

SMITH INTERNATIONAL INC
Form FWP
March 17, 2009

**Filed Pursuant to Rule 433
Issuer Free Writing Prospectus dated March 16, 2009 Relating to
Preliminary Prospectus Supplement dated March 16, 2009
To Prospectus dated September 23, 2008
Registration Statement No. 333-153631**

**SMITH INTERNATIONAL, INC.
Final Pricing Term Sheet**

Issuer:	Smith International, Inc.	Smith International, Inc.
Issue:	8.625% Senior Notes due 2014	9.750% Senior Notes due 2019
Expected Ratings:	Baa1/BBB+ (Moody's/S&P)	Baa1/BBB+ (Moody's/S&P)
Ranking:	Senior Unsecured	Senior Unsecured
Principal Amount:	\$300,000,000	\$700,000,000
Pricing Date:	March 16, 2009	March 16, 2009
Settlement Date:	March 19, 2009 (T+3)	March 19, 2009 (T+3)
Maturity Date:	March 15, 2014	March 15, 2019
Interest Payment Dates:	March 15 and September 15, of each year, commencing September 15, 2009	March 15 and September 15, of each year, commencing September 15, 2009
Benchmark Treasury:	1.875% due February 28, 2014	2.750% due February 15, 2019
UST Spot (Px/Yield):	99-27 / 1.908%	98-7 / 2.958%
Spread to Benchmark:	680 basis points	680 basis points
Yield to Maturity:	8.708%	9.758%
Coupon:	8.625%	9.750%
Price to Public:	99.672%	99.952%
Price to Underwriters:	99.072%	99.302%
Net Proceeds to Issuer, after fees:	\$297,216,000	\$695,114,000

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Daycount:	30/360	30/360
Minimum Denomination:	\$2,000 and integral multiples of \$1,000 in excess thereof	\$2,000 and integral multiples of \$1,000 in excess thereof
Make-Whole Redemption:	At any time at the Treasury Rate plus 50 basis points	At any time at the Treasury Rate plus 50 basis points
CUSIP:	832110AK6	832110AL4

Lead Managers:	J.P. Morgan Securities Inc. Calyon Securities (USA) Inc. Banc of America Securities LLC Wachovia Capital Markets, LLC	J.P. Morgan Securities Inc. Calyon Securities (USA) Inc. Banc of America Securities LLC Wachovia Capital Markets, LLC
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Co-Managers:	DnB NOR Markets, Inc. Fortis Securities LLC	DnB NOR Markets, Inc. Fortis Securities LLC
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Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time. **The Company has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the Company has filed with the SEC for more complete information about the Issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling J.P. Morgan Securities Inc. collect at (212) 834-4533, Calyon Securities (USA) Inc. at (212) 261-7930 or Banc of America Securities LLC toll-free at (800) 294-1322.**

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