiency and maximize recovery for our customers**

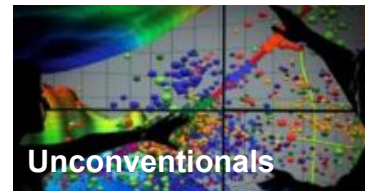
Provide a full range of the highest returning oilfield services globally

Focus on technology, safety, and superior service quality

Invest in innovative technologies and selective acquisitions in order to:

- improve efficiency and recovery for our customers
 - allow Halliburton to maximize returns and grow free cash flow
-

Strategic Markets



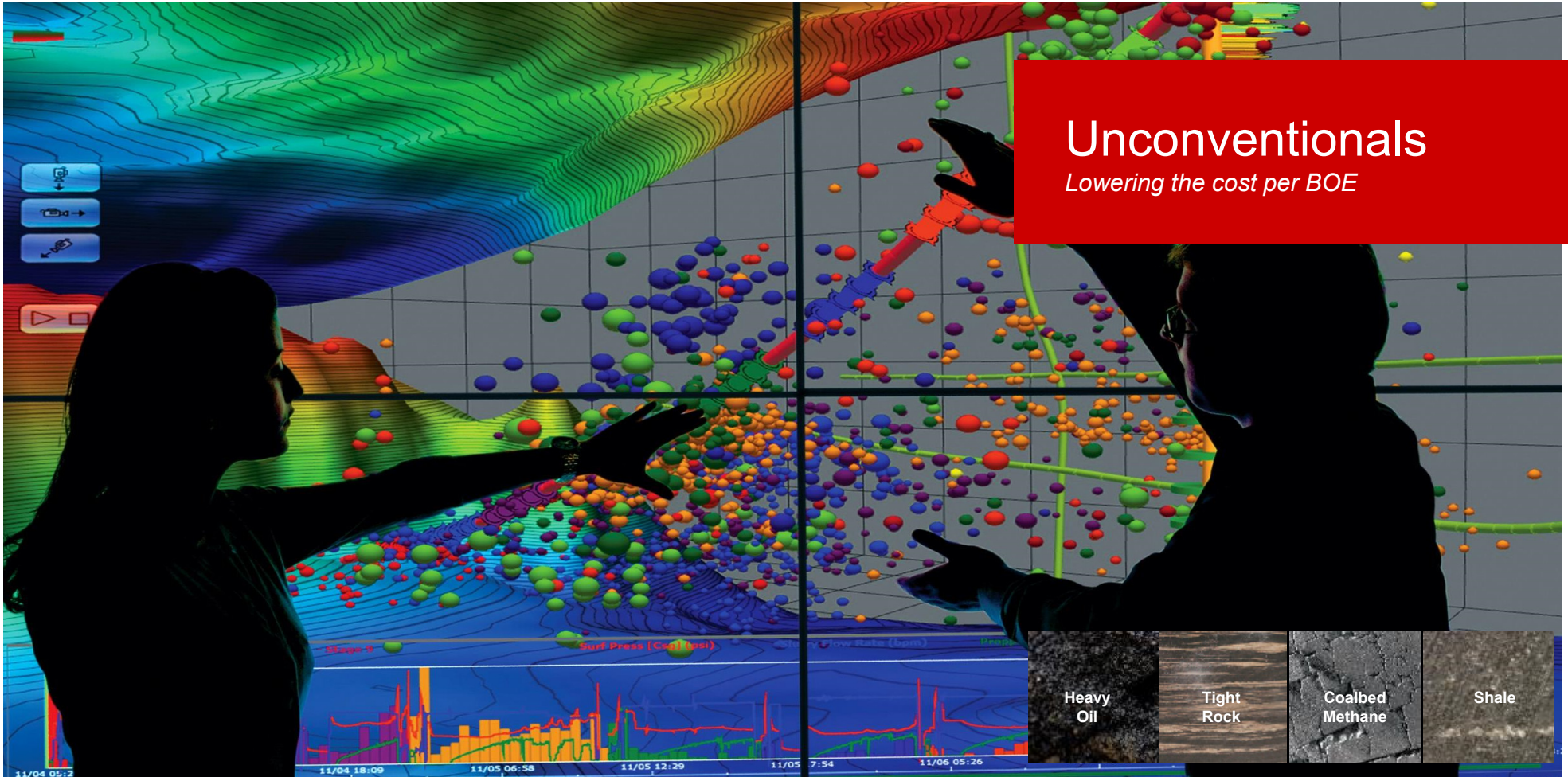
- Subsurface insight
 - Well productivity
 - Operational efficiency
-



