

## **Weatherford Prices Senior Notes Offering and Secures Commitment on New Revolving Credit Facility**

### *Portion of Proceeds Expected to be Used to Purchase Outstanding Notes and Pay Down Short-Term Borrowings*

GENEVA, Switzerland, Sept. 17 -- Weatherford International Ltd., a Swiss joint-stock corporation (NYSE: WFT) (the "Company" or "Weatherford"), has announced several capital transactions expected to improve its balance sheet and liquidity position by significantly reducing outstanding debt scheduled to mature in the next three years and increasing available liquidity.

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Weatherford International Ltd., a Bermuda exempted company ("Weatherford Bermuda") and a subsidiary of the Company, priced an offering of \$800 million of 5.125% senior notes due 2020 and \$600 million of 6.75% senior notes due 2040 after market close yesterday. The Company and Weatherford International, Inc., a Delaware corporation ("Weatherford Delaware") and subsidiary of the Company, will fully and unconditionally guarantee the notes on a senior, unsecured basis. The notes issuance is expected to close on September 23, 2010. The notes will rank equally with all of Weatherford's other unsecured senior indebtedness and will be subject to substantially the same covenants as Weatherford's outstanding senior unsecured indebtedness.

The net proceeds from the offering are expected to be used:

- to fund the purchase price for the cash tender offers announced separately for up to \$700 million of the outstanding 6 3/4% Senior Notes due November 15, 2011 of Weatherford Delaware, 5.95% Senior Notes due June 15, 2012 of Weatherford Delaware, 5.15% Senior Notes due March 15, 2013 of Weatherford Bermuda and 4.95% Senior Notes due October 15, 2013 of Weatherford Bermuda;
- to repay existing short-term indebtedness under the Company's existing revolving credit facility; and
- for general corporate purposes.

The following table summarizes Weatherford's cash and cash equivalents and capitalization as of June 30, 2010: (i) on an actual basis; and (ii) on an as-adjusted basis to give effect to the issuance and sale of the 2020 and 2040 notes and the application of the estimated net proceeds as described above, assuming that holders of \$700 million in aggregate principal amount of notes subject to the tender offers tender in accordance with those offers. This table should be read in conjunction with the historical consolidated financial statements, including the notes to those statements, which are included in Weatherford's filings with the Securities and Exchange Commission.

**Actual    As Adjusted(2)**

As of June 30, 2010

(In millions)

Cash and Cash Equivalents(1)	\$ 222.8	\$ 249.3
Short-term Borrowings and Current Portion of Long-term Debt(1)	628.1	23.0
Total Long-term Debt	<u>6,005.5</u>	<u>6,699.9</u>
Shareholders' Equity	<u>9,674.6</u>	<u>9,615.8</u>
Total Capitalization	\$ 16,308.2	\$ 16,338.7

(1) Reflects the net proceeds, net of offering expenses, remaining from the offering after funding the tender offers and repayment of outstanding borrowings under existing credit facilities.

(2) The "as adjusted" column assumes that holders of \$700 million aggregate principal amount of notes subject to the tender offers tender in accordance with those offers.

Weatherford also announced that it has signed a commitment letter with J.P. Morgan Securities Inc., JPMorgan Chase Bank, N.A., Deutsche Bank Securities Inc. and Deutsche Bank AG New York Branch for a new \$1.75 billion senior unsecured revolving credit facility. JPMorgan Chase Bank, N.A. and Deutsche Bank AG New York Branch would serve as lenders under the proposed credit facility, with additional lenders to be determined following a syndication process expected to continue until early to mid October 2010. J.P. Morgan Securities Inc. and Deutsche Bank Securities Inc. have agreed to serve as joint lead arrangers and joint book runners for the syndication, arranging and documentation process. J.P. Morgan Chase Bank, N.A. has agreed to serve as administrative agent for the proposed credit facility. Weatherford Bermuda and certain of its subsidiaries would be the borrowers under the proposed credit facility and Weatherford Switzerland and Weatherford Delaware would guarantee the borrowers' obligations under the credit facility.

The proposed new credit facility will replace two of Weatherford's existing credit facilities, which have a combined limit of \$1.75 billion of borrowings and are scheduled to expire in May 2011. The proposed facility is not expected to have a financial covenant that is more restrictive than the one in the Company's existing credit facilities. Weatherford is in compliance with the financial covenants in its existing credit facilities. The proposed new credit facility is subject to successful syndication, definitive documentation, closing requirements and certain other conditions. Accordingly, no assurance can be given that this proposed facility will be procured on the terms, including the amount available to be borrowed described above, or at all.

Assuming the bond offering, the tender offers and the new revolving credit facility as described above had been completed, the Company would have had approximately \$2.0 billion of available liquidity (including cash on hand) as of June 30, 2010 on a pro-forma basis.

Weatherford is a Swiss-based, multi-national oilfield service company. It is one of the largest global providers of innovative mechanical solutions, technology and services for the drilling and production sectors of the oil and gas industry. Weatherford operates in over 100 countries and employs over 52,000 people worldwide.

*This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 concerning, among other things, the timing and closing of the proposed transactions, successful syndication of the proposed credit facility, successful closing of the tender offers, the Company's financial position and liquidity giving effect to those*

*transactions, Weatherford's prospects for its operations and the anticipated use of the proceeds of this offering. Weatherford's forward-looking statements are subject to certain risks, uncertainties and assumptions, including capital market risks, and assumptions about the marketability of our securities, and the risks and uncertainties more fully described in Weatherford International Ltd.'s reports and registration statements filed with the SEC, and include the impact of oil and natural gas prices and worldwide economic conditions on drilling activity, the outcome of pending government investigations, the demand for and pricing of Weatherford's products and services, domestic and international economic and regulatory conditions and changes in tax and other laws affecting our business. Should one or more of these risks or uncertainties materialize, or should the assumptions prove incorrect, actual results may vary materially from those currently anticipated.*

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