

Filed by Baker Hughes Incorporated
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
Subject Company: BJ Services Company
Commission File No: 001-10570

In connection with the proposed merger, Baker Hughes Incorporated (“**Baker Hughes**”) will file with the Securities and Exchange Commission (the “**SEC**”) a Registration Statement on Form S-4 that will include a joint proxy statement of Baker Hughes and BJ Services Company (“**BJ Services**”) that also will constitute a prospectus of Baker Hughes regarding the proposed transaction. INVESTORS AND SECURITY HOLDERS OF BAKER HUGHES AND BJ SERVICES ARE URGED TO CAREFULLY READ THE JOINT PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION REGARDING BAKER HUGHES, BJ SERVICES AND THE PROPOSED TRANSACTION. A definitive joint proxy statement/prospectus will be sent to security holders of Baker Hughes and BJ Services seeking their approval of the proposed transaction. Investors and security holders may obtain a free copy of the proxy statement/prospectus (when available) and other documents filed by Baker Hughes and BJ Services with the SEC at the SEC’s web site at www.sec.gov.

The joint proxy statement/prospectus and such other documents (relating to Baker Hughes) may also be obtained from Baker Hughes for free (when available) from Baker Hughes’ web site at www.bakerhughes.com/investor or by directing a request to: Baker Hughes Incorporated, 2929 Allen Parkway, Suite 2100, Houston, TX 77019, Attention: Corporate Secretary, or by phone at (713) 439-8600. The joint proxy statement/prospectus and such other documents (relating to BJ Services) may also be obtained from BJ Services for free (when available) from BJ Services’ web site at www.bjservices.com or by directing a request to: BJ Services Company, P.O. Box 4442, Houston, Texas 77210-4442, Attention: Investor Relations, or by phone at (713) 462-4239.

Baker Hughes, its directors, executive officers and certain members of management and employees may be considered “participants in the solicitation” of proxies from Baker Hughes’ stockholders in connection with the proposed transaction. Information regarding such persons and a description of their interests in the proposed transaction will be contained in the joint proxy statement/prospectus when it is filed with the SEC.

BJ Services, its directors, executive officers and certain members of management and employees may be considered “participants in the solicitation” of proxies from BJ Services’ stockholders in connection with the proposed transaction. Information regarding such persons and a description of their interests in the proposed transaction will be contained in the joint proxy statement/prospectus when it is filed with the SEC.

Except for the historical information set forth in this document, the matters discussed in this document are forward-looking statements that involve certain assumptions and known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially. Such forward-looking statements include, but are not limited to, statements about the benefits of the business combination transaction involving Baker Hughes and BJ Services, including expected future financial and operating results, anticipated accretion to Baker Hughes’ earnings per share arising from the transaction, the expected amount and timing of cost savings and operating synergies, whether and when the transactions contemplated by the merger agreement will be consummated, the new combined company’s plans, market and other expectations, objectives, intentions and other statements that are not historical facts.

The following additional factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the ability to obtain regulatory approvals for the transaction and the approval of the merger agreement by the stockholders of both parties; the risk that the cost savings and any other synergies from the transaction may not be realized or take longer to realize than expected; disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers; the ability to successfully integrate the businesses; unexpected costs or unexpected liabilities that may arise from the transaction, whether or not consummated; the inability to retain key personnel; continuation or deterioration of current market conditions; future regulatory or legislative actions that could adversely affect the companies; and the business plans of the customers of the respective parties. Additional factors that may affect future results are contained in Baker Hughes’ and BJ Services’ filings with the SEC, which are available at the SEC’s web site <http://www.sec.gov>. Except as required by law, neither Baker Hughes nor BJ Services intends to update or revise statements contained in these materials based on new information, future events or otherwise.