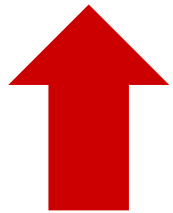
- Well production optimization
 - Improved asset recovery
 - Well abandonment
-



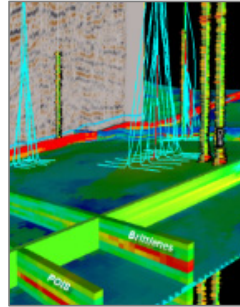
- Increased efficiency
- Reduced uncertainty
- Ultra-reliability



Unconventionals – Lowering Cost per BOE

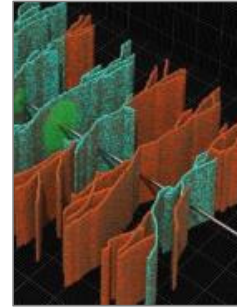


More
Barrels



Subsurface Insight

+



Well Productivity



Less
Cost

Operational Efficiency

Drilling Optimization



+

Supply Chain



+

Surface Efficiency



Unconventionals – Well Productivity

Automated Fracturing Service

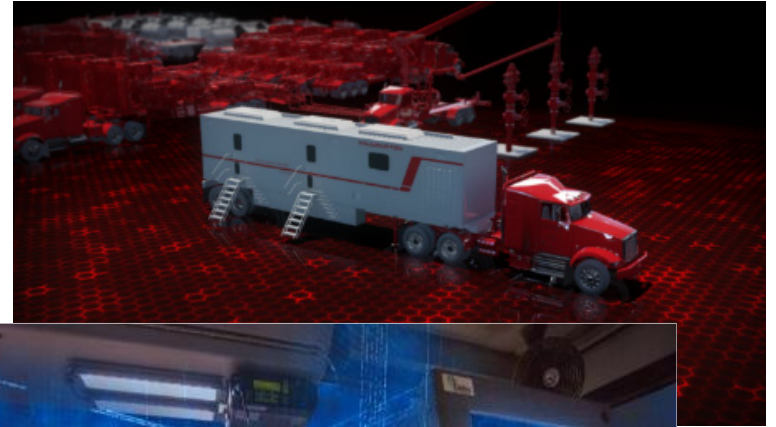
Industry-first **automated fracturing solution**

Machine learning & frac domain expertise combined to **control equipment**

More even distribution of proppant and fluid to each cluster – **30% improvement in cluster efficiency**

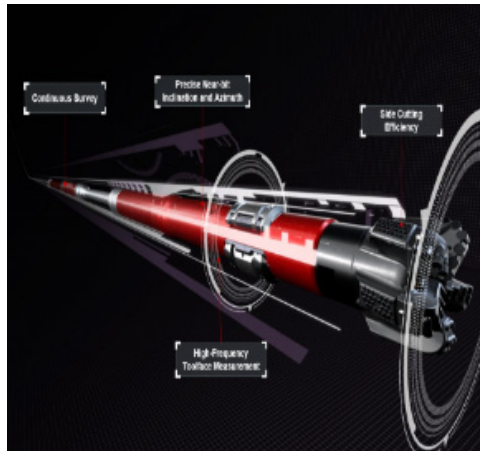
Well productivity – **10-25% more production** on the wells completed with automated frac

Deployed across all major basins in NAM and internationally



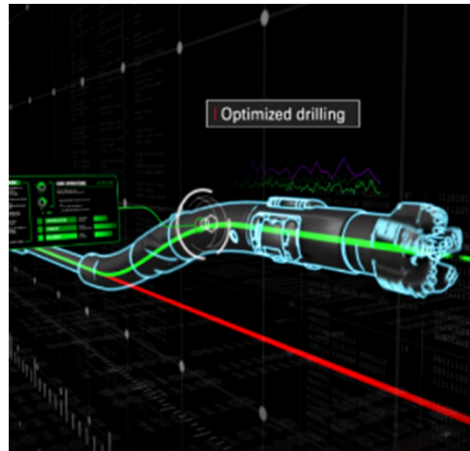
Unconventionals – Drilling Optimization

iCruise® Intelligent Rotary Steerable System



Superior Platform

Deployed in the US shale basins and internationally, with the highest mechanical specs on the market and up to 18 degree/100 feet dogleg capability



