

BAKER HUGHES INC
Form 425
December 10, 2014

Capital One Securities
9
th
Annual Energy Conference
Mark McCollum
EVP & Chief Financial Officer
December 10, 2014
Filing
pursuant

to
Rule
425
under
the
Securities
Act
of
1933,
as
amended
Deemed
filed
under
Rule
14a-12
under
the
Securities
Exchange
Act
of
1934,
as
amended
Filer:
Halliburton
Company
Subject
Company:
Baker
Hughes
Incorporated
Commission
File
No.:
001-09397

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2
The
statements
in
this

presentation
that
are
not
historical
statements,
including
statements
regarding
the
integration
of
Halliburton
and
Baker
Hughes,
the
strength
of
the
combined
company
(including
expected
synergies
and
the
costs
and
timing
to
obtain
them),
expectations
regarding
the
accretiveness
of
the
acquisition,
capabilities
and
advantages
of
the
combined
company,
whether
the
transaction

will
close
and
the
expected
timing
thereof,
whether
all
required
regulatory
clearances
and
approvals
will
be
obtained,
projected
capital
structure,
expected
fourth
quarter
2014
operational
results
and
restructuring
charges
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:
failure
to
obtain
the
required
votes
of
Halliburton s
or
Baker
Hughes
stockholders;
the
timing
to
consummate

the
proposed
transaction;
the
conditions
to
closing
of
the
proposed
transaction
may
not
be
satisfied
or
the
closing
of
the
proposed
transaction
otherwise
does
not
occur;
the
risk
a
regulatory
approval
that
may
be
required
for
the
proposed
transaction
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
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;
expectations
regarding
regulatory
approval
of
the
transaction;
results
of
litigation,
settlements,
and
investigations;
and
other

risks
and
uncertainties
described
in
Halliburton's
Form
10-K
for
the
year
ended
December
31,
2013,
Form
10-Q
for
the
quarter
ended
September
30,
2014,
recent
Current
Reports
on
Form
8-K,
and
other
Securities
and
Exchange
Commission
filings.
These
filings
also
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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3
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.
This
communication
relates
to
a
proposed
business
combination
between
Halliburton
and
Baker
Hughes.
In
connection
with
this
proposed
business
combination,
Halliburton
and/or
Baker

Hughes
may
file
one
or
more
proxy
statements,
registration
statements,
proxy
statement/prospectus
or
other
documents
with
the
SEC.
This
communication
is
not
a
substitute
for
any
proxy
statement,
registration
statement,
proxy
statement/prospectus
or
other
document
Halliburton
and/or
Baker
Hughes
may
file
with
the
SEC
in
connection
with
the
proposed
transaction.

INVESTORS
AND
SECURITY
HOLDERS
OF
HALLIBURTON
AND
BAKER
HUGHES
ARE
URGED
TO
READ
THE
PROXY
STATEMENT(S),
REGISTRATION
STATEMENT(S),
PROXY
STATEMENT/PROSPECTUS
AND
OTHER
DOCUMENTS
THAT
MAY
BE
FILED
WITH
THE
SEC
CAREFULLY
AND
IN
THEIR
ENTIRETY
IF
AND
WHEN
THEY
BECOME
AVAILABLE
BECAUSE
THEY
WILL
CONTAIN
IMPORTANT
INFORMATION.
Any
definitive
proxy

statement(s)
(if
and
when
available)
will
be
mailed
to
stockholders
of
Halliburton
and/or
Baker
Hughes,
as
applicable.
Investors
and
security
holders
will
be
able
to
obtain
free
copies
of
these
documents
(if
and
when
available)
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
will
be
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
or
by
phone
at
+1-281-871-2688.
Copies
of
the
documents
filed
with

the
SEC
by
Baker
Hughes
will
be
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
trey.clark@bakerhughes.com
or
alondra.oteyza@bakerhughes.com
or
by
phone
at
+1-713-439-8039
or
+1-713-439-8822.
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,
2013,
which
was
filed
with
the
SEC
on

February
7,
2014,
its
proxy
statement
for
its
2014
annual
meeting
of
stockholders,
which
was
filed
with
the
SEC
on
April
8,
2014,
its
Quarterly
Report
on
Form
10-Q
for
the
quarter
ended
September
30,
2014,
which
was
filed
with
the
SEC
on
October
24,
2014
and
its
Current
Reports

on
Form
8-K
filed
with
the
SEC
on
July
21,
2014
and
December
9,
2014.
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,
2013,
which
was
filed
with
the
SEC
on
February

12,
2014,
its
proxy
statement
for
its
2014
annual
meeting
of
stockholders,
which
was
filed
with
the
SEC
on
March
5,
2014,
its
Quarterly
Report
on
Form
10-Q
for
the
quarter
ended
September
30,
2014,
which
was
filed
with
the
SEC
on
October
21,
2014,
and
its
Current
Reports
on

Form
8-K
filed
with
the
SEC
on
June
10,
2014
and
September
10,
2014.
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,

will
be
contained
in
the
proxy
statement/prospectus
and
other
relevant
materials
to
be
filed
with
the
SEC
when
they
become
available.
Participants in Solicitation
Additional information

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4
Combined
company
should
be

rewarded
with
a
higher
trading
multiple
than
either
HAL
or
BHI
enjoys
today

A Stronger and More Diverse Organization

Targeting Nearly \$2 billion of Annual Cost Synergies

Accretive Metrics

Cash Flow by end of Year One After Close

Earnings per Share by end of Year Two After Close

Pro forma capital structure maintains strong investment grade ratings and
provides substantial flexibility

Committed to Efficiency and Returns

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5
Expanded Platform
for Superior
Growth, Margins &
Returns

Comprehensive
Mature Fields
Capabilities
Best-in-Class
Unconventional
Solutions
Robust
Deep Water
Technology
Portfolio

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6
R&D
Optimization
Administration/
Organizational

Efficiencies

Real Estate

North American

Operational

Efficiencies

International

Operational

Efficiencies

Corporate

Nearly \$2 billion of annual cost synergies

Best Athlete

Leadership

Asset Utilization

Working Capital

Underserved Markets

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7

Prior to Close

Initiated Regulatory Reviews

Announced Integration Leadership

Established Integration Teams

After Close

©
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8
Today
Complete Regulatory Reviews
Day 2
Architecture

Integration/Synergy Planning
After Close

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9
Today
Prior to Close
Execute on Integration/ Synergies
Recapitalization

Drive Shareholder Returns

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10
Short-Term Adjustments
Maintaining Long-Term
Flexibility

©
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Integration Planning Underway
Maintaining Flexibility
Focused on Returns

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Capital One Securities
9
th
Annual Energy Conference
Mark McCollum
EVP & Chief Financial Officer
December 10, 2014