Baker Hughes & BJ Services Advancing Reservoir Performance

August 2009



Advancing Reservoir Performance

Baker Hughes Incorporated

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Forward-Looking Statements

Information set forth in this document (and all oral statements made regarding the subjects of this document, including on the conference call announced herein) contain “forward-looking statements” (as defined in Section 21E of the Securities Exchange Act of 1934, as amended), which reflect Baker Hughes’ and BJ Services’ expectations regarding future events. The forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those contained in the forward-looking statements. Such forward-looking statements include, but are not limited to, statements about the benefits of the business combination transaction involving Baker Hughes and BJ Services, including future financial and operating results, accretion to Baker Hughes’ earnings per share arising from the transaction, the expected amount and timing of cost savings and operating synergies, whether and when the transactions contemplated by the merger agreement will be consummated, the new combined company’s plans, market and other expectations, objectives, intentions and other statements that are not historical facts.

The following additional factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the ability to obtain regulatory approvals for the transaction and the approval of the merger agreement by the stockholders of both parties; the risk that the cost savings and any other synergies from the transaction may not be realized or may take longer to realize than expected; disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers; the ability to successfully integrate the businesses, unexpected costs or unexpected liabilities that may arise from the transaction, whether or not consummated; the inability to retain key personnel; continuation or deterioration of current market conditions; future regulatory or legislative actions that could adversely affect the companies; and the business plans of the customers of the respective parties. Additional factors that may affect future results are contained in Baker Hughes’ and BJ Services’ filings with the Securities and Exchange Commission (“SEC”), which are available at the SEC’s web site <http://www.sec.gov>. Baker Hughes and BJ Services disclaim any obligation to update and revise statements contained in these materials based on new information or otherwise.

Additional Information and Where to Find It

Baker Hughes and BJ Services will file a joint proxy statement/prospectus and other documents with the SEC. INVESTORS AND SECURITY HOLDERS ARE URGED TO CAREFULLY READ THE JOINT PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE, BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION REGARDING BAKER HUGHES, BJ SERVICES AND THE ACQUISITION. A definitive joint proxy statement/prospectus will be sent to security holders of Baker Hughes and BJ Services seeking their approval of the acquisition. Investors and security holders may obtain a free copy of the proxy statement/prospectus (when available) and other documents filed by Baker Hughes and BJ Services with the SEC at the SEC's web site at www.sec.gov. The proxy statement/prospectus and such other documents (relating to Baker Hughes) may also be obtained for free from Baker Hughes by accessing Baker Hughes' website at www.bakerhughes.com/investor. The proxy statement/prospectus and such other documents (relating to BJ Services) may also be obtained for free from BJ Services by accessing BJ Services' website at www.bjservices.com.

Participants in the Solicitation

Baker Hughes, its directors, executive officers and certain members of management and employees may be considered "participants in the solicitation" of proxies from Baker Hughes' stockholders in connection with the acquisition. Information regarding such persons and a description of their interests in the acquisition will be contained in the joint proxy statement/prospectus when it is filed.

BJ Services, its directors, executive officers and certain members of management and employees may be considered "participants in the solicitation" of proxies from BJ Services' stockholders in connection with the acquisition. Information regarding such persons and a description of their interests in the acquisition will be contained in the joint proxy statement/prospectus when it is filed.