Drilling Automation

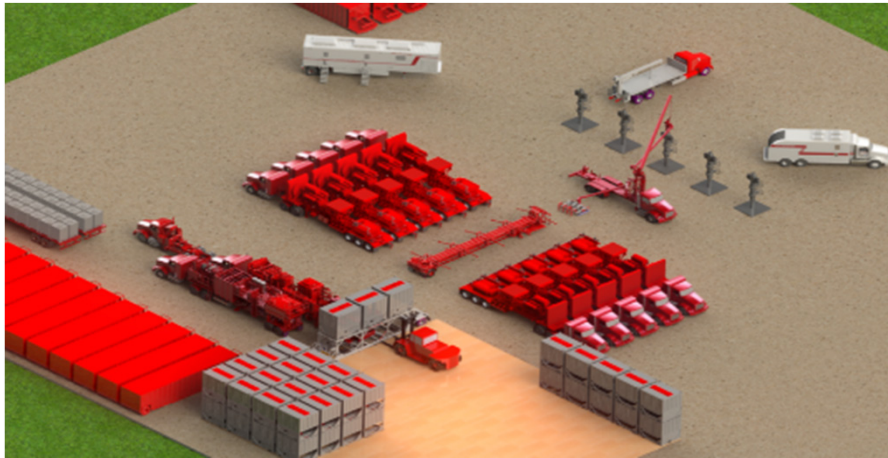
Uses BHA Digital Twin to produce predictable and consistent drilling results, reducing non-productive time and equipment wear



Improved Returns

Modular design compresses R&M time, improving asset velocity

Unconventionals – Surface Efficiency



20%

LESS
CAPITAL

35%

LESS
PERSONNEL

40%

LESS
COMPLETION TIME

Q10™ Pump



100% of the fleet,
quiet and dual fuel
fleets available

**ExpressKinect™ Wellhead
Connector**



Reduces rig-up time,
increases safety and
operational efficiency

ExpressSand™ System



Reduces footprint at wellsite,
significantly lowers
operational and capital costs

Snapshot™ Software

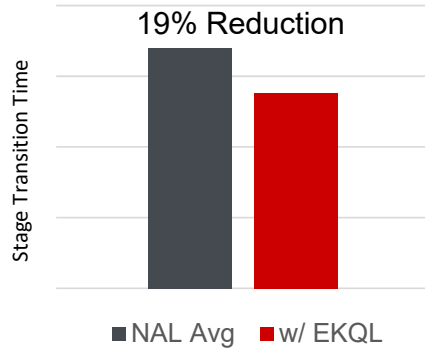
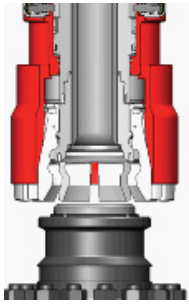


Streamlines wellsite
processes and increases
back-office efficiencies

Unconventionals – Operational Efficiency

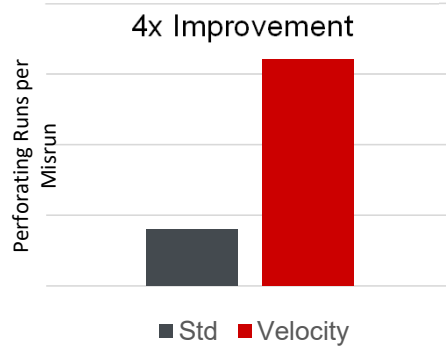
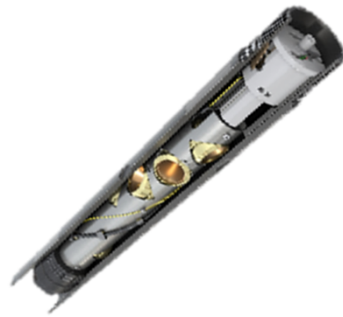
Integrated Completions

