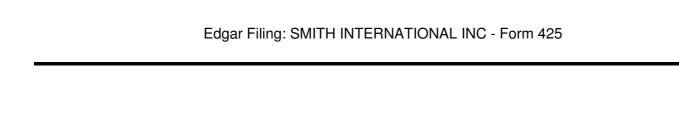
SMITH INTERNATIONAL INC Form 425 March 18, 2010

Schlumberger and Smith International, Inc. to Merge
March, 2010
Filed
by

Schlumberger N.V. (Schlumberger Limited) Pursuant to Rule 425 of the Securities Act of 1933, as amended, and deemed filed pursuant to Rule 14a-12 of the Securities Exchange Act of 1934, as amended Schlumberger N.V. (Schlumberger Limited) (File No.: 1-4601) Subject Company: Smith International, Inc. (File No: 1-8514)



Forward-Looking Statements

This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as Exchange Act of 1934, as amended. The opinions, forecasts, projections, or other statements other than statements of historical Company can give no assurance that such expectations will prove to have been correct. These statements are subject to, among conditions to the merger, the risk that the contemplated merger does not occur, negative effects from the pendency of the merge businesses and to realize expected synergies and other risk factors that are discussed in Schlumberger s and Smith s most rec with the SEC available at the SEC s Internet site (http://www.sec.gov). Actual results may differ materially from those expec

Forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update or reviewents or otherwise.

Additional Information

STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND REGISTRATION STATEM WHEN IT BECOMES AVAILABLE BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROP important information about the proposed transaction that should be read carefully before any decision is made with respect to made available to the shareholders of Smith at no expense to them. Investors and security holders will be able to obtain the doc SEC s web site, www.sec.gov. In addition, such materials (and all other documents filed with the SEC) will be available free documents are not currently available. You may also read and copy any reports, statements and other information filed by Smi reference room at 100 F Street N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at (800) 732-0330 or visit the reference room.

Each company s directors and executive officers and other persons may be deemed, under SEC rules, to be participants in the proposed transaction. Information regarding Schlumberger s directors and officers can be found in its proxy statement filed w regarding Smith s directors and officers can be found in its proxy statement filed with the SEC on April 13, 2009. Additional solicitation and a description of their direct and indirect interests in the transaction, by security holdings or otherwise, will be c relevant materials to be filed with the SEC when they become available.

Higher levels of drilling will be necessary to sustain and increase world oil and gas production
Drilling
intensity

and well

complexity

will
continue
to
increase
due
to
areas
such
as deepwater sub-salt and shale gas
Geosteered
wells with complex geometries are key to increased recovery and
maximizing initial production
Combining our LWD, MWD & DD capabilities with the design and optimization of
the entire BHA (including bits, drilling tools and drilling fluids) will improve drilling
performance and reduce drilling risk

Industry Trends Drilling

Smith Oilfield Smith Fluids Smith Distribution 2008A 2009A Revenue: \$5,183

\$4,224
Oper. Income:
840
541
Oper. Margin
16%
12%
2008A
2009A
Revenue:
\$2,849
•
\$2,225
Oper. Income:
747
254
Oper. Margin
26%
10%
2008A
2009A
Revenue:
\$2,739
\$1,769
Oper. Income:
180
(32)
Oper. Margin
7%
NM
Drilling Fluid Systems and Services
Environmental and Process Solutions
Completion Fluids
•
Production Chemicals
Drill Bits
Motors and Drilling Tools
Reamers and Hole Openers
Fishing and Casing Existing
Tubular Drill String Components
Completion and Artificial Lift Products
LWD, MWD, DD
Coiled Tubing, CH WL and Perforating
Pipe, Valves and Fittings
Mill, Safety and Maintenance Products
Supply Chain Services
Smith International, Inc.
Smith International Organization
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Drilling Services Gap Analysis Minority SLB JV interest Majority JV with SLB

Complementary Services

Integrated fluid engineering and environmental solutions

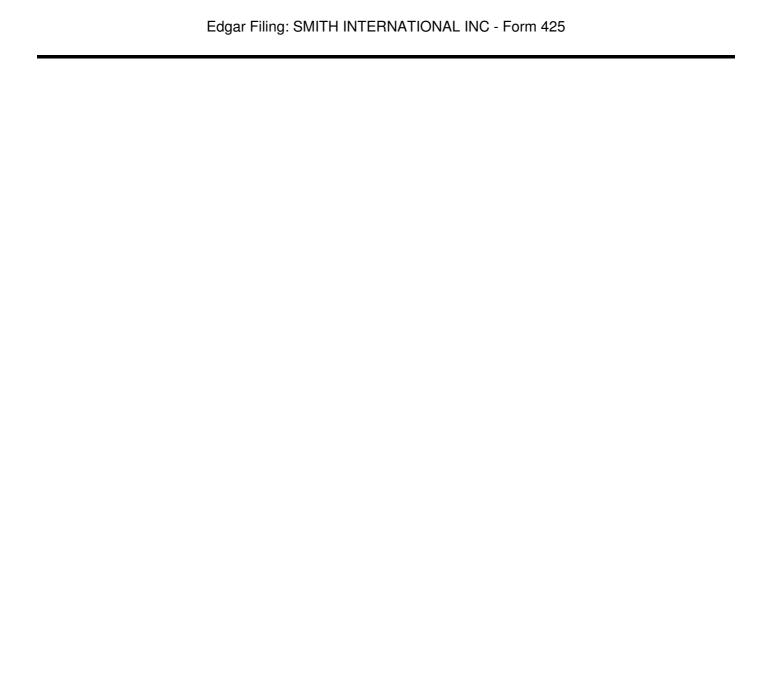
IDEAS/i-Drill BHA modeling software

Fishing services

Window cutting and exiting services (Trackmaster)