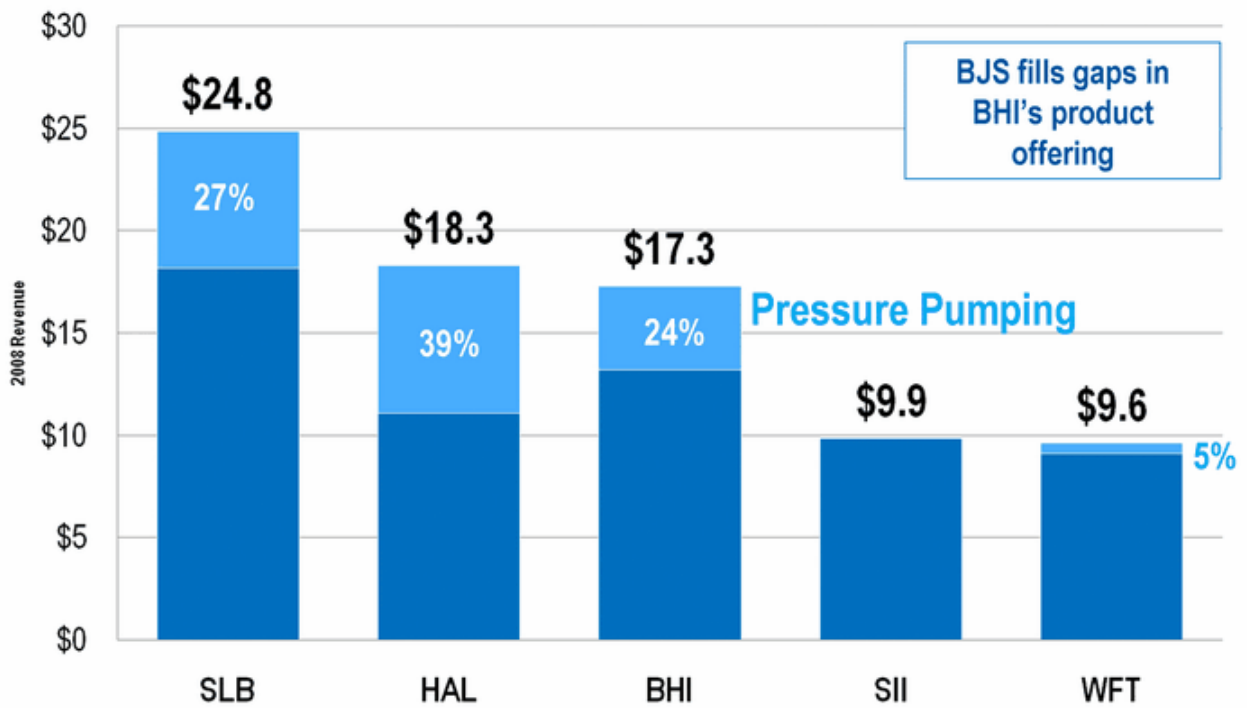
Transaction Overview

Terms	0.400 shares of Baker Hughes and \$2.69 in cash per share of BJ Services Approximately 117 million new BHI shares to be issued Approximately \$787 million of total cash consideration to BJ Services
Pro Forma Ownership	Baker Hughes 72.5% BJ Services 27.5%
Expected Closing Date	By the end of CY 2009

BJ Services Meets Our Acquisition Criteria:

- Addresses gaps in our product line
 - Fills important pressure pumping gap
 - Enhances competitive position in other product lines
- Advances our capabilities in the reservoir
- Pressure pumping makes us more competitive for integrated operations
- A technology play in key market segments
 - Hydraulic fracturing and acidizing
 - Unconventional shale gas, tight gas and oil, international opportunities
 - Offshore pressure pumping and sand control services
 - Cementing
 - Coiled tubing services

Diversified Oilfield Services Franchises



Sources: % of revenues from Spears, based on CY 2008 revenue. Total annual revenues are from 2008. BHI revenues are proforma.

Top-Tier of the Diversified Oilfield Services Franchises

- Combination adds to Baker Hughes' competitive advantages:
 - **Critical mass** in strategically key markets
 - **Broader portfolio** to provide customer solutions
 - More competitive in **integrated operations** projects and bundled service offerings
- Makes Baker Hughes **more competitive** with Schlumberger and Halliburton
- Pro forma Baker Hughes will be ranked in the top 3 in each of the major markets that are strategic “must-haves” for the top-tier **diversified international franchises**

Pro Forma Income Statement and Cash Flow Items

(\$ in millions, except per share data)