ExpressKinect™ Quick Latch



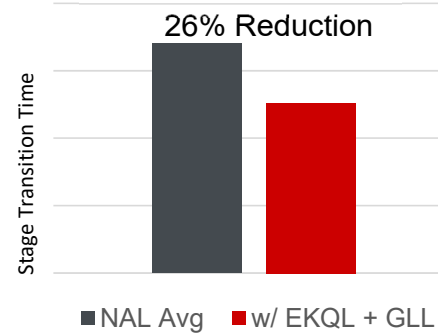
- Work Safer
- Save Time

Velocity™ Modular Perforating Gun System



- Work Safer
- Improve Reliability

EcoSeal Greaseless Wireline

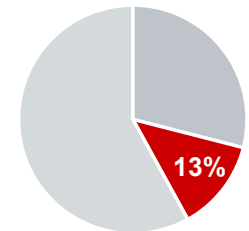


- Work Safer
- Save Time
- Reduce Environmental Impact

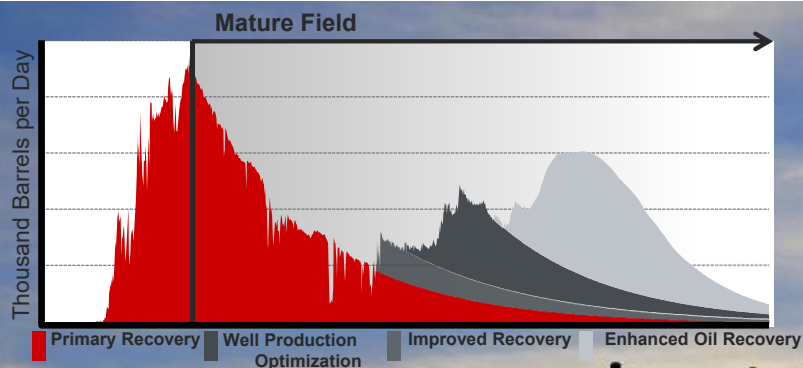
E-Winch



Reduce major source of NPT



- Work Safer
- Save Time
- Improve Reliability



Mature Fields

Unlocking the economic potential through extended production and improved recovery



70% Amount of worldwide oil & gas production from mature fields

35% Average worldwide recovery factor for oil

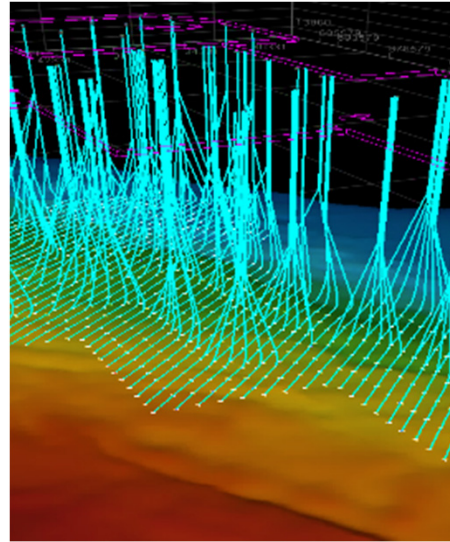
1% Recovery factor increase needed for additional 2-year global oil and gas supply

Mature Fields Solutions Portfolio



Well Production Optimization

- Artificial lift
- Specialty chemicals
- Diagnostics (wireline, coil tubing)
- Remediation and cleanout
- Resolution of gas migration issues



Improved Asset Recovery

- Infill drilling
- Multilaterals
- Automation and production analytics
- EOR

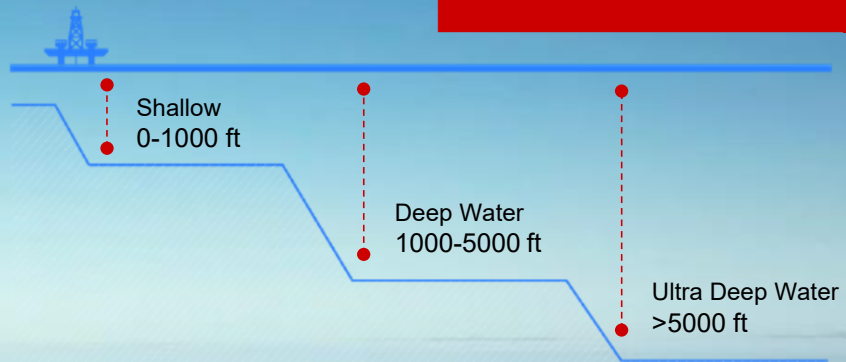


Well Abandonment / P&A

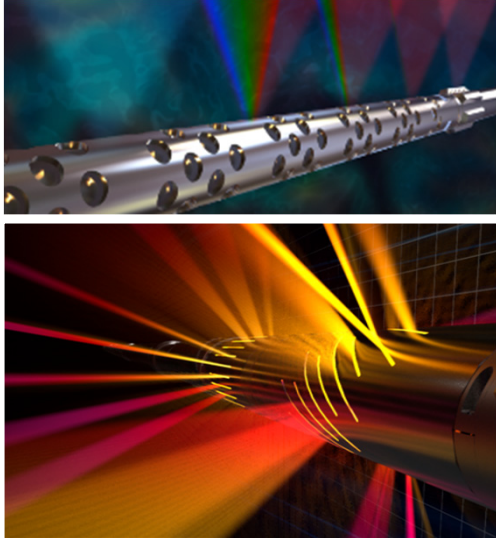
- Safe and compliant operations
- Well integrity
- Reliable barrier assurance