Inspection and machine shop services

Rotating drilling heads pressure containment Drilling Services Offering Surface Control Systems



Enable SLB to provide a fully optimized drilling services offering:

Next generation of BHA offering

Industry leading bit/drillstring software modeling

In-house drilling bit/motor/turbine engineering and manufacturing

surface control mechanisms for automation

Higher temperature MWD/LWD capabilities (175 degC)
Broaden
SLB
portfolio re-entry drilling process
Enable SLB to add to completions offerings
Smith manufacturing and distribution channels

Vehicle for high volume business Merger Rationale

Merger Rationale (Continued)

Drilling Solutions D&M, IPM Integrated fluid engineering and RT hydraulics control (particularly for DW and HT) Managed pressure

drilling

Wellbore stability and well strengthening solutions Loss circulation management while drilling solutions

Zonal Isolation Well Services More efficient cement operations Improved logistics/supply chain for chemicals and bulk products

Production Technologies Well Services and Completions Unique completion and stimulation solutions Shale gas environmental solutions water management

Water Services Environmental solutions

Optimize interaction between MI-Swaco and SLB segments Downhole system reliability reduced blockage, abrasivity and chemical damage



Create a drilling group to integrate our drilling services offering
 Improved drilling performance integrated BHA design and fluid engineering
 Increased operational efficiency new motor (Dyna-Drill) and turbine designs (Neyrfor)

Rotary Steerable Services integration with the bit, plus instrumented bits development

Bits, reamers and drilling tools on D&M and IPM projects, plus new business

Increase SLB exposure to vertical drilling combined bit, PowerV* vertical drilling system and motors

Comprehensive brownfield reentry drilling package fishing, exiting services

PathFinder

HT and mid tier LWD/MWD expand footprint, access to new customers

Smith manufacturing and distribution channels vehicle for high volume business Synergy Realization

2. Optimize interaction between MI-Swaco and SLB segments

Drilling Solutions D&M, IPM

Integrated fluid engineering and RT hydraulics control

MPD and Wellbore stability solutions

Well Productivity Well Services

Production Technologies Reservoir Production new business opportunity

Environmental Solutions Water Services

3. Smith products and services complement SLB segment portfolios

Liner hangers SLB Completions segment

Production packers SLB Completions segment

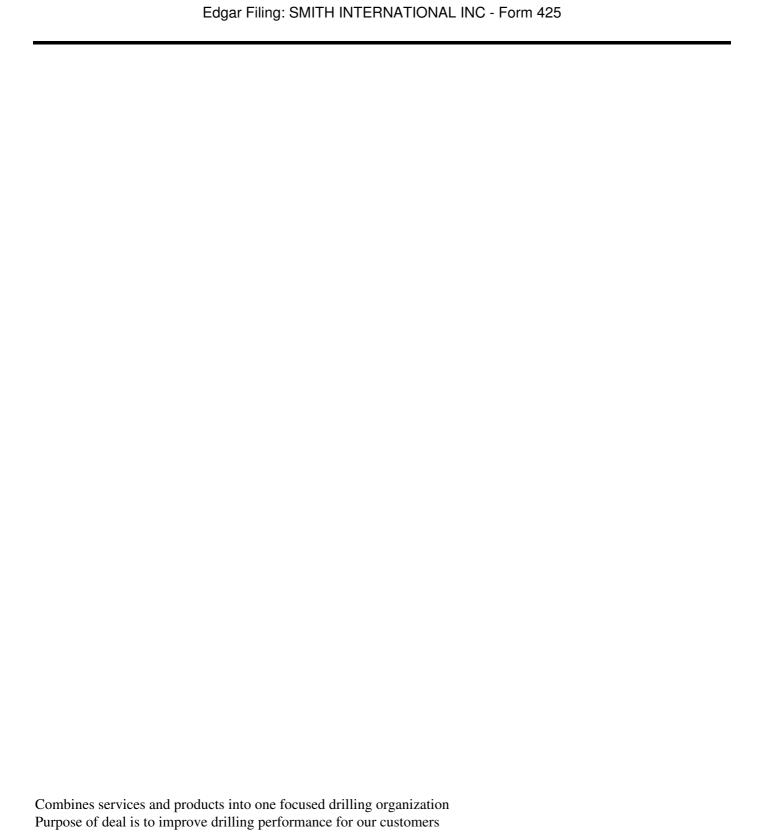
SmithLift SLB Artificial Lift segment

Coiled Tubing Services SLB Well Services segment

Cased hole wireline SLB Wireline segment Synergy

Realization

(Continued)



Optimized drilling system designs range of drilling environments

New product development evolving

drilling challenges

Improved total system reliability Add to SLB completions offerings Strengthens Smith brands

Increase access to new business opportunities

Access to SLB R&D Summary

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