	2008A	2009E	2010E	2011E	LTM Ended June 30, 2009A
Income Statement Items					
Total Revenue	\$ 17,437	\$ 13,437	\$ 14,572	\$ 15,654	\$ 13,895
Growth	-	(23)%	8 %	7 %	-
Gross Profit	\$ 5,173	\$ 2,806	\$ 3,404	\$ 4,095	\$ 2,601
Margin	30 %	21 %	23 %	26 %	19 %
Operating Income	\$ 3,251	\$ 842	\$ 1,440	\$ 2,120	\$ 609
Margin	19 %	6 %	10 %	14 %	4 %
Income before Income Taxes	\$ 3,161	\$ 679	\$ 1,283	\$ 1,973	\$ 369
Margin	18 %	5 %	9 %	13 %	3 %
Taxes	940	197	408	629	105
Net Income	\$ 2,221	\$ 482	\$ 875	\$ 1,344	\$ 264
Margin	13 %	4 %	6 %	9 %	2 %
EBITDA	\$ 4,165	\$ 1,885	\$ 2,573	\$ 3,282	\$ 2,005
Margin	24 %	14 %	18 %	21 %	14 %
Growth	-	(55)%	36 %	28 %	-
EPS	-	-	\$ 2.06	\$ 3.16	-
CFPS ¹	-	-	\$ 4.72	\$ 5.89	-
Cash Flow Items					
Cash from Operations	\$ 2,510	\$ 2,072	\$ 1,648	\$ 2,223	\$ 2,257
Cash from Investing	(1,776)	(1,407)	(1,176)	(1,251)	(1,556)
Cash from Financing	382	(807)	(277)	(505)	(1,439)
Net Change in Cash	\$ 987	\$(212)	\$ 194	\$ 466	\$(738)

Source: Shares outstanding per Baker Hughes and BJ Services public filings; Baker Hughes and BJ Services balance sheet data per Baker Hughes management; Baker Hughes and BJ Services estimates per Baker Hughes management; share prices as of August 28, 2009

Note: Assumes transaction close of December 31, 2009. Assumes \$600mm issuance of commercial paper. Assumes \$325mm of transaction / other costs. Assumes synergies of \$75mm in 2010 and \$150mm in 2011.

¹ Cash flow defined as net income plus depreciation and amortization.

² Includes other changes to cash such as foreign exchange rate changes.

Advancing Reservoir Performance

Baker Hughes Incorporated



Pro Forma Balance Sheet Items and Credit Statistics

\$ in millions)

	Year Ended December 31,				LTM Ended
	2008A	2009E	2010E	2011E	June 30, 2009A
EBITDA	\$ 4,165	\$ 1,885	\$ 2,573	\$ 3,282	\$ 2,005
Cash	\$ 1,616	\$ 1,404	\$ 1,598	\$ 2,065	\$ 1,081
Debt	\$ 3,486	\$ 2,925	\$ 2,903	\$ 2,654	\$ 2,949
Capitalization	\$ 14,750	\$ 14,575	\$ 15,173	\$ 16,012	\$ 14,519
Unadjusted Credit Statistics					
Debt / EBITDA	0.8 x	1.6 x	1.1 x	0.8 x	1.5 x
Net Debt / EBITDA	0.4	0.8	0.5	0.2	0.9
Debt / Capitalization	23.6 %	20.1 %	19.1 %	16.6 %	20.3 %
Net Debt / Capitalization	12.7 %	10.4 %	8.6 %	3.7 %	12.9 %

Source: Shares outstanding per Baker Hughes and BJ Services public filings; Baker Hughes and BJ Services balance sheet data per Baker Hughes management; Baker Hughes and BJ Services estimates per Baker Hughes management; share prices as of August 28, 2009
 Note: Assumes transaction close of December 31, 2009. Assumes \$537mm issuance of commercial paper. Assumes \$325mm of transaction / other costs. Assumes synergies of \$75mm in 2010 and \$150mm in 2011.

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Significant Cost Synergy Opportunities

- Reductions of corporate overhead
- Property consolidation
- Rationalization of overlapping field resources
- Total annual savings estimated:
 - \$75 million in 2010
 - \$150 million in 2011

Transaction Highlights

- Combines BJS' leading pressure pumping business – and its oilfield services group – with Baker Hughes' diversified, international oil services franchise
- Strengthens Baker Hughes' reservoir expertise
- Allows combined company to more effectively compete for integrated projects by with hydraulic fracturing, acidizing, cementing, coiled tubing and other related services
- Accelerates international growth as Baker Hughes opens doors where BJS been less competitive as a standalone company
- Cost synergies
- Balance sheet expected to remain conservatively leveraged after the transaction