Deep Water

Delivering the lowest cost-per-foot reservoir



Deep Water Solutions Portfolio



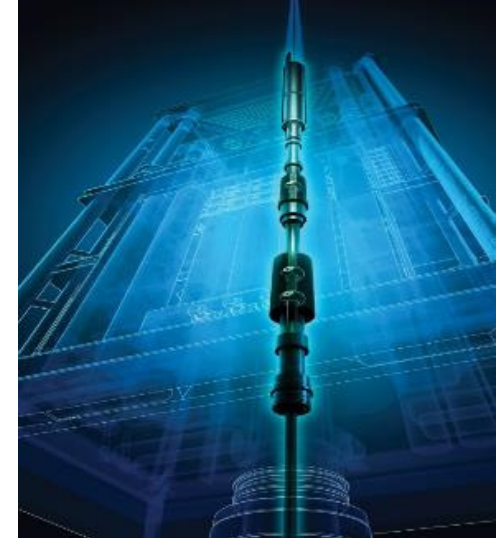
Reduced Uncertainty

- Logging-while-drilling
- Open hole wireline
- Field development planning



Increased Efficiency

- Integrated drilling solutions
- Real-time monitoring and decision making
- Well control for safe and seamless operations



Increased Reliability

- Wellbore integrity solutions
- Optimized completions
- Sustainable production

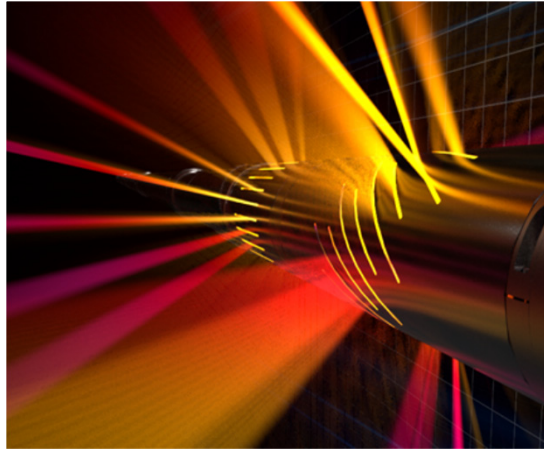
Deep Water – Reduced Uncertainty

EarthStar™ Ultra-deep Resistivity Service



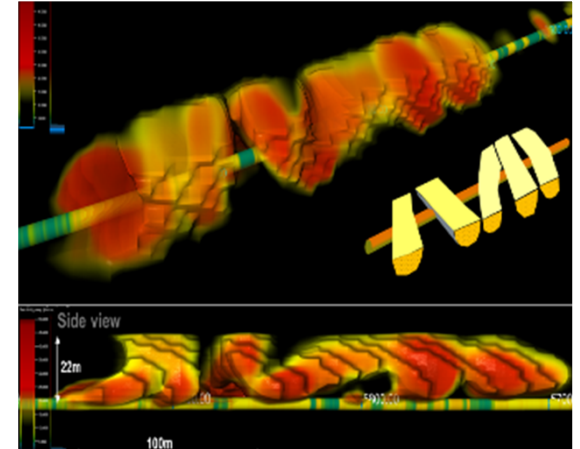
Geostop

Delivers the highest depth of investigation in the industry to see 200 feet around the wellbore and avoid hazards



Geosteer

Steering the well in the sweet spot maximizes reservoir contact and increases production



Geomap

Has unique 3D inversion capabilities to map formation boundaries and fluid movements that help discover bypassed pay and more reserves

Digital

Transforming the way we work to make a quantum leap in productivity



HALLIBURTON 4.0



Subsurface 4.0

Evergreen subsurface at planet scale

Adaptive risk & uncertainty

Agile field development



Well Construction 4.0

Optimize well program

Automate drilling

Lean supply chain



Reservoir Recovery 4.0

Optimize capacity

Maximize uptime

Increase recovery



Enterprise 4.0

Process and workflows

Data and analytics

Cloud

Smart tools

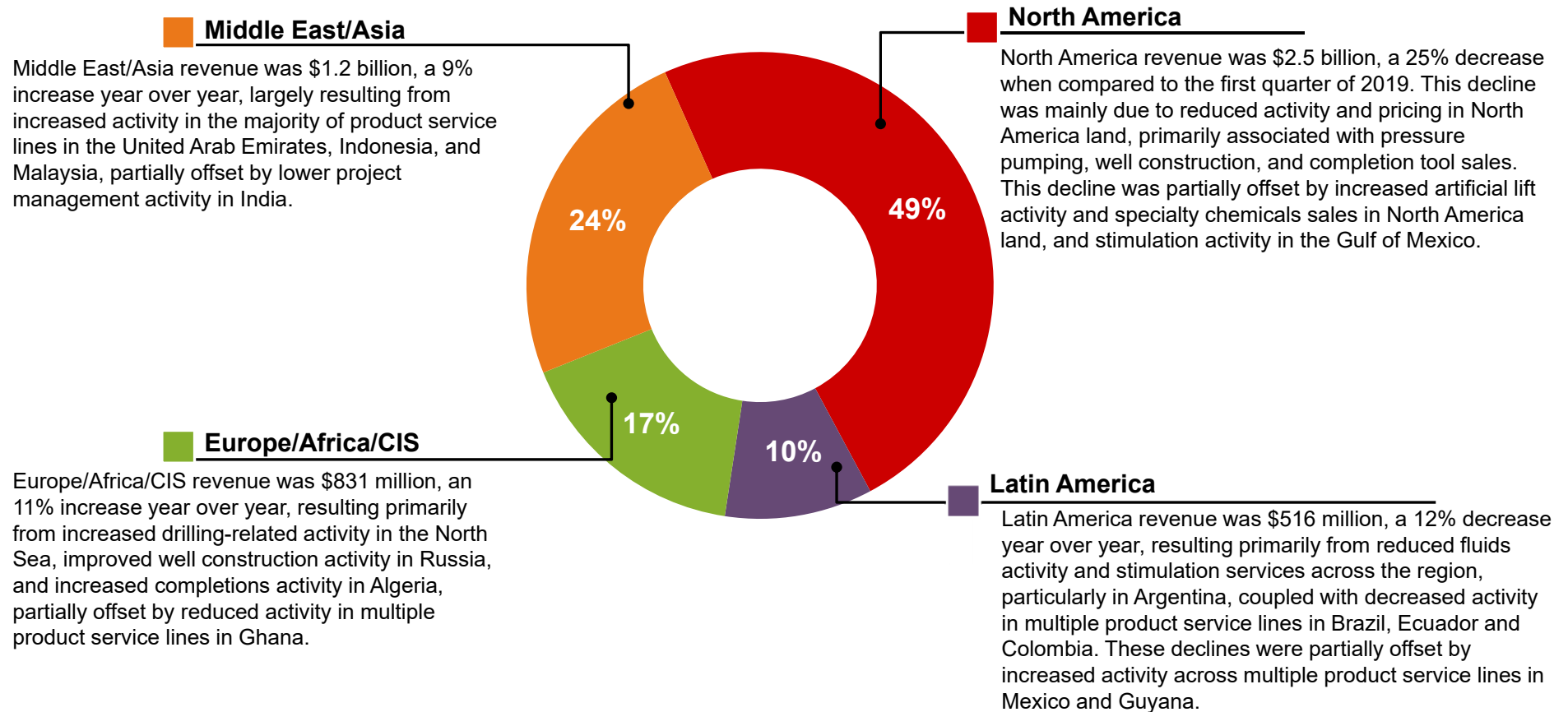


Digital
Partners



Solutions
Partners

1Q20 Revenue Breakdown



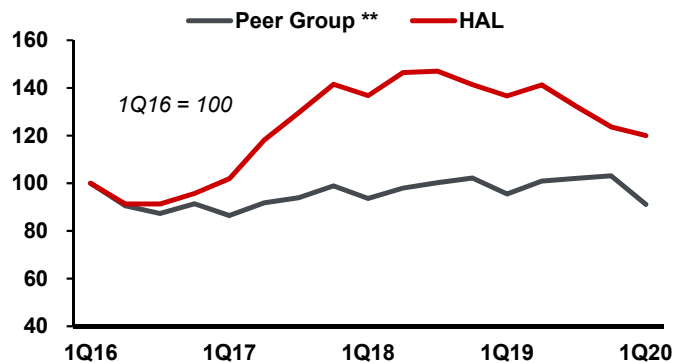
Segment and Geographic Results

Millions of dollars

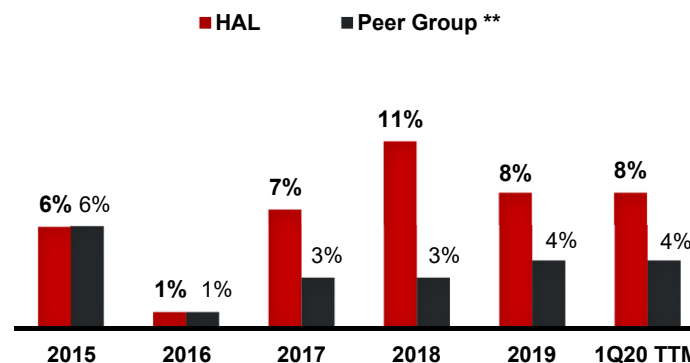
Revenue	Q118	Q218	Q318	Q418	Q119	Q219	Q319	Q419	Q120	2018	2019	YTD 2020
<i>By segment results:</i>												
Completion and Production	\$ 3,807	\$ 4,164	\$ 4,170	\$ 3,832	\$ 3,662	\$ 3,805	\$ 3,506	\$ 3,058	\$ 2,962	\$ 15,973	\$ 14,031	\$ 2,962
Drilling and Evaluation	1,933	1,983	2,002	2,104	2,075	2,125	2,044	2,133	2,075	8,022	8,377	2,075
Total	\$ 5,740	\$ 6,147	\$ 6,172	\$ 5,936	\$ 5,737	\$ 5,930	\$ 5,550	\$ 5,191	\$ 5,037	\$ 23,995	\$ 22,408	\$ 5,037
<i>By geographic region:</i>												
North America	\$ 3,517	\$ 3,834	\$ 3,739	\$ 3,341	\$ 3,275	\$ 3,327	\$ 2,949	\$ 2,333	\$ 2,460	\$ 14,431	\$ 11,884	\$ 2,460
Latin America	457	479	522	607	587	571	608	598	516	2,065	2,364	516
Europe / Africa / CIS	716	726	757	746	748	823	831	883	831	2,945	3,285	831
Middle East / Asia	1,050	1,108	1,154	1,242	1,127	1,209	1,162	1,377	1,230	4,554	4,875	1,230
Total	\$ 5,740	\$ 6,147	\$ 6,172	\$ 5,936	\$ 5,737	\$ 5,930	\$ 5,550	\$ 5,191	\$ 5,037	\$ 23,995	\$ 22,408	\$ 5,037
Operating Income / (Loss)												
Completion and Production	\$ 500	\$ 669	\$ 613	\$ 496	\$ 368	\$ 470	\$ 446	\$ 387	\$ 345	\$ 2,278	\$ 1,671	\$ 345
Drilling and Evaluation	188	191	181	185	123	145	150	224	217	745	642	217
Corporate and other	(69)	(71)	(78)	(73)	(65)	(65)	(60)	(65)	(60)	(291)	(255)	(60)
Impairments and other charges	(265)	-	-	-	(61)	(247)	-	(2,198)	(1,073)	(265)	(2,506)	(1,073)
Total	\$ 354	\$ 789	\$ 716	\$ 608	\$ 365	\$ 303	\$ 536	\$ (1,652)	\$ (571)	\$ 2,467	\$ (448)	\$ (571)
CAPEX												
CAPEX	\$ 501	\$ 565	\$ 409	\$ 551	\$ 437	\$ 408	\$ 345	\$ 340	\$ 213	\$ 2,026	\$ 1,530	\$ 213
DDA	394	390	400	422	416	420	417	372	348	1,606	1,625	348

Financial Metrics

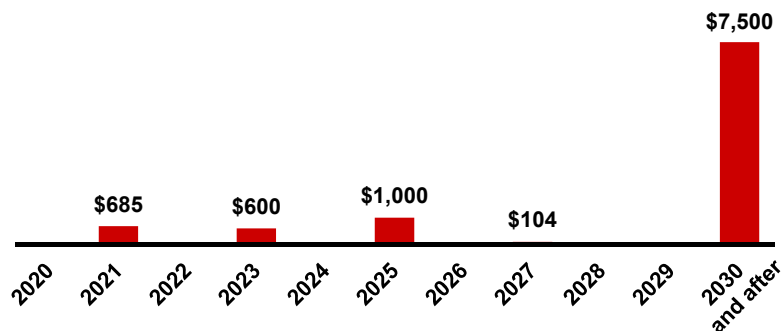
Total Revenue (Normalized)



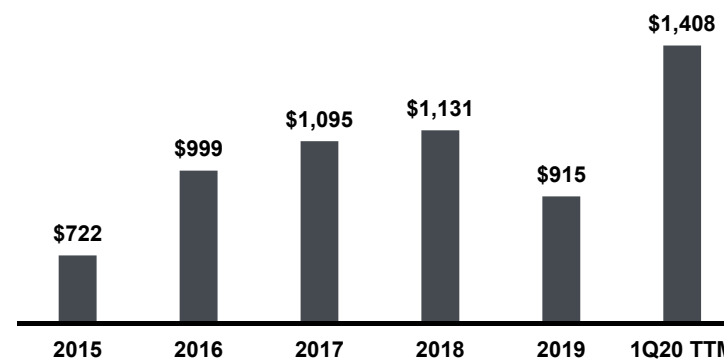
Return on Capital Employed*



Debt Maturity Profile (\$MM)



Adjusted Free Cash Flow* (\$MM)



* Excludes certain charges. See slide 25 for reconciliation of Return on Capital Employed to Adjusted Return on Capital Employed and slide 26 for reconciliation of Cash Flows from Operating Activities to Adjusted Free Cash Flow.
 ** Peer Group includes Schlumberger and Baker Hughes Company

Reconciliation of As Reported ROCE to Adjusted ROCE

(\$millions)	2015	2016	2017	2018	2019	1Q20 TTM
As reported net income attributable to company	\$(671)	\$(5,763)	\$(463)	\$1,655	\$(1,131)	\$(2,300)
Interest expense, after-tax	329	529	517	479	450	581
As reported operating profit, after-tax	\$(341)	\$(5,234)	\$54	\$2,134	\$(681)	\$(1,719)
Adjustments, after-tax	1,972	5,621	1,440	5	2,215	3,279
Adjusted operating profit, after-tax (a)	\$1,631	\$387	\$1,494	\$2,139	\$1,534	\$1,560
Average capital employed (b)	\$27,606	\$26,378	\$20,561	\$19,591	\$19,243	\$18,464
As reported ROCE (c)	(1%)	(20%)	0%	11%	-4%	-9%
Adjusted ROCE (c)	6%	1%	7%	11%	8%	8%

- (a) Management believes that operating income adjusted for certain charges is useful to investors to assess and understand operating performance, especially when comparing results with previous and subsequent periods or forecasting performance for future periods, primarily because management views the charges to be outside of the company's normal operating results. Management analyzes operating income without the impact of these charges as an indicator of performance, to identify underlying trends in the business, and to establish operational goals. See slide 23 for further details on these adjustments, pre-tax.
- (b) Average capital employed is a statistical mean of the combined values of debt and shareholders' equity for the beginning and end of the period.
- (c) As reported return on capital employed (ROCE) is calculated as: "As reported operating profit, after-tax" divided by "Average capital employed." Adjusted ROCE is calculated as: "Adjusted operating profit, after-tax" divided by "Average capital employed."

Reconciliation of Cash Flows from Operating Activities to Adjusted Free Cash Flow

(\$millions)	2015	2016	2017	2018	2019	1Q20 TTM
Total cash flows provided by (used in) operating activities	\$2,906	\$(1,703)	\$2,468	\$3,157	\$2,445	\$2,714
Capital expenditures	(2,184)	(798)	(1,373)	(2,026)	(1,530)	(1,306)
Free cash flow (a)	\$722	\$(2,501)	\$1,095	\$1,131	\$915	\$1,408
BHI termination fee	-	(3,500)	-	-	-	-
Adjusted free cash flow	\$722	\$999	\$1,095	\$1,131	\$915	1,408

- (a) Management believes that free cash flow, which is defined as "Total cash flows provided by (used in) operating activities" less "Capital expenditures," is useful to investors to assess and understand liquidity, especially when comparing results with previous and subsequent periods. Management views free cash flow as a key measure of liquidity in the company's business.

Why Invest in Halliburton?

Globally diversified oilfield services company with 13 different product service lines

Leading position in North America and a strong international franchise

Collaborating and engineering differentiated solutions to maximize asset value for our customers

Delivering strong cash flow and industry-leading returns

